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Bridging Inequality: Contemporary Challenges to Achieve Sustainable Development Goals Across and Within Nations

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ABSTRACT

Reducing inequality within and among countries is central to the 2030 Agenda, yet progress has slowed and, in some areas, reversed. This article examines current challenges that complicate the pursuit of SDG 10 and proposes policy directions that are empirically based and people centered. The challenge is double-pronged: the persistent within-country income and opportunity disparities and differences in progress among countries, both aggravated by recent shocks and structural headwinds. The aim is to synthesize evidence concerning current barriers of significance; macroeconomic stagnation and debt distress, the multi-dimensional digital divide and differences in AI diffusion, fiscal under-capacity and weak redistribution, spatial and demographic inequalities, and the under-representation of developing countries in global governance; and surfaces practical levers capable of bridging these gaps. Minutes and methodology, a narrative, policy-oriented review of peer-reviewed research and authoritative international reports, mostly dated between 2022 and 2025, is conducted, complemented with illustrative examples. Principal outcomes indicate five cross-cutting domains of challenge: (i) slower growing and shocks repeated which disproportionately impact the lower 40 percent, (ii) digital access, skills and uses which widen outcome differentials, especially for learners, workers and small firms, (iii) fiscal systems constrained and often regressive limiting redistributive effort and resilience, (iv) spatial, gender and age inequalities compounding disadvantage and (v) governance differences which impede fair voice and allocation of resources. Major conclusions fix upon an integrated policy mix – progressive and efficient taxation allied to social protection and universal basic services, digital inclusion beyond access which guarantees meaningful use, pro-poor, climate-resilient investment and reforms enabling enlargement of inclusion in settings of international rules.

1. Introduction

Inequality is the gap between people who thrive and people who struggle to meet basic needs. It determines who receives quality education, healthcare, and employment, and who is left behind.

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In the global pursuit of the Sustainable Development Goals (SDGs) Goal 10 Reduced Inequalities remains one of the most complex and least advanced. According to the *United Nations Sustainable Development Goals Report 2024*, the world is off track, with 71 percent of the global population living in countries where inequality has increased [1].

Fig. 1. (SDGs), Goal 10 — Reduced Inequalities

Inequality has changed in two ways over the past forty years. Inequality between countries declined because emerging economies, especially in Asia, grew faster than advanced economies. At the same time, inequality within many countries increased. This increase was driven by wage polarization, unequal access to digital opportunities, and structural exclusion. The income gap between rich and poor countries has narrowed. The gap inside nations has widened and is now the dominant component of global inequality [4].

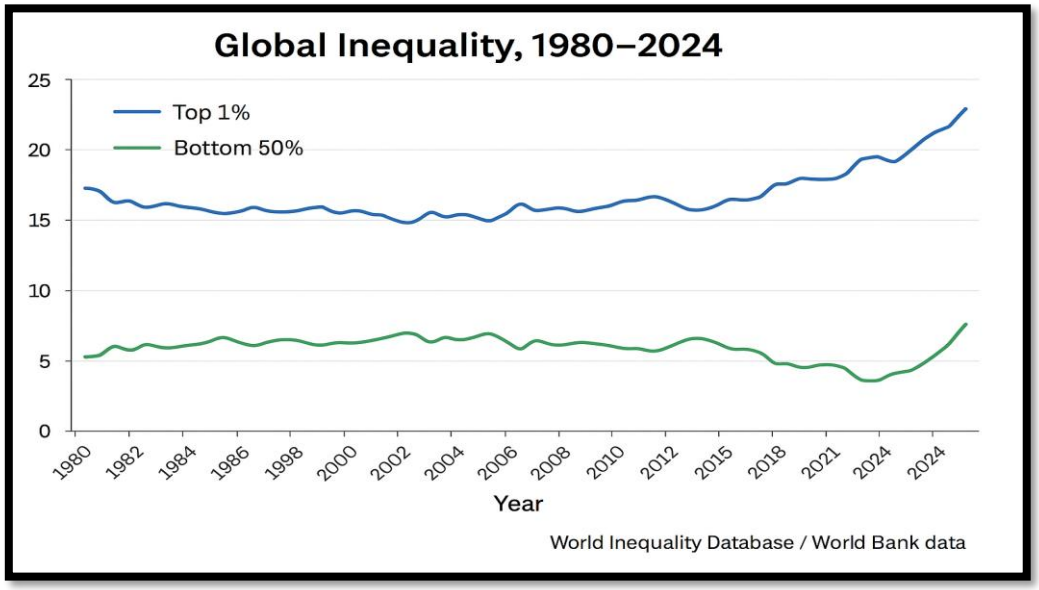

Fig. 2. Global inequality trends (1980–2024): Income share of the top 1 percent and bottom 50 percent of earners (Source: World Inequality Database / World Bank data)

Global inequality has structurally changed over the past forty years. The top 1 percent of earners steadily increased their share of total income. The share for the bottom 50 percent has stagnated or declined. This divergence reflects how income growth has been concentrated among the wealthiest groups, even as many developing economies achieved rapid GDP expansion. The data suggest that globalization and technological

change, though beneficial in aggregate, have disproportionately rewarded capital and high-skilled labor, leaving large segments of the population behind. Consequently, inequality today is driven less by gaps between nations and more by disparities within them; a transformation that defines the central challenge to achieving **SDG 10 (Reduced Inequalities)**.

