

Income Justice in Ukraine

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A Factorial Survey Study

By

Kseniia Gatskova

Cambridge
Scholars
Publishing



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This book first published 2015

Cambridge Scholars Publishing

Lady Stephenson Library, Newcastle upon Tyne, NE6 2PA, UK

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

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ISBN (10): 1-4438-6886-8

ISBN (13): 978-1-4438-6886-0

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PREFACE AND ACKNOWLEDGEMENTS

This book is based on a PhD dissertation defended on December 10, 2013 at the University of Konstanz (Head of the examination commission: Prof. Dr. Werner Georg, first referee: Prof. Dr. Thomas Hinz, second referee: Prof. Dr. Irena Kogan).

I wish to express my gratitude for the numerous suggestions, detailed comments and critical remarks of my scientific supervisor Prof. Dr. Thomas Hinz, whose patience and support helped me to finish this research work. I am also deeply grateful for the most valuable feedback from Dr. Katrin Auspurg, who taught me a great deal about quality of social research and data analysis.

For fruitful discussions on many theoretical issues and challenges of transformation in the post-Soviet countries, I would like to thank Maxim Gatskov, my husband and a social scientist, whose opinion I respect enormously and whose moral encouragement I infinitely esteem.

The empirical data analysis presented in this work is based on the survey data collected as a part of the German Research Foundation research project “The factorial survey as a method for measuring attitudes in population surveys” (Research directors: Prof. Dr. Thomas Hinz, Prof. Dr. Stefan Liebig, Researchers: Dr. Katrin Auspurg, Carsten Sauer, Cooperation Partner: Prof. Dr. Guillermina Jasso. Priority Programme 1292 on Survey Methodology; grant number HI 680/7-1). The financial support of the German Research Foundation for collecting the data in Ukraine is gratefully acknowledged.

I am thankful to the Institute of Sociology of National Academy of Sciences in Ukraine for the assistance in collecting and coding the data and for the kind support of Prof. Dr. Evgeniy Golovakha, Prof. Dr. Andrii Gorbachyk, Dr. Oleksandr Stehniy, Dr. Tetiana Lubyva, and Dr. Tetiana Nikitina.

I would also like to thank the German Academic Exchange Service (DAAD) for financial support in the academic year 2010/2011.

There are many people who contributed to the development of my professional skills and knowledge during writing of this work, among them: Dr. Anne Niedermann, Prof. Dr. Siegfried Gabler, Dr. Matthias Ganning, Dr. Angelika Gloeckner-Rist, Dr. Annelies Blom, Prof. Dr. Alexander Danzer, Dr. Achim Schmillen, Dr. Dana Unger, Miriam Frey,

Dr. Elena Simonchuk, Dr. Olga Kutsenko, and Prof. Dr. Irena Kogan. It has been a great pleasure to exchange knowledge and ideas with these scholars.

Finally, I would like to thank Dr. Barbara Dietz who always encouraged my professional development and supported me during the most difficult last stage of the work. Her inspiring sense of humor is gratefully appreciated and her helpful comments on my text led to many useful improvements.

LIST OF ABBREVIATIONS

ESS	European Social Survey
ISJP	International Social Justice Project
IS NASU	Institute of Sociology of the National Academy of Sciences of Ukraine
ISSP	International Social Survey Programme
Marg. effects	Marginal effects
N	Sample size
SOEP	Socio-Economic Panel
Std. Dev.	Standard Deviation
Std. Err.	Standard Error
WVS	World Values Survey

CHAPTER ONE

INTRODUCTION

Ever since man first applied a work tool to produce an object, mankind has striven to create an ever-greater amount of material wealth so as to make life more comfortable and secure. Together with the production of goods, especially those which resulted from collective work and application of labor division, the question of how to fairly distribute the final products among people involved (as well as not involved) in the production process arose, or, in other words: According to what rules should the resources be allocated to individuals or groups? This question led people to reflections on the nature of distributive justice, which is an important component of a more general idea of social justice. Distributive justice treats a particular type of human relationships, namely, those that define how the benefits and costs of people's activities should be distributed among them.

Nowadays it is widely acknowledged that practically all major spheres of social life are greatly affected by the ideas of distributive justice. In modern democratic societies, governmental programs implementing policies that concern people's access to some kind of goods, services, social positions, privileges, etc., are based on a number of normative rules that are supposed to reflect the diversity of principles of distributive justice that are publicly accepted and recorded in laws. Some of the distributive mechanisms are regulated less formally and depend not only on legislation but also on the personal sense of justice inherent to people involved. Wage negotiations, definition of pensions or assessment of tax rates are a few examples of the typical situations in which distributive justice rules play a crucial role.

Research on distributive justice within the social sciences aims to explain a wide range of social phenomena and processes related to justice issues, such as, for example, actual social inequalities, different kinds of discrimination or inclination to protest actions. In order to explain individual actions and social changes resulting from them, scientists refer to people's justice attitudes.

