

# How egalitarian? Perceptions of inequality in Latvia, Estonia and Norway

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Poverty, social assistance and social inclusion – developments in Estonia  
and Latvia in a comparative perspective: Concluding seminar

## 2 main research questions

- Are Estonians and Latvians still more egalitarian in terms of attitudes to income differences compared to Norwegians?
- Are attitudes to inequality consistent, or do egalitarian attitudes consist of several different dimensions?

## Our data

- Parallell representative surveys in Norway, Estonia and Latvia with respectively 1,200, 1,000 and 1,000 respondents
- Estonia and Latvia – personal interviews
- Norway – telephone interviews
- Interviewing took place in May-June 2005
- Questions about:
  - Evaluation of own economic security
  - Evaluation of the actual economic security of various vulnerable groups
  - Evaluation of how well secured various vulnerable groups *ought to be*
  - Evaluation of reasons why some people live in poverty / causes of poverty
  - Evaluation of *actual* income differences in own country
- Comparable data from Norbalt living conditions surveys in the Baltic countries 1994 and 1999

## **What forms attitudes to inequality and income security?**

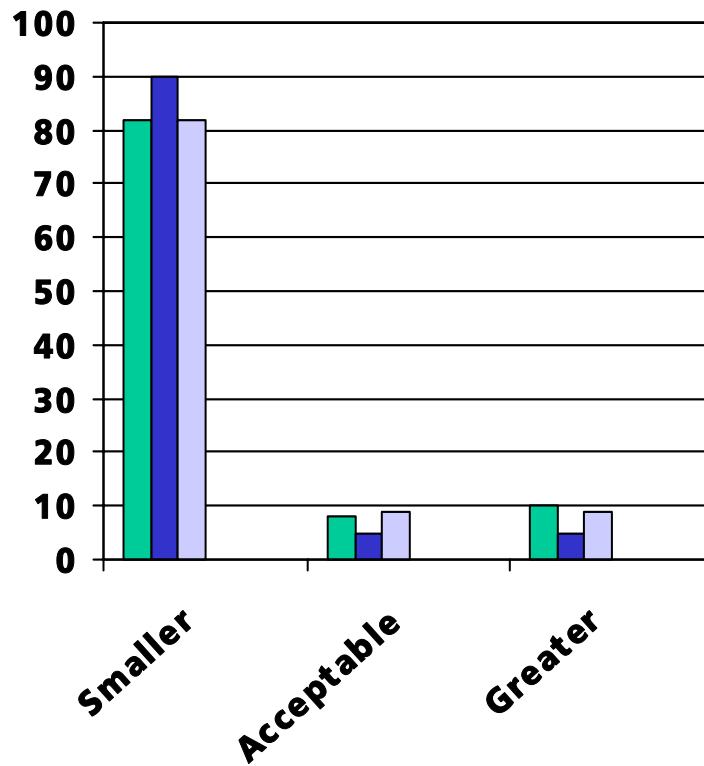
- Own income situation
- Expectations about own future income situation (and income security)
- General evaluation of income inequality / economic security in society
- Rational economic calculations
- Opinion on what is the reason for income inequality / economic vulnerability
- Ideology / Values (for example regime-specific socialisation)
- Socio-economic background variables
- and more...?

