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ABSTRACT

A causal relationship between economic development and social inequality has long been hypothesized in both economics and sociology. Given the rapid economic growth in contemporary China, how do ordinary Chinese view this relationship? We hypothesize that because the Chinese have recently experienced rapid increases in both economic growth and social inequality, they tend to view economic development as a driving force of social inequality. As a result, individual Chinese, with this causal model in mind, will simply project high levels of inequality onto countries they view as more developed and low levels of inequality onto countries they see as less developed. Using data from a 2006 survey conducted in six Chinese provinces (n = 4,898), we found that a large fraction of Chinese people rated inequality in a country in correspondence to their rating of economic development in the same country. However, while their ratings of economic development resemble those published by the United Nations based on social science data, their ratings of inequality do not match those of the United Nations.

INTRODUCTION

By all indicators, the Chinese economy has been growing rapidly in the last thirty years. Between 1978 and 2006, for example, China's GDP increased at an average rate of 9.8% per year after adjusting for inflation (calculated from State Statistical Bureau 2006, Table 3.3). This is a very high level of economic development for a sustained period of time. Factoring in the huge population size of China (currently at 1.3 billion), the scale and the pace of economic development still underway in China is staggering.

Accompanying the rapid economic growth in China since 1978 has been a sharp rise in economic inequality (Hauser and Xie 2005; Khan and Riskin 1998). It has been estimated that the Gini index, a standard measure of income inequality, jumped steadily from 0.310 in 1985 to 0.415 in 2001 in China (Wu and Perloff 2005). Much of the existing literature in sociology on temporary China has focused on social inequality in the past fifteen years (for a review, see Bian 2002), attempting to address the distributional question of "who wins and who loses" during the transition (Wu and Xie 2003, p.427). More recently, research effort has been made to understand Chinese attitudes toward inequality (Whyte 2005). Earlier work suggests that while ordinary Chinese are alarmed by the rising levels of inequality, they are concerned more with the perceived unfairness of inequality than with the high levels of inequality (Whyte 2005; Xie and Hannum 1996; Xie and Wu 2008; Zeng and Yue 2006; Zhao 1994).

In this paper, we are interested in whether Chinese people's attitudes towards social inequality are shaped by China's recent history of experiencing rapid increases in both economic development and social inequality. A working hypothesis is that many Chinese people may consider social inequality as an inevitable byproduct of economic development based on China's recent history. To address this research question, we measure and examine how ordinary Chinese view the relationship between economic development and social inequality through a 2006 social survey asking respondents to rate economic development and inequality levels in five countries.

THEORETICAL ISSUES

Social Inequality and Economic Development

Social scientists have long been interested in the causal relationship between economic development and social inequality. In both sociological and economics literature, the prevailing view is that in the long term as a society undergoes economic development, we expect to observe an inverted-U trajectory in social inequality: inequality first increases with economic development but will eventually level off and even decline as the society is sufficiently developed. This prediction was essentially the same as Karl Marx's grand view of human history, with equality under communism at its end. Lenski's (1984) widely used text on social stratification reached the same conclusion, as it hypothesized that advanced societies can afford to pay for the welfare of all citizens through redistribution.

Economics literature on development has reached the same prediction but for different reasons. One dominant view is Kuznets's (1955) thesis that inequality follows an inverted-U shape: inequality initially rises in the early and intermediate stages of development and then eventually declines with continued development. Kuznets conjectures that the development of an industrial sector with higher wages than the rural sector draws workers away from the agricultural sector. Initially, workers in the industrial sector are scarce and enjoy a large wage premium, increasing income inequality. As increasing numbers of workers switch from the agricultural to the industrial sector, the industrial wage falls, while the agricultural wage increases as agricultural workers become increasingly scarce. As a result, income inequality falls. Besides the development of an industrial sector (and accompanying urbanization), there are two other major economic reasons why economic development (especially rapid economic development) can initially lead to high levels of inequality. First, educated members of the labor force are always in short supply in times of economic development, because it takes time and societal investment to educate the next generation of workers. Second, "Individuals who are more efficient resource allocators (in other words, educated individuals) will be better able to take advantage of the changed opportunity sets" (Chiswick 1971, p.28).   For these two reasons, returns to education increase during times of rapid economic development, and these increases in turn raise the overall level of inequality. For example, earlier work on Brazil, which has one of the highest levels of inequality in the world (shown later in Table 1), reveals that most of the very high level of inequality there is attributable to very high returns to education (Fishlow 1972; Lam and Levison 1992). An increase in returns to human capital has also been tied to rising income inequality during the British Industrial Revolution (Williamson 1991). In fact, it has been suggested that empirical evidence for the Kuznets curve is more often due to inter-occupational wage differences resulting from increases in the returns to education or skills, than to the inter-sectoral wage differences originally described by Kuznets. The skill premium gradually diminishes as the labor force becomes more skilled, resulting in a reduction of income inequality (Barro 2000).

