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Accounting for Economic Inequality: A Literature Review of Social Impact Reporting and Disclosure

Ella Rinjani Dermawan[1*], Andi Irfan[2], Yunita Ismaya[3]

[1,2,3] Faculty of Economics and Social Sciences, Sultan Syarif Kasim State Islamic University, Pekanbaru, Riau

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ABSTRACT

This article examines the role of accounting in disclosing and reporting social impacts related to economic inequality through a systematic literature review. The literature review method was used to analyze and synthesize relevant articles and sources. The results show that accounting plays an important role in measuring and reporting economic inequality. In addition, some common indicators used to measure economic inequality are explained. Key challenges in reporting economic inequality include data limitations, supply chain complexity, and variations in reporting standards across sectors and countries. This measurement and reporting are not only important for companies to demonstrate social responsibility, but also as a tool to create more inclusive and equitable policies. This article recommends the development of a more consistent reporting framework, increased transparency, and the integration of inequality measurement into companies' core business strategies. The findings of this article provide a basis for developing accounting practices that are more responsive to the issue of economic inequality and encourage further research in this area.

*Corresponding author.
E-mail: ellarinjanidermawann@gmail.com (First Author)

INTRODUCTION

Global economic inequality has become a pressing social issue in the modern era, reflecting the widening gap between the rich and the poor around the world. And it has become a major concern after the Covid-19 pandemic which has significantly affected not only public health but also the national and global economy (Sani et al., 2022). This phenomenon of economic inequality is marked by the emergence of a "global middle class" dominated by residents of developing countries such as China and India, indicating a shift in global economic power. Milanovic confirmed that the decline in global inequality was driven by rapid economic growth in developing countries because the emerging middle class there is the group that benefits most from globalization (Milanovic, 2016; Ravallion, 2018). Glenn Firebaugh and Brian Goesling found that per capita income in China and South Asia grew twice as fast as the world average from 1980 to 1998, indicating a decline in inequality across countries because about 40% of the world's population lives in China or South Asia (Firebaugh, 2015). Despite the downward trend in global inequality, it is important to underline that economic inequality within individual countries remains a major problem that requires deliberate action by governments around the world.

While global trends show a decline in inequality, in many developed countries internal inequality is increasing. The incomes of the working class in developed countries and the population in the poorest countries are stagnating (Hung, 2021). Yousef found inequality was increasing or stable in developed countries (Makhlouf, 2023). Emanuel Saez and Gabriel Zucman found that income and wealth inequality has increased significantly in the United States since 1980 (Saez & Zucman, 2020). The trend of inequality in developing countries was found to be decreasing in Latin America, but increasing in East Asia (Fosu, 2017). In Indonesia, income inequality has increased over the past two decades (Wibowo, 2016), and in Marpaung's article a significant gap was also found between developed and underdeveloped regions (Marpaung et al., 2024). Bas van Leeuwen and Földvári explain the increase in inequality in Indonesia in the early 20th century was caused by a shift to export agriculture (Van Leeuwen & Földvári, 2016).

Economic inequality has a further impact on society. Peterson shows its influence on economic growth, politics, individual behavior, social cohesion, and the environment (Peterson, 2017). The prevalence of depression was found to be higher in countries with high inequality (Yu, 2018). There are also findings of inequality associated with lower levels of happiness in the US (Oishi & Kesebir, 2015). James Galbraith and Jaehee Choi show the influence of inequality on political preferences in the US (Galbraith & Choi, 2020). Between 1981 and 1986, changes in self-employment income appeared to have the greatest effect (Jenkins, 1995). Inequality also impacts social and business stability. Social and economic inequality hinders social development and threatens sustainable economic growth (Auliana et al., 2023). Unequal distribution of income can lead to economic inefficiency and undermine social stability (Saputra & Zulham, 2023; Todaro & Smith, 2020). Lakner found that reducing the Gini index could reduce global poverty more effectively than increasing economic growth (Lakner et al., 2022). Bapuji revealed the negative impact of inequality on organizational performance (Bapuji, 2015).

