Class Identification in Modern Democracies: A Comparative Study of its Sources and Effects

by

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A thesis submitted in conformity with the requirements for the degree of Doctor of Philosophy
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Abstract  

This dissertation explores the extent to which people are class aware in modern democratic society. I investigate whether the positions people occupy in the class structure, and the perceptions of where they think they fit, influence attitudes toward economic inequality. This research also considers the social and political consequences of national-level income inequality for class awareness. Market household income inequality has grown substantially in most modern societies since the 1990s. At the same time, government effort to reduce inequality has waned. I examine whether attitudes differ in countries with low and high inequality, and whether class awareness plays a role in shaping how people think about economic inequality. I find that class identities are more polarized in unequal societies, and that even if people perceive inequality as legitimate, they would prefer it to be reduced if it might improve their own economic position.  

My findings suggest that people’s class identities and their preferences for inequality strongly reflect their economic positions. Yet, I also find that class attitudes change at different levels of income inequality. This is because when inequality rises more people in society feel its
adverse effects. My research shows that people across the class structure in all societies understand how economic inequality affects their lives. More importantly, people understand how they might benefit from inequality changing. This awareness holds significant policy implications, especially if inequality continues to grow.

These conclusions are drawn from two sources of individual-level survey data spanning nearly two decades. Each substantive chapter employs a cross-national analysis. In total, I investigate class identification and awareness in 42 countries, using three waves of the World Values Survey (WVS) collected from 1990-2006, and two waves of the International Social Survey Program ( ISSP) Inequality Module collected from 1999-2009. I extract country-level data from various sources, including the Luxembourg Income Study (LIS), the Organization for Economic Co-operation and Development (OECD), the Standardized Income Inequality Database (SWIID), the World Bank (www.worldbank.org), and the CIA World Factbook (www.cia.gov).
This dissertation is dedicated to my father, James E. Curtis.
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Lastly, I thank my father James Curtis. He passed away before I began my Ph.D., but I thought about him every day as I wrote this dissertation. Although I did not realize it at the time, we talked about sociology together my entire childhood and young adult life. Reading his research after his death brought me great joy, and motivated me to pursue a career in sociology. I am proud to be given the opportunity to follow in his footsteps in Canadian sociology. I dedicate this dissertation to him.
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Chapter 1
Introduction

1 Introduction

It is commonly argued that social class now has little influence on political and economic values (Nisbet, 1959; Bell, 1974; Inglehart and Rabier, 1986; Inglehart, 1987; Clark and Lipset, 1991; Inglehart and Abramson, 1994; Pakulski and Waters, 1996; Inglehart and Abramson, 1999). Recent economic developments present a challenge to this idea, however. Specifically, most modern democracies have been marked by two important trends over the past few decades: 1) a drastic rise of income inequality (Firebaugh, 2000; Goesling, 2001; Fischer and Hout, 2006), and 2) profound cuts to income redistribution and social spending (Joakim and Svallfors, 2013). These two trends have important implications for class awareness and class-based politics, as recent economic and political changes have led to increasingly strong social divisions, and greater class polarization around economic values (Rokeach, 1973; McClosky and Zaller, 1984; Feldman, 1988; Zaller and Feldman, 1992; Heath et al., 1994; Evans et al., 1996). While these changes have led to class mobilization in some countries (Korpi, 1980; 1983; 1989; 2006; Svallfors, 1997; 2008) others remain unchanged and unequal. More importantly, some researchers have argued there has been little public reaction to these trends and their consequences (Uslaner, 2002; Uslaner and Brown, 2005; Osberg and Smeeding, 2006; Yaish and Andersen, 2010). This suggests people may not be concerned about rising inequality, and feel that governments need not worry about reducing it.

If true, this implies that most people do not understand how inequality affects their lives, or that class awareness has become markedly low. These arguments are often put forward by commentators who argue that class has lost its political significance. My thesis is motivated by
these claims. Declining class politics does not necessarily mean that people lack class awareness. Engaging politically is often motivated by organizational structures, such as belonging to a union or other politically oriented groups. It is possible that people are class aware, but that political organizations lack the power necessary to motivate class politics. In other words, declaring that people lack class awareness because of waning class politics is a spurious conclusion. Following this logic, my thesis seeks to understand class awareness in modern society by exploring the relationship between socioeconomic status, class identification, and attitudes toward inequality. If people are class aware, then they should correctly identify their position in the class structure, and hold attitudes about inequality that reflect economic self-interest.

These questions are worthy of exploration, because without class awareness and the desire for government effort to counterbalance market-driven inequality, reducing income differences will be unlikely. This is because, as previous research has shown, redistribution and income equality are often motivated by public demand (Brooks and Manza, 2006). It is not just the working class who benefit from social spending. Early research shows the entrenchment of redistributive policies often reflects cross-class compromises (Hall and Soskice, 2001; Pierson 2001; Mares, 2003) stemming from democratic class struggle (Andersen and Davidson, 1943; Esping-Andersen, 1990; Korpi and Palme, 2003). In this regard, welfare state programs are encouraged by employers in cross-class alliances between the middle and working class (Mares, 2000) because “the need to promote employee investment in occupational skills is assumed to drive competing employers to support welfare state programs, which are functional for increased competitiveness” (Korpi, 2005: 4). In other words, during earlier periods of welfare state development, people of all classes recognized how social spending and income redistribution would improve their economic position.
Other research identified the middle class as instrumental for its development (Baldwin, 1990; Svalfors, 1997). During times of retrenchment, the support of the middle class helped to sustain many contemporary Scandinavian welfare states (Korpi, 1983; Esping-Anderson, 1990). Taken together, this evidence suggests that during earlier stages of industrialization most people were aware that politics shaped the welfare state and reduced income inequality.

In most democracies today, inequality has grown alongside welfare state retrenchment (Wlezien 1995; Pierson, 2001; Erikson et al., 2002; Korpi and Palme, 2003; Hacker 2004; Brady et al., 2005; Brooks and Manza, 2006; Schneider and Jacoby, 2007; Brady and Lee, 2013). Theories of government responsiveness suggest that attitudes toward spending are responsible for this change. This theory alleges that governments respond to public demand and implement policies accordingly (Brooks and Manza, 2006). If true, this casts doubt on the notion that people’s political and economic attitudes are driven by economic-interest (Meltzer and Richard, 1981; Durr, 1993; Jaeger, 2006; Lübker, 2007; Jaeger, 2013), given that when inequality rises more people in society are adversely affected. More importantly, it suggests people may not be fully aware of their class interests or position.

In fact, there is evidence that when income inequality rises people become less interested in equality (Osberg and Smeeding, 2006; Yaish and Andersen, 2010). In other words, they accept the conditions in which they live. Other research shows that inequality is associated with a lack of concern for reducing income differences because people in unequal societies lack social cohesion: people become less politically active, they engage less with others, and thus withdraw from communities and social networks. Indeed, inequality seems to erode the ‘common collective’ and people become indifferent to equality and other related economic concerns (Uslaner, 2002; Uslaner and Brown, 2005). By many accounts (see, for example, Beckfield,
2003; Alderson et al., 2005; Fischer and Hout, 2006; Moller et al., 2009; Reardon and Bischoff, 2011) income inequality will continue to grow, leading to even greater economic and social divisions. It is unclear how the public will respond to these changes, however.

Some evidence suggests that organizations play a crucial role in mobilizing class awareness. For example, inequality and the strength of the welfare state are consequences of the organizational resources of the working class. Through the organization of labour unions and Left party strength, workers are able to act collectively in order to pursue greater equality through political mobilization. Of course, a crucial first step towards mobilizing is class awareness and a desire for change (Korpi, 1980; 1983; 1989). Yet, people must first recognize their class interests and develop an awareness of how inequality affects their lives. Following the classic premise of power resources theory (Korpi, 2000; 2005; 2006), without class awareness and an ideological disposition toward redistribution and equality, class mobilization is unlikely, if not impossible.

In sum, political effort to reduce inequality is often motivated by public concern and class awareness. Yet, some research has argued that inequality has grown without noticeable public response, thereby presenting a challenge to the idea that the growth of inequality on its own may spur class awareness and political reaction. However, as I will outline below, most current research focuses on a period of history in which income inequality declined alongside economic growth, thus reducing the importance of social class for political and economic values. As I will argue, economic conditions have changed significantly since the 1990s, which has drastically influenced how people think about social class and economic inequality.

Specifically, this dissertation explores whether people are aware of their class position and whether or not country-level economic factors play a role in class awareness. I am driven by
the common conjecture that class awareness in modern democracies is low, especially among the working-class. This is a puzzle worthy of careful exploration because those who stand to benefit most from class politics have traditionally been the least involved (Svallfors, 2008). More important, if class awareness is low and people are not concerned about reducing inequality, political and economic change seems improbable. These questions have become even more important today given the rise of income inequality. I investigate these research questions by employing a comparative analysis over a twenty-year period. My goal is to gain insight on how income inequality has affected class identification and attitudes towards economic inequality. I will provide evidence that class awareness is strong in most societies, and will show that under the right circumstances many people across the class structure are concerned about inequality, and would like to see changes made to reduce it.

2 Industrialization, Income Equality, and the Welfare State

Kuznets’ (1955) classical theory hypothesized that changing inequality followed a bell curve: during early stages of industrialization, inequality would rise, but then gradually decrease during later stages of economic growth. According to Kuznets, inequality increased in early phases of industrialization because very few people were prepared, or able, to benefit from the surplus wealth associated with economic growth. During more advanced stages of industrialization, Kuznets hypothesized that inequality would ‘automatically’ decrease as more people became able to benefit (Kuznets, 1955).

While Kuznets overstated the impact of economic growth on reducing income inequality, many post-World War II economies did make significant gains—economies prospered, wages increased, and income inequality lowered to levels not seen for generations. This prosperity
continued, and during the 1960s, skilled occupations in the labour force expanded the middle class. Studies in both Canada (see, for example, Meltz, 1965; Foot and Meltz, 1985; Picot, 1986; Myles, 1988) and the United States (Singelmann and Tienda, 1984; Wright and Martin, 1987) show that employment growth led to better jobs for all social classes. Not only were higher-paying jobs created but governments began to implement social programs to counter balance market-driven inequality. As Myles (2008) states, economic growth expanded the welfare state and employment growth led to sweeping changes in public administration; for example, health, social, and educational services all flourished during the 1950s and 1960s. Contrary to Marxist analyses, large-scale economic growth produced by capitalism facilitated rather than impeded the development of social rights and welfare regimes. In this regard, social policy was not just emancipatory but also a precondition for an efficient economy (Wilensky, 1964; Okun, 1975; Esping-Andersen, 1990).

Given the vast improvement in the lives of workers, it is not surprising that research during the 1990s argued class was no longer an important social identity (Clark and Lipset, 1991; Pakulski and Waters, 1996). During later stages of industrialization, larger portions of the population benefited from economic growth and thus became less focused on concerns related to social class. On average, people were doing better. The benefits of economic prosperity were spread more equally across all social classes and the welfare state had begun to play an important role in reducing inequality and ensuring social rights. These changes motivated theorists to call into question the importance of social class in modern society. For example, according to Inglehart (1997), “the shift towards postmodern values ha[d] brought a shift in the political agenda throughout advanced industrial society… a shift from political cleavages based on social class conflict towards cleavages based on cultural issues and quality of life concerns” (1997: 237). In other words, most people in society—including those in the working class—had
become ‘affluent enough’ to no longer worry about poverty, inequality, or social class. Building on this argument, others made even more extreme claims, proclaiming the “Death of Class” (Pakulski and Waters, 1996). The argument was rather simple: social class identity had become of little importance for values and behaviours in modern society and as a result, people’s attention had drifted elsewhere.

3 The Politics of Inequality

Following World War II, governments implemented policies that were designed to counter balance inequality, and to prevent a return to the economic turmoil felt during the pre-War great depression era. During this time contemporary welfare states were born and adopted the belief that the state should focus on full employment, economic growth, and the well-being of citizens. Although variations existed, most governments felt that “state power should be freely deployed, alongside of or, if necessary, intervening in or even substituting for market processes” (Harvey, 2005: 10) to achieve the goals outlined above. These early years were times of class compromise and governments actively implemented social policy and welfare systems that targeted health care, education, employment, pensions, and the like. During this time period, working-class institutions—for example, labour unions and Left political groups—became strong and well established, which helped promote the interests of the lower and working class (Harvey, 2005). Class awareness at this time was surely affected by political organization, which helped reinforce class values and political ideology.

However, economic growth is often followed by periods of downturn and recession (Brym, 2008), and the seeds for inequality today became planted in 1973. A major recession followed the Vietnam War, which coincided with rising oil prices, inflation, high unemployment, and the decline of union density. Until the early 1980s, profit rates fell in all advanced capitalist
economies. As a result, lobby groups representing big business and the capitalist class called for economic restructuring and political change. This was facilitated by the election of Margaret Thatcher in England, and Ronald Reagan in the United States. In the early 1980s, central banks agreed to raise interest rates which prompted the world recession of the 1980s (Harrison and Bluestone, 1988; Kolko, 1988; Warnock, 1988). This new political agenda promoted an ideology of “neoliberalism”, which encouraged private property rights, free markets, and free trade (Harvey, 2005). Laissez-faire government meant the shrinking of the welfare state and a return to less responsive, or even regressive, taxation which would inevitably increase inequality, and weaken organized labour.

Although post tax-transfer inequality became most notable in the 1990s, the political and economic causes for its growth had begun much earlier. Market-driven income inequality has been rising in many modern democracies since the early 1970s. A study by the Organization for Economic Co-operation (OECD) found that tax benefit policies offset the large increase of income inequality during the 1980s and 1990s, which was spurred by growing market disparities. While redistributive efforts were successful in many modern societies until the late 1980s, many governments since then have failed to keep pace with market inequality (OECD, 2011). In short, political and economic changes during the 1970s spurred the growth of inequality then, but have now become increasingly noticeable given the inadequacy of modern spending and taxation programs.

4 Social Class and Income Inequality Since the 1990s

Economic conditions have changed dramatically since the 1990s. Most modern democracies have witnessed considerable economic growth (Pierson 2001; Fic and Ghate, 2004; Brady and Lee, 2013) alongside profound increases in income inequality (Beckfield, 2003; Alderson et al.,
By contrast to the immediate post-war period, real wages have stagnated and even declined for workers in some sectors (McCall, 2001; Brady, 2005). As a result, the affluence of the working class has now declined.

Working-class affluence until the 1990s had been accompanied by the rationalization of the production process at the cost of worker satisfaction, workplace autonomy, and the progressive deskilling of labour (Edwards, 1979; Vallas, 1999). These changes led to an imbalance of power between workers and capitalists, creating a less organized and powerful working-class labour movement (Esping-Andersen, 1993; Teeple, 1995). With growing inequality, the balance of power had swayed back to capital (Western and Rosenfeld, 2011; Kristal, 2013); this decline in labour power is clearly seen in lower union density across many modern democracies (Western, 1995; Brady, 2005; Tope and Jacobs, 2009). As unions declined, working-class consciousness was almost surely dampened. While class awareness may have been less pronounced until the 1990s, there is reason to believe that declining working and living conditions may have influenced the workers of today to possess a greater sense of class awareness than in earlier periods. It also seems sensible to suggest that capitalists have a much greater sense of their own position as inequality has risen. That is to say, class polarization may be driven by increasing inequality because in many sectors of the labour market working conditions have worsened and wages have stagnated.

In this regard, Braverman’s (1974) work is highly relevant. He argued that labour market polarization would rise due to a separation of manual and mental labour. He predicted workers’ knowledge would be centralized, white-collar and management would use this knowledge to maximize productivity, and low-skilled work would be further deskilled and paid less
(Braverman, 1974). This, he argued, would lead to sharp class differences in attitudes towards work, capitalism, and inequality. Following the post-War period, the nature of work dramatically changed. However, scientific management in Braverman’s sense was not entirely the cause. Instead, low-skilled labour lost ground due to the rise of neo-liberalism, the demand for flexible labour, and reduced bargaining power because of international labour market competition (Vallas, 2003). On the other hand, high-skilled workers became more valuable and garnered increased job benefits. Corporatists argued that unions decreased flexibility while raising the demands and dissatisfaction of workers (Smucker and Van-den Berg, 1991). As a result, rates of unionization and working-class wages have declined (Brady, 2005). Today, the likelihood of unions forming in new manufacturing sectors is uncommon (Western, 1995; Brady, 2005; Tope and Jacobs, 2009), which not only perpetuates but likely increases the wage gap between low- and high-skilled workers (McCall, 2001). In short, what has resulted is a shrinking of the middle class, at least in terms of income.

It follows, then, that what people earn and what work they do will strongly shape how they perceive their class position. Yet both the occupational and earning structures have dramatically changed since the post-war era. The logic behind post-industrial theory is that economic affluence has led to the demise of social class. Economic conditions since the 1990s suggest that this may no longer be the case, however. The fact that income inequality has altered the trajectory reported by post-industrial theory is reason alone to revisit the importance of income and occupational social class for class identification and awareness.

However, there exists very little evidence on how rising inequality has affected class identities in modern societies. In order to fill this gap, my dissertation seeks to answer several fundamental questions related to class identity and income inequality. Have the economic
changes associated with post-war prosperity recast the social divisions between the working and middle class? A fundamental idea underlying the post-war industrial model is that the working classes have become fragmented as they gradually merge toward the middle. Have working conditions changed so much that they have altered traditional political and social identities? Or, have traditional Left and Right values associated with class position become resilient once again?

My dissertation is motivated by the notion that class attitudes have seemingly not responded to rapidly growing income disparities. While the Occupy movement suggests society as a whole is becoming increasingly unhappy with growing inequality, this movement is concerned more with reducing the excessive riches of those at the very top of the income distribution than with reducing inequality among the majority of people. As a result, the movement is almost ‘non-class’ in its approach. By appealing to 99 percent of the population, people of all classes, with the exception of those at the very top, are encouraged to come together. Occupy has little talk, however, about alleviating poverty or increasing benefits for the working poor (Friedman, 2011; McRae, 2011; O’Meara, 2011; Gibson, 2013). In short, raising class awareness—at least in the traditional sense—is not part of the Occupy movement. This illustrates that inequality and a lack of class awareness may go together.

With this in mind, my general research goals concern whether the positions people occupy in the class structure, and their attitudes about where they fit, influence attitudes towards economic inequality. I am also interested in the social and political consequences of inequality and how national context shapes class identification. In the chapters that follow, I adopt a comparative focus and I 1) describe how individual economic conditions influence class identification, 2) outline the national conditions under which class identities become strongest,
and 3) explore how class awareness plays a role in attitudes towards economic inequality. I explain each chapter in more detail below and provide a brief summary of my findings.

5  Focusing on Inequality: Rationale and Justifications

The goal of this dissertation is to explore how economic conditions, both at the individual and country level, influence class awareness and attitudes toward inequality. This research agenda is motivated by several factors. Higher levels of inequality in market incomes have risen in many modern societies. Although market inequality has been increasing since the 1970s, it has become noticeable today because government effort to reduce it has waned. This holds implications for class identification and awareness, because more pronounced class and status differences may lead to stronger ‘us’ versus ‘them’ ideologies. Previous research on class identity and awareness has alluded to the importance of inequality, but it has yet to be systematically explored.

This does not mean that political factors are irrelevant, however. Much of the reason for rising inequality is because of politics. For example, political parties, union density, and the welfare state have each contributed to income inequality. In this regard, there is good reason to believe that these political conditions drive class identity as well. For example, previous research has shown that political organizations and union density play a role in class awareness, and concomitantly support for Left politics (Nakhaie, 1992; Sosnaude et al., 2013). Political organizations socialize and reinforce class ideology, which in turns shapes class awareness. While I acknowledge the importance of these factors, I must leave this research agenda for future work in this area.

6  Class Identity, Awareness, and Consciousness

The study of class identification has a rich history in political sociology and social theory. As early as Marx and Weber, class identification was used to understand class formation, politics,
and mobilization. Early work on class identity contended that people’s interests, attitudes and dispositions were closely tied to socioeconomic status, and that this relationship was the basis for class politics and class mobilization. Class differences in politics thus reflected common sense responses to material conditions and inequality (Eidlin, 2014).

However, people are not always accurate in assessing their place in the class structure, which may result in people holding economic and political attitudes that do not reflect their class position and economic self-interest. For example, it is not uncommon for low income earners to vote for Right political parties and to feel as though they belong to the middle class (Weakliem and Adams, 2011). To understand this inconsistency, it is important to draw a distinction between class identification, awareness, and consciousness (see Table 1 below).

