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# **DIW** Weekly Report

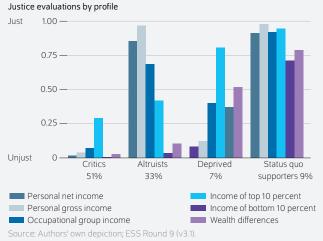
#### **AT A GLANCE**

# Justice profiles in Europe: major differences in evaluation of inequality

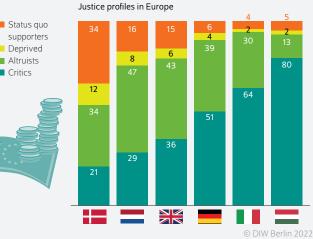
By Cristóbal Moya and Jule Adriaans

- Current survey data shows widespread concern about social justice among the European working population
- Respondents can be divided into four different groups based on their responses: critics, altruists, . the deprived, and status quo supporters
- Critics perceive injustice in many dimensions and are the majority in Eastern Europe •
- Altruists, who perceive their own situation as just but that of others as unjust, are the dominant group in Northern and Western European countries
- The two smaller groups, the deprived and status quo supporters, support redistribution less

Critics are the majority in Eastern Europe, while altruists are most common in Northern and Western Europe



Critics



### **FROM THE AUTHORS**

"Political responses to inequality should consider the justice profiles among the population. For example, in a critic-dominant country, measures should be taken that benefit a wide majority. If altruists and the deprived are more common, more targeted interventions should be implemented."

— Jule Adriaans —

# Justice profiles in Europe: major differences in evaluation of inequality

By Cristóbal Moya and Jule Adriaans

#### ABSTRACT

European societies have been experiencing growing income and wealth inequalities over the past few decades, and, accordingly, they are a topic of intense discussion. Although the population's evaluation of inequalities as just or unjust is important for designing social policies, there has been little research on this evaluation. To close this gap, we use justice evaluations of income and wealth in the European Social Survey (2018/2019). We identify four types of justice profiles among the active working population in Europe: critics, altruists, the deprived, and status quo supporters. These groups differ in terms of if and where they perceive injustice in the income and wealth distributions. Most respondents are either critics, who perceive injustice in all dimensions and support redistribution, or altruists, who assess their own situation as just but the societal income and wealth differences as unjust. Policymakers should address the widespread concern about social justice and consider where injustice is perceived in the income and wealth distributions when designing policies.

The growing income and wealth inequalities have been intensively discussed by experts and decision makers over the past ten years.1 In contrast with the importance attached to inequality in political discourse, people seem to be less concerned by inequality than by injustice.<sup>2</sup> People evaluate the justice and injustice of multiple dimensions, such as income and wealth. These evaluations may refer to themselves (e.g., their own income) or be further removed from their own situation, such as the income of others or general wealth disparities.3 Overall, such subjective evaluations are connected with negative consequences, both for the individual as well as society. The relevance of the topic of social justice is also reflected in political discussions: For example, the coalition agreement for the new German Federal Government is titled, "Alliance for Freedom, Justice, and Sustainability" and specifies that "[...] a high level of employment and fair pay are the basis for our prosperity and the financing of our social security." The claim also motivates the planned increase of the minimum wage.4

Social justice is a frequent topic in election programs across Europe, reflecting its relevance in the current European political landscape (Figure 1). The Manifesto Project analyzes the content of election programs and categorizes the topics mentioned using predetermined codes (Box 1). While political parties in all countries analyzed mention social justice

<sup>1</sup> OECD, In It Together: Why Less Inequality Benefits All (Paris: OECD Publishing, 2015) (available online; accessed on January 11, 2022. This applies to all other online sources in this report unless stated otherwise.); Kathryn M. Neckerman and Florence Torche, "Inequality: Causes and Consequences," Annual Review of Sociology 33 (2007): 335–357; Fabian Pfeffer and Nora Waitkus, "The Wealth Inequality of Nations," American Sociological Review 86, no. 4 (2021): 567–602.

<sup>2</sup> Lane Kaneworthy and Leslie McCall, "Inequality, Public Opinion and Redistribution," *Socio-Economic Review* 6 (2008): 35–68; Jan Janmaat, "Subjective Inequality: A Review of International Comparative Studies on People's Views about Inequality," *European Journal of Sociology* 54, no. 3 (2013): 357–389; Jonathan Mijs, "The Paradox of Inequality: Income Inequality and Belief in Meritocracy Go Hand in Hand," *Socio-Economic Review* 19, no. 1 (2021): 7–35; Christina Starmans, Mark Sheskin, and Paul Bloom, "Why people prefer unequal societies," *Nature Human Behaviour* 1 (2017): 1–7.

