

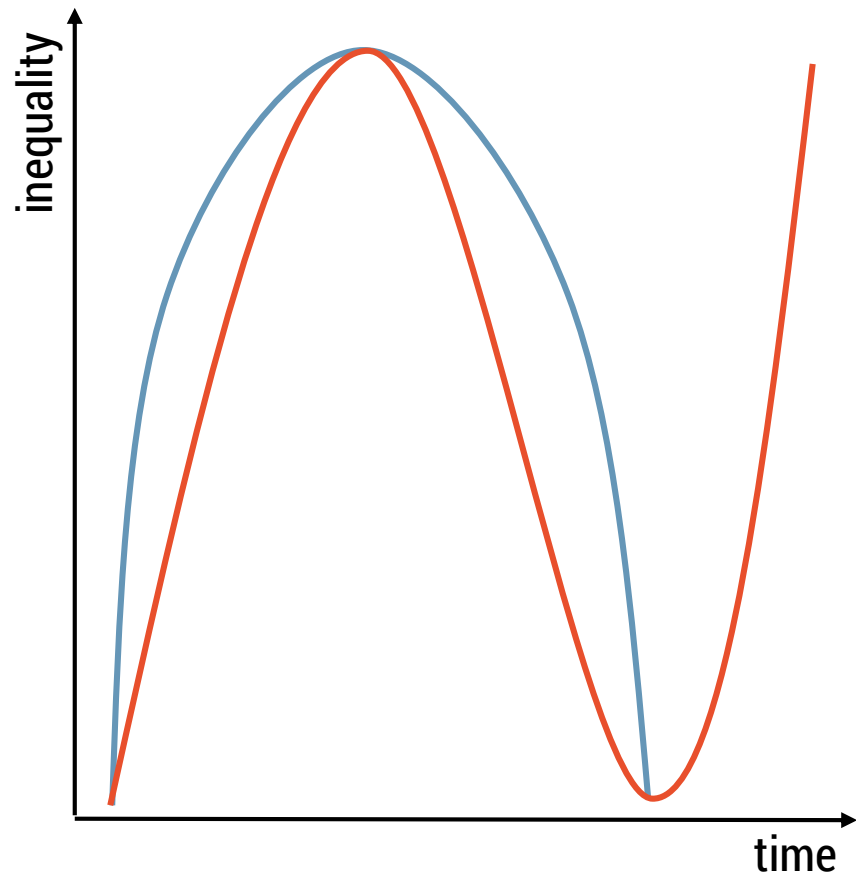
Inequality, Competition, and Status Anxiety.

