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Is Equality Fair?

What the public really think about equality
– and what we should do about it

Edited by Tom Hampson and Jemima Olchawski

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Key points from the Fabian research

This pamphlet examines research undertaken by the Fabian Society which was commissioned and supported by the Joseph Rowntree Foundation. The work looked at some of the values and beliefs that lie behind public attitudes towards economic inequality and welfare policy. It also explored approaches that might be used to build a public consensus for tackling economic inequality in the UK.

The full report, *Understanding attitudes to tackling economic inequality* by Louise Bamfield and Tim Horton, is published by the Joseph Rowntree Foundation (JRF). It is available as a free download from www.jrf.org.uk.

The main findings of this work were:

- ◆ Nearly all the participants in the discussion groups placed themselves in **the middle of the income spectrum** and interpreted the 'income gap' as the gap between the 'middle' and the 'super-rich'.
- ◆ Most participants believed that **deserved inequalities are fair**. They were not opposed to high incomes they perceived to be deserved through high-level ability, performance or social contribution.

- ◆ Participants often made assumptions about the **virtues of those with high incomes** in order to justify income inequalities. However, after the start of the financial crisis of autumn 2008, they increasingly questioned whether high salaries were deserved.
- ◆ Attitudes towards **those on low incomes** were often more negative than attitudes towards the 'rich'. Two important factors driving these attitudes were widespread beliefs that there are adequate opportunities to earn a reasonable income and beliefs that benefit recipients will not contribute back to society.
- ◆ Most participants strongly supported **progressive tax and benefit systems**. When considering evidence about unequal life chances, they were supportive of targeted interventions to improve life chances for the disadvantaged.
- ◆ Many participants did not find abstract arguments for greater equality persuasive. They preferred arguments for greater equality framed in terms of **fairer rewards for effort and contribution**.
- ◆ Many participants found claims about the possible negative social consequences of income inequality convincing. They showed strong support for a social vision based upon improving quality of life for everyone and were prepared to support certain egalitarian policies in this context.

INTRODUCTION

Jemima Olchawski

Thirteen million people live in poverty in the UK, including one in three children. Anti-poverty campaigners are well versed in the arguments about how damaging that reality is for those who live it and to our society as a whole. Yet, despite all the efforts of campaigners, poverty is in fact rising. Negative stereotypes of the poor pervade the media, and people's beliefs about welfare policy seem to be increasingly hard nosed. Politicians of the left share in this struggle, committed to ending child poverty but fearing that there simply isn't enough money to do it. They also fear public resistance.

So the Fabian research outlined in the next chapter is much-needed. It offers cause for optimism, outlining the areas where there is already public support for action; and it reveals what underlies public opposition to some campaigns so that we can communicate our cause more effectively. The research also flags up some knotty issues that the left simply must engage with, but, equipped with this research, campaigners and policy-makers can tap into existing ideas about fairness and get to the heart of the beliefs that need to be challenged ± a much longer term project.

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Understanding what people really believe will mean progressives can actually take more radical measures than they might have thought.

The project identified four broad clusters of attitudes ± or 'tribes' ± which are discussed by Ben Page in chapter 4. The egalitarians amongst us may be disappointed to discover that we are in a minority: only 22 per cent of people are 'traditional egalitarians'^o who understand desert in terms of need and are driven by a vision of a more equal society. However, those on the right should not get carried away either: an even smaller group (20 per cent) are 'traditional free marketeers'.^o Around 26 per cent of people make up the 'angry middle'^o (think Daily Mail-style disapproval of those both at the top and bottom of the income spectrum) with the largest proportion of the population (32 per cent) being classed as 'post ideological liberals'.^o This group admires the wealthy but are not opposed to taxes on wealth and have more neutral feelings about the poorest.

Looking at people's attitudes in this way it is possible to see where potential coalitions exist and which ideas appeal across the tribes. For instance, the majority of people are actually in favour of tackling wealth at the top, with only the small group of traditional free marketeers truly against such measures. So politicians can afford to be less hesitant about tax rises on the wealthy as a source of revenue and as a measure to deal with Britain's extraordinary wealth inequality.

But there isn't just greater room for manoeuvre in dealing with the top, understanding the public's attitudes also reveals potential support for raising some of the benefits of the poorest. Negative images and stereotypes of the poor are common and Kate Green looks at the asymmetry in the way people treat rich and poor in chapter 3. But the ease with which many people slip into negative stereotypes can lead us to muddle negative attitudes towards 'the poor' with public

disapproval of people who are seen to be free loading. The research shows that the public are more than happy to pay taxes to support people, on the proviso that they're 'doing their bit'. This concept of reciprocity underpins much of what the public believe about supporting the poor ± most people think of desert in terms of reward for effort, rather than need (as those traditional egalitarians tend to).

As John Denham confronts in chapter 1, the public believe that certain inequalities that result from different levels of effort are deserved and that policies that counteract that are unfair. That creates a longer term problem for the left in challenging ideas about effort and the barriers that many of society's poorest face. But it also means that there was heartfelt support from participants in our focus groups for the in-work poor. Many people were shocked at the levels of income those in the bottom quintile live on and firmly supported a progressive system that gives them a helping hand. The focus groups saw powerful affirmation of a system that redistributes from rich to poor as fair and necessary.

A belief in the importance of reciprocity means people are concerned about contribution and effort and that they have a broad understanding of what that means. The contribution of those caring for children and relatives was recognised as highly valuable by participants. So the blight of poverty amongst our carers is a cause that will really rally public support. The single mum who doesn't work, or who works limited hours to look after her children was actually far less unpopular than might have been predicted, because the public recognises her work in raising her children as important to society and as making a genuine effort.

So, even before trying to change a single mind, there already exists a strong pool of support for tax credits and assistance for the in-work poor, and ± in all likelihood ± scope to increase these benefits without moralised opposition.

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Armed with the knowledge that people are not against benefits to the poor per se, but to benefits to those who they believe are freeloading off the efforts of others, it will be possible to make arguments more effectively.

Campaigners and government should focus on the effort most lower income people make. Using the examples of carers and parents is a good route into challenging casual stereotypes of benefit recipients as scroungers and layabouts. There are widespread myths about the extent of benefit fraud ± and the importance people place on contribution and doing your bit makes clear the importance of tackling these in order to gain support for increases in welfare levels.

That belief in reciprocity ± in getting something back because you've put your fair share in ± points us in the direction of more universal welfare provision. In discussion, participants demonstrated strong support for progressive universalism. Although, when asked directly, people often oppose the idea of redistribution, our research shows that in fact most find the redistributive nature of the tax system unsurprising and appropriate. There was strong opposition to extreme targeting with many concerned about those in the middle who just miss out on government support. This may partly be because most people believe themselves to be in the middle of the income spectrum, as Stewart Lansley discusses in chapter 2. But when asked to design a benefits system themselves, participants tapered the amount received at similar income levels, quite high up the income spectrum, with very small differences in the responses between the more and less well off participants. It reflects a desire to reward the effort of those in the middle.

In the current context of tighter budgets during the recession, the opposition to targeting may seem to present a challenge to those wishing to address low incomes. But the Fabian research suggests that there will be greater willingness to pay

and so more in the pot if the way money is paid out is felt to be fairer. This isn't buying off the middle classes but creating a welfare system that reflects reasonable and deeply held beliefs about what is fair.

Those arguing that the recession demands a move toward greater targeting should remember the left's traditional commitment to universalism, a model which treats us all as equal citizens, avoids stigmatising those in receipt of benefits and makes clear that we are all in it together. Introducing benefits and services that are progressively universal would not only have public backing and legitimacy but would help us to make greater strides towards a more equal society.

However, this widely-held belief in reciprocity also seriously challenges the left and those working to end poverty. The flip side of sympathy for those the public think are trying their hardest is a considerably tougher position on benefits for the unemployed and economically inactive, people who the public are more likely to see as free riding on the efforts of those in work.

