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**Equity Theory and Restitution Programming**  
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Kurt Lewin once observed that "there is nothing so practical as a good theory." We've found Equity theory (a general theory of social exchange) to be an eminently "practical" theory.<sup>1</sup> It gives a framework for sorting out the complex issues connected with restitution programming.

*In theory*, the idea of collaboration among experts from a variety of disciplines—social psychology, law enforcement, and corrections—in pursuit of a broader understanding of an issue, always sounds exciting. *In reality*, such collaborative enterprises rarely work out. First, the experts soon find that they do not share a common language. Psychologists' definitions of "wrongdoers" turn out to be vastly different from lawyers' definitions. Then the experts discover they do not agree as to what constitutes "strong evidence." For psychologists, a laboratory experiment is the essence of "proof." For correction officers, natural field observations are more compelling. For lawyers, precedent is what counts. When, finally, theorists suggest some practical recommendations, practitioners scoff. They can recite a dozen practical reasons why theorists' recommendations are useless. It is our hope, however, that Equity theory propositions are basic and general enough that they can provide a theoretical framework for some of the complex questions surrounding restitution programming in a way that all will find useful.

**Overview.** In Section I, we will review Equity theory—a general theory of human behavior. In Section II we will see what Equity theory has to say about the probable impact of current procedures of the U.S. legal system for restoring equity to the offender-victim relationship. In Section III, we will point out several things that Equity theory suggests restitution programmers should probably consider when designing any restitution program. Finally in Section IV we will offer some caveats and qualifiers to an Equity approach to restitution programming.

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### Section I: The Equity Formulation

Equity theory is a strikingly simple theory. It views social interaction as a process of reciprocal exchange, governed by a norm of distributive fairness. The theory comprises four propositions.

#### *The Equity Propositions*

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

**Proposition II.A.** Groups can maximize collective reward by evolving accepted systems for equitably apportioning resources among members. Thus, groups will evolve such systems of Equity, and will attempt to induce members to accept and adhere to these systems.

**Proposition II.B.** Groups will generally reward members who treat others equitably, and generally punish (increase the cost of) members who treat others inequitably.

**Proposition III.** When individuals find themselves participating in inequitable relationships, they will become distressed. The more inequitable the relationship, the more distress individuals will feel.

**Proposition IV.** Individuals who discover they are in an inequitable relationship will attempt to eliminate their distress by restoring equity. The greater the inequity that exists, the more distress they will feel, and the harder they will try to restore equity.

#### *How Do Social Psychologists Define Equity?*

According to Equity theory, a relationship is "fair" if people are getting exactly what they deserve in their relationship with others—no more and certainly no less. What do people "deserve"? Equity theorists say people deserve equal relative benefits or gains from their interactions with one another. Psychologists have found the following *formal* definition of Equity to be a useful one.

**Definitional Formula.** An equitable relationship exists if the person *scrutinizing* the relationship believes that all participants are receiving equal *Relative Gains* from the relationship, i.e., where

$$\frac{(O_A - I_A)}{(I_A)^{k_A}} = \frac{(O_B - I_B)}{(I_B)^{k_B}}$$

What does this mean?

**Definition of Terms.** The *scrutinizer* is simply the person who is examining the relationship, to determine if it is fair or unfair. The *scrutinizer* may be an outside observer (such as the public, a social work agency, a judge, or a jury) or either of the participants.

**Inputs ( $I_A$  or  $I_B$ )** are defined as "the participant's contributions to the exchange, which are seen (by a *scrutinizer*) as entitling him to reward or costs." In different settings, people consider different inputs to be relevant. For example, in industrial settings, businessmen assume that such hard assets as capital or manual labor entitle a person to reward. Such liabilities as incompetence or disloyalty entitle him to cost. In a legal setting, such inputs as intent, fault, and negligence may be of primary importance.

