

**The Legitimacy of Inequality on Both Sides of the Atlantic
- A Comparative Analysis of Attitudes in Canada and Germany -**

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Why is the Study of Attitudes Towards Inequality Sociologically Relevant and interesting?

- Value orientations and attitudes reflect the degree to which inequalities in a given society or culture are being tolerated and accepted. They thus establish the legitimational basis of a national inequality regime.
- Perceptions of and attitudes toward inequality indicate how the society as a whole and people's position within a society are perceived, understood, and interpreted by its population.
- Attitudes towards inequality and redistribution are also consequential for individual behavior – e.g. voting behavior – and may also determine the willingness to accept political interventions, e.g. welfare state reforms.

Why International Comparison?

Durkheim: “Comparative sociology is not a branch of sociology, it is sociology itself”.

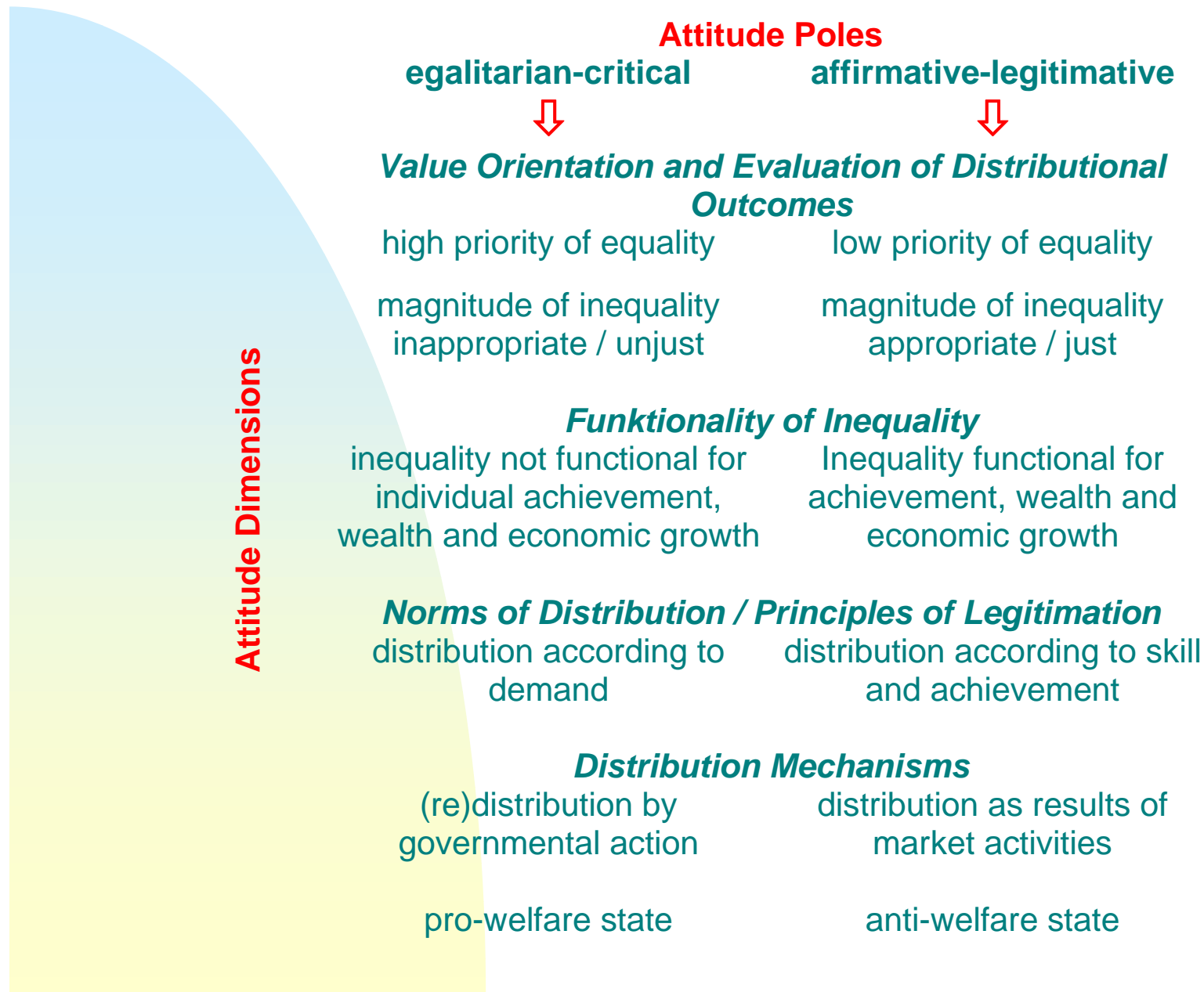
Svallfors (1993:88): “International comparisons may be regarded as experiments that allow the investigation of cultural differences in institutional configurations and national policies”.

Wegener (1992: 270): “empirical studies of norms of legitimation should be comparative since it is not only one’s own position within a society that determines which norms of legitimation are being accepted, but also the type of society itself” (translation HHN).

Why to compare Canada and Germany?

- Although the two societies share various characteristics, there are also structural, cultural and political differences distinguishing them, as for example different „welfare state regimes“
 - Germany is a European society, representing the „old world“, while Canada is a North American society and part of the so-called „new world“ with all the historical and institutional divisions that implies.
 - Both societies are characterised by an important internal division:
 - East and West Germany
 - Quebec and Anglophone Provinces of Canada
- ⇒ A comparison of Canada and Germany thus creates the opportunity for a „quasi-experimental“ study design allowing to analyse „within-country“ and „between country“ - Variation

Dimensions and Polarity of Attitudes Toward Inequality



	Data- base	Affirmative: Meritocratic / liberal	Critical: Egalitarian / Statist
Equality Preference and Evaluation of Distributional Outcomes		Agreement	Disagreement
equality preference	WVS	-	+
income differences too large	ISSP	-	+
Functionality of Inequality			
income differences functional for prosperity	ISSP	+	-
income differences as incentive for individual achievement	WVSP	+	-
Norms of Distribution and Principles of Legitimation			
earnings according to skill and achievement (years of education; hard work)	ISSP	+	-
earnings according to demand (family needs; support children)	ISSP	-	+
Attitudes Toward Redistribution of Income Through the State			
responsibility of the state to reduce income differences	ISSP	-	+
guarantee of basic income	ISSP	-	+
progressive taxation of high incomes	ISSP	-	+

Attitudes Toward Inequality: Predictors and Levels of Explanation

- “Macro properties of societies ...leave their imprints at the micro level not only as different life chances but also in different explanations and interpretations of social conditions“ (Svallvors 1993:87);
 - ⇒ society-specific view and attitudes toward inequality
= ‚Dominant Ideology‘ (Kluegel/Smith) or ‚primary ideology‘ (Wegener)
 - ⇒ explanation at macro -level:
e.g. history, ‚cultural script‘, political / institutional framework, level of living, degree and structure of inequality
- “People in different positions (defined by status, race, gender, or other distinctions) will be expected to react differently to social inequalities that affect them“ (Kluegel/Smith 1986: 11)
 - ⇒ group-specific view or intra-societal variation in attitudes toward Inequality
= ‚secondary ideology‘ (Wegener)
 - ⇒ explanation at micro-level:
e.g. individual economic interest, position in inequality structure, differential socialisation and value orientations

Micro-level hypotheses:

Hypothesis 1: self interest / social status

- the higher the status the more pronounced are meritocratic-liberal (or affirmative) attitudes, the lower the status the more pronounced are egalitarian-statist (or critical) attitudes

Hypothesis 2: ‚gender‘ or gender-specific value-orientations

- Women are more in favour of egalitarian-statist attitudes because of their on average more pronounced „welfare orientation“.

