

## INCOME POLARISATION QUESTIONNAIRE

This questionnaire concerns people's attitude to income polarisation. "Polarisation" is a term that has often been used by policy makers and social commentators in the context of political views and social structure. It has also been applied to the distribution of income as a concept that may be different from inequality or poverty.

We would be interested in **your** views, based on hypothetical situations. Because it is about attitudes there are no "right" answers. Some of the possible answers correspond to assumptions commonly made by economists: but these assumptions may not be good ones. Your responses will help to shed some light on this, and we would like to thank you for your participation. The questionnaire is anonymous. Please do not write your name on it.

Alfaland is a small country for which two economic programmes have been proposed. It is known that the programmes will have an identical effect on the population — except in so far as incomes are concerned (all the people in Alfaland are identical in every respect other than income). In questions 1 to 10 you are asked about two alternative lists of incomes A and B (in Alfaland local currency) which result from each of these programmes. We have drawn attention to the parts where the lists differ by highlighting them in **bold**. Please state which programme you consider would make the community of Alfaland **more polarised** by circling A or B. If you consider that each of the programmes would make the community equally polarised then circle both A and B.

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|---|--|
| 1. A = ( <b>5</b> , 10, 10, 10, 10, 50, 50, 50, 50, 50)                           | B = ( <b>10</b> , 10, 10, 10, 10, 50, 50, 50, 50, 50)                        |
| 2. A = ( <b>7, 8</b> , 10, 10, 10, 50, 50, 50, 50, 50)                            | B = ( <b>5, 10</b> , 10, 10, 10, 50, 50, 50, 50, 50)                         |
| 3. A = (10, 10, 10, 10, 10, 50, 50, 50, 50, 60)                                   | B = (10, 10, 10, 10, 10, 10, 10, 10, 10, 50, 50, 50, 50, 50, 50, 50, 60, 60) |
| 4. A = (10, 10, 10, 10, 10, 50, 50, 50, 50, 50)                                   | B = (20, 20, 20, 20, 20, 100, 100, 100, 100, 100)                            |
| 5. A = (10, 10, 10, 10, 10, 50, 50, 50, 50, 50)                                   | B = (20, 20, 20, 20, 20, 60, 60, 60, 60, 60)                                 |
| 6. A = (10, 10, 10, 10, 10, <b>70, 70</b> , 100, 100, 100)                        | B = (10, 10, 10, 10, 10, <b>90, 90</b> , 100, 100, 100)                      |
| 7. A = (10, 10, 10, <b>50, 50, 50, 50</b> , 90, 90, 90)                           | B = (10, 10, 10, <b>10, 10, 90, 90</b> , 90, 90, 90)                         |
| 8. A = ( <b>10, 10</b> , 50, 50, 50, 50, 50, 50, 50, 50, 100, 100, 100, 100, 100) | B = (50, 50, 50, 50, 50, 50, 50, <b>100, 100</b> , 100, 100, 100, 100, 100)  |
| 9. A = ( <b>5, 5</b> , 10, 10, 10, 50, 50, 50, <b>60, 60</b> )                    | B = ( <b>10, 10</b> , 10, 10, 10, 50, 50, 50, <b>50, 50</b> )                |
| 10. A = (5, 5, 5, 5, 5, 60, 60, 60, 60, 60)                                       | B = (10, 10, 10, 10, 10, 50, 50, 50, 50, 50)                                 |

In each of the questions 11 to 19 you are presented with a hypothetical change and some views about that change. Please circle the letter alongside the view that corresponds most closely to your own. Feel free to add any comments which explain the reason for your choice.

11) Suppose there is a society consisting of two groups of people with many individuals in each group. One of the groups contains identical low-income people while the other group contains identical high-income people. If a few of the low-income individuals see their income drop by half, then:

- a) Income polarisation decreases
- b) Income polarisation remains the same
- c) Income polarisation increases
- d) Whether income polarisation increases/decreases/remains the same depends on the level of income

Suppose that instead of a few low-income individuals seeing their income drop by half, a few high-income individuals see their incomes double. Then income polarisation ...

- a) decreases.
- b) increases.
- c) remains unchanged.
- d) may move either way, depending on the level of income.

In the light of the above would you want to change your answer to question 1? If so please write your new response ("A" or "B" or "A and B") here:

12) Suppose we transfer income from a person who has more income to a person who has less, without changing anyone else's income. The two persons belong either to the poorest 50% or to the richest 50%, and after the transfer the person who formerly had more still has more. Income polarisation in this society...

- a) has fallen
- b) has increased
- c) has not changed.

In the light of the above would you want to change your answer to question 2? If so please write your new response ("A" or "B" or "A and B") here:

In each of the questions 13 to 15, consider a society with only two groups which have different levels of income. All high-income people have the same income and all low-income people also have the same income.

13) Suppose we replicate this society with an exact copy of itself. After the replication, income polarisation

- a) increases
- b) decreases
- c) remains the same

In the light of the above would you want to change your answer to question 3? If so please write your new response ("A" or "B" or "A and B") here:

14) Suppose we double the income of each person in the above society.

- a) income polarisation remains the same
- b) income polarisation has increased
- c) income polarisation has decreased
- d) Whether income polarisation increases/decreases/remains the same depends on the level of income

In the light of the above would you want to change your answer to question 4? If so please write your new response (“A” or “B” or “A and B”) here:

15) Suppose we add the same fixed amount to the incomes of each person in the above society.

- a) Income polarisation has fallen
- b) Income polarisation remains the same
- c) Income polarisation has increased.
- d) Whether income polarisation increases/decreases/remains the same depends on the level of income

In the light of the above would you want to change your answer to question 5? If so please write your new response (“A” or “B” or “A and B”) here:

16) Consider a society with only three income groups where all persons within a group have the same income level. The first group is the most populated one and has the lowest income level. The second group is less populated than the first one but has the highest income level. The third group is the least populated one and has an intermediate income level, closer to the highest income level of the second group than to the lowest income level of the first group. Suppose we add some income to each person belonging to the third group.

- a) Income polarisation increases
- b) Income polarisation falls
- c) Income polarisation remains unchanged
- d) Whether income polarisation increases/decreases/remains the same depends on the levels of income in each group

In the light of the above would you want to change your answer to question 6? If so please write your new response (“A” or “B” or “A and B”) here:

17) Consider a society with three income groups with similar population shares and where all persons within a group have the same income level. Suppose that half the population of the intermediate group moves to the lowest-income group and the other half moves to the highest-income one.

- a) Income polarisation increases
- b) Income polarisation falls
- c) Income polarisation remains unchanged.
- d) Whether income polarisation increases/decreases/remains the same depends on the levels of income in each group.

In the light of the above would you want to change your answer to question 7? If so please write your new response (“A” or “B” or “A and B”) here:

