

The Attack on *The Spirit Level*

Nigel Hewlett
Queen Margaret University

I ended my review of *The Spirit Level*ⁱ (henceforth SL), in *Concept* Vol. 1, No. 1, with the words "Bring it on!", meaning the debate with the political right about the validity or otherwise of the evidence presented in the book. In the mean time they have indeed brought it on, notably in a booklet by Peter Saunders called 'Beware False Prophets: Equality, the Good Society and *The Spirit Level*ⁱⁱ', and a book by Christopher Snowdon called *The Spirit Level Delusion*ⁱⁱⁱ. SL and its authors, Richard Wilkinson and Kate Pickett, have continued to have a high profile in the news media, including numerous newspaper articles, spots on radio and television and an editorial in *The Guardian*. A whole *Analysis* programme on BBC Radio 4 was devoted to the SL theory (*Analysis*, 11 October 2010). The book itself and The Equality Trust (see <http://www.equalitytrust.org.uk/>), a campaigning organisation that was set up in the wake of it, have undoubtedly had a significant effect on the debate about the draconian cuts in public spending being implemented by the UK government at the time of writing. A campaign on equality is timely in the UK. However, the question of which suits human beings better, equality or a highly differentiated system of material reward, is of more or less timeless relevance. Wilkinson and Pickett present the case for equality, on the basis of comparative evidence on the well-being of the citizens of the various richer capitalist countries of the world, some of which are less unequal than others.

In his book *The Enigma of Capital*^{iv}, David Harvey several times likens the scientific status of political economy to that of meteorology: explanations are more or less plausible rather than definitely verifiable or falsifiable and more easily made in retrospect than in advance of the events. The SL theory is unusual in that it is not only based on evidence, it is also clear what evidence would be needed to further support or to discredit it and furthermore all the relevant evidence is potentially accessible. The SL theory is, in this sense, more scientific than is usual for theories about the desirability or otherwise of alternative economic arrangements. It should also be said that the SL theory speaks to the feasibility of a socialist society rather than to clarifying the mechanisms of a capitalist one.

In this article, I will first attempt to define exactly the claims of the SL theory, based on a reading of SL itself, the authors' rebuttal on the internet of the recent attacks on them and a lecture by Richard Wilkinson at the University of Edinburgh on 16 November 2010. Then I will assess the effectiveness of the attack on it by Saunders and conclude that the SL theory emerges largely intact. Finally, I argue that the SL theory has momentous implications in the intellectual struggle between left and right and that we can only hope that it continues to be supported by the evidence!

The basic proposition of the SL theory is that greater equality of net income in a society is associated with higher levels of well-being among its citizens. The principle applies in a comparison across countries or a comparison of different regions within the same country. Evidence for such a relationship has appeared in various publications over the years, by Wilkinson and Pickett themselves, among others. However, in SL and the subsequent debate around it, this basic proposition has been

refined into a more precise and rigorous empirical claim. There are two important extensions to the basic proposition and one qualification, described in the bullet points below.

- There is *no* relationship between the absolute wealth of a country (average GDP/head) and the well-being of its citizens, among the richer countries of the world; (there *is* such a relationship among the poorer countries, namely that among the poorer countries' well-being rises with increasing wealth);
- The beneficial effects of greater equality apply across the income scale: thus, the relatively rich in a more equal country (or region, if it is regions of a country that are being compared) experience greater levels of well-being than their counterparts in a less equal country (or region).
- The effect is only manifest on measures of well-being that show a social gradient, in the sense that poorer people come off worse than richer people; for example, the measure of infant mortality has a social gradient because infant mortality is more prevalent among those with relatively low incomes.

The extensions described in the first two bullet points, above, embody strong claims, which expose the theory to a greater risk of counter-evidence, while (or perhaps therefore) making it more interesting. The first undermines the notion that an increase in the standard of living of those in lower social classes is beneficial even if the gap between rich and poor is increased. There is a compelling graph in SL showing a steep increase in life expectancy with increasing wealth among countries with national income of less than about 15000 dollars per person; above 15000 dollars the data points representing the richer countries scatter as the correlation fails. Presumably what is going on here is that in poorer countries the poisonous effects of inequality are overtaken by the even more serious effects of insufficient food or water or warmth and dreadful housing conditions and health care, for a significant section of a population. As countries get richer, absolute want declines and the effects of social inequality manifest themselves more clearly.

With regard to the second bullet point, SL reports some convincing data on, among other things, death rates among working age men in England and in Sweden: Swedish men do better than their English counterparts at all places on the social scale, including the top. Evidence like this confirms that the relationship of social inequality does at least some material damage to everyone, even (albeit to a rather small extent) those at the very top.

