Snapshot The income gap

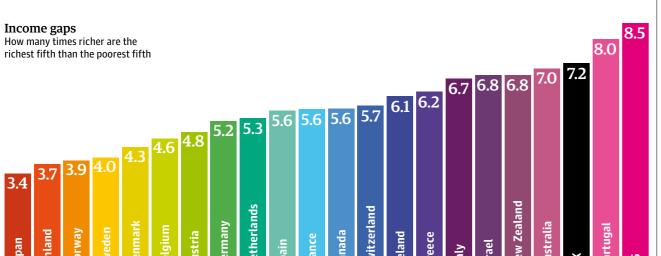
Inequality: mother of all evils?

More money won't fix broken Britain, but sharing the money could. That is the conclusion of The Spirit Level, a groundbreaking study which concludes inequality is at root of all society's problems, from violent crime to teenage pregnancy. On these pages Tom Clark presents the evidence so you can make up your own mind

Income gap league table **UK nudging top**

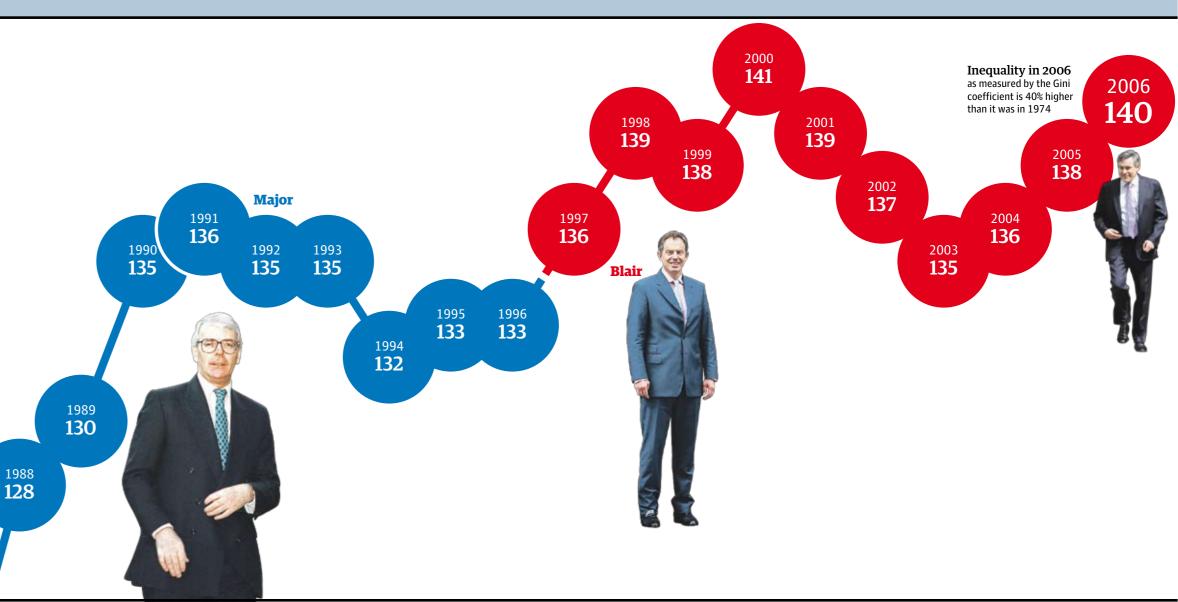
Who is the unfairest of them all? The chart shows Britain is near the top of the table. The number for each country shows how many times more income the richest fifth have than the poorest. The UK ratio of 7.2:1 is one of the highest in the free world. Other market economies - such as Finland and Japan - have only half as much inequality.

Britain is now used to being unequal run for years on the assumption that rising prosperity at the top would even-



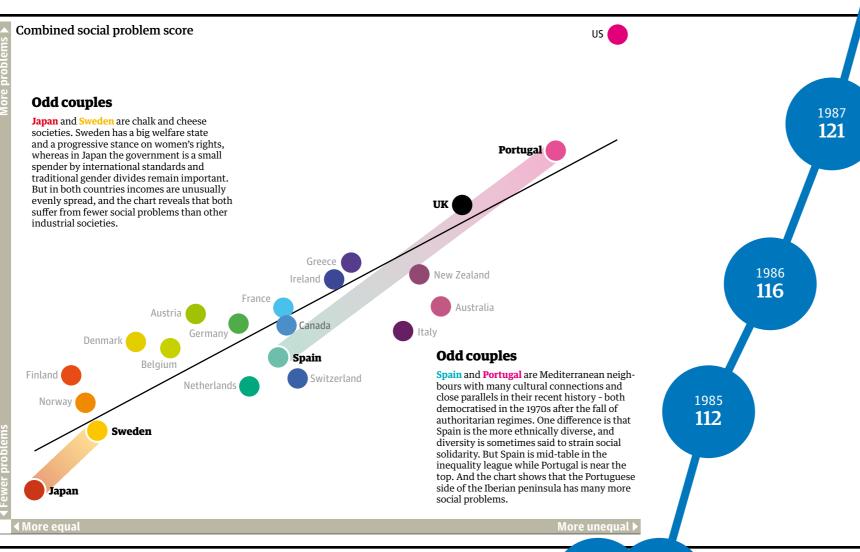
tually benefit all. Getting richer used to make societies healthier and happier. The Spirit Level - a new book by Richard Wilkinson and Kate Pickett - claims this is no longer true for developed countries. The wealth of nations has little bearing on the great list of social evils examined. But in (almost) every case there is a link with inequality.

