Helpdesk Research Report: Conceptualising Inequality  
26.02.2010

Query: What are the key theories/understandings of the concept of inequality, specifically intra-country inequality?

Enquirer: DFID

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1. Overview

There is no shortage of literature on the subject of equality and inequality, which has roots in a deep philosophical tradition relating to both secular (i.e. political) concerns and religious thought. Inequality is arguably highlighted as the key international development concern, despite not appearing as a specific objective of the Millennium Development Goals. Intra-country inequality, part of the wider concern with inequality between countries or global regions, can be understood in three broad and interlinking ways:

a) Economic inequality, which is what much of the existing conceptualisation of inequality discusses and is indeed the origin of international development concerns with inequality of income, consumption and distribution of assets;
b) Political inequality, which refers to political voice, participation and representation; and

c) Social inequality which refers more broadly to how people are positioned vis-à-vis public goods such as employment, education, and healthcare.

All three types of equality are concerned with equal distribution, be it economic, political or social. However a number of key questions arise in elucidating what is distributed, why, and to whom. The questions which arise in this review include:

- Equal distribution of opportunity and/or access (including capabilities) vs. equal distribution of outcomes (known as ‘equity’)
- Distribution based on need vs. distribution based on merit
- The pursuit of equality as an intrinsic ‘good’ vs. the pursuit of equality as instrumentally beneficial
- Inequality as structural vs. inequality as the result of human agency

Further, in asking what needs to be distributed there is a need to define what can be regarded as a distributable resource, and whether differing human needs for resources should be reflected in outcomes.
The concept of inequality rests upon the assertion that there are significant levels of inequality at all levels of society. It has traditionally relied upon an understanding of inequality as vertical, in which inequality is measured at individual and household level, although work undertaken by the Centre for Research on Inequality, Human Security and Ethnicity (CRISE) has led to the concept of horizontal inequality (inequality between culturally defined groups) which has become mainstreamed into the inequality discourse. In terms of measurement, economic inequality is more easily quantified, with tools such as the Gini coefficient being developed to measure vertical inequality based on household income at the intra-country level. However as indicated, the unit of measurement used is by no means an uncontested subject: those who emphasise political or social inequality look further than income comparisons to analyse inequality, instead taking into account service access (and outcomes) and relations with the state.

**Inequality and Social Exclusion**

For Eyben and Lovett (2004) the inequality discourse comprises a number of components under which these discussions take place: disparities in distribution, consumption or assets; capability deprivation; equality of opportunity; rights-based approaches; and social exclusion. Social exclusion has emerged as a key method of understanding and explaining inequality, although a definitive conceptualisation of how inequality and social exclusion relate (and indeed, differ) is sorely lacking in the literature. Although there is an implicit and assumed difference between them, the two concepts are not well-distinguished. Based on the literature presented it is possible to offer some tentative suggestions of how social exclusion can be understood in relation to inequality:

- Social exclusion as a tool for analysing inequality and highlighting particular aspects of its causes and/or effects;
- Social exclusion as a description of a process and/or state; whilst inequality is definitive *measurement*;
- Social exclusion as synonymous with, or bearing a strong relation to, horizontal inequalities?
- Social exclusion as a multidimensional concept which does not ‘split’ society like inequality;
- Social exclusion as related to relative inequality; inequality bearing a stronger relation to absolute inequality;
- Social exclusion as absolute (i.e. complete exclusion from the possibility of being treated unequally); inequality as still being within the ‘rules of the game’;
- Social exclusion as a cause of inequality
- Inequality as a cause of social exclusion

Social exclusion, like inequality, is related to power, discourse and societal relations. Rather than drawing a dividing line between the two a more accurate understanding of social exclusion may consist in viewing it as an extreme form of inequality. In order to develop our thinking on this issue the international development community would do well to ask the following:

- Is it possible to be unequal (economically, politically, socially) yet not excluded (economically, politically, socially)?
- Who are groups excluded *from*; who is unequal to *whom*; and do these categories coincide?
- Is it possible to be excluded yet ‘equal’?
2. How is equality understood?


This overview provides a guide to what questions need to be asked when defining equality, a term which has been in use since at least the French Revolution as a key ideal of the body politic. In general social and political philosophy are concerned with the following: what kind of equality should be offered, to whom, and when?

