Economic Inequality and the Rise of Civic Discontent
Deprivation and Remembering in an Irish Case Study

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Sir, – Paul Krugman has compared our GDP figures to “leprechaun economics.”

How ludicrous. Get with the times, Prof Krugman. Nobody believes in economics any more. – Yours, etc,

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Dublin 8.

This letter, published in the *Irish Times* on Monday, July 18, 2016, encapsulated the Irish zeitgeist at the time it was published; a distrust of data reporting aggregate economic growth, frustration with official commentators on economic improvement; made manifest, in this case, with satire in the public sphere.

In this chapter, I use the Irish case study to illustrate the ways in which civic unrest occurs due to perceptions of social injustices in the form of economic inequality that generates and legitimizes protest. First I review the literature on culture and economic development. I argue that by understanding the connections between the two we can better comprehend how people perceive and respond to economic crises and what constitutes for them fair or unfair economic inequality. Next, I locate the 2008 financial crisis in historical context. I draw on economic history to illuminate the ways in which economic inequality waxes and wanes over time. This pattern is linked to the opening and closing of borders, and increased or decreased cultural and ethnic heterogeneity, which effects perceptions of perceived social injustices and the fairness of wealth and income distribution.

I situate the current Irish case within this broader cultural and economic framework. I identify a paradox from my fieldwork. When the

*This research was supported by the Society for Research on Adolescence, the Division of Social Sciences at the University of Chicago, by the Lemelson/Society for Psychological Anthropology Pre-Dissertation Award, made possible by a generous donation from the Robert Lemelson Foundation, and by a Mellon Fellowship. This manuscript benefited greatly from feedback from Michael Jindra, Richard Shweder, and Brady Wagoner.
Irish economy collapsed in 2008, there were few protests. Yet, when the Irish economy began booming once more in 2014 and 2015, there were various forms of civic unrest. This is the deprivation–protest paradox (see Power, 2017a). I detail two fundamental cultural psychological processes that can be used to understand this paradox. I elaborate upon classic relative deprivation theory to understand some of the dynamics of protest in the Republic of Ireland. I reveal the ways in which demonstrators expected to reap the benefits of an economic boom, having suffered harsh austerity beforehand. But this economic growth was perceived to be experienced unequally – a minority of people benefited – which created frustration that manifested in civic discontent, particularly against a new charge on water. Moreover, I apply theories of collective remembering to comprehend how protesting in Ireland is linked to historically overcoming social and political injustices in the form of uprisings and armed rebellions. Connecting relative deprivation and collective remembering informs the ways in which social groups compare and orientate themselves to one another and decide on what is and what is not fair in terms of economic distributions. Abstracting from this, I conclude by articulating a theoretical framework of unfair economic inequality and the rise of civic discontent. The perceived commodification of water in Ireland galvanized street demonstrations. Therefore, I end by discussing the increasingly special place water is likely to occupy in future social revolutions.

The global economy collapsed in 2008. Different countries and regions experienced the economic crisis in multiple ways for interrelated economic, political, financial, geographical, legal, and cultural reasons. Economic and financial analyses dominate our understanding of what happened during the 2008 financial crisis. However, understanding how culture is interconnected with economic analyses can provide a richer, more nuanced, and detailed explanation of financial and economic crises. In order to locate the localized Irish scenario within a broader framework, it is important to understand the interaction between culture and economic development.

**Culture, Economics, and Development**

Recent and historical work has illustrated the importance of understanding culture in relation to economic development (Banfield, 1958; Harrison and Huntington, 2000; Landes, 1999). In *The Protestant Ethic and the Spirit of Capitalism* Weber examined the impact of religious values on economic prosperity (Weber, 1905/2009). He discussed how the Calvinist belief in predestination impacted attitudes toward work. He argued
economic prosperity for believers signaled they were predestined for heaven. Over time the idea of predestination faded, but the ethos of showing prosperity was maintained, and it lay at the basis of contemporary capitalism. In contrast, the basic values of Catholicism – sin followed by confession, redemption, and repeated sin – led to a less strict work ethic because forgiveness was always at hand. Protestants, unlike Catholics, valued an austere and entrepreneurial life.

Weber developed these ideas in two further studies exploring the effects of religion on culture and economic development. *The Religion of China* (1951) and *The Religion of India* (1958) further highlighted the importance of understanding culture to explain stunted economic development. He argued that Confucianism in China and Hinduism in India led citizens to explain natural phenomena with illogical and irrational supernatural belief systems. In these religious systems, the family is central and valued at the expense of the broader community, leading to a lack of entrepreneurial enterprises and, by extension, hindered economic development. Institutions capable of developing and sustaining economic growth were lacking. This theme developed in further research concerning culture and economic growth.

Banfield (1958) conducted one of the foundational studies in this area. His investigation into the poverty and lack of economic progress in a small village in southern Italy revealed the moral foundations and cultural outlook at the basis of this community. He introduced the term “amoral familism” – which originates from high death rates, harsh land conditions, and the large absence of extended family – to explain why these Italian villagers could not motivate themselves to organize politically, or economically, for the overall good of the community, and, by extension, for all individuals. By detailing the systemic problems in one rural village, he convincingly argues for the importance of understanding cultural and communal morals, in order to comprehend hindered economic development. An increasing body of literature highlights this important link, but the conclusions are contested.

