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Empirical analysis of the types of redistribution policies supported by different generations using Japanese microdata

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ABSTRACT

In this study, I analyzed the mechanism driving support for income redistribution using Japanese microdata from an online survey I conducted in 2023. As dependent variables, I primarily used support for three types of policies. From the estimation results regarding support for redistribution policies that do not target specific generations, I found that people in their 70s were less likely than other generations to want the quality of public services to deteriorate. Concerning the free university education policy, compared with teenagers, all other age groups were more opposed. Moreover, the absolute value of the coefficient increased with age. No correlation was found between support for free university education and social welfare for older adults and the amount of additional taxes that would be acceptable additional taxes among teenagers. These results indicate that teenage respondents disliked the tax burden, but wanted to receive as many benefits as possible.

Keywords: Redistribution, Generation, Preference, Acceptable burden

1. Introduction

In Japan, where the population is aging and the birth rate is declining, payments for medical care, nursing care, and pensions, which are primarily used by older adults, were 137.8 trillion yen in total in fiscal year 2022. However, these expenditures cannot be covered by social insurance premiums or tax revenue, and government bonds accounted for 35.5 trillion yen, or 31.5% of the total revenue in fiscal year 2024.[1] On the other hand, what is the economic situation surrounding young people? According to the Ministry of Education, Culture, Sports, Science and Technology of Japan (2024), the university admission rate is 62.3%, and the higher education institution admission rate, including junior colleges and vocational schools, is 87.3%. Although students are

[1] These figures are from the Ministry of Finance of Japan (2024).

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enrolling to higher education at a high rate, many of them use educational loans. The Japan Student Services Organization (2024) reported that 55% of university students use educational loans. For private university students living alone, tuition and living expenses are 2.4 million yen per year, which totals approximately 10 million yen over four years. According to the National Tax Agency of Japan (2024), the average annual salary for a full-time male employee in Japan is approximately 5.9 million yen before taxes and 4.6 million after taxes and social insurance premiums, indicating how expensive higher education can be.

The younger generation in this study's data is known as Generation Z. Following the definition of Bencsik et al. (2016), Generation Z would have included those aged 13-28 years when our survey conducted in 2023.[2] According to Schroth (2019), the concept of equality is important to Generation Z, and 91% believe that everyone is equal and should be treated as such. Schroth (2019) further notes that Generation Z is growing up in a culture of safety in which overprotective parenting has inadvertently prevented them from having opportunities to learn life skills. Consistent with these previous studies, this study's data show that Generation Z values the concept of equality more than other generations. In my survey, Generation Z was also the generation most in favor of free university education. This is because out-of-pocket university expenses are high in Japan. However, when asked about the financial burden that they would be willing to accept to support to free university education or medical care, 18- and 19-year-olds were averse to any increases. However, even among Generation Z, who value the concept of equality, the sample included respondents who were still attending university or vocational school, working without attending university, or working after graduating from university. Among Generation Z, if those who attend university support a free university education and those who work oppose it, they could be considered selfish. Furthermore, if Generation Z refuses to bear the burden of free medical expenses, which greatly benefits older adults, then Generation Z can be considered selfish because they only support policies that benefit them through redistribution, rather than valuing the concept of equality. Thus, if they respond favorably to policies that benefit them but do not want to face a heavy tax burden to support others, they are selfish. Similarly, older adults can be considered selfish if they support the redistribution of pensions and medical care, from which they benefit directly and do not want redistribution to other generations. Regarding individuals' potential support for redistribution policies for specific groups, whether the effects of generation will remain strong even when controlling for employment status, taxes and social security fees paid, and university attendance is unclear.

In this study, I utilize Japanese microdata from an online survey I conducted in 2023 to analyze the mechanism driving support for redistribution. The remainder of this paper is organized as follows. The relevant literature is discussed in Section 2. Section 3 describes the data used in the

[2] Bencsik et al. (2016) defines Generation Z as those born between 1995 and 2010.