The focus of the present study is on income justice attitudes in Ukraine, a post-Soviet EU-neighboring state located in the Eastern Europe. While a large body of sociological research examines distributive justice attitudes in Western industrialized democracies, much less is known about justice perception in the post-Soviet states. At the same time, there are many factors that make this region particularly compelling and ripe for studying justice attitudes.

Over the last two decades, massive social transformations have taken place in Ukraine. Dictatorship of the communist party was overcome and new democratic institutions appeared, the new direction of development towards European integration was proclaimed and the centrally planned economy was replaced by the capitalist market regulations. Through multiple reforms, including the reforms of distributive system, a new social environment has been created in Ukrainian society. The implementation of complex reforms was accompanied by abundant social, political and economic problems, such as growing income inequalities, widespread informal economic practices, different sorts of discrimination, weakness of the legal system, social insecurity of citizens and more. The new social conditions emerging as a result of transformation of social institutions provide a unique opportunity to study the link between changing patterns of income inequalities and popular justice attitudes. Understanding the changes of people's justice attitudes in times of transformation helps to understand the transformation itself: "Given that behavior is often strongly conditioned by 'what is perceived' rather than 'what actually exists,' the subjective domain is clearly important in understanding the social transformations in the postcommunist societies" (Alwin, Gorney, Khakhulina 1995: 112).

In the last two decades, several comparative justice studies (e.g., ISJP, ISSP) were conducted in Western capitalist democracies and newly independent states of Central and Eastern Europe to explore the differences in justice perception over the countries with different welfare systems and democratic experiences. This was an important step towards general exploration of justice issues for post-communist countries and a great contribution into the comparative justice research. Ukraine had not participated in large national or international studies on distributive justice issues until 2009, at which time the data collection for the present study took place followed by the first implementation of the ISSP survey on social inequality.

The scarce empirical data and unsatisfactory theoretical elaborations prevented comprehensive studying, understanding and explaining many social phenomena and processes related to distributive justice issues in

Ukraine until now. As a result, the field of distributive justice in Ukraine currently remains almost completely unexplored. The scientific community of post-Soviet countries, having practically no tradition of empirical social research, generally paid little attention to and did not advance much in studying the distributive justice issues in the first two decades after the collapse of the Soviet Union. There are single attempts of empirical research on social inequality and justice problems, however, shortcomings in methodology and mostly descriptive character of reported results point to overall underdevelopment of this field of study. My study aims to fill this gap through detailed examination of distributive justice attitudes of Ukrainian citizens.

In the remainder of the introduction, I clarify three important questions related to the present study: Why is it important to examine the justice attitudes of people and what reasons motivate this research? What are the key concepts to be used in this study? And which methodology should be applied in order to answer the research questions?

1.1 Importance of studying distributive justice

People's justice attitudes and beliefs have multiple implications for a wide range of social phenomena at the societal (macro level), organizational (meso level) and individual level (micro level).

As far as the macro level is concerned, scholars stress among the reasons to study the contrast between reality and justice attitudes of people the suggestion that ideas about what is just figure among the factors that shape the actual distributions of rewards (e.g., Jasso, Webster 1999: 368). Social scientists argue that individual beliefs and ideologies form a feedback for the structural characteristics of societies. A certain level of consensus regarding social and especially distributive justice is one of the premises for achieving legitimacy and stability of political systems (Kluegel, Mason 2004). Discrepancies between justice attitudes across different social groups may lead to growth of the conflict potential and result in confrontation actions, protests, revolutions and overall destabilization of social system. Social change and stability of established order are affected by people's justice attitudes. The history of the world has shown that different kinds of social inequalities that result from an unequal distribution of income, status positions, life chances and other goods persist in a society until they are legitimized by the population. Purposive actions aimed at changing the structure of inequalities take place when people realize that the distribution of goods may be organized in another, more effective or more beneficial way for them. Accordingly,

the degree to which social inequalities are accepted and approved by the population at the micro level is one of the reasons for changes in the structure of social inequalities at the macro level. This is realized through different mechanisms. For example, it is generally acknowledged that beliefs about social justice play an essential role in people's political behavior. If some people think that income differences in a society are too large (and consequently the distribution of income is unjust), they are likely to vote for left-leaning political parties that force income redistribution (Hadler 2005).