Here, going with the grain of public opinion could have some seriously inequitable consequences and there is an important debate to be had about how to respond to that; where to persuade and where to work with what people believe. Conditionality has been used as a policy tool to reassure the public that those on benefits genuinely deserve them and are contributing their fair share where they can. Going down that route might allow us to do more for these groups

The single mum who doesn't work, or who works limited hours to look after her children was actually far less unpopular than might have been predicted, because the public recognises her work in raising her children as important to society and as making a genuine effort.

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and to rebuild the legitimacy of public spending on those who are not working. There is also merit in being explicit about the reciprocal nature of the welfare state, perhaps even opening up discussions about how much those further up the income ladder really put into the pot. But that can only work if we ask the same of all citizens and offer a fair deal to everyone. A tougher approach to those who are out of work might satisfy the public's belief in reciprocity but many on the left will feel that in reality the burden falls far too heavily on the poorest. The long term unemployed, those that resist efforts to support them back into work, those suffering with addiction or mental health problems have not emerged from a vacuum, and many of us will wonder whether we have already asked these people to bear more than their fair share. But that is a story about the impact of our social structures, of poverty and social stigma on individuals that we have yet to find a convincing way to tell the broader public.

To really resolve this, it is clear that campaigners must embark on a far longer-term project to raise awareness of the barriers that people on low incomes often face. The Fabian research shows that one of the most powerful drivers of opposition to anti-poverty policy is a belief that there is enough opportunity for everyone to make it if they try hard enough.

In a country with one of the lowest levels of social mobility of all developed economies that belief may be hard for those on the left to swallow. But as long as that myth persists, the greatest challenge for those wishing to end poverty will be the common belief that those who are at the bottom are there because they simply didn't try hard enough.

RESEARCH FINDINGS

Tim Horton and Louise Bamfield

This research (undertaken July 2008 to February 2009) examines some of the values and beliefs that lie behind public attitudes towards economic inequality and welfare policy. It also explores approaches that might be used to build a public consensus for tackling economic inequality in the UK.

Much research on public attitudes to economic inequality has focused on revealing attitudes rather than exploring what motivates them. This research investigates some of the motivating forces behind these attitudes, and aims to fill in some of the gaps in previous research. It also explores elements around which a public consensus might be built for tackling economic inequality.

One of the key questions for the research was to investigate the 'income gap' paradox revealed by British Social Attitudes Survey data, whereby, despite widespread expressions of discontent about the income gap, people are reluctant to support certain redistributive measures to narrow it.

The view from the middle

Nearly all the participants in the discussion groups placed themselves in the 'middle' of the income spectrum, despite the fact that they came from the full range of socio-economic groups. They interpreted the income

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gap in terms of the gap between the 'middle' and the 'superrich'. Views about the gap being too big therefore tended to reflect concerns about the pressures that those in the 'middle' were under in comparison with those at the top.

Are high salaries deserved?

Most participants believed that 'deserved' inequalities are fair. They were therefore not opposed to high incomes in general because they tended to believe that these were deserved on the basis of ability, effort, performance or social contribution.

Judgements were sometimes influenced by 'cognitive coping strategies', which generated more positive evaluations of high incomes than might have been expected. In particular, participants would make assumptions about the virtues of those with high incomes to justify existing inequalities. The willingness of participants to use such coping strategies, however, was noticeably affected by the financial crisis of autumn 2008. A tendency to justify large inequalities in pay as being deserved gave way to anger at perceived excess at the top, and people began increasingly to question whether very high salaries really were deserved.

Despite a belief in deserved inequality, in many cases the 'super-rich' and those with very high salaries did attract condemnation \pm again, more so after the onset of the financial crisis.

Where objections to high salaries were raised, most participants objected on the basis that such salaries were not deserved. A significant minority of more egalitarian participants objected primarily on the basis that they were not needed. Where participants viewed high salaries or extreme wealth as undeserved, however, this

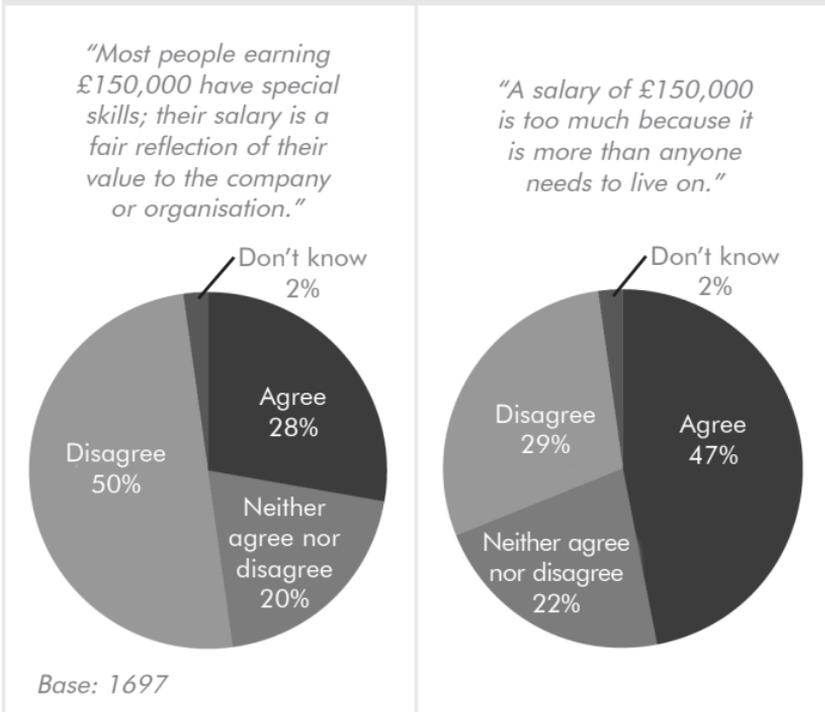
did not necessarily lead them to blame the individual concerned or think they should not be entitled to it.

The income gap paradox

The research suggests three reasons why people may be reluctant to support certain redistributive policies, despite apparently widespread unease about inequality.

- It seems that people are interpreting the income gap as that between the very top and the middle, rather than between 'rich' and 'poor' as conventionally understood.

Figure 1: Is a salary of £150,000 fair or too high?



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- ◆ Concern about the income gap co-exists with a widespread belief that some inequalities are fairly deserved, and this sense of fairness may be violated by some redistributive approaches.
- ◆ Even where inequalities are seen as undeserved (for example, inherited wealth), in some contexts there is a sense that an individual is nevertheless still entitled to their resources.

Underlying support for a progressive tax and benefits system

Despite a widespread belief in 'fair inequality', participants strongly supported a progressive tax and benefits system ± although they complained that the system is not generous enough towards the 'middle' (that is, where participants placed themselves). Participants therefore often supported highly redistributive policies on grounds of fairness, even if they did not particularly favour the idea of redistribution itself.

Many participants wanted the tax system to treat them differently from those at 'the top'. And, in line with beliefs that the 'middle' are under most pressure, they wanted the benefits system to treat them 'not too differently' from those at 'the bottom'. Nearly all participants were happy for lower-income households to receive more support than those in the 'middle', but many felt uneasy about benefits that were perceived to be very narrowly-targeted.

Of a range of possible distributive strategies, those based on 'progressive universalism' ± where people in the middle get something, if less than those at the bottom ± were viewed as fair, with suggestions that people

would be more willing to contribute to benefits that had wider coverage.

Judgemental attitudes towards those on low incomes

Participants' attitudes towards those on low incomes were often more negative and condemning than their attitudes towards 'the rich'. For example, they placed far greater blame and responsibility on the former for their situation than on the latter.

The research highlighted two especially important factors driving these attitudes:

- ♦ a widespread belief in the ready availability of opportunity. Sixty-nine per cent agreed that 'There is enough opportunity for virtually everyone to get on in life if they really want to. It comes down to the individual and how much you are motivated' (with 14 per cent disagreeing);
- ♦ a widespread belief that benefit recipients will not go on to make a contribution back to society. Only 25 per cent agreed that 'Most people who receive benefits now will make a contribution back to society in the future, through activities like employment or caring for others' (with 46 per cent disagreeing).

These beliefs seem to exert a powerful influence on support for welfare policy, with beliefs about whether or not benefit recipients will contribute back to society being the most powerful.

