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Support for reducing inequality in the new Russia: Does social mobility matter?

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Abstract

This paper addresses the issue of the interrelation between different types of social mobility and support for reducing income inequality in contemporary Russia. Drawing from the Russian subsets of the International Social Survey Programme's (ISSP) surveys, we estimate how this support is differentiated across experienced and expected subjective mobility. Official statistics and empirical survey data widely confirm that the large-scale socioeconomic changes that took place in Russia during the 2000s brought an increase in living standards for most population groups and a more-than-twofold reduction in poverty. However, according to the ISSP data, demand for the government to reduce income differences is at its highest level since 1992. More than 90 per cent of Russians unequivocally perceive income gaps in the country as too high (the same as in the late 1990s) and unfair. We test the effects of actual and expected mobility, showing that, in contrast to the literature, including earlier studies on Russia, past mobility and expected medium-term mobility do not have any significant effect on levels of support for reducing income differences, and only the effect of short-term expectations can be seen. We argue that the effect of social mobility in Russia is limited by a widespread consensus across the population that preexisting inequalities in Russia are too high and unfair – a viewpoint based mostly not on the specifics of individual situations, including experienced or expected mobility, but on shared subjective norms and beliefs about inequality and their contrast with existing reality.

Keywords: social mobility; income inequality; inequality perceptions; POUM hypothesis; Russia

1 Introduction

This paper discusses the impact of different types of social mobility on the population's support for reducing income inequality in modern Russian society.

Inequality remains a key challenge in socioeconomic development, both globally and in certain countries. Monetary aspects of inequality have been under the spotlight in recent years (Atkinson, 2015; Milanovic, 2016; Piketty, 2013; Stiglitz, 2012). However, it is increasingly

pointed out that inequality cannot be reduced to only income levels, as income gaps and wealth inequalities (Chauvel et al., 2021; Shin, 2020), non-monetary aspects of inequality (Grusky, 2011), and the population's subjective perceptions (Kuhn, 2011) are gaining more significance.

The topic of social mobility enriches the analysis of the inequality issue, since moving between social positions can mitigate or reinforce inequalities as well as affect the population's attitude towards them (Shorrocks, 1978; OECD, 2018). The relationship between social mobility on the one hand, and society's tolerance for inequalities and the demand for reducing them on the other, is conceptualized in the academic literature through the tunnel effect and the prospect of upward mobility (POUM) hypotheses.

These hypotheses have been tested repeatedly in the literature. Their relevance for Russia has also been partially examined (Ravallion & Lokshin, 2000). In the 1990s, Russia underwent a dramatic socioeconomic transformation that led to a sharp increase in inequality and mobility among the majority of the population. Empirical studies have verified that there was a correlation between social mobility and support for restricting the income of the rich at that time. This correlation was particularly noticeable among the most well-off individuals. Among them, support varied depending on their expected mobility, and, statistically, it proved to be considerably higher in the case of pessimistic expectations about their own position.

Subsequently, however, socioeconomic circumstances in Russia changed significantly. Although the scale of income inequality as measured by the Gini coefficient remained the same, the scale of poverty and the size of the middle class, as well as the standard and quality of living, underwent major transformation. Perceptions of inequality of the population and their underlying factors might have been transformed as well. Our research questions are the following: 'How pronounced is the relation between social mobility and support for reducing income inequalities amid the current socioeconomic reality in Russia?' and 'What effects do different types of mobility (experienced in the past and expected in the short- and medium-term future) have on shaping this support?'

Russia is an interesting case for such a study, since, as we shall demonstrate below, inequality and the conflict between the poor and the rich are still perceived by the country's population as crucial issues, despite income growth and a noticeable reduction in poverty. The demand for reducing income differences remains consistently high as well and is aimed primarily at the state. Analysis of different types of mobility as factors behind this demand will allow us to shed light on the nature of this situation and highlight the specifics of the income inequality challenge for the state, as well as the possibilities of its mitigation through the promotion of social mobility.

As for the structure of the paper, the first section focuses on the theoretical and methodological foundations of research. We describe basic theoretical concepts behind the relationship between social mobility and perceptions of inequality and the results of empirical testing obtained in previous studies. Next, we characterize the socioeconomic context of modern Russia and describe the empirical basis. In the second section, using descriptive statistics, we demonstrate the scale of different types of mobility in Russia, the general perception of inequality by the population and demands for reducing it, and also show the degree of their differentiation across various social groups. In the third section, we apply regression analysis to assess the role of different types of intragenerational social mobility as factors shaping the demand for reducing income differences aimed at the government. The discussion section contains the main conclusions of the study and their interpretation.

2 Theoretical and methodological framework of the study

Our research focuses on the relationship between subjective assessments of one's individual mobility, both experienced in the past and expected in the future, and support for reducing income inequality aimed at the state.

In our analysis, we draw upon preexisting approaches to the assessment of the correlation between mobility and inequality. Researchers working in this broad area initially focused on objective indicators – that is, the impact of the actual inequality level on the degree of redistribution in various countries. According to the median voter hypothesis, an increase in inequality means a widening gap between the median and average income. In this case, the median (typical) voter will have a below-average income and will vote for redistribution. This means that in countries with a democratic system and a high level of income inequality, the demand for redistribution and its actual level should be higher (Meltzer & Richard, 1981). However, this hypothesis was not fully supported by empirical data. For instance, Larsen (2016, pp. 94–95), using the example of a number of countries, shows that there is no direct correlation between inequalities and attitudes towards them. Other studies have indicated that the demand for redistribution has to do with the perceived level of inequality rather than its actual depth (Gimpelson & Treisman, 2018). Clearly, there are other factors that influence attitudes towards inequality and support for reducing it, including social mobility.

One of the key hypotheses about the impact of social mobility on attitudes towards inequality was put forward by A. Hirschman. According to him, tolerance for inequalities will be higher if the population observes upward social mobility in society, even if it does not yet affect them personally (Hirschman & Rothschild, 1973). When talking about tolerance for inequalities in rapidly developing countries, Hirschman used the analogy of cars stuck in a traffic jam in a tunnel. If cars in the second lane begin to move, then drivers in the first lane perceive this as an encouraging signal meaning that they too will soon be able to move. However, if this does not happen, the movement in the adjacent lane will be perceived as rule violation and cheating, which will lead to discontent. This hypothesis was named 'the tunnel effect.'

