

Does information about inequality and poverty influence opportunity beliefs?

A survey experiment

Luis Maldonado, *Pontificia Universidad Católica de Chile* - lmaldona@uc.cl

Juan Carlos Castillo, *Universidad de Chile & COES*

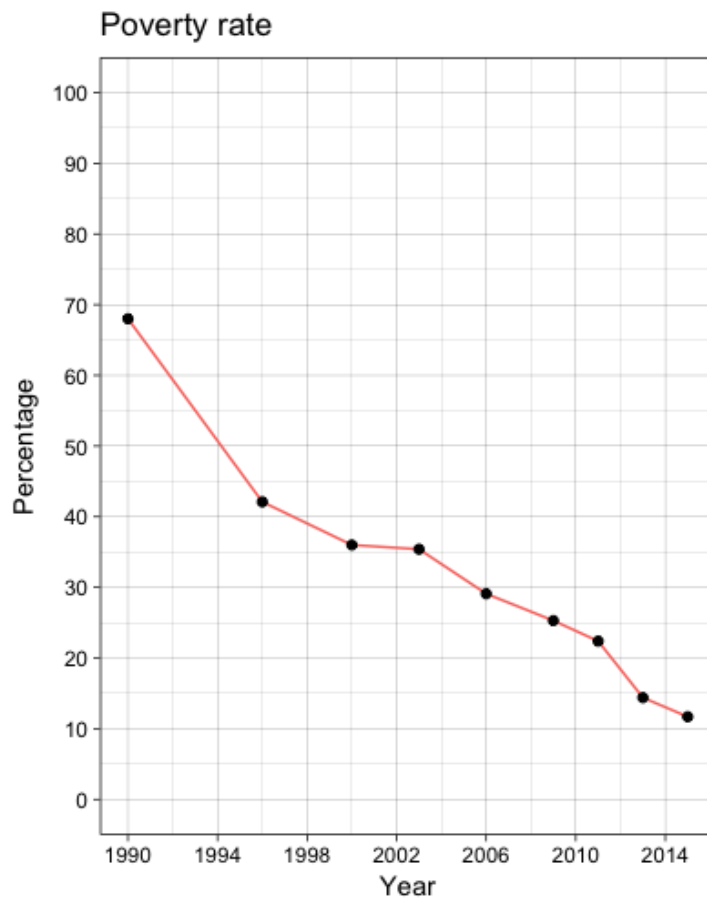
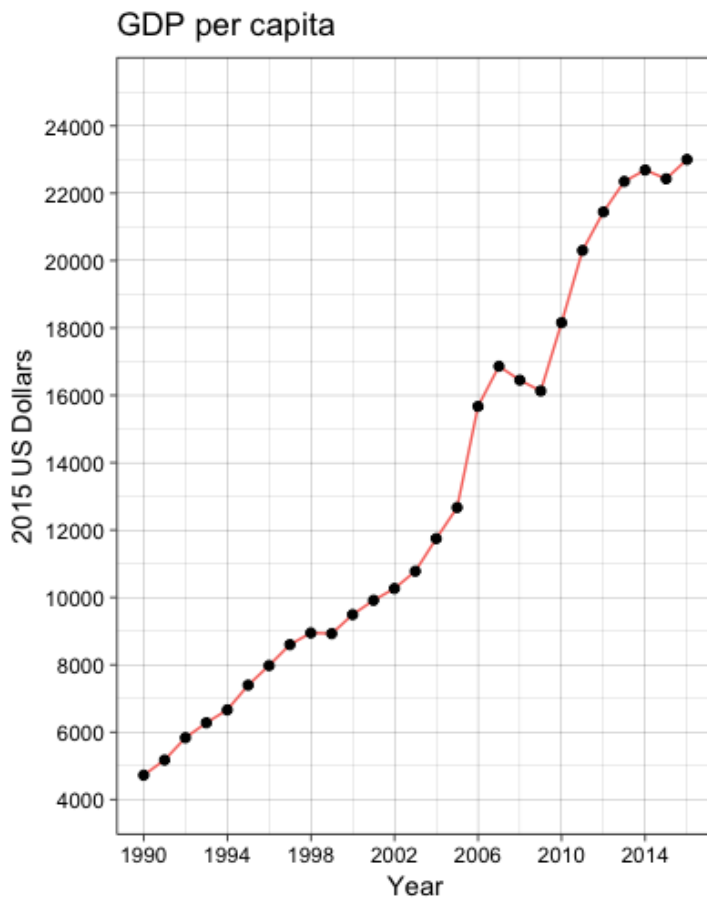
(Leslie McCall, *Stone Center of Economic Inequality*)

