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**Does Institutional Quality Affect Individuals' Perceptions of Inequality?
Yes, but only at the local level**

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Keywords

perception of inequality, institutional quality, well-being, Italy

Introduction

The role of institutional quality in shaping economic and social inequalities has been widely studied. Recent studies have explored the relationship in Italy. Ferrara and Nisticò (2019) found that institutional quality significantly affects regional multidimensional well-being inequalities, with heterogeneous effects based on public expenditure levels and institutional dimensions. Corradini (2021) demonstrated a causal effect of institutional quality on economic growth, particularly in less developed areas, while Antonelli and Marini (2024) showed that when local institutions function well, population health status increases, potentially reducing inequalities. These studies consistently highlight the importance of institutional quality in addressing regional disparities. However, while considerable research has explored the impact of institutions on objective measures of inequality, a significant gap remains in understanding how institutions influence the subjective perception of inequality. This paper addresses this lacuna by investigating whether better institutional quality at the regional level in Italy reduces the perceived economic inequality of its inhabitants. Using a novel dataset that combines survey data on perceived inequality with objective measures of institutional quality, from Nifo and Vecchione (2014), we find that higher institutional quality is associated with lower perceived inequality at the regional level.

Database, Variables and Method

Database

For the individual-level variables, we rely on data gathered via an online questionnaire conducted in Italy. Participation in the research was voluntary. The survey was done from early June to early August 2021. Respondents (N = 1.301) were recruited from the Prolific worker pool. The survey questionnaire was done in Italian, and monetary incentives to participate were made equivalent (3\$) by the platform that uses dollars for payment. To ensure equal frequencies, we applied quota sampling for geographical residence, gender and age groups. Basic demographic characteristics of the Italian samples are reported in **Table 2**. There were approximately equal numbers of males and females, north-south responders and a broad range of participants from different demographic groups.

Variables

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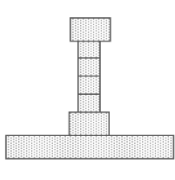
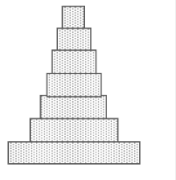
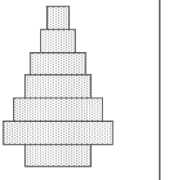
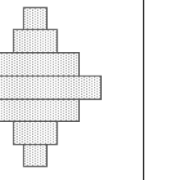
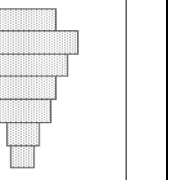
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Perception of Inequalities

Our dependent variable is the perception of inequalities at the local, national and global level. Respondents were shown five diagrams (see **Figure 1**), accompanied by verbal descriptions, depicting different “types of society” (ISSP Research Group 2019). In addition, respondents were asked which diagram and description best fit the societies of the region (where they declared to reside), of the country (in our case Italy) and the world. The question to measure perception of inequalities has been taken from the International Social Survey Program ISSP 2019, which focused on social inequality, and extended by distinguishing between local, national and global dimensions. While the question does not explicitly refer to income or wealth, an economic interpretation of the question is used in the literature. Following Gimpelson and Treisman (2018), we assign to each society the corresponding Gini coefficient: (A) 0.42, (B) 0.35, (C) 0.30, (D) 0.20, (E) 0.21.

Figure 1. Diagrams of types of society. Perception of Inequalities

Q. These five diagrams show different types of society. Please read the descriptions and look at the diagrams.

				
Type A	Type B	Type C	Type D	Tipo E
A small elite at the top, very few people in the middle and the great mass of people at the bottom.	A society like a pyramid with a small elite at the top, more people in the middle, and most at the bottom.	A pyramid except that just a few people are at the bottom.	A society with most people in the middle.	Many people near the top, and only a few near the bottom.

Which diagram **comes closest to the type of society** in:

	Type A	Type B	Type C	Type D	Type E
{region of declared residence}	☐	☐	☐	☐	☐
Italy	☐	☐	☐	☐	☐
The World	☐	☐	☐	☐	☐

Author's own elaboration.

