

Briefing Paper BP3/2018

Reviewing research into Wealth Inequality in the UK: A Systematic Review

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Despite a long history of interest in disparities of “riches” and poverty (Chiozza Money, 1906), relatively little is known about the “wealthy”; either as an isolated elite group within society or their use of space within the cities that court their residence (Atkinson. 2016). Rather attention has been drawn to accumulation of wealth, its morality and potential for redistribution to address social problems. This paper reviews existing research on the wealthy as a specific group of interest in social science research. The intent behind this is to provide a baseline for future research into the “wealthy” rather than draw any particular, conclusive comments. It could be argued that the “wealthy” have been overlooked within social policy where there is a concern for the promotion of welfare drawing attention to the excluded and impoverished in society. Whilst some researchers have sought to explore the role of the wealthy in relation to welfare services and provision (see for example Rowlingson and McKay, 2012) this is rarely as a group of interest in their own right.

As Cowell and Van Kerm (2015:671) declare, ‘[a] survey of wealth inequality properly deserves a good-sized book rather than a modest-sized survey article’. As such this briefing paper will not investigate all the issues that could possibly be considered. Rather through a systematic review of literature and a thematic analysis of selected articles (see appendix 1) it is possible to highlight areas for future research opportunities. As such, the paper is divided into three parts. It starts by exploring the definition of wealth found in existing academic research before reviewing the nature of different studies into wealth and the “wealthy” before noting that this group is rarely explored in isolation from others, as a separate social group worthy of attention. This provides the foundation for a number of suggestions around a future research agenda.

Defining Wealth

In order to study social phenomena such as ‘wealth’ and ‘the wealthy’ there is a need to develop a clear definition which can be operationalised into a measureable construct for research purposes. One potential starting point would be to draw out the definition used by CHASM in the Birmingham Policy Commission on the Distribution of Wealth (2013:14) which

adopted a people centred, household perspective: ‘Household wealth is the stock of assets ‘owned’ by individuals or households. The assets may be financial or physical e.g., houses. Individuals invest or save by purchasing financial claims on banks (deposits) and other financial instruments (bonds and shares)’ (Birmingham Policy Commission on the Distribution of Wealth. 2013:14). A wider range of definitions however could be identified from the review of literature and have been outlined in Table 1.

A number of definitions can be drawn out of the review focusing on both the definition of wealth but also of the wealthy. Predominately research has focused on income and assets as opposed to “current net worth” as suggested by Cowell and Van Kerm (2015). Consequently income and assets are viewed by them as separate entities, not an all-encompassing measurement of wealth. As such the CHASM definition offers a clear framework for informing policy analysis and debate, although it should be noted that this may not grant wider consideration of social or wider financial impacts and consequences beyond numeric assessments of income/asset disparities.

Whilst this arguably offers a definition of “wealth”, establishing clarity for the concept of the “wealthy” is less obvious. From the material reviewed there is limited discussion other than the implicit association of encapsulating those with excessive levels of wealth (however defined). Such considerations create a broader set of debates:

- How can a definition of “excessive” wealth be generated to help in the definition of the “wealthy”?
- A discussion of excessiveness requires establishing a level of wealth inequalities that are acceptable (and a level of wealth that should be a minimum below which no one should fall).

Recommendation one: definitions of the “wealthy” should receive greater analysis and research focus to clearly identify the group(s) under investigation.

Recommendation two: further reflection on definitions of wealth to integrate the accepted views on income and assets but also wider social and theoretical dynamics should be pursued to foster new directions in evaluative and academic research.

Developing a “wealth line” study: wealth, class and mobility

Although it is possible to consider the ‘wealthy’ worthy of study in their own right it is perhaps important to recognise that wealth plays an integral part in wider social debates around social class, social mobility and stratification in society. Whilst class analysis is multifaceted, earlier theories drew attention to wealth and assets as part of analysis of class systems (such as

Table 1: Definitions of Wealth and the “Wealthy”