Background

Research context

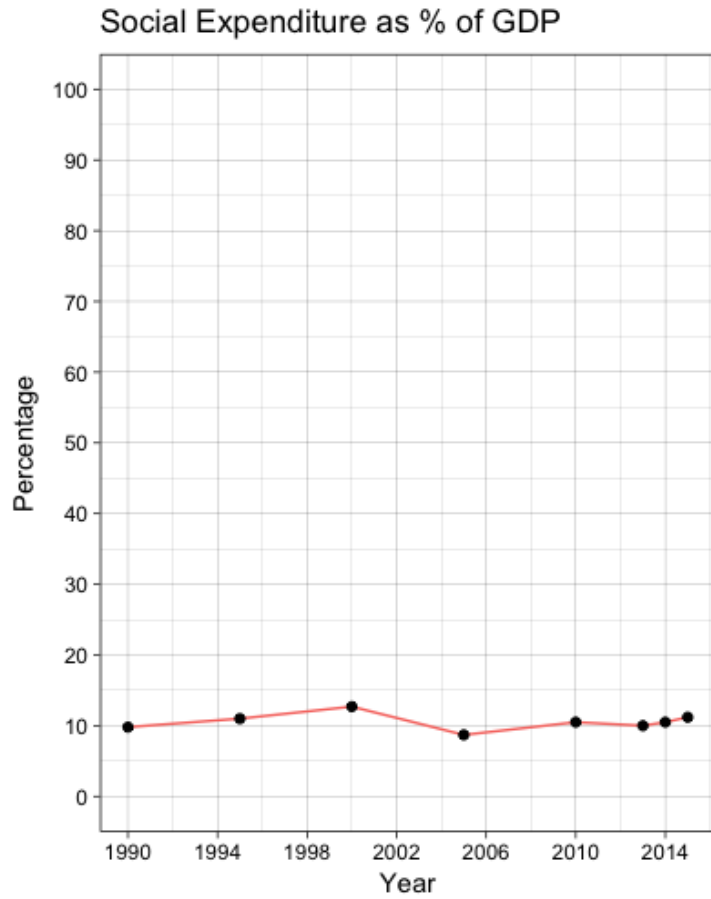
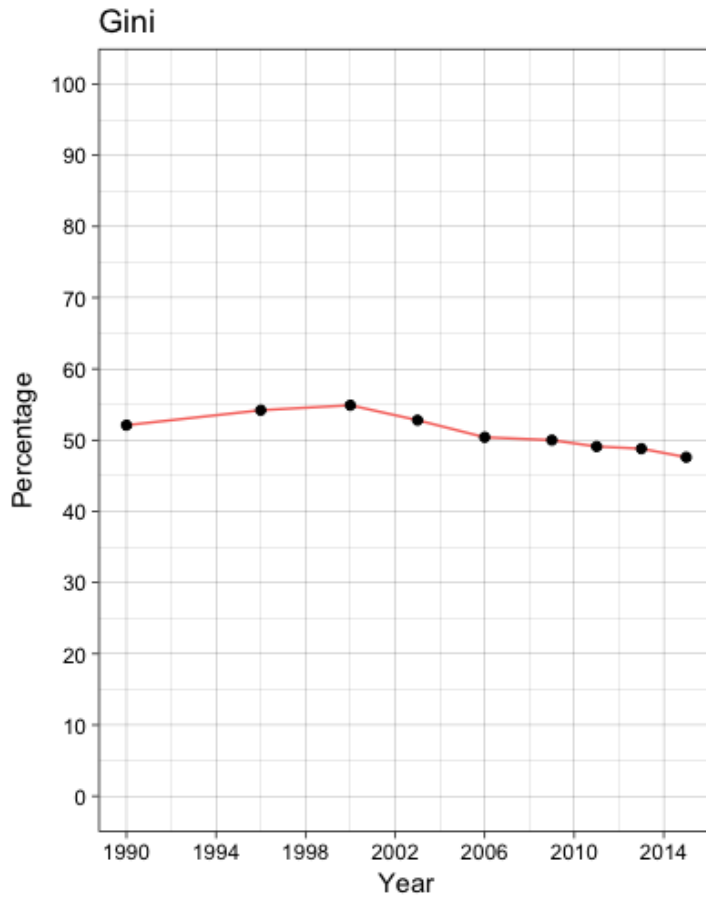
- FONDECYT grant 1160921: **The moral economy of meritocracy and redistributive preferences** (Juan Castillo, Luis Maldonado & Jorge Atria)
- 2016-2020
- Qualitative studies (interviews & focus groups)
- Secondary data analysis (ISSP)
- Survey experiments
- More information & updates on our project website in Researchgate: <https://www.researchgate.net/project/The-moral-economy-of-meritocracy-and-redistributive-preferences>