When considering evidence about the unequal life chances of those in different socio-economic positions, participants were supportive of targeted interventions to

improve life chances for the disadvantaged, even where there would be some cost to the rest of the population.

Building support for tackling economic inequality

A belief in deserved inequality is one reason why many participants did not find abstract arguments for greater equality convincing. Instead, they preferred arguments for greater equality when they were framed in terms of more proportionate rewards for the level of effort and contribution made.

This suggests that any public consensus about tackling economic inequality would have to include an acceptance that certain levels of inequality are fair. Advocates of greater equality might benefit from explicitly acknowledging this, while questioning whether current levels of inequality meet this criterion.

A concern with the quality of life

Evidence was presented to participants about the possible consequences of economic inequality. Many found claims about the possible broader social effects of income inequality convincing and thought that these effects, particularly in areas such as crime and child conflict, were an important reason for constraining inequality.

The life pressures faced by participants were often articulated in terms of the negative consequences of materialism and consumerism. These were also themes in discussions about the effects of inequality.

Most participants were strongly attracted to a social vision founded on improving quality of life for everyone (more so than one founded on explicitly egalitarian objectives, and far more so than one founded on economic growth). Furthermore, most participants showed sup-

port for important egalitarian policies when these were considered in the context of improving quality of life.

The four tribes

The research identifies four distinct sets of attitudes to inequality and welfare policy. People falling into these categories are described as follows:

- ♦ **'Traditional Egalitarians'** (22 per cent of people) ± supporting measures to tackle inequality at both top and bottom. They tend to be older and more heavily weighted towards Labour than the country as a whole; 55 per cent are in socio-economic groups C2DE.
- ♦ **'Traditional Free-marketeers'** (20 per cent of people) ± opposing measures to tackle inequality at both top and bottom. They are overwhelmingly in socioeconomic groups ABC1 (70 per cent) and are much more heavily weighted towards the Conservatives than the country as a whole.
- ♦ **'The Angry Middle'** (26 per cent of people) ± supporting measures to tackle inequality at the top, while opposing measures to tackle inequality at the bottom. They are slightly more weighted towards the Conservatives than the country as a whole; 53 per cent are ABC1.
- ♦ **'Post-ideological Liberals'** (32 per cent of people) ± supporting certain measures to tackle inequality at the top (although they have more positive attitudes towards those at the top than Traditional Egalitarians), without having negative attitudes towards those in poverty or being opposed to tackling inequality at the

bottom (unlike Traditional Free-marketeers and The Angry Middle). Postideological Liberals tend to be younger and less strongly opinionated than those in the other groups, and tend to vote Conservative and Labour in equal numbers; 52 per cent are ABC1.

Conclusion

Participants were generally committed to the idea of 'fairly deserved inequality', whereby certain individuals deserve high incomes because of their superior ability, effort or the contribution they make to society. Participants also defended certain individual rights to wealth, regardless of judgements about whether it was deserved. However, incomes that were perceived as excessively large did often attract condemnation.

Many participants exhibited strongly judgemental attitudes towards people on out-of-work benefits, motivated by beliefs about the ready availability of opportunity and beliefs that those claiming benefits now will not necessarily make a future contribution back to society. This suggests an important route for challenging judgemental attitudes here would be to raise awareness of the barriers to opportunity faced by many people and to highlight the contributions that many of those on low incomes currently make to society and will make in future.

Despite such negative attitudes towards those in receipt of benefits, participants demonstrated strong underlying support for a progressive tax and benefits system ± albeit with common complaints that the current system is not generous enough towards the 'middle' (as participants defined themselves). Relatedly, there are signs that the recent financial crisis has opened up space for more radical action on pay and taxation at the top than would previously have appeared feasible.

Most participants were strongly attracted to a social vision framed around improving 'quality of life' for all and demonstrated support for important egalitarian policies when these were considered in this context. This implies that quality-of-life issues could figure as important components in building a public consensus around greater equality ± or at least around policies to tackle inequality. It also suggests there is a real desire for a public debate about the social and economic values that guide and direct society, a debate that should provide an important opportunity for advocates of greater equality.

About the project

The research consisted of a series of discussion groups (with 112 participants), including three full-day workshops. These were held between July 2008 and January 2009 in four UK cities, with participants drawn from the full socioeconomic spectrum and a broad range of political affiliations. The work also included a large-scale survey, with data collected and analysed by YouGov, with fieldwork undertaken 28 November 1 December 2008 (2,044 adults) and 3 5 February 2009 (3,316 adults).

This research forms part of a wider Joseph Rowntree Foundation programme on public interest in poverty, which considers attitudes towards poverty and their implications for building public support for action on UK poverty eradication.

The JRF commissioned the study following a review of existing literature on attitudes to economic inequality, which highlighted the apparent contradiction between public dissatisfaction with the income gap in the UK and the lack of support for measures to address it.

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RESPONSES

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1. JUST DESERTS

JOHN DENHAM

The research found a belief that deserved inequalities are fair. This meant that our participants were not opposed to high incomes that they perceived to be deserved (though in many cases the super-rich and those with very high salaries did attract their condemnation).

Questions of fairness and equality have defined the labour movement from the beginning. In the 21st century our responses will still determine the success or failure of the centre left. The centre left did badly across Europe in June. Though refracted through many different national cultures and experiences, the same issues ± how to maintain fairness and tackle inequality in a changing world were no less important. On top of the age-old challenges of fairness in a market economy, relatively new ones like mass migration ± which at first sight appear social and cultural ± are most challenging because they influence perceptions of fairness: who gets what access to housing, jobs, benefits and new opportunities.

We all hear ^ait's not fair^o every day, not just out canvassing. ^aI've paid in all my life but when I needed help there wasn't much there.^o People believe that effort and entitlement as well as need should reflect the support you get. The responsibilities as well as rights should be underpinned. The behaviour which supports wider society should be encouraged and destructive behaviour discouraged.

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Older readers will recognise these as the values New Labour set out in the mid-1990s. There were then, and are now, more than a centre left philosophy. They reflected the deeply held values of the British people ± a fairness code.

If we ever give up on the challenges of fairness and equality the centre left will have lost all meaning. The Fabian research on voter attitudes doesn't tell us to give up; it just asks us to think about how we move forward.

Nor have we got everything wrong. Far from it. Statistics heavily skewed by the very highest incomes and the very poorest individuals easily disguise how much progress has been made for millions of poorer families in providing incomes higher relative to the majority of people; incomes far higher than they would have enjoyed if a Labour Government had not acted with determination and conviction. Even more progress has been made in the achievements of the poorest children than for others. The new Equalities Bill is evidence of sustained ambition and commitment.

In recent years Labour has increasingly aligned our approach to fairness with the common sense and deep rooted ideas of what is fair held by the British people.

But it's still worth setting out the key points of this debate.

The ground breaking international study 'The Spirit Level', by Richard Wilkinson and Kate Pickett, makes a pretty compelling case for societies that are not too unequal. On Labour's priority issues ± school standards, health, community cohesion and social solidarity, fear of crime, and of well being ± the societies which are less unequal do better. Ideas of social capital, the importance of 'place', neighbourhood strategies, investment in public space in the most deprived areas, and a focus on the most challenged are all important. They will continue to shape government priorities. But the evidence suggests that the good outcomes are more easily achieved in more equal

societies. Unequal societies cannot deal with major social challenges by an isolated approach to the most disadvantaged. This is why Cameron's 'broken Britain' analysis is fatally wrong and the remedies of Iain Duncan Smith's Centre for Social Justice doomed to fail.

But we can't leap from this conclusion to the assumption that all measures designed to reduce inequality are of equal value, or equally likely to get support.

For a start, far more people support the idea of a 'fair' society than support the idea of an 'equal' society. Some measures that would reduce inequality would be seen, widely, as unfair. Taxing people who work to give more to people who don't want to has never had too many takers.

The right have always seen inequality as an inevitable, even beneficial feature of society: a natural reflection of underlying aptitude and ability which enables each of us to find our place. We know that more identifiable forces are at work.