In Indonesia, income inequality has a significant impact on poverty between provinces (Maskur et al., 2023). However, Dita's research (Kuciswara et al., 2021) as well as Andi Ahmad Mardinsyah and Ni Made Sukartini (Mardinsyah & Sukartini, 2020) found no strong evidence of a relationship between inequality and crime. Amir Rubin and Dan Segal note that income inequality depends not only on concurrent growth but also on expectations about future economic growth (Rubin & Segal, 2015). Juan Diego found that the more people perceive economic inequality in their environment, the less tolerant they are of economic inequality, which in turn increases support for redistributive policies (García-Castro et al., 2020). Bengtsson and Waldenström find a strong relationship between the capital share and long-run income inequality (Bengtsson & Waldenström, 2018).

The role of accounting in addressing economic inequality is increasingly important given the complexity of the factors that influence it. Sikka shows that accounting practices can contribute to deepening inequality through tax avoidance schemes (Sikka, 2015). Accounting also plays a role in reporting a company's impact on inequality, as Haller shows regarding the disclosure of the distribution of added value in sustainability reporting (Haller et al., 2018). However, according to Tweedie, although the issue of economic inequality is very important, there is still a lack of substantive accounting research on this topic (Tweedie & Hazelton, 2019). Therefore, a methodical study is needed on the function of accounting in disclosing and reporting social impacts related to economic inequality.

The main objective of this Literature Review is to review and synthesize the current body of research on the function of accounting in disclosing and reporting social impacts related to economic inequality. The review will cover various aspects including conceptual frameworks, measurement methods, reporting practices, and challenges faced in integrating economic inequality issues into corporate accounting and reporting systems. Sologon points out that the Literature Review also facilitates a systematic comparison of different accounting approaches in different countries in disclosing inequality (Sologon et al., 2021). This study aims to provide a better understanding of the important function of accounting in addressing the more pressing issue of economic inequality through a literature survey. The findings of this review can form the basis for the development of accounting techniques that are more sensitive to the issue of economic inequality and support more studies in this area.

METHODOLOGY

The Literature Review method or Literature Review is a research method that focuses on the analysis, synthesis, and evaluation of relevant documents or text sources and other empirical evidence on the research topic being studied (Auliana et al., 2023; Nightingale, 2009; Paré & Kitsiou, 2017; Snyder, 2019). The Literature Review process is basically a careful and thorough way to collect, evaluate, and synthesize previous research findings on a current research subject. Rather than collecting primary data through polls or interviews, the Literature Review approach emphasizes examining existing data in the scientific literature. The literature review procedure follows these guidelines: [1] Select a research topic depending on the purpose of the project. [2] Search for sources or papers that are relevant to the research topic. [3] Using predetermined criteria, select sources or papers that are relevant to the research topic. [4] Organize the selected articles or sources according to specific topics, concepts, or themes to produce a systematic or structured review. [4] Conduct a literature review and critical analysis. [5] Present the research results in an easily understandable format.

Literature Review is an essential element in the scientific process that enables the organization of known evidence regarding a topic or investigative question. Literature Review is a means of establishing what knowledge and ideas have been established regarding a topic and of determining the strengths and weaknesses of the evidence on which that knowledge is based (Auliana et al., 2023; Nightingale, 2009; Paré & Kitsiou, 2017; Snyder, 2019). Therefore, based on the Literature Review method process, the determination of the topic of accounting for economic inequality is based on the research objective to examine the role of accounting in disclosure and reporting related to economic inequality. Search for articles and sources relevant to the topic of Accounting for Economic Inequality originating from 2014-2025 through Google Scholar, Harzing's Publish or Perish, Science Direct, Research Gate, and SINTA. For keywords used in the process of searching for relevant articles and sources, such as 'accounting, economic inequality', 'economic inequality', and 'income inequality'. The inclusion and exclusion criteria for the selection criteria for relevant articles and sources are described in the following table.