Extending the Spirit-Level Theory

Jan Delhey, Christian Schneickert & Leonie Steckermeier

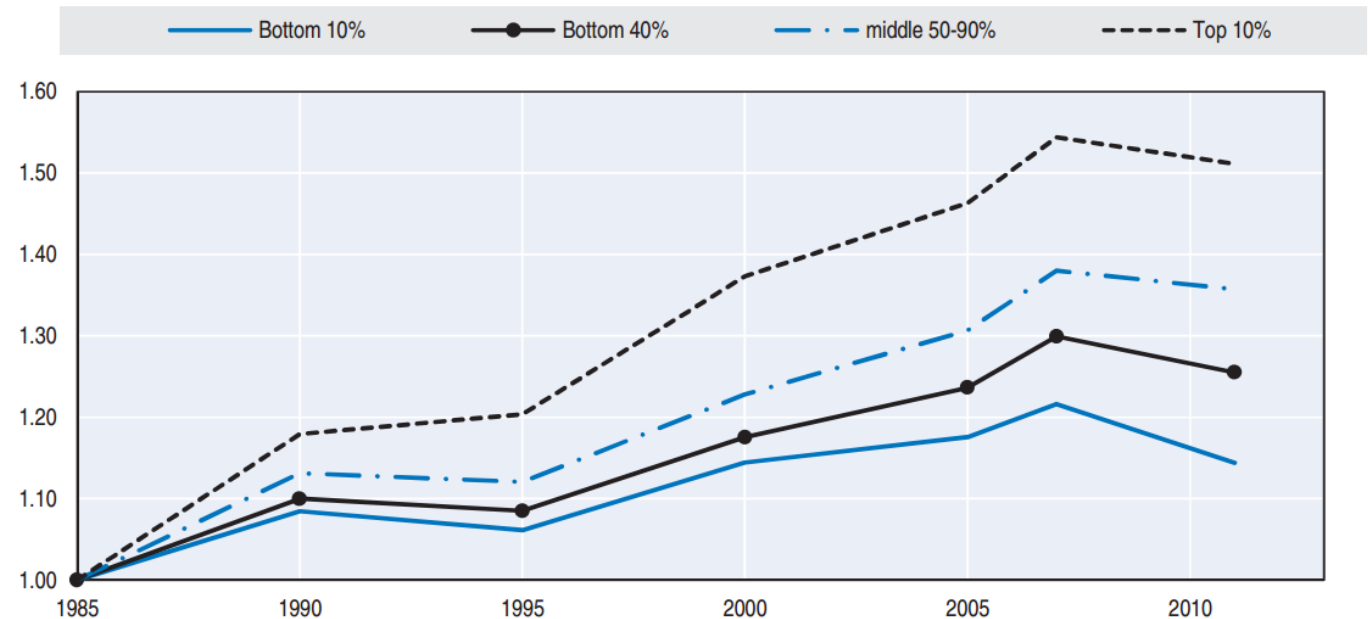


The great U-turn



“In recent decades, as much as 40% of the population at the lower end of the distribution has benefited little from economic growth in many countries. In some cases, low earners have even seen their incomes fall in real terms (Figure 1.2). Just as with the rise of the 1%, the decline of the 40% raises social and political questions. When such a large group in the population gains so little from economic growth, the social fabric frays and trust in institutions is weakened.” (OECD 2011)

Trends in real household incomes at the bottom, the middle and the top, OECD average, 1985 = 1



From income inequality to social ills

Income inequality

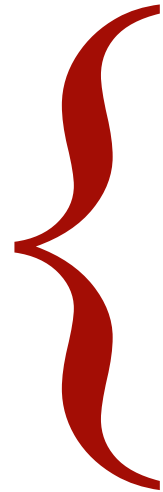


Status anxiety



Social ills

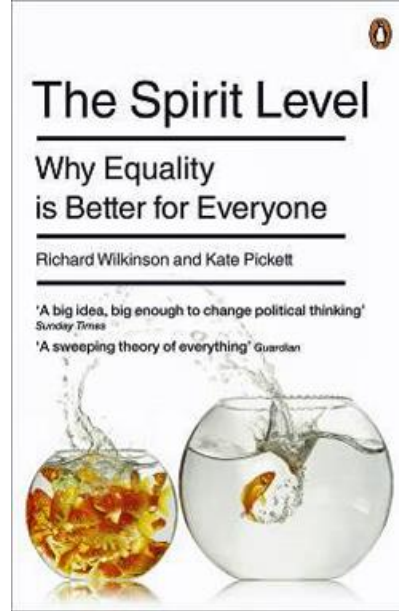
Distrust
Mental illness
Obesity



- Fear of (negative) evaluation & comparison
- Feeling of **lacking appreciation** from others
- Feeling of **being looked down on**



Insufficiently conceptualized
Not measured



Examining the Spirit Level

- **How much** status anxiety is there?
- Does status anxiety affect **everybody equally?** (individual level)
- Does **income inequality** have an impact on status anxiety? (context level)
 - Income inequality leads to competition which fosters status anxiety
 - Too mechanical, missing sociological link
- Alternatively: Does the **competitiveness** of a society impact status anxiety?

Extending the Spirit Level: degree of competition

Experience seeking (Schulze)

- Increasing orientation towards consumption and experience
- Development from outward to inward orientation

The more people in a given society strive to maximize positive emotions, personal wellbeing and enjoyment the **less prone** its population is to status anxiety.

Dampening Status Anxiety

Life styles and status competition (Bourdieu)

- Increasing importance of cultural over economic capital in the struggle for distinction
- Cultural spheres become main arenas of class struggles

The more important cultural capital becomes for the distinction of life styles in a given society the **more prone** its population is to status anxiety.

Strengthening Status Anxiety

Data and Method

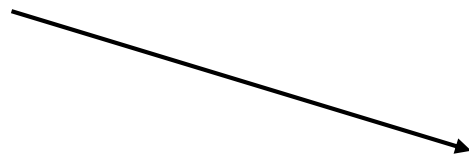
- European Quality of Life Survey, Wave 3, 2011-2012
- 30 European countries (EU-28 + Iceland + Turkey) [Gdp>15,000]
- More than 30,000 respondents
- Two items to measure status anxiety
- Rich on individual-level determinants
- Multilevel analysis



Income Inequality
Competitiveness

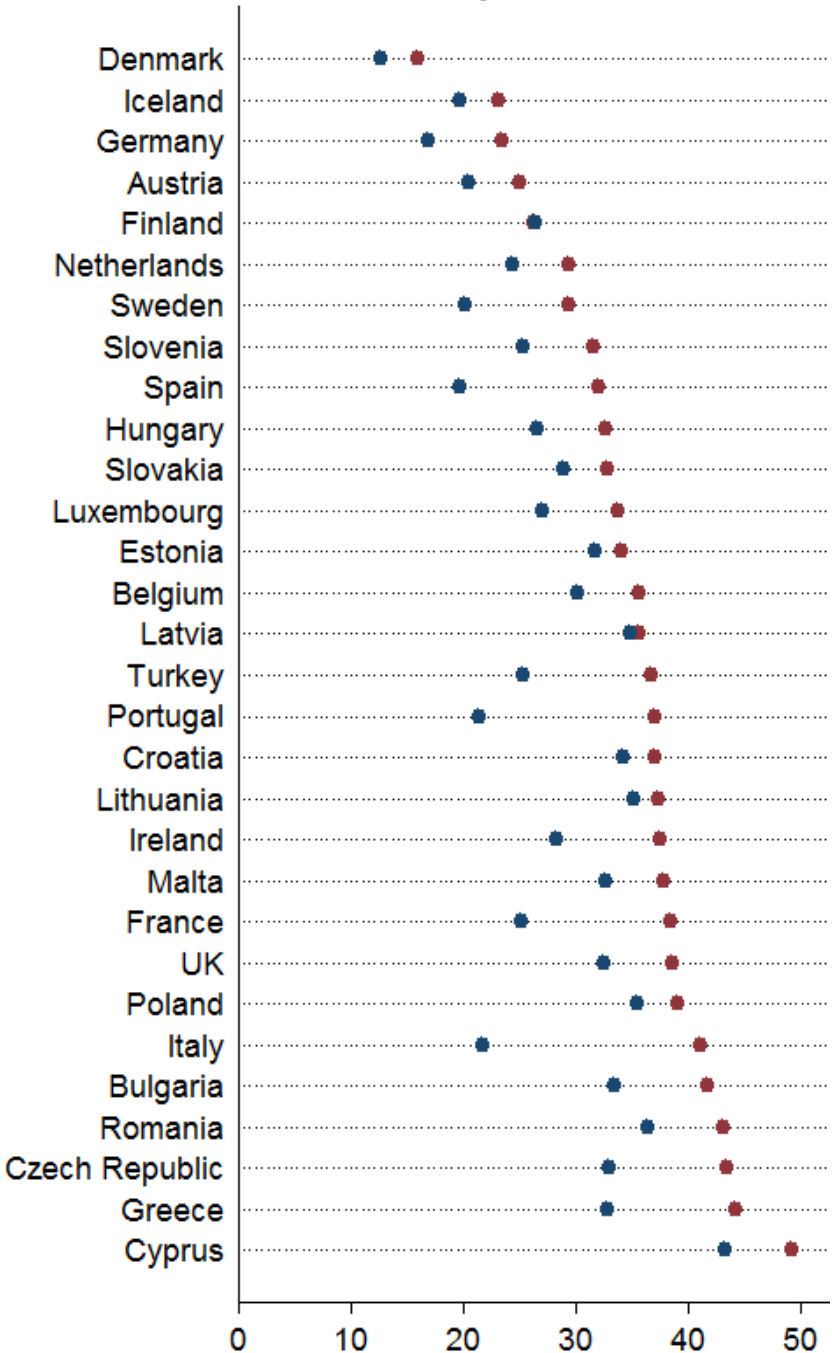


Individual Determinants



Status anxiety

Status anxiety indicators 2011/12



Measuring status anxiety

Please tell me whether you strongly agree, agree, neither agree or disagree, disagree or strongly disagree ...

