

Social Inequality in the Eyes of the Public: A Collection of Analyses Based on ISSP Data 1987-2009

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*Jonas Edlund · Insa Bechert
Markus Quandt (eds.)*

Social Inequality in the Eyes of the Public

A Collection of Analyses Based on
ISSP Data 1987-2009

Social Inequality in the Eyes of the Public

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Volume 17

edited by Jonas Edlund, Insa Bechert and Markus Quandt

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Introduction

About this Book

This is the third publication in a series of volumes comprising research based articles on ISSP data. A first volume on the ISSP “Role of Government” module data series was published in 2010 and is entitled “ISSP Data Report – *Attitudes towards the Role of Government*”. In 2013 this was followed by the “ISSP Data Report – *Religious Attitudes and Religious Change*” based on the ISSP *Religion* data series. Our third volume follows in the tradition of its predecessors by concentrating on specific aspects of the module series’ topic – here, Social Inequality – considered in an internationally comparative perspective. Seven informative chapters written by authors, most of them somehow connected with the ISSP, are included here. ISSP data is used as the foundation for each chapter, encompassing up to four points in time (1987, 1992, 1999 and 2009). Each manuscript accepted for this volume was subject to a diligent, blind peer-review process.¹

Social inequality refers to the unequal opportunities of individuals that factor into reaching certain goals in society, such as income, wealth, and power. Social research then tries to uncover whether and how such inequality in life chances is systematically related to different preconditions, such as class, ancestry, ethnicity, or gender. In modern societies, one important link between preconditions and the realization of life goals often is access to schooling. In this book *Cinzia Meraviglia* examines the question of whether social institutions, such as the education system, foster or hinder social mobility – individuals’ movement between social strata. The author focuses on whether individuals perceive themselves as being socially mobile or immobile with respect to their family of origin, then testing the accuracy of that perception against less subjective measures of mobility. Her results show that in all ISSP countries over the years an upward trend in intergenerational mobility can be observed. However, the correspondence of actual and perceived social mobility differs widely across countries.

In each and every society some kind of, more, or less, pronounced social strata exists. A widely discussed question, however, is whether social class remains a relevant concept for understanding social stratification and, beyond this, social conflict. In his chapter, *Markus Hadler* approaches this research field via long-term data (1987 through 2009) covering a selected group of countries. The chapter analyzes the individual perceptions of conflicts between rich and poor, working class and middle class, and management and workers. His contribution shows that individual perceptions of conflicts are influenced by socio-demographic characteristics, subjective perception of social inequality and social position, as well as the society’s level of inequality. In certain countries also economic and political circumstances are observed to have an impact.

1 We would like to thank the reviewers for their careful reading of the manuscripts and their extremely helpful comments, suggestions and recommendations.

The contribution by *Jonas Edlund* and *Arvid Lindh* focuses on the role of class in contemporary Western societies. Using data from 1999 and 2009, they make a distinction between *social* conflict (tensions in society between rich and poor) and *political* conflict (class based attitudinal differences). Their main results are, first, that social conflicts are more discernible in meager welfare states compared to more equal encompassing welfare states, and, second, that political conflicts tend to be more pronounced in large encompassing welfare states than in meager less ambitious welfare states. These results are in line with theory stressing that a key factor facilitating social cohesion is the extent to which class conflicts have been transferred from the social sphere into parliamentary politics, thereby converting informal non-institutionalized conflicts into democratic class struggles. In other words, these results offer some support for the claim that the encompassing welfare state can be understood as a manifestation of a successful large-scale societal compromise between partly conflicting interests rooted in the mode of capitalist production.

Over centuries social inequality has never lost its actuality - only its legitimization has changed, at least in modern societies.² A classical legitimization base for social inequality has always been religion. If inequality is the will of God, the gods, or whoever is in supernatural charge, it must be accepted, for fear of eternal damnation or more short-term spiritual sanctions. With increasing modernization and secularization of societies, the legitimization of social inequality has changed. In today's secular societies, economic market theories serve to legitimize inequality: The market is determined by supply and demand, and interfering with these mechanisms of market economies (for example by supporting the poor via welfare state supplies) puts the market system at risk. Since everyone in a society benefits from a well working economy, it is argued that such interferences cannot be in the interest of society, not even in the interest of the poor themselves.

Arvid Lindh approaches the issue of market legitimacy from a citizens' perspective. He examines public attitudes regarding the fairness of market mechanisms in stratifying access to basic social services. The results show that most people think that the principle of market justice in relation to the provision of social services is unfair - the market is seen as an inappropriate distributor of social services. However, the analyses also show cross-national variation in this perception, depending on how much citizens are used to market-based systems. In liberal welfare systems, citizens are more willing to accept market principles for the distribution of services than in more established welfare states.

From a market-oriented point of view, the only proper roles for governments in society are setting and enforcing the rules of the economic game, and safeguarding individuals against violations of their rights by others (Wisman and Smith 2011, 23). Comparing a set of Western and Central/East European (CEE) countries over time, *Anja Eder's* contribution examines attitudes on the question of whether states should engage in the redistribution of incomes and wealth, and how this relates to differences in the levels of inequality that those societies experience. This is especially important with a view to the rapidly changing conditions in the CEE countries. In line with other authors in this volume she finds differences across different types of welfare states. However, she also finds indications of

2 For a comprehensive review of legitimizations of social inequality see Wisman, John D. and James F. Smith. 2011. "Legitimizing Inequality: Fooling Most of the People All of the Time" *American Journal of Economics and Sociology*, 70 (4).

the conventional classification of welfare regimes not always producing the expected outcomes on redistribution attitudes. Eder hypothesizes several competing mechanisms to be at work that jointly form the relationship between (changing) inequality and redistribution attitudes. In liberal welfare states, support for state redistribution is indeed lower than in conservative or social democratic welfare states. Her country comparison reveals generally stronger support for state redistribution in Central European countries than in Western European countries; however, within the CEE group, the picture is very complex.

Usually, the lower the support for state redistribution, the higher the tolerance for income inequality. *Frédéric Gonthier* offers here an investigation of whether, and how tolerance for income inequality varies across income groups, educational groups and birth cohorts over time. He finds evidence of surprisingly uniform moves on this issue across subgroups since the beginning of the 1990s. Whereas prior research suggested that post-scarcity generations are most opposed to income differences, he shows that it is actually the Baby Boomers who are driving the generational dynamics of dissatisfaction with income gaps and thereby social inequality.

Social inequality tends to go hand in hand with the poverty of the least privileged parts of society. The more unequal a society is, the higher the poverty rate. Effects of poverty can be devastating in that poor people are generally more likely to die from diseases, be the victims of violence, the aggressor of violence or criminal acts and consequently end up in prison or have to face whatever sanctions their society may provide. Individuals' self-perception in society plays a crucial role herein. Often unemployment triggers poverty. In their contribution, *Ellu Saar*, *Jelena Helemäe*, and *Kristina Lindemann* examine the impact of societies' economic and social characteristics on the subjective social position of unemployed people. In all countries examined, unemployed people rated themselves lower compared to other groups (employed and non-active). However, differences in subjective social position between unemployed and other groups vary across welfare regimes. The gap tends to be most pronounced in the liberal regime (UK) and the least in the South-European sub-protective regime (Spain and Portugal).

About the ISSP Social Inequality Data

For each of the four ISSP modules focusing on social inequality in 1987, 1992, 1999 and 2009, the basic questionnaires were designed by an elected drafting group, consisting of social scientists from five culturally diverse ISSP member countries. In agreement with the ISSP General Assembly, the respective drafting groups took care that main aspects of the topic were addressed and accordingly selected existing questions to be implemented, or developed new questions. A rule for ISSP questionnaire design is that two-thirds of the items are replications from earlier modules with the same topic, to allow for comparisons over time. The remaining questionnaire space is reserved to address issues that might not have been relevant in the previous modules, such as issues related to current world-events, new technical developments or contemporary communication channels.

Social inequality is present in societies all over the world. Thus, the ISSP has been asking people about their attitudes towards social inequality for over twenty years now. The

next Social Inequality module will be fielded in 2019, again enabling new research in extension of the existing trend data.

For the four ISSP modules on Social Inequality a cumulated dataset has been compiled, covering all 27 ISSP member countries participating in at least two *Social Inequality* modules and all variables appearing in at least two *Social Inequality* modules. All data, documentation and methodological information is accessible free of charge via the GESIS online data catalogue DBK (dbk.gesis.org). Documentation on variable level and the possibility for online analysis is given via the online platform ZACAT (zocat.gesis.org). Further information on ISSP data and metadata is available on our webpages at: <http://www.gesis.org/issp>.

About the ISSP

The *International Social Survey Programme* (ISSP) is a coordinated consortium of research institutes, whose researchers share an interest in international comparative social research. Starting with five founding countries in 1984, almost fifty countries around the world are now associated with the ISSP. Members convene once a year and make joint decisions for the upcoming survey topics and discuss research goals, and even the concrete wording of survey questions in detail.

The largest challenge for cross-national programs is achieving true comparability of survey data. While the basic ISSP questionnaire is composed in British English, each country is responsible for translation into the national language or languages. However, in cross-national surveys translation means far more than simply linguistic translation of words from one language into another. More important is the attention to the culturally compatible translation of concepts into each national context to achieve functional equivalence across countries.

ISSP survey topics are intentionally selected for their high relevance for social science research. To enable comparability over time, they are repeated periodically. The questions predominantly focus on attitudes, values and behavior towards topic-related issues. Each year, ISSP member countries conduct a survey, which, in the ISSP context, is termed a module. The module topic for the years 1987, 1992, 1999, and 2009 was Social Inequality.

Participating countries	1987	1992	1999	2009
Argentina				X
Australia	X	X	X	X
Austria	X	X	X	X
Belgium				X
Brazil			(X)	
Bulgaria		X	X	X
Canada		X	X	(X)
Chile			X	X
China				X
Croatia				X

Participating countries	1987	1992	1999	2009
Cyprus			X	X
Czech Republic			X	X
Czechoslovakia		X**		
Denmark			(X)	X
Estonia				X
Finland				X
France			X	X
Germany	X*	X	X	X
Great Britain	X	X	X	X
Hungary	X	X	X	X
Iceland				X
Ireland	(X)		(X)	
Israel			X	X
Italy	X	X		X
Japan			X	X
Latvia			X	X
Netherlands	X		(X)	(X)
New Zealand		X	X	X
Northern Ireland			X	
Norway		X	X	X
Philippines		X	X	X
Poland	X	X	X	X
Portugal			X	X
Russia		X	X	X
Slovakia			X	X
Slovenia		X	X	X
South Africa				X
South Korea				X
Spain		(X)	X	X
Sweden		X	X	X
Switzerland	X		(X)	X
Taiwan				X
Turkey				X
Ukraine				X
USA	X	X	X	X
Venezuela				X

(X) = Not integrated, but available on request

* In 1987 Germany was still divided in West and East Germany and only the Western part of Germany (Federal Republic of Germany) participated in the module.

** In 1992 it was Czechoslovakia (CSFR) participating in the Social Inequality module. Since 1993 Czechoslovakia is split up into Slovakia and Czech Republic.

The Social Ladder

Status Mobility Across Time and Countries

Cinzia Meraviglia

Introduction¹

Society can be imagined as a ladder, whereby the rungs are the different social positions. Social mobility is the term for how individuals and families move along this ladder, however, movement is constrained by various factors. A university degree allows an individual access to the mid-level to higher rungs; while similarly, a wealthy family background – no matter what education one gets – improves one's chances for getting a good job, and remaining among the top rungs.

Social change and social mobility are seen as connected: If the same families or groups, generation after generation, are found on the same rungs, i.e., in the same social strata, society is immobile over time. However, movement among the social strata, whereby people coming from the lower can reach the top, and vice versa, produces changes in society.

In Westernized, post-industrial countries it is common wisdom that social strata should be occupied based on merit. People having the right abilities, skills and motivation to hold prestigious social positions should be able to get to them, independent of a privileged or non-privileged background. Are our societies open enough to allow people from under-privileged social strata to get to the top social positions; or are the most advantageous positions secured by inheritance, one generation after the other? Do social institutions (like the educational system) foster or hinder social mobility? Have our societies become more socially open over the 20th century?

A number of studies in recent decades have addressed these questions. Most of these have compared the social position held by individuals with that of their parents, to measure persistence or change in the various social groups; while also considering whether, and to what extent a privileged social origin successfully guarantees a better education *per se*, and hence a better social position, regardless of individual merits or abilities.

Yet very few studies focus on whether individuals perceive themselves as being socially mobile or immobile, with respect to their family of origin. However, the subjective side of mobility is relevant for shaping the mobility strategies of families. Presuming that social inheritance prevails, parents of lesser-privileged social strata might invest less in the education of their children, thus (unwittingly) contributing to social immobility. This will

1 I wish to thank Andrea Maniscalco (University of Eastern Piedmont) for his help in preparing the data for the analyses reported in this paper.

shape the expectations of future generations with respect to the openness of society, again fostering immobility rather than social fluidity between classes and strata.

Another reason for investigating the subjective side of mobility is that being socially mobile/immobile might be connected with one's perception of holding the same or a different position than one's parents. Are socially mobile people more likely to describe themselves as such; or do they think they are socially mobile even while holding the same social position as their parents? Do the two dimensions match or diverge? Are there any cross-national differences?

This paper explores the similarities and dissimilarities between the actual and perceived social structure in the context of social mobility in a comparative perspective based on the relevant questions asked in the four ISSP Social Inequality surveys. My aim is two-fold: First, to investigate the degree of openness of ISSP countries, also with respect to the influence that parental socio-economic background has on respondents' education; and second, to consider how socially mobile people perceive themselves as being, whether this perception connects with an actual change of social position, and how this varies across countries.

The next section addresses this first aim, analyzing the influence of the family of origin on respondents' social outcome; in the following I will analyze subjective social mobility and its relationship to actual social mobility.

Social Mobility Across Countries and Over Time

Social mobility is investigated as the influence of the family of origin (i.e., the family an individual was raised in) on respondents' social position. The stronger this influence, the higher the inheritance of social positions over generations, and the less open is a society as a whole.

A simplified version of the status attainment model proposed by Blau and Duncan (1967), also known as the OED triangle, is a useful tool for disentangling the process of attaining a social position. According to this model (Figure 1), an individual's social position is influenced by their parents' social position (path *a*) and by her/his own education (path *c*); the latter, in turn, is influenced by parental social position (path *b*).

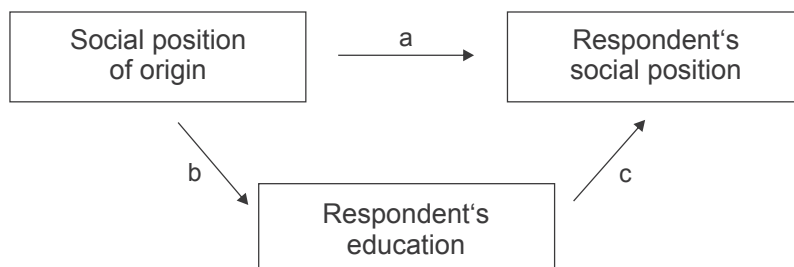


Figure 1 The simplified status attainment model

In the OED triangle the focus is placed on the influence that the family of origin can exert in various ways (e.g., providing the offspring with endowments and assets, or exploiting their social network to find them a good job, or allowing their children to study for a long time, etc.). This overall influence is called the *total effect of social origin* (TESO, see Bernardi and Ballarino 2016b), which comprises the effect of all sources of influence that parents may exert over the social position of children (path *a* and paths *b-c* in Figure 1). As such, this total effect also includes the influence that parents may have on their children's educational attainment (path *b* in Figure 1). The latter relationship has received the most attention from stratification scholars over the last century. As modernization theory contends (Parsons 1961; Treiman 1970), societies change under pressure from increasing social division of labor. This in turn makes both the economic system more efficient, and individuals (or, better, *roles*) more mobile and free to “acquire knowledge and ability, [with] a greater likelihood that they will do so” (Mayhew 1982, 44). Increasing specialization, in turn, demands individuals upgrade their competences to a higher level to meet the new productive standards. At the same time, as rational behavior replaces more traditional forms of behavior (based, for example, on kinship), individuals are then sorted into occupational roles according to their competences, rather than personal bonds, inheritance, etc. Therefore, education is key to modern societies, since it becomes the main mechanism allowing for the efficient allocation of individuals to roles.

It is a fact that over the last century education has gained significantly in importance in the labor market. Increased bureaucratization and rationalization of Western societies; the growing share of the workforce employed in the service sector, and in large, organized firms; the expansion of the welfare state and state administration are all processes parallel with the expansion of the education systems, as well as with the increasing importance attributed to education and skill qualifications (Shavit and Blossfeld 1993). Within this framework, families have learned to invest in their children's education to be able to offer them a better future, or to continue holding a privileged position. Hence, as modernization theory contends, the direct effects of the family of origin should decrease over time.

However, since individuals, families or groups can always counteract social change, the influence of social origin may take an indirect path through education as a means to secure a better future for the offspring. Again, as maintained by modernization theories (Blau and Duncan 1967; Treiman 1970), meritocracy theories (Goldthorpe 1996; Goldthorpe and Jackson 2008), as well as common wisdom, better education should allow to access better occupations, in turn, bringing better social positions. Whether true or not, and to what extent, many families invest in their children's education in order to gain better social positions, or to allow them to continue holding the privileged positions they already hold by birth. Assuming that families seek to avoid social demotion (Boudon 1974), the indirect effect of the family of origin could be increasing – instead of decreasing – over time; since medium-high status families may send their children to better schools, and/or to support them in studying longer (Raftery and Hout 1993; Lucas 2001; Parman 2011). Lower status families, however, cannot easily afford the direct costs of education or the indirect cost of postponing their offspring entering the labor market.

Clarifying the role of education in the mobility process requires consideration of two separate issues. The first issue is whether or not access to all educational levels is granted to all children, independent of social background (path *b* in Figure 1); and the second is

whether a better education does indeed bestow some advantage in the labor market over a lower level of education (path *c* in Figure 1). The *inequality of educational opportunity* (IEO), as the first is termed, enjoyed a vast amount of research over the last century (see among others: Shavit and Blossfeld 1993; Breen and Jonsson 2005). The latter issue addresses the *returns to education*, i.e., the value (in terms of either income or social status) of any given educational level (Acemoglu 2002; Goldin 1999; Goldthorpe 1996; Müller and Gangl 2003; Bernardi and Ballarino 2016a).

Along with the above, the *direct effect of social origin* (the so-called DESO; see Ballarino and Bernardi 2016), i.e. the influence exerted by the family of origin on the offspring social position, net of their education, is also of interest (path *a* in Figure 1, once education has been taken into account). Comparing direct with total effect offers insight into how much of the effect of parental background on the offspring's social position is via education, and how much is direct effect beyond education.

Empirically the variables used for studying the relationships of the OED triangle are parental social background, which is obtained from father's and mother's occupation (variables V70 and V72 respectively); respondent's occupation at time of survey (variable ISCO88) and respondent's education as measured by years of schooling (variable EDUYRS). Parental and respondent's ISCO-88 codes has been transformed into the scores of the International Socio-Economic Index (ISEI) (Ganzeboom and Treiman 1996, 212)². In order to have a single variable indexing respondent's social background, the highest value between mother and father's status has been considered (see Erikson 1984).

An ISEI score can only be calculated if a respondent has a paying job; the valid sample includes solely respondents having an extra-domestic job at the time of the interview in each of the four module years 1987, 1992, 1999 and 2009, and in the various countries. Not all countries in the harmonized file provided a detailed 4-digit ISCO-88 code; in particular, Austria, France and Israel provided a 3-digit code in the year module 1999, while France, Finland and South Africa did the same in 2009. Indeed, South Africa (which I only consider in the analyses reported in the next main section) only provided a 1-digit ISCO-88 code.

Table 1 shows the valid sample size by country, according to the availability of year modules, as resulting from selecting the cases with valid information on all relevant variables.³

OLS regression was used to estimate the influence of parental background on respondent's socio-economic status. Following from the specifications given above, three kinds of effects will be scrutinized, namely the DESO, the IEO and the returns to education. In analyzing all three effects magnitude, the trend over time and the differences across the

2 Treiman (1977) ascertained that the social evaluation of occupation remains substantially constant over time and across countries. Hout and DiPrete (2006) call this result the "Treiman constant" and the (likely) only true universal that sociology as a discipline ever discovered. For this reason, I use the ISEI in my analyses in the case of both respondents' and their parents' occupation, as is customary in stratification research.

3 This amounts to selecting cases based on listwise deletion of the three variables at once. Furthermore, the sample includes only respondents at least 30 years old at time of survey, so that by then they would have most likely completed their education, and not older than 65, in order to account for retirement and differential mortality after that age.

ISSP countries will be examined. The results will be presented by country and according to a geo-political classification.

Table 1 Number of valid cases by country and year module

No. Year modules	Country	Year modules				Total
		1987	1992	1999	2009	
4	AT	523	561	515	525	2124
	DE-W	515	894	462	492	2363
	HU	1619	735	640	572	3566
3	AU		1400	955	681	3036
	CZ		437	1013	677	2127
	DE-E		494	256	217	967
	NO		693	589	778	2060
	PL		906	654	701	2261
	RU		869	633	701	2203
	SK		257	490	643	1390
	US		649	633	812	2094
2	CH	524			788	1312
	CL			713	719	1432
	CY			527	622	1149
	ES			624	543	1167
	FR			998	1529	2527
	LV			576	515	1091
	NZ		678	650		1328
	PT			641	566	1207
	SE			612	670	1282
	SI			562	521	1083
1	BG				458	458
	CA			524		524
	IL				625	625
	IT				523	523
	JP				528	528
	PH				691	691
Total		3181	8573	13267	16097	41118

The Effect of the Family of Origin

Let us first consider the DESO, that is, the influence of parental background on a respondent's status, net of the effect of education, gender and work experience. The latter variable accounts for the fact that respondents entered the labor market at different times, hence differing in length of occupational career.⁴

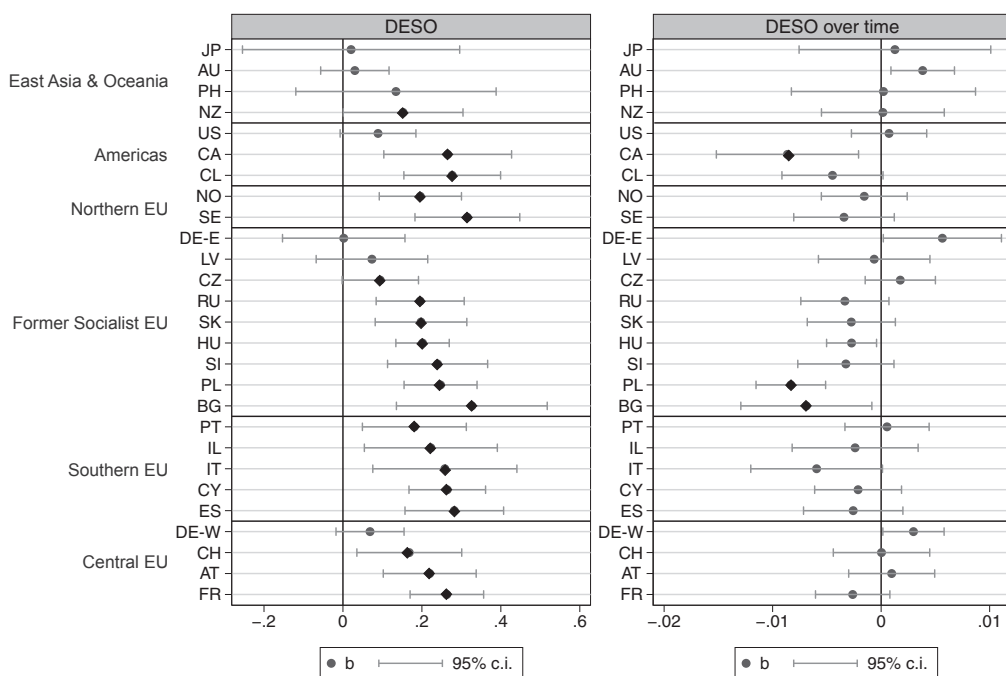


Figure 2 Influence of parental socio-economic status on respondent's socio-economic status (DESO) (left panel) over time (right panel) by country, controlled for respondent's education, work experience and gender. Significant coefficients are marked with black diamonds ($p < 0.05$)

The ISSP countries vary with respect to strength of direct influence of parental background on offspring socio-economic status.⁵ At one end, in Bulgaria a difference of 10 points

4 Following Ganzeboom and Treiman (1993), I approximate work experience utilising the following equation:

$$\text{Work experience} = \text{age} - \text{years of education} - 6$$

Hence, I assume that respondents entered the education system at an average age of six, and entered the labor market soon after completing their education, and have worked continuously since. These assumptions are not necessarily met for everyone in the cumulative sample; nonetheless, they are reasonable and allow some control over the career effect, which would otherwise create bias in the estimates. The approximation of work experience serves as a measure of time in the analysis.

5 As Table 1 shows, sample size across countries varies a lot, owing to the number of available surveys. Hence, in interpreting the findings relative to countries with only one or two surveys, some caution is warranted.

of parental socio-economic status (say, between office clerks, who score 45 on the ISEI, and sales representatives, who score 55) changes respondent's socio-economic status by about 3 points; at the other end, in the Czech Republic the change is just 1 point. These quantities are not so appreciable in absolute terms; however, note that this is the effect of parental socio-economic background over respondent's status *net* of education, work experience and gender effects. Otherwise said, of all possible (and accountable) sources of influence over an individual's social position, the DESO is the impact of just one among them, namely parental background, keeping all other known sources of influence constant. Therefore, even small figures are relevant since they express the direct influence of the family of origin *per se*, over and above that channeled through other variables.

In the remaining countries, a change of 10 points in parental status brings an average difference of 2 points in respondent's socio-economic status score. Overall, excluding the non-significant effects, the size of the estimated influence of parental background is rather similar across the various geo-political groups, while some dissimilarities can be observed within groups. As an example, the countries in the East Asia and Oceania group enjoy a very low influence of parental background on respondent's socio-economic status, with Australia, Japan and the Philippines even showing a non-significant coefficient (though in the latter two cases the modest sample size could be at stake). Within the Americas group, the USA stands out for having a low and non-significant coefficient, while Canada and Chile align with Southern European countries in terms of the magnitude of their coefficient.⁶ The group of former Socialist countries also shows marked dissimilarities with East Germany and Latvia at one end demonstrating very low parental influence, while Poland, at the other end, and, most of all, Bulgaria show a comparatively high parental influence. The other European countries (Northern, Southern and Central) show more similarities than differences; in these countries a change of 10 points of the parental socio-economic status delivers between 2 and 3 points of respondent's ISEI. West Germany is an exception to this pattern, showing a non-significant coefficient which points towards a very low influence of family of origin on respondent's social position (as indeed Eastern Germany).

A first general conclusion is that there is a substantial direct influence of parental background over offspring's socio-economic position in almost all countries. Did this picture change over time towards greater independence of respondent's status from the family of origin? As can be seen in the right panel of Figure 2, a significant change over time is observed in just 3 of 27 countries: Canada, Bulgaria and Poland. Among the remaining countries, the possibility that there is no appreciable reduction cannot be ruled out given the size of the coefficients and their generally wide confidence intervals.

These results largely replicate findings by Bernardi and Ballarino (2016a), whose analyses showed that in most of the countries considered the DESO did not change over time. More precisely, this finding is valid for Germany, Hungary, Italy, Japan, Russia, Spain, Switzerland and the USA, for which I found stability as well. In the cases of France and

6 This amounts to selecting cases based on listwise deletion of the three variables at once. Furthermore, the sample includes only respondents at least 30 years old at time of survey, so that by then they would have most likely completed their education, and not older than 65, in order to account for retirement and differential mortality after that age.

Israel they found rather an increase, while I found stability; and in the case of Sweden (where I also find stability) a decrease of DESO over time was found.

Following Ballarino and Bernardi (2016), Figure 3 compares the direct effect of parental background, net of education (DESO), to its total effect on the offspring’s socio-economic status (TESO)⁷. Notwithstanding the, sometimes, huge variation between countries, and to some extent, between the geo-political groups, the graph shows two relevant outcomes. First, an appreciable part of the influence of the family of origin (represented by the full-length bars) is channeled through education (white bars), while second, education is not the only means to allocate individuals to job positions, since the family of origin exerts a direct influence over this process, over and above education (grey bars). As the two authors conclude, what we observe is “a sizeable deviation from a solely education-based meritocratic process of job allocation” (2016, 257) in all countries.

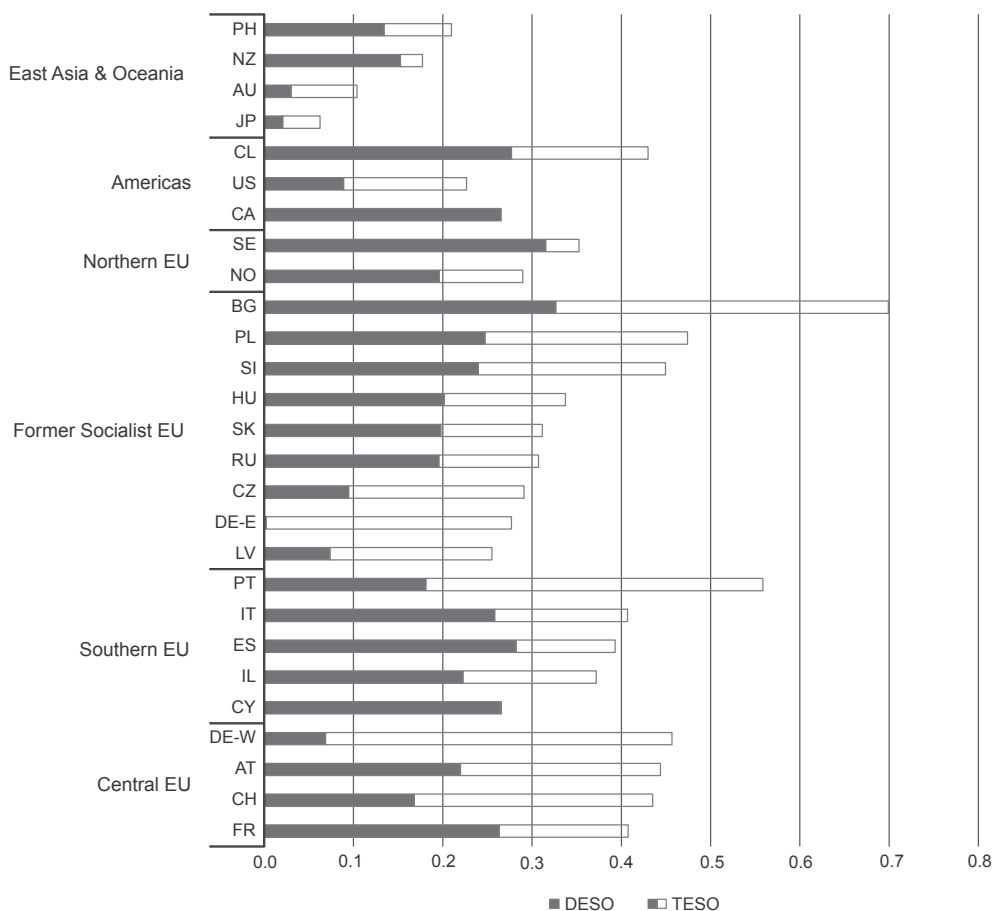


Figure 3 Total (TESO) and direct (DESO) effect of parental background on respondent’s socio-economic status by country

7 The TESO is obtained by estimating the same linear regression model used for obtaining the DESO coefficients, while omitting education. Details of this analysis are not shown here, however are available upon request from the author.

Inequality of Educational Opportunity

Looking at the influence of parental background on respondents' educational attainment (IEO), the usual expectation in this case is that IEO would decrease over the 20th century, as an effect of the prevalence of meritocratic and universalistic criteria for allocating individuals to occupational roles. This expectation however seldom stands up empirically. Research findings indicate that the 20th century was marked by the persistence of educational inequality (Shavit and Blossfeld 1993; Wheelan and Layte 2002; Hout and Dohan 1996), while more recently some studies illustrate support for a decrease in inequality (among others, Breen, Luijckx, Müller and Pollak 2009; Ballarino, Bernardi, Requena and Schadee 2009). Other cases offer mixed evidence, as some countries show a decline, while in others persistence of inequality prevails (Jonsson, Mills and Müller 1996; Müller and Karle 1993; Bernardi and Ballarino 2016a).

Although most of the interest in the research literature focuses on the trend of the IEO over time, it is interesting to examine the magnitude of this effect in the various countries. In the estimated model, years of education are the dependent variable, while family background (measured by parental ISEI, as in the previous analysis) is the key independent variable and respondent's birth years used as a measure of time; gender is included as a control variable.

The estimated influence of parental background on educational attainment in the 27 countries appears in the left panel of Figure 4. With respect to geo-political groups, Southern European countries emerge as the most internally heterogeneous group. At one end, a change of 10 points in the parental socio-economic status brings a change of about 1 year of schooling in Israel and Portugal (whose coefficient is not significant). Down the other end, this change amounts to 4 years of schooling in Cyprus; while in Italy and Spain the change is more moderate (2.5 years of schooling), which is still substantial. The Americas present another rather heterogeneous group, as in the case of DESO: in Canada and Chile a change of 10 points of parental status brings a change of 2.5 years of schooling, while in the USA the analogous change is just half a year.

