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## *Support for Redistribution in an Age of Rising Inequality: New Stylized Facts and Some Tentative Explanations*

**ABSTRACT** Despite the large increases in economic inequality since 1970, American survey respondents exhibit no increase in support for redistribution, contrary to the predictions from standard theories of redistributive preferences. We replicate these results but further demonstrate substantial heterogeneity by demographic group. In particular, the two groups that have most moved against income redistribution are the elderly and African Americans. We find little evidence that these subgroup trends are explained by relative economic gains or growing cultural conservatism, two common explanations. We further show that the trend among the elderly is uniquely American, at least relative to other developed countries with comparable survey data. While we are unable to provide definitive evidence on the cause of these two groups' declining redistributive support, we provide additional correlations that may offer fruitful directions for future research on the topic. One story consistent with the data on elderly trends is that older Americans worry that redistribution will come at their expense, in particular through cuts to Medicare. We find that the elderly have grown increasingly opposed to government provision of health insurance and that controlling for this tendency explains about 40 percent of their declining support for redistribution. For blacks, controlling for their declining support for race-targeted aid explains nearly 45 percent of their differential decline in redistributive preferences, which raises a further question: Why has support for race-targeted aid fallen during a period when black economic catch-up to whites has stalled?

Since the 1970s the United States has witnessed two trends whose coexistence calls into question predictions from standard political economy models (such as Meltzer and Richard 1981). As documented extensively by Thomas Piketty and Emmanuel Saez (2003), including in their annual updates, the U.S. income distribution has grown substantially more concentrated since the 1970s. As figure 1 shows, the share of income accruing to the top 1 percent more than doubled between 1978 and 2007.<sup>1</sup> The growth of inequality has not been limited to this top “one percent” but also appears in broader distributional measures (see Autor 2014).

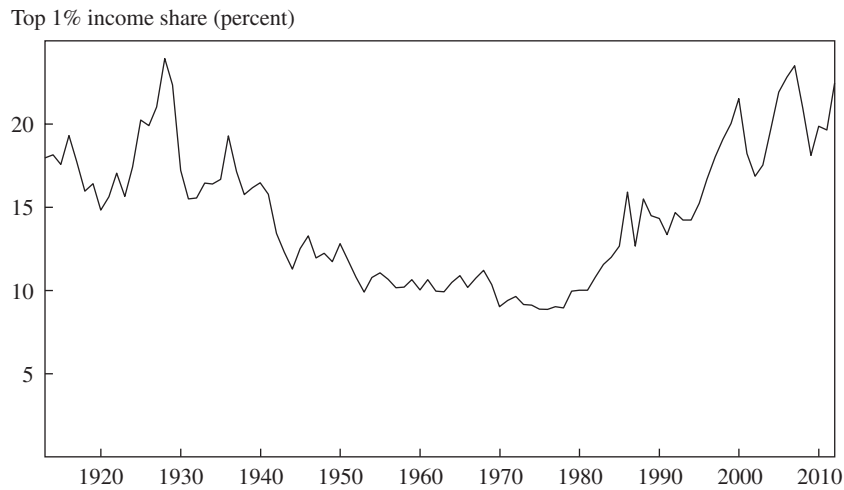
The workhorse political economy model suggests that an individual’s demand for redistribution is a function of mean income minus own income. As inequality increases, a greater share of the population has income below the mean and thus demand for redistribution rises. In reality, demand for income redistribution in the United States has remained flat by some measures and decreased according to others (see Kuziemko and others 2013), as we document later in this paper. Beyond the United States, citizens of other countries in the Organisation for Economic Co-operation and Development (OECD) that have seen rising income inequality generally have not exhibited greater demand for redistribution (Kenworthy and McCall 2008).

Explaining this puzzle has inspired a large literature, with posited explanations ranging from racial politics to belief in upward mobility.<sup>2</sup> Our goal in this paper is not to offer a new explanation. Instead, we offer new “clues” to the puzzle by delving deeper into the U.S. survey data and by comparing the U.S. trends with trends in other developed countries. Our hope is that future work trying to explain the evolution of redistributive preferences will try to fit the new stylized facts we establish in this study.