In *Underdevelopment Is a State of Mind*, Harrison argued that cultural values have hindered economic development throughout Latin America (Harrison, 1985). But detractors from the importance of culture in explaining variation in regional economic development highlight geographical, political, or economic factors as being more important (Sachs, 2000). The argument is favorable geography (in terms of production of goods and work conditions), and capitalist institutions, and the feedback loop that exists between them, are of utmost importance for economic development. Not culture. And it is certainly not the most important explanatory factor in economic growth.
However, Sachs’s argument is overly simplistic, because he conceptualizes culture as an explanatory variable; just one factor among many. Banfield’s (1958) research illustrates the intricate ways cultural and moral beliefs – the importance of close family rather than community activism and government – meant capitalist institutions were difficult to establish in his case study in southern Italy. He does not undermine the importance of complex and preexisting reasons for the focus on the family at the expense of the community – poverty and the low status of the manual laborer – but intertwined with, and inseparable from these forces, are culturally widespread and historically ingrained cultural and moral beliefs and values.

Similarly, Nisbett and Cohen (1996) explain higher rates of aggression and homicide in the US south, relative to the north, by examining the culture of honor that exists in the south. They use data from news reports, government institutions, legal frameworks, and experiments, to illustrate how fundamental cultural beliefs in aggressively defending honor when threatened manifests in everyday behavior. The basis of this culture of honor, according to the authors, lies in early Irish and Scot farming settlers in the American south, who, unlike their more settled neighbors in the American north, needed to physically defend any affronts to them, or against their herd, on the lawless frontier. Over time, laws and intuitions were established to keep the peace, but these were still ingrained with the moral and cultural basis of defending ones honor. Although not an explicit study of economic development, the study highlights, contrary to arguments made by Sachs (2000), that geographical topographies (i.e., farming land) are linked to the establishment of institutions (i.e., to keep law and order) and are historically interconnected with cultural and moral beliefs (i.e., the right to defend ones honor).

Cultural beliefs and economic growth are enshrined, yet the connection between the two has often been neglected in analyses of the 2008 financial crisis. Moreover, the recent focus on inequality – and cultural analyses of how it manifests, and how it is perceived – is important to comprehend in the context of the 2008 economic recession.

**Cycles of Inequality and the 2008 Financial Crisis**

Global inequality is increasing (Atkinson, 2015; Dorling, 2014; Piketty, 2014; Picketty and Saez, 2014). In *Capital in the Twenty-First Century* Picketty (2014) surveys data from twenty countries, dating back to the 1800s, to convincingly illustrate the ways in which global income inequality is increasing, since World War II. He argues this trend is not inevitable, and proposes a global tax on capital to help redistribution
and consequently curb growing inequality. The publishing of the Panama Papers, which to some extent reveal the volume of hidden offshore money, suggests a global tax on capital is a utopian ideal. Atkinson (2015) also identifies rising global inequality as the major problem of the twenty-first century and proposes a series of innovative and interrelated policy measures again to redistribute wealth from the few to the many. Dorling (2014), in his analysis of *Inequality and the 1%* highlights the increasing accumulation of wealth by a small minority of people since the global economic crisis of 2008. Since then, he argues, the 1 percent in the UK and the US has disproportionately increased their wealth in relation to the 99 percent. The latter have endured austerity as their economies exited formal recessions and returned to positive growth. Dorling highlights the growing frustration among the majority, who protested on the streets first in the US, then in the UK, in the form of Occupy protests. This sustained campaign in both countries was organized to highlight rising inequality – which became particularly prevalent in 2011 – when both economies reported growth, but this growth was experienced unequally. The gap between the “haves” and the “have nots” – the 1 percent and the 99 percent – became a chasm. He does not allude to the amount of wealth the 1 percent lost during the economic downturn, only what they gained during the economic recovery.

Moreover, historical economic analyses suggest the global financial crisis of 2008 was not a unique event (Aliber and Kindleberger, 2015; Reinhart and Rogoff, 2009). Reinhart and Rogoff (2009) situate the 2008 economic crash within a broad historical milieu of economic recessions and recoveries. Analyzing data ranging as far back as twelfth-century China and medieval Europe, the authors conclude that the trope “this time is different” when referring to contemporary economic booms is false: the weight of evidence suggests a cyclical – but not inevitable – pattern of economic boom and bust in the form of government defaults, inflationary spikes, and banking panics, have occurred in all nations throughout history. The role of the accumulation of debt – either by banks, governments, or the public – is one unifying theme underlying their survey of historical economic crises. Economic and social analyses of the 2008 economic crisis that claim it was a unique event grossly miss the point. The authors argue failing to remember the lessons of history results in similar mistakes being repeated. Cultural patterns of collective memory, steeped in localized history, are important to understand in order to appreciate the complexity of perceptions toward economic crises and recoveries.

These historical analyses of economic booms and busts reveal common patterns across time and countries. The literature on economic
inequality suggests it is increasing since the end of World War II. Interestingly, in a theory put forth by Shweder (forthcoming), there are parallels between migration policies and income distribution. During the period 1870–1920, the US had a relatively liberal migration policy, accepting immigrants from around the world. Simultaneously, during the same period, there was an unequal distribution of income in the US. Following World War I, until the early 1970s, the US began closing its borders, and this correlated with an increase in economic redistribution. From the 1970s until the present, the US has relatively open migration policies, and again these correlate with widening gaps in income distribution (Picketty, 2014). In the US, there is a correlation between the patterns of cultural homogeneity and heterogeneity, and more or less inequality of income distribution. This is the *equality–difference paradox*: the observation that the more culturally and ethnically homogenous a country is, the greater the equal income distribution and vice versa (Jindra, 2014; Minnow, Shweder, and Markus, 2008; Shweder, forthcoming; Shweder and Power, 2013).