It is unclear whether empirical data support the conjecture that economic development in developing countries always leads to an increase in inequality. While this conjecture is consistent with the experiences of some countries such as Brazil (Fishlow 1972), Taiwan's recent history has clearly proven the opposite: Gini coefficients dropped gradually from 0.321 to 0.277 between 1964 and 1980, a period of rapid economic development in Taiwan, and it then climbed steadily to 0.312 in 1990 (Executive Yuan 1990, p.15). More generally, there has been a debate within the economics of development literature as to the validity of the Kuznets curve as a model to explain within-country temporal differences in growth rates, rather than differences between countries at a given time. Studies that use longitudinal datasets to test Kuznets's hypothesis have not consistently found evidence to support it. Even when the Kuznets inverted-U is observed, it explains little of the variation in income inequality across countries or over time (Deininger and Squire 1998; Barro 2000).

However generalizable the inverted-U conjecture may or may not be, it does fit the recent trends in contemporary China. While China has experienced very rapid economic growth since 1978, ample evidence also suggests that social inequality has increased significantly in China (see Hauser and Xie 2005). One study estimates that the Gini Inequality index in China jumped steadily from 0.310 in 1985 to 0.415 in 2001 (Wu and Perloff 2005). Indeed, social inequality has become one of the most frequently discussed topics that concern the public in China in recent years (Whyte 2005; Wong and Lee 2000). Chinese media, particularly print and internet media, are also fond of discussions on social inequality, although the public concern is much more with perceived unfairness and its institutional mechanisms, such as corruption, rather than with high levels of inequality (Sun 2008; Zeng and Yue 2006; Zhao 1994).

We hypothesize that because of recent rapid increases in both economic growth and social inequality in China, individual Chinese will tend to experience these two factors as causally linked, with economic development driving inequality. It is conjectured that individual Chinese, with this causal model in mind, will simply project high levels of inequality onto countries they view as more developed and project low levels of inequality onto countries perceived as less developed. If this is true, their ratings on inequality would correspond to ratings on development.

Developmental Idealism

In essence, we are interested in the extent to which Chinese people's perception of a country's level of social inequality corresponds to their perceived level of the country's economic development. An underlying assumption is that Chinese people understand economic development as an essential feature of a society and its social consequences and are knowledgeable about the levels of development in many countries in the world. This assumption is rooted in an ideology, or intellectual paradigm that has been widely accepted since the 1600s, which Thornton (2001, 2005) calls "developmental idealism."

The developmental idealism paradigm suggests that all societies progress through the same natural, universal, and necessary stages of development (for detailed discussions, see Burrow 1981; Harris 1968; Mandelbaum 1971; Nisbet 1969; Sanderson 1990; Smith 1973; Stocking 1968, 1987). The speed of advancement was believed to vary so that at any one point in time societies at different developmental levels could be observed. Thus, cross-sectional variation across societies is used to infer the nature of developmental trajectories across time.

Previous research has shown that developmental thinking is both widespread and influential among ordinary people. Survey research in Africa, India, Argentina, Nepal, and New Guinea reveals that ordinary people use the developmental idealism framework in evaluating various attributes and behaviors (Ahearn 2001; Amin 1989; Blaut 1993; Caldwell et al. 1988; Dahl and Rabo 1992; Pigg 1992; Thornton, Binstock, and Ghimire 2004;). In these disparate countries, respondents all have a basic understanding of the term "development" and are able to rank a given

set of countries on a development scale. At least on average and in terms of rank-ordering, their rankings closely resemble those reported by international agencies such as the United Nations. As will be shown later, Chinese are no exception, as they are also knowledgeable about development and are able to rank countries on a development scale. This is true because development has become a key feature of a society under the influence of the prevailing developmental idealism paradigm. However, inequality is not a widely known feature of a society. Instead, we argue that ordinary people may derive their understanding of inequality as a secondary feature from their understanding of the relationship between development and inequality.