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analysis. Section 4 presents the regression analysis results. Finally, Section 5 summarizes the study.[3]

2. Literature Review

In this section, I review previous studies on redistribution preferences. At first glance, it appears that people who currently have low incomes would want redistribution policies. Some studies revealed that future income affects redistribution policy preferences. Thus, theoretically, people who are currently poor but believe that they will be wealthy in the future will not support redistribution because they will not want to pay high taxes when they become rich. Benabou and Ok (2001) propose the "prospect of upward mobility" (POUM) hypothesis as a theoretical model. They note that voters with incomes below the average may favor a low tax rate if the policy choice has a sufficient impact on future income and if the latter's expectation is a concave function of current income. In a similar study, from the perspective of future income influencing policy preferences, Ravallion and Lokshin (2000) find that even currently wealthy people support redistributive policies, based on data from Russia in 1996. Their results suggest that the fear of a decline in welfare quality promotes demand for redistribution, even among people whose current expenditure is high. In contrast, people with no fear of unemployment are less likely to favor redistribution. They further find that people who have followed a rising consumption path in recent years and expect this trend to continue tend to oppose redistribution policies. Concerning generations, they reveal that older individuals favor redistribution more than younger people.

Alesina and La Ferrara (2005) also investigate how individual redistribution preferences are affected by future income prospects. Their estimation uses two datasets, the General Social Survey and Panel Study of Income Dynamics, and shows that expected future income negatively and significantly affects individual support for redistribution.[4] Regarding other individual characteristics, their estimations show that younger individuals and women are more supportive of redistribution policies. Whereas Alesina and La Ferrara (2005) employ panel data to construct objective measures of expected gains and losses from redistribution for different categories of individuals, Rainer and Siedler (2008) focus on subjective income and employment expectations. Specifically, Rainer and Siedler (2008) use the German Socio-Economic Panel to investigate the relationship between self-reported expectations of occupational mobility and individual redistribution preferences using two dependent variables based on the following questions: "Is

[3] This study is part of the Advanced Collaborative Research Organization research project of Chukyo University.

[4] Alesina and La Ferrara (2005) also include a variable related to altruism. However, this variable is included only a few estimations. They explain the reason for this is that only a limited number of respondents answered the question. This variable is introduced to identify the respondents who answered yes to a question asking whether children should be taught that helping others is the most important moral value.

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the amount of taxes paid by an unskilled worker in Germany too much compared to other groups, too little, or exactly appropriate? (taxes on the poor)" and "What do you think about taxes paid by a manager on the board of directors of a large company? Does he or she pay too much, too little, or an exactly appropriate amount in taxes compared to other groups? (taxes on the rich)." They find that respondents with high expectations of receiving a promotion are significantly less likely to believe that the poor pay excessive taxes. Similarly, they reveal that a large perceived risk of downward occupational mobility promotes the desire to lower taxes on the poor and raise them on the rich. Thus, their results suggest that a sufficiently large subjective probability of downward occupational mobility increases individual support for redistribution.

Margalit (2013) uses original longitudinal data from four waves between July 2007 and March 2011. Utilizing that these longitudinal data include periods before and after the 2008 financial crisis, he estimates how individual welfare policy preferences shift in response to personal experiences of a substantial decline in household income, a subjective decrease in perceived employment security, and job loss. His findings indicate that the stance of those who recently become unemployed shifts in the direction of greater support for welfare spending by 9.5 points on average. However, a substantial decrease in household income and a subjective decrease in perceived employment security do not appear to affect the individual preferences for welfare policy shifts.

Dimick et al. (2016) propose an income-dependent altruism model that captures the relationship between self-interest, other-regarding concerns, and redistribution preferences. They use a General Social Survey to calculate the average marginal effects of inequality conditional on income and find that a marginal change in inequality has little effect on the redistribution preferences of the poor but a large effect on those of the rich.[5] Thus, rising inequality increases support for redistribution among the rich. Furthermore, they refer to a previous study by Rueda and Stegmueller (2016) showing that wealthy individuals living in more unequal regions in Western Europe are more supportive of redistribution because of concerns regarding the negative externalities of inequality, such as increased crime or political and social instability.[6]

Alesina and La Ferrara (2005) note that those who believe that American society offers equal opportunities are more averse to redistribution policies. Fong (2001) focuses primarily on the role of beliefs about self-determination and exogenous-determination in reported redistributive policy preferences. She argues that those who believe that wealth and poverty are caused by

[5] In their analysis, Dimick et al. (2016) define the rich as those in the 90th percentile of income distribution and the poor as those in the 10th percentile of income distribution.

