

Poverty and the Two Concepts of Relative Deprivation: Implications for EU poverty measurement

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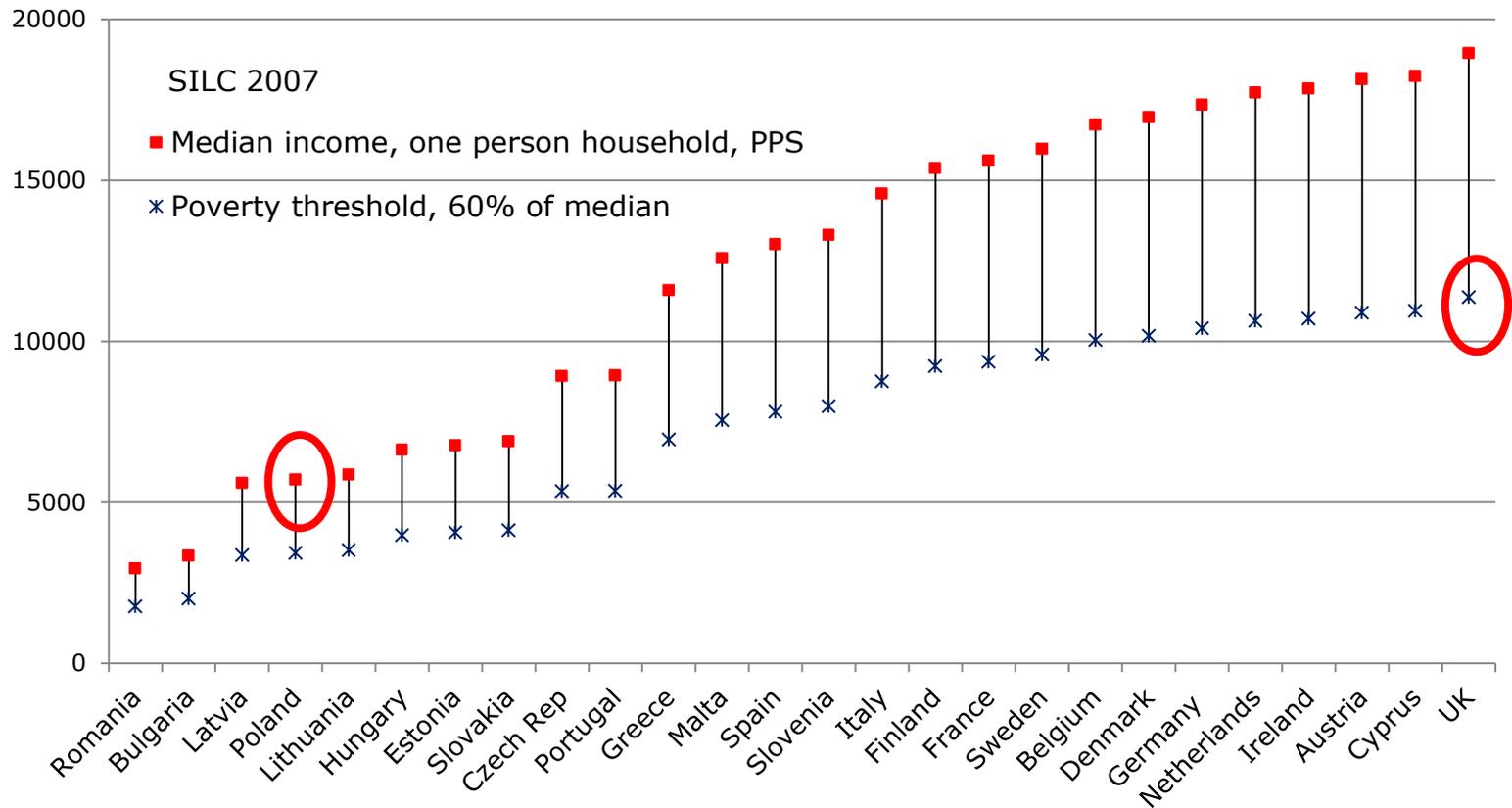