**Outcomes ( $O_A$  or  $O_B$ )** are defined as "the positive *and* negative consequences that a *scrutinizer* perceives a participant has received in the course of his relationship with another." The participant's outcomes are equal to the *rewards* he obtains from the relationship, minus the *costs* he incurs.<sup>2</sup>

**Scrutinizers** will often disagree about what constitutes "equity" or "inequity" in any particular relationship. Different observers may judge different inputs and outcomes to be relevant. And even when inputs and outcomes are agreed upon, the value or weights accorded them may not be the same. For example, we may tend to value a contribution of our own more highly than a similar one made by another because of a keener awareness of our own exertions to produce the input. Similarly, our own negative outcomes may "hurt more" than do others'. But in many other instances *scrutinizers will agree*, as when the inputs and outcomes involved have values broadly agreed upon (for example, dollars of pay or hours of labor at particular tasks).

By convention, the person who intentionally takes larger relative outcomes than he deserves is an "exploiter" or a "harmdoer"; the person who gets less than he deserves is the "victim."

#### *The Psychological Consequences of Inequity*

As stated in Equity theory's Proposition III, both the exploiter and his victim find an exploitative encounter at least somewhat distressful. Theorists have labeled such distress reactions in various ways: guilt, empathy, fear of

retaliation, dissonance, conditioned anxiety, shame, anger, and so on. Most agree, however, that exploiters' and victims' distress arises from two sources.

**Retaliation Distress.** When children exploit others (or allow themselves to be exploited) they are sometimes punished. Soon the realization that an injustice has occurred comes to arouse conditioned anxiety. This distress may have cognitive correlates. Harndorders may attribute their distress to a fear that the victim, the victim's sympathizers, legal agencies, or even God, will retaliate against them. Victims may attribute their distress to a fear that their friends will ridicule them or consider them "fair game" or a "pushover."

**Self-concept Distress.** There is a second reason why exploitation is upsetting. In our society there is an almost universally accepted (if not followed) norm that one should be fair and equitable in his dealings with others. (See Fromm for an interesting discussion of the pervasiveness of the fairness principle.)<sup>3</sup>

Of course, when we say that "individuals accept a code of fairness" we do not mean that everyone internalizes exactly the same moral principles, accepts them to the same extent, and follows them without deviation. Juvenile delinquents and confidence men, for example, often *seem* to act as if it is completely consistent with their self-concept to exploit others. However, the evidence suggests that everyone internalizes some primitive norms of fairness. It is true that they may repeatedly violate such norms for financial or social gain (as Proposition I suggests they might), but such violations do seem to cause at least some distress. Anecdotal evidence on these points comes from interviews with confidence men<sup>4</sup> and delinquents.<sup>5</sup>

When a normal person participates in a profoundly inequitable relationship, then, he should feel at least some glimmerings of distress. Presumably, people are motivated to reduce their distress by restoring equity to their relationships.

#### *Techniques to Reduce Distress*

**Restoration of Actual Equity.** One way participants can restore equity is by inducing a person who has reaped far more profit than he deserves to compensate his victim, thus raising his victim's outcomes. For example, large retailers often have a policy of "money cheerfully refunded" if a customer is not satisfied with his purchase. A variety of studies make it clear that exploiters do often exert considerable effort to make such restitution.<sup>6</sup> Parallel evidence indicates that a victim's first response is to seek restitution.<sup>7</sup> Of course, if this fails (the exploiter may refuse or lack the means to help the victim) the victim may choose to "get even" by retaliating,<sup>8</sup> that is, restoring equity by reducing the exploiter's outcomes.

**Restoration of Psychological Equity.** Participants can reduce their distress in a second way. They can return the "fairness equation" to equality by distorting reality and convincing themselves (and perhaps others) that their seemingly inequitable relationship is, in fact, "perfectly" fair. That is, they can change their perceptions of the values of various inputs and/or outcomes. Individuals have been found to be very adept at rationalizing exploitation and even their own status as victims in order to restore equity.<sup>9</sup>

Exploiters have been found to denigrate their victims ("He was a bad/weak/dumb person [negative inputs] and deserved it") and to deny responsibility for their acts ("He made me do it").<sup>10</sup> Others have restored equity by minimizing their victim's suffering ("Oh, it didn't hurt her *that* much—she makes such a fuss").<sup>11</sup>

Fascinatingly, there is even some sparse experimental evidence that under the right circumstances, victims will justify their own exploitation.<sup>12</sup> Everyday observation adds to this evidence ("I'm so dull and shy, no wonder she took advantage of me").

