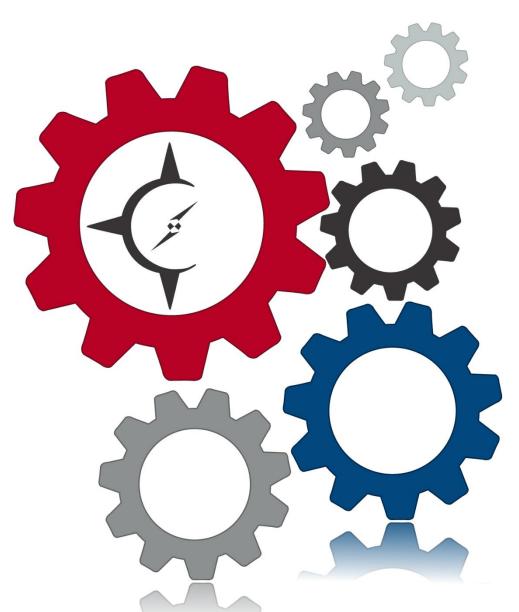
# Cross-national and cross-time comparisons of public perceptions about social inequality and social conflicts



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### **About the International Social Survey Programme**

New Zealand has participated in the International Social Survey Programme (ISSP) since 1991<sup>1</sup>. Formed in 1985, the ISSP is a transnationally coordinated research initiative presently consisting of 43 member states. The programme examines a different social science topic each year<sup>2</sup>, repeated approximately every ten years. The survey topics (referred to as modules) often have immediate political or social relevance (Bechert & Quandt, 2010) and are based on sets of standardised questions that are asked in all ISSP participating countries. The programme's sustained collaboration and consistent methods have enabled both cross-national and cross-time research on critical social attitudes. Cross-country research is advantageous as an accurate picture of a nation's identity, i.e., "what a country is and what its values and goals are", can only emerge with cross-nationally comparative attitudinal research (Frizzell, 1996, p. 1). Comparative research puts a country's problems in perspective by clarifying how public attitudes of a country differ from or resemble those in other countries. It offers considerations for inter-country relationships in an era of increasing internationalism and globalisation (Frizzell, 1996). Cross-time attitudinal research that can identify trends and changes has important implications for policymakers as attitudes, values, and beliefs have been shown to influence behaviour and policy support in different contexts (see, for example, Beeken & Wardle, 2013; Fazio, 1986; Rauwald & Moore, 2002; Schuman & Johnson, 1976).

### **About this report**

This report is based on selected items from the ISSP Social Inequality module, implemented in New Zealand in 1992, 1999, 2009 and 2019. The module's focus areas include attitudes concerning income inequality, conflicts, legitimation of inequality, career advancement by means of family background and networks, social segmentations and conflict among groups, and present and past social position. Here, we examine changes or the lack thereof in public perceptions about social inequality and social conflicts across the four time points and discuss implications. New Zealanders' perceptions are compared with those held in 26 other countries in which similar data were collected at least two times over the four decades.

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<sup>&</sup>lt;sup>1</sup> Between 1991 and 2010, New Zealand's ISSP was implemented by Massey University. Following a brief gap in New Zealand's participation (years 2011, 2012 and 2013), the Centre of Methods and Policy Application in the Social Sciences (COMPASS) at the University of Auckland took over administrative responsibilities and implemented the more recent ISSP surveys in 2014, 2015, 2016, 2017, 2019, 2020 and 2021.

<sup>&</sup>lt;sup>2</sup> The topics and their first year of implementation are as follows: Role of Government (1985), Social Networks (1986), Social Inequality (1987), Family and Changing Gender Roles (1988), Work Orientations (1989), Religion (1991), Environment (1993), National Identity (1995), Citizenship (2004), Leisure Time & Sports (2007), and Health and Health Care (2011).



# **Income inequality**

The ISSP Social Inequality module has consistently elicited perceptions about within-country income disparity. In this section, we report the proportion of respondents in different countries who agreed or strongly agreed (on a 5-point Likert agreement scale) with the following two statements concerning income disparities relative across the four data collection years:

- Differences in income in [COUNTRY NAME] are too large.
- It is the responsibility of the government to reduce the differences in income between people with high incomes and those with low incomes.

The first item measures perceived income disparity, and the second reflects income redistribution preferences (Gimpelson & Treisman, 2018).

Overall, perceptions of excessive income disparity were high in most countries, with over half of all country samples holding this view across all data collection years (see Figure 1). This perception was most prevalent in Bulgaria, Latvia, Portugal, Italy, Russia, Slovak Republic, Hungary, and Slovenia, with over 90% of their populace holding this view. Compared to other states, the perceived existence of excessive income disparity was least in the Philippines and Cyprus, where the proportions holding this view were below the 70% mark across all data collection time points. By comparison, the proportion holding this view in New Zealand was slightly higher at 73% in 1992 and 1999, dropping to 63% in 2009 only to increase again to 72% in 2019. The observations in New Zealand were most comparable to Canada and somewhat similar to Australia, the United States, and Japan.

Perceived income disparities did not always reflect actual income inequality. For instance, if we consider the income gap ratios illustrated in Figure 2, Italy is among countries with a minor income gap ratio. However, 93% of Italians held a perception of excessive income disparity in 2019. Likewise, despite New Zealand's low income gap ratio (Figure 2), 72% of its residents regarded income gaps as too large in 2019. Chile was an exception as perceptions of excessive income disparity among its populace (82%) reflected the country's high income gap reality.

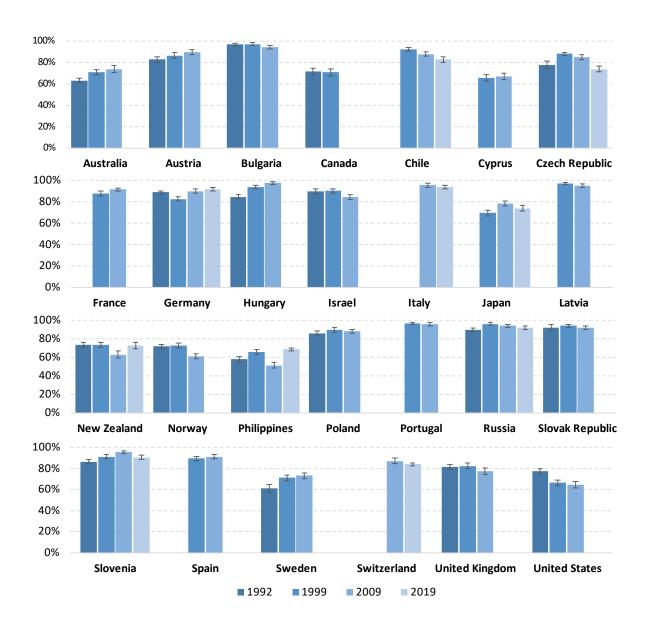


Figure 1: Proportion of people who believed that differences in income in their country were too large (percentages and 95% CI)

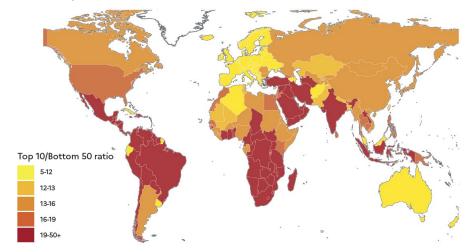


Figure 2: Top 10/Bottom 50 income gaps across the world, 2021. Dark red denotes a higher inequality ratio and yellow denotes a lower inequality ratio in the spectrum. Source: Chancel et al. (2022).

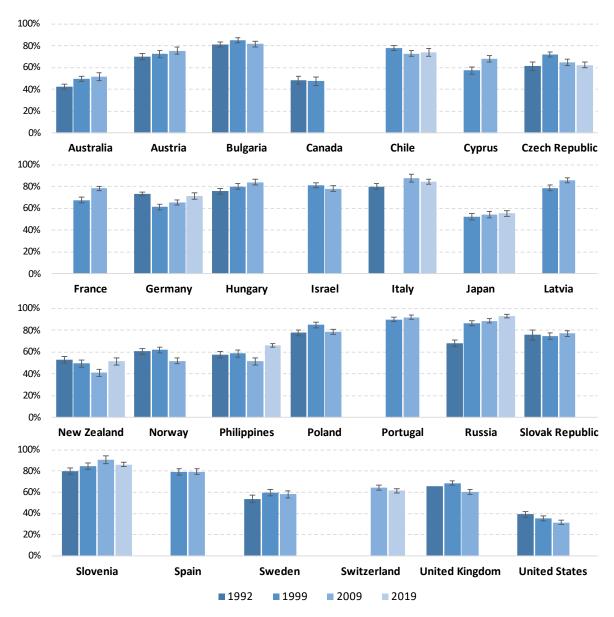


Figure 3: Proportion of people who believed it is the government's responsibility to reduce the income gap between those with high and low incomes (percentages and 95% CI)

