

*Self-Regarding and Other-Regarding Attitudes: The Role of Contextual
Inequality*

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English Summary

Self-regarding and other-regarding attitudes: the role of contextual inequality

Research objectives

One of the fundamental questions of contemporary Western societies is: how does societal context impact people's attitudes and behavior? In recent decades the topic of contextual inequality – a concept referring to a distribution or access to resources and life chances – has received considerable attention around the world. There is now robust empirical evidence that contextual inequality differs substantially between countries and perhaps more notably – that in the last three decades inequalities have been rising in most wealthy societies (Atkinson and Piketty, 2007; OECD, 2009; OECD, 2011; Piketty, 2014; Salverda et al., 2014). Large variations in inequality have raised questions about the potential consequences of egalitarian and inegalitarian contexts for individuals and societies (Neckerman and Torche, 2007; Salverda et al., 2014; Wilkinson and Pickett, 2010). One of the underlying concerns put forward by Wilkinson and Pickett (2010) is that inequality might have psychosocial consequences. For example, inequality could harm social relationships and lead people to be less caring of each other, or the competitive nature of unequal societies could be causing stress, anxiety, and self-focus. Despite heightened worries about the implications of contextual inequality for various outcomes, the underlying ideas, for example, that inequality could be associated with more self-focus and less caring for others, are rarely empirically studied. Thus, we do not know, for example, whether people are indeed more self-regarding and less other-regarding in unequal contexts. The main objective of this dissertation was to shed light on this question by studying the role of contextual inequality for self-regarding and other-regarding attitudes. The overarching questions of this dissertation are the following: 1) What is the role of distributional and institutional contextual inequality for self-regarding and other-regarding attitudes? 2) How do these contextual effects on attitudes vary by individual socio-economic position?

Furthermore, this dissertation aimed to achieve progress in several respects including five main contributions in conceptual and methodological aspects. First, this dissertation aimed to clarify the concepts of self-oriented and other-regarding attitudes. Generally defined, a self-regarding attitude refers to one's focus on personal advantage. It includes aspirations for resources, personal success, status and prestige and more generally it refers to an emphasis on personal welfare or well-being. An other-regarding attitude is broadly defined as a willingness to contribute to the welfare or well-being of others. Other-regarding attitudes are also defined in the literature as 'prosocial attitudes' and 'solidarity', which are concepts that are used interchangeably throughout this dissertation. We rely on Lindenberg (2006: 24), who argues that the concept of 'solidarity' can be equated with the concept of 'prosociality'; they both refer to attitudes and/or behavior "*assumed to be intentionally beneficial to others (not necessarily without self-interest) and involving some sacrifice*".

Second, the aim was to take a broader look at the concept of contextual inequality that refers to the division and access to life chances within a society. We are not only analyzing the distributional aspects of inequality (i.e., income inequality) but also the institutional aspects of inequality (i.e., welfare state effort). By including alternative indicators of contextual inequality we have a more comprehensive view of egalitarian and inegalitarian societal arrangements. We interpret societal contexts characterized by greater income equality and more governmental welfare effort to protect citizens as egalitarian and contexts with higher levels of income disparities and weaker governmental effort in providing social security as inegalitarian.

Third, the aim of this dissertation was to bring the theoretical mechanisms or 'causal narratives' (Goldthorpe, 2001) to the fore when discussing the association between contextual inequality and attitudinal outcomes. The mechanisms discussed utilize an actor-centered causal narrative to illustrate how contextual inequality could matter for self-regarding or other-regarding attitudes. These mechanisms could not always be tested explicitly but they provide an important theoretical context.

Fourth, the aim was to study whether there are differences in the association between contextual inequality and attitudinal outcomes by individuals' own position in the social hierarchy. This question of

'effect heterogeneity' also tells us whether solidary or self-oriented attitudes among different socio-economic groups converge or diverge.

Fifth, in this dissertation we aimed to make an empirical contribution by investigating not only cross-sectional data for one period in time but also by employing surveys over longer periods. This approach enabled us to come closer to finding out whether there is a robust relationship between contextual inequality and attitudinal outcomes.

Theoretical mechanisms to explain the role of contextual inequality for self-regarding and other-regarding attitudes

In order to understand how contextual inequality and attitudes are related, it is important to consider the 'causal narratives' or mechanisms that provide an actor-centered explanation as to how contextual inequality could alter attitudinal outcomes (Goldthorpe, 2001). When it comes to the literature on the association between contextual inequality and solidarity, we can generally distinguish between two conflicting perspectives. From one perspective, the literature suggests that there should be less solidarity in unequal contexts and more solidarity in equal contexts. Inequality is argued to break social relationships and solidarity by increasing social distance between different socio-economic groups, reducing the feeling of identification with fellow countrymen, and lowering trust (Alesina et al., 2001; Larsen, 2008; Neckerman and Torche, 2007; Rothstein and Uslaner, 2005; Schubert and Tweed, 2004). Furthermore, Wilkinson and Pickett (2010) suggest greater income differences are likely to add to status competition and concerns about one's relative position in the status hierarchy. Such 'status anxiety' is likely to lead to less other-regarding and more self-regarding attitudes and behavior. In addition to affecting social relationships, the literature also suggests that societal context can have a normative effect, meaning that if a society is more egalitarian, then people may adjust their attitudes and internalize the notion that egalitarian values – such as solidarity – are important and worth pursuing (Mau, 2004; Osberg and Smeeding, 2006; Rothstein, 1998; Svalfors, 2012; Titmuss, 1968). From this perspective, equal contexts could crowd-in solidary attitudes, while unequal contexts would weaken solidary attitudes.

