

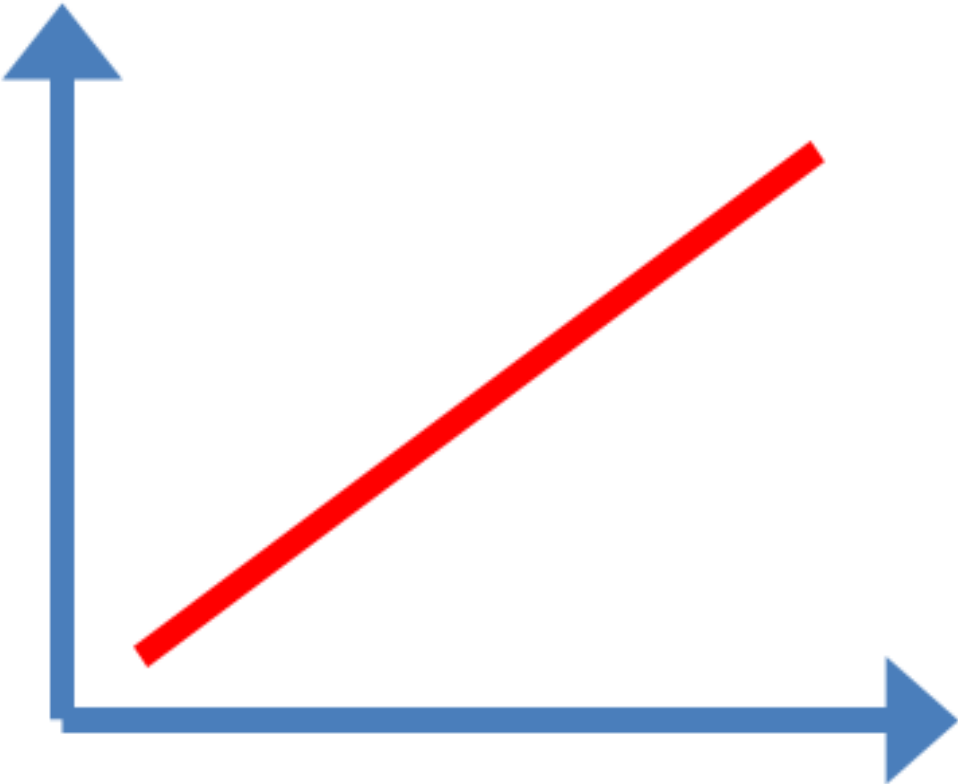
Inequality: the enemy between us?

Richard Wilkinson & Kate Pickett



Photo by kind permission of Matt Stuart

Problems



**Income
inequality**

DECEMBER 9, 1985

\$1.95

TIME

SPIES SPIES EVERYWHERE
The U.S. Roundup
Accelerates



Children Having Children

Teen Pregnancy In America



SHATTERED LIVES



Portraits From America's Drug War

by Mikki Norris
Chris Conrad &
Virginia Resner

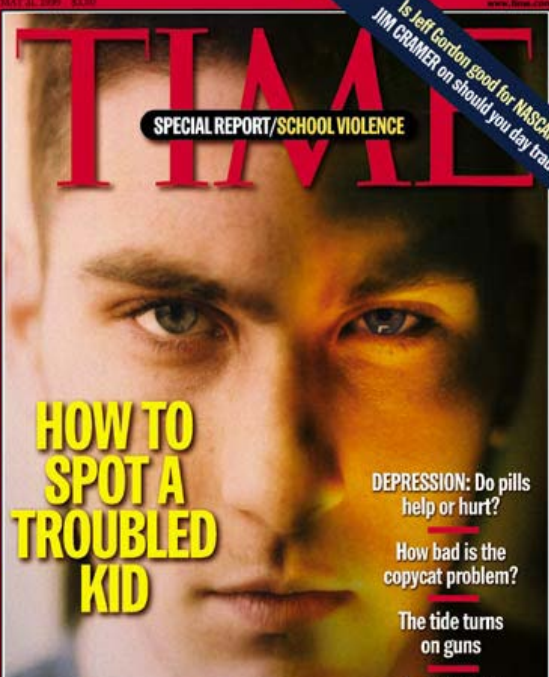
MAY 21, 1999 \$3.50

TIME

SPECIAL REPORT/SCHOOL VIOLENCE

Is Jeff Gordon good for NASCAR?
JIM CROMER on should you day trade

HOW TO SPOT A TROUBLED KID



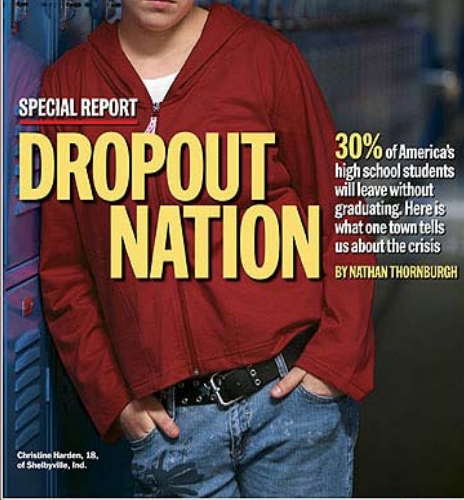
DEPRESSION: Do pills help or hurt?
How bad is the copycat problem?
The tide turns on guns

APRIL 17, 2006

JOE KLEIN: HOW CONSULTANTS RUINED POLITICS

TIME

FLIGHT 93: THE MOVIE
EXCLUSIVE FIRST LOOK



SPECIAL REPORT

DROPOUT NATION

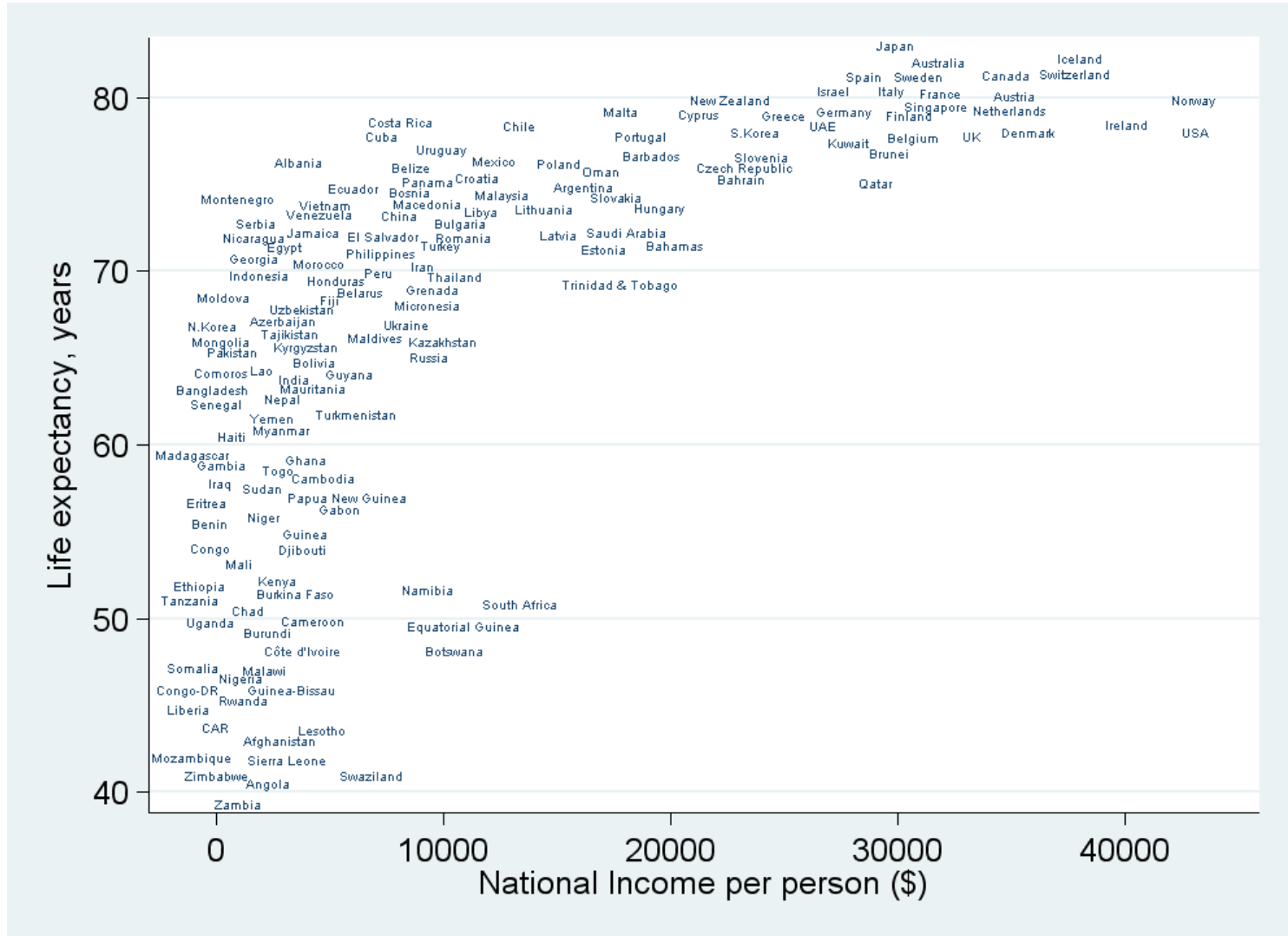
30% of America's high school students will leave without graduating. Here's what one town tells us about the crisis

BY NATHAN THORNBURGH

Christine Harden, 18, of Shelbyville, Ind.



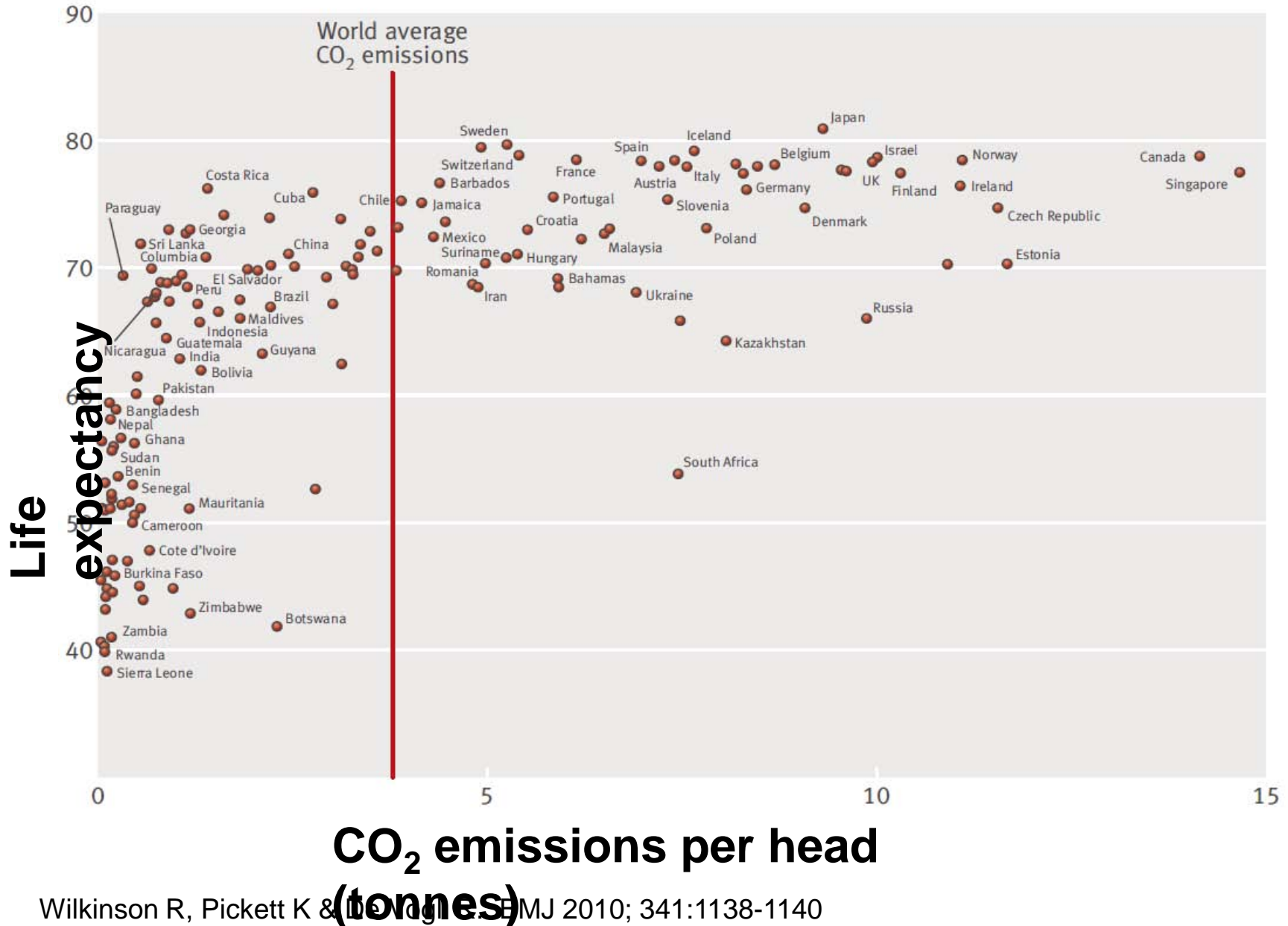
Income per head and life-expectancy: rich & poor countries