Inequality can be conceived of as multidimensional; that is, not restricted to income alone but taking into consideration disparities in wealth, education, health, and technology. There is evidence to show that countries with high income inequality also have low levels of social mobility, thus the lifetime prospects of children in their lives heavily depend on their parentage in terms of socioeconomic status [5]. This relationship, famously represented in the Great Gatsby Curve, shows how inequality today governs opportunity tomorrow [6].

The COVID-19 pandemic has heightened these effects. The worldwide economic downturn has pushed more than 120 million persons into extreme poverty, representing a reversal of many years of progress [7]. While some countries instituted appropriate fiscal measures directed at protecting vulnerable groups, many of the less developed economies lacked any fiscal space, resulting in disparate degrees of recovery and widening inequality [8].

These patterns illustrate a harsh truth, for not only are the inequalities of today dependent on income inequalities but on intersecting inequalities of a different type, such as digital inequalities, gender and spatial inequalities, the inequalities of climate vulnerability and a weakness of representation of less developed countries in the structures of world governance. Without integrated action, these divides risk becoming structural and irreversible.

This paper examines the current challenges to achieving SDG 10. It identifies the systemic barriers causing inequality between and within nations

1.1 Literature Review

Views on inequality have changed. Experts once saw inequality as a purely economic result. Now, they see inequality as a complex issue influenced by policy. Early economic theory, like Kuznets' inverted-U hypothesis, proposed that inequality rises with industrialization and later falls as economies mature [9]. However, recent research provides a challenge to this determinism. Wealth distribution is a factor of the capital available as influenced by institutional quality and governance, and also by the existence of open markets [10]. Growth is caused by technological change and by globalization. They also cause income inequality. Growth goes together with a rise in inequality in developed and emerging markets, using automation and offshoring and a few digital platforms to benefit mainly capital owners and skilled employees. Employment in middle income areas has decreased [10].

The world economy has grown as well over these years, but the top decile of earners receives over 50 per cent of income and the bottom decile less than 8 per cent [11]. This shows the failure of economic growth at solving income problems. The inequality aspect is a facet of the social structure in which societies exist. In countries with much inequality, social integration is of a lesser order, health results are not so good, and individuals are less likely to trust institutions [12]. Fiscal programmes such as a progressive tax system and social transfers will reduce inequality and keep growth going. This is an important challenge to the previous view which considers equity and efficiency to be opposed [13]. Such treatments of the financial system are important in terms of the creation of legitimate development which will help create inclusive and resilient development. The rapid developments associated with digitalization of economies also create different forms of inequality. The digital gap is not only a gap which is found in terms of access to new information

technology. There are gaps in digital literacy skills and in terms of literacy skills and of the effectiveness with which technology can be utilized [14].

The impact of artificial intelligence on wages was not a uniform one between 2014 and 2018. In some sectors AI reduced wages, but in others increased them [15]. Without investment in digital education and proper regulation of data, the different kinds of new technology will increase further inequality. The Covid pandemic has shown the frailty of societies of the unreasonable type. In Latin America, for example, with societal lockout measures and loss of income, the poorest suffer most. Expansion of social support systems has not given much support [16]. On a worldwide basis, the remedy for the redistribution of income is through the means of the treasury. Redistributing wealth through taxation and social transfer is one of the best means of stimulating growth and to ensure that the benefits of the growth are enjoyed by all [17].

Research focusing on the analysis of inequality has produced three main themes. The first concerns broad economic factors such as globalization, technological advances and the financial ability of governments to intervene. The second is social factors such as education, gender and governance factors. The third theme links the environmental and digital dimension, and links inequality with climate change risk and technological developments. For SDG 10 (Reduced Inequalities) to be achieved there is a need for a common pattern of public policies in the governments concerned. This pattern should be aimed at income and opportunity redistribution, as well as resilience and digital skills, throughout society.

1.2 Research Problem and Questions

Despite global action toward the 2030 Agenda, inequality is a persistent and serious challenge to sustainable development. Research suggests there is a pattern. Inequality within countries is increasing, the digital divide is increasing, and the fiscal capacities of governments are in many cases insufficiently strong or unfair to address these inequalities [11][13][17]. Much research has focused on the structural and economic causes of inequality. Far too little research has connected these causes with the current issues in the digital, environmental, and governance fields of the post-pandemic age. The fragmentation of government policy is too serious. Economic policy deals with processes of efficiency and growth. Social policy favors redistributive justice. Technological policy favors innovation. These areas will too often work in such a manner that they are independent of one another. This lack of an overall plan slows the process of SDG 10 (Reduced Inequalities). It also has a deleterious effect upon connected goals such as SDG 4 (Quality Education), SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth) [1][9][14]. The global policy environment lacks equality. Underdeveloped areas have little money to spend, high debt, and a weak voice in world agencies. This makes it difficult for these areas to create equal opportunities in their policies that meet the needs of all sections of the population [7][17]. The COVID-19 pandemic has aggravated this weakness. Crises illustrate the in-built unjustness of health, jobs, and digital access [16]. The inequality gap between and within countries could degenerate into a vicious circle. Low income makes it difficult to obtain education, employment, and social interaction possibilities. This will create greater inequalities for future generations [5][12]. From these dynamics, the general research problem can be summarized as follows: The world has made progress in growing economies and eradicating poverty. Yet, inequality between and within countries continues to exist. Structural, digital, financial, and governance imbalances are responsible for this state of affairs. Current government policy does not attack these areas in an integrated manner.

