

Testing Social Solidarity: A Comparison of Policy Preferences in

France, Germany, Japan and South Korea

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Social Solidarity

- » <u>The State –</u>
 - Centralized regulation and provision of welfare, e.g., redistribution, insurance for common risks (Weale 1990)
 - Full membership in society (Baldwin 1990)
 - > Stability a goal
 - > Equality not a goal (not necessarily)
- » <u>The Individual –</u>
 - Normative preference to support members of the society (e.g., distributive justice; Arts and Gelissen 2001)
 - > Equality is a goal



Other Solidarities

» Labor Market –

Class, Segment, Skill-set, Industry

» General Groups – Religion, Race/Ethnicity, Age, Sex



Social Solidarity. Necessarily





(World Inequality Data 2018)

Key Assumption

» Solidarity from above not possible without public support.

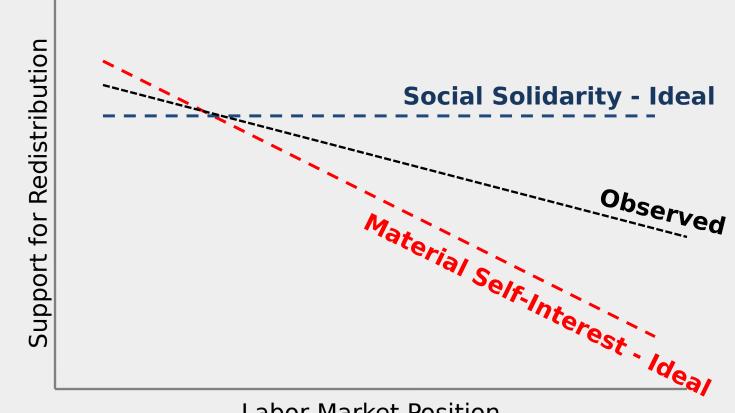


Social Solidarity & Material Self-Interest





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Economic Crisis



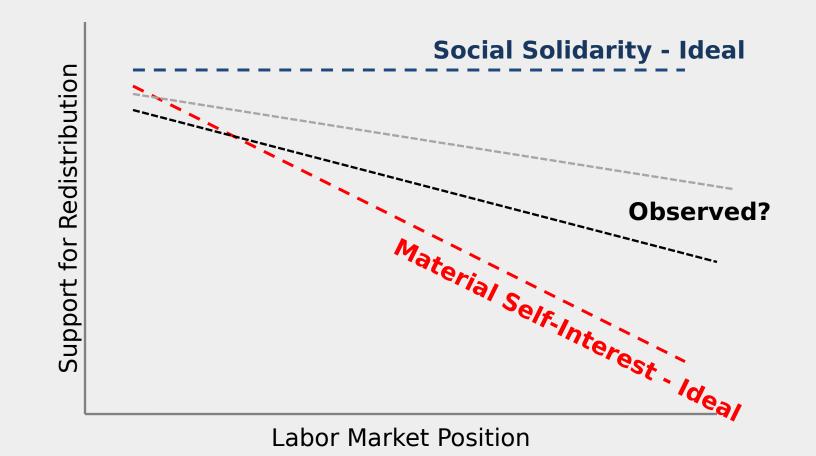


Economic Crisis





Economic Crisis





The Great Recession Period

growth '05-'15	France	Germany	Japan	S.Korea
GDP	Ø	++	+	+++
Debt	++	Ø	+++	+
Foreign-born %	++	+++	Ø	Ø
Redistribution		+	+	+++
Youth Unemp	+++		_	+
Great Recession	++	_	+++	Ø



Hypothetical: The Need for Social Solidarity

growth '05-'15	France	Germany	Japan	S.Korea	
GDP	Ø	++	+	***	
Debt	++	Ø	+++	+	
Foreign-born %	++	+++	Ø	Ø	
Income Inequality	+	+	Ø	++	
Redistribution		+	+	+++	
Youth Unemp	***		—	+	
Great Recession	++	—	+++	Ø	
Solidarity Need	+++	Ø	++	Ø	
growth '05-'15	France	Germany	Japan	S.Korea	
GDP	Ø	++	+	+++	
Debt	++	Ø	+++	+	
Foreign-born %	++	+++	Ø	Ø	
Income Inequality	+	+	Ø	++	
Redistribution		+	+	+++	
Youth Unemp	+++			+	
Great Recession	++	—	+++	Ø	



Measurement

» From Above –

country-level labor market and welfare state institutions

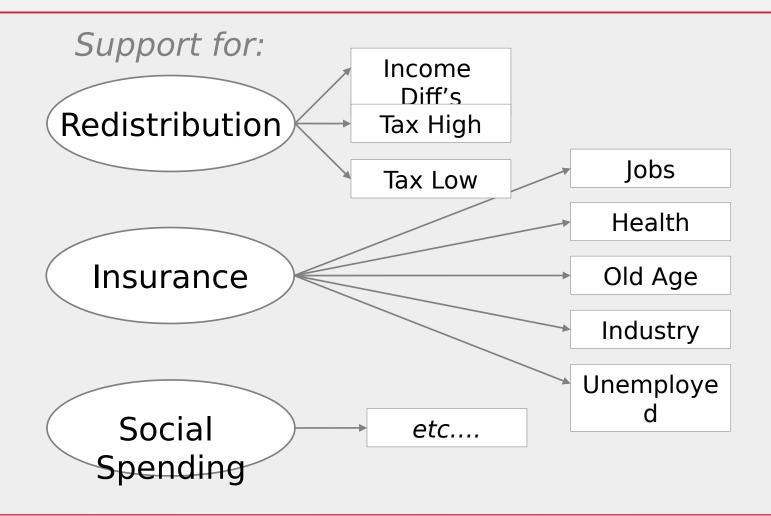
» From Below –

attitudes toward social protection and insurance

- > ISSP 'Role of Government' 1996, 2006 & 2016
- > Other ISSP modules (for later)

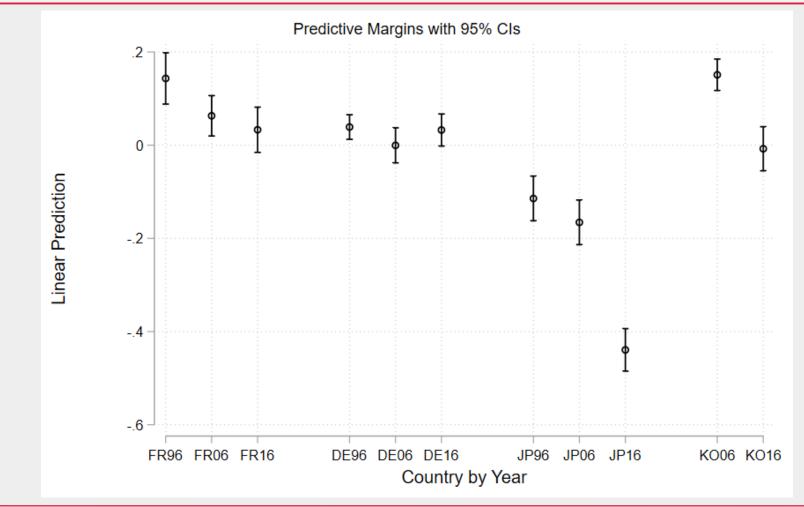


Expression of Social Solidarity



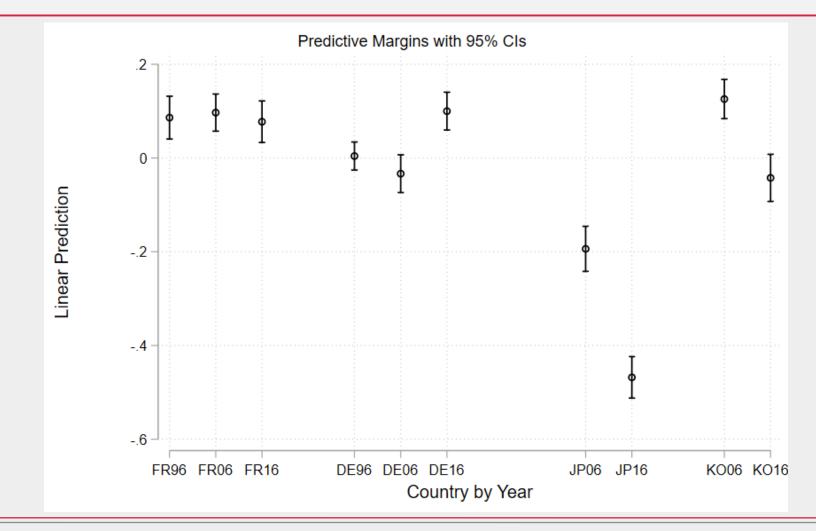


Social Solidarity -Redistribution



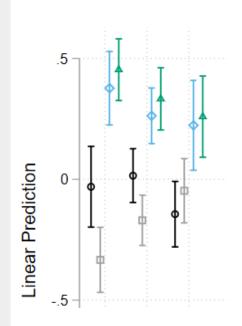


Redistribution - 'all else equal'