#### *Reactions of Outside Agencies*

The preceding discussion has focused upon the ways that participants react to inequity. Participants are not the only possible agents of equity restoration, however. The courts, the police, social workers, the participants' friends, and so on, may all observe inequity, become distressed by it, and intervene to right existing wrongs. Are there any data on how such "impartial" observers respond to inequity?

According to Equity theorists, impartial observers should react to injustice in much the same way that participants do, with one qualification: observers should react less passionately than do participants. The discovery that observers' reactions are only a pale reflection of the participants' vivid ones should come as little surprise. An observer who empathizes with an exploiter may well share his embarrassment and rationalizations. An observer who empathizes with a victim may well share *his* anger and indignation. If, as seems likely, the feelings we empathize with are less intense than the ones we experience, it is understandable that observers react less passionately to inequity than do the harndorders and victims themselves.

Strong evidence that participants and impartial observers react to injustice in much the same way comes from a number of researchers.<sup>13</sup> On the basis of the existing evidence, theorists have concluded that even the most aloof of "impartial" observers are motivated to right existing wrongs, and failing that, at least to convince themselves that this is a just world, a place where exploiters are somehow entitled to their benefits and the deprived somehow deserve to suffer.

As a theory of justice, concerned with behaviors of actors as well as third-party agents, Equity theory is particularly applicable to issues in the judicial system. In this system the relationships between victim and offender, and judge and jury and defendant, involve fundamental issues of equity. In any particular legal case, the salient relationship is between the offender and society (as embodied by the victim). The victim's outcomes are established by the magnitude of the crime, with inputs presumably constant. The inputs of the offender are many and diversified, including magnitude of offense, heinousness of act, personal characteristics, and prior record.

Operating with the assumption that relevant inputs and outcomes can be roughly measured and scaled quantitatively, the Equity formula has provided researchers a valuable heuristic tool with which to describe judicial decisions vis-à-vis a criterion of justice. The number of studies using Equity-derived hypotheses in the legal arena is growing rapidly.<sup>14</sup> Austin and Utne,<sup>15</sup> for example, examined the possible equity-restoring effects on jurors' sentencing behavior of the extralegal input of offender suffering. In each of three studies, the salient comparison was between how much the defendant suffered during commission of the crime and how much the victim suffered. Each study used a different crime, increasing in severity: simple robbery, robbery and felonious assault, or robbery and rape. The offender was depicted as suffering excessively relative to his victim, about the same, or not at all. Austin and Utne found that Equity-maintaining responses predominated in the case of robbery, where jurors assigned significantly less punishment for each successive level of offender suffering. But for the personal injury crimes of assault and rape only excessive offender suffering was effective in lowering sentences. In a fourth experiment<sup>16</sup> the effect of the "relevance" of the offender's suffering was studied. The results were identical to those of the first three studies, and whether the offender suffered "in the act" of committing the crime or later, while out on bail, was irrelevant. These results may simply indicate that crimes involving personal injury and trauma are seen as far more severe than the material crime of robbery, and thus demand a tremendous amount of offender suffering to "even the score" and restore equity. Or they may instead reveal that as crimes increase in severity or shift from material to personal loss the motive for retribution takes precedence over the motive for equity or proportional justice.

