Globalization, Economic Inequality and Demand for Social Democracy: Evidences from Asia Barometer

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Scholars have long puzzled over why some governments engage in more redistributive spending than others. Early wisdom, represented in Romer’s (1975) and Meltzer and Richard’s (1981) influential median voter model, highlights the importance of economic structure and argues that increasing inequality leads governments to spend more on redistribution. However, a new puzzle emerges as subsequent empirical evidence shows the exact opposite of what the median voter model predicts. In other words, empirical studies have repeatedly shown that increasing income inequality is associated with less rather than more redistribution spending (Perotti 1996; Bassett et al. 1999).

To address what Lindert (2004) has termed the “Robin Hood Paradox,” the recent literature has branched off into three distinct yet related schools of thought on this subject. The first school adopts an economic perspective and extends the median voter model and incorporates other considerations of economic benefits, such as expected future income (Benabou and Ok 2001), demand for insurance (Moene and Wallerstein 2001, 2003), and skill specificity (Iversen and Soskice 2001). The second school takes an institutional approach and argues that the correlation between income inequality and redistributive spending is indirect or even spurious, as both are simultaneously driven by underlying institutional arrangements, such as the strength of labor union, the partisan composition of governments (Bradley et al. 2003), electoral systems, and the form of economic coordination (Iversen and Sockise 2009). Finally, the third school centers around political culture and emphasizes the means by which various affective elements, such as religiosity (Scheve and Stavasage 2006), national identity (Shayo 2009), racial attitudes (Gilens 1999), public values (Corneo and Gruner 2002), and social norms regarding the source of poverty (Alesina and Glaeser 2009), shape citizens’ demand for redistribution. Meanwhile, another parallel development in the literature is to extend the scope of empirical inquiry from advanced democracies to developing ones. For instance, in a recent contribution, Cramer and Kaufman (2011) find that citizens’ attitudes toward redistribution in Latin America are mainly driven by their economic and political beliefs and socio-economic conditions of their country.

This paper builds on these insights and offers the first systematic account of voters’ attitudes toward redistribution in nascent East Asian democracies. Extending the most promising lessons from various approaches, this paper highlights the importance of historical experience and cultural beliefs in shaping citizens’ preference of redistribution in East Asia. Specifically, we argue that several core elements in the traditional Asian culture—particularly self-determination toward success, the emphasis of family value, and deferral to authority, fundamentally suppress citizens’
demand for social equality. Viewing citizens’ preference for social redistribution through a cultural lens, this paper helps clarify why redistribution policy remains limited in new Asian democracies despite growing economic inequality. We test our theoretical hypotheses against the most recent wave of Asian Barometer survey data and find strong empirical evidence to support our argument.

The rest of the paper is organized as follows: Section 2 briefly reviews the neoclassical economist, institutionalist, and culturalist literature on the determinants of citizens’ preference of redistribution. We find evidence to support culturalist theory in particular, as we argue that Asian cultural beliefs – Confucianism in particular – provide a comprehensive explanation for Asians’ attitudes toward redistribution policy given the homogenenous economic and political structure in East Asia. Section 3 investigates the causal mechanism between cultural beliefs and the preference for social equality in Asia, especially focusing on how Asian citizens view the origins of poverty/wealth, the relationships with government, and their responsibility to family. For each dimension, we claim that Confucianism not only discourages people to contribute public goods, but also constrains their demands on social equality. In the fourth section, we test our theoretical hypotheses on the Asian Barometer Survey. Our results show that people’s belief in self-determination and their attitudes toward whether personal interests should be second to national and family interests have negative and consistent influence on their preference for redistribution. We then conclude our findings in the final section.

**Literature of Preference of Redistribution**

Perhaps the most intriguing puzzle in the redistribution politics literature is the Robin Hood paradox: while the median voter redistribution model (Romer 1975; Meltzer and Richard 1981) predicts higher levels of redistribution as the gap between the median and average income grows, empirical evidence shows redistribution spending actually decreases under higher income inequality (Lindert 2004). Despite its theoretical plausibility, several important contributions have emerged to explain why the median voter redistribution model fares so poorly in the real world.

The first school, which adopts an economic approach, builds directly on the setup of the median voter model by adding new parameters to introduce other economic considerations. Benabou and Ok (2001), for instance, argue that in addition to current income, voters are also concerned with their expected income in the future. Consequently, voters’ prospects of future income also determine their current demand for redistribution: those who expect to get richer in the near future are likely to oppose any increase in redistribution today. Moene and Wallerstein (2001, 2003) incorporate insurance effects into the median voter model, and show that voters
who are relatively risk averse might in fact demand more redistribution when the level of their income increases. Rhem (2011) echoes Moene and Wallerstein’s findings by showing that voters’ demand for unemployment benefits increases when most of them share a similarly high labor market risk. Using a more encompassing model, Iversen and Soskice (2001) further show that workers who have invested in acquiring more specific skill would be less portable in the labor market and hence are more likely to demand more social protection.

The second school, on the other hand, posits that both the level of income inequality and the level of redistribution spending are driven by the same confounding factor – institutions. The power resource model posits that variation in redistributive outcomes is essentially a reflection of distributive conflicts among different socio-economic classes. The focus here is primarily on the strength of two major institutional organizations – unions and leftist parties. Proponents of this school argue that union strength shifts the market power toward the working class and hence reduces socio-economic inequality, whereas leftist parties shift political power toward the poor, consequently leading to more redistribution spending (Bradley et al. 2003; Korpi 1974, 2006; Stephens 1979; Pontusson et al. 2002). Instead of focusing on class-related conflicts, another group of institutional scholars examine how electoral systems guide incumbents’ policy choices. One of the central findings is that in comparison to majoritarian systems, systems of proportional representation are associated with higher level of welfare spending and lower levels of economic inequality. The logic here is that proportional representation systems encourage incumbents to seek broader support in the population (Persson and Tabellini 2003) and allow more social groups to participate in the policy making process (Bawn and Rosenbluth 2006; Birthfield and Crzpz 1998; Milesi-Ferretti et al. 2002). Iversen and Soskice (2006; 2009) further challenge the power resource model, arguing that the real key to solving the Robin Hood puzzle lies in the combination of coordinated market economy structures and proportional representation systems. They argue that while leftist governments and unions are important in shaping redistributive outcomes, they are in fact endogenous to these fundamental organizations of market economy and electoral systems.

