Can The Internet Make Life More Fair? The Digital Spirit Level

Could digitalisation create more equal societies? This is one fascinating insight buried in the heart of a new book that argues that almost all measures of human happiness and health are higher in societies where the income range is most narrow.

_The Spirit Level: Why More Equal Societies Almost Always Do Better_ by Richard Wilkinson and Kate Pickett is a clearly argued critique of the effects of inequality. Although it has a lot of graphs, it is straight-forward and pretty convincing. Most of the book looks at health, crime, social mobility. It shows that within US states and between developed nations, those countries which share wealth most equitably tend to have better statistics on well-being, both material and social.

The book also engages in the counter arguments about causality and the political objection that we need inequalities to promote efficiency and enterprise. Economically, this is avowedly not a revolutionary work. The authors point out that the successful, more equal nations such as Sweden or Japan are both liberal market economies. Indeed, the latter has very low public spending. Their point is that there is a lot you can do within the current systems to improve outcomes as long as you address the fundamental framework of inequality.

So what’s the Internet got to do with all this?

I suggest you turn to the section ‘Building The Future ‘ and specifically pages 257-260 on _Running With The Technological Tide_. Here the authors point out some possibilities that emerge from Diane Coyle’s _Weightless World_ thesis. Although ten years old, it correctly identified the shift towards a knowledge economy where the marginal cost of production is vastly reduced. We can see this in digital news media, for example.

The response of the old industries is to defend their profits through copyright and protectionism, but it is a largely fruitless task – witness the record industry. The process creates service industries where incomes tend to be more unequal. And so perhaps I would have expected the authors of _Spirit Level_ to be wary of and even resist this process. Quite the opposite.

Wilkinson and Pickett see it from the citizen point of view as consumer and creator:

“In this situation it is important that governments use their powers to aid the development of new institutional structures, not to prop up and defend the restrictions of old ones.”

And that is where I certainly agree. As I set out in my book _SuperMedia_, there is nothing inevitable about the beneficial consequences of digitalisation. As we are seeing in the threat to local news services in this country, the market or laisser faire technological determinism will not provide. Especially in the teeth of an economic gale.

But the interventions need to be imaginative and not necessarily statist. The _Spirit Level_ authors cite Victorian free libraries, where the philanthropists realised that one book can be read repeatedly at a very low marginal cost. A form of pre-Internet ‘weightless’ cultural production.

This is a global condition, however, say the authors, so no single state can make it work alone: “We need
international bodies to negotiate free access to educational and business resources throughout the world. But the prize is, at least, the greater equality of opportunity to participate in the wealth and life chances that digitalisation can offer:

“The logic moves us toward a society in which access to an ever-increasing range of goods is no longer tightly rationed by income”

And that is why – although only four pages are devoted to new communications technologies – this is required reading for Lord Carter and his Digital Britain team and for anyone else interested in the social, economic and political consequences of communications change.

The Spirit Level: Why More Equal Societies Almost Always Do Better by Richard Wilkinson and Kate Pickett (Allen Lane)

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