Following the global economic crisis of 2008, the unequal economic recovery highlighted the growing gap between “the 1 percent and the 99 percent” in many Western countries. The widening gap in income earned, with the accumulation of income in the hands of a small minority, has lead to a turn toward illiberal political and economic policies. The accumulation of wealth by a group of super-elites, who have the financial clout to influence political processes, threatens progress toward full democracies around the globe (Moghaddam, Chapter 7). In the US, both Donald Trump and Bernie Sanders gained political notoriety during the 2016 presidential election. Both potential candidates for the highest office in the US tapped in to unhappiness with large swaths of US voters who were unhappy with their economic status during the aggregate economic recovery overseen by President Obama during his two terms as president. Although the US economy improved in terms of economic growth and job creation, many voters are not experiencing this recovery in a meaningful way in their everyday lives. Bernie Sanders highlights the perceived unfair gap between a wealthy minority who are experiencing wealth gain and raising incomes during the economic recovery and those you are not. Trump wants to make America great again during his presidency by tightening US borders, controlling migration, and therefore appeasing potential voting Americans who are concerned with increasing cultural heterogeneity and increasing income inequality in the US. Similarly Britain voted to leave the European Union. The vote for Brexit was in large part a vote for greater control over British borders. Across
the Western world, there has been a swing toward more extreme left- and right-wing political, economic, and social policies. Shweder’s (forthcoming) model suggests the next fifty years – from 2020 to 2070 – will see a tightening of borders, control of migration, and an effect on creating greater economic equality in both the US and the UK.

Shweder (2000) suggests one plausible hypothesis to explain the pattern of open and closed borders correlating with more or less equal economic distribution. He argues that “if economic growth is contingent on accepting the deep or thick aspects of Western culture (e.g., individualism, ideals of femininity, egalitarianism, the Bill of Rights), then cultures will not converge and will not develop economically because their sense of identity will supersede their desire for material wealth” (p. 177). The implication is people will give up material economic wealth for the sake of their cultural identity. Brexit, and the election of Trump in the US, are both indicators that threatened identities and perceived eroding of social status and privilege supersede economic development. Money talks, but not always.

Encapsulated within Shweder’s cyclical model of open and closed borders and correlations with greater or lesser income distribution, is the equality–difference paradox (Jindra, 2014; Minnow, Shweder, and Markus, 2008; Shweder, forthcoming; Shweder and Power, 2013). Research on this topic extends the observation that according to the Gini Index (a measure of income inequality across countries) the more culturally homogenous countries – places such as Sweden and Slovenia – have more equal income distribution. Conversely culturally heterogeneous countries, like Brazil, the UK, and the US, have greater income inequality. Indeed, there was more equal income distribution, as reported by the Gini Index, in Rwanda after the genocide by the Hutus against the Tutsis in 1994 (Shweder, forthcoming).

The finding is controversial. One implication of the equality–difference paradox might be that if you value more equal income distribution – as many left-wing politicians, and economists referred to earlier, do – you need greater cultural homogeneity. This might mean the assimilation of refugees, migrants, and other cultural groups in to the mainstream culture of the host country. It might also mean the segregation and separation of peoples. History is replete with horrific examples illustrating the homogenization of nations (Mann, 2005). Trump’s discourse about building a wall on the US – Mexico border is one example. Another consequence of the equality–difference paradox is if you truly value cultural heterogeneity, one consequence might be unequal income distribution. People do not agree with, or want, to share wealth – in a
variety of forms such as social welfare benefits, like Obama Care, – with people who are culturally or ethnicity dissimilar to one another (Putnam, 2007; Ziller, 2015).

One basic principle of cultural psychology is that cultures and minds make each other up (Markus and Kitayama, 1991; Shweder, 1991, 2003). Subsequently, it follows that different cultural groups have different versions of what is a true, good, beautiful, and an efficient way of life. Shweder (forthcoming) details the poorest community – as measured by mainstream economic measures – in the US. He finds that, contrary to expectations, the poorest place is a Jewish community in the State of New York. In the community of Kiryas Joel, emphasis is not placed on the accumulation of income. Religious study for the men, and child rearing for the women, are the order of the day. Communal and shared resources in this culturally homogenous community maintain a level of existence that is subsidized by the government for each member. Lack of annual earned income does not necessitate a poor life.

The Kiryas Joel example further highlights the interdependence between economics and cultural values and raises a number of questions concerning how we ought to measure income and wealth distribution; such as what are the meanings of money and what are its connection to living the good life; what are the historical dynamics of wealth and income distribution and how does this impact the conditions people think fiscal inequality is fair or unfair; and how do people think about, and react toward, these economic realities?

The Irish case study is one empirical example to explore these issues in a localized setting. In 2013, Ireland had a population of nearly 4.6 million. It is a relatively homogenous country (Alesina et al., 2003). One study ranked Ireland as number 134 from a list of 159 countries in terms of ethnic diversity (Fearon, 2003). The following section examines the curious dynamics of democratic engagement, in the form of civic unrest and protest, in this small and homogenous country, following the global financial crisis of 2008. I draw on two psychological theories to examine the dominant Irish responses to imposed austerity following the financial crisis – relative deprivation and collective remembering – and illustrate how these two psychological processes inform comparisons between social groups and lead to, and legitimize, social mobilization against perceived social injustices.

**The Global Financial Crisis and the Irish Case Study**

Ireland enjoyed sustained levels of high economic growth for the fifteen years preceding the 2008 financial crisis. This period was commonly
known as the “Celtic Tiger.” This economic growth had initially been export-led and driven by a degree of “catching up” to more developed economies. However, an unsustainable property boom marked the latter years of the Celtic Tiger. The bursting of the domestic property bubble coincided with the onset of the global financial crisis, leading to a sharp and deep recession that saw a virtual collapse of the Irish banking sector. On Monday, September 29, 2008, the Irish government made the controversial decision to safeguard all deposits, bonds, and debts in six failing Irish banks. This decision came to symbolize the difficult and unpopular policy choices successive Irish governments were forced to make over the coming years, both fiscal and banking related, which, in turn, set in motion a series of societal and cultural changes that continue to be felt today.