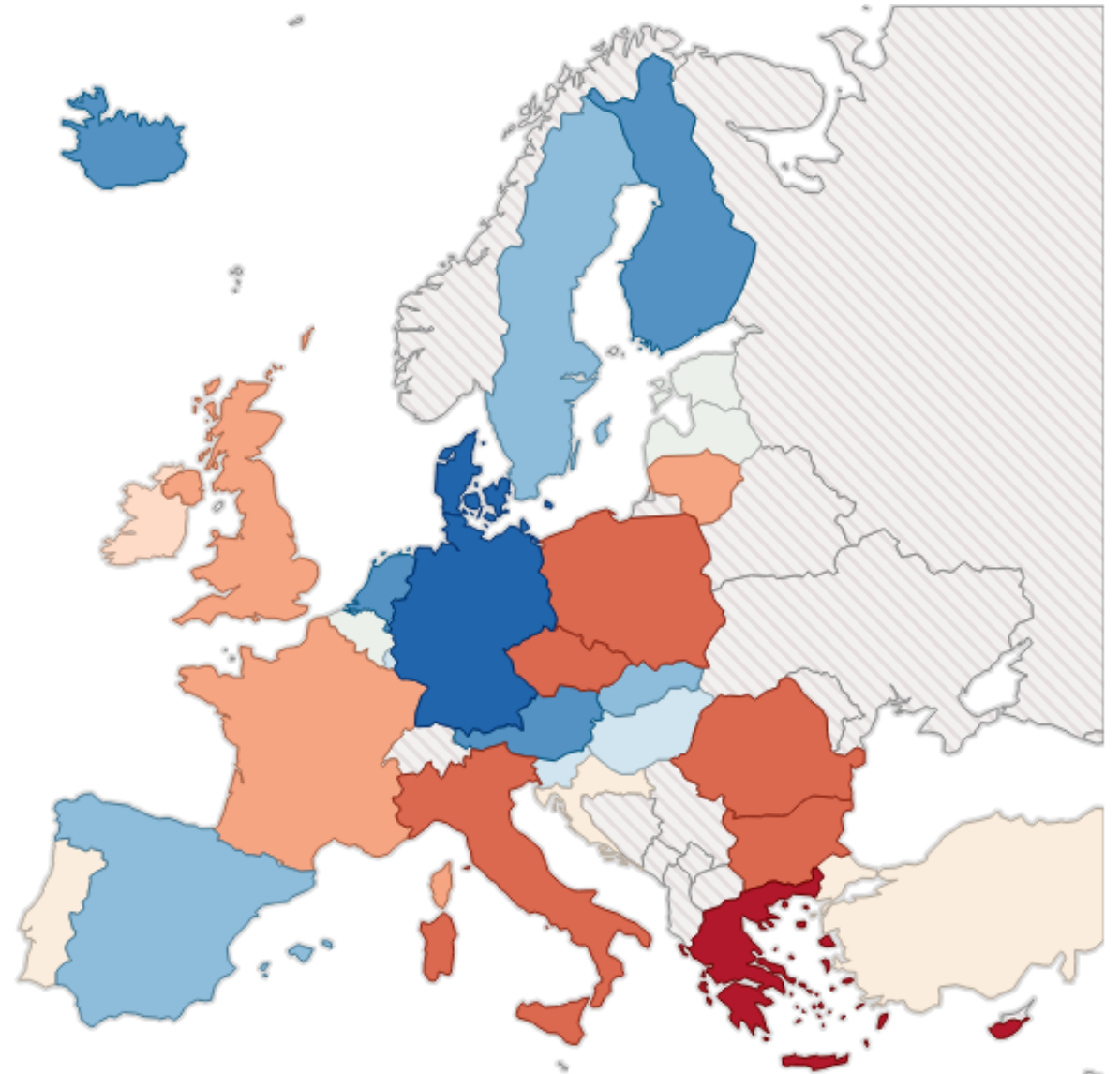
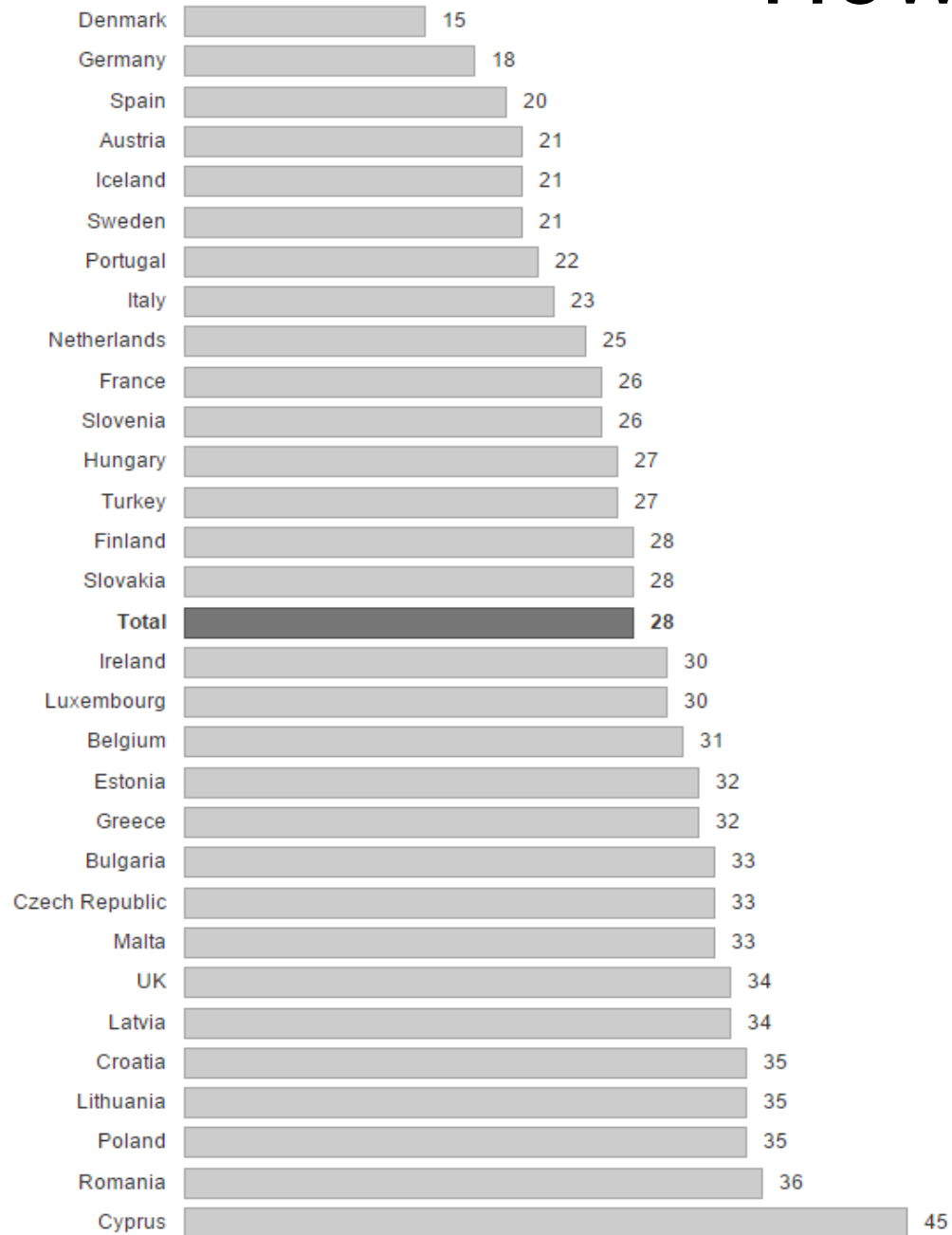
- I feel that the value of what I do is not recognised by others
- Some people look down on me because of my job situation or income