Hypothesis 3: age or postmaterialistic value-orientations

- Younger people are more in favour of postmaterialistic values and thus tend more to egalitarian-statist attitudes than older people

Hypothesis 4: political orientation

- egalitarian-statist attitudes are the more pronounced the more people identify themselves with leftwing political parties.

Makro-level hypotheses:

Hypothesis 1: Level of Living and Socio-economic Development

- the higher the level of living and development, the less pronounced are egalitarian – statist attitudes (Haller, Klingemann, Inglehart)

Hypothesis 2: Amount and Visibility of Economic and Social Inequality

- the larger the amount of inequality the more frequent are egalitarian-statist attitudes (Inglehart)

Hypothesis 4: Dominant Denomination

- Catholicism favours egalitarian-statist attitudes (Haller et al.); but also lutherian-pietistic Protestantism contrary to Calvinism/Puritanism (Lepsius; Wegener/Liebig).

Hypothesis 3: (a) Political-Institutional and (b) ideological ‚regime-types‘

a) “welfare culture” / welfare state-regime

- Populations from ‚liberal‘ welfare states are less, populations from ‚conservative‘ and ‚social democratic‘ welfare states are more in favour of egalitarian-statist attitudes (Esping-Andersen; Svallfors, Andreß/Heien)

b) dominant ideology / American exceptionalism

- dominant ideologie of North American societies is meritocratic-liberal (Kluegel/Smith), dominant ideology in Germany egalitarian-statist (Lipset; Wegener)

What does 'American Exceptionalism' mean?

- According to Lipset this means to characterise the United States as a qualitatively different society and as "a nation not to have ideologies, but to be one" (Lipset, 1996:18).
- The **core of this ideology** - "the American Creed" is made up by **five values**: liberty, egalitarianism, individualism, populism, and laissez-faire, whereby **equality means "equality of opportunity and respect, not of result or condition"** (Lipset 1996: 19)
- From this interpretation of equality results, that **Americans are "much more individualistic, meritocratic-oriented, and anti statist"** than populations from other countries (Lipset '96: 22).

How 'American' is Canada?

- Lipset: "Figuratively, **on a scale of 0 to 100, with the United States close to 0 on a given trait and Britain at 100, Canada would fall around 30**" (Lipset 1996: 33)

... and "Canada is more like the United States than the industrialised countries across the oceans, not as Tory, not as class-conscious, and more classically liberal than these other nations." Lipset (1996: 108)
- Similarly (Brym, 2002: 4): "...the consensus among Canadian sociologists is that Canadians are an awful lot like Americans in most respects"

Level of Living, Income Inequality and Welfare State

	Canada	Germany	United States
Human Development Index ¹	0.937	0.921	0.937
GDP / Head (PPP US\$) ²	27.130	25.350	34320
Gini-Coefficient ³	0.285	0.261	0.343 ⁵
Percentile Ratio (90/10) ⁴	3.87	3.18	5.60 ⁵
Poverty Rate (less than 50 % of average equivalence-household-income) ⁵	13	9	23
Public Social Expenditures in % of GDP ⁶	16,9	26,6	16,0
Type of Welfare State	‘liberal-residualist’	‘conservative’	‘liberal-residualist’

1) 2000; Human Development Report 2002; 2) 2000; Human Development Report 2002; 3) 1994; LIS-Data; 4) 1994; LIS-Data; 5) Glatzer/Hauser (2002: 196, 206); 6) OECD 2001: 73

Consequences for the comparison of Canada and Germany?

- Hypotheses on impact of welfarestate-regime, dominant ideology, dominant denomination and level of living suggest to expect Canadians to be more inclined to meritocratic-liberal and Germans to egalitarian-statist attitudes;
- Departing from hypothesis on impact of inequality level, we would expect the opposite;
- In any case plausible to assume, that attitudes of the Canadian population will be placed between those of Germans and U.S. Americans.

Expectations concerning differences within the two societies: How different are East and West-Germany and how 'Canadian' is Quebec?

Possible reasons for stronger inclination to egalitarian-statist attitudes of East-Germans:

- ⇒ lower level of living, extent of inequality concerning East-West-inequalities, perception of 'relative deprivation' by East-Germans

Stronger inclination to egalitarian-statist attitudes of West-Germans expected because of:

- ⇒ dominant denomination (much larger percentage of Catholics)

Questionable impact of:

- ⇒ welfarestate-regime, dominant ideology – aftermath of socialist system, in East-Germany?

Possible reasons for stronger inclination to egalitarian-statist attitudes in Quebec:

- ⇒ (slightly) lower level of living, extent of inequality concerning regional inequality compared to British Canada, e.g. Ontario, (relative deprivation), dominant - catholic –denomination;

Questionable impact of:

- ⇒ welfarestate-regime, dominant ideology: distinct culture, interventionistic tradition, tendencies of separatism in Quebec?

Design of Analysis

(Tables and Multiple-Regression-Analysis)

Germany

Position in Inequality Structure

Age

Gender

(position on left-right scale)