Take health. The (unequal) Americans have one third more income than the (equal) Japanese, and yet they die nearly five years earlier. It is well established that the bottom of the heap is an unhealthy place to be. But the Spirit Level shows that inequality does damage right up the social scale. What is true of individual sickness also applies to social diseases, such as illiteracy and crime. Unequal societies have more prison, more mental illness and more illiteracy - often many times more



Economic divides **Social** wounds

This combined score (right) tots up 10 social sicknesses - among them hon counting each as equally important. The chart shows that, overall, unequal countries have more problems. On the right hand page we focus on several of the problems that feed into the score, and consider them separately.



Inflated inequality Depressed populations

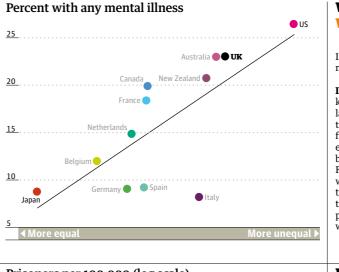
Unequal societies record around three times more mental illness than equal ones. Anxiety disorders and addictions are among the conditions most closely linked to the income gap.

Is it just that diagnosis is more common in the English speaking world? Almost certainly not. Although cultural differences can never be eliminated, the data mostly comes from World Health Organisation diagnostic tests which ask comparable questions in different countries and then deploy common criteria to assess rates of mental illness. In unequal societies, such as Britain and the US, psychiatric prescriptions are also particularly high.

Stratified societies

Prison populations are up to eight times bigger in stratified societies as in equal ones.

Is it just differences in crime? In small part yes, as crimes such as murder are more common in unequal countries. But only 12% of the rise in US incarceration since 1980 is down to crime, and the recent doubling of England's prison population has mostly occurred while crime has been declining. The real explanation is that sentences are harsher in unequal countries. Separate analysis shows that more unequal American states more often retain the death penalty.



Prisoners per 100,000 (log scale)

Wider income gaps **Wider waists**

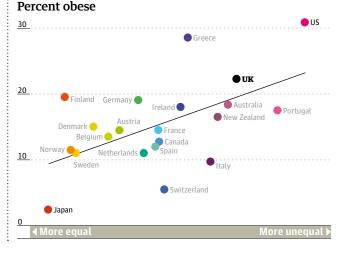
In unequal countries **more than twice** as many adults are obese.

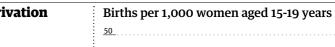
Is it down to national diets? No. Swedes are known for meatballs and Belgians for chocolates and waffles, yet both are trimmer than the less equal Greeks, who get little benefit from their famed Mediterranean food. Withir each rich country there is a marked link between low social status and obesity, and Finnish research has established that people who eat to deal with anxiety are more likely to reach for junk food. There is also evidence that those afflicted by chronic stress are particularly likely to deposit fat on the belly where it does most damage

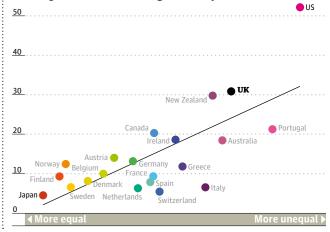


Economically polarised societies see up to **10 times** more births to teenagers than those that are more equal.

Is it down to moral or religious culture? It seems unlikely, not least because religion can cut both ways - bringing pressures for sexual abstinence but also discouraging abortion. If that bar increases the prevalence of teenage births in unequal Catholic countries, such as Portugal and Ireland, it seems not to in somewhat more level societies, such as Spain In pious America abstinence campaigns such as True Love Waits enjoy a high profile and yet teenage births are far in excess of those in