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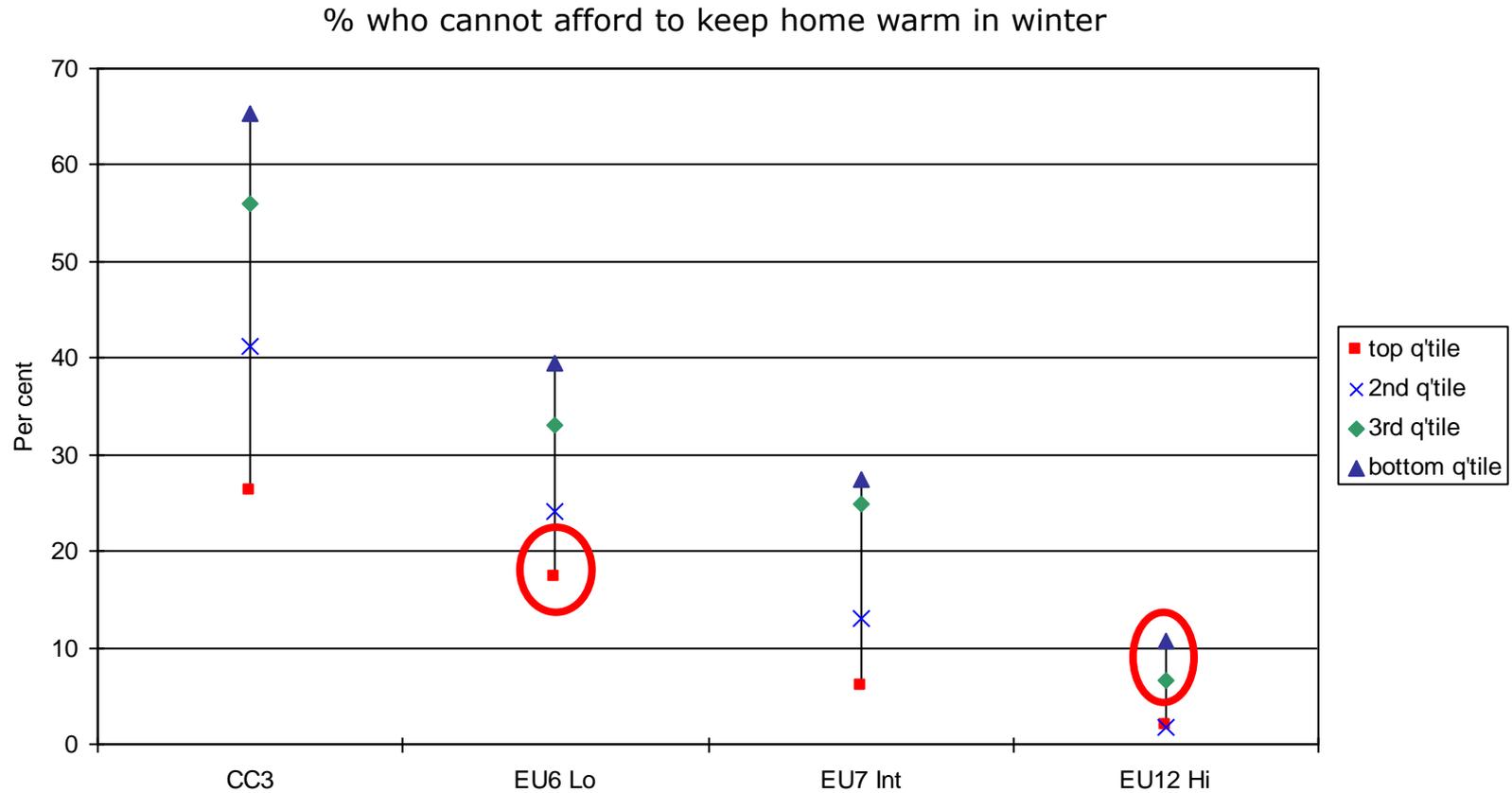
Starting question: How to measure poverty in the EU?