West

East

Canada

Position in Inequality Structure

Age

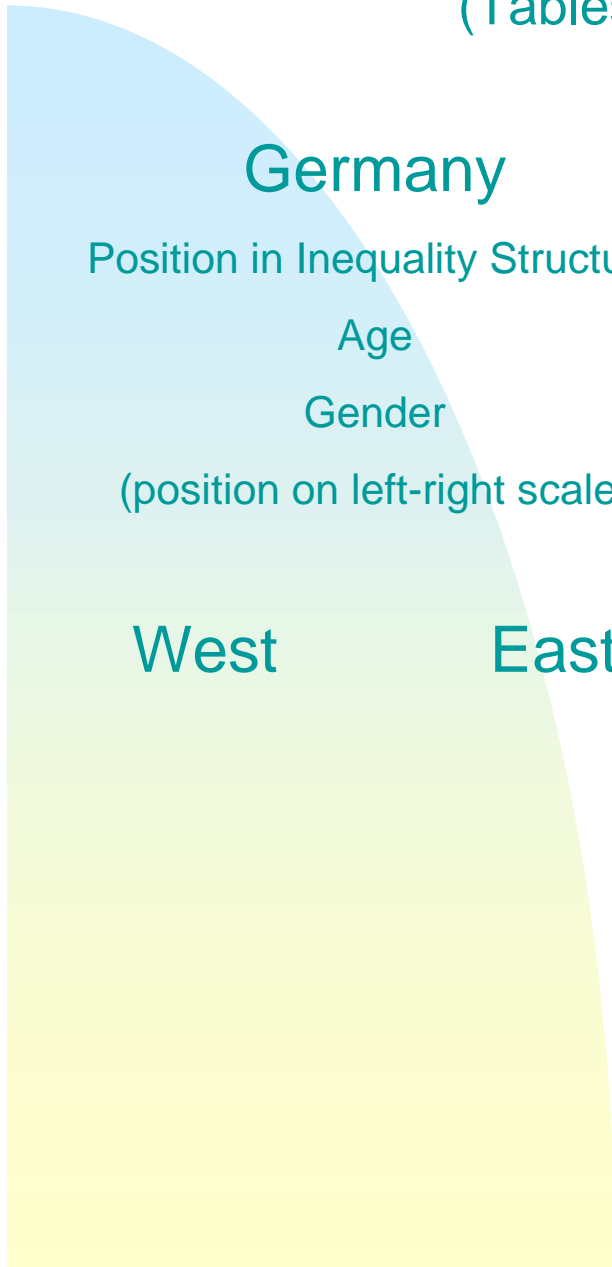
Gender

Anglophone CAN

Quebec

United States

as reference case only



Database

⇒ International Social Survey Programme - ISSP

Inequality Modules:

1987 Social Inequality I (restricted comparability)

1992 Social Inequality II

1999 Social Inequality III

Sample Size	1992	1999
Canada	1043	974
CAN-Quebec	275	173
CAN-Anglophone	769	801
Germany	3391	1432
West-Germany	2297	921
East-Germany	1094	511

⇒ World Value Survey 1991

Canada	1499 (Quebec: 369)
Germany	3695 (D-East: 1500)

Equality preference and Evaluation of Distributional Outcomes

- Which of these Statements comes closest to your own opinion? (WVS)
 - ...both freedom and equality are important. But if I were to choose .., I would consider personal freedom more important..
 - ...both freedom and equality are important. But if I were to choose ..., I would consider equality more important..
- Differences in income in r's country are too large. (ISSP)

Functionality of Inequality

- Large differences in income are necessary for r's country's prosperity (ISSP)
- How would you place your views on this scale? Incomes should be more equal vs. there should be greater incentives for individual efforts. (WVS)

Norms of Distribution and Principles of Legitimation

- In deciding how much people ought to earn, how important should each of these things be, in your opinion? (e.g. years spent in education and training, how hard the person works at the job, what is needed to support a family, whether the person has children to support) (ISSP)

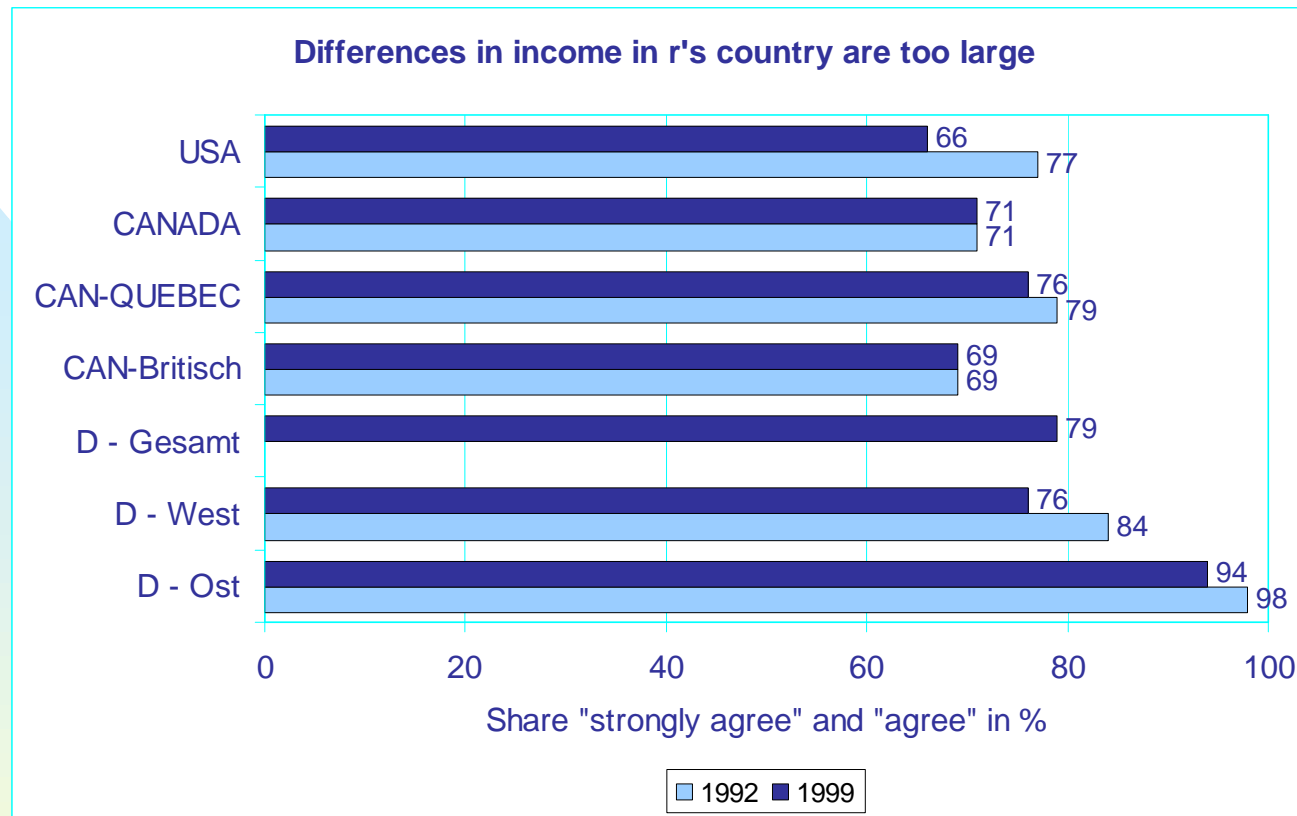
Attitudes toward state intervention and redistribution

- It is in the responsibility of the government to reduce the differences in income between people with high incomes and those with low incomes. (ISSP)
- The government should provide with a guaranteed basic income. (ISSP)
- Do you think people with high incomes should pay a larger share of their income in taxes than those with low incomes, the same share or a smaller share ? (ISSP)