Finally, some scholars argue that countries with similar economic structures and political institutions may still exhibit significant differences in redistributive outcomes (Alesina and Angeletos 2005; Benabou 2000; Benabou and Tirole 2006; Cervellati, Esteban, and Kranich 2004). Rather than focusing on economic or political interests, this approach suggests that individuals’ attitudes towards redistribution are direct or indirect reflections of the value system they embrace. In summary, this perspective suggests that citizens support the redistributive program that most closely conforms to
their normative vision of what is best for society as a whole. Scheve and Stavasage (2006), for instance, argue that the utility function of an individual consists of both monetary and psychic elements. Importantly, religiosity can provide emotional and psychological buffer against adverse events, hence serving as a substitute of social welfare spending. Therefore, they argue that more religious individuals should demand lower levels of social insurance provisions. Shayo (2009), on the other hand, proposes a social identity model where an individual’s utility depends on his perceived distance from a certain group and the prestige of that group. He derives two equilibria from his model: the poor demand higher levels of redistribution when they identify with their class, whereas they prefer less redistribution when they identify with the nation. Hence, the poor may not always support redistribution because identity adds another dimension that affects the net benefits of redistribution. One implication is that contrary to the Meltzer-Richard prediction, an increase in inequality might lead to less demand for redistribution from the poor since higher inequality can lower the class status of the poor and make the poor more likely to develop a national identity. Lastly, Gilens (1999) posits that welfare redistribution in the U.S. is largely driven by racial consideration as welfare spending and racial politics have been closely intertwined in the public mind since the 1960s. In his survey data analysis, Gilens compellingly demonstrates that the stereotypical belief that African Americans lack a strong work ethic is the most powerful predictor of why some Americans oppose welfare spending. Indeed, according to Gilens, racial attitudes act as the dominant factor in understanding Americans’ welfare spending preferences. Most importantly, Gilens argues that citizens learn these kinds of stereotypes not from their direct personal experiences but from a socialization process where they learn to internalize their group value systems.

Within this literature, one group of scholars has put special emphasis on the role of political culture. At the broadest level, cultural belief can affect individuals’ attitudes toward redistribution by shaping their core value systems - as evidenced in Gilens’ study. This line of research has identified several causal mechanisms through which cultural beliefs can affect citizens’ preferences toward redistribution. First, many scholars argue that different political cultures vary in terms of how they view individualism and equality; cultures that put higher premiums on individualism tend to be less averse to risk and consequently exhibit lower demand for social protections (Alesina and Glaeser 2004; Alesina and Giuliano 2009). Building on this logic, Alesina and Glaeser (2004) argue that the Calvinist culture leads Americans to view success as a sign of godliness and are consequently less averse to inequality compared to most Europeans. Gilens (1999) echoes this cultural proposition by arguing that Americans place a higher value on self-reliance. In stark contrast to their European
counterparts, many Americans despise the idea of government responsibility for the individuals’ wellbeing. When asked to choose between individual responsibility and government aid, Americans overwhelmingly respond that individuals should be responsible for themselves. In sum, Gilens convincingly demonstrates that the prominence of American individualism is an important cultural source of opposition to welfare in the United States.

Secondly, Alesina and Giuliano (2009) argue that the different cultural emphases on individualism versus equality can lead individuals to form differing beliefs about how the economy works, especially with respect to their views on the ideal role of government in addressing inequality. In their analysis, they differentiate between several cultural beliefs. On one end of the spectrum is the libertarian who views the distribution of income as determined purely by the free market and sees no role of government intervention. On the other hand is the communist who believes that the government must actively ensure that everyone be equalized through redistributive policies. In equilibrium, they show that the libertarian norm will result in much less redistributive outcome than the communist norm. In addition, Gilens (1999) provides survey evidence that Americans are firmly committed to the belief that people are responsible for their own wellbeing and concludes that Americans tend to demand less welfare spending because they view welfare more as a deterrence rather than as an avenue toward success.

Thirdly, political culture can also influence citizens’ attitudes toward redistribution by shaping the ways citizens view the source of poverty (Alesina and Angeletos 2005). Piketty (1995) argues that differing beliefs about the extent to which poverty results from the lack of effort or bad luck are critical in determining individual preference for redistribution. Similarly, Alesina and Giuliano (2009) propose a model where the overall income inequality can be deconstructed to luck and effort, and importantly, they show that those who think that inequality is caused by a lack of effort are decidedly less sympathetic and less supportive of redistributive policies. Alesina Glaeser (2004) goes as far as arguing that the Europeans tend to believe that the poor are unfortunate and strive to climb out of poverty but are often repressed by high barriers that perpetuate poverty. Americans, on the other hand, tend to view the poor as lazy and unwilling to capitalize on abundant opportunities. Not surprisingly then following this logic, European countries tend to redistribute more than America. Gilens (1999) shares this view and argues that the dominant view of Americans is that the cost of welfare is inflated by bloated rolls and is filled with undeserving recipients. His survey data demonstrates that two out of three Americans say that most people who receive welfare benefits are taking advantage of the system while only one in three believes that most welfare recipients are genuinely
in need of help. Importantly, Gilens argues that while most U.S. citizens do not oppose welfare in principle, the culture of American individualism provides the basis for them to judge the moral worthiness of welfare recipients: the stronger the belief that welfare rolls are filled with the undeserving lazy poor, the greater the desire to cut welfare spending.