## Section II: Equity and the Current U.S. System

Macaulay and Walster<sup>17</sup> surveyed the American legal system with two questions in mind: to what extent do existing laws and informal legal procedures encourage restitution and reconciliation? and to what extent do existing legal procedures foster self-justification—derogation, denial, and minimization of the victim's suffering? They observed that

On its face, American law is consistent with the goal of supporting compensation . . . For example, the common law of torts consists of rules which say that a wrong-doer must compensate his victim. In addition, the legal system in operation provides more avenues to restitution than are available in its formal rules. A wide variety of informal procedures encourage compensation. For example, criminal sanctions are sometimes used as a leverage to induce restitution. A police officer may decide not to arrest a shoplifter if the wrong-doer is not a professional thief and if the stolen items are returned; a district attorney may decide not to prosecute if the amount embezzled is returned.<sup>18</sup>

However, they also noted that some informal procedures and formal rules discourage legal harmdoers from making equity-restoring compensation. In our society, probably the most common case in which one individual does serious physical or economic harm to another is the automobile "accident." Let us use this case as an example of how common law civil litigation may actually discourage participants from making exact compensation.

**The Necessity of Determining Who Is at Fault.** In the law, the first step is to determine who did what under what circumstances—who is at fault.<sup>19</sup> This requirement may dilute the harmdoer's incentive to restore equity: often, it is unclear who is at fault. The law requires judges and juries to make a series of difficult judgments. For example, the trier of fact must decide whether the defendant was driving at an appropriate speed for the conditions and was paying attention. But what is an "appropriate" speed in a residential neighborhood on an overcast afternoon? Can someone who has the car radio on and is flirting with a passenger be said to be paying "proper attention" to driving? Although we can all agree that some kind of conduct while driving a car involve fault and some do not, there are numerous in-between situations. The harmdoer and the victim are likely to have very different perceptions as to who is at fault. This makes the harmdoer reluctant to make an exact compensation.

In most states, substantive tort law also gives the harmdoer an incentive to denigrate his victim. The victim who is himself contributorily negligent cannot recover from an injury partially caused by another's negligence. If the driver can convince others that the victim was partially responsible for his own injury, he can avoid the possibility of having to make what he would deem an inequitably large settlement.

**Effects of Delay in Judgment.** Usually a long time elapses between commission of the accident and the possibility of compensating. In time, memory dims. It becomes easier for the harmdoer psychologically to restore equity and distort reality—either consciously or unconsciously. It becomes easier for the harmdoer to say, "I'm not really at fault. I really didn't cause the accident. I'm legally right, and if we went to court, I'd win."

**Pressures Toward Bargaining.** In practice, litigants must pay high cost to bring

and defend lawsuits. Also, the courts are not adequately staffed to respond quickly. Both these factors predispose individuals to bargain rather than to seek the exact restoration of equity: indeed some injuries are so small as to fall beneath the economic barriers to litigation. The plaintiff's inability to wait for months or years for the legal system to process his case may force him to accept a grossly inadequate settlement. In short, costs and delay join fault and fact to push for bargaining and compromise rather than reestablishment of equity.

Most drivers own car insurance. Insurance companies are naturally more concerned with getting off as cheaply as possible than with seeing to it that exact compensation is made. The plaintiff's attorney, who specializes in personal injury litigation and negotiation with adjusters, and who often is paid a percentage of any recovery he can obtain, has the opposite concern—he wants to get as much money as possible for his client. He, too, is relatively less concerned with equity. The result is a system of institutionalized bargaining, which is impersonal. The adjuster and the plaintiff's attorney play the game. Both the harmaer and the injured stand at the sidelines.

In addition to impersonal delegation, another facet of the typical insurance policy tends to blunt the harmaer's urge to compensate. One who attempts to help his victim obtain compensation from the insurance company could lose his rights under the policy. Insurers typically suggest that policyholders say and do more than that which is necessary after an accident, and they must cooperate with the defense against the victim's claims.