Equality Preference and Evaluation of Distributional Outcomes

Evaluation of Income Differences as Too Large



Database: ISSP

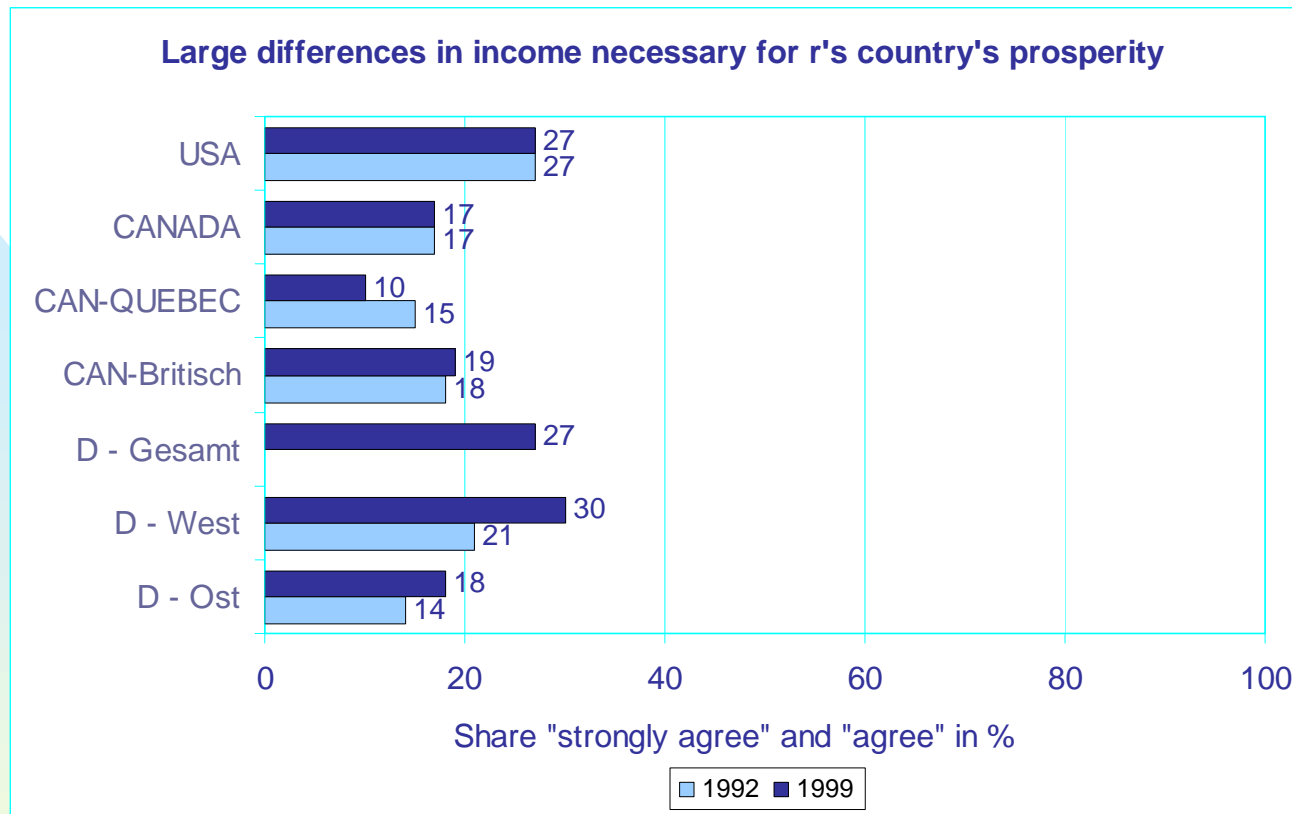
	1992	1999
Difference Germany - Canada	x***	-
Difference D-West - D-East	x***	x***
Difference CAN-Britisch - CAN-Quebec	x***	x

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



Functionality of Inequality

Income Differences Functional for Prosperity



Database: ISSP

	1992	1999
Difference Germany - Canada	-	(x)***
Difference D-West - D-East	x***	x**
Difference CAN-Britisch - CAN-Quebec	-	x***

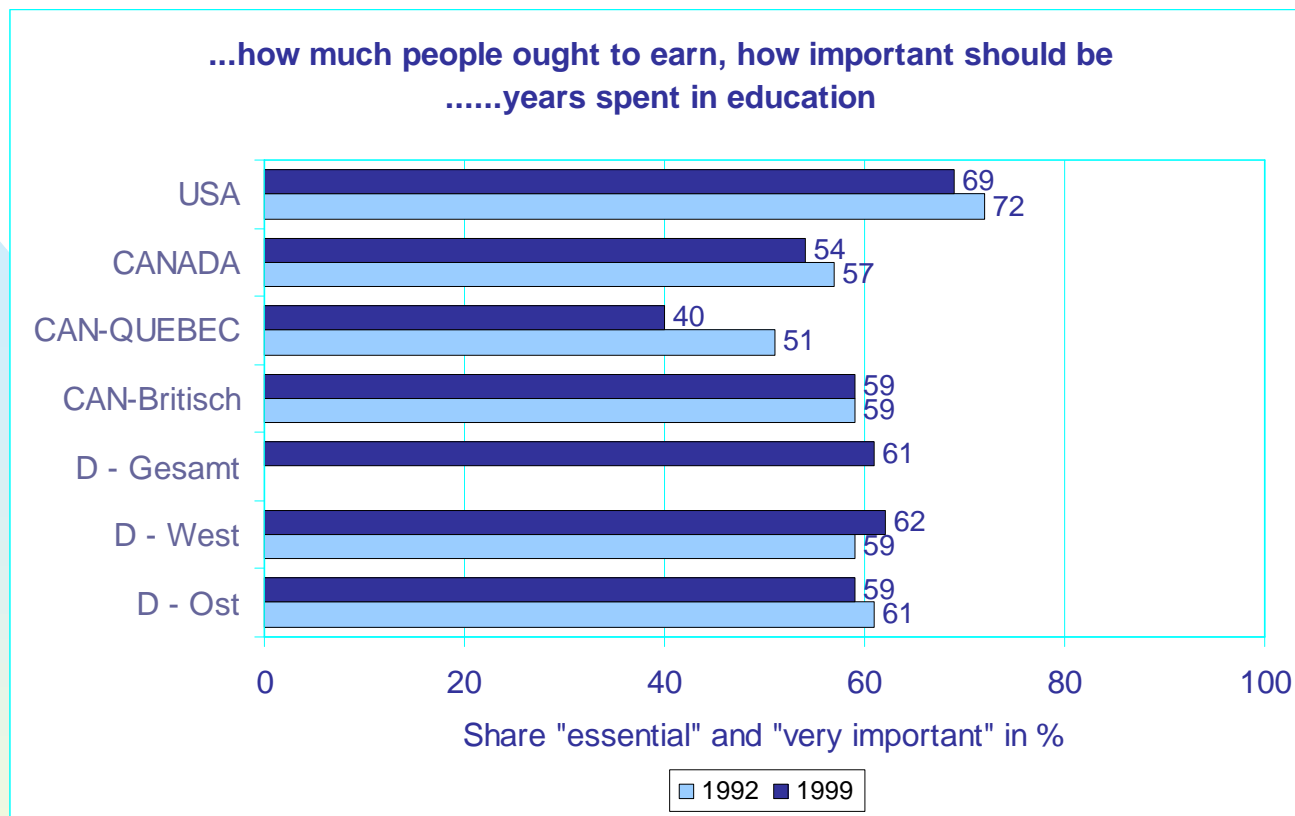
OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



