

How does poverty work? Representations and causal attributions for poverty and wealth

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—Abstract —

This study delves into the causal attributions and perceptions surrounding poverty and wealth, aiming to deepen our understanding of public perceptions and to formulate effective, consensus-driven interventions. Our analysis is based on data gathered from a survey of 2,000 participants across Italy. Utilizing Principal Component Analysis, we identified three distinct categories of attributions for poverty and wealth: internal (focusing on personal effort and abilities), external (attributing to societal and economic factors), and metaphysical (linking to fate or divine will). Subsequent analyses revealed significant associations between these attributions and various socio-economic factors, including income, age, education level, and employment status. Moreover, we explored the relationship between participants' personal perceptions of poverty and wealth (how they perceive the causes of their own or others' economic conditions) and their broader attributional style. This approach allowed us to examine the potential connections between individual perceptions and broader socio-economic categories. By analyzing these relationships, our study sheds light on the complex interplay between personal experiences, socio-economic status, and perceptions of economic conditions. These insights are crucial for designing interventions that are not only effective but also resonate with the diverse experiences and perceptions of the population.

Key Words: *social perception, attributions for poverty, Locus of control*

JEL Classification: Z13

Introduction

This paper delves into the causal attributions for poverty and wealth, exploring the multifaceted perceptions individuals hold regarding the origins of these socioeconomic conditions. Unlike traditional poverty studies that focus primarily on income or consumption, this research adopts a psychological lens to examine causal attribution. This approach recognizes poverty and wealth as multidimensional constructs that encompass not only economic deficiencies but also social and psychological dimensions. Poverty, therefore, is not defined solely by low income but also by factors such as educational attainment, the ability to adapt personal goals to limited resources, and the lack of support from family or social networks.

The concept of stratification, a fundamental societal structure, has spurred a significant body of research in socio-psychological and economic fields since the 1960s, highlighting the evolving perspectives on social stratification and its underpinnings (Kluegel & Smith, 1981; Wilson, 1996). Our literature review synthesizes the spectrum of theories on social stratification, informed by both empirical observations and the implementation of welfare programs, which often mirror prevailing theories about the roots of poverty (Blank, 2003).

Our analysis categorizes the theories of poverty and wealth into three primary groups. The first group attributes individuals' socioeconomic status to their efforts and decisions, an idea encapsulated by the concept of "Social Darwinism" (Lerner, 1980; Kreidl, 2000; Rank, 2003; Feagin, 1975). This perspective emphasizes personal responsibility and the outcomes of one's actions. In contrast, the second group focuses on contextual factors, arguing that structural variables such as social policies and economic systems play a crucial role in determining poverty and wealth (Abercrombie, 1978; Hilgartner & Bosk, 1988; Bradshaw, 2007).

The third category proposes a hybrid approach, suggesting that the dynamics of poverty and wealth result from the interplay between individual actions and structural conditions. This perspective acknowledges the influence of both personal agency and contextual factors on socioeconomic outcomes (Sher, 1977). By examining these diverse viewpoints, our paper aims to provide a comprehensive understanding of the complex factors contributing to poverty and wealth. This nuanced approach facilitates the identification of targeted interventions that address both the individual and systemic dimensions of socioeconomic disparities.

Method

This study delves into the correlation between socio-demographic characteristics and attribution styles concerning economic inequality. It has been observed that certain characteristics, such as gender, significantly influence how individuals within specific socio-demographic groups perceive the causes of economic challenges. This phenomenon is not limited to perceptions of economic inequality but extends across a broad spectrum of issues, often rooted in cultural or historical contexts.

Our primary objective is to compare our observations on the relationship between respondents' socio-demographic traits and their styles of attribution with findings from existing literature. Moreover, this research zeroes in on attributions for poverty among less-explored respondent categories, such as contracted employees versus self-employed individuals. To achieve this, we categorized respondents based on educational background, age, income, and employment status.

The data for our analysis were sourced from the Italian National Research Council, aiming to examine the economic conditions and perceived social status of a sample exceeding 2,000 individuals. Data collection employed a semi-structured questionnaire incorporating item sets from a study by Czech sociologist Martin Kreidl (2000) on causal attributions for poverty and wealth, supplemented by two open-ended questions to gather insights into perceived impoverishing factors.