Given the discussion above, this manuscript investigates the variation in Asians’ preference over redistributive policies from a cultural perspective. Asian values are generally considered a mixture of the Confucian culture of China, the Buddhism, Taoism and Hindu legacies of India, and the Islamic heritage of the Middle East, Integral Yoga…etc. We focus specifically on how these historical heritages influence individuals’ attitudes toward the causes of poverty, the role of government, and the role of family and how the attitudes are associated with their position on redistribution policy. Unlike most studies that assert Asian values emphasize the substantive (or positive) economic, social, and cultural rights (Harris 2000; Qi 2005; Follesdal 2005, 277; Toope 1997, 183) and should have positive influenced on people’s support for social equality, we suggest that Asian traditionalism, instead of encouraging citizens to look for social equality, drives Asians to oppose it.

I. Asian Values, the Cause of Poverty/Wealth, and Social Equality

Asian values are a political concept advocated by former Indonesian dictator Suharto, former Malaysian Prime Minister Mahathir Mohamad and former Singaporean Prime Minister Lee Kuan Yew to justify authoritarian legitimacy in Asia (Yang and Lim 2007, 123). The concept consists of three characteristics: First, it emphasizes the uniqueness of institutions and political ideologies which are rooted in Asian culture and history, and stresses that Asian countries should defend their own paths instead of following the liberal route paved by Western democracies (Kausikan 1993; Zakaria 1994; Mahbubani 1995; Kausikan 1997). In addition, Asian values, boosted by substantial economic successes in this region (Huntington, 1997: 104), prioritize economic development (Donnelly 1999, 610; Harrison 1992; Richburg 1992). It emphasizes certain cultural traits, such as hard work, frugality, discipline, teamwork, and thrift, and views democracy as an unaffordable luxury before substantial development has been achieved (Thompson 2001, 155). Finally, Asian values view the Western model’s emphasis on individual rights and freedoms as problematic and undesirable for Asians. To avoid the social problems such as spread of guns, drugs, violent crime, vagrancy, unsafe streets, and increased divorce rates…etc., Asian values emphasize the importance of order and stability and claim that personal rights and freedoms should be constrained.

While Weber (1905) asserted that Asian traditions, unlike Protestant culture
which stimulated the economic prosperity of the West, would be an inhibiting force in the economic development of Asia due to its emphasis on group interests, the economic booms in post-war Japan and four Asian Tigers have proven him wrong. Instead, Asian values (more precisely, Confucianism) serve as the functional equivalent of Weber’s Protestant Ethic by emphasizing self-effort and hard work. According to Confucius, anyone can be a sage by exerting persistent self-effort and self-cultivation throughout her life (Tu 1972; Tu 1981; Wu 2006; Rarick 2007). Such a belief thus promotes Asian values of hard work, loyalty to the organization, thrift, dedication, social harmony, permanent learning, and a love of education and wisdom (Rarick 2007, Park and Shin 2006; Lim and Lay 2003), and influences each perspective of Asians’ daily life. For instance, numerous studies have found that East Asians view effort and hard work as the most important factors contributing to success (Kim and Park 1998, Park and Kim 1999). Failure is usually attributed to internal factors such as lack of effort (Bond, Leung, & Wan, 1982; Brown & Kobayashi, 2002; Chiu, 1988; Heine et al., 2001; Kurman, 2003; Markus & Kitayama, 1991; Sedikides, Gaertner, & Toguchi, 2003; Yan & Gaier, 1994).

In addition to promoting the belief of self-determination, Asian values further provide incentives and infrastructures for those who seek upward mobility. Pye (1999) claims that Confucian authoritarian pattern uphold high standards and ritual correctness within superior-subordinate relations. In such a hierarchical relationship, superiors are assumed to have greater information and insight and are expected to take care of all subordinates (Pye 1999, 768; Hood 1998, 856). To recruit talents serving for the empire, an examination system is established to meet the needs of state bureaucracy and thus becomes the only path to moving toward upper class (Leng 2005, 17). Through the required Confucian curriculum for the examination of candidates, civil service examinations are tied to the bureaucracy, the society, and neo-Confucian culture (Elman 1991, 8). In addition, Asian traditions encourage youngsters to pursue educational paths that yield high financial and social returns by placing intellectuals as the first rank among four occupations: *shi*, *nong*, *gong*, and *shang* (Harrison 1992, 83). For instance, Hahn and Kim (1963) study backgrounds of Korean political leaders during the Liberal, Democratic and the Military governments. They found that 74% have received formal education at the college and post-graduate levels and conclude that the degree of formal education received was a key factor in their rise to the ranks of the political elite. Because they have been socialized to think that academic achievement is the surest way to upward mobility, Asian parents facilitate their children’s movement up educational ladders (Goyette 2003, 473).

Together with the institutionalized incentives embedded in their educational system, the belief of self-determination influences Asians’ perspectives on future
income and hence determines their preference of redistributive policies. Compared with less than 2 percent in other developing economies and 2.6 percent among the industrial countries, the fact that the Asia region averaged over 4 percent growth of per capita GDP has shown that the center of world economic growth has shifted to the Western Pacific and establishes that the East Asian economies will be a major force in the world economy into the 21st century (Collins and Bosworth 1996, 135; Drysdale and Huang 1997, 201; Gama unt 1989; Hughes 1993 and 1995). The high supply of education in Asian countries provided high quality human capital to extract relevant technological knowledge and direct foreign investments from industrial economies and to utilize productivity within the domestic economy (Romer 1993, 547; Pack 1992, 299). The rapid economic growth further facilitated social mobility, induced high demand for education, and thus substantively reduced social inequality (Collins and Bosworth 1996). Together with accelerating Asian economy the belief of Asian traditions makes Asians optimistic about their future. The Economist (August 1, 1998) surveyed 16,000 adults from 29 countries on the level of expectations of future prosperity for each country. The report shows that despite the dramatic impact of the financial crisis, five of the top ten countries were Asian (in descending order: Malaysia, South Korea, Thailand, Mainland China, and Taiwan). The optimistic attitude toward the future and the belief in self-determination shapes Asians’ attitude toward redistributive policies. On the one hand, people worry that high income taxes might make high performers cease to strive and may impede economic development (Lee 2000, 100). On the other hand, since Asians generally impute poverty to self-indulgence, extravagance, and sloth, they are less willing to express their sympathy for the poor. Consequently, redistributive policies are not generally favored by Asian.