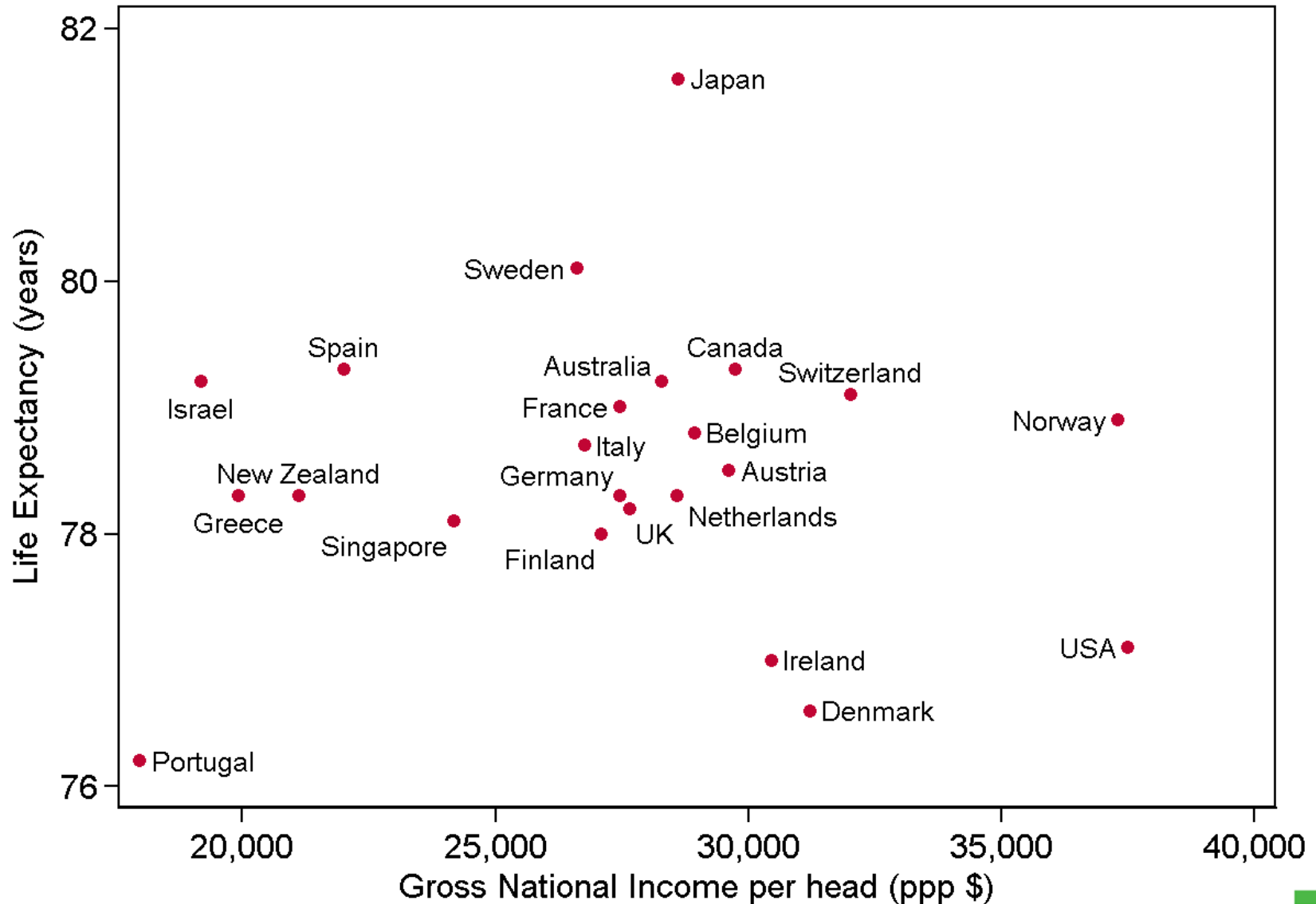
“Cross-country data show almost no relation between changes in life expectancy and economic growth over 10, 20, or 40-year time periods between 1960 and 2000. Many countries have shown remarkable improvements in health with little or no economic growth...”

Cutler D, Deaton A, Lleras-Muney A. The Determinants of Mortality. *J Economic Perspectives* 2006; 20: 97–120.

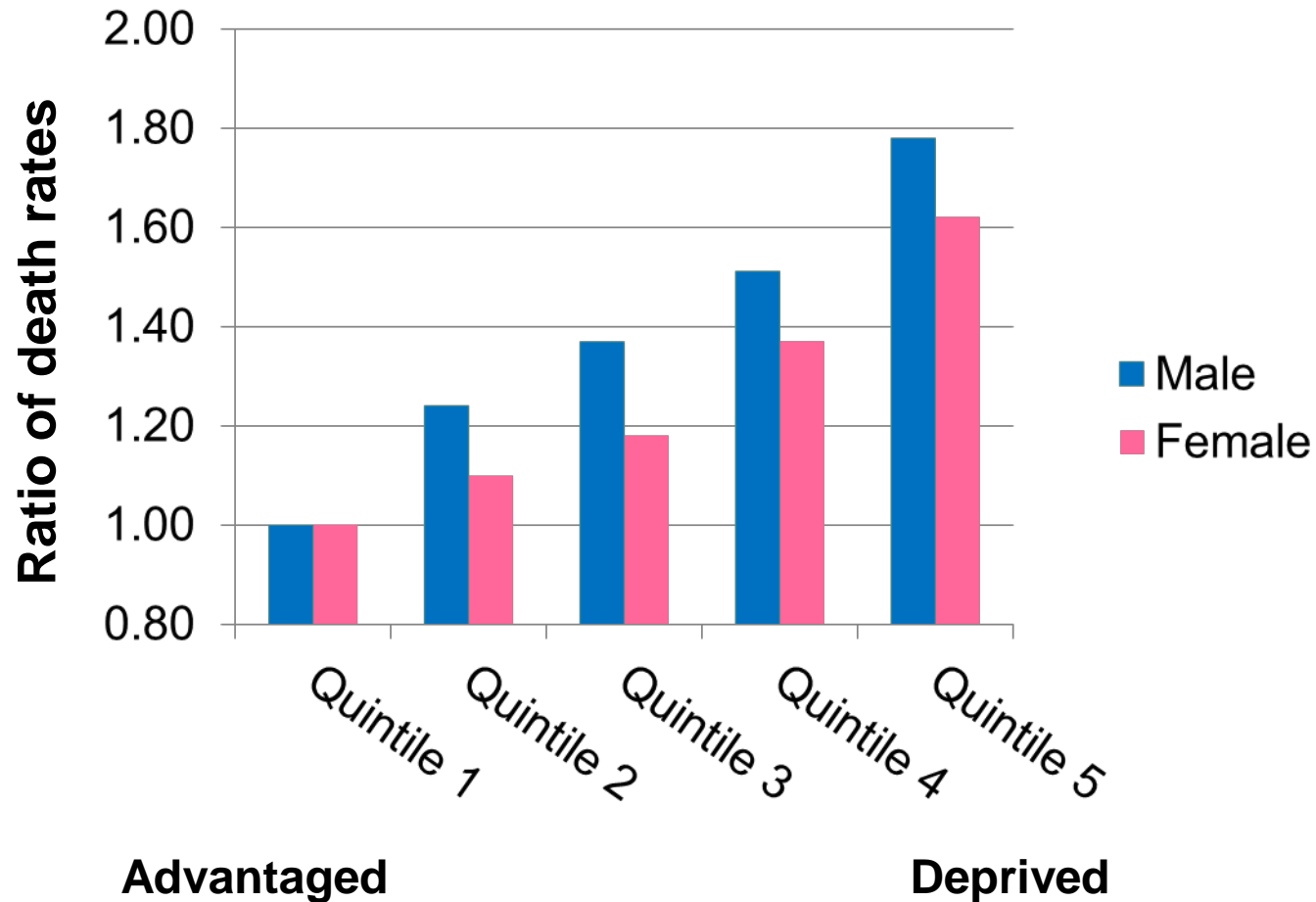
Life expectancy and CO₂ emissions per head



Life expectancy in rich countries is no longer related to National Income per head

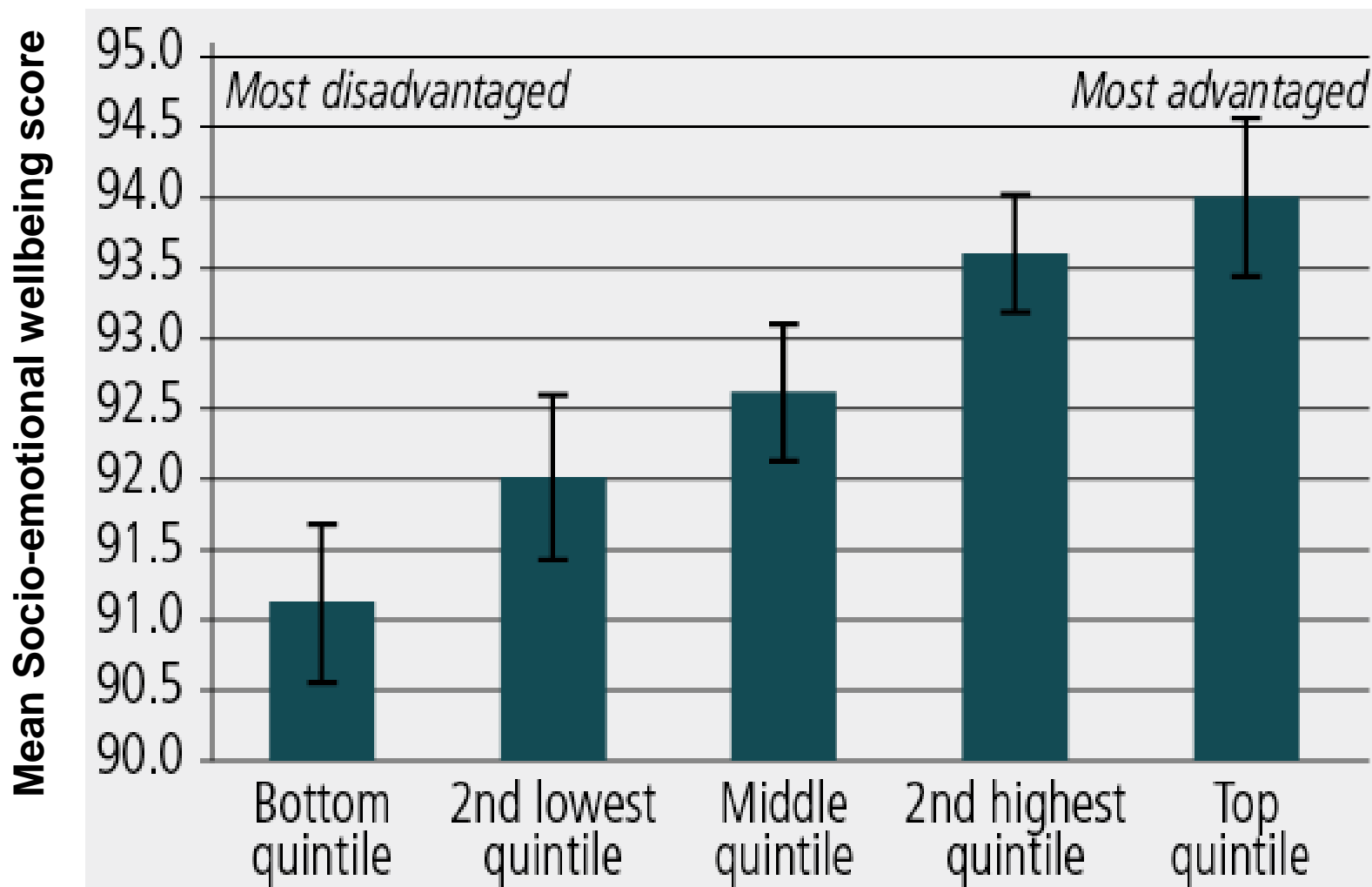


Children 0-14 yrs: ratio of death rates by quintiles of area deprivation. Australia 1998-2000