When the global economy collapsed in 2008, the Irish, unlike some EU neighbors, such as Greece and Spain, accepted the terms of harsh austerity without protesting (Power and Nussbaum, 2014; Power, 2015, 2016). Yet when the Irish economy became the fastest growing in Europe in 2014 and 2015 (and projected for 2016) civic discontent ran high. Hundreds of thousands protested against a new charge on water – seen as the final straw in terms of accepting austerity. There were standoffs and clashes with the police, and a refusal of a huge proportion of Irish taxpayers to register, and ultimately to pay, this new charge online. Why did the Irish rebel in this way during an economic upturn rather than the economic decline?

Previous research suggested cultural and moral reasons for the initial passive acceptance of austerity by the Irish (Power and Nussbaum, 2014; Power, 2015, 2016). Interviews with a group of public elites (i.e., TV and radio presenters, journalists, economists, outspoken academics, members of prominent financial institutions) revealed three interrelated reasons to help explain this counterintuitive process. This group drew on collective memories of an Irish past to make sense of the present and to orientate toward future action. First, when the going gets tough, the Irish hit the road. There is a collective memory of Irish people migrating in times of economic hardship. Outward migration following the latest global financial crash was seen as a culturally legitimizied and reasonable response to the economic downturn. In this case history is seen to repeat itself, but not always. People do not simply remember the past. They use it (Bartlett, 1932; Halbwachs, 1992; Power, 2016; Wagoner, 2017; Wertsch, 2008).

The elites also purposefully distanced collective memories of a violent past on the island of Ireland. The Irish no longer do their bloodletting on the streets. Rather, as a maturing democracy, they take to the ballots.
Indeed, the Irish voted out the Fianna Fail and Green Party government that guaranteed the ailing banks at the expense of the taxpayer in 2011. Later, the Irish voted out the in power Fine Gael and Labour coalition government, who oversaw the economic upturn in 2016, but more on that later.

The third overarching reason given by the public elites to explain the initial Irish acceptance of austerity was a historically ingrained, culturally widespread, moral belief – with its origins in Catholicism – that in life “you reap what you sow.” The application of this moral principle by the group of public elites was to suggest the Irish public were unwise with their money during the financial boom – known as the Celtic Tiger during the late 1990s and early to mid-2000s – and consequently must suffer austerity in silence as the economy collapsed. Ordinary Irish people were at least partially culpable for the economic meltdown; just like the bankers, the government, the financial regulator, the European Central Bank, the European Union, as well as a host of other possible causes. By the application of the moral principle that in life “you reap what you sow” blame was attributed to the Irish public. They do not riot or protest, unlike the Greeks and Spanish, because they have been served their just desserts.

Interviews with unemployed Irish young adults illustrate the ways in which this moral belief has become internalized (Power, 2015). Unemployed Irish youth occupy a polar opposite group to the public elites in the Republic of Ireland. Unemployed interviewees attributed blame for the financial crisis, and their poor financial position because of it, to the unscrupulous actions of bankers and the Irish government. But they also gave in-depth and intricate examples from their personal situations to suggest a proportion of blame should be attributed to the actions of individual Irish people too. For example, I asked Séan, an unemployed Irish man in his early twenties:

SP: Who, if anyone, do you blame for the recession?
SÉAN: You have to blame society in general you know what I mean, there was just no exit plan, people just kept buying and selling and giving loans, they was no expectation, or realization, that this is all going to break down... When the world recession kicked in and everyone is panicking and everyone is loosing jobs, no one was expecting the highlights to end so suddenly and so abruptly. So you have to put the blame on society.
SP: So who do you mean by society?
SÉAN: The Irish public.

Séan clearly blames the causes of the economic recession on the behavior and on the shortsightedness of ordinary Irish people. Although he
said “it’s a world recession,” he blames the “Irish public” for the drastic economic decline. I asked him for an example from his own life, and he discusses his father’s situation who is heavily in debt, and who suffers from clinical depression after being made unemployed. He told me:

SÉAN: “My mother and father spent what they wanted (during the economic boom, known as The Celtic Tiger), they got loans out, and the loans were so easily got, at one stage, my father told me this; he applied for an overdraft from the bank and they said “we’ll get back to you.” At five o clock that evening they said “James, would you like a 20,000 euro overdraft?” and my dad was like “yeah,” and it’s just that, that kind of naivety, that he would spend it and worry about it in the future.”

So although his father is clinically depressed, and there are constant family fights and collective stress due to this financial debt, he firmly places blame for this situation is his father’s actions: not the banks, the financial regulator, the European Central Bank. This is a clear example of the internalization of blame – that in life you get what you deserve. It manifests in a lack of protesting. One snippet of an interview with Mark illustrates this point. He was a young and unemployed Irish male who migrated to Canada for two years. While there he worked in a variety of manual and creative jobs. He returned to Ireland after his two-year Canadian visa expired. He had been unemployed, and living at home with his mother and two siblings, for nearly a year when I interviewed him. His response is indicative of this social group’s attitudes toward protesting, democratic engagement, and social change in the localized Irish context, at the time of interviews in summer 2014. When I asked him what he thought the dominant Irish response to the economic crisis was, he said:

MARK: I don’t think we have done much to be honest with you. What other response is there?

SP: Well, in some European countries, young people have protested about austerity.

MARK: It is pretty anarchist, isn’t it? I don’t know if it gets anything done . . . I don’t think it’s better if there are any deaths caused by it . . . I don’t want to see anyone burnt at the stake.

These extracts, taken from a broader corpus of interview data with unemployed Irish youth, suggest that even the most vulnerable group – unemployed people on state welfare programs – accepted austerity and held easily available narratives to illustrate the actions ordinary Irish people contributed to the economic downturn. One does not protest when you feel culpable for your own situation.
Social change does not occur in the psychological laboratory. It unfolds in complex contexts, over both historical and immediate timelines, for interrelated social, cultural, economic, political, historical, and legal reasons (Power, 2011). Social change occurs in the real world. In the Irish context, a number of salient events occurred that shifted public opinion, and had an effect on the Irish public's understanding of the unfolding economic crisis, and their engagement with democratic activities, particularly in the form of demonstrating.