At the most basic level, class identification involves only the process of class self-placement (Archer and Orr, 2011). Class identification exists when people choose to correctly, or incorrectly, label themselves. When people are asked to identify within a class hierarchy, research finds that nearly all people recognize class categories, and understand that differences exist between them (Hout, 2008). This implies that people are aware that a class hierarchy exists, and that most hold an opinion about where they fit within it. However, class identification alone does not necessarily involve a connection to class politics or political behavior, because people may self-identify with a class position that does not match their socioeconomic status. As a result, for some, class identities have become a “relic of a bygone age” (Eidlin, 2014: 1045) and are thus inconsequential for understanding political behavior in modern society (Inglehart, 1987; Beck 1992). Of course, this rests on the premise that people are often wrong in their

\[^{1}\] My sample includes only people who believe they belong to a social class—i.e., people who engage in class identification.
<table>
<thead>
<tr>
<th>(a) Respondent makes a class identification</th>
<th>Class identification exists when people either correctly or incorrectly identify with a social class.</th>
<th>A survey respondent indicates a preference for belonging to a social class.</th>
<th>Identification</th>
<th>Awareness</th>
<th>Consciousness</th>
</tr>
</thead>
<tbody>
<tr>
<td>(b) Class identification reflects an objective class position</td>
<td>Class awareness exists when members of a social class correctly identify with their objective class position.</td>
<td>A skilled labourer indicates belonging to the ‘working class’; a semi-professional or manager working in a small enterprise indicates belonging to the ‘middle class’.</td>
<td>Identification</td>
<td>Awareness</td>
<td>Consciousness</td>
</tr>
<tr>
<td>(c) Active pursuit of class interests</td>
<td>Class consciousness exists when common class interests lead to political action.</td>
<td>A member of the working class votes/identifies with a labour party; A ‘high-level Professional’ votes for a conservative party.</td>
<td>Identification</td>
<td>Awareness</td>
<td>Consciousness</td>
</tr>
</tbody>
</table>
assessment, and that most lack class awareness. While class identification may be either correct or incorrect, class awareness implies that people understand where they fit in the class hierarchy.

Class awareness is distinct from identification on the grounds that it represents the cognitive aspect of class consciousness (Vanneman, 1980). Awareness of one’s class position implies a strong link between socioeconomic status and class identity (Baxter, 1994; Hout, 2006). For people to become class aware they must correctly assess their place in a class hierarchy, and hold attitudes that closely match measures of individual-level economic conditions, such as income or occupation.

People are class aware if they recognize how their own class position, and the inequalities which relate to class, influence their life chances and well being. Class awareness thus requires people to understand inequality, and to hold attitudes about changing it, that reflect economic self-interest. For example, it has been widely accepted that values polarize around economic issues, with the lower classes tending to hold Left attitudes and the higher classes tending to hold attitudes toward the Right. This implies that socioeconomic status strongly influences economic and political values, and that class awareness plays a causal role.

Class awareness also involves people recognizing that they can change their material well-being through political action. This recognition depends on several factors, however. Classes must communicate, organize, and share information in order to motivate class driven political action. Lacking information and organization might prevent classes from developing the awareness necessary to recognize their economic interests (Weakliem and Adams, 2011). In other words, structural and organizational factors might also play a role in the development of class awareness.

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2 By exploring the relationship between socioeconomic status and class identity I am able to discern whether people are accurate in their class assessment—i.e., class awareness.
With this in mind, class awareness does not necessarily lead to political behavior, or class consciousness. While it is widely accepted that for class to have a significant impact on politics, people must be aware of their class position and have a basic understanding of the causes and consequences of economic inequality (Weakliem, 1993; Sosnaud et al., 2013), organizations play a crucial role in class mobilization. That is, though class awareness represents an emergent level of class consciousness (Mann, 1973; Giddens, 1981; Giddens, 1991), it does not necessarily lead to class politics and mobilization.

Class divisions in politics are often the result of well organized political groups (Nakhaie, 1992; Weakliem and Adams, 2011). Parties, unions, and political organizations play an important role in responding to and creating class consciousness. For example, class politics is most successful when classes are able to translate economic interests into political power using organizational resources. These resources—such as union membership—help to reinforce political attitudes and values, while increasing social solidarity among its members. As Nakhaie (1992) argues, “the unionized environment contributes to the level of interaction between workers, increases their level of class consciousness, enhances their “left” political culture, [and] fosters their expectation of success” (1993: 291). In other words, organizations reinforce class values by exposing people to others who share similar interests and market orientations.

In this regard, resource mobilization theory helps explain weak class politics, even when classes are aware of inequality and their positions within the social structure. This theory contends that grievance and dissatisfaction alone are insufficient conditions for class mobilization. Instead, organizations matter a great deal. In Canada, for example (see Brym, 1986; Nakhaie, 1992) when the resource power among the working class is high—i.e., high union and manufacturing density—workers are more likely to engage in politics and vote for labour parties. This is because, in part, integrating into political organizations not only provides
people with the opportunity to participate, but it also socializes them by reinforcing class values (Nakhaie, 1992). Stated more simply, when large numbers of people from similar economic backgrounds are exposed to class ideologies, it becomes more likely that they engage politically rather than simply expressing class attitudes.

In sum, class consciousness holds a more direct influence on political actions and behaviours—though, one that is more often realized through political organization and class mobilization. As Oddsson argues, class consciousness is related to “the structural position of a class [that] generates a consciousness of common interests and leads to action through political representation” (Oddsson, 2010: 293; see also Marx, 1847; Marx and Engels, 1968). It involves social behaviour that is organized around the active pursuit of class interests. This is what Marx described as a “class-for-itself”. In other words, consciousness is not simply the ‘awareness’ of class interests but also the embodiment of a shared ideology of social and political action.

Building from this discussion, my thesis investigates class identification and awareness in modern democracies. Class analysis has succeeded in demonstrating the association between social class and a range of economic and political attitudes (Wright, 1985; 1989; de Graaf and Nieubeerta, 1995; Brooks and Manza, 2001; Svalfors, 2008). It has been less successful in explaining why these associations occur, however. Exploring class identification and awareness begins to answer the question of why people hold economic and political attitudes, and may also help explain why class consciousness in modern society is low.

For example, many commentators have argued that class has lost its political importance, and that low class awareness may be partly to blame (Nisbet, 1959; Bell, 1974; Inglehart and Rabier, 1986; Inglehart, 1987; Clark and Lipset, 1991; Inglehart and Abramson, 1994; Pakulski and Waters, 1996; Inglehart and Abramson, 1999). My research is motivated by this assertion. Perhaps class awareness is strong, but people simply lack the organizational structures needed to
motivate class politics. The fact that class politics is waning does not necessarily mean that people lack class awareness. In short, the common claim that awareness is low in many modern societies must be explored further.

Any discussion of class politics must also acknowledge the role of class awareness. This is because, on the most basic level, for class to matter for politics, a minimal criterion is that people understand their position in the class structure. Nevertheless, recent research has failed to adequately consider class identification and awareness. To fill this gap, my dissertation explores the conditions under which class awareness is most likely to develop and, in turn, whether social classes hold economic attitudes that reflect self-interest. In doing so, my empirical chapters explore how objective economic positions affect class identification and attitudes towards economic inequality.

Although it would be ideal to consider class consciousness as well, few comparative data sources include reliable measures of political action. Moreover, given that very little attention has been paid to class identification and awareness in recent decades, it is a crucial step to understand whether people in modern societies are class awareness, and whether particular country-level conditions lead to greater class awareness. My dissertation takes this important first step, and sets the stage for future research to explore how organizational structures influence class consciousness and political behaviour.

7 Outline of the Thesis

7.1 Connecting the empirical chapters

Chapter two and Chapter three explore how individual economic conditions affect class identification. Each chapter also identifies the national-level factors that lead to greater class awareness. Chapter two sets the stage for my dissertation by highlighting the importance of
individual-level income for class identification. Chapter three builds on Chapter two by exploring how occupation matters. Specifically, it investigates whether class origin and current class position shape how people perceive their place in the class structure. Anchored in the literature review above, both chapters explore whether economic changes associated with post-war prosperity have recast social divisions, thereby reducing the importance of income and occupation for class identification. Contrary to these claims, both chapters provide evidence that individual economic conditions strongly affect how people perceive their place in the class structure.

Chapter two and Chapter three also explore the importance of national context, and show that under the right conditions, people in modern societies are highly class aware. Although an important step for understanding when class awareness is strongest, these chapters do not explore the implications of class awareness for other economic and political orientations. To fill this gap, Chapter four examines whether individual economic conditions—both income and occupation—influence attitudes towards economic inequality. This chapter is motivated by two important trends discussed above: 1) the drastic rise of income inequality in most modern democracies since the 1990s, and 2) reduced government effort to counterbalance inequality through redistribution and social spending. In this regard, Chapter four assesses whether people in modern societies are concerned about inequality, but more importantly, whether they would like something done to reduce it.

7.2 Summary of the findings

I now turn to a summary of my empirical results. Chapter two investigates whether class identities are stronger among the rich or the poor, and whether these differences are more pronounced when national-level income inequality is high. This chapter explains: 1) how
individual level income affects where people place themselves in the social structure, and 2) how national political and economic context affects this relationship. In doing so, I shed light on the national conditions that lead to sharper social divisions and greater class awareness. I conclude this chapter by arguing that income inequality strongly polarizes class identities. When inequality is low, social and economic differences are less obvious. As inequality rises, however, people become more likely to identify with a class position that reflects their objective place in the class structure. That is because social and economic differences become more pronounced when inequality is high. This chapter also offers new theoretical insight. Contrary to common conjecture, this new evidence calls into question the claim that everybody in modern societies feels middle-class (Evans and Kelley, 2004) and that most lack awareness of their position in the social hierarchy.

The third chapter is concerned with the role of social mobility, both at the individual level and the national level. This chapter asks two main questions: (1) are class identities stronger among those who have experienced inter-generational mobility, and (2) is this relationship more pronounced in societies where rates of mobility and income inequality are high? In doing so, I explore whether those who are upwardly mobile are more likely to identify with a higher social class and how this relationship is affected by national context. While some studies have explored how intergenerational mobility influences attitudes (Tolsma et al., 2009; Weakliem, 1993; Schmidt, 2010), no research project has simultaneously considered how mobility shapes attitudes towards class identification. This research paper is the first to do so.

Chapter three concludes that both one’s current social class and one’s class origin strongly influence class identification. Not only does one’s social class matter, but where people come from also matters. At the national level, I find that social fluidity does not play a role in
shaping class identification. This implies that people consider only their own economic conditions or are unaware of the level of social mobility in their country. This chapter also provides further insight into the importance of income inequality. I build on Chapter two by demonstrating that when inequality rises, middle-class identities become weaker regardless of one’s social class.

Chapter four builds on the first two empirical chapters by exploring the relationship between individual and national economic conditions on attitudes towards income and wealth inequality. In this analysis I explore whether people are aware of inequality and also what they would like done to change it. In doing so, I use both social class and income as measures of individual-level economic conditions. Also, I follow my dissertation’s common theme that income inequality strongly affects class attitudes.

The main finding in Chapter four concerns the middle class, and whether members of that class feel as though they are getting their fair share of income and wealth. At low levels of income inequality the difference in living conditions between classes is relatively small. Members of the middle class are less supportive of equality under such conditions because they are aware that equality comes at their expense, namely through redistribution. On the other hand, those from the lower classes are well aware that the small economic difference between classes has resulted from class politics, and thus are more strongly in favour of equality. In other words, preferences for inequality strongly reflect class interests, and those who benefit most from inequality are most likely to favour it. I also find that people legitimize current levels of inequality but that people prefer it to be reduced if they feel it will benefit their economic position.
Chapter four argues that people are highly aware of economic inequality. This awareness is driven by economic self-interest, which leads to class differences in attitudes about what should be done to reduce income differences. When inequality is low, people higher in the class structure are strong supporters of income differences. As society becomes less equal, however, people of all classes become less accepting of income inequality, and attitudes across all social classes converge. This finding is driven by class awareness and people’s understanding of the benefits income redistribution will have on their lives.

8 Implications for Class Politics

This dissertation research holds implications for class politics. My results suggest that people of lower socioeconomic positions hold attitudes that favour equality regardless of the level of income inequality in their country. However, as inequality grows class awareness rises, and so too does a desire to reducing income differences. If this pattern continues, growing inequality may raise class awareness even further, and will hold significant implications for class politics.

For example, it is possible that the middle class will reconsider their views on social policy and inequality, and will develop more progressive attitudes towards redistribution. As Banting and Myles (2014) note, “average real incomes have been stagnant for decades; the relative earnings and savings of young adults have fallen in the past thirty years with no significant policy response; and students increasingly graduate with heavy debt loads” (2014: 420). In other words, those in the middle and lower middle class have experienced many adverse economic effects in recent years. This pattern will likely continue, and their response to inequality will be critical for political change.

The combination of rising income inequality, greater class awareness, and the desire to reduce income differences presents an opportunity for strategic coalition builders to target the
working-and middle-class. This holds the potential to swing the popular vote toward the Left. Cross-class coalitions were successful during early welfare state movements in Scandinavia, and could have similar success in traditionally liberal nations, like Canada, Australia, or the United States. At the very least, rising income inequality has prompted concern over income differences, and has provided a new material base for political coalitions and elites to target. Although organizations concerned with the economic interests of the lower-middle and working classes have weakened in many democracies rising inequality and class awareness may reinvigorate political organizations concerned with redistributive politics and inequality.
Chapter 2
Middle Class Identity in the Modern World: How Politics and Economics Matter

9 Introduction

Although the study of class identity has a strong tradition in research on politics and inequality (Centers, 1949; Hodge and Treiman, 1968; Vanneman and Pampel, 1977; Jackman and Jackman, 1983; Davis and Robinson, 1988; Kelley and Evans, 1995; Wright, 1997), it has received little attention in recent years. Recent work focuses either on individual countries (Hayes and Jones, 1992; Davis and Robinson, 1998; Goldman et al., 2006; Surridge, 2007; Oddsson, 2010; Shirahase, 2010) or small groups of countries (e.g., Evans et al., 1992; Johnston and Baer, 1993; Baxter, 1994; Wright, 1997), making it difficult to uncover systematic cross-national differences in people’s perceptions of their class position. In short, a rigorous analysis of data from many countries is necessary to systematically test the influence of national context on class identity. This chapter attempts to fill this gap.

Using World Values Survey data, this chapter explores the correlates of class identity in 15 modern societies. My purpose is to uncover the ways individual-level economic conditions, political ideology, and economic context interact in their effects on class identity. The ultimate goal is to demonstrate the conditions under which middle-class identity bias—i.e., identifying with the middle-class regardless of objective class position—is most common.

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9.1 Middle-class identity bias

Research on class identification evolved from the work of Cantril (1943), Centers (1949), and others (Ossowski, 1963; Hodge and Trieman, 1968). Research typically finds that most people understand class labels and believe that social classes still exist (Popitz et al., 1969; Jackman and Jackman, 1983; Vanneman and Cannon, 1987; Argyle, 1994; Reid, 1998; Gilbert, 2003). Yet, it is also commonly found that people’s self-reports of social class can be poor measures of actual class positions (Kelley and Evans, 1995; Rothman, 2002; Evans and Kelley, 2004; Oddsson, 2010). In fact, people often identify with the middle-classes, regardless of their position in the social structure (Kelley and Evans, 1995; Evans and Kelley, 2004). Dominant middle-class identities have been reported to occur in both affluent Western countries (Kelley and Evans, 1995; Oddsson 2010) and former Communist countries (Evans et al., 1992; Evans and Kelley, 2004).

This bias is often explained by ‘reference group theory’, which suggests that many people cannot distinguish between classes, and for various reasons develop a dominant middle-class consensus (Kelley and Evans, 1995; Evans and Kelley, 2004). This is alleged to occur because people consider themselves in relation to those around them. The homogeneity of references groups distorts people’s perception of the class structure. It has also been suggested that when people refer to the middle-class they tend to consider similarities in consumption patterns rather than production relations, income, or wealth (Clement and Myles, 1994). This process of *embourgeoisement* is a common explanation for declining class consciousness, which is influenced by post-industrial economic change (Goldthorpe et al., 1969).

Reference group theory gets us part of the way to understanding dominant middle-class identification but it fails to explain cross-national differences. Factors at the national level may
influence the ways that people think about class and where they perceive their fit in the class structure to be. For example, some argue that when people feel that they share common interests, typically associated with economic experiences, their class identities are strengthened (Marx and Engels, 1968; Weakliem, 1993). This circumstance can occur as a result of the political climate within countries or the ways in which income and wealth are distributed (Wright, 1985).

Several studies argue that there is little difference in class identity and awareness across the modern world (Kelley and Evans, 1995; Evans and Kelley, 2004). However, these studies are typically comprised of small samples of countries, often employing only individual-level analyses. Other comparative work considers only differences between the U.S. and elsewhere. For example, Vanneman (1980) argues that class identity and awareness among American and British workers is strikingly similar. This is a novel finding, as class tends to be more important politically in Britain than the United States. Focusing on differences between the U.S. and Sweden, Wright (1989) also argues that national differences in class identity are muted, though he notes that Swedish workers express greater displeasure for capitalism than do their American counterparts.

Similarly, Kelley and Evans (1995) demonstrate that subjective perceptions of class are relatively similar in six Western democracies—the United States, Great Britain, Australia, Switzerland, Austria, and Germany. They argue that in all six countries, reference group processes distort people’s perceptions of class by encouraging them to think that they belong to the middle. In other words, class identity and awareness are weak across many Western democracies, and individual-level economic circumstances may be less important in predicting images of class identity in modern societies.

Although different in some ways, a connection can be made to a long tradition of political
sociology concerned with working-class mobilization and consciousness (Mann, 1973; Scase, 1977; Korpi, 1983). Class identities are thought to be strongest among blue collar workers. However, the language and demands of the new working class has changed as societies have become increasingly affluent. As a result, class identities have weakened and class opposition has become less apparent (Mann, 1973). This change may have also shifted working-class identities towards the middle.

9.2 Class identity and economic development

A common argument holds that class identities become less relevant as societies become more prosperous. Goldthorpe et al. (1969) note that in the mid-20th century economic prosperity in Britain changed the consumption patterns of the working classes, which in turn influenced how working-class people thought about class placement. In short, the richer a society, the more likely people are to identify with the middle classes. Along similar lines, but drawing more general conclusions, Bell (1974) and Inglehart (1987) discuss the role of economic development in reducing the correlates of class across affluent societies. For their part, Evans and Kelley (2004) report that prosperity strengthens peoples’ sense of upper-and middle-class identity, irrespective of economic position. This finding reinforces their earlier claim of a ‘middling’ identification effect, specifically, that people across all societies tend towards the middle-classes—the so-called rising tide argument of economic development. While their sample does not include many countries with diverse economies, they conclude that in rich societies people perceive themselves to be higher in the class structure.

9.3 Class identity and income inequality

Some research indicates that cross-national differences could be related to political differences across countries during times of economic growth (Robinson and Kelley 1979; Wright 1997) and
that this could be related to political differences across countries. At the heart of this issue is the idea that vast economic growth can induce change in how people perceive the class structure. Specifically, it is possible that prosperous economic conditions strengthen the class identities of the lower and working classes because expectations for consumption and mobility become heightened (Olson, 1963; Huntington, 1968; Gurr, 1970; Logan, 1977). This implies that differences in class identity between classes may become more polarized if the economic benefits of industrialization are not experienced by all—especially by the lower and working-classes.

Recent research demonstrates that economic development has only limited influence on class identity when other country-level contextual effects are considered (Andersen and Curtis, 2012). This is not to say that economic conditions do not matter; rather, it is economic inequality that most strongly shapes class identity. This finding is perhaps not surprising when one considers that the advantages of economic growth are seldom distributed equally across economic groups (Smeeding, 2005; Atkinson and Piketty, 2007; Kenworthy, 2010). The general conclusion is that classes tend be more polarized when income differences and economic stratification are more apparent (Weakliem, 1993; Andersen and Curtis, 2012).

9.4 Class identity and political regime

If economic conditions matter, then because economic differences between former Communist societies and other modern democratic societies are so pronounced, we should also expect class identities to be much more polarized in former communist societies. The tremendous pace of both economic prosperity and inequality in former Communist societies could have implications for class identity. Perhaps more importantly, Communist regimes were fundamentally different
in their political ideologies. This could have a residual influence on present attitudes towards class (Evans, 1997).

Consistent with the ideological differences between former Communist societies and established democracies, evidence suggests that people living in Communist regimes are less likely to see themselves as belonging to a high social class (Evans et al., 1992). But over the past 20 years, there have been drastic social and economic changes in most formerly Communist countries. Most previously had relatively low levels of inequality. But keeping pace with rapid economic development (Heyns, 2005), inequality has risen to levels at least equal, if not greater than, most established democracies (Bandelj and Mahutga, 2010).

A mounting body of research suggests that dramatic economic changes are accompanied by changes in attitudes (Evans, 1997; Evans and Mills, 1999; Gerber and Hout, 2004). For example, Kelley and Zagorski (2005) find that only one decade after the fall of Communism in Poland and Hungary, attitudes in these countries were more favourable to income inequality than in most Western democracies. Particularly relevant to the present study, Evans and Kelley (2004) argue that once other factors are taken into account, patterns of class identity in former Communist countries are similar to those in established democracies, especially among the young. These findings underscore the importance of considering the role of former Communist rule on its own and including it as a control when attempting to assess the effects of both economic development and income inequality.

Following the discussion above, I will explore the relationship between class identity and national context. I will begin with the assumptions that greater income is associated with higher class identities and that people across all societies will disproportionately identify with the middle classes. On the grounds that significant cross-national differences are expected, I will
explore of how economic development, income inequality, and post-Soviet rule affect the relationship between income and class identification. Specifically, I will evaluate the claim that people across all societies develop a dominant middle-class consensus, showing how such patterns of identification waver under specific political and economic conditions. I test these ideas using individual-level data from the *World Values Survey* (Inglehart et al., 2006) and national-level data from several official sources. I now turn to a detailed discussion of the data and methods employed in this analysis.

