Equity theory (Adams, 1965; Walster, Berscheid, & Walster, 1973) seems to have outlived its usefulness. Can it—should it—be revised or reconceptualized? This chapter argues that there is a basis for rethinking equity theory and that such an enterprise is a worthwhile precursor to further research on the psychology of injustice.

A recent issue of the Industrial-Organizational Psychologist contained an article by John Miner (1984) entitled “The Unpaved Road over the Mountains: From Theory to Applications.” In it Miner evaluated various theories in industrial/organizational (I/O) psychology and organizational behavior (OB) according to their usefulness. His evaluative categories were useful, question mark, and not so useful. Miner rated equity theory in the bottom, least useful, category. Certainly it is easy to understand the disdain of I/O and OB practitioners for a theory that, as Miner puts it, “has never . . . been brought to a specific application” (p. 12).

But lack of applicability may not be the root cause of equity theory’s troubles (e.g., see Furby, 1986). Some of the current neglect of equity theory might simply be the result of greater interest in other kinds of issues. For example, current interest in social cognition (see Fiske & Taylor, 1984) has shifted attention away from many traditional theories. I think social cognition research also invites a return to such classic problems as the relationship between cognition and affect, however,
and I think one of equity theory’s focal concerns—affective reactions to perceived injustice—can be recast in a useful way by drawing from the social cognition literature.

Independent of having lacked an applied focus or having been displaced by “hotter” topics, equity theory has also suffered from certain conceptual shortcomings. Three that stand out can be described briefly as follows (cf. Folger, 1984a).

1. The essence of equity is that across persons, there should be a comparable rate of compensation for contributions to an exchange (an equivalent outcome/input ratio). This focus on contributions has been challenged by those who suggest that attention to need, and provision of equal outcomes to all, are alternative justice principles (e.g., Deutsch, 1975; Lerner, 1974; Leventhal, 1976). The argument is that these alternative principles are sometimes used, and that equity theory does not accommodate them without making the concept of inputs vacuous and chameleon-like (e.g., Furby, 1986; Reis, 1984). Later I will argue that we should abandon the notion of inputs and replace it with a focus on the conditions that lead to outcomes. This strategy shifts attention away from the specific criteria used for awarding outcomes, which will tend to differ from situation to situation anyway. Instead it draws attention to the perceived causal process behind a given outcome, and particularly to “social accounts” (cf. Bies, in press) that are offered as reasons and justifications for the process.

2. Equity also fails to characterize justice adequately because the theory only specifies a criterion for distributive fairness, or the fairness of amounts received. The theory is incomplete because it overlooks procedural fairness, or the fairness of procedures that brought about a given outcome. Again this problem is amenable to my strategy of focusing attention on the perceived causal elements leading up to an outcome, because procedures represent one category of such elements. And again I will be emphasizing that perceptions of fairness are heavily influenced by such things as the reasons and justifications supplied for using one procedure rather than another.

3. Adams (1965) explicitly noted that people can respond to an injustice in a variety of ways. The problem is that his theory was not very explicit about predicting when people will respond one way rather than another. This problem will continue to haunt us for a long time, but I think we can make some headway on it in the process of addressing the other two previously described problems. My approach is to specify as carefully as possible the determinants of a particular type of emotional experience—one we can describe in terms such as moral outrage, righteous indignation, or simply resentment (cf. Crosby, 1976). The point is that we should first identify when this emotion is felt strongly and when