Equality (and inequality) are understood here as rooted in ideas about social justice, pertaining not to a single principle but to a number of principles. In terms of justice, equality can be understood in the following ways: formal equality (derived from Plato) in which people are treated equally in accordance with reason; numerical and proportional equality (derived from Aristotle) in which the former dictates that people are awarded the same quantity of a good per capita, the latter in accordance with what people deserve; moral equality, which emphasises the principle of human dignity and respect which implies equal treatment; and presumed equality, which refers to the baseline assumption which theories of equality are founded. The presumption of equality is the *prima facie* equal distribution of all distributable goods. This presumption is confronted by a number of questions:

- What goods are to be distributed?
- What inequalities are justified?
- Who are the recipients of distribution?
- Which social goods comprise the objective of social justice?

Distributive equality throws up further problems which this overview goes on to describe: the equality of what? The following types of equality are considered:

- **Simple equality** which refers to all people being equally furnished with goods and services. This approach is generally rejected as unfeasible. Modern-day egalitarians tend to hold that a degree of inequality is due to the free decisions made by humans. Those that are disadvantaged by inequalities that were not the result of their free decision-making should be compensated. This is known as an **equality of opportunity**.
- **Libertarians** cite John Locke in asserting a basic right to freedom and property, which they argue is encapsulated in the free market (e.g. Nozick, 1974; Hayek, 1960) where freedom and equality are mutually opposed.
- **Utilitarians** hold that everyone counts as one and no more than one (Jeremy Bentham) and that the interests of all should be treated equally. The morally proper action is the one that maximises utility. Utilitarianism is criticised for being morally blind to different types of interests which may be held (e.g. motivated by selfishness).
- **Equality of welfare** refers to the belief that what is at stake in political ethics is an individual’s well-being; therefore the central notion of justice here is the equalising of welfare. However, people’s needs differ and this approach ultimately justifies granting more resources to people with more expensive tastes (Expensive Taste Argument – Dworkin, 1981).
- **Equality of resources** is an approach espoused by both Rawls and Dworkin. A set of basic needs is postulated (Rawls), where the greatest opportunity is opened up to the least advantage in society. However, equality of opportunity is insufficient because it does not redress imbalances in innate gifts. For Dworkin, inequalities in resource distribution are justified when they arise from freely-made decisions (such as those gained through the free market). Innate inequalities, or resources gained through luck, are not justifiably distributed in an uneven manner.
- **Equality of responsibility** is recognised by some egalitarians as a way of achieving other values as well as equality, and recognising human agency. These egalitarians
strive to eliminate involuntary disadvantage for which the disadvantaged party cannot be held responsible.

- **Equality of opportunity** is designed to lead to equality of outcome in terms of variables outside an individual's control, but to differential outcomes when the variable is determined by individual choice or ambition.

- **Capability approaches** (Amartya Sen, 1970) focus not on resources but on equality of the capacity to function, such as nutrition, health and mobility. This is linked to equality of opportunity.


In this lecture Sen explains three types of equality. The first, **utilitarian equality**, rests upon the objective to maximise the sum-total of utility without regard to distribution. This requires equality in marginal utility (i.e. equality in the incremental utility each person may gain in an increase in the amount of ‘cake’ obtained). This has been understood as the embodiment of equal treatment of people’s interests. In distributional terms this would lead to significant distributional inequalities due to the differences in the ability of individual’s to maximise the utility of income, or ‘cake’. Low ability to maximise utility would be rewarded with less income, thereby disadvantaging some individuals in two ways. Further, utility is not being understood as reflecting moral importance.

**Total utility equality** is concerned not with marginal utility but actual utility. The objective here is to give everyone the same utility in what pertains to absolute equality. Rawlsian equality refers to equality in terms of primary social goods, including rights, liberties, opportunities, income, and self-respect. Primary importance is placed on the principle of liberty, with equality and efficiency second. Inequality is therefore condemned if it does not work in the interests of the worst-off. However, liberty's primary position means that no trade-offs are permitted between basic liberties and economic and social gain. Sen criticised Rawlsian equality for failing to take into account differing and/or unequal needs. Fourthly, Sen puts forward the notion of **basic capability equality** in order to reconcile the preceding approaches. Basic capability equality asserts that a person should be able to do certain basic things. However, there is evidence that the conversion of goods to capabilities varies from person to person. Further, it is highly culture-dependent.