Country context



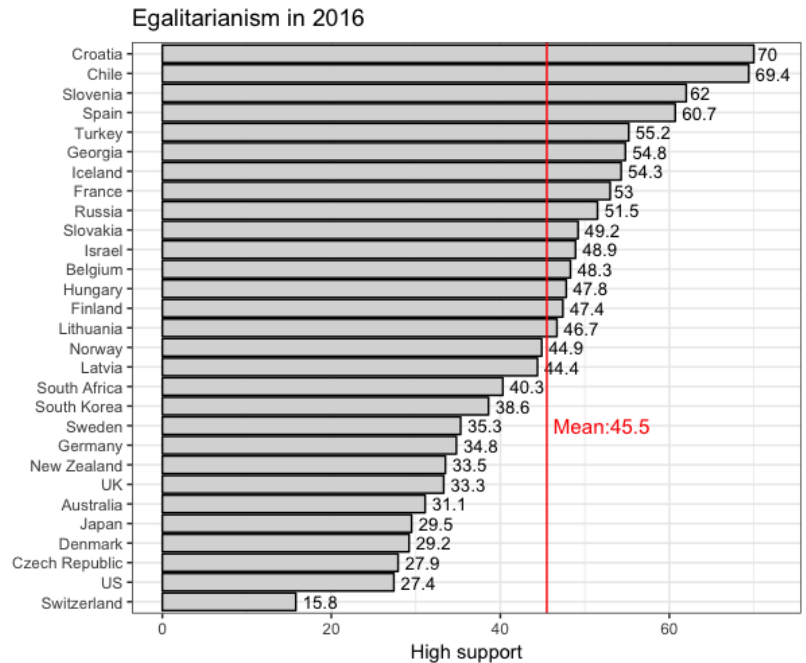
Source: OECD 2018 and PNUD 2017.

Country context



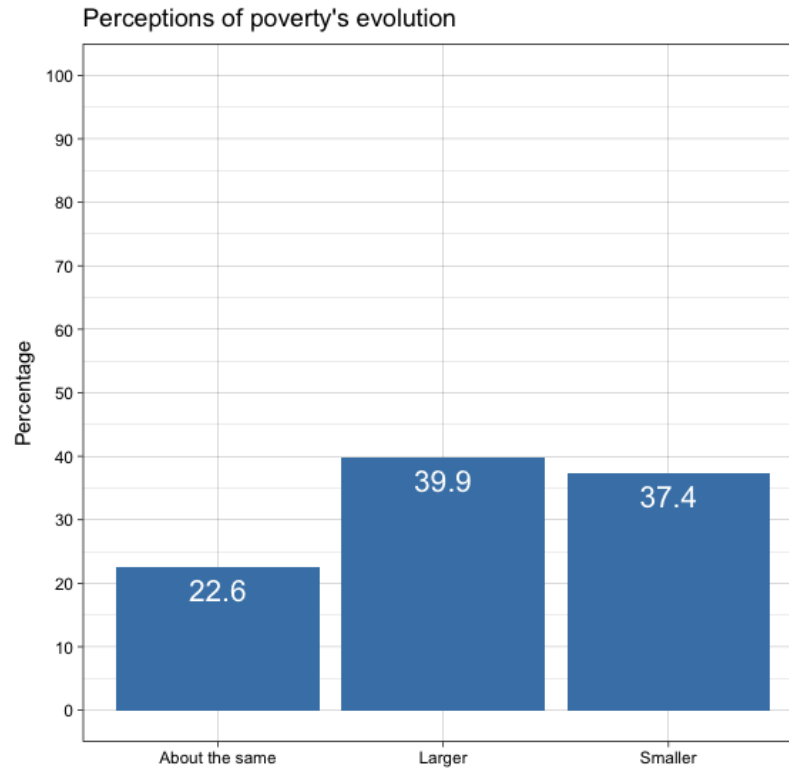
Source: OECD 2018 and PNUD 2017.

Country context



Source: WVS 1990-2012 and ISSP 2016. Figure on the left is level of agreement with *Incomes should be made more equal*; Figure on the right is option *Definitely should be the government's responsibility to reduce income differences between the rich and the poor*

Country context



Source: Pilot study (non representative of Chilean population). Question is: *Do you think that the quantity of poor people in Chile today is larger, smaller or about the same as it was 20 years ago?*

