

# Shame about poverty often increases poverty

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Shame is more common among people who have financial difficulties and is often accompanied by behavior that actually can perpetuate poverty. For example, money is spent on status symbols instead of basic necessities, and people have less social contact. And so a vicious circle of poverty ensues. This is discussed in the research of Arnooud Plantinga

for his dissertation "Poor Psychology: Poverty, Shame, and Decision Making," which he defended on Friday February 1 at Tilburg University.

Being poor means more than not having enough money. Poverty influences what people do, think and feel. Limited research has been conducted into the emotional aspects and effects of poverty. The role of shame is particularly underexposed. Plantinga is changing all of that.

## **Negative emotions**

Among Dutch individuals aged between 18 and 65, about one in seven indicate being ashamed of their financial situation. Shame is a strong negative emotion that is often accompanied by negative psychological effects such as stress, brooding, and a diminished sense of being control. People who are ashamed also have fewer social contacts. An analysis of data collected over a nine-year period shows that financial problems and loneliness feed on each other.

## **Other choices**

The [doctoral candidate](#) tested whether people with low incomes make different financial choices than people with high incomes. And it turns out they do. People give in relatively more to status consumption, which does not improve the [financial situation](#) – on the contrary, it worsens it – plus bills are not paid on time and debt accumulates. Because you can spend a euro only once.

## **Opportunity costs**

This brings Plantinga to what are known as opportunity costs. When you buy a new bike, you can no longer run errands with that money. Previous research predicted that people with low incomes think more often about

such opportunity costs, precisely because they have less money to spend. However, in five experiments Plantinga found that both rich and [poor people](#) didn't worry much about such costs.

Arnoud Plantinga will defend his dissertation "Poor psychology: Poverty, Shame, and Decision Making" on Friday February 1, 2019 at Tilburg University.

Provided by Tilburg University

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