The tunnel effect hypothesis was tested using both empirical data and economic modeling. A prominent example of the second approach is the work of T. Piketty (1995). His theoretical model included the factors of the objective experience of mobility, the ability to learn from one's own and other people's experiences of mobility, and the population's subjective ideas about mobility. Further studies (Kuhn, 2011; Gimpelson & Treisman, 2018) confirmed that the analysis of the correlation in question is indeed enriched by the use of subjective indicators for both mobility and inequality.

Economic modeling was also used to test and partially confirm another related hypothesis concerning perspectives of upward mobility (POUM). It assumed a lower demand for redistribution among low-income citizens who expect that their children will have a higher-than-average income in the future (Benabou & Ok, 2001). Later, the POUM hypothesis was expanded to include one's own social mobility as well. In general terms, it implies that an expected rise in one's social position (upward mobility) increases the tolerance for existing inequality.

This concept can be applied to past mobility as well – if an individual has already experienced upward mobility, this might give him hope for the further improvement of his

social position in the future as well, therefore lessening his concern about inequality in society and any corresponding demands towards the government. This theoretical framework is the one we imply in our study.

Empirical studies that test the correlation between attitudes towards inequality and social mobility are much more common than those that use economic modeling. In these studies, various types of social mobility identified within the broad concept are verified, including inter- and intragenerational mobility, actual and expected mobility, and the general ideas of the population about mobility in society (its scale and specific characteristics, as well as its scale relative to society overall). Attitudes to and concerns about inequalities are also measured in a variety of ways – in terms of their perceived depth, acceptability, assessment of their foundations, the level of demand for redistribution (also measured differently, from a direct assessment of the need for redistribution based on one question or a composite indicator, to voting for certain parties), etc. So, while the basic assumption remains the same (social mobility has an effect on perceptions of inequality), the spectrum of measures used both for social mobility and perceptions of inequality is very broad, depending on the chosen focus of the study. Below, we describe several interesting examples of approaches to measuring the different aspects of the connection between social mobility and perceptions of inequality, based on empirical data.

An empirical study by Graham and Pettinato (1999) based on data from Latin American countries complements the idea of Hirschman, who suggested that the 'tunnel effect' does not work if the factors of other people's mobility are seen as illegitimate. Graham and Pettinato postulate that if social mobility, as perceived by citizens, does not lead to a decrease in inequalities in a country (and does not reduce the gap between the 'top' and the rest of the population), then the demand for redistribution does not decline. They also support Hirschman's reasoning about the importance of the historical and economic context. It is demonstrated that in countries that have recently undergone socioeconomic transformation (for example, a revolution), residents do not show an overwhelming demand for redistribution, expecting it from market mechanisms.

Hungarian data were used to illustrate that the experience and expectations of mobility contributed to notable differentiation in the population's demands of the government (Tóth, 2008). As expected, the intensity of the demand for redistribution (measured by a composite indicator) varied in different income groups. However, even within homogenous income groups, it was more often presented by those who experienced downward mobility, as well as those who did not expect any improvements in the future. Interestingly, the social mobility experience had different effects depending on the direction: an increase in the demand for redistribution was caused by just a slight deterioration in one's position, while a similar decrease in the demand occurred only amid significant improvement of the experience.

Another example of a cross-country empirical analysis can be found in the work of Gimpelson and Monosova (2014). Measuring mobility from an intergenerational perspective, Russian researchers showed that intergenerational mobility is a predictor of tolerance for inequalities. Similar to Graham and Pettinato, they highlighted the importance of the subjective dimension of mobility – namely, the population's ideas about its legitimacy. However, the authors did not put emphasis on the Russian situation, as they were working in a comparative international context.

Combining different subjective dimensions of mobility, Larsen tested the effect of three value mechanisms on the tolerance for inequalities: the prevalence of upward mobility over

downward mobility, the belief in the equality of opportunities for social status attainment, and the belief that society is a middle-class society (Larsen, 2016). Working on data from cross-country studies, Larsen showed that consideration of all three mechanisms enriches the model and significantly increases its explanatory power, once again confirming the importance of subjective indicators in explaining subjective ideas about inequality.

We have already mentioned above that Russia was also examined for the connection between expected social mobility and support for redistribution, in that particular case measured as demand for restricting the income of the rich (Ravallion & Lokshin, 2000). Ravallion and Lokshin worked during the last decade of the twentieth century – a difficult period in the country's history due to the economic and political upheaval that followed the collapse of the Soviet Union. Using data from 1996, they showed that the disadvantaged population at that time was homogeneous in its demand for restricting the income of the rich. Among the well-off population, the situation was mixed, depending on the expected changes in their own status. In the analysis, the researchers considered other factors as well – the level of consumption, the subjective evaluation of one's own social position, changes in real consumption, expected developments in one's position in the coming year (short-term social mobility), perceived exclusion risks, anxiety about the likelihood of losing a job, political preferences, and sociodemographic characteristics. The influence of all these factors was in one way or another associated with individuals' expectations of improvement or deterioration in their situation. Stronger support for the 'restrict-the-rich' idea was shown by vulnerable groups who feared downward mobility due to the objective characteristics of their position. Thus, a strong demand for redistribution from the rich[1] in terms of the situation in Russia in the mid-1990s was linked not only to the disadvantageous situation of a significant part of the population, but also to the fact that only a minority had experienced improvement in their lives or expected it in the future, while the bulk of the population feared the situation would worsen, or the latter had already taken place.