Countries where there was a high prevalence of perception about excessive income disparity (see Figure 1) also had a high prevalence of the view that it was the government's responsibility to reduce the income gap (see Figure 3). For instance, the perception of excessive income disparity was held by over 90% in Portugal and Slovenia at all time points. Correspondingly, the perception of government responsibility was held by over 90% in Portugal and over 80% in Slovenia. However, in the US, although two-thirds held the view of extreme income disparity in each data collection year (Figure 1), the perception of government responsibility was lowest, with a trend of decline from 39% in 1992 to 31% in 2009 (Figure 2). Comparably, in Japan and New Zealand, although over two-thirds held the view that there was extreme income disparity across the four decades (Figure 1), only approximately half held the view that it was the government's responsibility to address this problem (Figure 2).

# Society-level inequality

As an alternate inequity measure, the ISSP module includes a pictorial question (Figure 10) on different social classes developed by Evans et al. (1992). Images of society in this question are shown as a gradient from Type A, the most unequal society, to E, the most equalitarian (Evans et al., 1992). Unlike questions with politicised terms such as "working class" and "middle class", a strictly perceptual question such as this is not confounding and increases the accuracy of international comparisons (Evans et al., 1992). The question thus elicits a subjective assessment of social inequality. Although the question does not explicitly refer to income disparities, as done by earlier scholars, it may be treated as a subjective measure of perceived income inequality (see Gimpelson & Treisman, 2018; Knell & Stix, 2020; Niehues, 2014). However, this question's drawback has been the relatively high number of "don't know" and "can't choose" responses (Cuneo, 1996).

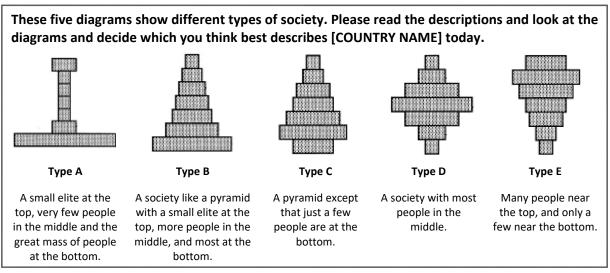


Figure 4: Five inequality profiles in society

In the ISSP module, respondents first select the image that most closely resembles their society, then select the image that shows what they think their country ought to be – in other words, the type of society they prefer. Figures 5.1 and 5.2 detail the responses to these two questions in each country.

Perception of a highly unequal Type A society was most prevalent in Bulgaria, Hungary, and Latvia, with ≥50% of their populace holding this belief in all data collection years. The prevailing belief in the existence of a Type A society declined from 59% in 1992 to 37% in 2009 in Poland and from 68% in 1999 to 50% in 2019 in Russia. In Canada, Chile, the Czech Republic, Italy, and Slovenia, a perception of an extremely unequal society was held by less than a third (≤31%) of the respective samples at all years. This perception was somewhat lower in New Zealand and fluctuated. Between 1992 and 2019, New Zealand's perception of an extremely unequal (Type A) society dropped from 24% to 11%. By comparison, in Norway, Cyprus, Switzerland, Sweden, Japan, Australia, Spain, and Austria, only a minority (2% - ≤17%) perceived their respective societies as being highly unequal across the years.