Restriction of the prediction of an equality-well-being correlation to measures that show a social gradient (the third bullet point, above) seems intuitively to make sense. Take the example of infant mortality. Across countries (and across the states of the USA), infant mortality reduces with increasing levels of equality, in accordance with the main proposition in the SL theory. The measure also shows a social gradient, so *within* countries (or states) infant mortality increases with declining income. The qualification says that we need not expect the former effect in the absence of the latter. This makes sense if it is relative income and not absolute income that drives the incidence of infant mortality within a (reasonably rich) society. The requirement for a social gradient assumes some importance in relation to the issue of suicide rates. Suicide rates do not reduce with an increase in equality (in fact, rather the reverse).

SL quotes some evidence that suicide rates don't always show a social gradient and a later press release from Wilkinson and Pickett is less circumspect, asserting that they don't. The question of whether suicide does or does not show a social gradient, or to what extent it does, is a good example of a specific empirical question that has acquired a new importance through the bearing it has on the SL theory.

Although Richard Wilkinson, in his lecture in Edinburgh cited above, stated that his and Pickett's theory was a theory about measures with a social gradient, not all the evidence offered in SL concerns measures with a social gradient - and nor, strangely enough, did all of that offered in the lecture. One example would be social mobility. Although I would hate to lose Wilkinson's observation that Americans who wish to live the American Dream should move to Denmark (!), any attempt to apply the notion of a social gradient to this measure would seem problematic. Saunders makes a swingeing attack on SL's treatment of social mobility, claiming that the data are unreliable and the analysis is flawed. Whatever the truth of the matter, if the requirement for a social gradient is rigorously applied, social mobility presumably becomes a non-issue. The same goes for international aid levels, made by governments, which even more obviously lack a social gradient, although a positive correlation between them and equality is also put forward as part of the evidence in SL. Saunders counters with some data on charitable giving by various countries' populations, which apparently tends in the opposite direction. The requirement for a social gradient seems well motivated and the SL theory would leave itself less exposed to counter-examples by sticking to it.

Wilkinson and Pickett have not taken up a political position. However, their evidence in favour of the beneficial effects of equality should be music to the ears of those on the left. By the same token, the SL theory might be expected to be anathema to the right. Nevertheless, the appearance of SL was greeted with warm words from the then leader of the Conservative opposition, David Cameron (quoted as saying "Richard Wilkinson is perfectly right") and another front-bench Conservative, Michael Gove, positively lavished praise on SL. Perhaps they felt they had no choice: the evidence seemed overwhelming and the public impact of the book was such that it could not be simply ignored. Now in government, they are revealed to have been quite spectacularly (if predictably) insincere. Others on the right, less fazed by the apparently watertight evidence, have gone for the jugular. The most effective critic so far is undoubtedly Peter Saunders, in his pamphlet *Beware False Prophets*, already mentioned above, which is published by the right-wing think-tank, Policy Exchange. Saunders is Emeritus Professor of Sociology at the University of Sussex and the co-author of a textbook on survey methods and some of his most telling points concern methodology. However, his critique of SL is not merely that of a sceptical academic with a neutral (or faux-neutral) stance. His neoliberal standpoint is implicit throughout and his attack-dog approach betrays a hatred of the implications of the SL theory and a fierce determination to destroy it.

Saunders' strategy is different with the two different sets of evidence offered in SL. With the international data, in which Wilkinson and Pickett compare the performances on measures of well-being of 23 rich countries according to their levels of (in)equality, his main and preferred strategy is that of finding arguments for extracting certain countries from the data and continuing the extraction process until the correlation between inequality level and well-being, on the measure in question, fails. With the other set of evidence, in which similar comparisons are made, but this

time across the 50 states of the USA, he demonstrates that another factor, namely percentage black population, out-does inequality in the strength of its correlation with many measures of well-being. Therefore, he argues, differential performance among the various American states is more likely to be due to the different numbers of black people in them rather than to income inequality.

Saunders scores his most palpable hit with SL's international homicide data. The relevant graph in SL suggests a trend for homicide rates to increase among their 23 countries according to level of inequality and the authors report that a statistical test confirms that the correlation is significant. However, Saunders points out that the USA is an extreme outlier, in having a gigantic homicide rate. Since the USA is also a country with a very unequal income distribution, it makes a large contribution to the homicide-inequality correlation - too large, in fact. Saunders reports that if the USA is removed, then over the remaining 22 countries the strength of the correlation is considerably weakened and its probability value sails above the conventional maximum of 5% (if the maximum is 5%, there must be a probability of less than 5% that the degree of alignment that was found between homicide rates and levels of inequality was purely a matter of chance). I haven't come across any direct and specific defence by Wilkinson and Pickett of their own analysis of the international homicide data in SL. It is difficult to imagine what it could be. In their response, Wilkinson and Pickett have cited other data on homicide rates and they have generally also emphasised the story told by the totality of their data rather than just each individual measure. On the other hand, they did also present the results for each measure in isolation in SL, one of these being the international data on homicide rates. Therefore Saunders' approach of attacking the results on an individual basis, including that for the international homicide data, is unobjectionable. It does seem unfortunate if the USA, with its vast population, plays no role at all in the calculation of the homicide-inequality correlation but, with it included, the claim for a homicide-inequality correlation is too crucially reliant on the data from just one particularly unequal and very murderous country.