The "Societal Projection" Hypothesis

In general, how do individuals form opinions about other societies with which they have no direct contact? They necessarily learn through indirect means. We note two special characteristics of all indirect means of knowledge transmission. First, information must initially be processed by other persons and then communicated through such channels as formal education, popular media, and experiential accounts. Second, indirect knowledge about other countries is necessarily fragmented and vague, often requiring cognitive simplifications to be made meaningful to the knowledge acquirer.

By enabling simplification, categorization plays an essential role for indirect learning about other societies. Categorization is necessary for any cognitive process because the human mind needs it to generalize from limited information to unknown situations and to cope with a real world that is too complicated and uncertain to be fully comprehended. Thus, categorization leads to what March and Simon (1958) call "programming" solutions, those which are satisfactory but not necessarily optimal. Needless to say, categorization means overlooking within-category differences and thus naive simplifications. In psychologist Allport's (1954, p.9) words, "Overcategorization is perhaps the commonest trick of the human mind." Indeed, Allport argued that the root cause of prejudice is the cognitive need for categorization, which he accepted as unavoidable (p.19).

Although Allport studied prejudice based on social categories such as race and gender, his work on the cognitive process is useful for this study on subjective beliefs about inequality in China. In this study, we not only draw parallels between opinion formation about unknown characteristics of other social groups and opinion formation about unknown characteristics of other countries; we also directly borrow two of Allport's concrete ideas. First, Allport suggested that humans tend to focus on salient features, "visible" differences across social groups, and make associations between the visible features and other attributes for which there is a lack of reliable information. He called this the "condensation of attitudes around visible cues" (p.133). Second, under the heading of "direct projection" (p.364), he argued that humans tend to project to others their own attributes and feelings. We emphasize that both "condensation of attitudes" and "direct

projection" occur because the cognitive process deals with limited information and thus needs simplification to render meaning.

Let us now apply these ideas to understanding how ordinary Chinese persons estimate the level of inequality and other features of alien societies. We know that ordinary Chinese have little or no direct contact with other societies and thus have no direct knowledge about them. Thus, they need to simplify their understanding of other societies by means of categorization based on available visible cues. In forming opinions about alien societies, individual Chinese rely heavily on their presumed knowledge about a particular society's level of economic development and draw inferences about other features from this knowledge, making projections from their own understanding of the relationship between economic development and other aspects of a society. For the sake of brevity, we call this hypothesis "Societal Projection."

Some clarifications are in order. First, as already stated, many Chinese may have little or no accurate knowledge about the levels of economic development in many societies. Their knowledge may be accurate for some societies but wrong for others. This is a testable proposition, since objective ratings of development exit. We can compare respondents' ratings of development to those constructed by experts at international organizations, such as the United Nations. The question is how closely the subjective rankings of development for a set of countries approximate those published by international organizations. Second, individual Chinese may not understand all features of other societies equally well. Because of the prevalence of the developmental paradigm both within China and elsewhere, when Chinese are questioned on some of the less salient features of a society, they may tend to base their ideas about these features, concerning which they lack any real knowledge, on their understanding of that society's level of development. Further, because Chinese society has recently experienced rapid increases in both economic development and social inequality, Chinese individuals tend to project their own unique experience onto the rest of the world, ranking inequality levels as high for highly developed countries and low for less developed countries.

DATA AND METHODS

We conducted a social survey in 2006 with key items designed to address our research question. A probability sample was drawn using a multi-stage, stratified, systematic sampling method. From a total of 31 provinces, autonomous regions, and directly governed municipalities, six were chosen: Beijing, Hebei, Qinghai, Hubei, Sichuan, and Guangdong, representing China's diversity in geography, level of development, and the urban/rural divide. Within each province (or its equivalent), 3 counties (or equivalent units in urban areas) were randomly selected. With each selected county (or its equivalent), 6 villages (or neighborhood communities in urban areas) were randomly selected. Within each village (or neighborhood community), 30-50 households were randomly selected. The study then randomly selected a married respondent of reproductive age (15-49), as the survey was also designed to gather information about family planning policies. Out

of a total of 5,400 attempted interviews, 4,898 interviews were successfully conducted, yielding a response rate of 90.7%. Of the 4,898 interviews, 1,845 were urban and 3,053 were rural respondents. The survey was conducted through face-to-face interviews in May 2006. For brevity, we refer to this survey as the "2006 Six Chinese Province Survey." Key survey items for this study are given in English in the Appendix.