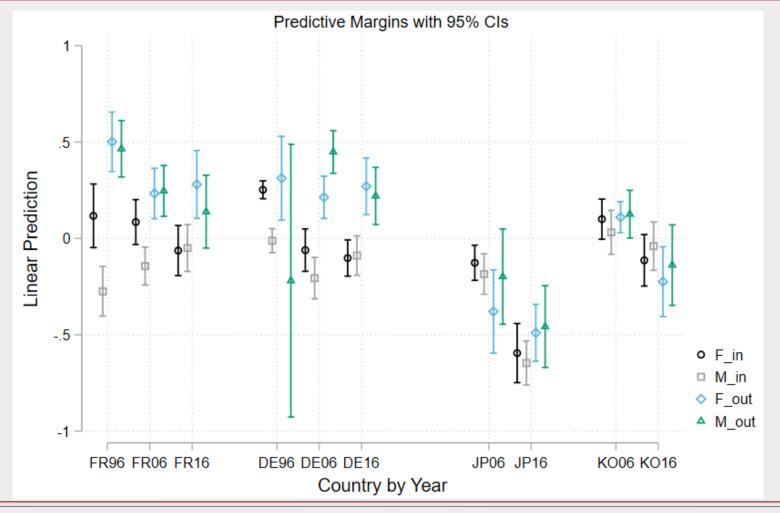
Redistribution -Insiders & Outsiders





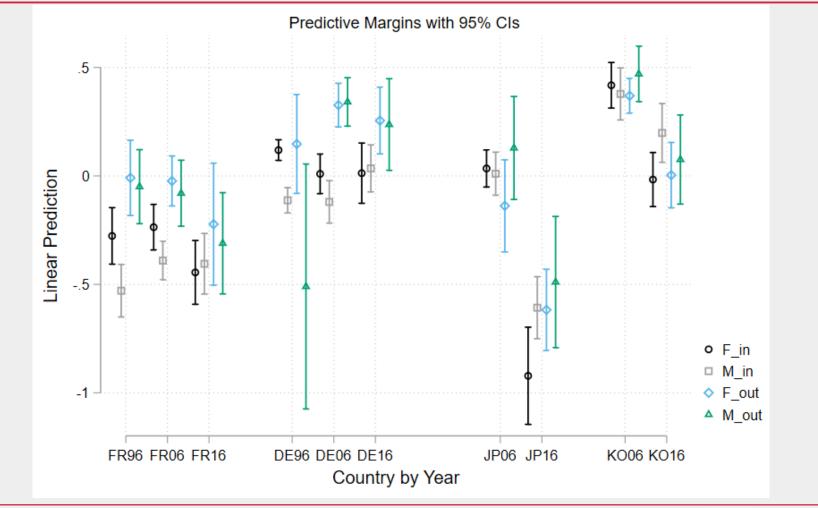


Social Insurance -Insiders & Outsiders



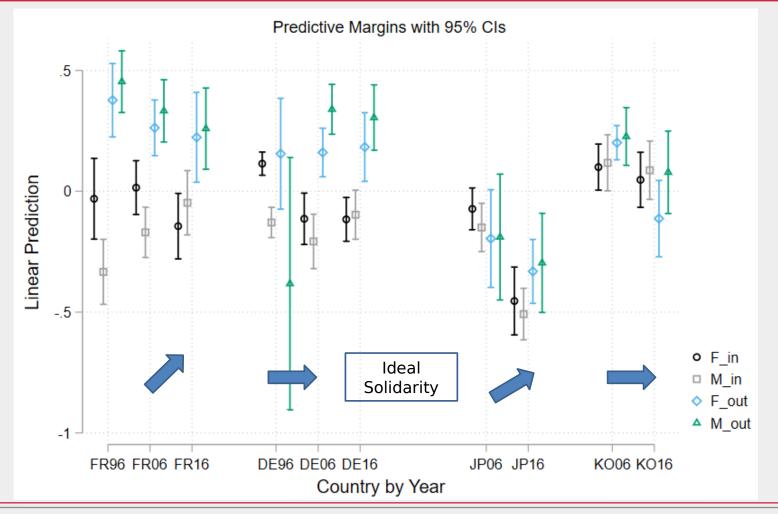


Social Spending -Insiders & Outsiders





Redistribution -Insiders & Outsiders





Social Solidarity Balks

- » Overall no strong evidence of social solidarity
 - > At least not in resp. to Great Recession
 - Although maybe in Germany, partly Korea
 - > Further deepening of
 - > Social inequality <or>
 - > Insider-outsider gap



Thank You

- » This is a work in progress, comments welcome
- » For PowerPoint Presentation and <u>Stata Code</u>:

see: My Professional Website
(sites.google.com/site/nbreznau/)



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The Economic Model

- » Utility = function of:
 - > Individual Income
 - > Income-tax rate / government spending rate
 - Individual's location in the income distribution
 - Income utility + solidarity utility = welfare state preferences
- » Solidarity = function of:
 - > Ethnic diversity
 - > Unemployment
 - > Social distance
- » All actors are rational, no exogenous features



Institutions / Sociological Model

- » Solidarity is multidimensional (e.g., Kaufmann 2008)
- » Group membership is multidimensional (Hogg 2006; Reicher 2004)
- » Individuals shaped by institutions and culture
- » Ethnic diversity is a ratio