Saunders continues his project of complete annihilation of Wilkinson and Pickett's evidence by taking each of their remaining claimed correlations in turn and attempting to break it by whatever means he can. In each case, he tries data extraction first and he is most successful where (as with the international homicide data) he can rely on purely statistical arguments for the extraction. This applies in only two or three more cases, none of them perhaps quite so unambiguous as that of homicide rates (for example, in the case of the life expectancy data, Japan is an outlier, the extraction of which makes the correlation fail, but Denmark and Portugal are also outliers and he doesn't tell us why he doesn't extract these countries as well). The measure that Saunders turns to after the homicide data is that of the experience of childhood conflict and this illustrates some much more dubious data extraction tactics, of a kind that he repeatedly resorts to. Wilkinson and Pickett's data again show a correlation with (in)equality: children in more unequal countries tend to experience greater levels of conflict. The UK is an outlier on this one (its score being extremely bad, not extremely good, in case your hopes were rising). However, extraction of the UK from the data does not wreck the correlation this time so Saunders decided to remove Norway, Denmark, Sweden and Finland instead. That does it: "The apparently strong correlation coefficient reported in *The Spirit Level* has vanished" (p33). Notice that the extraction of these countries is not motivated by any principles

of statistical analysis. There is nothing in the distribution of the scores of these countries to suggest a justification for removing them, either individually or as a group. None of them are outliers. They do not even cluster closely together: Norway and Denmark do much less well on this measure than Sweden and Finland; and Germany, Switzerland and the Netherlands all have experience-of-conflict scores which are intermediate between those of Norway and Denmark on the one hand and Sweden and Finland on the other. The chance to group them together is offered by the fact that they are traditionally described under the collective label "Scandinavian" and Saunders' feeble justification for removing them is along the lines that the good performance of the Scandinavians on this and other measures lies with historical and cultural factors, rather than with equality. The claim is strongly asserted but only weakly and cursorily supported. It is obvious that the real reason for choosing these countries was that they are all comparatively equal and all perform fairly well on measures of well-being and so removing them offers some chance of fatally reducing the strength of a correlation.

Perhaps the most outrageous example of data extraction is Saunders' treatment of SL's international data on teenage births for (in this case) 21 countries (data were lacking for two countries). Removing Norway, Sweden, Denmark and Finland is insufficient to wreck the correlation so in addition he removes some countries at the other end of the scale (that is, unequal and with a high teenage birth-rate), namely the USA, the UK, Australia and New Zealand. There is nothing akin to the "Scandinavian" label here to capture them as a group but, nothing deterred, he dubs them "Anglo" or "Anglophone" countries and says that they are "individualistic" in outlook and that this rather than inequality surely explains their high teenage birth rates. Canada and Ireland, strangely enough (or perhaps not so strangely when you consider that they have less to offer his wrecking agenda) are not included among his Anglo countries. His explanation for his omission of Canada (p75, footnote) is that a fair number of its citizens speak French! Why Ireland is not in the Anglo group remains unexplained. Anyway, over the remaining 13 countries there is no longer a significant correlation. Interestingly, Saunders mentions the figure of 11 countries remaining, not 13. Could it be that this mistaken reference to 11 countries is a left-over from a previous draft in which Canada and Ireland were indeed counted as "Anglo"? You can't help but suspect that in these sorts of cases, where Saunders appeals to vague cultural factors, he first found out which countries he needed to extract in order to wreck the correlation and then dreamt up some justifications afterwards.

If the extraction technique doesn't work, he tries re-running the correlation using an expanded set of countries, selected using wider criteria than those used by Wilkinson and Pickett. In the one or two remaining cases where a significant correlation is left standing, he admits failure, perhaps accompanied by a grudging remark like that on imprisonment rates: "Some association, but does not hold in Eastern Europe and does not indicate harsh penal policies" (p100).