Heating deprivation

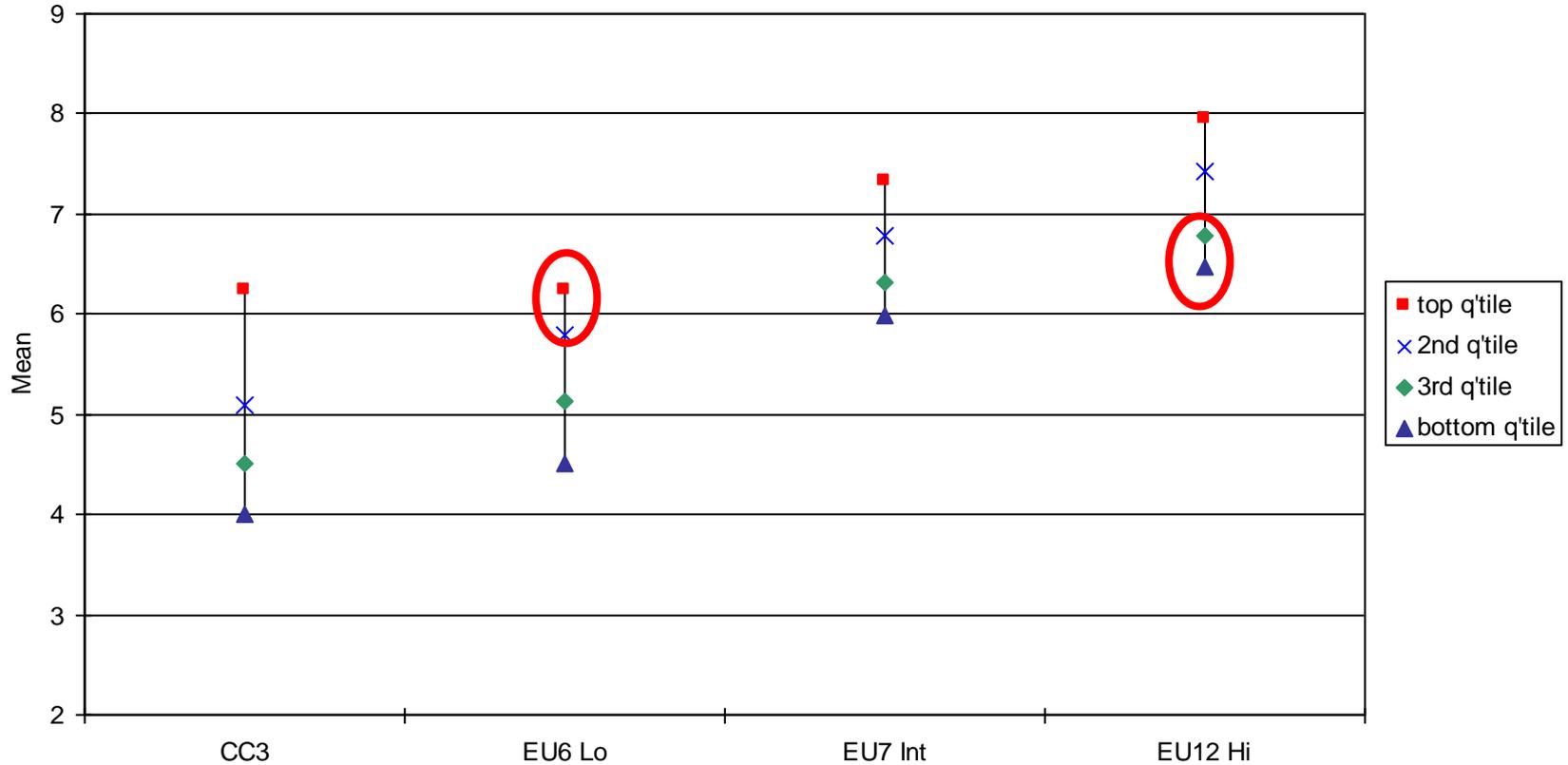
Comparison of EU countries clustered by level of GDP per capita

(European Quality of Life Survey 2003)



Satisfaction with standard of living by income quartile in clusters of EU countries

(European Quality of Life Survey, 2003)



Issues for today

- We lack the conceptual framework and the language needed to deal with complex relative deprivation
- ... at EU level especially, but parallels also at national level
- Complexities involved already pre-figured in history of relative deprivation as a concept
- Need to recover that history and exploit its relevance for poverty research today

Three arguments:

1. Concept of relative deprivation in poverty research → a simplified version of original concept in social psychology (1940s & 1950s)
2. Poverty measurement in EU has begun to return towards original concept – but unconsciously
3. Poverty research in general needs to embrace [elements of] the complex approach

Relative deprivation: US origins

- Social comparison in sociology, social psychology, economics (Veblen, Mead, Cooley, Duesenberry, Festinger)
- Stouffer: *The American Soldier* (1949)
 - US army research on morale & motivation among US troops in WW II, 1940-45
 - Ultimate concerns: battle effectiveness, well-being
 - Effects of hardship on morale: inconsistent patterns
 - 'Frames of reference' an important mediating factor
- Reference group theory (Merton 1950, 1956)
 - relative deprivation as instance of reference group behaviour
 - causes & effects of reference groups
 - membership v non-membership groups
 - multiple reference groups

UK/European version

- W.G. Runciman *Relative Deprivation & Social Justice* (1966)
 - Is subjective relative deprivation a useful poverty indicator/guide to policy?
 - Key test: Is resentment *justified* (a) empirically? (b) by reference to standards of social justice?
 - Investigated (a) British working class militancy 1918-1960; (b) survey data from 1962; (c) Rawls' theory of justice
 - Answer: usually no
 - The only generalisation which can be confidently advanced is that the relationship between inequality and grievance only intermittently corresponds with either the extent and degree of actual inequality, or the magnitude and frequency of relative deprivation which an appeal to social justice would vindicate*
 - Implication: relative deprivation has no value as poverty indicator

.../cont

- P Townsend (1979) *Poverty in the UK*
 - ‘Poverty can be defined objectively and applied consistently only in terms of the concept of relative deprivation’
 - BUT must be ‘objective’: ‘A definition of poverty may have to rest on value judgements. But this does not mean that a definition cannot be objective and that it cannot be distinguished from social or individual opinion’ (p. 38)
 - Definition of poverty: Exclusion from ordinary living patterns by lack of resources (p. 31)
 - no reference to feelings/subjectivity
 - researcher defines ‘objective’ poverty threshold
 - underlying concern: poverty as undesirable social outcome that public policy should aim to eliminate

Complex v simple relative deprivation: four differences

	Complex	Simple
1. Analytical purpose	Explanation: Focus on agency	Monitoring social outcomes: Social indicators research
2. Framing	Multiple & complex; The core issue	Singular fixed, observer-determined
3. Units of analysis	Multiple: individual & group deprivation	Mainly households (sometimes individuals)
4. Subjective perceptions	Central	Disputed: debate over status as social indicators



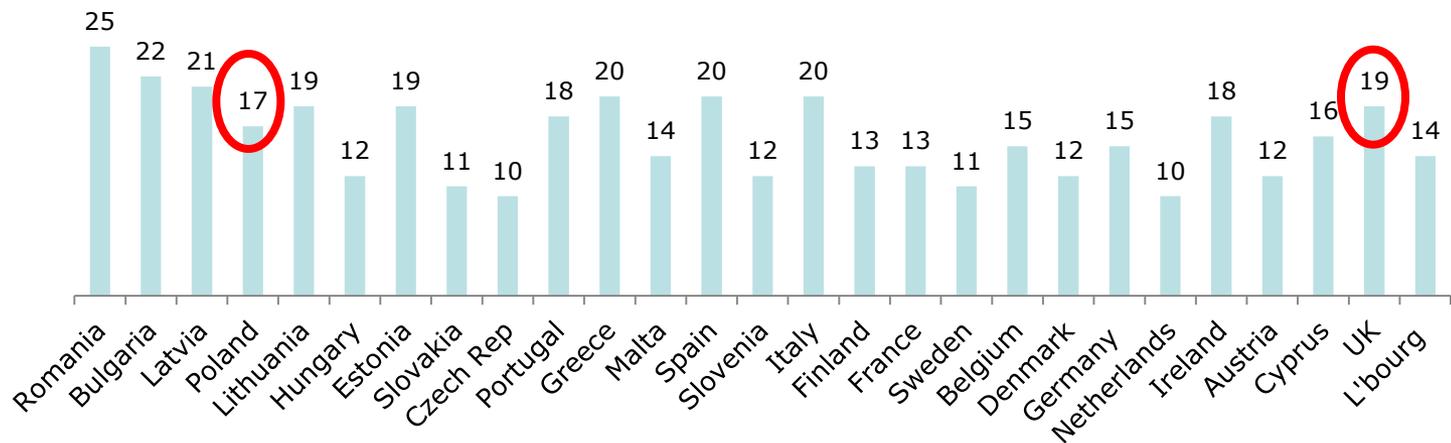
Social indicators: where science & policy intersect