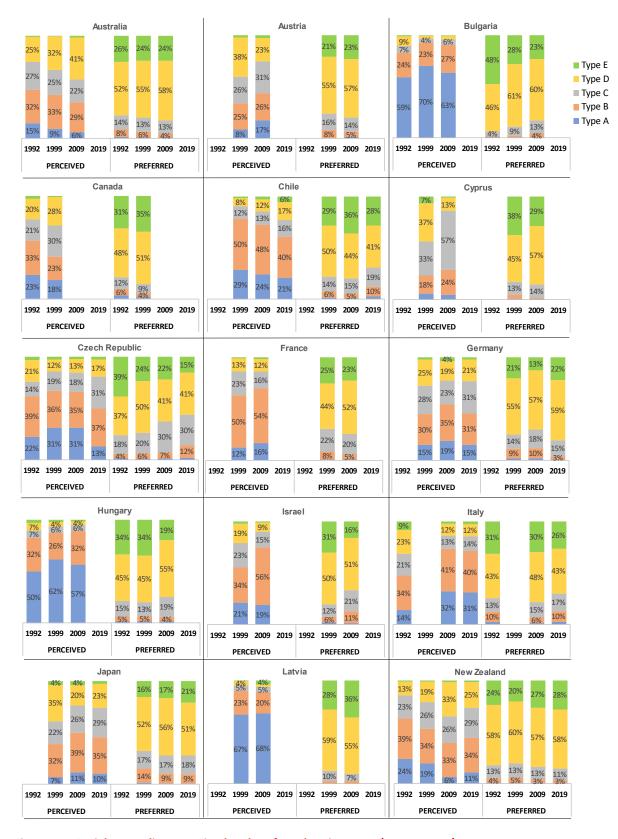


Figure 5.1: Social Inequality: perceived and preferred society type (percentages)

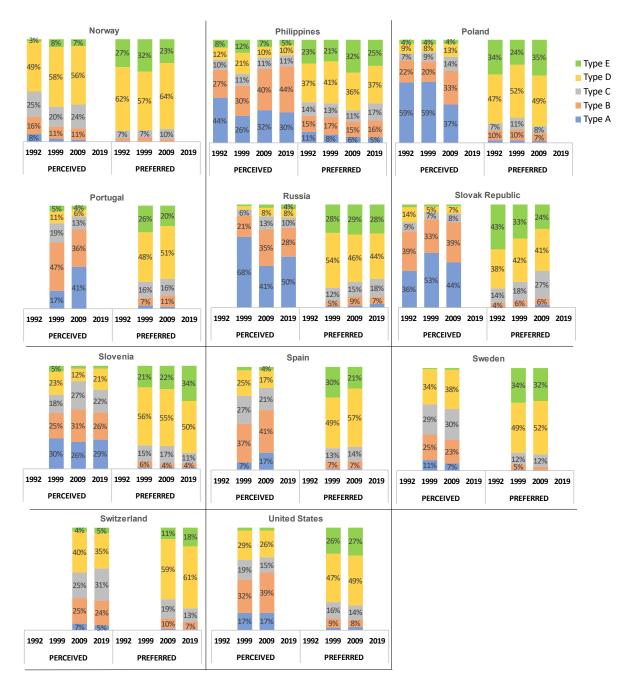


Figure 5.2: Social Inequality: perceived and preferred society type (percentages)

Most in Australia, Chile, Czech, France, Germany, Israel, Italy, Japan, New Zealand, Philippines (bar 1992), Portugal (bar 2009), Spain, and the US regarded their countries to be somewhat unequal Type B societies. In Austria and Cyprus, most indicated Type C – a slightly less unequal society given that only a few are at the bottom. Most in Norway, Sweden, and Switzerland perceived their countries to be a Type D somewhat equalitarian society with most people in the middle.

In all countries, in all years, only fractions of the samples viewed their society as highly equalitarian (i.e., the Type E society) — with 12% in the Philippines in 1999 being the only instance where the proportion holding this view appeared relatively high. A perception of a highly equitable Type E New Zealand society was held by just 1% of the samples in 1992 and 1999 and 2% in 2009 and 2019. A similar extreme low prevalence (1-2%) of this view was also observed in Australia, Bulgaria, France, Israel, Slovak Republic, and Sweden in all data collection years.

A different pattern appears when we consider the type of society people prefer. Except for the Slovak Republic in 1992, in all countries, in all data collection years, the proportion preferring a Type D somewhat equalitarian middle ground society was highest. Over half of New Zealanders preferred a Type D society across the years, and the preference for a highly equalitarian Type E society increased slightly from 24% in 1992 to 28% in 2019. Over the years, an increased preference for an equitable Type E society was also observed in Canada, Japan, Latvia, the Philippines, Slovenia, Switzerland, and the United States. On the other hand, this preference declined in Bulgaria, Czech Republic, France, Hungary, Israel, Italy, Norway, Portugal, Spain, and Sweden.