## 10 Data and Methods

### 10.1 Individual-level survey data

The *World Values Survey* consists of a collection of nationally representative samples of adults (18 years and older). My analysis relies on data from all European and Anglo-Saxon countries for which data were available in the 2005 wave.\(^4\) The analysis is limited to respondents between the ages of 30 and 65 on the grounds that they are more established in the labour market, with more stable class positions. Once missing data are removed, the final sample consists of 10,672 respondents from 15 countries (sample size in parentheses): Australia (858), Canada (1133), Finland (559), Germany (1089), Italy (451), Moldova (612), Norway (621), Poland (530), Romania (972), Slovenia (589), Spain (645), Sweden (560), Switzerland (730), Ukraine (559), and the U.S.A (764).

*Dependent Variable: Class Identity*

Class identity is measured by a single questionnaire item:

\(^4\) Data from less developed countries are not employed because their political economies differ so drastically from those of modern democracies that it makes little sense to compare them in my analysis.
People sometimes describe themselves as belonging to the working-class, the middle-class, or the upper or lower class. Would you describe yourself as belonging to the (read out and code one answer): (1) ‘Upper class’, (2) ‘Upper middle-class’, (3) ‘Lower middle-class’, (4) ‘Working-class’, (5) ‘Lower class’?

Responses are recoded into three categories: (1) ‘lower’ classes (responses 4 and 5); (2) ‘middle’ class (responses 3 and 2); and (3) ‘higher’ classes (response 1). The categories are collapsed for two reasons: first, the distinction between working-class and lower class is not obvious, even for academics (Baxter, 1994), and second, given my interest in middle-class identification, combining both middle-class categories allows the ‘middle-class identity thesis’ to be more directly evaluated. For all countries in this sample, the dependent variable was uniformly measured across individual national surveys.

*Individual-level Predictors*

Consistent with previous research, the most important individual-level predictor is *household income*, and it is used as a proxy for objective social class. Although raw income is not included in the WVS, a measure of relative household income does appear. Within each country, respondents’ incomes are coded into deciles. Also following standard practice (Jackman and Jackman, 1983; Hayes and Jones, 1992; Baxter, 1994; Yamaguchi and Wang, 2002),

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5 Several transformations of the dependent variable were used in earlier analyses—specifically, separating ‘lower’ and ‘working’ class, as well as combining ‘upper middle’ and ‘upper’ class. There were, however, no significant differences in the final results.

6 Income is only one of many indicators of social class. As an alternative, one could employ an occupation-based measure to capture not only economic position but also structures of power (Wright, 1997) and life chances not necessarily associated with income (Erickson and Goldthorpe, 1993). Given the complexity of the occupation structure in modern societies (Weeden and Grusky, 2005), however, I focus on the role of income as it arguably has the greatest impact on living standard.
statistical models control for gender, age, religiosity, and education. Age, which is measured in years, enters the models as an orthogonal quadratic polynomial\(^7\). Education is divided into four categories: no formal education (the reference category), post-secondary school, some post-secondary school (including community college diplomas), and university degree. Religiosity is divided into two categories: attending religious service at least once a month, and attending religious service less than once a month or never (the reference category).

10.2 National-level survey data

*Economic Development*

Economic development is measured using *GDP per capita*. For most countries, GDP per capita was obtained from the Organization for Economic Co-operation and Development (OECD) and standardized to 2005 U.S. dollars for all countries. OECD data are not available for Moldova, Ukraine, and Romania. Therefore, their GDP per capita is obtained from The World Bank. Although it is common practice to utilize the log of GDP per capita, the unmodified effect of GDP consistently results in the best model fit\(^8\).

*Income Inequality*

Following common practice in social class research (Hout et al., 1995; Andersen and Fetner, 2008), income inequality is measured using the *Gini coefficient for household incomes* after transfers. The Gini coefficient has a theoretical range from 0 (perfect equality) to 1 (perfect

\(^7\) The transformation allows the model to capture a non-linear relationship between class identification and age.

\(^8\) I also explored other specifications for the effect of GDP per capita, including a linear effect and a quadratic polynomial.
<table>
<thead>
<tr>
<th>Country</th>
<th>Mean Income (SD)</th>
<th>Proportion Reporting Lower Class</th>
<th>Proportion Reporting Middle Class</th>
<th>Proportion Reporting Higher Class</th>
<th>GDP per Capita ($1000 US)</th>
<th>Income Inequality (Net Gini)</th>
<th>Former Communist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>5.82 (2.651)</td>
<td>.274</td>
<td>.393</td>
<td>.333</td>
<td>47,319</td>
<td>0.256</td>
<td>No</td>
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<td>U.S.A</td>
<td>5.08 (1.872)</td>
<td>.376</td>
<td>.329</td>
<td>.296</td>
<td>42,494</td>
<td>0.372</td>
<td>No</td>
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<tr>
<td>Switzerland</td>
<td>5.53 (1.795)</td>
<td>.125</td>
<td>.386</td>
<td>.489</td>
<td>35,478</td>
<td>0.268</td>
<td>No</td>
</tr>
<tr>
<td>Canada</td>
<td>6.00 (2.848)</td>
<td>.380</td>
<td>.314</td>
<td>.306</td>
<td>35,033</td>
<td>0.318</td>
<td>No</td>
</tr>
<tr>
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<td>5.83 (2.835)</td>
<td>.355</td>
<td>.346</td>
<td>.298</td>
<td>33,963</td>
<td>0.312</td>
<td>No</td>
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<td>Sweden</td>
<td>6.59 (2.796)</td>
<td>.218</td>
<td>.370</td>
<td>.413</td>
<td>32,298</td>
<td>0.237</td>
<td>No</td>
</tr>
<tr>
<td>Germany</td>
<td>4.59 (1.872)</td>
<td>.350</td>
<td>.406</td>
<td>.244</td>
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<td>.390</td>
<td>.349</td>
<td>.261</td>
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<tr>
<td>Italy</td>
<td>4.34 (2.712)</td>
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<td>.317</td>
<td>.271</td>
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<td>.270</td>
<td>.687</td>
<td>.043</td>
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<td>No</td>
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<td>Slovenia</td>
<td>4.93 (1.815)</td>
<td>.401</td>
<td>.384</td>
<td>.216</td>
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<td>4.04(1.786)</td>
<td>.619</td>
<td>.278</td>
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<tr>
<td>Romania</td>
<td>5.86 (2.781)</td>
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<td>.276</td>
<td>.165</td>
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<tr>
<td>Ukraine</td>
<td>4.43 (1.829)</td>
<td>.451</td>
<td>.381</td>
<td>.168</td>
<td>1,829</td>
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<td>Moldova</td>
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<td>.454</td>
<td>.250</td>
<td>.296</td>
<td>831</td>
<td>0.380</td>
<td>Yes</td>
</tr>
</tbody>
</table>
inequality). For all but three countries (Moldova, Slovenia, and Ukraine), Gini measures were obtained from the Luxembourg Income Study (LIS) (2005). For the three countries for which LIS data are not available, Gini estimates are obtained from the *Standardized World Income Inequality Database* (Solt, 2009).\(^9\)

**Former Communist Rule**

Any country under Communist rule within the past two decades is specified ‘former Communist’; all other countries are considered ‘established Democracies’. Information on Communist rule was taken from the CIA World Factbook (2005).

Descriptive statistics for important variables in the analysis for each country are shown in Table 2.

**11 Statistical Models**

Because the dependent variable has three categories, I employ a series of multinomial logit models to assess how it is related to income and national context.\(^{10}\) All models control for gender, age, education, and religiosity. Two sets of models are fitted in this analysis. These models allow me to explore the effect of individual-level income and how it varies across

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\(^9\) I also tested the impact of other specifications for the effect of the Gini coefficient (e.g., a quadratic polynomial and the square of the Gini coefficient) on model fit. In most cases, the linear specification adequately captured the relationship between the Gini coefficient and attitudes.

\(^{10}\) All analyses were run using both multinomial models and ordered logit models. I present the results from the multinomial models for three reasons: (1) the test for parallel lines assumption failed for the ordered logit models; (2) the AIC and BIC for the final model indicated a much better fit to the data for the multinomial models; and (3) the fitted values for the multinomial and ordered logit models were radically different, especially for the middle-class, a significant focus of this paper, but also for the higher class.
countries. The first set of analyses begins with a separate model for each country. In the second, to test the contextual effects, a multinomial logit model is fitted to the pooled data from the 15 countries. As I will discuss in more detail below, Spain is identified as an outlier in this analysis. While the results with Spain included in the analysis do not substantively alter the study’s conclusions, the Spanish data mute the model’s effects. As Table 2 demonstrates, Spaniards disproportionately identify with the middle-classes relative to all other nations. I therefore focus on the results from the models that exclude the Spanish data.

12 Results

I start by exploring the relationship between income and middle-class identification bias. I expect a positive relationship between household income and class identity, as well as a bias towards middle-class identification. While I expect to find these two relationships in all countries, I also expect to significant cross-national variation. Therefore, I explore the results from the individual-country models predicting class identity. Given that my concern is the impact of income, I focus only on this effect. Also, given that income has a nonlinear effect in all 15 countries, I display fitted probabilities for the income effect in Figure 1 rather than discuss the model coefficients alone. The fitted probabilities are calculated with all other variables in the regression equation set to typical values—i.e., means for quantitative variables and proportions for categorical variables (Fox and Andersen, 2006). Each of the dashed lines represents the fitted probabilities from one of the 15 countries. The wide, solid lines depict the fitted probabilities from a single model fitted to the pooled data from all 15 countries (with fixed effects for country). In other words, the solid lines represent the average effect of income across the 15 countries. I have also identified Spain as a statistically significant outlier with a solid gray line—this was also confirmed later when more rigorous diagnostics were performed.
Figure 1 confirms that income is positively related to class identity. In all 15 countries, as income rises, people become less likely to identify with the lower classes and more likely to identify with the higher classes. There is a relatively similar pattern in most countries for middle-class identification; as income increases, people become more likely to report middle-class identity until about the median income level. There is substantial cross-national variation in the effect of income, however. This is obvious by the variance in the fitted lines shown in Figure 1, especially for top incomes and ‘higher class’ identification (panel c). Figure 1 also highlights the extent to which Spain is an outlier. Very few Spaniards identify with a high social class, including those with very high incomes. Moreover, Spaniards are far more likely than respondents from any other country to display ‘middle-class’ identification. These observations are consistent with other research on attitudes and class identity in Spain (Barnes et al., 1984; see also McDonough et al. 1986).11

**Figure 1:** Fitted probabilities for class identification by income in 15 democracies. 12

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11 Tests for outlying countries also indicated that Norway stood apart from other countries in that the effect of income on ‘lower’ class identity was much weaker, and that Romania stood apart in terms of the effects of income on ‘middle’ class identity. Excluding these countries from the analyses did not significantly alter the substantive conclusions from the final model, however, so they require no further attention.

12 The dashed lines represent the fitted values from separate multinomial logit models fitted to each of the 15 countries. The thick solid lines display the fitted probabilities for a multinomial logit model (with fixed country effects) fitted to the pooled data.
Table 2 suggests that patterns of class identification are more complicated than previous research assumes. It is clear that middle-class identities vary widely across countries. Among the 15 countries that this study considers, only two—Germany and Spain—have more than 40 percent of respondents identifying with the middle-class. This hardly suggests a dominant middle-class consensus. More importantly, substantial cross-national variation indicates the importance of exploring how national context influences class identification.

**Figure 2**: Economic development and average class identification in 15 democracies.  

I now turn to the relationships between the national-level economic context and class identity. Figure 2 displays the cross-national relationship between economic development and the proportion of people indicating that they belong to each class category. This preliminary evidence indicates that as economic development rises, class identities tend to shift higher up the class hierarchy. If we look more closely at the figure, however, some doubt is cast on this observation. Concentrating only on countries in the bottom half of GDP per capita—all of which were formerly Communist—it is less obvious that economic development and class identity are

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13 The regression line excludes data from Spain. Countries are denoted by the International Organization for Standardization’s three-letter country codes.
positively related. A similar conclusion is reached when looking only at the rich countries, none of which have experienced Communist rule.

When all countries are considered together, Figure 3 indicates that the relationship between income inequality and class attitudes is a near mirror image to the relationship between GDP per capita and class identity. As income inequality rises, average class identity is more likely to fall in the lower classes and less likely to fall in the middle and higher classes.

Spain has already been identified as unusual in terms of disproportionate middle-class identification, and Figures 2 and 3 further highlight the country’s unique nature. It has a far greater proportion of middle-class identifiers and a smaller proportion of higher class identifiers than any other country. Given Spain’s level of economic development and income inequality, these unusual proportions are especially noteworthy, as they do not adhere to the pattern shown the rest of the data. I thus pay careful attention to the Spanish data from this point on.

**Figure 3:** Income inequality and average class identification in 15 democracies.\(^{14}\)

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\(^{14}\) The regression line excludes data from Spain. Countries are denoted by the *International Organization for Standardization’s* three-letter country codes.
Figures 2 and 3 provide preliminary evidence that economic context influences class identity, but they show the effects of the two main context variables without controlling for the other. As I will show later, when both factors are considered simultaneously, the findings change dramatically. While the patterns in these graphs fail to consider the relationships associated with class identity within countries, they confirm that economic conditions may help to clarify the puzzle of cross-national differences in class identification. To test this, I turn to the multinomial logit models fitted to the pooled data from all 15 countries.

The estimates from the final model—which excludes data from Spain—are displayed in Table 3. Although the findings are substantively similar with Spain included in the analysis, I concentrate on the model excluding Spain because the contextual effects are more pronounced. All three contextual variables have a statistically significant effect on class identity, and the cross-level interaction between income and the Gini coefficient is statistically significant. Given the complex nature of multinomial logit models, especially for interactions and nonlinear relationships, it is nearly impossible to adequately interpret the findings from the coefficients alone. I therefore focus on fitted probabilities calculated from the model coefficients.

I start by evaluating the influence of economic development on class identification. Previous research implies that GDP has a generally positive influence on class identity. In other words, people in richer countries are more likely than are those in poorer countries to place themselves higher in the class structure, regardless of their income. I find no support for this hypothesis. The main effect of GDP per capita does have a statistically significant influence on class identity (Chi-square=7.10, d.f.= 2, p=0.029). The fitted values in Figure 4 demonstrate a positive relationship between economic development and both lower class identification (panel a) and middle-class identification (panel b). In other words, with increased economic
Table 3 Final multinomial regression model predicting class identification.

<table>
<thead>
<tr>
<th>Independent-level Variables</th>
<th>Lower Class Id.</th>
<th>Higher Class Id.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>0.069***</td>
<td>2.564</td>
<td>-2.959</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>-5.655</td>
<td>1.074</td>
<td>5.505***</td>
</tr>
<tr>
<td>Age² (orthogonal)</td>
<td>-9.249</td>
<td>5.550</td>
<td>1.044***</td>
</tr>
<tr>
<td>Gender (men)</td>
<td>0.240***</td>
<td>1.226</td>
<td>-0.080</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than primary</td>
<td>0</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Primary</td>
<td>-0.359</td>
<td>8.233</td>
<td>-0.087***</td>
</tr>
<tr>
<td>Secondary</td>
<td>-0.913</td>
<td>1.472</td>
<td>0.249***</td>
</tr>
<tr>
<td>University degree</td>
<td>-2.082</td>
<td>2.080</td>
<td>0.693***</td>
</tr>
<tr>
<td>Religiosity (at least once a month)</td>
<td>-0.128</td>
<td>6.688</td>
<td>-0.107</td>
</tr>
<tr>
<td>Family Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>-0.025</td>
<td>1.137</td>
<td>0.212***</td>
</tr>
<tr>
<td>Contextual Variables</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GDP per capita</td>
<td>-8.482***</td>
<td>8.569</td>
<td>3.446***</td>
</tr>
<tr>
<td>Gini coefficient</td>
<td>4.970***</td>
<td>7.547</td>
<td>0.888***</td>
</tr>
<tr>
<td>Former Communist rule</td>
<td>0.266***</td>
<td>3.268</td>
<td>-0.140</td>
</tr>
<tr>
<td>Income x Gini Coefficient</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>-0.711</td>
<td>3.336</td>
<td>0.469***</td>
</tr>
<tr>
<td>Number of individuals</td>
<td>10,027</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of countries</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIC</td>
<td>18036.1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*p<0.05; **p<.01***p<.001. Model excludes data for Spain.
* Middle class identification is the reference category.
development, people identify more strongly with the lower and middle-classes. The opposite is true for upper class identification. That is, in societies with more developed economies, people tend to hold weaker upper class identities. Figure 4 lends some support to earlier claims that economic development strengthens middle-class identification through reference group and related theories. This is only part of the story, however.

**Figure 4:** Fitted probabilities demonstrating the effect of national-level economic development in their effects on class identification.\(^{15}\)

With respect to the role of income inequality, both the AIC values and an analysis of deviance (Chi-square=11.03, \(d.f.=2, p=0.0004\)) confirm that individual-level income and national-level income inequality significantly interact in their effects on class identity. As we shall see shortly, the interaction effects are also in the expected direction. Income inequality affects class identity on its own, and it also influences how individual-level income affects class identity. Simply put, we see that class polarization is highest in unequal societies. To demonstrate this effect, I present fitted probabilities in Figure 5.

\(^{15}\)‘Low GDP’ represents a typical country with GDP per capita of $5,000 US, and ‘High GDP’ represents a typical country with GDP per capita of $40,000 US. Fitted probabilities are calculated with all other variables (both individual and contextual-level) set to their means (or proportions for categorical variables).
Panel (a) of Figure 5 illustrates the probability of lower class identification by income in equal and unequal societies. There is clearly a negative relationship between lower class identification and income, but the strength of this relationship differs according to the level of national income inequality. Compared to their counterparts in more equal societies, people with low income in less equal societies are more likely to report that they belong to a lower class. The opposite pattern appears in panel (c). In this case, those with high income are more likely to report that they belong to a high class if they reside in a less equal society than a more equal society. In contrast, people with low income in both societies are equally likely to report that they do not belong to a high social class, while people with high income are equally likely to indicate that they do not belong to a low social class. Finally, panel (b) demonstrates a curvilinear relationship between income and middle-class identification in both equal and unequal societies, though regardless of income, people tend to be less likely to report middle-class identity in unequal societies.

**Figure 5:** Fitted probabilities demonstrating the interaction between income and national-level income inequality in their effects on class identification.\(^{16}\)

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\(^{16}\) ‘Low Gini’ represents a typical country with a Gini coefficient of .23; ‘High Gini’ represents a typical country with a Gini coefficient of .38. Fitted probabilities are calculated with all other variables (both individual-level and contextual level) set to their means (or proportions for categorical variables).
Table 4 provides fitted probabilities of class identification for post-Communist states and established democracies, allowing me to test for differences between the two. Marked differences exist between the two types of societies, especially in terms of the probability of reporting lower class identification. Compared to people in established democracies, people in former Communist societies are more likely to identify as lower class and less likely to identify as higher class. Although this fits well with other research indicating that inequality has sharply increased since the fall of Communism (Kelley and Zagorski, 2005), this finding is derived from a model that controls for income inequality. I argue, therefore, that former Communist rule has had a profound and lingering influence on social attitudes, and this, in turn, affects class identity.

<table>
<thead>
<tr>
<th>Democratic Tradition</th>
<th>Lower classes</th>
<th>Middle classes</th>
<th>Higher classes</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Established democracies</td>
<td>0.324</td>
<td>0.431</td>
<td>0.245</td>
</tr>
<tr>
<td>(b) Former Communist societies</td>
<td>0.397</td>
<td>0.404</td>
<td>0.200</td>
</tr>
<tr>
<td>Difference (a-b)</td>
<td>-0.073</td>
<td>0.027</td>
<td>0.045</td>
</tr>
</tbody>
</table>

*Fitted probabilities are calculated with all other variables (both individual-level and contextual level) set to their means (or proportions for categorical variables).

13 Discussion and Conclusions
This chapter confirms some previous findings while also producing novel ones. First, and not surprisingly, I show that class placement is highly influenced by household income. Contrary to common conjecture, however, I also show that there is little evidence to suggest a dominant middle-class consensus. People hold diverse perceptions of their place in the class structure across different countries.
Consistent with previous research, I also demonstrate that economic development shapes class identity. This pattern holds even when income inequality is considered. In short, as economic development increases, so too does lower and middle-class identification. There is, however, a negative effect between GDP and upper class identity, suggesting that as society becomes more prosperous, upper class identities weaken. This finding contradicts some previous research, which argues that richer societies hold stronger upper class identities compared to less affluent ones (see Evans and Kelley, 2004). The analysis employed in this paper improves on previous work by evaluating countries with diverse economies, while also testing for the effect of income inequality.

Also in line with other recent work (Andersen and Curtis, 2012), this paper highlights that country-level income inequality moderates the relationship between income and class identity, even when accounting for political conditions. Specifically, I show that class polarization is strongest in societies with higher levels of income inequality. This finding helps clarify the dominant viewpoint of a middle-class consensus across all societies. My results show that in more equal societies, people at all income levels tend towards the middle. This relationship is curvilinear in all societies, suggesting that for the most part, low and high income earners identify less strongly with the middle classes. In other words, people across societies do not hold a dominant middle-class consensus, one that is thought to emerge alongside economic prosperity. Instead, the story is about income inequality and its polarizing effect on class attitudes in less equal societies, not the role of economic development.