Norms of Distribution and Principles of Legitimation



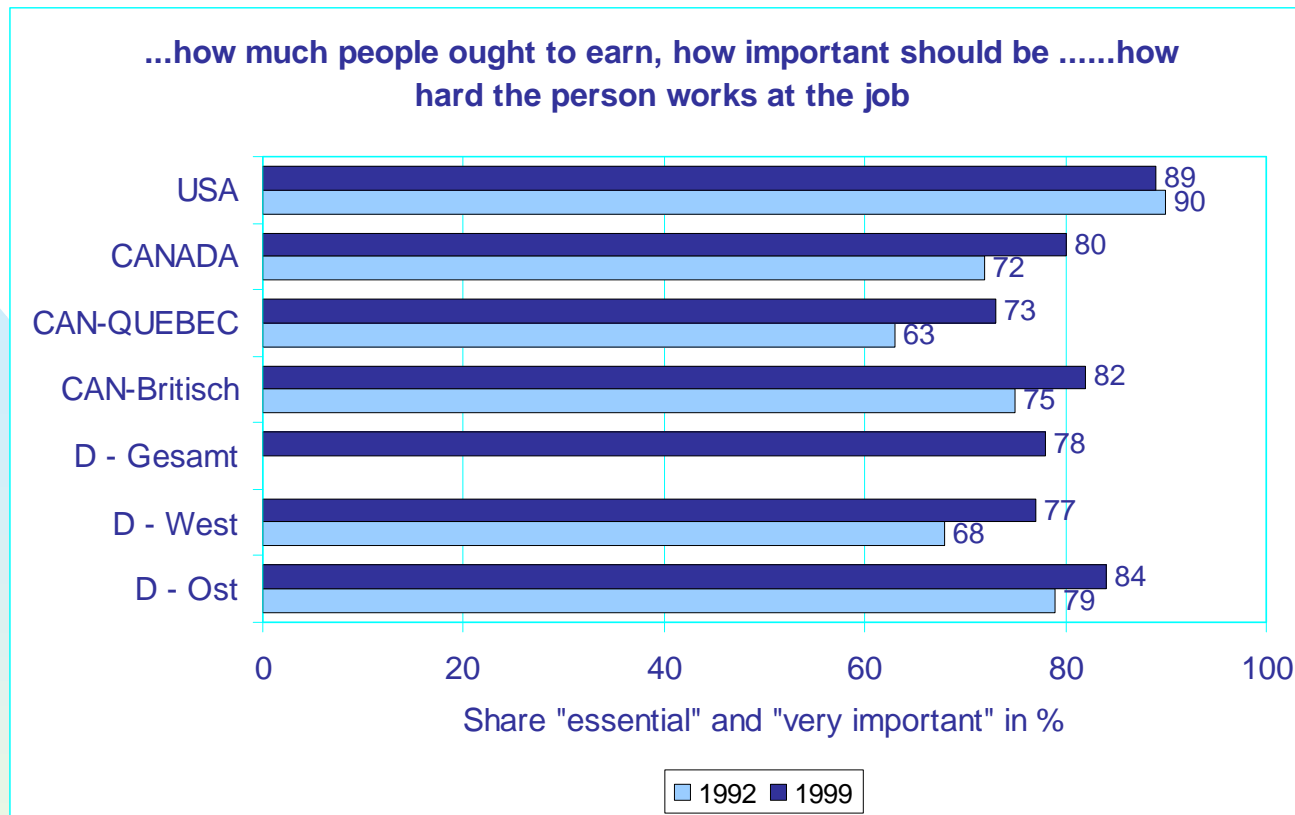
Pay According to Meritocratic and Achievement Criteria



Database: ISSP

	1992	1999
Difference Germany - Canada	-	-
Difference D-West - D-East	-	-
Difference CAN-Britisch - CAN-Quebec	x	x***