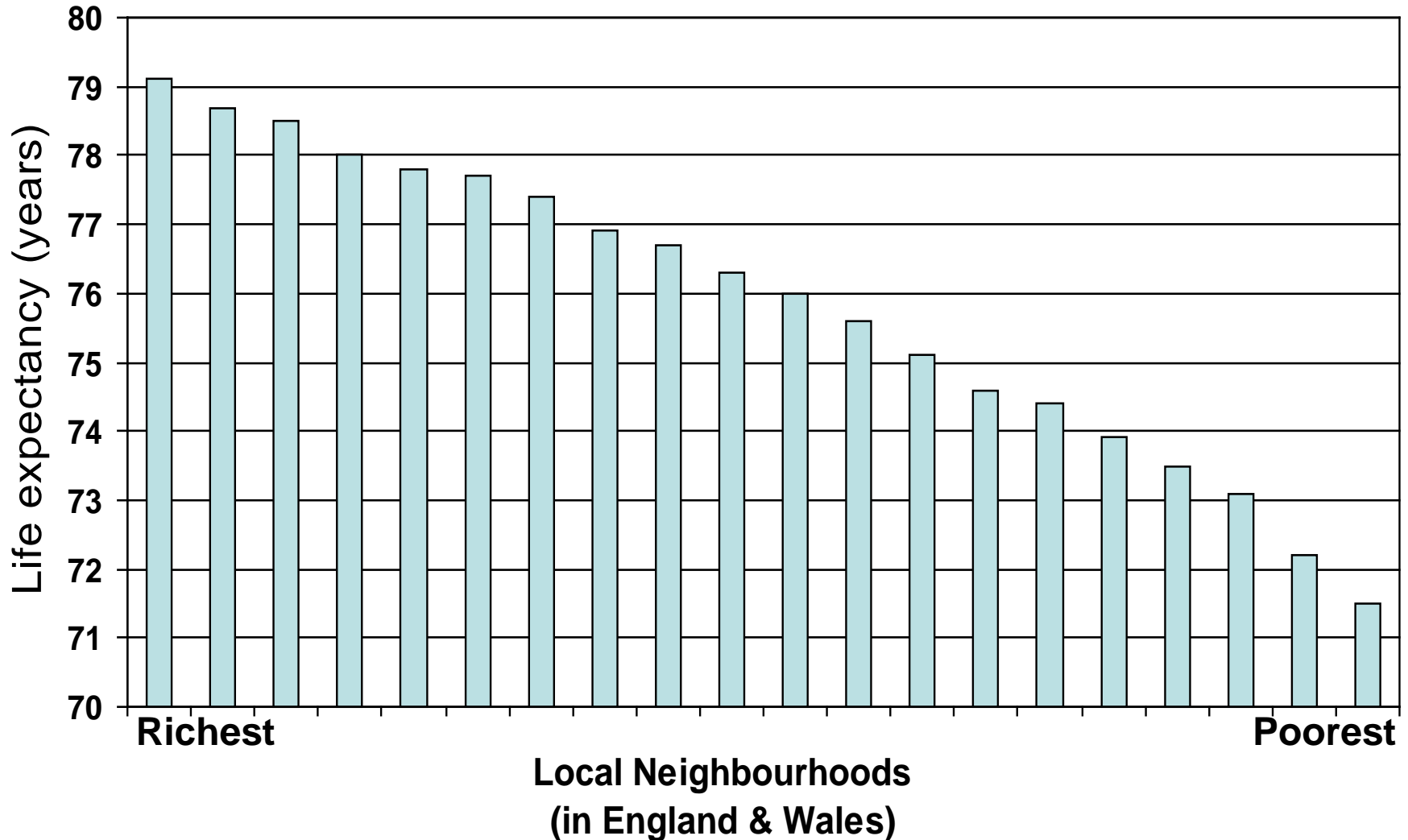
Source: *Health inequalities in Australia*. Queensland University of Technology and Australian Institute of Health and Welfare. 2004 Canberra

Socio-emotional wellbeing of Australian children (4-5yrs) by area deprivation



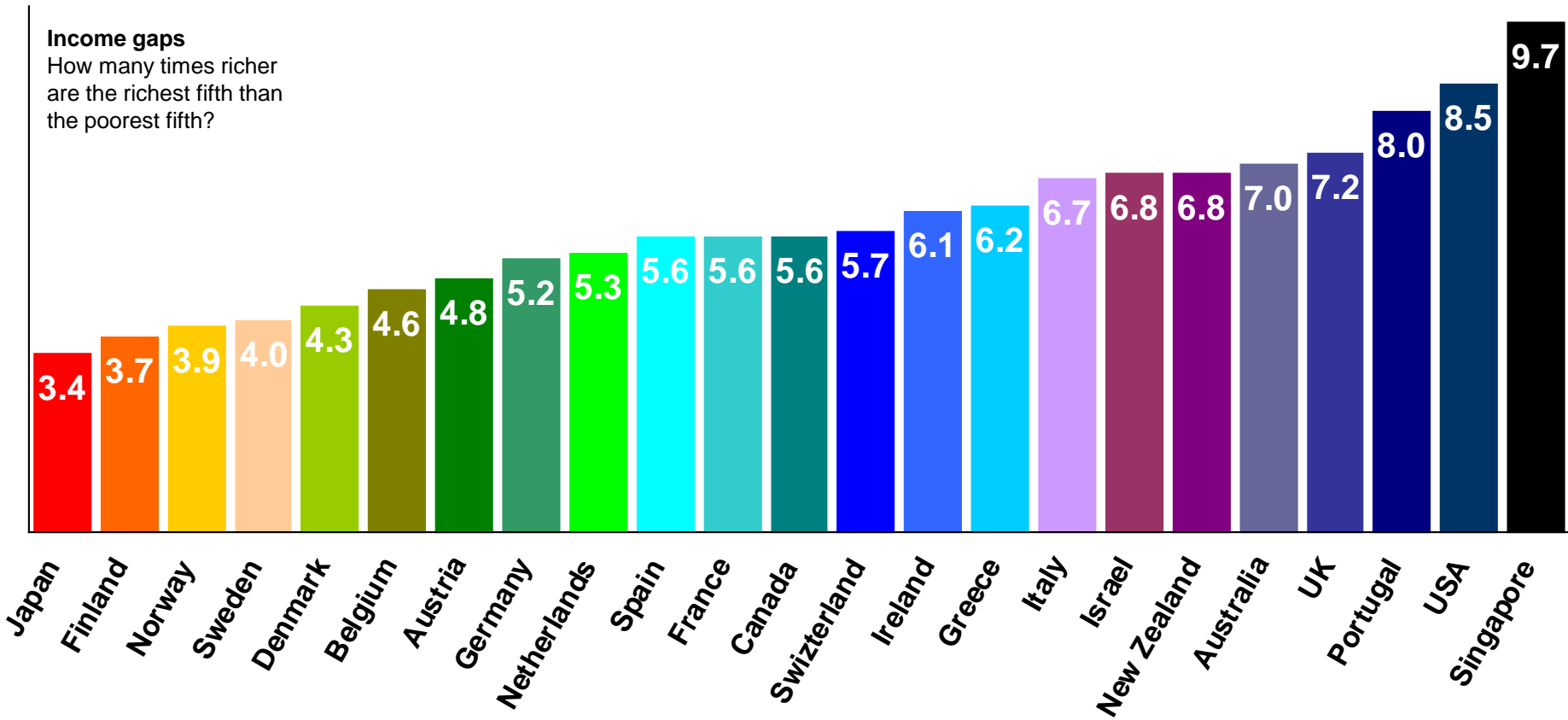
Edwards B. Growing Up in Australia: The Longitudinal Study of Australian Children. AIFS. *Family Matters* 2012; 91: 7-17

Life expectancy is strongly related to income within rich countries



Inequality...

How much richer are the richest 20% in each country than the poorest 20%?



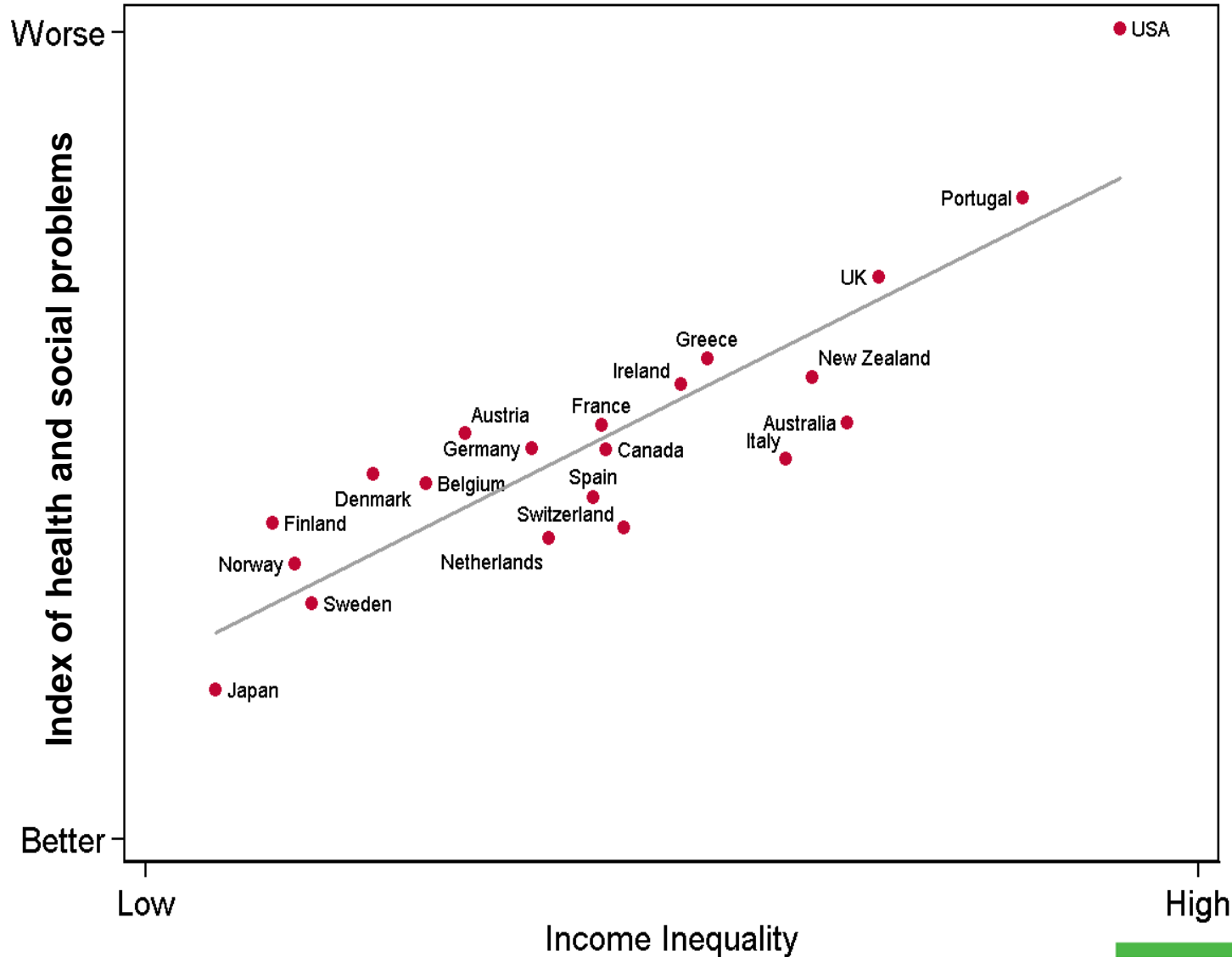
Health and social problems with social gradients and internationally comparable data

- **Life expectancy**
- **Math & Literacy**
- **Infant mortality**
- **Homicides**
- **Imprisonment**
- **Teenage births**
- **Trust**
- **Obesity**
- **Mental illness – incl. drug & alcohol addiction**
- **Social mobility**