The market economy is the most dynamic, wealth creating and productive economic system humans have created. But the very dynamism of market economies, intensified by globalisation, has powerful tendencies towards greater inequality. Even without crises and recessions, market economies constantly create opportunities for individuals and powerful organisations to accumulate great power, take unfair rewards, and to intensify unfairly the disadvantages of the life chances of different families, different aspirations, and poor education.

If 'progressive politics' still has any meaning, it must be the recognition that that only governments, acting with and on behalf of people, can counter the insistent drive towards greater inequality that markets left alone will produce. In practical terms, this means that government can do a great deal, as Labour has done, to mitigate these pressures. The Tories' rejection of the power of government,

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whether to intervene in economic management, or to deliver the framework for social change means that they are not even in the real debate about progressive politics. The 'progressive' language they use is unconnected to any progressive policies.

A changing society has changed and challenged ideas of fairness and equality on the left. A mass working class movement wanted a fair deal for people who worked and the post-war welfare state was founded on the contributory principle. Benefits were dependent on \pm and for a long time directly related to \pm what you paid in.

Over time, the contributory principle has been eroded, for reasons both good and bad. Contributory systems disadvantaged millions of carers, mainly women, and people who could not work. Giving carers and the unemployed credits into the system made it fairer but weakened the link with earned entitlement. Contributory benefits accumulate value over a long period of time. Governments which wanted to address contemporary poverty and inequality had to use means-tested benefits, which were used to achieve rapid social change. (Labour could, within the same spending, have indexed the basic state pension since 1997, but at the cost of doing far less for the poorest pensioners.) Less benignly, means-tested benefits, though expensive to administer and plagued by problems of take up, were cheaper and less likely prone to claims that taxpayers money is going to those who don't really need it. Social care policy exploded under the Tories because they had insisted that years of work, effort and savings should get no recognition in paying for residential care.

But other ideas were also at work. The most powerful was that need, rather than earned entitlement, should determine what you received. For reasons that are easily understandable, the idea that homelessness automatically

trumped years of waiting by those with slightly less immediate need was universally adopted. In these and other areas of social policy, an unholy alliance formed of a left-inspired needs-based view of fairness and a right-wing drive to limit public spending; creating, in the process, systems which many people feel are unfair.

Public opinion can be inflamed if needs-based systems are seen to be leaky or exploitable. The extent to which people manage to fiddle the system to their own advantage is greatly overstated in popular imagination and fed by the tabloid press. But you only need one well documented case to damage confidence.

The cumulative impact of these changes has eroded the link between effort and entitlement which, for all its flaws, was the foundation of the post war welfare state. At the same time we have become more individualistic,

more prone to compare individuals with each other, and more willing to question the distribution of rewards. Significant migration has raised new questions about entitlements and how a needs-based approach to welfare reflects a sense of fair entitlement. The one needs-based post-war system in which your rights came as a citizen \pm the NHS \pm is sometimes seen to be vulnerable to those whose human needs are in no doubt but whose entitlement to priority is less clear.

A society which saw itself as divided between the mass that were denied a fair return for their efforts and the bosses

The extent to which people manage to fiddle the system to their own advantage is greatly overstated in popular imagination and fed by the tabloid press. But you only need one well documented case to damage confidence.

who took the pickings has become a society much more likely to believe that income reflects effort and ability.

These changes underlie and explain the Fabian research. (Though, through an accident in timing, the research also captured the wider question now rippling through society about whether too many of those doing well ± whether bankers, highly paid public sector professionals, politicians and others ± were not, in part at least, people whose reward reflected the privilege of their position, not the contribution they make).

Let's be clear. The research isn't telling us that we abandon all notion of need. Just that to get consent to tackle need we have, first, to be sure that our society rewards effort, responsibility and earned entitlement. In choosing and presenting our policies to promote fairness and tackle inequality, they must also pass the test of whether they are seen as fair.

We have reasserted the link between effort, entitlement and reward across our society. We don't have to abandon all notions of absolute need. But we must get the balance right: ensuring that immediate need does not always and unfairly trump earned entitlement.

And we must make clear, in everything we say and do, that these robust, common-sense values of fairness, of rights and responsibilities, underpin everything we do.

It may surprise many ± inside and outside the Labour Party ± to hear that this is where policy has been going. We've not always said it clearly or put individual policy changes into a strong, consistent story. But we raised the savings allowances for pensioners before means-testing kicks in and Andy Burnham's social care changes would bring a guaranteed payment for care for all pensioners. The new pensions system is explicitly designed to limit the dependence of future pensioners on means-testing. John

Healey's massive investment in new council and social housing was launched, hand in hand, with more freedom for local councils to make sure allocation policy met local needs and priorities fairly. Across the welfare system, the responsibility to work has been enforced (with practical help to do so), and tax credits mean work, not idleness is better rewarded. Migration controls have been tightened and linked explicitly to the ability to contribute, and earned citizenship will ensure that access to the wider benefits of our society are privileges to be won, not taken for granted. Not everyone on the centre-left is comfortable with 'British jobs' or 'British workers' but there's nothing wrong in using public procurement and public investment in skills training to ensure that long term residents have a fair chance of getting the jobs we create.

Our real values, the ones we implement in government, are in tune with the deep-seated sense of fairness of the British people. Tory polices pose a real threat to the ordinary middle Britain families who currently feel society is not fair. If we get that across, and we base future policy on these values, we can not only win the next election, we can make real social progress in tackling inequality and making Britain truly fair.

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2. WE ALL THINK WE'RE IN THE MIDDLE

Stewart Lansley

The research found that nearly all of the participants in our deliberative research subjectively placed themselves in the middle of the income spectrum, despite the fact that they were from the full range of socioeconomic groups.

It is a well-established characteristic of today's society that most of us have only a poor idea of where we rank in the income hierarchy. The Fabian research found that most participants in their focus groups placed themselves subjectively in the 'middle' of the income spectrum, despite the fact that they were from the full range of socio-economic backgrounds.

A study of middle income Britain conducted by YouGov for the TUC also found that the majority of the population misplaced themselves in the income hierarchy.¹ Participants ± representative of the population's income range ± were asked: ^aIf everyone's income was arranged in order from lowest to highest, where do you think your income would be on this scale?⁹ The results are shown in Table 1. All participants have been divided into five income bands (quintiles) on the basis of their actual income. Each group represents a fifth of the population. Their *actual* position is then compared with their *perceived* position.

The final column of Table 1 shows that, on average, respondents tend to understate their true position in the income hierarchy ± they think they are relatively poorer than they actually are. Thus, while 25 per cent place themselves in 'the middle', as many as 60 per cent place themselves 'below the middle' or 'towards the bottom'. Only 12 per cent place themselves 'above the middle' or 'towards the top'.

This tendency to understate is strongest amongst those with the highest incomes. The group that does the best in placing themselves are those in the poorest quintile ± with 56 per cent saying they are 'towards the bottom'. A significant proportion of this group ± 41 per cent overstate their actual position.

The proportion of each group which accurately position themselves then steadily falls with just over a fifth of median income households placing themselves 'in the middle' while only 7 per cent of the richest fifth of households place themselves 'towards the top'. As many as 60 per cent of the 'affluent and the rich' group place themselves in or below the middle or towards the bottom. Those in the bottom half of the income distribution thus have a much better grasp of the reality of their place in the social hierarchy than those towards the top of the distribution.

There are a number of possible explanations for these findings. Studies have found widespread misunderstanding of the extent of pay and income relativities and that knowledge of the full extent of inequality is very limited.² The Fabian study found 'a great deal of surprise expressed about the fact that a salary of £42,900 represented the 90th percentile'.⁹ One participant expressed genuine shock, believing that a quarter of the population earned over this figure.³ Again, it is those on the highest earnings who appear to be particularly out of touch with reality, especially when it comes to their own pay. A survey by British Social Attitudes found that

	First quintile	Second quintile	Middle quintile	Fourth quintile	Top quintile	ALL
Perceived position: 'Where do you think your income would be?'						
Towards the bottom	56	47	26	12	6	28
Below the middle	24	33	45	38	18	32
In the middle	12	13	22	38	36	25
Above the middle	4	3	4	9	31	10
Towards the top	1	0	0	2	7	2
Don't know	3	4	3	1	2	3

Table 1: Comparing people's actual and perceived position in the income hierarchy (percentages). People were asked "If everyone's income was arranged in order from lowest to highest, where do you think your income would be on this scale?" Source: *Middle Income Britain Survey for the TUC, Yougov, January 2009*. For details see *Life in the Middle, The Untold Story of Britain's Average Earners, TUC Touchstone Pamphlet, June 2009*

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under a half of those with earnings that put them in the top ten per cent identified themselves as top earners. They were much more inclined to place themselves towards the middle.

