

Do we still care about inequality?

Karen Rowlingson, Michael Orton and Eleanor Taylor



Income inequality in the UK rose dramatically after 1979 and now stands at historically high levels. It is the subject of increasing attention and there is growing evidence that inequality has negative effects on health, crime, happiness, social mobility and social cohesion. Understanding the public's attitudes to inequality and redistribution, and how they may alter over the current 'period of austerity' is important for policy makers and commentators alike. So what does the British public think about inequality and redistribution? This summary reviews the findings from an ESRC-funded study which analysed data from the 2009 British Social Attitudes survey. Key findings are:

- There is high – and growing – concern about income inequality with 78% thinking that the gap between those with high incomes and low incomes is too large, up from 73% in 2004
- Income inequality is seen as having negative impacts, with 63% saying that large differences in people's incomes contribute to social problems like crime and only 27% saying that large differences in people's incomes are necessary for Britain's prosperity
- The majority of the public believe the government should act to reduce income inequality: 57% say it is the responsibility of the government to reduce the differences in income between people with high incomes and those with low incomes (only 19% disagree)
- Slightly more people support redistribution than oppose it: 36% say that government should redistribute income from the better off to the less well off; 34% disagree; 27% neither agree nor disagree. Support for redistribution has increased since 2004, and is at the same level as in 1999
- Support for how to reduce income inequality depends upon how questions are asked - there is support for redistributive policies, but less when words like 'redistribution', 'poverty' and 'poor' are used directly.
- The public are particularly supportive of reducing inequality through better education or training opportunities (supported by 62%). Over half of the public also support reducing taxes for those on low incomes and increasing the minimum wage

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Of course, that is not to say that politicians will necessarily engage with public opinion, either to build policy around it or indeed to challenge it. However, understanding how people feel about inequality and redistribution and how that altered during the previous administration, will be a sound starting point for monitoring how they may change in coming years.

So what does the British public think about inequality and redistribution? The British Social Attitudes survey includes a number of questions which allow us to explore these issues. Some of these questions have been asked periodically since 1987. Others are part of a new set of questions asked in 2009, which were designed to understand in more depth how the public perceives income inequality. The



2009 survey on which this study was based, captures people's views a year into recession and in the final year of the Labour government. Recent analysis of the data found that a majority of the British public saw the gap between high and low incomes as too large. For example,

- 78% think the gap between those with high incomes and low incomes is too large, up from 73% in 2004
- 73% say differences in income are too large, up from 63% in 2004
- 60% agree that working people do not get their fair share of the nation's wealth, up from 53% in 2004

One of the reasons that people appear concerned about income inequality is that it is seen as having a negative rather than a positive impact:

- 63% say large differences in people's incomes contributes to social problems like crime
- Only 27% say large differences in people's incomes are necessary for Britain's prosperity

For these reasons, the public believe the government should act to reduce income inequality:

- 57% say it is the responsibility of the government to reduce the differences in income between people with high incomes and those with low incomes (only 19% disagree)

Only a minority positively support redistribution but more people support redistribution than oppose it.

- 36% say that government should redistribute income from the better off to the less well off; 34% disagree; 27% neither agree nor disagree
- Support for redistribution has increased since 2004, and is at the same level as in 1999

Support for government intervention to reduce income inequality depends upon how questions are asked - there is support for policies which are, in effect, redistributive, but less when particular words like 'redistribution', 'poverty' and 'poor' are used directly. For example:

- 51% say the government should provide a decent standard of living for the unemployed
- But only 27% say the government should spend more on welfare benefits for the poor, even if it leads to higher taxes. This has decreased over the last two decades; in 1991 well over half (58%) said the government should spend more on welfare benefits.



There are four other main ways that people support reducing inequality.

- 62% say better education or training opportunities should be provided to enable people to get better jobs
- 56% say taxes for those on low incomes should be reduced
- 54% say the minimum wage should be increased
- 40% say taxes for those on high incomes should be increased

People do not believe that there is equal opportunity in Britain.