Our methodology entailed two distinct approaches to analyzing perceptions of economic inequality. Initially, we utilized categories from existing literature, employing quantitative tools and methods to analyze the collected data. To gain deeper insights into individuals' perceptions, we posed two open-ended questions, asking respondents to identify factors they believed contributed to 'general poverty' and 'personal poverty.' This qualitative analysis required meticulous categorization and interpretation of responses, allowing us to capture the nuances of how participants articulate their understanding of impoverishing factors in their own words.

Poverty and wealth perceived causes

This study aims to explore the perceived causes of poverty and wealth by posing an introductory question to all participants: "In your opinion, which one among the following aspects has an impact on the poverty [wealth] condition in your town?" Participants were presented with a list of potential attributions for poverty, including lack of ability, bad luck, insufficient effort, loose morals, discrimination, absence of equal opportunities, and the failure of the economic

system. For wealth, the attributions included ability, luck, dishonesty, hard work, possessing the right connections, initial opportunities, and an economic system that permits unfair advantages.

Respondents were then asked to rate their agreement with each statement using a 5-point Likert scale. Principal Component Analysis (PCA) was employed to differentiate between poverty and wealth attributions, based on the premise that perceptions of economic inequality might vary significantly between these two conditions. For instance, attitudes towards the impoverished might be tempered by compassion, reducing the likelihood of attributing poverty to personal failings.

The PCA results, which separated poverty attributions from wealth attributions and applied a three-factor solution to each, managed to explain a substantial portion of variance (over 62%). This analysis identified two primary factors for both poverty and wealth: one representing internal attributions and another for external attributions. Additionally, within the external attribution category, a distinction was made between "Powerful Others" and "Chance", terminology inspired by Levenson (1973).

The factor loadings led to two key insights: Firstly, we delineated four distinct components, indicating that internal and external attributions differ between poverty and wealth scenarios, challenging the notion of a uniform attributional style across different economic outcomes. Secondly, our data revealed no significant inverse relationship between causal attributions; that is, individuals inclined towards internal explanations for poverty or wealth do not necessarily eschew external attributions.

Future analyses will delve into the correlation between these identified attribution patterns and various independent variables, such as education level and income, further investigating the nuanced ways in which socio-demographic factors influence perceptions of economic inequality.

Words: impoverishing factors

This study gathered insights into perceptions of impoverishing factors through two distinct questions. The first question sought participants' views on general causes of poverty: "In your opinion, what factors could lead a typical person into poverty?" The second question was more personal, asking: "In your opinion, what factors could lead you into a poverty condition?" Our goal was to examine how people's beliefs vary when considering poverty as it relates to themselves versus others. Data analysis began with categorizing the responses (a total of 3,217 words from both questions) according to an internal or external locus of control. The majority, 86%, of the words pointed to an external locus of control, while

14% suggested an internal locus. We then compared the language participants used when discussing poverty in relation to themselves versus others, aiming to uncover any inconsistencies between these perspectives.

Subsequent analyses explored the correlation between the identified patterns and various independent variables. Beyond the previously mentioned factors, additional variables analyzed included working condition and age, enriching our understanding of how different socio-demographic characteristics influence perceptions of the causes of poverty.

Income and attributions

Individuals with high incomes, as illustrated in Table I, predominantly attribute their wealth to internal factors. This group is more likely to credit their financial success to personal attributes and efforts, minimizing the role of external influences such as fortuitous events or advantageous economic systems. This perspective suggests that with increasing income, individuals adopt less fatalistic views towards both poverty and wealth. High-income earners are inclined to believe that personal agency significantly influences economic outcomes, demonstrating a clear preference for internal explanations over external circumstances. This trend highlights a correlation between income level and the propensity to perceive economic status as a result of individual actions rather than external or chance events.

