A Critique of Equity Theory

Although equity theorists differ in important ways, they share the view, espoused by Aristotle in his Nicomachean Ethics, that injustice is proportional. They hold in common the basic psychological assumption that people believe that, in a just distribution, rewards will be distributed among individuals in proportion to their contributions: people who contribute more to a relationship, or to a group, organization, or society should get proportionally more than those who contribute less. This assumption underlies the meritocratic ideology, derived from the Protestant ethic, which provides the value framework of Western capitalism. The slogan of this ideology, “to each according to his merit (contribution),” is the basic theme of equity theory.

In this chapter, I shall discuss primarily the work of Homans, Adams, and Walster, Berscheid, and Walster. Homans introduced the basic ideas of equity theory, Adams developed the ideas further and initiated innovative experimental research on them, and Walster, Berscheid, and Walster have systemized and extended equity theory with the aspiration of providing a general theory for social psychology.

GEORGE C. HOMANS

The concept of justice, in the form of distributive justice, first entered the literature of modern social psychology in the 1961 publication of G. C. Homans’s Social Behavior: Its Elementary Forms. Homans was concerned with justice, or rather injustice, in the distribution of rewards among individuals or groups. His basic ideas can be expressed as a set of interrelated propositions:

1. Distributive injustice occurs when a person does not get the amount of reward he expects in comparison with the reward some other person gets; the distribution of reward may result from direct exchange between the
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Homans (1974) has illustrated the workings of the rule of distributive justice in the relations between "cash posters" and "ledger clerks" in an accounting department he studied. The ledger clerks thought they were being treated unjustly in comparison to the cash posters. Although the ledger clerks liked their work and were satisfied with the absolute amount of their pay (in the sense that they acknowledged they could not get better pay for comparable jobs elsewhere in the city), they complained that they and the cash posters received the same pay even though they had more seniority and were the more "responsible" job. The ledger clerks were "superior" to the cash posters in investments ("seniority") and in costs (the concerns associated with doing a more responsible job) but only equal to them in pay. The fact that their relative rewards were out of line with their relative rank on the dimensions of investments and costs or contributions led them to feel relatively deprived, which in turn led them to seek a change in their pay and to complain to both management and their union. It was natural for the ledger clerks to compare themselves with the cash posters who were similar in important respects: not only were they in the same department doing interrelated work but also many of the clerks had formerly served as posters.

Homans introduced the rule of distributive justice to social psychology and illustrated its implications in a variety of social contexts. However, he did not attempt to extend his propositions or develop their implications in any systematic way nor did he formulate new lines of research based upon his propositions. These tasks were assumed by other equity theorists—most notably by Adams and by Walster, Berscheid, and Walster—who expanded the power of the ideas of equity theory by joining them with the ideas of the theory of cognitive dissonance.

J. STACY ADAMS

Adams (1963, 1965, 1968) employs the term inequity in the same way as Homans defines distributive injustice, and his usage gives currency to the phrase equity theory to characterize the ideas originally articulated by Homans and elaborated further by Adams. Inequity is used instead of injustice to avoid some of the connotations of justice and to emphasize equity theory's focus on exchange relations. Although employer-employee relations are extensively used by Adams in exposition of equity theory, he conceives its ideas to be applicable to social exchanges of all kinds—between teacher and student, parent and child, lovers, and even enemies.
Theory

and minus cost”) and input (I) for Homans’s terms of investments and contributions. Inequality exists between two persons, A and B, in an exchange if the ratios of outcomes to inputs for A and B are unequal:

\[
\frac{O_A}{I_A} > \frac{O_B}{I_B} \text{ or } \frac{O_A}{I_A} < \frac{O_B}{I_B}.
\]

Adams, like Homans, is dealing with perceived inequity as well as perceived outcomes and inputs rather than with “objective” reality as conceived by a competent, impartial observer. The perceptions of two parties to an exchange may not coincide. A and B may have quite different perceptions of the or more of the four components of the equity formula: \(O_A, I_A, O_B, I_B\). A may perceive his exchange as equitable while B does not, or vice versa.

The emphasis on perception leads Adams to distinguish between recognition and relevance. Do, for example, both the recipient and giver of an exchange recognize its existence? If A gives B respect, does B recognize that it is what is occurring? And if B recognizes it, does he consider it relevant to a relevant or appropriate outcome in the exchange between them? Perhaps wants more money rather than more respect from A, his boss. Similarly, cognizance and relevance apply to the perception of inputs or investments. In a given exchange, A may be unaware of the other’s, B’s, education, skills, expenses, training, seniority, age, social status, or effort which B is investing in the exchange even though B’s is very much cognizant of his investment. Even if A recognizes B’s attributes, he may not consider all of them to be relevant inputs to his exchange: B’s and A’s views of which of B’s attributes are relevant may differ. B may think that having obtained a Ph.D. history from Harvard entitles him to higher pay, whereas A may consider B’s attributes irrelevant to his work as a salesperson.

Although Adams views the principal inputs to social exchanges to be similar to the attributes Homans characterizes as investments, unlike Homans, Adams does not believe that people make their assessments of either inputs or outcomes only on ordinal scales—on scales limited to comparative judgments such as “more,” “equal,” or “less.” He believes that the work of Jacques, equitable payment (1961), indicates that people make more precise, quantitative judgments in assessing the equity of their wages.

Adams, like Homans, is not very specific in characterizing the different roles of inputs and of outcomes, nor does he specify the kinds of interrelationships that might exist, psychologically, among the different types of inputs or of outcomes or the expected relationships between specific inputs and specific outcomes. However, he makes the rather specific assumption that each of the varied, relevant outcomes an individual feels he receives in an exchange are weighted in importance by the individual and are summed to give the total outcome. Similarly, the total input an individual makes to a social interaction is assumed by Adams to be the sum of the weighted inputs that are viewed as relevant by the individual. Adams further goes on to state that the magnitude of the experienced inequity will be a monotoni-

cally increasing function of the perceived size of the discrepancy between the ratios of total outcomes to total inputs of the two parties in an exchange.