The consequences of justice attitudes may be perceived not only at the macro level. At the meso level of organizations and institutions, justice considerations affect the actions and attitudes of people in many respects. Recent empirical studies have established the effect of distributive justice perceptions on the organizational commitment (Clay-Warner, Hegtvedt, Roman 2005) and have confirmed a strong positive relationship between perception of distributive justice and such phenomena as job satisfaction, trust in management, and lower turnover intention of employees (Choi 2011, Cohen-Charash, Spector 2001). S. Liebig (2002a) studying the case of German metallurgical enterprises provides convincing empirical evidence for the importance of justice attitudes of employees to the effective solution of many managerial problems in organizations. The striking example for the real consequences of people's justice perception is described in an experimental study of J. Greenberg (1990), which revealed the "hidden cost of pay cuts." Greenberg studied the effect of the temporary pay cuts on the rate of employees' theft in two enterprises and found out that in both of them, the level of pilfering at work increased after the pay cuts were implemented. Moreover, the effect was stronger at the enterprise where the reasons for such pay cuts were not explained in comparison to the one where employees got detailed explanation of the necessity of this step. Interestingly, the level of theft withdrew to its initial point as the pay returned to its previous level. One may conclude that the reaction of employees was determined by their expectations of relevant compensation for their work and under conditions of not receiving the full pay, people tried to attain the missing portion of their payment by other means. This study shows that the attitudes towards income justice (which refers to the expected level of compensation) as well as procedural justice (which, in this case, is associated with the presence or absence of explanation for the pay cuts) both affected people's reactions.

Behaviorally oriented social scientists following G. Homans (1961) stressed the significance of justice issues at the micro level of a single individual as well. They regarded justice considerations and evaluations as

something one should examine and understand because they can affect person's actions and feelings. Diverse findings point out that individual's justice attitudes tend to be related to subjective perception of the quality of life. For example, empirical studies determine that justice matters are highly relevant for personal happiness, as far as perceived fairness of income inequality in a country is an essential predictor of people's life and job satisfaction (Scher 1997, Oishi, Kesebir, Diener 2011, Sauer, Valet 2013). In addition, a number of studies demonstrated a negative effect of perceived injustice on individual health (e.g., Kivimäki et al. 2003; Spell, Arnold 2007; Bezrukova, Spell, Perry 2010).

Scholars, investigating the link between injustice perception and actions that are motivated by it, state that not every instance of a person desires to have justice restored is followed by appropriate action. Jasso (1986) differentiates between two types of behavior that may follow a justice evaluation: responsive and purposive behavior. The responsive behavior is not aimed at changing the magnitude of injustice perceived. On the contrary, the purposive behavior is designed to alter the unjust situation. The primary interest of the social sciences is directed to the conditions that lead to purposive actions, which are the micro elements of any social situation at the macro and meso levels. Social psychologists argue that if the explanation a person finds for the differential allocation of goods is considered justified (a standard that is acquired through socialization), then the sense of injustice will be muted, even though a person may feel deprived; but, if there will be no excuse found for the violation, the person is likely to desire to restore justice (Karniol, Miller 1981: 81).

One of cases in which individuals are very likely to act in order to restore justice was described by A. deCarufel (1981). The author argued that perceived injustice, accompanied by collective deprivation, may serve as a precondition of a group action. He introduces a term of "fraternal deprivation" to denote a shared perception of group members that one's group was deprived relative to the level of outcomes they felt they deserved (deCarufel 1981: 326). The perception of subjective deprivation of a large number of group members is not enough for the raise of "fraternal deprivation"; the crucial point is the perception of "common fate," which is expressed in belief that other group members are also deprived and which leads to the development of group cohesiveness. After a group has received a potential to act, a triggering event should occur to lead to a collective action. One such triggering event is a sudden shortage of potential resources, which often serves as an incentive for protest and sometimes leads even to violent actions. A provocative action may also

serve as a precipitating event. The group deprivation is likely to appear if the group members compare themselves to other groups with respect to resources available to them. This shared perception of being deprived is likely to develop more quickly in groups in which communication networks among members are more sophisticated.

Summing up, the investigations of justice attitudes and beliefs are not only of scientific interest but are related to many practical issues and may be applied in diverse spheres. Comprehensive empirical studies of justice attitudes provide important information for managers' and policymakers' decisions as far as such studies help to detect the signals for inconsistencies between people's aspirations and actual state of affairs and to predict the success of potential decision implementations.

1.2 Justice perception, attitudes, judgments and beliefs

Justice perception, attitudes, judgments and beliefs are terms I often use in this study. It is common in the social sciences for there to be no unique definition and understanding of such abstract notions. The mentioned notions are not exceptional. Therefore, different scholars use them in different manners and argue about the application of each of them in different contexts, trying to identify the subtle distinctions between these terms. To avoid ambiguity in the meaning of these concepts when using them in this study, I find it useful to specify their content and in this way to clearly indicate the logic of their application.