A key survey item is the **Development Scale** (item 7.7 in Appendix). The interviewer asked the respondent to rate the level of development in five countries using a scale from zero to ten: China, Japan, Brazil, United States, and Pakistan, with 10 representing the most developed and 0 representing the least developed country. We compared the respondents' responses to ratings given by the United Nations (2006). To study the respondent's attitudes towards inequality, we also designed and implemented an **Economic Inequality Scale** (item 7.6, Appendix). It asked the respondents to rate their level of inequality for the same five countries on a 0-10 scale. We then compare their responses to Gini coefficients that measure the actual level of income inequality in the five countries. While some respondents had difficulty performing the task due to their unfamiliarity with all the countries about which they were asked, the number of cases missing on the items is remarkably small. Across the ten ratings (two scales for five countries), 71 did not provide all ratings, with more than half of them (42) not even rating China. Thus, most respondents had no difficulty complying with this request. Some respondents actually reported that they enjoyed the exercise. The results reported in Tables 1 through 3 are based on the 4,814 interviews that provided valid answers to the two scales.

Our third key item asked the respondents to compare the income levels for "typical workers in three occupations across three countries" (item 7.8 in Appendix). The three occupations were the following: medical doctor, defined as "a well-trained surgeon working in a county's major hospital; carpenter, defined as "a worker who makes custom-made home furniture; and peasant, defined as "an ordinary agricultural worker who produces grain for subsistence." The three countries compared were the United States, China, and Pakistan, a subset of the five countries rated in the first two items. We fixed the income for a typical carpenter in China to 10,000 yuan RMB per year and asked the respondents to guess the income for the other eight occupation-country combinations (1 yuan was worth roughly 1/8 U.S. dollar in 2006). The rationale behind this item was to test whether and how respondents would project their understanding of income inequality by occupation in China relative to that in other countries.

RESULTS

Our analyses of the six-province survey have yielded interesting findings that bear on the question of how ordinary Chinese today perceive the relationship between development and inequality. First of all, Chinese respondents' ratings of levels of economic development for the five different countries closely resemble the ratings given by the United Nations (2006), shown in the first two columns of Table 1. For example, the U.S. was rated 9.19 on a 0-10 scale by the

respondents, a number very close to 0.948 rated by the United Nations (UN) on a 0-1 scale. The other three countries received lower scores relative to the UN ratings, but the relative pattern holds true: the U.S. and Japan are the highest, followed by China and Brazil in the middle, with Pakistan at the bottom. Two instances of discrepancy between the two sets of ratings are present. First, Chinese tend to underrate Japan (or overrate the U.S.): While the U.S. and Japan are rated very similarly by the UN, the Chinese respondents gave a much higher score to the U.S. (9.19) than to Japan (7.79). Second, Chinese seem also to underrate Brazil slightly: Brazil is rated slightly higher than China by the UN (0.792 versus 0.768) but slightly lower by the respondents in our survey (5.49 versus 5.56).[1]

Table 1: Respondents' Ratings of Five Countries on Levels of Development and Inequality, in Comparison to UN Ratings

Country	Average Rating of Development (0-10)	UN Rating of Development (0-1)	Average Rating of Inequality (0-10)	UN Rating of Inequality (Gini, 0-1)
China	5.56	0.768	6.25	0.447
Japan	7.79	0.949	5.92	0.249
Brazil	5.49	0.792	5.47	0.580
U.S.	9.19	0.948	6.81	0.408
Pakistan	3.80	0.539	5.07	0.306

Source: 2006 Six Chinese Province Survey (n = 4,814) and United Nations' (2006) *Human Development Report.*

Second, ordinary Chinese's average ratings of inequality levels in the five countries (third column) resemble more closely their average ratings of development than actual inequality measures, Gini coefficients, reported by the United Nations (2006) (fourth column). Specifically, they rated the U.S. at the top, Japan, China, and Brazil in the middle, and Pakistan at the bottom. Comparing their subjective rankings on inequality contrast with objective measures of the United Nations (2006), we observe that Chinese respondents generally believe, incorrectly, that social inequality is higher in the United States and lower in Brazil than in China. This result suggests that ordinary persons in China do not have a good knowledge of inequality levels in an international context. When asked about inequality levels in unfamiliar countries, they try their

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[1] These two discrepancies can simply be attributable to sampling error, as the differences in ratings in our survey between the U.S. and Japan and between China and Brazil are not statistically significant.

best to formulate guesses based on salient cues – development levels in this case. As we will show later, this guesswork, to a significant extent, involves projection from their own ideas about the relationship between development and inequality. Thus, their perceptions of inequality in other countries reflect their own local experiences more than their actual knowledge about inequality in these countries.