1. Empirically robust
2. Normatively clear: more or less = better
3. Amenable to policy intervention / useful for monitoring policy outcomes

Poverty measurement in EU

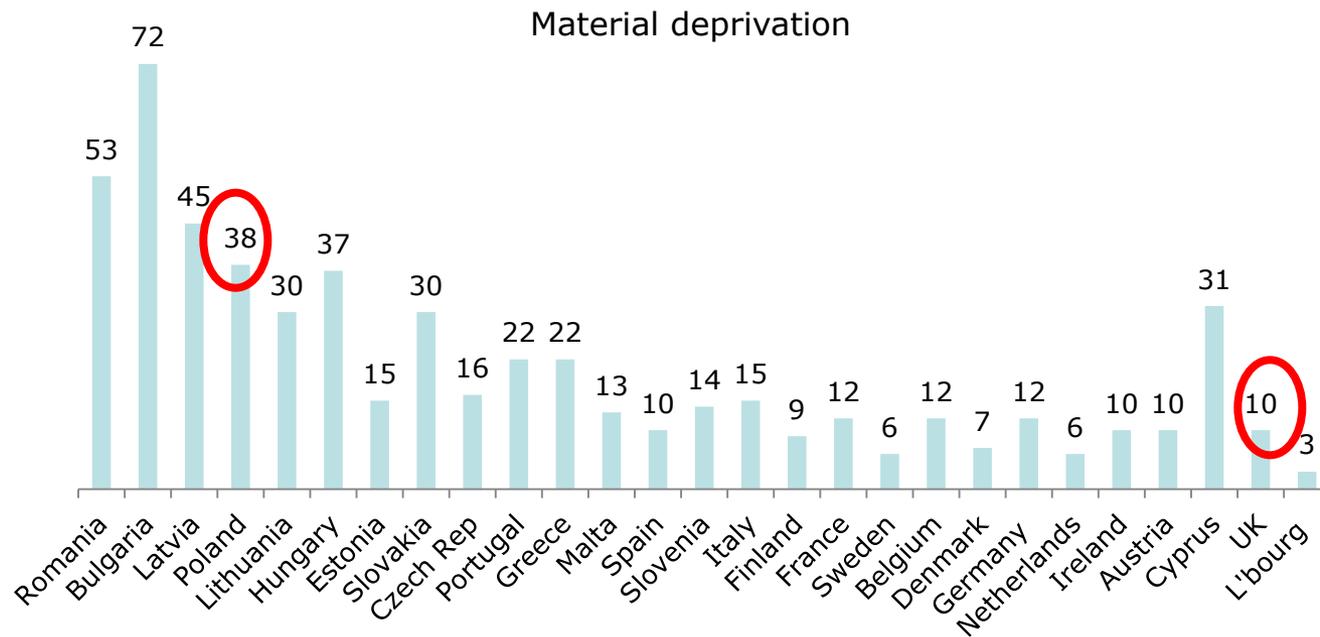
- Definition (based on Townsend): 'lack of resources (economic, social, cultural) needed for participation in normal activities of societies in which people live'
- Key indicator: relative income poverty, framed in national terms

< 60% median equivalised household income (SILC 2007)