## Two main theories

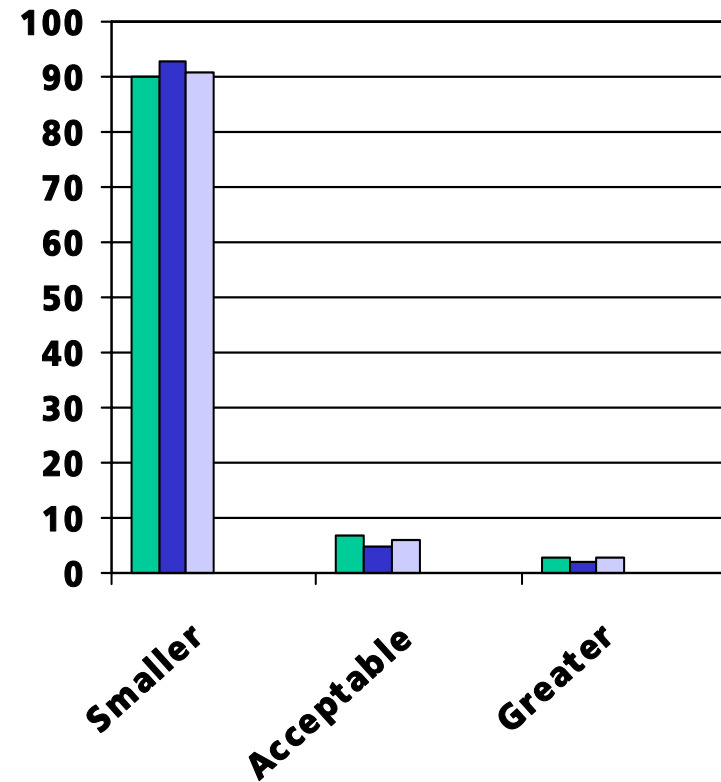
- Self-interest (social locations theory):
  - How does the issue affect me?
  - Individual social structural position
- Political predispositions theory
  - Individual attitudes results of long-held political predispositions or preferences
  - Grow out of family backgrounds, early experiences and social relationships
  - Tend to be fairly stable over time for most individuals