This study

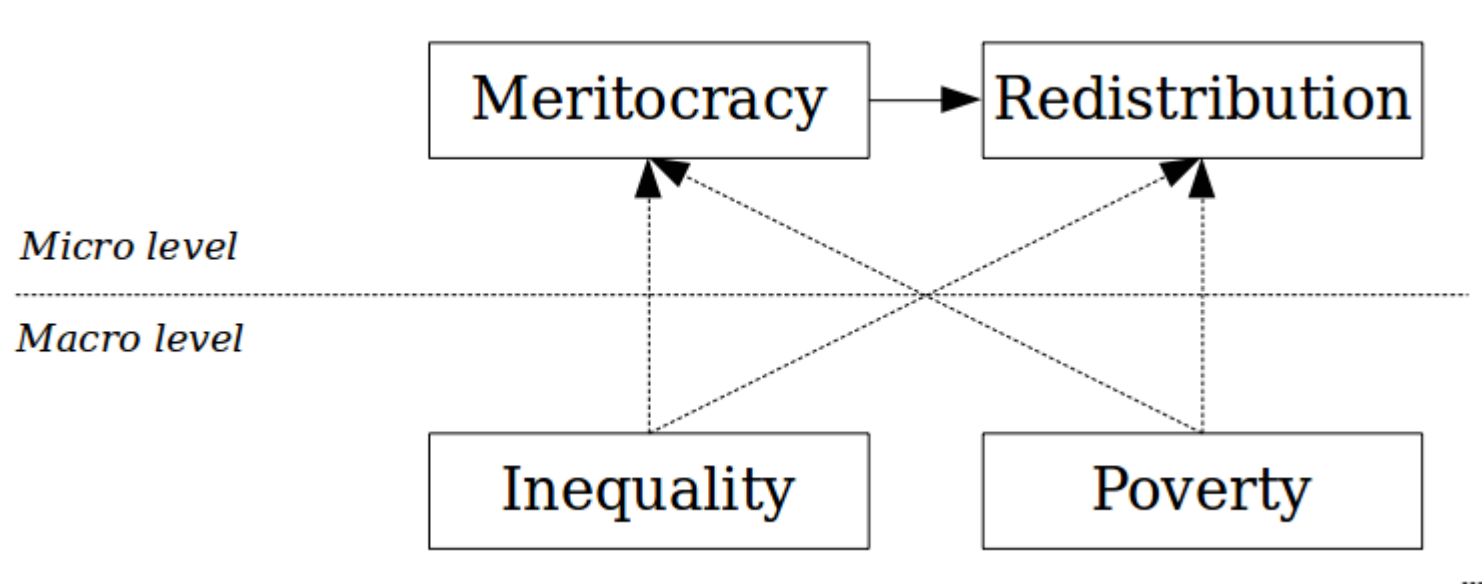
Main concept: Meritocracy

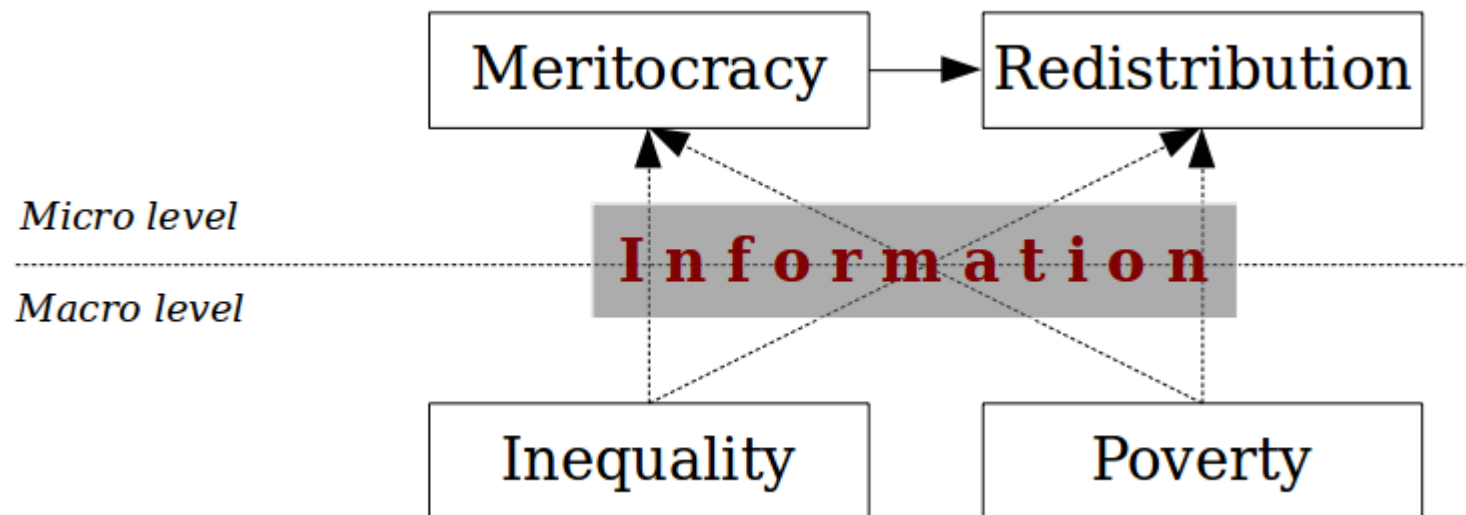
- Allocation of rewards according to personal effort and talent (Young, 1962)
- Considered as a "myth" that legitimates inequality in modern societies (Young, 1962; Hadjar, 2008; Kunovich and Slomczynski, 2007; McNamee and Miller, 2004; Arrow, Bowles, and Durlauf, 2000)
- Different meritocratic dimensions (Castillo, Torres, Atria, et al., 2018)
 - **perception** of meritocracy (descriptive)
 - **preferences** for meritocracy (normative)