The results suggesting the lingering effect of Communist rule are also intriguing. Many researchers argue that people in post-Communist countries have recently begun to display attitudes towards class identity that are more in line with people living in established
democracies. The logic for this argument is straightforward: after the fall of Communism, sweeping social and economic changes resulted in rapid economic development and increased economic inequality. This has been accompanied by changes in attitudes relating to class values more generally (Evans, 1997; Evans and Mills, 1999; Gerber and Hout, 2004). For example, convincing research shows that people now look more favourably upon income differences (Kelley and Zagorski, 2005). In this study, I find that as former Communist societies have become more unequal, class identities have changed accordingly. This is not the whole story. Former Communist rule and Communist ideology appear to have had a lasting effect on class identity that persists regardless of the level of economic development and income inequality. Simply put, more than a decade after the fall of Communism, people in formerly Communist societies tend to hold class identities that are consistent with more egalitarian views of society.

Other research has also shown a similar lingering effect of Communist rule. Andersen (2012) demonstrates that people are far less supportive of democracy in post Communist nations, even after controlling for economic context. This finding also coincides with a vast amount of attitude research demonstrating that people living in post Communist countries tend to be less socially and politically liberal (Inglehart and Baker, 2000; Andersen and Fetner, 2008) compared to people living in established democracies.

These results suggest an important distinction between class identity and class awareness. If one believes that class awareness is indicated simply by a strong match between income and class identification, these results would suggest that people in more equal societies (e.g., Sweden) are simply less aware than are people in less equal societies (e.g., the United States). I do not believe that this is the case. Such an interpretation seems to contradict a vast amount of research from the comparative welfare state literature suggesting that working-class mobilization
has played an important role in the development of welfare states in social democratic countries (Esping-Andersen and van Kersbergen, 1992; Myles and Quadango, 2002). Instead, I argue that the lower level of class polarization in more equal societies reflects greater feelings of social solidarity and social trust (c.f., Uslaner, 2002; Uslaner and Brown 2005) rather than a lack of class awareness. Arguably, people in equal societies are more likely than people from less equal societies to see all citizens as part of a common enterprise, regardless of their position in the class structure. In other words, rather than having less knowledge of class structure, people in more equal societies tend to hold less rigid ‘us’ versus ‘them’ ideologies and are thus less concerned with distinguishing their position within it.

This finding is consistent with research that emphasizes the social cost of income inequality for all members of a society. In countries where inequality is low, people of all classes report heightened social and emotional well being (Wilkinson and Pickett, 2010). Countries with the largest gap between the rich and the poor are confronted with many social problems related to low levels of trust, health, life expectancy, education, and social mobility. It is not surprising, then, that class identities would become more polarized as a result. Social and economic differences—and their negative effects—are more obvious in these societies, because inequality and social difference becomes more noticeable.

Like most research, this project is not without limitations. It could be argued that survey-based measures are a poor indicators of class identity on the grounds that people do not have enough knowledge of the complexity of class structure to be able to make accurate assessments of their position within it. Nonetheless, I concur with Hout (2008), who argues for the continued use of ‘subjective’ social class measures on the grounds that survey evidence suggests that they are meaningful markers. Moreover, as Wright (1997: 43-44) states, ‘the appropriate question…is
not “do the categories we develop faithfully mirror the complexity of the world?” but rather, “are these categories capable of advancing my knowledge of specific problems in class analysis?”

My results provide insight into the economic and political conditions that shape class identity and how it might affect society.

Of course, fundamental differences exist within some countries. For example, many researchers have argued that cross-cutting cleavages diminish the influence of class in predicting political attitudes and behaviours (Alford, 1963; 1967; Lijphart, 1979). Alford’s seminal work on class, party and competing cleavage structures proclaimed Canada as a case of ‘pure non-class voting’ (Alford, 1967). It is because, in Canada, regional and ethnic cleavages are strong, and reduce the significance of class position on voting behaviour—particularly among the working classes (Nakhaie and Arnold, 1996; Andersen, 2013). If cross-cutting cleavages diminish the importance of class on vote, there is good reason to believe that competing cleavage structures that vary by region might differentially influence class identification.

In fact, the notable differences in Spanish ‘middle’ class identity might be dominated by particularly strong regional difference. For example, McDonough et al. (1986) argue that regional cleavages, unrelated to social class, distract citizens from issue associated with the economy and class conflict. While this study is not about class identification per se, the implication is that awareness is low in Spain and that people are more strongly influenced by competing cleavage structures.

More generally, other research suggests that community-level factors influence attitudes and class behaviours (Andersen and Milligan, 2011). Though beyond the scope of this paper, an interesting avenue for future research would be to analyze within country differences. For example, economic disparity varies greatly within the United States—while many regions are
industrialized, others are not. This difference certainly holds the potential to dramatically shape within-nation class attitudes.

Finally, I must consider the limitations of analyzing only 15 countries. Although I have addressed class identity in more countries than does most research on the topic, including more would have allowed me to test for broader contextual effects. It would be of interest, for example, to assess how competing cleavages affect the relationship between income and class identity (see, for example, Lipset and Rokkan, 1967; Lijphart, 1979; Andersen and Heath, 2003).

A longstanding argument holds that if society is relatively homogenous in terms of other social structural variables (e.g., region, religion, race, ethnicity, and language), class identities have little competition and are thus more salient. Meanwhile, if society is significantly divided by other social cleavages, class identities tend to be weaker (Lijphart, 1979; Hout, 2008). It is possible, then, that the relationship between income and class identity is weaker in societies with complex cleavage structures than in societies with no significant division other than class.

While it is possible that competing cleavages also matter, I have no reason to believe that accounting for these cleavages would render the inequality effect insignificant. For a competing cleavage to negate the inequality effect, it would need to be highly correlated with both inequality and class identity. It is not obvious that such a competing cleavage exists in most societies.
Chapter 3
Intergenerational Mobility and Class Identification: How Economic Context Shapes Attitudes in 35 Contemporary Societies\textsuperscript{17}

14 Introduction

A longstanding argument holds that social mobility profoundly shapes class politics. Specifically, classic thinkers argued that higher rates of mobility would weaken class awareness (Marx, 1894; Sorokin, 1927; 1959; Goldthorpe, 1980; Heath, 1981). These theories tend to hold that mobility increases contact between social classes, which results in the de-politicization of economic issues, and reduces the potential for groups to become a ‘class for itself’ (Heath, 1981). In this regard, Sorokin (1927: 539) argued that mobile societies promoted processes of “delocalization”, and “atomization”, as traditional class structures became less obvious, and the middle-class became more fluid (Sorokin, 1927; see also Clement and Myles, 1994). In short, higher rates of movement allegedly weaken discontent and class struggle, even among those who are not mobile themselves.

Nevertheless, while much early work on mobility alluded to its consequences for class formation and class identity, this relationship has yet to be explored systematically. The classical argument above, then, suggests that if movement up and down the class structure is common, social classes may lose their political significance as class structures become less distinct (Goldthorpe et al., 1969; Goldthorpe, 1980; Heath, 1981). Theories of individualism and industrialization take this argument to its most extreme, suggesting that social class is now of

\textsuperscript{17} This dissertation chapter has been conditionally accepted for publication in the \textit{European Sociological Review}.
little importance to politics in modern societies (see Inglehart, 1987; Beck, 1992; Pakulski and Waters, 1996; Beck and Beck-Gernsheim, 2001). Various reasons are offered for this alleged development—e.g., the occupational structure is too complex, the working-class has become affluent, and other identities have become more important—most of which rest on the assumption that people no longer hold meaningful class identities (Clarke and Lipset, 1991; Pakulski and Waters, 1996; Kingston, 2001). Although it is difficult to deny that some behaviours—e.g., voting—have generally become less influenced by class position over the past few decades (De Graff and Neiuwbeerta, 1995; Andersen and Heath, 2003), it is also clear that class remains an important influence on a wide array of social and political attitudes (Svallfors, 1997; Brooks and Manza, 2001; Hout, 2008; Andersen and Fetner, 2008; Andersen, 2012; Andersen and Milligan, 2011).

Aside from several recent studies (Andersen and Curtis, 2012; Evans and Kelley, 2004), little research has been done pertaining to the influence of national context on class identification. As of yet, no large-scale comparative work has investigated the role mobility plays in shaping class identification. This chapter begins to fill this gap. Using the 1999 and 2009 waves of the International Social Survey Programme (ISSP), combined with national-level economic data, this paper explores how mobility and country-level economic conditions shape class identification in 35 countries. Employing a series of hierarchal linear models, this is the first study to systematically explore the effect of both respondent’s occupational class and their class origin\(^\text{18}\) on class identity in many modern societies. I build on previous work by exploring how various national economic conditions affect class identification. Particularly important is the

\(^{18}\) Most recent comparative work has used family income as a measure of social class. This paper builds on existing work by using a measure of occupation, recoded into several class categories (Hout et al., 1999; Andersen and Fetner, 2008).
extent to which social fluidity, in conjunction with economic development and income inequality, influence class identification. Finally, I systematically assess whether social class and national context interact in their effect on class identification.

My findings demonstrate that both respondent’s and father’s social class position strongly influence how people perceive their fit in the class structure. Moreover, while a lingering influence of class origin is apparent, it affects people in all class positions. In a similar manner, in terms of national context, I also draw several important conclusions. I demonstrate, however, that national-level social fluidity does not influence class identification. This finding contradicts the notion that increasingly mobile societies are less class aware than are more traditional ones. While it is clear that the class structure has evolved, people remain strongly influenced by their own economic position. In short, wider societal-level class change may be far less important than previously theorized. Finally, consistent with previous research (Andersen and Curtis, 2012), I also confirm the importance of economic prosperity and income inequality in shaping class identification. Specifically, low income inequality and economic development are associated with less middle-class identity bias.

15 Class Identification: Its Origins and Development

Research on class identification and awareness has waned in popularity since the influential work of Cantril (1943), Centers (1949), and other important early figures (DeGré, 1950; Haer, 1957; Ossowski, 1963; Hodge and Trieman, 1968; Popitz et al., 1969; Guest, 1974; Jackman and Jackman, 1983; Vanneman and Cannon, 1987). This research was foundational as it established that processes of class identification were strongly connected to individuals’ economic class (Centers 1949; Jackman and Jackman, 1983), their occupation and social prestige (Kornhauser, 1938; Wallace et al., 1944), and their social networks (Hodge and Treiman, 1968). That is, class
and economic position were shown to influence how people perceived class placement (Guest, 1974).

These results do not imply that people are always correct in their interpretations, however. In fact, class awareness is low in many modern societies (Andersen and Curtis, 2012). In recent years, researchers have begun to identify the causes and consequences of low class awareness. Some argue that ‘middle-class identity’ bias is highly prevalent in most modern societies (Evans and Kelley, 2004). This theory argues that people identify with the middle-classes, regardless of their own economic position, and form their perceptions of class based on ‘reference group theory’ (Kelley and Evans, 1995). From this interpretation, a funnel effect exists; people across all classes tend to identify with the middle (Kelley and Evans, 1995; Evans and Kelley, 2004).

Consistent with this argument, Goldthorpe et al.’s (1969) affluent worker hypothesis and Inglehart’s (1987) post materialist thesis argue that increasing affluence has altered the way people think about their own class position. The general argument is that people’s identities will become less tied to the means of production as society becomes increasingly differentiated. Also similar is the hypothesis that people are increasingly influenced by patterns of consumption as opposed to production relations (Clement and Myles, 1994). In this regard, what it means to be ‘middle-class’ is tied more to spending than to the means of production.

Recently, several studies have systematically explored how country-level economic and political conditions affect class identification (Evans and Kelley, 2004; Andersen and Curtis, 2012). These studies have shown that distinct cross-national differences in class identification exist. For some, the cause of differentiation is economic development. According to Evans and Kelley (2004), richer societies typically identify more strongly as ‘middle’ and ‘upper’ class,
relative to poorer ones. For others, however, the story is about differences in income inequality (Andersen and Curtis, 2012). The advantages of economic growth are never distributed equally across society (Atkinson and Piketty, 2007). In fact, inequality has increased alongside economic prosperity among many advanced nations. In short, economic growth may lead to higher expectations of consumption among the lower and working classes, which they are unable to achieve. Accordingly, Andersen and Curtis (2012) note that as inequality grows, the rich are more likely to identify with the upper classes, and the poor are more likely to identify with the lower and working classes. The argument here is that social and economic differences are more obvious in these societies, as inequality and social difference becomes more noticeable to everyone (Andersen and Curtis, 2012). As a result, class identities become stronger in less equal societies. Importantly, however, these findings used income as a measure of social class. The roles of occupational class and social mobility have yet to be explored.

15.1 Social mobility and class identity

Intergenerational occupational mobility refers to the association between an individual’s class background and current class position. There are two main theoretical components: ‘structural mobility’ and ‘social fluidity’. Structural mobility involves shifts in the economy that affect the mobility of people from all class backgrounds. It is a type of forced vertical mobility that results from a change in the occupational structure of society (Beller, 2009). In other words, mobility results from societal-level factors rather than the efforts of individuals themselves.

On the other hand, social fluidity refers to equality of opportunity. Higher rates of fluidity imply that structural constraints in society are low, increasing the potential for class movement. That is, the more social fluidity there is in a society, the more equal its members are in their ability to advance in the socio-economic hierarchy. This article will use a measure of social
fluidity that is derived from father’s and respondent’s occupational class. While using income is also common practice\(^\text{19}\) (see, for example, Becker and Tomes, 1986; Goldberg, 1989; Solon, 1992; Zimmerman, 1992) the goal of this paper is to understand how changes in the occupational structure have evolved, and concomitantly affected the process of class identification.

Comparative research on social fluidity has assessed whether equality of economic opportunity is changing over time within specific countries (Hout, 1988; Breen and Johnsson, 2007), or whether some countries relative to others have greater chances for mobility (Erikson and Goldthorpe, 1992; Breen, 2004). Both research agendas hold important implications for comparative economic inequality and attitude research. A classical thesis by Lipset and Zetterberg (1959) was that mobility rates were much the same across all industrialized societies. More recent work, however, lends little support to this premise (Hauser and Featherman, 1977; Erikson et al., 1979; Hope, 1982; Grusky and Hauser, 1984; Gerber and Hout, 2004; Breen and Jonsson, 2007).

Social mobility is greatest in societies where the opportunity structure is open, and when barriers and advantages associated with peoples’ backgrounds are few (Hout and Hauser, 1992; Beller and Hout, 2006). In this regard, research has demonstrated that economic factors affect rates of mobility (Featherman et al., 1975; Hauser and Featherman, 1977; Erikson et al., 1979; Erickson et al., 1982; Hope, 1982; Grusky and Hauser, 1984; Gerber and Hout, 2004; Breen and Jonsson, 2007). While explanations tend to be mixed, they often rest on the notion that there is a positive relationship between mobility and educational expansion (Grusky and Hauser, 1984), income inequality (Tyree et al., 1979), and economic development (Lipset and Zetterberg, 1959; Tyree et al., 1979).

\(^{19}\) Typically, it is common practice in the discipline of economics.
Treiman, 1970; Treiman and Yip, 1989; Yaish and Andersen, 2012). The possible relationships between mobility, economic development, and inequality suggest the importance of assessing them simultaneously when examining class identity.

Few studies have systematically explored the relationship between class identity and social mobility. What does exist provides some insight, however. Savage (2005), for example, suggests that class remains an important and meaningful identity marker throughout the stages of people’s lives. He argues that people are reflexive and individualized as they account for their mobility. Put another way, people are aware of their place in the class structure, and their class identities typically match their economic position. Similarly, Ablemann (1997; see also Andersen and Yaish, 2012) demonstrates a lingering influence of class origin on economic attitudes. Specifically, he illustrates the dynamic nature of class identification throughout the life course as Korean women struggle to mediate between their past and present perceptions of class. This work is as much about gender and family structure as it is about mobility and class identification, however.

While systematic research focusing specifically on the relationship between mobility and class identity is limited, mobility has been found to affect a wide range of political and economic attitudes (Tocqueville, 1969[1835-40]; De Graaf and Nieuwbeerta, 1995). This research has produced mixed conclusions. Some argue that social and political attitudes are strongly influenced by early family life (De Graaf et al., 1995; Kelley and Evans, 1995). For example, Andersen and Yaish (2012) demonstrate that relative to those whose destination class is similar to their class origin, the upwardly mobile are more left leaning, and less supportive of income differences (see also De Graaf et al., 1995). Others argue that personal experience later in life can encourage people to react against their values learned as a child. For example, Lipset’s
(1960) *Political Man* demonstrates that the majority of upwardly mobile people tend to vote for non-working-class parties. Similarly, Kelley and Kelley (2009) demonstrate mobility is linked to support for income inequality. Relatedly, Alesina and La Ferrara (2005) argue that those who experience upward mobility tend to be less supportive of redistribution and social policy. Both arguments imply a functionalist logic (Davis and Moore, 1945), suggesting that mobility could be associated with an ideology of meritocracy.

On the other hand, an opposing view suggests that it is possible that when social fluidity is high, perceptions of class structures are less coherent. If movement between classes is common, political and economic values may not be passed as effectively through successive generations. Specifically, in socially fluid societies people may attribute less political meaning to the classes they belong to. This idea forms the foundation of Marx’s (1852) argument that when class becomes less self-recruiting it lacks the foundations to become a ‘class for itself’. The early work of Sorokin (1927) draws a similar conclusion. For Sorokin and others (e.g., Lipset and Bendix 1959), mobility has the potential to create greater individualism and status rejection (Grusky, 1994). That is because, as people gain exposure to different classes, they become influenced by differing values and, as a result, tend to have less strong class values themselves.

16 Research Questions

Until now, no systematic research has explored the role of economic context in a cross national framework with data on many countries. This paper fills that gap. This research is driven by hypotheses regarding class processes at both the individual and country-levels. In terms of the individual-level hypotheses, I focus on the role of occupational class origin and destination:
**Hypothesis 1**: Respondents' social class position shapes their attitudes toward class identification. Specifically, those higher in the class structure will be more likely to identify with the middle and upper classes.

**Hypothesis 2**: Through socialization processes, there will be a lasting influence of class origin on people’s perceptions of class identification.

Here I offer two competing hypotheses:

A. Socially mobile individuals from working-class backgrounds will be less likely to identify with the middle and upper classes. That is, they will be strongly influenced by their class background.

B. People who are upwardly mobile will be more likely to identify with the middle and upper classes. In other words, people will react against their class of origin, and be even more likely than others are to identify with the class to which they belong.

In terms of contextual influences, I test the following hypotheses:

**Hypothesis 3a**: Economic prosperity will have a significant impact on class identification. Specifically, people living in richer societies will be more likely to identify higher in the class structure.

**Hypothesis 3b**: Social fluidity will shape class identification. As societies become socially fluid, people will be increasingly likely to identify with a social class that does not match their occupational status.

**Hypothesis 3c**: Income inequality will shape class identification. As inequality rises, people will tend towards lower and working-class identification.

Finally, I explore how the relationship between social class and class identity will be moderated by national-level economic conditions. In doing so, I search for an interaction between social class and each of three contextual variables: economic development, social fluidity, and income inequality.
17 Data and Methods

The individual-level survey data comes from the ISSP (social inequality module), which consists of four surveys from 1987, 1992, 1999, and 2009. This study focuses on data collected for the two most recent periods (1999 and 2009). The ISSP was designed for the purpose of multinational comparative research and has been frequently used in studies on comparative inequality (Kelley and Evans 1995; Kelley and Zagorski, 2005; Fisher and Hout, 2006; Osberg and Smeeding, 2006) and social mobility (Beller and Hout, 2006; Beller, 2009). The analysis includes respondents from all countries for which data was available across both survey periods. Specifically, I utilize data from 35 different countries across 48 contexts because several countries were surveyed in more than one period (see Table 2). The sample is limited to individuals between the ages of 30-65 on the grounds they are more likely to be integrated into the class structure. After removing respondents with missing information, the analytic sample contains 33,481 individuals.

Country level data were extracted from various official sources. A measure of income inequality was derived using the Standardized World Income Inequality Database (SWIID) (Solt, 2009), while economic development was taken from the UN data archive (http://data.un.org). Finally, using the individual-level ISSP survey data, I have constructed a measure that taps country level social fluidity. I explain these variables in more detail below.

17.1 Dependent variable

I utilize a dichotomous variable that taps class identification as ‘Working/Lower’ class (coded 0) versus ‘Middle/Upper’ class (coded 1). This variable has been recoded from the following survey question: “Most people see themselves as belonging to a particular class. Please tell me which social class you would say you belong to?” Response categories include: (1) Lower class; (2)
Working-class; (3) Lower middle-class; (4) Middle-class; (5) Upper middle-class; and (6) Upper class. Collapsing the variable into two categories was necessary because of sparse cell counts. Specifically, few people identify as ‘lower’ and ‘upper’ class in nearly every society\(^{20}\). The hierarchical linear models that were employed were quite complicated, making it impossible to obtain convergence when the five-category variable was employed.

### 17.2 Individual-level variables

The ISSP data contain information on the occupation of both respondents and their fathers. Following Hout et al. (1995; see also Andersen and Fetner, 2008), classes were recoded in the following categories: (1) professionals; (2) managers; (3) routine non-manual; and (4) working class. Each of the statistical models controls for age, gender, and education\(^{21}\). Education was coded into three categories: primary or less (the reference category), secondary, and university.

