Redistributive Attitudes in Hard Times: Only Parallel Movements in Public Opinion

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Hard times and redistribution

- Research agenda: We know that individual economic fortune influences attitudes toward redistribution. Does this imply that when the economic fortunes of socio-economic groups diverge over time, redistributive preferences follow suit?
- Most models of politics predict that those who do not benefit from economic inequality are more likely to support redistribution. There is strong cross-sectional support for this hypothesis. Poor people and those exposed to economic risks are, cross-nationally, more likely than the rich and secure to vote for left-wing parties and support redistribution (Brooks et al. 2008, Iversen and Soskice 2001, Rehm 2011).
- Research question: Does the impact of economic fortune on redistributive attitudes imply that when the fortunes of socio-economic groups diverge over time, so do their policy opinions?
- Existing studies of redistributive attitudes over time tend to analyze the median voter; attention to the ‘top’ and ‘bottom’ segments of the population is rare (McCauley and Kenworthy 2009, Kemeny and Owens 2011). When the attitudes of population subgroups are studied, focus is usually on the overall impact of economic fortune, not on over-time trends (Cusack et al. 2008, Iversen and Soskice 2001, Rehm 2009, Rehm et al. 2012, Ruuda 2005). Kelly and Emir (2010), in a study of the US, find no signs of attitude divergence over time.
- We use the diverging economic fortunes of socio-economic groups in modern Britain since the 1980’s to find out whether the policy opinions of the ‘winners’ and the ‘losers’ have diverged along with their economic fortunes.
- Why should we expect the opinions of these socio-economic groups to diverge?
- The empirical regularity that economic standing is associated to individual attitudes toward redistribution is commonly analyzed through political economy models. These models differ on the individual-level mechanisms at work: the mechanism can be income maximization (Meltzer and Richard 1981) or buffering against economic risk (Moene and Wallerstein 2001). The models also differ on whether we can expect the median voter to reduce their support for redistribution every time that inequality increases (Benabou 2000). However, all models agree that the poorest and most vulnerable ought to increase their support for redistribution when they become increasingly poor and increasingly economically vulnerable.
- Under the income maximization motive, we would expect increased income inequality to boost redistributive demand among the poor but not the rich. Income inequality has been increasing in the UK since the 1980’s at the same time as the real incomes of the poor have stagnated (Atkinson 2003). We find a confirmation of this pattern in the self-reported incomes in our survey data.
- Under the economic insurance motive, we would expect increased economic risk to lead to higher demand for redistribution. Economic security in the UK is strongly correlated with income (Rahm et al. 2012) and the correlation has become stronger in recent decades (Rahm 2009).

Methodology

- Measuring economic fortune. We compare the redistributive attitudes of the top and bottom household income quintiles in each year. Using an alternative measure that combines income data with proxies for economic standing produces results with economic insecurity does not change the results.
- Measuring redistributive preferences. We use two scales of redistributive attitudes that have been included in the British Social Attitudes Survey on 16 occasions between 1986 and 2010. In the table on the right, we show all question wording and confirm that the two scales load on two different factors. One of the factors represents a welfare orientation; we call this dimension “redistribution from”. The other factor measures attitudes toward welfare recipients; we call this dimension “redistribution to”.

Only parallel movements in redistributive attitudes

- “Redistribution to” items measure attitudes toward welfare recipients. There is a conservative turn among both quintiles, the change totaling about 0.12 of a standard deviation. There is no sign of opinion change due to diverging economic fortunes, except possibly in the last two years of the series.
- The solid line shows the top income quintile in each year; the dashed line shows the bottom income quintile in each year. The small vertical lines are 95% confidence intervals.
- “Redistribution from” scale is computed by addition of scores from the agree/disagree questions on welfare recipients, shown in the table below. The scale ranges from 0 (most liberal) to 1 (most conservative).
- Starting in the mid-1980’s, the top and bottom economic quintiles become more conservative in their attitudes toward welfare recipients and the poor. There is no evidence of divergence. As the density plots below on the right show, this is not due to the development of a small but extreme subset of the population; for both quintiles there is an overall shift to the right.
- “Redistribution from” measure attitudes on rich-poor relations. The scale shows a stable, uniform gap between the top and bottom income quintiles, with a very small overall movement to the right. There is no sign of divergence in opinions due to diverging economic fortunes.
- The solid line shows the top income quintile in each year; the dashed line shows the bottom income quintile in each year. The small vertical lines are 95% confidence intervals.
- The “redistribution to” scale is computed by addition of scores from the agree/disagree questions on welfare recipients, shown in the table below. The scale ranges from 0 (most liberal) to 1 (most conservative).
- In all years, there is a statistically significant difference in attitudes: as predicted, the well-off are more conservative on this measure. The overall picture is one of a stable divide based on economic class, but little divergence over time. The density plots reveal a small move (about 0.2 of a standard deviation) to the right, mostly due to left-wing responses being replaced by centrist responses. This pattern is similar for both income quintiles.