**<sup>3</sup>** Guillermina Jasso, "Thinking, Saying, Doing in the World of Distributive Justice," *Social Justice Research* 28, no. 4 (2015): 435–478; Guillermina Jasso, Kjell Törnblom, and Clara Sabbagh, "Distributive Justice," in *Handbook of Social Justice Theory and Research*, eds. Clara Sabbagh and Manfred Schmitt (New York: 2016): 201–218.

<sup>4</sup> SPD, Bündnis 90 / Die Grünen, FDP, Koalitionsvertrag 2021–2025 zwischen der Sozialdemokratischen Partei Deutschlands (SPD), BÜNDNIS 90 / DIE GRÜNEN und den Freien Demokraten (FDP) (2021): 65 (in German; available online).

#### Box 1

#### The Manifesto Project

The Manifesto Project collects election programs from over 50 countries and categorizes the topics covered. In this report, information from the election programs of parties that participated in the respective most recent national elections in 24 European countries is used.<sup>1</sup> This includes elections between March 2017 (Bulgaria) and September 2021 (Germany). In particular, the code referring to the "Concept of social justice and the need for fair treatment of all people" is used.<sup>2</sup> It is analyzed how often this topic appears in election programs in each country. To account for the fact that not all parties covered by the Manifesto Project are of equal importance, each election program was weighted by the share of the vote they obtained in the relevant election.

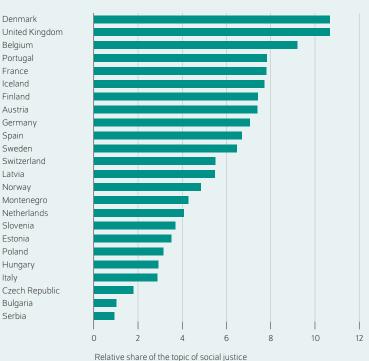
in their programs, the topic is given more consideration by Western and Northern European parties than by Eastern European parties.

However, election programs do not provide insight into what extent the population cares about social justice and how just or unjust they perceive the wealth and income distributions to be. Just because an individual perceives inequality does not necessarily mean they would support measures to reduce it.<sup>5</sup> Studies have shown that people in Germany and in Europe do not support absolute equality. Instead, many indicate that while income and wealth should be distributed in a way that everyone's basic needs are met, individual efforts should also be rewarded.<sup>6</sup>

If such normative preferences lead to more people supporting social policy measures is a complex question to answer. A balance must be struck between self-regarding preferences and preferences regarding others. In light of this, a comprehensive look at justice evaluations of existing inequalities could provide insight into what sort of policies can be developed to address the injustice perceived by the general public.

#### Figure 1

#### **Social justice mentions in election programs** In percent



to all others in election programs

Note: For each country, the election programs of the most important parties in the most recent national election are considered and weighted with the share of votes that they received in that election.

Sources: Authors' own calculations; Manifesto Data Collection Version 2021a.



### Four justice profiles in Europe: critics, altruists, the deprived, and status quo supporters

Between 2018 and 2019, respondents from 29 European countries were asked to provide justice evaluations as a part of the ninth wave of the European Social Survey (ESS). They evaluated their personal income, the income of others within their occupational group, the income of the upper and lower ten percent of the income distribution in their country, and the wealth differences in their country. As evaluations of both personal and others' income were needed, only responses from employed respondents are considered. These evaluations were used to divide respondents into groups with similar underlying profiles. Using a latent class analysis (LCA) (Box 2), four different response patterns referred to as "justice profiles" were identified. The first profile, critics, is the largest group (51 percent) and tends to evaluate all dimensions as unjust (Figure 2). The second-largest group, the altruists, consists of one third of the respondents who assess their own income and the income of their occupational group as just but the incomes of the lower and upper ten percent as well as the wealth differences as unjust. This group is referred to

<sup>1</sup> Andrea Volkens et al., *The Manifesto Data Collection* (Manifesto Project MRG/CMP/ MARPOR, Version 2021a: 2021) (available online).

<sup>2</sup> Code 503. Definition: Equality: Positive. Concept of social justice and the need for fair treatment of all people. This may include: – Special protection for underprivileged social groups; – Removal of class barriers; – Need for fair distribution of resources; – The end of discrimination (e.g., racial or sexual discrimination).

