

Economic Inequality: Impacts on Mental Health and Social Structures

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Abstract: Economic disparity poses significant risks to personal well-being and social cohesion, both of which are pivotal global concerns. This research utilizes both personal and aggregate financial status methods to investigate the association between economic disparity and psychological health. Through a comprehensive analysis of current literature and case studies, the study identifies how variations in wealth distribution contribute to a range of mental health issues, including stress, anxiety, and depression. Furthermore, it highlights how economic disparity exacerbates social divisions and undermines community ties. The findings underscore the complex relationship between economic status and psychological health outcomes, emphasizing the social consequences of persistent disparities. This research adopts both qualitative and quantitative methodologies to focus on the negative impacts of economic disparity. The urgent need for policy interventions is stressed to mitigate its effects. The conclusion advocates for a multidimensional approach to address the root causes of disparity, such as policy, educational, and volunteer groups, suggesting that such efforts could significantly promote greater social harmony and improve psychological health outcomes.

Keywords: Economic Inequality, Mental Health, Social Structure, Wealth Disparity

1. Introduction

Recently, economic disparity has appeared as an urgent global problem, influencing millions and forming the fabric of societies. Economic disparity within states, particularly in high-income, primarily Western, Educated, Industrialized, Rich, and Democratic (WEIRD) societies, is considerably rising, contributing to various adverse mental, behavioral, and social effects [1]. This increasing difference in wealth and income allocation causes ethical worries and brings significant risks to psychological individual well-being and the steadiness of social frameworks. Boosted by the growing recognition of these problems, this study digs into the integrated roles of economic disparity in psychological health and social cohesion. This study is significant in its potential to elucidate the intricate relationship between income and psychological well-being, which is influenced by a multitude of factors, including socioeconomic status, employment, and access to resources [2], offering an understanding that could inform policy-making and intervention measures. The bidirectional causal association between poverty and psychological health is reviewed, paying attention to depression and anxiety, which are significantly more widespread in poor groups. According to recent proof, economic interventions, notably cash transfers, significantly solve psychological health problems by relieving poverty-related stresses [3]. In this paper, an analysis of

the link between economic disparities and their psychological and social outcomes attempts to provide insight into the multifaceted implications of this issue and to emphasize the importance of addressing economic disparities in contributing to the creation of a healthier, more equitable society.

2. Overview of Economic Inequality

Economic disparity means the unequal allocation of income and chance among various groups in society. Different metrics across various population percentages and wealth diversities often assess it. For example, the Gini index statistically assesses allocation designed to stand for the income or wealth allocation of a state's residents and is the most widely adopted method of disparity.

The global tendencies in financial disparity have displayed different routes across various areas and states. Over the past few decades, the United States, China and other states have discovered that their degrees of financial disparity have significantly grown. In the U.S., the top 1% of earners have discovered a nearly doubled share of total income since the 1980s. This growth in disparity is often caused by elements including globalization, technological variation, and policy decisions that decrease taxation on the wealthy. The increasing wealth gap, particularly in developed states, is examined, and attention has been given to how financial markets and capital income play an important role in increasing this disparity [4].

In order to reduce economic disparity, multilevel methods are required to increase labor market access and mobility for the lower income. International cooperation is also essential to manage the impact of globalization, which tends to exacerbate domestic disparities. In conclusion, while economic disparity is a complex mix of financial, social, and political factors, its far-reaching impact on social stability and individual well-being underscores the importance of addressing it.

3. Impact on Mental Health

Economic disparity plays a far-reaching mental role that fluctuates across different socioeconomic strata, influencing psychological health results greatly. The differences in wealth contribute to various psychological health problems that disproportionately influence less rich people and families. While the paper primarily focuses on the economy, it indicates that the growing income disparity affected by globalization could increase psychological health problems by creating more significant economic differences and social stress [5].

3.1. Psychological effects of wealth disparity

Wealth differences often result in stress and anxiety among those on the lower end of the socioeconomic spectrum. The persistent problem of meeting basic demands, including housing, food, and healthcare, can cause chronic stress, which significantly contributes to depression and anxiety disorders. This constant stress can also increase or result in the growth of other psychological health problems.

3.2. Differential mental health outcomes across socioeconomic strata

There are starkly differential psychological health results across socioeconomic strata. Studies consistently indicate that lower-income individuals are more likely to experience psychological illnesses than those in higher-income brackets. This disparity is not only due to the direct effects of poverty but also to limited access to quality mental health services. Furthermore, regular exposure to economic inequality can lead to increased stress and anxiety, affecting mental health and enhancing awareness of social injustices, which in turn may influence attitudes towards wealth redistribution [6].

3.3. Long-term implications for families and children

The long-term influences of economic disparity are severe for kids and families. Kids from low-income families are more likely to suffer from stress from an early age because of unsteady living situations, exposure to environmental toxins, and less access to driving educational activities. These conditions can impair brain growth, resulting in long-term problems in learning, emotional control, and overall psychological health. Besides, the pressures of economic difficulty can strain family associations, offering kids less emotional support at home, which is crucial to healthy mental growth. According to the outcomes, understanding economic disparity affects psychological health by emphasizing differences in leisure activities and stress degrees related to economic restrictions. This influences the mental welfare of people who regard themselves as financially underprivileged by comparing them with their peers [7]. The intergenerational influences of economic disparity retain the cycle of psychological health problems. Parents suffering from psychological health diseases may be less able to offer a steady and friendly context for their kids, who are more likely to meet similar difficulties during growth. This cycle is complex to end, with no extraordinary interventions designed to both alleviate poverty and increase access to psychological health resources.