Health and social problems are worse in more unequal countries

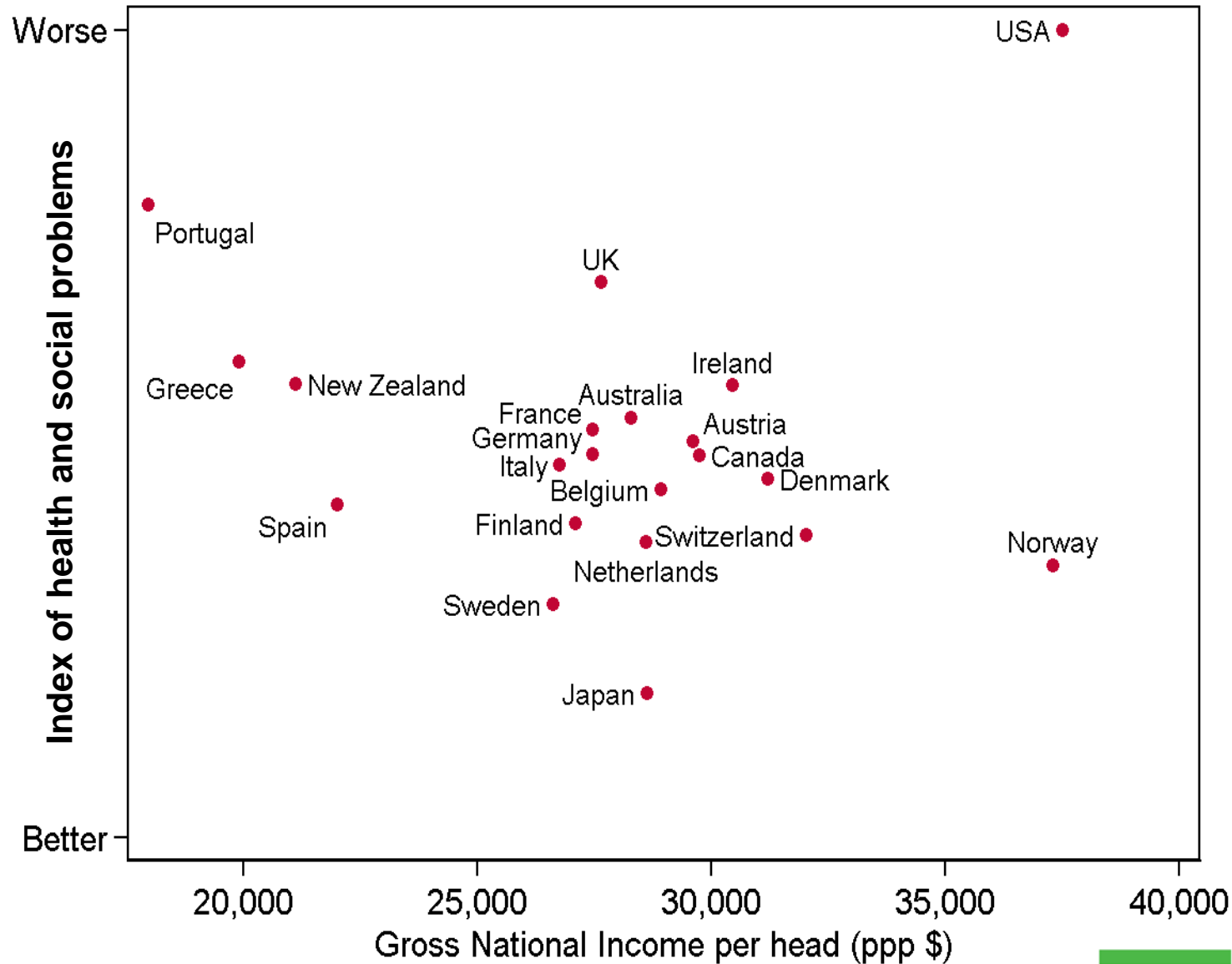
Index of:

- Life expectancy
- Math & Literacy
- Infant mortality
- Homicides
- Imprisonment
- Teenage births
- Trust
- Obesity
- Mental illness – incl. drug & alcohol addiction
- Social mobility

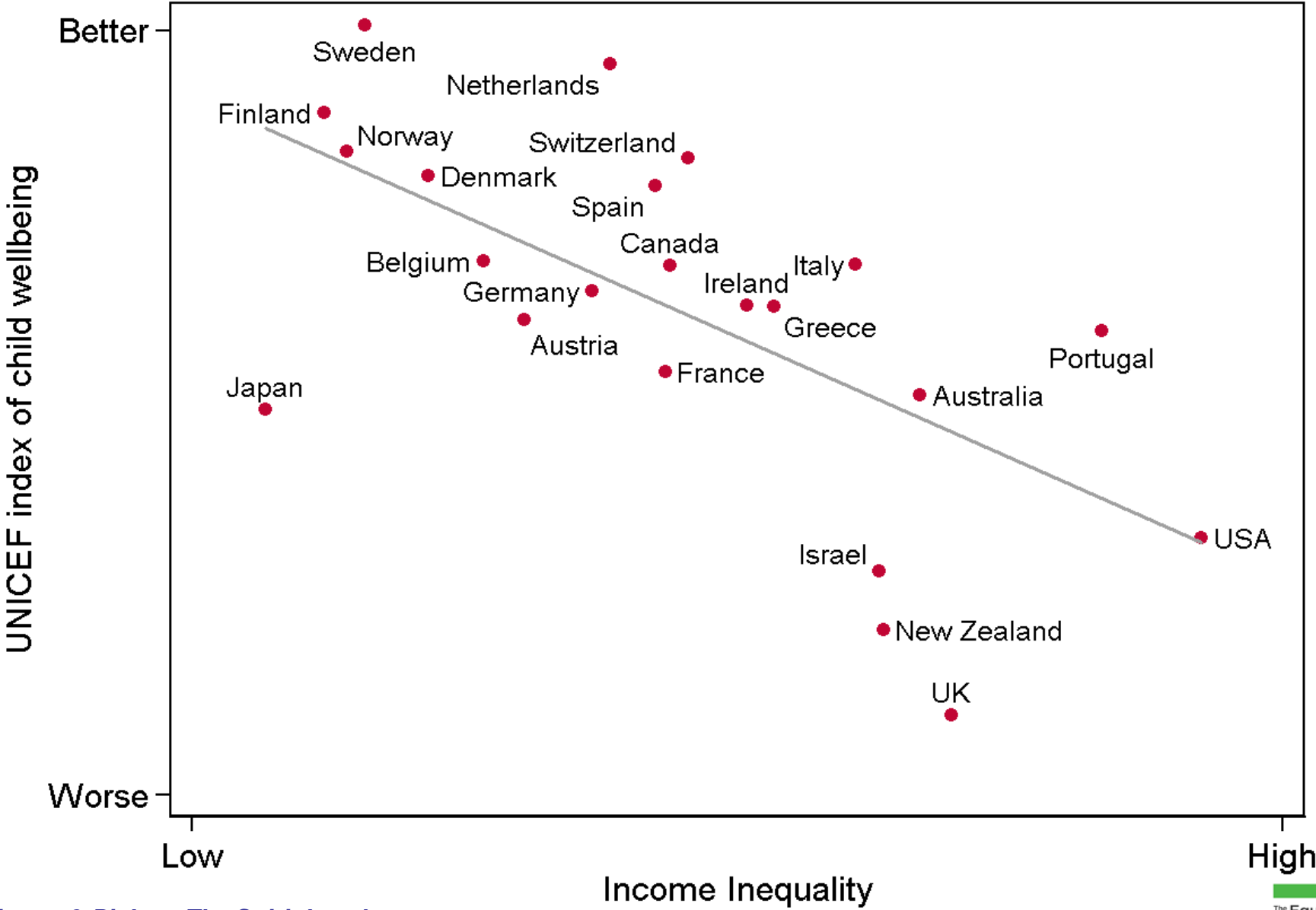


Neither health nor social problems are related to national income per head

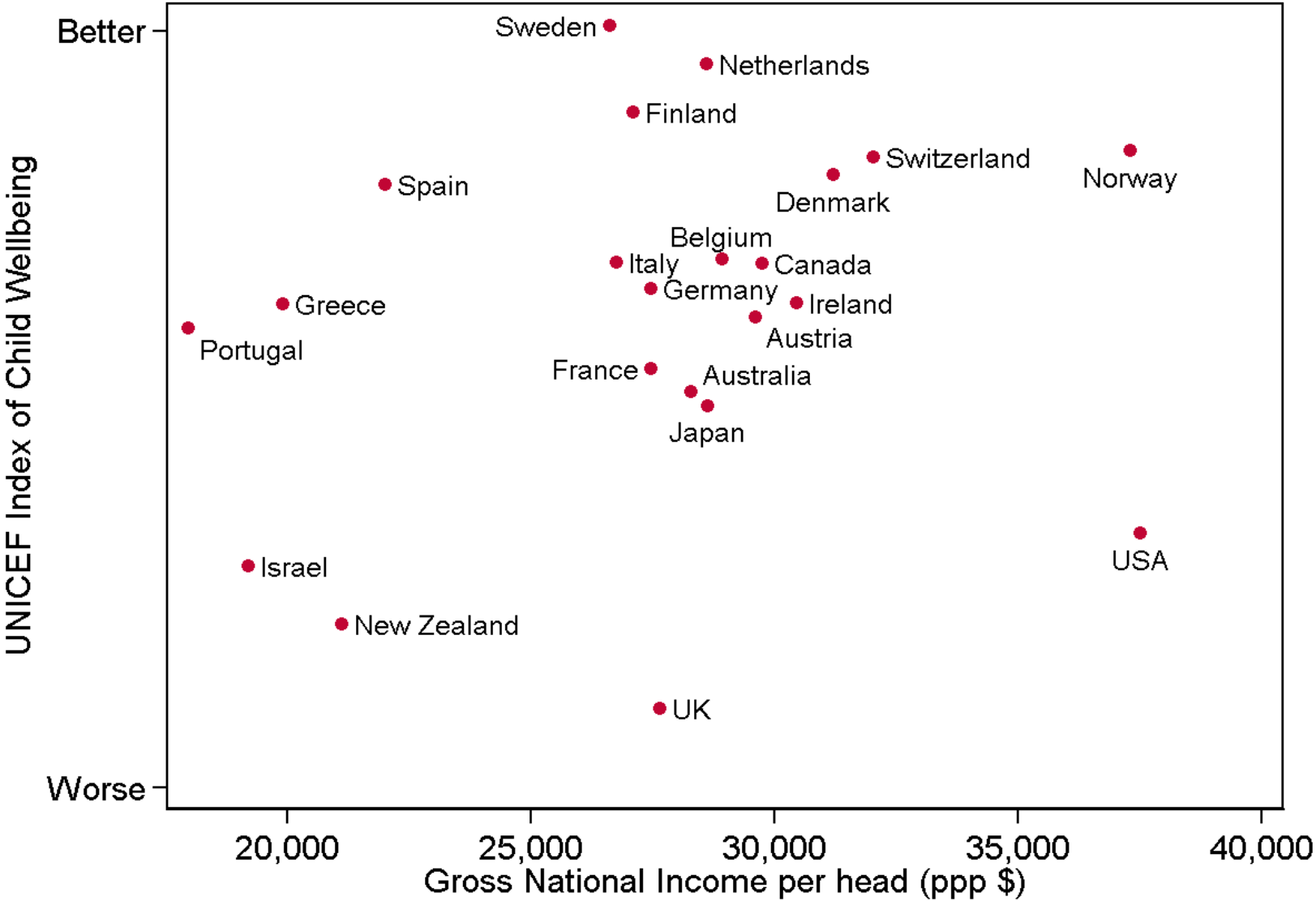
- Index of:
- Life expectancy
 - Math & Literacy
 - Infant mortality
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 - Imprisonment
 - Teenage births
 - Trust
 - Obesity
 - Mental illness – incl. drug & alcohol addiction
 - Social mobility