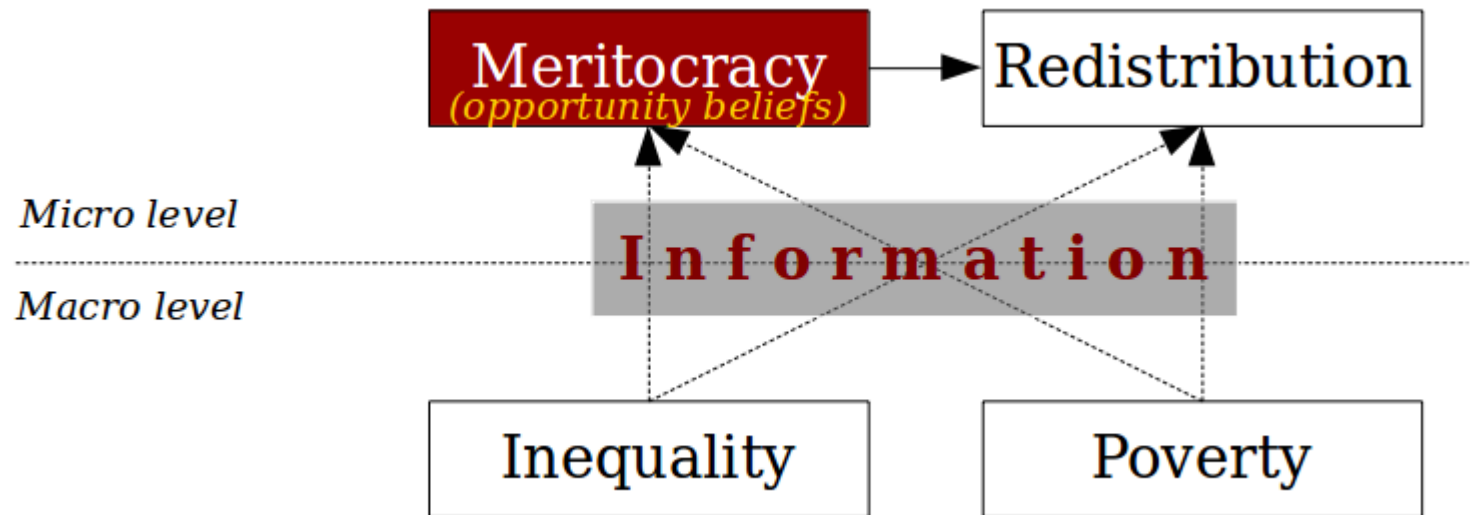
Meritocracy



Redistribution







McCall, Burk, Laperrière, et al. (2017)

- Inequality information -> opportunity beliefs ("get ahead" battery GSS/ISSP)
 - more weight to structural factors (as wealthy family)
 - less weight to individual factors (as hard work)

... we add

- Poverty information treatment
- Separate opportunity items instead of structural & individual factors
- Education item
- Previous knowledge checks

Objective & Hypotheses

- **Objective:** We examine whether exposure to objective information about economic inequality and poverty affects opportunity beliefs
- **Hypothesis:**
 - information about poverty reduction reinforce the meritocratic dream and therefore leads to believe more in individual than structural factors.
 - information about large inequality undermines the meritocratic dream and therefore leads to believe more in structural than individual factors.