In the remaining countries, a change of 10 points of parental socio-economic status brings a change in offspring educational attainment between 0.5 and 1.5 years of schooling. The Philippines, Bulgaria, Latvia and Portugal are four countries where the coefficient of parental background is not significant, indicating either a lack of information (as suggested by the wide confidence interval for the Philippines and Bulgaria), or – more puzzling – perhaps to the irrelevance of social origin, as measured by parental ISEI, on educational attainment.

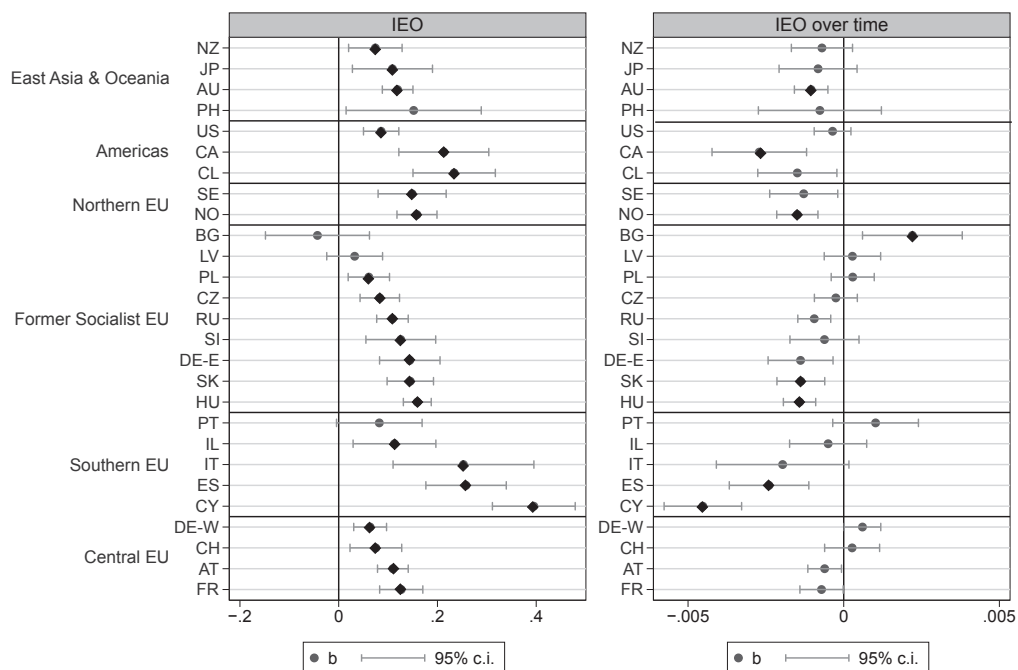


Figure 4 Influence of parental socio-economic status on respondent's education (inequality of educational opportunity) (left panel), over time (right panel) by country, controlled for age and gender. Significant coefficients are marked with black diamonds ($p < 0.05$).

With respect to the change of the IEO over time, Figure 4 (see right panel) illustrates changes found in 8 of the 27 ISSP countries. Changes occurred among the former Socialist countries of Bulgaria, Hungary and the Slovak Republic; the Southern European countries of Cyprus and Spain; the Northern European country of Norway; and among the East Asia/Oceania and American countries Australia and Canada, respectively. The direction of change is towards a lesser inequality in all 8 countries, save for Bulgaria, where it actually increased. This is also the case in two other former Socialist countries, Latvia and Poland, whose coefficients though are not significant. Bulgaria's result should be understood in light of two considerations. For one, the particularly low sample size (as in all countries with only one year module - see Table 1) means that the results should be interpreted cautiously. The second point to consider is that, as previously reported, the influence of parental background is close to zero; an increase over time brings Bulgaria in line with other European countries regarding the level of IEO.

In total, the most relevant IEO-related result is that, over time, it did not change in 20 of 27 countries. For some countries perhaps this is due to low sample, however, the general sense of the finding is that - once again - there is no support for the hypothesis of a general shift towards meritocracy and universalism over the 20th century. These results confirm the persistence of educational inequalities found in the mid Nineties by Shavit and Blossfeld (1993). More recent results by Breen, Luijckx, Müller and Pollak (2009) point to a decrease of IEO, however, these authors only consider 8 European countries, with

strictly male data, hindering any comparison of their results⁸ with ours or that of Shavit and Blossfeld.

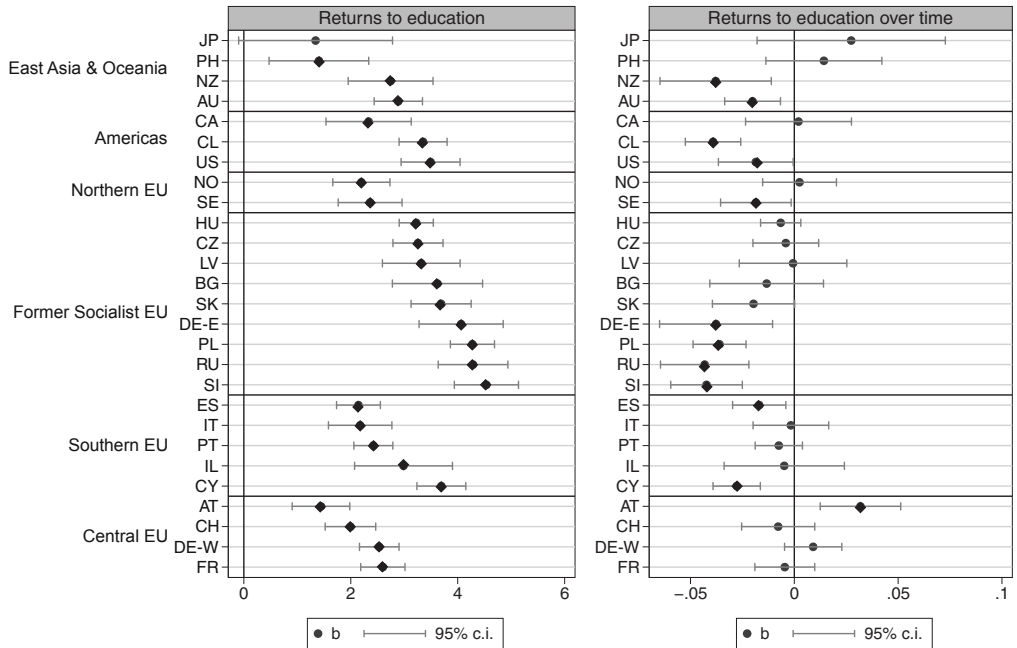


Figure 5 Influence of educational attainment over respondent's socio-economic status (returns to education), 1987-2009 (b values with 95% confidence interval; black diamond markers indicate significant changes of parental IseI over time)

Returns to Education

The final result discussed in this section concerns the returns to education, which point to the value that education holds in the labor market. Does more education bring better social position? Has this changed over time, i.e., is more education enabling people to secure a higher status?

As the left panel of *Figure 5* illustrates, the ISSP countries vary widely regarding returns to education.⁹ Former Socialist countries exhibit a higher effect of respondents' education on own occupational outcome than the other countries. In this group and on average, a change of one year of education brings a change of almost 4 points of socio-economic

8 Actually, Breen and colleagues' result of a decreasing IEO in Europe come from a model that does not fit the data, as the authors themselves acknowledge (2009, 1493).

9 In this analysis, as in the case of DESO, work experience is used as a measure of time. Furthermore, I consider absolute returns to education, that is, the proportion of respondents with any given educational level reaching a specific socio-economic position. Parental socio-economic status and gender are included as control variables.

status. Once again, when interpreting the size of this effect, consider that this is the net effect of just one variable, namely respondents' education, on their social position, holding other relevant variables (family background, gender and time) constant.

Among former Socialist countries, Slovenia displays the strongest effect of education on socio-economic status (ISEI 4.5 points), while Hungary shows the lowest (ISEI 3.2 points). Among the Southern European countries, Spain and Italy show a comparable size of the effect of education (about 2 ISEI points, like the two Northern European countries), while Israel and, most notably, Cyprus show a much higher effect (respectively 3 and 3.7 ISEI points), with Portugal in the middle (2.4 ISEI points). Central European countries, especially Austria and Switzerland (respectively, 1.4 and 2 ISEI points) show a rather low association between one's education and occupational status. Among the American countries, Canada shows a lower effect of education (2.3 ISEI points), while the USA and Chile show much higher returns to education (respectively, 3.5 and 3.3 ISEI points). Countries in East Asia & Oceania also seem rather heterogeneous, with the Philippines and Japan (whose coefficient is non-significant) at the lower end, while Australia and New Zealand appear at the other end (2.7 and 2.9 ISEI points, respectively).

Figure 5 (see right panel) provides an answer to the question of whether the returns to education have changed over the course of the 20th century. The answer is affirmative in the case of 12 countries distributed across the geo-political groups: New Zealand and Australia; Chile and the USA; East Germany, Poland, Russia, and Slovenia; Cyprus and Spain; and finally Austria. Notably this last country, Austria, is the only one that witnessed an increase over time of the returns to education, but, while this is also the case for Japan, the Philippines and West Germany, their coefficients are not significant.

This analysis demonstrates that the association between respondents' education and occupation has remained stable in most of the ISSP countries, or even declined in a good share of them. Such findings support the hypothesis of credential inflation (Boudon 1974; Collins 1971; 1979), according to which a higher share of educated individuals in a given society, together with mass participation in the educational system, lowers the value of educational titles, and especially those of a higher degree, as signals used by employers to select potential workers.

Summarizing the outcomes thus far presented, parental background exerts a substantial influence over the educational and occupational outcomes of their offspring in Western(ized) countries. The influence of the family of origin flows both in a direct way (DESO), and through education (IEO); in both cases, the majority of countries did not witness an equalization process, since both DESO and IEO remained essentially stable over time. Furthermore, the returns to education have decreased in a fair number of countries, partially obliterating the overall effect of social origin on offspring social position. However, elite families could well find ways of compensating this process, as some theories contend (see for example Lucas 2001) and as recent research findings confirm (Bernardi and Ballarino 2016b). Yet, in most countries the returns to education remained stable, and only in one case (Austria) did they increase, pointing to an overall stable frame of reference for families who shape their mobility strategies in a rather stable social environment.

Perceived and Actual Social Mobility

The ISSP surveys on Social Inequality include a question asking respondents to compare the status level of their own job to that of their father's:

Please think about your present job (or your last one if you don't have one now). If you compare this job to the job your father had when you were <14/15/16>, would you say that the level of status of your job is (or was)...

1. *Much higher than your father's*
2. *Higher*
3. *About equal*
4. *Lower*
5. *Much lower than your father's*
6. *I never had a job*
7. *I don't know what my father did / father never had a job / never knew father / father deceased*

At the root of this query is an important issue, namely that of the self-assessment of being socially mobile or immobile in the opinion of respondents. Although most empirical research in the field of stratification focuses on actual social mobility, recent research by Kelley and Kelley (2009) analyzes the causes and consequences of subjective social mobility, finding that actual mobility is the most important predictor of subjective mobility, but that the latter also depends on a wider range of factors, including a country's GDP.

Actual mobility here denotes the difference between respondent's social position and his/her father's social position, as measured by means of the socio-economic status index (ISEI) used in the previous section. This directly follows Kelley and Kelley (2009) who note that people seem to react more to the actual distance between their own social position and that of their family of origin, than to the absolute place they or their family of origin hold in the social hierarchy. Hence this difference can be interpreted as an index of socio-economic mobility such that the higher and positive its value, the more upwardly mobile is the respondent; while high and negative values refer to downwardly mobile individuals.

To familiarize the reader with this measure, average values by country are shown in Figure 6.¹⁰ Note that in all countries respondent's status is higher than father's status, i.e., on average all countries experienced upward, absolute social mobility. In addition, since the highest average difference between respondents' and their fathers' status score is less than 10 points on the ISEI scale, the distance between respondents and their fathers, on average, is not particularly high.

Figure 6 clusters the ISSP countries according to geo-political groups displaying marked internal variations. East Asian and Oceanian countries show a higher average level of the mobility index, with the exception of Japan and Australia. Russia and Sweden show extreme values with respect to the other countries in their groups, pointing at a higher-

¹⁰ In order to have an up-to-date picture of respondents' opinion on this matter, I restrict the analysis to the last available module year, namely 2009. For this reason, the countries in the analysis differ from those considered in the previous section.

than average positive difference between parental and respondents' ISEI. The European countries seem to enjoy a rather homogeneous level of mobility, while former Socialist countries (notwithstanding the high score of Russia and the rather high score for the Czech Republic, Ukraine and Estonia) show a lower score on average. To properly understand these findings, what must also be taken into consideration is that a high level of social mobility does not always come with an improvement in the life conditions of the general population. For example, Sweden and Russia are two countries with the highest level of absolute mobility and the former shows rather low inequality as measured by the Gini index (26.6 in 2009), while Russia shows far higher inequality (39.7 in 2009), that is rather stable over the last decade.¹¹

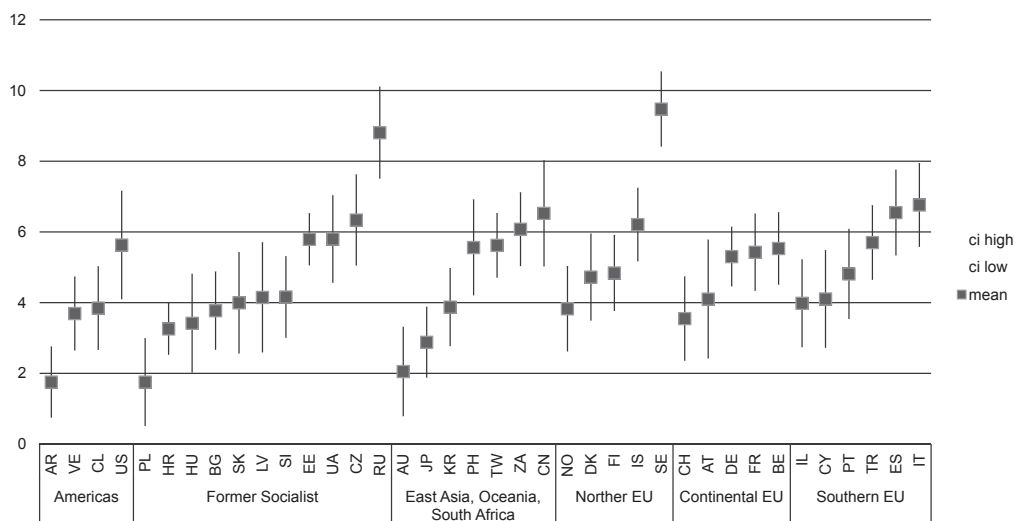


Figure 6 Means of the social mobility index (difference between respondent's and father's ISEI score) by country (2009)

Figure 7 shows the answers to the question on respondent's status as compared to that of his/her father by country in the 2009-year module. A first remark is that in all countries most of the people are found in the middle category ("about the same"), while few respondents chose the extreme categories ("much higher" and "much lower" than their father's status). An exception to this pattern is Japan, which has a conspicuous number of respondents who perceive their status as "much lower" than their father's, with very few answers of "much higher".¹²

11 This amounts to selecting cases based on listwise deletion of the three variables at once. Furthermore, the sample includes only respondents at least 30 years old at time of survey, so that by then they would have most likely completed their education, and not older than 65, in order to account for retirement and differential mortality after that age.

12 These findings parallel those obtained by Kelley and Kelley (2009). A possible reason for this response pattern is that in Japanese society "those who came before" (i.e., the elderly, parents, grandparents, etc.) are held in great social esteem, to the point that it is extremely socially

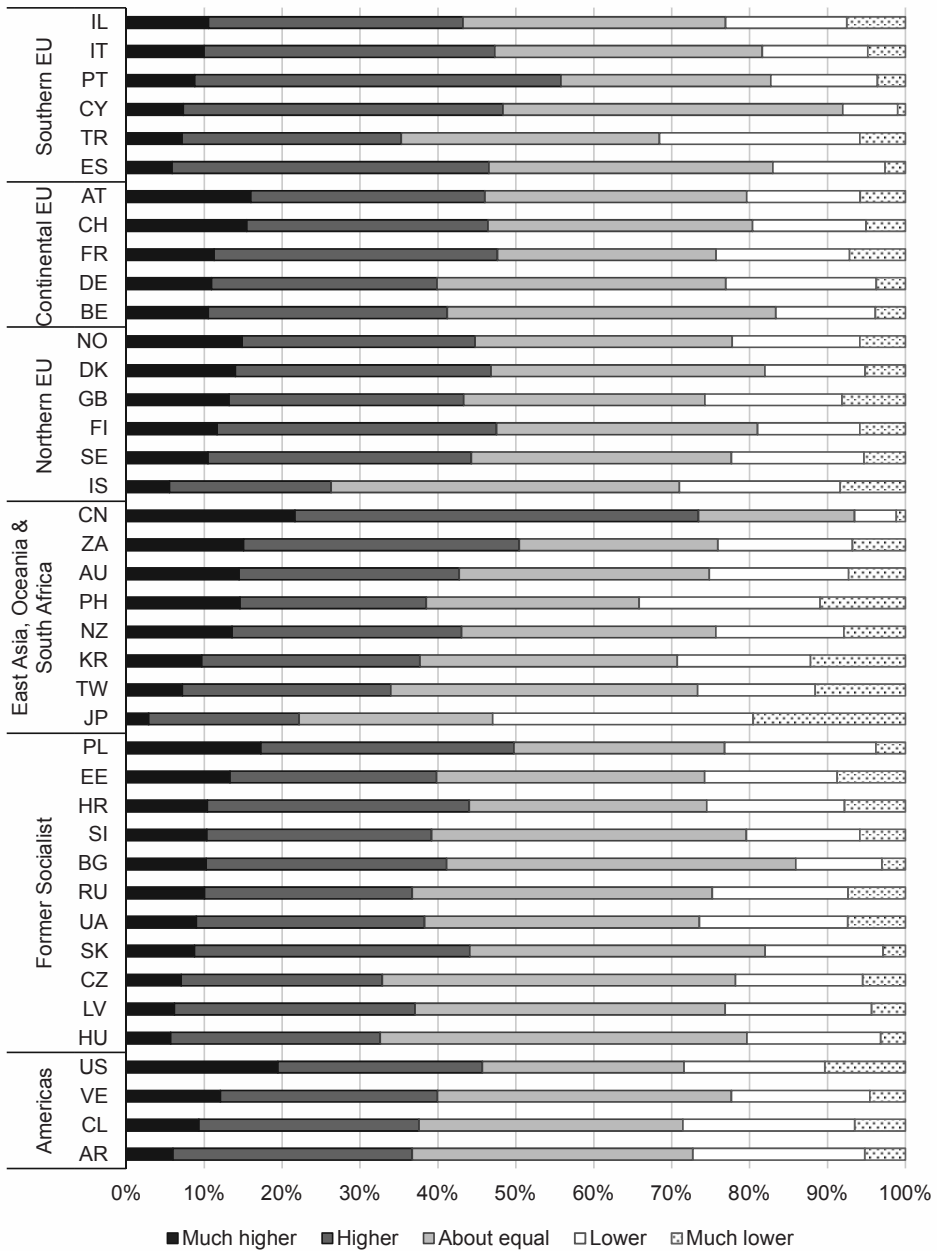


Figure 7 Respondent's perceived social status compared to father's social status by country (percentages) (2009)

undesirable to say that one's own social position is higher than theirs. This hypothesis would obviously require an empirical test to be confirmed as valid.

Considering the geo-political groups, the USA, China and Poland stand out among the other countries in their respective groups for the share of respondents who assess their own status as being higher or much higher than that of their fathers. This pattern is particularly evident in China, where half of the sample is found in the “higher” answer category, while 22% of respondents answered that their status is “much higher” than their father’s – an overall share of 74% of respondents saying that they were socially mobile with respect to their fathers.

Moving one step further towards the comparison of actual and perceived mobility, a very general expectation is that the two dimensions are positively associated; for example, it is expected that respondents in China not only state that they are (highly) socially mobile with respect to their fathers, but that they actually are. The social mobility index (ie. the difference between respondent’s actual social status and that of his/her father) scores should be about zero for those who answered that their social position was “about equal”. Following the same line of reasoning, we should see negative scores on the social mobility index for those who answered that their position is “(much) lower” than their father’s, and positive scores for those who assessed their social position to be “(much) higher” than that of their father’s.

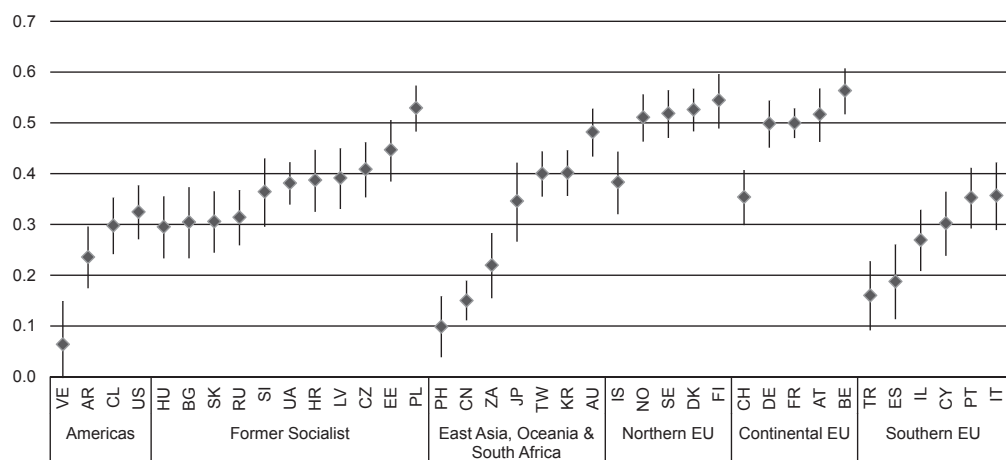


Figure 8 Association between perceived and actual social mobility by country (2009; z-transformation of Spearman’s rank-order correlation coefficients with 95% confidence intervals)

As Figure 8 shows, countries differ widely with respect to the strength of the association between actual and perceived dimensions of social mobility¹³, however some patterns can be singled out. Respondents in Northern European countries (with the exception of Iceland) show a very high association between the perceived and the actual dimension of mobility. While some countries in the East Asia, Oceania & South Africa group, as well as

13 I first calculated the Spearman’s rho coefficient; then, following Bonnett and Wright (2000), I transformed the Spearman’s rank correlation r into z_r , which has an approximately normal distribution with variance $1/(N-3)$. The lower and upper confidence limits are then calculated as for the Pearson’s r .

in the Mediterranean region, show a rather low association between the two dimensions of mobility. In the Philippines, China, South Africa, Turkey and Spain those being socially mobile (either in an upward or downward direction) infrequently assess themselves as being so, similar to those who did not change their status with respect to their fathers. While most of the Southern European countries show a similar pattern, a different scheme characterizes the former Socialist countries, whose respondents show on average a rather good ability to assess their actual status with respect to that of their father's.

In interpreting these results one must bear in mind that the differences reported above could reflect either actual differences in the way in which people in the various countries perceive the social structure they are embedded in, as well as their changing position in it, or some measurement-linked methodological factors. For example, either the question in the ISSP module, or the measurement of the respondent's and their father's social position by means of the international socio-economic index could be especially adequate for perception of their own social mobility, or of their actual mobility, and more in some cultural areas than in others. In this vein, the Nordic countries show the highest correlation between actual and perceived mobility because the measurement of the two dimensions of mobility could be more adequate for them in particular than for other cultural areas of the world.

Conclusions

My twofold goal was to analyze the trends in social mobility in the ISSP countries over time and to explore similarities between respondents' perception/assessment of their being socially mobile with respect to their father's social position, and their actual social mobility.

This first goal, the analysis of the four ISSP Social Inequality module years (1987, 1992, 1999, and 2009), relied on a simplified version of the status attainment model (Blau and Duncan 1967) or so-called OED triangle, to break down the overall effect of parental background on respondent's social destination into four different effects (TESO, DESO, IEO and returns to education).

In line with the most recent findings (Bernardi and Ballarino 2016b), the results show that in the majority of the countries the direct influence of parental socio-economic status on the offspring's status, net of the effect of education, remained stable over time. Three exceptions arose, namely Canada, Poland and Bulgaria, where the DESO decreased. Comparison between the total and the direct effect of social origin (Figure 3) indicated that the job allocation process departs rather markedly from that typical of a meritocratic society, in which education is the key resource allowing for an efficient matching between individual skills and knowledge on one side, and occupational positions on the other.

With respect to the influence of social origin on respondents' education (IEO), the analysis documented the existence of a substantial effect of parental background on offspring educational attainment, although with marked variations between countries. Southern European countries, along with Canada and Chile show the highest level of influence, while Central European and former Socialist countries show a lesser IEO. This situation did not change over the 20th century in more than two thirds of the ISSP countries. Inequality

decreased in eight of them (Bulgaria, Hungary, the Slovak Republic, Cyprus, Spain, Norway, Australia, Canada), but did not change in the remaining countries. Here too one can speak of a substantial difference between the current state of affairs and the ideal-typical situation in which parental background gradually loses its influence over offspring's education, which in turn becomes a means to foster social openness. Education seems actually to foster more immobility than change, hence contributing to maintaining the actual social inequalities as found in the various countries.

To complete the picture I considered the returns to education, i.e., the value attached to education in the labor market. Once again, the ISSP countries differ with respect to the strength of the association between respondents' education and occupation. Slovenia shows the strongest effect, with Austria showing the weakest. For 11 of the 27 countries in the analysis the results point to a decrease in the value attached to education over time, hence giving support to the hypothesis of educational credential inflation (Boudon 1974), while in the case of Austria (as mentioned, the country with the lowest association) an increase was found.

Taken together, these findings point towards a persistence of inequality over time (with the few exceptions noted above), though of course the absolute level of inequality varies across countries in a way that the geo-political grouping can account for only to a limited extent. Hence these results add to previous ones that do not support the modernization theory (like the now classic Shavit and Blossfeld's comparative project), or theories on meritocracy. Still to be ascertained is whether these findings call for a revision of these theories, or for a complete change of perspective.

The second goal of the paper was to explore the similarities and differences between respondents' self-assessment of their social mobility, and their actual mobility. Analysis was conducted on the most recent year module, i.e. the 2009 dataset, and the results show that all ISSP countries on average experienced (absolute) intergenerational upward mobility. As for the perceived mobility, the results showed that most often people tend to choose the middle answer category ("about the same as father's status"), while few respondents chose the extreme categories ("much higher" and "much lower" than their father's status). In Japan the "much lower" answer category is selected more frequently than in other countries. The USA, Poland, and particularly China offered a greater share of respondents indicating their status to be higher or much higher than their fathers was and this was higher than in other countries of their respective geo-political groups.

Finally, the association between actual and perceived social mobility widely differs among the ISSP countries. In Scandinavian countries as well as in Austria, Belgium, and Poland, the perception of social mobility follows actual mobility more closely. On the other hand, in Venezuela, the Philippines, China, Turkey, Spain, South Africa, and Argentina respondents' assessment and actual mobility are rather independent from one another.

A possible development of the analyses discussed in this paper concerns the role of perceived social mobility in the status attainment process, reversing the usual direction of the relationship. For example, Kelley and Kelley (2009) analyzed the role of actual social mobility as a predictor of subjective social mobility. However, the difference between the two, once lagged of one time-unit (e.g., birth cohort), could be used as an indicator of how accurately families perceive mobility or immobility in their country and added as a predic-

tor to a status attainment model, in order to account for the perception of society as being more or less open to social change.

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Social Conflict Perception Between Long-term Inequality and Short-term Turmoil

A Multilevel Analysis of Seven Countries Between 1987 and 2009

Markus Hadler

Introduction

In 2011, social movements such as Occupy Wall Street, the Indignant Movement in Spain, and other groups sprung up in various countries, united by a criticism of existing social inequality and governmental austerity programs. One of their main points of contention was the large existing wealth and income differences between the rich and the poor, which was expressed aptly in the Occupy Wall Street movement's slogan: "We are the 99%", pointing to the wealth concentration among the top 1% of the US society (Keister 2014). These protests tempt us to perceive contemporary societies as contentious and laden with conflicts between the poor and the rich, whereas the death of class, declining relevance of class and conflicts etc. were announced a couple decades ago by scholars such as U. Beck (1986) and J. Pakulski and M. Waters (1996).

Given these opposing views, this contribution seeks to investigate the changes in the perception of conflicts between poor people and rich people, working class and middle class, and management and workers – henceforth summed up as vertical conflicts – over time and in a cross-national perspective. The ISSP data on inequality goes back to 1987. Since then, several events have occurred that could have shaped the perception of vertical conflicts: the collapse of the socialist systems in Eastern Europe, an accelerated deregulation of the labor market since the 1990s, the burst of the dot-com bubble in the early 2000s, the global financial crisis of 2008, and the recent problems of the European Euro zone. Such events can certainly influence the perception of vertical conflicts. Existing research on the perception of social inequality and conflicts (see Hadler 2003; Osberg and Smeeding 2006; Janmaat 2013; Edlund and Lindh 2015), however, also points to the impact of more stable socio-political circumstances such as political regimes, the institutionalization of market regulations, but also to the importance of affluence and actual levels of social inequality. In addition, the perception of conflicts can also differ among individuals within a given society, dependent on their socio-demographic characteristics and social attitudes.

The following section summarizes previous findings on the influence of the context and individual traits on conflict perception with a focus on the structural determinants of these views. This discussion of previous findings is followed by a brief overview of the data, variables, and analysis strategy. The subsequent results section starts with a country-level

overview of the changes in the conflict perception since 1987. These changes are then discussed in relation to the particular political and socio-economic developments in these countries. A multilevel model analyzing the influence of societal and individual characteristics concludes the result section. The final discussion and conclusion section points to the usefulness of multilevel models in identifying general trends and individual-level influences, but also emphasizes the role of specific country circumstances.

Determinants of the Perception of Vertical Conflicts

Disputes over the distribution of resources frequently undergird conflicts between individuals in lower social positions and individuals in higher social positions (Janmaat 2013). The distribution of income and wealth is commonly measured by the GINI index, which is an indicator of income or wealth concentration. It is 0 if resources would be distributed equally among all members of a society and 1 if all resources would be owned by a single individual. Research considering this measure among other societal characteristics such as affluence and political regimes has indeed identified independent effects on the perception of vertical conflicts (Hadler 2003; Haller and Eder 2015). As expected, conflicts are perceived as stronger within more unequal societies and as less pronounced in more equal societies.

The level of inequality is not a given, but can be influenced by political interventions. Early discussions revolved around class conflicts and their institutionalization in forms of collective bargaining agreements and similar mechanisms, which resulted ultimately in the development of different welfare regimes (Geiger 1949; Esping-Anderson 1990). The absorption of working class struggles into the political arena and the development of extensive welfare regimes have decreased income differences and led to a better cohesion among different social groups (Rothstein and Uslaner 2005, 46). Inequality and social conflicts are thus lower in societies with strong welfare regimes and institutionalized conflict and bargaining processes (Hadler 2003).

Over time societies have also become more affluent. The German sociologist Ulrich Beck (1986) thus proposed that intra-societal inequalities have lost their relevance as the entire population has become more affluent. He considered this an 'elevator effect,' which increases the overall wealth, while keeping the internal differentiation and inequalities unchanged. The declining relevance thus refers only to the subjective perception. In addition, according to Beck, vertical inequalities are overshadowed by other risks such as environmental threats that affect all members of a society, regardless of their societal position, which in turn results in a further declining relevance of vertical conflicts.

Recent social movements such as Occupy Wall Street have shown that internal inequalities are still recognized and a source of contention. The timing of the protests – after the global financial crisis of 2008 and the subsequent visibility of inequalities and injustices – matches the well-known J-curve discussed in social movement literature (Buechler 2000). Discontent often arises when the expectation of a sustained growth – or a continued elevator ride using Beck's metaphor – are not met. Insofar, we can also expect that the percep-

tion of vertical conflicts is influenced by the negative effects of brief economic crises and larger societal transformations such as the post-communist transitions in Eastern Europe.

These societal trends can affect the members of a society very differently. A crucial element is an individual's exposure to a conflict (see Kimmelmeier and Winter 2000; Morris and Su 1999). Individuals have a tendency to exaggerate differences the more exposed they are to one side of a conflict. Kimmelmeier and Winter's experiment on the perception of the Iraq conflict, for example, showed that the very same information was perceived differently depending on the role – army member, historian, or conflict mediator – the respondents were assigned. Similarly, in relation to inequality, Verwiebe and Wegener (2000) pointed out that income inequalities are perceived as stronger by respondents who consider themselves lower in the social stratification. Hadler (2003) applied this concept to the perception of vertical conflicts and was able to identify a curvilinear association. The perception is stronger among respondents who consider themselves as members of a lower stratum, followed by members of the higher stratum. Respondents who considered themselves as members of the middle stratum considered the vertical conflicts as the least strong.

The knowledge aspect also points to the importance of education. Research has shown that better educated individuals consider social inequality and vertical conflicts as less strong. In addition, the perception also differs between younger and older respondents. These age differences are frequently explained with different socialization experiences and change in individual values such as an increasing post-materialism (Inglehart and Baker 2000). Finally, gender is also an important mediator due to differences in exposure to inequalities, with women usually being more often disadvantaged and thus more critical towards social conflicts.

Research on social protest has also shown that objective contextual characteristics need to be accompanied by a feeling of injustice in order to political actions becoming widespread (Buechler 2000; Smith and Wiest 2012). As discussed above, when referring to the J-curve, we thus need to consider the individuals' judgment of inequality as well. In this regard, research has shown that individuals who perceive their society as rather unequal and ridden by inequality also perceive conflicts as more severe (Hadler 2003).