**Asian Values, the Role of Government, and Social Equality**

A literature has long concentrated on the relationships between the size of government and redistribution policy. Theoretically, Meltzer and Richard (1985) emphasize the demand for redistribution and show that the size of government is determined by the welfare-maximizing choice of the decisive median voter. Empirically, economic modernization generally leads to the growth of the public sector through the provision of collective goods (Peltzman 1980) and higher demands for social welfare such as unemployment benefits, health insurance, and pensions (Wagner 1883; Wilensky 1975; Boix 2001). Had governments refused to increase expenditure on improving social inequality, but the public had intensive demands on social welfare, the incongruence between the demand and the supply sides would have resulted in conflicts and destabilize the society.
Fortunately, Asian values lessen people’s demands on redistributive policy and ensure the rapid economic growth without a rapid increase in government expenditure on social benefits. The advocates of Asian values prioritize rapid economic growth and political stability and renders adversarial politics detestable and disturbing (Park and Shin 2006, 359). They view too much liberty as the impediment to economic growth and assert that conservative values should guide social life and that strong states are required to contain threats to law and order (Robison 1996, 321) and to provide its people with necessary food, shelter and clothing. These beliefs thus lead to a state-led development strategy, in which state bureaucrats not only are responsible for social consolidation and social order, but also play a significant economic role (Lee 2003).

The benevolent paternalism not only prevails among authoritarian leaders, but also haunts Asian people and hence encourages their compliance with political authority. Due to the fundamental family structure entangled within Asian traditions, members are expected to unquestioningly comply with the decisions and directions of the patriarch. Hess and Azuma (1991) survey 500 mothers in Japan and 500 in America and find that compliance was selected by 38% of Japanese mothers as desirable traits of children, compared to only 9% of American mothers choosing this alternative. Similarly, Pratt (1991, 302) concludes that Chinese personal identity is derived primarily from cultural, social, and political spheres of influence with an emphasis on continuity of family, the supremacy of hierarchical relationships, and compliance with authority.

Asians’ compliance to parental authority is not only a matter of regulations, but also an expression of respect for the dignity of rank. Patriarchal norms further are extended to social and political institutions, promote acceptance of inequalities in power distribution, and become the cornerstone of political support. For instance, Levin and Yeung (1996) find that Hong Kongese share the traits of individualistic striving for success, deferred gratification, and compliance with employer’s authority. Park and Shin (2006) decompose Asian political values into three dimensions: benevolent paternalistic rule, the moralistic role of the state, and anti-adversarial politics. They find that a majority of Koreans remain attached to the legacy of hierarchical collectivism and benevolent paternalism: 59% of Koreans consider the relationship between government and people as that between parents and children, 48% view government leaders as the head of family and are willing to follow their decisions, and 63% agree to delegate immense decision authority to morally upright leaders.

While Asians’ commitment to paternalistic authority provides fundamental political support for authoritarian regimes and spurs their economic growth, it also
offers an alibi for inequality, exploitation, and oppression in the modern guises under the capitalist relationships. Asian traditions encourage people to sacrifice for their societies and countries (Chew 1994; Park and Shin 2006; Rarick 2007). As emphasized by Lee Kuan Yew and Kishore Mahbubani (1993), substantive human dignity is best achieved by good governance which dedicates to social order and rapid economic growth. In the pursuit of such an idea environment, rights of free expression, free association, multiparty elections, and free press are required to be sacrificed (Bell 2000, 219-232; Freeman 1996, 356). Despite an acknowledgment of people’s basic necessities on food, shelter, and clothing (Lee 2003, 32), social equality has never been Asian leaders’ top priority. Instead, oftentimes it becomes a sacrifice of rapid economic growth and political stability, namely, the goals of the state-managed capitalism. For instance, in the 1960s, to encourage foreign investment, Singapore created an attractive investment climate by instituting special fiscal measures and subsidies for international companies. In order to provide political stability and a low wage labor force for multinational corporations, a series of labor acts in 1968 not only restricted the activities of unions, but also increased working hours, reduced benefits, and restricted pay and payments to workers (Chew 1994, 94). In other words, from Asian leaders’ supply-side perspective, although fulfilling people’s basic demands for houses, foods, and clothing is an indispensable responsibility of governments, it should not dramatically increase public expenses and interfere with their economic goals. Welfare systems not only impede economic growth (Robison 1997, 327; Lee 2000, 95; 104), but also induce sloth and free riders (Mauzy 1997, 212). Thus, Lee Kuan Yew consistently asserts that Singapore is to establish a “fair, not welfare society” (Lee 2000, 95-108).

The discussion above thus leads to our second hypothesis. The belief in traditional values not only convinces Asians to comply with government authority and to support the goals of economic prosperity and political stability, but also encourages them to sacrifice individual basic rights for the sake of the country, including the demands on civil liberties and social equality. Given the discussion above, we assume that the more Asians believe in traditional Asian values, the more they are opposed to redistributive taxes and social welfare policies.

**Altruism, Asian Values, and Preference for Redistribution**

Altruism refers to the concern for the welfare of others and is generally considered as one of the sources supporting redistribution policy (Fong 2001, 226). Although altruism does not necessarily imply free from self-concern, the motivation behind it is often in acts of self-sacrifice (Khalil 2004, 108; Post et al. 2002, 3), that is, altruists care for “the other as other” (Post et al. 2002, 3). Such a benevolent behavior
usually stems from psychological incentives such as emotions, attitudes, passion, identity…etc., instead of relying on rational calculation.¹ For instance, Akerlof and Kranton’s model (2000) asserts that psychological and sociological attachments to a group might drive group members to follow the prescribed behavior of their group and to sacrifice material payoffs in order to enhance group status. Shyao (2009) models the influence of individuals’ social identification on their preference over redistribution. In particular, his model includes the interactions among national and class identification, income inequality, and political preferences. He finds that class identification increases support for redistribution, whereas national identification reduces it. Habyarimana et al. (2007) studies the specific mechanism through which high levels of ethnic diversity result in low levels of public goods provision by designing a series of experimental games. They also find that homogeneous communities have an advantage in providing public goods because in-group reciprocity norms not only drive co-ethnics to cooperate productively, but also sanction free riders. In sum, group identity, religiosity, beliefs, and attitudes might also be determinant to the preference for redistributive policies.