Like Homans, Adams suggests that the threshold for experiencing a discrepancy in ratios as inequitable may be higher when one is being advantaged rather than disadvantaged.

Adams’s definition of inequity and his statement of the antecedents of inequity are, he acknowledges, very much indebted to Homans’s theorizing about distributive justice. His discussion of the consequences of inequity, which goes beyond Homans’s discussion of these issues, is very much influenced by Festinger’s (1957) theory of cognitive dissonance. In inequity, in his view, has consequences that are similar to those of cognitive dissonance. As with dissonance, the presence of inequity in a person creates tension that is proportional to the magnitude of the inequity. And as with the tension aroused by dissonance, the tension aroused by inequity will motivate the person to eliminate or reduce it, the strength of this motivation being proportional to the tension.

Adams discusses a number of different modes of reducing the tension created by an experienced inequity which are potentially available to a person experiencing inequity. The psychological possibilities include: (1) action to alter the value of any of the four items in the equity formula (own outcome, own input, other’s outcome, or other’s input); (2) distorting one’s perceptions so as to alter the perceived value of any of the four items in the equity formula; (3) leaving the field by quitting the relationship (in employment situations this may be expressed in absenteeism or seeking a transfer); and (4) changing the object of one’s comparison so that one compares oneself with someone whose ratio of outcome to input is more similar to one’s own than is the case for the inequitable comparison. In his theoretical discussion, Adams (1963) considers the alternative of altering one’s own inputs (one of the four alternatives in the first category above) at greatest length, and his research on equity has been primarily concerned with this alternative.

Much research has been done by Adams and others to test the hypothesis that inequity will be reduced by altering one’s inputs. The most interesting of the experiments done by Adams and his coworkers (Adams and Rossbaum, 1962; Adams, 1963; Adams and Jacobson, 1964) were designed to test an implication of their hypothesis which predicts that someone who is overpaid by his employer will experience inequity and attempt to reduce it by increasing relevant inputs. In these experiments, students were hired to produce booklets, pages. In a high inequity condition, the students were induced to perceive that they were underpaid to earn the standard proofreader’s rate of pay but that they would, nevertheless, be hired and paid that rate. In low inequity, they were led to believe that they were only qualified to earn the standard rate. In reduced inequity, they were told they were underpaid and would be paid a reduced rate. In one experiment (Adams and Jacobson, 1964), the students were paid on a piece-rate basis; in earlier experiments (Adams and Rossbaum, 1962; Adams, 1963), the students were paid on an hourly basis.

The results were in line with the prediction. Subjects who were to be
overpaid (those in the high inequity condition) increased their inputs compared to the subjects who were to be equitably paid (those in the reduced or low inequity conditions). Those who were being paid by the piece increased the quality of their work (as measured by the average number of errors detected per page); those who were being paid by the hour increased the quantity of their work (as measured by the average number of pages proofed per hour). The overpaid subjects, in other words, reduced the inequity by increasing their relative inputs in the way that was available to them.

Subsequent research by other investigators provides strong evidence to support the prediction that those who experience an inequity because they are underpaid are likely to reduce their inputs (as reflected in the quantity and/or quality of their work) in order to reduce the inequity. The evidence does not consistently support the prediction that those who are overpaid will increase their inputs. This is not surprising since Adams and also Homans have indicated that those who are advantaged rather than deprived by an inequity will experience less pressure to reduce it.

Choice among modes of inequity reduction. Given the fact that a person has potentially available to him a number of different modes of reducing inequity (altering any of the four items in the equity formula, changing his cognition about any of the items, leaving the field, or changing his comparison), what determines which mode a person will employ? Adams sets forth a number of propositions about the determinants of such choices, which have been influenced by Steiner's work on alternative methods of dissonance reduction (Steiner, 1960; Steiner and Johnson, 1964; Steiner and Peters, 1958; Steiner and Rogers, 1963). His propositions are presented below, reworded to make them clearer.

A person will choose that mode of reducing inequity that:

1. Maximizes his positive outcomes
2. Minimizes the necessity of increasing any of his own inputs that are effortful or costly to change
3. Minimizes the necessity of real or cognitive changes in inputs or outcomes that are central to his self-concept or self-esteem
4. Enables him to change his cognition about the other rather than about himself
5. Minimizes the necessity to leave the field or to change the object of social comparison once it has become stabilized

The propositions are based on the notion of "economic man": people seek to maximize profits (rewards minus costs) and will choose the mode of reducing inequity that maximizes their expected profits. His propositions include the idea that it is less costly to change one's view of the other than oneself. They also include the thought that the costs of changing one's self-concepts are likely to be unacceptable costs as are the costs of leaving the field or changing one's object of self-comparison. It is not obvious that the latter costs will necessarily be so high as to usually preclude employment of these two modes of reducing inequity.

Adams, in presenting his version of equity theory, was well aware of its gaps and its unfinished quality. He pointed to the crudities of his propositions about the choice of mode of reduction of inequity; he indicated the need to know more about what determines with whom one will choose to compare oneself; and he stressed the need for psychometric research to determine how people actually aggregate their own as well as other's elemental outcomes and inputs. More recently, Adams and Freedman (1976) reviewed the current status of equity theory and pointed out additional areas requiring clarification. They indicate that the nature of the tension or "distress" of inequity is poorly understood; they suggest that the instrumental uses of creating inequity (for example, as a technique of social influence) should be studied; they propose that the complexities of moving from a situation of inequity to one of joint equity are poorly understood; and they stress that equity theory is a quantitative theory that has not yet developed methods of quantifying the key variables ("inputs," "outputs," "inequity tension") in the theory.