This paper takes an income-based approach to explain the three central ways of understanding inequality. These are:

- Unweighted international inequality: uses the country as the unit of observation and measures its income, disregarding the population.

- Population-weighted international inequality: this differs from the first concept only in that it takes into account the population size of a country. It uses the same measures but weights the results according to the number of individuals the income measure represents.
- ‘World’ inequality at individual level: does not measure at country level but, in principle, treats everybody the same by measuring income across countries.

Only the third approach is able to reflect intra-country difference and is thereby seen by the author as the most accurate way of measuring levels of inequality.

http://www.ntd.co.uk/idsbookshop/details.asp?id=797

This review was commissioned in response to the seeming focus placed upon economic inequality within development literature. In Chapter 2 the paper deals with how inequality can be understood in its social and political context, arguing that at present the concept is used loosely within the development discourse: both positivist and constructivist, with differing emphases on the power of agency over structure. Eyben argues that development practice understands inequality in the following ways, which in practice are subject to a ‘mix and match’ (p24):

- **Disparity in distribution, consumption or assets:** informed by development economics and rational choice theory, this approach influenced utilitarianism and is concerned with objective measurement rather than normative statements. It is positivist in approach and utilises measures such as the Gini coefficient. This means that this approach has strong links with discussions about growth and its impact on income distribution.

- **Capability deprivation:** using Rawls, Amartya Sen introduced ethics into the inequality debate by considering how levels of autonomy differ between individuals. Although resources can be distributed equally, they are not necessarily used with equal outcomes. Instead Sen focuses on how to ensure basic capabilities, but remains firmly concerned with the individual rather than asking questions about equality between whom.

- **Difference in opportunity and access:** this approach is influenced by Weber's understanding of social status and rank and can be seen as a way of analysing how best to enable social mobility in the face of barriers to equity.

- **Rights-based approaches** which can be seen as a way of combating inequitable outcomes.

- **Social exclusion** is linked to marginalisation and non-integration.

Inequality is often treated as static, without reference to the actors who are continually ‘building and transforming’ the barriers which lead inequitable outcomes. Instead, Eyben adopts an actor-oriented approach in which the agency of the individual within the dynamics of power relations are emphasised, as opposed to structural understandings of the process of inequality.

http://www.jstor.org/stable/20027737

This paper is written in response to evidence that inequality in the United States is growing. Jencks notes that inequality is often treated as a moral debate, ignoring empirical evidence about its consequences. The connection between moral obligation and empirical evidence is most clearly seen in the case of utilitarianism, which follows a moral rule to promote the greatest good (consequence). However utilitarian equality faces problems in answering whether gains (such as income) are utilised with equal result, and how these rewards came about.
John Rawls is largely discussed as the alternative to utilitarian equality, stating that if people did not know what position they were to occupy in society they would choose a social arrangement which maximised the well-being of the least advantaged. However, Rawls also recognised that rewarding people for producing goods would also have a positive effect on the least advantaged. This, like utilitarianism, requires economic calculations which purport to identify how to arrive at the greatest good for the greatest number. The inequality debate needs to be framed by asking how inequality affects both a) the mean level of well being and b) position of the least advantaged in society.

However, inequality is not only about measuring purchasing power but also human welfare. Distribution of income also has a huge impact on educational opportunities, life expectancy, and political influence.

http://www.questia.com/googleScholar.qst;jsessionid=LD3WbW8jLKlvM81kzrXwJdj87knDpy
cYLR4tSMqlGKJ9jHyzhSJK114580112351-797993493?docId=96380438

Since World War II there have been debates between the conflict and functional theories of social inequality. This paper begins by reviewing different approaches to inequality in order to arrive at a synthesised framework. The main points of the author’s narrative are as follows:

- Inequality is often explained in terms of sanctions and rewards which lead to an uneven distribution of resources in favour of those who act in conformity with norms (Davis and Moore, 1945). Conflict and consensus theorists argue over the source of these norms: common consensus (Durkheim, 1915) or tool of domination (Dahrendorf, 1968)?
- For conflict theorists, norms may be biased. Habermas (1970, 1971) took this view and developed the idea of distorted communication on the basis of unequal power distribution. If norms are to represent general rather than special interests they must arise from a means of communication which is insulated from power and repression. Claims of a ‘social consensus’ should be accepted carefully.
- If we are to treat norms as biased, we need to establish a basepoint from which to measure the neutrality of norms. John Rawls (1971) attempts to do this by establishing an ‘original position’ which represents unbiased discourse. However the notion of an unbiased social system, and our ability to conceive of it, has been widely criticised.
- Milner argues that discourse shapes two things: a group’s sense of ‘ought’ (the content of norms); and the definition of the situation which leads to a cognitive bias.
- Functionalist sociologists (e.g. Malinowski, Radcliffe-Brown) argue that social inequality finds its basis in certain organisational requirements or imperatives. Parsons (1964) saw stratification as a near-universal adaptive mechanism which acts as a pre-condition of further evolutionary development.
- The Marx-influenced Lenski (1966) views inequality as a matter of resource distribution which is determined by the level of technology a society possesses. Increases in technology lead to greater productivity, which in turn leads to greater inequality due to the uneven distribution of an increased surplus.
- The ‘Status Attainment Tradition’ (p1077) uses many of the concepts outlined to suggest that a parent’s resource base affects the chances of the subsequent generation’s chance of nurture, training and capital. In turn, this affects one’s ability to conform to norms.
‘Equity’ may be another donor buzzword, but this paper argues for its relevance. Equity is distinguished from equality here, with equality referring to identical treatment in dealings, quantities or values and equity to fairness, or the equality of outcomes. Equity implies the need to change aspects of a system which disadvantage particular groups and is normative rather than descriptive. Equity deals with hotly-contested ideas such as justice, fairness, and equality and is therefore the subject of wide-ranging definitions and emphases. At base, inequity results in high levels of inequality (p17).

This paper attempts to present commonalities within the literature on equity, the first being moral equality: the notion that all people should be treated as equals. The idea of equity is the application of the ‘moral equality’ principle to the treatment of people within society (p4), of which Rawls (1971) famously argued that the state and its citizens should respect moral equality.

How to treat people equitably throws up a number of approaches: equality of opportunity; fairness in distribution; or treating people with equal concern and respect (Dworkin, 1983). In order to delineate the structure of equity the author offers three basic tenets:

- **Equal life chances**: there should be ‘no differences in outcomes based on factors for which people cannot be held responsible’ (p5). This is a probabilistic concept which refers to outcomes such as health, education and career; and where factors outside of an individual’s control (such as family circumstances) have a negative impact on particular development outcomes, this is a violation of the equal life chance principle.

- **Equal concern for people’s needs**: ‘Some goods/services are a matter of necessity and should be distributed proportional to people’s level of need and nothing else’ (p6). This second principle refers to goods and services which people are thought to need: shelter; food; water and sanitation; physical security. There are two types of needs: basic needs; and needs which are a prerequisite to people being able to take full part in society, the latter of which are culturally variable. These goods and services are distributed accordance with need (i.e proportional to the extent that they are missing them) and are not earned or deserved through hard work. The principle would be violated when health care access is distributed according to pay level, for instance.

- **Meritocracy**: ‘Positions in society and rewards should be distributed to reflect differences in effort and ability, based on fair competition’ (p7). This principle holds that people’s success reflects factors over which they genuinely have control, and that to distribute according to effort or ability upholds justice. However, for meritocracy to hold there must be, a) equal access to things such as job positions; b) equal opportunities for people to develop the skills and talents required for participating in a ‘fair’ competition.

The third principle – meritocracy – stands out for it implies a level of ‘acceptable’ inequality. This paper argues that a meritocratic society would still need to ensure a degree of redistribution in order to facilitate an equal playing field for fair competition.

Social exclusion is framed as a socio-cultural driver of inequality which, along with adverse incorporation, act as causal processes which ‘sustain inequity through the power relationships between people and key institutions, such as the state and the market’ (p12).

There are two ways of justifying why equity is important in development. The first approach is to assert that equity has *intrinsic value* and, as a normative concept, needs to be promoted in its own right. This approach has its roots in the Christian tradition where all people are equal
in front of God. However there are debates over whether this refers to needs or merit, and the level of values placed on the role of the individual and competition between them. Secondly, equity is also a 'co-constituent of progress', i.e. it has a positive role in the development process in terms of poverty reduction and economic growth.

3. Donor approaches


This report offers a number of relevant points, including the importance of recognising inequities within countries as well as globally. ‘Equity’ is defined here as the equality of opportunity to pursue a life of one’s choosing. It is complementary to the pursuit of long-term prosperity. Equity is desirable not only because it helps promote both pro-poor growth and national growth, but also because reducing inequality has a huge impact on the political and social institutions within a country.