### 17.3 Country-level variables

*Social Fluidity*

A measure for social fluidity was constructed using the ISSP individual-level data. Following other sociological research on mobility (Gerber and Hout, 2004; Beller, 2009), the total number of individuals was divided by the frequencies of each cell in the off diagonal in the mobility tables that display the cross-tabulations of respondent’s class by father’s class for each

\(^{20}\) Also, this analysis explores individual-level social mobility—i.e., the interaction between respondent’s class and father’s class. Including this term with an already sparse five-category dependent variable expanded the amount of sparse cell categories—for example, a professional respondent from working-class origins who self identifies as ‘lower middle’ class. The hierarchical linear models also include random effects for class and wave, three level-two predictors, as well as various cross-level interaction terms—all of which were necessary to test my hypotheses.

\(^{21}\) I tested for non-linearity effects for age by employing an orthogonal quadratic polynomial. However, it did not provide a statistical improvement over the final models with the simple linear effect.
country for each survey. This measure has a theoretical range from 0 to 1, with a score of 0 representing no class movement, and a score of 1 representing complete class movement. In the observed data, this variable ranges from 0.590 in S. Korea to 0.779 in Finland.

**Economic Development**

Economic development is measured by gross domestic product (GDP) per capita, standardized to 2009 US dollars for each survey year. This data was obtained primarily from the Organization for Economic Co-operation and Development (OECD) (www.oecd.org) statistical database. In some instances information was not available for specific countries in this analysis. When this occurred, I extracted data from The World Bank (www.worldbank.org), also considered to be a highly reliable source for data on national economies.

**Income Inequality**

Following common practice, income inequality was measured using the Gini coefficient for equivilized household incomes. This measure has a theoretical range of 0, reflecting complete income inequality, and 1 reflecting complete income equality. Gini measures were also obtained from the OECD (http://www.oecd.org). However, missing countries were again encountered. Data for Chile, Estonia, Poland, Slovakia, and Slovenia, were obtained from the Standardized World Income Inequality Database (SWIID) (Solt, 2009)\(^2\). Descriptive statistics by country are shown in Table 5.

\(^2\) Although the SWIID database could have been used for each measure of inequality, I decided to use data from the OECD given that the other contextual variables in this study were also derived from this database.
Table 5 Descriptive statistics for each country. Countries are ordered alphabetically.

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>GDP Per Capita</th>
<th>Income Inequality (Net Gini)</th>
<th>Social Fluidity</th>
<th>Mean Class Identity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>2009</td>
<td>7,665</td>
<td>0.423</td>
<td>0.643</td>
<td>3.074</td>
</tr>
<tr>
<td>Australia</td>
<td>1999</td>
<td>26,128</td>
<td>0.275</td>
<td>0.736</td>
<td>3.271</td>
</tr>
<tr>
<td>Australia</td>
<td>2009</td>
<td>42,101</td>
<td>0.335</td>
<td>0.736</td>
<td>3.514</td>
</tr>
<tr>
<td>Belgium</td>
<td>2009</td>
<td>43,799</td>
<td>0.247</td>
<td>0.67</td>
<td>3.462</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>2009</td>
<td>6,403</td>
<td>0.352</td>
<td>0.682</td>
<td>2.684</td>
</tr>
<tr>
<td>Chile</td>
<td>2009</td>
<td>9,487</td>
<td>0.497</td>
<td>0.656</td>
<td>2.561</td>
</tr>
<tr>
<td>China</td>
<td>2009</td>
<td>8,400</td>
<td>0.359</td>
<td>0.502</td>
<td>2.567</td>
</tr>
<tr>
<td>Taiwan</td>
<td>2009</td>
<td>37,900</td>
<td>0.305</td>
<td>0.624</td>
<td>2.963</td>
</tr>
<tr>
<td>Canada</td>
<td>1999</td>
<td>27,135</td>
<td>0.315</td>
<td>0.71</td>
<td>3.499</td>
</tr>
<tr>
<td>Chile</td>
<td>1999</td>
<td>8,804</td>
<td>0.519</td>
<td>0.599</td>
<td>2.561</td>
</tr>
<tr>
<td>Croatia</td>
<td>2009</td>
<td>14,323</td>
<td>0.376</td>
<td>0.689</td>
<td>3.518</td>
</tr>
<tr>
<td>Cyprus</td>
<td>2009</td>
<td>29,428</td>
<td>0.293</td>
<td>0.650</td>
<td>3.891</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>1999</td>
<td>14,312</td>
<td>0.252</td>
<td>0.705</td>
<td>3.009</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>2009</td>
<td>18,137</td>
<td>0.249</td>
<td>0.723</td>
<td>3.270</td>
</tr>
<tr>
<td>Denmark</td>
<td>2009</td>
<td>56,330</td>
<td>0.265</td>
<td>0.717</td>
<td>3.685</td>
</tr>
<tr>
<td>Estonia</td>
<td>2009</td>
<td>14,375</td>
<td>0.311</td>
<td>0.730</td>
<td>3.151</td>
</tr>
<tr>
<td>Finland</td>
<td>2009</td>
<td>44,890</td>
<td>0.254</td>
<td>0.779</td>
<td>3.387</td>
</tr>
<tr>
<td>Germany</td>
<td>1999</td>
<td>25,142</td>
<td>0.266</td>
<td>0.676</td>
<td>3.418</td>
</tr>
<tr>
<td>Hungary</td>
<td>1999</td>
<td>11,260</td>
<td>0.292</td>
<td>0.711</td>
<td>2.719</td>
</tr>
<tr>
<td>Hungary</td>
<td>2009</td>
<td>12,635</td>
<td>0.261</td>
<td>0.637</td>
<td>2.813</td>
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<tr>
<td>Iceland</td>
<td>2009</td>
<td>38,033</td>
<td>0.283</td>
<td>0.737</td>
<td>3.772</td>
</tr>
<tr>
<td>Israel</td>
<td>2009</td>
<td>39,459</td>
<td>0.37</td>
<td>0.73</td>
<td>3.504</td>
</tr>
<tr>
<td>Japan</td>
<td>2009</td>
<td>39,456</td>
<td>0.307</td>
<td>0.630</td>
<td>3.228</td>
</tr>
<tr>
<td>Korea</td>
<td>2009</td>
<td>17,110</td>
<td>0.314</td>
<td>0.59</td>
<td>3.361</td>
</tr>
<tr>
<td>Latvia</td>
<td>1999</td>
<td>4,200</td>
<td>0.322</td>
<td>0.73</td>
<td>2.885</td>
</tr>
<tr>
<td>Latvia</td>
<td>2009</td>
<td>11,476</td>
<td>0.365</td>
<td>0.710</td>
<td>3.106</td>
</tr>
<tr>
<td>New Zealand</td>
<td>1999</td>
<td>16,819</td>
<td>0.362</td>
<td>0.734</td>
<td>3.646</td>
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<tr>
<td>Norway</td>
<td>1999</td>
<td>29,800</td>
<td>0.223</td>
<td>0.740</td>
<td>3.685</td>
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<tr>
<td>Norway</td>
<td>2009</td>
<td>77,610</td>
<td>0.25</td>
<td>0.737</td>
<td>3.206</td>
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<tr>
<td>Poland</td>
<td>1999</td>
<td>16,113</td>
<td>0.318</td>
<td>0.7</td>
<td>2.923</td>
</tr>
</tbody>
</table>

Continued
Table 5 Continued

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>GDP Per Capita</th>
<th>Income Inequality (Net Gini)</th>
<th>Social Fluidity</th>
<th>Mean Class Identity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portugal</td>
<td>2009</td>
<td>22,016</td>
<td>0.34</td>
<td>0.637</td>
<td>2.761</td>
</tr>
<tr>
<td>Russia</td>
<td>2009</td>
<td>8,615</td>
<td>0.452</td>
<td>0.715</td>
<td>3.167</td>
</tr>
<tr>
<td>Slovakia</td>
<td>1999</td>
<td>10,399</td>
<td>0.246</td>
<td>0.688</td>
<td>3.242</td>
</tr>
<tr>
<td>Slovakia</td>
<td>2009</td>
<td>16,126</td>
<td>0.234</td>
<td>0.744</td>
<td>3.162</td>
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<tr>
<td>Spain</td>
<td>1999</td>
<td>19,824</td>
<td>0.366</td>
<td>0.603</td>
<td>3.609</td>
</tr>
<tr>
<td>Spain</td>
<td>2009</td>
<td>31,891</td>
<td>0.321</td>
<td>0.611</td>
<td>2.995</td>
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<tr>
<td>Sweden</td>
<td>1999</td>
<td>25,801</td>
<td>0.232</td>
<td>0.75</td>
<td>3.474</td>
</tr>
<tr>
<td>Sweden</td>
<td>2009</td>
<td>43,472</td>
<td>0.225</td>
<td>0.753</td>
<td>3.579</td>
</tr>
<tr>
<td>Switzerland</td>
<td>2009</td>
<td>63,568</td>
<td>0.302</td>
<td>0.686</td>
<td>3.658</td>
</tr>
<tr>
<td>Turkey</td>
<td>2009</td>
<td>8,554</td>
<td>0.345</td>
<td>0.642</td>
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<tr>
<td>Ukraine</td>
<td>2009</td>
<td>2,545</td>
<td>0.295</td>
<td>0.722</td>
<td>2.767</td>
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<td>USA</td>
<td>1999</td>
<td>33,298</td>
<td>0.368</td>
<td>0.711</td>
<td>3.044</td>
</tr>
<tr>
<td>USA</td>
<td>2009</td>
<td>45,793</td>
<td>0.359</td>
<td>0.718</td>
<td>3.134</td>
</tr>
</tbody>
</table>

18 Statistical Models

The main analysis employs a series of binomial mixed models that predict ‘middle/upper’ class identification. My first set of hypotheses evaluates the role of social class in its effect on class identification. Model 1 begins by exploring the effect of one’s own class (Hypothesis 1). Model 2 tests for the lingering influence of class of origin (Hypothesis 2). Model 2b explores the possibility that social mobility at the individual-level influences how people perceive their position in the class structure (Hypothesis 2). All of these models include a random component for the intercept. Each model also includes a random component for year to allow social class and survey period to have different effects across the various social contexts.

Models 3-5 test the impact of national context. Model 3 begins to examine how national economic conditions shape class identification. By including economic development (Hypothesis 3a), social fluidity (Hypothesis 3b), and income inequality (Hypothesis 3c), this model evaluates the main effects of economic context on class identification. Building on this model, Model 4
introduces a random effect for social class at the country level to test if class matters differently according to national context. Finally, to parse out this relationship, a wide range of models were tested to systematically explore the relationship between social class and national context in its effect on class identification (see Table A1). Model 5 builds on the previous model by exploring how class interacts with national context to affect class identification.

19 Results
I begin by graphically exploring the bivariate relationship between class identity and each country-level economic variable. Figure 6 displays average class identity scores for each country’s score on economic development, income inequality, and social fluidity. The class identity average represents the mean score for each of the five class categories, with 1 representing the lowest and 5 representing the highest class. Consistent with previous research, panel (a) and panel (b) strongly suggest that economic context shapes class identity. Panel (a) displays a positive relationship with economic development and class identification, suggesting that more prosperous economies raise people’s middle-and upper-class identities. Panel (b), concerning income inequality, indicates that less equal countries tend toward lower class identification. Panel (c) offers new evidence, suggesting a positive relationship between social fluidity and class identity. As movement between classes becomes more common, people are more likely to hold middle and upper class identities, compared to those who live in societies with more rigid class structures.

This preliminary examination suggests the possibility that class structures are less politicized in socially fluid societies. While this evidence is a significant first step, it should be interpreted cautiously given that other economic conditions at the individual and contextual-level have not yet been simultaneously explored.
Figure 6: Country averages on a five-point scale by (a) level of economic development; (b) level of income inequality; and (c) level of social fluidity.

I now turn to more rigorous analyses. Table 6 displays the coefficients from each of the five multilevel models. The first column displays information from Model 1, which provides the first test concerning the influence of social class on class identification. Most importantly, this model confirms Hypothesis 1, demonstrating that social class strongly shapes how people perceive their position in the class structure. Not surprisingly, professionals, managers, and routine non-manual workers identify more strongly as ‘middle’ and ‘upper’ class, compared to the working and lower classes. Also important, the variance of the intercept is statistically significant. This suggests that there is variation in class identification across countries not accounted for by the variables in the model.

Model 2 builds on the previous model by introducing a measure for class origin. As expected from Hypothesis 2, class origin strongly influences class identification. This holds true for all class positions, suggesting a lingering influence of social class on social attitudes later in life. While this model is a statistical improvement over the previous model, the country variance explained is only somewhat improved. Importantly, however, the coefficients for respondent’s class change very little when class origin is included. This suggests that father’s class exerts a
Table 6 Binomial hierarchical linear models predicting class identification. Standard errors in parentheses.

<table>
<thead>
<tr>
<th>Ind. level Variables</th>
<th>Model 1 Estimate</th>
<th>Model 2 Estimate</th>
<th>Model 3 Estimate</th>
<th>Model 4 Estimate</th>
<th>Model 5 Estimate</th>
<th>Model 6 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S.E</td>
<td>S.E</td>
<td>S.E</td>
<td>S.E</td>
<td>S.E</td>
<td>S.E</td>
</tr>
<tr>
<td>Intercept</td>
<td>-1.413*** (0.205)</td>
<td>-1.500*** (0.201)</td>
<td>-4.895*** (1.389)</td>
<td>-4.282*** (1.265)</td>
<td>-4.269*** (1.266)</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>0.001 (0.001)</td>
<td>0.002 (0.001)</td>
<td>0.002 (0.001)</td>
<td>0.002 (0.001)</td>
<td>0.002 (0.001)</td>
<td>0.002 (0.001)</td>
</tr>
<tr>
<td>Gender (men)</td>
<td>0.097*** (0.029)</td>
<td>0.088*** (0.029)</td>
<td>0.087*** (0.029)</td>
<td>0.132*** (0.029)</td>
<td>0.132*** (0.029)</td>
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<tr>
<td>Education</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td>0 --</td>
<td>0 --</td>
<td>0 --</td>
<td>0 --</td>
<td>0 --</td>
<td>0 --</td>
</tr>
<tr>
<td>Secondary</td>
<td>0.887*** (0.033)</td>
<td>0.832*** (0.033)</td>
<td>0.832*** (0.033)</td>
<td>0.845*** (0.034)</td>
<td>0.844*** (0.034)</td>
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<tr>
<td>University degree</td>
<td>1.993*** (0.054)</td>
<td>1.858*** (0.055)</td>
<td>1.858*** (0.055)</td>
<td>1.822*** (0.056)</td>
<td>1.825*** (0.056)</td>
<td></td>
</tr>
<tr>
<td>Social Class (R)</td>
<td></td>
<td></td>
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<tr>
<td>Working Class</td>
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<tr>
<td>Professionals</td>
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<td>1.454*** (0.048)</td>
<td>1.452*** (0.048)</td>
<td>1.690*** (0.114)</td>
<td>1.686*** (0.104)</td>
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<td>1.476*** (0.075)</td>
<td>1.474*** (0.075)</td>
<td>1.530*** (0.125)</td>
<td>1.523*** (0.119)</td>
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<td>0.792*** (0.065)</td>
<td>0.793*** (0.062)</td>
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<td>Gini*Resp. Class</td>
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</tr>
<tr>
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<tr>
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strong and independent effect on class identification. I now add the interaction between respondent’s and father’s class to assess its importance. Interestingly, this interaction is not statistically significant in its effect on class identification (Chi-square=11.709, d.f.=9, p=0.230). That is, there is a lingering effect of class background on attitudes that works the same for all individuals, irrespective of class position. This finding suggests that people do not react against their class of origin. This is a particularly interesting finding given that previous research has suggested the profound influence of social mobility in its effect on political and economic attitudes (Lipset, 1960; Alesina and La Ferrara, 2005; Kelley and Kelley, 2009).

Model 3 introduces the main effects of economic development, income inequality, and social fluidity. Supporting previous research, economic development has a positive influence on class identification. Its influence is both strong and statistically significant, thus confirming Hypothesis 3a. Moreover, income inequality strongly shapes how people perceive their place in the class structure. Specifically, as income inequality rises, people are far less likely to identify with the middle and upper classes.

Lastly, the effect of social fluidity is not statistically significant. This suggests that class identity is unaffected by the level of movement between classes. This is particularly important when we recall the diversity of countries in the sample, and their distinct levels of social fluidity. Model 3 is also important for one final reason: controlling for national-context has drastically reduced the random effects for country-level variance, decreasing from 0.595 in Model 2, to 0.326 in Model 3. This implies that national-level economic conditions substantially account for

23 Given the statistical non-significance of this model, I have not included it in Table 2. However, its result may be seen on request.
differences in class identification. The AIC level for this model is also lower, suggesting an improved statistical fit$^{24}$.

Model 4 introduces a random effect for social class. The logic here is that social class will matter differently according to country context. That is, this model allows class position to have different effects by country. This model confirms that social class functions differently across countries in its effect on class identification. More importantly, this model implies that cross-level interactions between social class and national context may be important in working towards a comprehensive theory of class identification.

I now begin to parse out this relationship. Model 5 confirms the significance of income inequality in moderating the relationship between social class and class identification. While this finding has been previously shown for income, the role of occupation as a measure of social class had yet to be systematically tested. The random effects for social class and country variance are significantly reduced in this model, emphasizing the profound influence of income inequality on class identification. Moreover, the individual-level effects for social class are still highly statistically significant. Importantly, too, the AIC values for Model 5 indicate it is the best fitting of all models tested. Interpretation of the cross-level interaction from the model results alone is difficult, however. I have calculated fitted values in order to more clearly display this relationship. The results are displayed below in Figure 7.

In countries with greater income equality, all classes identify more strongly with ‘middle’ and ‘upper’ class categories. Rather than economic development being the economic factor

$^{24}$ To ensure that my final results are robust, several competing models were introduced that tested cross-level interactions between social class and each of the contextual effects. Table A1 displays the AIC values for these models. As Table A1 concludes, the best fitting model is one that accounts for income inequality, both within and across nations, in its effect on class identification.
**Figure 7:** Class Identification According to Income Inequality (Gini coefficient). Fitted Values are from Model 5. All variables except respondent’s social class and income Inequality are set to typical values. This model predicts the likelihood of identifying with the ‘Middle/Upper classes’ relative to the ‘Lower/Working classes’.

Driving middle-class identification (Evans and Kelley, 2004), it is income equality that creates stronger perceptions of middle-class identification. Across all social classes, people identify more strongly with middle and upper class identities, when income inequality is low. As this figure shows, class awareness seems strongest in more equal societies. There is considerable class differentiation, represented by more notable differences between each occupational category. In these societies, both professionals and managers identify more strongly with the middle and upper classes, compared to routine non-manual workers as well as the working classes. To put it another way, when inequality is low, all social classes feel more affluent, yet the distance between their levels of middle-class identification is more pronounced than in less equal societies.
The story is very different in societies with higher income inequality. As societies become less equal, all social classes become less likely to identify with ‘middle’ or ‘upper’ class categories. A strong negative effect exists for routine non-manual workers, and the class identities of professionals and managers actually converge at high levels of income inequality. Moreover, there is a broader convergence between all classes as inequality becomes more pronounced. This finding suggests that when income inequality is high, it becomes less apparent to people where they fit in the class structure, as people from the upper classes become less likely to differentiate themselves from others.

20 Discussion and Conclusions

This study provides new evidence regarding the relationship between social mobility and class identification. First, I have shown that both social class and class origin influences how people perceive their class identity. My findings indicate that class origin is a strong indicator of class identity across all social classes. This finding suggests a lingering socialization effect related to the economic conditions that people were exposed to early in life.

Furthermore, the effect of class origin is the same for all classes. That is, I have found no evidence that an interaction exists between father’s and respondent’s social class. This finding disproves the common conjecture that the experience of class socialization is different for each class and speaks to the profound influence of social class driving early socialization. Specifically, it refutes the common conjecture that experiencing mobility strongly shapes people’s class attitudes (Lipset, 1960; Alesina and La Ferrara, 2005; Kelley and Kelley, 2009). I found no evidence that people react against the values of their class of origin after experiencing mobility.
This study has also found that country-level social fluidity does not influence class identification. Recall that this study explored 35 societies over 48 different contexts from 1999 to 2009. Over this period, rates of social fluidity fluctuated within and across societies. Movement between classes during this period was remarkable. The fact that this measure did not meaningfully explain attitudes towards subjective class position is intriguing. At least two explanations can be imputed from this finding. First, and most obviously, it is possible that people are unaware of rates of social fluidity. Some comparative work exists on this topic. Typically, it finds that significant cross-national differences exist regarding attitudes towards subjective mobility and that the relationship between perceived mobility and actual mobility are not strong (Kelley and Kelley, 2009).

Second, it is possible that class structures have become so complex that it is not immediately clear to individuals whether their own class movement has been ‘upward’ or ‘downward’. My results regarding the non-effect of individual-level mobility are consistent with this idea. When people think about social class, it is possible that rather than picturing a common collective, they turn instead to an assessment of their own immediate economic situation. My findings of the strong influence of class origin and current class position support this claim. Moreover, as others have argued, this uncertainty may also be explained to some degree by a ‘middle-class identity bias’ (Kelly and Evans, 2004; Andersen and Curtis, 2012).