In summer 2013, a recorded conversation between two prominent members of Anglo Irish Bank, was leaked and was made widely available on social media. Anglo Irish Bank gave large loans to property developers during the boom years of the Celtic Tiger in the late 1990s through to the mid-2000s, in the Republic of Ireland. The conversation, recorded before the Irish government agreed to bail out the ailing Irish banks in 2008, made explicit what many Irish people had since come to expect: the bankers had lied to the government about the institutions solvency – they needed more money to shore up the bank, but lied, saying they needed a fraction of the ultimate bailout. In Ireland you’re in for a penny, in for a pound.

The lie caused public outrage in the Republic of Ireland. Later, on January 27, 2016, a banking inquiry commissioned by the Irish government concluded that the Irish public was not culpable for the economic crisis. The responsibility of the financial crisis was placed on risky banking practices, and a failure of EU institutions, not on the actions of the Irish public. The banking inquiry had no power to prosecute those individuals or institutions responsible for causing and exacerbating the crisis, only to identify sources of culpability. The attribution of blame for the financial crisis, and ensuing austerity, began to change. But the most dramatic shift in context, however, was with the economy.

Following the bursting of a decade-long property bubble coinciding with the onset of the global financial crisis, Ireland suffered a sharp and deep recession that saw a virtual collapse of the domestic banking sector. Real gross domestic product (GDP) fell by almost 10 percent in 2009 and continued to contract in 2010 and 2011, while unemployment climbed from below 5 percent in 2007 to reach a peak of 14.7 percent in 2012. This compares to a contraction of 2.8 percent in the US in 2009, which was swiftly followed by a return to positive GDP growth from 2010. Given the scale of the economic headwinds, the Irish government was forced to seek shelter in the form of an EU-IMF financial assistance program as it lost access to financial markets in the face of a spiraling deficit that reached 32 percent of GDP in 2010 due to unprecedented capital injections into the banking sector.
In the context of such a sharp decline, the speed of aggregate economic recovery has been stark. The first shoots were visible in 2013, when real GDP recorded positive growth of 1.1 percent while gross national product increased by over 4 percent. However, the recovery boomed the following year, with Ireland claiming the mantle of fastest growing economy in the euro area in both 2014 and 2015, a title which it is expected to hold on to in 2016. Both GDP and, importantly, GDP per capita – a key measure of living standards – moved above its pre-crisis peak in 2014, a rapid turnaround given the scale of the downturn in Ireland. The improvement in economic performance was strongly led by the exporting sectors in the initial phase, but over the past year or two the recovery has broadened, with domestic demand now also making a significant contribution. While personal consumption had continued to contract in 2013, it recorded positive growth of 1.7 percent in 2014, which strengthened to an increase of 4.5 percent in 2015. Although the volatility of Irish national accounts data can make it difficult to precisely measure the strength of economic growth, the broadening of the recovery is evidenced by the performance of the labor market, where the unemployment rate has dipped below 8 percent, from a peak of 15 percent in early 2012.

This narrative of objective economic growth was omnipresent in the public sphere in Ireland since 2013. The country had formally exited the economic recession, it became the first EU country to exit the EU-IMF bailout program, and the economy was heralded as a success story for tightening belts and accepting austerity for longer-term economic growth. In the context of rapid economic growth, and a shift in the attribution of blame for the crisis toward the actions of the financial sector and government, a new charge on water was introduced.

On December 28, 2014, Michael D. Higgins, the current President of the Republic of Ireland, signed a controversial Water Services Bill into law. The Irish public would have to pay directly for the water they consume in the form of quarterly bills. The company, Irish Water, was established to oversee the introduction of water meters to quantify the amount of water used per household; to provide safe and clean drinking water and efficient wastewater treatment; and to charge people for consumed water. Ireland previously had water charges that were abolished by the Labour Party in December 1996. Irish citizens paid for their water through general taxation. Until the reintroduction of water charges in 2014, Ireland was one of the few countries in the Organization for Economic Cooperation and Development not to directly charge for consumed water.
The enactment of the Water Services Bill and the establishment of Irish Water has been met with strong opposition from sectors of the Irish public in the form of local and large-scale antiwater charges demonstrations, clashes and standoffs with police, and a refusal of many citizens to register to pay this new charge. In Ireland, water is often represented as a fundamental human right, and particularly plentiful in Ireland, an island filled with rivers and lakes, where it often rains. The charge on water acted as a concrete focal point to galvanize a broader antiausterity movement: it was the final straw.

Relative Deprivation and Civic Unrest in Ireland

I interviewed over two hundred randomly sampled Irish protestors, of a broad adult age, from all areas of Ireland, from mostly, though not exclusively, working-class backgrounds, at a series of seven national demonstrations in Dublin, Ireland. Moreover, I conducted several months of in-depth urban ethnographic work with a core group of antiwater charge demonstrators in a small Irish city. During the urban ethnography and after the nation protests, I recorded extensive notes to help contextualize my data.

The Irish suffered austerity as the economy collapsed, endured budgetary cuts, and saw their friends and family migrate, or queue for social welfare. The Irish faced austerity together. But now they hear the economy is improving. Their expectations in an economic boom are especially high, since they endured austerity, for a better tomorrow.

Yet the economic rebound was experienced unequally. Although the aggregate economic growth in Ireland in 2014 and 2015 was staggering (the letter quoted in the Irish Times at the beginning on this essay was in response to a reported 25 percent increased in Irish GDP in 2016 – a huge figure, and inaccurate of real economic growth), but this aggregate economic growth is disproportionately felt by different social groups within Irish society. The gap between expectations and lived experiences motivates and legitimizes protest in the Irish context (Power, 2017a, forthcoming; Power and Nussbaum, 2016).