It is widely acknowledged that injustice occurs if there is a discrepancy between desirability of a person's fate and that to which this person is entitled. In terms of distributive justice, this means that justice is when each person gets his or her due. What is considered as "due" may vary across different conceptions of justice and, hence, across different people, who evaluate a given situation. Political philosophers in their theoretical speculations on social justice argue that the crucial role in deciding on what is just belongs to the general moral principles commonly applied by people in judging on justice. Recent empirical studies provide exhaustive evidence on the existence of such "standards," "principles," or "normative frameworks" that guide respondents' judgments concerning justice of income distribution. Scholars have provided a great amount of literature illustrating application of justice principles under different circumstances in various societies. A specific nature of the justice principles applied in a concrete society is a core question of the majority of distributive justice studies and an important issue in understanding the actual social inequalities. According to a philosophical normative perspective, such

justice principles take the form of intrinsic moral constructions and norms that guide a person's understanding of justice and provide a basis for justice attitudes and beliefs.

The concept of attitudes is rather psychological in nature. This notion describes an evaluative response towards an object or a situation. According to the literature in social psychology, attitudes encompass affective, behavioral and cognitive responses (Bohner, Wänke 2009). For example, an employer may strongly believe that the effort of his workers should be rewarded, because it motivates them to work better (cognitive), he may become happy if the employees are completely devoted to their work (affective), and he may pay higher wages to those who perform better (behavioral). The attitudes may consist entirely from one of these three elements or be inseparably presented by all of them at once. Therefore, it is reasonable to consider attitudes as a summary evaluation of any object or situation. Justice attitudes are subjective phenomena that similarly to justice perceptions on a higher level of generalization provide a substantive aggregate, namely, a normative framework for making justice judgments. Justice attitudes may sometimes be outcomes of justice perception; sometimes vice versa they affect the subjective perception of justice. Attitudes as subjective mental properties are more stable than opinions, however, they are less constant than beliefs.

Beliefs of an individual are stable mental coherent structures that deal with an understanding of phenomena and processes, and relate to how people define and regard them. J. Rydgren (2011: 73) suggests that there are generally six types of the belief formation processes: by observation, by relying on information received from others (including socialization), by inferences that go beyond direct observation, using inductive strategies, by deduction from other beliefs, by adapting beliefs to fit desires (wishful thinking), and by dissonance-reducing mechanisms. Understanding the beliefs' formational mechanisms helps to explain apparent beliefs and to understand people's actions that are motivated by them.

Perceptions relate to how a person observes and perceives reality. Perceptions are ordinarily marked by individual values and cultural environments and therefore do not necessarily reflect the actual state of affairs but the subjective picture of reality in the mind of observer. Generally speaking, any kind of perception is subjective by its nature; however, taken together, perceptions are likely to show some degree of commonality. This happens primarily because, within a society, individuals' perceptions are formed under the same reference points, that is, the context or environment constituted by specific social, economic, political and cultural conditions. Therefore, people living in the same

social system are naturally inclined to analogous opinions or ideas. Justice perception of a single person shows how this person regards the reality from the justice perspective. Prevailing justice perceptions of a society may be conceived as a snapshot capturing the “average” justice perceptions of its people. In this sense, justice perception is a general picture that can be derived from studying the justice attitudes, beliefs, and judgments spread in a society. Perception of social justice forms a basis for justice attitudes and judgments but simultaneously is affected by them. What people consider just or unjust is reflected in their subjective perception of the situation and may result in real actions of these people. This regularity was summarized in the Thomas-Theorem: “If men define situations as real, they are real in their consequences” (Esser 1999: 63).

Justice judgments are manifestations of the sense of justice. They consist of evaluative and emotional components. It is often assumed that justice judgments result from the application of justice principles to a concrete situation or case, however, the process of formulating a judgment involves a mixture of different elements such as individual’s values, understanding of situation, style of expression and personal preferences. Therefore, it is useful to remember that judgments may equally be the result of the expression of beliefs and attitudes as well as the reaction on the external circumstances. To evaluate justice or to judge on it means to put a value on some object, action or situation and to place this object, action or situation in an ordering (ranking). The judgmental process occurs at a preconscious level and is revealed indirectly in the person’s reactions to a given event (Lerner 1981: 13). I use the terms “justice evaluations” and “justice judgments” in the following text synonymously.

1.3 Methodological approach of analytical sociology

Modern social science has accumulated plenty of ways to conduct social research, and the methods to acquire new knowledge are abundant. This diversity yet arouses uncertainty, tensions and discussions among the representatives of “opposite” “non-complementary” approaches. Many leading European and American sociologists (e.g., P. Hedström 2005, A. B. Sørensen 1998, J. Coleman 1986) have subjected to criticism the divergent tendency of social theory and empirical research, which reflected how social research may be performed in two extreme ways. On the one hand, a so-called variable-sociology is considered to be an overly instrumental approach to the investigation of social reality producing numerous descriptions and employing routine tests of parochial correlations. On the other hand, general social theories are not appropriate for being

empirically tested and discussing the social macro phenomena without providing the mechanisms linking them to the micro level. Both approaches poorly contribute to understanding and explaining social phenomena. The critics suggest that “a path must be hewn between the eclectic empiricism of variable-based sociology and often vacuous writings of the ‘grand’ social theorists” (Hedström 2005) and propose an alternative approach in sociologically meaningful middle-range theories that provide explanatory mechanisms for various social phenomena. This approach to sociological theorizing and research is called analytical sociology (Hedström 2005, Hedström, Bearman 2011) and is gradually becoming more influential in empirical social research (examples of the studies using the analytical sociology approach: Petersen 1992, Hedström, Åberg 2005, Auspurg 2010, Polavieja 2012, Young, Weerman 2013). Among others, K. Auspurg (2010) applies the approach of analytical sociology in several empirical studies on social inequalities including a study of people’s distributive justice attitudes.