Economic, social, cultural and political inequalities tend to transmit themselves through generations: these are known as ‘poverty traps’ in which the different forms of inequality intersect. This report says that the policy aim is equality of opportunity, not equality of outcome. The main concern for outcomes is directed at those living in deprivation. The World Bank’s’s focus dictates that policy should focus on the distribution of assets, opportunities and political voice rather than on income. The World Bank committed to securing greater human resources for the poorest: access to services; greater fairness in markets; and guaranteed property rights. Measuring equality of opportunity is more difficult than measuring that of outcome, however.

Inequities in access to services such as education are often associated with an individual’s ‘agency’: their socioeconomic, cultural and political ability to shape the world around them. Differences in agency are often reflected in institutional biases, which are ultimately internalised into behavioural and attitudinal patterns.

The World Bank takes an instrumental view of why equity is important, emphasising its role in achieving a reduction in absolute poverty. Inequalities in wealth and power lead to unequal opportunities, which are translated into wasted production potential and an inefficient allocation of resources.


This chapter sets out the UNDP’s conceptualisation of inequality as both opportunity and life chance and makes the case for why inequality is a cause for concern. Inequality is not desirable in two ways: it is intrinsically bad because it violates social justice; whilst in instrumental terms extreme inequality based on wealth, region, gender, and ethnicity are not good for growth, democracy or social cohesion. Whilst the MDGs are ‘distribution-neutral’ (looking at aggregate indicators at national level) and are lagging behind in terms of helping the world’s poorest, the UNDP argue that the real barriers to progress are not technical and financial: they are social and political. This manifests as: a) inequality of access to resources; and, b) unequal distribution of power. But why does inequality matter?

- Inequality is not inevitable and arguments about why it needs to be combated are framed in intrinsic and instrumental terms:
Social Justice and Morality: The idea of social justice looms large in religious and philosophical thought, with Adam Smith asserting the notion of relative poverty in which all members of a given society should have an income that enables them to appear in public without shame.

Redistribution: Putting the poor first means giving more weight to improving the welfare of the poorest in society, guided by the law of diminishing returns to those with increased wealth.

Growth and efficiency: Although growth and redistribution are often presented as mutually exclusive, there is strong evidence to suggest that inequality is bad for growth.

Political legitimacy: Inequalities within society tend to reflect inequalities in the distribution of power. This reduces the legitimacy of institutions and has a corrosive effect upon them.

These arguments have been variously countered by people such as the economist F.A. Hayek who argued that it is non-sensical to talk of the unfair allocation of wealth, when it was in fact determined by the free market. On the other side of the spectrum it is argued that the crux of the matter is deprivation (or absolute poverty) rather than inequality and distribution. However, achieving progress in relieving those in absolute poverty is, according to the UNDP, highly dependent on reducing inequality.

Inequalities exist within countries in a variety of dimensions, based on categories such as income, gender, region, and ethnicity. Average income inequalities are measured by the Gini Coefficient, which indicate differences in the share of national wealth. The higher the coefficient, the higher the disparity between income in a country. Income inequality is not the full story: these disparities are also reflected in life-chance inequalities, which affect access to healthcare.

4. Distinguishing inequality and social exclusion

Group-based inequality


This paper argues that greater consideration of groups is needed in order to appreciate group well-being and social cohesion. Contesting that the identity of an individual derives from membership of a group – and here Stewart focuses on ‘cultural’ groups – the paper argues that cultural differences resulting from group membership characterise modern societies, and lie at the heart of a number of conflicts. Many societies are however able to live in peace despite the presence of differing cultural groups.

What is the determining factor? Stewart contends that what differentiates the violent from the peaceful is ‘the existence of severe inequalities between culturally defined groups’ (p3), defined as ‘horizontal inequalities’ (as opposed to vertical inequalities which measure inequalities between individuals or households). Horizontal inequalities are multi-dimensional and affect social cohesion and individual well-being in a different way to vertical inequalities.

Unequal access to political/economic/social resources between different cultural groups not only leads to loss for the individuals involved, but that it can become a powerful ‘mobilising agent’ which can cause political disturbance (p3). Cultural clashes are battles over resources (be it political or economic) which are perceived to be distributed unequally between different cultural groups. 9/11 can be seen as a manifestation of the force of horizontal inequality on the global scale. However the majority of examples come from within countries such as Rwanda, Burundi, and Sudan. The ‘attack’ or disturbance is not only one way (i.e.
perpetrated by the ‘losers’) but we should remember that the dominant or privileged group can exercise force against the less privileged group.