Relative deprivation theory can help explain this phenomenon (Pettigrew, 2015, 2016; Power, 2017a). The skeleton of this theory predicts that when an individual or group compares themselves to salient individuals or groups, and during this comparison, they find themselves lacking, discriminated against, or disadvantaged, this leads to angry frustration. Relative deprivation is not just a contemporary phenomenon.

Aristotle discussed the connection between what people want and their penchant to revolt when they do not achieve these wants. He
suggested revolutions occur when societies fail to realize equality: “the motives of gain and honor also stir men up against each other not in order that they may get for themselves, as has been said before, but because they see other men in some cases justly, and in other cases unjustly, getting a larger share of them... for when the men in office show insolence and greed, people rise in revolt against one another and against constitutions that afford the opportunity for such conduct... for men form fractions both when they are themselves dishonored and when they see others honored; and the distribution of honors is unjust when persons are either honored or dishonored against their deserts” (Aristotle, quoted in Davies, 1971, p. 87). Aristotle was not calling for blanket egalitarianism. He suggests revolutions can occur when people perceive social and economic injustices when they compare their circumstances to comparable others in society and find they are lacking.

Marx believed that people were more likely to revolt when their survival was threatened (Davies, 1971). However, he also articulated a more nuanced concept that dovetails with the concept of relative deprivation. In Wage, Labour and Capital Marx (1849/1973) said, “A house may be large or small; as long as the neighboring houses are likewise small, it satisfies all social requirements for a residence. But let there arise next to the little house a palace, and the little house shrinks to a hut. The little house now makes it clear that its inmate has no social position at all to maintain.” People are unhappy in their contexts when their expectations are incongruent with their realities.

Alexis de Tocqueville (1857/1955) develops this concept further in the seminal The Old Regime and the French Revolution. He discovered that French workers revolted and overthrew their government when there was a reduction in taxes and a general loosening of Parisian rule throughout France. As a result, the French expected their lives would improve, but didn’t. This incited a rage that drove this historic revolution.

Davies (1962) noted that revolutions are most likely to occur when a prolonged period of objective economic and social development is followed by a brief period of economic and social decline. This theory highlighted the temporal component of relative deprivation and the generation of frustration. Revolutions often occur when a social group’s expectations of their economic or social status increases, but these increasing expectations go unfulfilled. This hypothesis chimes with contemporary social-psychological evidence that largely supports the idea that people are loss averse; they weigh losses more heavily than gains (Tversky and Kahneman, 1991).

The types of comparisons people make, to whom and why; feelings of perceived disadvantage; and the manifestation (if any) of this
frustration, all depend on the wider historical, cultural, social, economic, and legal contexts and how these are oriented to, understood, interpreted, and remembered. Runciman (1966) distinguished between relative deprivations felt when individuals compare themselves to another and when groups compare themselves to other groups. In the localized context in the Republic of Ireland, protestors are making comparisons between themselves and other groups in Irish society, particularly political and wealthy elites. The division is between those who are benefiting from the economic upturn, and those who are not: between the 1 percent and the 99 percent. The protestors who I interviewed articulated a variety of social, moral, and political grievances that are culturally embedded manifestations of the growing gap—a perceived chasm—between the beneficiaries of the economic growth, and those who believed things would get better, but have not experienced it in their everyday lives.

For example, officially unemployment figures are falling in the Republic of Ireland. Despite this indicator of improvement in the Irish economy, many interviewees highlighted that although employment is increasing in Ireland, the figures disguise reality. The controversial JobBridge scheme requires people on social welfare to accept work that is offered to them for a small increase on their base social welfare payments. Refusal to undertake this work can mean a cancellation of social welfare payments. Many people are unhappy with being forced to work this way; many complain about the quality of jobs available, and the conditions of work. One interviewee went as far as to compare it to slavery.

The housing bubble dramatically burst in 2008 in Ireland, but during the economic recovery since 2013, property prices are once again soaring, particularly in wealthy parts of Ireland, such as south county Dublin, but not as drastically in rural parts of Ireland, or in its periphery cities. Rising housing prices, correlated with rising rent, has led to a housing crisis in Ireland, particularly, though not exclusively, in Dublin. Interviewees often moralize this dilemma: they ask how the country can be experiencing economic growth but simultaneously have increasing numbers of Irish people, including more than one thousand children, who do not have a home to sleep in.

Interviewees highlight several other salient examples that illustrate the gap between what they expected to happen during an economic recovery, and the actuality of the unequal economic boom. There are perennial problems with the health care system in Ireland; serve limitations on disability services, including respite and residential services; budgetary cuts to the arts and education; the perception the government protects corporate interests with low and nontransparent tax agreements with multinational pharmaceutical and technological companies; and
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in the microcosm of the installation of water meters to directly charge citizens for the water they consume, the perception that the police are on the side of this company (Irish Water), rather than supporting the public (a view contested by nonprotestor observers, who sometimes felt protestors caused more trouble than was necessary). For a full analysis of these issues, see Power (2017a, forthcoming).

Although issues of homelessness, budgetary cuts, unemployment, and other austerity measures are current problems in Ireland, they are as bound to the past, and oriented toward the future. This is because the way people remember the past has implications for how they think and behave in the present, and how they orientate their goals toward an imagined future (Bartlett, 1932; Halbwachs, 1992; Power, 2016; Wagoner, 2017; Wertsch, 2008). My earlier research suggested collective memory played a role in the initial passive Irish response to austerity. A culturally legitimized, and historical ingrained, belief in facing economic hardship with migration; of believing in reaping what you sow; and of distancing contemporary Irish society from memories of a violent past are three reasons articulated by an influential group of public elites to explain Irish acceptance of austerity without mass demonstrations (Power, 2016).

