

# **PSYCHOLOGY OF INEQUALITY & INSECURITY IN AN EMERGING DIGITAL SOCIETY & ECONOMY**

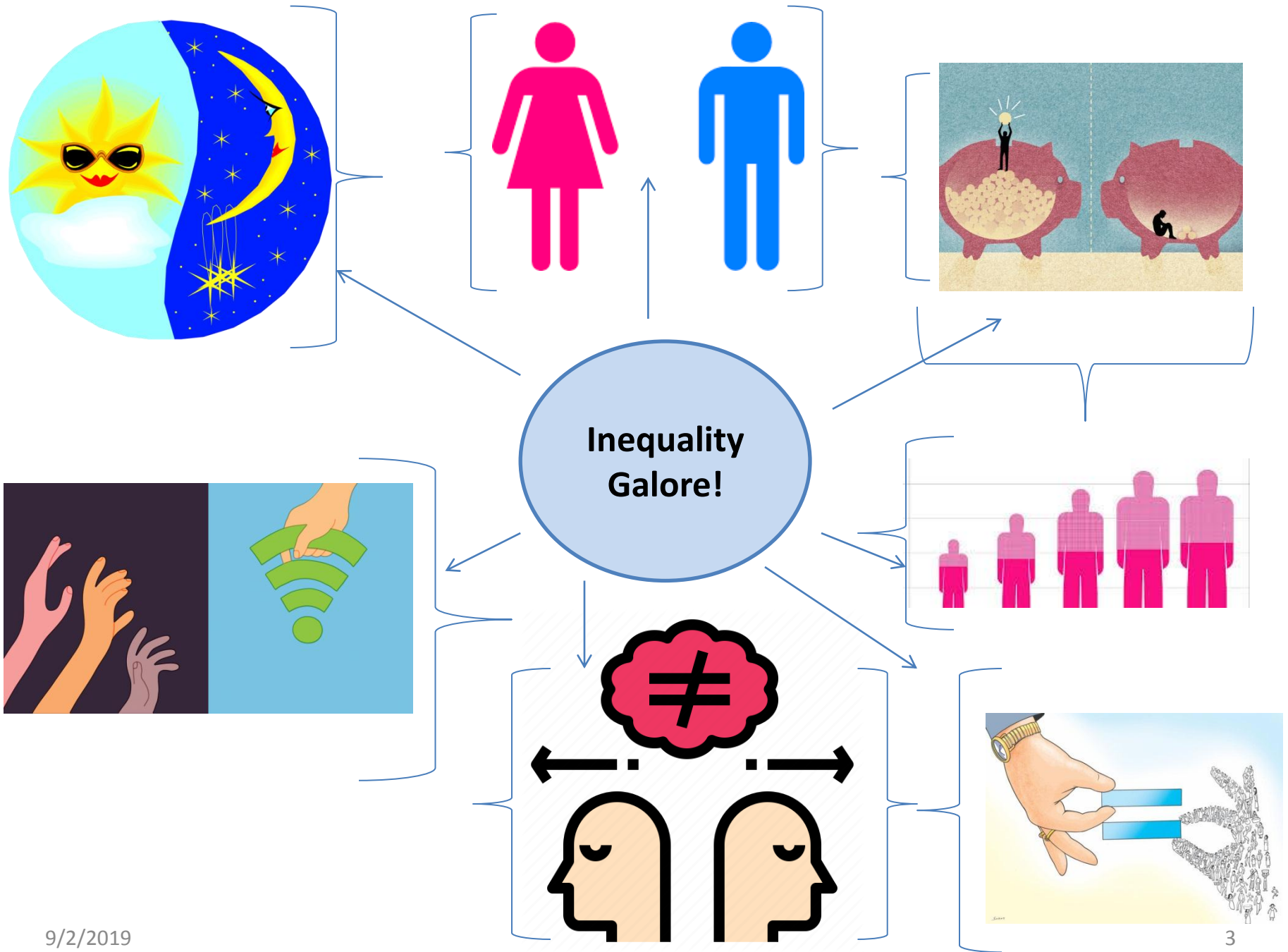
**Implications on Sustainable/Inclusive  
Development]**

Syed Kazi



# Content

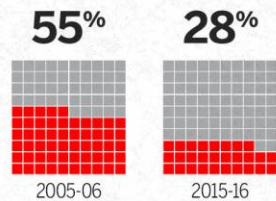
1. Inequality (digital divide and income divide) and its far-reaching implications on empowerment?
2. Why is inequality detrimental is more damaging than poverty as it cripples individuals or a family or a community from ever reaching their full potential?.
3. How is inequality different from poverty?
4. How does digital divide magnify these issues?



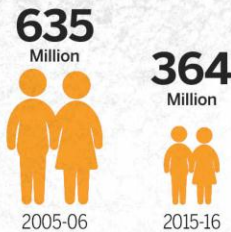
Poverty rate in India has nearly halved but it still has world's largest poor population