Another explanation may be that different income groups have different reference points. Those on lower incomes may be more likely to compare themselves, their work experience and life chances with those close to their own class and social groupings, making them more realistic in their judgement of their social positioning. There is some evidence that middle and lower earners are content as long as they feel better off than their parents.⁴ Perhaps more insulated from the work and pay experience of others on low and middle incomes, there is evidence that the wealthy are more likely to compare themselves not with those below them but with those even richer than themselves, to feel that they are not paid enough. As one survey of bankers and lawyers on earnings of over £150,000 found: ^aThey wanted to compare themselves with richer people, inventing a society in which they are a step or two down from the top. Comparing themselves upwards not downwards, they considered themselves normal, when they are anything but.⁹⁵

It may also be that it suits some of the better off to think they are worse off than they actually are. Downplaying their relative advantage by placing themselves nearer the average may bring a degree of psychological denial about being towards the top of the income league, a form of defence against charges that they should be making a greater contribution to help those with much lower living standards than themselves.

There is another important factor at work which reinforces this process. Social and economic misplacement is part of a much wider phenomenon, a characteristic not just of the better off sections of society themselves but of leading opinion formers as well. In effect, the most affluent sections of society

are being subtly redefined ± by commentators as well as by themselves ± as a group that sits nearer the middle than the top. Alan Duncan somewhat gave it away when he described an MP's salary of £64,000 as 'rations'. It is certainly not a sign of a healthy and well informed society when the rich think, and are encouraged to think, that they are poor.

An objective definition of the term 'middle Britain' would be the social group sitting around the mid-point of the income distribution, the point statisticians call 'the median'. Instead the term 'middle Britain' has come to be commonly used, not least by the political, media and marketing classes, to describe a group that sits in the upper half of the income distribution. Indeed 'middle Britain' has increasingly become shorthand for the professional middle classes. In one report, *Middle Britain in 2008*, by the insurance company AXA, for example, 'middle Britain' was described as households with an average income of £62,000, a sum that would have put them in the top 30 per cent.

In just 30 years, Britain has moved away from a diamond towards an onion-shaped society with a few of the very rich, a small group of the affluent and a large bulge below the middle.

In 2008 a number of newspapers ran campaigns on behalf of what they portrayed as the victimised middle, a group increasingly 'struggling to make ends meet'. In a three-part series, the *Daily Telegraph* bemoaned the growing problems facing what they dubbed the 'coping classes': a hard-working, responsible group which, despite earning more than their parents ^aall feel so damned poor^¼ For while the working class is topped up with family credits, and hedge fund

managers cream off millions, it is Britain's beleaguered middle earners who are under siege.⁹⁶

Yet while the *Telegraph* chose to describe the 'coping classes' as typical of middle Britain, the examples they quoted were all of families (priced out of private education, being pulled into the higher rate tax band etc) sitting towards the top of the income distribution. They were in fact referring to the high earning professional middle classes, a group the paper claimed was suffering most from economic and social change. It is a charge echoed elsewhere ± as here in the *Daily Mail*: 'The obscenely rich are getting richer, while the middle classes, working harder than ever, are becoming poorer.'⁹⁷

The evidence, however, does not support this picture of the beleaguered middle classes facing a growing financial squeeze. Indeed, it is top income groups who have benefited most ± in work, pay, housing, education and pensions ± from the economic and social repositioning of the last two three decades. In contrast, it is the bottom half that has been steadily falling behind the professional middle classes and the rich in both the income and opportunity stakes. Indeed this repositioning has steadily changed the shape of modern Britain.

In the immediate post-war years British society resembled a 'pyramid' with a small and privileged group at the top, a larger but still small and comfortable middle and a large majority at the bottom. By the end of the 1970s, Britain had moved closer to a 'diamond' shape with a small group of the rich and the poor and a much fatter middle. Since then we have seen the rise of a small group of the super-rich together with a much greater concentration of the population by income in the bottom half of the distribution. Indeed, almost two-thirds have an income that is less than the national mean.⁸ As a result, in just 30 years, Britain has moved away from a 'diamond' towards an 'onion-shaped' society with a

few of the very rich, a small group of the affluent and a large bulge below the middle.

This shift has largely occurred by stealth. Despite its implications, it has been accompanied by little public awareness or political debate. Until the onset of the recession, the rise of Britain's super-rich class generated little interest as a political issue. One study found that despite widening inequality, ^apeople's overall quiescence appeared remarkable⁹. Instead of a rational and well informed public debate about the widening of pay differentials, about fair rewards and the role of merit in the growing wealth and income gap, a series of ill-informed myths have developed. Most people, but especially the most affluent, cannot place themselves with much accuracy in the income hierarchy. Some of our most senior political figures and media commentators cannot distinguish between middle Britain and the professional middle classes. There is limited understanding of the real winners and losers from the social and economic change of the last three decades. Such misunderstanding is yet another barrier to the introduction of effective measures to tackle Britain's growing income and opportunity gaps.

Footnotes

1 S Lansley, *Life in the Middle, The Untold Story of Britain's Average Earners*, TUC Touchstone Pamphlet, June 2009

2 See eg, R Pahl et al, *Inequality and Quiescence: A Continuing Conundrum*, ISER Working Paper, 2007

3 Bamfield & Horton op cit p 14

4 Pahl op cit

5 P Toynbee and D Walker, *Unjust Rewards*, Granta, 2008, p 25

6 *Daily Telegraph*, 29 January, 2008

7 *Daily Mail*, 9 February, 2008

8 Lansley op cit, p 9-10

9 Pahl op cit p 1

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3. HOW WE TREAT THE RICH AND POOR

Kate Green

The research found that people treat the rich and poor differently. The public's attitudes towards those on low incomes were often more negative and punitive than their attitudes towards the rich.

For anti-poverty campaigners, the story is self-evidently simple. Inequality and child poverty are wrongs to be righted. It is both morally just and economically sensible to pursue policies that prevent and eradicate poverty and narrow the inequality gap. Indeed, campaigners point to the existence of a flawed economic model (which rewarded a privileged elite with excessive and unfettered wealth while leaving millions of children growing up in poverty) as underpinning the near-collapse of our financial system last September and the subsequent severe recession. Such an analysis leads compellingly to the conclusion that responsible stewardship of the economy goes hand-in-hand with eradicating poverty, requiring that rewards and resources are more equitably shared.

Yet this Fabian research makes clear that this is not necessarily the widely shared perception of a public increasingly anxious about their personal financial prospects, alarmed by high levels of public debt, uninformed but resentful about perceived levels of benefits for those seen as undeserving, and unlikely to contribute to society.¹ As Polly Toynbee and David Walker have pointed out, moreover, the richest in our

society are unaware of the true extent of inequality and income disparity in the UK ± or of the progress that has been made in reducing child poverty over the past ten years.²

So policy-makers and campaigners alike must become smarter about telling their story if the redistributive policy solutions which reduce inequality and end child poverty are to be sustained by popular support. At one time, it seemed that ministers understood this. Although showing a certain timidity in the run-up to and immediately after the 1997 general election (where they wooed rather than led public opinion, as Ruth Lister has put it), New Labour promoted a highly coherent political narrative, made manifest in its public policy programme. 'Progressive universalism', 'rights and responsibilities', 'work for those who can, support for those who can't' ± these mantras underpinned a set of policy initiatives (such as new tax credits, the New Deals, rights for parents at work, investment in childcare and early years provision, and the national minimum wage) that helped to reduce child poverty and increase parental employment levels.³ However, it has to be acknowledged that the effect on income inequality was considerably less marked.