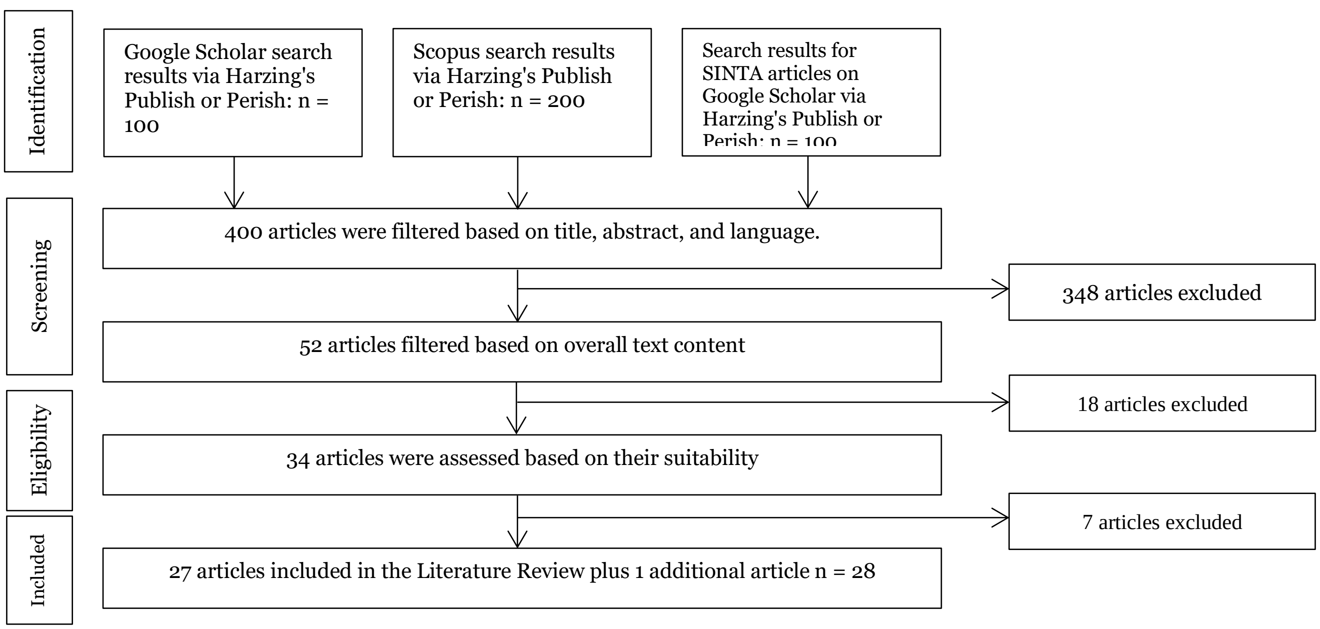
Table 1. Inclusion and Exclusion Criteria

Inclusion Criteria	**Exclusion Criteria**
Literature discussing global and regional economic inequality trends	Articles that focus only on health or education aspects without linking them to economic inequality.
Literature that focuses on economic inequality in developed and developing countries, including Indonesia.	Research that lacks a clear methodology or strong empirical evidence.
Literature that discusses the relationship between economic inequality and macroeconomic variables.	The literature does not address economic inequality or the role of accounting in that context.
A study that looks at how accounting fits into the economic inequality framework.	Research that does not have peer review or publication in a credible academic journal.
A study of business reporting policies	Literature published before 2014, except

related to economic inequality.	for strictly relevant historical context.
Literature published in the time period 2014-2025, with an emphasis on recent publications.	Studies not available in English or Indonesian.
Literature whose abstracts contain the keywords 'economic inequality' or 'income inequality'	This article is not a review article or a research article.
Articles are review articles or research articles.	

The selected articles come from international journals indexed by Scopus and national journals indexed by SINTA. The process of selecting articles is done by looking at the title, year, abstract, and keywords of the article. The following are the stages in the article selection process carried out.

Article Selection Flow Diagram.



RESULTS AND DISCUSSION

ACCOUNTING AND ECONOMIC INEQUALITY: DEFINITION AND CONCEPT

Economic inequality refers to differences between individuals or groups in the distribution of wealth, wealth, and income (Auliana et al., 2023). In the context of accounting, economic inequality can be understood through measuring, reporting, and analyzing these differences using accounting methods and techniques. Bengtsson & Waldenström state that wealth inequality has historically been reflected in capital shares and income inequality tracked by corporate and societal accounting systems

(Bengtsson & Waldenström, 2018). Alvaredo defines economic inequality as systematic differences in the distribution of income and wealth that can be measured and reported using financial and economic data (Alvaredo, 2018). Income distribution inequality is a problem of income differences between developed communities or regions and underdeveloped regions (Damanik et al., 2018). Both emphasize the need for accounting in collecting and evaluating this information to understand patterns in world inequality.