# Attitudes to income differences in Estonia and Latvia 1994, 1999, 2005

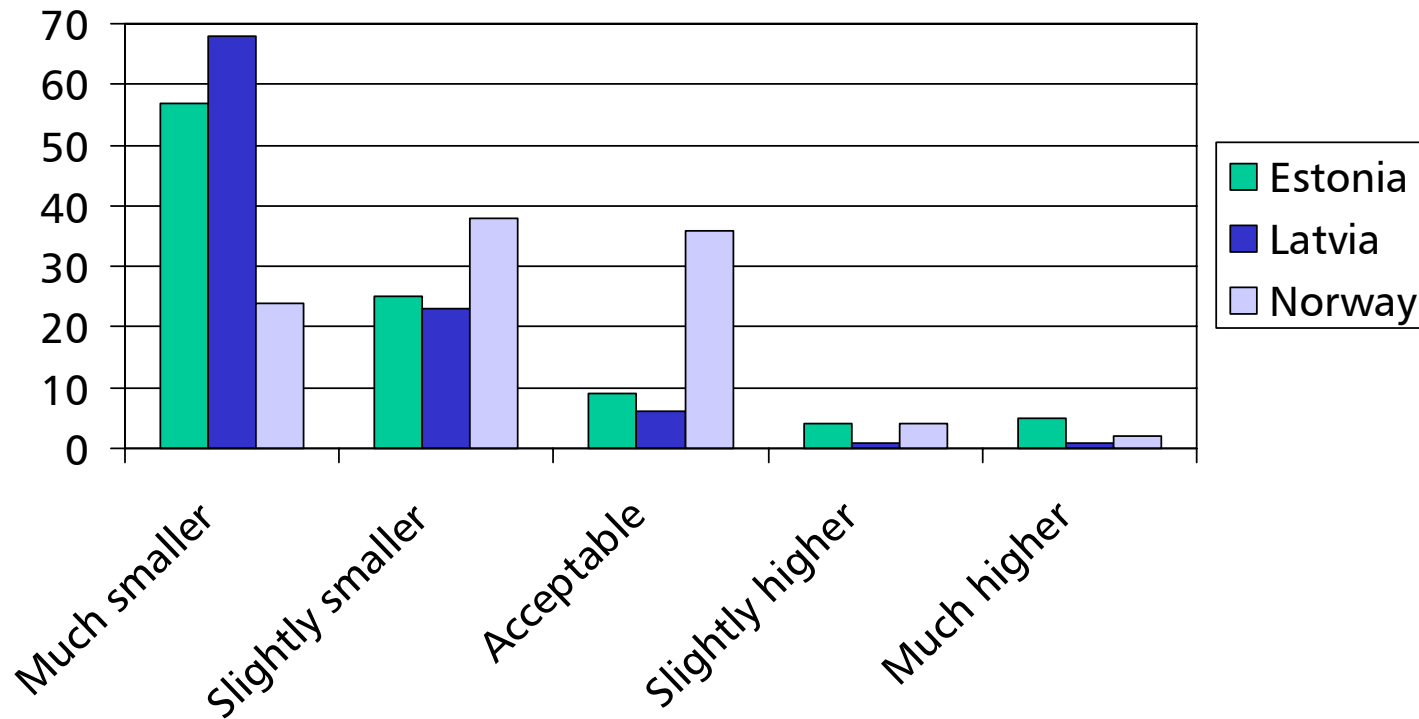
Estonia – 94,99,05



Latvia – 94,99,05

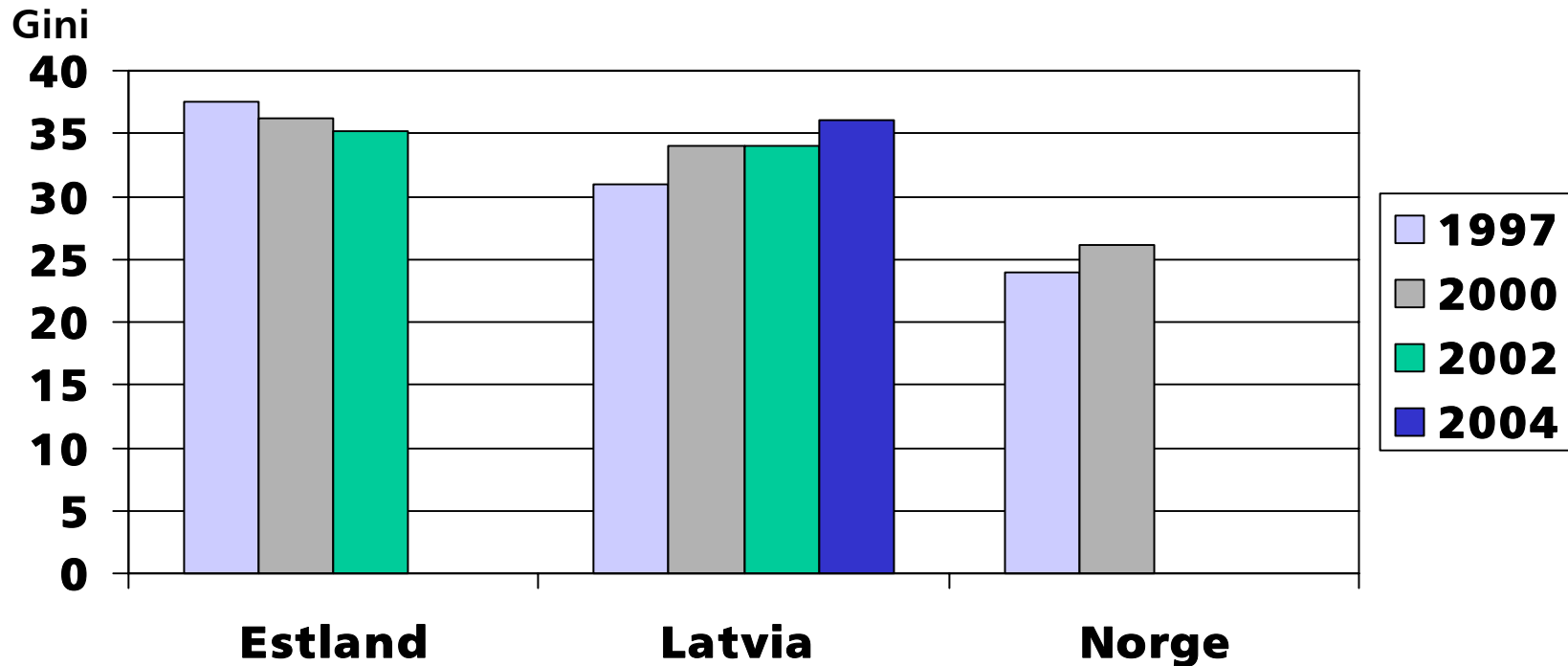


# Attitudes to income inequality in Estonia, Latvia and Norway 2005



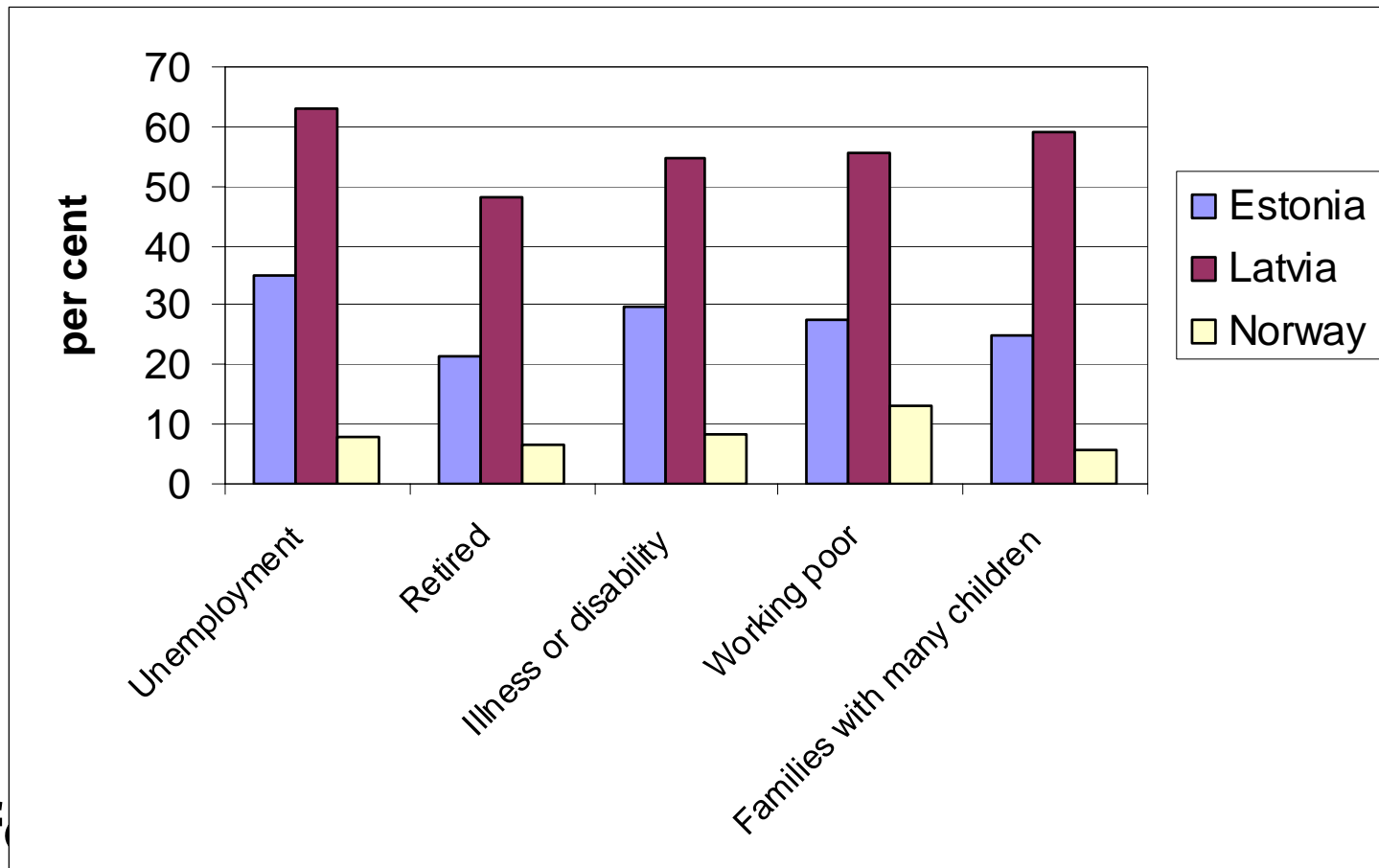
Is actual income inequality in country decisive factor in explaining attitudes?

- Higher Gini in Estonia/Latvia than in Norway, lower accept for income differences
- Changes in Gini do not appear to affect attitude to income differences a lot in the Baltics, but could differences between Estonia and Latvia also be explained by different directions in development of Gini?