Table I. Income and attributions

Income Component		Tot (N=1848)	Low (N=265)	Mid (N=1409)	High (N=174)	F	p
Poverty Internal	\bar{x}	,01	-,04	,00	,11	1,237	,291
	s	1,00	1,08	,98	,99		
Poverty Pow. Others	\bar{x}	,01	,04	,02	-,13	1,735	,177
	s	1,00	1,09	0,98	1,01		
Poverty Chance	\bar{x}	,00	,22	-,01	-,28	13,232	,000
	s	1,00	1,11	,98	0,92		
Income Component		Tot (N=1848)	Low (N=265)	Mid (N=1409)	High (N=174)	F	p
Wealth Pow. Others	\bar{x}	,01	,00	,03	-,12	1,754	,173
	s	,99	1,08	,98	,96		
Wealth Internal	\bar{x}	,00	-,29	,00	,50	34,281	,000
	s	1,00	1,05	,98	,88		
Wealth Chance	\bar{x}	,00	,15	,00	-,18	5,770	,003
	s	1,00	1,02	1,00	,96		

Table II. Income and words

Income	Frequencies	Tot	Low	Mid	High	Chi-square	<i>p</i>		
General External – Personal External	Observed	1003	769	231	3	26.517	,001		
	Expected		789,0	211,6	2,4				
General External – Personal Internal	Observed	36	19	17	0				
	Expected		28,3	7,6	,1				
General Internal – Personal External	Observed	194	168	26	0				
	Expected		152,6	40,9	,5				
General Internal – Personal Internal	Observed	27	23	4	0				
	Expected		21,2	5,7	,1				
Total		1257	979	278	5				

The analysis presented in Table II reveals a distinct trend in perceptions of poverty based on income level. Individuals with high incomes predominantly attribute the poverty of others to structural factors, suggesting external circumstances as the primary cause. Conversely, those with lower incomes are more inclined to attribute poverty to individual explanations, focusing on personal responsibility and choices.

Working conditions and words

Our analysis, as detailed in Table IV, indicates a notable difference in attribution styles between contracted employees and self-employed individuals regarding poverty. Contracted employees are more likely to consistently attribute poverty to external factors for both themselves and others, surpassing both the absolute numbers and the expected frequencies of such attributions. In contrast, self-employed individuals show a stronger tendency to attribute poverty to internal factors, doing so more frequently than contracted employees, as per the expected frequencies.

Table IV. Working conditions and words

Working conditions	Frequencies	Tot	Contracted employees	Self-employed workers	Chi-square	<i>p</i>		
General External – Personal External	Observed	477	327	150	17,689	,001		
	Expected		311,7	165,3				
General External – Personal Internal	Observed	21	9	12				
	Expected		13,7	7,3				
General Internal – Personal External	Observed	77	60	17				
	Expected		50,3	26,7				
General Internal – Personal Internal	Observed	14	8	6				
	Expected		9,1	4,9				
Total		589	404	185				

Age and words

Table V. Age and words

Age class		Frequencies	Tot	18-34 y.o.	35-54 y.o.	55-99 y.o.	Chi- square	<i>p</i>
General External – Personal External	Observed	1003	1003	270	427	306	67,366	,000
	Expected			272,4	358,0	372,6		
General External – Personal Internal	Observed	36	36	18	10	8		
	Expected			9,8	12,8	13,4		
General Internal – Personal External	Observed	194	194	51	67	76		
	Expected			52,7	69,2	72,1		
General Internal – Personal Internal	Observed	27	27	10	9	8		
	Expected			7,3	9,6	10,0		
Total			1260	349	513	398		

Our findings indicate a notable age-related difference in perceptions of poverty. Younger respondents are more inclined to attribute poverty to individual factors, particularly when reflecting on their own potential for experiencing poverty. Conversely, older participants more frequently attribute poverty to individual characteristics and behaviors when discussing others. However, these same older respondents believe that poverty, when related to themselves, stems from external circumstances.

Education level and attributions

The analysis, as illustrated in Table VI, reveals a significant correlation between education level and poverty attribution. Individuals with higher levels of education are less likely to attribute poverty to internal causes and more inclined to recognize external factors as the primary drivers of poverty conditions.

