**Egalitarianism Policy and Effective Demand under Globalization**

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**Abstract**

The study examines egalitarianism policies in terms of the relationship between labor and capital and extends the model developed by the economist Bowles. We introduce the demand factor to the Bowles model (2012), which discussed the effectiveness of the income and asset redistribution policies in a global economy. The improvement of productivity and the decrease in the ratio of monitoring labor through asset-based redistribution increase the real wage rate because of its lure for foreign capital. At this point in the Bowles model, the labor supply increases and then employment increases. In contrast, in our model, with the addition of the demand factor, the improvement of productivity increases employment, but the decrease in monitoring labor does not always increase employment as both demand and supply increase. This means that asset-based redistribution in a global economy is not always effective.

**Keyword:** Egalitarianism, Redistribution, Effective Demand, Globalization

**JEL Class.:** E12, F60, J80, J88