Given the likely individual differences in numerical responses to the two scales, we now focus on the information in response patterns revealed through the rank-ordering of the numerical responses. For five countries, there can be a total of 120 (5!) possible rank-ordered combinations. In Table 2, we list the four prevalent patterns: (1) U.S. ≥ Japan ≥ Brazil ≥ China ≥ Pakistan, (2) U.S. ≥ Japan ≥ China ≥ Brazil ≥ Pakistan, (3) Japan ≥ U.S. ≥ Brazil ≥ China ≥ Pakistan, and (4) Japan ≥ U.S. ≥ China ≥ Brazil ≥ Pakistan.[2] Together, these four patterns account for 71.62 percent of all respondents in our data. The first two patterns are particularly popular, chosen by 34.11 and 33.96 percent respectively of the respondents. Patterns 3 and 4 are chosen by much smaller percentages of respondents, at 2.18 and 1.37 percent respectively. These results show that Chinese tend to rate the U.S. as more developed than Japan, but they are equally divided in rating China in contrast with Brazil. Allowing for measurement errors in the UN ratings, we can consider the four patterns of responses as roughly consistent with the objective measures. Thus, the results in Table 2 confirm an earlier finding from Table 1 that most Chinese are able to accurately rate the five countries in terms of development level.

Table 2: Main Response Patterns of Development Rating

Pattern Number	Description of Ranking Order	Percentage	Cumulative Percentage
1	US Japan Brazil China Pakistan	34.11	34.11
2	US Japan China Brazil Pakistan	33.96	68.07
3	Japan US Brazil China Pakistan	2.18	70.25
4	Japan US China Brazil Pakistan	1.37	71.62
5	All 116 Remaining Other Combinations	28.38	100.00

Source: 2006 Six Chinese Province Survey (n = 4,814).

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[2] For convenience, we made the classification mutually exclusive in the results reported here. If a respondent could be classified as fitting more than one pattern due to equality conditions, we gave priority to the pattern with the lower number.

We next examine response patterns to the inequality scale. Our treatment of these patterns is different from our treatment of response patterns to the development scale, because it is hypothesized earlier that respondents' responses to the inequality questions are derivative of their responses to the development questions. Although a positive relationship is expected from the societal projection hypothesis, we also allow, for symmetry, the derivative relationship to be negative in the analysis. The results are reported in Table 3.

Table 3: Main Response Patterns of Inequality Rating by Response Patterns to Development Rating

	Inequality Response Pattern	Response Pattern to Development Rating					Total
Number	Description	1	2	3	4	5	
1	US Japan Brazil China Pakistan	25.58	8.32	6.67	3.03	8.42	14.13
2	US Japan China Brazil Pakistan	7.43	31.31	4.76	16.67	9.96	16.33
3	Japan US Brazil China Pakistan	0.43	0.67	8.57	3.03	0.29	0.69
4	Japan US China Brazil Pakistan	0.30	0.61	11.43	4.55	0.44	0.50
6	Reverse of Pattern 1	12.61	3.55	0.00	0.00	3.51	6.75
7	Reverse of Pattern 2	3.59	10.28	5.71	4.55	2.20	5.53
8	Reverse of Pattern 3	1.64	0.49	12.38	3.03	0.44	1.16
9	Reverse of Pattern 4	0.61	0.61	0.00	9.09	0.37	0.64
10	All 112 Remaining Combinations	47.81	44.16	50.48	56.06	74.38	54.28

Source: 2006 Six Chinese Province Survey (n = 4,814).

Note: Highlighted cells represent a direct positive correspondence in ranking order between development and inequality; underlined cells represent a direct negative correspondence in ranking order between development and inequality.