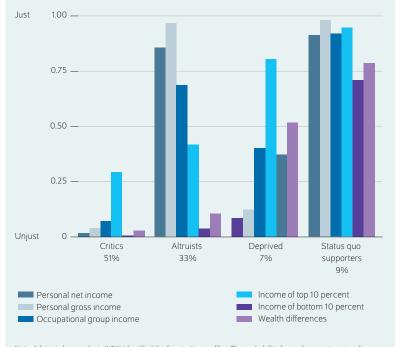
<sup>5</sup> Charlotte Cavaillé and Kris-Stella Trump, "The Two Faces of Social Policy Preferences" *The Journal of Politics* 77, no. 1 (2015): 146–160.

<sup>6</sup> Jule Adriaans, Philipp Eisnecker, and Stefan Liebig, "A comparison of earnings justice throughout Europe: Widespread approval in Germany for income distribution according to need and equity," *DIW Weekly Report*, no. 44/45 (2019): 398–404; Jule Adriaans and Stefan Liebig, "Einkommensgerechtigkeit in Deutschland und Europa," in *Datenreport 2021* (Bonn: Bundeszentrale für politische Aufklärung, 2021): 278–285 (in German).

#### Figure 2

# Evaluation of personal income, others' income, and wealth differences by justice profile

Probability of rating a dimension as just



Note: A latent class analysis (LCA) identified the four justice profiles. The probability for each group to rate a dimension as just is shown.

Source: Authors' own calculations; ESS Round 9, version 3.1.

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Critics and altruists, who perceive widespread injustice, are most common in Europe.

as altruists because they assess the income and wealth distribution critically despite viewing their own income as just. There are two other, smaller groups: the *status quo supporters* (nine percent of respondents) and the deprived (seven percent). The status quo supporters generally view their personal income, others' income, and the wealth differences to be just and believe income and wealth are distributed justly overall. In contrast, the *deprived* tend to view their personal income as unjust and others' income as well as general wealth differences as just. Interestingly, while most respondents tend to rate lower incomes as unjust, the *deprived* evaluate them as just more frequently than critics and altruists do. The lowest incomes are the most likely to be rated as unjust among status quo supporters too. In addition, the deprived and status quo supporters evaluate the upper incomes as just much more frequently than they do lower incomes. Altogether, this pattern indicates where the respective groups identify injustice in the income distribution: While the *deprived* and the *status* quo supporters evaluate the lower incomes as unjust, the critics and *altruists* evaluate both very low and very high incomes as unjust. However, it should be noted that the upper income dimension was evaluated as just most frequently compared

#### Box 2

#### **European Social Survey**

The European Social Survey (ESS) is a cross-country survey conducted biennially since 2002. It includes a wide range of European countries and provides high-quality survey data from representative population samples of the participating countries.<sup>1</sup> Some of the questions remain the same in each wave and are supplemented by questions on a specific thematic priority that changes each wave. A special "Justice and Fairness in Europe" module was included in the most recent ESS wave (round nine, 2018 and 2019).<sup>2</sup> The survey was conducted in 29 European countries and the evaluations encompass over 26,500 individuals who were employed at the time of data collection.

#### **Justice profiles**

Based on the evaluation of income and wealth, it was investigated which response profiles can be found in Europe. Groups of respondents who evaluate income and wealth inequalities similarly were identified. These groupings are based on six questions in which the respondents evaluate the justice of...

- · their own gross and net income,
- · the income of others working in the same profession,
- the top ten percent and bottom ten percent of the incomes in their country of residence, and
- the wealth differences in their country of residence.

It is analyzed whether the respondents evaluate each of the six dimensions as unjust or just. A latent class analysis (LCA) was used to identify justice profiles<sup>3</sup> by categorizing groups of respondents who provide similar justice evaluations. We identify four types of justice profiles and group each respondent into one of the profiles.

To investigate the correlation between these justice profiles and the preference for redistribution, the respondents' agreement or disagreement with the statement "The government should take measures to reduce differences in income levels" was used. The respondents could select one of five answers: strongly disagree, disagree, neither agree or disagree, agree, and strongly agree.

2 European Social Survey, ESS Round 9 Module on Justice and Fairness – Question Design Final Module in Template (London: ESS ERIC Headquarters, City, University of London: 2018).

3 All analyses can be accessed in the Repository.

<sup>1</sup> See for example Christian Schnaudt et al., "The European Social Survey Contents, Design, and Research Potential," *Schmollers Jahrbuch* 134 (2014): 487–506 (available online). You must register in order to access the data online.

to the other dimensions, even among the critics, reflecting the basic acceptance of the equity principle in Europe.<sup>7</sup>

#### Despite a high share of critics in Eastern Europe, election programs barely mention social justice

The four justice profiles and their distribution in Europe indicate that the majority of the active working population is concerned about social justice. Thus, political action should be taken here. An analysis of European election programs reveals the political importance of the topic differs by country. Building on this, we analyze how frequently the four justice profiles occur in the 29 European countries observed (Figure 3).