[6] Ohtake and Tomioka (2004) further state that even if the rich do not benefit directly from redistribution, they will support such a policy if they fear negative externalities such as social unrest. Thus, the rich might support redistribution policies to obtain indirect benefits, which can be considered self-interest.

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external circumstances and those who believe that both external circumstances and effort level are important tend to indicate greater support for distribution than those who believe that effort level is the only determinant of a person's financial status.

Other studies analyze the effects of experiments on support for redistribution. In randomized online survey experiments, Kuziemko et al. (2015) apply a treatment with three basic parts: showing interactive information on current income distribution to treatment respondents, showing a counterfactual income distribution to treatment respondents, and showing a slide on estate tax. In the treatment group, they find large effects on views about inequality, but only slight change in tax and transfer policy preferences. However, the share of respondents in the treatment group who support increased estate taxes tripled following the experiment.

Durante et al. (2014) report on a laboratory experiment investigating how demand for income distribution depends on self-interest, insurance motives, and social concerns regarding inequality and efficiency. A total of 336 university students participated in the experiment, which included 90-minutes sessions with 21 participants each. They use the data from this experiment to estimate the parameters of a utility function and find that, although people are concerned about their own income and risk, they also care about helping those who are less well-off when income inequality results from an arbitrary process.

Ohtake and Tomioka (2004) use Japanese microdata on 1,928 survey respondents to investigate the determinants of individual redistribution preferences. This survey assesses the dependent variable using the item "strengthening the redistribution of income from rich to poor using tax and other instruments of the social security system," rated on 5-point scale ranging for "Support" to "Oppose." They find a negative correlation between income and support for redistribution and that risk-averse individuals and those who expect to be unemployed in the future have a strong tendency to support greater redistribution. They also report that older people should be more supportive of redistribution than younger people under the POUM hypothesis and obtain estimation results for the age dummies, which are basically as they expected. However, their survey was conducted in 2002, 20 years before the survey in this study, and trends may have changed in that time.

As previous research notes, support for redistribution policies is influenced not only by current income but also by future income, unemployment experience, attitudes toward equality, and altruism. However, many of the questions in previous studies ask whether people favor redistribution from the rich to the poor. In addition, although age is often used as a control variable, previous studies have not interpreted their results with a focus on generational differences. Therefore, in this study, I analyze the influence of generation on support for redistribution policies across age groups.

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3. Data

This section describes the data used in this study's estimations. The data were collected using an Internet survey conducted on October 27 and 28, 2023. The survey participants were men and women aged between 18 and 79 years living in Japan. I utilized a research company to collect data on 309 people from the following age groups: teenagers, 20s, 30s, 40s, 50s, 60s, and 70s.

The survey start screen presented the purpose of this study, stating that the responses collected would not include personally identifiable information, participation in the survey was completely voluntary, and respondents could stop the survey at any time. Only those who agreed to these terms were allowed to participate. I entrusted Macromill Inc. with creating the survey screen and collecting data from the respondents.[7] Therefore, I had no contact with any of the respondents, and because I received anonymized data from a research company, I cannot identify the survey respondents. Most of the survey questions were answered on a 5-point scale; however, some included options such as "I don't know" or "I don't want to answer." Therefore, for some questions, the number of responses was lower than the total number of participants.

Regarding the dependent variables, in the first estimation, the dependent variable is measured using a question asking whether the respondent supports redistribution policies that do not target a specific generation. Respondents were asked to choose 1 if they agreed with the statement, "It would be better if my tax burden, including consumption tax, were reduced even if the quality of public services (e.g., defense, medical care, pensions, education, etc.) deteriorated," and 5 if they disagreed. Thus, a higher number indicates support for redistribution policies not targeted at any particular generation, whereas a lower number indicates a preference for reducing one's personal burden, even if public services are of low quality. Regarding support for redistribution policies for young people as the dependent variable, respondents were asked to select 5 if they agreed with the statement "I am in favor of making university tuition free," and 1 if they disagreed. Regarding redistribution policies for older adults, the dependent variable was assessed using the question "Even if taxes such as the consumption tax are increased, social welfare for older adults, such as pensions and medical care for older adults, should be implemented." This statement means that not only older adults but also all people living in Japan should bear the costs of social welfare for this age group. If the respondents agreed, they selected 5, and if they disagreed, they selected 1. The three dependent variables (i.e., support for redistribution policies that do not target specific generations, that target free university education, and that target social

[7] Macromill Inc. is a Japanese Internet research company. They have a survey panel of 1.3 million people and have built a panel network of approximately 36 million people, including panels from domestic partner companies. In addition to basic quantitative and qualitative research, they can provide a wide range of marketing data, including large-scale and time-series data.

