

Does economic inequality affect well-being and mental health?

A counterintuitive answer from a global study

By Timothy Taylor (edited for didactic purposes)

1. It has become a nearly standard claim that economic inequality makes people feel worse-off, or perhaps even leads to mental illness. However, Nicolas Sommet et al. did a meta-analysis of the available studies. For this, they went back and looked at the underlying data, methods, and findings of the available studies. They state their findings bluntly in the title: <i>No meta-analytical effect of economic inequality on well-being or mental health</i> (Nature, published November 26, 2025).	What do people usually think inequality does to how people feel about their lives? What does this new meta-analysis say instead?
2. Many studies show that people with lower incomes report lower subjective well-being, but this does <i>not</i> tell us whether income inequality itself affects well-being. Most existing evidence is based on surveys in which individuals rate their own well-being (for example on a 1–7 scale). These data capture an association between individual income and well-being, but they do not answer the relevant question of whether differences in income <i>between people</i> have an independent effect on well-being.	Does existing evidence show that income inequality affects people’s well-being?
3. The more relevant comparison, however, is this: imagine that you are in a society where inequality rises over time. Does the reported well-being of those at the lower end decline as inequality rises? Or imagine that you are comparing between people in different societies, some with greater inequality than others. Do those with lower income levels who also live in higher-inequality societies consistently report a lower level of well-being, compared with those with lower income levels who live in lower-inequality societies?	What is the key comparison needed to test the effect of inequality?
4. Existing studies had several limitations. They mostly looked at a small number of countries, regions or cities, making their results sensitive to random variations and hard to replicate. Researchers have tried to address this limitation with meta-analyses (methods that combine findings across studies), but earlier efforts included only 9–24 studies and rarely examined for whom and when inequality might affect well-being and mental health.	What limitations did earlier studies have?

<p>5. This meta-analysis has a broader scope. To review the relationship between economic inequality and well-being or mental health, the authors of this study screened thousands of scientific papers and contacted hundreds of researchers to identify all work on the subject. They included 168 studies, involving a total of more than 11 million participants. Nearly all samples were nationally representative, spanning countries across most world regions. They extracted more than 100 study features from each paper and linked them to more than 500 World Bank indicators to describe each study's national context.</p>	<p>How did the authors set up this new study?</p>
<p>6. First, the study found that people living in more-unequal places did not, on average, report lower well-being (life satisfaction or happiness) than those in less-unequal places. The average effect across studies was not statistically significant, was practically equivalent to zero and did not depend on study quality, design, outcome or geographic scale. Second, although some studies reported that people in more-unequal places had poorer mental health, this study found that this pattern reflected publication bias: small, noisy studies that reported larger effects were over-represented. After adjusting for this bias, the average association between economic inequality and mental health shrank to essentially zero.</p>	<p>What does the meta-analysis find about well-being?</p> <p>What does it find about mental health?</p>
<p>7. Further analyses showed that the near-zero averages conceal more-complex patterns. Greater income inequality was associated with lower well-being in high-inflation contexts and, surprisingly, higher well-being in low-inflation contexts. Greater inequality was also associated with poorer mental health in studies in which the average income was lower. The authors conclude that inequality is a catalyst that amplifies other determinants of well-being and mental health (such as inflation and poverty) but on its own is not a root cause of negative effects on well-being and mental health.</p>	<p>What do further analyses reveal about the impact of inequality?</p>
<p>8. Of course, no single study or meta-study will offer a final consensus resolution to a big question like this one. Moreover, the statement that living in a society with greater income inequality does not make the poor worse off does not contradict the statement that being poor—regardless of the level of inequality in your society—can have negative effects on subjective well-being and on mental health.</p>	<p>How should we understand these results overall in the light of the key question about the impact of inequality?</p>