Addressing the impact of economic disparities on psychological health requires a comprehensive public health approach that increases access to psychological health services for all socio-economic groups and integrates mental health care with other social supports. Policies must focus on improving the economic conditions that underpin these disparities, including improving education, housing and employment opportunities for low-income populations. Only a comprehensive approach can mitigate the profound impact of economic disparities on the health of vulnerable groups and lay the foundation for a healthy society with mental well-being for all.

4. Impact on Social Structure

Economic disparity stresses social frameworks, affecting social unity, influencing education and employment chances, and contributing to social differentiation and conflict. More considerable economic disparity produces less social cohesion and great social instability [8]. While creating complicated risks that can restrain social advancement, these effects increase community tensions.

4.1. Economic Inequality and Social Cohesion

Economic disparity is inversely associated with social cohesion. In societies where there is a wide gap between the rich and the poor, differences between different socio-economic groups can create invisible barriers that can ease ties within communities. This divide is often shown in decreased trust and collaboration among citizens, which are fundamental to civic involvement and the functioning of democracy. People from various economic contexts tend to build segregated communities, attend various schools, and have different access to healthcare, which further solidifies divisions.

4.2. Effects on Education, Employment Opportunities, and Social Mobility

Economic disparity greatly impacts access to quality education and employment chance, directly influencing social mobility. Kids from lower-income families often attend under-resourced schools with higher student-to-teacher proportions, fewer extracurricular activities, and less funding for educational materials. This educational difference restricts their growth and decreases their competitiveness in the job market compared with their peers from wealthier families. Besides, the networking chance often comes with higher socioeconomic status, which can further disadvantage those from lower-income backgrounds concerning job placements and career progress. Income volatility can affect social cohesion and personal involvement in the community, affecting overall

social steadiness [9]. The accumulative role of these differences perpetuates disparity across generations, with increasingly difficult social mobility.

4.3. Contribution to Social Division and Conflict

Economic inequality can result in increased social tensions and conflict. The perception or reality of being left out of financial increase can result in frustration and anger among underprivileged groups. This disillusionment can show in social tension and, under extreme circumstances, violent conflicts. History and modern analyses display more harmonious societies with smaller distances between the rich and the poor. On the contrary, those with great disparity are prone to cycles of social unrest. Economic disparity changes the basic concepts of equality and meritocracy, resulting in scepticism and cynicism towards governance and law, which can make the social order unsteady.

5. Recommendation for Addressing the Challenges

In order to relieve the adverse influences of economic disparity on the social framework, integrated policy interventions are required. Integrated policy methods are required to solve economic and psychological health aspects to build a steadier and more supportive social context [10].

In the end, the devotion to decreasing economic disparity should be woven into national policies and international collaboration. It is only through a sustained commitment to addressing the root causes and effects of this problem that societies can hope to achieve greater social cohesion and stability. This comprehensive approach addresses both the symptoms and the deeper causes of economic disparities, laying the foundation for a more equal and peaceful society.

Globalization may exacerbate social stratification, resulting in more obvious social divisions [11]; settling economic disparity is critical to building a fairer society, improving psychological health, and enhancing social cohesion.

5.1. Strategies for Reducing Disparities

To solve economic disparity, integrated methods that include fiscal, labor, and social policies are basic [12]. Wealth can be redistributed more equitably by progressive taxation systems, where higher income brackets are taxed at higher rates. This financial reallocation can fund Social programs that are basic in levelling the playing field for less advantaged populations.

5.2. Policy Interventions and Their Effects on Mental Health and Social Cohesion

Policies that enhance access to quality healthcare and education drive psychological health and societal steadiness. For example, affordable healthcare stops medical bankruptcy and decreases stress and anxiety related to healthcare-associated financial concerns. Besides, dimensions explain how economic inequality can influence social integration and the ability to usefully interact with one's environment [13]. Contributions to relieving economic disparity must be multifaceted and customized to the specific socioeconomic background of every region. Nevertheless, the critical theories of fair taxation, universal access to essential services, and safeguarding staff's rights are universally applicable. By investigating smooth case research and knowing the broad scope of available policy devices, governments can better design measures that decrease economic inequality, enhance psychological health, and strengthen social cohesion. Such efforts can help build more equal societies and lay the foundation for sustainable economic growth.

6. Conclusion

This study underscores the significant impact of economic disparity on psychological health and social structures, shedding light on how disparities in wealth distribution contribute to mental distress and social fragmentation. The findings emphasize the critical need for integrated policy interventions aimed at alleviating inequality. Addressing economic disparities is essential for enhancing societal well-being and fostering greater social unity. However, the research acknowledges its limitations, including the reliance on existing literature and the need for further empirical studies to explore the nuanced roles of inequality in various contexts. Future research should focus on longitudinal studies to better understand the long-term effects of economic disparities, providing insights for more targeted and effective policy solutions. This paper contributes to the ongoing debate on economic disparity by advocating a multifaceted approach to this complex issue and laying the groundwork for a more equitable and healthy society.

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