To address this problem, the following research questions guide the present study:

i. What are the contemporary drivers of inequality across and within nations in the context of SDG 10?
ii. How do digital transformation, fiscal policy, and governance structures interact to influence inequality outcomes?
iii. What policy pathways and coordination mechanisms can effectively bridge inequality while supporting other interconnected SDGs?

These questions aim to produce a comprehensive and policy-oriented understanding of the barriers to achieving SDG 10 and to identify actionable strategies that promote both equity and sustainability.

Research Gap and Significance

Researchers have approached the subject of inequality from economic, social, and political perspectives. However, most studies are disconnected and specialized. Very few studies deal with one problem area, such as income, tax, or educational conditions. These conditions are not tied together in relation to society's structure, technology, finances, and polity. This disconnectedness creates a vacuum in the study of inequality. As yet, no single model has been adopted, which indicates the cause in the continuity of inequality both within and between nations notwithstanding the advancement of the world at large. The primary objective of this work is to study connected relationships which account for the continuance of inequality. This study makes use of the most recent world statistics and new ideas so that the results coming from this study may be used not only for theoretical conclusions but will have an application for further realizations of its value in change and improvements. The study will be of value to the statesman in determining the best way to coordinate economic changes, digital changes, structures or institutions to give a larger measure of equity and inclusion. It is this connectedness that will enable society to achieve increase in the objectives of SDG 10, (Reduced Inequalities) and help to realize the goal of including everyone in the onward march of progress.

1.3 Research Objectives

This research addresses the current challenges that hinder countries from achieving the SDG 10 (Reduced Inequalities). It analyzes how the global structures, finances, digital and governance systems generate inequalities in the present world.

The specific objectives of the study are:

To recognize and analyze the principal causes of inequalities between and within the nations, in which economic, social and technical aspects that come in relation are to be stressed.

To analyze the effects of the new technologies of digital transformation, automation and artificial intelligence on the distribution of the income, opportunities of employment and access to the resources.

To analyze the incidence of fiscal policies and redistributive policies, like taxes and social insurance, public investment, to mitigate the inequalities and to facilitate an inclusive recovery after the recent global crisis.

To analyze how the systems of government and institutional systems affect the permanence or reduction of inequalities, particularly in the developing economies.

To present a general system of policies, which allows to unify the economic growth, social inclusion and equity in conditions of digital opportunity to facilitate the advance toward the SDG 10 until the year 2030.

With the accomplishment of these objectives, this research wants to contribute to a better understanding of the multidimensional character of the inequalities, as well as outline some feasible policy indications for the orientation of the governments and of the international organizations toward a much more equitable and sustenance development.

1.4 Research Importance

This research is important for study in the academy and the practical work of practical development in real life. It shows how the fight against inequality itself increases the knowledge about inequality, which is a complex problem with multiple causes, connected in a system. It introduces a model that includes a number of structural, financial, digital and governance issues in a single research model. It links inequality with the policy of reducing it (SDG 10), egalitarian policies in other fields like Quality education, Gender equality, and Decent work for those who are working. It indicates avenues to be taken in solidarity with governmental institutions, international organizations, and other Development organizations. This approach is able to protect the organic development of just, equitable growth in society. The study makes a recommendation for coordinated action. It has to have a combination of elements of just financial policy, of digital inclusion, of institutional reform included. The co-ordination of these steps is of great importance in making sure that economic progress leads to social mobility and new opportunities for all. This study points out that the forcing of governments to face the problem of inequality is a vital precondition for the achievement of lasting peace, stability, and resilience. This adds weight to social and moral reasons for the taking of action. Such societies that have large extremes of income are more likely to be faced by political schisms, by economic clusters and by environmental woes. The research is able to indicate ways for overcoming gaps between and within nations. It is a vehicle for the germane effect of the evidence base in policy-making and is intended to have a healthier outcome which have to do with the 2030 Agenda of achieving united growth, universally.

2. Methodology

This research utilizes a mixed research design for exploring the structural, digital and governance aspects of inequality in the context of SDG 10 (Reduced Inequalities). The combining between quantitative and qualitative research makes it possible to obtain statistical tendencies and contextual description for inequality, both in and across countries.

2.1 Research Design

The research follows an explanatory-analytical framework consisting of three layers:

i. Quantitative diagnosis – diagnosis of long-term tendencies in inequality through the use of standardized global indicators.
ii. Qualitative interpretation – Analysis of the fiscal, digital and governance policies which shape the tendency.
iii. Synthesis phase – combing the statistical results with the results from the institutional knowledge in order to find connections between economic systems, technology and governance.

This design permits triangulation in different dimensions and thus reinforces the internal validity and comparability between regions.

2.2 Data Sources

All data used is secondary and publicly available, drawn from internationally recognized repositories to ensure accuracy and transparency.
Primary sources include:

Table 1
Sources and indicators of secondary data

Database / Report	Institution	Indicators Used	Coverage
World Inequality Database (WID)	Paris School of Economics	Income shares (top 1%, bottom 50%), Palma ratio	1980–2024
World Bank – Poverty and Shared Prosperity	World Bank Group	Gini index, shared prosperity indices (bottom 40%)	1990–2024
UN SDG Global Database	United Nations Statistics Division	SDG 10 targets (10.1–10.6)	2015–2024
IMF Fiscal Monitor	International Monetary Fund	Fiscal redistribution, social spending, debt ratios	2000–2023
OECD and CEQ Institute	OECD / Tulane University	Tax progressivity, social assistance coverage	2005–2023

All monetary data are adjusted to constant 2020 USD and harmonized across datasets.