Protests are political acts (Drury and Reicher, Chapter 2). They are bound to history, yet designed to create social change in the future (Reicher and Stott, 2011; Warren and Power, 2015). The Irish antiausterity demonstrations are no different. They are framed in Irish revolutionary history, in at least three interconnected ways. I use one particular demonstration to highlight this point (Power, 2017b). The physical route of the demonstrations is purposefully charted to evoke collective memories of a revolutionary Irish past. This connection is made explicit in the speeches of left-wing politicians, community activists, and trade unionists that articulated links between the current antiausterity protests and the overcoming of perceived social and political injustices by previous generations of Irish. Third, protestors internalized these messages, and in some cases, drew explicit comparisons between overcoming previous struggles, and situating their current position within a broader political context: minorities can become majorities to effect social change (Moscovici, 1976).

Halbwachs (1992) argued that collective remembering occurs within a spatial framework. Cultural groups remember a version of their past from a spatial location, either real or imagined. Physical surroundings, steeped in cultural history, provide a framework from which groups can recall their past. This is because groups – either in their lifetime, or historically – ingrain their past upon physical structures. As such, as all recall occurs in a physical location, people remember in relation to
these spatial frameworks, infused with localized meanings embedded in broader sociocultural and historical contexts. Every social group has the possibility to ascribe their own meanings on their spatial and physical locations, and even more opportunity to recall those meanings in diverse ways in the future. In this way, there are multiple ways to remember the past. Street demonstrations provide an opportunity to empirically examine these theoretical insights.

One particular protest, in summer 2015, began at The Garden of Remembrance, a park north of the river Liffey in Dublin, Ireland, – the side of the city that was traditionally more working class. The plaque outside reads “all those who gave their lives in the cause of Irish Freedom.” The demonstration continued down O’Connell street; one of Dublin’s main thoroughfares, named after Daniel O’Connell, a well-known nationalist leader, in nineteenth-century Ireland. Most of the national antiausterity protests ended outside the General Post Office (GPO). This is one of the best-known and historical landmarks in the Republic of Ireland. On Easter weekend, 1916, Irish revolutionaries took over the building, staging a rebellion against occupying British forces. The rebellion failed from a military perspective, but achieved its ultimate goal of galvanizing an Irish War of Independence between 1919 and 1921, which led to the separation of the island of Ireland into two nations – The Republic of Ireland and Northern Ireland. The significance of ending antiausterity protests close to the centenary anniversary of the 1916 rebellion at the GPO served to create a direct link between a revolutionary Irish past, that lead to social reform and the creation Irish Free State that was governed by Irish people, to contemporary Irish protests where there is a sense of social injustice caused by the unequal economic recovery. The message is the Irish have overcome injustices before; they can do it again.

Left-wing politicians, trade unionists, community activists, and member of Right2Water (the umbrella organization set up to plan and advertise protests against water charges) gave rousing antiausterity speeches at the end of the rallies. They made explicit links between these versions of revolutionary Irish pasts – overcoming perceived social injustices – during their speeches at the end of these demonstrations.

Some interviewees also made explicit reference to this revolutionary period of Irish history to justify and legitimize contemporary Irish protests. One middle aged woman, with a working-class Dublin accent, who was carrying an Irish tricolor flag, told me that her grandfather was involved in the Easter 1916 rebellion. She explicitly justified her current involvement with antiausterity demonstrations. “This is a continuation of a longer Irish fight against tyranny. They think they can push the
ordinary people around, we are here today, as we were before (in 1916), to stand up to the powers that be, to say ‘we’re not going to take this (austerity) anymore.’”

Comparisons are informed by how history is remembered. In the Irish case study, collective remembering reveals historical precedent over a major comparison group: “ordinary people” as self-defined by the protestors and a political elite – historically the British rulers, but in contemporary Ireland it’s an Irish political elite, out of touch with the realities of the public, who continue to suffer austerity.

A history of polarization between elites and the working class in Ireland offers a template to comprehend the ways in which groups compare themselves to others. In contemporary Ireland, during the anti-austerity protests, the demonstrators did not compare themselves to other potentially salient groups within Irish society. For example, Syrian refugees – a crisis that made global headlines and was omnipresent in the public sphere during the antiausterity protests – was never mentioned. Irish people did not compare themselves to Irish celebrities or sports stars. Both of these groups are in far worse or better social and economic statuses than the demonstrators. But these are not the salient reference groups. How people remember the past has implications for how they understand, think, and rationalize in the present. Irish collective remembering during these protests, linked to physical structures in Dublin which are steeped in Irish revolutionary history, are directly evoked by antiausterity activists, and referred to explicitly, and implicitly inform, the division between “elites” in Ireland – those who are reaping the benefits of the economic recovery – and those who are not – the general Irish public. The Irish have been there before; and founded a Free State and later a republic based on a constitution conferring equality upon all citizens. Remembering history informs a contemporary perception of division between a political elite and the general Irish public. It informs who compares whom to whom.

In this way, we can comprehend the dynamics of relative deprivation if we understand the historical context in which comparisons are made, injustices are experienced, and the contexts in which angry frustration has, and can be, made manifest.