Typically, several key indicators help one to measure economic inequality. With a value of 0 indicating perfect equality and 1 indicating maximum inequality, Piketty and Saez clarified the Gini coefficient indicator as a statistical measure of income or wealth distribution in a population (Piketty & Saez, 2014). The palm ratio indicator is described by Cobham as the comparison between the income of the top 10% and the bottom 40% in the income distribution (Cobham et al., 2016). Eurostat then uses the S80/S20 ratio to compare the total income received by the 20% of the population with the highest income with that received by the 20% of the population with the lowest income.

Accounting also plays a crucial role in mapping the distribution of wealth and income through several means such as measuring and reporting corporate finance. Accounting provides a framework for measuring and reporting financial information systematically. Sikka explains how corporate financial reporting practices can influence perceptions about the distribution of wealth and income within an organization (Sikka, 2015). According to Leuz and Wysocki, high-quality financial reporting improves the efficiency of capital allocation by enabling investors and other stakeholders to better identify value-creating opportunities, thereby facilitating the flow of capital to the most productive investments (Leuz & Wysocki, 2016).

Regarding financial ratios generated from accounting records, it can help one understand the distribution of wealth. Using the ratio of CEO pay to median worker for vertical inequality and pay dispersion (using standard deviation or coefficient of variation) for horizontal inequality, Bapuji said accounting data can be used to assess and analyze workplace inequality using multiple indicators. They also used the Lorenz curve from compensation data and the Gini score. Longitudinal analysis of the measures in Bapuji's study can reveal trends in inequality over time, thus offering an in-depth analysis of the impact of organizational structural changes and compensation policies on wealth distribution (Bapuji et al., 2020).

Public sector accounting is essential in the broader social environment. Stiglitz underlines the need for a comprehensive public sector accounting system to evaluate macro-level economic inequalities (Jean-Paul & Martine, 2018). Advances in social and environmental accounting also help companies measure their impact on the environment and society. Brown and Dillard state that social accounting expands the scope of traditional financial reporting to include the distribution of value to various stakeholders (Brown & Dillard, 2021). Bebbington and Larrinaga explain how social and environmental accounting can help reveal inequalities in the distribution of resources and environmental impacts (Bebbington & Larrinaga, 2014). Developments in accounting for intangible assets have also contributed to a better understanding of the distribution of wealth. Lev and Gu argue that the recognition and measurement of intangible assets in modern accounting helps explain the sources of wealth creation in a knowledge-based economy (Lev, 2016).

Three main ideas define economic inequality accounting: wage equity reporting, wealth distribution accounting, and income inequality accounting. These ideas allow one to examine and solve economic disparities at the firm and societal level. Measuring income inequality within an organization or society allows one to understand their differences. By evaluating elements such as tax policy and labor market architecture, Sologon says this approach allows one to examine income disparities across countries (Sologon et al., 2021). Amis shows that the ratio of CEO compensation to median worker increased from 20:1 in 1965 to 278:1 in 2018, thus indicating increasing inequality (Amis et al., 2020). Amir Rubin and Segal also found that the increase in income inequality in the US can be partly attributed to a combination of the increasing importance of the stock market in the US economy (Rubin & Segal, 2015).

The concept of wealth distribution accounting focuses on the distribution of wealth more broadly. Jess emphasizes the influence of investment dynamics, savings behavior, and fiscal policy on the distribution of wealth (Benhabib & Bisin, 2018). Saez and Zucman add that the largest wealth owners control a much larger proportion of wealth than the general population (Saez & Zucman, 2020). Meanwhile, the concept of pay equity reporting emphasizes the transparency of the salary structure in the company. Holger suggests that the wage gap may reflect managerial talent or incentives (Mueller et al., 2017), while Katrin Auspurg highlights the importance of job grouping to measure salary differences between levels (Auspurg et al., 2017). These concepts play a vital role in exposing economic and social injustices, enabling the formulation of more appropriate policies to address existing inequalities.

DISCLOSURE OF ECONOMIC INEQUALITY IN SUSTAINABILITY REPORTS

Reporting on economic inequality has become a major focus in corporate sustainability reporting. The Global Reporting Initiative (GRI) and Integrated Reporting (IR), among other reporting guidelines, allow businesses to more freely demonstrate how economic inequality impacts their workplace.