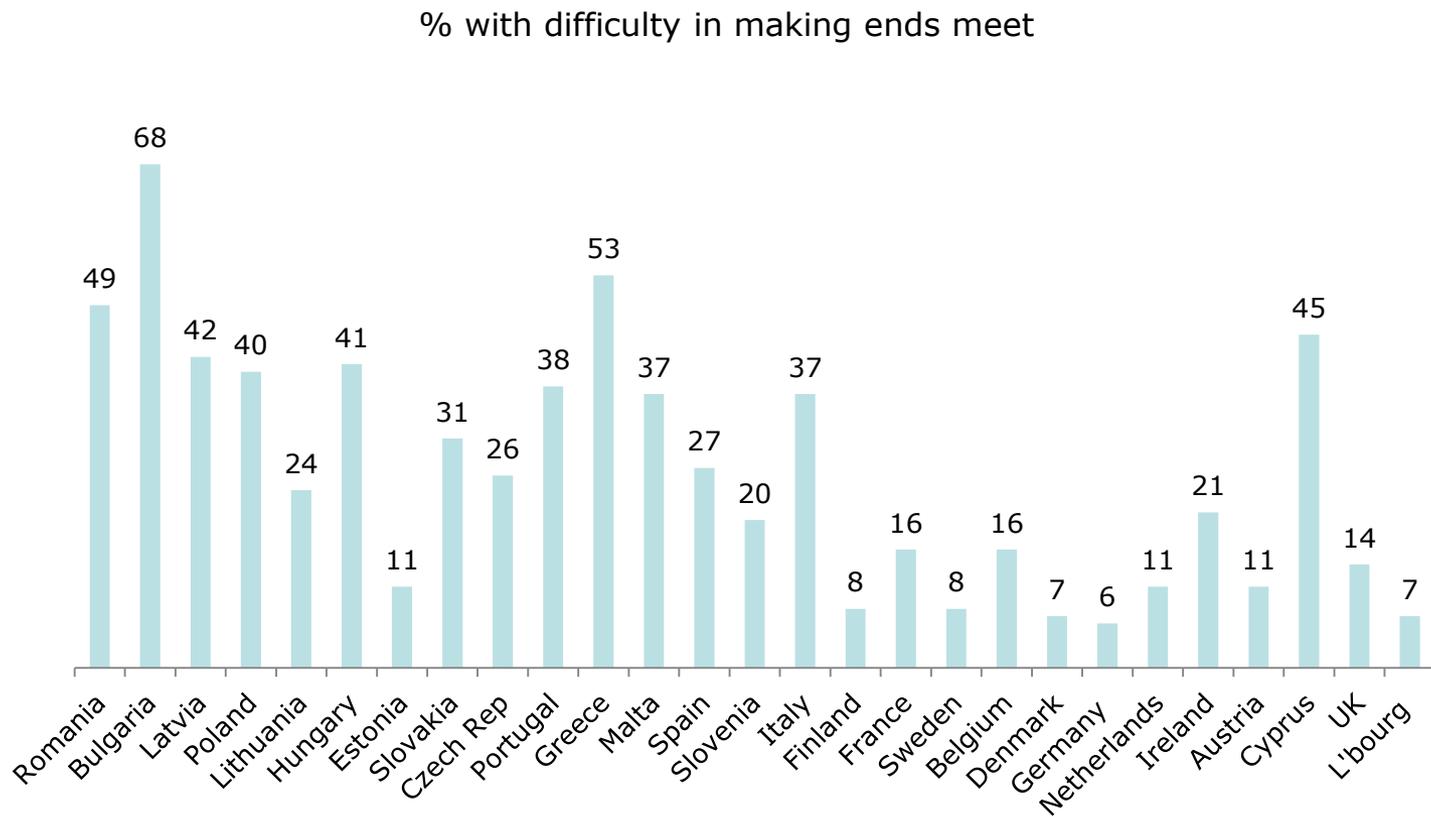
2006: emergence of dual framing

- Material deprivation: relative consumption poverty, *framed in EU-wide terms*
- Enforced lack of 3+ consumption items (out of 9)



