

Equity, Equality, and Need in the Adult Family

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ABSTRACT. British students were given scenarios about family and business situations and were asked to rate various cost allocation decisions in terms of fairness and justice, and conflict. In terms of fairness/justice, there was no difference between the need and equity allocations in the family situation, though equity was preferred in the business situation. The equality division was the least preferred in all situations, and equity was judged to be the division the least likely to evoke conflict in all situations.

A NUMBER OF THEORISTS have suggested that, when subjects are asked to make a fair or just allocation of resources, three distributive principles predominate—equity, equality, and need—and that each operates within a different social sphere. Thus equity, or awarding resources or outcomes in proportion to contributions, occurs mainly in competitive situations and in situations in which productivity is the group goal; the award of equal outcomes is emphasized in cooperative situations and in situations in which harmony is the group goal; and the awarding of outcomes according to need occurs most often in situations in which intimacy is stressed and individual well-being is the group goal (Deutsch, 1975; Lerner, 1977; Sampson, 1975; Schwartz, 1975; Schwinger, 1980).

On the basis of these interpretations, one might expect that equality and need would take precedence over equity in family relationships. To test this hypothesis, Peterson (1987) gave Australian female students three scenarios in which a low-income widow orders a \$5.50 lunch and her professional daughter orders a \$19.50 lunch. Peterson found that when the subjects were told that the higher income daughter had paid for both bills (the need condition), or that the bill had been split

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equally, the subjects rated the pair as having less conflict than when each woman paid for her own meal (the equity condition). Peterson suggested that these results are consistent with those of Greenberg (1983), who found that observers considered people in a restaurant to be more affectionate and intimate if they divided the bill equally. One problem with this approach, however, is that it does not directly address the question of the preferred norm of distribution in the family when questions of fairness and justice, rather than variables such as conflict, are salient; neither does it address the hypothesis that need and equality are considered more in family relationships than in less intimate relationships.

In the present study we used scenarios similar to those used by Peterson to test the hypothesis that, in a family situation, a division of costs favoring need, or an equal division of costs would both be judged to be more fair and just than a division according to the equity and that equity would be judged to be the most fair and just in a business situation.

Method and Results

The subjects were 55 female and 21 male British students from various departments in Liverpool University and other colleges (age $M = 21.79$; $SD = 8.22$). Thirty-four subjects were presented with two typewritten restaurant scenarios, one in which a low-income mother orders a £5.50 meal and her professional daughter orders a £19.50 meal; and one in which a low-income businessman orders a £5.50 meal while his very rich associate, whom he has never met before, orders a £19.50 meal. For each scenario, the subjects were asked to rate each of three possible divisions of the bill (each person pays for her/his own; the bill is split equally; and the richer party pays for both), on two 5-point scales ranging from *fair* (5) to *unfair* (1) and from *just* (5) to *unjust* (1). The subjects were also asked to state which division was the most likely and which division would be the least likely to cause conflict. This enabled the subjects to rank the three divisions in terms of conflict from *most conflict* (1) to *least conflict* (3).

Preliminary analyses revealed no effects for gender and no differences between the fair–unfair and just–unjust ratings; consequently, the latter were combined to produce fair/just mean scores (maximum score 5, minimum 1); gender was not included as a variable in the following analyses. A 2×3 (Scenario \times Division) repeated measures ANOVA on the fair/just scores indicated a significant effect for division, $F(2, 66) = 60.08, p < .0001$, and a significant Scenario \times Division interaction, $F(2, 66) = 9.96, p < .0002$. Post hoc Tukey tests ($p < .05$) indicated that the equality condition was rated as significantly less fair/just than the other divisions in both scenarios. However, whereas the need and equity divisions did not differ from each other in the family scenario, in the business scenario the equity division was judged to be significantly more fair/just than both of the other divisions, and the need division was judged to be more fair/just than the equality division. Only one significant difference was found between the sce-