Yet more recently politicians of all parties have begun to muddy the waters as they pursue increasingly contradictory policy approaches. High profile policy initiatives that both stigmatise and regulate the behaviour of the poorest groups, in contrast to a less regulated approach to those at the top end of the income scale, have compounded inequalities and done little to build public understanding and sympathy for those living in poverty. So today, a bold cross-party commitment to the ambition to eradicate child poverty is accompanied by a failure to increase the level of the financial safety net to the minimum standard needed to secure an adequate income for every family. This is coupled ± again with high

levels of cross-party agreement ± with an increasingly coercive model of so-called 'welfare reform' which will likely see more families financially penalised for failure to seek paid employment in increasingly difficult economic conditions.

This is perverse in a recession. Half of all poor children currently grow up in households where at least one adult is working, but calls for pay restraint, not least in the public sector (which employs a quarter of all low-paid workers), are matched by a failure to take the same strong line when it comes to regulating and curbing excessive City bonuses.^{4,5} To be sure, politicians have expressed their wish to see top salaries capped at a more realistic level, but it was the chief of the Financial Services Authority, no less, who floated the notion of fiscal measures with real bite to control the risk-taking behaviour of City institutions while politicians backed away.⁶ And while even normally-sympathetic commentators proclaim the need for more means testing in the social security system, Labour's hesitant approach to a more progressive system of taxation (despite recent welcome announcements in the budget in spring 2009), and a reluctance even to acknowledge the problem among Conservatives, go widely uncriticised.⁷ Meanwhile, ministers continue their attacks on benefits fraudsters which fail to acknowledge either the damage this does to take-up, or the fact that benefit fraud is at its lowest level ever.

Unsurprisingly, as a result, public understanding both of the moral and the economic case for progressive policy-making is increasingly being lost. Instead of using the recession and a mounting sense of injustice to embed arguments for the economic benefits of redistribution in the public's mind, policy-makers have allowed the opposite to happen. As people feel, understandably, fearful of the economic consequences of recession, popular support is growing for reining

in public borrowing ± with a real danger of swingeing cuts in spending which will harm the poorest the most.

Yet if only policy makers could be bold enough, this could be a time of opportunity. Today's exceptional economic circumstances could be used to build positive support for a programme of policy solutions in which redressing inequality and eradicating poverty take centre stage. Selecting policies that increase the incomes of the poorest, taking fiscal measures which protect families from the worst effects of recession, is not just right, it would contribute to a swifter economic recovery and underpin long-term economic stability by reducing the risk of damaging patterns of economic 'boom and bust' and reducing costly cycles of intergenerational poverty and exclusion. But the political space to do that requires politicians to take the lead in selecting, designing and articulating policies which respond to the concerns and challenges faced today by ordinary families, their anxieties about the future, and the attitudes and values that the Fabian research has revealed.

The findings suggest that in functional societies, reciprocity is important, and yet those in receipt of benefits are not trusted to offer it. But politicians have a unique opportunity to develop and describe policies that challenge those perceptions and concerns. And looking at the reality of family lives, this shouldn't be as difficult as it might seem. Today, the preoccupations of middle Britain's families will include job security, personal finances and debt. They worry about their children's education, prospects and life chances, about how to provide care for family members who need it, and about provision for old age. Policies which meet these concerns should shape and underpin the design of a modern, 21st century, welfare state, serve to improve equality and reduce poverty, and create a sustainable economic future, while providing an appealing, effective and indisputably

relevant response to the life courses, experiences and needs of families today.

Rooting policy-making in the reality of families' lived experience offers progressives the best chance to remake radical policies which can command popular support. Families need adequate financial support to help them keep their heads above water when jobs are at risk; those who are out of work or struggling on poverty-level pay need training and re-skilling to compensate them for the shortcomings of their educational experiences and

help them advance in an unequal labour market. Meanwhile, investing in 'new industries' where good quality new jobs can be created while ensuring access to the best possible education for all children will ensure everybody's future ability to participate and contribute. It doesn't need to be spelt out in a recession that policies to get people into or to return to

Rooting policy-making in the reality of families lived experience offers progressives the best chance to remake radical policies which can command popular support.

work, to provide for their children, to earn and pay taxes, rest on decent protection for and investment in families now. Nor does it need to be spelt out that the hardship and risks families face today are scarcely of their own making. Never has it been more apposite to point to external factors which place families under pressure - or to highlight our reliance on a universal system of social support which all can access at time of need.

And here perhaps is the opportunity that policy-makers have missed. Although some signs of visionary politics can be found in the rhetoric of both left- and right-wing politicians,

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too often in attacking the so-called 'dependency culture', our political leaders sound defensive ± even grudging ± about our system of social protection and social support. Instead they should seize the opportunity to promote sustained investment in a welfare state that provides mutual support, celebrates the public institutions that bind our society together, and advances an economic model that will share the proceeds of growth and prosperity, risks and rewards more fairly. As recent public outrage at attacks on the NHS have shown, it is the boldest, the most inclusive, and the most visionary policy solutions which command and retain the strongest popular support. Policy-makers concerned to secure greater economic justice have something to learn from that.

Footnotes

1 T Horton and L Bamfield Understanding attitudes to inequality, Joseph Rowntree Foundation 2009. Also see the research carried out by Ipsos Mori for the JRF (Castell and Thompson Understanding attitudes to poverty in the UK: getting the public's attention, Joseph Rowntree Foundation 2007)

2 P Toynbee and D Walker Unjust rewards Granta 2008

3 R Lister, 'New Labour: a study in ambiguity from a position of ambivalence', *Critical Social Policy*, 21(4), 2001

4 Department for Work and Pensions Households below average income: an analysis of the income distribution 1994/95-2006/07, National Statistics 2008 Table 4.3

5 New Policy Institute www.poverty.org.uk

6 See <http://www.dailymail.co.uk/news/article-1209359/Head-FSA-backs-tax-transactions-combat-swollen-city-bonuses.html>

7 See <http://www.guardian.co.uk/politics/2009/jul/24/gordon-brown-budget-cuts-whitehall>

4. THE NEW TRIBES

Ben Page

The research identified four fairly equal clusters of opinions: the traditional egalitarians ; the traditional free marketeers ; the angry middle and the post-ideological liberals . This pattern of attitudes offers some challenges, but also some good news, for anybody seeking broader support for egalitarian strategies.

The Fabian research helps explain exactly why Britain is as unequal as it is ± and also the challenges for politicians of doing anything other than something stealthy to address it.

The research confirms Ipsos MORI's own work showing that anyone worried about this issue must recognise just how unconcerned Britain as a whole (and middle Britain in particular) is about equality ± and that if anything there is less concern now than ten years ago. This is clearly the reason for a debate, but it is worth emphasising. When we ask what people see as the most important issues facing Britain ± which we do every month ± inequality doesn't register compared with big issues like crime, health, immigration and the economy in general. If anything it has declined as a concern over recent years.

It is true that over 80 per cent think the gap between high and low incomes is too large ± which is fairly consistent across social classes, and middle England is certainly no less likely to agree. But we're among the least likely in Europe to say the Government should intervene on inequality ± in fact

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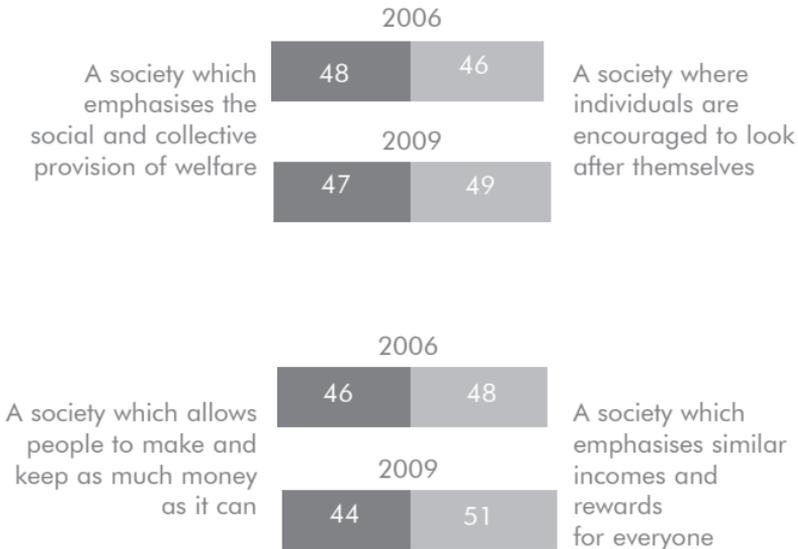
we're third from bottom out of over 20 countries. And the Fabian research confirms that a large proportion of people think that by and large an unequal society can be 'fair', in that both at the bottom and the top, incomes are mostly deserved. Now of course there are a lot of riders on this, including widespread misunderstanding about how many people really are on high incomes, but there is a broad acceptance of the status quo, which this new research examines in depth.