In sum, we can expect that vertical conflicts are considered as stronger by respondents who see themselves as members of a lower stratum, individuals who perceive the inequality in their country as too large, younger respondents, less well educated individuals, and women. These individual traits are embedded in different societal circumstances. Here, we can expect that the conflict perception is lower in more affluent societies, rather equal societies, and societies with a strong redistributive welfare regime.

Data and Research Methods

The analysis considers the seven countries that have fielded all four waves of the ISSP data on inequality. The resulting sample comprises 42,493 respondents and the following countries: Australia, Austria, Germany, Hungary, Poland, United Kingdom, and the United States. Germany, in addition, is also split into East- and West-Germany due to the different political histories. The 1987 wave of the ISSP data, however, is available only for West-Germany.

The dependent variable is based on a set of ISSP questions on the perception of different conflicts in a society. The question wording is:

In all countries, there are differences or even conflicts between different social groups. In your opinion, in <country> how much conflict is there between a) poor people and rich people, b) working class and middle class, c) and management and workers?

The answer categories are: Very strong conflicts, strong conflicts, not very strong conflicts, and there are no conflicts.

The respondents' answers to these three items were summed up to a single scale, divided by the total number of a respondent's valid answers, and reverse coded. The dependent variable ranges from 0 to 3, is almost normally distributed, and can be interpreted in a way that 0 indicates that a respondent does not perceive any conflicts and 3 that a respondent perceives very strong conflicts.

Independent variables at the individual-level are: age (in years), education (5 point scale with no formal education=1 and a University degree=5), gender (male=0, female=1), subjective social position (10 point scale with 1=at the bottom and 10=at the top), and a question on the respondents' assessment of the existing societal income inequality, with 1 indicating that the inequality is too large and 5 that it is too small. Table A1 provides an overview of the major statistics for these variables.

Independent variables at the macro-level are the level of inequality (GINI index) and the level of affluence (GDP per capita). Both measures are included in two different ways in the multilevel model: As a country-level variable that describes the overall level of inequality (or affluence, respectively) in a given country and a measure that captures the changes over time. The models are thus able to differentiate between cross-sectional and over-time effects of a given variable (see Deeming and Jones 2015 for more details on this modelling strategy). Furthermore, the dominant political regime is considered in the descriptive analysis, with Australia, United Kingdom, and the United States representing liberal regimes; Austria and Germany-West continental welfare regimes, and Germany-East, Hungary, and Poland post-communist regimes. These macro-level data were derived from OECD, World Bank, and different research papers in case the first two sources had insufficient information (see Table A2 for more details).

The results section starts with a graphic on the perception of conflicts across countries and over time. This graphic is based on the aggregated values of the perception index described above. The subsequent multilevel analysis (see Table A3 for the regression equation) estimates the influence of both societal and individual-level factors on the perception of conflicts. Its set-up follows the structure of the data, with countries as the highest level,

changes within countries as the middle level, and individual responses as the lowest level. The number of country-level observations, however, is very small and their effects thus need to be interpreted with caution (Stegmueller 2013). Therefore, alternative regression models that include countries as fixed effects were estimated as well. These models yielded similar results and are thus not reported.

The Perception of Vertical Conflicts over Time

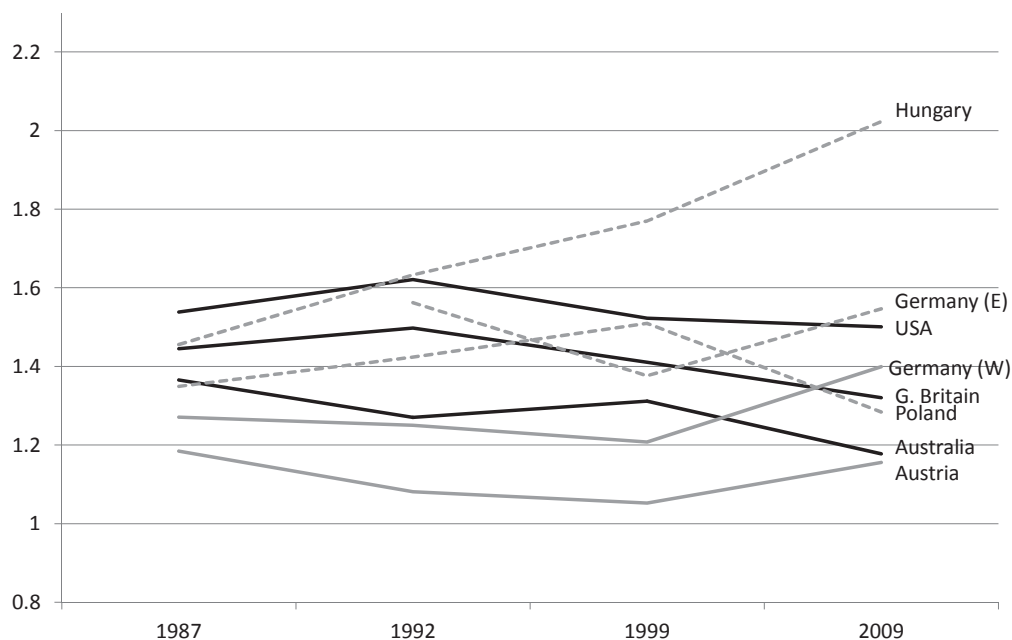
Figure 1 shows the changes in conflict perceptions between 1987 and 2009 for each country. The lines represent the average score at a given time point and are formatted according to the political regimes. Dark lines indicate liberal regimes, dotted lines post-communist regimes, and grey lines continental welfare regimes. As for the strength of the conflict perception, a value of 0 represents the answers “there are no conflicts,” 1 “not very strong conflicts,” 2 “strong conflicts,” and 3 “very strong conflicts” when considering the underlying questions. Overall, the average perceptions thus lie between not very strong conflicts and strong conflicts.

Considering 1987 only, these conflicts were considered relatively strong in the United States, followed by Hungary, Great Britain, Australia, and Poland. They were seen as relatively weak in West-Germany and Austria. The 1987 ranking confirms the expectation that welfare states are able to mitigate the effects of inequalities and that vertical conflicts are perceived as rather weak by the public in these countries. It is, however, interesting that the then socialist countries Hungary and Poland do not differ much from the more liberal states Great Britain and Australia. A closer look at the specific perceptions in Hungary and Poland in 1987 shows that the respondents are the most concerned about conflicts between rich people and poor people and the least about conflicts between workers and the management. This might be a reflection of hidden inequalities such as differences in access to goods between the political elites and ordinary citizens, mixed with the ideology of equality at and social welfare via the work place (Henderson, McNab and Rózsás 2005).

This initial ranking changes from 1987 to 2009, with a few trends being of particular interest. Figure 1 depicts a continuous and substantial increase in conflict perception in Hungary. This former socialist country ends up as the country in which the population perceives the strongest conflicts among the countries of our sample. Such a continuous increase is not observable in the two other former socialist countries. In East Germany, where the survey was fielded only from 1992 onwards, the public perceives the strength of vertical conflicts quite similar to Hungarians in 1992. This assessment is followed by small decline to 1999 and a rebound in 2009. In Poland, finally, the perception of conflicts increases from 1987 to 1999, but drops afterwards.

The opposite trend – a continuous decline in conflict perception – can be seen in the liberal country Australia. In 1987, the conflict perceptions of Australians were in the middle of our sample, below the two other liberal countries – USA and Great Britain – and above the two welfare states Austria and Germany. In 2009, the conflict perception in Australia is less pronounced than in West Germany and a comparable level to Austria. The distinction between continental European welfare states and liberal states, which were aligned with

the conflict perceptions in these two groups in 1987, is thus has lost some of its distinctiveness over the period of the surveys.



Source: ISSP 1987, 1992, 1999, and 2009. Aggregated values calculated based on respondents' answers to the question of the conflict strength between "poor people and rich people," "working class and middle class," and "management and workers." 0 = There are no conflicts. 3 = There are very strong conflicts. See methods and data section for more details. Dotted lines: former socialist societies. Dark solid lines: Liberal regimes. Grey solid lines: Continental welfare regimes.

Figure 1 The perception of vertical conflicts between 1987 and 2009

The trends in Hungary and Australia are statistically significant¹ and can possibly be explained by the unique political and economic developments in these countries. The increasing conflict perception in Hungary – a description that also holds up when considering the full sample of countries that fielded any of the ISSP surveys on inequality – resonates with the political turmoil and economic developments in this country after the fall of the Iron Curtain (see Ágh 2013; Csaba 2013). The liberalization of the market mixed with a reduction of social welfare in the early 1990s led to a recession and hardship for large parts of the population. Parallel, the political leadership kept changing constantly. The government shifted almost every single election between a more conservative and a more socialist party and it took until 2006 – when the socialist party MSZP was re-elected – that a government remained in power. This victory, however, was soon followed by protests, when a private speech of Prime Minister Ferenc Gyursány become public, which included a

1 Based on a multilevel model that includes interactions between time and country in addition to the individual level variables depicted in Table 1.

statement that the party had lied to win the 2006 election. This political turmoil was soon followed by the global financial crisis of 2008, which hit Hungary hard and led once more to a recession. Given these problems, it is not surprising that the conflict perception has increased throughout the entire period.

Contrary to Hungary, the two other former socialist countries in our sample, East Germany and Poland, experienced a much smoother transition. East-Germany was integrated into an existing flourishing democracy and its special path was thus dubbed “Sonderweg” (Offe 1994). Accordingly, the conflict perception declines from 1992 and increases only again from 1999 to 2009 – possibly due to first effects of the beginning global financial crisis. Poland, the third post-communist society, also went through an initial shock therapy including market liberalization efforts and cuts in welfare support after the fall of the Iron Curtain (Kolodko 2013). Poland, in contrast to Hungary, however experienced a sustained increase in GDP and was able to avoid the worst effects of the global economic crisis in 2008. Aligned with these events, the conflict perception increased only initially and then declines from 1999 to 2009.

Finally, the continuous decline in conflict perception among Australians could be related to the recent economic past in this country. Australia has had an uninterrupted economic growth for over 20 years and was able to avoid most of the negative effects of the global financial crisis of 2008 (see Saunders and Wong 2012). These developments are unique among the liberal countries of our sample, given that both the United States and Great Britain have faced economic turmoil in the same period. Australia thus could represent an ideal depiction of Beck’s (1986) elevator metaphor, given that its level of inequality is still higher than in Austria – the only other country with a similarly low level of conflict perception in 2009.

These interpretations are based on the descriptive trends depicted in Figure 1 and thus should be also tested for their statistical significance. The following section presents the results of various multilevel models which estimate the effects of the country level factors considered in this section and thus allow for verifying the interpretations offered so far. Furthermore, these models also include individual level characteristics such as age and education and add another layer to the macro-level interpretations brought forward so far.

Determinants of Vertical Conflict Perception: Multilevel Model

This section reports the outcomes of various multilevel regressions that simultaneously estimate the effects of country-level and individual-level characteristics on the perception of vertical conflicts. The results are reported in Table 1 and split into four different substantive models. The empty model shows the variances at the three different levels and can be used as a baseline for gauging the explanatory power of the subsequent models. Model 1, then, considers individual socio-demographics as independent variables. Model 2 adds the subjective views on social position and inequality to the previous model. Model 3 includes both individual and societal characteristics. In addition, various interaction models were tested to estimate the specific country level developments described in the

previous section. Their results are discussed in the text, but not depicted in the table due to the large number of different models and predictors.

Table 1 reports the unstandardized coefficients, their direction and significance, and the standardized values. For an easy readability, only the standardized Beta coefficients, the direction and the significance need to be considered. Their absolute value indicates the strength of their influence. As for the sign, a positive value means that the conflict perception increases, when the independent variable increases, and a negative value that the conflict perception decreases, when the independent variable increases. Older respondents thus consider conflicts weaker than do younger ones. The asterisks indicate that an effect is statistically significant – which is the case for all individual characteristics, but not for all country-level variables.

Table 1 Individual-level and contextual determinants of conflict perception*

Independent Variables	Empty Model	Model 1		Model 2		Model 3	
		B	Beta	B	Beta	B	Beta
<i>Constant</i>	1.406**	1.497**		2.169**		1.646**	
<i>Socio-demographics</i>							
Female		.060**	.049	.053**	.042	.053**	.042
Age		-.002**	-.054	-.002**	-.054	-.002**	-.054
Degree		-.040**	-.092	-.027**	-.061	-.027**	-.061
<i>Subjective views and attitudes</i>							
Subjective Social Position				-.095**	-.074	-.095**	-.074
Squared				.007**		.007**	
Perception of Income Differences				-.310**	-.178	-.305**	-.177
Squared				.041**		.041**	
<i>Contextual characteristics</i>							
Overall time effects (wave)						.033	.059
Country affluence (GDP *1000)						-.010	-.137
GDP growth (*1000)						-.007	-.088
Country inequality (GINI)						.023*	.180
Gini growth						.016	.057
<i>Remaining variances</i>							
Country-level	.027†	.028†		.024†		.014†	
Time-level	.013**	.013**		.009**		.008**	
Individual-level	.354**	.350**		.337**		.337**	

*Linear hierarchical regression with three levels. IGLS estimation. 40,159 valid cases out of a total sample size of 42,493. Also included as independent variables but not shown in this table: embedded variables for missing answers in subjective social position and the question about income differences (see appendix for the full specification of Model 3.) Beta values for quadratic effects were calculated by restricting them to linear effects. Significance: † $p < .1$, * $p < .05$, and ** $p < .01$.

In addition, the remaining variances are reported in the bottom rows of Table 1. The empty model – a model without any independent variable – can be used as a baseline, with any

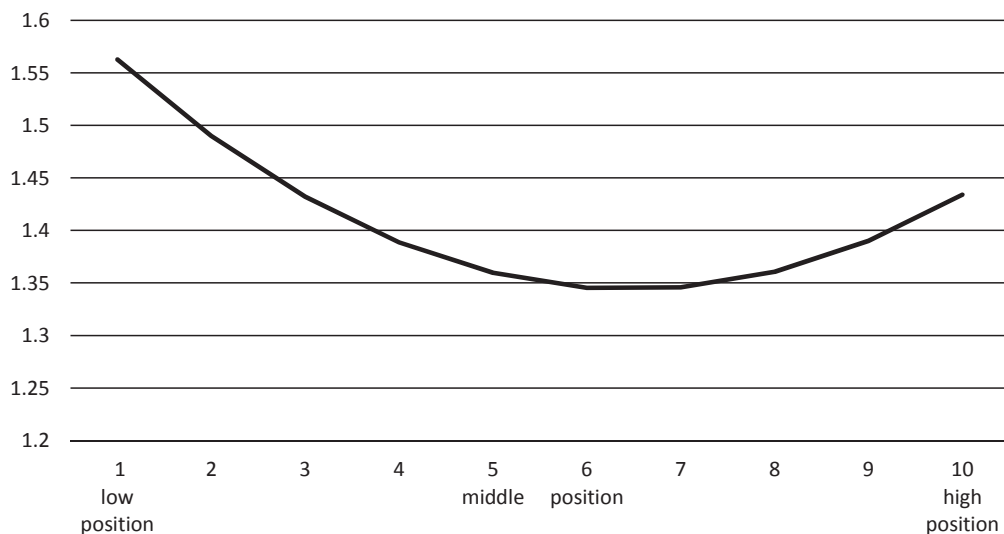
decrease in the sum of the variances in the subsequent models indicating an increase in the explanatory power. All three models are able to improve the explained variance significantly, with the total of the remaining variances decreasing consecutively with each additional set of independent variables from Model 1 through Model 3.

The findings regarding the individual variables are consistent across all models. Vertical conflicts are perceived as stronger by women, younger respondents, and less well educated individuals. The effects of gender and education are in line with the initial expectations, whereas the negative effect of age opposes the view that an underlying value change results in a more harmonious picture of a society among younger respondents. The age effect is rather in line with social movement literature and the recent observations that the participants of the Occupy Wall Street protests are younger and more discontent with existing inequalities. In terms of effect strength, education has the strongest effect among the included socio-demographic variables, followed by age and gender.

As for the subjective social position of a respondent, the regression was able to identify a curvilinear effect on the perception of vertical conflicts (see Figure 2a). Respondents who place themselves at the lower end of the social stratum consider vertical conflicts as stronger than respondents who place themselves in the middle. Individuals who see themselves at the top of the social strata consider vertical conflicts as stronger than do respondents in the middle, but not as strong as those at the bottom of the social stratification. This relationship matches the expectation that the perception of a conflict is stronger among the most exposed individuals – here respondents seeing themselves either at the bottom or the top of their society. The impact of this subjective placement is outshone only by the effect of the inequality perception among the individual-level variables.

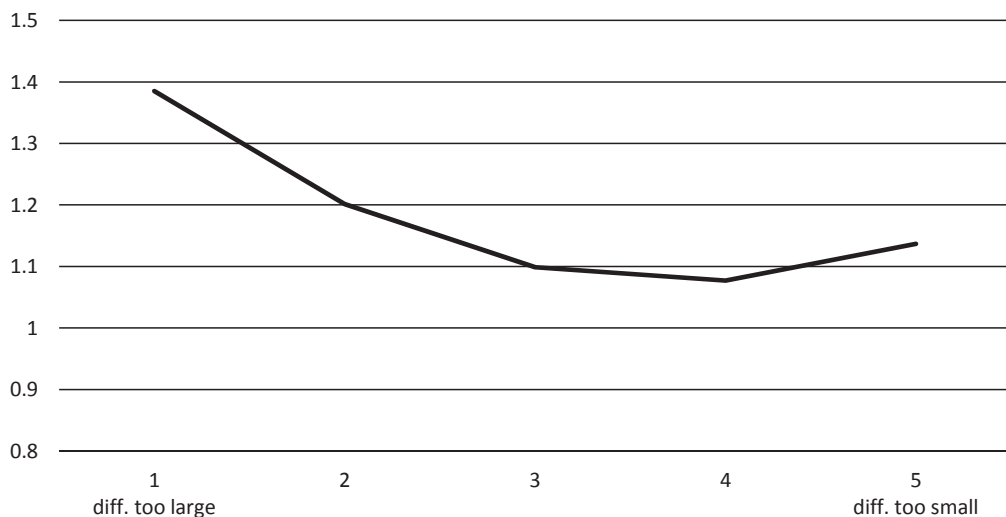
The individual perception of the existing societal inequality has the strongest effect on the conflict perception among all included individual-level variables. This finding is less surprising given the substantive similarities between this attitudinal item and the dependent variable. As with social position, a curvilinear association between the view on inequality and conflict perception can be reported (see Figure 2b). Respondents who consider existing income differences as ‘too large’ perceive the strongest conflicts. The conflict perception then reduces with a declining agreement to the question about the magnitude of income differences, and then levels out with only a minor increase among those respondents who think that existing differences are too small. Again, this finding corroborates the expectation regarding the positive effects of a critical assessment of inequality on conflict perceptions.

Model 3 then includes the contextual variables affluence, inequality, and their changes over time, whereas the regime variables have been dropped due to the inconsistent trends observed in the descriptive analysis. Model 3 shows that only the overall level of societal inequality (GINI Index) has a significant effect on the conflict perception. The larger the overall inequality, the stronger are conflicts considered. The change of inequality from one wave to the next wave, however, is not significant. The perception of social conflicts thus is rather influenced by long term levels of inequality and not by short term fluctuations of this indicator, when considering the entire sample of countries.



*Y-axis shows estimated conflict perception (0= no conflicts, 3=very strong conflicts). Based on Model 3 of Table 1. Calculation considered the constant plus the linear and quadric effect of subjective social position.

Figure 2a Subjective social position and the perception of vertical conflicts



*Y-axis shows estimated conflict perception (0= no conflicts, 3=very strong conflicts). Based on Model 3 of Table 1. Calculation considered the constant plus the linear and quadric effect of attitudes towards existing income differences.

Figure 2b Views on existing income inequality and the perception of vertical conflicts

As pointed out in the previous section, some countries have experienced very unique trends. The models presented in Table 1, however, follow the assumption that similar trends affect all countries and thus are not able to grasp country-specific effects. Therefore, interactions between a categorical country variable and time, country and GDP growth, and country and GINI growth were tested. The model with the country specific trajectories over time showed that the decline in Australia and the increase in Hungary are significant. The models with country-specific growth effects of GDP and GINI showed that the perceptions of conflicts are independent from these two indicators in the welfare countries Austria and West-Germany (none significant) and that respondents in liberal countries are quite sensitive to inequality increases and somewhat to the change in wealth (GDP negative in AUS and GB, GINI positive in AUS, GB, and USA). The former socialist countries, finally, are characterized by diverse effects (different directions and significances) and thus cannot be summarized easily.

In sum, these multilevel analyses add to our descriptive findings of the previous section that the conflict perception differs within countries, dependent on various individual socio-demographics and subjective views. They also corroborate the country specific trajectories over time and offer some clues as far as possible sources of these changes are concerned. However, as pointed out in the methods section, the number of countries in this analysis is rather small. The question of the influence of wealth and social inequality thus should be also revisited using larger country samples, which are available for single waves of ISSP data on inequality (see Edlund and Lindh, chapter 3 in this book). The interpretation offered in the final section thus focuses on the specific set of countries used in this study and combines the regression results with the more specific trajectories discussed earlier in this contribution.

Discussion and Conclusions

This contribution focuses on the individual perceptions of conflicts between poor people and rich people, working class and middle class, and management and workers – summarized as the perception of vertical conflicts – between 1987 and 2009 in Australia, Austria, Germany, Hungary, Poland, United Kingdom, and the United States. After considering the changes over time at the national level and analyzing the underlying individual and societal determinants of this conflict perception, what can be said regarding the big societal transformations of the last decades and their impact on individuals' perceptions? Did we move towards more conflict laden societies as the recent protests around inequalities in the United States and different southern European countries suggest? Have all societies experienced similar trends or are there some idiosyncratic trajectories?

This contribution addressed these questions in different analytical ways using four waves of ISSP data on social inequality: Firstly, by tracing the aggregated trends over time in all included countries and discussing the developments in specific countries in more detail; secondly, by estimating the impact of the more general societal characteristics affluence and inequality in multilevel models; thirdly, by considering the impact of individual socio-demographics and subjective views on the respondents' conflict perceptions within

the same multilevel models; and finally, by setting up specific interaction effects based on the interpretations of the descriptive findings presented earlier in this contribution.

The general trends depicted in Figure 1 showed that the perception of vertical conflicts has changed only slightly in the seven countries considered in this study. This initial analysis, however, also highlighted that Hungarians represent an exception with a steady increase of conflict perception. The discussion of this specific trend pointed to the unique political and economic struggles in this former socialist country, which were more severe than in Poland or East Germany. East-Germany was integrated into West-Germany and merged with a well-functioning affluent society – a transition which was thus dubbed a special path “Sonderweg” by scholars such as C. Offe (1994). Hungary and Poland both experienced harsh sociopolitical and economic shifts after the fall of the Iron Curtain, which were initially – as the present analyses showed – paralleled by increasing perceptions of conflicts in both countries. Poland, however, experienced later a sustained growth, which is accompanied by a recent decline in conflict perception. The multilevel models confirmed this specific trend in Hungary and showed – in line with this interpretation of country specific trajectories in these former socialist countries – that the effects of social wealth and social inequality differ substantially within this group.

Figure 1 also indicated a specific trend in the liberal country Australia. It started out with a rather strong perception of conflicts among its public, but ended up in 2009 next to Austria – the country where vertical conflict are considered the least strong. The multilevel model showed for liberal countries that economic growth correlates with decreasing conflict perceptions and growing inequality with increasing conflict perception. Australia is an exemption among these countries as it has experienced an uninterrupted economic growth for over 20 years and was also able to avoid most of the negative effects of the global financial crisis of 2008 (see Saunders and Wong 2012). Australia is thus an ideal depiction of Beck’s (1986) elevator metaphor that increasing wealth is able to overcome the effects of inequality. Nonetheless the question remains if such effects are lasting. Prolonged periods of growth are an exception, might come to an end, and may result in increased conflict perception as seen in Hungary.

Alongside these country-specific trends, the multilevel models were able to find a significant effect of inequality. Overall, conflicts are perceived stronger whenever societal inequality is large, which is in line with existing research (Hadler 2003; Haller and Eder 2015). In addition to these findings at the country-level, conflict perception also differs within the population of a given country. The analyses showed that the most exposed individuals – women, poorly educated, and those at the lower end of the social stratum – are more aware of vertical conflicts. Additional models – not presented in the tables – also indicate that the differences in conflict perceptions between those at the bottom and those at the top of their society are more pronounced in liberal countries than in welfare states. We thus can see a stronger differentiation within liberal societies than in continental Europe. These findings resonate with Osberg and Smeeding’s (2006) result of a greater polarization of American’s views in terms of inequality. In addition, we can also suspect that this stronger polarization is one of the reasons why the Occupy Wall Street protests started in the United States despite only a minor increase in the overall conflict perception.

In sum, this contribution was able to show that the perception of vertical conflicts is influenced by both rather stable societal characteristics such as the existing level of

inequality and country specific trends and events – as seen in the Hungarian political and economic turmoil. At the same time, the conflict perceptions also vary substantially within societies, dependent on an individual socio-demographics and subjective views. A thorough analysis of conflict perceptions thus needs to consider all three aspects – general trends, specific circumstances, and individual characteristics.

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Appendix

Table A1. Descriptive statistics of independent individual-level variables

	N	Minimum	Maximum	Mean/%	Std. Deviation
Conflict	40794	.00	3.00	1.40	.62
Gender (female)	42436	0.00	1.00	54%	
Age	42296	16.00	98.00	46.49	16.77
Degree	41997	.00	5.00	2.37	1.44
Subj. social position	40789	1.00	10.00	5.24	1.77
Inc. differences too small	38920	1.00	5.00	1.96	.96

Table A2. Overview of country-level characteristics

	Regime	GDP				GINI			
		1987	1992	1999	2009	1987	1992	1999	2009
USA	Liberal	20,055	25,452	34,585	46,930	37	37.6	40.2	41.1
G. Britain	Liberal	14,430	18,169	25,149	36,295	35.5	36.2	38	38
Australia	Liberal	15,929	19,014	26,765	40,578	33.2	33.7	34.1	35
Austria	Cont. Welfare	15,842	21,327	27,753	40,642	23	23.8	25.2	26.1
Germany	Cont. Welfare	15,401	21,262	25,764	37,082	28.6	30	29.4	30.6
Hungary	Post-communist	6,304	8,225	11,222	20,801	21	27.9	27.8	29.4
Poland	Post-communist	4,291	6,037	10,022	18,981	25.5	26.7	32.6	33.6

Main Sources: GDP: OECD. GINI: Worldbank; Verwiebe et al. (2013). When data were not available for a certain year, the closest available data were chosen.

Table A3. Specification of Model 3 presented in Table 1

$$\text{CONFLICT}_{ijk} \sim N(XB, \Omega)$$

$$\text{CONFLICT}_{ijk} = \beta_{0ijk} \text{const} + 0.052627(0.005834) \text{female}_{ijk} + -0.002327(0.000183) \text{age}_{ijk} + -0.026953(0.002402) \text{degree}_{ijk} + -0.094525(0.007156) \text{SubjSocPosition}_{ijk} +$$

$$-0.251484(0.025653) \text{SubjSocPos_missing}_{ijk} + 0.007295(0.000694) \text{SubjSocPos_squared}_{ijk} + -0.305427(0.013529) \text{IncDiffTooLarge}_{ijk} +$$

$$-0.441457(0.019672) \text{IncDiff_missing}_{ijk} + 0.040555(0.002655) \text{IncDiffSquared}_{ijk} + 0.033159(0.061368) \text{wave0123}_{ijk} +$$

$$-0.000010(0.000007) \text{GDP_country_average}_{ik} + -0.000007(0.000007) (\text{GDP-m}(\text{Country}))_{ik} + 0.022558(0.010927) \text{GINI_country_average}_{ik} +$$

$$0.016059(0.014092) (\text{GINI-m}(\text{Country}))_{ik}$$

$$\beta_{0ijk} = 1.646418(0.296347) + v_{0ik} + u_{0ijk} + e_{0ijk}$$

$$[v_{0ik}] \sim N(0, \Omega_v) : \Omega_v = [0.014030(0.008052)]$$

$$[u_{0ijk}] \sim N(0, \Omega_u) : \Omega_u = [0.007510(0.002307)]$$

$$[e_{0ijk}] \sim N(0, \Omega_e) : \Omega_e = [0.336527(0.002376)]$$

-2*loglikelihood(IGLS Deviance) = 70349.239910(40159 of 42493 cases in use)

Social Cohesion and Political Conflict in 20 Welfare States

The Democratic Class Struggle Revisited

*Jonas Edlund and Arvid Lindh*¹

Introduction

In sociology, social class has traditionally been the most important factor for explaining and understanding societal conflicts and developments. And, for a long time, the established central role of social class in theory was not an issue in mainstream sociological debate. However, reviewing the literature over the last decades, it is apparent that the rhetoric and debate about social class radically changed in the 1990s. In this wave of “new thinking”, class-critical arguments were raised, basically questioning whether social class is a relevant concept for understanding social stratification, conflict, and current developments in contemporary Western democracies. Identities and interests, it was argued, are reflexively self-composed rather than rooted in structural conditions (Pakulski and Waters 1996). In particular, the diminishing link between class belonging and political preferences was stressed. “[C]lasses have declining politically relevant effects” as Clark and Lipset (2001, 79) wrote in a rather modest passage in their book: *The Breakdown of Class Politics*. Commenting on this class-critical movement in general, Grusky and Sørensen (1998, 1188) wrote: “This development constitutes a striking repudiation of our disciplinary heritage; in fact, it was not so long ago that commentators as mainstream as Stinchcombe (...) could allege, without generating much in the way of controversy, that social class was the one and only independent variable of sociological interest.”²

The role of class in contemporary Western society has remained a major source of controversy in sociology. In this chapter, we will explore how class conflicts are manifested in Western advanced welfare states. While most would agree, even the critics, that class is an important factor for understanding the historical emergence of the welfare state – as well as for explaining historical between-country variation in welfare policy design – there is,

1 This chapter is a revised version of: Edlund, J. and Lindh, A., (2015). The democratic class struggle revisited: The welfare state, social cohesion and political conflict. *Acta Sociologica*, 58(4): 311-328.

2 Apparently, Stinchcombe made this statement – in a sarcastic and provocative manner regarding the pivotal role of class in sociology – at Berkeley in 1973 (Clark and Lipset 2001, 33).

as hinted above, considerably less agreement concerning the relevance of class in contemporary Western society. The critics argue that class is becoming less important, if not negligible, for understanding contemporary patterns of social stratification, politics, and conflict in the Western countries, often citing the redistributive function of the welfare state and increased material welfare as important causal factors. Other schools of thought, however, still defend the application of class for making sense of observed patterns of social tension and political cleavage. This chapter attempts to resolve some of these disagreements.

An analytical distinction is made between *social* and *political* manifestations of class conflict. The concept of *social* conflict refers to tensions and antagonism between social categories located at different levels in the socio-economic hierarchy outside parliamentary politics, for example, class conflicts played out primarily at the site of production or more or less violently in the streets. The concept of *political* conflict refers to class struggles that are mainly institutionalized within parliamentary politics and resolved in a “peaceful” way through the implementation of redistributive welfare state policies.

The theory outlined in *The Democratic Class Struggle* (Korpi 1983) serves as the analytical starting point. The theory argues that in modern welfare states, institutionalized *political* conflict tends to replace less institutionalized and unorganized *social* conflict. This is hypothesized to be more the case in encompassing welfare states, e.g., the Scandinavian welfare states, than in residual welfare states, e.g., the USA and Great Britain.

While this theoretical construct emphasizes the role of class for understanding patterns of conflict in Western societies, there is a significant number of scholars that takes a radically different view on the role of class. The main argument, as stated above, is that class may be important, but only as a purely historical phenomenon. For understanding contemporary social stratification and its implications, class is an irrelevant concept, or as Pahl (1996, 89) suggests: the concept of class is “ceasing to do any useful work for sociology” in a paper titled: *Is the Emperor Naked?* In the next section, we will provide a review of these class-critical arguments. This is followed by a section where we will develop the arguments about the continuing relevance of class in Western societies. The section ends with a number of testable hypotheses. Thereafter, data and measurements are described. Then follows the empirical section. The concluding section restates the main findings and discusses their implications.

The Historical Significance of Class and the “Death of Class” Thesis

There may be multiple causes behind social unrest and political antagonism between social groups in society. However, some factors seem to be more central than others. From a historical perspective, class relations and inequalities have proven to be a recurring source of distributive struggles. The welfare state was the main social invention constructed in Western countries with the specific aim of dampening social unrest caused by class inequalities encapsulated within a market capitalist economy (Marshall and Bottomore 1992; Korpi 1983). However, reasons behind the implementation of welfare policies differed across

countries, and empirical studies demonstrate that the effects of these policies on social stratification and inequality were, and are, quite different (Korpi and Palme 2003).

The power resources approach suggests that broad layers of the population have good reasons to prefer to locate societal bargaining in parliamentary politics rather than stay within a market relationship (Korpi 1983). This is because the political principle of “one person – one vote” does not have a counterpart when it comes to market relations. Furthermore, within a democratic setting, it is argued that those in weak bargaining positions in the labor market favor redistribution of income by means of state-organized policy, while those with more market-derived resources are supposed to prefer a larger role for the market-property nexus in distributive processes (Korpi 2006, 172-75).