How much status anxiety is there?

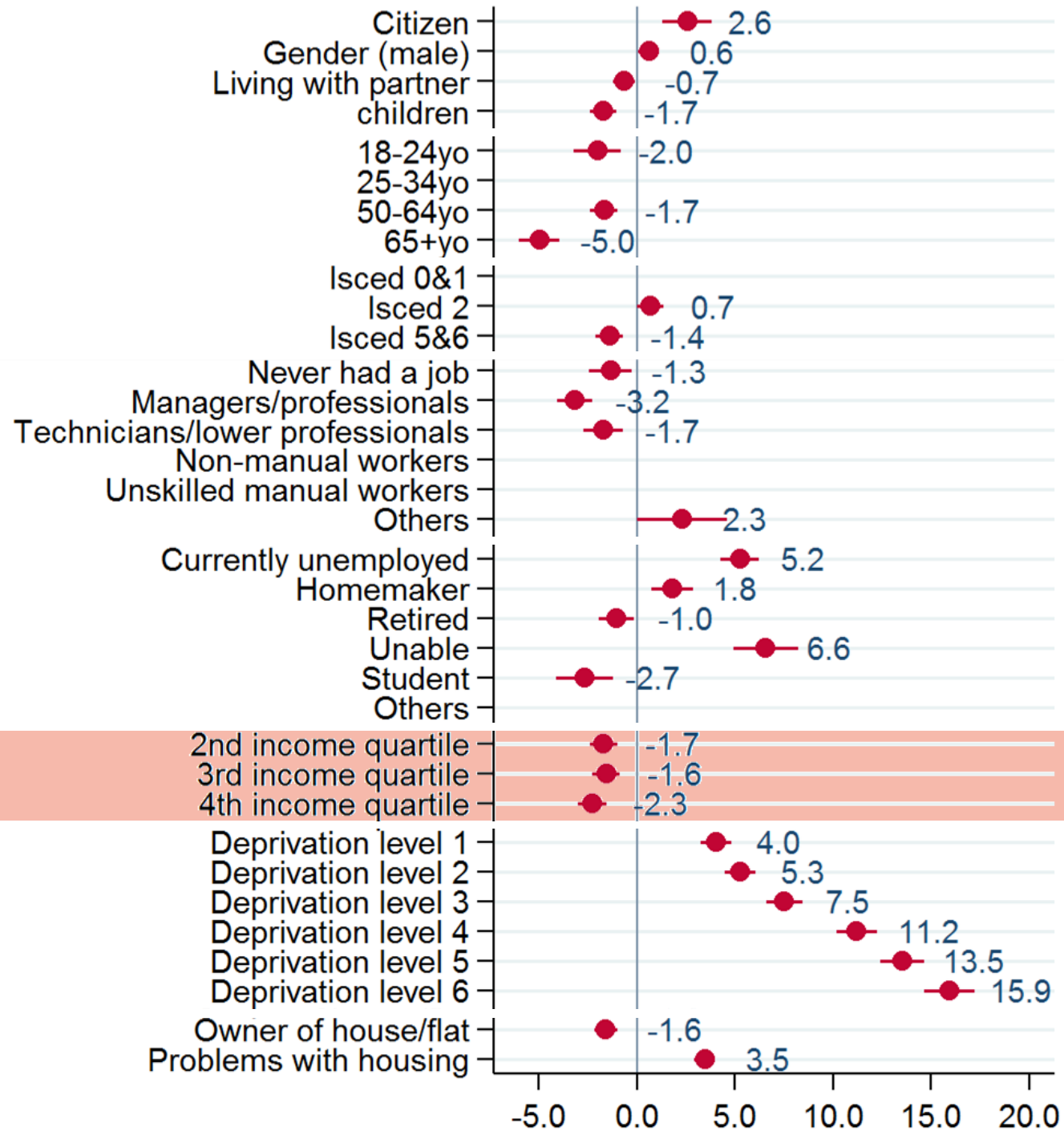


How much status anxiety is there?

Mean index score (0-100)



Does status anxiety affect everybody equally?



Labor Market Participation

Income
(Reference: Lowest income quartile)

Material Deprivation

(Unstandardized b-coefficients; only p<0.05)

Does (income) inequality have an impact on status anxiety? [MLA]



Affluence

Income Inequality

Gender | Human Development

GDP

GINI

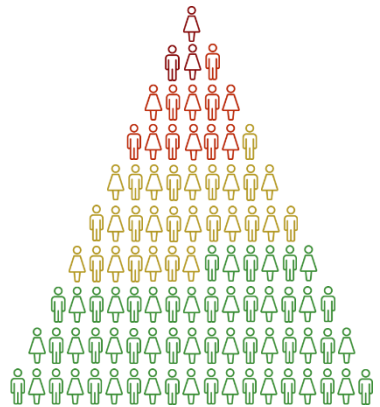
S80/S20

GDI

IHDI

NO SIGNIFICANT EFFECTS

Status Anxiety



(Two-level-model; each context effect was tested individually and in combination with Gdp)

And what about competition?

Experience Society Index

Inward orientation

Snob-Index

Distinction by culture

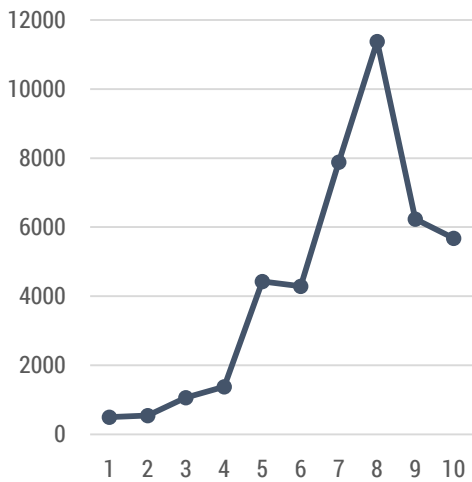


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graph TD; A[Experience Society Index] --> D[Status Anxiety]; B[Snob-Index] --> D;
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Status Anxiety

Happiness

Taking all things together on a scale of 1 to 10, how happy would you say you are?