There is even some evidence that public opinion is getting more sceptical on this ± we're certainly more likely to say that people are taking advantage of the benefits system than ten years ago ± and less likely to say the Government should do more to reduce inequality. These, again, are trends that are seen at least as much in middle Britain ± the electoral battle ground for 2010. And the Great Crash of 2008 has not seen any real shifts in attitudes. Although the Fabian research points to support for curbs on excessive corporate pay, we have seen no shift in underlying attitudes towards individualism or collectivism, or indeed towards policies designed to reduce income differences. In 2006 46 per cent supported a society which allowed people to be as rich as they could, rather than preferring similar incomes for all. After the crash, this figure fell by only two points to 44 per cent (not a statistically significant difference): it is true that half of us like the idea of similar incomes and rewards for everyone ± but nearly as many do not.

Indeed a recent paper by John Bartle and colleagues at Essex University used a number of attitudinal questions ± including on whether people feel some other people don't deserve benefits, whether we should redistribute wealth, and questions on equal opportunities for women ± to create an index that identifies where the political centre of the population is. And they conclude it has moved to the right in recent years. Their quite literal measure suggests it is only getting

A new sober age?

Q: People have different views about the ideal society. For each of these statements, please tell me which one comes closest to your ideal.



Source: Ipsos MORI Political Monitor. Base: c. 1000 British adults 18+ each month.

harder to convince the public about the need for greater equality, looking at changes in attitudes over time.

However we should not be pessimistic about the future. I agree with the authors that part of any change on this issue would involve appealing to key British values. People's acceptance of 'fair inequality' relates strongly to the value we attach to 'fairness' generally. Fairness in governance and the provision of public services is a key British value, seen in our national obsession with 'postcode lotteries'. When we ask

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whether people would prefer public services to provide just minimum standards across the country but then allow local variation to meet local needs or whether they want services to be completely the same ± the vast majority always choose completely uniform services across the board, regardless of the service. This is driven by the sense of fairness that says everyone has to get the same opportunities, even where areas have greater or different needs.

So a debate about the unfairness of extreme inequality would have traction. This is a key basis for appealing to people, particularly middle Britain, by raising awareness of just how unfair the barriers to opportunity faced by many groups in society still are. Ipsos MORI's work on communicating equality and poverty shows it is the term 'fairness' that chimes most with people, especially images around life being a game where the rules are unfair for some and the sense that the dice are loaded against some people.

This presents us with a number of challenges. Firstly we need to make inequality 'real' through real life case studies of people who want to get on and contribute but are not being given a fair opportunity. It is worth noting that in terms of communicating the idea, there are no positive images of people suffering inequality in popular discourse, but plenty of negative ones ± scrounging 'chavs' playing the system, or bogus asylum seekers. There are few images of people who want to contribute but are at mercy of events. Campaigners need to get that story across to people better.

As the Fabian work suggests, one would also need to address common misperceptions. The use of surprising facts ± such as the proportion of children who go without a warm winter coat because their parents can't afford it ± has real impact. People are shocked and moved by that type of information when we test it in focus groups.

As well as appealing to emotional reactions, there is also a rational element to the most successful communications. Britons do see that there are risks to themselves from greater inequality in incomes, through a loss of social cohesion, greater crime and antisocial behaviour. Evidence that links lower levels of disorder with greater equality, maybe using international comparisons from more equal societies, could help.

Any communications need to start from people's existing values. Segmenting people into whether they are broadly liberal or sceptical on inequality, as the Fabians have done, is important. In our work we use the metaphor of 'big tent' people (who have an open and inclusive view of the welfare state) and 'small club' (which is more contingent on people contributing or qualifying for help). And the evidence suggests there are roughly equal proportions of each in country as a whole ± but middle Britain tend to be more in the small club/sceptical group.

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Finally what Fabian work reveals is that people are more inconsistent and contradictory on equality than on some issues. We call it 'cognitive polyphasia' ± people's ability to hold contradictory opinions on the same subject at the same time, without feeling any cognitive dissonance. For example far more people think the income gap is too large than actually support any measure of redistribution. Similarly, 15 per cent of those who say that the Government should not redistribute

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incomes also say that the Government is doing too little to redistribute income ± which seems like a clear contradiction.

This can be explained just by two key characteristics of human beings. Firstly, when it really comes down to it, most of us do not really want to give up too many opportunities for the good of others. Ipsos MORI have a huge amount of qualitative evidence that when one delves deeper, it is easy for people to agree in principle to more equality, but much harder when we talk to them about the sacrifices they might make. This is particularly the case when they have an image of an undeserving group getting help (and the research confirms we are more negative about the poor than the rich in terms of just deserts), or if people feel enough has already been done.

Reaching a new societal consensus on this issue then, will need not only to deal with very common misperceptions at all levels in society, and build on shared values to shift perceptions about how 'fair' major inequality in incomes really is: it will also have to convince a pretty sceptical public that the Government is actually capable of doing something 'fair' about it. A pretty tall order, but still worth trying.

6. EQUALITY OF LIFE

Zoe Williams

The research found people really rally around the concept of improving quality of life for every citizen, and many of our participants found claims about the possible negative social consequences of income inequality intuitively convincing.

So, there is plenty of good news: we instinctively support redistribution, we support progressive ideas in the taxation system, and we instinctively react against people having more than they need or could possibly spend. How, then, did we ever get into the situation we're in today, where even the mention of tax is a political fart in a lift, and the mention of deliberately raising it ± openly robbing the rich to give to the poor ± would be monstrous?

This, unfortunately, is what a country looks like after 12 years of a meritocracy. (Goddammit, wasn't there a fifties satire that warned us this would happen?) In a world of infinite possibility, people who don't achieve have only themselves to blame. People who do achieve can, conceivably, be emulated. Since we aspire to be them, we certainly don't want to see them penalised for their wealth, so we both strive to protect it from the taxman, and, to justify all this, invent qualities and expertise for them that they don't possess (meanwhile, for symmetry, inventing deficiencies for the very poor that they don't possess either). We might

believe in progressive taxation measures when confronted with their fiscal reality, but while we despise the poor and desperately suck up to the rich, these progressive ideas are somewhat strangled. There is so much internal contradiction in the position, that any attempt to move in any direction will be painful; better to just stick to the mantra, ^ano raising of taxes^o and move on.

To get out of this political half-Nelson, we should recap in the broadest possible terms how we got into it. Everybody blames Tony Blair for the rise of the meritocracy. He would blame himself; he would be proud to. What he did, incredibly, was to find a way to be in the Labour Party that didn't involve hating the rich. You can say what you like about his underlying commitment to socialist ideals, but you cannot deny that, in the end, he was right about toff-hating rhetoric: people didn't like those attack-dog politics. They didn't fit with optimism or opportunity, they were not modern, they weren't feel-good. In the sunny, newly-Americanised culture of the early nineties, any of us might have become very rich. Their pips might be our pips: if you squeeze us, do we not also squeak?

And that pip-speak was the only language anyone had ever found to discuss redistributive taxation; it was never updated to appeal to the post-New Labour voter, the person who might think to become JK Rowling one day, but didn't necessarily want to bathe in gold or to trash society once they got there. But this person isn't an oddball, it's an everyman. We all over-identify with the super-rich, and we all search to make life better for them, on the off chance that we might become them. This is a natural optimism, no more or less idiotic than buying a skirt that might one day fit. I don't think this optimism should be trampled, mindless or not. I don't think anybody would emerge from that feeling very good. And I certainly don't see a place for any

opportunistic tub-thumping about bankers' salaries, on the crest of the credit crunch. People might be angry now, but that emotion is not a very long-lasting or creative motivator; you don't want to be the person still doing the angry dance when the music stops.

