Social Mobility and Demand for Redistribution. A Comparative Analysis

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Introduction

- The literature on preferences for redistribution has paid little attention to the effect of social mobility on the demand for redistribution, which is in contrast with the literature on class-voting.

- Some works have addressed this issue but no systematic test of the hypotheses connecting social mobility and preferences has been done.

- The fact that the majority of people in advanced societies experience social mobility, at some extent, posit the question about the way in which these experiences may affect to preferences for redistributive policies.

- We use the *diagonal reference model* (Sobel, 1985), which has been used to analyze the impact of social mobility on voting, attitudes towards ethnic minorities, fertility and cultural consumption.

Social mobility and preferences

- According to the *acculturation hypothesis*, attitudes toward redistribution will be closer to the typical preferences of the destination class than to the preferences of the origin class (Heath, Jowell and Curtice, 1985).

- The self-interest approach predicts that individuals have incentives to adapt their preferences to their current socio-economic status.

- Mobile individuals receive pressures to adapt their attitudes to those of their destination class to maintain psychological well-being.

- The influence of the destination class becomes stronger as individuals get older (De Graaf, Niewbeerta and Heath, 1995).

Social mobility and preferences

- According to the *socialization hypothesis*, attitudes towards redistribution policies should be closer to the origin class.
- Basic norms and values are acquired relatively soon and tend to endure across the life course (Glenn, 1980). Most of the socialization process takes place primarily early in life (Tolsma, 2009).
- Since core political ideas are acquired relatively early (Easton y Dennis, 1967), family was considered the main source of political attitudes (Lane, 1959).

Social mobility and preferences

- The *status attainment hypothesis* focuses on the individual aspiration to keep the more prestigious identity (Lipset and Bendix, 1959; Bourdieu, 2002).

- Downward mobile individuals tend to be influenced by their origin class while upward mobile individuals tend to adapt their views to their destination class.

- In the context of attitudes to redistribution, individuals who experience upward mobility are expected to be more willing to reduce their taste for redistribution while individuals who experience downward mobility will be less inclined to embrace support for redistribution.

Variables

- The dependent variable is support for redistribution (dichotomized from ordinal scale)
- The key explanatory variables are origin and destination social classes, following the EGP class schema (Erikson and Goldthorpe, 1992):
    - I+II. Service class
    - IIIab. Routine non-manual workers
    - IVab. Petty bourgeoisie
    - V+VI. Supervisors and skilled manual workers
    - VIIab. Unskilled manual workers
- For the origin class, we use the highest of the status of father and of mother when the respondent was 14.

Variables

- Additional controls:
    - Gender
    - Age group
    - Working status
- Data: European Social Survey (2002-2014)
- Sample: The final dataset contains information on 25 different countries and about 217,000 individuals aged 18 years and older.
- The average effective sample size for each country is 8,677.

Diagonal reference model

The diagonal reference model can be written as:

$$Y_{ijk} = \log\left(\frac{p_{ijk}}{1 - p_{ijk}}\right) = w\mu_j + (1 - w)\mu_k + \sum \beta_p x_{ip}$$

where μ_h denotes the mean for core members in social class h ($h = j$ or k) and w is estimated weight of destination. By definition the esimtated weight of origin equals $(1 - w)$.

Diagonal reference model

The probability of supporting redistribution can be writen as:

$$p_{ijk} = \frac{\exp(w\mu_j + (1-w)\mu_k + \sum \beta_p x_{ip})}{1 + \exp(w\mu_j + (1-w)\mu_k + \sum \beta_p x_{ip})}$$

And the average probability of supporting redistribution for individuals in destination class j is:

$$p_j = \sum_{k=1}^{K} (f_{jk} \cdot p_{jk})$$

Nested logistic diagonal reference models

Model	Description
A. Baseline model	$w\mu_j + (1-w)\mu_k$
B. Strict economic model	μ_j
C. Acculturation model	$(w + \delta_1*\text{age})\mu_j + ((1-w) - \delta_1*\text{age})\mu_k$
D. Status maximization model	$(w + \delta_1*\text{up})\mu_j + ((1-w) - \delta_1*\text{up})\mu_k$
E. Acculturation and status	$(w + \delta_1*\text{age} + \delta_2*\text{age}*\text{up})\mu_j +$
maximization model	$((1-w) - \delta_1*\text{age} - \delta_2*\text{age}*\text{up})\mu_k$