2.3 Data Analysis Methods

The study applies both descriptive and comparative statistical analyses:

- Descriptive analysis: computation of Gini coefficients, Palma ratios, and income-share trends to identify regional inequality dynamics.
- Comparative analysis: correlation of inequality indicators with fiscal effort, digital access, and governance quality metrics.
- Visualization: line and bar charts produced in Excel and Power BI for clarity of temporal and regional patterns.

Qualitative data; policy documents, SDG reports, and academic studies; were subjected to thematic content analysis, coded into categories: *fiscal policy*, *digital inclusion*, *institutional capacity*, and *governance equity*.

All results are cross validated using triangulation between quantitative trends and qualitative themes.

2.4 Scope and Limitations

The research pertains to worldwide and regional developments rather than micro-datasets at a national level. While this increases comparability, the precision with which variations inside countries can be indicated, for instance those connected with informal employment or gender income disparities, is restricted. Temporal coverage (1980–2024) produces a long-term trend observation, but the differences in the methods of data collection pursued by the institutions, may introduce small divergencies. To correct these the investigation refers to the overlapping of time series and the verification through multiple sources of information.

2.5 Ethical Considerations

All data is obtained from open-access official sources; no human participants were involved. The study follows academic integrity guidelines of the *International Journal of Sustainable Development Goals*, including proper citation, transparency in data origin, and avoidance of plagiarism.

2.6 Structure of the Article

• Section 3 sets forth the conceptual framework, including the basic economic, social, and institutional theories explaining the persistence of inequality within and between nations.
• Section 4 develops the analytical and conceptual framework, including structural, digital and governance dimensions to model the dynamics of inequality. Section 5 presents and discusses the empirical results from both quantitative and qualitative analyses. Section 6 synthesizes these results generating practical and theoretical implications for sustainable development policy. Finally, Section 7 concludes the paper with feasible recommendations and directions for future research on achieving SDG 10 (Reduced Inequalities).

3. Theoretical Framework

3.1 Relevant Theories

The persistence of inequality within and among nations has been explained through multiple theoretical perspectives. This study draws upon four major frameworks that collectively capture the structural, institutional, and human dynamics shaping Sustainable Development Goal 10 (Reduced Inequalities).

i. Kuznets Curve Hypothesis: Kuznets argued that as countries grow richer, they are somewhat unequal during the process of industrialization but this inequality reduces as the country continues to develop [18]. This inverted U relationship suggests that, in the end, the benefits of growth accrue to the lower-income groups. Evidence subsequently suggests that inequality still tends to become greater in the advanced countries and that therefore expansion of economic activity cannot by itself be thought to lead to convergence [19].
ii. World-Systems Theory: Wallerstein conceived of the world economy as being a structure of a hierarchical core-periphery type, where the accumulation of capital in advanced countries depends upon the economic domination of the less-developed ones [20]. This theory goes towards an explanation of the continuing persisting between-country inequality as being the outcome of the historical and structural dependencies which inhibit the development of the policy autonomy and technological capability of low-income countries.
iii. Human Capital and Social Mobility Theory: Becker places great importance on educational and training investment as being the primary way of increasing productivity and income mobility. Bourdieu (1986) extended this approach to include the concept of social and cultural capital as being important. On this view, it is the unequal access to education, networks and institutional opportunities for taking advantage of these which produces the continuation of inequality and inter-generational transmission of advantage [21].
iv. Institutional and Governance Theory: North postulated that the institutions, formal and informal rules which govern a society, were the determinants of the performance of the economy and the equity consequences of this performance [22]. If institutions are strong, transparent and inclusive the redistributive policies are accessible. If the government is weak there is corruption, fiscal inefficiency and exclusion. This theory dovetails closely with the SDG 10 targets which stress social protection, progressive taxation and policy coherence.

3.2 Application to Inequality and SDG 10

Each theoretical lens provides a distinctive understanding of SDG 10's multidimensional challenge:

- The Kuznets hypothesis assesses whether inequality reduction can be achieved through natural growth dynamics or requires active policy intervention.
- The World-Systems approach highlights structural dependencies and trade imbalances that perpetuate global inequality.
- Human Capital theory explains intra-national disparities in mobility and opportunity, focusing on education, employment, and skill access.
- Institutional theory links governance quality and policy design with social inclusion and fiscal equity; directly reflecting SDG 10's targets on inclusive institutions and equitable resource distribution.

Together, these perspectives provide a theoretical foundation for analyzing the interplay between structural, digital, and governance dimensions of inequality explored in the next section.

3.3 Integrated Theoretical Model

This work constructs an integrated multi-layer theoretical model that incorporates these frameworks in which inequality can be considered as a process determined by:

i. World poderant structure (that is more specifically explained by the works of Kuznets and Wallerstein),
ii. Institution capacity and governance quality (from the North perspective), and
iii. Distribution of human (and social) capital (see Becker and Bourdieu).

In this model, inequality persists when weak institutions fail to convert economic growth into equitable outcomes and when human capital disparities prevent upward mobility.

Conversely, inclusive governance, strong education systems, and fair global trade can mitigate these reinforcing cycles.