#### **Social conflicts**

The ISSP question on social conflicts first draws attention to the fact that differences or conflicts between different social groups exist in all countries and then asks respondents to rate the strength of conflict that they believe exists between different groups in their country – e.g., between poor people and rich people, between the working class and the middle class, between management and workers, and between young people and older people. Answers are elicited using a 4-point ranked ordinal scale - "there are no conflicts," "not very strong conflicts," "strong conflicts," and "very strong conflicts". Following Cuneo's (1996) approach, the four social conflict types are examined separately here as they may hold dissimilar implications in that their nature and causes may differ. Rather than average scores (Hadler, 2017), in this section, we use the proportions of people perceiving intense conflict (i.e., those indicating strong or very strong conflicts) as an indicator.

As shown in Figure 6, a perception of intense conflicts between rich and poor appeared most prevalent in Hungary, Portugal, and Russia, with over 70% of the countries' samples consistently indicating this belief across the years. By contrast, this perception was lowest in Norway and Cyprus, with less than 20% of their populace expressing this view across the years. There was a declining trend in perceptions about intense rich-poor conflicts in New Zealand, from 54% in 1992 to 37% in 2019 - quite like the trend in Bulgaria. Perceptions of intense rich-poor conflict were lower in Australia, with a trend of decline from 36% in 1992 to 28% in 2009.

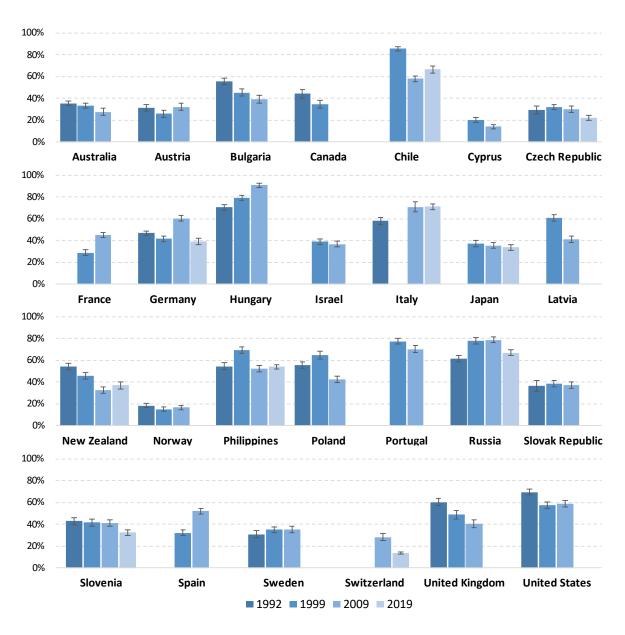


Figure 6: Proportion of people who believe there are intense conflicts between poor people and rich people (percentages and 95% CI)

A perception of intense conflicts between the working and middle class was low in most countries, including New Zealand, with less than 20% of the samples expressing this view (see Figure 7). Very few Norwegians held this view, with just 5% believing there were intense conflicts across the years. This perception was most prevalent in Portugal (approximately a third of the sample across the years), followed by Chile, the Philippines, Italy, and Hungary. While this perception increased in Hungary over the years, it dropped in Portugal, Chile, the Philippines, and Italy.