When explaining the observed cross-country differences in the institutional setup of the welfare state, the power resources approach suggests that the key explanatory factors of the emergence and outcomes of the welfare state are the strategies and actions undertaken by organized labor in power struggles vis-à-vis capital, both in the spheres of production and in parliamentary politics. From a country-comparative perspective, the size and redistributive capacity of the welfare state vary positively with the strength of working-class organization. In short, in those countries where working-class mobilization was most successful – i.e., in Scandinavia – we find the most comprehensive welfare states, scoring comparatively higher on both social protection and redistributive capacity (Korpi and Palme 1998, 2003; Huber and Stephens 2001).

Few would thus deny the prominent historical role of class mobilization in forming the modern welfare state. However, the arguments playing down the role of social class in contemporary societies when it comes to politics of redistribution are numerous and stem from different disciplines. And, quite ironically from a theoretical perspective, most of these arguments pertain in particular to the most comprehensive and redistributive welfare states – the Scandinavian ones.

A shared intellectual property of these arguments is the following claim: In Western countries, class-based political representations and associated demands for reform are in a steady, or even accelerating, decline (Clark and Lipset 2001; Pakulski and Waters 1996; Inglehart 1997; Pierson 1996). The arguments for the diminishing relevance of class-based political conflict in contemporary welfare states emphasize different factors, but common themes are the following: the role of the welfare state and its redistributive effects on market-generated inequality; compositional changes in the labor market, for example, a shrinking segment of working-class occupations; increased heterogeneity in the social structure: class is complemented or superseded by new political cleavages; and rising levels of material welfare and economic affluence.

The central components seem to be, at least in our view, the redistributive capacity of the welfare state for reducing market-generated inequalities and a historically rising level of economic affluence/development. The equalization of living conditions between social groups and the overall increase in levels of material welfare, the argument goes, reduce the likelihood that demands for additional redistributive policies will enter the political agenda; citizens, interest organizations, and political parties are more likely to stress other types of political issues. This suggests that in contemporary Western countries, where class inequalities have progressively decreased – largely due to the success of the modern wel-

fare state – class becomes a non-significant force in shaping social identities and political actions.

This family of arguments – suggesting that class should be largely irrelevant for understanding political conflicts in contemporary societies – is hereafter referred to as the *death of class thesis* (DCT), inspired by an attention-grabbing and provocative book title on the subject (Pakulski and Waters 1996). Applying the DCT in a cross-national Western world perspective, it is suggested that in countries where material inequality between classes is relatively low, the likelihood that class-related political conflicts will occur is much smaller than in countries characterized by pronounced material inequality. Thus, it appears that this prediction should be most valid in the Scandinavian countries, due to their combination of a universal comprehensive welfare state and a comparatively equal income distribution, and least valid in Anglo-Saxon countries, such as the USA and Great Britain, where we find a substantially less ambitious type of welfare state and comparatively high levels of income inequality.

Arguments for the Continued Relevance of Class: A Country-comparative Perspective

This section outlines a theoretical framework that deviates strongly from the DCT perspective. In short, we argue for the continuing relevance of class for understanding social divisions and conflict in contemporary Western political economies. However, we suggest that the particular character of class conflict is heavily influenced by the national socio-economic context, in particular the institutional set-up of the welfare state and the associated level of material inequality.

Two principal types of class-based conflict are distinguished: one referring to political cleavages between classes, that is, *political* conflict or “class politics,” and the other referring to conflicts outside the domain of parliamentary politics, such as social tensions of more or less brutal character between classes, manifesting, for example, as physical and/or psychological antagonism in the streets, or strikes and lockouts on the labor market. This type of conflict will hereafter be referred to as *social* conflict. In the following, we will provide arguments for why these kinds of class cleavages are likely to be of continued relevance for understanding (between-country variation in) modern welfare states.

The Welfare State and Social Conflict

The institutional configuration of the welfare state has a strong impact on the level of material inequality in a society. The larger the welfare state (i.e., comprehensive social insurance programs and social services provided as citizenship rights), the smaller the material differences across social groups. Thus, while the fundamental class structure is similar across countries, the degree of economic inequality across positions within the class hierarchy differs significantly between countries depending on their politico-institutional characteristics (Korpi and Palme 1998; le Grand and Tählin 2013). Such institutional

effects are likely to have consequences for the lived experiences of ordinary citizens. As argued by Rothstein and Uslaner (2005, 46): “The rich and the poor in a country with a highly unequal distribution of wealth ... may live next to each other, but their lives do not intersect. ... In such societies, neither the rich nor the poor have any sense of a shared fate. ... In turn, each group looks out for its own interests and is likely to see the demands of the other as conflicting with its own well-being. Society is seen as a zero-sum game between conflicting groups. ... Government policies have a large impact on economic equality. Universal social programs that cater to the whole (or very broad sections) of society, such as we find in Scandinavian countries, promote a more equitable distribution of wealth and more equality of opportunity in areas such as education and the labor market. Both types of equality lead to a greater sense of social solidarity.”

Such proclaimed institutional effects on social cohesion have been the basis for suggestions that citizens in societies with greater equality tend to have greater trust in their fellow citizens (Rothstein and Uslaner 2005; Larsen 2013) and higher well-being (Wilkinson and Pickett 2010) compared to citizens living in relatively unequal societies. However, when it comes to research explicitly studying social conflict from a citizen perspective, empirical evidence is scarce. A couple of papers by Kelley and Evans (1995; 1999) indicate that citizens’ perceptions of the existence of class-based social conflict in society were most common in the United States, followed by other Anglo-Saxon countries, and least common in the European countries.

The Welfare State and Political Conflict

When it comes to the measurement of “class politics” from a citizen perspective, we find two common strategies in the existing literature. The first is to examine the relationships between class position and political party choice: class voting (e.g., Evans 1999). The second strategy is to focus on specific social policy issues, and on the extent to which support for these policies differs across classes (e.g., Svallfors 1999). In this chapter we have chosen the second strategy, with an explicit focus on welfare state *income redistribution*.

We see two benefits of applying this strategy. First, for both DCT proponents and their critics, the issue of income redistribution is a critical marker of class-relevant politics. On the one hand, DCT proponents maintain that the equalizing effects on economic conditions and opportunities caused by welfare state redistribution have already “succeeded in alleviating those problems it can most readily solve” (Inglehart 1990, 9). On the other hand, those arguing for the continued relevance of class stress that contemporary class conflicts are, to the extent that they are realized in action, “most often pursued on the terrain of the welfare state” (Svallfors 1999, 208).

Second, the strength of the class-vote link is not only dependent on the political orientations of voters in different classes, but also on the strategies of political parties: “If parties fail to present manifestos which appeal to the interests of different classes, then there is no reason for there to be a strong class-vote link” (Evans 1993, 451-52). Since we want

to focus on citizens rather than political parties or other organizations, relying on analyses of class voting would be suboptimal.³

In short, we suggest that the welfare state arrangements and the institutionalized power struggle they encapsulate are likely to consolidate – rather than dissolve – the *political* conflict patterns that were decisive during the formative years of the welfare state. Moreover, we argue that, as part of this institutionalization process, citizens are socialized into expecting/preferring that issues related to class inequality should be negotiated and calibrated mainly via redistributive welfare policy. Why?

First, in more encompassing welfare states, the systems of taxation, social spending, and redistribution involve a comparatively larger proportion of the citizenry – and their resources – than in relatively residual welfare states. Thus, the size of the welfare state not only determines its redistributive capacity, but also the extent of its influence on citizens' everyday lives: citizens in more encompassing welfare states pay a larger share of their income in taxes and their livelihood is also more dependent on services provided by the welfare state (Edlund 2007). For these reasons, citizens in encompassing welfare states are likely to develop a stronger sense of “ownership” of the state and perceive stronger incentives for being politically involved than citizens in meager welfare states (Persson and Rothstein 2015).

Second, welfare policy arrangements can be conceptualized as institutionalized compromises/conflicts between different social groups or collective actors (Korpi 2001). Once a particular institution has been created, the central political actors involved in the process – defined here in a broad sense – can be characterized as institutional translators. These institutional translators are important for underpinning collective memories and world-views among citizens (Rothstein 2000). Whether class has political meaning for citizens is thus likely to depend on whether or not institutional translators are rooted in class organizations. Rather than de-emphasizing the salience of class, an encompassing and redistributive welfare state where class-based organizations have been and continue to be substantial serves to maintain political conflict patterns structured around the class axis (Edlund 2007). Since countries with a strong historical track record of class organization and class politics typically also have the most ambitious welfare states today, we anticipate that political class conflicts are greater in encompassing welfare states than in less interventionist welfare states. Previous research points in this direction: studies on the class-preference link find that class differences in redistributive preferences are comparatively lower in the Anglo-Saxon countries than in the Scandinavian countries (Bechert and Edlund 2015; Edlund 2007; Svallfors 2006).

3 For empirical studies on the changing political rhetoric exercised by parties and its consequences for the observed class-vote link, see Jansen, Evans and de Graaf 2013; Evans and Tilley 2012; Korpi 1993.

Hypotheses

To summarize, we argue that although redistributive welfare policies may decrease class-based *social* conflict this does not necessarily mean that class-based *political* conflict will diminish, as suggested by DCT proponents. Instead, as suggested by Walter Korpi (1983) in *The Democratic Class Struggle*, we argue that the modern welfare state transforms the character of class conflict. Rather than being played out at the site of production or taking the form of unorganized social unrest, class conflicts get institutionalized within parliamentary politics and resolved in a “peaceful” way through various redistributive and equalizing state policies. Hence, in modern welfare states, institutionalized *political* conflict “replaces” less organized *social* conflict – and more so in large encompassing welfare states than in small residual welfare states. The following hypotheses summarize the expected associations:

The larger the welfare state (H_a) and the lower the level of material inequality (H_b)...

(H_1) ... the lower the aggregate level of perceived tension between different groups within the class hierarchy – social conflict.

(H_2) ... the higher the level of class differences in preferences for redistribution – political conflict.

(H_3) There is a trade-off at the country level: the weaker the political conflict, the stronger the social conflict, and vice versa.

Data

The study uses data from the *Social Inequality* modules fielded in 1999 and 2009 by the *International Social Survey Programme (ISSP)*. The working sample consists of respondents in 20 relatively affluent countries with “mature” welfare state arrangements. For the following countries, data are available for both years: Australia, Austria, Denmark, France, Germany, Great Britain, New Zealand, Norway, Portugal, Spain, Sweden, and the United States. Data from a single survey are available for Belgium, Finland, Italy, Japan, and Switzerland (2009), and Canada, Ireland, and the Netherlands (1999). As some countries lack information on class position for those outside the labor market, the working sample is limited to respondents currently active in the labor market (23,314 respondents).

Measurements

Class Position

Classes can be understood as aggregations of positions in production units and labor markets. Individuals are sorted into class categories on the basis of occupation (ISCO88) and employment status (employee/self-employed), using the well-known EGP class schema (Erikson and Goldthorpe 1992). The EGP is a weak class idiom. The approach does not

incorporate notions of consciousness, action, and group belonging as conceptual building blocks. According to this perspective, whether identities and interests are structured along the axis of class or by other structural locations, and whether these interests are transformed into political mobilization, should mainly be treated as empirical questions (Goldthorpe and Marshall 1996, 101f.). Following the routine of previous research on the subject (Svallfors 2006; Edlund 2007), the class schema used distinguishes six class positions: self-employed; service class I; service class II; routine non-manuals; skilled workers; unskilled workers.

Social Conflict

When it comes to the measurement of social tensions/antagonism/conflict between classes in society, we focus on the aggregate level of perceived conflict between those at the upper level of the class hierarchy and those at the lower level, following the same strategy as Kelley and Evans (1995; 1999). The following battery is used to measure people's perceptions of *social conflict*:

In all countries, there are differences or even conflicts between different social groups. In your opinion, in <country> how much conflict is there between...

- A. ... poor people and rich people?
- B. ... the working class and the middle class?
- C. ... management and workers?
- D. ... people at the top of society and people at the bottom?

Response scale: Very strong conflicts; Strong conflicts; Not very strong conflicts; There are no conflicts.

Each item concerns the relationship between groups located at different levels within the socio-economic hierarchy. Items B and C refer explicitly to class-based cleavages, whereas item A refers to class-based economic inequalities understood in a broader sense. Item D does not refer explicitly to class. Still, from an empirical point of view, item D is highly correlated with the other three items. We therefore find it reasonable to enter all four items in a composite additive index. In addition, using a composite measure better allows for the possibility that public discourse concerning class conflict might be framed somewhat differently in different national contexts. Cronbach's alpha for the additive index is acceptable for all countries, ranging from 0.70 (Netherlands 1999) to 0.88 (Spain 2009). For ease of comparison, the index is standardized to vary between 0 and 100, where a higher score represents stronger conflict.⁴

4 For Canada and Japan, a 3-item scale standardized to range 0-100 is used due to missing data.

Political Conflict

The following item is the selected indicator for the measurement of attitude towards state-organized income redistribution:

To what extent do you agree or disagree with the following statement? – It is the responsibility of the government to reduce differences in income between people with high incomes and those with low incomes.

Response scale: “Strongly agree” (coded as 100); “Agree” (75); “Neither agree nor disagree” (50); “Disagree” (25); “Strongly disagree” (0).

Very importantly, the degree of *political* conflict in any given country is determined by the level of *class differences* in attitudes towards income redistribution. If there are small (large) differences between classes in support for redistribution, then the level of political conflict is low (high). To clarify, this study aims to account for between-country variation in the level of *class differences* in preferences for redistribution. The aim is *not* to explain between-country variation in *aggregate* support for redistribution.

The estimate of political conflict is retrieved through 20 separate OLS regression models (gender and age included controlling for compositional differences in countries), one per country, where the magnitude of differences between classes in their support for redistribution indicates the level of political conflict in a country. The magnitude of class differences – political conflict – is determined by the standard deviation of the five dummy variable estimates for class, a strategy commonly employed in research (cf., Hout, Brooks and Manza 1995; Brooks and Svallfors 2010). The larger the standard deviation, the larger the overall difference between classes.

Contextual Indicators:

Size of the Welfare State, Material Inequality, and Economic Affluence

Our measure of the welfare state attempts to capture both the overall size and the redistributive capacity of the state, which is a function of the levels of taxation and social spending (Åberg 1989; Edlund 1999). Our strategy is to use data on the outputs/effects of the welfare state instead of using indicators of specific institutional design characteristics. One major advantage of using output data is that publicly provided social services are also included in the measurement. To our knowledge, there are no comparative data available on institutional design for this specific domain of the welfare state. Moreover, it should be emphasized that the indicators used are highly correlated with more direct measures of welfare policy design. The higher the prevalence of universal/encompassing social insurance programs, the higher the levels of taxation, social spending, and redistribution (Korpi and Palme 1998).

The size of the welfare state is measured by an additive index consisting of three indicators: (i) tax revenue as a percentage of GDP (OECD 2013); (ii) social spending as a percentage of GDP (OECD 2013); and (iii) the level of government redistribution (Wang and

Caminada 2011).⁵ Each indicator is standardized which means that all indicators get equal weight in the composite index. The inter-indicator correlations are high (i-ii, .87; i-iii, .82; ii-iii, .87), suggesting that they cover the same underlying construct. The level of *material inequality* is measured with the Gini coefficient (post-tax and transfer household income) (Wang and Caminada 2011). A higher score represents greater inequality. The scores on each of these measures are constructed from data covering the ten-year period preceding the year of the survey. Thus, data covering the years 1989-1998 (mean score) are used for the 1999 survey, while data stretching from 1999 to 2008 (mean score) are used for the 2009 survey.

These two measures are rather strongly correlated with each other, which underlines the fact that there is a strong relationship between welfare state institutions/outcomes and the level of economic inequality (Korpi and Palme 1998; Huber and Stephens 2001). The data suggest that the larger the welfare state, the lower the level of material inequality (Pearson's $r = -.78$).

In addition, the DCT suggests that economic affluence/development diminish the salience of class conflicts and other socio-economic cleavages (Inglehart 1990; 1997). We therefore include GDP per capita (OECD 2013) as a measure of economic affluence in the analysis. The correlations between GDP per capita and size of the welfare state and material inequality are, respectively: Pearson's $r = .05$ ($p = .840$) and Pearson's $r = -.34$ ($p = .142$). This means that there is no association between the size of the welfare state and economic affluence, and that there is a non-significant tendency that material inequality is lower in more affluent countries compared to less affluent countries.

In the forthcoming analysis, the relationships between the two dependent measures and contextual variables will be explored and presented in the form of plot diagrams. A measure of association will also be displayed: the Pearson's r coefficient. The unit of analysis is country ($n=20$).⁶

5 Wang and Caminada (2011) calculate the change in the Gini coefficient pre- and post-taxes and transfers, using data from the Luxembourg Income Study. Since data from New Zealand and Portugal are not in this dataset, data for these countries are taken from OECD (2013).

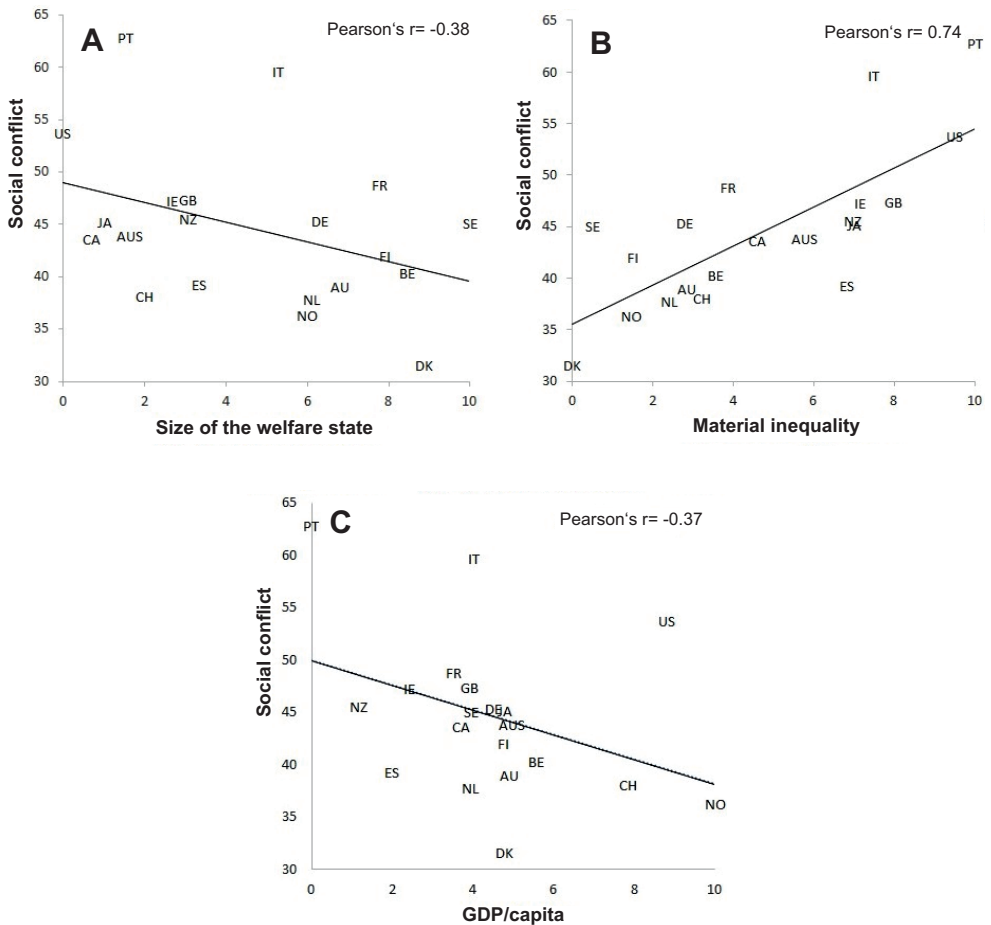
6 The unit of analysis in this chapter is country ($n=20$). In the article that this chapter builds upon (Edlund and Lindh 2015), we used country-year ($n=32$). It should be underlined that this change of design has a negligible effect on the results. In the article, we applied multilevel modelling where we were able to distinguish between-country variation as well as over-time variation. The latter variation turned out to be close to nil. In short, irrespective of whether the relationships between country level characteristics and our measures of conflict are estimated using multilevel modelling or simple correlation analysis at the country level (as we do in this chapter) the main results and conclusions are remarkably similar. Moreover, we believe that the type of graphical representations provided in this chapter should be seen as complementing the more advanced analysis employed in the article – mainly because each country's position in the diagrams is clearly displayed.

Empirical Results

The empirical analysis is performed in three steps. In the first step, the relationships between the aggregate level of *social* conflict and each of the macro-level factors are explored. The second step measures the associations between each of the macro-level factors and the size of *political* conflict. The third step analyzes the extent to which a potential country-level trade-off between the two types of class conflict is discernible in the data.

Step I: Exploring the relationships between country-level factors and social conflict

This step explores the extent to which the observed between-country variation in the aggregate level of social conflict is accounted for by the size of the welfare state, material inequality, and economic affluence, respectively.



Hypothesis H_{1a} predicts a negative association between the size of the welfare state and the level of social conflict. As shown in Diagram A, the hypothesis receives empirical support. The aggregate level of social conflict tend to be smaller in large welfare states. The relationship is statistically significant at the 10 per cent level ($p = .098$). Next, as understood by hypothesis H_{1b} , the central mechanism forging a link between the size of the welfare state and social conflict is the level of material inequality. The relationship between material inequality and the level of social conflict is shown in Diagram B. A strong positive relationship can be observed: social conflicts are more pronounced in countries with greater material inequality ($p < .001$). In other words, a substantial proportion of the observed between-country variation in the level of social conflict is explained by country differences in material inequality. In Diagram C, the importance of economic affluence (GDP per capita) is tested. Although the diagram shows a negative relationship, it is not statistically significant ($p = .110$). It is worth noting the position of USA in the diagram. While USA is among the wealthiest countries in the sample, it is among the top-scoring countries in perceived social conflict.

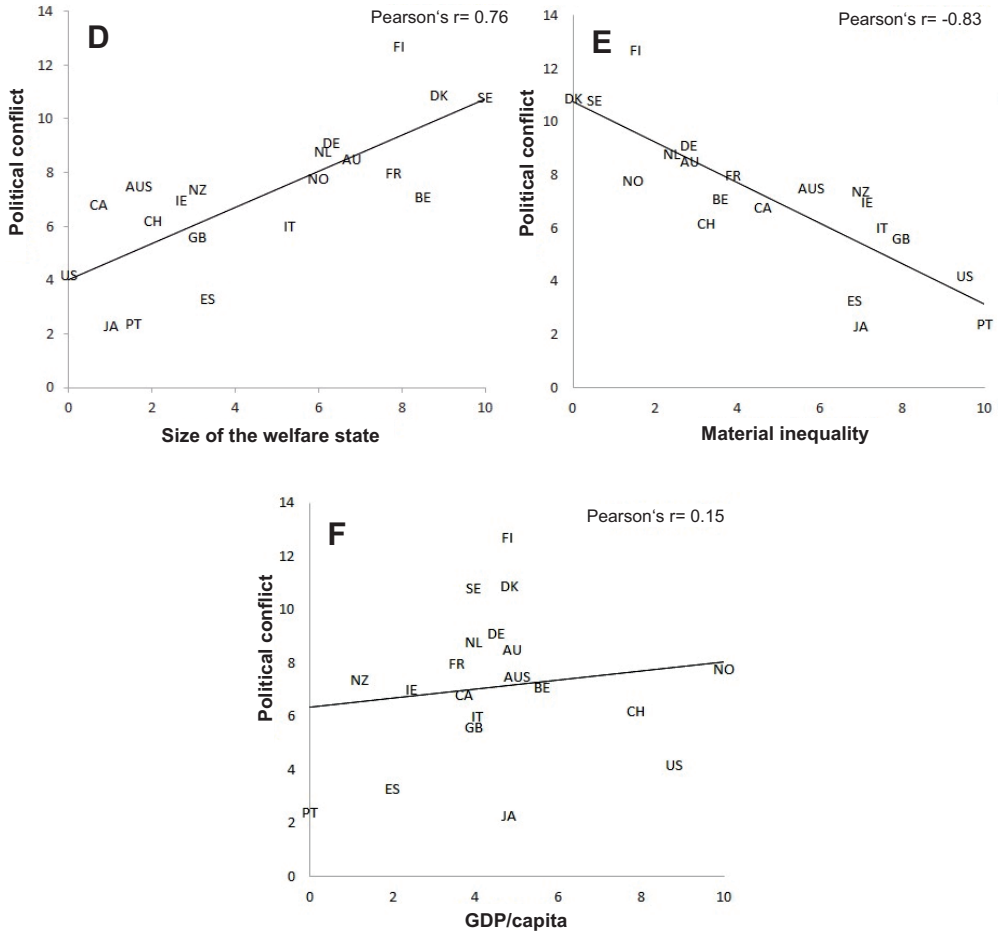
The empirical results in this section lend some support to our theoretical argument: the larger the welfare state (H_{1a}), and the lower the level of material inequality (H_{1b}), the less severe the social conflict.

Step II: Exploring the relationships between country-level factors and political conflict

As will be shown below, the level of political conflict, defined by the magnitude of *class differences* in support for state-organized redistribution, differs extensively across countries. The question now is to what extent can the observed cross-country variation in political conflict be accounted for by the macro-level factors?

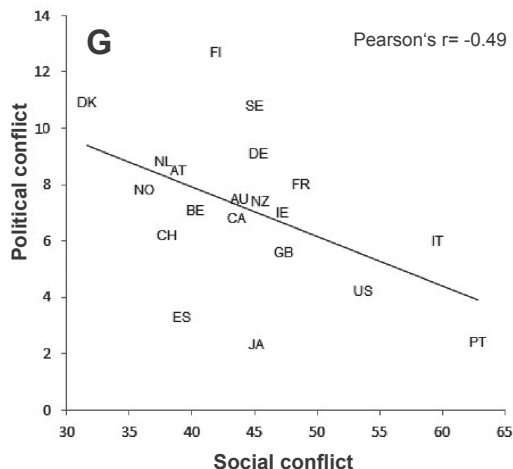
Diagram D shows that class differences in preferences for redistribution are significantly greater in large encompassing welfare states than in meager welfare states ($p < .001$). Diagram E, focusing on the role of material inequality, reports similar hypothesis-supportive findings: class differences are substantially weaker in highly unequal countries compared to countries with greater equality ($p < .001$). Diagram F indicates that economic development does not have any substantive influence on the level of political conflict ($p = .539$).

In line with hypotheses H_{2ab} , the results in Diagrams D and E indicate that the level of political conflict, measured as the magnitude of class differences in preferences for state-organized redistribution, is comparatively higher in countries where citizens are embedded in a context characterized by an encompassing and redistributive welfare system with a relatively low level of economic inequality. It should also be noted that the economic affluence thesis advocated by DCT proponents (Diagram F) does not receive convincing empirical support.



Step III: Exploring a potential country-level trade-off between social and political conflict

The next step of the analysis examines the relationship between social and political conflict at the country level. As stated in H_3 , a trade-off at the country level between the level of social conflict and the level of political conflict is anticipated. Interpreting Diagram G in terms of support/rejection of H_3 , the displayed association is clearly biased in favor of the hypothesis, suggesting a trade-off between social and political conflict. As shown, in countries where the level of perceived social conflict is higher, the level of political conflict is lower, and vice versa (Pearson's $r = -.49$; $p = .030$).



Conclusions

Are contemporary welfare states characterized by class conflict or has the class concept lost its significance for understanding social and political struggles in today's society? This chapter considers this issue from a new angle by studying class conflict from a "citizen perspective".

In our view, the results in this study make it difficult to defend the "death of class" thesis suggesting that the concept of class has become irrelevant in modern industrial democracies. Instead, the results are in line with *The Democratic Class Struggle* thesis, which suggests that the character of class conflict varies across national socio-economic contexts in tandem with between-country variation in the institutional setup of the welfare state.

Results show that in countries where the welfare state is meager and material inequality is extensive, citizens perceive that their society is characterized by social tensions and conflicts between classes to a greater extent than citizens living in countries with comparatively encompassing welfare states and lower levels of equality. When it comes to class-based conflicts in distributive processes within parliamentary politics, the opposite pattern can be observed. Hence, it is too simplistic to conclude that the welfare state has a uniform impact on class conflict *tout court*. Instead, the character of the welfare state matters for what *aspect* of class conflict – social or political – that dominates in a country.

Thus, while it is true that class is of limited importance in terms of our understanding of citizens' political orientations in residual welfare states, this does not mean that class relations are in harmony or non-existent in these countries. In these countries, citizens – whether they are located at the upper or lower level of the socio-economic ladder – comparatively more often view their own society as marked by tensions between classes.⁷ In other words,

⁷ The observation that class differences in perceptions of social conflict are in general quite small and, furthermore, do not vary significantly across countries, is described in more detail in Edlund and Lindh (2015).

the role of class as a vehicle for social tension and antagonism should not be underestimated. Correspondingly, while citizens in encompassing welfare states perceive limited social conflict, distributive struggles remain institutionalized within parliamentary politics, as different classes continue to express highly diverging preferences concerning redistribution.

Why are political conflicts more pronounced in encompassing welfare states? After all, material conditions tend to be relatively equally distributed across classes. From a power resources perspective, a key causal factor explaining these findings is the extent to which organized labor has been successful in transferring distributive struggles from the labor market into parliamentary politics, thereby converting these initially informal, particularistic, sometimes violent, non-institutionalized conflicts into democratic class struggles. As part of this institutionalization process, the institutional setup of the large redistributive encompassing welfare state – situated within a context of institutional translators organized along the class axis – preserves the concept of redistribution as a salient political issue and makes citizens orient themselves politically on the basis of class interests and identities. Correspondingly, while many citizens in meager welfare states – such as the USA – perceive society as marked by class-based social tension, they do not necessarily turn to the political system and asking for redistributive social policy reforms to negotiate and/or resolve class conflicts.

The power resources approach suggests that broad layers of the citizenry have good reasons to prefer that distributive struggles get settled within the domain of parliamentary democratic politics, and not be scattered to other spheres of society. Similarly, normative democratic theory suggests that parliamentary democratic politics constitute a constructive device for resolving societal conflicts in a legitimate and “peaceful” context. In this respect, it deserves to be underscored that our findings suggest that political cleavages do not have a negative impact on social cohesion. If anything, the results suggest that political deliberation is associated with a higher level of social cohesion. In this sense, this chapter offers some support for the claim that the encompassing welfare state can be understood as a manifestation of a successful large-scale societal compromise between partly conflicting interests rooted in the mode of capitalist production.

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Is it Just that People with Higher Incomes Can Buy Better Education and Health Care?

A Comparison of 17 Countries

*Arvid Lindh*¹

Introduction²

A market can be understood as a “social structure for exchange of property rights, which enables people, firms and products to be evaluated and priced” (Aspers 2006, 427). In today’s “market society”, such structures are widespread and predominate in many different spheres of life (Slater and Tonkiss 2013). The market conveys a specific justice principle – “market justice” – affording legitimacy to the allocation of goods and services on the basis of prices and ability to pay (Lane 1986; Streeck 2012). What is the legitimate scope of markets – and market justice – in society? While philosophers have focused intently on this question (e.g.; Waltzer 1983, Sandel 2000), there is a lack of empirical research examining public beliefs about which specific spheres of life should be subjected to, versus protected from, the market.

This issue is particularly interesting from a country-comparative perspective since the actual role of the market differs considerably between countries. Such differences are to a large extent the consequence of between-country variation in welfare policy as the logic underlying state-organized welfare is very different from that of the market (Esping-Andersen 1990; Korpi and Palme 1998; Huber and Stephens 2000). As T. H. Marshall portrayed the invention of social citizenship: “Social rights in their modern form imply an invasion of contract by status, the subordination of market price to social justice, the replacement of the free bargain by the declaration of rights” (Marshall and Bottomore 1992, 40).

1 This chapter is a revised and shortened version of Lindh, Arvid (2015) “Public Opinion against Markets? Attitudes towards Market Distribution of Social Services – A Comparison of 17 Countries”, *Social Policy & Administration*, 49: 887–910. Some estimates presented in this chapter are marginally different from the corresponding estimates in the journal article. This is because the journal article uses a sample consisting only of those active in the labor market (because the article partly focuses on the class-attitude link). Still the substantive results are the same independently of which of these samples that are used.

2 I am grateful to Jonas Edlund, Mattias Strandh, Monika Ewa Kaminska, Paul Marx, Rune Åberg, Stefan Svallfors, Tomas Korpi, Insa Bechert, and two anonymous referees for valuable comments on previous versions of this manuscript. I also want to thank Volquart Stoy for providing data.

Against this background, this chapter examines how citizens conceive the appropriateness of market criteria for allocating services commonly associated with social citizenship rights and welfare state responsibility. Education and health care services provide citizens with basic “capabilities” that are necessary for both social and economic participation in today’s society. Due to their basic importance, exploring normative beliefs about the potential role of the market in distributing these services can tell us something about the degree of legitimacy afforded to the market mechanism in stratifying life chances and quality of life among the population.