Due to its core concept “ren”, which means love others, benevolence, and virtue, Confucianism was generally considered as the one of the origins of Asian altruism. However, the Confucian altruism is fundamentally different from its Christian counterpart (Dubs 1951). First of all, in Christianity, altruism means universal love and is the criterion for everyone. In Asian altruism, despite the emphasis on love, it stresses the importance of “guanxi”, or relationships, and asserts that people naturally show more love to the people closest to them, especially parents and relatives. That is, goodwill is determinant by sanguinity and the extent of intimacy. In addition, in Confucianism, ren is more like moral norms for leadership. According to Confucius, the ruler is required to be benevolent to his people, and the ruled are expected to payback their loyalty and obedience. In other words, unlike Christianity based on peer-to-peer relationships, Confucian altruism is established on a hierarchical social structure.

The two traits above thus shape Asians’ attitudes toward altruism and self-sacrifice and further influence their preference over social equality. Because guanxi determines whether and the extent to which individuals may provide their benevolence, instead of contributing to collective endeavors, Asians are more willing to sacrifice for their family members, close relatives, and neighbors (Wong, Yoo, and

¹ Given the limitation of pages, in this manuscript we mainly investigate Asian altruism from a cultural perspective. Tentative readers should be aware that a great deal of neoclassic economic literature has tried to redefine altruism as a non-myopic self-interested strategy to ensure maximum outcomes (Axelrod 1984), or to link an agent’s utility function with the utility of potential recipients (Perotti 1999; Galor and Zeira 1993; Piven and Cloward 1971; Moene and Wallerstein 2003)
Stewart 2006; Choi 2004, 12; Park and Shin 2006). Such a blood-based community may solve collective dilemma and has an advantage in goods production because it not only draws on a reservoir of common tastes and understandings about modes of interaction among members, but also facilitates public goods provision by sanctioning free riders. Since the beneficiaries are limited to community members, the community goods are not shared with outsiders.

From the demand-side perspective, the blood-based benevolence further delimits Asians’ demand on social welfare. Due to the collectivistic Asian heritage, people have historically accepted that children have a lifelong responsibility to their parents to reciprocate for their gift of life and upbringing (Cooper, Baker, Polichar, & Welsh, 1993; Ho, 1986; Sung, 2001; Waley, 1938; Schorr, 1960). Asian children may perceive filial norms to be morally and socially acceptable; they internalize the norms during the process of socialization or abide by them under social pressure (Blieszner & Hamon, 1992). The filial norms are governed by an implicit moral contract in ethnic Asian societies: Child rearing is viewed as a process of social investment with an expectation of delayed repayment. Children, especially sons, are obligated to return the debts through filial care for their aging parents.

The strong belief in the filial norms encourages and, sometimes, presses Asians to be responsible for the parental care instead of relying on government support or intervention. Scholars find that Koreans are under pressure to sacrifice their interests for the sake of unconditional family harmony, to confine familial problems within the family, and to abstain from resorting to social or governmental assistance in solving familial needs (Chang 1997).” In Singapore, while the Maintenance of Parents Act (MPA) was raised in the Singapore Parliament in 1993, it was considered unnecessary and absurd because the Asian values of filial piety was already strongly embedded in the culture and traditions of the different ethnic groups in Singapore. Thus, in fact there were very few parents neglected by their children. In addition, the proposed use of the court system to enforce the obligation to maintain one's aged parents would amount to a humiliating intrusion into family lives (Chan 2004, 551). The declination of government intervention on parental care thus directs government policy to focus on family responsibilities for parental care rather than state responsibilities, and hence provides a leeway for constructing social services or community care, or institutional care for the elderly. For instance, in addition to the Singaporean MPA, in 1982, the Korean Ageing Policy Act also merely highlighted tax incentives and awards to encourage families to provide care and shelter for elderly relatives (Chang 1997).

Data

Response Variable
This section tests our hypotheses about the influences of Asian values on the preference over social equality against data from Asian Barometer Survey (ABS) Wave III. The ABS uses four questions to measure individuals’ preference over four dimensions of democracy: Equality, Procedure, Governance, and Freedom. In each question, respondents were required to choose one among four statements that respectively represent the four perspectives of democracy (See Appendix for the questions used to measure the four perspectives of democracy). To distinguish the preference for social equality from that for the rest three perspectives, we incorporate confirmative item response theory (IRT) with the four questions. Firstly, we break the four questions into 16 statements. Each perspective is thus measured by four statements, and each statement is either selected (labeled by 1) or non-chosen (labeled by 0). The confirmative IRT model generates an estimated score for each perspective. We then use the score of equality as our dependent variable. The higher the score, the more respondents support for redistributive democracy. However, we should keep in mind that given the mutual exclusiveness of the four statements in each question, the scores of the four perspectives are correlated.

**Explanatory Variables**

This article examines how individuals’ attitudes toward Asian values influence their preference toward social equality, especially the attitude toward self-sacrifice for the family and the country, and that toward the belief in self-determination. For measuring the self-sacrifice attitude toward family and country, ABS asks respondents to reply the extent to which they agree or disagree with “For the sake of national interest, individual interest could be sacrificed”, and “For the sake of the family, the individual should put his personal interests second”, respectively. For examining the belief in self-determination, respondents were required to reply whether they agree with “Wealth and poverty, success and failure are all determined by fate”. The more respondents agree with this statement, the less they believe in self-determination.

The discussion in the previous section enables us to derive theoretical hypotheses. Confucianism suggests love and self-sacrifice, nevertheless, only for the family and the country. Such an altruistic belief not only delimits the contribution to public goods, but also constraints citizens’ demands on the government. The more people are willing to sacrifice personal interest for the sake of national interest, the less likely they would require the government to assist their life as well as to equalize income distribution. Thus, we assume a negative relation between the attitude toward self-sacrifice and the preference for social equality.