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welfare for older adults) are measured as discrete ordinal variables. Thus, they are estimated using an ordered probit model.

In addition, regarding free university education and medical care for older adults, respondents were asked to choose the option that most closely equated to the amount of tax they would be willing to pay in addition to the tax they currently pay if these policies were implemented. The specific options were "0 yen (I do not want to pay any more in taxes)," "1 to 5,000 yen," "5,001 to 10,000 yen," "10,001 to 15,000 yen," "15,001 to 20,000 yen," "20,001 to 25,000 yen," "25,001 to 30,000 yen," and "30,001 yen or more." In the analysis, I use the middle values of each option (i.e., the acceptable amounts are 0, 2500, 7500, 12500, 17500, 22500, 27500, and 32500).

The independent variables in this study are as follows: female dummy, age dummy, educational background dummy, married dummy, annual household income, and dummy variables for whether one has been unemployed within the past five years, has raised children, has cared for a family member, and is currently working. Table 1 presents the descriptive statistics. Several respondents did not want to answer or did not know their household income; thus, the sample size used for the estimations is approximately 1,600.

Table 1. Descriptive statistics

Variables	Mean	Std. dev	Variables	Mean	Std. dev
Redistribution policies that do not target specific generations	3.2246	1.2104	Age teens (reference)	0.1053	0.3070
			Age 20s	0.1371	0.3440
Social welfare policies for older adults	2.9686	1.1937	Age 30s	0.1457	0.3529
	(Observations: 1,626)		Age 40s	0.1530	0.3601
Free university tuition policy	3.0706	1.3828	Age 50s	0.1469	0.3541
	(Observations: 1,628)		Age 60s	0.1512	0.3583
Acceptable additional tax burdens for free university education	2851.53	6487.73	Age 70s	0.1610	0.3676
	(Observations: 2,162)		Household income (ten thousand yen)	529.8348	379.9660
Acceptable additional tax burdens for free medical care for the elderly	2741.67	5461.36	Married	0.5612	0.4964
	(Observations: 2,162)		Not in labor market dummy	0.5263	0.4995
Female	0.4939	0.5001	Unemployed within the last 5 years	0.0851	0.2791
High school or less (reference)	0.3035	0.4599	Experience raising children	0.5588	0.4967
Junior college	0.2056	0.4043	Experience of caring for family members	0.2656	0.4418
University or more	0.4908	0.5001	Observations	1,634	

4. Estimation Results

In this section, I first examine the estimation results using an ordered probit model. Table 2 shows the estimation results using the question "It would be better if my tax burden, including

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consumption tax, were reduced even if the quality of public services (e.g., defense, medical care, pensions, education, etc.) deteriorated," as the dependent variable. Thus, the dependent variable is the degree of support for redistribution policies that do not target a specific generation. In Model 1, the independent variables are gender, educational background, age, and annual household income. Compared to men, women are more likely to prefer a large tax burden over a decline in the quality of public services. The results show no statistically significant differences between those with a junior college degree, university degree, or higher and those with a high school diploma or below. Regarding the effect of age, the coefficient of the 70s dummy is positive and statistically significant when using 18-19 years as the base age group. No significant differences are observed between teenagers and the other age groups, except for those in their 70s. However, some age groups have an opposite sign for the coefficient. Thus, people in their 70s are less likely than other generations to want the quality of public services to deteriorate. This is likely because people in their 70s do not work, their tax burden is generally lower than that of other age groups, and they receive large pensions and medical benefits. The coefficient of household income is positive and statistically significant. Thus, the higher an individual's annual income, the more likely they are to want to maintain the quality of public services, even if their own tax burden does not decrease.