GRI urges companies to disclose measures of economic inequality including pay gaps across job levels, pay gaps by gender and race, and the ratio of CEO pay to median worker. Benedict said GRI 405 specifically emphasizes diversity and equal opportunity, including pay allocation by gender and rank (Sheehy, 2022). Meanwhile, IR calls on companies to demonstrate how social and human capital supports long-term value development, including initiatives to reduce pay gaps and offer employee welfare facilities (Gómez-Bezares et al., 2019).

Yihui Pan found that the median CEO-to-employee pay ratio at US companies in 2018 averaged 145:1, with some companies recording ratios as high as 5,908:1 (Pan et al., 2022). Furthermore, Pan highlights that high pay ratios can negatively impact a company's value in the stock market. Wojciech Przychodzen reports that the ratio of CEO pay to average employee pay in the 350 largest US companies increased from 20:1 in 1965 to 271:1 in 2016, potentially affecting employee satisfaction and productivity (Przychodzen & Gómez-Bezares, 2021). Saez & Zucman examine income inequality in the United States, which is exacerbated by the much higher compensation of executives compared to ordinary workers (Saez & Zucman, 2020).

Ensuring fairness and transparency in pay policies relies heavily on accounting. Castilla argues that transparent policies and accountability can help reduce demographic bias in pay scales (Castilla, 2015). To increase employee and investor confidence, Dale and Tweedie underline the need for transparency in CEO pay announcements (Tweedie & Hazelton, 2019). Therefore, open reporting on pay and wealth distribution not only meets legal requirements but also demonstrates a company's dedication to fairer and more sustainable methods, which can ultimately help reduce organizational inequality.

MEASUREMENT AND INDICATORS OF ECONOMIC INEQUALITY

A common way to measure economic inequality is to compare a country's highest and lowest incomes (Auliana et al., 2023). However, other economic inequality metrics are applied, each offering a unique analysis of the distribution of wealth and income in a country. One of the most widely used metrics, the Gini index, has its drawbacks. According to Fosu, the most frequently used inequality statistic in the empirical literature—the Gini index—measures income inequality (Fosu, 2017). According to Thitithep, the Gini index is known to be less sensitive to inequality at the tail of the income distribution, while the ratio of the income of the richest group to the income of the poorest group does not take into account inequality in the middle of the income distribution (Sitthiyot & Holasut, 2020). Panzera and Postiglione proposed a spatial Gini index to take into account the spatial dimension of inequality (Panzera & Postiglione, 2020). In addition to the Gini index, several other inequality measures that are often used are the Theil Index and the World Bank's inequality measures (Damanik et al., 2018). The Foster-Greer-Thorbecke (FGT) index is also used to measure the depth and severity of poverty (Sugiyarto et al., 2015).

The gender pay gap indicator is used to measure economic inequality between men and women in the labor market. Blau and Kahn show that although the gender pay gap has narrowed, significant differences still exist, especially at the top of the wage distribution (Blau & Kahn, 2017). Living wage is also an important indicator calculated based on actual expenditure to maintain a decent standard of living. Konigsburg explains that living wage is more accurate in measuring inequality because it adjusts for the cost of living in each region (Konigsburg, 2017).

Reporting the ratio of CEO pay to average worker is an important accounting method for measuring inequality in organizations. Kiatpongsan and Nortan found that the global public perceives the pay gap between CEOs and workers as too large (Kiatpongsan & Norton, 2014). Mueller shows that this ratio can serve as an important tool for measuring inequality within a company (Mueller et al., 2017). Bertrand et al. proposed the Distributional National Accounts (DINA) approach to track resource distribution and measure economic inequality more comprehensively (Garbinti et al., 2018).

Companies use accounting to report on the distribution of profits in the supply chain and to ensure a more equitable distribution of wealth. Spence and Rinaldi show that sustainability accounting helps companies monitor social and environmental practices throughout the supply chain (Spence & Rinaldi, 2014). Thus, accounting is used to evaluate not only economic success but also how the distribution of profits affects the welfare of employees at various levels of the supply chain.

CHALLENGES IN REPORTING ECONOMIC INEQUALITY

Particularly due to data limitations, supply chain complexity, and the difficulty of fully monitoring social impacts, companies struggle to measure and disclose economic inequality fairly. Solt highlights limitations in the availability and quality of income inequality data, particularly for developing countries and earlier time periods (Solt, 2016). Incomplete or non-standardized data makes it difficult to monitor inequalities in wages, benefits, and the distribution of resources across supply chains. Lakner stresses that incomplete data hampers efforts to accurately map economic inequality (Lakner et al., 2022).