Complete question wordings with their factor loadings

<table>
<thead>
<tr>
<th>Question wording</th>
<th>“Redistribution to”</th>
<th>“Redistribution from”</th>
</tr>
</thead>
<tbody>
<tr>
<td>The welfare state encourages people to stop helping each other.</td>
<td>0.75</td>
<td>0.29</td>
</tr>
<tr>
<td>Management will always try to get the better of employees.</td>
<td>0.23</td>
<td>0.85</td>
</tr>
</tbody>
</table>

Task parameters: 40. Numbers in bold indicate classification of question for subsequent analyses.

Trends in “redistribution from” (attitudes on rich-poor relations) and “redistribution to” (attitudes toward welfare recipients), by income quintiles.

Kernel-densities for trends in “redistribution from” and “redistribution to” by time period

Imaginations

For measuring redistributive preferences

- Using several survey questions allows us to show that there is multidimensional variation in redistributive attitudes. The use of three of these dimensions can bring clarity to (some of) the disagreements regarding the nature and trajectory of redistributive preferences.
- Occasionally, contradictory results emerge from scholarly papers that each rely on a single redistributive policy question. For example, Milazzo et al. (2012) and Georgiades and Manning (2011) come to opposite conclusions regarding redistributive attitudes in the UK. We suggest this is because they each rely on a single item from the “redistribution from” and “redistribution to” scales respectively. Neither conclusion is wrong: the findings can be reconciled by not treating different redistributive questions as interchangeable.
- If the two dimensions of redistributive opinions are found in replications with other data sets and other countries, the implications need to be taken into account when discussing ‘demand for redistribution’ in future research. This is particularly the case because the two dimensions appear to move relatively independently from one another and have distinct relationships with social class and economic hardship.

For extrapolating over-time dynamics from static models

- Core must be taken when developing hypotheses that extrapolate from cross-sectional findings to expected over-time patterns.
- Direct extrapolation from previous cross-sectional findings would predict that diverging economic fortunes create a divergence in opinion: however, we find no evidence of such a divergence. To put it differently, between-quintile variance does not imply within-quintile variance.
- Our findings do not negate that economic position predicts redistributive preferences (between-quintile variance). On the contrary, we confirm that there is a stable and statistically significant difference in the opinions of high- and low earners on the “redistribution from” dimension.
- However, this dimension is not visibly impacted by the economic changes that these groups have experienced. One interpretation of this evidence would be that there is a long-term, sociological component to social class that manifests itself in different belief patterns, but which is not subject to fluctuations in response to (short-term) economic changes.

On explaining opinion change (and stability)

- If economic self-interest does not explain these trends in public opinion, how can they be explained? Our data does not speak directly to this question, but there are several pre-existing approaches that provide suggestive hypotheses.
- Starting in the 1990’s, with the arrival of New Labour, the rhetoric of British redistributive politics has focused on welfare fraud, questions of deservingness and conditionality for welfare recipients (Horton 2011). Our data shows that the appeals have resonated with the public—both rich and poor, whose attitudes have changed in parallel. Why have these appeals been so successful?
- Parallel changes in public opinion have previously been discussed in Green and Shapiro (1993), who observe that this type of change is common when comparing demographic groups over time. They suggest the mass media and the elite focus public opinion change by not treating different redistributive questions as interchangeable.
- For extrapolating over-time dynamics from static models