Institutional Quality

Data on institutional quality are retrieved from the dataset provided by Nifo and Vecchione (2014), and refer to 2019, the last year available. The variable is merged at the NUTS2 level according to the declared region of residence of participants. The Institutional Quality Index (*IQI*) is a composite indicator constituted by 24 different measures, divided into five main indices: *Corruption*, *Government effectiveness*, *Regulatory quality*, *Rule of law*, and *Voice and accountability*. The indices are all standardised and vary between 0 and 1 (1 being the highest institutional quality). The first three sub-dimensions of the index are related to the economic aspect, while the last two are more related to the political dimension. Regarding the political

aspect, the *Rule of law* is considered a formal institution, while *Voice and accountability* are informal institutions (see **Table 1**).

Table 1. Institutional Quality measures

IQI (synthetic indicator)		Composite indicator that summarizes the five distinct dimensions of IQ, which are derived from the aggregation of twenty-four indices
<i>Economic institutions</i>	Control of Corruption	Index that includes 1) crimes against the public administration over the number of public servants; 2) the number of overruled municipalities on total municipalities; 3) the Golden–Picci Index ^a
	Government effectiveness	Index that includes 1) endowment of social and 2) economic facilities; 3) regional health deficit per capita; 4) separate waste collection; 5) urban environment index
	Regulatory quality	Index that includes 1) economy openness; 2) local government employees; 3) business density; 4) business start-ups/mortality; 5) business environment index
<i>Political institutions</i>	Rule of law	Index that includes 1) crime against property; 2) crime reported; 3) trial times; 4) magistrate productivity; 5) submerged economy; 6) tax evasion
	Voice and accountability	Index that includes 1) social cooperatives; 2) associations; 3) elections participation; 4) books published; 5) purchased in bookshops

Author's own elaboration based on Nifo and Vecchione. ^aThe index is computed as a difference between the amounts of physically existing public infrastructure and the amount of money cumulatively allocated by the government to create these public works.

Method

In pursuing the research objective, the methodology is based on a multilevel approach, where individual self-declared measures of perception of inequalities, distinguished by levels, are merged with location-specific quality of institutions, based on the respondent's region of residence.

Our empirical analysis employs OLS to test the impact of institutional quality on different dimensions of inequality perception. The econometric model is composed of a set of demographic variables (*age, sex, level of education, and occupation*) with additional geographical controls accounting for the considered macro-regions (*North-South*) and objective income inequality (*Gini index, regional level*). Gradually, we included in the model individual characteristics that have been empirically demonstrated to be important predictors of perception of inequalities, such as participants' political orientation (*conservative scale*), *political trust and sense of belonging*. The *political trust* and *sense of belonging* are subsequently distinguished by level as the dependent variables, i.e., trust in politicians/sense of belonging to the region of residence, the country and the world. To enhance robustness, as the survey was done in 2021, a second set of variables to control the effect of the pandemic crisis, measured by the loss of income and exposure to COVID-19, was included.

A complete description of the variables and statistics is included in **Table 2**. Our results are resistant to a battery of robustness checks and future interactions, not included in the present long abstract.

Table 2. Descriptive statistics of the sample

Measure	Mean / %	SD	Min	Max	Question from which variable is based and notes on variable construction
Perception of Inequality					
Local	0.30	0.08	0.2	0.42	Categorical variables indicating the respondent's perception of social inequality at local (region of residence), national and global level. The variable has been created by assigning to each
Country	0.33	0.07	0.2	0.42	