Together with its emphasis on education, Confucius’s stress on self-effort and
self-cultivation not only accelerates economic growth, but also reduces social inequality by facilitating social mobility. This thus makes people believe that their earnings and future are under their voluntary control as long as they work hard, instead of attributing personal failure to fate or luck. Therefore, we assume a positive association between the fate-determination belief and support for redistributive polices.

Control Variables
In addition to the explanatory variables that measure individuals’ attitude toward self-sacrifice for the country and their belief in fate-determination, we further include a series of control variables for securing the robustness of our statistical analysis. First, since individuals’ evaluation of pocket income and national economy is often highly associated with their own income or their perspective of future income, therefore, we firstly control for the evaluation of national and pocket economy, and assume a negative coefficient for its association with the preference for social equality. In addition to economic evaluation, given recent studies on the relationship between global impacts and social welfare, we include their attitudes toward openness as a control variable. Globalization not only has resulted in great impacts in the state level (Wallerstein 1974; Köhler and Tausch 2002; Yotopoulos and Floro 1992), but also has influenced citizens’ perceptions in the individual level. Due to rapid social transformation, individuals might feel bereft and alone due to the lack of the psychological support and the sense of security provided by traditional settings (Giddens, 1991, 33). The sense of insecurity thus drives citizens to express their demands for stability to their governments. Herriot and Scott-Jackson (2002) argue that globalization has promoted increases in inequality and in individualism. While the individualism drives people to care more about themselves instead of the community and society and the feelings of inequalities evolve into the feelings of injustice, marginalized citizens tend to articulate their discontent through social movements and protests. Burgoon (2001) also finds that in contrast with other openness, low-wage openness inspires more welfare expansion due to citizens’ demands for welfare compensation. Contrarily, for citizens exposed to globalization, they are more aware of and familiar to the impacts and the sense of insecurity is relatively low. Thus, we assert that the more citizens are exposed to globalization, the less likely they would support for redistributive welfare.

As reminded above, since our dependent variable, the score of supporting for social equality, is generated from mutually exclusive alternatives, we can reasonably assume that the score is correlated with its counterparts for the other three dimensions of democracy: Procedure, Governance, and Freedom. That is, while individuals focus
more on freedom and procedure, they are less likely to select governance and social equality. Therefore, we control for individuals’ interests in politics and their attitudes toward political efficacy. Since these two factors are associated with the preference for liberal democracy, they might have negative relations with the preference for social equality. Finally, we control for respondents’ social background, including gender, age, education, household income, subjective social status, and urban-rural residency.

Results

Given its cross-national structure, we examine the relationships between three Asian traditional values and the preference for social equality by incorporating mixed effect model with the ABS data, and then present the statistical analysis in Table 1. First, we test the relationship between the fate-determination belief and the preference for social redistribution. Given Asian traditions’ emphasis on diligence and thrift, we assume such a belief in self-effort influences both the demands on and the support for redistributive taxes. On the demand perspective, in contrast with supporters of self-determination, those who believe in fate-determination are more pessimistic about their chances of upward mobility as well as their future income. Such a belief thus determines their demands on social welfare systems. On the supply perspective, perceiving that success, failure, wealth, and poverty might not be under individuals’ voluntary control, people are more likely to sympathize with others and are more willing to support for social welfare. In addition, unlike Christianity which suggests ecumenical love, Asian collectivism promotes kin-selection and encourages people to sacrifice for their country and family. The patriotic belief spurs people to ignore personal loss, such as social unfairness, low wages, poverty…etc., and sacrifice personal interest for the rapid economic development of the country. The belief in filial norm further encourages people to take family responsibility instead of relying on government assistance. Thus, we assume that the two assertions above hinder the provision of and the demands on public goods and hence discourage the preference for social equality and hinder.

Model 1 supports our hypothesis and demonstrates a negative relationship ($\beta = -0.016$, $p = 0.077$) between the patriotic belief and the preference for redistribution. Similarly, controlling for other variables, a one-unit increase in the willing of self-sacrifice for family is significantly associated with a 0.023-unit decrease in the predicted preference for social equality. Furthermore, Model 1 also presents a positive association between fate-determination and the support for social equality ($\beta = 0.024$, $p = 0.001$), which indicates that the more individuals believe in self-determination the less they prefer social equality to the other perspectives of democracy.
In addition to examining how the three beliefs in Asian traditional values influence citizens’ preference over redistribution. We further reexamine the Meltzer-Richard hypothesis, which emphasizes a consistently negative association between individuals’ income and their preference for redistributive taxes. We argue that such a relationship varies in different countries due to the difference in their macro-economic environments. In counties that have relatively narrow gaps between rich and poor, the influence of income on the support for social equality should be relatively small. Similarly, in countries that enjoy rapid economic growth, because people generally have high expectation on their future income, the influence of current household income on the preference for redistributive policies should be relatively small.

In order to test these hypotheses, we apply respondents’ household income as a random slope and assume it has difference influence on the preference for social equality in different countries. As shown in Model 3, while most variables have similar coefficients with their counterparts in Model 1, the only difference in Model 3 is an additional standard deviation of the random slopes. We first examine our heterogeneity assumption by applying likelihood ratio test to investigate the difference between the random slope model and the random intercept model. The result supports our hypothesis and shows that household income does have different influences on the preference for redistribution in different countries (likelihood ratio=6.66, df=1, p=0.01). While all the countries share the same fixed slope of income ($\beta = -0.015, p = 0.07$), we can examine the diverse influence of income on the preference for equality by comparing the country-specific random slopes. Thus, we calculate the estimated random slope and plot Figure 1.