Research design

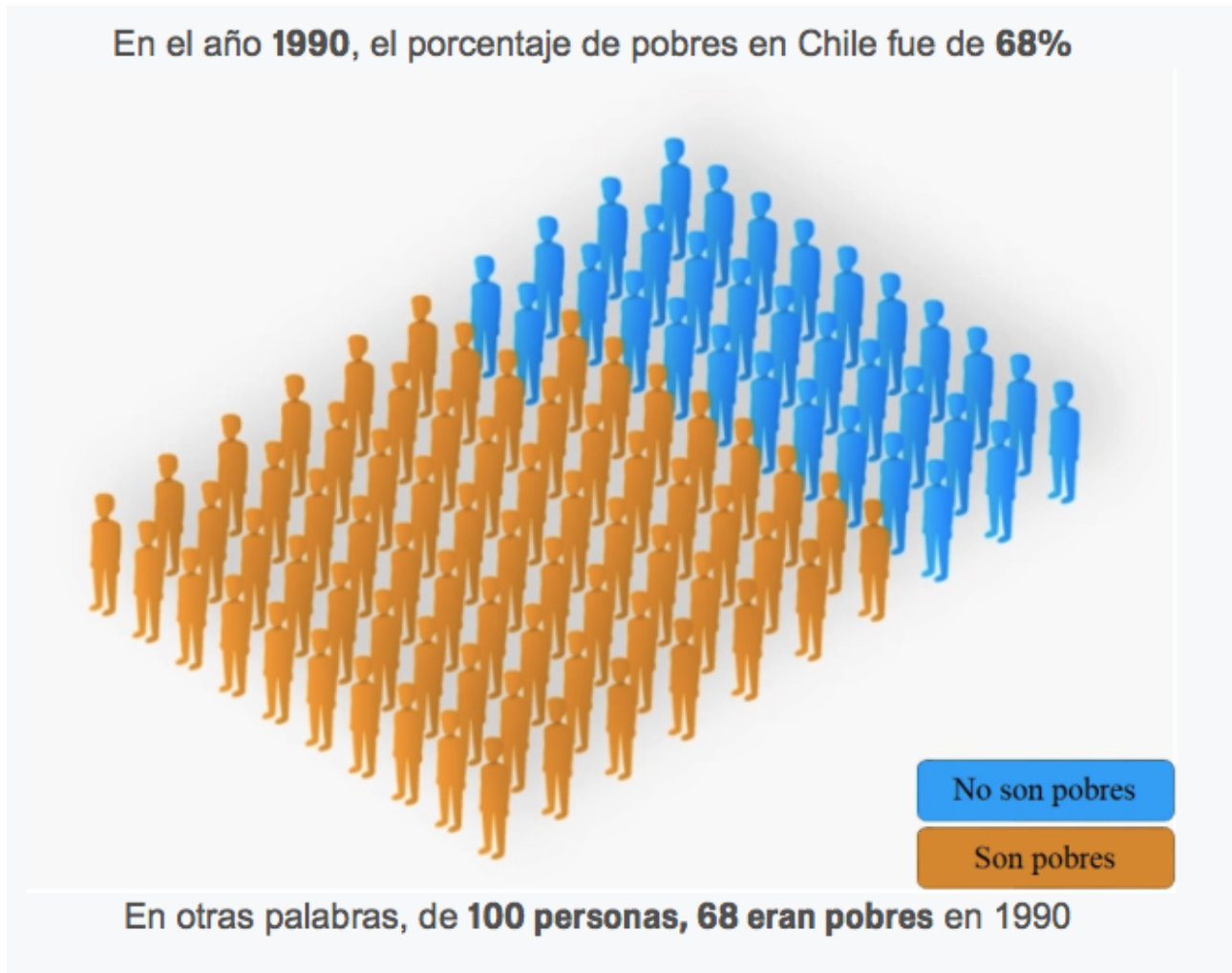
Data

1. Convenience sample for pilot study was collected in July (this week) 2019, by *Nequest*, an online panel company that works in Spain, Portugal, and Latin America.
 - N= 1,328 respondents that live in Santiago de Chile.
 - Duration (median): 11 minutes.
 - 96% of participants finish the questionnaire.
 - Effective sample has 794 respondents.
 - We use quotes for gender, education, and age: 55% women, 95% has secondary or higher.
2. Questionnaire and random assignment by using *Qualtrics*.

Treatments

- Three conditions
 1. **Poverty condition**: Information about evolution of poverty in Chile during 1990-2015.
 2. **Control condition**: Information about consume of cigarette in Chile during the last decades.
 3. **Inequality condition**: Information about income inequality in Chile in terms of index 10/10 that shows Chile as one of the countries with the highest income inequality within OECD.
- We designed *manipulation checks* for each one of these three conditions.

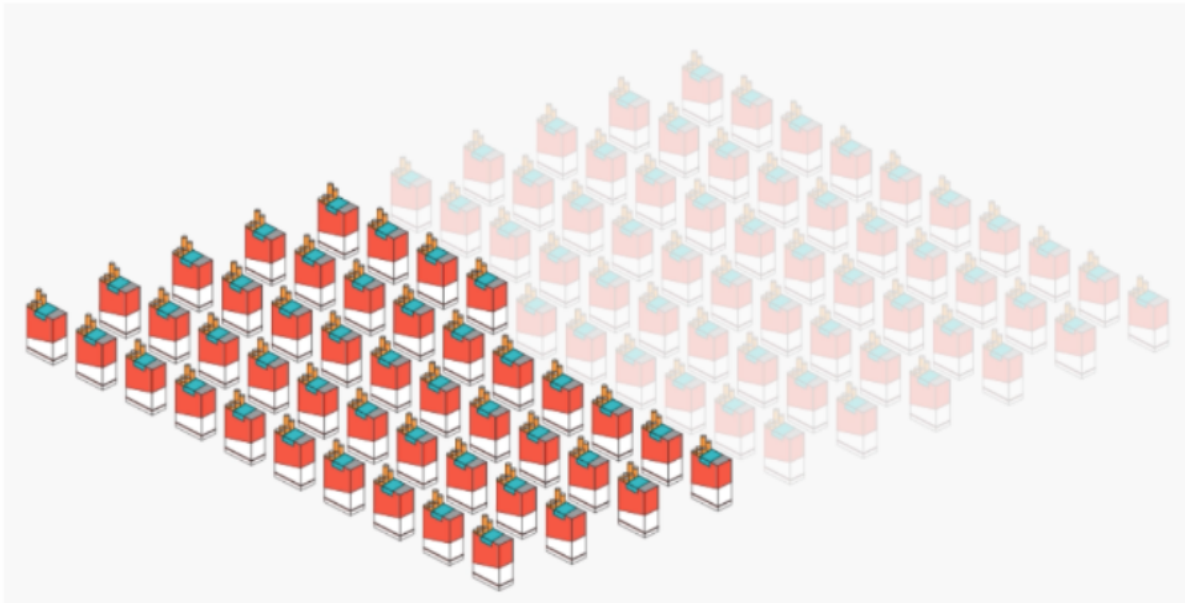
1. Poverty condition: "A series of studies show a decrease in poverty in Chile during the last decades ..."