Similar to the election programs, the distribution of the four justice profiles reveals a clear gap between the Eastern European countries and the Northern and Western European countries. However, this pattern seems to be reversing: While the topic of social justice is less present in election programs in Eastern European countries, critics are the majority in these countries. This indicates a discrepancy between the views of the people and the topics discussed by political parties, especially in this region.

In contrast, the *altruists*—those who view their personal income as just but others' income as unjust-and the deprived are more common in the Northern and Western European countries, where social justice is also given more attention in election programs. The higher shares of altruists and the deprived in countries such as Denmark, the Netherlands, and Sweden also suggests that richer countries have more diverse justice profiles, which could pose a greater challenge from a social policy perspective.

#### Critics and altruists tend to support redistribution

The population's perception of injustice with respect to income and wealth poses a challenge for political systems. Redistributive measures are one way to respond to this challenge; thus, it is important for social scientists and policymakers to know which individuals support or reject such measures. To find out, the correlation between justice profiles and agreement with the statement that the government should take measures to reduce income differences was analyzed.

Overall, all profiles agree with this statement. However, the critics and the altruists support redistribution more than the deprived and the status quo supporters (Figure 4). This is expected, as the critics and altruists tend to identify injustice in a series of dimensions, including others' income and the general wealth differences. The critics support redistribution even more than the altruists. This tendency could be attributable to the fact that it is in the interest of the altruists to address others' income and general wealth disparities, but not to change their personal income, which they evaluate as just. The deprived, in contrast, support redistribution

#### Figure 3

#### Frequency of justice profiles in Europe Shares in percent

	1					
Denmark	21	34		12	34	1
Netherlands	29	47			8 16	5
Sweden	30	38		1	<mark>4</mark> 18	В
Norway	31	50			8 12	2
Ireland	35	4			6 17	7
United Kingdom	36	4	3		6 15	5
Belgium	39		47		5 9	9
Switzerland	40		45		4 10	b
Austria	42		48		2 8	8
Finland	44		34		9 13	В
Iceland	46		41		5 8	8
Germany	51		39		4 6	6
Estonia	58			30	5 5	7
France	60			28	7	5
Czech Republik	61			21	7 1	1
Slovenia	62			31	3	В
Spain	62			31	2 4	4
Italy	64			30	2 4	4
Latvia	65			29	3	В
Cyprus	66			26	3	5
Poland	66			20	6 8	8
Portugal	67			31		<b>1</b> 1
Slovakia	68			16	5 1	1
Croatia	69			26	2	В
Lithuania	75			20	) <mark>2</mark>	2
Montenegro	76			19	2 4	4
Hungary	80				13 <mark>2</mark> 5	5
Bulgaria	82				16 1	1
Serbia	82				15 1	2
	0	20 4	10 é	 50 8	 30 1	٦ 100
	- Critics		Deprived			
	Altruists Status quo supporters					

Note: A latent class analysis (LCA) was used to determine the justice profiles. In some countries, the sum may not add up to 100 due to rounding.

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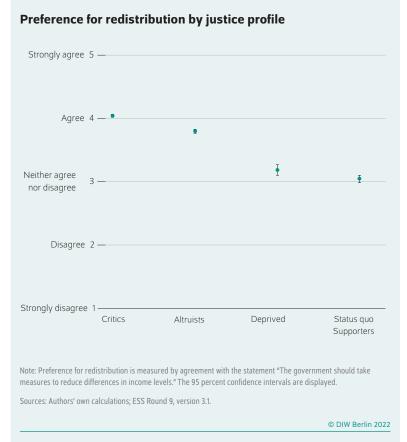
Critics are most common in Eastern Europe, while altruists are most common in the richer Northern and Western European countries.

less—presumably because their primary focus is on improving their own income, not addressing income and wealth disparities in general. The status quo supporters support redistribution the least. On the one hand, this is expected, as the status quo supporters generally evaluate income and wealth as just, which does not indicate any desire for change. On the other hand, the critics' and altruists' strong support for redistribution emphasizes that the respondents in Europe view reducing income differences as a possible political answer to the unjust income and wealth distributions. When existing

<sup>7</sup> Adriaans et al., "A comparison of earnings justice throughout Europe."

#### **JUSTICE PROFILES**

#### Figure 4



Critics show the strongest preference for redistribution, while the deprived and status quo supporters support it less.

income and wealth inequalities are evaluated as just, measures addressing them receive less support.