In Figure 1, we can easily find that in contrast with other countries, in Vietnam and China – countries that which enjoy high-speed economic growth, the random slopes seem relatively high. Together with the negative fixed effect, they indicate that household income has relatively insignificant influence on the preference for social equality in the two countries. In addition, we also find that income is also moderately associated with the preference social redistribution in Japan because of its narrowing income gap. In contrast with the rest Asian countries such as Malaysia (46.2), Singapore (47.8), and Thailand (53.6), Japan’s Gini coefficient is 37.6, which is the lowest among the eleven East Asian countries. Given the relatively narrow income gap, the household income thus has limited influence of the support for social equality. Finally, among all East Asian countries, income has the most dramatic influence on the preference for social equality in Taiwan. This might be due to social grievances stemming from climbing housing prices and unemployment rate, widening income gap, and low-wage policies.
Table 1 also shows that respondents’ general evaluation of economy and their attitude toward openness both have negative associations with the preference of social welfare. As stated above, individuals’ economic evaluation is associated with their perspectives of income and social mobility. Should people be optimistic with their future, they are less likely to support for redistributive taxes. Similarly, citizens’ attitude toward openness is also associated with their perspective future under globalization. Should people feel insecure under global impacts, the sense of insecurity will stimulate their demand for social welfare. Those who welcome globalization, on the other hand, are optimistic about upward mobility and income growth and are consequently less likely to support redistributive policies.

Our analytical results also demonstrate that individuals’ political interests and political efficacy also have negative associations with the preference for distributive democracy. While the findings are not explained by extant political studies, the mutual exclusiveness of alternatives from which our dependent variable was derived may account for these findings. Since respondents are only allowed to choose one among four alternatives that they consider as the most essential characteristics of a democracy, respondents’ low score in the social equality dimension might be due to
their preference over the rest three dimensions. Based on the suggestions from previous studies of satisfaction with liberal democracy (e.g., Finkel 1985; McIntosh et al. 1992), we regress political interests and political efficacy against the score of the freedom dimension. As shown in Model 4, all other things being equal, both political interest and political efficacy are positively associated with the preference for liberal democracy. This supports our hypothesis and explains why the two factors are negatively associated with the support for equality.

Respondents’ social backgrounds also show some significant influence on the preference for social equality. First, since Asians generally view education as a prerequisite to climb the class ladder, the education level enables people to seek upward mobility. Thus, the negative coefficient of education is also consistent with our hypothesis. In addition, Table 1 also shows that income and subjective social status are also negatively associated with the preference for redistribution. As Meltzer and Richard (1981) assert, due to the rational calculation and pursuing self-interest, high-income earners are less likely to support high-income taxes. Similarly, subjective social status is highly related to household income and the education level. In contrast with high-income earners and well-educated citizens, low-income earners and less educated citizens tend to view themselves as members of a lower social class. Therefore, as expected, the subject social status also has a negative association with the preference for redistribution.

Table 1 also shows that age, male, and rural residency all have negative associations with the preference for social welfare. While the former two factors are understandable because in general elders and male respondents are wealthier than youths and female respondents, understanding why rural residents are less likely to support social welfare than their urban counterparts remains a puzzle. Indeed, in contrast with urban residents, rural people are relatively poor, less educated, and more susceptible to suffering from global impacts. Thus, one would expect that they would support redistributive policies. However, despite the urban-rural divide mentioned above, we assert that the most important factor that determines rural residents’ rejection of social equality is their attachment to traditional Asian values. For instance, Confucianism was introduced into North and Middle Vietnam (Nguyen Dang Thuc 1967) in 207 BC when the northern part of Vietnam was first annexed by the Chinese and exerted great influence on the nation's politics, economy, etiquette, customs and other institutions, especially on Vietnam’s agricultural sector, people’s lifestyle, and patron-client social structure (Whitmore 1984, 296). In the Le dynasty, the ruling elites officially adopted Confucian thought as the state ideology and promoted and taught at the village education (Woodside 1989, 148). Such a strong belief in Asian traditionalism thus delimits villagers’ demands on social equality.
Conclusion

At a minimum, our manuscript provides three contributions to the literature of the public preference for social equality. First, unlike previous studies that focus on Americans and Europeans’ preference over social redistribution, our study is the first to investigate how East Asians view social democracy. In addition, not only do we study the variation in the preference for social redistribution from the rational choice perspective, but we also examine it from the cultural perspective. Our study focuses on how traditional values shape Asians’ attitudes toward self-sacrifice and the causes of success and failure, and thus affects their demands on and support for social welfare. Last, but not least, we also explain how difference in macro economic environment, such as economic growth rates and income gaps, affect individuals’ rational choice of redistributive policies at the micro level.

Unlike conventional studies that distinguish the East from the West and assert that Asian values focus more on substantive social, cultural, and educational rights, we assert that ignorance of liberal rights does not necessarily indicate support for substantive social equality. In fact, we argue that it would be a misunderstanding to link Asian traditional values with welfare systems. Despite its emphasis on loving others and self-sacrifice for the society and the country, Confucianism neither encourages the supply for nor stimulates the demands on social welfare systems. Instead, not only does it delimit beneficiaries to family members thereby hindering the provision of public goods, but also it encourages personal sacrifices for country and constrains the demands on social assistance. The belief in self-determination further spurs people to be responsible for their own fates instead of relying on government.

Out studies also prove the cultural and ideological foundation of the Asian Miracle. The prevalence of Asian values enables the advocates to simultaneously manipulate both public policies the society. From the supply perspective, Asian values justify not only the emphasis on economic development, but also the constraints the requests for liberal rights and social equality. Governments view tax-induced sloth and welfare-induced government deficits as the impediments of their economic goals, and focus most public expenditure on providing infrastructure and on creating an ideal climate for attracting foreign direct investment. From the perspective of society, the belief in self-determination and in sacrifice for country minimizes the demands of social assistance. The emphasis on diligence and thrift further provide immense productivity and savings that not only help government limit hot money and capital flows, to manipulate exchange rates, and to control consumer prices in domestic markets, but also enable governments to increase public expenditure and investments and to provide low-interest business loan to key
industries without risking government financial deficits. In short, Confucianism not only justifies government intervention in economic activities and resource distribution, but also provides cushions for civil grievance against central planning, avoids potential conflicts between society and government, and reduces the extent to which the central government utilizes authority to enforce its policies. Ultimately, our conclusions help explain why the Asian model cannot be replicated in other developing non-Asian countries.
Table 1 The Analysis of Preference for Social Equality