We aim to test the effects of different types of mobility (not only expected mobility, but also that experienced in the past) on support for reducing income inequalities in the new socioeconomic reality of Russia. Since the study by Ravallion and Lokshin, Russia has experienced major socioeconomic development in terms of the population's income. What objective changes have occurred during this period? First of all, there has been a noticeable increase in the income and living standards of the population. Income-level trends allowed the national economy to move from the lower-income category to the upper-middle one, according to the World Bank classification (and even to the high-income group in certain years of the past decade).[2] The majority of the population in the country benefited from these developments, particularly the middle strata (Tikhonova, 2018). The standard of living among the mass population rose much above the physical survival level, which reduced the incidence of poverty several times (Ovcharova & Popova, 2013; Ovcharova & Biryukova, 2018). According to the international poverty thresholds used by the World Bank, poverty associated with the problem of physical survival has already been eradicated in Russia (World Bank,

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[1] The authors emphasize that the question they use does not explicitly describe the full redistribution scheme, but it implies that the rich are the donors.

[2] https://datahelpdesk.worldbank.org/knowledgebase/articles/906519.

2020); this is also confirmed by the drop in the official poverty rate[3] from 33.5 per cent in 1992 to 12.3 per cent in 2019.[4] Furthermore, faster income growth (and a slower pace of income decline in recent years) among the bottom 40 per cent of the population suggest a reduction in inequality in the lower part of the income distribution (World Bank, 2016; World Bank, 2020).

As for the mass population in general, the distribution of income among them is currently characterized by high, although not extreme, inequality. According to the World Bank, the Gini coefficient for Russia was 37.5 in 2018, and the shares of income of the lower and upper deciles were 2.9 per cent and 29.9 per cent, respectively.[5] These figures show noticeably higher income inequality in Russia than in Western Europe. However, among BRICS countries (Brazil, Russia, India, China, and South Africa) Russia is not the leader in terms of inequality – it places comparatively close to China, while inequality in Brazil and South Africa is greater.

This situation of relatively high inequality among the mass population has been common in Russia throughout the entire post-reform period. The Gini coefficient has been around 40 all this time, without showing any significant decline. The distribution of total monetary income indicated a decrease in the share of income attributable to the bottom two quintiles from the 1990s to the mid-2000s. Afterwards, the situation stabilized. The share of the fifth quintile rose sharply in the early 1990s and remains at a high level today – its representatives account for more than 45 per cent of the total monetary income of the population (Appendix, Table A).

When assessing inequality in terms of income concentration and, even more so, wealth, Russia is among the world leaders. The top one percent earn 20–22 per cent of all income and own 43–56 per cent of all wealth (Novokmet et al., 2018; Credit Suisse, 2019), and the trend is not showing any signs of improvement. On the contrary, the gap between 'the top' and the mass population keeps growing.

At the same time, the objective income mobility of the mass population remains quite high, as in earlier periods of the country's post-reform development (Bogomolova & Tapilina, 1999; Mareeva & Slobodenyuk, 2020). The current incomes of the population show high volatility in comparison with European countries, and a relatively small zone of persistently high incomes ('sticky ceiling') suggests that even moderate mass prosperity is unstable.

Going back to our research question, given the background of objective income inequality and its dynamics in Russia, our basic assumption is the absence of any strong effect of mobility on support for reducing income inequity in the new socioeconomic context in the country. We hypothesize that persistently high inequality (by European standards), especially coupled with an extreme concentration of income and wealth in the hands of a very small elite group, leads to disappointment and a stabilizing of the demand for reducing income inequalities at a high level even among those who already have experienced upward mobility in the past or expect it in the future.

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[3] With income lower than the minimum subsistence level

[4] https://rosstat.gov.ru/folder/13723?print=1, https://rosstat.gov.ru/folder/13723?print=1

[5] https://data.worldbank.org/indicator/.

Drawing upon previous studies that have demonstrated the importance of subjective parameters, we work with subjective indicators of mobility. We test the effects of different types of intragenerational social mobility, such as mobility that has already happened, and mobility expected in the medium- and short-term future. We believe that only the latter indicator (which actually shows the volatility of one's own position rather than social mobility) might have a significant effect on the population's support for state-led reductions in income inequality.

The empirical basis of our research is data from the Russian subset of the ISSP,[6] including four waves that took place in 1992 (1,944 respondents), 1999 (1,705 respondents), 2009 (1,603 respondents) and 2019 (1,626 respondents). In those years, the problem of perceived inequality was the theme of the study. In 2019, for the Russian survey only, an additional set of questions was added to the standard international questionnaire, and we utilize some of them in the analysis. This allows us to factor in and demonstrate more clearly country-specific characteristics of the situation which could be overlooked in a standard cross-country analysis.

In the next section, we shall provide a general description of the situation in Russia with regard to mobility and perceptions of inequality, based on these data.

3 Perceptions of inequality and social mobility in the socioeconomic context in modern Russia

Our assessment of mobility is based on the question about Russians' self-evaluation of their social position at the time of the survey, five years before that, and the expected position in ten years. We apply broad estimates on a scale of 1 to 10 (scores 1 through 3 refer to a low social status, 4–6 refer to a medium social status, and 7–10 to a high one). Such aggregation of the self-evaluation scale values is in line with current practices adopted in the relevant literature (Lei & Tam, 2012). By mobility, we mean transitioning from one state to another. The distribution of respondents according to this indicator and the sizes of aggregated groups are shown in the appendix (Table B).

We also use a proxy for assessing short-term expected mobility, referring to the question what financial situation is expected by an individual in the next twelve months, in accordance with the approach used by Ravallion and Lokshin. Directions of various mobility types are given in Table 1.[7]

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[6] ISSP is a cross-national collaborative program that involves conducting annual surveys on diverse topics relevant to the social sciences. The waves of 1992, 1999, 2009 and 2019 were devoted to social inequality. http://issp.org

[7] In our further analysis, we chose to focus on different types of intragenerational mobility to compare their effects; we deliberately did not use intergenerational mobility, since this implies a longer period of comparison; its effect might also differ for different generations. The effect of intergenerational mobility should be seen in the focus of the analysis of specialized research. However, showing its scale is important for understanding the general context of social mobility in Russia.