**Conclusion**

Economic history suggests patterns of recessions and recoveries are omnipresent throughout all societies, dating as far back as records can be reached. The 2008 economic crisis is no different. It is important to situate this economic collapse as part of a broader cyclical pattern.
in order to contextually understand the complex dynamics involved. Shweder (forthcoming) provides a provocative and visionary theory of open and closed societies and a correlation with lesser or greater wealth and income inequality. Painting with broad strokes, every fifty years – in the US at least – sees a shift from open to closed societies, with ensuing greater income distribution as a society becomes more closed. This fits the prediction presented by the equality–difference paradox. Simply articulated, the theory predicts the more culturally and ethnically diverse a society, the less equal income distribution there is. More culturally and ethnically homogenous societies have greater equal wealth distribution. Societies where people look and act the same are more likely to treat its citizens, and the citizens are more likely to treat each other, more fairly in terms of distributing income. One prediction of the theory is that creating a more homogenous society favors greater income distribution. This seems congruent with the British voting to leave the European Union. It is also congruent with Trump’s goal to tighten US borders. Brexit and Trump’s wall are two examples, both put to the popular vote in democracies. History is replete with various examples of societies turning from more open to closed societies through less democratic means. A cyclical model of societies becoming more closed seems to resonate with US and western European democracies turning toward more polarized political policies including seeking greater control of who crosses national borders and from where.

When it comes to understanding economic development, culture matters. An extensive body of literature illustrates the ways in which cultural values, beliefs, and moral reasoning are connected with policies, institutions, and versions of the good life. Economic inequality is increasing. Yet only in some cases does this seem problematic. And only in some cases it leads to protest and violence on the streets. The issues highlighted in this essay suggest it is the perception of unfair economic inequality, rather than actual inequality, that is the key to understanding democratic engagement and civic discontent.

A new theory of unfair inequality hypothesizes that civic discontent – in the form of refusing to pay taxes, protesting on the streets, as well as engaging in other democratic activities such as contacting politicians and signing petitions – occurs more frequently when the perception of unfair economic inequality is higher rather than lower. Actual or absolute inequality may be less frustrating than perceived inequality due to rising, yet unfulfilled, expectations.

The 2008 economic recession is a microcosm of these larger historical patterns and abstract theorizing. In Ireland, a small and relatively
homogenous country, people suffered the yoke of harsh austerity when the economy collapsed, only to protest during a period of rapid economic recovery. This deprivation–protest paradox (Power, 2017a) has parallels in history. De Tocqueville argues the French revolution of 1789 occurred when the French government relaxed its rule on the people. The citizens’ expectations of quality of life increased, but went unfulfilled. More recently, the Occupy protests across the US occurred during a time of economic recovery in 2011, rather than when the economy collapsed in 2007.

Relative deprivation theory helps to understand this paradox (Pettigrew, 2016). When a group of individual compares themselves to a salient group or individual, and concludes they are lacking or discriminated against in comparison, then this leads to angry frustration. Cultural psychological theorizing highlights the importance of understanding how this possibly universal theory manifests in localized cultural contexts. In Ireland, protestors compare themselves to political and wealthy elites in Ireland who are benefiting from the economic recovery that they expected to experience. However, despite the aggregate growth in the Irish economy, and people’s rising expectations, they have not experienced this aggregate economic recovery in their everyday lives. The protestors highlight manifestations of the disjunction between the narrative of objective economic recovery, and their social realities: homelessness, the rising cost of living, tax of water, under funded health care system, and cuts to education, are easily accessible examples of the gap between expectations and social realities. The protestors, and the left-wing politicians and community organizers driving the rallies, see a gap between those who benefited from the recovery, and those who have not.

Collective remembering is a powerful tool to understand social movements, civic discontent, and how societies organize themselves in globalizing and culturally plural social worlds. The Irish initially drew on memories of a violent past to justify a peaceful acceptance to harsh austerity. But the context in Ireland changed as the attribution of blame for the crisis moved away from the actions of the public and was laid solely at the feet of a banking, governmental, and European elite. How the Irish used the past also began to change. Collective remembering helps account for what comparisons social groups make and which comparisons they do not. It also helps explain how people use to past to motivate action in the present and orientate social movements toward imagining, and creating, a future more congruent with their desires.

A theory of perceived unfair inequality has practical implications. Protests and riots can occur when people’s expectations are not realized
or made manifest in ways they find meaningful. As Europe and the rest of the world exists the 2008 global financial crisis at varying paces, care should be taken to create (the perception) of greater economic equality. Aggregate economic recoveries, which are not perceived to be felt fairly, can cause civic discontent. Absolute deprivation – in the case of food shortages in Venezuela in 2016 can cause people to take to the streets in the form of (violent) protest. But there is a psychological dimension too: in an oil-rich country, elites benefit, at the expense of the masses. This case contrasts with the Irish case study, yet feelings of relative deprivation are common to both. As the satirical letter at the beginning of essay illustrates, frustration can be caused by the gap between expectations and lived experiences.

It is also difficult to disentangle the timing of civic unrest in Ireland – during a period of rapid economic growth, rather than decline – from the substantive issue that finally galvanized protest: taxing water. Water was often represented as a fundamental human right by my interviewees. And it is particularly plentiful in Ireland, a small island, where it seems to rain incessantly, even in summer. Parallels were drawn with other anti-water charge demonstrations throughout the world. Protestors spoke about how Bolivian social movements developed at the turn of the millennium when they privatized their water supply, only for people to revolt and overthrow the government. The Irish protests about who controls, and pays for water, are not a unique case in the contemporary world.

Water is fundamental to the survival of humans. Droughts and floods, rising global temperatures and changing weather patterns, are altering the ways in which people conceptualize and represent water. Globalization and climate change are threatening the dynamics of water supply. Commodification of this resource, at least in the Irish case, mobilized a social movement, with ensuing claims that it was a universal human right. It is likely others think like this. Water occupies a special representational category, one that will likely become more essentialized and problematic when access to supply is more controlled, less reliable, and more salient. Access to water blurs the line between absolute and relative deprivation. How societies remember their past with water, and how they imagine their (possibly dystopian) futures when it is commoditized, privatized, controlled and limited, has implications for how future generations will comprehend this resource in a more volatile world. Shortages, or rather, perceived shortages, in the form of controlled or unfair access, could create civic discontent, and social movements. It can generate rage and drive revolution.
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