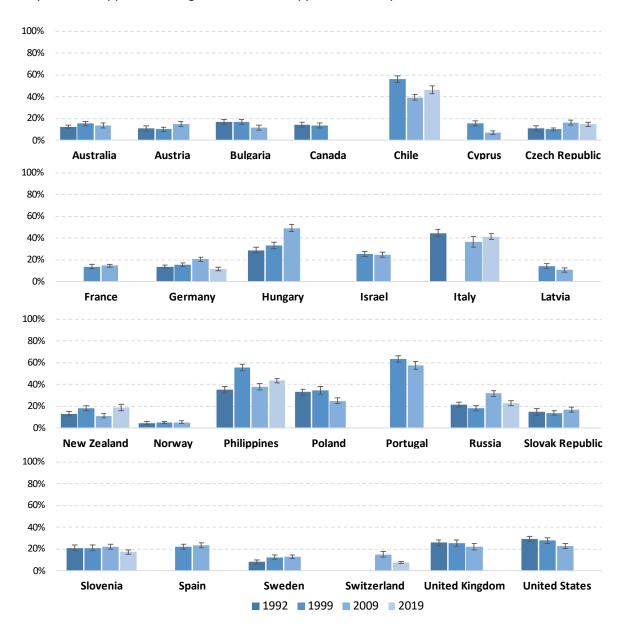


Figure 7: Proportion of people who believe there are intense conflicts between the working class and the middle class (percentages and 95% CI)

Perceptions of intense conflicts between management and workers appeared common in most countries (see Figure 8). With 88% of its populace in 1999 and 77% in 2009 holding this view, Portugal had the highest prevalence of this conflict perception. This perception was also high in Chile, France, Hungary, Slovenia, and Italy, as expressed by over 60% of the samples in most years. In most other countries, approximately half the populace held this perception. New Zealand's perception of intense management-worker conflicts dropped from 51% in 1992 to 42% in 2019. Comparable declining trends occurred in Japan, the Philippines, Slovak Republic, Germany, Poland, and the United Kingdom. This perception was lowest in Norway, with less than a quarter of the sample holding this view across the years.

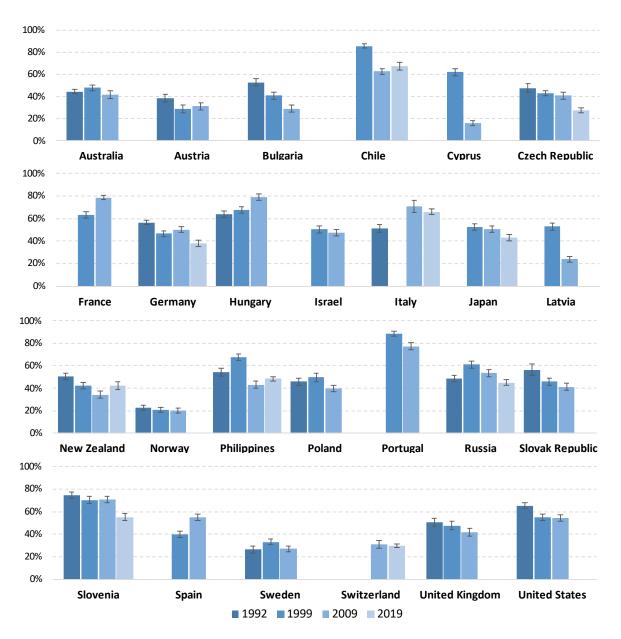


Figure 8: Proportion of people who believe there are intense conflicts between management and workers (percentages and 95% CI)

Compared to other conflict types, the perception of intense conflicts between young and old was less prevalent in most countries, including New Zealand, with about a third or lesser holding such views (see Figure 9). This perception was slightly more prevalent among residents in Chile, the Philippines, and the United States, where over 40% held this view in most years.

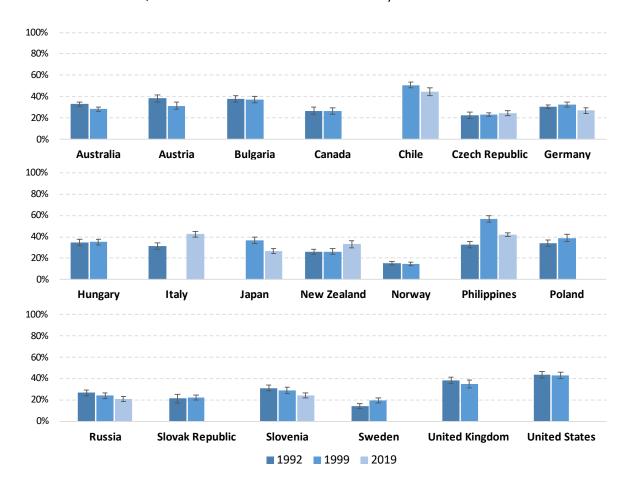


Figure 9: Proportion of people who believe there are strong conflicts between young people and older people (percentages and 95% CI)



Social inequality subjectively implies a state of disparity in rights, status, or opportunities (Sadekin et al., 2021). Unequal resource distribution in society can be detrimental to social cohesion and exacerbate gender inequality, income inequality, and inequality in access to education and health care (Owuru, 2019). Inequities in opportunities available to individuals also contributes to social inequality by affecting capacity to reach certain goals, such as income, wealth, and power (Edlund et al., 2017).