Child well-being is better in more equal countries



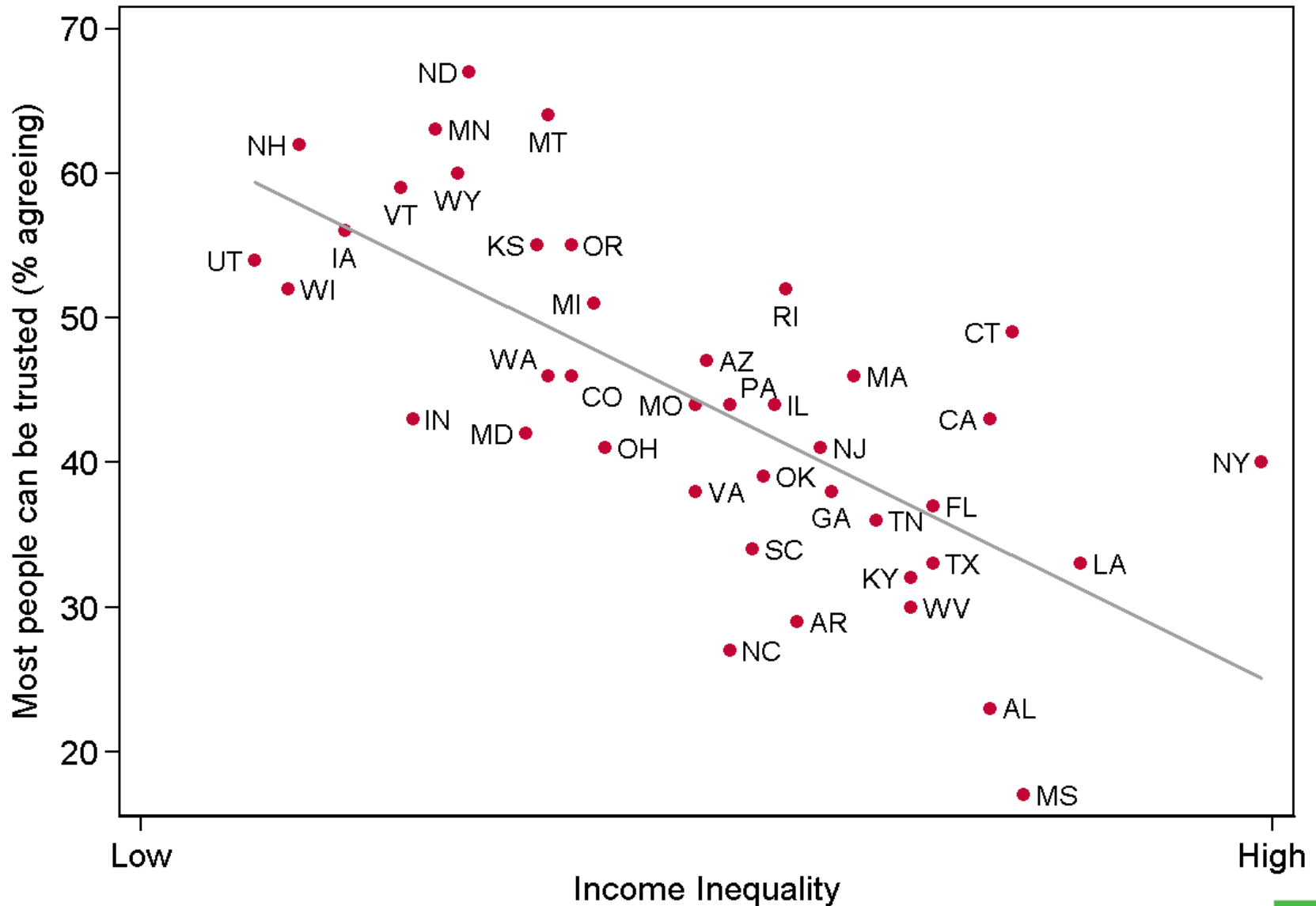
The UNICEF Index of Child Wellbeing is not related to National Income per head



People in more unequal countries trust each other less



People in more unequal states of the USA trust each other less



Mental illness is more common in more unequal societies



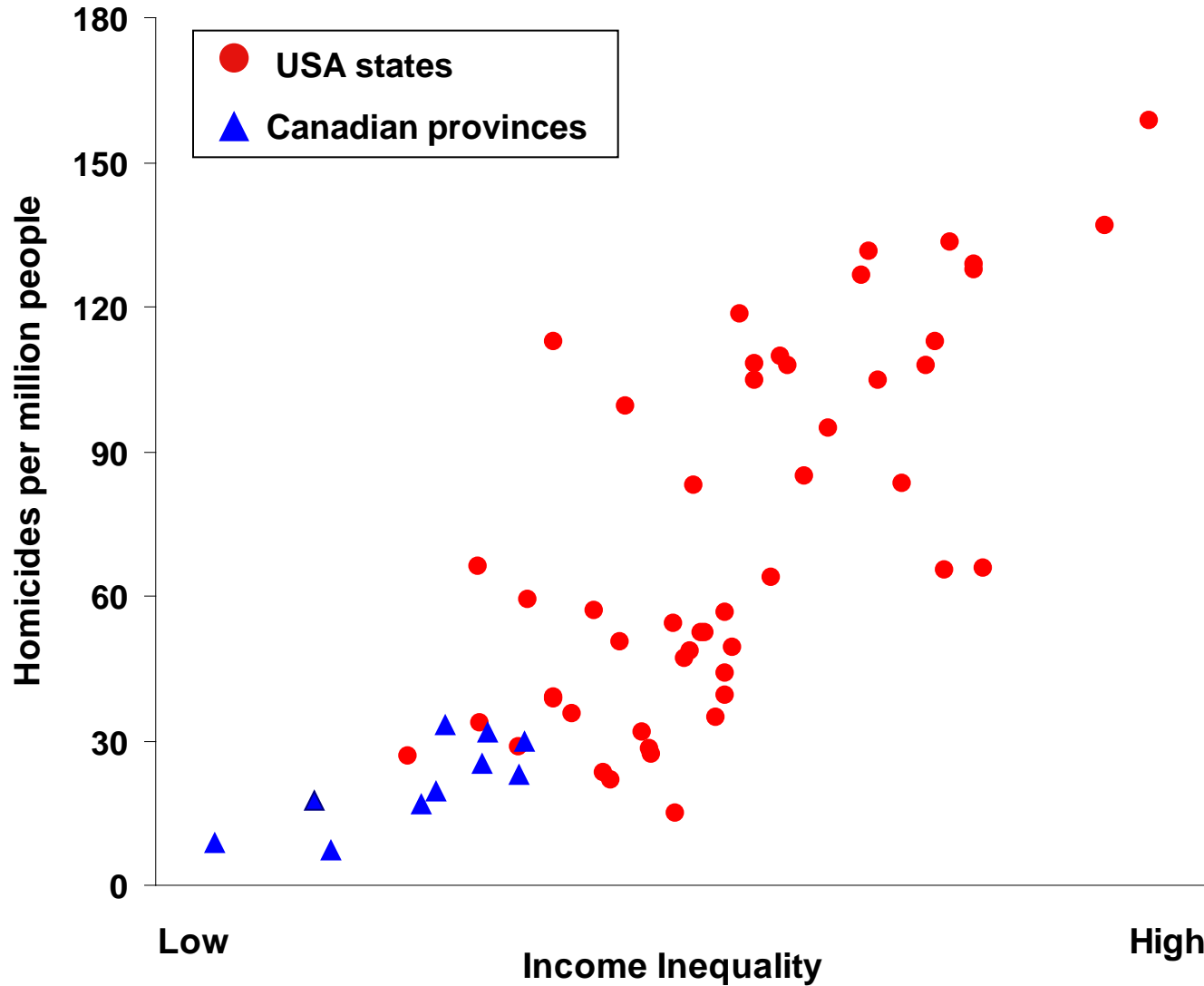
Infant Mortality Rates are Higher in More Unequal Countries



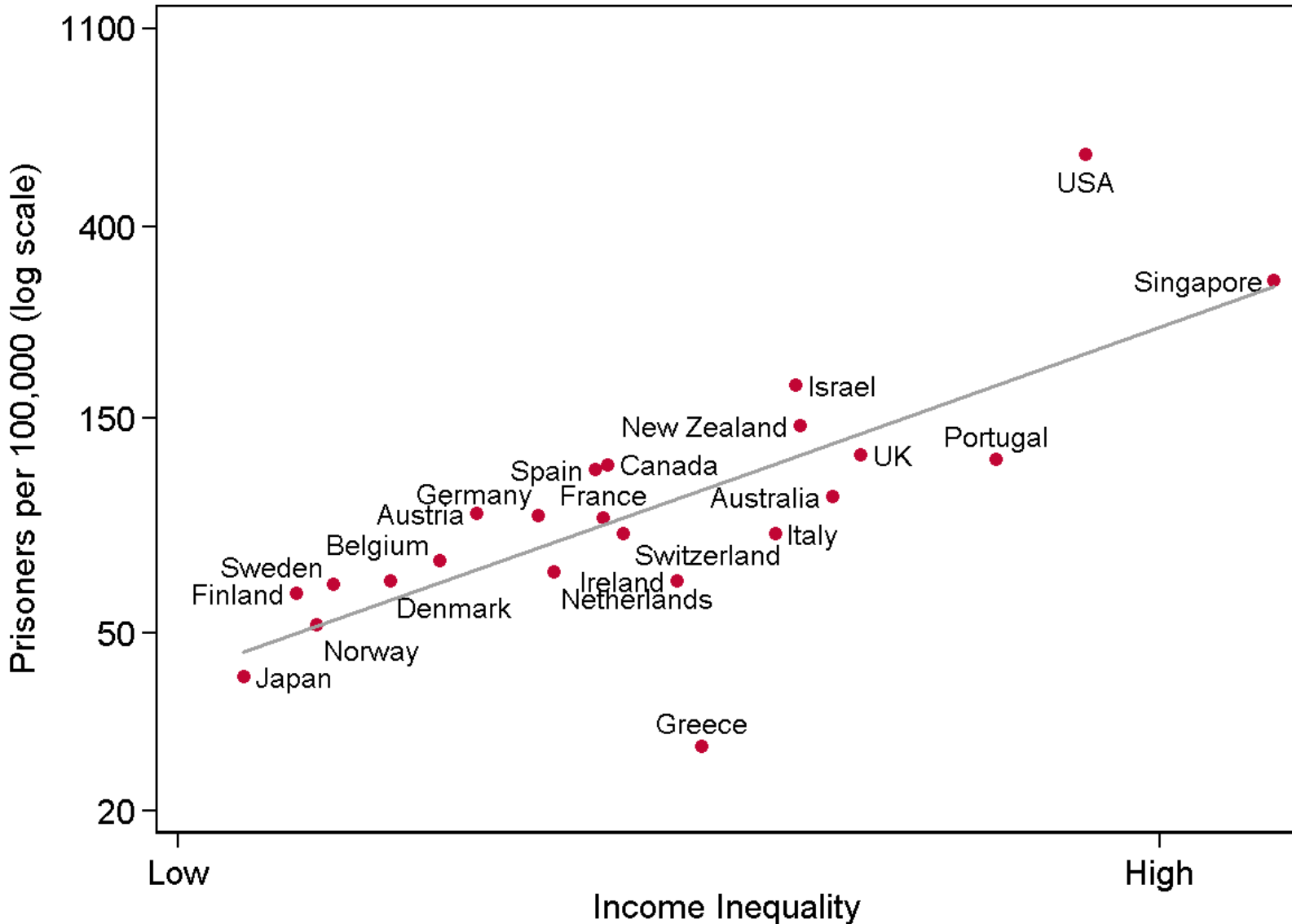
Teenage Birth Rates are Higher in More Unequal Rich Countries



Homicide rates are higher in more unequal US states and Canadian provinces



Imprisonment rates are higher in more unequal countries



Social mobility is lower in more unequal countries



In summary... bigger income gaps lead to deteriorations in:-

Social Relations

- **Child conflict**
- *Homicide*
- *Imprisonment*
- **Social capital**
- *Trust*

Health

- **Drug abuse**
- **Infant mortality**
- **Life expectancy**
- *Mental illness*
- **Obesity**

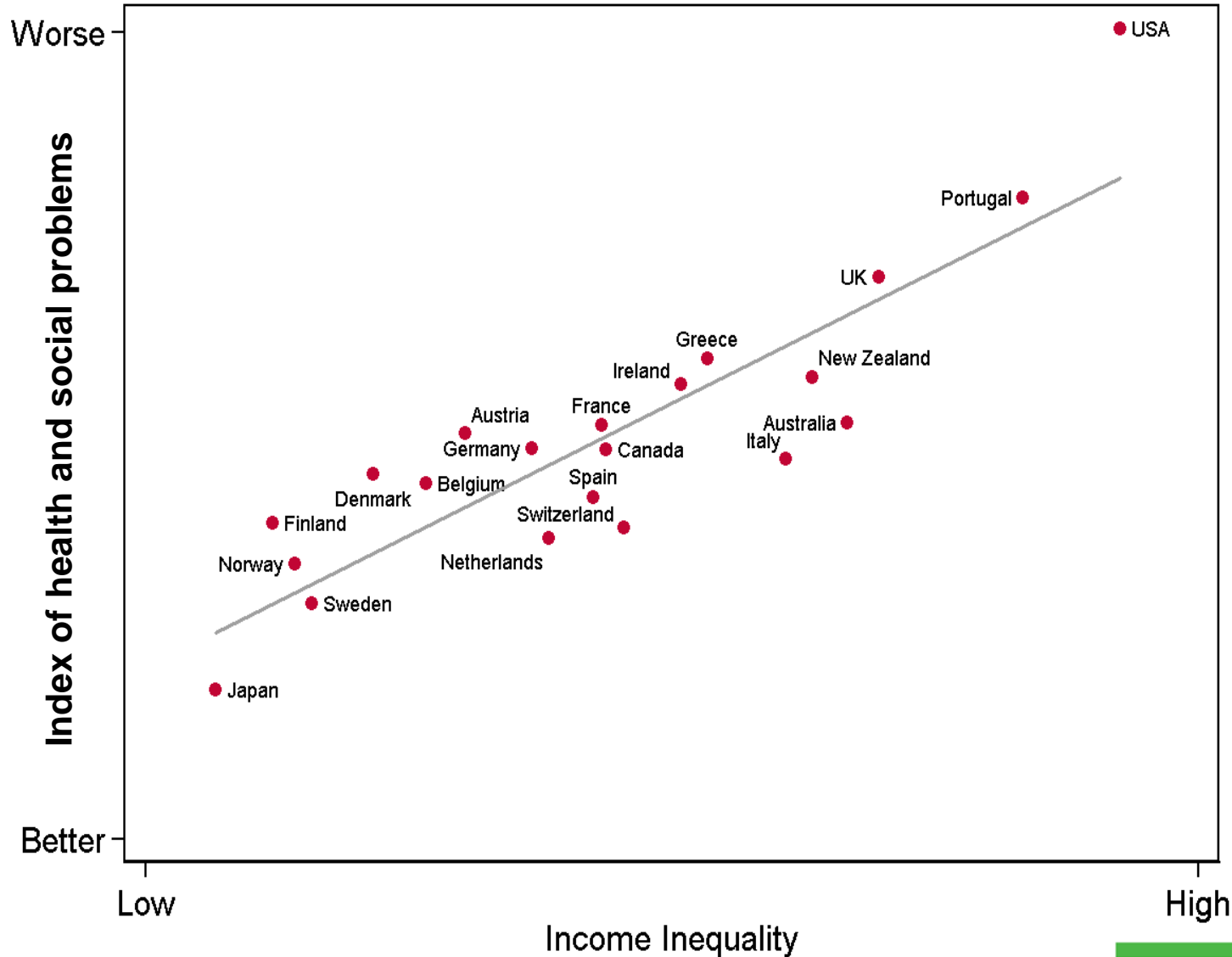
Human Capital

- *Child wellbeing*
- *High school drop outs*
- **Math & literacy scores**
- *Social mobility*
- **Teenage births**