Table 3 contains nine rows, numbered 1, 2, 3, 4, 6, 7, 8, 9, and 10, representing 9 patterns of responses to the inequality ratings. The first four patterns are the same as patterns 1 through 4, which were used to model responses to the development scale in Table 2. Patterns 6-9 (in rows 5 through 8) are, respectively, reverses of patterns 1-4. For example, pattern 6 is the following: U.S. ≤ Japan ≤ Brazil ≤ China ≤ Pakistan. The last column gives the total proportion of respondents whose responses fall into one of the patterns. We observe that, compared to the responses to the development scale, respondents are much less clustered around particular patterns in responding to

the inequality scale. The highest proportions are 16.33 percent for pattern 2 and 14.13 percent for pattern 1. These results mirror those for the development scale. However, they also indicate that Chinese have much less information about inequality in the other countries, so that their responses to the inequality scale are more noise-prone, i.e., more scattered, than those to the development scale.

When we break down responses to inequality by response patterns to development, as represented by columns, an interesting finding emerges: a significant portion of a person's responses to the inequality scale correspond to the same person's responses to the development scale, either positively or negatively. Take the column labeled "1" as example. Respondents in this column reported their ratings of development for the five countries that conform to the ranking pattern of U.S. $\geq$ Japan $\geq$ Brazil $\geq$ China $\geq$ Pakistan. Among those respondents, 25.58 percent rated the same countries in inequality conforming to exactly the same pattern – a positive correspondence. Furthermore, another 12.61 percent also rated inequality for the same countries as conforming to the exact opposite pattern: U.S. $\leq$ Japan $\leq$ Brazil $\leq$ China $\leq$ Pakistan. We call the second association a "negative correspondence." Surprisingly, we observe both positive and negative correspondences for all of the four prevalent patterns responding to the development scale. If we sum the two proportions in positive and negative correspondences by column, the total proportion of respondents whose inequality ratings correspond to their development ratings are 38.19 percent, 41.59 percent, 20.95 percent, and 13.64 percent respectively for the four prevalent patterns of responses to development. For the first two patterns (for development), which are much more prevalent than the other two, the positive correspondence is very large and indeed dominates the negative correspondence. For the next two patterns (for development), the negative correspondence seems to be more prevalent than the positive correspondence. From these results, we conclude that a significant proportion of the respondents derived their inequality ratings from their development ratings, based on their own understanding concerning either a positive or a negative association between the two. Because China has recently experienced increases in both development and inequality, many Chinese project this experience onto other countries, making the positive association dominant over the negative association.

We finally discuss results pertaining to the third key survey item, an experiment in which respondents were asked to estimate the income of typical workers in three occupations (doctor, carpenter, and farmer), in three countries (U.S., China, and Pakistan), with the income level in the middle category for both dimensions (carpenter in China) fixed at 10,000 RMB yuan. Of course, it is very difficult for ordinary Chinese to know actual income levels in different occupations in different countries with which they have no direct contact. However, based on our reasoning about the developmental paradigm and societal projection, we expect the respondents to provide educated guesses based on their knowledge about both the levelS of development of the countries and the income differences across occupations in China. Indeed, an overwhelming majority of the respondents (between 4,496 and 4,802) provided their estimates of the earnings. The results are summarized, in geometric means by country and occupation, in Table 4.

Table 4: Geometric Mean of Estimated Income by Occupation and Country (in RMB yuan)

	Doctor	Carpenter	Farmer
United States	205,432	72,964	61,128
China	36,566	10,000	4,214
Pakistan	20,194	7,880	3,445

Source: 2006 Six Chinese Province Survey (n = 4,496 to 4,802).

One pattern in the data is that the average occupation premium of being a doctor over a carpenter, and of being a carpenter over a farmer, seems relatively stable in three countries: it hovers between 2.2 and 3.6 with one exception -- the comparison of a carpenter and a farmer in the U.S. For some reason, the respondents think that farmers do almost as well as carpenters in the U.S. On the whole, the societal projection hypothesis receives some support from these results: the Chinese respondents in our survey were able to estimate sensible figures for income in different occupations based on their knowledge about country differences in levels of development and occupation differences within a country – presumably within China.

CONCLUSION

Although extensive social science research has been focused on the causes and consequences of actual economic development, very little attention has been directed toward attitudes and beliefs concerning the effect of economic development on social inequality. Yet, such attitudes and beliefs can have important implications. For example, they can also influence people's expectations and satisfactions with inequalities that may increase or decline as societies develop economically. Furthermore, these attitudes and beliefs can influence whether or not economic development is associated with political dissatisfaction.