World	0.37	0.06	0.2	0.42	society the corresponding Gini coefficient: (A) 0.42, (B) 0.35, (C) 0.30, (D) 0.20, (E) 0.21. See Figure1
Institutional Quality					
IQI	0.624	0.210	0.188	0.893	The indices are all standardised and vary between 0 and 1 (1 being the highest institutional quality). Dataset from Nifo and Vecchio
Control of Corruption	0.792	0.187	0.244	0.968	
Government effectiveness	0.466	0.119	0.033	0.602	
Regulatory quality	0.529	0.165	0.092	0.841	
Rule of law	0.567	0.210	0.153	1	
Voice and accountability	0.557	0.170	0.202	0.827	
Individual characteristics					
Age					
	32.66	9.62	18	70	Variable expressed in years
Female					
	51.58%				Dummy variable equal to 1 if the respondent is a female and 0 otherwise
Education Level					
	3.02	1.11	0	6	Categorical variable indicating the level of education of the respondent: (0) Primary; (1) High School/Secondary School; (2) Technical School or Diploma; (3) Some College; (4) Undergraduate Degree (e.g. BA, BS); (5) Masters; (6) Doctoral Degree or Professional Degree
Occupation					
Not Working/ Student/Retired (<i>baseline</i>)	46.43%				Dummy variable indicating the usual employment situation of the respondent: (0) Not Working/Student/Retired = retired, housewife/husband, student, Unemployed, disability; (1) Employed/Self-employed = Full-time, Part-time, self-employed
Employed/Self-employed	53.57%				
Income group					
Low	43.74%				Categorical variable indicating the household income in terms of gross income before deductions. Bracket levels ranging from (1) €0 - €5,999 to (10) Over €100,000. The 10-level scale was used in econometric analysis. In this Table we report the percentage of people falling in: Brackets 1-3 (Labelled Low); Brackets 4-7 (Labelled Middle); Brackets 8-10 (Labelled High).
Middle	50.35%				
High	5.92%				
Geographical					
South	49.27%				Dummy variables indicating the geographical region where the participant resides.
Income Inequality (objective)					
<i>Gini Index – state/region level</i>	0.29	0.02	0.23	0.32	The income inequality variable is based on the Gini Index for the 2019 at NUTS2 level
Exposure crisis					
Income Loss					

	27.29%					Dummy variable identifying participants who declared to have lost income because of COVID-19.
Personal Exposure						
Diagnosed Self	7.3%					Dummy variable identifying participants who had been diagnosed with COVID-19, or whose family members or acquaintances had been diagnosed. This Table reports the percentage of participants who had been infected (labelled “Diagnosed Self”), whose family members or acquaintances had been infected (labelled “Diagnosed Others”).
Diagnosed Others: Someone you live with	10.45%					
Family member or a close friend	46.66%					
Acquaintances	84.09%					
Individual traits						
Conservative scale						
Liberal	60.17%					Categorical variable indicating participants’ political orientation: In this Table we report the percentage of participants who classified themselves as: “Molto di sinistra” o “Moderatamente di sinistra” (labelled Liberal), “Né di sinistra né di destra” (labelled Centrist), “Moderatamente di destra” o “Molto di destra” (labelled Conservatives). We used the 5-level scale in the econometric analysis.
Centrist	27.12%					
Conservative	12.71%					
Political trust						
Local	-0.18	0.63	-1	1	Variable indicating the respondent’s general level of trust in politicians during the pandemic: 1= Decrease; 0= Stable; 1= Increase.	
National	-0.23	0.64	-1	1		
Global	-0.31	0.58	-1	1		
Sense of belong						
Local	2.44	0.82		1	4	Continuous variable indicating how strongly respondents define themselves as a member of: the region where they live, the country (Italy) and the word as a whole. The variable is created as average of the participants self-declared level of sense of belong: 1= “Not at all”; 2 “Somewhat”; 3 “Strongly”; 4 “Very strong”.
	2.60	0.79				
National			1		4	
	2.76	0.78				
Global			1		4	

All observations are 1,301 with the exception of the conservative scale that are 1,298

Results

Tables 3 and 4 present the marginal⁵ effects of our OLS models. Columns 1-6 report results where the dependent variable measures perceived inequality at the local (region of residence) level. Columns 7-12 correspond to models for perceived inequality at the national level, while columns 13-18 show results for the global level. Due to the high correlation among institutional quality (*IQ*) measures, each IQ component is included in the models individually. **Table 3** includes *trust in politicians* and *sense of belonging* as covariates at each level of perceived inequality (local, national, global) within the same models. In contrast, **Table 4** presents results where these variables are