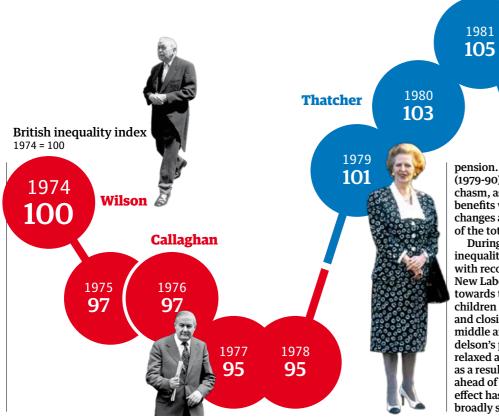




The widening How the divide opened up

That Britain has seen inequality rise since the 1980s is widely appreciated, but it is less well known that the widening of the income gap was the sharpest in the developed world. This series from the Institute for Fiscal Studies measures the spread of incomes over time. It is measured using the so-called Gini coefficient, with its value for each year expressed as a proportion of the reading for 1974. The fact inequality rose more rapidly than elsewhere in Europe suggests the rise was partly down to political decisions as opposed to global

forces such as trade or technology. The chart shows how inequality was compressed during the 1974-79 Labour government, an economically turbulent era, but also a time of egalitarian incomes policies and increases in the



pension. Under Margaret Thatcher (1979-90) the income gap widened to a chasm, as top pay raced ahead and most benefits were frozen. Tax and benefit changes alone account for about a third

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During the early 1990s recession inequality levelled off for a time, but with recovery it soon picked up again. New Labour has funnelled money towards the poorest, lifting many children and pensioners out of poverty and closing the income gap between the middle and the poor. But, in Peter Mandelson's phrase, the party was intensely relaxed about the wealthy, and, perhaps as a result, they have raced ever further ahead of the middle. The combined effect has been to leave inequality broadly stable. By 2006, the most recent

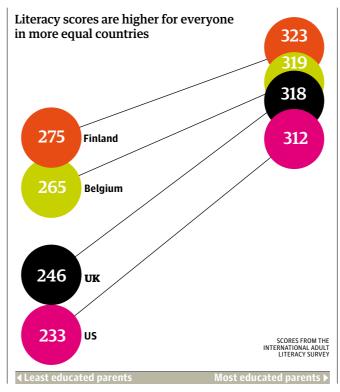
year for which data is available, it was close to a record high.

Just as the financial crisis has stoked up resentment about top pay, the Spirit Level provides new grounds for moving beyond the New Labour logic that holds there is no need to worry about overall inequality, as distinct from poverty. The results may be of most obvious interest to the egalitarian left, but they should also worry liberals concerned with equal opportunity. For social mobility turns out to be undermined by income inequality - poor youngsters find it easier to climb the social ladder when there is less distance to travel. Nor can more progressive Tories - who are frantically hunting out new ways to repair the social fabric - afford to ignore

The price is paid by the middle class too

It is hardly news that being poor is associated with disadvantage, but the real twist in the Spirit Level is its claim that the affluent also miss out in unequal societies. The chart on the right provides one piece of evidence. It records the literacy scores in four countries in descending order of inequality: US, UK, Belgium and Finland.

The chart shows that in all four countries people born of more educated parents are more literate than those from uneducated homes. No surprise there, nor in the fact that the effect of parental education on reading is most marked in the most unequal societies thus the slope of the line is steeper for American than Finnish people. More strikingly, though, the chart also shows that even those from the most highly

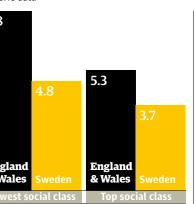


educated families are more literate in the more equal countries. At every level of parental education, the rank ordering of countries is preserved - with the more equal countries doing better. Cross-national comparisons in mortality also suggest the higher classes pay a price for inequality. The chart on the right, for instance, shows death rates for working age men in (unequal) Britain are more graded by social class than in (equal) Sweden. But it also shows death rates are higher overall, including for the top social class. Exactly the same thing is true when infant mortality rates in Britain and Sweden are compared.

Could it all be down to differences in health and education systems?

It seems unlikely, though with education it can be hard to unpick cause from effect because more equal countries invest more. With healthcare, the international statistics suggest extra expenditure has almost no effect on average life expectancy. Besides, the idea that inequality increases mortality for the rich as well as the poor is not some quirk of the countries we have focused on. The Spirit Level looks

Equality lowers death rates for all Deaths per 1,000 working-age men,



right across the range of poor and rich American counties, and discovers that while living in rich counties is always healthier, residents in unequal states live less long than those living in equally

rich counties in more equal states. Exactly why the affluent also suffer from inequality is still unproven, but one possibility is that an unequal society creates a great fear of losing social standing, a fear which takes its toll on

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Lane, price £20. To with free UK p&p go to guardian.co.uk bookshop, or call 0330 333 6846. You can see more of the evidence from the book on the website of the Equality Trust www.equalitytrust.

The Spirit Level

Why More Equal

Societies Almost

Always Do Better, by

Richard Wilkinson

and Kate Pickett, is

Published by Allen