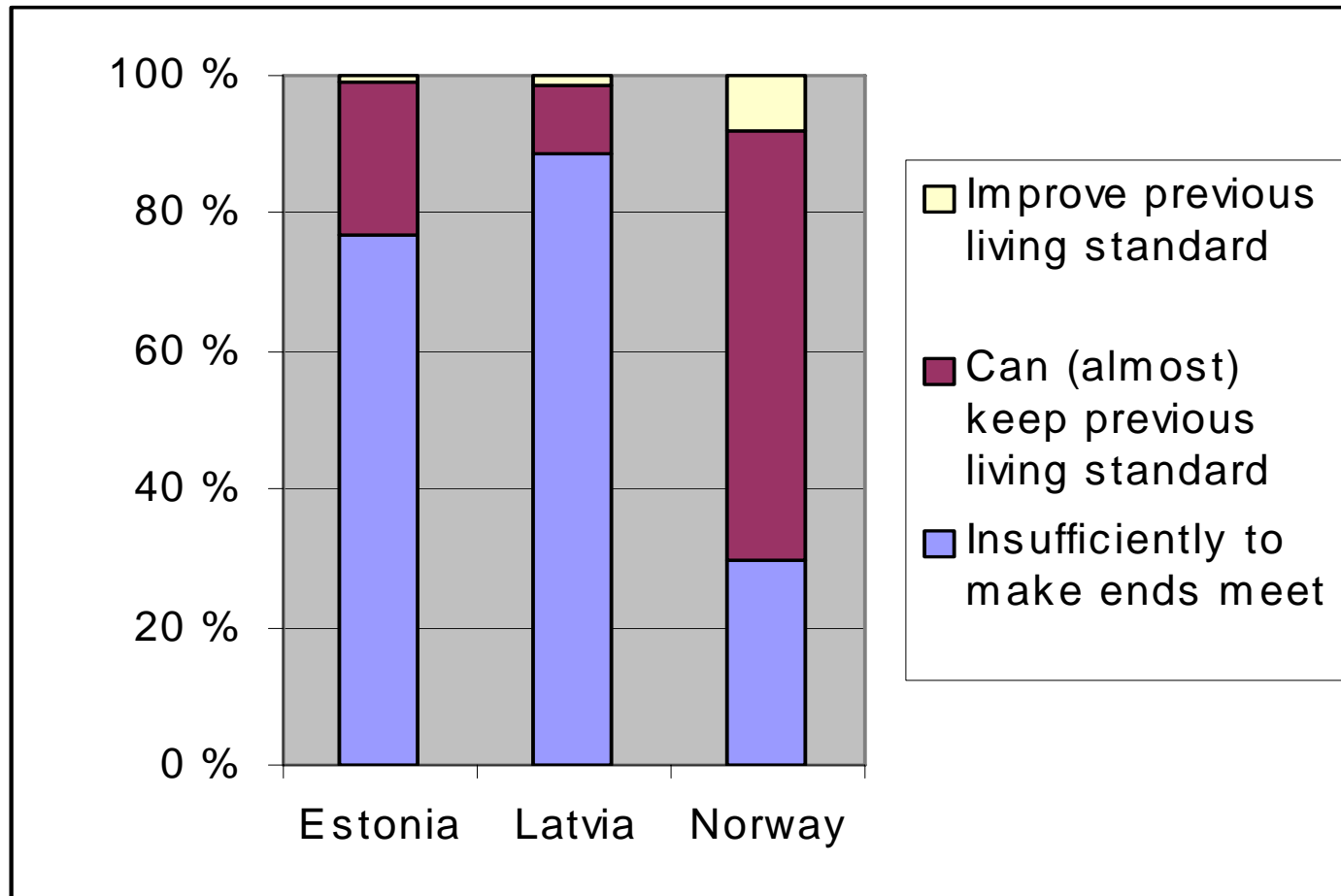


# How well secured are various vulnerable groups perceived to be?

Proportion indicating that various groups are **not** secured through current system for income security.