⁵ Regarding the marginals, it is essential to note that dummy variables reflect the changes in predicted probabilities when transitioning from a status of 0 to a status of 1. On the other hand, the marginal effects of continuous variables may be interpreted as elasticities. So, let's say that if the control of corruption increases by one unit, the probability that the responder perceives social divergences unequal decrease by a 5.8 percentage points.

matched to their corresponding level of perceived inequality (e.g., local trust and belonging for perceived local inequality in Columns 1-6, and so forth).

Our results indicate that regions with stronger institutions are associated with a lower perception of economic inequality in the place of residence and, notably, also moderate its impact on subjective well-being. This significant effect, however, is not observed when examining perceived inequality at the national or global levels. Therefore, our findings suggest that improved institutional quality is primarily linked to a reduced perception of inequality within the local context (parochial). These findings empirically support recent literature that indicate how perceived inequality, rather than objective income dispersion (e.g., individual income), exerts a stronger effect on subjective well-being (Gimpelson and Treisman 2018; Vezzoli et al. 2023).

Interestingly, neither the declared income (*income group*), representing respondents' own economic conditions, nor the objective *Gini index* shows any significant effect on perceived inequality at the national or global levels. However, the objective *Gini index* demonstrates a significant impact on perceived inequality, specifically at the local level.

This study fills an important gap in the literature by demonstrating that the quality of local institutions not only affects economic outcomes but also influences how individuals subjectively experience inequality. Unlike prior works focusing solely on macroeconomic objective measures of inequality, our results emphasise the psychosocial effects of governance quality, extending the scope of institutional economics. The use of Nifo and Vecchione's objective *IQ* allows for a robust assessment of institutional quality independent of subjective perceptions, strengthening our analysis. Furthermore, our use of the perception of inequalities at three different dimensions provides a comprehensive methodological framework for assessing these complex perceptions. These insights have significant policy implications, suggesting that institutional reforms and public trust-building measures could mitigate perceived social disparities and foster a more cohesive society.

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Table 3.