# INDIA'S POOR

**POVERTY RATE**  
(Share of poor in total population)



**PEOPLE IN POVERTY**



**COUNTRIES WITH WORLD'S LARGEST POOR POPULATION**  
(in million)

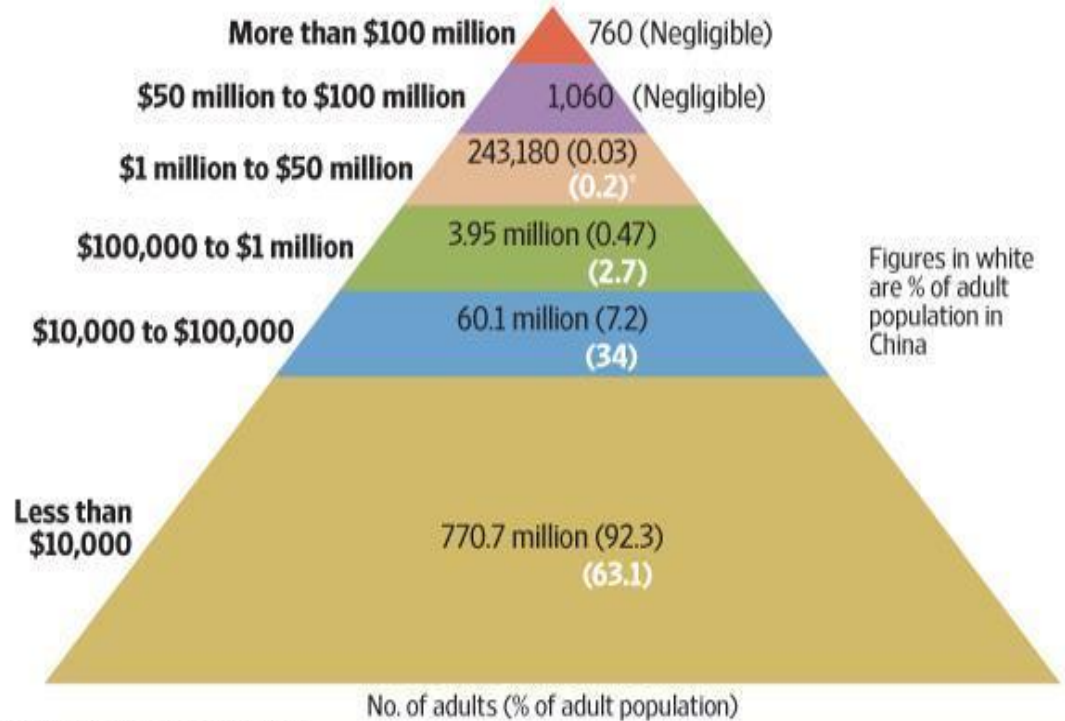


Source: Global Multidimensional Poverty Index 2018; Multidimensional poverty index uses factors such as inadequate living standard, poor health, lack of education etc. to determine poverty

NEWS creative

## India's wealth pyramid

92% of Indian adults have wealth of less than \$10,000.



\*All adults with wealth above \$1 million

Graphic by Subrata Jana/Mint

Source: Credit Suisse Global Wealth Report, 2017

## Psychology of Inequality



## Digital in India



## Digital divide in India

**82%**  
population with no access to the internet

**1.2%**  
population with fixed broadband

**5.5%**  
population with mobile broadband

**12%**  
households with a personal computer

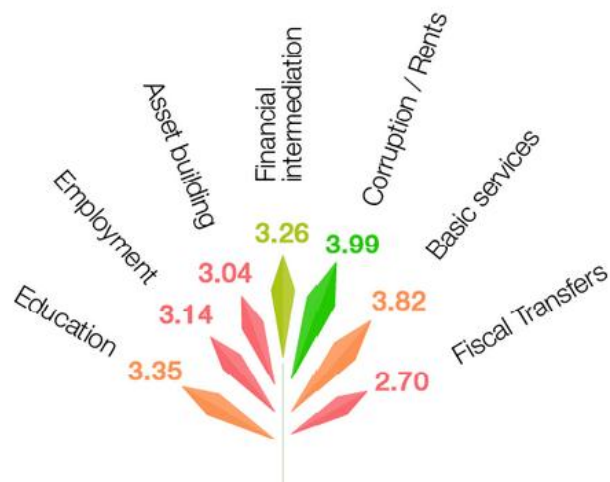
WORLD ECONOMIC FORUM  
CONTRIBUTED TO IMPROVING THE WORLD BY 2012

## Psychology of Inequality





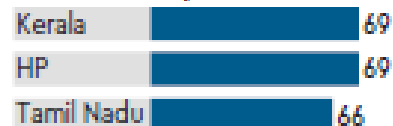
# India's inclusive growth performance



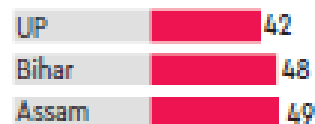
## Sustainable development goals

SDG Index score\*

Top 3



Bottom 3



\*Out of 100



## 2. Socioeconomic inclusion of rural India

By 2030, 40% of Indians will be urban residents. However, there will also be more than 5,000 small urban towns (50,000-100,000 persons each) and more than 50,000 developed rural towns (5,000-10,000 persons each) with similar income profiles, where aspirations are fast converging with those of urban India. The figure below illustrates urban-rural population distribution in India in 2005, 2018, and 2030 projected.

## IN THE RACE

### The 2017 Sustainable Development Goals Index

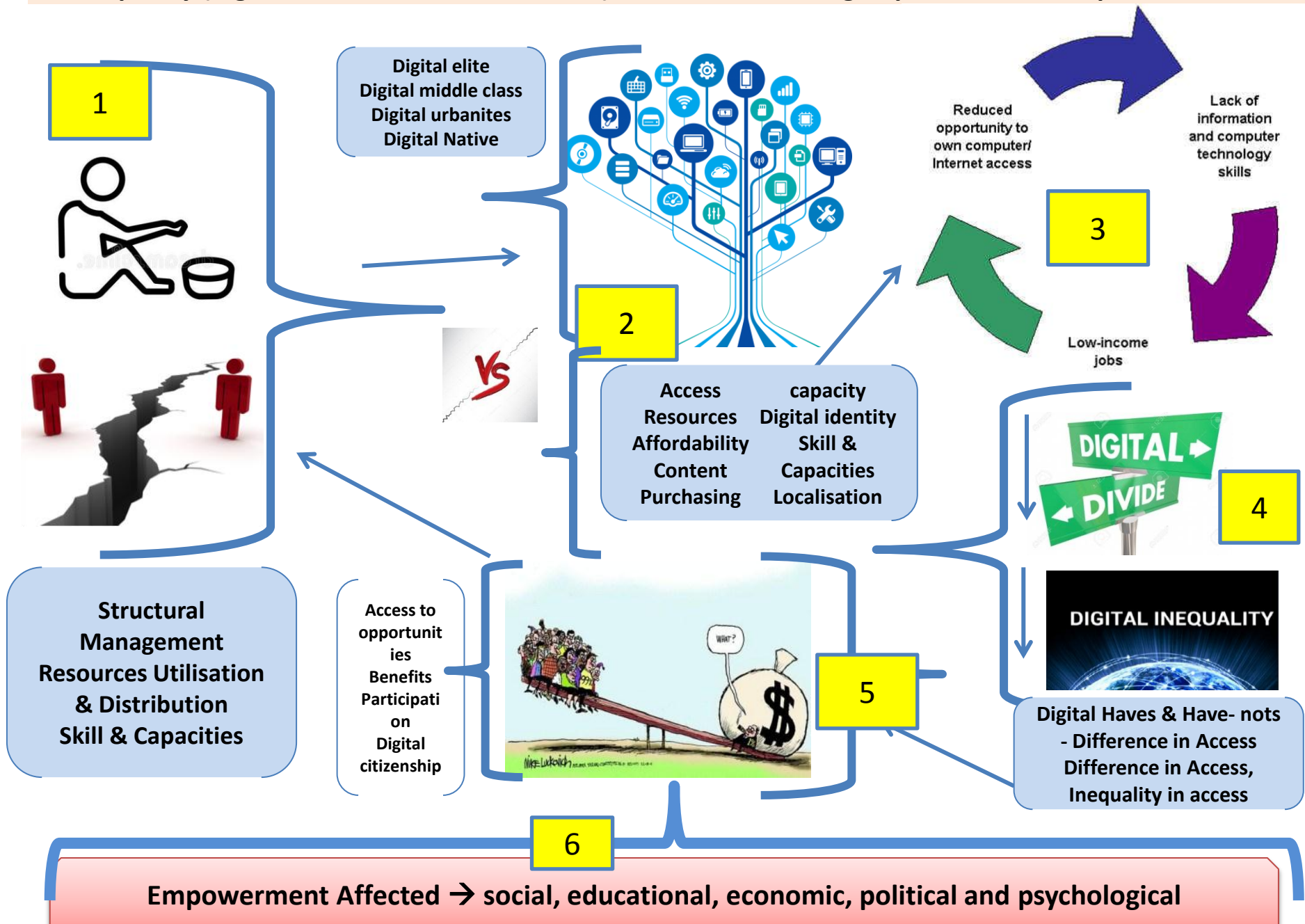
Rank	Country	Score
1	Sweden	85.6
2	Denmark	84.2
3	Finland	84
4	Norway	83.9
5	Czech Republic	81.9
6	Germany	81.7
7	Austria	81.4
8	Switzerland	81.2
9	Slovenia	80.5
116	India	58.1

