

FSD4004 SUHTEELLINEN TULOTIETO: KOEASETELMA 2021

FSD4004 RELATIVE INCOME: ONLINE EXPERIMENT 2021

TÄMÄ DOKUMENTTI ON OSA YLLÄ MAINITTUA YHTEISKUNTATIETEELLISEEN TIETOAR-KISTOON ARKISTOITUA TUTKIMUSAINEISTOA.

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Description of survey and materials: Suhteellinen tulotieto koeasetelma 2021 (Relative Income: Online Experiment 2021)

This document describes the online information provision experiment conducted in cooperation with Statistics Finland (SF) in the summer of 2021 and the related materials, including survey data, submitted to FSD archive.

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Description of survey experiment

We designed a personalized online survey containing incentivized belief elicitation and outcome measures, an information provision treatment, and standard survey questions. Our basic research question is the following: what are the effects of providing information about income distribution and the personal position/rank relative to others on satisfaction, attitudes, beliefs, preferences as well as labor outcomes?

1. The survey program used for data collection is published and can be downloaded from the project's OSF-repository: <https://osf.io/42z6d/>
2. The permanent address of the study's pre-analysis plan: <https://doi.org/10.17605/OSF.IO/DJQ3G>

The survey data was linked to SF's individual level administrative records, but the data published in FSD only contains the survey data. The survey was personalized for each respondent, and contain some respondent-specific information provided by SF. These data include the respondent's disposable income rank among five reference groups:

1. Finns with the same highest obtained educational level
2. Finns whose occupational group is the same (2-digit level, ISCO-08)
3. Adult Finns residing in the municipality
4. Finns born in the same year
5. All adult Finns

In addition to the income rank information, SF provided the occupational group (2-digit level, ISCO-08) of each respondent. The income rank and occupational group data are based on 2018 administrative records.

Target population, sampling and assignment into experimental treatments

SF's experts conducted the sampling and assignment into experimental treatments according to what was agreed with the research team. 20 000 individuals were sampled from the target population defined by the following characteristics:

- year of birth 1975-1985
- language either Finnish or Swedish
- municipality of residence not in Åland islands.

- lived in Finland for at least 10 years in 2021
- FOLK-variables "ptoim1" ==11 and "ammattikoodi" is not unknown in 2018
- FOLK-variable "kaste" (level of highest earned degree) is not unknown
- FOLK-variable "peas" (status in family) is not child

SF oversampled individuals with basic education and upper secondary education according to observed response rates in the pilot study conducted in 2020. In addition to the 20,000 individuals, 1000 were sampled and invited in a separate group called No incentive. The objective was to compare the response rates for those who are promised a 15 eur payoff for participating ("incentive") and those who are not ("no incentive"). The respondents in this group can be identified with the variable "incentive" in the survey data.

SF assigned the invitees into the seven treatments (listed in Table 1) according to 36 strata based on the following characteristics: gender (male, female), income (three classes by percentiles with cutoffs at 33.3% and 66.6%), statistical grouping of municipalities (urban municipalities, semi-urban municipalities, rural municipalities) and educational degree (basic education, other).

Table 1 Treatments

Treatment	Description
1: Control	<i>No information</i> about income rank
2: Education	<i>Exogenous information</i> : income rank among people with same level of education (Level of education defined as basic, upper secondary, bachelor, master or higher. Classification is based on ISCED 2011.)
3: Occupation	<i>Exogenous information</i> : income rank among people with same occupation (Classification is based on classification of occupations 2010 on 2-digit level, which follows the structure of ISCO-08)
4: Municipality	<i>Exogenous information</i> : income rank among adults living in the same municipality
5: Age	<i>Exogenous information</i> : income rank among people born in the same year
6: National	<i>Exogenous information</i> : income rank among adult Finns
7: Choice	<i>Endogenous information</i> : income rank among the chosen reference group

Outline of the survey

The survey consists of five sections which are further divided into 17 blocks:

1. Log-in and background questions

- *Block 1: Log-in and background.* Participants log in with the username and password that were provided in the invitation letter, and respond to questions concerning their birth year, gender, who they live with, highest earned educational degree in 2018, occupation in 2018, and municipality of residence in 2018.

2. Incentivized income rank belief elicitation

- *Block 2: Belief elicitation.* Participants report their beliefs about the percentage of Finns who had lower disposable income than them in 2018 in each of the five reference groups

(same municipality, same age, same education, same occupation, all Finland). Reference groups are displayed in random order.