The core concern of analytical sociology is explanation. Unlike descriptions that seek answers to “what” and “which” questions, the explanation deals with “why” and “how” questions. According to J. Elster, to explain an event is to give an account of why it happened (Elster 2010: 9), or, in other words, to explain why we observe what we observe, why some social phenomena change over time or why and how different social phenomena are interrelated in space and time.

Among three different types of explanation – deductive-nomological, statistical and mechanism-based – analytical sociology considers the latter as the most appropriate for the social science (Hedström 2005: 33). R. Boudon suggests that a “social mechanism” is the well-articulated set of causes responsible for a given social phenomenon and the ultimate causes have the character of being individual decisions (Boudon 1998). In compliance with this statement, P. Hedström and P. Bearman (2011: 8) argue that the basic explanatory principle behind the mechanism approach is that proper explanation identifies the entities, activities, and relations that jointly produce the collective outcome to be explained. Application of this idea to the explanation of social phenomena implies structural individualism. This methodological paradigm assigns a unique explanatory role to individual’s actions and differs from traditional methodological individualism only by emphasizing the effect of the social structures that constitute social environment for individuals’ actions on these actions. Social structures are, in turn, explainable as the outcomes of individual actions. Summing up, the structural individualism refers to the idea of explanation of macro phenomena by addressing the micro level of

individual actions that are structured by the situations in which individuals act (Esser 1999: 27).

According to one of the most outstanding representatives of the outlined approach P. Hedström (2005), the distinctive features of the analytical sociology are as follows:

1. Explanation. Middle-range theories¹ should provide mechanisms that form a basis for understanding of why we observe social phenomena that we observe.
2. Dissection and abstraction. In order to analyze a social phenomenon, the first step is to it into its constituent elements, which are entities and activities. The most essential elements should then been brought into focus.
3. Precision and clarity of theories and notions. Vague and ambiguous notions and ideas should be avoided in order to explain the social phenomena by developing a mechanism-based explanation. R. Boudon called such terms “black boxes,” which are concepts that only seem to explain a social phenomenon but which in fact are not its final causes. These terms are actually in need of analysis and decomposition themselves.
4. Focus on actions. Explaining actions of concrete individuals on a micro level is an intermediate and central step in the explanatory strategy that will further lead to the explanation of a social phenomenon under consideration.

To outline the idea of my research in the context of analytical paradigms, I refer to the basic model of the logic of explanation developed and discussed in the writings of R. Boudon (1998), J. Coleman (1986, 1994), J. Elster (2010), H. Esser² (1993, 1999), P. Hedström (2005), T. Schelling (1978), and others.

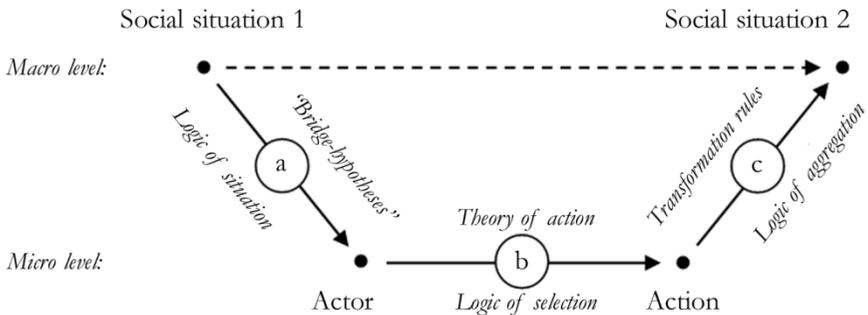
Following J. Coleman (1994), P. Hedström, R. Swedberg (1998) and H. Esser (1999, 1993), figure 1.1 displays the basic model of sociological

¹ This notion is understood in terms of R. Merton approach. More on middle-range theories can be found in Merton (1967).

