

Abstract WP 64

To seek compliance with rules and laws, regulatory authorities are usually in a position of power over a heterogeneous population or multiple groups. Power may thus need to be analysed as a tripartite relationship between authority, ingroup and outgroup. Based on the social identity approach and related justice theories, it is argued that social identification with an inclusive category that includes ingroup, outgroup and authority determines how group members react to the authority's power use and how legitimate they find the authority. Two studies were set in the context of the Australian tax system, an experimental study with a student sample and a survey with a random sample of Australian citizens. Results were consistent with the theoretical analysis. Participants who identified less strongly with the inclusive category (Australians) attributed more legitimacy to the tax authority, when it exercised effective power over the outgroup (Study 1), or when it appeared lenient towards the ingroup (Study 2). In contrast, participants who identified strongly with the inclusive category attributed more legitimacy to the tax authority when it used its powers consistently towards both groups.