Self development

What I do in life is worthwhile.
I am free to decide how to live my life.

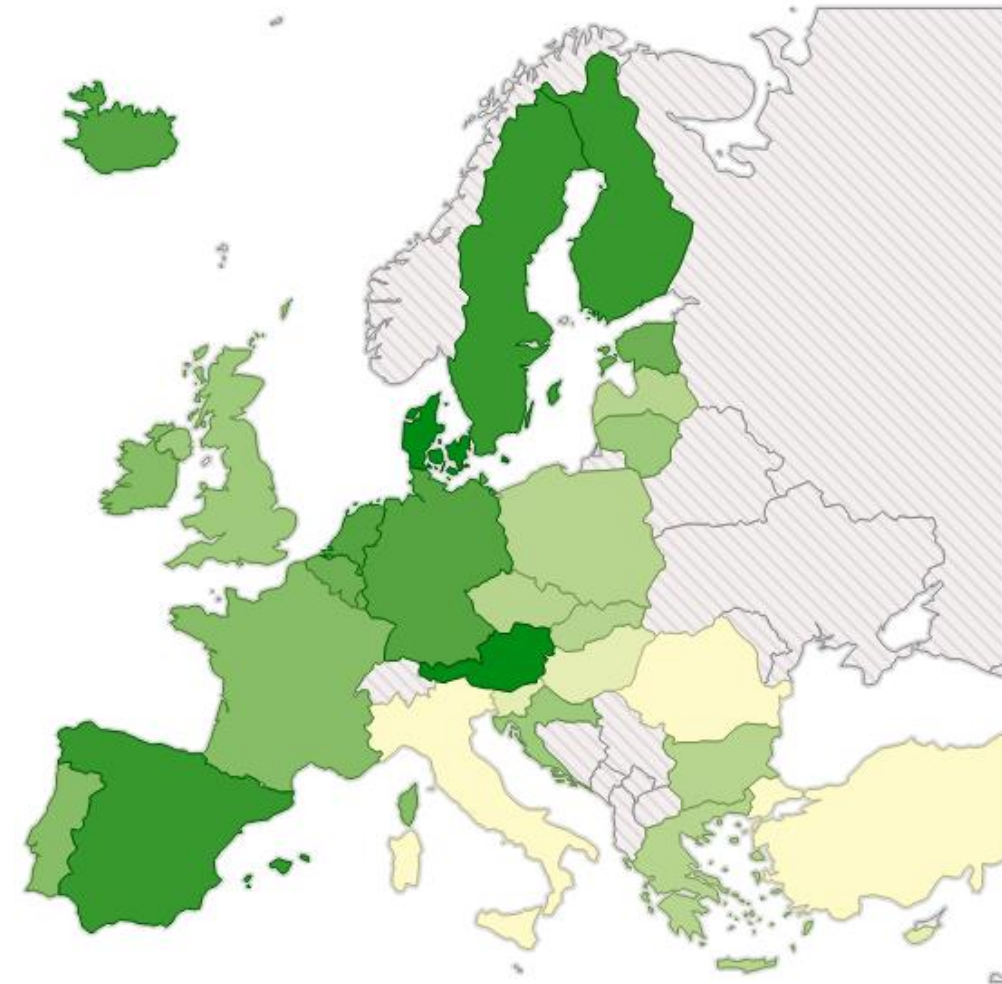
Material condition

Deprivation

The Experience Society Index

Variation explained by
Self-development (R^2)

Variation explained by
Material condition (R^2)

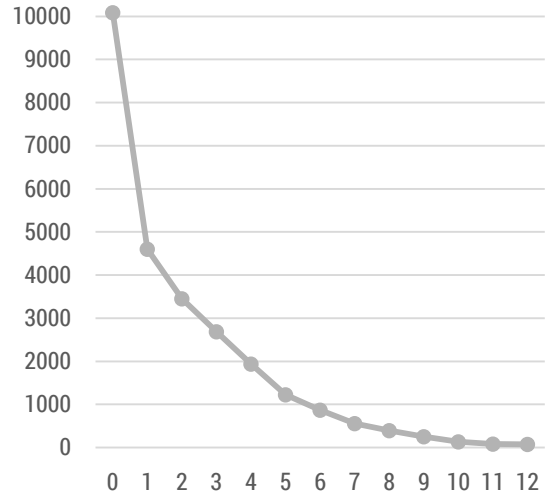


low ESI | high ESI

(OLS Regressions)

