

The High Costs of Status Seeking

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It's well known that income inequality leads to all sorts of social problems. The bigger the gap between the affluent and the poor, the higher the rates of homicide, teenage pregnancy and infant mortality, to name just a few of the negative outcomes. Unequal societies are also more polarized politically, and their economies are not as robust.

Despite all this evidence of untoward consequences, it's not really known why this is the case. What is the psychosocial link between income gaps and societal dysfunction?

One idea is what's called the "social rank hypothesis." This simply means that in unequal societies, the have-nots are more likely to engage in unfavorable social comparisons, and this preoccupation with status and hierarchy boosts competition—especially for high-status goods. This constant competition for status and its emblems takes time and energy away from leisure time and social life and other healthy, protective activities. This hypothesis is supported by the fact that inequality is associated with low savings, more consumer debt and longer hours at work.

But it remains a hypothesis—one that psychological scientists Lukasz Walasek and Gordon Brown, of the University of Warwick, UK, wanted to test. Specifically, they predicted that citizens of unequal societies will pay more attention to status goods—designer labels and luxury goods that signal social success. To test this idea, they analyzed millions of Internet searches, which were aggregated by a service called Google Correlate. Google Correlate has not been used much in social science research, but its algorithm is capable of revealing important social trends. Three out of four Americans now have access to the Internet, and in 2013 alone, these users made more than 2 trillion searches. Google Correlate allows search frequencies for particular words to be linked to other variables, like time and location.

Walasek and Brown wanted to explore the link between searches for luxury goods and inequality, which they broke down state by state in the U.S. That is, they wanted to see if the residents of high-inequality states were spending more time and effort searching the Internet for high-status goods like champagne, designer rain boots and high-end jewelry. They used Google Correlate to sort all of these status searches state-by-state. They controlled for income and other socioeconomic indicators, so they were focusing in on each state's disparity in income.

The results, reported in an upcoming issue of the journal *Psychological Science*, were clear and dramatic. More than 70 percent of the search terms that were used frequently in unequal states were related to luxury and status. The comparable percentage in states with income equality? Zero. This finding suggests that middle-income earners in unequal states are consuming more in general, adding status goods on top of essentials.

Internet searches are a proxy for time and mental effort, so it appears that middle-income earners are spending more time and effort on status goods—even if they don't buy them. The scientists believe that

people are doing this because symbols of high status are more apparent in unequal societies. When rank differences are easy to perceive, the have-nots will devote more of their lives to status seeking—and less to health and well-being.

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