Table 1 Prevalence of various mobility directions in Russia, 2019, ISSP, %

Types of mobility	Mobility Direction		
	Downward mobility	Immobility	Upward mobility
Intergenerational in 2019 (vs 2009)	24.8 (vs 25.0)	64,6 (vs 62,2)	10.0 (vs 12.3)
Experienced (in the last five years)	21.8	69.6	7.9
Expected in the short term (next twelve months)	51.6	36.1	7.7
Expected in the medium term (next ten years)	9.9	64.3	23.0

As seen in Table 1, immobility is prevalent both intra- and intergenerationally. About two-thirds of Russians do not see any noticeable changes in their situation compared to that of their parents' family and their own situation five years ago. As for the socially mobile population, downward mobility is more prevalent in comparison to the upward type. Importantly, the scale of intergenerational mobility has not changed since 2009. Russians do not see more opportunities for markedly improving their situation compared to the previous generation. Even more so, they witness a prevalence of downward life trajectories around them.

As for expected mobility, the situation at first glance seems paradoxical. On the one hand, people mostly expect their situation to worsen in the next twelve months (more than half of Russians assume this). On the other hand, expectations of changes in the medium term are rather positive. Nearly two-thirds of Russians believe that in ten years their position will not be lower than today, and every fourth Russian thinks that his or her social position will actually improve.

Thus, despite past experiences and a pessimistic outlook regarding their near-term prospects, Russians tend to believe in a better, albeit distant, future. We consider the subjective assessment of the short-term expected mobility to be more realistic, as the majority of Russians do not plan their lives even in the medium term. The ISSP dataset shows that only 5 per cent of the population have at least some kind of plan for the next five to ten years, not to mention any longer period of time; half of the population believe that it is simply impossible to plan even for one or two years. Therefore, such views about prospects for mobility could be explained by the overall optimism and a belief in a bright future, rather than by realistic expectations about future trajectories.

Furthermore, let us consider the public's perception of inequalities. According to the data, the perception of inequalities and the demand for redistribution in Russia remain similar to the situation twenty years ago (Figure 1). Socioeconomic developments have not led to any massive changes in this regard.

Attitudes towards the conflict between the poor and the rich have changed slightly – compared with the 1990s, it is perceived as less acute now. However, it is still the most prominent conflict in the public eye and is considered to be stronger than traditional class con-

flicts between workers and employers or between the working and middle classes (according to ISSP data, these conflicts were specified as 'very strong' or 'strong' by 46.1 per cent and 23.7 per cent of the population correspondingly).
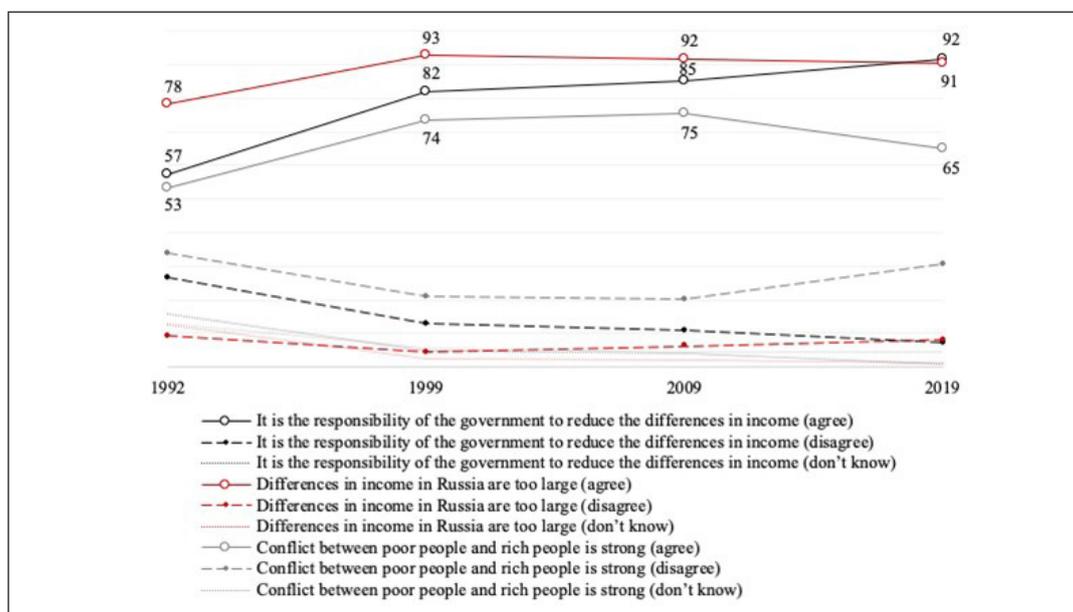

Figure 1 Trends in the Russian population's perception of income inequality and support for reducing it, 1992–2019, ISSP, %

Along with the country's post-reform development, Russians' beliefs regarding inequalities are being reinforced. The number of Russians who did not have a clear-cut opinion on the degree of social inequality, the severity of the conflict between the poor and the rich, and the role of the state in the solution of these problems decreased significantly in the 1990s. In the new, turbulent times of the early 1990s, the population could not yet make sense of 'the rules of the game' regarding inequalities and thus form an opinion about them. However, as the new institutional circumstances stabilized, the public developed a clearer understanding of inequality, which was reflected in the more pronounced polarization of opinions due to the smaller number of those who did not respond (Figure 1).

Existing inequality is deemed to be not only particularly high but also unfair. This is the characteristic indicated by more than 90 per cent of Russians in 2019. It should be noted that such a perception of inequality in Russian society is common across the entire population and hardly ever varies by individual income level or human capital (Table 2).

Even the most well-to-do – highly educated and high-income – Russians largely perceive income inequality as excessively high and unfair and consider the conflict between the poor and the rich to be particularly potent. Just like their less prosperous fellow citizens, they believe that it is the government's responsibility to solve this problem, and that currently it is failing at this task (Appendix, Table C). Interestingly, a higher level of education is associated with even greater awareness of the conflict between the poor and the rich, which highlights the issue of the legitimacy of inequality in the public consciousness.