Highbrow culture

Attendance of ballet & opera, concerts, theatres, museums & galleries



Cultural capital

Education
Engagement in creative activities

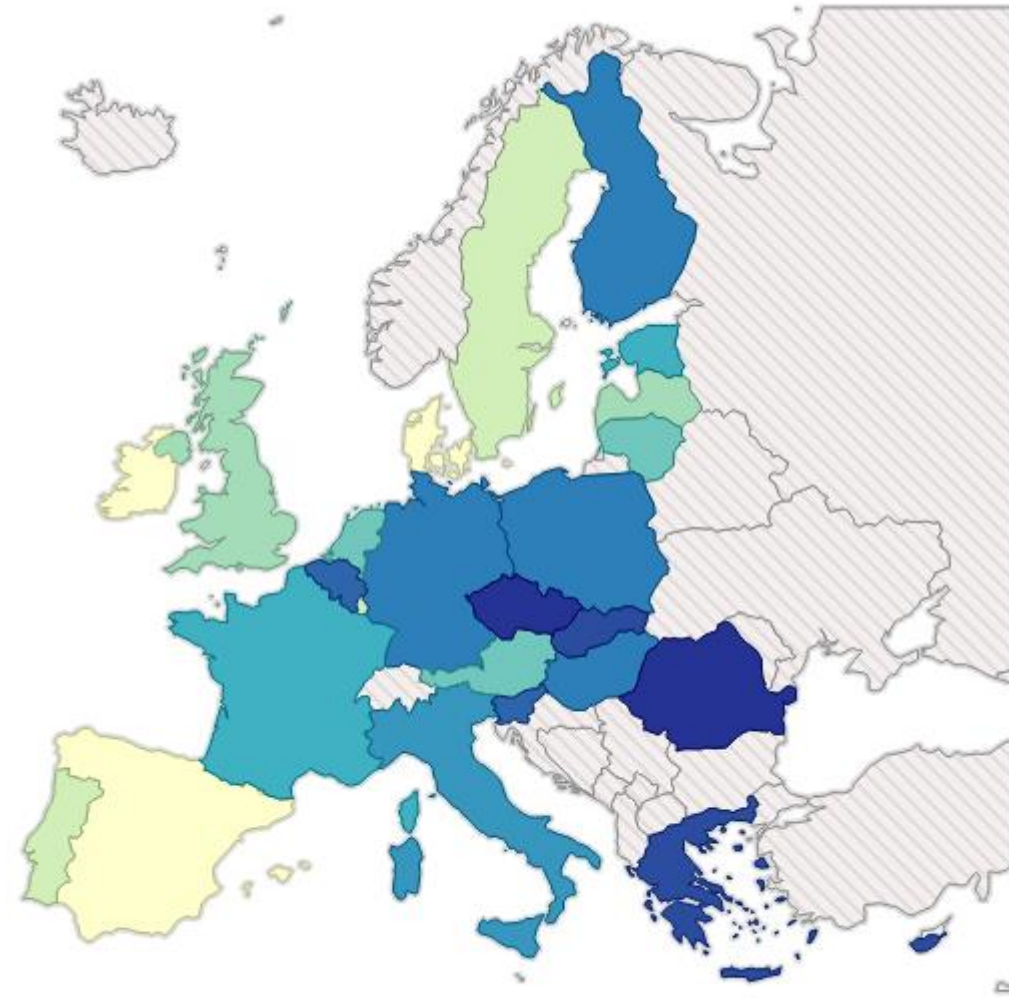
Economic capital

Class fractions by occupation

Variation explained by
Cultural Capital (R^2)

Variation explained by
Economic Capital (R^2)

The Snob Index



low Snob-Index | high Snob-Index (Poisson Regressions)

How competition affects status anxiety

Total difference in status anxiety between lowest and highest scoring country

Experience Society Index



Snob Index



Total difference in status anxiety between lowest and highest scoring country



(Two-level-model; each context effect was tested individually and in combination with GDP & GINI)

Conclusion

- Status anxiety is **quantifiable**
- Status anxiety is strongly related to **material deprivation & labor market participation**
- It's **not affluence** (in line with W&P)
- But it's **not income inequality** either (contra W&P)
- **Socio-cultural approaches are better suited to capture the competitive character of a society** than conventional inequality measures
- Both the **inward-orientation** of the experience society or **distinction by cultural capital** rather than economical capital impact the level of status anxiety in European societies

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<http://lcsr.hse.ru/en/conf2015>

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<http://lcsr.hse.ru/en/conf2015>