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



Database: ISSP

Differenz Deutschland - Kanada

1992

x**

1999

x

Differenz D-West - D-Ost

(x)***

-

Differenz CAN-Britisch - CAN-Quebec

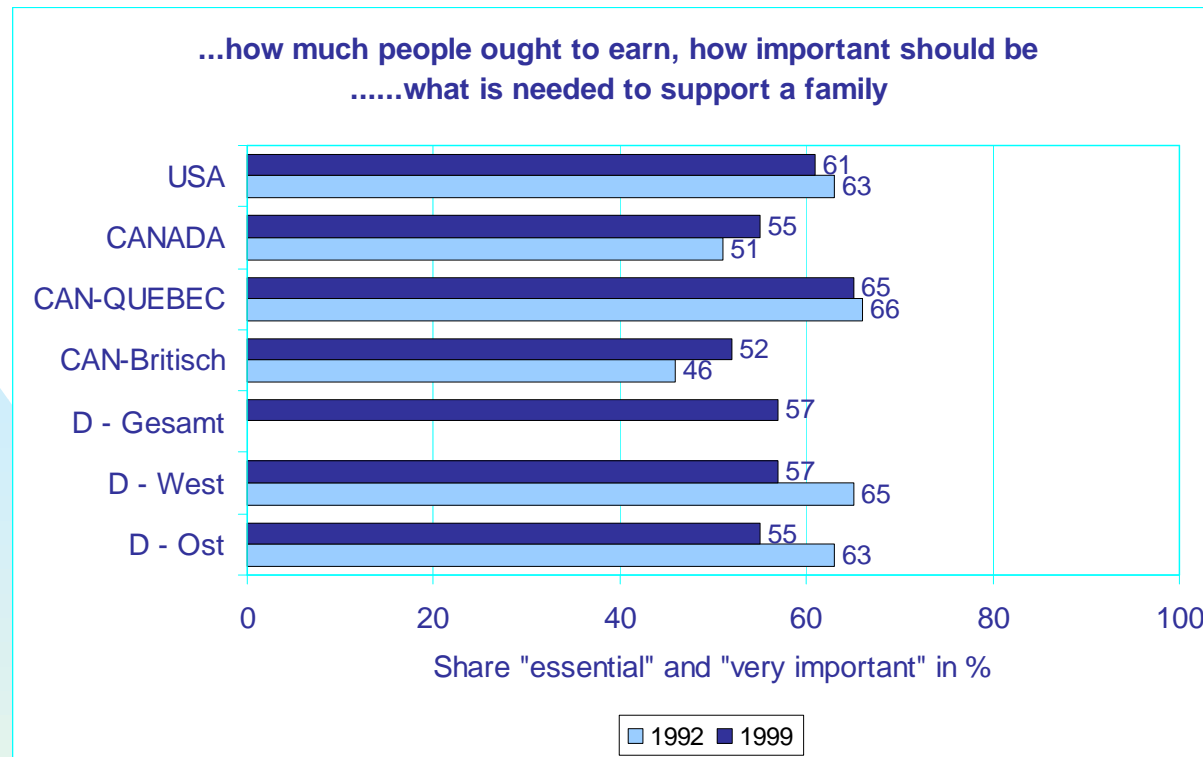
x***

x***

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



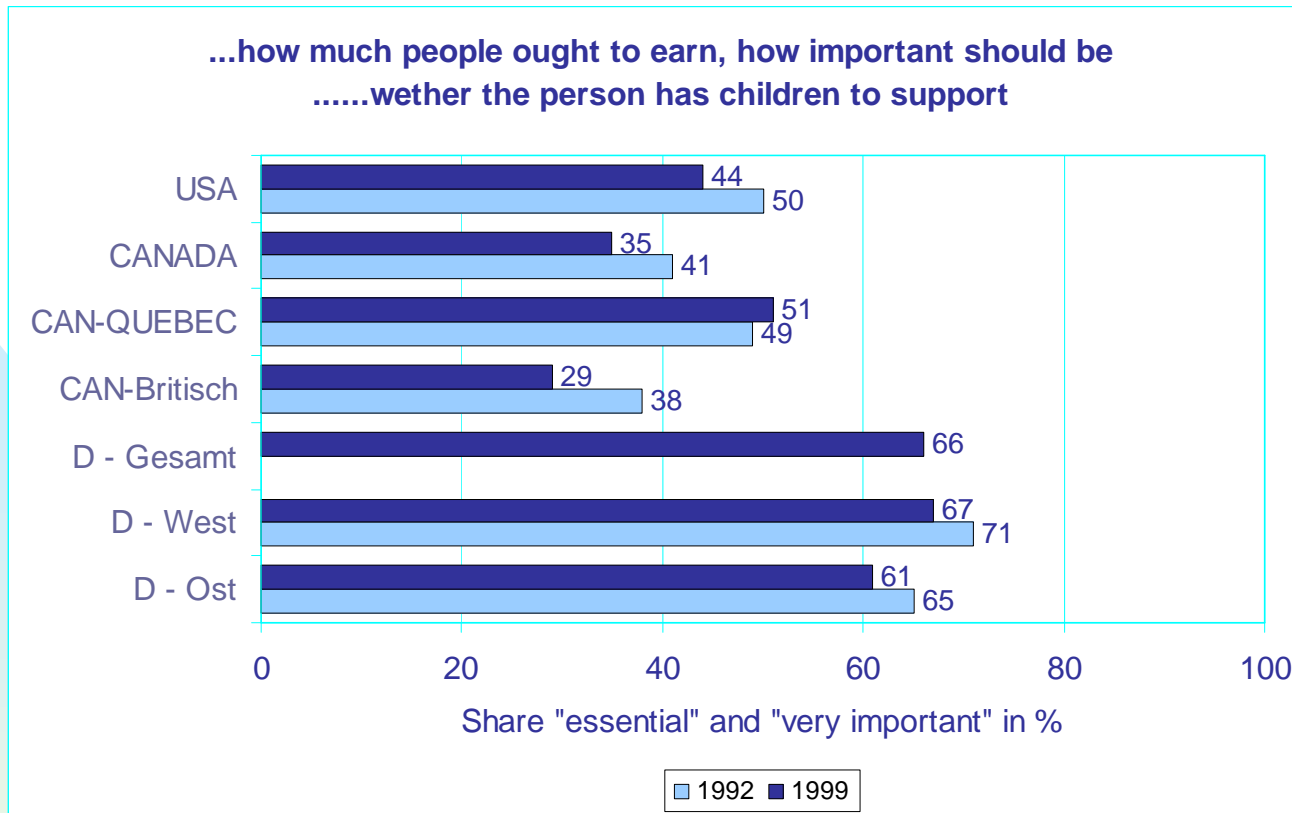
Pay According to Need



Database: ISSP

	1992	1999
Difference Germany - Canada	χ^{***}	-
Difference D-West - D-East	$(\chi)^{***}$	-
Difference CAN-Britisch - CAN-Quebec	χ^{***}	χ^{***}

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



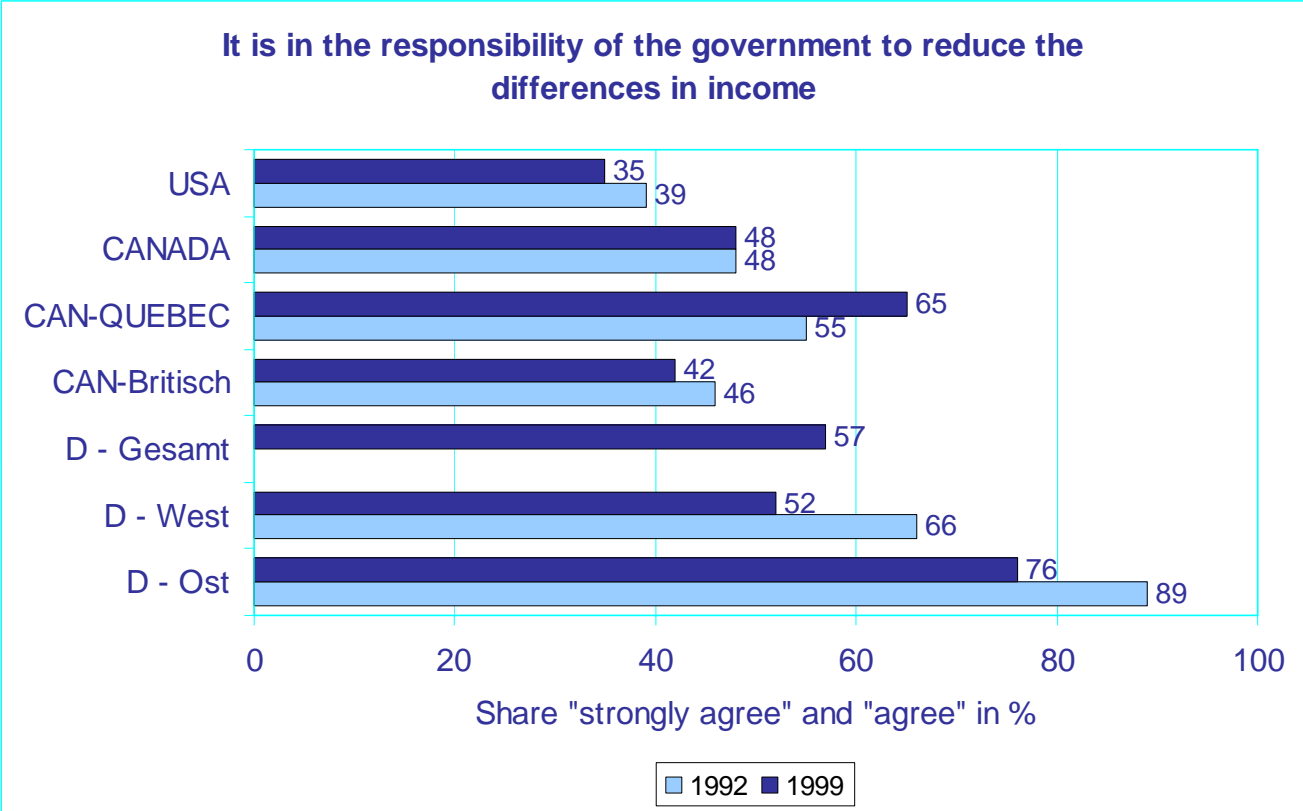
Database: ISSP

	1992	1999
Difference Germany - Canada	x^{***}	x^{***}
Difference D-West - D-East	$(x)^{***}$	$(x)^{**}$
Difference CAN-Britisch - CAN-Quebec	x^{***}	x^{***}