China has been experiencing rapid economic growth over an extended period and on a large scale. At the same time, inequality has also increased dramatically. This paper began with the question of how ordinary Chinese view the causal relationship between economic development and social inequality. This is not an easy task, as the association between growth in economic development and an increase in social inequality observed in China's recent history cannot be simply taken as causal in general. Indeed, there is some evidence in our study that a small proportion of Chinese reject the association as causal.

Based on prior literatures, we developed three propositions. First, ordinary Chinese are able to rate, somewhat accurately, different countries on a development scale. Second, their ratings of inequality are much less accurate, and derivative of their development ratings based on their understanding of the relationship between development and inequality. Third, given both

rapid development and a sharp rise of inequality in China's recent history, many Chinese project this experience of a positive association onto other countries.

For our empirical work, we designed three key items to test these ideas and implemented them in a social survey in six Chinese provinces. Two items asked the respondents to rate the levels of development as well as inequality in five countries: the United States, Japan, Brazil, China, and Pakistan. The third item asked the respondents to guess income levels by three occupations (doctor, carpenter, and farmer) in three countries (U.S., China, and Pakistan). Despite the apparent difficulty of the items, the overwhelming majority of respondents were able to complete them with sensible answers. In this paper, we report empirical evidence in support of the three propositions, with minor qualifications.

Five main findings emerge from the study. First, the respondents' average ratings of development resemble those released by the United Nations, with those in Japan and Brazil underrated. Second, the respondents' ratings of inequality in the five countries are much less informed and accurate when compared to the United Nations' measures. Third, a significant portion of the respondents seem to have derived their ratings of inequality from their ratings of development, on the basis of their understanding of either a positive or a negative relationship between the two. Fourth, when the respondents associate inequality with development, they tend to form a positive association, presumably reflecting China's recent experience. Finally, the respondents were able to provide sensible guesses concerning the variation of income by occupation and country from their knowledge about country-level differences in development and occupational differences in income within a country.

In this paper, we propose that the developmental paradigm also serves the important cognitive need of simplifying societal differences (historical or cross-national), so that development level becomes a salient cue characterizing a society. When a person does not know much about other aspects of an unfamiliar society, he/she may draw inferences about them from its development level. While this cognitive device would serve most people well, as it frees them from the impossible task of fully understanding all societies in detail, there is also an obvious risk: as in Allport's study of prejudice (1954), misunderstanding and mistrust of people across different societies could arise from the cognitive need to rely on salient cues and the usual tendency to project from one's own understanding and experience.

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Appendix: Key Questions on Developmental Idealism in 2006 Six Chinese Province Survey

7.6   **Economic Inequality Scale**
From the best you can gather, please choose a number on the scale to indicate how you would rate the extent of economic inequality in the following five countries On the scale below, "0" represents the smallest inequality, and "10" represents the largest inequality.

0	1	2	3	4	5	6	7	8	9	10

SMALLEST   LARGEST

7.61   China   _____(0-10)
7.62.   Japan   _____(0-10)
7.63.   Brazil   _____(0-10)
7.64.   United States   _____(0-10)
7.65.   Pakistan   _____(0-10)

7.7   **Development Scale**
Now we would like you to consider how developed the different places on this map are—China, Japan, Brazil, United States, and Pakistan. We would like you to rate each of these countries on this scale of development—with the least developed places in the world marked zero at the left and the most developed places in the world marked ten at the right. Where would you place each country?

0	1	2	3	4	5	6	7	8	9	10

LEAST   MOST

        China   _____(0-10)
7.71.   Japan   _____(0-10)
7.72.   Brazil   _____(0-10)
7.73   United States   _____(0-10)
7.74.   Pakistan   _____(0-10)

7.8   In a society, some workers are paid more and some are paid less. Let us compare the incomes of typical workers in three occupations across three countries.   Here, doctor refers to a well-trained surgeon working in a county's major hospital. Carpenter refers to a worker who makes custom-made home furniture.   Peasant refers to an ordinary agricultural worker who produces grain for subsistence. Suppose that we already now that a typical carpenter in China makes 10,000 RMB Yuan per year. Please estimate, to the best of your knowledge, the income level (equivalent to RMB Yuan) for other eight groups of workers in the following table.

	Doctor	Carpenter	Agricultural worker
United States			
China		10000 RMB	
Pakistan			

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