Source: SDG Index and Dashboards Report

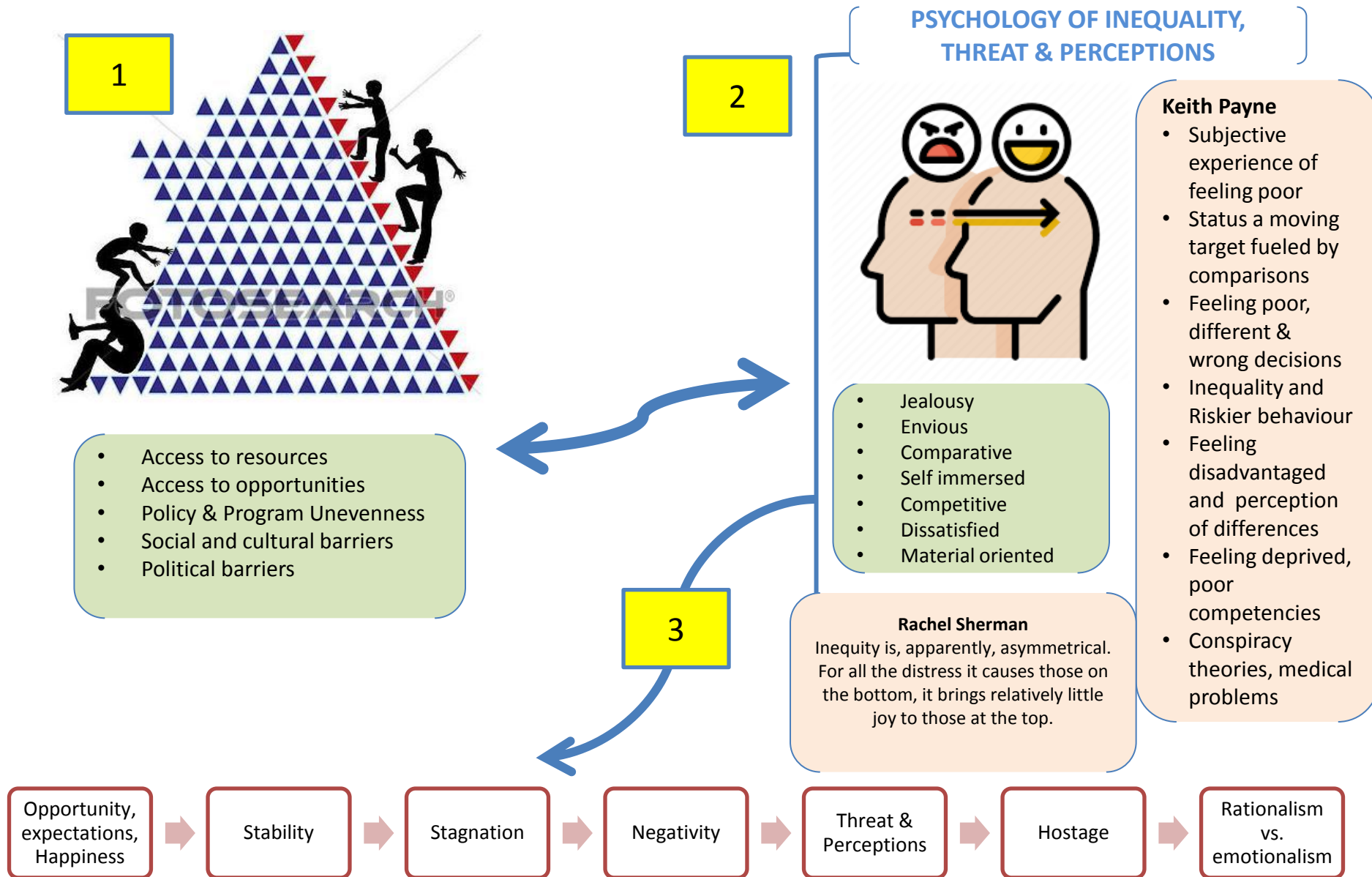
## Psychology of Inequality



# 1. Inequality (digital divide and income divide) and its far-reaching implications on empowerment?

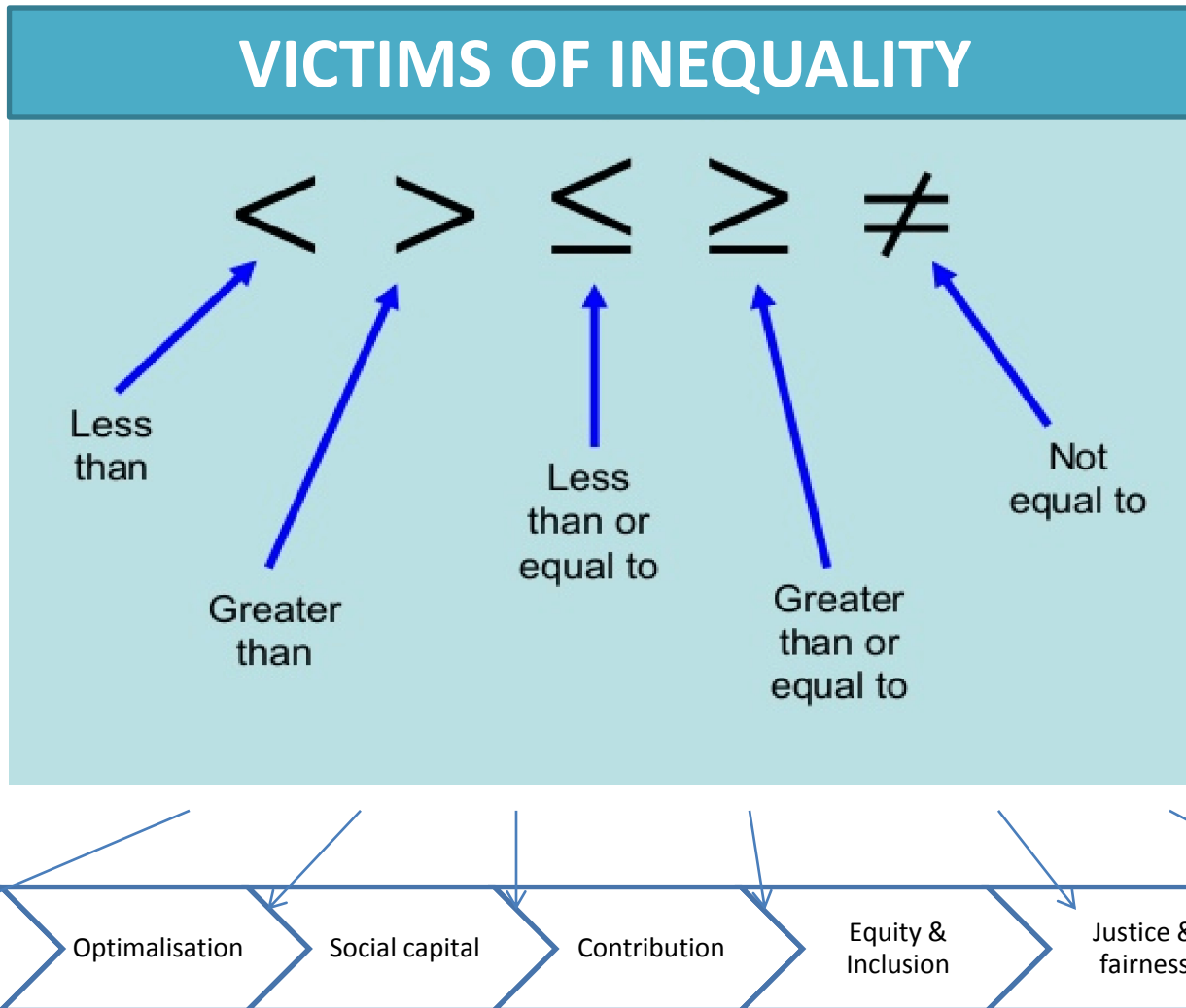


# 1.1. Inequality's Unequal Journey: Balancing Real & Imaginary

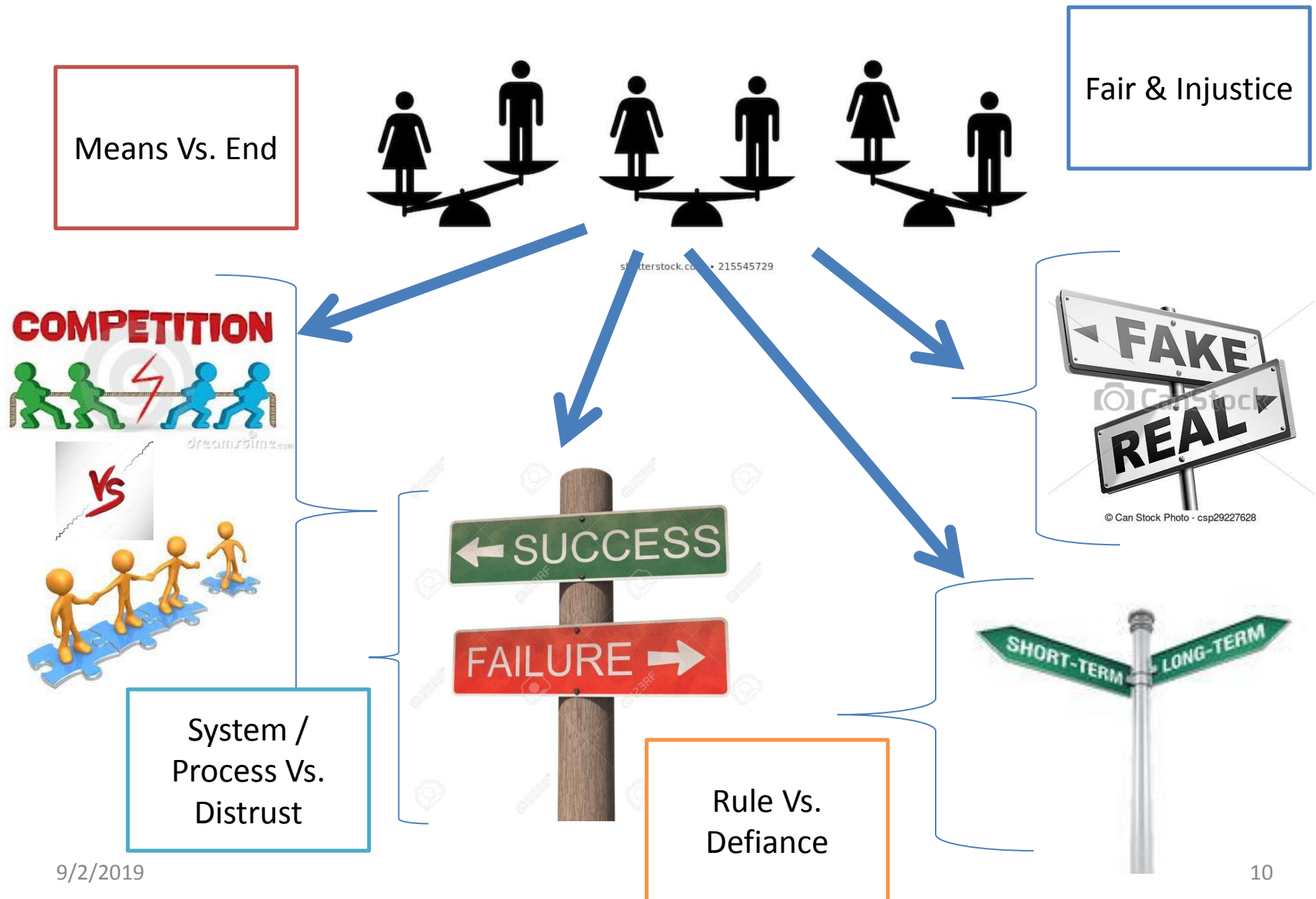