From another perspective, however, the crowding-out theory suggests that egalitarian arrangements can have adverse consequences by lowering the incentive to help others. As the state provides social security people will be less reliant on interpersonal relations and thus less likely to offer help to others (Arts et al., 2003). At the same time solidarity might develop in unequal contexts to compensate for the lack of national social support systems. If a society is unequal, people might feel highly insecure and thus support more state-sponsored solidarity or be more solidary with others hoping for reciprocation. Related to this is the idea that welfare effort also has adverse moral consequences, causing people to think that helping the weak is the responsibility of the state and not that of an individual, while in unequal contexts people would be more eager to take individual responsibility for taking care of others. Furthermore, to the extent that people are aware of the interdependencies characteristic for modern societies, a higher level of inequality should be related to a higher willingness to help others. Overall, based on these theoretical ideas we would expect solidarity to be higher in unequal contexts, and egalitarian contexts can be expected to crowd out solidary attitudes.

Research design

This dissertation is based on a quantitative empirical analysis using comparative high quality cross-national surveys that have been collected (sometimes repeatedly) within countries. We relied on two surveys: the European Social Survey and the European Values Study. We used three different indicators to capture solidarity: a) Willingness to do something to improve the conditions of people in the community, the elderly, the sick and disabled, or immigrants (Chapter 2); b) Support for public unemployment benefits among employed people (Chapter 3); c) Importance of helping people and caring for others' well-being (Chapter 5). Status-seeking is captured with an index expressing individuals' desire for respect, admiration and recognition from other people. For income inequality we used a Gini-coefficient, which is

widely used indicator that ranges from 0 (everyone has the same income) to 1 (one person owns all the income). The Gini is based on disposable equivalized household income and is attained from the Standardized World Income Inequality Database (SWIID) (Solt, 2009b). In parts of the dissertation we also included alternative distributional indicators of income inequality that reflect ratios between the top and the bottom income groups, as well as top income shares (see Chapter 4). For institutional inequality, instead of the welfare regime typologies (Esping-Andersen, 1990), we prefer more specific welfare state effort indicators: welfare state expenditure measured as a percentage from the GDP, unemployment benefits replacement rate (Van Vliet and Caminada, 2012) and employment protection legislation (OECD, 2004). The combination of individual level survey data with macro level indicators and using hierarchical modeling, allowed us to study whether particular aspects of societal contexts matter for people's attitudes and behavior.

Main findings and theoretical implications

The first central contribution of this dissertation is the finding that inequality is associated with more status-seeking. Recent literature suggests that inequality promotes adverse consequences – such as health problems and crime – because larger income differences are likely to add to status competition and concerns about one's relative position in the status hierarchy, also referred to as 'status anxiety' (Merton, 1968; Wilkinson and Pickett, 2010). The findings of this dissertation provide some support for the theory by showing that in unequal societies status-seeking is indeed more prevalent, especially among men. Furthermore, we show that it is inequality at the top, in particular, that matters for heightened status-seeking. This is an important addition as it is consistent with the suggestion that people compare themselves with those higher up in the social hierarchy and that people at the top set the standards for others (Veblen, 1931).

The second central contribution of this dissertation is to add to our understanding about the complex relationship between inequality and solidarity. On the one hand, the results suggest that in egalitarian contexts people are more solidary towards particular (weaker) social groups (e.g., the unemployed, community members, the elderly, the sick and disabled), while solidarity towards these groups is lower in inegalitarian contexts. This finding affirms the idea that inequality creates social distance and makes it harder for people to identify with others, which could explain why people are less eager to contribute to the well-being of others in unequal contexts. These findings also support the crowding-in perspective – that in more egalitarian societies people have internalized the norm that helping the needy is a collective responsibility.

On the other hand, generalized solidarity – reflecting an overall positive attitude towards helping others – appears to be lower in egalitarian contexts and higher in inegalitarian contexts. The latter suggests that when the context is egalitarian, people are less likely to characterize themselves as enjoying helping others and caring for their well-being. This finding is in accordance with the crowding-out perspective that in egalitarian contexts – where social security and social equality are already provided – people will be less motivated to help each other. We conclude that when a society has a strong welfare provision and is relatively equal, people are disinclined to claim that caring for others is personally important to them; instead, people seem to think that the state is responsible for taking care of the needy. When a society is unequal and there is little state support, however, people are more eager to identify themselves as caring people. It could be that in inegalitarian contexts individual solidarity develops as an alternative to the lack of state-organized solidarity, or that in egalitarian contexts people abdicate individual responsibility for helping others because solidarity is already arranged by the state.

Furthermore, we can generally conclude that in egalitarian contexts people are more strongly in agreement that the weaker groups (e.g., the unemployed, elderly, sick and disabled) should benefit from solidarity, while in inegalitarian societies solidarity towards weaker social groups is less cohesive. Homogeneous attitudes towards solidarity in egalitarian contexts could be interpreted as an indication of a stronger societal norm to help the weaker groups, notwithstanding an individual's own position in the

social hierarchy. Attitudes towards status-seeking, however, are more homogeneous in egalitarian contexts, which suggests that there might be a more widespread social norm governing attainment of success and reputation in the eyes of others – a norm that is accepted by different social status groups. The fact that attitudes of both the advantaged and disadvantaged social groups are related to contextual inequality suggests that available resources and social security are not the only factors able to explain the role of inequality for attitudinal outcomes – psychosocial implications are also very plausible.