Table 2 Perception of inequality in groups with different human capital and income
levels, 2019, ISSP, %[8]

Agreement with the statements	Education level			
	Second-ary and lower	Technical college, vocational school, unfinished high	High	Academic degree, MBA, etc
Differences in income in Russia are too large	88.1	90.0	94.7	89.4
Income distribution in Russia is unfair	88.8	92.0	93.6	89.4
Conflict between poor people and rich people is strong	62.0	68.3	72.3	73.8
It is the responsibility of the government to reduce the differences in income between people with high and low incomes	93.1	91.2	91.3	87.2
Government in Russia is not successful at reducing the differences in income between people with high and low incomes	77.3	80.3	81.6	76.6
	Income strata*			
	< 0.75 Me	0.75-1.25 Me	1.25-2.00 Me	>2.00 Me
Differences in income in Russia are too large	87.5	93.5	92.7	88.3
Income distribution in Russia is unfair	92.2	92.9	93.4	90.4
Conflict between poor people and rich people is strong	62.8	69.6	71.7	69.9
It is the responsibility of the government to reduce the differences in income between people with high and low incomes	91.2	94.3	92.7	85.1
Government in Russia is not successful in reducing the differences in income between people with high and low incomes	78.0	82.6	81.1	77.1

* Income groups are identified based on the ratio of monthly per capita household income to a median value (Me) for a
given type of settlement (large city / small town / rural area)

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[8] The table does not include those who did not provide a response.

To test and compare the effects of different types of social mobility on support for reducing inequality, we chose to focus on the population's agreement with the statement 'It is the responsibility of the government to reduce the difference in income between people with high incomes and those with low incomes.' As seen in the relevant literature, this indicator might be considered both as a proxy for general perceptions of inequality and as support for redistribution. We refer to it as a form of support for reducing income inequality; in our opinion, it is important that it indicates not just Russians' basic understanding of inequality as being high / low or fair / unfair, but also the demand for action from the government to manage it, and as such, it is connected with the issue of redistribution. However, we understand that the concept of redistribution is much broader than the demand to reduce income inequality, so we stress that we focused only on this particular aspect of it.

To determine whether mobility has an effect on Russians' support for reducing income inequality, aimed at the state, we turn to data indicating how this support is differentiated among the population according to actual and expected social mobility (Figure 2). To identify the mobility effect, we examine it separately in different income groups (following the abovementioned approach by Tóth [2008]).
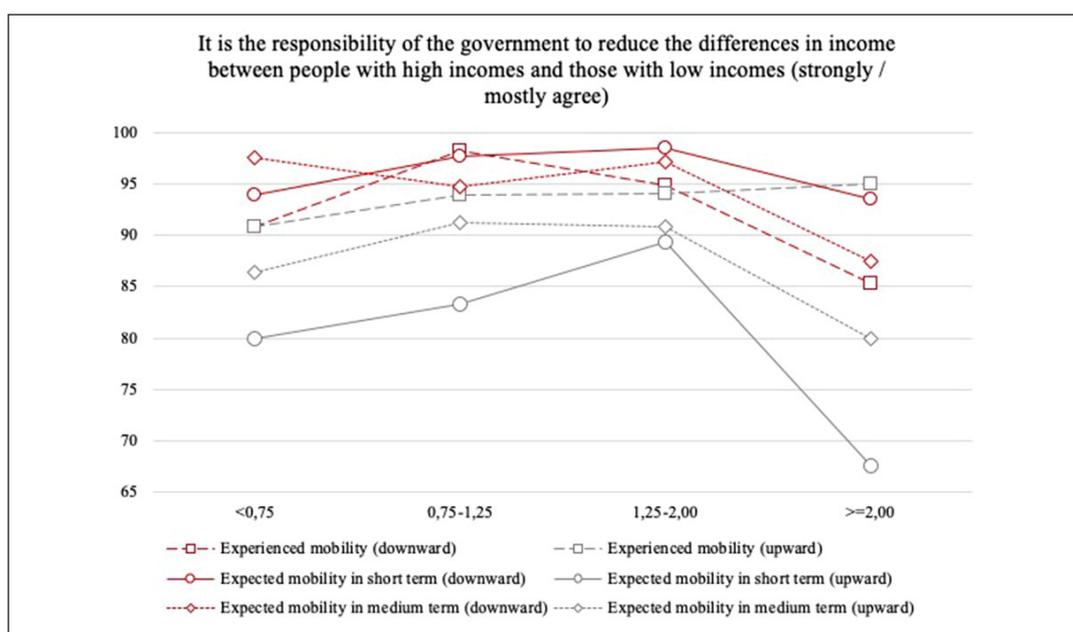
Figure 2 Support for reducing income inequality in different income groups depending on subjective mobility, 2019, ISSP, %

Figure 2 shows that the biggest effect in terms of the differentiation of the support for reducing income inequality is produced by expected short-term mobility, while the effect of experienced mobility proves to be ambiguous. To provide a more accurate analysis of the effects of actual and expected mobility on this support in modern Russia, we further apply regression analysis.

4 Regression analysis: the effect of mobility on support
   for reducing income differences

If the effect of any type of mobility is present, we should observe a statistically significant correlation between that type of mobility and the agreement that government should reduce the difference in incomes in society. Downward mobility would increase the likelihood of support for narrowing the income gap, while upward mobility would reduce it. A lack of the mobility effect will be manifested in either very slim evidence of such correlation or no evidence at all.

We examined the presence of the effect of social mobility by means of multivariate econometric models. The attitude to the statement that the government must reduce the differences in income between people with high incomes and those with low incomes served as a dependent variable. Responses to this question, initially measured with a Likert scale, were aggregated into a binary choice where '1' = agreement (including strong agreement) with the statement and '0' = all other options. Based on this, logit models of binary choice were evaluated. Key variables in the analysis are represented by the variables of subjective experienced mobility, expected mobility in the medium term, and the proxy for short-term mobility, the distribution of which is described above (Table 1). Control variables included individuals' sociodemographic characteristics and subjective perceptions of inequality in general, which are described below.

Modeling the effect of mobility on support for reducing income inequality, we drew upon earlier analysis (Tóth, 2008), according to which modeling should be started by including a set of individuals' sociodemographic and income characteristics into the regression equations. This is the so-called basic model with key control variables that is used for the further evaluation of models with mobility variables. Basic model values are given in the first column of Table 3 (Model 1).