In recent decades, there has been an incremental recalibration of the institutional balance between state and market (Streeck 2012). Within the sphere of social services, user fees have become more significant, private firms have come to administer services on a more general basis, and public providers have been re-organized so as to compete internally and externally through “quasi-markets”. Such trends can be seen also in countries where market solutions have traditionally played a lesser role in social policy (Gingrich 2011). Are these policy developments embraced by citizens? While it has been argued that these ongoing policy developments are triggered by a rise to prominence of “market-friendly” ideology among ruling elites (Crouch 2004; Blyth 2001), it is widely held that public opinion is an important constraining factor (Pierson 1996; Brooks and Manza 2008; Starke 2012). Such claims are backed up by a vast body of empirical research demonstrating that popular support for state-organized welfare (the welfare state) is strong overall. In particular, public support for state-led social service provision (e.g. health care and elderly care) is strong in virtually all welfare capitalist countries, including the low welfare effort countries in North America and Australia (e.g., Edlund 2009; Bean and Papadakis 1998).

Does the fact that social services are a core, and highly popular, component of welfare state effort entail that citizen’s find market distribution of such services unacceptable? Not necessarily. In theory, welfare policy models are distinguished by reference to their specific institutional mix, or division of labor, between state, market and family/civil society (Esping-Andersen 1990; Powell and Barrientos 2004). Since the state carries significant responsibility for service finance and delivery in virtually all relatively affluent countries, it is not surprising that most citizens hold the state accountable for providing such services. Still, this does not necessarily mean that people ascribe to the state exclusive responsibility for service administration, or that people are convinced that services should be distributed exclusively as social citizenship rights; people might very well find other institutional logics viable as a complement. Since the degree to which markets function as a complement to the state in the provision of services differs between countries, and as contemporary policy developments are characterized by market expansion in this area, it is particularly important to pay more careful attention to citizens’ beliefs about the market in this respect.

Theory and Hypotheses

The actual role of the market in stratifying access to education and health care differs considerably between countries. In some countries, social services are mainly produced by public agencies, financed collectively via taxes, and provided in kind to the vast majority of the population. In such contexts, social rights replace market principles as the main mechanism structuring access to services. However, in other countries, services are, to a greater degree, delivered by for-profit actors, funded by private sources, and distributed in accordance with individual ability to pay. Within such contexts, the market logic is more important in determining how services get allocated among the population (Huber and Stephens 2000).

Institutional theory emphasizes how enacted policies and institutions tend to reinforce their legitimacy and popular support over time by shaping citizens' economic interests, cognitive mindsets, and social identities (Campbell 2012). According to this line of theory, the relationship between welfare policy institutions and public opinion is one of mutual influence: public opinion shapes policy (Brooks and Manza 2008), but attitudes are also shaped by existing policies (Pierson 1996; Rothstein 1998). For example, it has been argued that encompassing public programs, offering high-quality services equally to the whole population, nurtures a general interest in preserving these programs as the main providers of social welfare (Korpi and Palme 1998). In a similar vein, more market-based systems see large groups of citizens having resources vested in private schemes, making it less plausible for those groups to switch to collective solutions administered by the state.

The relationship between public opinion and policy design can be explored by comparing attitudes across countries with varying institutional configurations. Most previous studies exploring the relationship between welfare policy design and attitudes from a country-comparative perspective have focused on *state*-organized welfare. The collected evidence from these studies is relatively disappointing in the sense that the theoretically anticipated relationships between institutions and attitudes are generally not confirmed by data. The general finding in previous research is rather that public support for government responsibility for the provision of basic social services is solid across Western countries (Gevers et al. 2000; Edlund 2009; Bean and Papadakis 1998). Based on these observations and related empirical findings, it has been suggested that citizens' conceptions of social rights and justice are relatively similar across western countries (Arts and Gelissen 2001).

Yet, a general weakness of previous research is that the market is not given explicit attention. However, in a rare example of a study that focuses specifically on the role of the market in social services, Svallfors (2007) compared attitudes across four countries: Sweden, Germany, the United States and Great Britain (using ISSP data from 1999). This study found that in Britain 41 percent of the respondents believe it is fair that people with higher income can buy better health care (and, respectively, 44 percent for education) than people with lower incomes. In the United States the corresponding percentages are 28 (32) per cent, in Germany 12 (12) percent and in Sweden 10 (11) percent. These findings indicate that support for market distribution of services is greater in countries with residual welfare states (Great Britain, United States) compared to countries with more ambitious welfare state arrangements (Sweden, Germany).

To summarize, we might suspect that citizens' views about the legitimate role of the market are influenced by contextual characteristics at the country level. A market-based social service system might nourish beliefs that social services are 'normal' commodities suitable for market distribution, while a system of public provision might encourage the conception that services constitute social rights that should be provided independent of market resources. Thus, a point of departure in this study is that country-comparative political attitude research might gain from explicitly considering attitudes towards the market. In this regard, two aspects of policy design are considered in this study. First, citizens' attitudes might be associated with the character of service *funding*, that is, the extent to which services are not financed by taxes, but by user fees etc. Second, attitudes might also be related to the way that services are *delivered*: provision by for-profit actors might nurture a stronger belief that social services are "normal" commodities that can be legitimately distributed according to market logic. Against this background, the following two hypotheses can be formulated:

H1: Aggregate support for market distribution of social services is stronger in countries with a higher share of private funding of services.

H2: Aggregate support for market distribution of social services is stronger in countries with a higher share of private delivery of services.

Data and Measurements

Data

This chapter uses data from the 2009 ISSP Social Inequality IV module. The working sample consists of respondents from 17 relatively affluent countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Great Britain, Italy, Japan, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, and the United States.

Macro data on private funding and economic conditions come from the OECD. Data on delivery of services are from Stoy (2014) (see subsequent section for further discussion of these measures).

Dependent Variable: Attitudes Towards Market Distribution of Services

The survey measure used queries whether it is fair that people with higher incomes can buy better health care and education than people with lower incomes. The dependent variable was constructed from the following two items in the dataset:

- I. Is it just or unjust – right or wrong – that people with higher incomes can buy better health care than people with lower incomes?*
- II. Is it just or unjust – right or wrong – that people with higher incomes can buy better education for their children than people with lower incomes?*

Possible answers to each question were: Very just, definitely right; Somewhat just, right; Neither just nor unjust, mixed feelings; Somewhat unjust, wrong; Very unjust, definitely wrong.

Taken together, these items provide a good measurement, since the questions highlight two core aspects of the market logic: (i) the role of *economic resources* as decisive for attainment, and (ii) the treatment of services as *commodities* that can be bought (and sold). Responses to these two items were highly correlated. At the individual level, the (Pearson's R) correlation was 0.76 within the sample. At the country level, the correlation between the two items was an astonishing 0.93. Thus, it made sense to treat the two items as together covering an underlying attitude dimension. The two items were therefore combined into an additive index ranging from 0 to 100, where a higher score represents greater support for market distribution of services.

Contrast Measure: Attitudes Towards the Role of Government

To contrast estimates of support for market distribution, the descriptive analysis also includes an estimation of attitudes towards the role of government. This measure covers attitudes towards government responsibility for health care and has been used as a measure of welfare state support in previous studies (e.g., Bean and Papadakis 1998).

These data were taken from the 2006 International Social Survey Programme's Role of Government module. Attitudes towards education policy were not included in this measure, since there is no indicator in the dataset asking about such responsibilities in broad terms.

III. On the whole, do you think it should be or should not be the government's responsibility to provide health care for the sick?

Answer scale: Definitely should be (coded as 100); Probably should be (66); Probably should not be (33); Definitely should not be (0).³

As stated, this measure was included to estimate, in rough terms, whether there is a trade-off relationship (negative correlation) at the country level between support for state-led service provision, on the one hand, and support for market distribution of services, on the other hand. Thus, the reason that this variable was included was not to provide a fine-tuned assessment of public support for state-led service provision as such.

3 Responses were recoded to range from 0 to 100, whereby a higher score indicates support for a stronger governmental role. Unfortunately, Austria, Belgium and Italy did not participate in the 2006 survey. Thus no estimates could be retrieved for these specific countries.

Policy Design

Two different measures of policy design are used. The first covers the share of *private funding* as the percentage of total spending on services. This measure was obtained by adding together two separate sources of data, reflecting the content of the dependent attitude variable: (i) the share of private funding as a percentage of total spending on education (see also Busemeyer 2013), and (ii) the share of private, out-of-pocket payments as a percentage of total health expenditure (see also Wendt et al. 2010). Data was taken from the OECD (2011; 2012) and covers the years 2007 (education) and 2008 (health care).

The second measure is about the delivery of services. While it would have been preferable to use data explicitly covering for-profit delivery, such cross-national data are unfortunately not available. Therefore the strategy chosen was to use data on public sector employment as a measure of public involvement in service delivery. More specifically, the construct measures public employment as proportion of total employment within the social welfare sector. The data covers the period 2005–2007, and was kindly provided by Stoy (2014).

The correlation between these two indicators is quite strong (Pearson's $R = -.49$), meaning that countries with a higher (lower) share of private funding tend to have a lower (higher) share of public delivery of services. This was expected, since it is well known that welfare policy institutions tend to cluster together in more encompassing institutional configurations, or policy regimes (Esping-Andersen 1990).

Economic Conditions

The level of economic affluence (GDP/capita) and market income inequality (pre-tax and transfer Gini), respectively, were also included in the analysis. The rationale for including these variables is an effort to distinguish between the importance of policy institutions, on the one hand, and the role of economic factors, on the other. What is it that shapes attitudes – social policies or crude economic conditions?

Empirical Results

The empirical analysis consists of two steps. A first step explores the extent to which attitudes vary across countries. In a second step, the relationship between attitudes and country-level variables will be analyzed and illustrated in the form of plot diagrams.⁴

4 The main results were also retrieved using multilevel modelling. These multilevel models/results are presented in Lindh (2015).

Descriptive Analysis

Figure 1 reports the aggregate levels of market support found in the 17 countries (black bars). Attitudes are found to differ greatly between countries. Public support for market distribution of services is comparably high in the Anglo-Saxon countries (Australia, Great Britain, New Zealand, and the United States) and Japan, while support is the lowest in Belgium and France. The standard deviation in country means is 9.8 scale points (not shown in the figure).

For a rough comparison, Figure 1 also includes an estimate of public support for the responsibility of government (grey bars). As shown, we can observe strong public support for state-led provision of services in all countries. In 12 out of 14 countries, the mean index score is above 80. The standard deviation in country mean is 7.7 scale points.

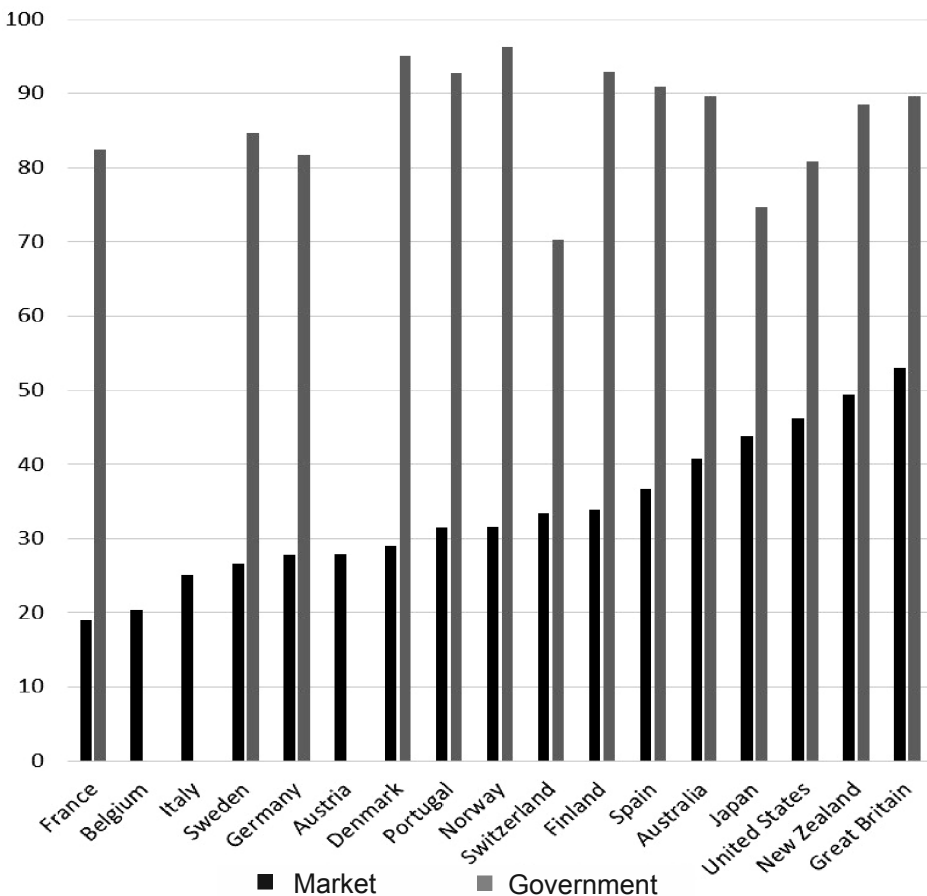


Figure 1 Aggregate public support for market and government responsibility

Three observations are worth highlighting. First, though taken together, these measures are not perfectly comparable (emphasis and wording of the questions differed), a rough comparison still suggests that citizens ascribe a more fundamental responsibility for social

service administration to government than they do to the market. Second, at the country level, there is a zero correlation (Pearson's $R = -.03$) between these two attitude measures. This means that, at the aggregate level, citizens' support for market principles cannot be deduced from studying support for the role of government, and vice versa. Third, the cross-national variation is greater for attitudes towards market distribution than for attitudes towards government responsibility. Taken together, these results signal that a study of market attitudes might render insights unregistered by previous research focused solely on the role of government.

Exploring the Relationship between Attitudes and Country Context

The preceding section established that there is significant between-country variation in public support for market distribution of basic social services. This step of the analysis explores the extent to which this variation in attitudes can be accounted for by country differences in actual policy design and economic conditions.

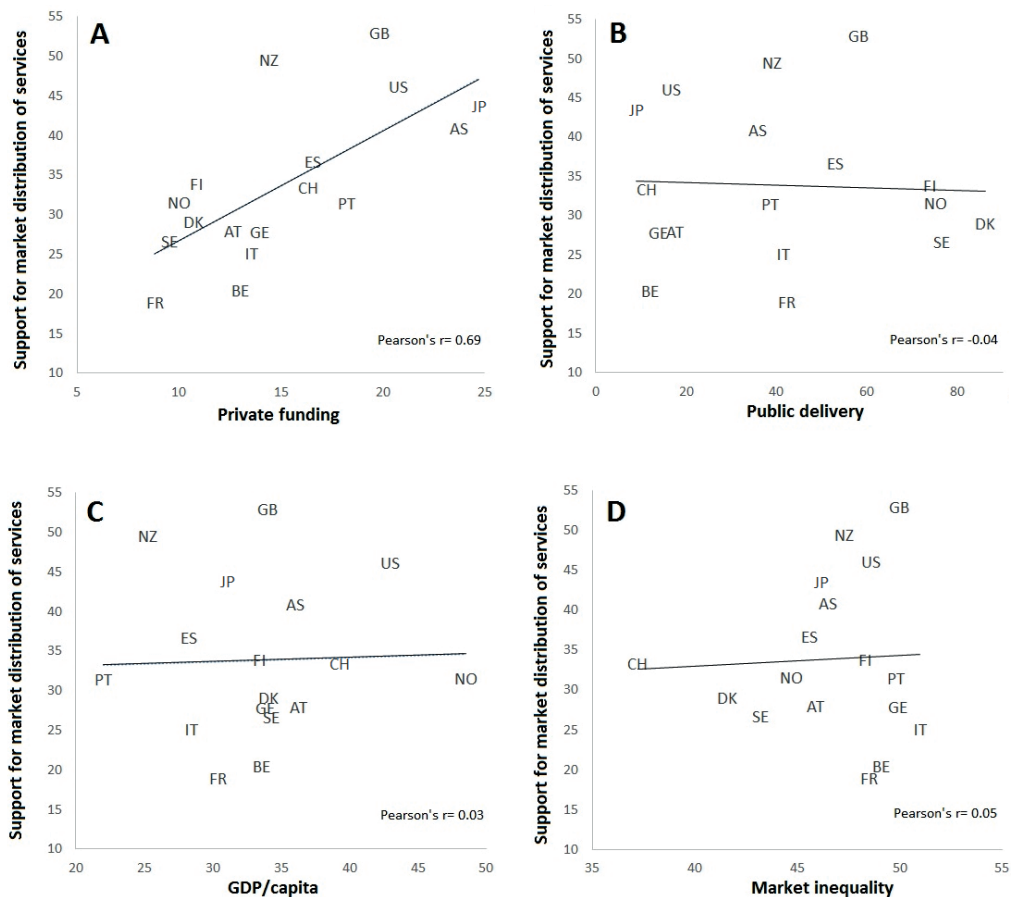


Figure 2 Plot diagrams: Relationship between attitudes and country context

As discussed in the theoretical section above, we might suspect that aggregate support for market provision of services is stronger in countries where market principles are more prominent. In this regard, hypotheses predict that aggregate support for markets should be stronger in countries with more private funding (H1) and less state-led service delivery (H2). These hypotheses were tested in Figure 2. Diagram A plots the relationship between aggregate market support (country means on market index) and private funding (percentage of total spending). A relatively strong positive relationship is found that is not driven by single outliers (Pearson's $R = .69$; $p = .002$). Diagram B plots the relationship between market support and service delivery (public employment as a percentage of total welfare sector employment). As shown, market support does not correlate with the size of public employment (Pearson's $R = -.04$; $p = .873$). Diagrams C and D demonstrate that neither the level of GDP/capita (Diagram C, Pearson's $R = .03$; $p = .905$) or the level of market inequality (Diagram D, Pearson's $R = .05$; $p = .858$) account for country differences in public support for applying market principles regarding the provision of basic social services.

Conclusions

Previous empirical research teaches us little about citizens' beliefs concerning the appropriateness of the market for distributing social goods and services. Against this background, the objectives of this chapter were to study normative beliefs about the fairness of the market mechanism in stratifying access to basic social services, as well as to compare how these attitudes differ across countries in conjunction with actual conditions at the country level. A number of important conclusions can be drawn on the basis of this country-comparative analysis.

Results show that public support for market distribution of social services is relatively weak in most countries. Hence, most people find it unfair that market relations stratify access to basic social services that are decisive for participation in today's society. This result can be contrasted with previous research showing that "market-friendly" ideology has become popular among ruling elites (Crouch 2004). Taken together, this suggests that ongoing policy reform distinguished by welfare marketization is driven more by top-down political decision-making – and shifts in the ideological discourse of elites – than by ordinary citizens pushing for such reforms from below. Thus, results are not at odds with the commonly held view that public opinion is rather a constraint than a driving force within processes of welfare marketization.

In addition, considerable between-country variation in aggregate support for market distribution of services was found. Results suggest that popular beliefs about the legitimate scope of the market are shaped by the actual role that markets play in a society. In particular, results point to a connection between attitudes and existing policy arrangements: the aggregate levels of public support for market distribution of services are higher in countries with greater private spending on services. Citizens more used to market-based systems display greater willingness to accept market principles of justice playing a significant role in the distribution of services, whereas citizens used to public funding are more inclined to view these services as social rights that should be distributed independent of market logic.

This pattern is manifested in the low market support found across most of Europe, while it is relatively strong in the Anglo-Saxon countries and Japan.

In contrast, no relationship was found between aggregate attitude patterns and macro-economic conditions (level of GDP/capita and market inequality, respectively). This result suggests that existing policy arrangements are more important than crude economic conditions for structuring these attitudes, and moreover, these views appeared unrelated to the character of service delivery. This shows that it is important for comparative research to make an analytical distinction between the *funding* and *delivery* of services.

Furthermore, country differences in welfare state effort and generosity are commonly conceived in relation to the market: some welfare states do more than others to promote social citizenship rights that free citizens from market dependence. This theoretical way of understanding state-organized welfare – and between-country variation in policy design – pertains to the lion's share of research on political attitudes. Yet, previous empirical research bestows no explicit attention on attitudes towards the market. Against this background, it is interesting that this *market*-oriented study finds a systematic association between attitudinal patterns and welfare policy design. Also, in contrast to previous, state-oriented, research, the findings in this paper suggest that popular beliefs about fairness and justice do differ in substantial ways between countries.

The theoretical arguments and the empirical results presented in this paper suggest that future research is well advised to place greater focus on the market institutions that, to a varying extent in different countries, act as complements to the state in the administration of social welfare. Such research should also look at other welfare policy areas, as the theoretical framework of this paper suggests that citizens' beliefs about the legitimate scope of the market are likely to vary between both social spheres and policy domains.

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Public Support for State Redistribution in Western and Central Eastern European Countries

A Cross-National Comparative Trend Analysis

Anja Eder

Introduction:

Increasing Inequalities and Public Support for State Redistribution

Even before the recent worldwide economic crisis, the distribution of incomes in many OECD countries has become more unequal during a period of economic growth and high employment since the 1970s and 1980s (OECD 2015). Whereas in the 1980s the top 10% of the population earned 7 times as much as the lowest 10%, in the early 2000s, the top 10% earned nearly 10 times, and today earn the “highest since records began” (OECD 2015). From this trend, several scholars have concluded the historical phase of equalization has ended (e.g., Alderson and Nielsen 2002; Grusky 2001; Nollmann 2006). Simultaneously, Western countries established third way policies (Giddens 1998) that make welfare benefits increasingly conditional to guarantee “economic dynamism as well as social justice” (Powell and Barrientos 2004, 12). During this period, the countries of Central and Eastern Europe (CEE) established democratic and free economies, accompanied by extensive capitalization and privatization (Kollmorgen 2009, 76). Today, CEE countries are among the countries worldwide that have the highest between-country variation in inequality (Haller et al. 2016); however, average economic prosperity is still lower than in Western Europe (Aidukaite 2011, 212).

Against the background of these developments, this chapter focuses on the question to what extent people think that *their governments are responsible for reducing income differences*, according to data from the ISSP Module on Social Inequality (International Social Survey Programme). Public support plays a decisive role in political decisions and directly or indirectly influences social structural changes (e.g., Burstein 2003; Brooks and Manza 2006). In democratic societies, voters have the opportunity to choose between political parties that are more or less prone to redistributive policies. In addition, from a historical perspective, it is clear that people’s convictions and values have always been decisive regarding the strength of labor unions, leftist and conservative political parties and the establishment of different types of welfare states across countries (Esping-Andersen 1990). This chapter pays special attention to potential changes in preferences for state redistribution throughout the 1990s and 2000s and to contrasts between countries and ideal-typical

welfare state regimes during a period of increasing income inequality, growing global economic competition and East European post-socialism.

Previous research has focused on different hypotheses to explain the variation across countries and time. The present chapter aims to identify the explanatory power of three hypotheses: (1) the regime hypothesis, (2) the hypothesis of normative accommodation, and (3) government protection thesis. According to the regime hypothesis, support for state redistribution depends on historically grown and stable dominant values within specific welfare state regimes. In contrast, normative accommodation includes learning processes, leading to a delayed change in expectations and attitudes toward state redistribution, whereas the government protection thesis focuses on the perceived need for state redistribution depending on the actual level of prosperity and the degree of unemployment and social spending within countries.

Based on the regime hypothesis, countries were selected as representatives of G. Esping-Andersen's ideal-typical welfare-state regimes (WFS): Norway (NO) and Sweden (SE) as representatives of social democratic WFS, West Germany (W-DE) and Austria (AT) as conservative/corporatist WFS and the United States (US), the United Kingdom (UK), New Zealand (NZ) and Australia (AU) as liberal WFS. In addition, NZ, UK and AU were treated as a subtype of the liberal WFS, namely, as "radical WFS" (Castles and Mitchell 1993). However, special attention should be paid to the potential differences between Eastern and Western European countries across time. Therefore, the typology includes seven contrasting CEE countries: Russia (RU), Poland (PL), Bulgaria (BG), the Czech Republic (CZ), Hungary (HU), Slovakia (SK), and Slovenia (SI), as well as the special case of East Germany (E-DE).¹

For these countries, varying trends of income inequality at different levels are clear (see Table 1). Gini coefficients indicate the strongest increase at the beginning of the 1990s in the CEE countries, particularly in Russia and Bulgaria, and a remarkable heterogeneity among the CEE countries. In the Western European countries, income gaps widened to a lower degree and have always been biggest in the liberal WFS and smallest in the social-democratic WFS. Increasing inequalities are the most distinct pattern at the beginning of the 1990s, followed by comparably minor decreases in the late 1990s in the CEE countries.

1 The South European welfare state type (*rudimentary type* per Gelissen 2002) is not included in the analyses because countries such as Greece, Italy, Spain and Portugal did not participate in all three survey waves.

Table 1 Income inequality and average changes in income inequality across countries and time

	NO	SE	DE	AT	US	UK	NZ	AU	RU	PL	BG	CZ	HU	SK	SI
Level of income inequality (Gini coefficients)															
av. 1990–1995	23	22	27	29	35	34	32	30	38	28	27	22	30	20	21
av. 1997–2001	24	23	27	26	37	34	33	31	41	29	29	25	29	25	23
av. 2007–2011	23	24	29	27	37	36	32	34	41	31	33	25	27	26	24
Changes in income inequality (percentage points)															
1988–1994	-0.4	1.2	1.0	3.5	2.2	2.5	4.5	0.1	18.4	2.6	7.8	5.0	7.4	3.1	4.2
1995–2001	2.1	1.7	0.1	-1.6	0.9	-0.4	0.4	0.9	-4.3	-3.2	-1.8	1.6	-3.7	3.3	-0.7
2002–2011	-2.0	0.5	1.1	1.3	0.1	1.5	-0.7	3.4	1.5	1.7	7.7	-1.7	-0.4	-0.6	2.8

Gini coefficients of Household Incomes after Taxes and Transfers (average Gini coefficients and changes in the Gini coefficients in percentage points)

Source: Frederick Solt (2009): Standardized World Income Inequality Database, Version 4_1

The ISSP surveys were conducted in 1992, 1999 and 2009.

The Regime Hypothesis: Historically Grown Worlds of Welfare State Attitudes

One of the most prominent approaches to explain country differences in public support for state redistribution is the *regime hypothesis*, which starts from the assumption of a formative effect of a country's historically grown welfare state institutions (Gelissen 2002). "The identities and interests of social actors are (...) created in a process where the institutional framework within which people act, and the historical traditions through which events and processes are interpreted, have a decisive impact" (Svallfors 1997, 291). Welfare state institutions directly influence people's life chances and incorporate distributive norms and standards of social justice. Thus, these institutions are normative settings and constitute a frame for political action and social conflicts (e.g., Mau 2004).

From this institutional-historical perspective, people's views of state redistribution are stable across time, at least in western countries. Regarding country differences, there has been a lot of debate on the classification of Western countries; however, only little effort has been made concerning typologies for CEE countries. G. Esping-Andersen's (1990) *Three Worlds of Welfare Capitalism* is the most prominent approach to classifying different types of WFS in Western countries and even the work's numerous critics conclude that "there is plenty of reason to continue to work on and with the original or modified typologies" (Arts and Gelissen 2002, 137). Therefore, Esping-Andersen's classical typology of liberal, conservative and social-democratic regimes provides important theoretical arguments for the ongoing analyses. To sum up, state redistribution in *liberal* WFS is small, and individualism in a free market economy, where trade unions are weak and minimum wages and social assistance benefits are low, is predominant. This leads to the social cost of high inequality and poverty for the benefit of high economic and employment growth (Esping-

Andersen 1996, 15-18; Esping-Andersen et al. 2002, 15f.). Castles and Mitchell (1993) introduced the *radical welfare state* as a subtype of the liberal WFS, which is characterized by higher benefit equality, comparably higher taxes and stronger labor movements and distinguishes the UK, New Zealand and Australia from the US. However, several scholars described the UK as a “borderline case” (e.g., Svallfors 1997, 286) that cannot be clearly subsumed as a liberal or radical type of welfare state.

In *conservative* welfare states, de-commodification² is high, and the state takes far-reaching responsibility for the pension system, unemployment insurance and social assistance, financed by compulsory contributions. Conservative WFS, in particular, face problems of market rigidity, the “welfare without work trap” (Esping-Andersen et al. 2002, 17), early retirement that strains the pension system and insufficient integration of women in the labor market (2002, 16f.). In *social democratic* WFS, the state intervenes most extensively, and social benefits are universal (Esping-Andersen 1990; see also Sejersted 2011). Extraordinarily strong left-wing parties and labor unions contribute to the strength of egalitarianism. However, this regime is costly and relies on high employment and growth to manage the high tax requirements (Esping-Andersen et al. 2002, 14).

Despite a similar past of high de-commodification and minimal social inequality,³ the CEE countries established varying social security systems during the course of the last two decades and today face highly differing levels of inequality (e.g., Aidukaite 2009). Esping-Andersen (1996) early claimed that the post-socialist countries would adapt to one of the Western worlds of welfare capitalism. However, recent research suggests mixed patterns of social-democratic, conservative-corporatist and neo-liberal policies within individual CEE countries (Fenger 2007; Kollmorgen 2009).

Table 2 Typologies of post-socialist welfare states based on M. Fenger’s (2007) and R. Kollmorgen’s (2009) work

	Typologies	Countries
Fenger (2007)	1. USSR 2. Post-communist European 3. Developing type ⁴	1. Russia, Ukraine, Belarus, Baltic States 2. Bulgaria, Czech Republic, Hungary, Poland, Slovakia 3. Romania, Moldova, Georgia
Kollmorgen (2009)	1. Rudimentary-state-paternalistic 2. State-led conservative-corporatist 3. Neoliberal-social democratic	1. Russia, Ukraine 2. Czech Republic, Hungary, Slovakia 3. Estland, Lithuania

* Fenger and Kollmorgen use different countries and methods in their typologies; therefore, comparability is limited. Nonetheless, they subsume the Baltic States to different welfare state types, Fenger to the USSR type and Kollmorgen to the neoliberal-social democratic type.

- 2 “De-commodification occurs when a service is rendered as a matter of right, and when a person can maintain a livelihood without reliance on the market” (Esping-Andersen 1990, 21-22).
- 3 They also share a phase of ad-hoc reforms after 1989, followed by a phase of privatization (more extensive than in the West) and in the last few years re-orientation and consolidation where neo-liberal policies have been balancing out (Kollmorgen 2009, 85-87).
- 4 The developing type is not relevant for the ongoing analysis.

Table 2 shows two relevant welfare state typologies for the ongoing analyses: One typology considers Fenger's (2007) former *USSR type* and Kollmorgen's (2009) *rudimentary state-paternalistic type*. In the USSR-type, government expenditures are similar to those in conservative WFS; however, less protection is provided, leading to a distinctly worse social situation. This type is called rudimentary and state-paternalistic because it is an authoritarian state, and family networks and the subsistence economy are important (Kollmorgen 2009).⁵ Whereas Kollmorgen attributes neoliberal programs in particular to the Baltic countries, several authors in the case of Russia speak of a "mix of neoliberal ideas and Soviet legacies and institutions" (Teplova 2007, 285).

The *post-communist European type* and the *state-led conservative-corporatist type* face better economic development and are more egalitarian than previously. Kollmorgen points out that in particular the Visegrád states (PL, SK, CZ, HU) and Slovenia established a mix of neoliberal policies and state-led social policies during the course of the countries' transformation (2009, 81). Poland, the Czech Republic, Hungary, and Slovenia followed a Bismarckian tradition and evolved towards conservative WFS (also see Aspalter et al. 2009, 180), whereas social protection is comparably lower in Slovakia (Aidukaite 2011, 216). Bulgaria, in particular, adopted extensive liberal policies while facing severe reductions in public health spending, and a deterioration in the pension system, contributing to a high risk of poverty for elderly citizens (Sotiropoulos et al. 2003).⁶ A special case among the CEE countries is East Germany, which was integrated into the conservative regime of West Germany and the world economy much faster than any other post-socialist country (see also Riedl and Haller 2014).

In line with the regime hypothesis, previous research has shown that people in liberal welfare states supported state redistribution the least in the 1990s (e.g., Dallinger 2010). Findings regarding social democratic and conservative welfare states, however, are not consistent with the classical typologies: Support for redistribution is higher in conservative welfare states than in social democratic welfare states (Svallfors 1997, 288; Dallinger 2010, 340). In addition, the conservative welfare state of Germany confirmed its similarity to liberal welfare states in the 1990s (Dallinger 2010, 340), whereas support for redistribution was distinctly higher in Austria. Nonetheless, scholars argue that "welfare regimes affect both the mean and the variance in public support for state redistribution" (Jaeger 2009, 734). Previous results regarding post-socialist countries confirm more support for state redistribution than in Western European countries (Dallinger 2010, 340; Andreß and Heien 2001), although detailed analyses of heterogeneity are missing. Based on the classical and new typologies of welfare states for the CEE countries, the following hypothesis and sub-hypotheses are formulated for the extended period throughout the 1990s and 2000s:

5 Additional characteristics are a comparably lower GDP and a high level of corruption (Ibid.).

6 Despite a low GDP, low social spending and high inequality and poverty risk, Bulgaria is included in this type.

H1: Citizens of liberal welfare states least support state redistribution, followed by social democratic and conservative welfare states. The highest support for state redistribution is expected in post-socialist countries.