Nested logistic diagonal reference models. Goodness of fit

	Model A (df 13)		Model B (df 12)		Model C (df 15)		Model D (df 15)		Model E (df 17)	
	G	BIC	$-\Delta$ G	Δ BIC	$-\Delta$ G	Δ BIC	$-\Delta$ G	Δ BIC	$-\Delta$ G	Δ BIC
BE	11961.6	-79251.7	33.9	24.7	-0.6	17.8	-0.8	17.6	-7.6	29.2
BG	5771.2	-57178.8	9.5	0.7	-4.0	13.8	-0.4	17.3	-5.4	30.1
CH	13193.7	-83799.2	18.7	9.4	-0.7	17.8	-0.6	17.9	-0.7	36.4
CZ	13105.3	-80457.0	52.1	42.9	-0.1	18.3	-1.0	17.5	-1.2	35.7
DE	14122.1	-84256.4	35.4	26.2	-2.6	15.9	-0.1	18.4	-3.0	34.0
DK	12163.3	-71417.9	36.1	27.0	-0.5	17.7	-0.1	18.1	-0.7	35.8
EE	10202.3	-77751.8	26.1	16.9	-7.0	11.3	0.0	18.3	-11.0	25.7
ES	8045.1	-68638.3	17.5	8.5	-2.7	15.3	-0.9	17.2	-2.9	33.3
FI	13933.6	-104974.0	80.7	71.3	-0.9	18.0	-2.7	16.2	-2.5	35.3
FR	9445.2	-71154.6	37.1	28.0	-0.3	17.9	-0.4	17.8	-0.9	35.4
GB	14648.5	-89134.3	46.4	37.1	-1.9	16.7	-0.6	18.1	-2.0	35.3
HU	6070.1	-62576.5	23.6	14.7	-9.5	8.4	-0.8	17.1	-9.5	26.3
IE	11590.4	-85423.0	42.1	32.8	-1.4	17.1	-0.1	18.4	-7.5	29.5
LT	1673.1	-20783.1	6.7	-1.2	0.0	15.9	-0.2	15.7	-0.4	31.4
LU	2623.8	-13085.7	18.9	11.3	0.0	15.3	0.0	15.2	-0.1	30.4
NL	15288.3	-91325.1	25.1	15.8	-4.4	14.3	-0.5	18.2	-4.7	32.7
NO	13588.9	-81487.7	21.2	12.0	0.0	18.5	-0.4	18.1	-0.6	36.4
PL	9823.8	-81981.3	87.1	77.9	-9.0	9.4	-3.5	14.9	-12.3	24.5
PT	6039.1	-81132.2	14.8	5.7	-5.0	13.3	0.0	18.3	-6.8	29.9
RU	6275.0	-44990.0	9.7	1.0	-10.1	7.2	0.0	17.3	-10.2	24.6
SE	13883.2	-91448.4	111.7	102.4	-5.4	13.3	-0.2	18.5	-8.2	29.1
SI	4732.2	-46174.7	67.6	58.9	-1.1	16.2	-0.7	16.7	-1.7	33.0
SK	7501.2	-54058.9	53.8	44.8	-0.7	17.0	-0.4	17.3	-2.0	33.4
UA	7489.0	-61585.3	8.3	-0.7	-4.9	13.0	-0.2	17.7	-5.2	30.6