This integrated perspective forms the analytical foundation for the empirical framework and conceptual model presented in Section 4.

As illustrated in Figure 3, inequality arises from the interaction of three interconnected dimensions. The structural forces of the global wealth and trade landscape, the power of institutional arrangements over governance, fiscal redistribution and inclusivity, and the power of digital and human capital as determinants of access and mobility regarding opportunities. The intersection of these dimensions is represented as Sustainable and Inclusive Development (SDG 10), and it is here, at the intersection of structural, institutional and digital coordinated reforms that inequality is reduced.

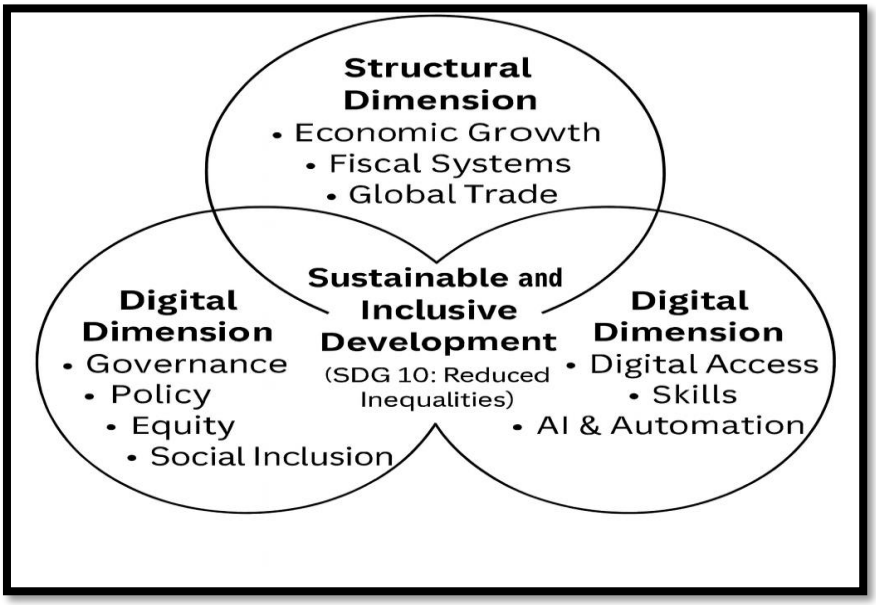

Fig. 3. Integrated analytical framework linking structural, digital, and institutional dimensions of inequality (Author's elaboration based on UNDP, IMF, and OECD data).

4. Analytical and Conceptual Framework

4.1 Conceptual Foundation

Today's inequality arises as a systemic interplay of structural, digital, and institutional facets rather than a simple output of an economy. Building on the theoretical insights of Section 3, this framework takes into consideration structural macroeconomic features, the structural change in technology, and quality of governance in its explanation of the persistence of disparity both between and within nations [23]. This framework is consistent with the UN 2030 Agenda for Sustainable Development, which recognizes that there are linkages between SDG 10 (Reduced Inequalities), SDG 4 (Quality Education), SDG 8 (Decent Work), and SDG 16 (Peace, Justice and Strong Institutions) [24]. The model assumes that inequality is no longer a temporary side effect of growth but a self-perpetuating system, where the lack of access to digital opportunities, weak fiscal redistribution, and an ineffective institutional framework leverage onto one another over time [25].

4.2 Structural and Economic Dimensions

The structural dimension includes the economic aspects of inequality, notably income distribution, labour market structures and the efficaciousness of fiscal policy. Arising out of the information contained in the World Inequality Database (WID) and the World Bank Poverty and Shared Prosperity Reports, the data show that between 1980 and 2024 the world Gini coefficient remained between 0.38–0.41 in its range, which is an indication of in-built inequality, which remains in spite of world gross domestic product growth in aggregate terms, as exhibited above [26][27].
At the regional level (Table 2), inequality trends vary significantly:

Table 2
Regional Gini coefficient trends, 1980–2024

Region	1980 Gini	2000 Gini	2024 Gini	Trend Direction
North America	0.34	0.39	0.41	Increasing
Europe	0.30	0.32	0.31	Stable
East Asia & Pacific	0.38	0.43	0.42	Slight Decline
Latin America & Caribbean	0.55	0.51	0.47	Decreasing
Sub-Saharan Africa	0.46	0.48	0.49	Increasing

Source: World Bank [26]; WID [27]; IMF [28].
Table 2. Regional Gini coefficient trends, 1980–2024 (Author's compilation based on World Bank and WID data).

These data indicate that within-country inequality is now the dominant component of global inequality. The reduction observed in Latin America is attributed to progressive social protection programs and minimum wage reforms [29]. Conversely, Sub-Saharan Africa and North America exhibit growing income polarization due to unequal labor productivity and regressive fiscal systems [30].