- a) *The US is expected to be less prone to state redistribution than the UK, Australia and New Zealand (see liberal vs. radical WFS).*
- b) *Among the post-socialist countries, East Germany is expected to be least in favor of state redistribution, followed by Slovenia and the Visegrád states, whereas Bulgaria and Russia are expected to be the most likely to support state redistribution.*

Processes of Normative Accommodation and the Subjective Need for State Redistribution

Whereas according to the regime hypothesis country differences in attitudes toward state redistribution are stable, several approaches offer different explanations for potential changes across time. One approach focuses on the processes of normative accommodation (e.g., Sachweh 2010, 64), meaning that people over time adapt their expectations to changed societal circumstances. Economic conditions might impact men's consciousness (e.g., Marx and Engels 1970 [1859]: 10). Thus, if inequality rises, people tend to legitimate the growing gaps between the wealthy and less wealthy and vote for less state redistribution, although with a specific time lag. This effect might be more likely in countries of high inequality. Alternative approaches concentrate on the factual need for state redistribution considering a country's affluence, level of unemployment, and public social spending. Under the government protection thesis, support for state redistribution is lower in countries where there is less need for government aid (Dallinger 2010; Blekesaune 2007). People in countries with high unemployment, for instance, perceive a higher risk of becoming unemployed, feel more concern for the unemployed, and are more in favor of state redistribution (e.g., Blekesaune and Quadagno 2003, 418).

Whereas normative accommodation includes cognitive learning processes, leading to a change in expectations delayed in time, the government protection thesis focuses on the perceived need for state redistribution, depending on the actual level of economic prosperity, unemployment, and social spending. Thus, both approaches focus on different starting conditions and causal mechanisms. The three approaches are not mutually exclusive (see Table 3): People might adapt their expectations to social structural changes; however, regime differences might remain. In addition, processes of normative accommodation and the government protection thesis are expected to hold for the highly unequal and least prosperous Bulgaria and Russia.

Recent findings show a mixed picture in answer to the question of people normatively accommodating to changing levels of inequality. Whereas according to the hypothesis, scholars report growing tolerance for inequality in times of rising inequalities (Gijssberts 2002, 281; Osberg and Smeeding 2006, 461), others confirm a distinct preference for more equality in Western European countries with comparably low but increasing levels of inequality (Hadler 2007; Kenworthy and McCall 2008). In turn, other analyses show no

relation between the actual level of income inequality and people's attitudes (e.g., Dallinger 2010). Particularly in the 1990s, a decrease in support for state redistribution was expected, mainly because the principle of individualism gained importance (e.g., Taylor-Gooby 2001). However, empirical analyses did not support this assumption; even in liberal welfare states, approval of state redistribution increased (e.g., Taylor-Gooby 1995). The most consistent result considers the increasing support for state redistribution in several CEE countries, where income inequality rose the most (e.g., Örkény and Székelyi 2000). Overall, scholars also report constant and distinctly high preferences for state redistribution as the leading pattern (e.g., Ullrich 2000). On the backdrop of those previous results, the relation between inequality and approval of state redistribution will be investigated anew for the extended period of the 1990s and 2000s.

H2: In the sense of normative accommodation, increases in income inequality are expected to be related to a delayed decrease in approval of state redistribution. This pattern will be particularly strong in countries where the income gap widened strongly and the level of inequality is high, namely, in Russia, Bulgaria and in Hungary as well as in the US, the UK and New Zealand.

In previous research, differences between Western and Eastern European countries were notably ascribed to varying levels of economic prosperity, and scholars concluded that “in transition countries high public expectations for state action aimed at more equality are the result of a weak economy [rather] than of post-socialist ideology” (Dallinger 2010, 345). From this perspective, economic growth and employment determine public support for state redistribution but not the level of income inequality per se (Dallinger 2010, 341). This explanation is far from the regime hypothesis of historically grown distributional norms and seems especially instructive for the analyses of the variation between the CEE countries. Are people in the economically more successful CEE countries, who face lower unemployment rates and higher social spending (Dallinger 2010), less likely to support state redistribution compared to people in the CEE countries worse off? The underlying assumption considers that subjective need for state redistribution depends on comparisons with the level of prosperity in other countries and to a lesser extent on the changes within the own country (e.g., Delhey and Kohler 2005). Since upward comparisons with more affluent countries are most likely (ibidem), subjective need in the less prosperous CEE-countries is expected to be highest at all three time points. In line with the government protection thesis, the following hypothesis is formulated for the extended period throughout the 1990s and 2000s:

H3: People in more prosperous countries, facing comparably lower unemployment rates and higher social spending are less likely to support state redistribution throughout the 1990s and 2000s. Among the CEE countries, Bulgaria and Russia show the highest support, whereas East Germany, Slovenia, and the Czech Republic show the lowest support for state redistribution.

Table 3 The regime hypothesis, processes of normative accommodation, and the government protection thesis in comparison

	Regime hypothesis	Normative accommodation	Government protection
Mechanism	Historically grown dominant values	Legitimizing due to adaptation of expectations to circumstances via learning	Dependent on a country's prosperity (and unemployment and social spending)
Changes across time	Stable ranking of countries (but adaptation of Visegrád countries to conservative regime) -> no systematic changes across time (see H1)	Delayed cognitive adaptation to changes in circumstances -> negative association between changes of inequality and public support for state redistribution (see H2)	Immediate reflection of actual level -> higher levels of prosperity go hand in hand with less need for state redistribution (see H3)
Countries	<i>Rank order West (from least to most support):</i> Liberal (US, UK, NZ, AU) Conservative (AT, W-DE) Social-democratic (SE, NO) <i>Rank order CEE (from least to most support):</i> East-Germany Visegrád countries and Slovenia, Bulgaria and Russia	Delayed accommodation (by the end of the 1990s) in countries with the highest increase and a high level of inequality, expected in: RU, BG, HU Delayed accommodation (by the end of the 1990s) in countries with a mean increase but a high level of inequality, expected in: US, NZ, UK	More need in CEE than in Western European countries Most need in BG and RU, lowest need among CEE countries in SI, CZ, E-DE

Data, Variables, and Methods

The following analyses are based on data from the ISSP module on Social Inequality (1992, 1999 and 2009). Countries were selected as ideal-typical representatives of social democratic, conservative and liberal welfare regimes and included seven CEE countries (see the Introduction). The total dataset included 57,807 respondents.

The main dependent variable considers the following item:

It is the responsibility of the government to reduce the differences in income between people with high incomes and those with low incomes.

Respondents rated their approval on a five-point scale (1 = strongly agree, 2 = agree, 3 = neither agree nor disagree, 4 = disagree, 5 = strongly disagree).

The scale was recoded so that higher values mean a higher preference for state redistribution.

The following items were also considered:

Income differences in (country) are too large,

The government should provide a decent living standard for the unemployed, and

The government should spend less on benefits for the poor.

Answers again were on a five-point scale.

Four macro-indicators were included in the analysis: (1.) The Gini coefficient of income distribution gives a general indication of the amount of income inequality within countries and varies (in principle) between a minimum of 0 and a maximum of 100. The Gini data stem from Frederick Solt's (2009) Standardized World Income Inequality Database (SWIID). To look at processes of normative accommodation, changes in income inequality were taken into account and controlled for the level of income inequality. (2.) A country's economic prosperity was measured with the gross domestic product (GDP) per capita in current U.S. dollars provided by the World Bank. In relation to the government protection thesis, (3.) unemployment rates from the World Bank⁷ and (4.) the degree of public social protection expenditure as a percentage of the GDP per capita (including public social protection and health expenditure; see International Labour Organization 2014) were included. The same macro-indicators were used for West and East Germany.

This chapter provides a comprehensive descriptive analysis of the cross-country variation and temporal changes in attitudes toward state redistribution. Variance analyses and post-hoc tests (Games Howell, Dunett's T3, Tanhame's T2) were conducted to test differences across countries' welfare regimes. Table 4 and Figure 2 illustrate the relation between support for state redistribution and the selected macro-indicators across time.

Public Support for State Redistribution Across Different Welfare State Regimes Throughout the 1990s and 2000s: The Regime Hypothesis

In the first step, people's views of the government's responsibility to reduce income differences across WFS regimes are examined. Figure 1 indicates three worlds of welfare state attitudes: Western European, Eastern European, and liberal views outside Europe. Throughout the 1990s and 2000s, support for state redistribution is lowest in the liberal WFS (mean=3.2; SD=1.2) and highest in the CEE countries (mean=4.1; SD=1.1). Inconsistent with Esping-Andersen's regime typology but corresponding to earlier findings for the 1990s (Svallfors 1997; Dallinger 2010), Sweden and Norway do not form a specific social-democratic regime and Austria and West Germany do not belong to a unique conservative world of welfare attitudes (mean=3.7; SD=1.1/3.5; SD=1.1). Further, challenging the regime hypothesis, the UK does not fit into the liberal pattern, and only the Czech Republic deviates from the other post-socialist countries.

7 Unemployment rates correspond to the International Labor Organization (ILO) definition of "the share of the labor force that is without work but available for and seeking employment."

In the 1990s and 2000s, the UK shows distinctly higher preferences for state redistribution (mean=3.7, SD=1.1) compared to the US (mean=2.8, SD=1.2), NZ (mean=3.2, SD=1.2) and AU (mean=3.2, SD=1.2) and thus fits into the European social democratic and conservative WFS regime. The British deviation from the liberal pattern might be interpreted from the country's positioning in the European cultural area, that is, by the historical tradition and the deep impact of the British Labor Party. Nonetheless, the British Labor Party is considered less egalitarian than social democratic parties in other European countries (Heffernan 2000), and the country looks back to an era of extensive liberal policies during Thatcherism (e.g., Hall and Jacques 1983). Therefore, the British welfare state has been characterized as collectivistic and individualistic (Ginsburg 1992, 104). This double character is mirrored in other British views of social inequality. On the one hand, high support for state redistribution and the critique of income inequality indicate egalitarian views.⁸ The comparably low approval of the state to support the unemployed and poor demonstrates the dominance of the principle of individualism⁹ on the other hand (for a comprehensive comparison, see Edlund and Svallfors 2011).

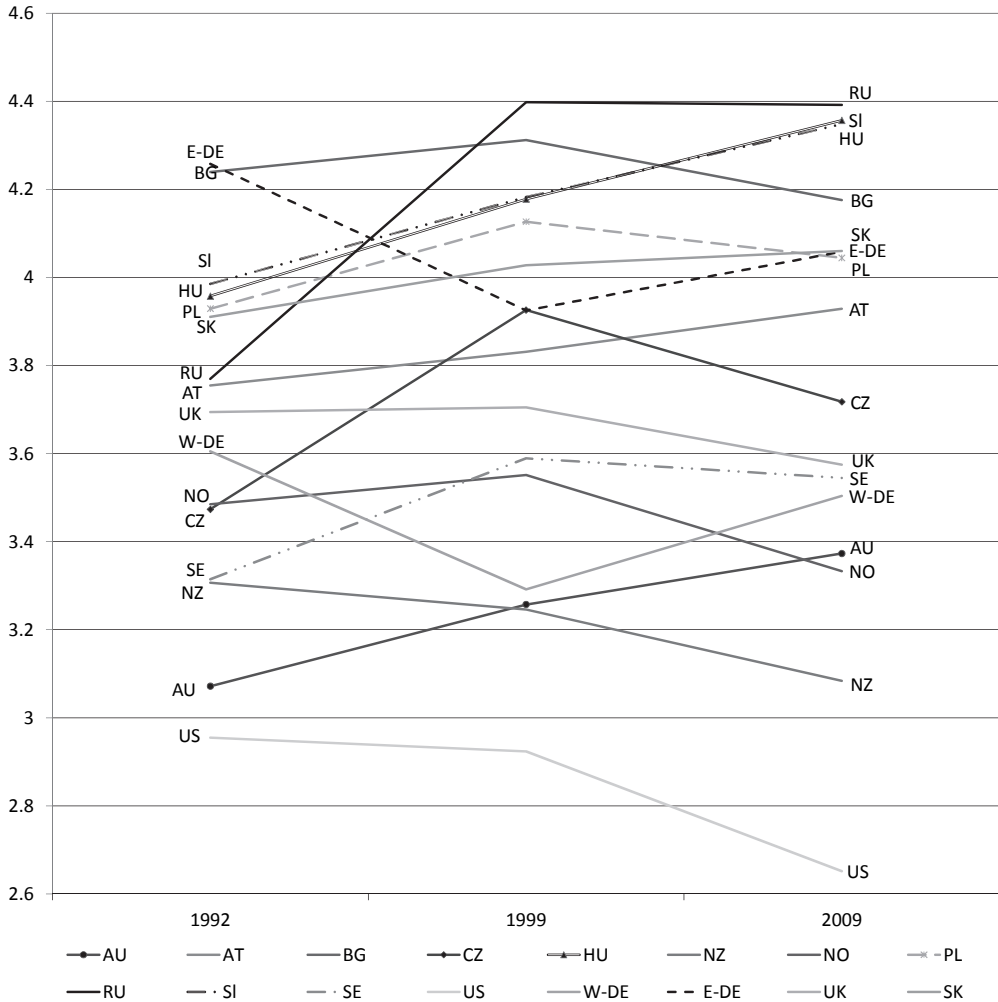
In accordance with previous findings, support for state redistribution in Scandinavia is distinctly lower than one might expect based on the high level of state intervention, supporting the notion of "saturation" for the extended period throughout the 1990s and 2000s. Particularly in Norway, the average support for state redistribution decreases during the course of the 2000s, whereas in Sweden approval of state redistribution increases slightly throughout the 1990s. However, Sweden and Norway are likely to support state assistance for the unemployed and the poor¹⁰; thus, the saturation thesis is limited to a rejection of *further* state redistribution and does not consider a general refusal of state intervention. Within the ideal types of the conservative and social democratic WFS, Austria with the highest approval of state redistribution at all three time points (mean=3.8; SD=1.1) is positioned in-between the Western and Eastern European countries. This finding corresponds to previous research for the 1990s and goes back to the deep impact of the Social Democratic Party in Austria, which covers a comparably broader left-wing political spectrum compared to Germany (e.g., Haller et al. 2015). Despite these peculiarities, similarities between the neighbors Austria and West Germany are obvious in people's high dissatisfaction with the unequal distribution of incomes and high approval for the state to support the unemployed and the poor.¹¹

8 Income differences are too large (1 to 5): Mean 1992=1.9; Mean 1999=1.9; Mean 2009=2.0

9 Decent living for the unemployed (1 to 5): Mean 2009=2.9/ Spend less on the poor (1 to 5): Mean 2009=3.5

10 Decent living for the unemployed (1 to 5): Mean in SE 2009=2.0; Mean in NO 2009=2.1
Spend less on the poor (1 to 5): Mean in SE 2009=3.9; Mean in NO 2009=4.0

11 Income differences are too large (1 to 5): Mean in W-DE 1992=1.9; W-DE 1999=2.1; W-DE 2009=1.7
Mean in AT 1992=1.9; W-DE 1999=1.8; W-DE 2009=1.7
Decent living for the unemployed (1 to 5): Mean in W-DE 2009=2.5; Mean in AT 2009=2.6
Spend less on the the poor (1 to 5): Mean in W-DE 2009=3.9; Mean in AT 2009=3.9



Source: ISSP Module on Social Inequality 1992, 1999, 2009

Figure 1 “It is the responsibility of the state to reduce income differences” throughout the 1990s and 2000s (Means, 1=strongly disagree to 5=strongly agree)

The Czech Republic is positioned in-between the West and East European countries (mean=3.8; SD=1.2), with the exception of the late 1990s when the Czech Republic approximated the other CEE countries. Including the Czech Republic, the variation among the CEE countries is similar to the variation among the liberal type. Taking into account further attitudes, it is clear that the Czech Republic is also comparably less critical of the prevailing income gaps by the beginning of the 1990s,¹² and with Slovakia and East Germany, less

12 Income differences are too large (1 to 5): Mean in 1992=2.1

often wants the government to provide a decent living for the unemployed.¹³ In contrast, Bulgaria shows the highest support for state redistribution, which, by the end of the 1990s, includes Russia. However, as Slovakia and Hungary share similar egalitarian views, the Visegrád countries do not form a specific group of welfare state attitudes. Moreover, East Germany still seems to fit the pattern of CEE countries, although East Germany's support for state redistribution decreased during the course of the 1990s.

Taking into account these results, the ranking in Hypothesis 1 is partly confirmed. Overall, findings from post-hoc tests (Games Howell, Dunnett's T3, Tanhame's T2) show significant differences ($p < 0.01$) of people's attitudes towards state redistribution across liberal, conservative, social-democratic and post-socialist welfare states. In accordance with the expected ranking, the post-socialist countries, on average, show the highest and the liberal welfare states the lowest support for state redistribution. However, contradicting hypothesis 1, citizens of social democratic welfare states are less prone to redistribution than people of conservative welfare states (with the exception of the late 1990s). Even more, by the 2000s the social democratic welfare states, on average, do not differ from radical welfare states. According to the expectation in Hypothesis 1a, the US is the least likely to support state redistribution throughout the 1990s and 2000s. Hence, the radical welfare states (AU, NZ, UK) significantly differ from the liberal US. Since the end of the 1990s, the rudimentary state-paternalistic welfare states (BG, RU) have shown significant higher support for state redistribution than the state-led conservative-corporatist type (HU, PL, SI, SK, E-DE, CZ). However, in contrast to the expected between-country variation (Hypothesis 1b), the Czech Republic, and not East Germany and Slovenia, show the least support for state redistribution.

Public Support for State Redistribution and its Relation to Inequality and Economic Prosperity: Normative Accommodation and Government Protection

According to the regime hypothesis, public support for state redistribution is stable in Western democracies, whereas the CEE countries should adapt to one world of welfare capitalism (Esping-Andersen 1996). However, Figure 1 already indicated the remaining differences between Western and the CEE countries and an overall increase in the variation across all 15 selected countries during the course of the 1990s and 2000s (the range of means in 1992 is from 3 to 4.3 and in 2009 from 2.7 to 4.4). Approval of state redistribution significantly increased in Russia and to a lower degree in Sweden and Poland in the course of the 1990s. Throughout the 1990s and 2000s, approval also increased in Hungary and Slovenia. The opposite trend can be observed in the US, the UK, New Zealand and Norway. In Germany, approval of state redistribution decreased in the 1990s and again increased in the 2000s. A reverse-U trend occurred in the Czech Republic.

These results illustrate the complex patterns of temporal changes and continuities. Do the processes of a normative accommodation and/or the government protection thesis

13 mean=between 2.2 and 2.4 in comparison to 1.8 to 1.9 in the other CEE countries

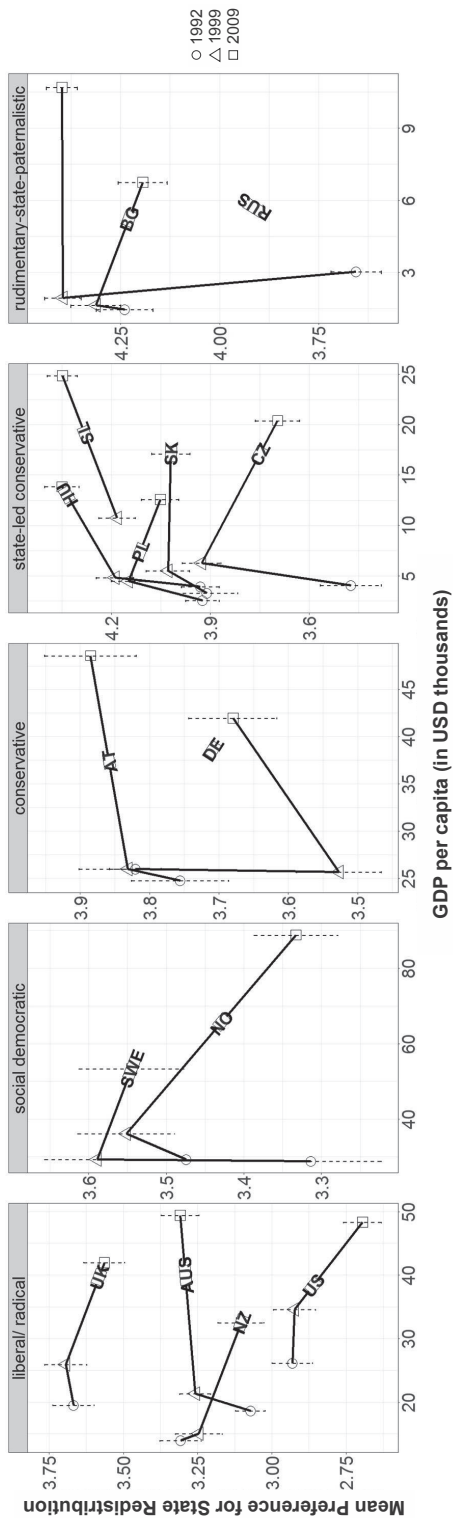
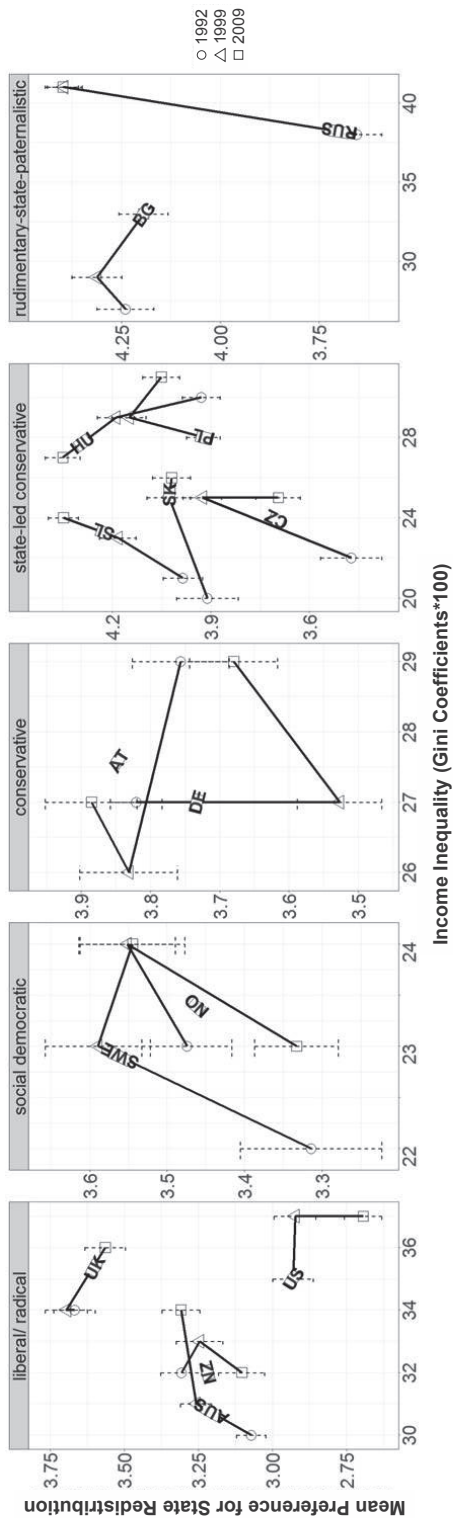
help understand them? Based on the government protection thesis, Table 4 indicates that the level of economic prosperity explains cross-country variation in the support for state redistribution, particularly by the end of the 1990s and in the 2000s. Lower affluence goes hand in hand with higher approval of state redistribution. Nonetheless, the effect of the level of unemployment diminishes, if a country's level of economic prosperity is controlled for and there is no evidence that the amount of social spending is associated with people's views of state redistribution (see Hypothesis 3). In contrast, the level of income inequality has no verifiable impact; however, its changes across time matter. Increases of inequality are associated with a more distinct public support for state redistribution. The negative correlation by the end of the 1990s is an effect of the country sample composition; it can be explained by the slight decreases in income inequality in the CEE countries.

Looking at the cross-country trends in more detail, a delayed decrease in public support for state redistribution during the course of the 2000s solely took place in the most unequal Western countries: the US and the UK (see Figure 2). However, Australia in particular deviates from this pattern by increasing support for state redistribution. Thus, processes of normative accommodation describe the trends in the US and UK and not, as expected in Hypothesis 2, the trends in countries with the highest increase and a high level of inequality (Russia, Bulgaria and Hungary). Overall, there is no evidence that growing income gaps are related to a delayed decrease in approval of state redistribution. The overall dominant pattern considers rather stable and minor but significant increasing public support for state redistribution across time ($F(2, 55143)=79.974, p<0.000$; mean 1992=3.6, mean 1999=3.8, mean 2009=3.7).

Table 4 Correlation (Spearman's rho) between support for state redistribution and selected macro-indicators across 15 countries

	Income inequality			Change in inequality			Economic prosperity			Unemployment			Social spending																										
	'92	'99	'09	'92	'99	'09	'92	'99	'09	'92	'99	'09	'92	'99	'09																								
Support for state redistribution	-.09**	-.03**	-.03**	.19**	-.21**	.14**	-.15**	-.32**	-.31**	.07**	.22**	.14**	.03**	-.03**	-.03**																								
Throughout the 1990s and 2000s	-.04**			.01			-.24**			0.12**			-0.01																										
	change in income inequality controlled for level of inequality						controlled for unemployment			controlled for GDP per capita			controlled for GDP per capita																										
Partial correlations				.17**			-.27**			.16**			-.07**			-.20**			-.27**			.05**			.01			-.08**			.16**			.09**			.09**		

Statistical Significance: ** $p \leq .001$, * $p \leq .01$



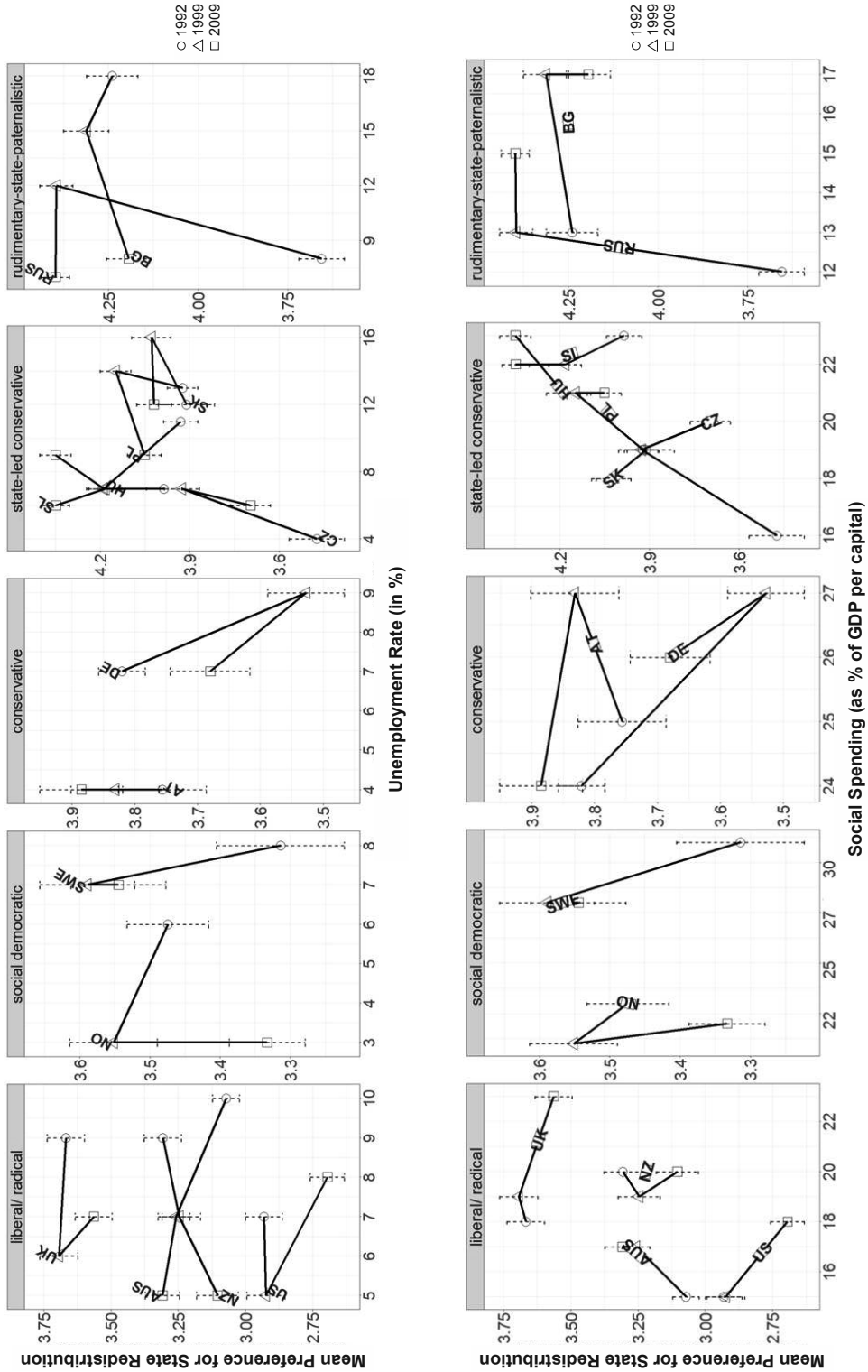


Figure 2 Cross-country patterns of the relation between state redistribution and selected macro-indicators throughout the 1990s and 2000s

Expanding the government protection thesis, it was further expected that the level of economic prosperity, unemployment, and the amount of social spending explain the differences across the CEE countries (see Hypothesis 3). As shown earlier, support for state redistribution is significantly highest in Bulgaria and Russia since the end of the 1990s. However, approval of state redistribution is also high and increased in the wealthiest CEE countries of Slovenia and the Czech Republic and the less wealthy countries of Russia, Hungary, and Slovakia (in Bulgaria, approval remained stable at a high level). In addition, the levels of social spending and unemployment and their developments across time do not explain the variation across CEE countries and within-country trends in the sense of the government protection thesis (see Figure 2). On these grounds, the conclusion that especially “in transition countries high public expectations for state action aimed at more equality are the result of a weak economy [rather] than of post-socialist ideology” (Dallinger 2010, 345) seems to fall short from a time-comparative perspective. The level of economic prosperity explains country differences between the CEE countries and the Western European and Anglo-Saxon countries outside Europe but not the heterogeneity across the CEE countries. Overall, Figure 2 illustrates trends of rising prosperity going hand in hand with both decreasing and increasing support for state redistribution.

Summary and Conclusion

Against the background of varying trends of increasing income inequalities in 15 Western and CEE countries (on different levels), this chapter raised the question of potential changes in people’s public support for state redistribution in the course of the 1990s and 2000s. The paper aimed to identify the explanatory power of three hypotheses: (1) the regime hypothesis, (2) the hypothesis of normative accommodation, and (3) the government protection thesis.

Analyses of data from the Social Inequality Module of the ISSP show that public support for state redistribution differs between Western and CEE countries. The preference for state redistribution is lowest in liberal welfare states outside Europe and remains highest in CEE countries. In accordance with previous research, these findings support the assumption that the level of economic prosperity explains country differences between East European and Western countries. However, restricting the government protection thesis, economic prosperity does not explain the between-country differences in the CEE countries, and rising economic prosperity in the 1990s and 2000s does not go along with a decrease in public support for state redistribution. In addition, previous research has shown that status dependency regarding the preference for state redistribution – people in a lower social position are more prone to support redistributive policies than people in a higher social position – is also a characteristic of Western societies (e.g., Örkenyi and Székelyi 2000). These results leave doubts that rising economic prosperity in CEE countries in the future will lead to less need for government aid in people’s views. Simultaneously, evidence of delayed processes of normative accommodation concerns only liberal countries where income inequality is comparatively high and increased in the course of the 1990s and 2000s.

Thus, a combination of the government protection thesis and the regime hypothesis seems appropriate to explain the fundamental differences between Western and Eastern European societies. The overall temporal pattern shows rather stable and minor increasing support for state redistribution in the course of the 1990s and 2000s. These findings support the thesis of historically grown dominant values. Nevertheless, the regime hypothesis tells only part of the story. Contrary to the classical regime typology of Esping-Andersen (1990), citizens of social democratic welfare states are less prone to redistribution than people in conservative welfare states. According to the extended typology of Castles and Mitchell (1993), the radical welfare states (AU, NZ, UK) show significantly higher support for state redistribution than the liberal US. Findings regarding the CEE countries support the typologies of state-led conservative and rudimentary state-paternalistic types (Fenger 2007; Kollmorgen 2009): since the end of the 1990s and early 2000s the approval of state redistribution is significantly higher in the latter. Thus, the two typologies might be instructive for future research.

Despite these inconsistencies, the analysis of deviations from the three ideal-typical theoretical approaches is fruitful for investigating public support for state redistribution from a country- and time-comparative perspective. Within this framework, future research should concentrate on the question of the CEE countries' potential adaption to liberal, conservative, and social democratic orientations and analyze differences between age cohorts and changes in distributive norms and values. In addition, for the Western European context, this paper poses important questions for future research: Regarding the claimed end of the former universal social democratic welfare state, the question arises what the notion of "saturation" in individual Scandinavian countries really implies and if the attitudinal differences between Norway and Sweden will continue. In the liberal pattern, the borderline case of Great Britain and deviating increasing support for state redistribution in Australia are of specific concern. Are Great Britain and Australia going to form a group of individualistic-collectivistic orientations distinctly different from the US and New Zealand?