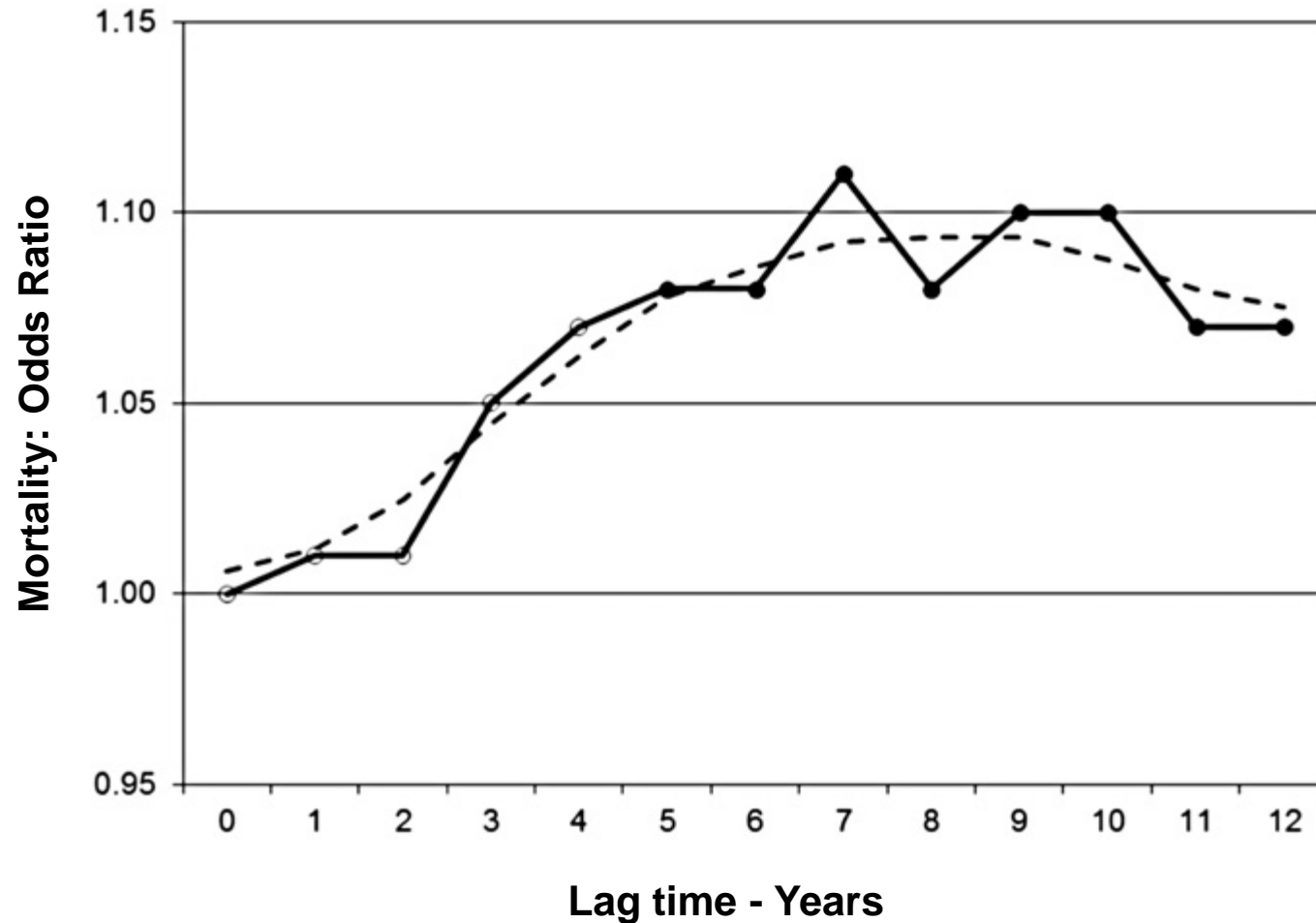
Health and social problems are worse in more unequal countries

Index of:

- Life expectancy
- Math & Literacy
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- Obesity
- Mental illness – incl. drug & alcohol addiction
- Social mobility



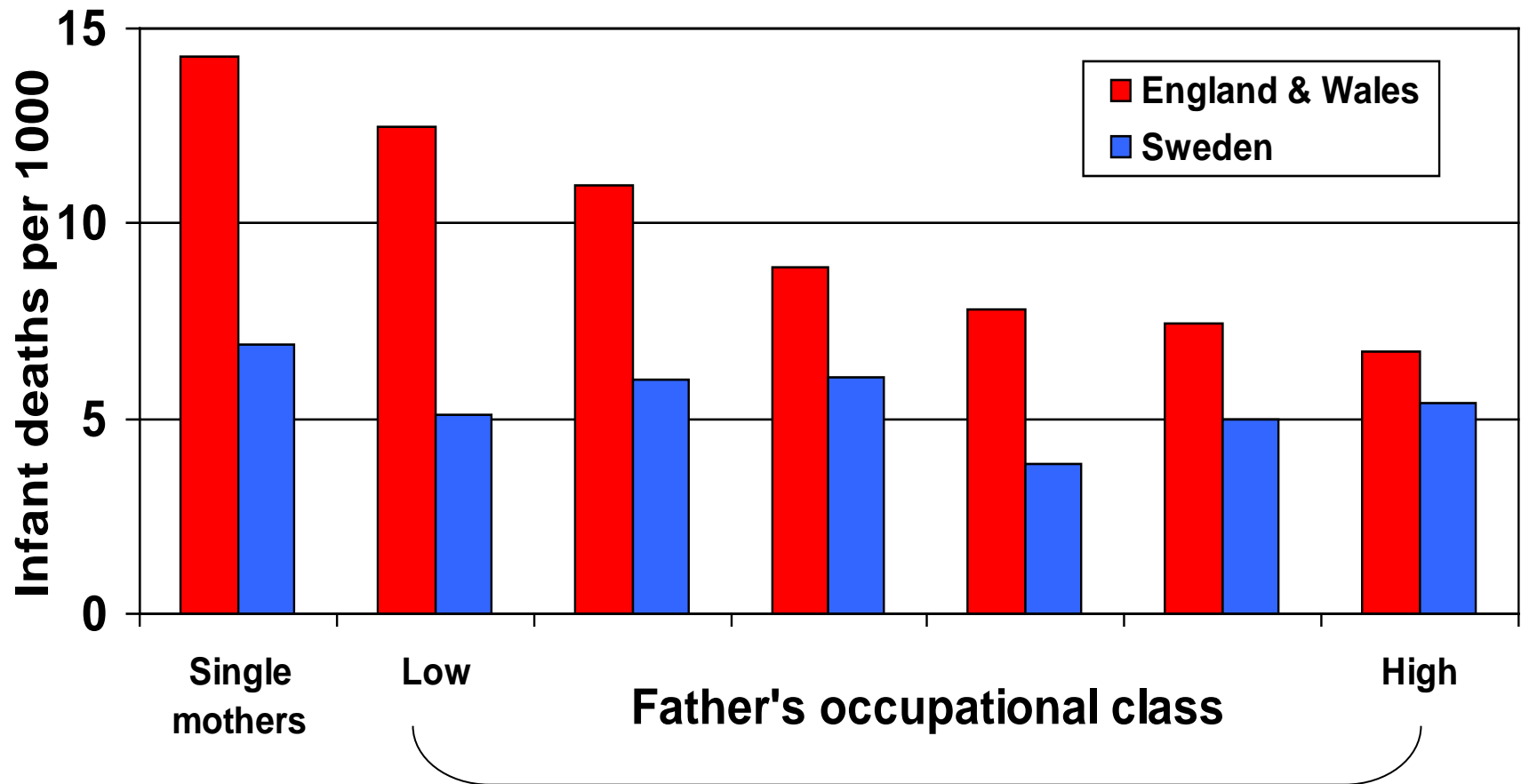
Lag times: marginal impact of a 0.01-unit increase in the Gini on individual mortality risk over time



Zheng H. Social Science & Medicine 2012; 75: 36-45.

The benefits of greater equality are not confined to the poor but extend to all social classes

Infant mortality by class: Sweden compared with England & Wales

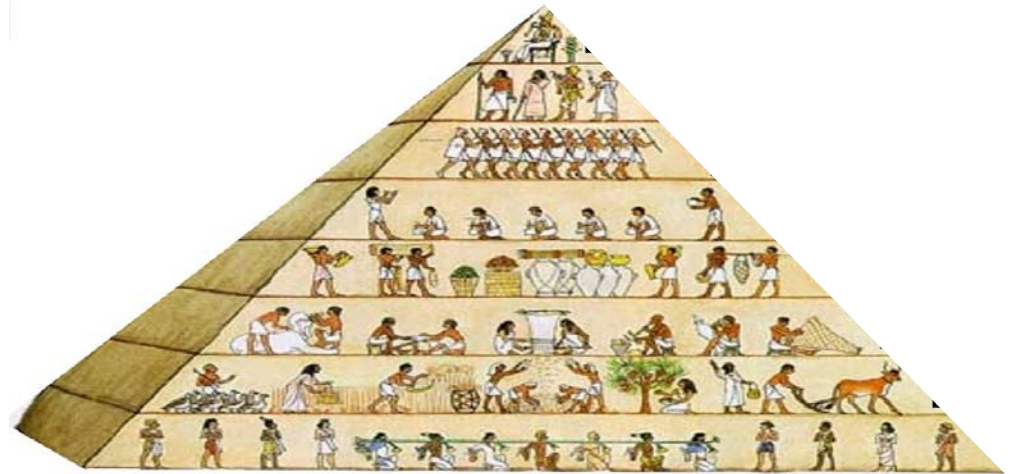
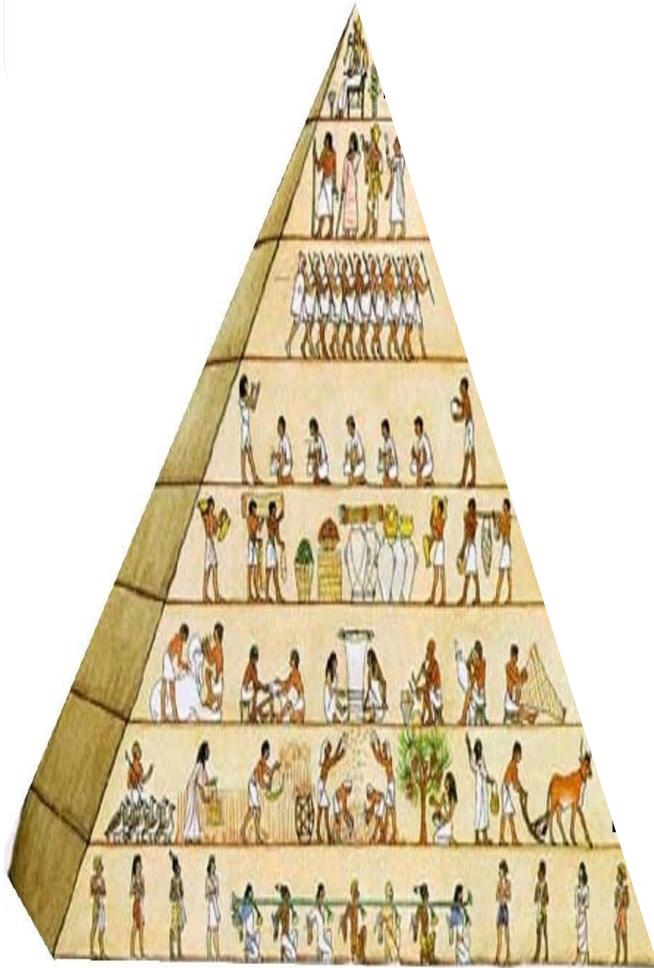


Leon, D. A., D. Vagero, et al. (1992). "Social class differences in infant mortality in Sweden: comparison with England and Wales." Brit Med J 305(6855): 687-91.