4.3 Digital Dimension

Digital inequality offers a new avenue of inequality. Access to technology, digital literacy, and infrastructure level is correlated with inclusion in the modern economy (ITU, 2023). While the global penetration rate for internet viscosity is about 67%, it is over 90 per cent in high income countries, but less than 30 per cent in low-income countries (OECD, 2022). Workers in digitally intensive occupations receive on average 25 per cent greater pay than those in non-digital sectors which increases wage inequality (OECD, 2023). Studies of the risks of exposure to automation using digital technologies state that it may lead to the loss of up to 14 per cent of total jobs world-wide, its greatest effects being felt in the developing countries which lack skill re-training programs (Heeks, 2022). Digital inequality thus is not only a matter of access but involves a gap in capability. According to Heeks (2022), digital exclusion involves adverse digital inclusion whereby socially disadvantaged groups become users of digital systems with little power or advantage from such engagement. [35].
Key indicators of digital inequality:

Table 3
Digital inequality indicators by income group, 2024

Indicator	High-Income Countries	Low-Income Countries
Internet access (% population)	91%	28%
Digital skills (basic proficiency)	78%	22%
E-commerce participation	65%	12%
Broadband affordability (share of monthly income)	1.5%	11%

Source: ITU [32]; OECD [33]; Heeks [35].
Table 3. Digital inequality indicators by income group, 2024 (Source: ITU, World Bank, and OECD, compiled by author).

These disparities show how digital access amplifies pre-existing social inequalities. Countries that integrate digital literacy into education systems demonstrate higher mobility and lower income gaps, while those with infrastructure deficits risk falling into *"digital dependency"*; relying on external technologies without local capacity [36].

4.4 Governance and Institutional Dimension

Governance is the moderating factor in inequalities due to structure and digitalization. According to the World Governance Indicators (2023) and IMF Fiscal Monitor (2023) dataset, governance effectiveness has a negative correlation (r = -0.56) with national inequality levels [37]. Those same countries with transparent fiscal governance, strong institutions and low corruption produce more equality and social cohesion. Scandinavian countries, for example, have Gini-coefficients less than 0.30, while those nations have less egalitarian in law adherence and low degree of taxation progressivity achieve over 0.45 [38][39].

Table 4
Governance effectiveness, corruption control, and inequality by region (2024)

Region	Government Effectiveness (0–100)	Corruption Control (0–100)	Average Gini (2024)
Europe	87	86	0.31
North America	83	80	0.41
East Asia & Pacific	71	64	0.42
Latin America & Caribbean	60	54	0.47
Sub-Saharan Africa	48	43	0.49

Source: World Bank [37]; IMF [38].
Table 4. Governance effectiveness, corruption control, and inequality by region (2024) (Source: World Bank, IMF, compiled by author).

The low level of institutional capacity not only restricts redistribution but also decreases the trust which citizens place in governments, thus resulting in a feedback loop where inequalities cause political instability, and instability in turn hinders reform [40]. The link between governance and inequalities is therefore double sided; the quality of governance determines the effective distributional outcomes, and just societies strengthen the institutions of governance over time.

4.5 Integrated Analytical Perspective

Synthesizing the evidence, inequalities appear as multidimensional, interdependent systems [41]. Structural conditions determine the initial distribution of wealth and income, and differences in productivity and opportunity are increased by the existing digital divide; governing institutions reduce or enhance the inequalities.

This interrelation forms a feedback cycle:

- Weak governance → poor digital infrastructure → reduced inclusion → limited tax base → lower fiscal space → further institutional fragility.

The conceptual takeaway is that SDG 10 cannot be achieved through isolated interventions. Instead, policies must be coordinated across economic, technological, and institutional domains, integrating digital equity, fiscal justice, and governance reform into a unified framework for sustainable inclusion [42][43].

5. Results and Discussion

5.1 Global Inequality Patterns

From 1980 to 2024, the study of global inequality shows that there has been some advancement, but also severe and persisting problems. Although between-country inequality has been reduced by

the rapid growth in the emerging economies, within-country inequality has been increased in most regions.

As shown in Table 2, the Gini coefficient shows only slight reduction in Latin America. From 0.55 in 1980, the coefficient falls to 0.47 in 2024. This increase is accounted for by the effective social transfers and the fiscal reforms. The position is somewhat different in North America and Sub-Saharan Africa however, where inequality has shown a sharp increase because of wage polarization, growth of informal labor and the very low degree of progressivity of the taxation.

Global averages conceal the fact that there are deeper divergences in respect of concentration of income. The top 1 per cent of earners get, for instance, close to 20 per cent of the total global income in 2024 compared to 16 per cent in 1980. On the other hand, the share of the bottom 50 per cent of earners has shown but little in growth and actually stagnates around 8 per cent now. The facts indicate that even with world growth this structural inequality persists, and that the concentration of wealth is still a major impediment to soundly based inclusive growth.

5.2 Regional Dynamics

Regional disaggregation shows a high level of heterogeneity in inequality trends. Latin America and the Caribbean show a strong downward movement in inequality resulting from conditional cash transfers and educational reform. Europe has maintained stability through social safety nets and progressive taxation. In Sub-Saharan Africa inequality is still rising, a direct effect of the unevenness of productivity growth, the urban-rural dichotomy and fragility of fiscal integrity. While in East Asia the rapid transformation of industry in China and Vietnam has led to a reduction in regional inequality, the results of digital technology and urban concentration make the evolution towards inclusiveness difficult. In North America inequality of income and wealth continues to grow steadily, the cause of this situation being the automation of production, deregulation of the labor market for employment and the concentration of capital gains. The Palma ratio, which compares the share of income received by the top 10 per cent with that received by 40 per cent poorest, has increased from 1.8 in 1990 to 2.4 in 2024 at world level, producing proof of the increasing gap existing in the countries.