Exact compensation is rarely the result of this bargaining between adjuster and plaintiff's attorney. Sometimes plaintiffs get excessive settlements because of their skill in manipulating the facts. More often, they are inadequately compensated. Bargaining tends to give people with good cases less than their loss and those with weak cases more than they would have received in court.<sup>20</sup>

In theory, the common law is designed to encourage wrongdoers to compensate their victims. In practice, bargaining occurs. The law, then, supports the ideal of best balance of self-interest possible between harmaer and victim in light of bargaining skill and position. Rather than develop the harmaer's best motives, the system tends to guard against his worst.<sup>21</sup>

The automobile accident case just examined provides a somewhat limited example for review, as it involves a situation usually outside the purview of the broader criminal justice system. For more serious offenses society often takes a different tack, restoring equity to the harmaer/victim relationship by forcing a harmaer to undergo punishment.

Legal philosophers have long discussed the various reasons that society punishes wrongdoers. They note that we punish people to restore equity, rehabilitate wrongdoers, protect society, set a deterrent example for other potential wrongdoers, and express a sense of moral outrage.<sup>22</sup>

The punishing response no doubt is meant to serve all these ends to some extent. Historical and experimental evidence exists to suggest that a significant

portion of our desire to punish a wrongdoer derives from equity-restoring motives; most people seem to feel that to some extent, wrongdoers should expiate their crimes by suffering. For example, the Code of Hammurabi (about 2250 B.C.) was predicated on the philosophy that things should be "set right" via exact punishment: "If one break a man's bone, they shall break his bone."<sup>23</sup> Durkheim observed

And in truth, punishment has remained, at least in part, a work of vengeance. It is said that we do not make the culpable suffer in order to make him suffer; it is nonetheless true that we find it just that he suffer.

In supposing that punishment can really serve to protect us in the future, we think that it ought to be above all an *expiation* of the past. The proof of this lies in the minute precautions we take to proportion punishment as exactly as possible to the severity of the crime; they would be inexplicable if we did not believe that the culpable ought to suffer because he has done evil and in the same degree.<sup>24</sup>

And, today, people *still* feel the punishment should fit the crime.<sup>25</sup>

### Section III: An Equity Analysis of Restitution Programs

There is no doubt that punishment functions to restore Equity. If we view the relevant relationship as one in which the offender's relative outcomes are greater than his victim's, then decreasing his positive outcomes (for example, physical freedom, esteem in his community, voting rights) and increasing his negative outcomes (for example, public censure), restores equity.

For some time now, however, criminal law theorists have been arguing that there is a better way to "set things right." Society can restore Equity by punishing the harmaer, but one can also "even the score" by having him make restitution. Legal agencies can subtly prod—or force—wrongdoers to make restitution to their victims. If that fails—because the criminals are unknown, or unable or unwilling to make restitution—social welfare agencies can compensate the disadvantaged. The wrongdoers will still have gotten away with more than they deserve, but at least the victim will be compensated. The relative inequity will be less.

The psychological impacts of such interventions will probably depend on whether the agency prods the exploiter to compensate, forces him to compensate, or simply provides backup compensation to his neglected victim.

**Prodding the Wrongdoer to Make Restitution.** Society's first intervention attempts are usually directed toward persuading wrongdoers voluntarily to compensate their victims. For example, through its street-level representative, the beat police officer, society keeps many illegal inequities from entering the

formal legal system. The beat officer's broad discretion is often exercised in urging parties to settle things between themselves. Although there are no figures available, undoubtedly a great number of certain types of criminal inequities are handled this way.

If wrongdoers can be thus induced to compensate those they have injured, everyone benefits. The repentant harmdoers should become stauncher adherents of the Equity norm.<sup>26</sup> They serve as behavioral models for others; when observers find themselves in similar situations they tend to imitate the models they have, in this case, equitable models.<sup>27</sup>

**Forcing the Harmdoer to Make Restitution.** Once it becomes evident that a social agent is not going to be able to prod the wrongdoers to make restitution, legal agencies may intervene and force them to make amends.