We see either very weak evidence of the significance ($p<0.1$) of the effects of demographic characteristics (gender, age, education, type of settlement) or its entire absence. This indicates that support for reducing income inequality addressed to the government is mostly even across all demographics. The effects of income groups turn out to be statistically significant (although the impact of income is non-linear), and the evidence of significance, although weak, is seen in all models. However, the effect of income groups is not robust.[9]

Next, key mobility indicators are included in the analysis. Models 2.1 and 2.2 compare the effects of various subjective mobility measurements (experienced and expected in the medium term and the proxy for expected mobility in the short term) on support for reducing income differences in society. A crucial criterion for comparing the quality of models is the BIC proposed by Long and Freese (2001, p. 83) for use in pairwise comparisons of nested models to establish 'whether a model is explaining enough of the variation in the data to justify the number of parameters it uses' (Raftery, 1995, p. 35). All other factors being equal, it is recommended to choose a simpler model with the lowest BIC (the difference in absolute values must be at least two).

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[9] This disappears once we correct the standard errors for sample weights.

Table 3 Logit models of the demand for redistribution among Russians, odds ratio, and standard errors

	(1)	(2)	(3)	(4)
	Model 1	Model 2.1	Model 2.2	Model 3
Demographics				
Males	0.723*	0.721*	0.736	0.755
	(0.140)	(0.140)	(0.145)	(0.157)
Age	1.012*	1.006	1.007	1.003
	(0.00682)	(0.00731)	(0.00675)	(0.00710)
Higher education	1.049	1.043	1.151	0.962
	(0.234)	(0.235)	(0.260)	(0.240)
Residency (rural – ref.)				
Small towns	0.735	0.704	0.684	0.684
	(0.215)	(0.207)	(0.204)	(0.225)
Medium and large cities	0.633*	0.626*	0.689	0.691
	(0.166)	(0.166)	(0.184)	(0.202)
Employment	1.290	1.314	1.254	1.241
	(0.292)	(0.301)	(0.284)	(0.312)
Income strata				
<0.75 Me	0.637*	0.614*	0.557**	0.590*
	(0.165)	(0.160)	(0.145)	(0.170)
1.25 – 2 Me	0.785	0.772	0.914	0.837
	(0.231)	(0.229)	(0.275)	(0.258)
> 2 Me	0.388***	0.387***	0.558*	0.540*
	(0.114)	(0.114)	(0.166)	(0.177)
Subjective mobility				
Experienced (in the last five years) (immobility – ref.)				
Upward		1.378		
		(0.558)		
Downward		1.568*		
		(0.405)		

Table 3 (Continued)

	(1)	(2)	(3)	(4)
	Model 1	**Model 2.1**	**Model 2.2**	**Model 3**
Expected in the medium term (immobility – ref.)				
Upward		0.628**		
		(0.140)		
Downward		1.459		
		(0.608)		
Expected in the short-term (immobility – ref.)				
Upward			0.548**	0.809
			(0.152)	(0.256)
Downward			3.407***	2.590***
			(0.777)	(0.624)
Settings and perceptions				
Equality of opportunity over equality of incomes				0.482*** (0.105)
Differences in income in Russia are too large				0.151*** (0.0374)
Income distribution in Russia is fair				3.181***
				(0.984)
Constant	12.88***	16.54***	9.996***	20.83***
	(6.505)	(8.837)	(5.134)	(18.02)
Observations	1,489	1,489	1,489	1,489
BIC	893.484	914.063	865.886	799.609
Hosmer-Lemeshow ($\chi^2(8)$)	9.53	11.04	7.68	11.70
Prob > χ^2	0.2993	0.1994	0.4649	0.1649

NOTE: Ref. = reference category, df = degrees of freedom. Higher education = university degree and above (contrasted with lower education). BIC stands for modified Bayesian Information Criterion (BIC), widely used to compare nested models (see (Long, 1997); *ceteris paribus* one should choose the model with the smallest BIC). Hosmer-Lemeshow goodness-of-fit statistics (χ^2) were calculated for ten groups for all models so that degrees of freedom were the same in all the models (=$\chi^2(8)$). Robust standard errors of odds ratios are in parentheses. The estimates with the strongest evidence of significance are flagged with three asterisks: *** p<0.01, ** p<0.05, * p<0.1. While correcting the standard errors for the sampling weights, the effects of income groups became insignificant, whereas estimates of the other effects appeared robust in all the models. We also checked the efficiency of different measures of long-run subjective mobility. The most efficient measure of subjective mobility is a term of three categories – immobility, downward mobility, and upward mobility.

It is evident that Model 2.2, which employs short-term mobility, is the preferable one from this pair. Although in Model 2.1 the effects of downward experienced mobility and upward expected mobility in the next ten years proved to be significant, adding these effects would considerably worsen Model 2.1, as compared to both basic Model 1 (where the BIC value spiked from 893.484 to 914.063) and Model 2.2. In further modeling, the significance of these effects disappears completely.

Model 2.2, with the proxy for expected short-term mobility, proves to be more efficient than the basic model with sociodemographic variables (BIC values dropped from 893.484 to 865.886; this is also confirmed by the results of the Hosmer-Lemeshow goodness-of-fit test). From a methodological point of view, it means that the final model should be based on expected short-term mobility rather than its measures in the medium term. The model demonstrates that expectations about one's position in the near future indeed contribute to the differentiation of support for reducing income inequality. Negative expectations increase that support, while positive ones reduce it.

This effect, however, might be offset by the influence of individuals' subjective perceptions of inequality, which has been widely confirmed in the literature. These include preferences for the equality of opportunities or the equality of outcomes, and assessments of the depth and fairness of the inequality existing in the country.[10] All these subjective determinants show various aspects of the population's ideas about inequality and its characteristics specific to Russia (but not the demand towards the government in this respect, which, according to our framework, is measured by the dependent variable).[11] We included these subjective terms in Model 3, as an extension of Model 2.2. The statistical quality of Model 3 turned out to be higher than that of Model 2.2. That means that the population's general attitudes toward inequality significantly explain the variation in support for reducing it. The preference for equality of outcomes rather than equality of opportunities raises the demand for reducing income differences, as does the perception that income inequality in modern Russia is high and unfair.