Table 2. Estimation results using redistribution policies that do not target specific generations as the dependent variable

Dependent variable: Redistribution policies that do not target specific generations	Model 1		Model 2		Model 3	
	Coef.	Std. Err.	Coef.	Std. Err.	Coef.	Std. Err.
Female	0.2114 ***	0.0573	0.2010 ***	0.0619	0.2069 ***	0.0620
Junior college	-0.0318	0.0741	-0.0298	0.0744	-0.0360	0.0746
University or more	0.0156	0.0608	0.0178	0.0611	0.0049	0.0616
Age 20s	-0.1342	0.1103	-0.1150	0.1160	-0.1060	0.1153
Age 30s	0.1104	0.1139	0.1306	0.1209	0.1390	0.1209
Age 40s	-0.1052	0.1151	-0.0852	0.1216	-0.0605	0.1227
Age 50s	-0.0146	0.1171	0.0042	0.1247	0.0523	0.1265
Age 60s	0.1612	0.1126	0.1756	0.1196	0.2382 *	0.1244
Age 70s	0.4216 ***	0.1126	0.4294 ***	0.1196	0.4779 ***	0.1266
Household income (ten thousand yen)	0.0003 ***	0.0001	0.0003 ***	0.0001	0.0003 ***	0.0001
Married	—	—	-0.0110	0.0600	0.0001	0.0699
Not in labor market	—	—	0.0313	0.0627	0.0446	0.0628
Unemployed within the last 5 years	—	—	—	—	-0.3521 ***	0.1055
Experience raising children	—	—	—	—	-0.0236	0.0730
Experience of caring for family members	—	—	—	—	-0.1379 **	0.0640
Observations	1,634		1,634		1,634	
Log pseudo likelihood	-2483.843		-2483.7069		-2473.3829	
Pseudo R^2	0.0125		0.0126		0.0167	

Note: Standard errors are robust.

* Significant at the 10% level; ** Significant at the 5% level; *** Significant at the 1% level.

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Model 2 includes dummy variables indicating whether the respondent is married and currently working as independent variables. However, neither variable is significant. In Model 3, dummy variables indicating whether the respondent has been unemployed within the past five years, raised children, and cared for family members are added as independent variables. Respondents who had been unemployed within the past five years preferred to reduce their tax burden (e.g., consumption, income, resident taxes), even if the quality of public services declined. These respondents may have found another job before applying for public assistance.[8] Additionally, people who have cared for family members prefer to reduce their own tax burden rather than maintain the quality of public services. In Japan, the population is aging, the birth rate is declining, and nursing care facilities have waitlists for admission. Consequently, these people bear a heavy burden of caring for family members and may have been unable to benefit from public nursing care support services.

Table 3. Estimation results using social welfare policies for older adults as the dependent variable

Dependent variable:	Model 4		Model 5		Model 6	
Social welfare policies for older adults	Coef.	Std. Err.	Coef.	Std. Err.	Coef.	Std. Err.
Female	-0.0514	0.0571	-0.0892	0.0619	-0.1041 *	0.0624
Junior college	-0.0694	0.0765	-0.0638	0.0766	-0.0679	0.0765
University or more	0.0480	0.0620	0.0548	0.0621	0.0533	0.0622
Age 20s	-0.1070	0.1133	-0.0407	0.1198	-0.0404	0.1198
Age 30s	-0.1361	0.1093	-0.0699	0.1165	-0.0817	0.1166
Age 40s	-0.0308	0.1135	0.0342	0.1224	0.0115	0.1227
Age 50s	0.0525	0.1144	0.1133	0.1217	0.0889	0.1226
Age 60s	0.2170 *	0.1125	0.2616 **	0.1218	0.2020	0.1252
Age 70s	0.2964 ***	0.1103	0.3155 ***	0.1204	0.2349 *	0.1258
Household income (ten thousand yen)	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Married	—	—	-0.0266	0.0620	-0.0796	0.0750
Not in labor market	—	—	0.1121 *	0.0641	0.1160 *	0.0642
Unemployed within the last 5 years	—	—	—	—	-0.1937 *	0.1033
Experience raising children	—	—	—	—	0.1037	0.0761
Experience of caring for family members	—	—	—	—	0.0774	0.0644
Observations	1,626		1,626		1,626	
Log pseudo likelihood	-2442.9640		-2441.3087		-2437.7052	
Pseudo R^2	0.0092		0.0099		0.0114	

Note: Standard errors are robust.

* Significant at the 10% level; ** Significant at the 5% level; *** Significant at the 1% level.