Research source	Definitions
Wealth inequality: a survey Cowell and Van Kerm (2015)	Wealth could in principle be taken to refer to one specific type of asset or group of assets. However, for most purposes the standard wealth concept that is considered relevant for empirical analysis is current net worth.
Limited exposure: social concealment, mobility and engagement with public space by the super-rich in London Atkinson (2016)	The sense here is that there are different motivations and different groups (identified by shared tastes in goods, services, etc.) within the ranks of the very wealthy and they are not one coherent group.
The Moral economy of inequality. Sachweh (2012)	Perceptions of injustice do not seem to be based on the existence of income inequality as such, but rather on the view that economic disparities threaten the social bond. A moral economy can be understood as a popular consensus about legitimate and illegitimate practices of social exchange- including the allocation of scarce goods and resources- which is rooted in a 'traditional view of social norms and obligations.'
From Income inequality to economic inequality. Sen (1997)	The identification of economic inequality with the income inequality is standard, and the two are often seen as effectively synonymous in the economic literature.
Breaking the ‘class’ ceiling. Friedman et al (2015)	Adopting a social class perspectives this study integrates two measures of cultural capital in terms of engagement with legitimate culture and educational attainment- specifically whether respondents have or have not attended university.
Assets, Savings and wealth, and poverty, A review of evidence. Final report to the Joseph Rowntree Foundation Searle and Köppe (2014)	This review includes a broad understanding of poverty as 'low income'. This is because international poverty thresholds vary and few studies distinguish between poor and non-poor people. Wealth refers to the total value of someone's assets
Wealth Inequality: The Facts Rowlingson (2012)	Wealth refers to a stock of economic resources compared with income which is a flow of resources.

Marxist accounts) although more recent theories of class draw out cultural and social factors may be given greater prominence (Savage, 2015). Following on from the recommendations above, there is a need to refine analysis to ensure there is a clearer definition of wealth but to recognise its wider social significance. This in turn could foster research into attitudes about wealth, which reflects the consensual methods of poverty measurement, to inform the political and policy debate about acceptable levels of wealth hoarding. Some early attempts at this are present in the research literature, which may foster future research into a “wealth line”. From the attitudinal work in the Birmingham University Policy Commission on the Distribution of Wealth (2013) to the work by Inequality Briefing (www.inequalitybriefing.org). However, research into wealth has yet to lead clearly to this agenda.

The review of evidence indicates that many studies into wealth and the wealthy potentially limit their ability to focus on such debates. Rather these projects often explore comparisons with the "poor" as a contrast for the illustration of poverty rather than a focus on the wealthy themselves (see examples in Table 2). Many of these studies draw attention to inequality in class boundaries and challenges for social mobility but leave the wealthy outside of their analysis. Debates around a wealth line, in contrast, would require specific attention on the wealthy themselves, rather than being the counterfactual, and this in turn would facilitate a more rounded analysis of class and social mobility debates.

It is further noted that, while there is a wealth of comparative survey evidence on general attitudes towards inequality, these studies do not delve deeply into accounts of attitudinal change and the wider, unspoken, relationship between class, wealth and social mobility (see for example Sachweh, 2012).

Table 2: Methodological Approaches

Example study	Method
The Moral economy of inequality. Sachweh (2012)	Based on in depth qualitative interviews with respondents from higher and lower social classes, the paper reconstructs the 'moral economy' that underlies popular views of inequality.
Breaking the 'class' ceiling Friedman et al (2015)	A discussion of the contemporary Great British Class Survey to compare rates of social mobility into different elite occupations.
Mother of underlying causes Dorling (2015)	Quantitative analysis inferring some links between wealth inequality, infant mortality and life expectancy
A new model of social class. Savage (2013)	An attempt to redefine the class system in the UK through an in-depth investigation of social/ cultural factors with less priority given to income and occupational factors.

Recommendation 3: research into a wealth line which is either set at a level below which no one should fall, a level above which we would not expect people to normally go, or a range between the two should be a priority for future research.

The 'Wealthy' are not seen as an independent research group

A key challenge, as alluded to above, for the development of a research into a wealth line rests in the fact that most contemporary research does not treat the “wealthy” as the group under investigation. In contrast research attention is given to the poor and those on low incomes or the more recent phenomenon of the 'squeezed middle'/'just about managing' only referring to the wealthy and the super-rich as a contrasting group. Since the economic crisis of 2008 there has been an increased focus on the top 1% (Dorling, 2014) but this has not sustained itself in the same way or filtered into a broader research agenda. Consequently investigations of the “wealthy” are few and far between and in order to establish a wealth line some of this will need to be rectified.