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Appendix: Macro-indicators across countries and time (rounded values)

Macro-indicators	US	UK	AU	NZ	NO	SE	DE**	AT	RU	PL	BG	HU	SI	SK	CZ
Gini coefficient after taxes and transfers*															
av. 1990–1995	35	34	30	32	23	22	27	29	38	28	27	30	21	20	22
av. 1997–2001	37	34	31	33	24	23	27	26	41	29	29	29	23	25	25
av. 2007–2011	37	36	34	32	23	24	29	27	41	31	33	27	24	26	25
Gini coefficient before taxes and transfers*															
av. 1990–1995	47	51	44	45	40	46	46	49	44	42	28	49	33	38	39
av. 1997–2001	49	53	48	48	42	47	47	43	47	48	30	50	37	45	45
av. 2007–2011	50	54	52	47	40	47	51	46	53	48	34	47	41	42	45
GDP per capita **															
av. 1990–1995	26146	19512	18628	13910	29337	28936	26019	24778	3045	2531	1474	3904	X	3271	4062
av. 1997–2001	34573	25906	21314	15012	36202	29374	25682	26012	1955	4478	1640	4791	10752	5483	6262
av. 2007–2011	48325	41981	49453	32529	88775	53390	41981	48590	10699	12572	6761	13846	24872	17119	20420
Changes in GDP per capita (percentage points compared to earlier period)**															
1 st to 2 nd half of the 1990s	+24	+25	+13	+7	+19	+1	-1	+5	-56	+43	+10	+19	X	+40	+35
End of the 1990s to the 2000s	+28	+38	+57	+54	+59	+45	+39	+46	+82	+64	+76	+65	+57	+68	+69
Public social protection expenditure % of GDP***															
av. 1990–1995	15	18	15	20	23	31	24	25	12	19	13	X	23	19	16
2000	15	19	17	19	21	28	27	27	13	21	17	21	22	18	19
av. 2007–2011	18	23	17	20	22	28	26	24	15	21	17	23	22	18	20
Unemployment rates %***															
av. 1991–1995	7	9	10	9	6	8	7	4	8	13	18	11	7	12	4
av. 1997–2001	5	6	7	7	3	7	9	4	12	14	15	7	7	16	7
av. 2007–2011	8	7	5	5	3	7	7	4	7	9	8	9	6	12	6

** West and East Germany together

Sources: *Solt 2009; Standardized World Income Inequality Database (SWIID); **The World Bank; ***ILO 2014; World Social Protection Report 2014/15

Baby Boomers Driving Alone?

The Dynamics of Dissatisfaction with Income Differences (1987–2009)

*Frédéric Gonthier*¹

The social sciences have a long tradition of investigating perceived inequalities and their legitimacy dating back to Runciman's pioneering work on relative deprivation (Runciman 1966). Recently a great deal of attention has been focused on public attitudes toward income inequality. Income inequalities indeed play a prominent role in the public debate on social inequality (Bartels 2008; Cingano 2014; McCall 2013; Piketty 2014). Effects of these inequalities are known to undermine the bases of social cohesion, such as interpersonal trust, trust in institutions or civic participation (Larsen 2013; Rothstein 2011; Zmerli and Hooghe 2013).

One of the key findings obtained from the scholarly literature is that ordinary citizens do not gauge income inequality on an objective basis, by simply relying on economic news and information they receive about the state of their national economy. They also take into account their own financial situation and often make comparisons with the living conditions of significant others. More subjective factors pertaining to social justice may come into play as well, such as political ideology, where individuals place themselves in the social hierarchy, how large they think the gap between top and bottom incomes actually is, how large they consider it should be, etc.

Cross-national research has mostly pointed to attitudinal gaps between countries, thus showing that dissatisfaction with income gaps and support for redistribution are also grounded in national specificities related to work ethics, labor market structure, welfare arrangements, and egalitarian or liberal values. However, very few scholars have thoroughly examined how dissatisfaction with inequality evolves over time. Far from being a fixed process, the way people perceive income inequality may indeed vary as a result of many changes occurring at the country-level and at the individual-level.

This study explores the dynamics of tolerance for income inequality. The ISSP Inequality cumulated dataset offers a unique opportunity to address this issue through the lens of longitudinal analysis. The study tracks who contributes the most to the overall change in attitudes toward income inequality; i.e. whether some subgroups are more reactive than others. A classic question of public opinion research is: Who moves when opinion moves? This is usually intended to address elites' influence over public opinion, i.e. to what extent

1 An extended version of this study, including additional analyses, has been published 2017 in a special issue of the *International Journal of Sociology* 47(1): 26-42.

is change in the general public driven by changes in small minorities of sophisticated and enlightened segments of the population?

Here, three subgroups demand closer scrutiny: The wealthy, the better-educated and the younger generations. The first two of these groups are usually considered as being more responsive to their changing environment. They receive more information, they make more accurate assessments, they more easily connect their opinions with what transpires in the outside world... (Enns and Kellstedt 2008). Thus, it is plausible to expect that the wealthy will contribute to opinion change more than the others. By the same token, income inequalities can be less tolerated due to an increasing influence of the most educated segments of the national populations, presumed to be more sensitive to “post-materialism” and to egalitarian values (Inglehart 1977). Likewise, income inequalities may be more accepted because people become accustomed to them, and also because older cohorts are being replaced by new, more well-educated ones, who are more opposed to income gaps.

This study finds striking evidence of uniform moves among income groups, educational groups and cohorts since the beginning of the 1990s. However, contrary to what could be expected, results show that the generational dynamics are partly driven by the Baby Boomers’ increasing dissatisfaction toward income inequalities. This counterintuitive finding and its substantive implications are discussed.

Who Moves When Public Opinion on Income Inequality Moves?

In cross-national research it is well known that aggregate trends can conceal important variations within countries. It is also well known that economic inequalities can be perceived in very different ways, even by people who live in the same country (Lübker 2004; 2007). This section first investigates whether the wealthy, the most educated and the younger generations are becoming more tolerant toward income differences than the rest of the national populations. Addressing these subgroups and their opinion moves is of critical importance since they are often depicted as “opinion makers”.

Many scholars have found that the have-nots are less likely to update their opinions. Given their low levels of political awareness, they receive a minimum of the economic or political information available (Delli Carpini and Keeter 1997; Converse 1964).² Therefore, they display random or stable survey responses, and are not contributing much to aggregate measures of opinion change (Erikson, MacKuen and Stimson 2002; Stimson 2004). By contrast, the privileged citizens have access to more information on their economic and political environment. Because of this they can respond more quickly and more emphatically. All in all, the wealthiest and the most educated segments of the public should be more reactive to their environment, and exhibit more salient patterns of opinion change than their less privileged counterparts (Gonthier 2016).

2 Since the ISSP cumulated dataset does not document political competence per se, I fall back on education as a reasonable proxy. Education levels indeed relate to political and economic information inasmuch as they reflect an individual’s exposure to information and ability to consider economic and political issues.

A different rationale applies with cohorts and generational change. Inglehart argues that economic security experienced during socialization years could push individuals to adopt long-lasting postmaterialist values, thus giving priority to non-economic issues over economic security and material comfort. Much of this generational dynamic, Inglehart adds, is channeled through rising education levels (Inglehart 1977; 1997). More supportive of egalitarian values than their older counterparts, the younger generations should then be less tolerant toward income differences since income differences jeopardize individual autonomy and expression.³ Therefore, one can expect those born after 1945 to display a stronger rejection of inequality. More importantly to note is that although each cohort's level of tolerance of is expected to remain stable over time (since socialization has a life-long influence), generation renewal should gradually level up dissatisfaction with income inequality.

Since the first ISSP Inequality module in 1987, respondents have been asked to position themselves on a five-point agreement scale, capturing whether they believe that "income differences are too large" in their country. The following figures plot the percentage of respondents who agree or strongly agree with this statement in each country and for each ISSP wave.

The analysis begins with income groups. Empirical studies on attitudes toward inequalities and redistribution have repeatedly demonstrated that perceived inequalities are very likely to vary among social classes and incomes groups (Kulin and Svallfors 2013; Svallfors 2006). In order to isolate the wealthy and the underprivileged, a specific variable has been computed, collapsing respondents' personal income into four equal categories for each country and ISSP wave.⁴ Figure 1 captures the evolution of dissatisfaction with income inequalities by country and depending on the two extreme income groups (income ++ for the upper quartile, income - - for the bottom one).⁵

Mean levels of dissatisfaction with inequalities (ranging from 1 to 5) are quite high everywhere, but the gap dividing the wealthy and the underprivileged is far from being identical between countries. It is much more important in rich Western countries (Norway, Sweden, Switzerland, Germany, and France) than in Eastern ones (Latvia, Hungary, and the Czech Republic). Social scientists vary in their views on what ultimately drives individual attitudes and behaviors. Following the theory of hedonic rationality, some posit that self-interest is the major predictor of policy preferences: Ordinary citizens endorse opinions which are consistent with their tangible short-term material interests. Others argue that self-interested motivations can be countered by general social values: Symbolic predis-

3 Opposite arguments can be voiced. The young are usually portrayed as malleable and easily influenced by their external environment, and they have been shown to be more liberal (in the European sense) since their views on inequality are mainly shaped by abstract principles inherited from school (such as merit). By contrast, their older counterparts are more aware of inequality, which they have experienced in its various forms (notably at work).

4 Quartiles have been computed for each country and module so as to define specific income cut points with respect to time and space. For caveats when using income variables from the ISSP cumulated dataset, see Brien and Bechert 2014, 6.

5 For the sake of clarity, all income groups are not plotted. But the notion of "parallel publics" holds with higher-middle and lower-middle income groups. The same goes for intermediate educational groups, not displayed in Figure 2.

positions acquired through socialization in early life exert the strongest effect (Sears and Funk 1991; Chong, Citrin and Conley 2001).

Figure 1 provides evidence for both assumptions. Income groups may be divided in rich Western countries because the wealthy and the have-nots stick to their personal interests, with the former “understating” income differences they benefit from, and the latter “emphasizing” income differences they do not benefit from. But income groups may be divided as well because their views on social inequalities are shaped by different justice principles. The wealthy may, for instance, consider that income differences are not too large because they mostly value individual responsibility. And the lowest income groups may conversely assess income differences with stronger preferences for equality and redistribution. The fact that income groups from Eastern countries similarly gauge income differences can be explained just the same way. They may share the same perception of their economic environment as being very unequal; and they may also be united by a common set of values leading them to reject income differences.

Most importantly, Figure 1 reveals that respondents tend to move in the same direction and at the same moment whether they are rich or poor. This hypothesis of uniform patterns among various subgroups has first been formalized in the U.S. context (Page and Shapiro 1992). Recently, Ura and Ellis have observed only marginal differences into how income quartiles respond to economic stimuli, with the wealthy showing a stronger reactivity (2008). Analyzing why the general public becomes less supportive of government expansion, Kelly and Enns also stated that low- and high-income groups respond in the same way to increasing income inequalities (Kelly and Enns 2010). Other studies came to the same conclusion of uniform opinion moves in other liberal regimes (Soroka and Wlezien 2009). Results from the ISSP Inequality modules tend to substantiate this “parallel publics” hypothesis. Even though income groups appear to be fiercely divided on income differences in many countries, their parallel movements give some credence to the idea that individuals respond in similar ways to stimuli coming from their changing environment (Enns and Kellstedt 2008).

With Figure 2, the study turns to educational subgroups. The figure charts opinion moves on income differences for two opposite segments: Respondents with no formal qualification or lowest formal qualification versus those above higher secondary level, with a university degree completed or with graduate studies. With the exception of Chile and the Philippines, the least educated are everywhere more dissatisfied with income differences. However, gaps between educational groups appear to be much smaller than those observed among income groups. Scholars usually consider that education has an ambivalent influence on how inequalities are perceived. On the one hand, people with higher education are more likely to believe in meritocratic ideology and value self-achievement (Andreß and Heien 2001, 348). But on the other hand, education is related to socialization to democratic values and tolerance. Therefore, the most educated are supposed to express stronger preferences for social equality. This balanced effect of education might explain why the most and the least educated segments do not display very different levels of tolerance for income inequalities.

Moreover, contrary to what could be expected, the most and the least educated segments of the public display very uniform variations. This result is also in line with the literature about parallel opinion movement on economic issues. For instance, with data from the

General Social Survey and the National Election Studies, Enns and Kellstedt have described how the least and the most sophisticated strata of American society change their opinions toward the economy in sync (Enns and Kellstedt 2008). Yet, once again, these two groups at opposite ends of the spectrum, the most and the least well-educated, appear to update their opinion in a very uniform way.

Figure 3 sketches the same picture for the various generations. Cohort cut points have been chosen according to accepted sociological categories: Those born in 1945 and before correspond to the “Silent Generation”; if born between 1946 and 1959 then “Baby Boomers”; between 1960 and 1980 called “Generation X” (also called “Gen Xers”); and if born after 1980 known as “Generation Y” (aka “Millennials”) (Howe and Strauss 1992; Strauss and Howe 1997).⁶ Respondents from the Silent Generation, Baby Boomers and Gen Xers exhibit very similar levels of tolerance for income inequalities. This finding is somewhat counterintuitive, since Baby Boomers and Gen Xers were expected to be much more dissatisfied with income inequality than their older counterparts. When it comes to attitudes toward income differences, birth cohort may not be as influential as income and educational background. In some countries (Bulgaria, France, Italy, Latvia, Switzerland or the U.S.), Baby Boomers do indeed display a slightly stronger rejection. Still, in many other countries, baby boomers and Gen Xers do not obviously stand out as the strongest supporters of income equality. They even seem to be outperformed by respondents from the silent generation.

At the country level cohorts tend to move in parallel, which is consistent with the notion that predispositions acquired through early socialization last throughout the life cycle. It confirms that the national context matters much for opinion change, and that it exerts the same influence on all segments of the public. However, one can also observe that Baby Boomers seem to be a little more mobile than other cohorts. This is notably the case in Israel, Japan and Sweden, where they carry an upward trend toward more dissatisfaction with income differences. It is as if the Baby Boomers were more reactive to their external environment. Since mean values provide a crude measurement of subgroup differences, this cohort effect calls for closer scrutiny. More advanced statistical techniques will be applied to addressing this in the next section.

In short, noteworthy here is that all segments of the national populations conform to the global pattern and exhibit the same trend toward more or less dissatisfaction with income inequalities. These findings comply with studies demonstrating that individuals incorporate information about economic changes in similar ways, and update their opinions in unison. Although it has long been argued that the general public is not interested in politics or the economy and lacks the knowledge to develop informed preferences (Converse 1964), results from the ISSP Inequality modules suggest that all citizens pay some attention and respond uniformly – though in varying degrees – to their changing environment.⁷

6 Other cut points are possible. Political generations could prove useful (Sears and Valentino 1997). However, their major downside for cross-national analysis is that political milestones often vary from one country to the other. In Figure 4, the Millennials are not presented since their number is very limited in 1999 (n = 569 for the twenty-seven countries examined).

7 Since ISSP Inequality does not include variables tapping “sociotropic perceptions” (i.e., perceptions arising out of concern for the well-being of national economic life in general), it is laborious to find out to which aspects of their environment individuals respond to or ignore.



Figure 1 Dissatisfaction with income differences by country and depending on income level (mean values, 1987-2009)



Figure 2 Dissatisfaction with income differences by country and depending on educational level (mean values, 1987-2009)

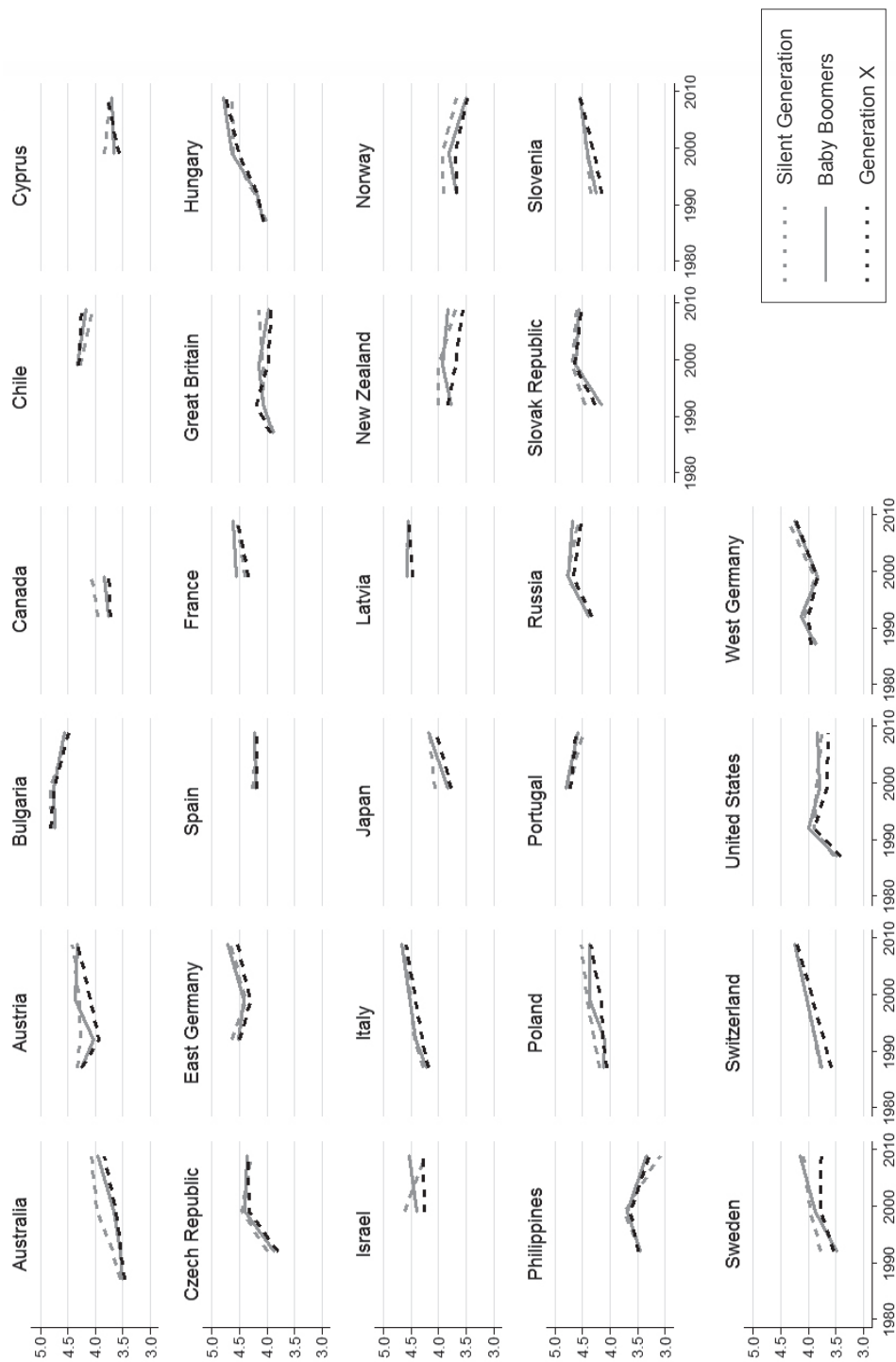


Figure 3 Dissatisfaction with income differences by country and depending on cohorts (mean values, 1987-2009)

How Cohorts Shape the Dynamics of Dissatisfaction with Income Differences

To clarify how characteristics of individuals and countries combine, different multilevel linear models were performed, regressing on dissatisfaction with income differences. The major focus of multilevel modeling is to account for micro-level variations in a dependent variable while controlling for variations in the mean response between different macro-levels of analysis.⁸ In order to disentangle the impact of the ISSP waves and the impact of the countries, a three-level modeling strategy was used, with countries at the upper level ($n=27$), waves crossed by countries at the middle level ($n=78$), and individuals at the bottom level ($n=98,557$ for the first model). This methodological approach has proven appropriate for cross-national analysis with comparative longitudinal survey datasets (Fairbrother 2014). The dependent variable is dissatisfaction with income gap in its initial form of a five-point agreement scale. The larger a coefficient, the more respondents are prone to think that income differences are large.

Table 1 presents models estimating the influence of different individual-level and wave/country-level indicators on dissatisfaction with income differences. Model 1 is a first step showing only the variance explained by the three nested levels. This model with no explanatory variable gauges whether dissatisfaction with income differences is more likely explained by differences within countries, across waves or across countries. The intraclass correlation coefficients indicate that around 11 percent of the variance can be attributed to the country-level, while around 14 percent can be explained by the waves. Most of the variance of the dependent variable comes then from the individual-level. It simply means that dissatisfaction with income differences depends more on differences between individuals than on differences between countries or between ISSP modules. It gives a first hint about the fact that individuals differ much more than countries with regard to their views on income inequality.

Model 2 introduces the variables displayed in previous figures so as to assess their direct effects with all other variables held constant. It confirms many correlations already stated in the literature in support of state redistribution (see e.g. Linos and West 2003; Svallfors 1997). Gender has a significant but modest impact, whereas women are more dissatisfied with income inequalities than men. Tolerance for income inequalities decreases with age but increases with educational level.⁹ Being one year older adds 0.002 point to the propensity for being dissatisfied with income differences; while moving up from one educational level to another reduces this propensity by 0.054. Not surprisingly, income is more influ-

8 Multilevel modeling is particularly appropriate for cases where individuals are clustered within different units. While ordinary least squares regression assumes restrictive hypotheses as to independence of error terms and homoscedasticity, multilevel modeling accounts for both the dependency of observations and the heterogeneity between error terms. On the one hand, it permits a more complex specification of the residuals that are estimated at an individual-level and at an aggregate level. On the other hand, instead of constraining the variance of the residuals to be constant, it lets them vary depending on explanatory variables in order to assess variability between observed groups (see e.g., Snijders and Bosker 2012).

9 Educational level divides across five categories: No formal qualification or lowest formal qualification; above lowest qualification; higher secondary completed; above higher secondary level.

ential than other sociodemographics.¹⁰ Being worse-off (income quartiles - - and income quartile -) increases the probability of rejecting income inequalities by 0.26 and 0.289 points. Here the magnitude of the coefficient represents a 5 percent increase of the five-point scale dependent variable ($0.26/5 \times 100$).

Table 1 Multilevel analysis of dissatisfaction with income differences (1987-2009)

	Model 1 coef. p.value	Model 2 coef. p.value	Model 3 coef. p.value
Women (ref. Men)		.052 ***	.049 ***
Age		.002 ***	.017 ***
Age squared			-.0001 ***
Educational level		-.054 ***	-.054 ***
Income DKNA (ref. Income ++)		.175 ***	.191 ***
Income --		.260 ***	.278 ***
Income -		.289 ***	.298 ***
Income +		.232 ***	.236 ***
Baby Boomers (ref. Silent generation)		.044 ***	-.101 **
Generation X		.010	-.097 *
Generation Y		-.046 *	-.087 *
Silent Generation 1992 (ref. 1987)			-.082 ***
Silent Generation 1999			-.066 ***
Silent Generation 2009			-.031
Baby Boomers 1992 (ref. 1987)			.212 ***
Baby Boomers 1999			.287 ***
Baby Boomers 2009			.226 ***
Gen X 1992 (ref. 1987)			-.020
Gen X 1999			.029
Gen X 2009			.014
Gen Y 2009 (ref. 1999)			.034
Intercept	4.14 ***	3.94 ***	3.53 ***
N individual level)	98,557	97,362	97,362
N (country/wave level)	78	78	78
N (country level)	27	27	27
Country - Intraclass correlation coefficient	.107 **	.104 **	.105 **
Country/wave - Intraclass correlation coefficient	.138 **	.137 **	.126 **

Note: Significance levels *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

10 Income categories have been computed as dummy variables to also introduce in the model those respondents for which income is not documented (Income DKNA). They account for 21% ($n=22,204$) of the cumulated sample.

The results for cohorts are more mixed. Consistent with expectations, Baby Boomers appear more prone to rejecting income inequalities than respondents from the silent generation when other variables are held at their mean. This substantiates the idea that, contrary to the silent generation which experienced the war and grew up fighting for material resources, post-scarcity generations value more equality and improvement of living standards (Inglehart 1997). However, though the coefficient for the Baby Boomers is significant, its magnitude remains very modest (0.044) compared to the effect of income. Contrary to expectations, the cohort effect is far from being linear. Gen Xers are not significantly more dissatisfied with income inequality than their counterparts from the silent generation. And Millennials even seem less dissatisfied than the elderly. Though caution is warranted due to the small sample size of this segment, this result suggests that a less lucky and less privileged cohort such as the Millennials might be more tolerant to income inequalities (Willets 2011). Thus, the major divide in attitudes toward income inequalities may be more between Baby Boomers and younger cohorts than between scarcity- and post-scarcity generations.

To make sense of these differences and to account for the fact that cohort effects may vary over time, another model was estimated introducing a wave-specific variable for each generation.¹¹ The results are striking. Model 3 reveals that most of the dynamic inherent in the cohort effect comes from the Baby Boomers. Compared to being a Baby Boomer in 1987, being a Baby Boomer in 2009 (0.226) in 1999 (0.287) and in 1992 (0.212) increases the likelihood of rejecting income inequalities to the same extent as belonging to a disadvantaged income group (0.278). As for other cohorts, the effects are not as clear cut or as significant. All other variables held at their mean, respondents from Generation X and from Generation Y are not significantly more dissatisfied over time.¹²

Figure 4 provides a more vivid picture of who drives the generational dynamic of tolerance for income differences as it plots the predicted values for the dependent variable of Model 3, conditioning on cohorts and ISSP waves. The median-spline curve substantiates the fact that the upward trend for the Baby Boomers dates from the beginning of the 1990s, as is also shown by Model 3.¹³ Baby boomers clearly stand out in that their slope is not only steeper than the mean slope; it is also steeper than the slope of their older counterparts from the Silent Generation and it is steeper than that of their younger counterparts from Generation X as well. This pattern is robust. It holds when countries are examined

11 To also account for the fact that the effect age has may not be linear for all age groups, age squared has been included in the model. The positive effect of age combined with the negative effect of age squared, indicates that the relation between age and tolerance toward income differences is more a quadratic than a linear relation; i.e., the impact of age on dissatisfaction with income inequality becomes less important as people get older.

12 Finer-grained analyses could be conducted. A similar wave-specific variable for income groups could be included in order to compare their effects with those of cohort groups. Interaction effects could also be computed to disentangle income and cohort, and to account for the fact that Baby Boomers may drive the generational dynamic simply because of their improved living standards. Such analyses are, however, beyond the scope of this study.

13 To make sure that it is not an artefact coming from the different number of countries in ISSP waves, additional analyses were performed using the exact same countries for the last two waves. Results display an identical upward slope for the Baby Boomers.

individually. To put it simply, Baby Boomers tend to become more dissatisfied since 1992 with income inequalities, while respondents from Generation X and the Silent Generation tend to follow the average trend.

This finding suggests that generational renewal will pull down dissatisfaction with income inequality, because of Baby Boomers leaving the scene and being replaced by younger cohorts not as sensitive to income differences. However, additional analyses (not presented here) demonstrate that all cohorts tend to grow less tolerant toward income gaps from the age of thirty years onwards. Thus, even though generational renewal will fuel tolerance for inequality, younger cohorts will still become more dissatisfied with income differences as they get older.

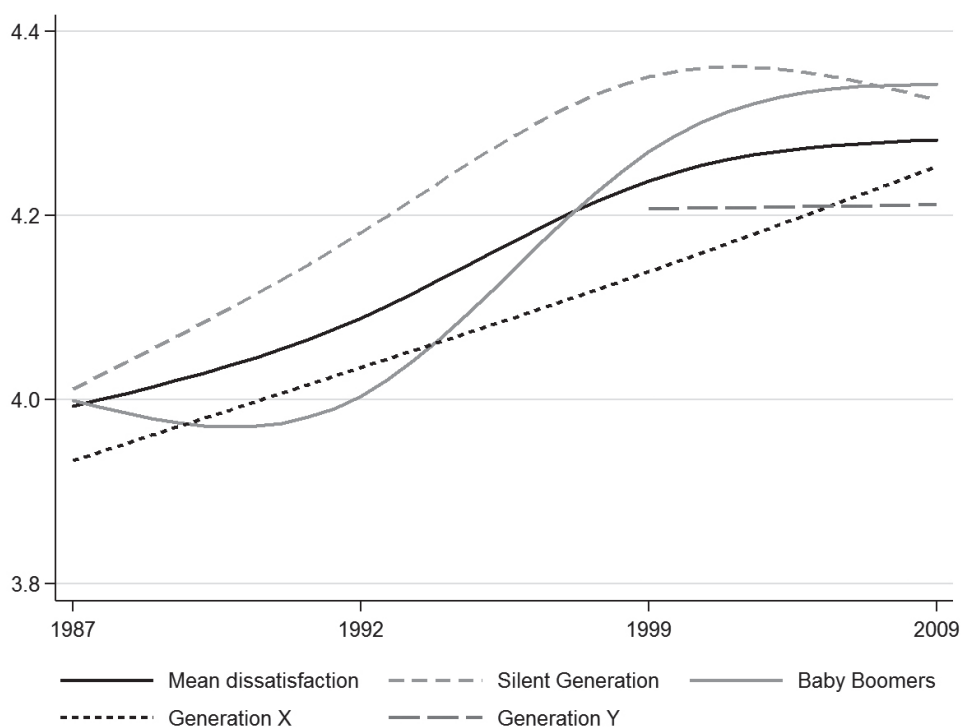


Figure 4 Predicted dissatisfaction with income differences by wave, depending on cohort (Model 3)

Conclusion: Baby Boomers Driving Alone?

Attitudes toward income inequalities have been garnering increased attention from cross-national research. Most scholars address the issue of opinion change by focusing on aggregate trends at the national-level. Using comparable data from twenty-seven countries and at four different time-points, this article first showed that changes in tolerance for income differences are not connected with changes in actual income differences. In line with prior research, this suggests that individuals mainly respond to how they perceive changes in income inequalities. A complementary perspective was then adopted, disentangling aggregate trends to examine changes among opinion groups. Whereas one could have expected the wealthy and the most educated to be more responsive, they tend to move in tandem with their less privileged counterparts. Put differently, all segments of the public seem to react evenly to economic and political stimuli they receive from their outside environment. Yet, since the ISSP cumulated dataset does not document respondents' views on changes in inequality, it is difficult to dig further into what individuals are responding to when they grow more or less dissatisfied with income differences.

There are also parallel movements among cohorts over time, indicating that contextual messages can account for attitudinal change even when individuals have been socialized in different circumstances. However, in sharp contrast with the literature predicting that post-scarcity generations will be less tolerant toward income inequality, it can be shown that this is only the case for Baby Boomers. Respondents from both Generation X and the Millennials are not more dissatisfied with income differences than respondents from the Silent Generation. Surprisingly, compared to their younger counterparts, Baby Boomers are those most opposed to income differences, even tending to become more opposed to income differences than other cohorts since the early 1990s. All in all, Baby Boomers seem to be driving the generational dynamics of dissatisfaction with income inequality.

Two explanations can be put forward. The first stresses the influence of the environment on attitudes toward inequality. The 1980s are known to be a liberal turn (in the European sense) for both economy and politics in many countries (see e.g. Schmidt and Thatcher 2013). One can presume that Gen Xers and Millennials are more tolerant toward income inequalities since they have entered working life or been socialized in a more liberal context than Baby Boomers. Still, this line of argument leaves one aspect of the generational puzzle unaccounted for: How can Gen Xers and Millennials be that influenced by the economic and political climate, since many of them have been raised by Baby Boomers socialized in a less liberal context?

An additional explanation relates to generational conflicts and to age-group competition for social resources. It is often said that Baby Boomers have come to possess a monopoly on economic and social wealth, notably in continental European welfare states (Chauvel 2010; Chauvel and Schröder 2014). They enter retirement age with more disposable income and more generous pensions than any previous cohorts, leaving future cohorts facing increasing social risks and no real hope of living standards improving throughout their adult lives. Generational resentment may well influence how Gen Xers and Millennials value income equality. It may, for instance, increase their urge for financial recognition, and mitigate their will to level out income differences.

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Data

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Self-placement of the Unemployed in the Social Hierarchy

Evidence from European Countries

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Introduction¹

Unemployment has risen during the recent recession. However, the experience of unemployment varies considerably across European countries (Gallie 2013b). To study the unemployment experience in different European countries, a social exclusion approach was combined with a social stratification approach utilizing a measure of subjective social position which indicates how people perceive their relative position in the social hierarchy. In evaluating their social position people make comparisons within societal contexts. We hypothesize that the country-level economic and institutional context impacts the experience of unemployment, the way people interpret it, and thus affects the subjective social position of the unemployed. Our main goal was to study the impact of different macro-level economic and social characteristics on the subjective social position of the unemployed. We focused on a comparison of the subjective social position of unemployed persons against the remaining populations of 18 European countries² using data from the International Social Survey Programme (ISSP) 2009 Social Inequality module.

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- 1 The paper has been prepared as part of the research project “Cumulative processes in the interplay of educational path and work career: explaining inequalities in the context of neoliberalization” funded by the Estonian Research Council (project no IUT31-10). The research was supported by the EU through the European Social Fund.
 - 2 As our main aim is to study the impact of contextual structural variables on subjective social position, our analysis was restricted to European countries because previous analyses have indicated that Europeans are more likely to see themselves within a larger continental perspective than would Japanese or Americans see themselves within a global perspective (see, for example, Sweeney and McFarlin 2004).

Subjective Social Position, Social Comparison and Societal Context

Unemployment and the unemployed remain quite marginal for class analyses on a theoretical as well as a political level. In stratification research the measurement of social position is often based on income, occupational position, or other occupation-related characteristics. Critics claim that when measured in such a way, the objective social position does not specify how individuals are truly ranked in society (Bottero 2004) but on how certain visible characteristics possessed by all individuals are ranked (Hiller 1973).