When inequality is high, its effects are felt across all social classes. These results show evidence that inequality significantly influences how people perceive class issues. Even among traditionally wealthy classes, income inequality mutes people’s perceptions of their own position in the class structure. It is because the consequences of income inequality are felt within and
across all classes. When income is differentially allocated, it affects everybody, not just the lower and working classes.

While income inequality has been identified as an important influence in research on class identification, it has been recognized as important only in moderating the relationship between income and class identification. These new results suggest a more profound influence, indicating the significance of income inequality as a societal mechanism that shapes public attitudes. As others have shown (Andersen and Curtis, 2012), income inequality has a polarizing effect on the relationship between income and class identity. To be brief, the very rich and the very poor have greater class awareness when income inequality is high. Class attitudes, too, are far more muted in equal societies. These previous findings, considered alongside my results, are fascinating. When inequality is low, class identification is more strongly predicted by position in the occupational structure. However, when inequality is high, income much more strongly shapes people’s class attitudes. This suggests that as inequality grows it is felt across all class positions. Income differences among the middle and upper classes reduce their sense of class awareness.

This makes a great deal of sense if we think about the notable changes that have occurred to the class structure over recent decades. Class struggle still exists, though in a far more complicated way. It is no longer the case that masses of proletarians are mobilizing against a remote bourgeoisie. Instead, the effects of income inequality are felt across all classes and occupations. The target of rebellion is far less clear today, as societies have become increasingly industrialized.

I conclude with a reflection of what future research on class identification could explore. Large-scale comparative studies gain purchase on societal-level factors that influence class attitudes. When many countries are considered simultaneously, detail is lost regarding specific
national trends. Future research might consider analyses of individual countries separately over long periods. While the results from this study did not find mobility to be an important indicator, it is possible that a longitudinal analysis of specific countries would produce different and novel results.

Also intriguing is the question of whether class identity might affect different political behaviours. For example, does class awareness shape political preferences, and if so, how is this relationship affected by political and economic conditions? Are those who are class aware more likely to vote? If so, are their political preferences more likely to match their class interests? At present, the relationship between class awareness and political behaviours is under-theorized. Future research should begin to explore these topics in greater detail.
Chapter 4
How Individual and National Economic Conditions Influence Attitudes toward Economic Inequality: Evidence from 24 OECD Countries

21 Introduction

People in modern economies tend to hold enduring attitudes related to equality, income redistribution, government intervention, and the collective provision of public goods (Joakim and Svalfors, 2013; Finseraas, 2009; Lupu and Pontusson, 2011; Svalfors 1993; 1997). These ‘Left-Right’ issues are closely tied to class interests (Bengtsson et al., 2013; Evans and Heath, 1995; Evans et al., 1996; Heath et al. 1994) and thus are important indicators of class awareness. Nevertheless, many argue that growing economic development and modernization, growing affluence in the working-class, and competing social identities, have reduced the importance of these issues and social class more generally in postindustrial societies (Clark and Lipset, 1991; Inglehart, 1977; Kingston, 2000; Pakulski and Waters, 1996).

Most evidence regarding the declining importance of class pertains to the post World War II period until the mid-1990s. This was a period of both vast economic growth and an historic decline in economic inequality (Moller et al., 2009; Neckermann and Torche, 2007; Shultz, 1998; Firebaugh, 2000). Since the 1990s inequality has rebounded in most countries to levels not seen since the early twentieth century (Alderson et al., 2005; Nielsen and

\[^{25}\text{A co-authored version of this chapter has been submitted to the International Review of Social Research.}\]
Alderson, 1997; Piketty and Saez, 2003; Reardon and Bischoff, 2011; Wilkinson and Pickett, 2010; McCall and Percheski 2010). It is possible, then, that the apparent lessening significance of social class and related Left-Right issues for politics had less to do with economic development than with declining income inequality. New evidence is thus needed to shed light on this issue.

More recent cross-national evidence suggests that class identification and awareness tend to be strongest when inequality is high (Andersen and Curtis, 2012). It has also been demonstrated that support for redistribution and other social policies related to equality also tend to increase with inequality (Finseraas, 2009; Lupu and Pontusson, 2011; Joakim and Svallfors, 2013). Other evidence indicates that inequality and social class interact to influence many attitudes and behaviours considered important to liberal democracy (Andersen and Fetner, 2008; Andersen, 2012). Taken together, this research suggests that inequality may have profound implications for class awareness.

Building on this research, I investigate how household income and social class interact with national-level inequality to influence attitudes toward income and wealth inequality. I start with the premise that people from low economic positions tend to be most supportive of economic equality because they stand to gain most from it. I argue that the interests of the middle classes change if their fortune changes. However, at high levels of inequality, the effects of inequality are felt more acutely across all classes, and hence the differences in class interests erode. Except for those at the very top of the income distribution and class structure, people of all classes become aware that redistribution and social policy will benefit them. I shall also provide evidence to suggest that, while people see current levels of inequality as legitimate, they nevertheless desire change that could improve their
own economic situation. I investigate these ideas using World Values Survey (WVS) data and country-level data, which I extract from various official sources.

22 Social Class Left-Right ‘Core Values’

Political sociologists commonly argue that ‘core values’ shape political orientations and party preferences (Evans et al., 1996; Feldman, 1988; Heath et al., 1994; McClosky and Zaller, 1984; Rokeach, 1973; Zaller and Feldman, 1992). For example, Left-Right political beliefs—or principles of ‘socialism versus ‘laissez-faire’ (Evans and, Heath 1995; Heath et al., 1994) — are used to explain the similarities among people within a particular class in terms of attitudes toward collectivism, government control, and economic and political equality. Until the past few decades, it was widely accepted that values polarized around economic issues in most modern societies, with the lower classes holding Left attitudes, while those in higher classes tend toward the Right. In other words, people tend to be ‘class aware’, i.e. they recognize how inequality affects their lives.

Until the late 20th century, many analysts saw politics as reflecting “the democratic class struggle” (Andersen and Davidson, 1943), in which class was the dominant social identity influencing social and political values. In recent decades, however, considerable doubt has been cast on the role class plays in shaping how people think in modern societies. Some commentators have argued that a new politics has politicized new social divisions, which have replaced traditional class cleavages. This perspective argues that competing ideologies related to other social identities, such as race, ethnicity, language, and gender have become more important as societies have become more economically homogeneous (Kingston, 2000; Pakulski and Waters, 1996). For others, class has waned in significance because of rising prosperity in advanced societies, which allows people to shift their attention
from material to ‘post material’ concerns. In this regard, non-economic issues, such as self-expression and the environment, trump economic ones as value polarization becomes muted across the class structure (Inglehart, 1977; Inglehart and Abramson, 1994).

Others claim that class awareness has weakened in modern societies because people have much more diverse social networks than they once did. In terms of income and social status, many people within one’s network fall above or below them. Therefore, when asked about their class identity, people tend towards the middle. Variations of this perspective include “reference group theory” (Kelley and Evans, 1995) and “middle-class identity bias” (Evans and Kelley, 2004), both claiming that the majority of people think they belong to the middle-class. For others, rising economic prosperity and affluence has led to stronger middle-class identification (Goldthorpe et al., 1969; Inglehart, 1977; Lockwood, 1958). If class identity is influenced by social status and lifestyle rather than social class, it follows that people may also develop strong middle-class sentiments.

Others argue that class continues to be an important social identity, but that its impact is largely limited by political factors (Andersen et al., 2006; Evans and DeGraff, 2013). There is also good reason to believe that, even if it is not as important as it once was, class may soon become more relevant again. Cross national studies have found that country-level economic and political conditions strongly influence class awareness (Evans and Kelley, 2004; Kelley and Evans, 1993; Evans and Kelley, 2004; Robinson and Kelley, 1979; Vanneman, 1980; Wright, 1989). Of particular importance in this regard is the drastic rise in income inequality over the past three decades and evidence that income inequality has a polarizing effect on class identities. If the distance between classes becomes more obvious,
people may be more likely to identify with a subjective social class position that reflects their objective place in the class structure (Andersen and Curtis, 2012).

23 Income Inequality and Value Polarization

It is widely accepted that preferences for inequality are formed by self-interest (Meltzer and Richard, 1981; Durr, 1993; Jaeger, 2006; Lübker, 2007; Weakliem, Andersen and Heath, 2005; Jaeger, 2013; Andersen and Yaish, 2012). Specifically, people from higher social classes tend to be more accepting of inequality because they are less affected by it, and stand to lose most from redistributive policy (Rueda and Pontusson, 2010; Svallfors, 2004). On the other hand, people from the lower social class are much less accepting of inequality because they stand to benefit most from income redistribution.

Others argue that attitudes toward acceptable levels of inequality can be partially explained by national context (Lübker, 2007; Andersen and Yaish, 2012). For example, research on attitudes towards redistribution, which is closely related to income inequality, finds that people become more favourably disposed to social policies when inequality rises. Meltzer and Richard’s (1981) classic study argues that utility maximization leads to stronger support for government spending when society is unequal because more people benefit from the redistribution of income. More recently, Rueda and Pontusson (2010), Jaeger (2013), and Finseraas (2009) also conclude that inequality increases demand for social spending and income redistribution. In each case, the authors studied a broad group of European democracies with diverse levels of inequality. They conclude that class differences in attitudes are larger when societies are more equal because fewer people benefit from increased taxation and spending.
Yet other evidence suggests that income inequality will shift people away from the Left; this argument contends that society becomes less socially cohesive when inequality grows and people withdraw, participate less, and become politically apathetic. Specifically, in highly unequal societies people lack the sense of a *common collective*, a society in which people from different groups hold like-minded goals, values, and aspirations. This theory is supported by research on social trust and civic engagement (Uslaner, 2002; Uslaner and Brown, 2005), tolerance (Andersen and Fetner, 2008), attitudes towards democracy (Andersen, 2012), and happiness (Oishi et al., 2011). For example, using aggregated US state-level data from the 1970s to the 1990s, Uslaner and Brown (2005) conclude that when inequality rises it leads to less social trust, which in turn causes people to become less politically engaged. They conclude that inequality unravels the social fabric, distancing people from their neighbours and communities.

While there is a dearth of research on cross national differences in how income inequality shapes attitudes toward wealth inequality, research on individual countries suggests that inequality may play a role. For example, in a longitudinal survey in Scotland, Niedzwiedz and Kandlik-Eltanani (2014) found that attitudes favouring greater wealth equality were most widespread after the 2008 financial crisis. Five years later, after income inequality had declined, the proportion of people who believed that wealth was distributed unequally also fell. Other research has explored whether people are aware of their countries’ wealth distribution. In this regard, it was concluded that people generally favour living in a country more equal than how they perceive their country. People of all social classes also tend to underestimate the degree of wealth inequality in their society (Neal et al., 2011).
24 Research Questions and Hypotheses

My primary concern is with the relationship between income inequality, social class, and attitudes towards income and wealth equality. Although we know that individual and contextual economic conditions interact to affect a wide array of attitudes related to liberal democracy, we know very little about how changing economic conditions have affected attitudes toward income and wealth inequality. I derive and test three hypotheses from gaps in the previous literature:

**Hypothesis 1:** Following from the economic self-interest thesis, people from lower social classes and income groups will be less likely to favour income and wealth inequality compared to people from higher class and income positions.

**Hypothesis 2:** As income and wealth inequality rise, people across all economic backgrounds are more likely to support income and wealth equality. The rationale for this hypothesis is that in societies that are less equal, the consequences of inequality are felt across the class structure, leading to much greater support compared to societies that are more equal.

**Hypothesis 3:** There is greater attitude polarization between social classes and income groups at low levels of income inequality. At low levels of income inequality the difference in living conditions between the lower and middle-classes is relatively small. This influences attitudes differently depending on one’s class position. The middle-class is less supportive of equality under such conditions because they are aware that equality comes at their expense (i.e., redistribution through taxes). On the other hand, those from lower classes are aware that the small economic differences between classes have resulted from the democratic class struggle.
Table 7 Descriptive information for each country by survey. Countries are listed alphabetically.

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<th>Country</th>
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<th>Wealth Inequality</th>
<th>Gini coefficient</th>
<th>Economic Development</th>
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All surveys 45  5.4  4.69
All individuals 48,232
25  Data and Methods

I use individual-level data from the *World Values Survey* (WVS) collected between 1990 and 2005 (Inglehart et al. 2006) on 24 countries, 16 of which were surveyed in more than one time period. I obtained country-level economic and political data from the OECD, the Standardized World Income Inequality Database, the Luxembourg Income Study and the CIA World Factbook. After missing cases were removed, the analytic sample included 48,232 respondents. Details on sample sizes and other descriptive information for each country are provided in Table 7.

25.1 Dependent variables

I explore the effects of economic conditions on two dependent variables. My question pertaining to wealth inequality is an *absolute* measure that taps *awareness of the actual* level of wealth inequality in one’s society. The question on income inequality, on the other hand, is a *relative* one that taps people’s preferences for whether *change in the distribution of income* is needed. By using both measures I am not only able to gain insight into whether people are aware of inequality but also whether they would like something done about it.

Both questions measure attitudes on a 10-point scale ranging from 1 to 10. A score of 1 means that respondents are completely supportive of the statement on the left, and a score of 10 means they are completely supportive of the statement on the right. The questions as they appear in the WVS are listed below:

How would you place your views on this scale? 1 means you agree completely with the statement on the left; 10 means you agree completely with the statement on the right; and if your views fall somewhere in between, you can choose any number in between:
**Wealth inequality:**

People can only get rich at the expense of others.

Wealth can grow so there’s enough for everyone.

1 2 3 4 5 6 7 8 9 10

**Income inequality:**

Incomes should be made more equal.

We need larger income differences as incentives.

1 2 3 4 5 6 7 8 9 10

Low scores for both dependent variables reflect Left values and high scores represent values that favour the Right.

### 25.2 Individual-level variables

**Economic position**

I employ two measures of individual-level economic conditions: income and occupational social categories. Although the WVS does not include raw incomes it provides a relative measure of household income coded into deciles for the respective country. I also use occupation as an alternative measure of individual-level economic conditions. I recode class into four categories: (1) managers/self-employed, (2) professionals, (3) routine non-manual, and (4) manual working-class. I collapsed the ‘managers’ and ‘self-employed

_______________________

26 The models also include an “other” category for respondents who did not report their social class. However, to more easily interpret the data, I do not report the “other” category in the tables and statistical models.
individuals, because three countries (South Korea, New Zealand, and Poland) were missing data on self-employed individuals.

*Individual-level control variables*

The analysis also controls for age (limited to individuals over 18), gender, and religious identification. I use a six-category measure of religious identification: (1) practicing Catholic, (2) non-practicing Catholic, (3) practicing Protestant, (4) non-practicing Protestant, (5) other, and (6) none (the reference category in the statistical models).

25.3 *National-level variables*

Income inequality is measured by the Gini coefficient for equivalized household incomes after transfers. It ranges between theoretical values of 0 (all households have equal income) and 1 (one household has all the income). Data on the Gini coefficient were obtained from the Luxembourg Income Study (LIS, 2005) for all but five countries. I encountered missing data for Chile, Estonia, Poland, Slovakia, and Slovenia, and thus obtained inequality measures for these countries from Solt’s (2009) Standardized World Income Inequality Database (SWIID).

*National-level control variables*

I control for three important contextual factors because previous research indicates their importance for both class identification and attitudes towards economic inequality: economic prosperity, former Communist rule, and ethnic heterogeneity. Economic prosperity is measured by gross domestic product (GDP) per capita standardized to 2005 US dollars for each survey year. The OECD statistical database was my primary source. I again encountered
missing data for Chile, Estonia, Slovakia, and Slovenia. To obtain these measures, I used The World Bank to extract missing data, which was not accounted for by the OECD. Both data sources are considered to be highly reliable for economic data.

Previous comparative research also demonstrates the importance of controlling for former Communist rule (Gerber and Hout, 2004; Andersen, 2012) because experiencing life under a communist regime strongly shapes economic and political values. Including this control is especially important given that former communist countries have rather high levels of income inequality. A country that has experienced a communist government since the 1980s is classified as “former communist”, whereas all other countries are coded as “never communist”.

To account for the possible impact of a competing ethnic cleavage (Lijphart 1979; Andersen and Heath, 2003), I also control for Alesina et al.’s (2003) measure of ethnic heterogeneity, which has a theoretical range from 0 (complete homogeneity) to 1 (complete heterogeneity). Unfortunately, data was not available for each survey period, and thus for nearly all countries the measure was calculated using only 1998 data.

26 Methods and Statistics

I begin my analysis by fitting separate OLS regressions predicting attitudes in each of the 24 countries. I then proceed to the main analysis, which employs a series of multilevel models fitted to the pooled data from the 44 surveys. All of these models include a random component for the intercept that accounts for the clustering within the 44 national contexts; I also expect occupational social class and income to operate differently by nation. I therefore build the statistical models sequentially by specifying random components for occupational
social class and income. Following the same logic, I then explore how inequality affects the relationship between occupation, income, and attitudes towards income and wealth inequality. A summary of an extensive set of preliminary models fitted to each dependent variable is displayed in Table A2. To determine the best-fitting statistical model, I also conducted an analysis of deviance (Table A3). I display final model results for each dependent variable in Table 8.

27 Results

Figure 8 displays 95 percent confidence intervals for the effects of social class on attitudes from OLS regressions fitted to data for each country separately. The first row demonstrates the relationship between social class and attitudes towards income inequality; the second row demonstrates the relationship between social class and attitudes toward wealth inequality. Countries are ordered by level of income inequality. For each dependent variable there are three panels, each contrasting one social class with the working-class (the reference category in the statistical models): (a) managers/self-employed, (b) professionals, and (c) routine non-manual workers. The dashed vertical line indicates a value of zero. If a coefficient crosses this line, it is not significant.

Starting with the relationship between social class and attitudes towards income inequality, we see quite clearly that in nearly all countries, all other classes are more likely than the working-class to favour inequality. The effects are generally strongest for the contrast between managers/self-employed and the working-class. It is also important to note the magnitude of these effects is closely related to the level of income inequality. That is, countries with higher levels of income inequality tend to have smaller class effects. Although somewhat muted, similar patterns hold for the other class contrasts.
Figure 8: The effect of occupation on attitudes toward income inequality (panels a-c) and wealth inequality (panels d-f). The effects are from linear models fitted to each country separately. The horizontal lines reflect a 95 percent confidence interval for the estimates.
The second row of plots on Figure 8 displays the effects of social class on attitudes toward wealth inequality. Compared to all other classes, members of the working-class are more likely to have the attitude that “Wealth can grow so there’s enough for everyone”. However, for each panel there are several non-significant effects—in panel (d) there are four, in panel (e) there are seven, and in panel (f) there are four. There is also no clear relationship between national-level inequality and attitudes towards wealth. I thus have preliminary evidence that national context may affect attitudes towards income and wealth inequality very differently.

Figure 9 explores the relationship between household income and attitudes towards income and wealth inequality. Similar to Figure 8, countries have also been rank-ordered by level of income inequality. I start with panel (a), which focuses on attitudes toward income inequality. Each of the 24 country effects is statistically significant. As income rises, people are more likely to become supportive of income inequality. A very different pattern holds for attitudes towards wealth inequality, however. There is less country variation in the effects and, even more important, nearly half of the coefficients are not significant, and for three countries (Japan, Canada, and Norway) the income effect is negative. While there is some indication that income inequality plays a role in shaping the relationship between income and attitudes toward income inequality, there is no evidence of this interaction for attitudes toward wealth inequality. I now turn to the main analysis, which employs a series of mixed models for each dependent variable. Table 8\textsuperscript{27} displays the final model results for each

\textsuperscript{27} In a later analysis survey year was added as a control variable. Including this measure did not alter my results.
analysis. I begin by discussing the results from Model A, which explores attitudes toward income inequality. Hypothesis 1 argued that both income and social class would strongly influence attitudes toward economic inequality.

**Figure 9**: The effect of household income on attitudes towards (a) income inequality, and (b) wealth inequality. The effects are from linear models fitted to each country separately. The horizontal lines reflect a 95 percent confidence interval for the estimates.

---

Although not included in Table 8, I also ran a series of models which systematically explored how social class affected attitudes as income inequality increased (see Table A2). In order to determine which model held the most statistical power, we also conducted an analysis of deviance, which is based on the maximum likelihood estimation. These results are displayed in Table A3.
As expected, as individual-level income rises, people are more likely to hold right-wing attitudes toward income inequality. In other words, those with higher incomes are generally less likely to perceive that something should be done to equalize the income distribution. I find similar results for the effects of social class. Those in the lower classes tend to hold much weaker preferences for income inequality compared to those in higher class positions. Relative to the working-class, ‘managers/self-employed’ individuals are more supportive of inequality, followed by ‘professionals’ and ‘routine non-manual’ workers. In sum, both income and social class affected attitudes in the manner expected by my first hypothesis. I find substantively identical results for Model B, which explored attitudes towards wealth inequality.