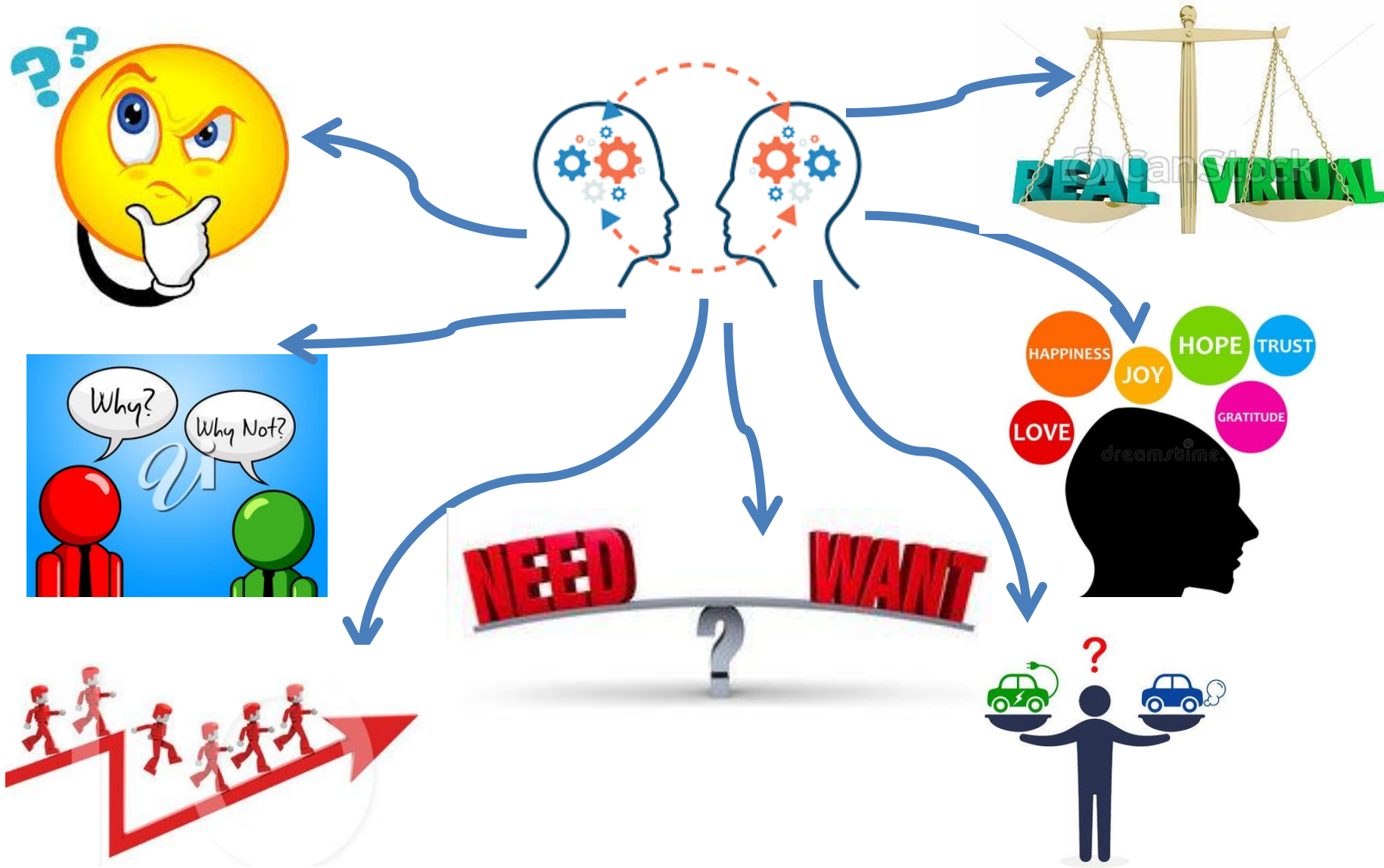
## 2. Inequality detrimental is more damaging than poverty as it cripples individuals or a family or a community from ever reaching their full potential?.



## 2.1. Inequality Trapped Within



## 2.2. The Victim of Inequality: Human Mind & Psychology



# 3. Poverty Vs. Inequality



Situational  
Contextual  
Within grasp &  
capacity and will  
power  
Overt

Resource based  
Man made  
Eradication  
State

Less comparing  
Status unconscious  
Ways and means  
Potential  
Not ladder conscious  
No self image  
Being poor = feel poor  
Right decision, no risk  
behaviour