<table>
<thead>
<tr>
<th>Dependent Variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with Authority (Disagree→Agree)</td>
<td>-0.016* (0.009)</td>
<td>-0.016* (0.009)</td>
<td>-0.02*** (0.007)</td>
</tr>
<tr>
<td>Self-Sacrifice for Family (Disagree→Agree)</td>
<td>-0.023** (0.01)</td>
<td>-0.023** (0.01)</td>
<td>-0.008 (0.008)</td>
</tr>
<tr>
<td>Fate-Determination Belief (Disagree→Agree)</td>
<td>0.024*** (0.007)</td>
<td>0.024*** (0.007)</td>
<td>-0.006 (0.006)</td>
</tr>
<tr>
<td>Economic Evaluation (Low→High)</td>
<td>-0.038*** (0.01)</td>
<td>-0.037*** (0.01)</td>
<td>0.004 (0.009)</td>
</tr>
<tr>
<td>Globalization (Low→High)</td>
<td>-0.041*** (0.01)</td>
<td>-0.041*** (0.01)</td>
<td>0.005 (0.008)</td>
</tr>
<tr>
<td>Political Interests (Low→High)</td>
<td>-0.069*** (0.01)</td>
<td>-0.07*** (0.01)</td>
<td>0.026*** (0.008)</td>
</tr>
<tr>
<td>Political Efficacy (Low→High)</td>
<td>-0.055*** (0.01)</td>
<td>-0.055*** (0.01)</td>
<td>0.027*** (0.01)</td>
</tr>
<tr>
<td>Gender (1. Male 2. Female)</td>
<td>0.075*** (0.01)</td>
<td>0.074*** (0.01)</td>
<td>-0.044*** (0.011)</td>
</tr>
<tr>
<td>Age</td>
<td>-0.002*** (0.0)</td>
<td>-0.002*** (0.0)</td>
<td>-0.001 (0)</td>
</tr>
<tr>
<td>Education</td>
<td>-0.03*** (0.004)</td>
<td>-0.03*** (0.004)</td>
<td>0.009*** (0.003)</td>
</tr>
<tr>
<td>Subject Social Status (Low→High)</td>
<td>-0.014*** (0.004)</td>
<td>-0.014*** (0.004)</td>
<td>-0.004 (0.003)</td>
</tr>
<tr>
<td>Urban-Rural Residency (1. Urban 2. Rural)</td>
<td>-0.058*** (0.016)</td>
<td>-0.057*** (0.016)</td>
<td>-0.027** (0.013)</td>
</tr>
<tr>
<td>Income</td>
<td>-0.015** (0.006)</td>
<td>-0.015* (0.008)</td>
<td>0.001 (0.005)</td>
</tr>
<tr>
<td>Intercepts</td>
<td>0.347*** (0.074)</td>
<td>0.342*** (0.074)</td>
<td>0.231*** (0.069)</td>
</tr>
<tr>
<td>N</td>
<td>10969</td>
<td>10969</td>
<td>10969</td>
</tr>
</tbody>
</table>

Random Factor (Income) | .019 (0.007) |
Random Factor (Intercept) | .111 (0.025) | .111 (0.027) | .143 (0.031) |
Residuals | .682 (0.005) | .682 (0.005) | .565 (0.004) |
Appendix

1. Questions for Generating Dependent Variables:

Many things may be desirable, but not all of them are essential characteristics of democracy. If you have to choose only one from each four sets of statements that I am going to read, which one would you choose as the most essential characteristics of a democracy?

A.
(1) Government narrows the gap between the rich and the poor. (Equality)
(2) People choose the government leaders in free and fair election. (Procedure)
(3) Government does not waste any public money.
(4) People are free to express their political views openly.

B.
(1) The legislature has oversight over the government. (Procedure)
(2) Basic necessities, like food, clothes and shelter, are provided for all. (Equality)
(3) People are free to organize political groups. (Freedom)
(4) Government provides people with quality public services. (Governance)

C.
(1) Government ensures law and order. (Governance)
(2) Media is free to criticize the things government does. (Freedom)
(3) Government ensures job opportunities for all. (Equality)
(4) Multiple parties compete fairly in the election. (Procedure)

D.
(1) People have the freedom to take part in protests and demonstrations. (Freedom)
(2) Politics is clean and free of corruption. (Governance)
(3) The court protects the ordinary people from the abuse of government power. (Procedure)
(4) People receive state aid if they are unemployed. (Equality)

2. Questions for Generating Independent Variables

A. Traditional Values

Please tell me how you feel about the following statements. Would you say you strongly agree, somewhat agree, somewhat disagree, or strongly disagree?

(1) Sacrifice for Country

For the sake of national interest, individual interest could be sacrificed.


(2) Sacrifice for Family

For the sake of the family, the individual should put his personal interests second.


(3) Fate-determination

Wealth and poverty, success and failure are all determined by fate.


B. Economic Evaluation

(1) How would you rate the overall economic condition of our country today?


(2) How would you describe the change in the economic condition of our country over the last few years?


(3) What do you think will be the state of our country’s economic condition a few years from now?


(4) As for your own family, how do you rate the economic situation of your family today?

(5) How would you compare the current economic condition of your family with what it was a few years ago?

(6) What do you think the economic situation of your family will be a few years from now?

C. Globalization

(1) Our country should defend our way of life instead of becoming more and more like other countries.

(2) Do you agree or disagree with the following statement: “We should protect our farmers and workers by limiting the import of foreign goods.”

(3) Do you agree or disagree with the following statement: “Foreign goods are hurting the local community.”

D. Political Interests

(1) How interested would you say you are in politics?

(2) How often do you follow news about politics and government?

(3) When you get together with your family members or friends, how often do you discuss political matters?
E. Political Efficacy

(1) Sometimes politics and government seems so complicated that a person like me cannot really understand what is going on.


(2) People like me don’t have any influence over what the government does.

Reference


