Intergenerational mobility perceptions and demand for redistribution in the context of reference groups in Austria

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There has been a growing body of literature about the effect of information treatments on perceptions of inequality and intergenerational mobility and subsequently on the demand for redistribution. On the one hand I will thus analyse these effects for Austria. On the other hand I will combine the information treatment about intergenerational mobility with the literature about reference groups. Specifically, the influence of reference groups on the forming of mobility perceptions and in a next step on the information treatment effects will be analysed.

The theoretical context of these information treatments is determined by the redistribution model of Meltzer and Richard (1981), which has been widely disputed empirically. The importance of intergenerational mobility and the inaccuracy of people's perceptions about the reality are missing in the model. Researchers try to analyse these causally with information treatments. (see Alesina et al., 2018, Gimpelson and Treisman, 2018, George, 2017, Kuziemko et al., 2015) A highly relevant aspect in this context are reference groups. They shape, how individuals perceive economic reality. People's reference groups are mostly determined by their own income and social class and thus not a random sample of the society, which poses an inference problem. These perceptions of economic reality are thus systematically biased.(see Knell and Stix, 2016, Cruces, Perez-Truglia, and Tetaz, 2013)

The Dataset I will work with is an online Survey for Austria and was conducted in a collaboration of the Research Institute Economics of Inequality, the Austrian Chamber of Labour and a U.S-based research team from Stanford University. It includes variables about demographic and socio-economic characteristics of the respondents, as well as a wide range of questions about their political preferences in general and concerning redistribution. Additionally respondents were asked to place themselves, as well as their father and mother when they were a child, on a ladder representing society, which makes it possible to calculate experienced social mobility. Furthermore they were asked to estimate some variables about upward and downward intergenerational mobility in Austria, analogous to the framework used by Alesina et al. (2018). Finally half of the respondents got presented some pessimistic information about up-