In the first part of the paper, we replicate past work, showing that trends in the demand for redistribution among Americans has been largely flat or perhaps slightly negative over the last four decades. We show that this result is robust across different redistributive questions as well as different data sets. We then document (for the first time, to our knowledge) the great heterogeneity in trends for support for redistribution during this period. We focus on immutable demographic characteristics, so as to put aside worries about compositional changes. Two groups—the elderly and African Americans—have significantly decreased their support for

1. See their online updates at <http://eml.berkeley.edu/~saez/TabFig2012prel.xls>

2. See, for example, Lee and Roemer (2006), Benabou and Ok (2001), and citations therein.

**Figure 1. Income Share of the Top One Percent, 1913–2012<sup>a</sup>**

Source: Based on figure 2 from Piketty and Saez (2003), updated by the same authors to 2012. Available at <http://eml.berkeley.edu/~saez/TabFig2012prel.xls>

a. Series based on pre-tax cash market income including realized capital gains and excluding government transfers.

redistribution, relative to other respondents. While race and age differences are pronounced and robust in the data, we do not find significant gender differences in trends in redistributive preferences.

The second part of the paper explores potential explanations for our two heterogeneity results: the relative decline in redistributive support among the elderly and African Americans. We begin with the standard model of economic self-interest and ask, Have these groups made relative gains in income or other measures of economic well-being?

In fact, we make little progress explaining these subgroup trend divergences with economic and even broader measures of well-being. One exception is that educational gains, perhaps acting as a proxy for permanent income, can explain roughly 30 percent of the differential elderly trend, although that trend remains negative and statistically significant. Otherwise, household income, perceived place in the income distribution, perceived social class, self-reported health and subjective well-being, and perceived inter- and intra-generational mobility do little to explain away the relative decline in redistributive support among the elderly and blacks.

A more psychological model of redistributive preferences emphasizes the role of cognitive dissonance: If an individual becomes more conservative

on social issues (such as abortion), she might also become more economically conservative so as to remain consistent in an ideological or partisan sense.<sup>3</sup> We thus subject our differential trend results to a variety of partisan and ideological controls, and also control for views on four hot-button issues: religious attendance, abortion, gay rights, and gun rights. We find little evidence that a general rightward movement ideologically or culturally among the elderly or blacks has dragged redistributive views to the right.

Having failed to explain our divergent trends with common models of redistributive preferences, we attempt explanations drawn from the particular historical or institutional features specific to each of these groups. The U.S. elderly have enjoyed tremendous gains in life expectancy and years of retirement, which our self-reported health and other measures of well-being may not capture. These gains have generally been enjoyed by the elderly across the OECD countries. To the extent that these broad trends could explain the decline in the elderly's support for redistribution, we should see the same results elsewhere. In fact, however, in every developed country where comparable data have been collected, the elderly's support for redistribution either follows a trend parallel to that of the rest of adults or is differentially increasing. Thus, the decline in support we find among the elderly appears to be exclusively American.

This international evidence leads us to explore whether there exist aspects of U.S. redistributive policy that, relative to other countries, are unique in the way they treat the elderly. The most obvious candidate is health insurance: In the United States, the government guarantees health insurance for only one immutable group, the elderly, whereas in other developed countries this coverage is universal. As Andrea Campbell (2003) has noted, the threat of cuts to Medicare politically energizes U.S. seniors. We find evidence that this view may be driving the elderly's views on redistribution: Seniors have grown increasingly opposed to extending the government guarantee of health coverage, and controlling for this changing view explains nearly 40 percent of the elderly's relative decline in redistributive support.

Finally, to explain the declining support for redistribution among blacks, we are motivated by the large literature showing that those who believe

3. The classic citation on cognitive dissonance is Festinger (1957) but we review the more modern literature and in particular its connection to partisan identity later in the paper.

economic outcomes are the result of a fair process are more opposed to redistribution. In surveys, blacks are far less likely than whites to agree that economic outcomes are fair, which is not surprising given the legacies of slavery and segregation. Perhaps as a result, blacks are far more likely to support race-based government aid. We show, however, that over the past several decades blacks have moved significantly toward the white view on these questions. In particular, controlling for views on race-based government aid explains nearly half of the decline in black redistributive preferences. We are thus able to provide a proximate determinant of the decline in black redistributive preferences, which then raises the question of why blacks' support for race-based aid has fallen during a period when their economic catch-up to whites has stalled.

The remainder of the paper proceeds as follows. In section I, we replicate past findings on the flat trend in overall redistributive demand in the United States over the past several decades, and we establish new facts on heterogeneity by demographic subgroup. In section II, we explore how effectively standard models explain these divergent subgroup results. In section III, we explore hypotheses specific to the elderly, and in section IV we do the same for blacks. In section V, we offer concluding thoughts and suggest areas for future work.

## **I. Trends in Redistributive Demand**

While aggregate demand for redistribution has not increased over this period of rising inequality, in this section we document substantial heterogeneity in this pattern across subgroups. To ensure that our heterogeneous patterns are not driven by data or coding differences between our paper and previous work, we first demonstrate that we can replicate the earlier finding of flat aggregate demand using our survey measures.

### ***I.A. Aggregate Trends in Redistributive Demand***

We have identified four questions on redistribution that have been fielded regularly since the 1970s. Our first and focal question is drawn from our primary data set, the General Social Survey (GSS), a representative survey of American households. The GSS asks the following:

Some people think that the government in Washington ought to reduce the income differences between the rich and the poor, perhaps by raising the taxes of wealthy families or by giving income assistance to the poor. Others think that the government should not concern itself with reducing this income difference between the rich and the poor. Here is a card with a scale from 1 to 7. Think

of a score of 1 as meaning that the government ought to reduce the income differences between rich and poor, and a score of 7 meaning that the government should not concern itself with reducing income differences. What score between 1 and 7 comes closest to the way you feel?<sup>4</sup>

We subtract this variable from 8 so that the result increases as support for redistribution increases, and we refer to this as the “reduce differences” variable. It is our preferred measure because it specifically mentions differences between the rich and the poor, whereas our other measures focus more on the poor alone.

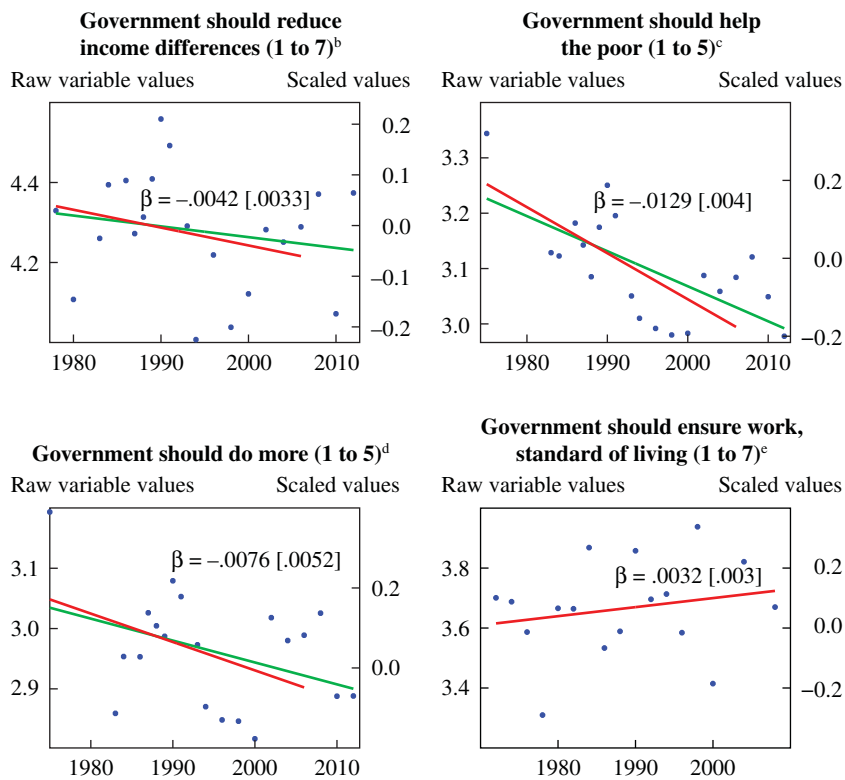
Figure 2 (upper left panel) shows a scatterplot with best-fit lines of the mean response to the “reduce differences” question over time.<sup>5</sup> We present two best-fit lines in this graph and those that follow. The longer line is the fit through all years for which we have data. The shorter line, our preferred estimate, is the best fit through 2006 (the last time the question was asked prior to the Great Recession).

We prefer to restrict attention to this shorter period for at least four reasons. First, inequality did not actually increase during the Great Recession, as shown in figure 1; by 2012 (the most recent year available at the time of analysis) the top 1 percent had yet to regain the steep losses to their income share incurred in 2008 and 2009. Second, this period also witnessed the greatest downturn since the Great Depression, which likely has its own effect on redistributive demand. Third, we are interested in trends by race, and including the administration of the first black president might well conflate racial attitudes with views of government and thus not reflect views about redistribution per se. Finally, we wish to hold the redistributive policy landscape fairly constant. David Leonhardt describes the Affordable Care Act of 2010 as “the most aggressive attack that the federal government has launched against inequality since inequality began rising

4. The complete text of this and other GSS survey questions may be viewed in the GSS “1972–2014 Cumulative Codebook” made available online by the National Opinion Research Center at [http://publicdata.norc.org/GSS/DOCUMENTS/BOOK/GSS\\_Codebook.pdf](http://publicdata.norc.org/GSS/DOCUMENTS/BOOK/GSS_Codebook.pdf). This survey question appears there on p. 245. Note that question wording for many questions varies slightly across years.

5. Throughout the paper we weight samples using the provided survey weights. In the GSS, to include those respondents from years in which oversamples were conducted, we use the product of the *wtsall* and *oversamp* variables as our weight. Toward the end of our sample period, the GSS introduces interviews in Spanish (before that time, respondents who could not complete an English-language version of the survey were excluded). To keep the sample consistent, we drop those whom the GSS deems would have been unable to have taken the interview if it were not in Spanish (*spanint* = 2).

**Figure 2. Trends in Redistributive Support<sup>a</sup>**



Source: Authors' calculations, based on data from the General Social Survey and the American National Election Studies.

a. The four panel figures depict measures of redistributive preferences. The shorter lines (in both upper graphs and the lower-left graph) depict trends through 2006 only; the longer line through 2012. Variables are reoriented (if necessary) so that scales are increasing in support for redistribution. The left-hand axes show "native units" of each variable. The right-hand axes plot a linear transformation of each variable in which it is demeaned and divided by the *partisan gap*, where *partisan gap* is the difference between the average Democrat and the average Republican answering that question. Therefore, "0" on the right-hand axes represents the view of the average respondent during the sample period, and a one-unit positive change is equal to moving (in the Democratic direction) the distance between the average Democrat and the average Republican. Slopes and standard errors of shorter lines are indicated in standardized units.

b. Graphs the *eqwlth* variable (from the GSS), which since 1978 asks whether the government should reduce income difference.

c. Graphs the *helppoor* variable (GSS), which since 1975 asks whether the government should improve the standard of living of the poor.

d. Graphs the *helpnot* variable (GSS), which since 1975 asks whether the government is trying to do too many things.

e. Graphs the *VCF0809* variable (from the ANES, 1972–2008), which asks whether the government should ensure that each person has a job and a good standard of living.

four decades ago.”<sup>6</sup> To the extent that we wish to offer clues to the puzzle of why demand for redistribution did not increase despite rising inequality, it seems prudent to exclude these most recent years, in which the economic and policy environment changed dramatically and inequality did not increase on net, and which, coming at the end of the time series, would have greatly influenced trend lines.