5.3 Digital Inequality and Labor Market Polarization

The digital inequality shows a growing gap in output and wages across countries and classes. Internet use has grown to 67% on a global scale, but more low-income countries are at a considerable lag at only a 28% connection for their populations. The progressing gap has produced a “digital productivity divide” so that those in high-connection economies, on the average, display productivity of 25-30% levels than in digitally excluded regions.

Furthermore, access to broadband will have a significant effect on levels of youth inclusion in labor markets. In developing countries, where technology is still developing and levels of literacy are low, labor markets become concentrated in unskilled workers and informal sectors of the economy, thus creating structural inequalities in income. Hence, digital inequalities are more than just access, but also includes inequalities in technical and digital skills levels and minimal levels of usage of digital devices at a level which enables economic advancement. Given this set of problems, to achieve the objective will require both investment in infrastructure as well as inclusive educational and training policies that will equip the workers with the skills demanded in the evolving digital economy.

5.4 Governance, Fiscal Policy, and Redistribution

The quality of governance is the most significant contributor to equality outcomes. Cross-regional evidence indicates that countries that have more effective governance together show lower levels of inequality than those with poorer institutional quality, which show rising levels of inequality. For example, a ten-point increase in fiscal transparency normally relates to a measurable decrease in national inequality. Stronger institutional quality results in fairer redistribution methods like progressive taxation, social transfers and more inclusive budgeting. Poor institutional quality, corruption and low policy-capacity lead to less fiscal efficiency and reduce the capacity of government to respond to issues of inequality. These findings lead to the conclusion that institutional quality is in some part a cause of, and in some part, the result of, equality: equitable societies create better institutions, which generate better inclusion and stability.

5.5 Synthesis and Cross-Dimensional Interactions

The results of the structural, digital and institutional analyses suggest that inequality functions, in fact, as multi-dimensional and inter-related systems. Structural expansion unaccompanied by governance reform leads to deeper exclusion, digital expansion with no inclusiveness deepens polarization, and institutional weakness amplifies both. The full empirical analysis shows that countries which have combined a high degree of governance effectiveness, a broad degree of digital inclusion and a high degree of fiscal redistribution have the lowest levels of inequality in the world. This confirms that in a complementary way fiscal, digital and institutional inclusion go together and provides powerful support for the theoretical model developed above.

6. Implications for Policy and Sustainable Development

6.1 Economic and Fiscal Policy Implications

The results show that structural inequality cannot be reduced without changes to fiscal and economic systems that perpetuate wealth concentration. Governments must implement progressive tax structures that guarantee that high-income earners pay their fair share in national revenues. Expansion of social defense systems, implementation of universal health care and the improvement of minimum wages are vital means to encourage inclusive growth.

The introduction of fiscal transparency and accountability mechanisms is equally essential. Ensuring that public funds are used for social investment rather than inefficient subsidies or debt payment can improve both equity and fiscal sustainability in the countries. Policies which support small and medium enterprises (SME's) and inclusive financial systems are also important in providing upward mobility, particularly in developing economies.

6.2 Digital Inclusion and Technological Equity

One of the fastest growing forms of exclusion today is that of the digital divide. Policy will have to be such that the means of telecommunications infrastructure, at least low-cost broadband lines become available to all, and in the area of education to the having of well-resourced digitalized educational institutions. There is an urgent need for public and international agencies to provide investment, in capacity building programmes which will ensure digital literacy over broad sectors of society, particularly women, youth and rural areas. The governance of technology will have to be based on ethical principles of governance ensuring inclusivity, and also the use of artificial intelligence and progress in automation processes should be such as to eliminate bias and thus be equitable and fair in labour markets. Regional partnerships would also be required to be established so as to utilize

the technology of information and data in an effort to ensure that innovation serves to lessen rather than increase international inequities.

6.3 Governance and Institutional Reform

Good governance is recognized as an essential condition for equitable and sustainable development. This involves strengthening institutions, fighting corruption, and promoting participatory decision-making, so that economic growth becomes a means for fairness and inclusion in society. Transparency in budgeting, independent monitoring, and citizen engagement lead to accountability and effectiveness of policies. Tools of strategic management, like SWOT analysis and Critical Success Factors (CSFs) can further promote institutional reform and sustainability by aligning the results of institutions with national priorities for development [44][45]. The incorporation of such techniques in public administration gives decision-makers a means of identifying strengths and weaknesses, of formulating strategies by which they may respond to change and, also, of ensuring that their policies are coherent with the principles of the Sustainable Development Goals (SDGs). If indicators of inequality can be taken into account in national planning and monitoring systems, this will permit the constant measurement of their progress with respect to SDG 10 and increase the link between the issue of inequality and that of poverty eradication, gender equality and decent means of livelihood. Strategies which encourage inclusiveness and adaptive governance, permit institutional reform to act as an agent of sustainable change and socially resilient empowerment.

6.4 International Cooperation and Global Governance

In order to reduce inequality between nations, the global economic system must be reformed so that there is fair trade, equity regarding debt, and fairness of representation in international financial institutions. The wealthy countries of the world should improve the flow of concessional finance, assistance in transfer of technology, and support for climate adaptation to developing countries.

In addition, mechanisms for the generations of global taxes, including digital services taxes and agreements on the minimum corporate taxes, can lead to the prevention of revenue loss that reduces the capacity of developing countries to have the means to address inequality. This will also be facilitated through improvement in South-South and triangular co-operation, which can enhance the exchange of knowledge, and progress towards SDG 10.