VARIABLES	LOCAL > REGIONAL LEVEL						NATIONAL > COUNTRY LEVEL						GLOBAL > WORLD LEVEL					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Age in Years	0.001** [0.000]	0.001*** [0.000]	0.001** [0.000]	0.001*** [0.000]	0.001** [0.000]	0.001*** [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]
Female	0.004 [0.004]	0.004 [0.004]	0.004 [0.004]	0.004 [0.004]	0.003 [0.004]	0.004 [0.004]	0.009** [0.004]	0.010** [0.004]	0.009** [0.004]	0.009** [0.004]	0.009*** [0.004]	0.009** [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]
Education Level	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.000 [0.002]	-0.000 [0.002]	-0.000 [0.002]	-0.000 [0.002]	-0.000 [0.002]	-0.000 [0.002]	0.002 [0.002]	0.002 [0.002]	0.002 [0.002]	0.002 [0.002]	0.002 [0.002]	0.002 [0.002]
Employed/Self-employed (<i>unemploy/ student/ retired base</i>)	0.007 [0.004]	0.006 [0.005]	0.007 [0.005]	0.007 [0.005]	0.006 [0.005]	0.007 [0.005]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]
Income Group	-0.000 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.000 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]
South	-0.008 [0.006]	0.001 [0.005]	-0.002 [0.006]	0.003 [0.005]	-0.007 [0.006]	-0.007 [0.006]	-0.007 [0.006]	-0.007 [0.005]	-0.006 [0.005]	-0.006 [0.005]	-0.009 [0.006]	-0.007 [0.006]	-0.003 [0.005]	-0.005 [0.005]	-0.003 [0.005]	-0.005 [0.005]	-0.006 [0.005]	-0.005 [0.005]
Income Inequality (<i>Gini Index - 2019 –Nuts2</i>)	0.203 [0.179]	0.399** [0.175]	0.701*** [0.126]	0.513*** [0.142]	0.244 [0.221]	0.419*** [0.151]	0.017 [0.174]	-0.038 [0.172]	0.074 [0.122]	0.004 [0.140]	-0.124 [0.210]	0.039 [0.143]	0.010 [0.160]	-0.102 [0.157]	-0.051 [0.106]	-0.011 [0.122]	-0.149 [0.199]	-0.104 [0.132]
Income Loss	0.015*** [0.005]	0.014*** [0.005]	0.015*** [0.005]	0.015*** [0.005]	0.014*** [0.005]	0.015*** [0.005]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.006 [0.004]
Personal Exposure	-0.008 [0.007]	-0.008 [0.007]	-0.008 [0.007]	-0.008 [0.007]	-0.008 [0.007]	-0.008 [0.007]	-0.007 [0.006]	-0.007 [0.006]	-0.007 [0.006]	-0.007 [0.006]	-0.007 [0.006]	-0.007 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]
Conservative scale	-0.003 [0.002]	-0.003 [0.002]	-0.003 [0.002]	-0.003 [0.002]	-0.002 [0.002]	-0.003 [0.002]	0.000 [0.002]	0.000 [0.002]	0.000 [0.002]	0.000 [0.002]	0.000 [0.002]	0.000 [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]
Trust Politicians State	-0.006* [0.003]	-0.007** [0.004]	-0.006 [0.004]	-0.006* [0.003]	-0.007* [0.004]	-0.008** [0.003]	0.002 [0.003]	0.002 [0.003]	0.001 [0.003]	0.002 [0.003]	0.002 [0.003]	0.001 [0.003]	0.002 [0.003]	0.003 [0.003]	0.002 [0.003]	0.002 [0.003]	0.003 [0.003]	0.003 [0.003]