## Psychology of Inequality



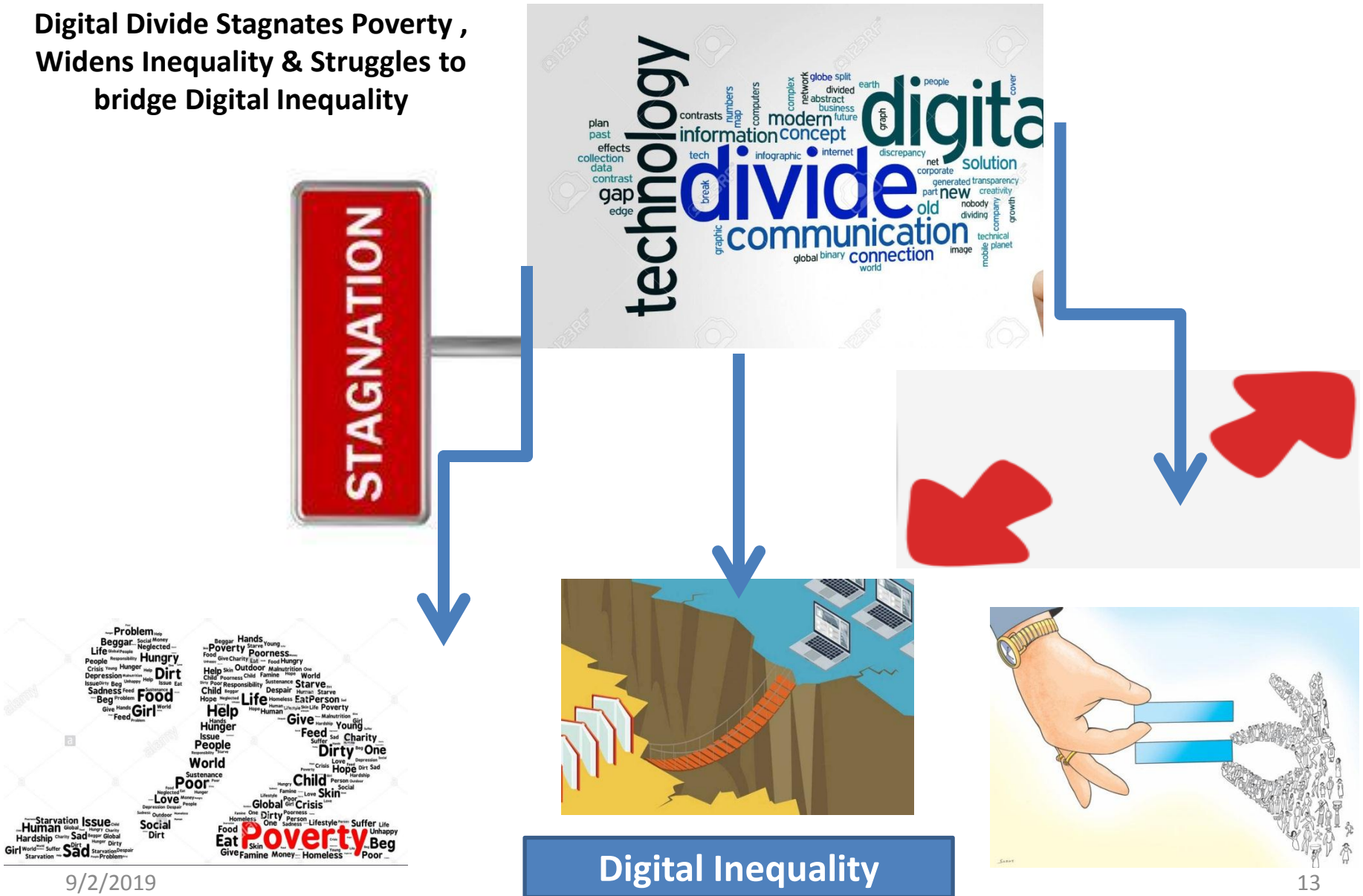
Systemic  
Covert  
Relational  
Damaging  
Depressing  
Resentful

Discriminatory  
Process and approach  
Natural  
Non-eradication  
Mind

Status  
Comparison  
Feeling poor more than being  
poor  
Lake Wobegon Effect  
Self rating, self image  
Wrong decision, risk  
Problems  
Fleeting satisfactions and  
happiness

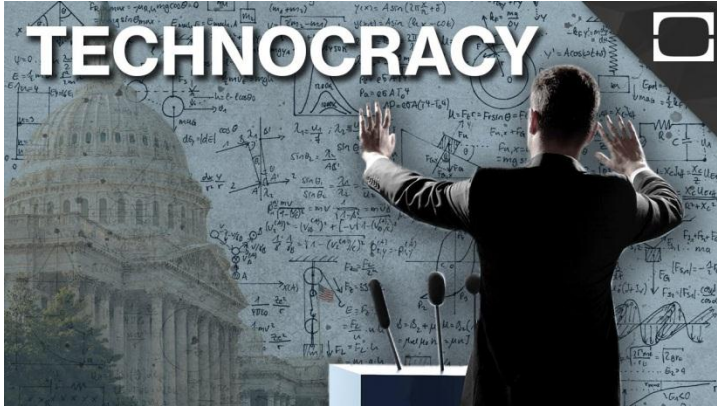
# 4. How does digital divide magnify these issues?

Digital Divide Stagnates Poverty ,  
Widens Inequality & Struggles to  
bridge Digital Inequality