[8] In principle, people who leave their jobs for personal reasons are not eligible to receive unemployment benefits from the national employment insurance for two months. However, starting on April 1, 2025, this period is shortened to one month. However, people who have left their jobs for personal reasons more than twice in the past five years will not be eligible to receive unemployment benefits during the waiting period and for the three months following that even after April 2025. For details, see NHK (2025).

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Table 3 presents the estimation results using the question regarding social welfare policies for older adults as the dependent variable. The results for Models 4-6 differ significantly from those for Models 1-3. First, the coefficient of the female dummy is not significant, indicating that men and women show no differences in terms of supporting social welfare policies for older adults. However, the coefficient of the 70s dummy variable is significant in Models 4 and 5. When the dummy variables for unemployment within the past five years and caring for family members are added as independent variables, the effect of age weakens.

Table 4. Estimation results using free university tuition as the dependent variable

Dependent variable:	Model 7		Model 8		Model 9	
Free university tuition policy	Coef.	Std. Err.	Coef.	Std. Err.	Coef.	Std. Err.
Female	0.1255 **	0.0568	0.1047 *	0.0604	0.0785	0.0612
Junior college	0.0668	0.0785	0.0465	0.0785	0.0625	0.0783
University or more	0.0349	0.0624	0.0295	0.0627	0.0567	0.0630
Age 20s	-0.2973 ***	0.1160	-0.3418 ***	0.1236	-0.3735 ***	0.1252
Age 30s	-0.3469 ***	0.1149	-0.4553 ***	0.1237	-0.5337 ***	0.1252
Age 40s	-0.3503 ***	0.1166	-0.4719 ***	0.1281	-0.6175 ***	0.1291
Age 50s	-0.6502 ***	0.1143	-0.7730 ***	0.1252	-0.8914 ***	0.1279
Age 60s	-0.7459 ***	0.1129	-0.8991 ***	0.1259	-1.1010 ***	0.1303
Age 70s	-0.7965 ***	0.1091	-0.9823 ***	0.1239	-1.2351 ***	0.1308
Household income (ten thousand yen)	1.17×10^{-6}	7.81×10^{-5}	-7.1×10^{-5}	8.41×10^{-5}	-0.0001	8.47×10^{-5}
Married	—	—	0.2347 ***	0.0652	-0.0916	0.0733
Not in labor market	—	—	0.0288	0.0644	0.0331	0.0649
Unemployed within the last 5 years	—	—	—	—	-0.0856	0.0982
Experience raising children	—	—	—	—	0.6161 ***	0.0744
Experience of caring for family members	—	—	—	—	-0.1080 *	0.0627
Observations	1,628		1,628		1,628	
Log pseudo likelihood	-2537.2979		-2529.9915		-2495.5111	
Pseudo R^2	0.0219		0.0248		0.0380	

Note: Standard errors are robust.

* Significant at the 10% level; ** Significant at the 5% level; *** Significant at the 1% level.

Regarding the policy of making university education free, Model 7 in Table 4 shows that compared with teenagers, all other age groups are more opposed to free university education. Moreover, the absolute value of the coefficient increases with age. This suggests that those who are ineligible for free tuition or have already attended university on education loans are opposed to the idea of free tuition being applied only to future university students. Even people in their 20s, who belong to Generation Z and are therefore perceived as altruistic, appear negative about policies that do not directly benefit them. Thus, Generation Z may be more selfish than altruistic. In Models 8 and 9 show significant positive coefficients for the married and childcare experience

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dummy variables, respectively. This may be because people are more likely to support a free university education policy if their children are eligible, even if they are not.

These results suggest that because older adults currently pay little in taxes, they favor redistribution policies involving their age group more than other generations. Furthermore, people in their 70s are strongly opposed to redistribution policies that would benefit other generations. Regarding younger age groups, while the difference between teenagers and people in their 20s, both of whom belong to Generation Z, is not significant, those in their 20s show more negativity toward redistribution policies. These results are likely because some respondents in their 20s are still university students, and many teenagers have not yet entered the labor market and therefore do not feel the tax burden.

To verify this, I use estimations restricting the sample to those in their teens and 20s. As Models 10 and 11 in Table 5 show, the coefficient of the 20s dummy was not significant for redistribution policies that do not target specific generations or that target older adults. However, in Model 12, the coefficient of the 20s dummy for free university education is significant and negative. Although the coefficient of the dummy variable for being currently not working is not significant, its sign is positive. Thus, university students tend to support free university education. I am unable to include the results in a table because of space constraints; however, when the 20s dummy variable and educational background dummy variables are excluded from the independent variables, the coefficient of currently not working dummy is positive and strongly significant.

Table 5. Estimation results using only respondents in their teens and 20s

Only teens and 20s respondents	Model 10		Model 11		Model 12	
Dependent variable	Redistribution policies that do not target specific generations		Social welfare policies for older adults		Free university tuition policy	
	Coef.	Std. Err.	Coef.	Std. Err.	Coef.	Std. Err.
Female	0.3869 ***	0.1034	-0.1526	0.1040	0.2582 ***	0.1005
University or more	0.1808 **	0.0874	0.1118	0.0921	0.1974 **	0.0913
Age 20s	-0.0706	0.1014	-0.1073	0.1050	-0.2343 **	0.1093
Married	-0.0078	0.1214	-0.0843	0.1328	0.1330	0.1492
Not in labor market	0.0415	0.1034	-0.0128	0.1137	0.1698	0.1134
Observations	610		602		602	
Log pseudo likelihood	-939.83175		-916.25205		-896.15171	
Pseudo R^2	0.0116		0.0039		0.0155	

Note: Standard errors are robust.

* Significant at the 10% level; ** Significant at the 5% level; *** Significant at the 1% level.

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Table 6 and 7 show the distribution of responses regarding how much of a tax burden would be acceptable, in addition to current monthly tax payments, if free university education and medical care for older adults were to be realized, respectively. Across all generations, the most common answer is “I don’t want to pay any more in taxes.” Teenagers refuse the additional tax burden despite most having little tax liability because they have not yet entered the workforce. However, compared to other generations, more respondents would be willing to accept a certain tax burden to realize free university education, which would benefit them personally. Notably, as shown in Table 8, whether people support free university education and tax burden they would be willing to bear to make it a reality are not significantly correlated. Thus, teenage respondents support free university education but do not want to pay additional taxes. Regarding respondents in their 20s, who are also part of Generation Z, a higher percentage did not want to increase their tax burden to support free university education compared with teenagers. Thus, those in their 20s tend to refuse to pay taxes to make university education free if they do not benefit from it directly. In Table 8, the correlation coefficients are positive and significant for those in their 20s. Thus, the more people want free university tuition, the more willing they are to accept a higher tax burden. Respondents in their 40s and 70s show similar results.

Table 6. Distribution of acceptable additional tax burdens for free university education

	0	2500	7500	12500	17500	22500	27500	32500	(yen)
Age teens	131 (42.3)	79 (25.5)	46 (14.8)	26 (8.4)	8 (2.5)	4 (1.2)	4 (1.2)	11 (3.5)	
Age 20s	198 (64.0)	54 (17.4)	24 (7.7)	16 (5.1)	2 (0.6)	5 (1.6)	2 (0.6)	8 (2.5)	
Age 30s	215 (69.5)	52 (16.8)	18 (5.8)	9 (2.9)	8 (2.5)	2 (0.6)	0 (0.0)	5 (1.6)	
Age 40s	208 (67.5)	52 (16.8)	14 (4.5)	14 (4.5)	7 (2.2)	5 (1.6)	3 (0.9)	5 (1.6)	
Age 50s	228 (73.7)	46 (14.8)	11 (3.5)	9 (2.9)	5 (1.6)	0 (0.0)	1 (0.3)	9 (2.9)	
Age 60s	237 (76.7)	38 (12.3)	16 (5.1)	4 (1.2)	4 (1.2)	3 (0.9)	0 (0.0)	7 (2.2)	
Age 70s	227 (73.4)	47 (15.2)	16 (5.1)	6 (1.9)	4 (1.2)	0 (0.0)	3 (0.9)	6 (1.9)	

Note: The numbers in brackets indicate the percentage.

Table 7 shows the distribution of respondents according to the amount of additional tax they would be willing to pay to achieve free medical care for older adults. The percentage of those who would not pay any extra taxes decreases as age increases. This suggests that as people get older, they are more likely to need medical care; they are willing to pay higher taxes to receive free care. Table 8 clearly shows this trend. Except for teenage respondents, the more respondents want free medical care for older adults, the more willing they were to bear a greater personal burden. Regarding teenagers, Tables 6 and 7 show that the largest proportion of respondents dislike additional taxes, indicating that even those who do not want increased tax burdens still want free university education and medical care for older adults. Thus, teenage respondents dislike the tax burden but want to receive as many benefits as possible.