Our descriptive comparisons, which showed incongruences between actual and perceived income equality in some countries (e.g. Italy and New Zealand), add to earlier observations of misperceived income disparities (Edlund et al., 2017; Trump, 2018). The public in most countries, including New Zealand, regarded their countries as somewhat unequal Type B societies and preferred a Type D somewhat equalitarian society. However, previous studies have shown that these perceptions about society type did not reflect the reality of actual income distributions (Gimpelson & Treisman, 2018). Gimpelson and Treisman (2018) demonstrated how, in most countries, people underestimated the average national wage, inaccurately perceived inequality trends, and inaccurately estimated their own income distribution position. Perception of extreme income disparities may be influenced by factors other than an awareness of income gap statistics. Factors that may contribute to biased perceptions of income inequality include media influence, individual psychological traits, and conformity bias (the tendency to associate with the middle-income group) (Knell & Stix, 2020). Findings from the ISSP 2009 social inequality data suggest that people made assumptions about the degree of income inequality based on "self-centred" reference groups - i.e. their own positions in the income distribution (Knell & Stix, 2020). Firstly, while individuals with low income underestimated their actual societal positions, those with higher income overestimated their positions. Secondly, individuals' assumptions about average earnings increased with rises in their own incomes. Thirdly, people with high and low incomes had differing perceptions about the skewness in income distributions. Finally, high-income individuals perceived the degree of income inequality to be low (Knell & Stix, 2020).

Unlike elsewhere, in the US, Japan, and New Zealand, a perception of extreme income disparity was not matched with a perception of government's responsibility for reducing the income gap. There are two likely reasons for this incongruence. One, it could be due perceptions that the government is already doing a lot to address the income gap problem. For instance, in New Zealand, the government's obligations under Te Tiriti (the Treaty of Waitangi) to address inequities between Māori and non-Māori includes solutions to economic disparities among others. New Zealand's statutory minimum wage is another measure in place for minimising the income gap. Two, it may be that some in society regard employment and income to be a matter of self-responsibility (rather than government-responsibility). The New Zealand National Party's policy for reducing benefit dependency among young adults by providing them with dedicated job coaches to help them prepare for and secure jobs (Party, 2022) partly reflects such views. When such views are held by the public, the preference may be for self-responsibility in planning for and ensuring personal financial security (e.g. personal savings, investments, training for employment) rather than public-responsibility (e.g. government-funded welfare benefit). These are untested hypotheses that warrant empirical examination.

Perceptions of intense management-worker conflicts appeared common in most countries, as was a perception of intense rich-poor conflicts. On the other hand, the perception of intense young-old conflicts was less prevalent internationally. Likewise, perception of intense working class-middle class

conflicts was low in most states and lowest in Norway. This may be partly attributed to Norwegian websites providing salary information (Gimpelson & Treisman, 2018).

Further research centred on clarifying the relations between perceived and actual income inequality and causes of misperceptions about inequality appear essential given that public perceptions of income disparities can powerfully affect their decisions as voters, expectations around government redistribution through taxes, attitudes such as life satisfaction, while also fuelling class conflicts and political violence (see Gimpelson & Treisman, 2018; Knell & Stix, 2020). For instance, an earlier study found that perceived inequality rather than actual inequality was strongly associated with demand for redistribution, perceived rich-poor conflict, and perceived managers-workers conflict (Gimpelson & Treisman, 2018). Assumptions about recession's impact on the incomes of the poor may heighten perceptions of inequity, although in reality, recessions tend to shrink the capital income of the rich more than the wages of the poor (Gimpelson & Treisman, 2018). Any rapid, unexpected economic bounce-backs could elicit suspicions that income is being diverted to the wealthy (see Gimpelson & Treisman, 2018; Verme, 2014). Understanding these public perceptions is thus particularly critical now given the unequal impact of COVID-19 on peoples' incomes and looming recessions.



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