² One of the most detailed and thorough descriptions of the logic of explanation in terms of analytical sociology paradigm is provided by a modern German sociologist Hartmut Esser, who stresses the importance and status of mechanism-based explanation in the social sciences in his works “Sociology: general fundamentals” (Esser 1999) and “Sociology: special fundamentals.” Vol. 1 (Esser 1993).

explanation. This scheme is also called macro-micro-macro model, because it links the two observable macro phenomena via micro level of individuals' actions. As Figure 1.1 demonstrates, social situation 1 is considered to be a cause of the social situation 2, which is in fact the social outcome a researcher intends to explain. Each of the arrows (a, b, and c) indicates the type of a mechanism in sociological explanation: a) refers to situational mechanisms, b) – to action-formation or behavioral mechanisms, and c) – to transformational mechanisms.

Figure 1.1 Basic model of sociological explanation



This scheme implies that to explain a social phenomenon (social situation 2), a researcher has to uncover three different mechanisms that describe respectively how social environment influences individuals and forms their beliefs, expectations and judgments (a), how individuals make decisions and select their actions (b), and why acting as they do, they bring about the social phenomenon a researcher intends to explain (c).

The first step of the explanation is reconstruction of the social situation, which an actor believes (s)he is confronted with. The micro-level construct "actor" is understood as a system of individual's subjective beliefs, expectations, and judgments. They are defined by both external and internal conditions, which make up objective and subjective framework of individual actions. This special kind of association between the macro and micro level is called "logic of the situation," and it is reconstructed in descriptions of social conditions by use of the so-called "bridge-hypotheses" (Esser 1993: 94) that describe the constructs of the "first order": individual perceptions of the situation. Situational mechanisms explain how specific macro level situations affect individual attitudes, values, expectations and judgments.

The second step of explanation located on the micro level is described by the logic of selection, which is concerned with individual

desires/interests, beliefs, motives and action opportunities/restrictions that generate a certain action. In this stage, theories of action (such as DBO theory (Hedström 2005), “Wert-Erwartungstheorie” (Esser 1993, 1999), diverse applications of rational choice and game theories, etc.) are of fundamental importance for the explanation of individual actions.

The link between micro level of actions and macro level of the resulting social situation forms the last third step of the basic explanation scheme and is called the logic of aggregation. It is described by the aggregative transformation of the consequences of individual actions. This is one of the most complicated link of the explanation, because, as T. Schelling suggests, the “situations, in which people’s behavior or people’s choices depend on the behavior or the choices of other people, are the ones that usually don’t permit any simple summation or extrapolation of the aggregates. To make that connection we usually have to look at the *system of interaction* between individuals and their environment, that is, between individuals and other individuals and the collectivity” (Schelling 1978: 14). This means that the general and formal rules of aggregation, which links the microlevel of individual’s actions to the macrolevel of social phenomena, should primarily take into account the nature of the individuals’ interrelations. The logic of aggregation could be expressed in the form of special transformational mechanisms (e.g., Schelling’s tipping model (Schelling 1978), models of the classic game theory, neoclassical market models, models of collective behavior (Granovetter, Soong 1983, Hedström 1994) etc.). Analyzing social phenomena as outcomes of the actions of interacting people implies agent-based modeling – a theoretical tool used to assess how diverse action logics and interaction structures bring about social phenomena of different kind. The first two stages of the explanation scheme (figure 1.1, arrows *a* and *b*) often belong to the focuses of empirical quantitative research, but the third one traditionally constitutes the domain of pure theorizing. However, Y. Åberg and P. Hedström demonstrate how agent-based modeling may be combined fruitfully with quantitative research in their study on transition out of unemployment (Hedström, Åberg 2005).

To sum up, the central task of social research according to the analytical sociology approach is to explain the social outcomes of individuals’ actions. The typical research questions that imply the explanation of social outcomes explicitly interesting for the social science may, for example, be formulated as follows: Why do people evade paying taxes? Why do women receive lower wages than men for the same jobs? Why does everyday corruption flourish in the post-Soviet countries? Tax evasion, gender wage gap or corruption are all the macro level phenomena

that a researcher may seek to explain. The common issue of all these phenomena is that they are all related, to some extent, to the distributive justice beliefs of people. If people believe that paying taxes does not contribute to their common wealth and that injustice occurs when the state takes away their “honestly earned money,” they are going to avoid paying taxes even under the risk of being punished. If people are convinced that female workers deserve less money for their job than their male counterparts do, they will pay smaller wages to women. If people can justify their taking bribes for the services they are supposed and empowered to provide, they are likely to be corrupt. Each of these cases has many nuances that can be accounted for only in thorough analysis of the three types of mechanisms: situational, behavioral and transformational. Nevertheless, the role of justice attitudes and beliefs has an essential importance for the explanation of these social outcomes as one of the basic elements of the micro level. R. Boudon argued that “Analyzing social mechanisms requires – at least ideally – making them the outcomes of the individual beliefs, actions, attitudes, and so on. Consequently, a final account of a social mechanism is reached when these beliefs, actions, and attitudes can themselves be explained” (Boudon 1998: 199). I can rephrase and summarize this idea as follows: in order to explain social outcomes, we have to explain people’s actions. To do so, we need to take people’s attitudes and beliefs into account. This implies that we first need to explain how people’s attitudes and beliefs are formed and shaped by the social context in which people are embedded.