## 4.1. Digital Divide Accelerating Psychology of Inequality?

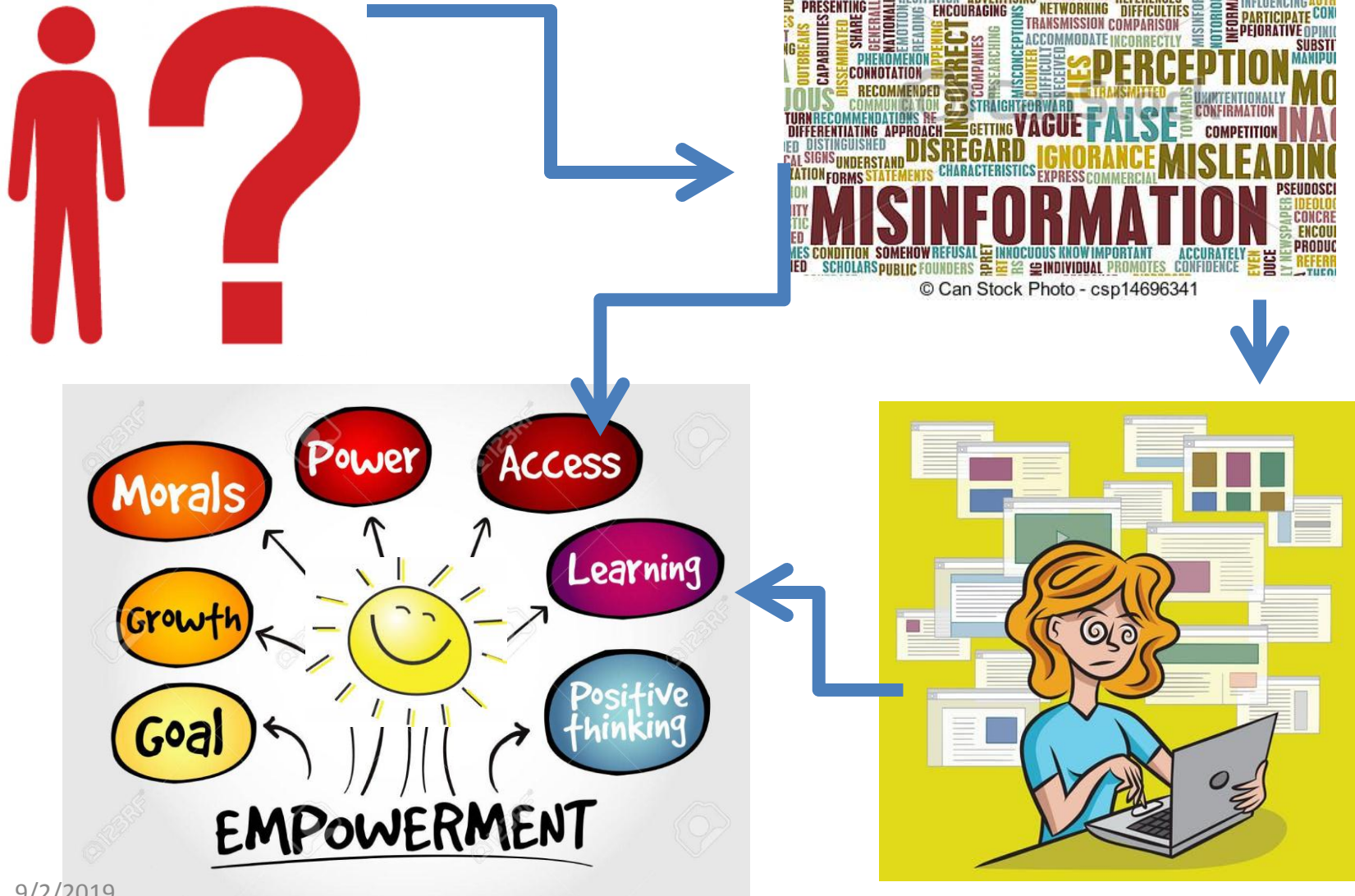


Techno push  
Techno elite  
Vendor driven society and economy  
E-readiness?  
Democratisation?  
Systems and processes  
Structures and functions  
People friendly  
Access and response  
Exclusion and distance  
Divide and trust gaps  
Inequality and excluded  
Perennial underdeveloped

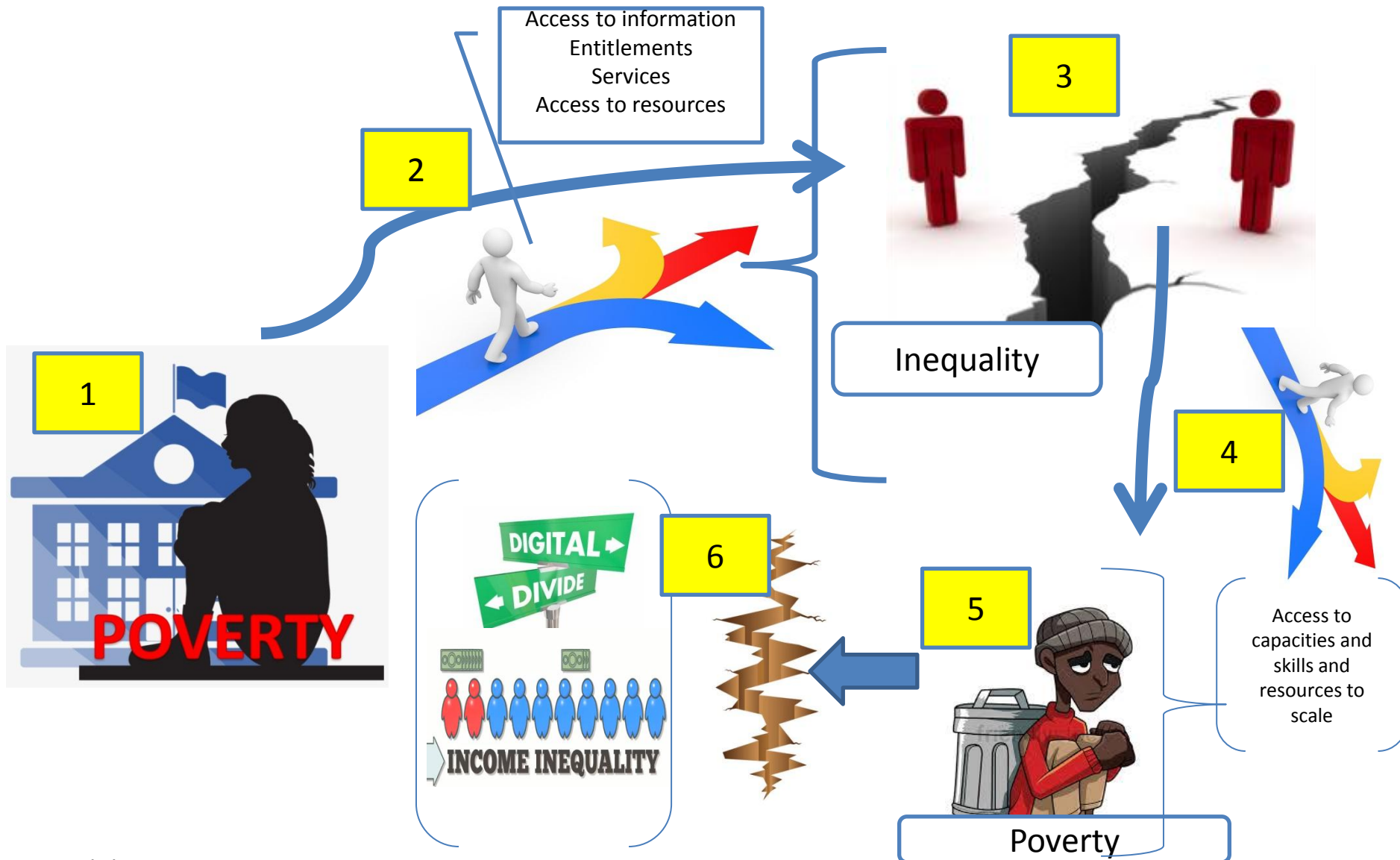


Virtual inequality fueled by social media, internet, web,  
imagination,  
perception and assumptions  
Surface equality  
Surface and mass platform equality  
No knowledge equality  
Threat, perceptions, assumptions,  
Aspirations, status, comparison  
Superficial and hollow identities  
Far from reality  
Tensions, stress, mistakes, risks  
Misinformation, fake news  
Driven to deep inequality and powerlessness