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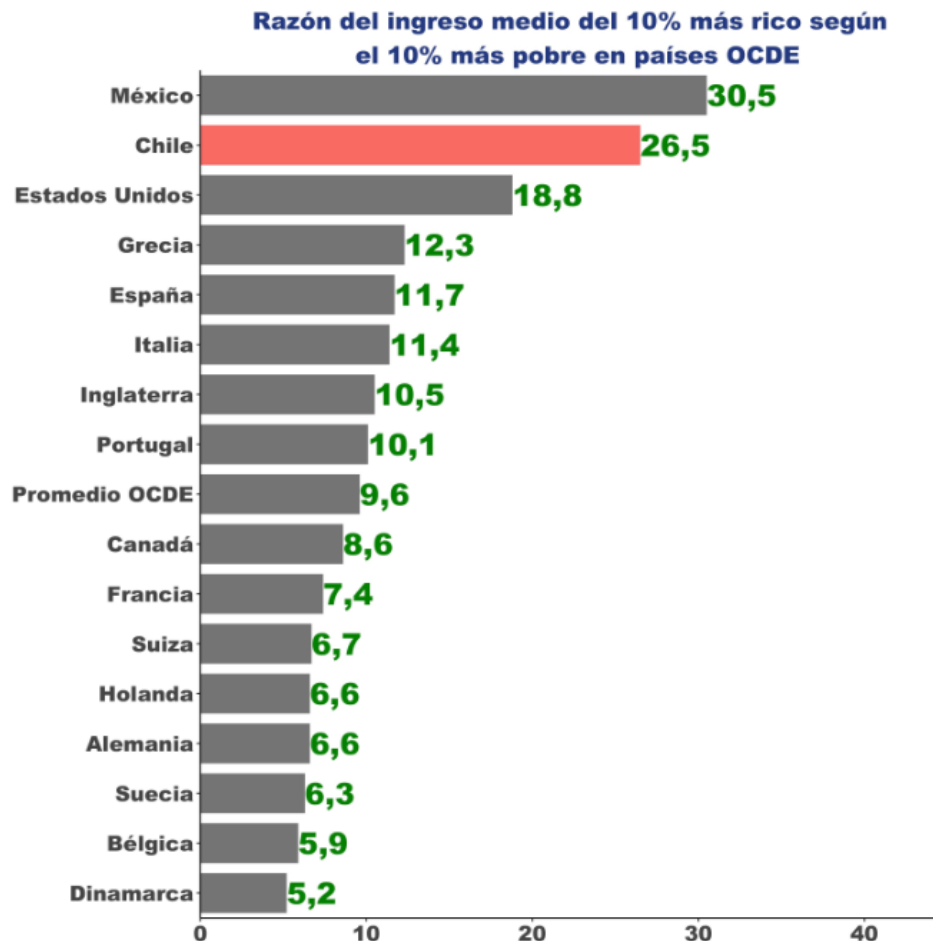
2. Control condition: "A series of studies show a decrease in cigarettes consumption in Chile during the last decades ..."

En el año **2003**, el porcentaje de consumo de cigarrillos en Chile fue de **44%**



En otras palabras, **de 100 personas, 44 eran fumadores** en el año 2003

3. Inequality condition: "A series of studies show that Chile presents a high level of economic inequality ..."



Outcomes & moderators

- Opportunity beliefs: Battery of ISSP, social inequality module.
 - **Structural factors**: a) coming from a wealthy family and b) having well-educated parents.
 - **Individual factors**: c) hard work and d) ambition.
 - We also use the item e) having a good education yourself.
- Moderators:
 - **Egalitarianism**: "income should be made more equal, even though individual effort is not rewarded" (1), or "individual effort should be rewarded despite of generating income differences" (10)
 - **Perception of poverty evolution**: increased; the same, decreased.

Covariates and method

- **Covariates**: socio-demographic characteristics.
- **Methods**
 - Randomization: Covariates are balanced among treatment conditions.
 - Responses to manipulation checks are associated with socio-demographic variables.
 - Intent to treat effect (ITT) with regressions for ordinal dependent variables.