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Table 7. Distribution of acceptable additional tax burdens for free medical care for older adults

	0	2500	7500	12500	17500	22500	27500	32500	(yen)
Age teens	151 (48.8)	76 (24.6)	34 (11.0)	21 (6.8)	13 (4.2)	5 (1.6)	5 (1.6)	4(1.2)	
Age 20s	205 (66.3)	59 (19.0)	14 (4.5)	13 (4.2)	8 (2.5)	4 (1.2)	1 (0.3)	5 (1.6)	
Age 30s	199 (64.4)	76 (24.6)	17 (5.5)	10 (3.2)	4 (1.2)	1 (0.3)	1 (0.3)	1 (0.3)	
Age 40s	188 (61.0)	83 (26.9)	19 (6.1)	5 (1.6)	4 (1.3)	1 (0.3)	5 (1.6)	3 (0.9)	
Age 50s	174 (56.3)	97 (31.3)	18 (5.8)	10 (3.2)	6 (1.9)	2 (0.6)	0 (0.0)	2 (0.6)	
Age 60s	154 (49.8)	113 (36.5)	27 (8.7)	5 (1.6)	2 (0.6)	2 (0.6)	0 (0.0)	6 (1.9)	
Age 70s	138 (44.6)	115 (37.2)	39 (12.6)	8 (2.5)	4(1.2)	1 (0.3)	0 (0.0)	4(1.2)	

Note: The numbers in brackets indicate the percentage.

Table 8. Correlation coefficients for policy support and acceptable tax burden

	(A)	(B)
Age teens	0.0236	0.0660
Age 20s	0.1787 ***	0.1184 **
Age 30s	0.0963	0.1474 **
Age 40s	0.1311 **	0.1228 **
Age 50s	0.0020	0.1485 ***
Age 60s	0.1452	0.2086 ***
Age 70s	0.1542 ***	0.2550 ***

Note: * Significant at the 10% level; ** Significant at the 5% level; *** Significant at the 1% level.

Column (A) is correlation coefficient between support for free university education and acceptable financial burden.

Column (B) is correlation coefficient between support for social welfare for older adults and acceptable financial burden.

5. Conclusion

In this study, I used Japanese microdata from a survey conducted in 2023 to analyze the mechanism driving support for redistribution. The dependent variables were primarily support for three types of policies. From the results on support for redistribution policies that do not target specific generations, I found that people in their 70s are more reluctant than other age groups to want the quality of public services to decline. This is likely because people in their 70s are not working, generally have a lower tax burden than other age groups, and receive large pensions and medical benefits.

Regarding the free university education policy, compared with teenagers, all other age groups are more opposed. Moreover, the absolute value of the coefficient increases with age. This suggests that those who are not eligible for free tuition or have already attended university using

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educational loans are opposed to the idea of free tuition being available only for future university students. Even people in their 20s, who belong to Generation Z and are perceived as altruistic, appear negative toward policies that do not benefit them directly. The results regarding social welfare for older adults showed some differences from those regarding free university education. Although the coefficient of the female dummy is insignificant, that of the 70s dummy is significant in the simple independent variable model. However, when dummy variables for being unemployed within the past five years and caring for family members are added as independent variables, the age effect weakens.

I restricted the sample to those in their teens and 20s to examine whether work experience affects policy support among Generation Z. The two age groups show no differences in their views on redistribution policies that do not target specific generations or target older adults. However, people in their 20s are more opposed to free university education than those in their teens.

Further analysis showed that most respondents do not want any further tax increases, they still want free university education and medical care for older adults. Furthermore, no correlation is observed between support for these two policies and additional taxes among teenagers. These results indicate that teenagers dislike additional taxes but would like to receive as many benefits as possible. Thus, Generation Z may be selfish rather than altruistic.

This study analyzed whether preferences for supporting redistribution policies differ across generations, focusing mainly on Generation Z and older adults. However, this study has several limitations. First, the preferences of current older adults when they were young are unknown. It is possible that a generation that was originally selfish has continued to be selfish as they have become older adults. Similarly, to advance research, it will be necessary to track and accumulate data on how the preferences of today's young people change over time.

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