Within the framework of sustainable supply chain management, Mani discusses the difficulties especially related to the implementation of big data analytics (Mani et al., 2017). Monitoring and controlling the fair allocation of resources and income is a challenge in the complexity of modern supply chains involving multiple players in multiple regions and sectors. Although still in its early stages of practical use to track economic inequality in social reporting, big data analytics shows promise. However, Ravallion stresses the need to look at other aspects of inequality beyond income to fully track social impacts (Ravallion, 2018). Ensuring fair employment policies and fair wage distribution along the supply chain presents another challenge. It remains challenging to capture the subtle social aspects of inequality, which often results in gaps in documentation about business efforts to address these issues.

Data comparability and transparency are heavily impacted by variations in reporting criteria across sectors and countries. Sinha spoke about the challenges in producing accurate and comparative reporting caused by variations in data availability and quality (Sinha et al., 2022). Bapuji emphasized that the lack of a universal reporting framework leads to differences in how companies measure and report income and wealth gaps (Bapuji et al., 2020). Castilla highlighted the challenges companies face in meeting evolving economic transparency regulations, including the need to invest in robust accountability systems (Castilla, 2015).

ACCOUNTING FOR CORPORATE SOCIAL RESPONSIBILITY (CSR)

Measuring corporate social responsibility (CSR) initiatives to reduce economic inequality relies heavily on accounting, which also helps facilitate it. Sikka stressed that reporting income disparities can encourage companies to adopt better wage adjustment policies (Sikka, 2015). Tweedie & Hazelton argue that a broader, interdisciplinary approach to accounting is needed that focuses on economic inequality, emphasizing that accounting must take into account social justice, not just serving shareholders (Tweedie & Hazelton, 2019). Dang and Serajuddin highlight the need to develop better accounting indicators to measure and report CSR efforts, although they acknowledge that investing in high-quality reporting systems requires significant costs (Dang & Serajuddin, 2020).

Accounting plays a key role in increasing transparency regarding pay policies and wealth distribution. Castilla points out that transparency in pay policies can reduce wage inequality by minimizing demographic bias and increasing corporate accountability (Castilla, 2015). Financial reporting standards require companies to disclose their pay structures, such as the ratio of CEO pay to median worker. As stated in the Global Reporting Initiative (GRI) criteria, sustainability accounting motivates businesses to disclose fair business practices related to living wages, employee benefits, and inclusive work policies.

Addressing economic disparities offers significant social benefits. Mohamad said CSR provides benefits not only to beneficiaries but also to contributors, thereby enhancing a company's reputation and offering a means of risk management in a turbulent environment (Mohamad et al., 2020). Companies that openly report their efforts to reduce economic inequality often gain a better reputation in the eyes of the public and are viewed as more sustainable by investors.

García-Castro argues that the perception of economic inequality in everyday life reduces tolerance for inequality, meaning that open reporting can increase public support and customer loyalty (García-Castro et al., 2020). Customers who care about society are more likely to purchase from businesses that demonstrate ethical standards, including employee well-being and equal pay. Therefore, addressing economic inequality not only helps society as a whole, but also offers strategic benefits to businesses that actively participate in inequality-reducing efforts.

CASE STUDIES AND BEST PRACTICES IN REPORTING ECONOMIC INEQUALITY

Through creative policies, some businesses have effectively addressed economic disparities. With the motto "Humanity at Work," Mondragon Cooperative (MC) is one worker cooperative that has maintained its cooperative values since 1956 (Morlà-Folch et al., 2021). To ensure fair distribution of resources, MC uses a democratic cooperative model. Meanwhile, Unilever has pledged to ensure that everyone in its supply chain receives a living wage by 2030. Working with suppliers from underrepresented groups and advancing equality in the workplace through progressive practices, Unilever also emphasizes diversity and inclusion.