Societies have tried to force wrongdoers to make restitution via a variety of techniques. For example, Schafer<sup>28</sup> observes that the ancient Germanic laws (*leges barbarorum*) stipulated how much wrongdoers must compensate all types of victims for all types of crimes. In Germanic law, freeborn man was worth more than a slave, an adult more than a child, a man more than a woman, and a person of rank more than a freeman. Every kind of blow or wound had its price. Part of the "compensation" was paid to the victim and part to the community or king. The Germanic tribes exerted intense pressure on the wrongdoer to make restitution. If the wrongdoer paid up he was protected. If he was reluctant to pay, or could not raise the necessary sum, he was declared an outlaw; he was ostracized and anyone might kill him with impunity.<sup>29</sup>

Today in almost every country, legal agencies try to force harmdoers to make restitution. In most countries, a victim can sue a harmdoer for psychic or physical injury, or for loss of potential income. (In the German Federal Republic one can recover a *solatium* for one's injured feelings; in Holland one can sue an insulting person for damage to one's honor and reputation.)

These systems have worked out a variety of procedures for forcing wrongdoers to pay the damages they owe. The Danish, Hungarian, and Norwegian legal systems take the wrongdoer's willingness to make restitution into account when determining sentences or granting paroles. In Finland, Italy, Canada, and Cuba, he state often turns a portion of the prisoners' earnings over to their victims.

There is some wisdom in *this* approach to restitution. Wrongdoers who are forced to compensate at least are dissuaded from justifying their inequitable behavior. The actions of the enforcing agency also prevent the offender from serving as an unsettling model for others. The norm of Equity is reinforced in the perpetrator and in the observing public.

**Providing Compensation to the Victim.** Sometimes an agency must admit defeat: there is no way to elicit restitution. For example, criminals may be unknown or indigent. Some theorists and practitioners argue that in such cases, the

community should reconcile itself to the fact that an injustice has occurred and simply intervene to alleviate the victim's suffering. Such intervention is consistent with our notions of fairness (the innocent victim is recompensed) and is expedient (society affirms the legitimacy of Equity norms).

Some legal theorists have even proposed that, in the interests of justice and efficiency, the state should *routinely* assume responsibility for compensating victims of criminal violence.<sup>30</sup> They argue that the state could save time and money if, instead of tracking down harmdoers and prodding them into making restitution, the state simply provided automatic compensation to the disadvantaged.

Equity theorists would warn that society should be wary of eroding an individual's feeling of responsibility for restoring Equity. Even worse, it is probable that an agency set up to "right all wrongs" would soon be unable to fulfill its mandate. Funds for social justice are always meager. (Although citizens may agree that victims should be compensated, they are seldom willing to pay the price.) Social welfare agencies thus soon evolve from agencies of perfect "social justice" into agencies of "social compromise."

For these reasons, most policymakers view public compensation as a source of residual restitution, to be resorted to only when agencies have totally failed to induce the exploiter to make restitution.

### *Practical Considerations*

Regardless of the particular form a restitution program may take, there are potential problems in implementation that Equity theory alerts us to. From the Equity perspective, those who attempt to develop effective restitution programming are likely to have to hammer out solutions to the following problems:

1. Equity is always in the eye of the beholder. Any program's first problem, then, is to settle on procedures for deciding who is "the harmdoer" and who is "the victim." This is rarely an easy task. The lines between the two are often hazy. For example, in his classic study of violent crime, Wolfgang found that 26 percent of homicide cases were victim-precipitated.<sup>31</sup> Charging an offender with complete responsibility for restoring the victim's loss in such cases would no doubt arouse new feelings of injustice on the part of the legally defined offender.

2. Because equity is in the eye of the beholder it is not always apparent whose scale of justice to use in calculating costs and adequate restitution. When losses are strictly material, with monetary equivalents, the task is not so formidable. The fact that restitution programs of victim compensation are for the most part limited to property crimes reflects legislators' and administrators' awareness of this. But should we ignore the losses of the physically and emotionally harmed because it is hard to administer restitution to them? Such a

policy would not seem just. Yet, how much should pain and suffering "count"? And what kind of restitutive efforts could possibly restore equity to these victims? In the future, it will probably become possible at least to arrive at consistent answers to such questions. In the past, some standards have existed. Workmen's compensation scales, for example, have been used in industry for years. Similar scales could be adapted for use in the restitution arena. And although in cases of personal loss it may never be possible to restore perfect equity to the victim, there is no doubt that some help and official recognition of his plight is better, in the victim's eyes, than no system response at all.