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status

Attitudes toward state intervention and redistribution

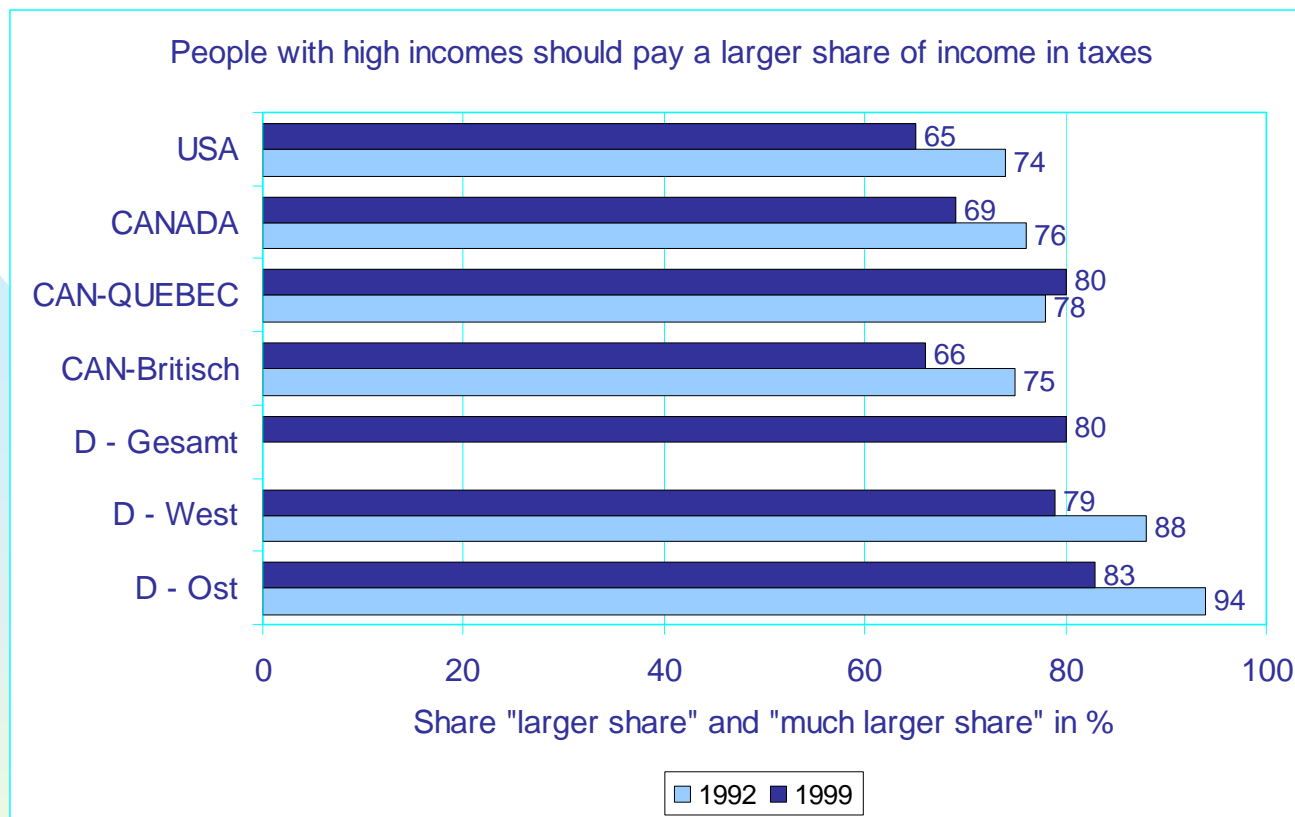
European countries seem to be quite different from the „Anglo American democracies of the United States, Australia, New Zealand and Canada, ... Where traditionally government intervention has been frowned upon to a much greater degree than in the heartland of the EU“ (Evans 1996: 186)



Database: ISSP

	1992	1999
Difference Germany - Canada	x^{***}	x^{***}
Difference D-West - D-East	x^{***}	x^{***}
Difference CAN-Britisch - CAN-Quebec	x	x^{***}

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



Database: ISSP

Difference Germany - Canada

1992

x***

1999

x**

Difference D-West - D-East

x***

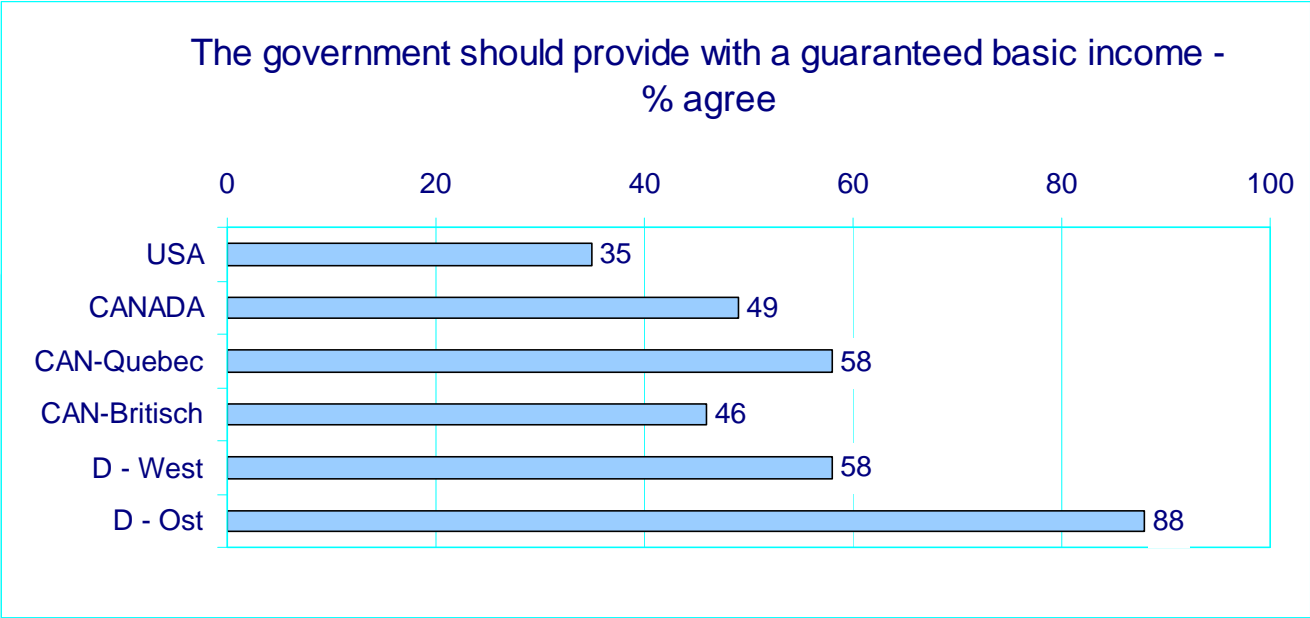
-

Differenz CAN-Britisch - CAN-Quebec

-

x***

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



Database: ISSP

1992

Difference Germany - Canada

x^{***}

Difference D-West - D-East

x^{***}

Difference CAN-Britisch - CAN-Quebec

x^{**}

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status



Index:

meritocratic-liberal

vs.

