

The integration of the world economy over the past twenty years has been dramatic. Globalization is not only exacerbating the gap between rich and poor in the world, but it also further dividing those states and peoples that have political power and influence from those without. Globalization is creating sharper, more urgent problems for states and international institutions to deal with. The relationship between globalization, inequality, and poverty lies at the heart of development economies. It has been, and still remains, one of the most controversial topics. Indeed, very few of the other core areas in development economics can compare with the shifts, reversals, and reaffirmations of views that have characterized the analysis of the interaction between globalization, inequality, and poverty. This paper contributes by explaining some of the reasons for the widely differing opinions of the impact of globalization on poverty and inequality in developing countries, and by suggesting ways in which we can better target our efforts towards allaying fears about globalization.