One of the most difficult changes to bring about is the reversal of political exclusion, i.e. promoting political inclusion. Democracy in strongly divided societies needs to be a ‘constrained democracy’ (p34) in which an inclusive system is ensured.


http://www.crise.ox.ac.uk/SocialExclusionandConflict.pdf

This paper extends Stewart’s 2001 paper by equating the concept of social exclusion with horizontal inequalities in order to explain violent conflict, arguing that in excluding certain groups from participating in economic, political and social life of the society they live. In explaining social exclusion it is stated that at the unequal power relations lie at the heart of all types of exclusion. Further, social exclusion is a) a process, and b) relational.

Social exclusion is related to deprivation in that multiple types of deprivation will coincide to cause social exclusion. Some groups only suffer one type of exclusion, such as the Jews in Europe who were politically, not economically, excluded. In discussing how social exclusion led to violent conflict in places such as Northern Ireland and Sierra Leone the paper refers to high levels of inequalities. Although no explanation is provided to indicate the relation between social exclusion and inequality, in this case the latter is used as a measure, or indication, of a group having been excluded.


http://www.arts.cornell.edu/poverty/kanbur/WIDERProjectOverview.pdf

This paper presents the findings of a study of 50 developing countries aiming to analyse intra-county spatial inequalities. The project highlights the existing spatial inequalities between rural and urban areas, and between geographically advantaged and disadvantaged regions. With globalisation these inequalities are deepening.

Spatial inequality is a component of overall inequality, but is particularly pertinent when political and ethnic dimensions lead to tensions in countries such as Russia, Mexico and China. Spatial disparities are high and are in many countries on the rise, for example in Peru where the incidence of coastal poverty is twenty percent less than that of 3500m above sea level. In some places, such as Tajikistan, this plays out in inequalities to public services.

Spatial inequalities can be explained in part by a country’s first and second nature geography: the former referring to its natural endowments; the latter to the interactions of economic agents who drive development. The UNU-WIDER project emphasises second nature geography in explaining the extent to which spatial disparities have an effect on equality, with many studies demonstrating the centrality of public infrastructure distribution, such as schools in Africa. This is compounded by a lack of transportation to cover long distances. This is also the case in Peru, where regional income variations were found to be a result not of geography but physical infrastructure (Escobar and Torero, 2005).

The findings of this research also indicate that growing spatial inequality can be attributed to globalisation, which has accentuated rather than reduced polarisation within countries. Policymakers need to make spatial inequality an area of urgent concern in order to a) reduce poverty at the national level, and b) reduce the risk of conflict between groups. The principal way of combating the trend of spatial inequality is through the removal of barriers to
economic deconcentration and the promotion of a more equitable distribution of public services and infrastructure.

**Inequality as a cause of social exclusion**


Chapter 2 of this EC report offers definitions of both equality and social inclusion. A reading of these definitions indicates the following:

- Equity is understood as referring to justice and thereby access to essential goods, and provides a justification for government to intervene to ensure the provision of collective goods, e.g. education. Equality refers to equality of opportunities to participate in valorised goods.
- Social exclusion is a state, or dynamic process which is strongly associated with participation. Equality relates to social exclusion in that it determines the access groups have to economic, socio-cultural, and educational resources and decision-making structures. This determines levels of social participation which, in turn, determines social integration, i.e. social inclusion or exclusion (p18).
- There is debate over whether social integration and social inclusion are the same concept.
- It is important to note that social exclusion takes place at both individual and societal levels.
- Lack of equality in accessing education can increase the chance of becoming excluded.


http://books.google.com/books?id=IFd6yvg5hG8C&pg=PA3&dq=structural+inequalities+and+inclusive+institutions&source=bl&ots=L6vBnvfLsa&sig=dALOWqN0JT4ypS_j8RT2uC7ahY8&hl=en&ei=QCmFS62rDom6jAewnfSJa&sa=X&oi=book_result&ct=result&resnum=5&ved=0CBQQ6A#v=onepage&q=structural%20inequalities%20and%20inclusive%20institutions&f=false

This book presents a structural understanding of inequality defined as ‘a condition that arises out of attributing an equal status to a category of people, a relationship that is perpetuated and reinforced by a confluence of unequal relations in roles, functions, decisions, rights and opportunities’ (p3). Inclusion (as the opposite of exclusion) is presented as the principal means of combating structural inequality. The central concern for social policy must be to promote equity as a means of ‘levelling the playing field’ and ensuring adequate distribution.

