Income inequalities have increased in nearly all regions of the world in recent decades, and there is no indication that this trend will reverse in the near future. One possible consequence of income inequality is an increase in the percentage of people who experience economic deprivation which may result in an increase in materialistic tendencies among poorer people (Kasser, 2002). Nevertheless, many contemporary researchers recognize that **materialism is a pervasive problem for individuals and economies**. Materialistic people have problems with saving and often accumulate huge debt. Materialistic attitudes lead to the fact that in many countries average personal debt is greater than average disposable and many people are living way beyond their means. Increasing personal debt causes threats for macroeconomic stability. Materialistic tendencies are probably important drivers of the deregulation of the finance industry: the offer of highly risky bank loans and consumers' desire to take out these loans may lead to economic crises.

The materialistic tendencies of new generations are getting higher and higher, which can translate into various economic problems. So far, however, there is less consensus about what can be done to alleviate it. In our opinion, in order to reduce the emphasis on materialistic values in society, it is necessary to properly grow new generations, because **materialistic tendencies may have origins in early childhood**. For this purpose, however, it is necessary to recognize how materialistic tendencies develop in children.

The desire for material goods appears at early stages in life. Toddlers and preschoolers often demand the purchase of specific products and formulate their demands in various ways, often difficult to accept by parents and the environment (crying, pleading, screaming, etc.). Nevertheless, there has been surprisingly little research regarding the materialism of young children. Researchers indicate that one of the reasons for building materialistic attitudes is one's desire to compensate for the deprivation of economic needs. Although in some (but still very few) recent studies it was shown that parents and media may influence preschool children's materialism, there is a complete lack of research concerning **economic determinants of materialism among young children.**

The main goal of the project is to investigate how income inequalities and the associated with them experiences of economic deprivation affect materialism of the new generations, i.e. children who are now preschoolers. However, to better explain the development of materialism in the early stages of life we would also like to explore **psychological mechanisms that will better explain the relation between economic deprivation and materialism** of preschoolers. Poor people are exposed to much greater deprivation of economic needs and are more likely to experience negative emotions (e.g. frustration, humiliation) what may lower their self-esteem. Nevertheless, people often defend themselves against a decline in self-esteem by, among others, building materialistic attitudes and attributing high subjective value to money. Therefore, we would like to explore the mediating role of children's self-esteem in the relation between economic deprivation and children's materialism. Moreover, we propose that that materialism (linking material goods and money with personal worth, happiness and social status, etc.) requires having theory of mind (the ability attribute thoughts to others). For instance, generating a thought such as "I want a new toy (or more money), you are not cool if you don't have it" requires that a child is capable of thinking about the thoughts of others. Therefore, we suggest that Theory of Mind (ToM) may play a crucial role in materialism formation.

In the proposed project six studies will be performed among 4-6 years old children. Furthermore, parents of the children will take part in one study. About 900 children and 200 parents will take part in the studies. In correlation study, we will verify if economic deprivation is linked to the materialistic tendencies of the child and what is the role of child's self-esteem and theory of mind in this relationship. In subsequent studies the experience of personal relative deprivation will be subject to manipulation, and therefore it will be possible to determine whether there is a cause-and-effect relationship between personal relative deprivation and the level of self-esteem as well as materialistic tendencies of preschoolers. At the last stage of the project in experimental studies we will manipulate the child's self-esteem and verify whether this manipulation translates into materialistic tendencies of the child. The level of the children's theory of mind will be measured in all studies, so it will be possible to determine its role in shaping the connections between economic deprivation and materialism.

Using material goods and money as a strategy to deal with low self-esteem requires an understanding of the symbolic meanings of material goods and money. Up to now, researchers have said that understanding of these terms is developing from middle to late childhood. Nevertheless, with the enormous cultural change, especially in terms of digital and social media revolution, contemporary children probably develop materialistic tendencies far earlier than it was previously thought. This project will expand theoretical knowledge about the determinants of materialism in new generations.

In addition to its theoretical significance, the project will also have a high social significance. Defining the relationship between economic deprivation and materialism of preschool-age children and indicating the role of self-esteem and theory of mind in this relationship will allow for development of intervention programs that could reduce the level of materialism of new generations.