Model A fails to support Hypothesis 2. Although the effect of the Gini coefficient is positive, it is not statistically significant. Model B also fails to support Hypothesis 2. While the Gini coefficient is positive, it is not in the expected direction. I expected income inequality to lead to stronger preferences for equality. Instead, I find that attitudes favouring inequality become stronger in unequal societies. I must then reject the second hypothesis. However, my main goal is to understand how income inequality affects the relationship between individual-level economic conditions on income and wealth inequality. I thus begin by including random components for occupation and income, given that I expect individual-level economic conditions to operate differently within each country. As shown in Table A2, occupation and income have different effects on attitudes toward income inequality across societies. My goal then, is to determine if differences in inequality are the reason.
**Table 8** Final mixed model estimates predicting attitudes towards (a) income inequality, and (b) wealth inequality in 24 modern democracies (standard errors in parentheses)

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<td>Wealth inequality</td>
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<td>Ethnic Fractionalization</td>
<td>0.018</td>
<td>-0.009</td>
</tr>
<tr>
<td></td>
<td>(0.080)</td>
<td>(0.064)</td>
</tr>
</tbody>
</table>

* Table 8 continued on next page...*
Table 8 Continued

<table>
<thead>
<tr>
<th>Class*Gini interaction</th>
<th>Attitudes Towards Economic Inequality</th>
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<tbody>
<tr>
<td></td>
<td>Income Inequality</td>
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<td>Model A</td>
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<tr>
<td>Working Class</td>
<td>0</td>
</tr>
<tr>
<td>Routine non-manual</td>
<td>-1.235</td>
</tr>
<tr>
<td></td>
<td>(1.036)</td>
</tr>
<tr>
<td>Professionals</td>
<td>-3.085**</td>
</tr>
<tr>
<td></td>
<td>(1.322)</td>
</tr>
<tr>
<td>Managers/Self-employed</td>
<td>-3.917***</td>
</tr>
<tr>
<td></td>
<td>(0.921)</td>
</tr>
</tbody>
</table>

Random Components

Cross-country variance

<table>
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<tr>
<th>Social Class</th>
<th>Intercept</th>
<th>Working class</th>
<th>Routine non-manual</th>
<th>Professionals</th>
<th>Managers/Self-employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working class</td>
<td>0</td>
<td>0</td>
<td>0.126***</td>
<td>0.199***</td>
<td>0.076***</td>
</tr>
<tr>
<td>Routine non-manual</td>
<td>0</td>
<td>0.027***</td>
<td>0.047***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professionals</td>
<td>0.002***</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers/Self-employed</td>
<td>0.002***</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

AIC | 231,511 | 226,960

BIC | 231,888 | 227,303

n (countries) 24

n (surveys) 45

N (individuals) 48,232

P-value <0.05; **P-value <0.01; ***P-value 0.001.

The interaction between occupation and income inequality is highly statistically significant and affects attitudes in the expected direction. An analysis of deviance confirms its importance to the fit of the model (chi-square= 20.28, df=4, p= .0004). In other words, I have now found support for Hypothesis 3, and I have calculated fitted values to more accurately interpret this effect. On the other hand, although not reported in the final models, an analysis of deviance (chi-square= 0.647, df=1, p= .4211) indicated that inequality did not
affect the relationship between income and attitudes towards income inequality (see also Table A2).

To better comprehend the effect of income inequality, I have plotted fitted values through its range for each of the social classes for both dependent variables in Figure 10 (see below). Panel (a) displays how income inequality affects the relationship between occupational social class and attitudes towards wealth. First, I find statistically significant, though somewhat weak, class differences in attitudes. In both equal and unequal societies, those from middle and higher social classes are more likely than those from the working class to hold the attitude that there is enough wealth for everyone. Second, national-level income inequality matters. Third, class effects remain constant regardless of the level of income inequality. At low levels of inequality, people from all class positions are less likely to believe there is enough wealth for everyone. As society becomes less equal, however, all classes become more accepting of inequality, and believe there is enough wealth for everyone. Contrary to Hypothesis 3, then, I do not find that low levels of inequality lead to value polarization. Panel (b) explores the effects of income inequality and social class on attitudes towards income inequality. This figure shows that inequality has a strong polarizing effect on attitudes towards income inequality. At low levels of inequality, middle class people feel that greater income differences are needed in society. Not surprisingly, the working-class is least likely to favour income differences. As inequality rises, attitudes converge as more people across the class structure lean towards the Left. However, the attitudes of the working-class stay the same regardless of inequality. This implies that in both types of societies, the working-class are very much class aware, and recognize the benefits
surrounding income redistribution. I have thus found support for Hypothesis 3, with regard to attitudes toward income inequality.

**Figure 10:** Effects display showing the interactive effect of occupation and income inequality on attitudes toward (a) wealth inequality, and (b) income inequality. Fitted values were derived from the final statistical models.

Panel (b) explores the effects of income inequality and social class on attitudes towards income inequality. This figure shows that inequality has a strong polarizing effect on attitudes towards income inequality. At low levels of inequality, the middle class strongly feel that greater income differences are needed in society. Not surprisingly, the working-class is least likely to favour income differences. As inequality rises, attitudes converge as more people across the class structure lean towards the Left. However, the attitudes of the working-class stay nearly the same regardless of inequality. This implies that in both types of societies, the working-class are very much class aware, and recognize the benefits
surrounding income redistribution. I have thus found support for Hypothesis 3, with regard to attitudes toward income inequality.

28 Discussion and Concluding Remarks

For social class to have a significant impact on politics, people must be aware of their class position and have a basic understanding of the causes and consequences of economic inequality (Weakliem, 1993; Sosnaud et al., 2013). Consistent with this argument, I find that people’s preferences for inequality strongly reflect their class position. Not surprisingly, those who benefit most from inequality tend to be most likely to favor it. My evidence also suggests, however, that even if current levels of inequality are considered legitimate, this does not necessarily mean that people are happy with the status quo. Instead, my results are consistent with the idea that people would prefer inequality to be lessened if it might improve their own economic position, even if the overall level of inequality is not seen as unfair.

I start by discussing how income inequality moderates the relationship between occupational social class and attitudes towards income inequality. When inequality is low, the middle-class tends to feel that greater income differences are needed as incentives. I argue that this probably reflects how the middle-class perceives what is just given their economic position. That is, it seems sensible to suggest that people in the middle-class are more likely to feel that they are not getting their fair share of the income distribution when inequality is low. The interests of the middle class change as inequality rises, however, because they are more likely to be adversely affected by it. In these conditions, the middle-class becomes less supportive of the notion that income differences are needed as incentives.
On the other hand, working-class attitudes are strikingly similar regardless of the level of national income inequality. Recall that the survey item tapping this dependent available was relative in nature. It asked respondents about whether change in the income distribution was needed. To explain why working-class attitudes are quite similar regardless of the level of income inequality I must first consider that the relative economic position of the working-class compared to others is always low. From a self-interest perspective, I would expect that they would always be more likely to favour redistribution than those from other classes, regardless of the level of inequality. The fact that I do, indeed, find this pattern, suggests that the working-class is generally aware of its position regardless of the level of income inequality.

Turning to how income inequality and individual-level economic position affect attitudes toward wealth, I find quite different results. At a quick glance, the results may seem surprising. Consistent with the self-interest thesis, I found that compared to those in high economic positions, those in lower economic positions were much less likely to favour wealth inequality. This pattern held regardless of the level of income inequality. However, I also found that income inequality has a strong effect on attitudes towards wealth inequality, though it is in the opposite direction than for attitudes towards income inequality. To understand these seemingly contradictory findings, it is important to remember that the survey question used to tap wealth inequality measures awareness of actual levels of inequality that exist in their society. The wealth inequality question asks people to comment on their views of whether there is enough wealth to spread around or whether people can only get ahead at the expense of others. It does not ask respondents their attitudes regarding change. Given that most people are most familiar with the country in which they live, it is
sensible to suggest that people anchored their responses to their experiences of their own society.

I found that in equal societies, people are less likely to think that there is enough wealth for everyone. I argue this reflects the fact that more people have an equal share of the income distribution—i.e., wages are more equal across social classes—and thus people are more likely to believe that becoming wealthy is done at the expense of others. In other words, I speculate that people are more likely to feel that becoming wealthy is associated with exploitation and inequality when inequality is low. In unequal societies, on the other hand, people from all social classes are more likely than those in equal societies to report that wealth and affluence can be attained by all members of society. As wealth inequality rises, it is much easier to see those with high incomes and wealth standing apart from the rest of society, as many more can be seen. Increased exposure to wealthy people thus functions to legitimize inequality.

These findings further suggest that people in equal societies understand that most people do not attain vast wealth, and those who do are an exceptional case. As societies becomes more unequal, however, people from all classes accept wealth inequality and believe that becoming wealthy is fair and achievable. Of course, simply because people feel the current level of inequality is just, does not necessarily mean that they cannot desire change if it benefits them. In fact, my findings on the relative measure of income inequality suggest that this is precisely what happens. As inequality rises it tends to be seen as legitimate, but those who are affected most by inequality still desire change on the grounds that it might improve their own situation. I would need data on perceptions of the extent to which obtaining high wealth and income is possible to test this conjecture. Unfortunately the
WVS did not have such a measure, so I must leave that endeavor for future research using different data.

To ensure that the findings for wealth inequality were unrelated to the omission of wealth inequality as a predictor, I carried out some supplementary analyses. The main regression analysis was also reproduced to include a measure of wealth inequality for a subset of the sample for which wealth inequality data was available. I obtained data for wealth inequality from Davies et al. (2008), who compiled data for the year 2000 in 39 countries. I selected only the data from each of the 24 countries in my analysis. Using these data, the correlation between the wealth inequality and income inequality was small (0.135) and statistically insignificant (see Figure A1), suggesting there is no clear relationship between income and wealth inequality. Nevertheless, neither the main effect of wealth inequality, nor the interaction terms with occupational social class and income were statistically significant when included in the final model for the 2000 data. These models also produced substantively similar results to the models I report. I am thus confident that these findings are not spurious driven without taking into account levels of national-level wealth inequality.

In concluding, it is interesting to ponder the possible policy implications of these results. I have argued that greater class awareness is driving the relationship between rising

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29 Unfortunately, few measures of comparative wealth inequality exist over time. After an extensive search, I was limited to data from 2000 for each of the countries in my sample (see Davies et al., 2008). For each country, we selected an individual-level survey, which was closest to the year 2000.

30 However, both Mexico and Chile were identified as jointly influential outliers. They were thus excluded for the calculation of the correlation coefficient.
income inequality, social class, and attitudes towards inequality. People are increasingly class aware as income inequality rises, and thus they become more likely to hold economic attitudes that are more in line with their own class position—a finding that lends further support to the theory of self-interest. The fact that the differences in attitudes on income inequality between classes diminishes as inequality rises reflects the fact that class differences in living conditions also diminish. Simply put, more people feel the adverse effects of inequality as it rises. Given these findings I speculate that if there is a threshold at which inequality has crossed, policy makers will feel compelled by public attitudes to turn back the tide. Given that most modern democracies have witnessed a rise significant rises in income inequality (Alderson et al., 2005; Reardon and Bischoff, 2011; Wilkinson and Pickett, 2010; McCall and Percheski, 2010) and substantial cuts to social spending (Nolan et al., 2014) over the past few decades, it seems likely that if things continue in this way, we will soon reach that point.
Chapter 5
Concluding Remarks

29 Introduction

The goal of this dissertation was to explore class awareness across modern democratic societies. In doing so, I have provided new evidence that under the right conditions the positions people occupy in the socioeconomic structure, and their attitudes about where they think they fit, influence attitudes towards economic inequality. My empirical chapters demonstrate that country-level income inequality profoundly affects class attitudes as well. People become aware of social and economic stratification as inequality rises because status differences in society become more prominent. I also find that even if people see inequality as legitimate, they desire change if they think it will improve their economic situation. These results suggest that people’s class identities and their preferences for inequality strongly reflect their class position, a finding that is consistent with the economic self-interest thesis. In the sections that follow I summarize my research contributions and outline the implications of my research. I then conclude with a discussion of research limitations and offer some suggestions for future theoretical and empirical work.

30 The Death and Rebirth of Class

There are many reasons to believe that social class has less impact on people’s values than it once did (Inglehart, 1987; Bell, 1974; Clark and Lipset, 1991; Inglehart and Rabier, 1986; Nisbet, 1959; Inglehart and Abramson, 1994; Pakulski and Waters, 1996; Inglehart and Abramson, 1999). Following World War II, many studies argued that people were no longer class aware, and that economic issues had become a fleeting concern. However, economic
conditions are different today, as inequality has grown alongside economic development in most countries. As a result, social class now plays a different role in shaping how people think. To summarize, since the 1990s a lack of government response to changes in the labour market coupled with declining individual earnings have made income inequality more widespread in most modern democracies. These changes have made social class an important identity once again.

My dissertation provides compelling evidence that under the right economic conditions social class has an important influence on economic and political values. In Chapter two, I demonstrate that individual income is strongly associated with holding a higher class identity. I found a positive relationship between income and class identification across all 15 societies. Most importantly, this chapter identified the country-level conditions under which class identities become strongest. Following previous work, I confirm that economic development leads to stronger class identities. I also provide new evidence that middle-class identification is weakest when income inequality is high. This evidence calls into question popular theories of middle-class identity bias (Evans and Kelley, 2004), which argue that people in modern societies often tend towards the middle, and that most people lack class awareness.

Building from this research, Chapter three explored how occupational social class and intergenerational mobility affect class identification and awareness. I conclude that class origin and current social class strongly influence how people think about their position in the class structure. In other words, social class matters, but where people come from also exerts a long lasting influence on class identity. I also found that the lingering social class effect is the same for all classes. This finding disproves the claim that class socialization is stronger for some social
classes compared to others (Lipset, 1960; Alesina and La Ferrara, 2005; Kelley and Kelley, 2009).

In terms of national context, I found that economic conditions also play a role. Previous research argues that when rates of fluidity are high, political and economic values are not effectively passed through successive generations (Sorokin, 1927; Lipset et al., 1954; Grusky, 1994). This would lead to weaker class values and lower class awareness. However, I found that social fluidity has no impact on class identification. Here I offer two explanations: 1) People are mainly influenced by their own economic conditions, or 2) they are unaware of the level of social fluidity. Lastly, I found that income inequality profoundly shapes class identity. In this regard, as inequality rises all social classes are less likely to identify with the middle-class. Though inequality most acutely affects the working class, when inequality rises, its consequences are felt across all of society.

Building on this idea, Chapter four explored how individual and national-level economic conditions influence how people think about income and wealth inequality. Following the first two chapters, I used both occupational social class and income as measures of individual-level economic conditions. As inequality has risen since the 1990s, the occupational class structure and the income distribution have changed significantly. It is important to consider how both economic variables affect people’s attitudes. The main finding in this chapter concerns the middle class, and whether its members feel as though they are getting their fair share of the income distribution. At low levels of income inequality the difference in living conditions between classes is relatively small. I argue that the middle class is less supportive of equality under these conditions because they are aware that equality comes at their expense, namely through redistribution and taxation. On the other hand, those from lower classes are well aware
that the small economic differences between classes have resulted from class politics, and thus are more strongly in favour of equality. This finding follows popular theories of self-interest: that is, people are more likely to support income equality and redistribution when they feel that they will benefit from it (Durr, 1993; Blekesuane, 2007; Jaeger, 2013). When inequality rises, more people in society are affected by it, and thus even people of high economic standing feel the effects of income inequality.

31 Research Significance and Policy Implications

My dissertation research has provided evidence that under the right economic conditions social class profoundly shapes how people think about economic and political issues. When income inequality rises, people of all social classes more accurately identify their class position, and feel that something should be done to reduce income inequality. These findings are driven by the new economic structure in advanced societies, which has altered occupational structures and income distributions. In short, at high levels of inequality, economic and class-based identities have become important once again.

My research was also motivated by the common conjecture that public attitudes had responded slowly to the growth of inequality, and that a lack of concern might be explained, at least partly, by low levels of class awareness. As previous research reports, welfare state retrenchment has occurred in many countries (Pierson, 2001; Korpi and Palme, 2003; Hacker 2004; Brady, 2005; Brady and Lee, 2013). According to theories of social policy responsiveness, welfare state retrenchment may have been motivated by public demand for less spending on social services (Brooks and Brady, 1999; Erikson et al., 2002; Wlezien, 1995; Brooks and Manza, 2007; Schneider and Jacoby, 2007). If true, this implies people lack an understanding of how inequality affects their lives, and suggests those in lower class positions—i.e., those affected
most adversely by rising inequality—are not ‘class aware’. My dissertation finds strong evidence that these claims are false.

Instead, I argue that people in modern democracies are highly concerned about income inequality (Weakliem et al., 2005; Stimson, 1995; Myers and McDonald, 2014; Page and Jones, 1979). If policy preferences are determined by economic self-interest (Meltzer and Richard, 1981; Durr, 1993; Jaeger, 2006; Lübker, 2007; Jaeger, 2013), it seems sensible to suggest that growing inequality might spur even greater class awareness in the long run. The conclusion I offer is entirely consistent with this argument: if income inequality leads to a desire for economic change across all classes, we might not be far from witnessing more government effort to reduce it.

Of course, this will only happen if governments respond to what the public attitudes. It is well known that attitudes once played a significant role in shaping social policy (Brooks and Manza, 1999; Erikson et al., 2002; Wlezien 1995; Weakliem, Andersen, and Heath 2005; Brooks and Manza 2007; Schneider and Jacoby 2007). It is because elected officials have an incentive to incorporate the mass policy preferences of voters in order to 1) maximize their likelihood for re-election, and 2) reduce the chances of public reprisals through civil disobedience and social protest (Wlezien, 1995; Brooks and Brady, 1999; Erikson et al., 2002; Weakliem et al., 2005; Brooks and Manza, 2006; Schneider and Jacoby, 2007). It is unclear whether governments have been responsive to policy attitudes in more recent years, however. Although not a direct test, my research suggests that social spending has declined alongside greater demand to reduce income inequality. This finding casts doubt on the theory that political attitudes inform policy outcomes. The time is now ripe to re-examine these issues in greater detail.
Although inequality has the greatest impact on the lower class, its consequences are becoming more acute across all socioeconomic positions. As a result, the attitudes of all social classes become more favourable of equality in unequal societies. When only the working-class desired economic change, it may have been easier for government to ignore (Korpi and Palme, 1998). We live in a different economic climate today, however. If inequality continues to grow, policy makers should feel compelled by political attitudes, given that more people seem to favour government intervention. If not, recent social demonstrations—such as the Occupy movement or the G-20 summit protest—may become commonplace as social unrest and political dissatisfaction rises.

It is also possible that class mobilization and political movements will play a role in motivating policy change. According to resource mobilization theory (Brym, 1982; Jenkins, 1983; Klandermans and Tarrow, 1988; Nakhaie, 1992) people are motivated by economic (Olson, 1971) and ideological incentives (Fireman and Gamson, 1979) to engage in politics. My research suggests that income inequality is associated with greater concern for reducing it. The fact that attitudes favouring equality are seen across classes suggests that political coalitions may be successful in garnering support from portions of the middle class who have been adversely affected by rising inequality in recent years. Some European welfare states—i.e., Sweden, Denmark, Finland, and Norway—were able to sway the middle class toward the Left. As a result, many people in these countries now view the welfare state as an institution that serves the interests of everyone, not just the poor (Banting and Myles, 2014). How the middle class responds to the growth of inequality might depend on the effort of activists and elite leaders, however. Their success in promoting cross-class mobilization may play a crucial role in shaping policy in the future.
32 Reconsidering Theories of Class Identification

My dissertation research also suggests that much work is needed to advance modern theories of class identification. I find that while middle-class identities are more prominent in equal societies, as inequality rises people become much more likely to identify with other class positions. In other words, my empirical contributions provide evidence that the theory of ‘middle-class identity bias’ should be reconsidered. Yet, most existing work argues that individual-level economic conditions have very little impact on people’s class identity. Building from this logic, theories of class identification suggest that class awareness is low in most modern societies regardless of social class position because most people feel they belong to the middle class.

This argument rests on the premise that economic development and prosperity have shifted people’s class identities toward the middle, regardless of their income or occupational social class (Evans and Kelley, 2004; Kelley and Evans, 1995). The ‘reference group’ theory (Kelley and Evans, 1995; see also Stouffer et al., 1949; Bott, 1957; Lockwood, 1966; Merton 1968) and ‘middle-class identity bias’ (Kelley and Evans, 1995) report that reference groups and social contacts play a prominent role for class awareness. As Evans and Kelley (2004: 4) summarize,

This is a special case of ‘availability heuristic’- a tendency to build one’s image of the larger society by generalizing from one’s own experience and from familiar images prevalent in the media. The crux of the argument is that the homogeneity of reference groups—the similarity among one’s family and friends in education, occupation, and income—fundamentally distorts the ‘subjective sample’ from which one generalizes to the wider society and from which one develops perceptions of one’s subjective location.
According to this theory, people’s social networks in most modern democracies have become so economically diverse that people tend toward the middle because they know others who are both better and worse off than themselves (Kelley and Evans, 1995; Evans and Kelley, 2004). In this regard, social status, income, and occupation play only a minor role for class identification. This theory has allegedly been confirmed among samples of Western countries, as well as former communist countries (Evans et al., 1992; Kelley and Evans, 1995; Evans and Kelley, 2004). My dissertation casts doubt on these theories, however. I show that class placement is highly influenced by household income and occupational social class. Contrary to most theoretical conjecture, there is little evidence to support the theory of middle-class identity bias. People’s class identities are diverse, highly dependent on economic conditions, and strongly influenced by country context.

Specifically, my research demonstrates that income inequality exerts a profound influence on class identification and thus should be incorporated into future theories concerning class identification and awareness. As inequality rises, the relationship between middle-class identification and income and social class weaken. The fact that income inequality is growing in most western democracies suggests that middle-class identities will continue to weaken.