Here, marginalisation is referred to as a symptom of structural inequality though relations of power which perpetuate existing historical conditions. The chapters in this book take the nation-state as the central point of analysis, to review how nations and inclusive states are built and what challenges these processes may face.

It is assumed that social policy is able to facilitate reform at the structural level, however it is argued that existing social polices which target poverty reduction (such as cash transfers) have tended to neglect the broader social policy context in which the general well-being of
citizens is promoted. Social policy is therefore understood not only as an instrument for economic development and the reduction of economic inequality but as a way of achieving ‘holistic social development’ (p6). However the social policy response to intra-country inequalities arise out of different types of inequality in the global North and South: whilst the former’s concern with equality has its roots in the promotion of working class interests, in the South this manifests rather differently in racial and ethnic terms.

Structural inequality is presented (see diagram p14) as the reason why certain groups become excluded and marginalised due to a lack of access to resources and power. Addressing structural inequality means changes in relations between groups, reflected in policy and legislative change. Often policy acts as a tool to perpetuate structural inequality, as was the case in apartheid South Africa. By taking an institution-led approach to how structural inequality can be addressed by making institutions more inclusive, the chapters in this book discuss context-specific examples of social policy in facilitating this change.


This paper discusses the high levels of both exclusion and inequality in Latin America which have received considerable attention in recent years as part of efforts to promote economic growth and poverty reduction. The principal message of this background paper is that in order to address inequality, there is a need for policies which expand the asset base and opportunities of the poor and excluded. This should also be furnished with policies which promote political inclusiveness.

Although social indicators demonstrated by the HDI suggest gains in terms of social and political progress, these indicators do not take into account wide disparities within a country, in spatial, regional, economic and cultural/ethnic terms. Regionally, Latin American countries are amongst some of the most inequitable in the world: in the 1990s the poorest 20% received just 3% of the income. These inequalities are mirrored in the distribution of assets such as land.

Social exclusion is described as 'compounding' the problem of high levels of inequality (p4). Exclusion extends the concept of inequality to groups sharing a common identity. Groups who are excluded on the basis of characteristics such as age, religion, race and disability often manifest this exclusion in economic terms, as well as an absence of political voice (i.e. they are excluded from political participation in an era when governments in Latin America often 'consult' with civil society).


There are two key themes in the contemporary sociological discussion of equal opportunities: a) inequality of opportunities to learn (i.e. educational); and, b) social mobility and immobility. Lack of educational opportunity is one of the principal determinants, the author argues, of social immobility. This paper asks whether the education system, through schools, is able to mediate the reproduction of social inequality. Although the role of the school enables it to reduce inequality it does not however possess the capacity to eliminate such inequalities, as is the case in Spain.
Rights theorists largely hold that a degree of inequality is inevitable, but that equality of opportunity should be promoted to enable the disadvantaged to enhance their status. The principle of equal opportunities is valued by its proponents as a basis for justice and democracy, whilst relying on the different capacities of individuals to prosper. Although supporters of equality of opportunity have been instrumental in the extension of education to all in society, regardless of social class, in reality the school system can be seen as a place through which inequalities are compounded and reproduced due to differences in educational success amongst classes. The education system determined the beliefs, values and norms of a society thereby reproducing a social structure consisting of marginalised and excluded groups.

As education reproduces inequality due to lack of opportunities within the education system, education is also however presented as the principal factor in explaining social exclusion. Education reproduces a lack of social mobility through lack of educational and occupational opportunities, which in turn perpetuates social exclusion.


Whilst explaining the experience of indigenous peoples (8-15%) and Africans (30%) in the Latin America and Caribbean region this paper offers a number of insights on the relation between exclusion and inequality. By excluding people according to race or ethnicity, as millions in the region are, the dominant group (or class) is able to justify their socio-economic subordination, thereby reproducing and perpetuating inequality. Exclusion is thereby a tool of underlying inequality. This ‘pseudo-scientific’ (p41) mechanism of exclusion has now become an integral component of the social structure, politically institutionalised in a number of sectors such as education, health and employment, political representation. As a result, indicators of equality suggest high levels of inequality and inequity between indigenous peoples and Africans, and the non-indigenous. In order to redress this, governments in the region must take seriously the need for the inclusion of excluded groups as a starting point.