Best practices in reporting economic inequality address several relevant aspects. An important foundation is pay transparency, where companies regularly check their pay ratios and disclose them freely. A top priority is racial and gender equality, supported by inclusive employee development initiatives and bias-reducing hiring practices. By examining the various elements that influence income inequality, including education and employment levels, Saputra and Zulham see that businesses can use these results to create equitable worker training courses to improve employee competencies and increase economic opportunities (Saputra & Zulham, 2023). Corporate efforts to reduce inequality also rely heavily on community engagement and equitable resource management. Emphasizing the idea of distributive justice that businesses can implement through fair wage policies and fair labor practices across their operational locations, Marpaung discusses development initiatives to reduce economic disparities between regions (Marpaung et al., 2024). The company invests in community economic empowerment programs, implements profit-sharing practices with communities impacted by their operations, and uses international reporting standards for transparency.

Shigehiro Oishi noted the importance of taking social factors, especially inequality, into account in the approach to mental health (Oishi & Kesebir, 2015). These factors can be dramatically improved through the implementation of appropriate government policies and increased public awareness. This implies the need for companies to also address inequality in their internal policies. James Galbraith states that income inequality in the United States is closely related to political polarization (Galbraith & Choi, 2020). This shows the importance of companies paying attention to the impact of their policies on inequality to avoid social tensions. Yu found a correlation between gender inequality and mental health disparities between men and women across countries (Yu, 2018). This emphasizes the need for businesses to adopt policies that support gender equality.

In the corporate world, these ideas are a paradigm shift. Maskur provides evidence that policies that expand worker welfare and increase employment opportunities can go a long way toward reducing inequality (Maskur et al., 2023). Sani explains how the pandemic has increased unemployment and income inequality, forcing businesses to adopt more inclusive policies (Sani et al., 2022). Companies must focus not only on profits but also on their role in building a more just and sustainable society. The key to addressing economic disparities and advancing equality in all areas is long-term dedication, regular measurement and continuous development.

RECOMMENDATIONS FOR THE FUTURE

Looking ahead and developing specific actions can help to better manage economic inequality in the corporate sector. An important first step in this effort is to improve reporting criteria for economic inequality. It is essential to provide more consistent, precise and relevant measurement techniques across industry sectors. This standardization will enable more meaningful comparisons between businesses and sectors, providing a better picture of progress in addressing inequality.

In addition, more studies on accounting for economic inequality are needed. Comparative studies across countries can offer in-depth analysis of best practices and specific difficulties in different cultural and financial settings. Furthermore, a thorough investigation of how laws affect inequality will enable governments and businesses to create more successful interventions. Finally, businesses must incorporate economic inequality management into their core operations. This is not only a matter of social duty but also essential to ensure long-term survival in a corporate climate that increasingly demands equality and fairness. Following these suggestions will help us to observe more tangible improvements in addressing economic inequality and building a more just and sustainable corporate environment.

CONCLUSION

The current body of research on the role of accounting in measuring and presenting economic inequality is reviewed in this article. Key conclusions reveal that methods of accounting for economic inequality differ significantly across the notions of income inequality accounting, wealth distribution accounting, and wage equity reporting. Indicators such as the Gini coefficient, the Palma ratio, and the ratio of CEO compensation to median worker provide some of the best ways to measure economic inequality. However, key challenges for businesses include data limitations, difficulty in measuring income distribution, and varying reporting standards across countries and sectors. Sustainability reporting through standards such as the Global Reporting Initiative (GRI) and Integrated Reporting (IR) have become important tools in reporting economic inequality within companies.

The implications of these findings include the importance of accounting transparency for companies and policymakers. To help reduce economic inequality, businesses should be more transparent in their reporting on pay systems, wealth distribution, and inclusive work policies. In turn, policymakers could impose stricter rules on profit distribution across industries and wage reporting, thereby ensuring equity in the workplace. A more transparent accounting approach could help address global economic inequality by providing investors, regulators, and stakeholders with reliable data to monitor companies' progress toward economic parity.

More consistent reporting systems should be adopted by governments and legislators to help reduce disparities across sectors and countries. This includes creating global norms that provide more consistent comparisons. Companies should also incorporate measuring and reporting economic inequality into their core business strategies, create consistent global reporting standards for inequality, and support innovation in accounting practices to more accurately measure and report difficult elements of economic inequality.

The development of better measurement techniques and new indicators that capture the full range of inequality elements, including inequality in access to resources and workers' rights, should be a major focus of further research in accounting and economic inequality. These suggestions are intended to help businesses and governments work together to reduce economic inequality and create fairer and more sustainable corporate structures.

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