Table VI. Education level and attributions

Education level Component		Tot (N=1914)	No d. (N=36)	1 st level (N=605)	2 nd level (N=844)	Degree/M. D. (N=429)	F	<i>p</i>
Poverty Internal	\bar{x}	,00	,13	,10	,01	-,17	6,243	,000
	s	1,00	,87	1,02	,99	,99		
Poverty Pow. Others	\bar{x}	,00	-,28	-,22	,07	,20	18,225	,000
	s	1,00	,93	1,08	,97	,87		
Poverty Chance	\bar{x}	,00	,44	,16	-,06	-,14	11,251	,000
	s	1,00	1,08	1,12	,95	,87		
Education level Component		Tot (N=1914)	No d. (N=36)	1 st level (N=605)	2 nd level (N=844)	Degree/M. D. (N=429)	F	<i>p</i>
Wealth Pow. Others	\bar{x}	,00	-,34	-,08	,01	,13	5,349	,001
	s	1,00	1,22	1,10	,95	,92		

Wealth Internal	\bar{x}	,00	-,65	-,11	,03	,14	11	,000
	s	1,00	,97	1,04	,98	,96		
Wealth Chance	\bar{x}	,00	,40	,06	-,03	-,07	3,511	,015
	s	1,00	1,00	1,04	1,00	,95		

Table VII. Education level and words

Attributions \ Education level	Frequencies	Tot	1 st level	2 nd level	Degree/M.D.	Chi-square	p
General External – Personal External	Observed	999	305	458	236	29,905	,000
	Expected		352,3	430,0	216,7		
General External – Personal Internal	Observed	36	8	18	10		
	Expected		12,7	15,5	7,8		
General Internal – Personal External	Observed	192	89	67	36		
	Expected		67,7	82,6	41,6		
General Internal – Personal Internal	Observed	28	14	10	4		
	Expected		9,9	12,1	6,1		
Total		1255	416	553	286		

The analysis presented in Table VII underscores a clear relationship between education level and poverty attribution. Individuals with higher education levels are more likely to attribute the causes of poverty to structural factors when discussing others. Conversely, those with lower education levels tend to focus on internal factors as explanations for others' poverty. Additionally, our findings reveal that individuals with higher education levels are generally less likely to ascribe poverty to metaphysical reasons, suggesting a shift towards more tangible, systemic explanations for economic disparities.

Conclusions

This research aims to delve deeply into attitudes towards the origins of poverty and wealth, acknowledging the significant influence of socio-economic factors such as age, education level, income, and working conditions. A nuanced understanding of these complex issues is often associated with higher education or life experiences that come with age, promoting a broader perspective on the phenomenon. This is supported by data indicating a correlation between education and a sense of control: individuals with lower educational attainment are more likely to view poverty as stemming from personal deficiencies, a conclusion also drawn from word analysis.

Typically, lower educational qualifications are linked to different career paths and subsequently, lower income levels. This correlates with our findings that higher income levels are associated with internal attributions for wealth, suggesting that individuals with greater financial resources are more inclined to credit their

success to personal efforts. This interpretation aligns with the research of Feagin (1972) and Kluegel & Smith (1986), which found that lower social classes are more prone to individualistic explanations for poverty, a trend mirrored in our study regarding education level. This strengthens the connection between educational attainment, employment status, and the attribution of poverty and wealth.

Interpreting attitudes towards wealth presents complexities: while higher education appears to encourage external attributions, there is also evidence that more educated individuals lean towards internal explanations, suggesting that higher education fosters a greater sense of agency (Slagsvold and Sørensen, 2008). Age also plays a role, with older individuals more likely to attribute impoverishment to external factors, particularly regarding their personal circumstances.

Employment status further influences these perceptions, with self-employed individuals favoring internal attributions, supporting the notion that the entrepreneurial spirit impacts views on personal responsibility. The concept of ‘defensive externality’ explains the inclination of those with lesser economic status to opt for external explanations for poverty, whereas those better off attribute their socioeconomic status to personal actions, resonating with the Learned Helplessness Theory (Seligman & Beagley, 1975).

Interestingly, as questions become more personally focused, individuals with lower incomes shift the responsibility for poverty to external factors, aligning with the Complementary Stereotype Theory (Kay et al, 2009). This suggests a rationalization of wealth distribution by attributing wealth status not to personal merit but to systemic advantages, thus legitimizing the social system.

The significance of such studies is highlighted by Schiller (1989), who posited that perceptions of poverty directly influence public policy. Thus, policymakers’ beliefs about the roots of poverty—whether inherent to individuals or the result of systemic failures—guide interventions aimed at addressing poverty. For instance, policies may focus on individual improvement or, as Rank suggests, on creating employment opportunities, reflecting differing views on the causes of poverty. Interventions derived from broad discussions and consensus are likely to be more effective, embodying a participatory process aimed at fostering community involvement and empowerment.

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