The impact of the proxy for short-term subjective mobility on the probability of demands for the government to reduce income inequalities is demonstrated in Figure 3. The figure represents marginal probabilities of those demands both independently and in combination with a number of subjective variables (the assessment of income distribution in Russia as fair, and the assessment of income gaps as too high). It is clearly seen from Figure 3 that short-term expectations tend to increase the probability of demands on the government to deal with income inequality (in the case of pessimistic expectations) more than reduce it (in the case of optimistic expectations).

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[10] The responses to statements/questions from which they are derived are the following: 'Differences in income in Russia are too large' (strongly agree, agree), 'How fair or unfair do you think income distribution is in Russia?' (very fair, fair), and the choice between two alternative statements: 'equality of opportunity is more important than equality of income and living conditions' or 'equality of income and living conditions is more important than equality of opportunity.' These subjective notions show general perceptions of inequality among the population that can also act as factors in the demand on the state to reduce it.

[11] This list of settings is not exhaustive. For example, research (Gimpelson & Monusova, 2014) highlights the importance of how the current and ideal models of social stratification are perceived by the population and the differences between them. We checked this in our regression models; however, the effects proved to be insignificant.
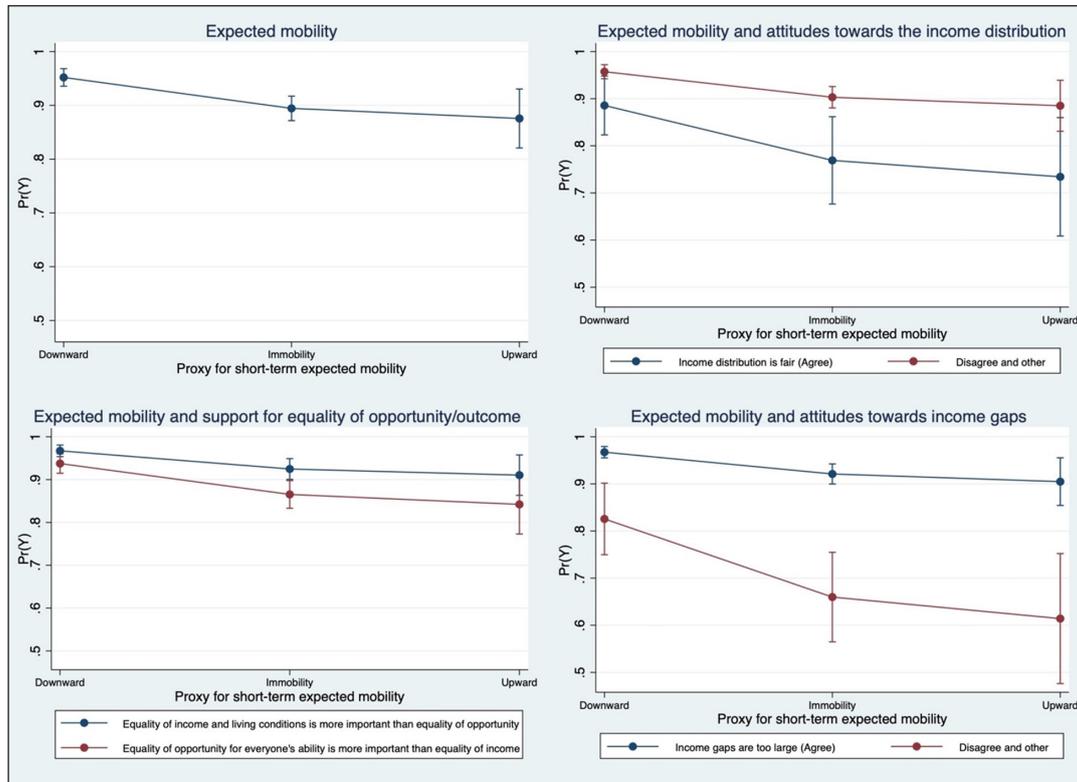
Figure 3 Predictive margins of the effect of short-term expected mobility, given other subjective variables with 95% confidence intervals, from Model 3

NOTE: Proxy for short-term expected mobility is based on people's expectations about their situation over the next twelve months. Pr(Y) = probability of agreeing with the statement that it is the responsibility of the government to reduce the differences in income. Attitudes towards income gaps are based on the agreement / disagreement with the statement that differences in income in Russia are too large. Estimates are retrieved from Model 3.

In general, the results of Model 3 confirm the assumption that support for reducing inequality, being a subjective category, is best explained by other subjective categories – primarily, normative ideas about a fair social order and how far the observed reality is from it in terms of inequality. The demand for reducing income inequality that is addressed to the government in modern Russian society is connected mostly with such notions[12] and is not based on individual characteristics and specific situations, including actual or expected mobility in the medium term. Only short-term expectations about one's unstable situation (describing, in fact, volatility rather than mobility) remain important, regardless of 'the starting point' of the individual.

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[12] We do not aim to prove the direction of causation here – our interpretation of the results is that all these subjective notions show different dimensions of the complex and multidimensional models of the 'ideal' and 'real' society in terms of inequality and the gap between them in the perceptions of the population.

5 Discussion

Despite dramatic socioeconomic changes in Russia over the past few decades, the population's perception of inequality has not undergone any major transformation. Today, most Russians still think that inequalities are excessively high and unfair, and the conflict between the rich and the poor is considered to be the strongest of all social conflicts. Support for reducing income differences is also shared by the majority of representatives across all social groups. It is seen as the responsibility of the state, which, Russians believe, is failing to respond to the challenge of income inequality. Overall, surprisingly, the situation resembles that seen in the 1990s when the country was going through a different development stage.

Such perceptions about income inequality and the demand for reducing it prove to be universal among the entire population – they are differentiated neither by basic sociodemographic characteristics, nor by human capital and income levels. Empirical analysis demonstrates that the impact of mobility is also very limited – neither the experience of mobility in the past, nor expectations of changes in the medium term significantly affect the demand for reducing the difference in income between people with high and low incomes. The only aspect of mobility (or even volatility) that 'works' in this regard is people's expectations of a worse financial situation in the near future, which only increases support for reducing income inequality in Russian society.

What may be the reasons for Russians universally sharing these ideas about inequality that are little influenced by experience and expectations of mobility, and which to a certain degree run counter to the results of previous studies and the POUM hypothesis in general?