WALSTER, BERSCHEID, AND WALSTER

Adams's major contributions to the development of equity theory were to employ Festinger's theory of cognitive dissonance in characterizing the processes involved in reducing the tensions associated with perceived inequity and to initiate the experimental investigation of some of the implications of equity theory. Walster, Berscheid, and Walster have, more ambitiously, sought to systematize and to extend equity theory "in the hope of providing the glimmerings of the general theory that social psychologists so badly need" (1978, p. 2). Their version of equity theory, as they see it, "attempts to integrate the insights of reinforcement theory, cognitive consistency theory, psychoanalytic theory, and exchange theory." From a set of four interlocking propositions, which they consider to be the heart of their theory, they have developed a series of implications which they apply to the phenomena involved in exploiter-victim, helping, business, and intimate relationships.

The basic propositions of the theory are:

Proposition I: Individuals will try to maximize their outcomes (where outcomes equal rewards minus costs).

Proposition II: Groups can maximize collective reward by evolving accepted systems for "equitably" apportioning rewards and costs among members. Thus, members will evolve such systems of equity and will attempt to induce members to accept and adhere to these systems.

Groups will generally reward members who treat others equitably and generally punish (increase the costs for) members who treat others inequitably.

Proposition III: When individuals find themselves participating in inequitable relationships, they become distressed. The more inequitable the relationship, the more distress individuals feel.
Proposition IV: Individuals who discover they are in an inequitable relationship attempt to eliminate their distress by restoring equity. The greater the inequity that exists, the more distress they feel, and the harder they try to restore equity.

The propositions are grounded in a particular view of human nature and of human society. Proposition I, according to Walster et al., assumes explicitly that "man is selfish." Proposition II has condensed within it a theory of the origins of society and a theory of social control. It assumes that selfish individuals, who are in competition with one another for the "good things in life," will collectively as a group, seek to maximize their total reward as a collective. It further assumes that these selfish individuals will be able to organize a society and agree upon the principles of equity as a basis for oppressing rewards and costs among themselves because they believe that the principle of equity, when it is applied, (1) will stimulate these selfish individuals to act in a way that will maximize their collective outcome and (2) will also motivate them to act equitably toward one another. In other words, the assumptions underlying the first two propositions are that men are intrinsically selfish but rational and that they have employed their rationality to create external rearrangements, a society with enforceable rules of equity, which curb the expression of their selfish tendencies in order to maximize the collective good.

Like Homans and Adams, Walster et al. define equity in terms of proportionality, but their formula is slightly different than the one articulated previously. In their definition, equity exists when:

\[
\frac{O_i - I_i}{K_i} = \frac{O_j - I_j}{K_j}
\]

where \(O\) refers to outcome, \(I\) to input, \(K\) refers to the absolute value of the input, disregarding its sign; the exponent, \(j\), takes on the value of +1 or -1, depending on whether the product of \(I\) times \((O - I)\) has a plus or minus sign. Their formula has advantages over the simpler formula of Adams when the input of either \(A\) or \(B\) is negative.\(^4\)

The inputs that a participant contributes to a relationship can be either assets, entitling him to rewards, or liabilities, entitling him to costs. Outcomes are defined as the positive and negative consequences (rewards and costs) that a participant is perceived to have received in the course of his relationship with another. Like Adams, Walster et al. emphasize that equity or inequity is in the eye of the perceiver; it is the perceiver who identifies and evaluates outcomes and inputs and makes the calculations necessary to conclude that the relationship between \(A\) and \(B\) is or is not equitable. Two persons viewing the same relationship may, of course, perceive it differently.\(^5\)

Let us look at some of the implications of the four basic propositions of the Walster et al. theory. The first proposition indicates that a person who expects to advantage himself by behaving inequitably toward another will do so. That is, he will do so if he thinks he can get away with it. man is amoral but rational. The second proposition suggests that most people in most circumstances will think they can't get away with it, believing that they will be caught and punished if they try to take advantage of another. With the threat of punishment for inequitable behavior and for reward for behaving equitably, the person will usually perceive that he can maximize his total self-interest by resisting the temptation to get more than his due. But there may be occasions when such temptation is not deterred because the potential punishments or rewards are not sufficiently strong or salient; on such occasions, an inequity will occur. Or the inequity may be accidental rather than intended. What happens once an inequity occurs? According to the third proposition, the inequity will (to the extent that it is perceived) produce distress, as a function of its magnitude, in both the person who has been disadvantaged and the one who has been advantaged. And the fourth proposition indicates that the distress of perceived inequity will motivate those who experience it to try to restore equity: the more distress they feel, the harder they will try. Most of the Walster et al. theory is concerned with the implications of their third and fourth propositions, particularly the latter.

There is considerable amount of evidence that is consistent with the third proposition. Much of it is of an indirect kind: research indicates that people act to restore equity in an inequitable relationship, and it is inferred that these actions must be motivated by the distress they experience because of the inequity. Much of the evidence is anecdotal and based on personal observation. Many of us can remember experiences in which we felt we were unfairly treated and reacted with indignation, anger, resentment, hurt, or some other emotion that might be labeled as distressing. Similarly, many of us can remember situations in which we felt we were unfairly advantaged and reacted with such distressing emotions as fear of retaliation, guilt, shame, or embarrassment.

The direct research evidence about distress in response to inequity is sparse, as Adams and Freedman (1976) have indicated. Studies by Thibaut (1950), Homans (1951), and Ross, Thibaut, and Kunda (1974) have demonstrated that those who feel that they get less than they deserve often get angry. Austin and Walster (1974) showed that students who were compensated more or less than they were told they would be for participation in an experiment indicated less favorable mood on the Mood Adjective Check List.

\(^4\) There are almost an infinite variety of combinations when considering how \(A\) and \(B\) perceive their relationship. Their exceptions may differ with regard to recognizing one of the same elements that go into \(O\), \(I\), or \(K\), or they may differ in how they are evaluated in magnitude, and whether it is positive or negative. They may differ in whether compensation among them is possible or not, or not recognize correctly whether they differ or how they differ, so on.
and more dissatisfaction with how they were paid than subjects who were paid what they were led to expect, those who received less than they expected were more distressed than those who received more than they expected.

Walster et al. identify two types of distress that the advantaged person may feel in an inequitable relationship: retaliation distress (fear of retaliation) and self-concept distress (loss of self-esteem). They do not specifically label the types of distress that will be experienced by a victim, but presumably it will be anger or resentment or some variant of these emotions. As has been indicated above, the research on equity theory has not yet provided much characterization of the types of distress that occur in inequitable relationships and what, for example, gives rise to retaliation distress rather than self-contempt distress or what evokes resentment rather than anger. Distress, as Adams and Freedman (1976) have pointed out, has been most frequently used as a hypothetical construct linking “the perception of participating in an inequitable relationship” with the “tendency to restore equity” rather than as an intervening variable that is reflected directly in observable phenomena. The need to reduce distress, in other words, is postulated to produce the driving force to restore equity; distress is evidenced, indirectly, in the processes involved in reducing inequity. Thus, support for the Walster et al. third proposition has largely come indirectly from the research evidence supporting their fourth proposition.

The fourth proposition and its derivatives have been the source of much research. The interesting derivations come from two related ideas. The first idea, which Adams had developed earlier in his supplementations of equity theory with dissonance theory, is that the distress of inequity can be reduced through the restoration of either actual equity or psychological equity: one can change the reality that is distressing or one can change one’s perceptions of the reality so that it is no longer viewed as having the characteristics that evoke distress. The second interesting idea is contained in the Walster et al. elaboration of the notion that the choice of mode of restoring equity will be determined by economic (cost-benefit) considerations; namely, the adequacy of an equity-restoring technique in completely restoring actual equity (or the credibility of a technique of justification in restoring psychological equity) will be a factor influencing whether or not the technique is chosen. We shall see below that these ideas have some surprising implications.

In presenting the evidence relating to their fourth proposition, Walster et al. describe various types of equity-restoring responses that are available to those who are advantaged by an inequity (“explorers”) and those who are disadvantaged (“exploited”) and provide research evidence illustrating their usage. Walster et al. employ the terms explorer and harmdoer for the person who is relatively advantaged by an inequity; they employ the terms exploited and victim for those who are disadvantaged. Their terminology shall be used even though the implicit moral judgments may be inappropriate at times.

Relieving the Distress of the Explorer: (A) Restoration of Actual Equity

1. Compensation of the victim. The explorer may increase the victim’s outcomes or enable the victim to reduce his inputs. An experiment by Brock and Becker (1967) is cited as an illustration. In this experiment, the subject was given the opportunity to damage the apparatus being used in the next experiment; half of the subjects were led to believe that the damage was extensive and half that it did not amount to much. As the distressed subject was leaving the experimental laboratory, the experimenter asked the subject to do him a favor by signing a petition endorsing the doubling of student tuition at the university in order to improve its faculty and its physical condition. Few of the students who thought they had done slight damage were willing to sign the petition; in contrast, over half of those who thought they had done severe damage signed it.

2. Self-deprivation. An explorer can renounce his undeserved outcomes or he can volunteer additional inputs. The clinical literature indicates that people will sometimes punish themselves or seek punishment from others to reduce their guilt. Walster et al. cite an experiment by Wallington (1974) as an illustration. She led some high school boys to cheat on a test and then, when they were allowed to try a few electric shocks to see how they felt, studied how much shock they administered to themselves. She compared students who were led to cheat with students who were not led to cheat on the test; the former exhibited greater self-aggression than the latter.

3. Retaliation. A victim may get even with a harmdoer by retaliating, and the harmdoer’s distress at his harmdoing will be alleviated if “the punishment fits the crime.” If the punishment is excessive, the harmdoer will feel exploited; if it is inadequate, it will not restore equity and the harmdoer will have to resort to other techniques to relieve his distress. Herschfeld et al. (1968) employed high school students to work as experimenters; it was their job to severely shock a fellow student, presumably to find out how he would respond to shock. Some of the experimenters knew that they administered the shock that the victim would not be able to retaliate, whereas others knew that the victim would be allowed to retaliate. As expected, students designated the victim only when he could not retaliate. Walster et al. suggest that the timing of the retaliation may be an important determinant of the harmdoer’s reaction to it. If the victim has already been designated by the harmdoer and then retaliation occurs, the retaliatory action may be considered as being unwarranted and even worse.

Relieving the Distress of the Explorer: (B) Restoration of Psychological Equity

Instead of restoration of actual equity, an explorer may relieve his distress by restoring psychological equity. He can convince himself that the inequitable...

5. Unbeknownst to the student experimenters, they were not really administering shock, even though they thought they were. This is almost always the case when subjects are presumably administering shock or some other noxious stimulus to another person.
relationship is in fact equitable. He can do this by reducing his own perceived outcomes ("I did not get as much as it seems"), increasing his own perceived inputs ("I did more than it seems"), increasing the perceived outcomes of the other ("the guy gets more than he appears"), or reducing the perceived inputs of the other ("he did not do as much as it seems"). Walster et al. cite research illustrating how harmdoers will blame their victims, or minimize the victims’ suffering, or deny their own responsibility for the harming. Thus, Sykes and Matza (1957) found that juvenile delinquents will defend their victimization of others by arguing that their victims are homosexuals or bums or possess other traits deserving of punishment; the delinquents will consistently underestimate how much harm they have done; or they will deny their responsibility for the harming. Experimental research, similarly, has demonstrated that students who were asked to humiliate other students ended up concomitantly themselves as they deserved to be humiliated (Davis and Jones, 1960), or that the electric shock they administered to other students was not so painful (Brock and Buss, 1962), or that they were not responsible for the pain that the others experienced.

Walster et al. discuss "apology" as a mixed case. It can be an attempt to restore actual equity by humbling oneself before the victim; it may attempt to restore psychological equity by denying responsibility for the harmful act ("it was an accident," "I was forced to do it"); or it may be an appeal to "forgive and forget" the inequity so that the relationship can begin anew since the original inequity cannot be undone.

The Choice of Technique to Restore Equity

Of the many ways of restoring equity available to an exploiter, what determines which he will choose? Walster et al. conclude that exploiters tend to use either justification techniques (restoration of psychological equity) or compensation techniques (restoration of actual equity) to restore equity rather than some combination of the two. They cite two studies (Walster and Prentkold, 1966; Lincoln and Levinger, 1972) in support of this conclusion: in both studies, helping the victim was negatively correlated with derogating him. However, it is by no means self-evident that the conclusion is universally valid. The reader may be able to recall accidents in which the harmdoer is ready both to offer the victim some small compensation for his loss and to minimize the harm that has been done.

Walster et al. offer two corollaries (the first is to their fourth proposition, the second to their first one) as a basis for predicting which technique will be chosen to restore equity:

Corollary 1: Other things being equal, the more adequate an exploiter perceives an available equity-restoring technique to be, the more likely he is to use this technique to restore equity.

Corollary 2: Other things being equal, the less costly an exploiter perceives an available equity-restoring technique to be, the more likely he is to use this technique to restore equity.

The "adequacy" of a technique is defined as the extent to which it will exactly restore equity.

Berscheid and Walster (1967) conducted an ingenious experiment whose results provide support for the adequacy corollary. In their experiment, women from various church groups were led to cheat fellow parishioners out of trading stamps in a vain attempt to win additional stamps for themselves. When the women were later given the chance to compensate the victims (at no cost to themselves), it was found that the adequacy of compensation was a critical determinant of whether or not they chose to compensate. Women who could exactly restore the number of books their partners had lost were much more likely to make restitution than women who could offer only an insufficient compensation of a few stamps or the excessive compensation of great many stamp books. From this experiment, Walster et al. draw the provocative conclusion that a victimized group, such as blacks in the United States, is more apt to get some compensation for the wrongs it has suffered if its demands for compensation are small enough so that an adequate, rather than insufficient, compensation can be made in response to the demand. They do not consider the possibility that the victim might not feel satisfied with the compensation that the victimizer considers to be adequate.

Justifications," if they are to restore psychological equity, must also meet the criterion of adequacy: they must neither understate nor overstate the exploitation. In addition, the justification must be credible. A justification is more likely to be credible if it is not exposed to a contradicting reality. The lack of contradiction may occur because the justification is consistent with reality or because the reality and the justification are not in contact with each other. Thus, it is more difficult for an exploiter to come up with a credible justification that distorts the victim's characteristics if he has repeated contact with him. Research by Davis and Jones (1960) and Ross (1963) indicate, for example, that it is easier for subjects to derogate someone they have ridiculed or electrically shocked if they do not expect to see the victim again. Walster et al. draw the conclusion that the geographical and social segregation of exploited groups enable the exploiters to reduce their guilt through justifications that are not subject to challenge through direct contact with the exploited.

The second corollary, which indicates that cost considerations will affect the choice of technique to restore equity, suggests that self-punishment, compensation, and other costly techniques are less likely to be chosen by an exploiter or harmdoer than justification techniques if these have any credibility. One might also infer from this corollary that the victim is more likely to demand compensation than the victimizer is likely to grant it. This inference also follows from a derivation that Walster et al. state from their first three propositions, and it is, of course, similar to a proposition offered by both Homans and Adams: a participant will be more distressed by inequity when he is a victim than when he is a harmdoer. This derivation implies, in conjunction with their fourth proposition, that victims will try harder to restore equity than harmdoers. There is, in fact, much more research evidence to indicate that those who are relatively disadvantaged by an inequity will seek
is not successful, to force a harmdoer to make restitution to his victim, with punishment as an alternative if restitution does not occur. They cite research by Berkowitz and Daniels (1963) and Berkowitz and Conner (1966) to illustrate the point that observers will sometimes, if necessary, help to restore equity through their own contributions. This research indicates that students will work hard to help a fellow student get the rewards he deserves even when there is little chance that anyone will ever realize that they were the ones who helped.

When actual equity cannot be restored, Walster et al. suggest that the observers will restore equity psychologically. As Kerr (1971) has pointed out, people are motivated to believe in a just world. When existing wrongs cannot be righted in activity, people will tend to right them psychologically; people who are harmed somehow deserve to suffer; people who are relatively advantaged somehow are entitled to their gains.

**Equity Theory and Intimate Relations**

Although many theorists (for example, Fromm, 1956; Ruben, 1973) would assert that marital and romantic relationships are not appropriately viewed as exchange relations in which traditional considerations of equity are applicable, Walster et al. contend that equity considerations do apply in intimate relationships. They propose that important characteristics of mate selection, the quality of the relationship that develops between a couple, the amount of happiness experienced in the relationship, and the stability of the relationship are understandable in terms of equity theory.