The emergence of the concept of social exclusion was directly related to the emergence of the threat of high unemployment and the threat it posed to national modes of integration (Kronauer 1998). Thus, the social exclusion paradigm is acutely attuned to unemployment. In the literature, social exclusion is considered a multidimensional concept (Jordan 1996; Nolan and Whelan 2007). Burchard et al. (2002, 39) state that “an individual is socially excluded if he or she does not participate in key activities of the society in which he or she lives”. One of these activities is work.

From the perspective of the social exclusion concept, people are more ‘in’ or ‘out’ of mainstream society than ‘up’ or ‘down’ the class structure (Beland 2007). However, social exclusion is a relative concept, i.e. individuals are socially excluded merely with respect to other members of their society. Social comparison is a fundamental mechanism linking objective facts to subjective evaluations (Gruder 1977; Suls et al. 2002) and it should have a very important role in shaping how people interpret unemployment.

Subjective social position can only be adequately understood if due consideration is given to the role of frames of reference. Reference group theory argues that people evaluating their own position compare themselves with other individuals or groups (Merton 1957; Kelly 1968). People perceive a broader social world from their own viewpoint and their families’ and friends’ situations, and they assess their position in society in light of the people around them (Evans et al. 1992; Evans and Kelley 2004). Merton and Kitt (1950) maintain that people use others in their own groups as well as ‘non-membership reference groups’ to assess their circumstances and position. Subsequent research suggests that there is a great deal of diversity in the referent others with whom comparisons are made (Suls et al. 2002). Klein (1997) has established that aggregate information influences self-evaluation more than individual objective characteristics.

Thus, similar objective characteristics can lead to a different self-evaluation depending on the frame of reference and on the social context (Delhey and Kohler 2005; Fahey 2006; Marsh et al. 2008; Whelan and Maitre 2009; 2013). Literature on how subjective social position is affected by macro-level economic and social characteristics has been available for some time and is ever-expanding (see for example Evans and Kelley 2004; Andersen and Curtis 2012; Lindemann and Saar 2014).

Andersen and Curtis (2012) find support for the classic arguments of Marx and Weber that class-related differences are larger if economic inequalities between social positions are more pronounced in a society. This result is also in accord with the expanded reference group argument: people may be increasingly aware of the extent of inequality and living in an unequal society might lower their subjective social position because they make comparisons across country boundaries and the whole of society (see also Wilkinson 2000). Being unemployed in a highly unequal country might bring about both real and

perceived (self-)exclusion: because in such (probably neoliberal) countries support for the unemployed is rather limited and movement into unemployment is often brought about by poverty, uncertain future prospects and consequently low social status. In such countries a slide into unemployment might result in both a real and perceived individual period of sharp downward mobility of unknown duration. In highly unequal countries, i.e. those with high income inequalities, people might perceive that being unemployed means being “out” of the “legitimate” hierarchy of (classed) positions.

There are a number of competing hypotheses and empirical results on the influence of the unemployment rate on subjective social position. The threat of unemployment might lower the subjective social standing of individuals because it increases uncertainty in society and makes all people feel vulnerable. A rise in the national unemployment rate might indicate an economic downturn, which might, in turn, have a significant negative impact on the subjective social position of individuals (Evans and Kelley 2004). However, being unemployed in a country where the unemployment rate is high is not the same as being unemployed in country where the unemployment rate is low. One possibility is that high unemployment will aggravate the distress felt by the unemployed because the perceived opportunity to escape in circumstances of high unemployment level is reduced (Gallie and Russell 1998). Alternatively, high unemployment may reduce the stigma attached to unemployment, because in the countries with a high unemployment rate unemployment is part of the social system, thus the unemployed are not seriously marginalized. This explanation fits into a broader theory which holds that an individual’s relative, rather than absolute position matters most for their subjective social standing. Here “relative” is understood both in terms of comparison with others and with themselves at different times over the life course. The unemployed might not identify themselves with the current temporary situation of being unemployed, but rather think of themselves in terms of “what they usually” are (or were before becoming unemployed).

Development of active employment policies might have an effect on the experience of unemployment. Higher expenditures on active labor market policies can reduce the risk of long-term marginalization from the labor market. When the unemployed have the possibility of improving their skills through training, they are more likely to find a job and this might decrease their marginalization (Gallie and Paugham 2000) and also make them consider their situation as temporary. Financial support for the unemployed is also likely to be a critical factor for the way the welfare state affects the experience of the unemployed. In countries where generous financial support is provided over a relatively long period, the unemployed are more likely to live in similar conditions as the employed. They have more opportunity to search thoroughly when they are looking for a job and this will mean that they are less likely to be stigmatized, and will tend to be perceived to be more highly placed in the social hierarchy.

Such quantifications of the various dimensions of the welfare state often start out as critiques of the oversimplification of welfare state typologies. However, these analyses carry their own dangers. As Svallfors (2010) makes clear, researchers tend to assume that the effects of macro-variables are the same regardless of countries’ values and other dimensions. Svallfors considers this assumption highly questionable; the regime concept is intended to move away from this assumption. Palme (2006) and Esping-Andersen and Myles (2009) conclude that the most important effects derive from the institutional design

of the welfare state and that such design effects can take complex forms (Whelan and Maitre 2010). Hence, we suppose that, as well as objective measures of welfare policies, the regime concept also expresses norms, values and discourses, and among these the attitudes of the state (and indirectly of the society) towards the unemployed (see Clasen and Clegg 2003).

Gallie and Paugham's (2000) unemployment welfare regime typology, distinguishing four regimes, focuses on the degree of benefit coverage and the level of financial compensation for the unemployed and expenditure on active employment policies. The liberal regime provides a low level of financial compensation and there is little development of active labor market policies. The main idea is to encourage the unemployed to take responsibility for themselves and in this type of regime there is a strong risk that the unemployed will suffer from stigmatization. The Southern Europe sub-protective regime is distinguished by the crucial role of family support systems. Labor market policies are poorly developed and selective, few of the unemployed receive benefits, the level of financial compensation is low and the long-term unemployment rate is high. Due to strong family support and the high unemployment rate it would be reasonable to assume that the stigmatization of the unemployed is much lower than in liberal countries. The social democratic regime is characterized by an emphasis on universalism and the individualization of rights. It offers comprehensive coverage of the unemployed, a much higher level of financial compensation and a more ambitious active employment policy. This type of regime could be expected to be the least stigmatizing of the unemployed. The corporatist employment-centered regime provides a much higher level of protection for the unemployed than the liberal and Southern European regimes, but entitlements depend primarily on life-long employment. This system tends to create a division between insiders and outsiders, and thus we expect the stigmatization of the unemployed to be at a medium level: higher than in Southern Europe and the Nordic countries, but lower than in a liberal regime.

The Gallie and Paugham study did not include Eastern European countries. Some more recent studies have identified additional regime types applicable to these countries (see Stovicek and Turrini 2012; Gallie 2013b; Whelan and Maitre 2010; Bohle and Greskovitsh 2012). The post-socialist corporatist regime comprises the Central European countries with mostly transfer-oriented labor market measures. The post-socialist liberal group comprises Baltic countries along with Bulgaria (Bohle and Greskovits 2012). These countries have low levels of coverage, relatively low-income support and very low levels of expenditure on active labor market policies. The differences in the subjective social position of the unemployed and others could be expected to be similar to the post-socialist corporatist regime and the Western Europe corporatist regime. Furthermore, we expect that post-socialist liberal regime countries and the UK (a Western liberal regime) behave similarly.

Variables and Methods

Subjective social position was measured using a 10-box display from bottom to top. The question was formulated as follows:

In our society there are groups which tend to be towards the top and groups which tend to be towards the bottom. Below is a scale that runs from top to bottom. Where would you put yourself now on this scale?

This question differs from traditional class identification measures because it is comparable across cultures, it avoids forcing respondents to choose one of several specified categories and eliminates highly politicized terms such as ‘working class’ and ‘middle class’ (Evans and Kelley 2004).

One aim of the analysis was to identify how contextual variables modify the effect unemployment status has on subjective social position. *Labor market status* describes the respondent’s current position in the labor market. This variable distinguishes between unemployed and all other groups. The *level of education* indicates the highest level that the respondent has achieved and is recorded as follows: (1) below upper secondary education, (2) upper secondary completed, (3) above upper secondary (other qualification than university) and (4) university degree completed. *Household income* is measured in quartiles, which show the respondents’ relative position in the distribution of incomes in their country. Other independent variables included in the analysis are *gender* and *age* (also the quadratic term of age).

Several national-level social and economic factors that might affect subjective social position were analyzed. We measured *income inequality* using the Gini coefficient (based on disposable household income data). The Gini index measures the extent to which the distribution of income or consumption expenditure among individuals or households within an economy deviates from a perfectly equal distribution. A Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality. Gini measures were obtained from the Standardized World Income Inequality Database (Solt 2009). We use data on *the long-term (lasting more than 12 months) unemployment rate*, measured as the proportion of long-term unemployed among the labor force, to take into account time-sensitive dimensions of social comparisons. We expected that an active labor market policy might have an impact on the experience of unemployment. To take this into account, *expenditures on active labor market policies* measured as a percentage of Gross Domestic Product (GDP) are included in the models. Including *Expenditures on passive labor market policies* measured as a percentage of GDP in the models, allows us to estimate the impact of social support on self-placement in the social hierarchy.³ We differentiated six unemployment regime types based on previous typologies (Gallie and Paugham 2000; Bohle and Greskovits 2012). In our study the liberal regime includes the UK; the Southern

3 The unemployment replacement rate (the ratio of unemployment benefits a worker receives relative to the worker’s last gross earnings) is another way of measuring the generosity of financial support provided to the unemployed by state agencies. Our preliminary analysis (not presented here but available upon request) confirms that expenditures on active and passive labor market measures are better predictors of subjective social position than the unemployment replacement rate.

sub-protective regime comprises Spain and Portugal; the social democratic regime Denmark, Finland, Sweden and Norway; the corporatist employment-centered regime Austria, Belgium and France; the post-socialist corporatist regime Poland, the Czech Republic, Slovakia, Hungary and Slovenia; and the post-socialist liberal group Estonia, Latvia and Bulgaria.

Hierarchical linear models were used to estimate the effect of different country-level contextual variables on subjective social position. First, an empty model with no explanatory variables to predict subjective social position was calculated. The aim being to see how much variance exists at the country level. Then we calculated a model with individual level variables. This model was for comparison with all succeeding ones, except more complicated contextual models. The next step was to analyze the effect of contextual variables on subjective social position. Different models were run where country level variables were entered stepwise in order to check whether the results were robust. A separate model for each contextual variable was then composed, and for each of these models we also added cross-level interactions based on our hypothesis. All models include individual level characteristics (gender, age, level of education, household income, labor market status). Our aim was to find out the extent to which different contextual variables affect how the unemployed and all other groups estimate their social position. In order to test whether the effect of unemployment is dependent on the macro context, employment status and macro-level characteristics were utilized (see Appendix 2).

Subjective Social Position of the Unemployed in Europe

Previous analysis thus far indicates that estimation of one's social position varies to a great extent between European countries – the mean of the subjective position ranges from 3.97 in Bulgaria to 6.50 in Finland (Lindemann and Saar 2014). Figure 1 shows that the differences for unemployed people are on the same level: from 3.02 in Bulgaria to 5.56 in Finland. In general, Nordic countries (with the exception of Norway) have the highest average estimation along with Belgium, while the unemployed living in post-socialist countries and, surprisingly, in Norway, have the lowest opinion of their social position. There might be two different explanations for the big differences between countries. First, subjective social position might measure location in the social hierarchy as much as subjective wellbeing. Second, respondents are using an extended reference group to evaluate their social position.

However, the differences between the mean social position of the unemployed and of all of the population are the lowest, not in the Nordic countries, but in Southern Europe and also in Poland and Slovenia. The biggest differences are found for Norway, Slovakia, Bulgaria and the Czech Republic.

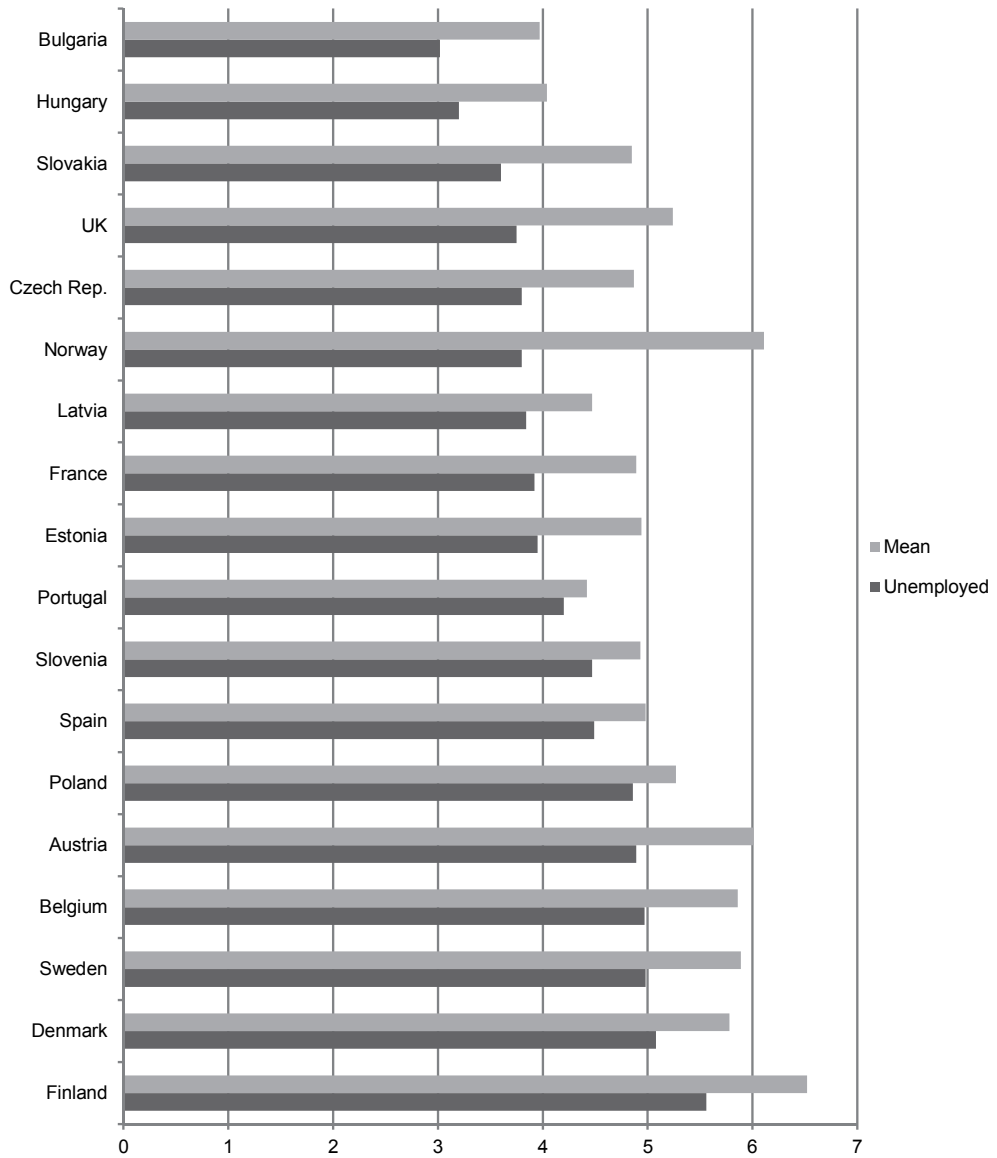


Figure 1 The mean of the subjective position of the population at large and of the unemployed in European countries

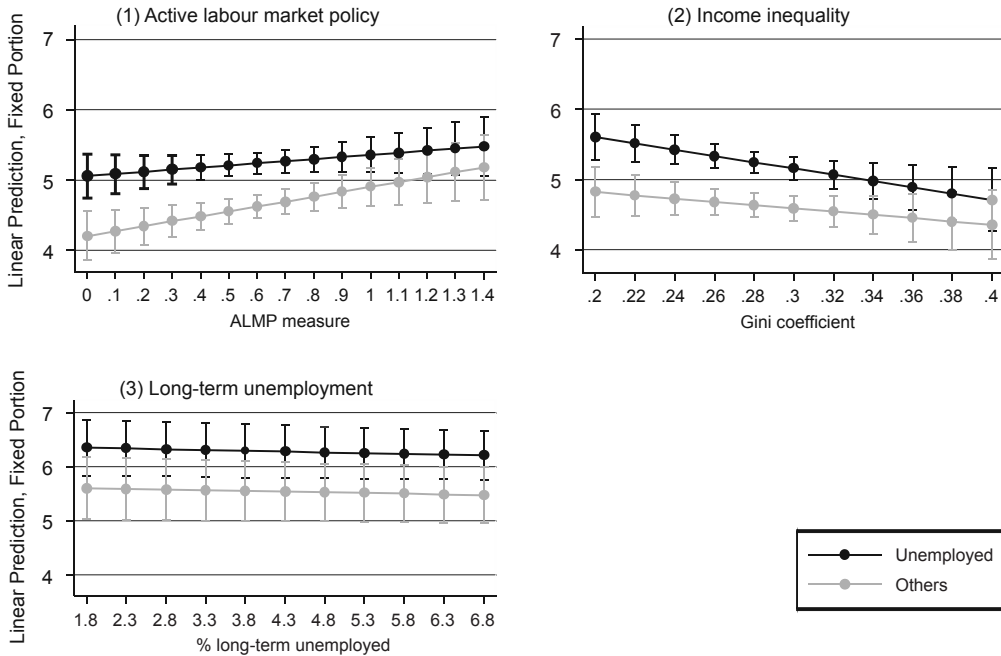
The Macro-social Context

We expected that income inequality, the long-term unemployment rate and public expenditure on passive and active labor market policies should have an impact on the subjective social position of the unemployed. Figure 2 shows that income inequality has a strong effect on subjective social position. Higher income inequality reduces one's opinion of their social position. The difference in subjective position between the unemployed and other groups is smaller the more unequal the income distribution. In other words, the expected gap between the unemployed and other groups is markedly smaller in countries with higher income inequality.

The analysis indicates that the long-term unemployment rate somewhat lowers people's estimation of their social position. It might be that the higher long-term unemployment rate indicates higher social risks and lower living conditions for all people in European countries. However, the impact is similar for the unemployed and other social groups. Contrary to previous expectations the unemployed do not have a higher standing in societies where the unemployment rate is high. The reason could be that the survey was conducted in 2009, at which time it was not clear how extensive and long-lasting the economic difficulties and the related threat of unemployment in European societies would be.

Expenditures on active labor market policies have a positive effect on subjective social position. The effect is stronger for the unemployed compared to all other groups. It seems that the development of active employment policies reduces the risk of the long-term marginalization of the unemployed. The level of financial compensation has some weak effect but only for the unemployed. This means that in countries where a high level of replacement of earning is provided the degree of social stigmatization to which the unemployed are subjected is somewhat lower. In countries where financial compensation is more limited, the risk of cumulative growth of difficulties for the unemployed is higher.

Predictive margins for employment status



Note: 90% confidence intervals

Figure 2 Relationship between subjective social position and contextual variables (income inequality, long-term unemployment rate, public expenditure on active labor market policies, ALMP), unemployed vs. other groups (employed and inactive).

Figure 3 demonstrates that, controlling for other factors, the gap between the unemployed and other groups is markedly smaller in the Southern Europe sub-protective regime⁴, indicating that in these countries the effect of unemployment on subjective social position is significantly weaker compared to other European countries. For the remaining country groups the gap in subjective social position between unemployed and other groups seems to be quite similar in size, although the gap is largest in the UK. Notably however, the figure illustrates that while the gap between the unemployed and all other groups in the Southern countries is very narrow, the subjective social position of both groups, especially employed and inactive, is relatively low, while the subjective social position of the unemployed and others in the Nordic countries registers as higher than elsewhere. This raises the question about the greater insecurity of the employed in Southern Europe. The unemployed in the UK and liberal post-socialist countries have an especially low opinion of their position, indicating that the liberal regime tends to disadvantage and stigmatize unemployed people.

4 See Appendix 3 for details of the model.

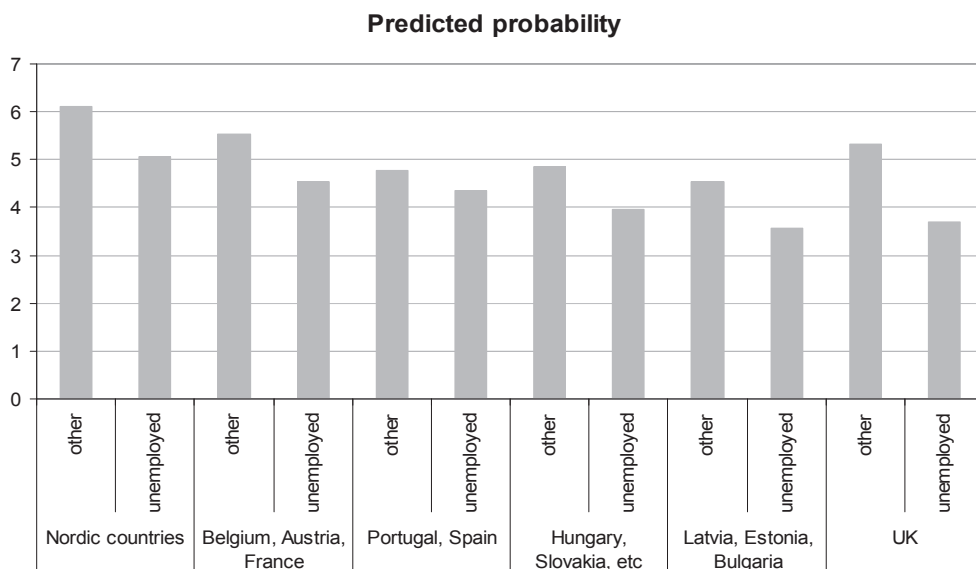


Figure 3 Relationship between regime type and unemployed vs. other groups (employed and inactive): predicted subjective position

Conclusions

Cross-country analysis indicates that unemployment has an effect on subjective social position. In countries where the long-term unemployment rate is high, people, irrespective of whether they are unemployed or not, generally have a lower opinion of their position in society. Our research though has not confirmed the big-fish-little-pond argument, which suggests that where unemployment is generally high, the experience of unemployment will be less distressing, as it will be less stigmatizing since it is a fate shared by many others. If anything, it seems that unemployment aggravates the difficulties that people experience when unemployed but also lowers the feeling of security for employed and inactive people.

Income inequality lowers subjective social position for all members of society and not just those who are unemployed. In fact, the gap between the unemployed and other groups decreases in significance with increasing inequality. Rather than indicating that higher levels of inequality exacerbate the consequences of being unemployed, our analysis suggests that unemployment has a stronger impact where inequality is lower. This means that experiencing unemployment where income inequality is low, and where one might expect that relative deprivation and stigmatization of the unemployed is avoidable, appears to exacerbate its impact.

Higher expenditures on active labor market policies increase the subjective social position of all social groups, but particularly that of the unemployed, reducing their risk of marginalization and stigmatization. Surprisingly, expenditure on passive labor market pol-

icies has no such effect. Thus, social investment policy seems to be more important than social protection policy to avoid the social deprivation of the unemployed.

Our expectation was that the effect of unemployment on subjective social position would be filtered by the unemployment welfare systems in protecting the unemployed. However, we supposed that the unemployment regimes would also be differentiated by long-term political and ideological developments (e.g., in terms of balance of the state, market and family as three sources for managing social risks). Thus, even with similar levels of expenditure and similar lists of measures, the way of political argumentation matters as well. For example, avoidance of victim blaming argumentation in “solidaristic” (Nordic) regimes might help to avoid stigmatization of vulnerable groups as well.

Our analysis shows that cross-regime variation in the relative impact of unemployment on subjective social position is modest. The main difference observed suggests that the impact of unemployment is lower in the Southern regime countries (Portugal and Spain) and is substantially stronger in the liberal regime (the UK). It is likely that family structures in these southern countries play a more salient role and, that in situations of very low state welfare provision, strong family support may help to buffer the negative impact of unemployment (see also Gallie 2013a). Some of the Southern distinctiveness may arise from the lower security and satisfaction among other social groups, especially the employed (see Steiber 2013). In a liberal regime financial support for the unemployed is relatively low and it has a negative impact on the subjective social position of the unemployed. Although the gap between the unemployed and other groups in Nordic countries is at a medium level, the subjective position of the unemployed in these countries is relatively high compared to all other countries indicating the positive effect of a protective unemployment welfare system.

To close, we offer a few critical remarks related to the chosen design. We were not able to control who becomes unemployed. In some countries, specific occupational groups with lower objective status might have a higher risk of unemployment. Thus, the previous occupational position of an individual might have contributed to a current low evaluation of their social position. Another issue concerns our choice to compare the levels of perceived social status of the unemployed with the rest of population. As the share of non-active people in the population may differ across countries, it should be pointed out that our analyses are not limited to strict comparisons between the unemployed and the employed.

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Appendix 1

The mean of subjective social position for each country and values for national-level variables

Country	Individual-level data				Country-level data			
	Mean subjective social position ^a	Mean subjective social position, unemployed ^a	Long-term unemployment ^b	Income inequality (Gini) ^c	Expenditures on active labour market policy, % of GDP ^b	Expenditures on passive labour market policy, % of GDP ^b		
Finland	6.52	5.56	1.9	.255	0.86	1.78		
Norway	6.11	3.80	0.9	.222	0.51	0.47		
Austria	6.01	4.89	1.2	.271	0.66	1.40		
Sweden	5.89	4.98	1.7	.225	0.81	0.57		
Belgium	5.86	4.97	4.1	.247	1.26	0.45		
Denmark	5.78	5.08	1.8	.265	1.40	1.57		
Poland	5.27	4.86	3.6	.294	0.60	0.34		
Great Britain	5.24	3.75	2.6	.357	0.04	0.31		
Spain	4.98	4.49	8.4	.321	0.14	0.87		
Estonia	4.94	3.95	9.8	.311	0.68	3.14		
Slovenia	4.93	4.47	3.3	.234	0.40	0.68		
France	4.89	3.92	3.9	.286	0.83	1.46		
Czech Rep.	4.87	3.80	3.0	.249	0.22	0.37		
Slovakia	4.85	3.60	9.8	.234	0.23	0.61		
Latvia	4.47	3.84	10.4	.365	0.51	0.69		
Portugal	4.42	4.20	5.5	.340	0.58	1.39		
Hungary	4.04	3.20	5.4	.261	0.53	0.72		
Bulgaria	3.97	3.02	5.7	.352	0.09	0.45		

Source: ^a Calculations based on ISSP data; ^b Eurostat database; ^c Standardized World Income Inequality Database.

Appendix 2

Estimates from hierarchical linear regression models predicting subjective social position in 18 countries

	Model 1		Model 2		Model 3		Model 4		Model 5		Model 6		Model 7		Model 8	
	Coef. ¹	St. error ²	Coef.	St. error	Coef.	St. error	Coef.	St. error	Coef.	St. error	Coef.	St. error	Coef.	St. error	Coef.	St. error
<i>Individual level</i>																
Men	.138+	.020	.137+	.020	.138+	.020	.138+	.020	.137+	.020	.138+	.020	.137+	.020	.138+	.020
Age	-.031+	.003	-.031+	.003	-.031+	.003	-.031+	.003	-.031+	.003	-.031+	.003	-.031+	.003	-.031+	.003
Age2	.000+	.000	.000+	.000	.000+	.000	.000+	.000	.000+	.000	.000+	.000	.000+	.000	.000+	.000
<i>Education (ref. below upper secondary)</i>																
Upper secondary	.448+	.027	.448+	.027	.449+	.027	.448+	.027	.448+	.027	.449+	.027	.448+	.027	.449+	.027
Lower tertiary qualification	.694+	.033	.694+	.033	.694+	.033	.694+	.033	.694+	.033	.694+	.033	.694+	.033	.694+	.033
University degree	1.113+	.031	1.113+	.031	1.113+	.031	1.113+	.031	1.113+	.031	1.113+	.031	1.113+	.031	1.113+	.031
<i>Labour market position (ref. all other groups)</i>																
Unemployed	-.602+	.043	-.602+	.043	-.602+	.043	-.602+	.043	-.602+	.043	-.602+	.043	-.602+	.043	-.602+	.043
<i>Income (1st quartile)</i>																
2nd quartile	.465+	.031	.465+	.031	.465+	.031	.465+	.031	.465+	.031	.465+	.031	.465+	.031	.465+	.031
3rd quartile	.773+	.032	.773+	.032	.773+	.032	.773+	.032	.773+	.032	.773+	.032	.773+	.032	.773+	.032
4th quartile	1.268+	.033	1.268+	.033	1.268+	.033	1.268+	.033	1.268+	.033	1.268+	.033	1.268+	.033	1.268+	.033
<i>Country level</i>																
Gini for income			-7.973+	2.894	-8.078+	2.893										
Long-term unemployment rate																
% of active LM measures																
% of passive LM measures																

<i>Interactions</i>							
Unemployed x Gini for income		1.690*	.949				
Unemployed x long-term unemployment				-0.000	.003		
Unemployed x % of active LM measures						.243*	.131
Unemployed x % of passive LM measures						.001	.002
Country variance	.322	.321	.204	.204	.330	.329	.386
Likelihood-ratio test ³	.00	.00	.00	.00	.00	.00	.00
Number of individuals	21,284	21,284	21,284	21,284	21,284	21,284	21,284
Number of countries	18	18	18	18	18	18	18

¹ Regression coefficient; ² Standard error; ³ Compared to individual level model, Prob > chi2 * p < 0.10, †p < 0.01

Source: ISSP 2009

Appendix 3

Estimates from hierarchical linear regression models predicting subjective social position using types of countries, standard errors in parentheses

Individual level	Model 1		Model 2	
Men	.138***	(.021)	.138***	(0.020)
Age	-.031***	(.004)	-.031***	(0.003)
Age2	.001***	(.000)	.001***	(0.000)
Education (ref. below upper secondary)				
Upper secondary	.449***	(.027)	.450***	(.027)
Lower tertiary qualification	.693***	(.034)	.692***	(.035)
University degree	1.112***	(.034)	1.112***	(.031)
Labour market position (ref. all other groups)				
Unemployed	-.802***	(.044)	-.798***	(.124)
Income (1 st quartile)				
2 nd quartile	.469***	(.030)	.461***	(.032)
3 rd quartile	.763***	(.032)	.768***	(.032)
4 th quartile	1.268***	(.034)	1.264***	(.034)
Regime type (ref. social democratic)				
Corporatist	-.276	(.280)	-.298	(.283)
Sub-protective	-1.081***	(.318)	-1.174***	(.322)
Post-socialist corporatist	-1.050***	(.246)	-1.092***	(.249)
Post-socialist liberal	-1.537***	(.280)	-1.586***	(.283)
Liberal	-.650	(.411)	-.661	(.415)
Interactions				
Unemployed x Corporatist			.101	(.166)
Unemployed x Sub-protective			.455***	(.155)
Unemployed x Post-socialist corporatist			.241*	(.145)
Unemployed x Post-socialist liberal			.136	(.157)
Unemployed x Liberal			-.261	(.244)
Country variance	.136		.136	
Likelihood-ratio test ¹	.00		.00	
Number of individuals	21,284		21,284	
Number of countries	18		18	

¹ Compared to individual level model, Prob > chi2 * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$
 Source: ISSP 2009

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ISSP related links

The official ISSP Website:	http://www.issp.org
Information on ISSP Modules, Data and Metadata:	http://www.gesis.org/issp
ISSP Data Access:	https://dbk.gesis.org/dbksearch

The annual survey of the *International Social Survey Programme* (ISSP) provides data on topics relevant to social science research. Chapters included in this volume, *Social Inequality in the Eyes of the Public - A Collection of Analyses Based on ISSP Data 1987-2009*, examine social inequality from a citizens' perspective across countries, for periods encompassing up to 20 years and beyond. Contributions come from an international group of authors who have extensive knowledge of the ISSP database. The selected chapters offer a cross-national comparative perspective on various issues related to inequality: social mobility; public perceptions of the mechanisms that generate social inequality; social constructs that indicate social inequality; and the effects of structural conditions (e.g., unemployment, income distribution) on attitudes connected with social inequality. In this book you will find critical input on questions related to the interplay between macro-structural conditions, citizens' perceptions and attitudes towards social inequality.

Die jährliche Bevölkerungsumfrage des *International Social Survey Programme* (ISSP) liefert einschlägige Daten zu sozialwissenschaftlich relevanten Themen. Der Sammelband *Social Inequality in the Eyes of the Public - A Collection of Analyses Based on ISSP Data 1987-2009* untersucht soziale Ungleichheit aus der Bürgerperspektive im internationalen Ländervergleich über einen Zeitraum von zum Teil mehr als 20 Jahren. Alle Beiträge stammen von internationalen Autoren, die eine hohe Expertise im Umgang mit ISSP Daten aufweisen. Die einzelnen Kapitel befassen sich mit verschiedenen Aspekten, die im Zusammenhang mit sozialer Ungleichheit stehen: soziale Mobilität; die öffentliche Wahrnehmung soziale Ungleichheit auslösender Mechanismen; Indikatoren für soziale Ungleichheit sowie die Effekte sozialstruktureller Voraussetzungen (z.B. Arbeitslosigkeit oder Besteuerung) auf die Einstellungen gegenüber sozialer Ungleichheit. Insgesamt liefert dieses Buch kritische Ansätze gegenüber dem Zusammenspiel von gesellschaftlichen Strukturen, öffentlicher Wahrnehmung und Einstellungen zu sozialer Ungleichheit.