Distributive justice attitudes and beliefs in Ukraine are the subject of explanation in this study. My present research focuses on the first explanation step of the basic model and systematically explores the situational mechanisms that bring about distributive justice attitudes and beliefs of Ukrainian citizens. This study does not claim to go beyond this purpose and to ultimately explain any macro level phenomenon caused by the people’s actions motivated by the justice beliefs, nor does it claim to provide an account for selection and execution of such actions. This study seeks to form a solid ground for further research on these and other questions by explaining the structural impact of the social situation on the formation of actual distributive justice attitudes in Ukraine.

Taking into account the absence of any empirical information on the character of justice principles that rule people’s judgment of just incomes in Ukraine, I am entering to some extent *terra incognita* by formulating and testing the bridge-hypotheses about the influence of the social context on the justice attitudes of Ukrainians. The aim of this study is to clarify the way people perceive and understand distributive justice in Ukrainian

society and to shed light on the principles actually applied by people while defining just incomes. Hence, the central question I am answering in this work is this: Why do Ukrainians have the justice attitudes they have?

To understand and explain the justice attitudes of Ukrainians comprehensively, it is necessary to consider them from two complementary perspectives. First is the perspective “from inside,” which implies that the formation of justice attitudes is analyzed in the context of the current social situation in Ukraine. The second perspective is “from outside,” which stresses some important features of the justice attitudes in Ukraine by comparing them with justice attitudes in another country providing a different context of social institutions to its citizens.

The perspective of inside presupposes focus on shared beliefs and attitudes of people as well as comparison of these beliefs and attitudes across population groups within the society. On the other hand, some of the apparent salencies of justice attitudes that result from the difference of social structures in which people are embedded can be captured better if one refers additionally to the social structure and justice attitudes in a reference society. This means that some of hypotheses derived from the adaptation and other theories may be tested only through comparative analysis. Thus, my research strategy employs two investigation approaches, which I call contextual and comparative perspectives.

Seeking an answer for the central research question of this study from the contextual perspective implies treatment of the following questions: Does a normative structure for making judgments about income distribution justice exist in Ukraine? Which income inequalities are considered just/unjust by the people? Which justice principles prevail while judging the just incomes? How much consensus about the justice principles exists in Ukrainian society among various social groups? In order to provide answers to these questions, a well-founded theoretical background as well as a thorough analysis of the social processes related to structural transformation in post-Soviet Ukraine is needed.

The comparative perspective of the present study deals with an analysis of institutional differences and their effect on the justice attitudes within two different societies. As a reference country, the case of Germany is considered. This country seems to be an appropriate point of reference for at least two reasons. First, as far as the independent Ukraine proclaimed democratization as the primary goal of its political development and officially declared an intention to pursue the course of European integration, it is particularly interesting to assess the disparities in justice attitudes present in Ukraine (a post-Soviet transforming society) and Germany (one of the most developed capitalist European countries).

The second reason is that recent German sociological research provides several state-of-the-art empirical studies investigating justice attitudes of citizens. The availability of this important empirical material allows for testing the diverse effects of institutional environment on the people's justice attitudes and consequently helps to present more sophisticated analysis of income justice perception in Ukraine. The principal questions within the comparative perspective of my study are as follows: How are people's attitudes concerning principles of just earnings' distribution shaped by the social structure of society? What are the main differences in distributive justice perception in Ukraine and Germany? What are the determinants of the apparent differences?

1.4 Plan of the study

In order to answer the research questions posed above and to examine the complex field of distributive justice attitudes in Ukraine, the following chapters present a set of steps for empirical social research.

In chapter two, "Normative theories of distributive justice," I begin with a brief discussion of the philosophical-normative and empirically oriented social science traditions in the social justice studies and present an overview of the most salient theoretical approaches in this field. By discussing and ordering the diverse philosophical approaches to the idea of distributive justice, my intention is not to contribute to the elaboration of some new taxonomy or provide a comprehensive analysis of the philosophical idea of social justice but rather to give a systematic and brief insight into the long tradition of the development of the distributive justice concept as well as to stress the ideas that form the theoretical background of my study. I draw upon some of the relevant theories of political philosophy and provide arguments in favor of multiprinciple justice approach, which forms the basic part of the theoretical framework in my research. The concluding part of this chapter summarizes some of the most important elements of the justice theories reviewed, namely those statements that constitute a point of departure for my empirical analysis.