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- » Solidarity is multidimensional (e.g., Kaufmann 2008)
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- » Individuals shaped by institutions and culture
- » Ethnic diversity is a ratio
- » Devising new tests:
 - Case comparisons single countries
 - > Exogenous shocks e.g., Great Recession



Four Cases

	FLD		% foreign-	Decomm-		CDD	
	FLP	Pay Gap	born	odification	TWA	GDP	% Tertiary
France	68	10	12	38	15	41k	44 22
Germany	74	16	13	32	14	49k	31 26
Japan	69	26	2	26	13	42k	60 40
South Korea	59	37	3	15	22	37k	70 20
source:	2017 - %	2015 (or	2016 - (OECD)	2010 – welfare	2012 – Temporary	2016 – GDP at	2016 - %
	females active	e latest) - %		state generosity,	work arrangement	2016 US	completed
	in the labor	less pay		replacement rates	(OECD1)	dollars (OECD)	tertiary education
	market as a %	women earn		index (CWED)			(25-34 years 55-
	of all females	compared to					64 years)
	age 15 to 64	male median					
	(OECD)	income					
		(OECD)					

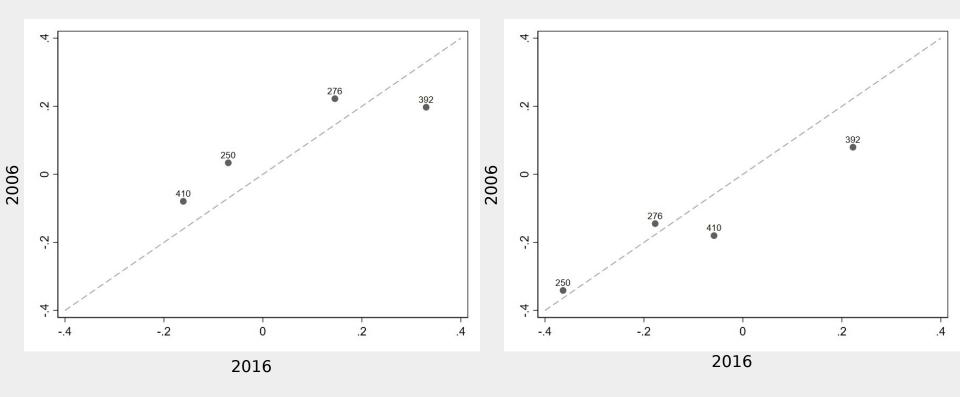
NOTE: Percentages rounded to the nearest whole number for ease of viewing; "FLP" is female labor force participation; "TWA" is temporary work arrangement



Preferences for Redistribution

'Low Status' (ISEI<40, no full-time)

'High Status' (ISEI>60, full-time)





Data: ISSP 'Role of Government'

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