Trust Politicians Country	-0.008** [0.004]	-0.008** [0.004]	-0.008** [0.004]	-0.008** [0.004]	-0.008** [0.004]	-0.007* [0.004]	-0.010*** [0.004]	-0.010*** [0.004]	-0.010*** [0.004]	-0.010*** [0.004]	-0.010*** [0.004]	-0.010*** [0.004]	0.003 [0.003]	0.003 [0.003]	0.003 [0.003]	0.003 [0.003]	0.003 [0.003]	0.003 [0.003]
Trust Politicians World	-0.007* [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.006* [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.003 [0.004]	-0.003 [0.004]	-0.002 [0.004]	-0.003 [0.004]	-0.003 [0.004]	-0.003 [0.004]	-0.019*** [0.003]	-0.020*** [0.003]	-0.019*** [0.003]	-0.019*** [0.003]	-0.020*** [0.003]	-0.020*** [0.003]
Sense of belong State	-0.007** [0.003]	-0.007** [0.003]	-0.007** [0.003]	-0.007** [0.003]	-0.007** [0.003]	-0.007** [0.003]	-0.004 [0.003]	-0.004 [0.003]	-0.004 [0.003]	-0.004 [0.003]	-0.004 [0.003]	-0.004 [0.003]	0.001 [0.003]	0.001 [0.003]	0.001 [0.003]	0.001 [0.003]	0.001 [0.003]	0.001 [0.003]
Sense of belong Country	0.000 [0.003]	0.000 [0.003]	0.000 [0.004]	-0.000 [0.003]	-0.000 [0.003]	0.000 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	0.001 [0.003]	0.001 [0.003]	0.001 [0.003]	0.002 [0.003]	0.001 [0.003]	0.001 [0.003]
Sense of belong World	-0.002 [0.003]	-0.003 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.002 [0.003]	-0.005** [0.003]	-0.005** [0.003]	-0.005** [0.003]	-0.005** [0.003]	-0.005** [0.003]	-0.005** [0.003]
IQI	-0.095*** [0.020]						-0.007 [0.020]						0.017 [0.019]					
Control of Corruption		-0.062*** [0.020]						-0.015 [0.020]						-0.001 [0.016]				
Government effectiveness			-0.067*** [0.020]						0.010 [0.020]						0.031 [0.020]			
Regulatory quality				-0.064*** [0.016]						-0.013 [0.016]						0.019 [0.014]		
Rule of law					-0.081*** [0.027]						-0.027 [0.025]						-0.008 [0.024]	
Voice and accountability						-0.088*** [0.021]						-0.005 [0.020]						-0.002 [0.019]
Constant	0.314*** [0.062]	0.248*** [0.064]	0.141*** [0.041]	0.196*** [0.046]	0.292*** [0.078]	0.241*** [0.052]	0.333*** [0.061]	0.356*** [0.062]	0.308*** [0.040]	0.338*** [0.046]	0.385*** [0.075]	0.325*** [0.050]	0.361*** [0.056]	0.404*** [0.055]	0.376*** [0.035]	0.368*** [0.040]	0.422*** [0.070]	0.405*** [0.046]
Observations	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298
R-squared	0.122	0.115	0.115	0.119	0.113	0.120	0.042	0.042	0.042	0.042	0.043	0.042	0.050	0.050	0.052	0.051	0.050	0.050