Social Exclusion as a source of inequality


Throughout this document social exclusion is referred to as a process which drives inequality, and is historically linked to both social cohesion and exclusion from the labour market, as well as to the rise of individualism. In terms of how social exclusion can be differentiated from inequality this document offers the following:

- One can be socially excluded from equality: inequality is thereby the end result of an exclusionary process.
- For example, the ‘untouchables’ in India are not considered just unequal, but beyond measure (i.e. completely excluded).
- In turn, social exclusion can be the result of inequality (e.g. unequal power relations)
- It is a product of people’s relationships with their context (e.g. institutions, consumption)
Castel (1997) has developed an understanding of social exclusion as disassociation, disqualification or social invalidation (rather than purely being on unequal footing).

Exclusionary attitudes (for instance, from western nations towards aid available to developing countries) lead to a reinforcement of existing inequalities.

Social exclusion is a popular discourse within the wider inequality discourse.

Social exclusion has been shown to have a significant role in determining health outcomes (i.e. health inequalities). A lack of access to the labour market, education, human rights, and other social policies combines with the causes of inequity (class, power, prestige, and discrimination) and the social determinants of health (vulnerability, exposure, sickness and disability) in order to produce the level of equity in health outcomes (see diagram, p63).

The mediating force for social inequalities (and thereby health inequalities) is the power embedded in social relations and exercised through formal and informal institutions. Social exclusion is strongly linked to how power is exercised.

Is social exclusion a tool for understanding inequality? (p73)

http://mpra.ub.uni-muenchen.de/10456/1/MPRA_paper_10456.pdf

In this paper it is argued that social exclusion is a source of inter-ethnic inequality within the country, in which a 2003 National Household Survey indicated the extent of this inequality: indigenous people earned only 56% of non-indigenous workers in the labour market. The focus here is upon income equality and reducing Peru’s Gini coefficient: it is estimated that by eradicating social exclusion the Gini of labour income would reduce from 0.64 to 0.45. Exclusion is seen to play a larger role than discrimination in determining income inequality. Indeed, Barron asserts that ‘both exclusion and discrimination are sources of inequality between-groups, and may interact reinforcing their efforts’ (p54).

Social exclusion is therefore presented as a factor in the emergence and maintenance of inequality within society. At base, exclusion has played a significant role in restricting educational access to indigenous groups in Peru, which thereby reduces the ability of indigenous people to transform education into human capital, and in turn income capital.

Using an econometric analysis Barron argues that if indigenous people had similar values of variables used to explain income (e.g. number of years in education) this would constitute ‘no exclusion’ (p72) and would enable a reduction in the Gini coefficient by 28%.


This paper aims to conceptualise the relation between the state and society in Latin America, arguing that the relation is characterised by patrimonialism, authoritarianism and exclusion. Whilst the paper’s principal focus is on a discussion of exclusion with alternating references to inequality, the author also makes a clear distinction between inequality and exclusion. The following points come out from the discussion:

- Exclusion is a process which determines the conditions of inclusion. Inclusion is important because the notion of ‘equality’ is applied to those who are included.
- The question of who is equal is therefore bound up with questions of exclusion and inclusion.
- Often, exclusion is actually legal due to the way in which laws are framed to only apply to the included. In this understanding, exclusion leads to formal inequality; inclusion to formal equality.

Exclusion, as a cultural phenomenon which involves the establishment of prescribed norms which preclude certain groups, is presented in this paper as a process through which these groups can become unequal.

Quoting the Brazilian sociologist Boaventura Souza Santos (1995), Fleury highlights how Marx was concerned with inequality (the socio-economic), Foucault with exclusion (the cultural). The latter is, according to Souza Santos, a phenomenon arising from civilisation. The extreme end of exclusion is extermination (e.g. the Holocaust); whilst the extreme end of inequality is slavery (Souza Santos, p2-4). Proposing that exclusion is defined as ‘the negation of the human condition’, Fluery refers to the work of Frantz Fannon and Hannah Arendt to explain how exclusion manifests itself discursively by preventing the inclusion of particular groups in the socio-economic activity of the state.

5. Additional information

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