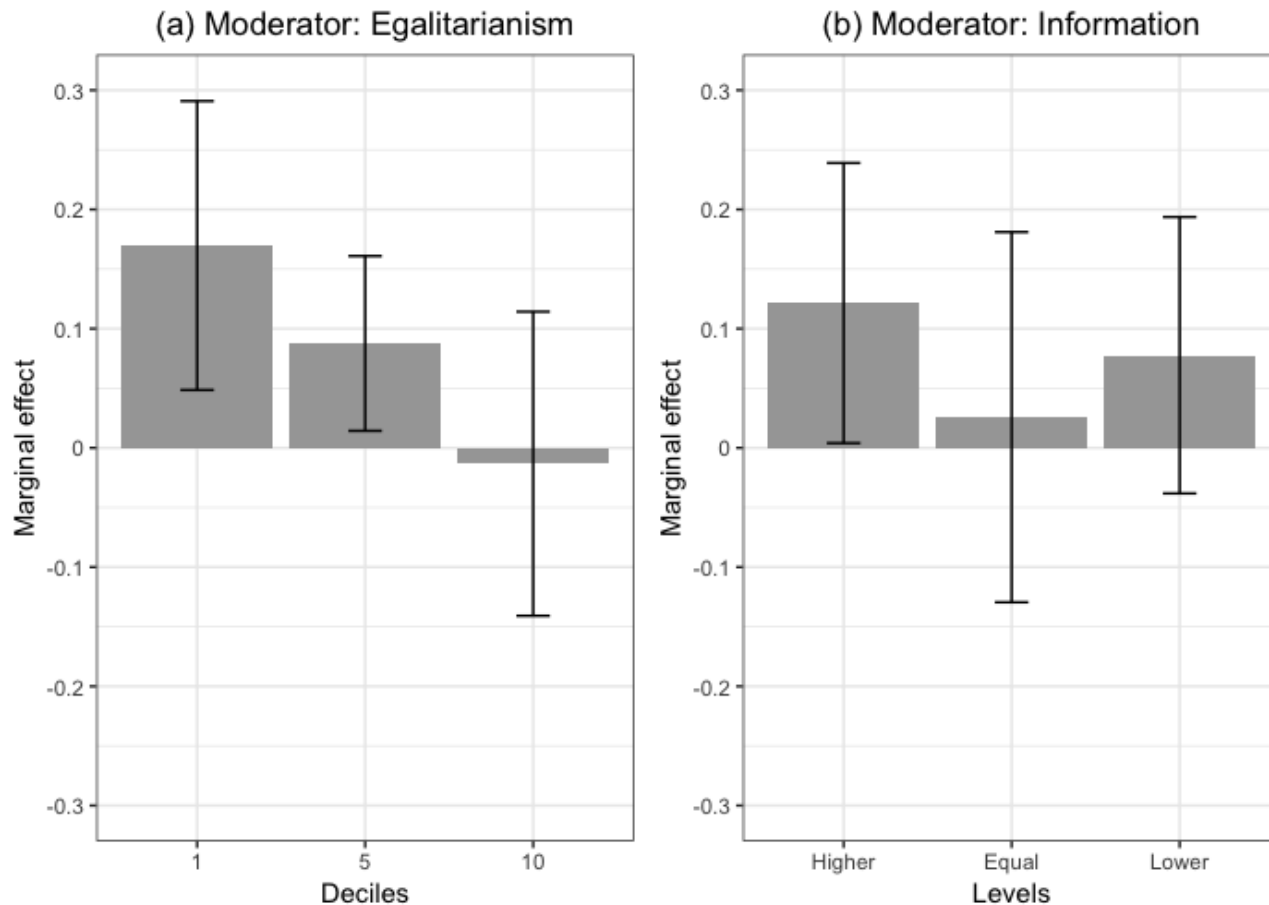
Results

Treatment effects: Ordinal logit, odds ratios

	Family	Parent educ.	Education	Ambition	Hard work
Poverty	-0.98 (0.15)	-0.91 (0.14)	1.46** (0.23)	1.16 (0.18)	1.18 (0.19)
Inequality	1.44** (0.23)	1.15 (0.18)	1.20 (0.19)	1.04 (0.16)	1.31* (0.21)
N	794	794	794	794	794

***p < 0.01, **p < 0.05, *p < 0.1

The effect of poverty condition on having a good education yourself by moderators



Discussion

- Critical role of contexts: increasing economic opportunities vs. higher economic inequality.
- Significant effect of poverty's information on *having a good education yourself*.
- Opportunity model of beliefs about economic inequality
 1. **Open question I:** Descriptive analysis suggests a rising demand for redistribution in a context of increasing economic opportunities.
 2. **Open question II:** Explanatory mechanisms of the effect of perceptions of economic inequality on opportunity beliefs.

Current stage: Design of the final study

1. Effect of information about inequality and poverty on opportunity beliefs

- Online Panel by using Netquest with three waves: a) first to collect pre-treatment information (covariates and moderators); b) treatments and outcomes; c) follow up to evaluate persistence of the effects.
- To include all relevant items to measure opportunity beliefs.
- Moderation: egalitarianism and perception of poverty development.

2. Registration of pre-analysis plan.

References

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... also with the contribution of our research assistants Julio Iturra & Constanza Ayala