



# The Spirit Level

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**A** recent book *The Spirit Level*<sup>1</sup> observes that, at the pinnacle of human achievement in the 21st century, collectively, we find ourselves more anxiety-ridden, prone to depression and worried about how others see us, than ever before. Collectively, we seek comfort in over-eating, obsessive shopping and spending – or worse, drugs, smoking, etc. The book’s conclusion is that it is the scale of inequality that provides a powerful negative pressure on us as it shows that both the broken society and the broken economy (of 2009) are a result of the growth of inequality in the societies. We think this same conclusion can be drawn about companies.

## Inequality

Inequality is defined as being the difference between the top wages and the bottom wages in a society. It is posited that in rich countries it is not your actual income level and living standard that matters but how you compare with other people in the society. Daniel Alfredsson does not need \$9 million per year to live, but if Dany Heatley gets \$9 million salary to play hockey, Daniel wants his equal share. Naturalist Frans De Waal<sup>2</sup> showed that chimps in a group fed cucumbers were quite content until one was fed grapes; then they began to quarrel among each other for their share of the grapes.

More than 60 charts in *The Spirit Level* illustrate the current income differences in various countries. At one extreme, Japan, Sweden and Finland showed the least difference between largest and smallest incomes (about 4:1). In the middle lies France, Germany, Canada and Switzerland (about 6:1). At the largest extreme were the U.S. and U.K. (about 8:1). The charts plotted index of health and social problems vs. income difference (of countries and various states within the U.S.A.).

The result:

- Japan, Sweden and Finland have fewer health and social problems
- U.S. and U.K. have dramatically more health and social problems
- U.S. states with greatest income disparity are those with greater health and social problems.

Ultimately societal wellbeing differences are linked to our social status because higher status always carries the connotation of being better, superior, more successful and more able.

You must avoid low social status if you do not want to feel small, incapable, looked down upon, or inferior. The further up the social ladder you are, the easier it is to feel a sense of pride, dignity and self-confidence. Advertiser play on our sensitivity to our social status knowing we will tend to buy things which enhance how we think we are seen. So, we constantly try to manage the impression we make (the beer we drink, the movies we attend, the TV we watch, the brand sweaters we wear, the car we drive, etc.) Getting the measure of each other becomes more important as status differences widen. Experiments have shown that we make judgements of each other’s social status within the first few seconds of meeting.

Why does inequality corrode trust and divide people? Simply because the quality of social relationships deteriorates in less equal societies. We tend to choose our friends from among our near equals. By extension, those who are not near us are not our friends. We are less trusting of them or their motives. It widens the ‘us vs. them’ gap. It reduces our ability to empathize with others who are clearly ‘different’. Empathy is only felt for those we view as equals. Likewise, we are able to kill the faceless enemy at war.

## Violence is about gaining Respect

Violence is about the oppressed attempting to gain self respect. Time after time when talking to men who had committed violent offenses, psychiatrist James Gilligan<sup>3</sup> discovered that the

<sup>1</sup> Wilkinson R. and Pickett K., *The Spirit Level*, London: Allen Lane/Penguin Books, 2009  
<sup>2</sup> De Waal F., *Our Inner Ape*, New York: Riverhead Books, 2005  
<sup>3</sup> Gilligan J., *Violence, our deadly epidemic and its causes*, New York: G. P. Putnam, 1996



trigger to crimes had involved perceived threats to pride, acts that had instigated feelings of humiliation or shame in the perpetrator. Sometimes the events seemed trivial – a boy repeatedly crossing a 66-year-old man's lawn being killed with a shot gun. Gilligan says "I have yet to see a serious act of violence that was not provoked by the experience of feeling shamed and humiliated." Young male animals (including men) have strong incentives to achieve and maintain as high a social status as they can because their success in sexual competition depends on status. (The leader of the chimps gets all the female chimps in the clan – as does the strongest buck get all the does.) While possessing the characteristics of looks and physical attractiveness are more important for women to attract men, it is men's status that matters most for sexual appeal to women. Men at the bottom of the social ladder must struggle to gain women, to maintain face and preserve what little status they have, often exploding violently when their already low status is threatened.

This makes a compelling case for the CCCC *Respect Revolution* book series postulation that respect will buy you cooperation and increased performance in your business. Or at least 'respect' will minimize the damage that loss of respect brings.

### **Imprisonment and Punishment**

*The Spirit Level's* charts show that the size of prison populations is directly related to income inequality with the U.S. leading in incarcerations. As an extreme, in California in 2004 there were 360 people serving life sentences for shop lifting. Elliott Currie<sup>4</sup> points out that since 1984, the state of California built 21 new prisons while building only one new college.

The CCCC system strives for inclusiveness, empathy and the avoidance of dominance. For example during meetings the hierarchical people [the boss or bosses] are not allowed to sit at the head of the table. As well, CCCC has a passing-of-the-turn of speaking in such a way that naturally strong people cannot dominate the meeting.

### **What is the Cause?**

It is further stated in *The Spirit Level* that the crux of the matter is that inequality leads to less cooperation and it is mainly through cooperation that the society progresses as humans achieve things.

If people feel respected, they cooperate. If people do not feel respected, they withdraw. If people are included, they feel respected. If they are excluded (discriminated against, ostracized, blamed or humiliated) they do not feel respected.

In the face of exclusion, people become more violent in attempt to boost their status. If you think violence is not a direct outcome of being less equal, the authors of *The Spirit Level* challenge readers to go into a poor part of town and try randomly insulting a few people. Even experiments with monkeys show that those whose status is low seek means to increase that sta-

tus through hostility, bravado or artificial stimulants (drugs, as made available by experimenters) as a means to offset their lower sense of self-worth.

### **Our Social Inheritance**

Social status is an inherent natural dimension. Animals quickly establish their pecking order – chickens and cows. Might is right and the weakest get the leftovers. Humans constantly check and attempt to show their status.

Cooperation is a natural dimension, too. The sense of cooperation (assisting) stimulates the neural reward centres in the brain to make us feel good.

So here we have the human duality of opposites: individuality on one side, sharing on the other. Humans have the potential to be each other's worst rivals, competing for food, shelter, sexual partners, etc. (as do other animals). So, most fights are within the species itself. A low-level baboon has to spend more time keeping out of the way of a dominant baboon than in avoiding lions. Just watch this inter-species competition at your bird feeder.

As well as the potential for conflict, human beings have a unique potential to be each others' best source of cooperation and to benefit from that cooperation. The quality of our relations with other people has always been so crucial to wellbeing, survival and reproductive success that social interaction has been one of the most powerful influences on the evolution of the human brain.

### **Conclusion**

If you want to get better performance in your business, realize that you need to encourage natural cooperation, rather than natural conflict. The difference in status (or apparent status) becomes a dominant driver of conflict or at least responsible for lack of cooperation in societies (including your business society). Thus you need to take steps to minimize the status differences if you want increased cooperation and hence, want to achieve better performance. To do so you must take two steps: (i) introduce the concept of respect throughout your enterprise (by implementing a proven respect system); (ii) remove the obvious status symbols as much as possible – wide salary gap between management and shop-floor workers, not to mention walled offices for some but not for others in the administrative workplace. Increased performance is within your grasp but it is up to you to make practical changes towards more equality.

Best wishes,

Bill Caswell

<sup>4</sup> Currie E., *Crime and Punishment in America*, New York: Henry Holt & Co., 1998