Contrary to many scholars, I believe that normative philosophical approach in justice studies and empirically oriented social research in this field can be fruitfully combined and benefit one another. At the same time, though the understanding of the justice concept in political philosophy is an important component of the present research, it should be understood that this work is an example of empirical justice study and therefore special attention is paid to empirical findings of the social science. Thus, in the third chapter, "Empirical distributive justice research," I proceed

with a review of the recent empirical studies of the justice attitudes and beliefs. Special focus is turned to the social justice research in post-Soviet states. Apart from the research questions and recent findings of the distributive justice studies, I consider the methods applied for examining the justice attitudes, beliefs and judgments including classic approach of attitudes measurement and innovative technique of factorial survey. The factorial survey method was developed by P. Rossi to capture and assess the influence of multiple factors on the dependent variable separately, which, as a rule, measures a specific kind of attitudes, norms or beliefs. After presenting the method, I discuss its advantages and disadvantages and briefly identify the reasons for the choice of factorial survey design as a method for data collection in my study.

In the fourth chapter, "Middle range theories and the explanation of justice attitudes," I review a number of theories that are useful for hypotheses formulation. These theories encompass the following: human capital theory, labor market theory, rational choice theory, socialization theory, theory of cognitive dissonance and some others. The essential statements of these theories are taken as a point of departure to form general propositions about justice attitudes formation.

Chapter five, "Ukrainian context," provides background information on the current Ukrainian socio-economic situation, real income inequalities, poverty level, and salient features of income distribution process in the country. Additionally, I depict the major characteristics of the educational system and labor market entrance as well as political culture of post-Soviet Ukraine. The concluding section of this chapter combines the information on the specific external conditions of Ukraine as a basis for the belief formation with the general propositions of the rational choice, human capital, socialization, adaptation, labor market and other theories. In this way, I formulate the concrete, empirically testable propositions (hypotheses) that are treated in the following chapters.

The sixth chapter, "Research design of Ukrainian study," presents the research design of an empirical study conducted in Ukraine in 2009. The factorial survey method was applied to attain the dataset of 1799 respondents, which forms a basis for statistical analyses performed in the next chapter. I describe in detail a questionnaire design, pretest and data collection procedure.

Chapter seven, "Contextual perspective: distributive justice evaluations in Ukraine," comprehensively treats the contextual perspective of the empirical analysis of justice attitudes in Ukraine and contains the major part of the research findings. I start with the general description of main results concerning the perceived just and unjust inequalities in Ukraine.

Further, I assess a relative weigh of the factors that represent need, merit and equality justice principles for the respondent's justice evaluations. Moreover, this chapter focuses on more specific aspects of justice perception, including gender-related justice attitudes, balance of justice principles in judgments of Ukrainians, and the degree of consensus regarding justice principles across different population groups. In the last section of the chapter, I assess in absolute terms the just amounts of earnings associated with various occupational positions, individual and family characteristics using the G. Jasso's approach.

The following chapter, "Comparative perspective: justice attitudes in Ukraine and Germany," is devoted to the comparison of justice attitudes in two societies: Ukraine and Germany. The cross-national perspective is applied in the current study to test a hypothesis assuming the shaping effect of actual distributive practices in a particular society on the justice attitudes of the citizens. In this chapter, I explore the extent to which income distribution mechanisms and institutional environment shape people's justice attitudes in the context of different social structures.

In the concluding chapter of the book, I briefly summarize the most important results of my study, discuss possible interpretations of these results and provide a plausible explanation of the most striking findings.

CHAPTER TWO

NORMATIVE THEORIES OF DISTRIBUTIVE JUSTICE

According to the tradition established in the field of distributive justice research, there are two fundamental orientations of study known as the philosophical normative and empirical social science approaches. The normative approach is reflected in political philosophy and aims to specify the situation that “ought to be,” that is, to determine the basic principles that should regulate the distribution of goods in a society in terms of either overall distribution of goods, or attribution of a just reward to an individual (Raphael 2001, Baum 2004).

On the other hand, empirical approach deals with “is” conditions and examines existing rules and principles of resource distribution as well as peoples’ beliefs and judgments concerning justice of such principles (Sabbagh 2002, Liebig 2001, Elster 1995). One of the central questions in empirical justice research is this: What do people think is just? This approach differs substantially from the philosophical perspective, since it does not understand justice judgments as impartial statements. On the contrary, it recognizes that subjective justice judgments are based on the personal preferences and not necessarily on the ethical (moral) beliefs. The empirical approach shows how people judge justice under different circumstances in various situations, how justice attitudes are formed and the consequences of the justice attitudes for individual behavior. The primary interest of the empirical research tradition is thus people’s subjective understanding of justice, which is deemed to be the most relevant for their social behavior.

Some scholars argue that both philosophical normative and empirical social science approaches have something to learn from each other and that the combination of these two traditions in justice research may lead to fruitful results (Liebig 2002b: 77). In my view, the normative justice theories can provide important basis for empirical research. They create a theoretical framework, which, in association with middle-range sociological theories, enables formulation of testable hypotheses. In this chapter, I