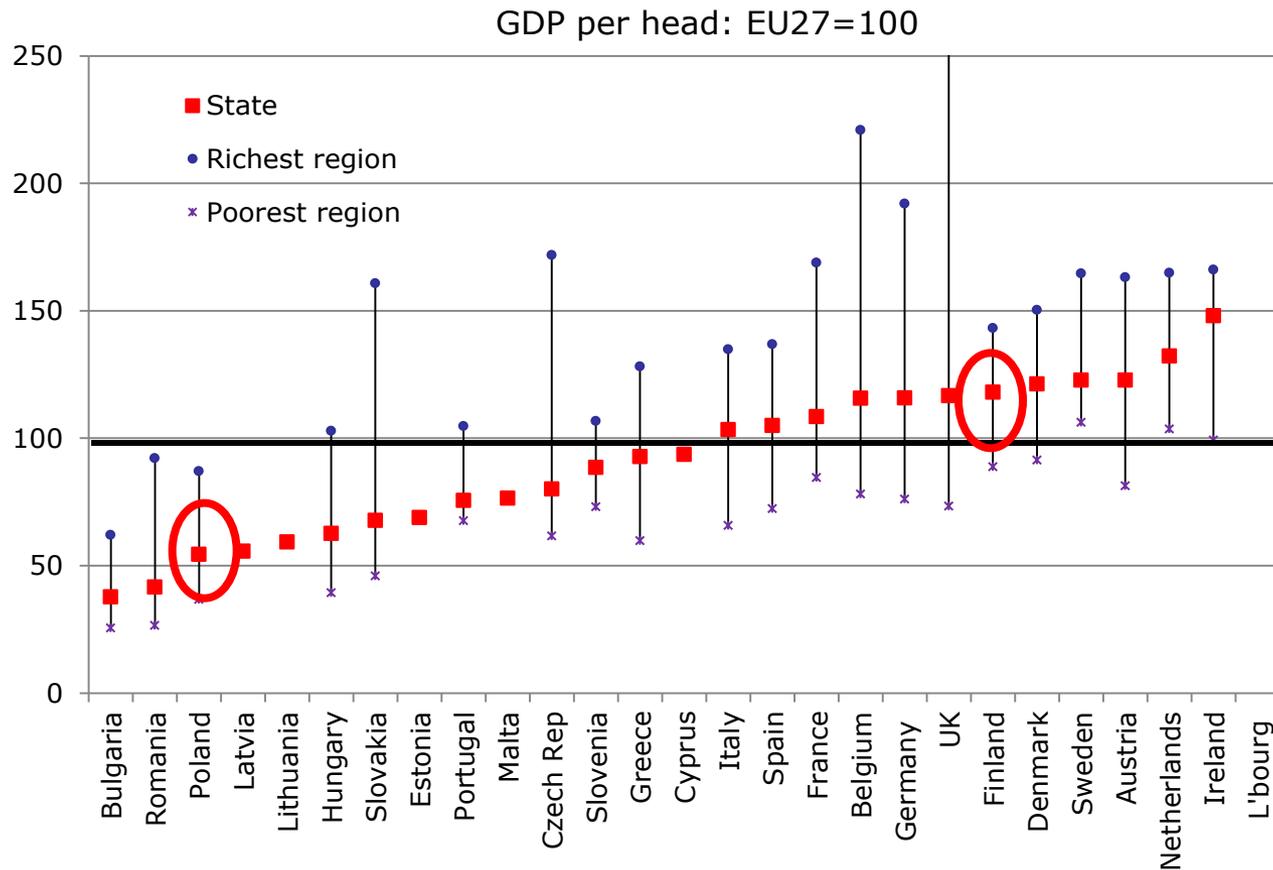
The subjective dimension

Does it support singular or dual view of framing?



Units of analysis:

Poor states & regions: singular EU-wide framing



Analytical purpose:

Beyond social indicators?

- 'Social cohesion' as a theme
 - Impact of poverty on social cohesion?
 - From social indicators to behavioural analysis?
- RD not the only form of social comparison
 - Upward, downward, sideways comparisons
 - Negative & positive affect (grievance, admiration, sympathy, antagonism)
- Individual and collective deprivation
- The economic crisis as test:
 - Who feels disgruntled and why?
 - What do they *do* (exit, loyalty, voice)

Some implications

- Framing: a core issue for poverty indicators
 - So far, dictated by policy
 - Has science anything to offer?
- Beyond social indicators?
 - From evidence-based policy to policy-based evidence
 - Should we have 'behavioural poverty research'?
 - cf. Akerlof & Kranton *Identity Economics*
- The importance of analytical purpose
 - Policy-guidance v explanation/understanding
 - Analysing social cohesion
 - Regional & national effects on well-being (cf. 'neighbourhood effects')
 - Reversing Runciman: subjective perceptions as means to explore framing and units of analysis