egalitarian-statist

= mean from 8 ISSP-items used in 1992 and 1999

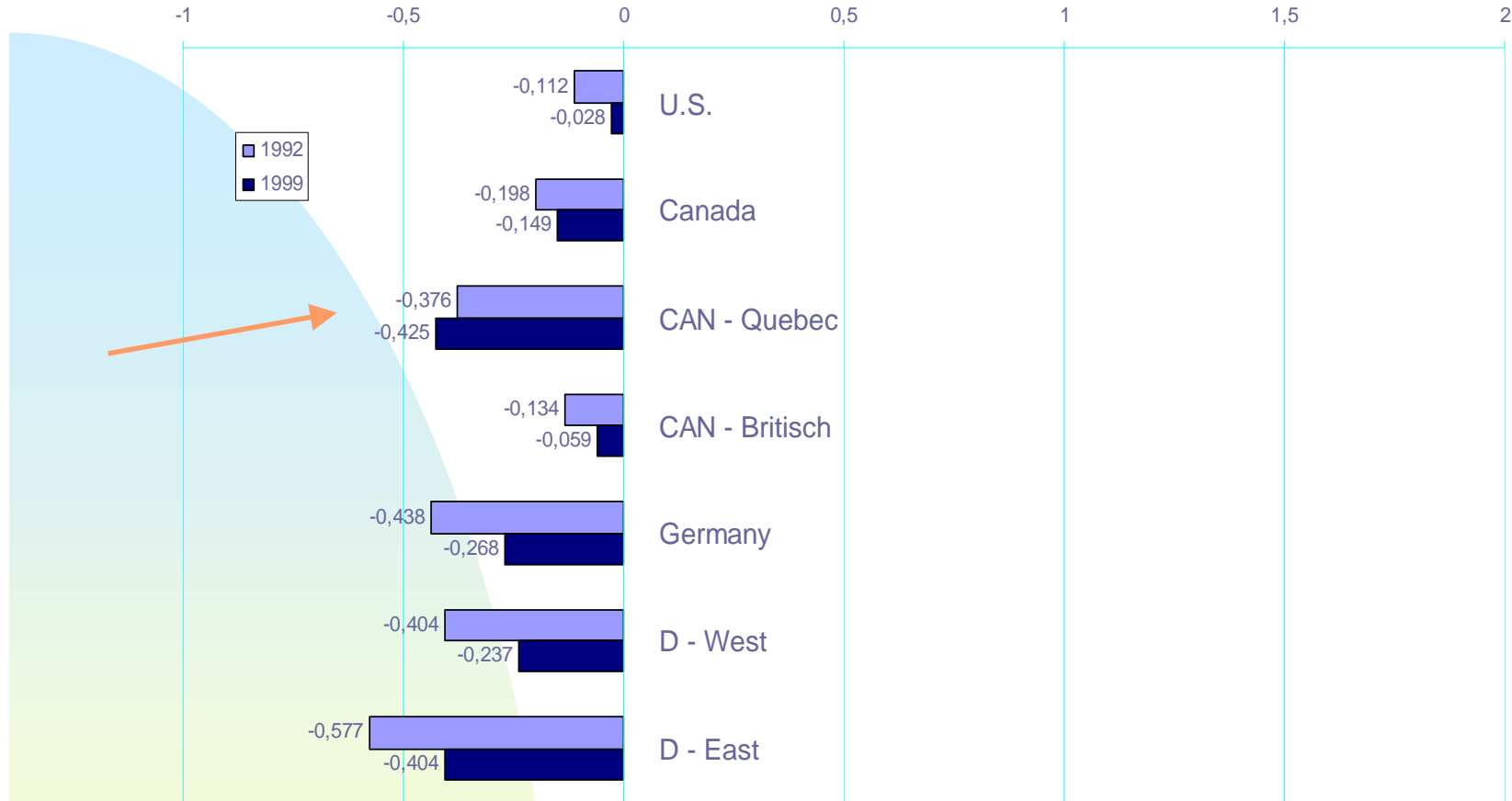
range from

-2 = extreme value ,egalitarian / statist‘

+2 = extreme value ,meritocratic-liberal‘

Summary Index Attitudes Towards Inequality 1992 - 1999

Egalitarian/Statist (-2) - Meritocratic/Individualistic (+2)



	1992	1999
	Beta	
Nation: Canada vs. Germany	.202***	.089***
Region: D-East vs. D-West	-.135***	-.113***
Region: CAN-Britisch vs. CAN-Quebec	.178***	.293***

OLS Regression, controlling for gender (dummy), age (3 dummies) and social status

Multiple Regression - Index

	Total		Germany		Germany incl. left-right scale		Canada	
	1992	1999	1992	1999	1992	1999	1992	1999
Gender –M	.061	.078	.056	.115	.050	.113	.083	
Age: 30-44 (Ref. 18-29)								-.094
Age: 45-59	0.38		.053		.047			-.082
Age: 60 and older		-.063	.065		.045		-.082	-.115
Soc. Status (1-10)	-.203	-.245	-.187	-.186	-.180	-.178	-.165	-.288
Left-right (1-10)	-	-	-	-	.114	.084	-	-
RegionD: East	-	-	-.135	-.113	-.188	-.095	-	-
RegionCAN: B-CAN	-	-	-	-	-	-	.178	.293
Nation-CAN	.202	.089	-	-	-	-	-	-
R ²	.094	.085	.075	.071	.087	.084	.084	.178

Summary View I

- ◆ Strong evidence of significant (although diminishing) differences at the national level: Germans are more in favour of egalitarian-statist attitudes than Canadians
 - ⇒ variations in the sensitivities to social inequalities dovetail with different types of welfare state and related hypothesis;
 - ⇒ evidence also congruent with American exceptionalism hypothesis: Canada shares to a larger degree values like individualism, personal achievement, meritocracy and lower support for state intervention as its dominant ideology

Summary View II

Strong evidence of significant differences also at the sub-national level:

- ◆ Quebec residents are more egalitarian-statist than Anglo-Canadians
- ◆ Counter to the trend of increasing support of meritocratic-individualistic attitudes in all other units increasing orientation towards egalitarian-statist attitudes in Quebec

„With respect to level of development, recognition of inequalities, Catholicism, liberal social democratic ideology, and state intervention for collective interests, Quebec is a distinctive society in Canada“
- ◆ East-Germans are more egalitarian-statist than West-Germans
 - still some impact of former socialist system in terms of stressing collectivist and egalitarian values;
 - lower average level of living
 - increasing internal inequality and feelings of relative deprivation towards the West
 - evidence not congruent with hypothesis on Catholicisms as supporting egalitarian-statist attitudes

Delhey (1999): “It is remarkable that the division between Europe and the New World is almost as important as the division between post-communism and western capitalism”

... **but**: Differences between Quebec and the ‚Rest of Canada‘ are at least as large – if not larger – than those between European and North-American or between post-communist and western capitalist societies!

Consequences for theoretical considerations and empirical research:

- ⇒ Preliminary results need to be confirmed by further research.
- ⇒ Finding of large and growing differences in attitudes toward inequality between Quebec and Anglophone Canada challenges current hypotheses on „international“, „transatlantic“ and „intersystem“ differences.
- ⇒ This may concern particularly the „welfare-state-regime-hypothesis“.
- ⇒ Results may lead research to search for „new“ explanations, e.g. dynamics in group identification and affective response:
„Group identification can lead to two types of affective response which under certain conditions can influence responses to inequality: identification or solidarity with an ingroup and hostility to an outgroup (Kluegel/Smith 1986: 25)