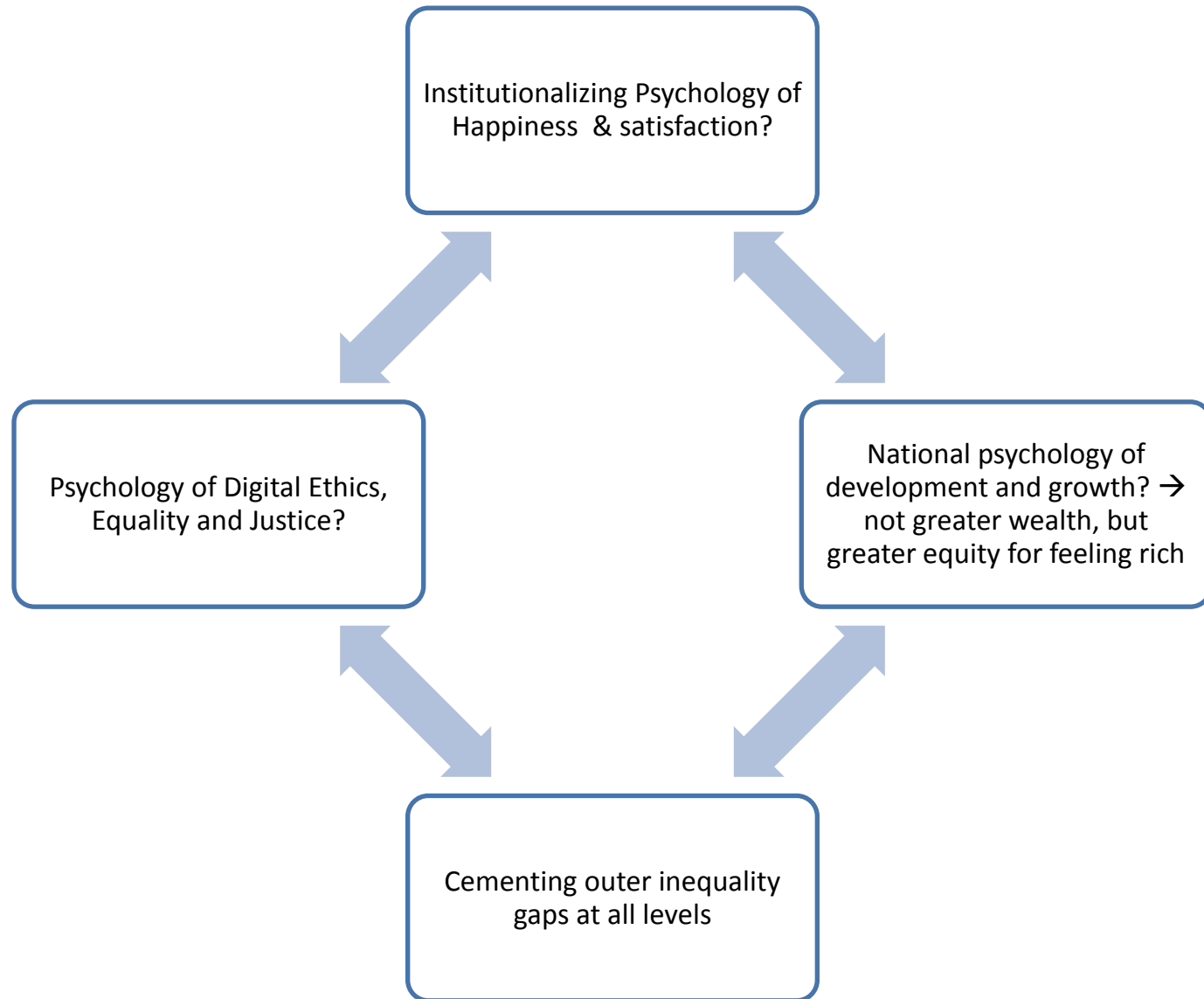
#### 4.2. How and Whether Psychology of Inequality Digitally Affected & Empowerment Challenged?



### 4.3. Poverty Feeds Inequality & Inequality Accentuates Poverty Triggered by Digital Sub Ways in absence of social, institutional and welfare safeguards?



## 5. Addressing the Regressive Effects of Psychology of Inequality in a real & virtual world



## 6. Questions to Ponder?

1. Whether and how the degree of psychology of inequality is acute in both real and digital world and their interconnectedness?
2. Whether and how digital inclusion and exclusion feeds into psychology of inequality and impacts human and community development?
3. Whether and how digital enabled information and communication have widened or narrowed psychology of inequality?
4. How a country's technology policy and program framework accelerates psychology of inequality or mitigates inequality instincts for inclusive and sustainable development?
5. Whether and how an oriental and developing country approach to digital inclusion and exclusion will determine psychology of inequality and its implications as different from a Western Approach?
6. How and whether psychology of inequality has an umbilical connect with psychology of threat, perceptions, egoistic behaviour and artificial pride effect on individual psyche and development?



# GROSS NATIONAL HAPPINESS

Idea coined by  
Bhutan's 4<sup>th</sup>  
Dragon King, Jigme  
Sigmé Wangchuk

1975

Current version  
developed by  
Center for  
Bhutan Studies

2010

UN Resolution for  
GNH as the Chief  
Development  
Indicator

2012

World Happiness  
Report consisting  
of 83 countries  
published

2013

Denmark topped  
the list and  
Portugal was  
lowest

2013

- **Four Pillars:**
- Good Governance
- Sustainable Socio-economic Development
- Cultural Preservation
- Environmental Conservation

- **Nine Domains:**
- Psychological Wellbeing
- Health
- Education
- Time Use
- Cultural Diversity and Resilience
- Good Governance
- Community Vitality
- Ecological Diversity and Resilience
- Living Standards

**The only inequalities that matter begin in the mind. It is not income levels but differences in mental equipment that keep people apart, breed feelings of inferiority.**

**-Jacquetta Hawkes**