#### Widespread concern about social justice in Europe

The growing income and wealth inequalities in Europe are at the center of political and societal debates; social justice is a topic in election programs throughout the continent. But how do people evaluate income and wealth inequalities? Six justice evaluations concerning income and wealth from the most recent wave of the European Social Survey were analyzed to identify the underlying justice profiles of the active working population in Europe. The largest group is the group of *critics*, who view their own income, the income of others, and general wealth disparities as unjust. This group is especially large in Eastern Europe, which reveals a gap between the population's concern about social justice and the comparatively little attention it is given in the election programs.

The second largest group, the *altruists*, tend to evaluate their own situation as just but the income of others and general wealth differences as unjust. The *deprived*, in contrast, primarily assess their own situation as unjust and the *status quo supporters* rate the income and wealth distributions as just. While a relatively small share of respondents in Europe

belong to the latter two groups, they are more strongly represented in richer, Northern European countries.

Overall, the majority of the active working population in Europe believes the income and wealth disparities are unjust. All profiles evaluate the lowest incomes as unjust more often than they do the highest incomes, suggesting that social policies across Europe need to address these injustices. However, the survey data was collected shortly before the COVID-19 pandemic began. Because the pandemic has partially exacerbated and reinforced existing inequalities<sup>8</sup> as well as stirred debate on the just distribution of aid and redistributive policies, the concern about social justice could have grown even more. Moreover, the analysis is limited to the active working population; it is possible that non-employed individuals perceive even more pronounced injustices in the income and wealth distributions.

Apart from a general concern about social justice in Europe, it appears that those who identify widespread injustice either personally and in terms of others or only personally also have a stronger preference for redistribution than those who belong to the *status quo supporters* or the *deprived*. This correlation suggests that the respondents consider reducing income differences an appropriate policy response to the injustice identified in the income and wealth distributions.

However, the question used to capture redistribution preference does not ask who should be a contributor or a recipient in the redistribution process. This seems particularly relevant considering that the four justice profiles differ not only in whether they identify injustice, but also in *where* this injustice is found in the income and wealth distributions.

Social policy measures with broad redistributive effects could be considered in countries where comprehensive injustices are identified with respect to the income and wealth distributions. Given its large redistributive potential,<sup>9</sup> a universal basic income, for example, could address the populations' extensive evaluations of injustice, especially in countries where *critics* are the majority.<sup>10</sup> In contrast, in countries with a very high share of *deprived* respondents, such as Denmark, it could be difficult to find popular support for wide-reaching redistributive measures, meaning more targeted measures are likely needed. Such measures could include improved employment protection in the low-wage sector or increasing

<sup>8</sup> Johannes Seebauer, Alexander S. Kritikos, and Daniel Graeber, "Warum vor allem weibliche Selbstständige Verliererinnen der Covid-19-Krise sind," *DIW Wochenbericht* no. 15 (2021): 262–269 (in German); Jonas Jessen, C. Katharina Spieß and Katharina Wrohlich, "Sorgearbeit während der Corona-Pandemie: Mütter übernehmen größeren Anteil – Vor allem bei schon zuvor ungleicher Aufteilung," *DIW Wochenbericht* no. 9 (2021): 131–139 (in German).

<sup>9</sup> Philippe Van Parijs and Yannick Vanderborght, *Basic Income: A Radical Proposal for a Free* Society and a Sane Economy (Cambridge, MA: 2017).

<sup>10</sup> Fittingly, countries with a high share of *critics*, such as Lithuania, Hungary, or Slovenia, also have strong public support for a universal basic income. For more, see Jule Adriaans, Stefan Liebig, and Jürgen Schupp, "In Germany, younger, better educated persons, and lower income groups are more likely to be in favor of unconditional basic income," *DIW Weekly Report* no. 15 (2019): 263–270.

minimum wages, which are aimed at improving monthly incomes and not just hourly wages.<sup>11</sup>

In Germany, in contrast, only a small share of respondents belong to the *status quo supporters* or the *deprived*, indicating

**11** Alexandra Fedorets and Mattis Beckmannshagen, "Mindestlohn: Nicht nur die Höhe ist entscheidend," *DIW akutell* no. 61 (2021): 1–6 (in German); Adam Storer and Adam Reich, "Losing My Raise': Minimum wage increases, status loss and job satisfaction among low-wage employees," *Socio-Economic Review* 19, no. 2 (2021): 681–709. an overall strong concern about social justice. When designing measures to combat income and wealth injustices, political actors should consider that a significant share of respondents in Germany are *altruists*. Altruists frequently view their own situation and upper incomes as just, but could support social policies that address the plight of the poorest. The Federal Government's plan to reform unemployment benefits and to increase the minimum wage thus seems to be consistent with the distribution of justice profiles in the German population.

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