As noted in the literature, a high tolerance for inequalities can be observed at the first stages of fundamental change, when a population is ready to put up with growing inequalities but expects the situation to be different in the future (Hirschman & Rothschild, 1973; Graham & Pettinato, 1999). For Russia, however, the period of reforms ended a long time ago, and the configuration of inequality, as we mentioned above, changed only in the lower part of the income distribution. As for the top part, there remains a big gap between the wealthy few and the rest of the population whose prosperity can be characterized as very moderate and unstable. In these conditions, even one's personal experience or expectations of mobility do not change general ideas about the unacceptability of such a situation (Meltzer & Richard, 1981). Previous Russian studies have demonstrated that, when talking about reducing income inequality and the conflict between the rich and the poor, even the part of the population that is considered to be relatively prosperous by general standards does not refer to itself and its own separation from the masses, but to the elite who have left the rest of the population (both disadvantaged and well-off, according to general standards) far behind and keep increasing the distance (Mareeva, 2020). This may also contribute to the general consensus among the mass population. In this case, the direction in which an individual has been moving or expects to move in the future is no longer important – their mobility will not change the general configuration of inequality and the great divide between the elite and the rest of the population.

In a broader sense, our results demonstrate one of the outcomes of the rent-seeking behavior regime in Russia – one of the post-communist countries that has chosen the path of building capitalism from above, so-called 'political capitalism' (Mihályi & Szelényi, 2019). This has resulted in a regime of inequality that is not legitimate in the perceptions of the mass population. However, the crucial divide for Russia seems to be located higher up than

between the top 20 per cent, or even the top 10 per cent, and the rest. This is due to the very high degree of differentiation of the top quintile, and even the decile that unites both the very top and the zone of mass prosperity, which is quite modest.

In addition, the instability of mass prosperity, which is characteristic of Russia today (Mareeva & Slobodenyuk, 2020), may also be reducing the effect of mobility – if movement up or down the social ladder is perceived not as mobility but as instability, and if there is a general predominance of downward life trajectories and this situation does not change over time, then the universal demand for reducing the income differences between rich and poor is quite understandable. The lack of opportunities or capability to plan for the future leads to a greater emphasis on the next expected change, regardless of the initial social position and the experience of mobility. Since short-term mobility assessments are generally pessimistic, they only reinforce the strong demand for dealing with the challenge of income inequality among the population.

One positive indicator in this situation is the relatively more optimistic expectations of mobility in the next ten years among Russians. But, as our analysis has shown, they do not have a lasting impact on the perception of inequality. Perhaps this is due to the fact that they reflect a belief in a bright future and are not real assessments of individuals' own prospects. However, this is clearly not enough to tackle the serious challenge of inequality – a challenge that the Russian government fails to respond to, according to the population. Unfortunately, the current situation may negatively affect the overall prospects of social mobility in Russia, suppressing the willingness of a part of the population to be active and improve their situation on their own by investing in human capital and achieving upward mobility.

Acknowledgement

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Appendix

Table A Distribution of total cash income and differentiation of cash income
across the population, 1970–2019.

Year	Cash income – total	across 20-percent groups, %:					R/P 10% ratio, times	Gini coeffi-cient
		first group (lowest income)	second group	third group	fourth group	fifth group (highest income)		
1970	100	7.8	14.8	18.0	22.6	36.8	…	…
1980	100	10.1	14.8	18.6	23.1	33.4	…	…
1990	100	9.8	14.9	18.8	23.8	32.7	…	…
1995	100	6.1	10.8	15.2	21.6	46.3	13.5	38.7
2000	100	5.9	10.4	15.1	21.9	46.7	13.9	39.5
2005	100	5.4	10.1	15.1	22.7	46.7	15.2	40.9
2010	100	5.2	9.8	14.8	22.5	47.7	16.6	42.1
2015	100	5.4	10.1	15.0	22.6	46.9	14.8	41.0
2016	100	5.4	10.1	15.0	22.6	46.9	14.8	41.0
2017	100	5.5	10.1	15.1	22.6	46.7	14.6	40.8
2018	100	5.3	10.0	15.0	22.6	47.1	15.6	41.3
2019	100	5.3	10.1	15.1	22.6	46.9	15.4	41.1

Source: data provided by the Federal State Statistic Service // URL: https://www.gks.ru/storage/mediabank/ urov_32g.doc, updated on 29.04.2020; 2019 – preliminary data (Assessed 18-06-2020).

Table B Social status self-assessment by Russians using the 10-point
social structure scale, %

Position in the social structure	Individual's position		
	Five years ago (2014, before the crisis)	At the time of the survey (2019)	Expected in 10 years (2029)
10 – highest	2.0	1.1	6.5
9	1.0	0.5	2.7
8	3.9	2.2	6.6
7	8.8	4.7	8.7
6	13.7	10.2	10.1

5	33.0	32.8	22.2
4	14.7	17.0	10.8
3	12.4	15.2	12.1
2	4.8	7.1	7.7
1 – lowest	5.6	9.2	12.6
For reference: social positions (cluster sizes)			
High (positions 7–10)	15.7	8.5	24.5
Medium (positions 4–6)	61.4	60.0	43.1
Low (positions 1–3)	22.8	31.5	32.4

Table C Subjective assessment of the role of the state and its efficiency in tackling
the inequality challenge, %

Agreement with the statements	Education level			
	Secondary and lower	Technical college, vocational school, unfinished high	High	Academic degree, MBA, etc
The greatest responsibility for reducing differences in income between people with high and low incomes lies with the government	80.1	83.7	84.5	87.2
Most politicians in Russia do not care about reducing the differences in income	80.2	83.5	86.3	91.4
Government is not successful at reducing the differences in income	77.3	80.3	81.6	76.6
	Income strata			
	< 0.75 Me	0.75-1.25 Me	1.25-2.00 Me	>2.00 Me
The greatest responsibility for reducing differences in income between people with high and low incomes lies with the government	85.3	83.1	85.5	80.9
Most politicians in Russia do not care about reducing the differences in income	81.4	85.4	86.4	83.0
Government is not successful at reducing the differences in income	78.0	82.6	81.1	77.1