**Mate selection.** Various equity theorists have proposed a matching hypothesis that suggests: (1) the more socially desirable an individual is (the more physically attractive, personable, famous, or rich), the more socially desirable the person will expect a suitable romantic partner to be; and (2) couples who are similar in social desirability will more often remain together for a longer period of time and later be better than those with similar characteristics. This hypothesis has stimulated a good deal of research. In one study (Walster et al., 1966), college freshmen were invited to attend a “computer dance.” Each freshman’s physical attractiveness was rated by four students. It was hypothesized, and the results confirmed, that students would expect to be assigned a computer date who was similar in attractiveness to themselves. Students were actually assigned randomly to their dates, and it was predicted that the students who were, by chance, matched with dates of similar attractiveness would be more satisfied with their dates than those matched with dates who were rated as far superior or inferior to themselves. The results did not confirm the prediction; it was found that the more physically attractive the date, the more the person was liked.

Kiesler and Batal (1970), however, found indirect support for the matching hypothesis in an experiment in which male students were led to experience success (“high self-esteem”) or failure (“low self-esteem”; or a
new intelligence test and then, in another context, were introduced to a girl (a confederate of the experimenters) who was dressed and made-up to appear "attractive" or "unattractive." The results, as predicted, indicated that the high self-esteem subjects were more attracted to the attractive confederate; the low self-esteem subjects were more attracted to the unattractive confederate.

Berscheid et al. (1974) have proposed that if persons have vastly "superior" inputs to their partners in one sphere, they could use that to attract and keep partners who contributed more than their share in other spheres. Using a questionnaire filled out by 6,200 Psychology Today readers on their current dating, mating, or marital relations, they classified respondents in terms of whether they considered themselves to be more, equally, or less physically attractive than their partners. As predicted, they found that the more attractive a person considers himself to be compared to his partner, the richer, the more loving, and the more self-sacrificing the partner was described as being compared to the respondent.

On the basis of the preceding sort of evidence, Walster et al. conclude that although individuals may prefer romantic partners who are more desirable than themselves, they tend to end up choosing partners of approximately their own social worth. Thus, most couples start off in relationships that they perceive to be equitable. In the course of a marriage, however, the marital balance may shift so that an originally matched couple may become mismatched. They hypothesize that mismatched relationships are unhappy relationships and summarize a variety of evidence that is consistent with this hypothesis. Nevertheless, they go on to suggest that when an imbalance occurs in a marriage, both the "superior" and "inferior" partners will make readjustments in the attempt to restore actual or psychological equity to the relationship. They hypothesize, however, that the "inferior" partner will have to try harder (recalling the advertising slogan, "if you are number 2, you have to try harder").

The "inferior" partner will offer more to the other (for example, by seeking to appear more attractive, more charming, more affectionate, or more agreeable) or will sacrifice more (by doing more of the unpleasant chores or assuming more of the costs of the relationship). The "superior" partner will offer less to the other by being less careful about appearance, by being more demanding, less agreeable, or less generous) or will sacrifice less (by assuming fewer responsibilities, or by doing less of the chores). If actual or psychological equity cannot be restored, the continuing distress produced by the imbalance may lead to an actual or psychological severing of the relationship. Walster et al. were unable to find much research data that were directly relevant to their ideas about the effects of imbalance in intimate relationships.

A recent study by Lupiansky and Mikula (1983) of dating relationships concludes that "neither the quality nor the stability of relationships could be predicted on the basis of the equity indices" (that is, on the basis of various measures of the perceived equitableness of the relationship). The researchers also found that the different measures of the perceived equitableness of the relationship did not correlate strongly with one another, so that the validity of the measures is called into question.

CRITIQUE OF EQUITY THEORY

Equity theory has been applied to a wide range of phenomena. As recently formulated by Walster, Berscheid, and Walster (1978), it has relevance to the intimate relationships of lovers as well as to the more formal relations involved in impersonal business exchanges. Walster et al. have applied equity theory to the reactions of bystanders in emergencies, to helping relationships, and to the decision made by jurors and judges in the courtroom. The scope of equity theory is truly impressive—as is the ingenious experimentation it has stimulating. Nevertheless, equity theory has many crucial weaknesses.

Some of the weaknesses it shares with other theories in social psychology for one, equity theory is a quantitative theory only in appearance, not in reality. It assumes a common currency underlying diverse rewards and costs, which permits addition, subtraction, and division. Such a psychological currency, of course, has not yet been identified, and it is still an unsolved problem of how to add such rewards as a good dinner, a mediocre concert, and a kiss. Until such problems are solved, the equity formula is not so much a symbol of mathematics as a symbol of scientific aspiration. A second problem that equity theory shares with other social psychological theories is the nature of the evidence it has generated. The experimental evidence for equity theory has been illustrative rather than demonstrative. It has shown what could happen rather than what must happen. Too often what could happen does not happen and after-the-fact explanations must be generated to explain what has occurred. Third, like most theories in social psychology, the basic concepts of equity theory—"outcomes" and "inputs"—are deceptively vague. It is hard to know what decides whether something will be viewed as an input or an outcome, and the theory does not specify from whose perspective the perceiver is evaluating inputs and outcomes—from his own or from the other person's perspective. That is, is the perceiver saying "how would I feel if I were the other person" or "how does the other person feel?"

These sorts of problems are by no means unique to equity theory; like most theories in social psychology, it is an incomplete theory and has the vulnerabilities intrinsic to incompleteness. My objections to equity theory, however, center not so much on its incompleteness but rather on several other concerns: the nonstrategic characterization of the relationship between the parties in an exchange relationship; its motivational and cognitive assumptions; and the conception of justice that is implicit in the equity formulation.

