Poverty and the two concepts of relative deprivation

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Starting question: how to measure relative poverty in enlarged (post-2004) EU?

SILC 2007

- Median income, single person household (in PPS)
- Poverty threshold (60% of median)
Two arguments:

• Concept of relative deprivation used in poverty research is simplified version of original complex concept developed in social psychology

• Simple concept has been successfully used in poverty research at national level, but EU level measurement has moved towards the complex concept
  
  – Need to appreciate these conceptual differences in order to understand recent developments in Eurostat measurement & guide future practice
History

- ‘Relative deprivation’ first used in *The American Soldier* (Stoufer et al. 1949): studies of morale and battle effectiveness among US troops in World War II
  - Objective hardship & risk did not always explain dissatisfaction
  - Depended on frames of reference
- Merton & Kitt (Rossi) (mid-1950s): Reference group theory:
  - Membership and non-membership reference groups
- W.G. Runciman (1966) *Relative Deprivation and Social Justice*
  - Do feelings of relative deprivation provide reliable guides to social injustice?
  - Answer: No – grievance is often disproportionate to the facts and unreasonable in social justice terms
- Townsend (1979) *Poverty in the United Kingdom*
  - ‘Poverty can be defined objectively and applied consistently only in terms of the concept of relative deprivation’
  - ... relative to prevailing norms in society -- inhibits social participation
  - The poor: ‘a minority in each society experiencing exclusion from customary living standards due to a lack of resources’
### Complex v simple relative deprivation: four differences

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Properties of social indicators

- Empirically robust
- Clear normative interpretation: more is better/worse
- Relevant to policy: assess policy impacts, guide policy design, public/political acceptance
- Causal significance? No
Poverty measurement in the EU: I. Dual framing for dual policy context

Source: Eurostat database -- SILC 2007
Poverty measurement in the EU: II. Subjective perceptions

% experiencing difficulty or great difficulty in making ends meet

Source: Eurostat database -- SILC 2007
Poverty measurement in the EU:
III. Units of analysis: poor states/regions

[Graph showing GDP per head 2007 (EU 27=100) for different countries, categorized as richest region, state, and poorest region.]
Poverty measurement in EU:
IV. Analytical purpose

• ‘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?
Conclusions

• Poverty measurement in EU: from simple to complex relative deprivation

• From singular to dual framing:
  – Framing as the core issue (different from ‘dimensions’)
  – Why chose one frame over another? Policy? Science?
  – Amalgamated framing as an option?

• Subjective perceptions
  – As social indicators?
  – For insight into framing?

• Emerging: Multiple units of analysis?
  – Neighbourhood effects, region effects, national effects

• Yet to come: a behavioural concern with social cohesion?
  – Relative deprivation as influence on behaviour