Likewise, I would feel reluctant to try and tackle negative views of the very poor. One of the many interesting things to emerge from this research is the way that people overestimate the cost to us all of benefit cheats, and underestimate the cost of tax evasion. It's interesting because it appears irrational and yet makes perfect sense. We all think of our own behaviour as being possibly cheeky but essentially benign; we think of harm as something that is caused by others. And everybody pays tax, while only some people qualify for benefits. So naturally, most survey respondents would identify more with taxpayers than benefit recipients, and would identify more sympathetically, by extension, with tax avoiders than benefit cheats. We will always, instinctively, give ourselves and people like us the benefit of the doubt, while judging very harshly the people we deem unlike us. It's a waste of time, in other words, trying to redraw the 'other' more sympathetically. If we're going to have a revolution of perception, it needs to go in the other direction.

Besides, to return to the underclass: this picture, the lazy sponger who costs the state a fortune, who has children willy nilly for the child benefit, who spends the child benefit on fags and uses plastic bags instead of nappies ± this is the creation of the tabloid media. No doubt you could find an individual of this sort if you scoured the country, but they are no more representative than the media creation of the eighties. (This was the teenage mother who got pregnant on purpose so she could get a council flat. I believe she was the catalyst for the Thatcherite brainwave

of flogging off all council flats, which was some going, considering there were only about six of her.) I simply don't believe politicians should waste their time refuting this picture, you could turn yourself blue trying to get tabloid newspaper journalists to represent their fellow citizens in a fair and reasonable way. The inadequacies of the underclass are a redtop mire, lent credence by the odd academic (Phillip Blond, essentially), unarguable in any meaningful way because you're fighting the spectre of someone else's imagination. Instead, we should do what Tony Blair was always so good at. Don't get into that debate. Change the debate.

The Cassandras have plenty to work with: we can, en masse, be very judgmental, we can play cognitive tricks on ourselves; we can stay wedded to the status quo however abusive it is. But we also have very clear instincts of fairness, evinced pretty strongly, I believe, by the fact that we support progressive taxation even having bought the propaganda about how undeserving are most of the people it benefits.

We should start a new conversation, in which it doesn't matter what the poor are like, and whether they deserve more money or less money, and what they should do to prove their just deserts. And it doesn't matter what the rich are like, or what counts as rich and what counts as super-rich, or whether they deserve their riches, or whether they can possibly spend them, or whether curbing their riches will destroy our status among market economies.

The real question is what we're like. We need a return to Bennite rhetoric: do we want to be net recipients and net contributors, or do we want to be brothers and sisters? Do we want to earn with morbid intensity, then spend half of our riches guarding the other half from people who earn less? Or would we rather share it? What kind of person do

I want to be? Do I think of myself as a fair person? How much of my sense of identity rests on that? How much does the belief I have in society rest on notions of fellowship and on the idea that humans are inherently sociable?

Because the fact is that sociability is at the centre of all meaningful pleasure, and that it relies, not just on fairness but on taking an active delight in being fair.

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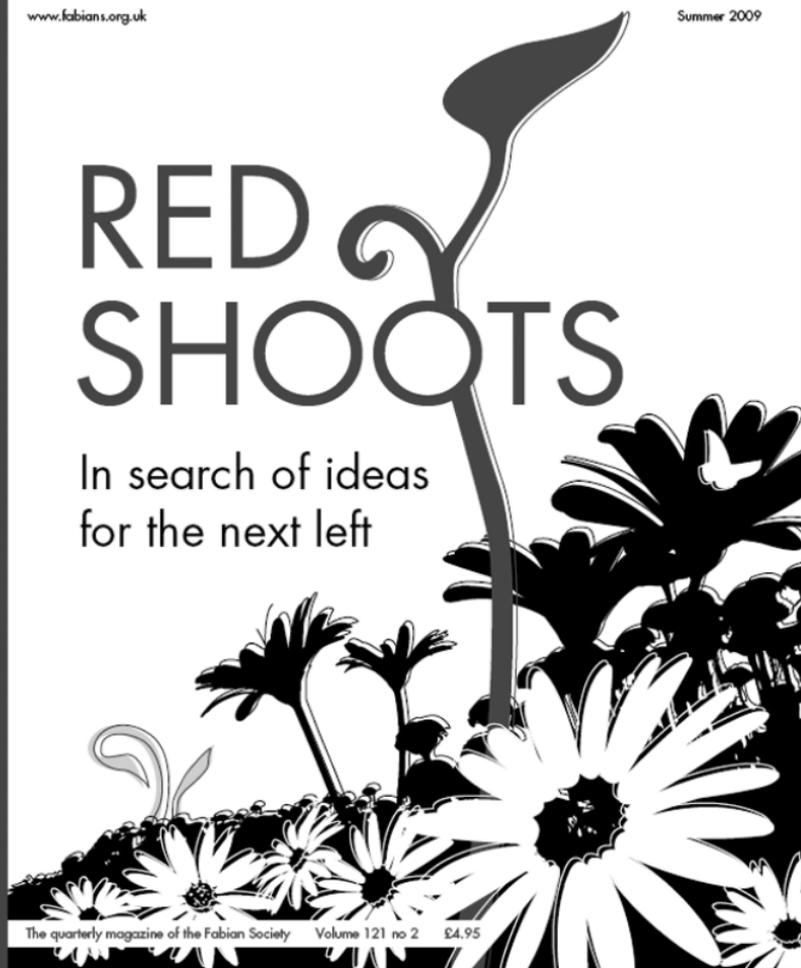
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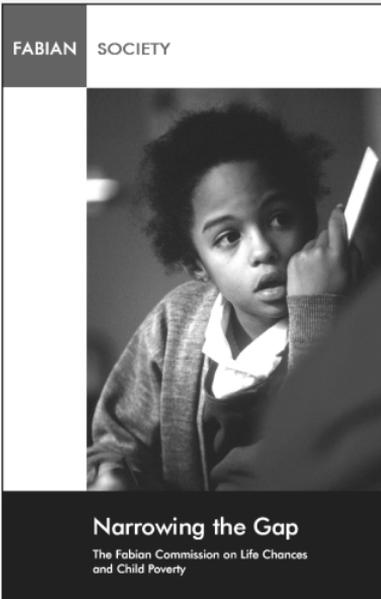
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The pamphlet puts the case for an effective agenda to provide opportunity and tackle extremism across all communities must go beyond a narrow approach to security, and sets out new proposals for a progressive agenda on inequality and life chances, public engagement in foreign policy, an inclusive Britishness, and rethinking the role of faith in public life.



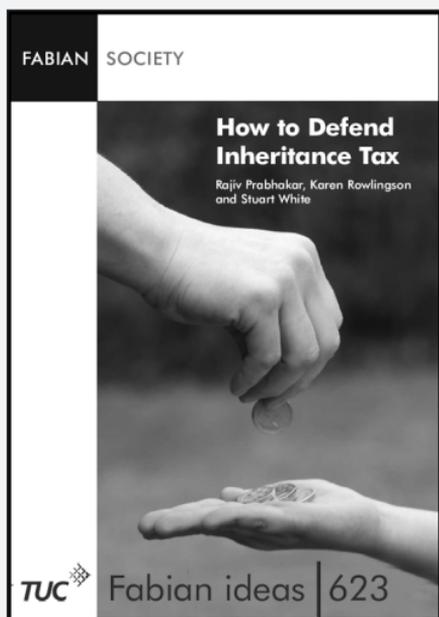
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How to defend inheritance tax

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Defending inheritance tax is not just the responsibility of politicians – there must be a citizen-led campaign too. In this Fabian Ideas pamphlet, **Rajiv Prabhakar, Karen Rowlingson and Stuart White** provide progressives with the tools they need to win this argument.

They set out the evidence on inheritance and inequality, tackle the common objections to the tax, and demonstrate the moral and pragmatic arguments for an inheritance tax.

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