The nonstrategic characterization of the relationship between parties in an exchange relationship. Perhaps the most serious criticism that can be leveled at equity theory is that it ignores the interactional aspects of the exchange relationship. Equity theory focuses on what goes on in the isolated head of one or the other of the participants in the relationship or in observer
of the relationship. It neglects the possibility that each person’s thoughts and behavior in the relationship are very much influenced by his recognition that the other is thinking about and acting in reference to him. Each person is not only concerned with what is going on inside his own head but also with what is going on in the other’s head, and each is trying to influence the other’s thoughts and actions.

Consider, for example, two people in an exchange relationship who are selfishly motivated, as conceived by Walster et al. In such a situation, each will want the relationship to be relatively advantageous to himself and will want the relationship to be perceived by the other as equitable. Each will maneuver strategically to affect the other’s conception of the factors determining the values of the key components of the equity formula: own and, other’s inputs and outcomes. Under the constraint of coming to a mutual agreement that the exchange relationship is an equitable one, the participants will be seeking to negotiate not only the objective value but also the perceived value of the various components of the equity formula.

The equity theorists, in ignoring the interactional character of the exchange relationship, have neglected the negotiating, or bargaining, aspects involved in the participants’ coming to a mutually acceptable definition of equity. This is a strange omission for social psychological theorists to make. It neglects the basic social psychological processes of interaction involved in arriving at an equitable exchange. This neglect fosters the one-sided emphasis on the socially isolated, intrapsychic processes in the individual participant.

The bargaining relationship that is involved in establishing an equitable exchange will, of course, be very much determined by the orientation of the participants (see Deutsch, 1973, and chapters 5 and 9). If their orientations are selfish, as some of the equity theorists posit, then the bargaining is likely to be oriented toward self-advantage and tactics of fraud and deception, and attitudes of suspicion are apt to characterize the communication processes. On the other hand, if the participants in an exchange have a cooperative orientation to each other, the bargaining may have a rather different character: communication may be open and honest and trusting attitudes may prevail.

The motivational assumptions implicit in equity theory. Equity theory (particularly in the Walster, Berscheid, and Walster version) implicitly makes several motivational assumptions that need closer examination. First, humans are “maximizers” and “selfish”; second, they are primarily motivated by extrinsic rewards; third, the interactive relationship between the nature of the individual’s motives and the nature of the extrinsic rewards can be ignored; and fourth, an individual’s motivation to contribute to a group’s outcome will be greater if his share of the outcome is proportional to his contributions than if all contributions share the outcome equally. Each of these assumptions is challenged by a considerable body of research evidence.

The first proposition of Walster, Berscheid, and Walster’s version of equity theory states that individuals will try to maximize their outcomes (where outcomes equal rewards minus costs). It is evident that the proposition has no clear meaning if it does not specify the time span in which maximization is to occur. Does one maximize outcomes for every action, or for the actions related to one objective, or for the actions related to one relationship or to the outcomes of a given day, a given year, a lifetime? The proposition is meant to refer to subjective rather than objective outcomes. But it is apparent that often, subjectively, “enough is enough” and that there can be “too much of a good thing.” People can reject more of a good thing (such as an external reward like food, money, affection, esteem, goods, or services) because having more than enough does not increase their sense of well-being or may even decrease it. Or they may reject more of a good thing because they do not want to get accustomed to a level of pleasure or satisfaction they feel cannot be sustained in the future. Thus, it is apparent that individuals do not necessarily, always, try to maximize their objective outcomes or even their momentary subjective pleasures.

In what sense, then, are people maximizers? Only in the tautological sense that if an individual chooses one alternative rather than others, it is assumed that he must consider the chosen one to be the best of the available alternatives. What determines what a person considers when he evaluates various alternatives is an empirical question; by definition, the alternative chosen by the individual is the one he considers to be the best to achieve his ends. He may not be correct, and he, himself, may even think it is self-destructive to do what he is doing, for example, to continue smoking despite his awareness of its harmful effects; but, by definition, smoking must have more positive appeal than not smoking if he continues to smoke. If the bases of the appeal are not obvious, then one must search for them.

The maximization assumption in Walster et al.’s version of equity theory, although not a testable proposition, does serve a heuristic purpose—to account for results that are inconsistent with their empirically testable propositions, Propositions III and IV. The maximization assumption is a rather indirect way of expressing the truth that Wook (1966) has stated: “Men does not live by equity alone.” People have other motives besides the justice motive, and sometimes these other motives give rise to feelings and behavior that are in contradiction to those that would arise purely from equity considerations.

In connection with their first proposition, Walster et al. make the unnecessary assertion that “man is selfish.” Here, I believe they are expressing a common confusion. Man is selfish only in the tautological sense that all behavior of the self is defined as motivated by the self. People may be motivated to seek the well-being and happiness of others as well as their own; some may even sacrifice their own well-being to protect the well-being of others. Walster et al.’s third proposition is, in fact, inconsistent with their statement that man is selfish. Proposition III builds “morality” into the postulated amoral man of their first proposition; purely “selfish” behavior at the expense of another is not free of internal cost (distress) and the more inequitable one’s behavior is toward another, the more distress an individual will
The view that "man is selfish" often also assumes that "man is lazy" and that he has to be motivated by extrinsic rewards. Presumably, he is too lazy or self-centered to want to work or to do things that are helpful to others; hence, he needs external outcomes to motivate his contributions. However, a growing body of research (see chapter 13 and also Lepper and Greene, 1978) demonstrates that extrinsic rewards may impede the sustained motivation to engage in an activity even though such rewards may temporarily foster the activity while they are present as an incentive. In other words, research shows that the intrinsic motivation to engage in an activity may be lowered by offering external rewards for the activity; the external reward demotes the activity or makes it seem less valuable in its own right.