Income differences increase social class differentiation

Bigger income differences:-

- **Class becomes more important**
- **The social pyramid is higher and more hierarchical**
- **The quality of social relations deteriorates**

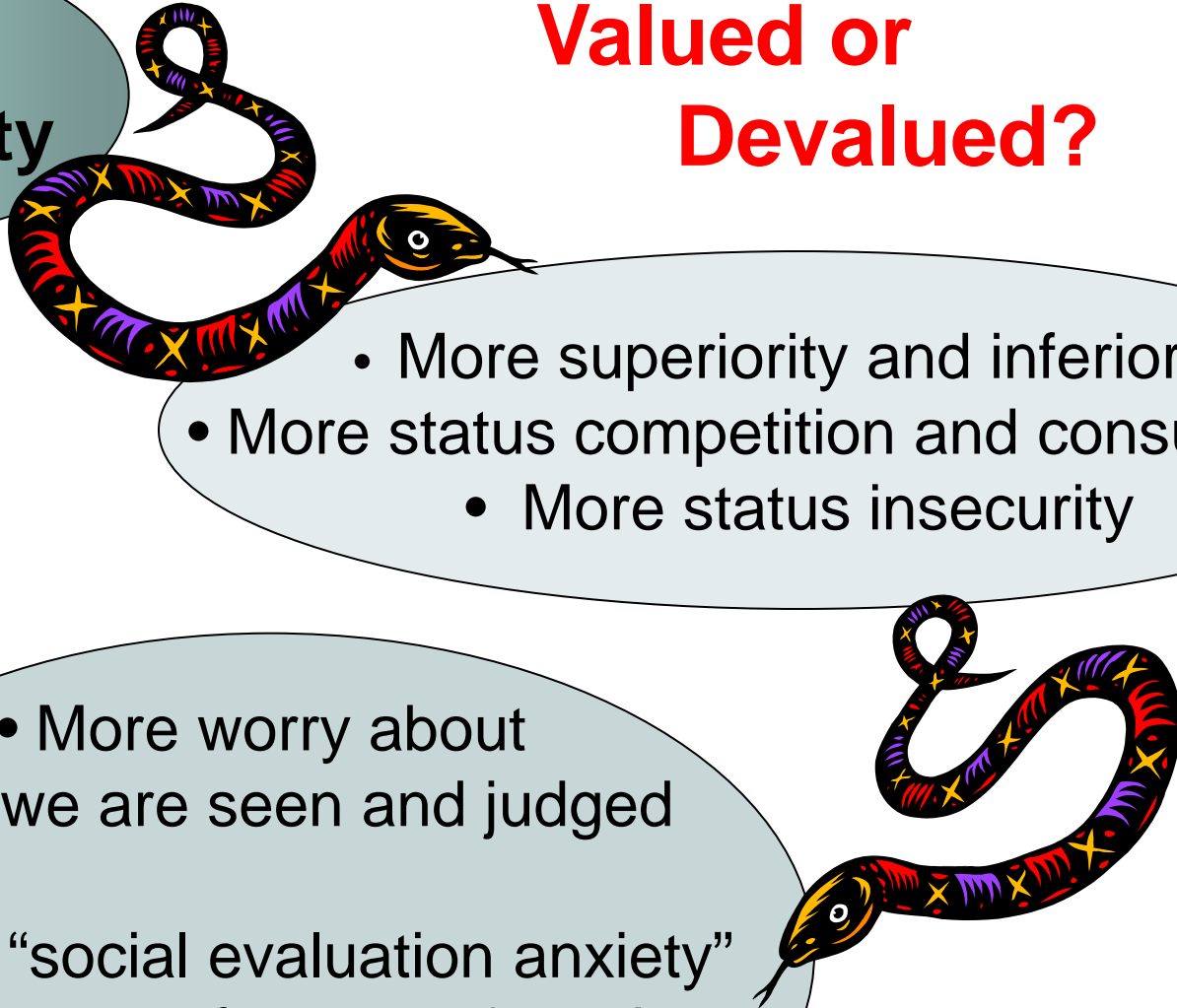


More
inequality

Valued or Devalued?

- More superiority and inferiority
- More status competition and consumerism
 - More status insecurity

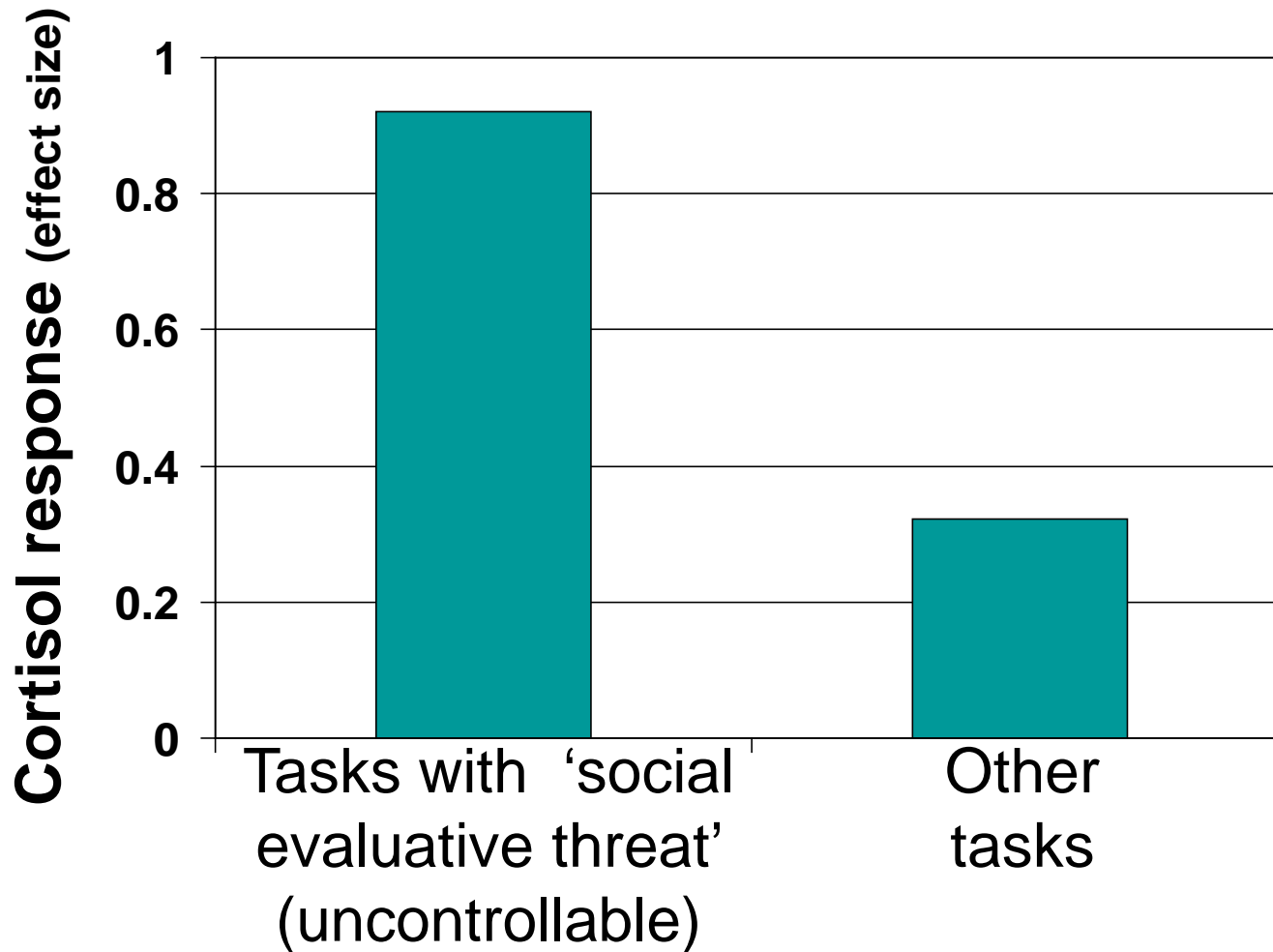
- More worry about how we are seen and judged
- More “social evaluation anxiety” (threats to self-esteem & social status, fear of negative judgements)



Psychosocial risk factors for ill health

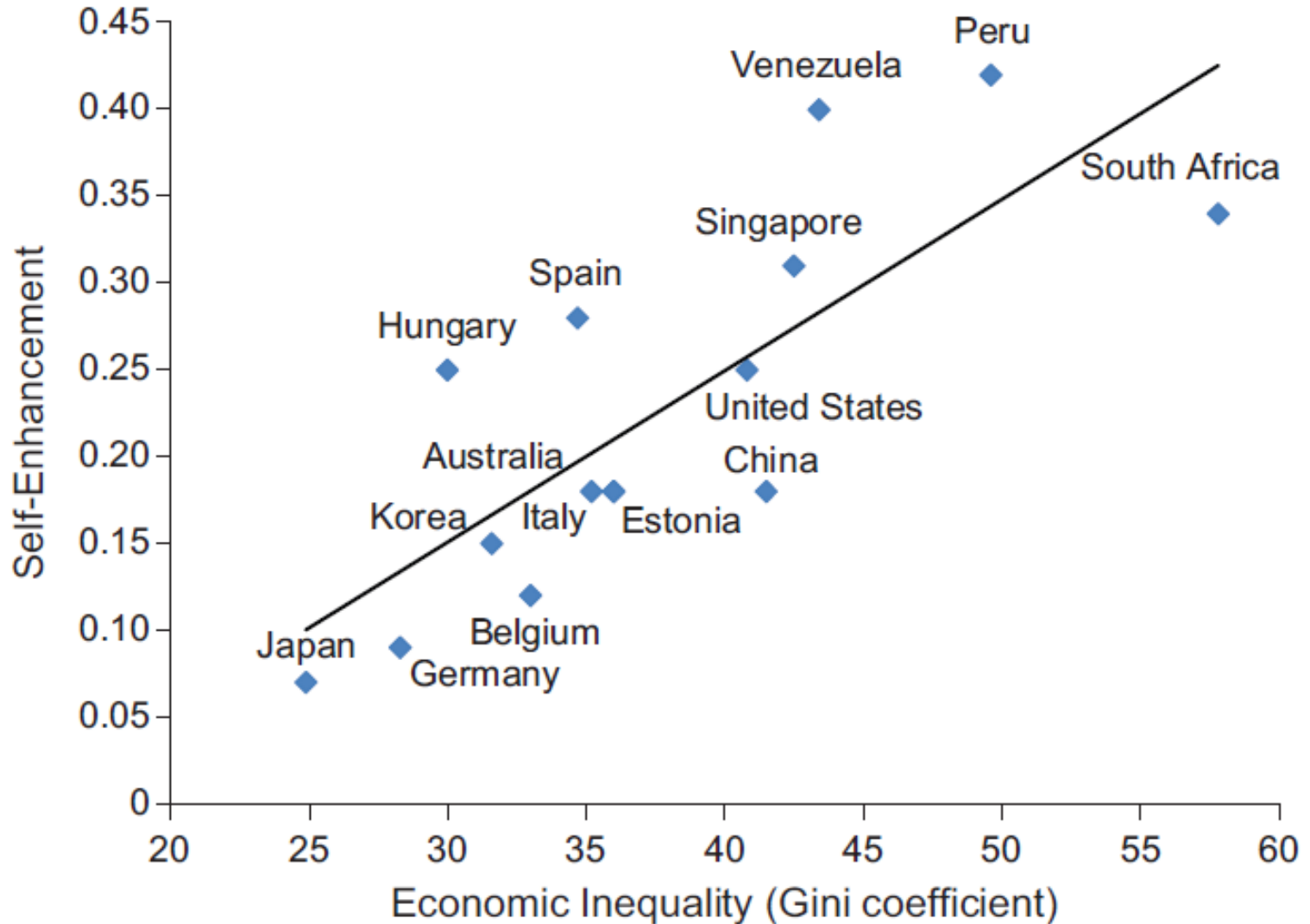
- **Low social status**
- **Weak social connections**
- **Stress in early life (pre- and postnatally)**

What kind of stressful tasks raise stress hormones most?