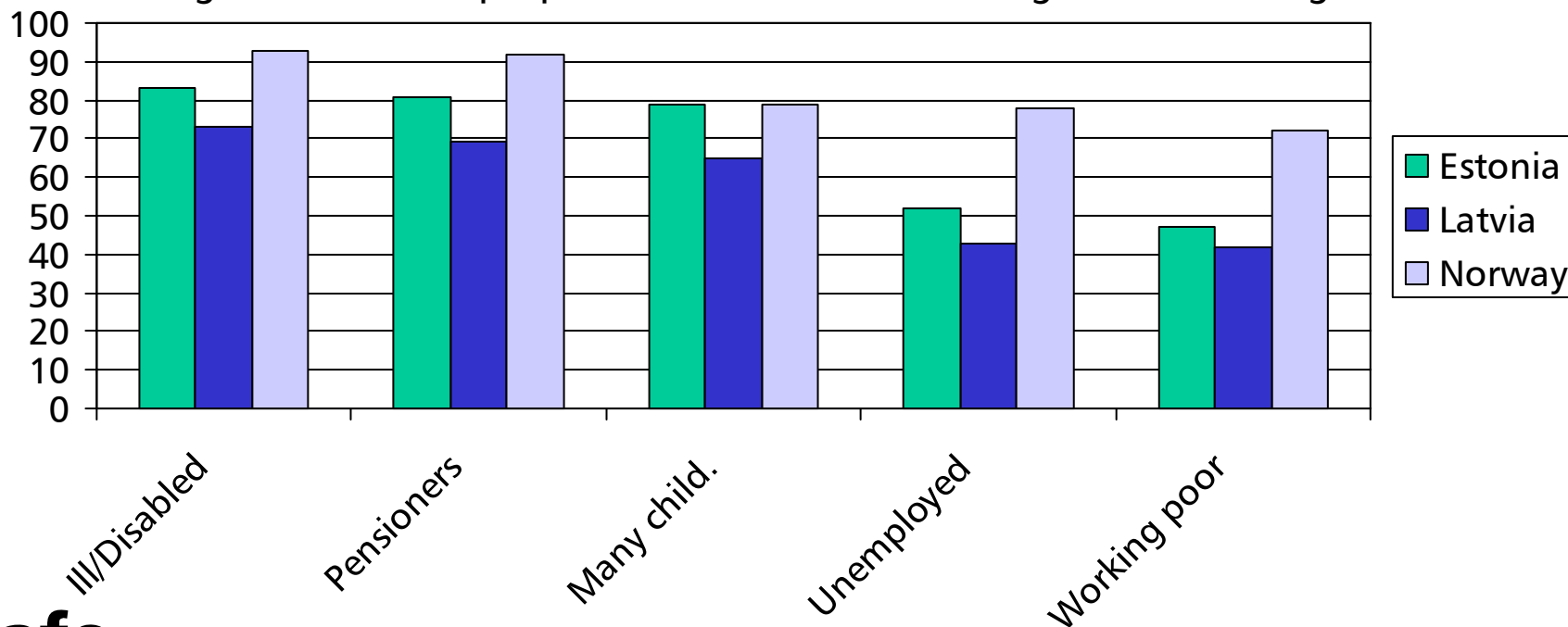


## Perception of own income security in case of loss of income?



## How well secured should the various groups be?

1. Support for at least "basic coverage" in all countries
2. Lower support for income security of unemployed and "working poor" in Estonia and Latvia
3. In Norway greater support for covering of normal living standard than in Estonia and Latvia
4. The figure shows the proportion in favour of covering a normal living standard



# What explains attitudes to level of income security?

## 1) Socio-economic characteristics?

- Country
- Age
- Sex
- Place of living
- Ethnicity
- Level of education
- Size of household
- Employment status
- Own economy

Regression analysis, where attitudes to income security system were aggregated into one index (normindex)

# What explains attitudes to level of income security?

1) What can be explained by socio-economic characteristics?