Estimated weights from Model B

	$1 - w$ (origin)	w (destination)	Standard Error	Sample size
AT	0.339	0.661	0.062	6,710
BE	0.365	0.635	0.053	9,920
BG	0.288	0.712	0.073	7,106
CH	0.245	0.755	0.047	10,485
CZ	0.320	0.680	0.036	10,150
DE	0.330	0.670	0.050	10,620
DK	0.357	0.643	0.056	9,169
EE	0.309	0.691	0.050	9,600
ES	0.508	0.492	0.084	8,485
FI	0.384	0.616	0.035	12,602
FR	0.418	0.582	0.054	8,874
GB	0.339	0.661	0.039	11,145
HU	0.500	0.500	0.072	7,681
IE	0.489	0.511	0.057	10,487
LT	0.431	0.569	0.110	2,833
LU	0.478	0.522	0.077	2,066
NL	0.218	0.782	0.039	11,419
NO	0.340	0.660	0.058	10,298
PL	0.492	0.508	0.034	9,978
PT	0.666	0.334	0.093	9,523
RU	0.380	0.620	0.088	5,911
SE	0.432	0.568	0.035	11,295
SI	0.461	0.539	0.044	5,874
SK	0.440	0.560	0.047	6,965
UA	0.428	0.572	0.113	7,724

Determinants of origin weights. FGLS

	(1)	(2)	(3)
Overall mobility	-0.691		
	(0.919)		
Upward mobility		-1.084***	
		(0.360)	
Downward mobility			-3.325***
			(0.923)
Redistribution	0.088	0.538**	-0.029
	(0.411)	(0.244)	(0.221)
Constant	0.882	0.600***	0.564***
	(0.626)	(0.106)	(0.072)
σ	.078	.050	.044
ω (average)	.060	.060	.060
N	25	25	25

Patterns of social mobility and preferences

	Netherlands										
	I+II		IIIab		IVab		V+VI		VIIab		Total
Origin	P (%)	I (%)	P (%)	I (%)	P (%)	I (%)	P (%)	I (%)	P (%)	I (%)	P (%)
I+II	40	64	47	20	36	4	58	6	55	6	41
IIIab	42	59	49	26	38	4	60	5	57	6	49
IVab	45	47	52	26	41	4	63	12	60	11	60
V+VI	39	51	46	23	35	10	57	7	54	10	37
VIIab	44	34	51	29	40	4	62	14	59	20	57
	Norway										
	I+II		IIIab		IVab		V+VI		VIIab		Total
Origin	P (%)	I (%)	P (%)	I (%)	P (%)	P (%)	P (%)	I (%)	P (%)	I (%)	P (%)
I+II	45	57	51	27	49	2	56	8	59	5	47
IIIab	48	49	55	30	53	3	60	11	62	7	55
IVab	47	39	54	29	52	9	59	12	62	11	53
V+VI	51	36	57	31	55	4	62	17	65	12	60
VIIab	52	28	59	34	57	4	64	18	66	16	63
	Spain										
	I+II		IIIab		IVab		V+VI		VIIab		Total
Origin	P (%)	I (%)	P (%)	I (%)	P (%)	I (%)	P (%)	I (%)	P (%)	I (%)	P (%)
I+II	68	57	74	23	72	6	75	6	76	8	73
IIIab	75	40	80	29	78	7	80	10	82	14	79
IVab	72	24	78	23	75	22	78	10	79	21	80
V+VI	75	20	80	27	78	8	81	16	82	29	76
VIIab	77	12	82	20	80	10	82	14	83	43	82

Social mobility and class polarization

Using the probabilities of supporting redistribution for each destination class, we can compute the degree of polarization between classes in preferences for redistribution through the kappa index (Hout, Brooks and Manza, 1995), proposed within the literature on class-voting:

$$\kappa = \sqrt{\frac{1}{J} \sum_{j=1}^{J} (p_j - \bar{p})^2}$$

The kappa index reflects the degree of polarization in preferences for redistribution and, thus, it is useful as a measure of the distribution of preferences between classes.