I have pointed out earlier that the concept of outcome assumes a common currency to which different types of outcomes can be reduced. The proportionality thesis of equity theory similarly assumes that it makes no difference what type of outcome is matched with what type of input, or, it makes no difference how one is rewarded, what counts is how much one is rewarded. Fox and Fox (1974) have done extensive research which indicates that the qualities of inputs and outcomes must have a high degree of correspondence if an exchange is to be considered a satisfactory one. If one contributes a great deal of time and energy to the care of a sick friend, payment in money rather than in affection or esteem is likely to be viewed as a demeaning outcome.

Implicit in equity theory is the assumption that groups will be more productive if group members are rewarded in proportion to their contributions. It is posited that equitable rewards will increase productivity by delivering high rewards to good performers and low rewards to poor performers. While it is apparent that groups will be more productive if those who perform well are encouraged to be active and those who perform poorly are discouraged, it is by no means self-evident that it is necessary to use a system of rewarding people in proportion to their contributions to achieve these objectives. Considerable evidence from research reported in part II of this book indicates that work groups who share their rewards equally may be more productive than work groups whose members are individually rewarded in terms of their relative contribution to the group's product.

The cognitive assumptions implicit in equity theory. Although the equity theorists are not explicit about their cognitive assumptions, their basic model appears to be that of a rational, economic man who has sufficiently accurate knowledge of himself and the others with whom he is engaged in an exchange relationship, so that he can correctly appraise his own and the others' interests and contributions to their relationship. His knowledge must be not only reasonably valid but also reasonably precise if he is to make any useful assessment of whether he and the others involved in the exchange are each obtaining outcomes from the exchange that are proportional to their relative contributions. Superimposed on this rational model of coming to an equity judgment is a second rational model of how the individual will reduce the distress of experienced inequity: namely, by choosing the mode of response that has the highest expected utility in reducing the distress.

Despite its widespread acceptance in economic theory, the model of rational, economic man is clearly deficient. Human rationality is adversely affected by limitations in human cognitive capabilities—for example, most people cannot perform implicitly or explicitly the calculations that equity theory assumes they make in order to form an equity judgment. In addition, there is considerable evidence that rationality is limited and distorted by characteristic human biases in decision making (Slote, Fishoff, and Lichtenstein, 1977; Nisbett and Ross, 1980; and Kahneman, Slovic, and Tversky, 1982).

Although equity theory assumes more human cognitive capacity than appears warranted, it seems to have too simple a view of the cognitive processes involved in assessing equity and in relieving the distress of inequity. As Ulrich and Kidder (1980) and Cohen (1982) point out, the cognitive processes involved in the attributions of cause and responsibility are central to understanding the conditions under which an exchange will be experienced as inequitable as well as understanding the conditions under which the distress of inequity will be reduced. Yet equity theorists have paid little attention to such processes. For insightful discussions of attribution processes as they relate to the perception of injustice, see the papers by Ulrich and Kidder and by Cohen.

The conception of justice implicit in equity theory. Equity theory assumes that the universal value underlying systems of distributive justice is that people believe that outcomes should be distributed among individuals in proportion to their inputs or contributions. Various other social psychological theorists (Sampson, 1969, 1975; Lerner, 1974, 1975; Lerner, Miller, and Holmes, 1976; Leventhal, 1976a, 1976b; Deutsch, 1974; Mokra and Schwarz, 1978) have indicated that equity is only one of many values that underlie systems of distributive justice. Sampson (1975, 1980, 1981, 1983) for example, has discussed the equity norm in a historical framework and stresses that the implicit character or model of human functioning that is required by equity theory may be dominant only for a particular social-historical period and for a particular social class (the upper middle class) during that period. He suggests that the emphasis on equity reflects a particular historical and cultural pattern that presently dominates Western civilization, in particular the United States, with its capitalistic economic system. He argues that the capitalistic system fosters such values as agency (instrumentalism, individualism, and competition) which are conducive to an equity principle of justice.

Elsewhere (Deutsch, 1975, and subsequent chapters in this book), I have...
suggested that "need" may be the predominant value of distributive justice in the family or other caring institutions, that "equality" may be the predominant value in friendships and other solidarity relationships, and that "winner-takes-all" may be the key value in competitive relationships. I have also hypothesized that "equity" tends to be the predominant value in impersonal, economic relations. I have further suggested that, as more and more social life comes under the sway of economic values in the large-scale industrial societies, equity as a value becomes more and more applicable to noneconomic relations. Although the process of casting diverse social relations into an economic mold has gone quite far, it is a scientific error to believe that economic values have always pervaded social relations and that they characterize all social relations now.

It is only by stretching the concept of equity beyond recognizable and reasonable bounds that equity can be considered to be the value underlying the allocation of resources within a family—as, for example, when a family spends a disproportionate share of its resources on an ill child. One can stretch equity theory by asserting the inputs of all family members are equal because they are all, equally, family members and the outcome of the ill child is low because of his illness; hence to raise his outcome he deserves more resources than the others. This kind of ad hoc stretching of the terms input and outcome make them completely devoid of meaning. Beyond that, however, it assumes that the family members are making the sort of economic calculations presupposed by the theory and that they view the family relations as similar to a market exchange. Although there can be heuristic value even in inappropriate images or analogies, the danger of conceiving of personal relations in terms appropriate to marketplace exchanges is that it hastens the depersonalization of personal relations by fostering the intrusion of economic values into such relations.

CONCLUDING COMMENT

I have presented this detailed exposition and critique of equity theory because of its importance; not only has it had a major influence in social psychology but it reflects the dominant ideology with regard to distributive justice in Western society. It was the clear starting point of theorizing and research in the social psychology of justice and has been a dominant influence on work in this area. Although it has been much criticized in recent years, it is appropriate to recognize its extraordinary cumulative value to research and the unusual research creativity of its adherents. As a reflection of the dominant ideology in Western society, it warrants detailed examination.