Average marginal effects of OLS regression are reported. The dependent variable is the perception of inequalities at the local, national and global levels. See **Table 2** for variable definition. Standard errors are in brackets. *** = $p < 0.001$, ** = $p < 0.01$, * = $p < 0.05$, + = $p < 0.10$.

Table 4.

	LOCAL > REGIONAL LEVEL						NATIONAL > COUNTRY LEVEL						GLOBAL > WORLD LEVEL																	
VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)												
Age in Years	0.001** [0.000]	0.001** [0.000]	0.001** [0.000]	0.001** [0.000]	0.001** [0.000]	0.001** [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]	0.000 [0.000]												
Female	0.004 [0.004]	0.004 [0.004]	0.004 [0.004]	0.004 [0.004]	0.004 [0.004]	0.004 [0.004]	0.009** [0.004]	0.009** [0.004]	0.009** [0.004]	0.009** [0.004]	0.009** [0.004]	0.009** [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]	-0.001 [0.004]												
Education Level	0.004 -0.002 [0.002]	0.004 -0.002 [0.002]	0.004 -0.002 [0.002]	0.004 -0.002 [0.002]	0.004 -0.002 [0.002]	0.004 -0.002 [0.002]	0.004 -0.000 [0.002]	0.004 -0.000 [0.002]	0.004 -0.000 [0.002]	0.004 -0.000 [0.002]	0.004 -0.000 [0.002]	0.004 -0.000 [0.002]	0.004 0.002 [0.002]	0.004 0.002 [0.002]	0.004 0.002 [0.002]	0.004 0.002 [0.002]	0.004 0.002 [0.002]	0.004 0.002 [0.002]												
Employed/Self-employed (unemploy/student/retired base)	0.007 [0.005]	0.006 [0.005]	0.007 [0.005]	0.007 [0.005]	0.006 [0.005]	0.007 [0.005]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	0.005 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]	-0.002 [0.004]												
Income Group	-0.000 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	-0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]	0.001 [0.001]												
South	-0.007 [0.006]	0.001 [0.005]	-0.001 [0.006]	0.003 [0.005]	-0.006 [0.006]	-0.006 [0.006]	-0.007 [0.006]	-0.007 [0.005]	-0.006 [0.005]	-0.007 [0.005]	-0.010 [0.006]	-0.007 [0.006]	-0.003 [0.005]	-0.005 [0.005]	-0.003 [0.005]	-0.005 [0.005]	-0.006 [0.005]	-0.006 [0.005]												
Income Inequality (Gini Index - 2019 –Nuts2)	0.223 [0.179]	0.417** [0.174]	0.697*** [0.125]	0.520*** [0.141]	0.244 [0.222]	0.410*** [0.151]	0.036 [0.173]	-0.016 [0.171]	0.081 [0.121]	0.014 [0.139]	-0.106 [0.210]	0.047 [0.142]	0.005 [0.158]	-0.114 [0.156]	-0.058 [0.105]	-0.020 [0.122]	-0.152 [0.196]	-0.118 [0.130]												
Income Loss	0.016*** [0.005]	0.015*** [0.005]	0.016*** [0.005]	0.016*** [0.005]	0.015*** [0.005]	0.016*** [0.005]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	0.014*** [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.007 [0.004]	-0.006 [0.004]	-0.006 [0.004]	-0.006 [0.004]												
Personal Exposure	-0.008 [0.007]	-0.008 [0.007]	-0.008 [0.007]	-0.009 [0.007]	-0.008 [0.007]	-0.009 [0.007]	-0.008 [0.006]	-0.007 [0.006]	-0.008 [0.006]	-0.008 [0.006]	-0.007 [0.006]	-0.008 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]	0.009 [0.006]												
Conservative scale	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	-0.002 [0.002]	0.000 [0.002]	0.000 [0.002]	0.001 [0.002]	0.000 [0.002]	0.001 [0.002]	0.000 [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]	-0.005*** [0.002]												
Trust Politicians State	-0.010*** [0.003]	-0.010*** [0.003]	-0.009*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.011*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]												
Sense of belong State	-0.008*** [0.003]	-0.008*** [0.003]	-0.008*** [0.003]	-0.008*** [0.003]	-0.008*** [0.003]	-0.008*** [0.003]																								
Trust Politicians Country	-0.010*** [0.003]	-0.010*** [0.003]	-0.009*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.011*** [0.003]																								
Sense of belong Country																														
Trust Politicians World																														
Sense of belong World																														
Trust Politicians World	-0.010*** [0.003]	-0.010*** [0.003]	-0.009*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.011*** [0.003]																								
Sense of belong Country																														
Trust Politicians World																														
Sense of belong World																														
Trust Politicians World	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.010*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]												
Sense of belong World	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.010*** [0.002]	-0.017*** [0.002]	-0.017*** [0.002]	-0.017*** [0.002]	-0.017*** [0.002]	-0.017*** [0.002]	-0.017*** [0.002]												
IQI	-0.089*** [0.020]	-0.058*** [0.020]	-0.062*** [0.020]	-0.060*** [0.016]	-0.079*** [0.027]	-0.088*** [0.021]	-0.004 [0.020]	-0.005** [0.002]	-0.005** [0.002]	-0.005** [0.002]	-0.005** [0.002]	-0.005** [0.002]	-0.018 [0.019]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]	-0.017*** [0.003]												
Control of Corruption	-0.012 [0.020]						-0.001 [0.016]																							
Government effectiveness	0.012 [0.019]						0.032* [0.019]																							
Regulatory quality	-0.011 [0.016]						0.019 [0.014]																							
Rule of law	-0.025 [0.025]						-0.007 [0.024]																							
Voice and accountability	-0.004 [0.020]						-0.003 [0.019]																							
Constant	0.304*** [0.062]	0.236*** [0.063]	0.139*** [0.040]	0.191*** [0.046]	0.289*** [0.079]	0.242*** [0.052]	0.321*** [0.060]	0.343*** [0.062]	0.300*** [0.039]	0.330*** [0.046]	0.374*** [0.074]	0.317*** [0.049]	0.363*** [0.055]	0.409*** [0.055]	0.378*** [0.034]	0.372*** [0.039]	0.423*** [0.069]	0.411*** [0.045]												
Observations	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298	1,298												
R-squared	0.113	0.106	0.106	0.110	0.105	0.112	0.040	0.040	0.040	0.040	0.041	0.040	0.048	0.047	0.050	0.049	0.047	0.047												

Average marginal effects of OLS regression are reported. The dependent variable is the perception of inequalities at the local, national and global levels. See **Table 2** for variable definition. Standard errors are in brackets. *** = $p < 0.001$, ** = $p < 0.01$, * = $p < 0.05$, + = $p < 0.10$.