Class polarization (kappa index)

	A. Actual data	B. Constant mobility	C1. Constant preferences	C2. Constant preferences	D. No mobility
AT	0.067	0.066	0.016	0.110	0.089
BE	0.062	0.062	0.016	0.109	0.085
BG	0.055	0.054	0.019	0.107	0.071
CH	0.078	0.080	0.017	0.104	0.098
CZ	0.104	0.109	0.017	0.104	0.140
DE	0.075	0.077	0.016	0.107	0.100
DK	0.055	0.058	0.016	0.105	0.077
EE	0.070	0.075	0.018	0.104	0.097
ES	0.031	0.031	0.017	0.108	0.054
FI	0.072	0.076	0.016	0.103	0.107
FR	0.056	0.057	0.017	0.107	0.085
GB	0.075	0.077	0.017	0.105	0.102
HU	0.036	0.036	0.017	0.104	0.063
IE	0.046	0.046	0.017	0.109	0.076
LT	0.035	0.036	0.017	0.103	0.061
LU	0.081	0.077	0.018	0.111	0.121
NL	0.089	0.091	0.016	0.106	0.106
NO	0.056	0.058	0.017	0.103	0.077
PL	0.077	0.078	0.016	0.105	0.135
PT	0.016	0.016	0.016	0.109	0.042
RU	0.064	0.071	0.018	0.105	0.098
SE	0.077	0.081	0.017	0.104	0.118
SI	0.062	0.063	0.017	0.105	0.108
SK	0.070	0.073	0.017	0.103	0.110
UA	0.033	0.035	0.019	0.107	0.052

Origin weights and upward mobility
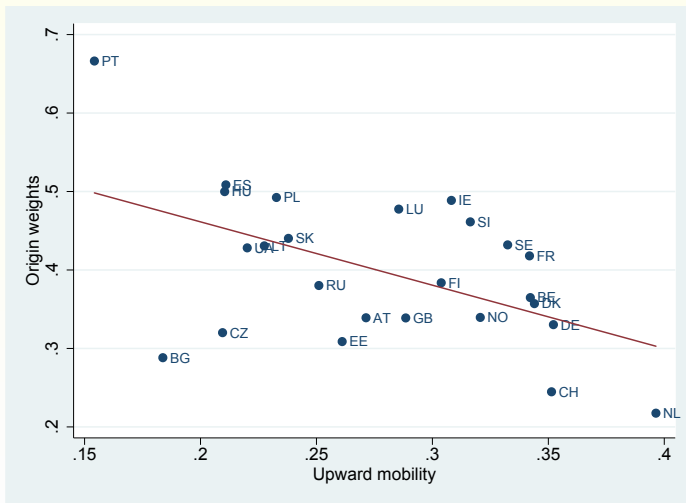
Origin weights and class polarization
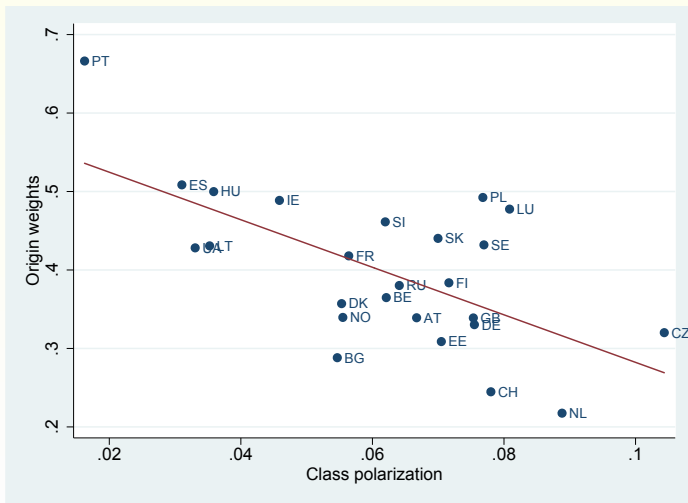
Conclusions

Main findings

- Social origin matters to a little extent to explain preferences for redistribution, as newcomers tend to adopt the preferences of the destination class.
- Only limited evidence supporting the acculturation hypothesis and no support for the status maximization hypothesis.

Cross-national differences

- The effect of social origin varies largely between countries.
- High rates of upward social mobility sharply reduce the effect of social origin on preferences for redistribution.

Thank you. Comments are welcome!!