With the evidence from the states of the USA, Saunders demonstrates that in many cases there is another factor which is a better predictor of performance than level of equality, namely the percentage black population in the state. Using the technique of multiple regression, he shows that in the case of homicide rates, for example, percentage black population has more explanatory power than income inequality, the contribution of which becomes non-significant. There is a high

correlation between percentage African-American population and inequality among the US states but it is racial composition that turns out to have the stronger explanatory power when it comes to correlations with performance on measures of well-being. I assume that Saunders is right in this and that therefore Wilkinson and Pickett's charge of racism, even if it was true, does not amount to a rebuttal of the evidence. What needs to be addressed is Saunders' argument that the implication of the finding is that income inequality should be dismissed as a candidate causative factor, to be replaced by the factor of percentage black population. Thus his verdict on imprisonment rates is: "Once we take account of the racial composition of a state, income inequality becomes irrelevant in explaining its imprisonment rate." (p96). It is surely possible for income inequality to cause lower levels of well-being across all the wealthy societies of the world but in one area for another factor to reach a local extreme, such that it has an even greater effect. And for historical reasons, the USA surely is a local extreme among the rich countries of the world, with respect to the depth and extent of the problems caused by racial disadvantage and racial discrimination. To make a health analogy, if a drug treatment was shown, in an international study, to be effective but in some parts of the world the provision of clean water showed an even greater effect, you would not conclude that the drug was therefore, after all, ineffective.

However, Saunders does attempt to make the race factor more universal. In relation to the international data, he has already speculated, earlier in his pamphlet, about the role of ethnic diversity and racial inequalities as alternatives to that of income inequality and the American result offers him a useful model. Thus the poor performance of the racially heterogeneous states of the USA provides for him a telling contrast with the good performance of the more mono-racial, mono-cultural Scandinavian countries and Japan. Hard evidence is what is conspicuously lacking here, however. Saunders provides no clear factual basis for his contentions about the effects of ethnic diversity (let alone his appeals to even vaguer cultural factors), with respect to the international data. That should be enough to stop him from making them. He is, after all, rude enough about Wilkinson and Pickett's allegedly partial evidence. Nor does he mention comparatively mono-cultural and mono-racial countries like Australia and New Zealand which are relatively unequal and do commensurately badly on measures of well-being. (I cannot find any rich countries which are relatively equal but also well known for their ethnic diversity; this may be because high levels of immigration can be helpful in keeping wages down.)

I don't think Wilkinson and Pickett rule out the possibility of other influences besides income inequality on the relative performances of the richer countries on measures of social well-being. Racial disadvantage, gender discrimination or religious discrimination could all plausibly be imagined to play a role and, indeed, the kind of poison they inject is probably of a similar sort to that of income inequality; there might be less tangible cultural or historical factors as well. The advantage of a proposal about income is that, besides being the most obvious ingredient of social inequality and the one that trumps any others for most people in most of the richer societies of the world (where rich women tend to have higher status than poor men, for example, as do rich black people than poor white people) income is measurable and the data are widely available. The proposal is therefore eminently testable.

Because of its emphasis on income, the SL theory is also deeply subversive, notwithstanding the political neutrality of its authors. Gender equality, racial equality,

equality of sexual orientation and religious beliefs can all be contemplated with relative equanimity by the capitalist class. A bit of racial tension in the workforce can be useful in weakening solidarity (so long as it doesn't get out of hand) and a similar observation could be made with regard to gender inequality or differences of religion. They may be slyly useful but they are not vital. There are usually other strategies that are available. Capitalism could survive if men and women and people of different beliefs and skin colour and so on were treated equally. Income equality is an equality too far, however. Capitalism wouldn't survive that (or if it would, you might argue, who needs socialism?) This is why the innocent-seeming, apparently neutral SL has generated such visceral hatred in the offices of the Policy Exchange and elsewhere. It should be emphasised that Wilkinson and Pickett have given no impression that the equality levels of Japan and Sweden represent any kind of limit on what could or should be achieved. In fact the reverse. The clear implication of their writings is that in the scheme of things, Japan's and Sweden's equality levels are quite modest, and much greater benefits would accrue from much greater levels of equality.

Putting these last few points together, the SL theory provides the platform for an intellectual struggle that is objectively winnable by one side or the other within the next few years. If the SL theory is confirmed by further evidence, then the moral arguments that can be made for a capitalist system will shrink and the left can continue to derive encouragement from the finding that humans are best suited to living as equals. If the SL theory loses out on the evidence, that will be an uncomfortable outcome for those wishing to argue for a society based on equality. So far, things are looking good. The SL theory has (in my view) survived a ferocious, implacable and skilful onslaught with just a few minor wounds. Better than that, attacks on SL of the sort made by Peter Saunders and others point to refinements needed in the theory and further important evidence that is needed. They also remind us how serious a threat the SL theory is regarded to be by those on the right.

References

-
- i *The Spirit Level*. Richard Wilkinson and Kate Pickett. Penguin Books, London. 2010.
 - ii *Beware False Prophets: Equality, the Good Society and The Spirit Level*. Peter Saunders. Policy Exchange. 2010.
 - iii *The Spirit Level Delusion: Fact-checking the left's new theory of everything*. Christopher Snowden. Little Dice, London. 2010.
 - iv *The Enigma of Capital*. David Harvey. Profile Books, London. 2010.