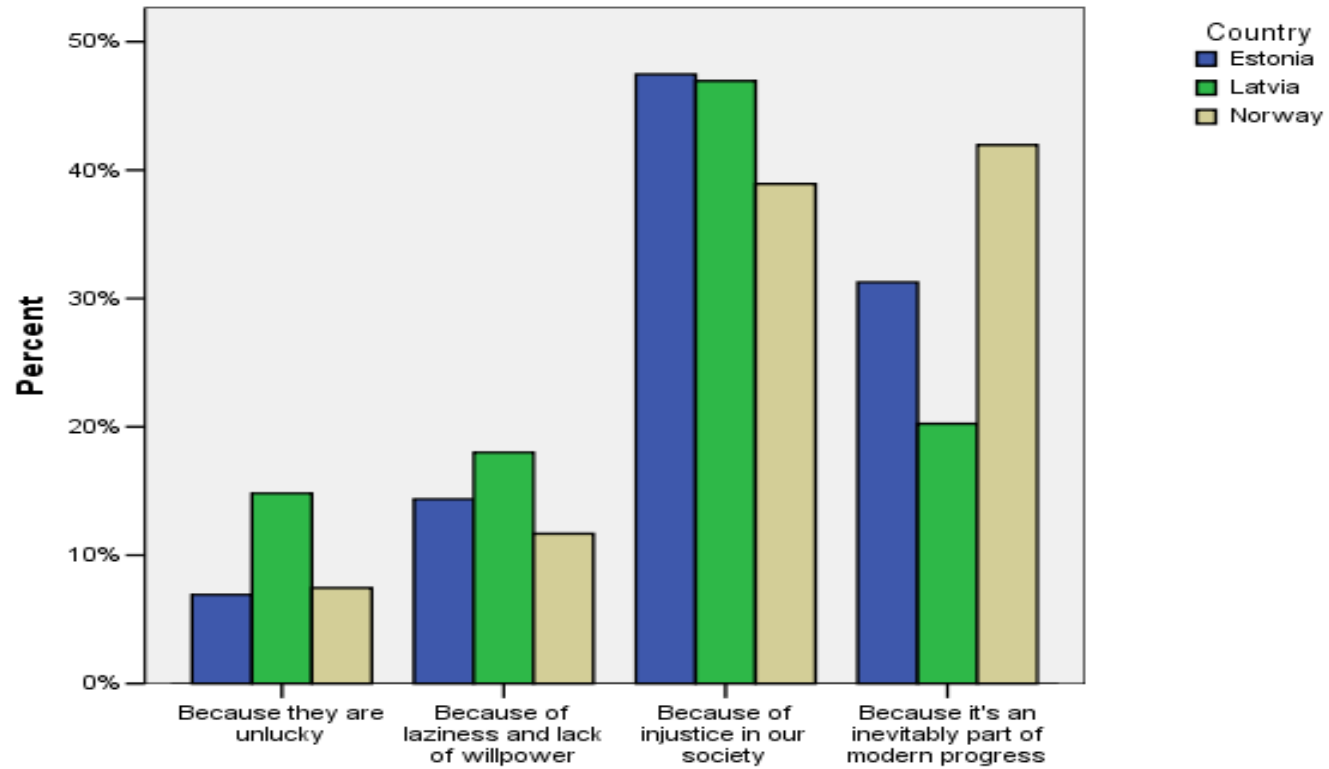
- Country +
- Age +
- Sex +
- Place of living 0
- Ethnicity +
- Level of education -
- Size of household 0
- Employment status 0
- Own economy 0

## What explains attitudes to level of income security – 2?

2) Inclusion in the model: ideology, views on income differences, perception of current situation, and own economic security.

- Country
- Age
- Sex
- Place of living
- Ethnicity
- Level of education
- Perception of current situation: index: how well are various groups secured?
- Perception of own economic security
- Attitude to income differences
- Indicator on ideology: Reason for poverty

# Reasons for poverty



## What explains attitudes to level of income security - 2

2) What is the impact of ideology, views on income differences, perception of actual situation and perception of own economic security?

- Country (Est/Lat vs Norway) -
- Age +
- Sex +
- Place of living 0
- Ethnicity +
- Level of education -
- Ideology – poverty caused by bad luck +
- Ideologi – poverty caused by laziness -
- Ideologi – poverty caused by injustice +
- People are well secured -
- I am well secured 0
- Income differences are too big -

## Main findings

- Attitudes to inequality appear to have several dimensions (one thing is income differences, another thing is
- Egalitarian attitudes concerning income inequality are not correlated to attitudes to level of coverage of the income security system, while this is the case in Norway
- Stronger division in the Baltic states than in Norway concerning division into 'worthy' and 'unworthy' poor
- Less degree of social polarisation in the Baltic countries than in Norway when it comes to perception of own and others' social security.

## **How to explain the main finding: Balts are more egalitarian when it comes to income equality, but less egalitarian when it comes to coverage of the income security system**

- Self interest – some support, but less than expected
- Political predisposition: Ideology / Soviet legacy, some support
- Rational cost-calculation, some support
- Combination of the three – or other explanations?

## For discussion

- Why more sceptical of income differences in Latvia than in Estonia?
- Are the marked perceptions of coverage of income security system in Estonia and Latvia in line with reality; and why does it not affect perception of own security so much?
- Which of the three explanations presented is most plausible – are there alternative explanations?
- Can public attitudes towards welfare programs influence changes in government welfare policies and programmes (directly or indirectly?). In the Baltic states it does not seem to have had a strong effect.