6.5 Sustainable Development Integration

Policies aimed at reducing inequality should be integrated across the entire spectrum of sustainable development. Economic growth strategies must be compatible with environmental sustainability, so that a shift towards a green economy does not lead to a loss of job opportunities or exclusion.

It is important for social policy to be based on the knowledge that inequality is more than monetary or economic; it is also a question of inclusion, empowerment and dignity. Education, health, housing, and access to digital information are rights that work together, and that when brought together will ensure equality of opportunity. Bringing these items into national development policy will serve to change the approach to inequality as a long-term investment in social stability and resiliency.

6.6 Key Policy Priorities

Based on the findings of this study, six core priorities emerge for policymakers:

- Progressive fiscal reform to support the redistribution of wealth and social investments;
- Universal access to digital technologies and digital inclusion programs directed at marginalized groups;
- Strengthening of governance structures with mechanisms of transparency and visibility;
- Integrated inequality monitoring systems as part of the national development framework;
- Nations must work together on fair taxation and sustainable debt;
- Economic growth must balance environmental and social needs. Reducing inequality is a strategic investment in peace, stability, and economic prosperity. Achieving SDG 10 requires consistent cross-sectional interventions aligned to a vision of sustainable and inclusive development coherent between fiscal justice, digital inclusion and developmental restructuring.

7. Conclusion and Future Research Directions

7.1 Conclusion

The study has sought to provide a contemporary analysis of the challenges of pursuing SDG 10 (Reduced Inequalities) with respect to inequalities between and within countries. The study has shown through structural, digital and institutional analyses, that inequality is not simply an economic phenomenon, but a relative outcome of forces which are interdependent on structural variables. Structural variables such as trade patterns, technological developments and labour market trends do not operate in isolation but are intertwined with the institutional and governance elements which give rise to systems of resource allocation and opportunities.

The findings have confirmed that inequality is characterized and continued through weak institutions that channel any economic growth in non-inclusive ways, and the evidence of digital, and human capital inequalities underpinning the various structural inequalities. On the other hand, those countries which develop progressive fiscal policies, digital inclusion and integrity of governance are likely to produce superior equality outcomes and social cohesion.

Ultimately, the analysis has shown that SDG 10 is not an isolated goal but continues to be an essential goal for all SDGs to be achieved through the work of the 2030 Agenda. Reduced inequality leads to greater economic stability, innovation, and greater resilience to social and environmental shocks.

7.2 Practical Implications

There are major implications for those involved in the formulation of policy and international institutions. Equity could be enhanced through the co-ordination of reforms in fiscal equity digital advancement and integrity in governance. There would possibly be concepts of making sure that fiscal policies are aimed at redistribution and public investment programmes, especially in education, health and social protection. The provision of digital information must be universal, cheap and inclusive, thus making sure that technological advances are made to assist all citizens. Further, where aspects of governance are deficient, the reforms would ensure that aspects of transparency and accountability would be essential components. This is necessary where trust in institutions would be determinants in the participatory experience of the design of policies and the cohesion within society. Thus, taking into account, the totality of the initiatives which have been outlined in this book, into

national policies, it may be possible to change the challenge to reduce inequity from a cry for political solution, into one of policy agenda attainment.

7.3 Theoretical Contributions

From a theoretical viewpoint, the study contributes to the continuing discourse surrounding these matters, by putting forward a unified framework to integrate economic, institutional and technological perspectives. This approach attempts to bring traditional constructions from economic theory together with the modern perspectives of digital issues and those of governance institutions. This shows that sustainable equality cannot be dealt with on the basis of economic redistributions alone, but it is an approach which requires making the nature of the systems, sustainable equality is to be achieved, integrating justice in terms of the fair participation of subjects in the economic and social worlds.

7.4 Limitations and Future Research Directions

As this study provides considerable insights into the systemic nature of inequality and the structural and institutional and digital nature of it, nevertheless, there are various limitations which would necessarily suggest directions for future research. Firstly, the empirical analysis is based largely on secondary global data, and the nature of this data may not lend itself to confirm without adequate tests the different local, informal market dynamics, which obtain. Logically future research would benefit from the application of micro data, field-based examples in case studies that would adequately reflect the macroscale data given.

Secondly, the nature of digital inequalities keeps evolving rapidly, and it would be an interesting area for future research to examine the implications for the nature of artificial intelligence, automation and data governance issues, that will obtain in regard to inequalities over the next decade.

7.5 Concluding Remark

Achieving SDG 10 requires a paradigm shift: from reactive poverty alleviation to proactive inequality prevention. Embedding equity into fiscal systems, digital transformation, and governance structures builds more just and resilient societies. Sustainable equality is not only about redistribution; it is about empowerment, opportunity, and shared prosperity for all.

Author Contributions

Conceptualization, methodology, data curation, formal analysis, writing; original draft preparation, visualization, and project administration were all conducted by Mohamed Ibrahim Hassan Farag. The author has read and agreed to the published version of the manuscript.

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Data Availability Statement

All data used in this study are publicly available from recognized international databases, including the World Inequality Database (WID), the World Bank's *Poverty and Shared Prosperity* reports, the United Nations SDG Global Database, the IMF *Fiscal Monitor*, and OECD statistics.

Conflicts of Interest

The author declares that there are no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper. The funders had no role in the design of the study, in the collection, analyses, or interpretation of data, in the writing of the manuscript, or in the decision to publish the results.

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