- 80% say children from better-off families have many more opportunities than children from less well-off families
- 68% say some people have higher incomes than others because they are born to rich parents and have advantages from the start
- Only 27% say people in Britain today have similar opportunities regardless of their income

Why is there a relative lack of support for redistribution?

The fact that only a minority directly support redistribution appears to be a puzzle (Orton and Rowlingson, 2007). If people see income inequality as too great, why do people generally not support policies to directly reduce inequality?

Part of the issue seems to be with the term 'redistribution', as more people answer favourably about redistribution when the general principle is put forward without the explicit term. This could be due to the reluctance of parties on the left to talk positively about redistribution, which has become synonymous with an 'Old Labour' 'tax and spend' approach. Our findings suggest that political leaders and lobby groups have a major opportunity to influence public opinion here. More than a quarter of the public currently sit on the fence over redistribution – neither supporting nor opposing it. Convincing arguments could be made to sway public opinion here.



The public is, however divided on this issue but explicit support for redistribution still seems relatively low in comparison with levels of concern about income inequality. We came up with three possible explanations which might explain this apparent puzzle. Each seems to play a part, with no one single explanation solving the puzzle. One explanation for lower levels of public support for redistribution – in comparison to levels of concern about income inequality – is self-interest. Those on higher incomes, who might lose out from redistribution, are less likely to support redistribution than those on lower incomes. But self-interest cannot explain views about redistribution entirely, given that a quarter of those on higher incomes, who say when asked that they put themselves first over others, still support redistribution. Perhaps some of these see it in their own best interests to reduce inequality (for reasons of social cohesion or economic performance). Moreover, support for redistribution is by no means universal among those on lower incomes, who are the likely beneficiaries.

Another part of the puzzle can be solved by understanding people's underlying beliefs about inequality. Those who see inequality as caused by factors outside people's control (e.g. social injustice or bad luck) are much more likely to support redistribution than those who see it as due to laziness on the part of 'the poor' and hard work on the part of



'the rich'. Likewise, those who see inequality as morally wrong are much more likely to support redistribution than other groups. There is not a strong relationship between people's income levels and their underlying beliefs (that is, people's underlying views do not simply reflect their own self-interest) and it is clear that both income and underlying beliefs are independently important in affecting attitudes to redistribution.

The third explanation is that people may support other kinds of government intervention aimed at reducing income inequalities. So while some may not support 'redistribution' explicitly, many support policies which are implicitly redistributive. For example there is a strong concern about lack of equal opportunities for children and so strong support for policies which would promote more equality of opportunity. However, the public recognises that equal opportunities and equal outcomes are linked and that government action is needed on both fronts. In particular, people are concerned about those on the lowest incomes. There is strong support for a minimum standard of living for everyone and also strong support for lower taxes for those on low incomes.

At a time when the recession and resulting cuts in public expenditure look set to impact most on those at the bottom, it seems that the British public will be concerned about consequential increases in income inequality.

About the study

The study, *Income inequality - making sense of British social attitudes* was funded by the Economic and Social Research Council (RES-062-23-1671) and involved placing a module of questions on the 2009 British Social Attitudes Survey (BSA). The BSA has been conducted annually since 1983 and is the country's leading social research survey. The survey is based on representative samples of around 3,500 adults, with findings published each year in an edited book. The datasets are also deposited at the Data Archive at the University of Essex. Each annual survey contains a number of core questions designed to measure people's underlying values and background characteristics. In addition, each year the questionnaire contains special modules designed to focus on particular topic areas.

For further information about this study, see: Rowlingson, K, Orton, M and Taylor, E (2010) 'Do we still care about inequality?' in Park, A, Curtice, J, Clery, E and Bryson, D (eds), *British Social Attitudes: the 27th report: exploring Labour's legacy*, London: Sage.

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