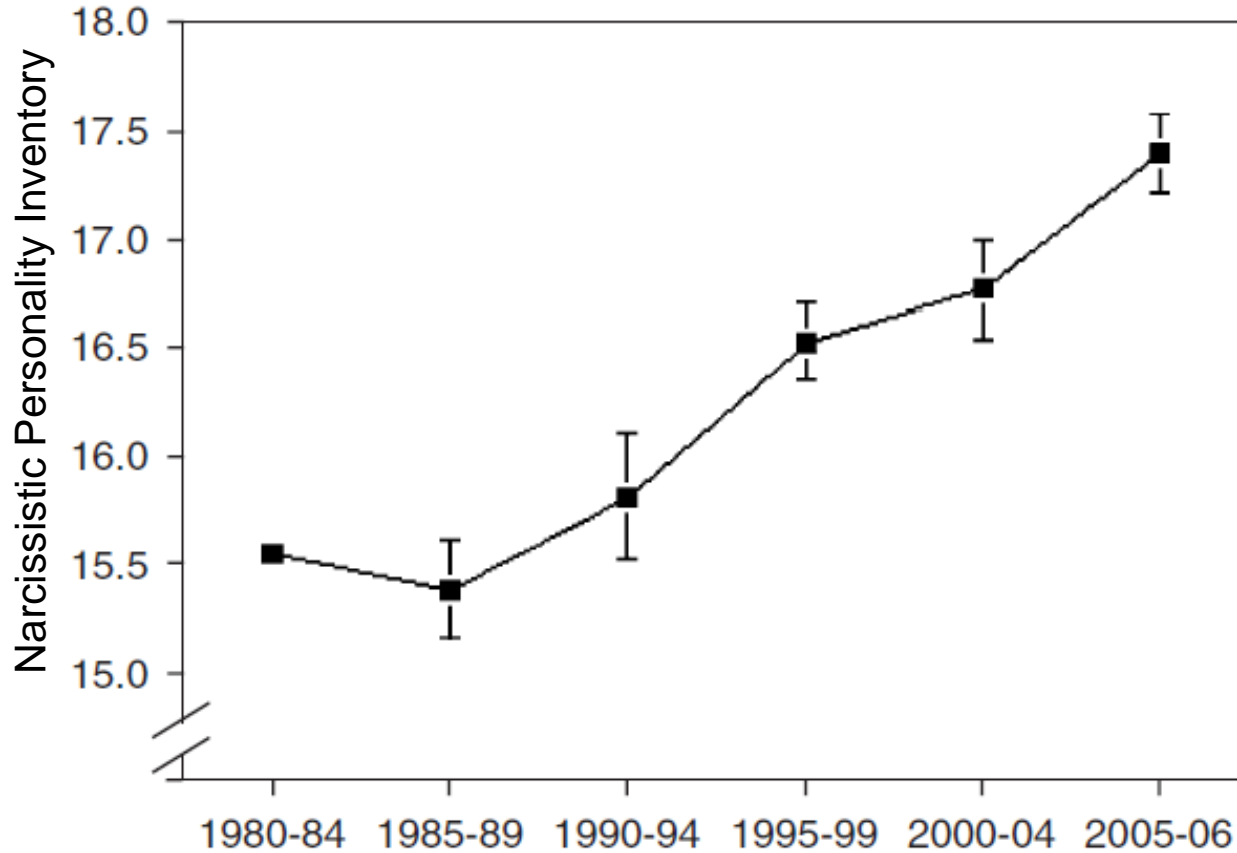
Dickerson SS, Kemeny ME. Acute stressors and cortisol responses. *Psychological Bulletin* 2004; 130(3): 355-91.

In more unequal countries people abandon modesty and exaggerate their merits



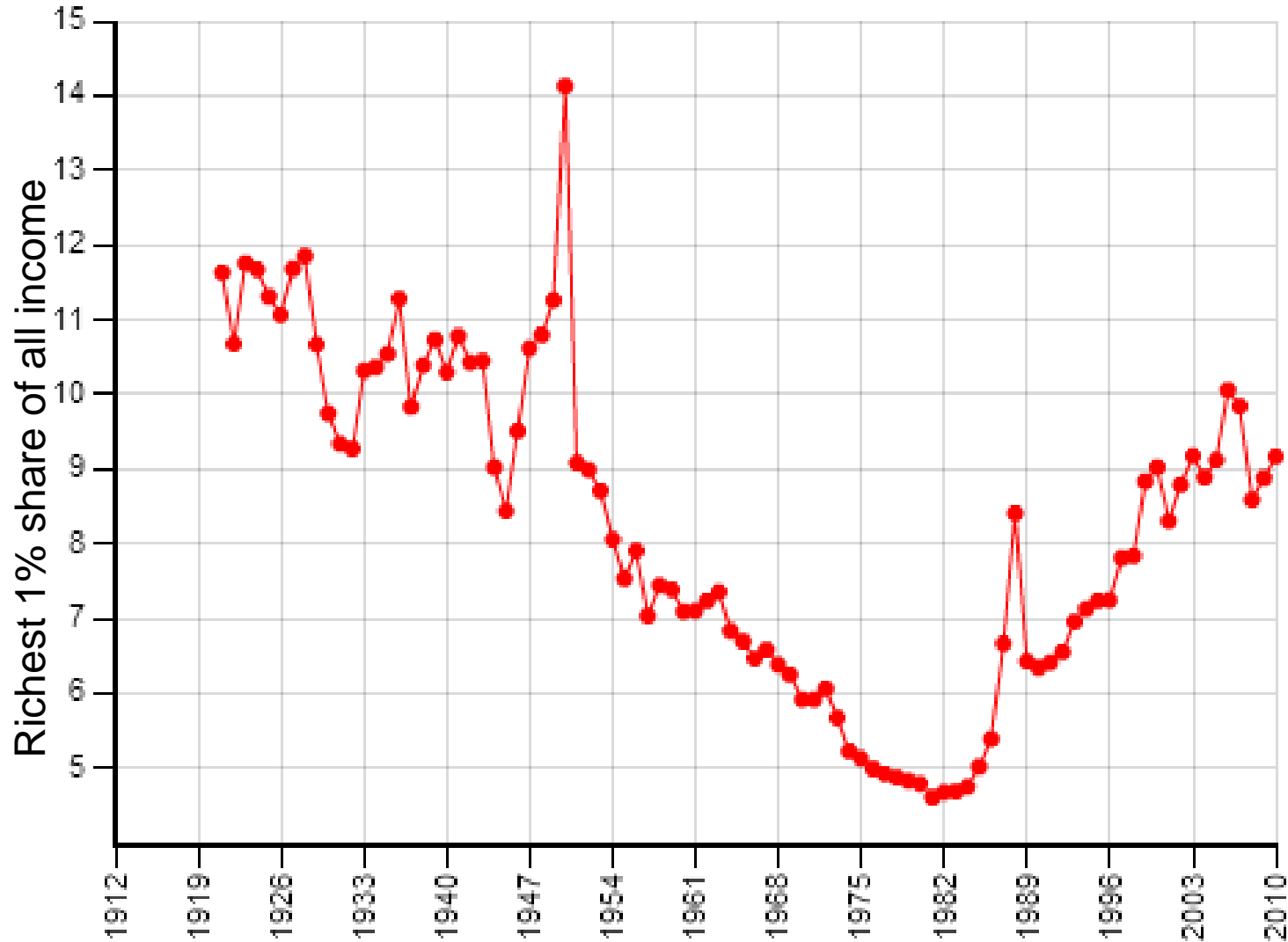
Loughnan S, et al. Economic Inequality is linked to biased self-perception.
Psychological Science, 2011; 22: 1254

Rising narcissism among American college students (meta-analysis of 85 samples 1979-2006)



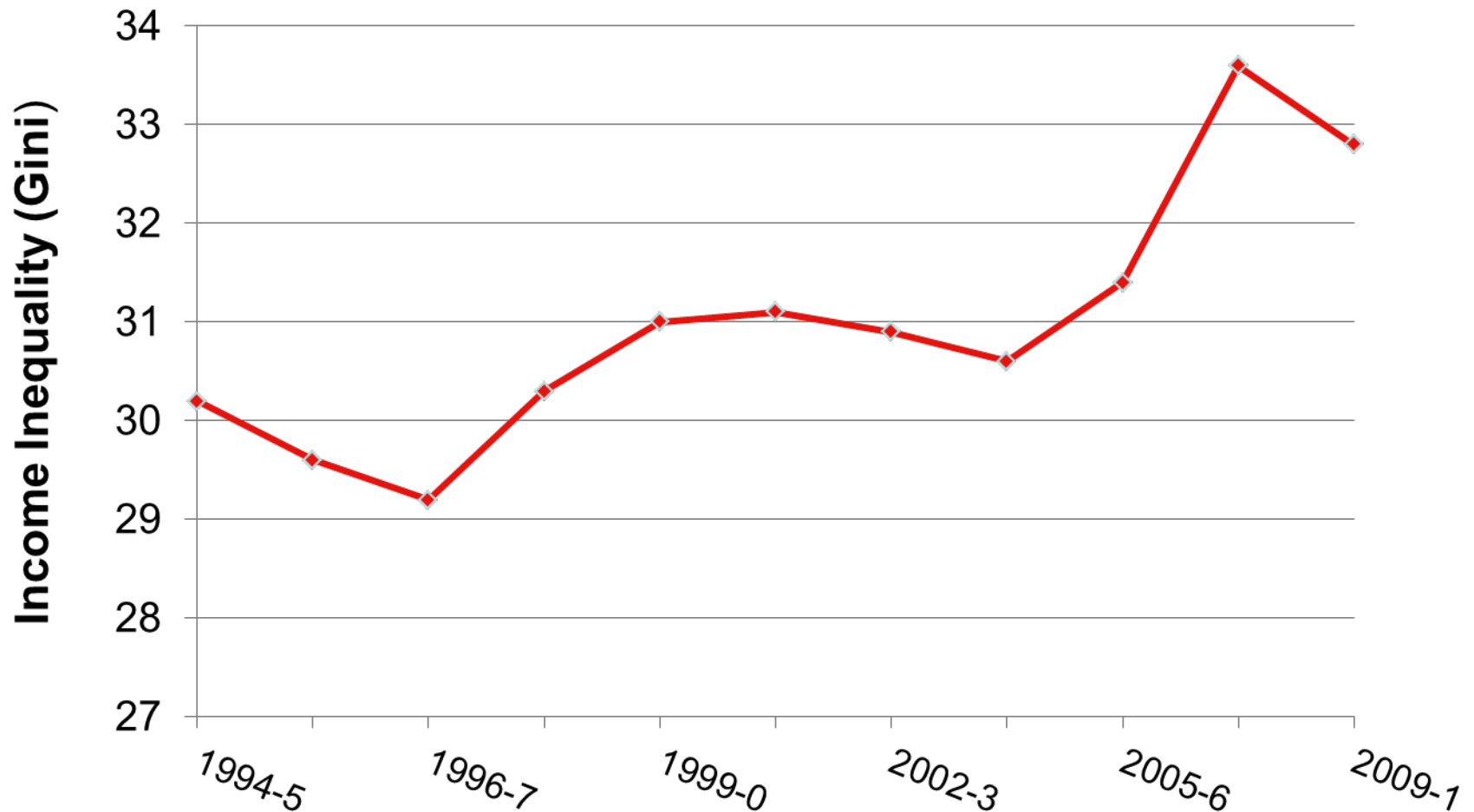
Twenge JM, Konrath S, Foster JD, Campbell WK, Bushman BJ.
Egos inflating over time. *J Personality* 2008; 76(4): 875-901.

Share of income going to richest 1% in Australia 1912-2010



World Top Incomes Database. <http://topincomes.g-mond.parisschoolofeconomics.eu>
and Atkinson & Leigh (2007)

Income Inequality: Australia 1994-2010 (Gini)



Australian Bureau of Statistics, Household income and income distribution 2009-10. Canberra 2011

What can be done?

Income differences before tax

- Increase company democracy - employee ownership etc
- Promote more directors from within companies



Taxes & benefits

- Stop tax avoidance
- End tax havens
- Make taxation progressive again

**Sustainability needs
greater equality**



The Spirit Level

Why Equality is Better for Everyone

Richard Wilkinson and Kate Pickett

'A big idea, big enough to change political thinking'
Sunday Times

'A sweeping theory of everything' *Guardian*



For more information:
... a book

and a
website...

The **Equality Trust**

<http://www.equalitytrust.org.uk>