3. Income rank information provision treatment. The seven treatments are summarized in Table 1. The participants in the control treatment receive no information about their income rank. The participants in the five treatments with exogenously assigned information (age, municipality, education, occupation, national) receive information about their income rank in the corresponding reference group. For instance, the participants in treatment education are informed of their income rank among all Finns with the same level of education as the participant. The participants in the control treatment receive no information about their income rank. The participants in the five treatments with exogenously assigned information (age, municipality, education, occupation, national) receive information about their income rank in the corresponding reference group. In the endogenous information treatment (7: Choice) participants choose one of the five reference groups and later receive the chosen information. The rank information is provided alongside the perceived rank which the participants reported in the previous section.

- *Block 3: Choice of information.* [Displayed only to participants in treatment Choice.] Participants choose one of the five reference groups for which they want to learn their income rank. After making a choice, participants give reasons for the choice by ticking suitable alternatives in a multiple choice question and answering in an open text field as they wish.
- *Block 4: Information treatment.* [Not displayed to participants in treatment control.] Participants receive information about their disposable income relative to others in the reference group corresponding to their treatment assignment. Participants in treatment choice see their income rank in the reference group corresponding to their choice in Block 3.

4. Outcome questions

- *Block 5: Life satisfaction and future plans.* Participants answer questions concerning 1) fairness of their income and feelings about their income, 2) life satisfaction, and 3) intentions to invest, gamble and search for a new job. Then, they also report their current employment status and whether they are members of an employment union or association.
- *Block 6: Job satisfaction.* [This block is displayed only to participants who report being currently employed or furloughed based on their answer in block 5.] Participants answer questions concerning job satisfaction, wage satisfaction, and meaningfulness of their job.
- *Block 7: Trust in institutions.* Participants report their trust in government, employee unions, and politicians.
- *Block 8: Attitudes toward immigration and trade policies.* Participants answer questions concerning attitudes toward immigration and foreign imports.
- *Block 9: Attitudes toward welfare policy.* Participants answer questions concerning attitudes toward job-search-dependent unemployment benefits and the basic income scheme.
- *Block 10: Income redistribution.* Participants answer questions concerning ideal minimum monthly disposable income, tax rate for the highest earning 1% of Finns, inheritance tax rates, whether there should be more or less income redistribution and whether it is acceptable to take advantage of the tax code to minimize one's tax burden.
- *Block 11: Preferred income distribution.* Participants indicate their preferred income distributions.

- *Block 12 Just world beliefs.* Participants answer questions concerning beliefs about the role of luck and effort, fairness of chances in getting a job and achieving the education one aspires to.
- *Block 13 Self-assessment.* Participants answer questions concerning their social preferences (Falk et al., 2018) (such as trust, positive and negative reciprocity, competitiveness).
- *Block 14 Willingness to act.* Participants answer questions concerning patience, altruism and risk taking (Falk et al., 2018).
- *Block 15 Political orientation.* Participants answer questions concerning their political orientation on spectrum right/left and liberal/conservative and which party they would vote for if there was an election today.
- *Block 16 Incentivized tasks (Real stakes questions).* Participants decide how much (0-15 Euro) of their payoff of 15 Euro they want to donate to charity, donate as a voluntary tax, and spend on lotto tickets. One of the three decisions is randomly chosen and implemented.

5. Summary

- *Block 17 Summary.* Participants receive reminder of the income rank information provided in Block 4, whether they hit the correct interval in the incentivized beliefs question in Block 3, and their final payment including which of the incentivized decisions/real stakes questions made in Block 15 was randomly chosen and implemented.

Blocks 1 to 4 and Blocks 13 to 17 are in the specified order. In the Outcome questions section, Blocks 5 and 6 are bound together such that Block 5 always precedes Block 6. Blocks 7 to 11 are bound together and shown in random order with a restriction that Blocks 10 and 11 are always next to each other. The order of the three bundles, 5&6, 7 to 11, and 12, is randomized. Within each of the blocks in the Outcome questions section, the order of questions is randomized, except in Block 6 in which the question concerning wage satisfaction precedes that of general job satisfaction. The objective is to obtain the respondents' assessments of job satisfaction net of wage satisfaction. In particular, in Block 5, the three parts, (1) to (3), are in a random order and the three questions within part (3) are also in a random order. In Block 12, the order of the questions about fair opportunities in education and job are randomized and the order of the bundle and the question about fairness in outcome is randomized.