narios: Need was judged to be less fair in the business scenario. The means for the family scenario were 3.83 ($SD = 1.05$), 1.78 ($SD = 0.86$), and 3.71 ($SD = 1.02$), and for the business scenario, 4.15 ($SD = 1.00$), 1.82 ($SD = 0.73$), and 2.87 ($SD = 1.08$), for the equity, equality, and need divisions, respectively. Friedman's nonparametric ANOVA on the conflict rankings indicated significant effects for both the family scenario, $\chi^2(2, N = 34) = 29.35, p < .001$, and the business scenario, $\chi^2(2, N = 34) = 39.94, p < .001$. Post hoc sign tests indicated that in both scenarios equity was judged to be very significantly less conflict-inducing than the other two divisions ($p < .0001$), which did not differ significantly from each other. The median conflict scores, with means and standard deviations in brackets, (the higher the score, the less the conflict) were 3.00 (2.74, 0.57) and 1.00 (1.47, 0.66); 2.00 (1.79, 0.64) and 3.00 (2.88, 0.48); and 2.00 (1.62, 0.60) and 1.50 (1.50, 0.51), for the equity, equality, and need divisions in the first and second scenarios, respectively.

The remaining 42 subjects received two more scenarios, similar to those that were previously mentioned (one family and one business, and in each, one partner orders a £5.50 meal, the other a £19.50 meal), but in each case the individuals involved were described as having equivalent incomes and therefore equally able to pay the bill. The same rating scales were used, except, because need was now controlled for, the subjects were asked to rate only two divisions (equity and equality). A 2×2 ANOVA indicated a significant main effect for division, $F(1, 41) = 182.34, p < .0001$, but no significant Division \times Scenario interaction, $F < .10$. The equity division ($M = 4.64, SD = 0.68$) was rated as significantly more fair/just than the equality division ($M = 2.01, SD = 1.05$), regardless of scenario. Also, binomial tests ($p < .001$) indicated that the equality division was judged to be more conflict inducing in both scenarios (36 and 33 out of the 42 subjects, for the family and business scenarios, respectively, judged the equality division to be more likely to produce conflict).

Discussion

These results provide some support for the hypothesis that, among student subjects, when the allocation of costs is considered, allocation favoring need is judged to be fairer or more just in more intimate family situations than in more impersonal business partnerships.¹ One possible disadvantage of need allocation

¹ It is perhaps worth noting that, if allocation according to need is construed as an "outcome adjustment" in the maintenance of equity, then the principles of equity and need are not necessarily in opposition (Wagstaff, in press). That is, if "needy" partners are viewed as starting off in an inequitable, disadvantaged position relative to others, then they may require more resources relative to others. In support of this interpretation, Elliott and Meeker (1986) found that, when given information about both need and inputs, subjects integrated both types of information and adjusted outcomes accordingly.

in a business relationship is that it may be threatening to the self-concept of the "needy" partner (Peterson, 1987); within the concept of equity this could be viewed as an additional cost, or negative outcome, that might negate any benefit derived from a favorable allocation. Nevertheless, need was not considered by the subjects to be more or less fair or just than equity in the family situation, a result that is consistent with other evidence indicating that equity may be important in intimate relationships as well as in impersonal relationships (Rook, 1987; Schafer & Keith, 1980; Wagstaff, in press).

The fact that equality was judged to be the least fair or just division of costs, regardless of the type of relationship, is contrary to the original hypothesis, but very much in accordance with the requirements of equity: If the orders for the meals represent the outcomes, or values, of the meals received, and the payments represent the inputs, or contributions, and if the bill is divided equally, then one partner is inputting £12.50 for an outcome of £5.50, whereas the other is inputting £12.50 for an outcome of £19.50. According to Wagstaff and Perfect's (1992) formula for the calculation of inequity, this is the least equitable of the three divisions, having a deviation from equity, or \bar{e} value of 7.00, compared with 0 for the equity division (in which the ratio for inputs and outcomes is equal for all partners) and 5.50 for the need division.

The fact that equity was also judged to be the least conflict inducing division for all scenarios is in direct opposition to Peterson's (1987) finding. Whether this disparity reflects a cultural difference between British and Australian students or whether it reflects some feature of the measurement devices remains to be established. However, the fact that the conflict judgments did not exactly parallel the judgments of what is fair or just is also important; perhaps investigators should be wary of assuming that allocations aimed to reduce conflict or promote harmony reflect considerations of justice.

In sum, the present results suggest that, among the student subjects in this particular sample, when fairness and justice were of paramount importance, the principle of equity was more influential in family situations than might previously have been predicted.

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