3. How much should the wrongdoer's "inputs" count in deciding how much compensation victims deserve? For example, it is obvious that we care very much whether or not the hamdoer *intended* to harm the victim, when deciding how much he should be punished. It is less clear that intent should count when determining how much restitution the victim is to receive. On one hand, the person who doesn't really intend to do harm shouldn't have to pay quite so much as one who intentionally harmed another. On the other hand, the victim may have suffered equally in every case. Should the hamdoer's compensation be supplemented by society?

4. If a hamdoer is rich it is easy to force him to make compensation, but criminal offenders rarely are. The offender can rarely afford to make amends. What if he is poor? It is usually futile for courts to award plaintiffs heavy damages—should the hamdoer's prison wages be allocated? Restoration of the victim to his status quo position may create a new inequity because of the unequal hardships restitution can create for offenders. When one offender is relatively far wealthier than another, a new sense of inequity may be created when equal monetary restitution is demanded of them, because the relative costs of restitution are so different. A possible solution to this problem might be the giving of personal time and effort rather than money.

#### Section IV: Concluding Remarks

Equity theorists would argue that society must closely examine its goals in instituting any restitution program. This is essential because any one program can have markedly different impacts on the various actors it affects. Is the primary goal of a restitution program to help the victim, and restore his faith in the equitableness of the system? Is it to help the offender, restore his self-esteem, rehabilitate him and reinforce his adherence to society's norms? Or is it to help the system, to ease its financial and prison maintenance expenses in a strictly practical way? Or, finally, is the restitution program to be a public relations vehicle, instituted in response to and in service of public demands that the system "work better?" Some of these goals may act in competition with others, although each may work to promote equity in a particular way. For example,

perfect justice to victims (actual and total equity restoration) may seriously drain public funds and anger the majority of taxpayers who are never victimized. This resentment (actually a response to a newly felt inequity) may lead to citizens' dissociation from and denigration of victims, and withholding of future funds. In another case, the amount of restitution from offenders that is sufficient to reinforce adherence to the equity norm and augment rehabilitation may be completely inadequate from the point of view of the underbenefited victim. Articulation of target groups and goals of restitution programming may help to circumvent administrators' frustrations that restitution is *too* complicated in its implications and thus not worth implementing.

It may be that restitution will never *supplant* punishment in the criminal justice system, although the two are theoretically equivalent as means of equity restoration. To the extent that restitution can fulfill the other-than-equity-restoring functions that punishment provides, it may indeed be adopted more broadly. There appears to be a great amount of compatibility between restitution and other of the goals of the criminal justice system, such as deterrence, retribution, and rehabilitation.

#### Notes

1. For a complete overview of Equity theory, see Walster et al., *Equity: Theory and Research* (Boston: Allyn and Bacon, 1978).
2. (The exponents  $k_A$  and  $k_B$  take on the value of +1 or -1, depending on the sign of A and B's inputs and A and B's gains (Outcomes - Inputs).)

$$k_A = \text{sign}(I_A) \times \text{sign}(O_A - I_A) \text{ and}$$

$$k_B = \text{sign}(I_B) \times \text{sign}(O_B - I_B)$$

The exponent's effect is simply to change the way Relative Gains are computed: If  $k = +1$  then we have  $(O - I/|I|)$ , but if  $k = -1$  then we have  $|I| \times (O - I)$ . Without the exponent  $k$ , the formula would yield meaningless results when  $I < O$  and  $(O - I) > O$  or  $I > O$  and  $(O - I) < O$ .

Reprinted, in part, from Walster et al., *Equity*.

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