Evidence from Chapter 4 demonstrates that the middle classes are remarkably aware of income inequality and how they are affected by it. In most societies, those who belong to the middle class hold a unique ideological perspective about inequality. Contrary to previous work, this implies that feeling middle class is not a result of being unaware, but rather that those in the middle class hold accurate attitudes towards inequality that reflect their economic position.
33 Research Limitations and Future Research

This research is not without its limitations. Some limitations were specific to each analysis and have already been discussed in the concluding remarks of each chapter. For example, some might argue that survey measures are poor indicators of class identification because most people do not understand the class structure well enough to make an accurate assessment. There is evidence that this criticism should be ignored, however (Hout, 2008).

Perhaps the most notable limitation of my dissertation was that I did not fully explore the significance of political factors for class identification and awareness. It was not my intention to discount the importance of politics. In fact, I believe that politics plays a crucial role in my findings: political conditions have driven inequality in many countries, and have more than likely influenced class identification and awareness as a result. In short, while it would have been ideal to include both country-level political and economic factors, including too many predictors runs the risk of over-fitting the statistical models. As a result, it was my goal to focus mainly on economic conditions, thus leaving the role of politics for future research. I am confident that omitting political controls has not resulted in spurious conclusions, however. With that said, I feel strongly that political conditions influence class identity, and believe that my results imply that politics may play a crucial role in the formation of class consciousness in the future. I now turn to a discussion of the role politics plays for class identification and awareness, and I suggest some avenues for future research.

There is good reason to believe that political conditions also influence class identity. In fact, many early class theories argued that politics played an important reciprocal role in the formation of class identity and awareness. For example, according to Giddens (1981) conflict consciousness caused classes to see their economic interests as oppositional to the interests of
others. In this regard, conflict consciousness had the potential to influence the rise of unions and Left politics. Political organizations may also influence class awareness, however. When the resource power of unions is high, they reinforce class values by promoting class awareness (Parkin, 1967; Keddie, 1980; Brym, 1986; Nakhaie, 1992). It follows, then, that unionization is a reflection of class awareness as well.

Class awareness also plays a role in electoral politics, and as Nakhaie and Arnold (1996) argue, it is a “fundamental resource available to promoters of class voting” (1996: 184). Political groups play a role in mobilizing classes to engage politics by expressing class interests. However, political mobilization is also dependent on how much power a class holds (Brym et al., 1989). That is, “the power of the working class depends on the size of the class and its allies, the density of social ties among class members, and their normative, material and coercive resources” (1989: 27). Such resources include unions and the cooperation of Left leaning political groups. When resources become stronger, class awareness rises and political support for labour parties becomes more popular among the lower and working class (Keddie, 1980; Zipp and Smith, 1982; Brym, 1986; Gerber, 1986; Pammett, 1987; Nakhaie, 1992). Future research should consider the role organizations play in shaping class awareness. For example, how has the decline of union and manufacturing density influenced working class awareness? Are the working classes less aware today because of weakening social ties and solidarity? As the manufacturing sector has declined, it is possible that class awareness has suffered as well.

Declining manufacturing density has been used to explain weak class voting. For example, it has been argued that party elites have little concern for class politics, and have become less likely to cater to the working and lower classes (Evans, 1997). It is possible that working class ideologies are still strong, but in the absence of mobilization their potential for political action has simply not been realized. In other words, working class awareness may still
be strong, but some societies might lack the institutional structures that bring about political action. More research is needed that explores the influence of institutions and political organizations on class awareness.

Class mobilization may also be hindered by competing social cleavages. Although not explored in my dissertation, future research should consider the importance of competing social identities on class identification and awareness (Alford, 1963; 1967; Lipset and Rokkan, 1967; Lijphart, 1979). For example, it has been well established that factors at the community level strongly influence social attitudes (Andersen and Heath, 2003; Andersen et al., 2006; Andersen and Milligan, 2011). Religion, language, and regional differences have the potential to trump class as an influential social identity. For example, Lijphart’s (1979) famous ‘Religious vs. Linguistic vs. Class Voting’ argues that ‘primordial’ loyalties interfere with the development of class-based political cleavages, insofar as class “can become a factor of importance only in the absence of potent rivals such as religion and language” (1979: 453; see also Weakliem, 2001). This statement implies that factors unrelated to social class might profoundly influence how people perceive their fit in the class structure. As Weakliem and Adams (2011) argue, lacking information and organization may inhibit class awareness and an understanding of one’s economic self-interest. If competing loyalties—i.e., ethnic and religious identities—are stronger sources of identity, they could inhibit class identification and class politics, especially among the lower classes.

This is particularly true for political values and voting. Andersen (2013; also Andersen and Heath, 2003) suggests that historical cross-cutting cleavages—region, language, and religion—have weakened the effect of class on voting behaviour. Class voting is particularly low in Canada (Andersen, 2013) because many regions became economically developed at different
rates (Grabb and Curtis, 2005), and Canada’s population is widely geographically dispersed. As a result, distinct political cultures that emphasized regional interests have developed and persisted for many generations. Competing social cleavages that reduce the role of social class in politics have also been found in Britain and the United States (Andersen and Heath, 2003) and in various parts of Europe (Rokkan, 1999; Sitter, 2002; Elff, 2007; Bornschier, 2009). In short, future research on class identification should also consider the role of competing cleavage structures.

I now offer some more general limitations and suggest additional directions for future research. First, my research focus was entirely comparative. This fact limited the types of research questions that could have otherwise been explored. An in-depth analysis of single nations would greatly benefit research on class identification and awareness. Single country analyses are able to provide a much deeper and historical account of changing national patterns. It would also facilitate a more detailed evaluation of the ‘competing cleavages’ argument, which I have outlined above. Nevertheless, one of my dissertation goals was to understand how national-level economic and political factors influenced class identification in modern democracies. While this approach produced several novel findings, comparative work ignores potentially fascinating country-level trends. Future research would greatly benefit from analyzing within country differences. Pursuing these ideas is possible by merging several ISSP data modules. Doing this would produce the necessary data points needed to conduct an over-time analysis of single nations. The ‘Role of Government’, ‘Social Networks’, ‘Social Inequality’, ‘Work Orientations’, ‘Religion’, and ‘National Identity’ modules include a standardized measure of class identification. In total, merging these surveys would produce 315 national data points across 35 modern democracies.
By doing this, each of the research themes explored in this dissertation could be adapted to single country analyses. For example, we know that income inequality varies greatly within countries and neighbourhoods. This is particularly true in Canada (Frenette et al., 2009; Dimitri, 2000; Alan, 2013; Andersen and McIvor, 2013), the United States (Piketty and Saez, 2003; Sampson, 2008; Reardon and Bischoff, 2011; Krueger, 2012; Chetty et al., 2014), and various parts of Europe (Hills, 1996; Cummins et al., 2005; Paas and Schlitte, 2006).

Does income inequality have the same polarizing effect on class identification across income groups within countries? Research on attitudes towards social spending in Canada (Andersen and Curtis, 2013) and the United States (Epstein, 2004) provides some insight. In this regard, research shows the relationship between income and attitudes is very different in Canada and the US. For example, in Canada people with lower incomes tend to be highly supportive of government redistribution. They become less supportive as income rises until the median, at which point income has no further effect on attitudes. In the US, income has far less influence. There are large differences in attitudes between the very highest and very lowest income deciles, but most income groups tend to think similarly to the highest earners. In short, income polarizes attitudes in Canada, but has only a weak effect in the US. This may be partly explained by national politics: in Canada issues related to redistribution and inequality are more prominent because of the NDP (Ogmundson, 1976; Przeworski and Sprague, 1986; Brym et al., 1989; Andersen, 2012; Lambert and Curtis, 1993), whereas the United States lacks a socially democratic presence altogether.

Based on this evidence, it is possible that class identities in the US are weaker than in Canada. If the rich and poor hold similar attitudes towards inequality in the US, it follows that class awareness among the lower classes might also be low. In Canada, the fact that attitudes
towards redistribution vary across income groups suggests that more people are class aware, and understand more clearly their economic interests.

In terms of individual-level predictors of attitudes, my research was entirely concerned with social class and individual-level economic conditions. This focus ignores how other socio-demographic characteristics, such as gender, race, ethnicity, aboriginal status, and immigration status might affect class identification. My results suggest that class awareness is strong in many societies, but it also demonstrates that the future work is needed that considers the role of other individual-level social statuses. In short, if economic conditions matter other demographic factors may also play a role. It is possible, for example, that class awareness differs among men and women. Are women more likely to base their class identities on their own occupation and income or on their family’s collective earnings or social status? Has this trend changed in recent decades as women have come to occupy more prominent roles in the labour market? Few studies exist on the topic and the conclusions offered are mixed. While Davis and Robinson (1988) argue that married women place greater emphasis on their own occupations when assessing their class identities, Baxter (1994; see also Sobel et al. 2004) finds little support for this view, claiming that husband’s social class is a strong predictor of women’s class identities. More research is needed in order to parse out this relationship.

In terms of race and ethnicity, it is well known that immigrant populations often face employment barriers (Porter, 1965; Bonacich, 1972; Fong and Wilkes, 1999; Reitz, 2001; Zeng, and Xie, 2004; Fernette and Morissette, 2005; Nakhaie, 2007; Li, 2008; Boyd, 2009). University-educated immigrants are numerous today, and census data show that their access to skilled professional and management careers has significantly declined (Reitz, 1996). Moreover, selection criteria in the mid-1990s increased the number of skilled immigrants Canada received.
Those who held a university degree increased from 20.8 percent in 1994 to 45.6 percent in 2009. Immigrant access to skilled occupations declined during this time period, however (Reitz et al., 2014). Similar trends are seen in Australia (Antecol et al., 2006; Borland et al., 2001) and Germany (Grabka et al., 1999; Blau, 2012), countries that also target highly skilled immigrant workers.

Research shows that immigrants often feel overqualified (Slootjes, 2013) and dissatisfied (Mouw, 2003; Pang, 1996) with their jobs, implying that perhaps there is also a mismatch between occupation and class identity. It would be interesting to determine how underemployment among immigrant groups affects class awareness. This research would have implications for class politics as well. For example, Canada’s weak class voting relationship may be partially explained by immigrant values and attitudes if Canadian immigrants disproportionately hold economic and political identities that go against their class position due to underemployment.

I must also reflect on the selection of countries used in my analysis. This study focused on modern democracies, despite data being available in the World Values Survey for several South American and African nations (e.g., Indonesia, Ghana, Nigeria, and Zambia). I chose not to include these countries because their class structures are fundamentally different from the class structures of more developed democracies. Scholars of African society, for example, argue that class formation may never truly occur, and if it does, it may be only of “peripheral importance” for social conflict, social identity, and politics (Cohen, 1972; see also Kifordu, 2011). Even researchers who argue that class structures are developing in these nations acknowledge how

31 This research question could also be applied to society more generally, as many university- and college-educated people are facing similar problem of under-employment.
different they still are from the class structures in established democracies. Some are tribal, some are just beginning to develop, and other class structures are very quick to change (Markovitz, 1987; Kifordu, 2011). Many African countries are very strongly driven by ethnic politics as well—much more so than Western democracies (Kifordu, 2011). As others have noted, ethnic, religious, and regional affiliations strongly distort class interests, and mute the influence of economic conditions in politics (Cohen 1972; Bienen 1986; Osaghae and Suberu 2005). Even if class structures are evolving in these nations, economic conditions are unlikely to influence class identity in a similar way than in the countries I have selected.

For these reasons, including countries with such different class structures made very little sense. Nevertheless, a study with research questions that take into account these differences is worth undertaking in the future. The economies of several underdeveloped nations are experiencing significant economic growth which may lead to the development of more clearly defined classes. This provides an opportunity for future research to explore how class structures and class awareness emerge in developing countries, and whether or not parallels can be drawn to class awareness in more established economies.

While I have demonstrated that class awareness rises under certain economic conditions, I was unable explore whether class awareness led to class consciousness—i.e., social behaviour organized around the active pursuit of class interests. My thesis has instead provided evidence that people form class attitudes about inequality that reflect economic self-interest, and that under the right circumstances people become highly class aware. However, I can only speculate that class awareness will lead to class mobilization. I now conclude by arguing that political change and class mobilization may not be far off, however.
My dissertation research has highlighted the importance of income inequality and socioeconomic status for class identification and awareness. As inequality has grown, it has affected more people, and as a result, demand for equality has risen across various classes. This shift in ideology provides a wider base for political coalition builders to draw support for the Left. In his discussion of resource mobilization and Left party support, Nakhaie (1992) concludes that “empathy and consciousness are resources which help explain the success of class mobilization” (1992: 293). Following these results, my research shows that higher inequality is related to class awareness and support for egalitarianism. If inequality continues to grow, political organizations would be wise to target the middle and lower classes, as their interests tend to converge around issues related to equality.

It is clear that more work is needed that considers the relationship between social class, class identity, and political engagement. I leave this endeavor for future research. My results suggest that demand for equality exists. Becoming a ‘class for itself’ would require bold political leaders who support policies of equality and universalism, however. All that is needed now is for governments and political organizations to respond accordingly.
References


Alan, W. “Income Inequality and Polarization in Canada’s Cities: An Examination and New Form of Measurement.” Working Paper, University of Toronto.


Appendices

Table A1 AIC Values for Models Fitted to Pooled Data. All models include individual-level variables, as well as a random component for country, wave, and respondent’s social class position. In each of the models, respondent’s social class—not father’s—is used in the multiplicative effects.

<table>
<thead>
<tr>
<th>Model</th>
<th>Model terms</th>
<th>AIC Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>M5</td>
<td>$\text{GINI} \times \text{Class} + \text{GDP} + \text{Fluidity}$</td>
<td>34460</td>
</tr>
<tr>
<td>M6</td>
<td>GDP $\times$ Class + GINI + Fluidity</td>
<td>34462</td>
</tr>
<tr>
<td>M7</td>
<td>Fluidity $\times$ Class + GINI + Fluidity</td>
<td>34464</td>
</tr>
<tr>
<td>M8</td>
<td>GINI $\times$ Class + GDP $\times$ Class + Fluidity</td>
<td>34461</td>
</tr>
<tr>
<td>M9</td>
<td>GINI $\times$ Class + Fluidity $\times$ Class + GDP</td>
<td>34464</td>
</tr>
<tr>
<td>M10</td>
<td>GDP $\times$ Class + Fluidity $\times$ Class + GINI</td>
<td>34463</td>
</tr>
<tr>
<td>M11</td>
<td>GINI $\times$ Class $\times$ Class + Fluidity $\times$ Class + GDP $\times$ Class</td>
<td>34462</td>
</tr>
</tbody>
</table>
### Table A2: AIC and BIC values for each statistical model.

**Analysis 1: Attitudes towards income inequality**

<table>
<thead>
<tr>
<th>Models</th>
<th>Social Class and Interactions</th>
<th>Random Effects</th>
<th>AIC</th>
<th>BIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>Occupation + Income</td>
<td>Intercept only</td>
<td>231,700</td>
<td>231,867</td>
</tr>
<tr>
<td>Model 2</td>
<td>Occupation + Income</td>
<td>Occupation</td>
<td>231,552</td>
<td>231,842</td>
</tr>
<tr>
<td>Model 3</td>
<td>Occupation + Income</td>
<td>Income</td>
<td>231,647</td>
<td>231,832</td>
</tr>
<tr>
<td>Model 4</td>
<td>Occupation + Income</td>
<td>Occupation + Income</td>
<td>231,526</td>
<td>231,868</td>
</tr>
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</table>

**Testing for Random Effects**

<table>
<thead>
<tr>
<th>Models</th>
<th>Social Class and Interactions</th>
<th>Random Effects</th>
<th>AIC</th>
<th>BIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 4</td>
<td>Occupation + Income</td>
<td>Occupation + Income</td>
<td>231,526</td>
<td>231,868</td>
</tr>
</tbody>
</table>

**Model 5** | Occupation*Gini + Income | Occupation + Income | **231,510** | **231,888** |
| Model 6 | Income*Gini + Occupation     | Occupation + Income | 231,528  | 231,880  |
| Model 7 | Occupation*Gini + Income*Gini| Occupation + Income | 231,513  | 231,900  |

**Testing for Country-Level Effects**

<table>
<thead>
<tr>
<th>Models</th>
<th>Social Class and Interactions</th>
<th>Random Effects</th>
<th>AIC</th>
<th>BIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 4</td>
<td>Occupation + Income</td>
<td>Occupation + Income</td>
<td>231,526</td>
<td>231,868</td>
</tr>
</tbody>
</table>

**Model 5** | Occupation*Gini + Income | Occupation + Income | **231,510** | **231,888** |
| Model 6 | Income*Gini + Occupation     | Occupation + Income | 231,528  | 231,880  |
| Model 7 | Occupation*Gini + Income*Gini| Occupation + Income | 231,513  | 231,900  |

**Analysis 2: Attitudes towards wealth inequality**

<table>
<thead>
<tr>
<th>Models</th>
<th>Social Class and Interactions</th>
<th>Random Effects</th>
<th>AIC</th>
<th>BIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1b</td>
<td>Occupation + Income</td>
<td>Intercept only</td>
<td>227,022</td>
<td>227,189</td>
</tr>
<tr>
<td>Model 2b</td>
<td>Occupation + Income</td>
<td>Occupation</td>
<td>226,987</td>
<td>227,277</td>
</tr>
<tr>
<td>Model 3b</td>
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<td>Income</td>
<td>226,975</td>
<td>227,159</td>
</tr>
<tr>
<td>Model 4b</td>
<td>Occupation + Income</td>
<td>Occupation + Income</td>
<td>226,960</td>
<td>227,303</td>
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**Testing for Random Effects**

<table>
<thead>
<tr>
<th>Models</th>
<th>Social Class and Interactions</th>
<th>Random Effects</th>
<th>AIC</th>
<th>BIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 4b</td>
<td>Occupation + Income</td>
<td>Occupation + Income</td>
<td><strong>226,960</strong></td>
<td><strong>227,303</strong></td>
</tr>
</tbody>
</table>

**Model 5b** | Occupation*Gini + Income | Occupation + Income | **226,957** | **227,335** |
| Model 6b | Income*Gini + Occupation     | Occupation + Income | 226,959  | 227,310  |
| Model 7b | Occupation*Gini + Income*Gini| Occupation + Income | 226,960  | 227,347  |

*Each model includes all control variables and contextual-level effects.*
Table A3: Nested statistical models and analyses of deviance.

**Analysis 1: Attitudes towards income inequality**

<table>
<thead>
<tr>
<th>Model Tests</th>
<th>Chi-square</th>
<th>D.F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1, Model 2*</td>
<td>173.97</td>
<td>14</td>
<td>0.001***</td>
</tr>
<tr>
<td>Model 1, Model 3*</td>
<td>55.548</td>
<td>2</td>
<td>0.001***</td>
</tr>
<tr>
<td>Model 2, Model 4*</td>
<td>37.572</td>
<td>6</td>
<td>0.001***</td>
</tr>
<tr>
<td>Model 3, Model 4*</td>
<td>155.99</td>
<td>18</td>
<td>0.001***</td>
</tr>
</tbody>
</table>

*Testing for Country-Level Effects*

<table>
<thead>
<tr>
<th>Model Tests</th>
<th>Chi-square</th>
<th>D.F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 4, Model 7*</td>
<td>19.804</td>
<td>6</td>
<td>0.003 **</td>
</tr>
<tr>
<td>Model 5*, Model 7</td>
<td>0.6389</td>
<td>1</td>
<td>0.4241 (n.s)</td>
</tr>
<tr>
<td>Model 6, Model 7*</td>
<td>17.207</td>
<td>4</td>
<td>0.002 **</td>
</tr>
</tbody>
</table>

**Analysis 2: Attitudes towards wealth inequality**

*Testing for Random Effects*

<table>
<thead>
<tr>
<th>Model Tests</th>
<th>Chi-square</th>
<th>D.F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1, Model 2*</td>
<td>60.999</td>
<td>14</td>
<td>0.001***</td>
</tr>
<tr>
<td>Model 1, Model 3*</td>
<td>50.002</td>
<td>2</td>
<td>0.001***</td>
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<tr>
<td>Model 2, Model 4*</td>
<td>39.385</td>
<td>6</td>
<td>0.001***</td>
</tr>
<tr>
<td>Model 3, Model 4*</td>
<td>50.382</td>
<td>18</td>
<td>0.001***</td>
</tr>
</tbody>
</table>

*Testing for Country-Level Effects*

<table>
<thead>
<tr>
<th>Model Tests</th>
<th>Chi-square</th>
<th>D.F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 4*, Model 7</td>
<td>7.5235</td>
<td>5</td>
<td>0.1845 (n.s)</td>
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<tr>
<td>Model 5*, Model 7</td>
<td>1.5986</td>
<td>1</td>
<td>0.2061 (n.s)</td>
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<tr>
<td>Model 6*, Model 7</td>
<td>2.1397</td>
<td>4</td>
<td>0.7101 (n.s)</td>
</tr>
</tbody>
</table>

*Models with an asterisk represent the strongest fitting model in the anova test.
Figure A1 Scatterplot displaying the relationship between national-level income inequality and national-level wealth inequality, 2000 data. The straight line represents the linear regression of wealth inequality on income inequality. Mexico and Chile were identified as outliers.