Research into the “wealthy”, additionally, often avoids using the term. Rather attention is given to “the elite” or “the establishment” (Jones, 2015) which can be conceived within a much broader definition to highlight those who have greater power and status and not just financial resources to grant their position. In fact wealth may not even be a factor (consider the position of Prime Minister of the UK and how such people need not necessarily be wealthy to be part of the elite). As such the difference between the ‘wealthy’ and the ‘elite’ is significant when trying to analyse wealth per se. These blurred boundaries can result in a true analysis of wealth being difficult to draw out – whilst we must still be careful not to lose sight of the wider social implications of wealth and how many of the elite will also hold considerable wealth.

Recommendation 4: clearer analytical work is needed to distinguish the “wealthy” as a distinct social group.

Potential future research

With regards to future research, the existing research did not offer much direct recommendation for future research into the “wealthy” itself, it instead offered suggestions for future research methodology and how to approach the issue of ‘wealth distribution’.

With regards to the methodology, it's believed that such an appreciation requires a more culturally sensitive mode of analysis (Savage 2013). Whilst, this is a valid conclusion and it

may argued be that a 'more culturally sensitive mode of analysis' is necessary as society expands, this does not address the 'wealthy' directly and instead offers yet another general observation.

Some research does directly address wealth distribution and asserts; "there is a great deal of data on trends over time in terms of the income distribution but much less data on the changes in wealth distribution." (Rowlingson, 2012) Although this does not refer to current existing research, it does offer some insight into what is required from future research and the key area to focus upon.

From the thematic analysis carried out in this paper it is concluded that there is a necessity to acknowledge the "wealthy" individually and as a group before we can understand the distribution of wealth fully. In order to fully understand society and the way to best distribute wealth we must better understand every element, both academically and socially, and this is what I deem to be the future research prospects for this area of study and specifically within the subject area of the 'wealthy.'

Conclusion

In conclusion, by using systematic review and citation search methodology, this research paper was able to analyse and present key relevant research that is currently presented with regards to the "wealthy" within society. And although the collection forming such research was limited, this itself was significant and showed the gaps within both research and society which need to be reduced. Without doing this we cannot expect to be able to move towards a more equal wealth distribution or implement suitable policies for all of society, without which we cannot move forward in attempting to defeat distribution inequality.

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APPENDIX: METHODOLOGY

- 1) Search criteria and results
- 2) Filtering criteria
- 3) Selection of final criteria
- 4) How the thematic analysis was conducted.

I started my research by first selecting five core readings that would form the basis of my study into 'wealth.' This included; *Wealth and the Wealthy* (Rowlingson and McKay, 2011); *Inequality and the 1%* (Dorling, 2014); *The Establishment* (Jones, 2015); *Poverty in the UK* (Townsend, 1979) and *Wealth in the UK: distribution accumulation and policy* (Hills et al 2013). From these core texts, I then conducted a citation search and focused my findings on those readings deemed most relevant via the findings filters. I focused my study primarily upon the first two pages of results in order to ensure the findings were most relevant. Although, its noted that some of the results generated did not span past the first page once the protocol and filters were applied. The citation search protocol the research focused around was primarily the terms; wealth, wealth inequality and inequality. Furthermore, it focused on research conducted in the UK and post 1945 era. The reasoning for this to make

sure that the research focused on society once a welfare system had been introduced and the way wealth was distributed had changed.

I then took these findings and conducted a thematic analysis of those that fit the protocol to establish contrasts and similarities within the findings of the different studies. The protocol for my citation search focused its study upon those readings that were post 1945, focused on the UK and included the terms 'wealth, inequality or wealth inequality' either in the title or abstract of the paper. This made the findings more concise but did not provide articles that fit the protocol. To elevate this issue, I altered the protocol to enable the results to be more selective. I did this by establishing an understanding of wealth to be economic and not solely socially concerned ie health, opportunities etc, as outlined in the discussion about the definition of wealth previously. This focused the search further and provided more accurate results. On the other hand, Townsend's Poverty returned the largest amount of results but none fit the protocol using the filters that I had used for the other citation searches. For this reason, I had to alter the words to "wealth distribution" which returned more results, but the findings that fit the protocol were still limited.

Moreover, with these findings I then conducted a thematic analysis of the findings of my citation search focusing on the research that fitted the protocol. I then sourced the research elements that fit various categories including; methodology, policy implications, future research opportunities and its approach to defining wealth. By conducting a thematic analysis, I was able to cross-reference the findings of the research and draw some of the common themes that are expanded upon in this research paper.

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