Both fitted lines depict a slight decrease in demand for redistribution, at least as reflected by this variable. Measured against the left-hand axis, the drop is about 10 percent of a point on the seven-point “reduce differences” scale. Because the seven-point scale has no intuitive interpretation, we also measure the drop in “partisan units.” That is, we normalize the measure so that zero represents the view of the average respondent over the sample period, and an increase of one unit for this variable is equal to moving the distance between the average Republican’s views and the average Democrat’s view on this question.<sup>7</sup> Partisan units are marked on the right-hand axis. Additionally, the  $\beta = -.0042$  [.0033] label on the graph refers to the slope and standard error of the shorter best-fit line in “partisan units”; these numbers indicate that across the 28-year sample period (1978 to 2006), Americans have moved by nearly 12 percent ( $0.0042 \times 28 = 0.1176$ ) of the Democrat-Republican difference on this question, a movement that is statistically insignificant. In concurrence with previous literature, we cannot reject the possibility that the trend is flat despite the standard model’s prediction of rising support given the increasing inequality of this time period.

This absence of increasing demand for redistribution is robust across all of our alternative measures of redistributive support. The second question we have identified, also from the GSS, begins as follows:

Some people think that the government in Washington should do everything possible to improve the standard of living of all poor Americans. . . . Other people think it is not the government’s responsibility, and that each person should take care of himself. . . .<sup>8</sup>

6. David Leonhardt, “Letter from the Editor: Inequality at the Supreme Court.” *New York Times*, March 6, 2015.

7. The GSS asks individuals to rank themselves from 1 to 7 on a Republican-Democrat scale, with 4 being “independent.” We calculate the difference in the outcome variable between those answering 1 to 3 (Republican) and those answering 5 to 7 (Democrat). We then divide the variable by this difference.

8. The survey question is reproduced in the GSS “1972–2014 Cumulative Codebook,” p. 505 (see note 4).



Respondents are asked to place themselves on a five-point scale along the described continuum, which we again flip so that an increasing value reflects increasing support for redistribution. As seen in figure 2 (upper-right panel), by this measure Americans have shown an even greater decline—more than 0.3 partisan points—in support for redistribution over both our focal and expanded time periods.

Our third question is on the role of government. The GSS asks this:

Some people think that the government in Washington is trying to do too many things that should be left to individuals and private businesses. Others disagree and think that the government should do even more to solve our country's problems. . . .<sup>9</sup>

Respondents indicate their place along this continuum on a 1-to-5 scale. We recognize that this question is less directly related to redistribution than are the first two questions, but we show the results for the sake of robustness. As seen in figure 2 (lower-left panel), during this period of greater inequality, Americans have not increased in their desire for government intervention.

Our final measure of redistributive preferences comes from the American National Election Studies (ANES), a representative sample of voting-age Americans. ANES asks this:

Some people feel that the government in Washington should see to it that every person has a job and a good standard of living. . . . Others think the government should just let each person get ahead on his/their own. . . .<sup>10</sup>

Respondents place themselves on a seven-point scale on this continuum, which we flip so that values increase as redistributive support increases. We plot the result in figure 2 (lower-right panel). While the sign of the ANES results differs from that using the various GSS measures, as with our main GSS outcome, it is essentially flat.<sup>11</sup> Across the four measures, we are able to replicate the finding of previous literature showing no increase in support for redistribution over this period of increased inequality.

9. The survey question is reproduced in the GSS “1972–2014 Cumulative Codebook,” p. 506 (see note 4).

10. The complete text of this and other survey questions in ANES, both for this and for other years, may be viewed in the cumulative data file at [http://www.electionstudies.org/studypages/anes\\_timeseries\\_cdf/anes\\_timeseries\\_cdf.htm](http://www.electionstudies.org/studypages/anes_timeseries_cdf/anes_timeseries_cdf.htm). Note that survey wording varies from year to year.

11. Our last ANES data point is from 2008. The question was fielded again in 2012, but at the time of this analysis only preliminary data were available for that wave.

As we noted from the onset, this lack of increased support is puzzling. In an effort to provide clues to solve this puzzle, in the next section we demonstrate, we believe for the first time, that these aggregate trends mask substantial heterogeneity across demographic groups.

### *1.B. Trends by Subgroup*

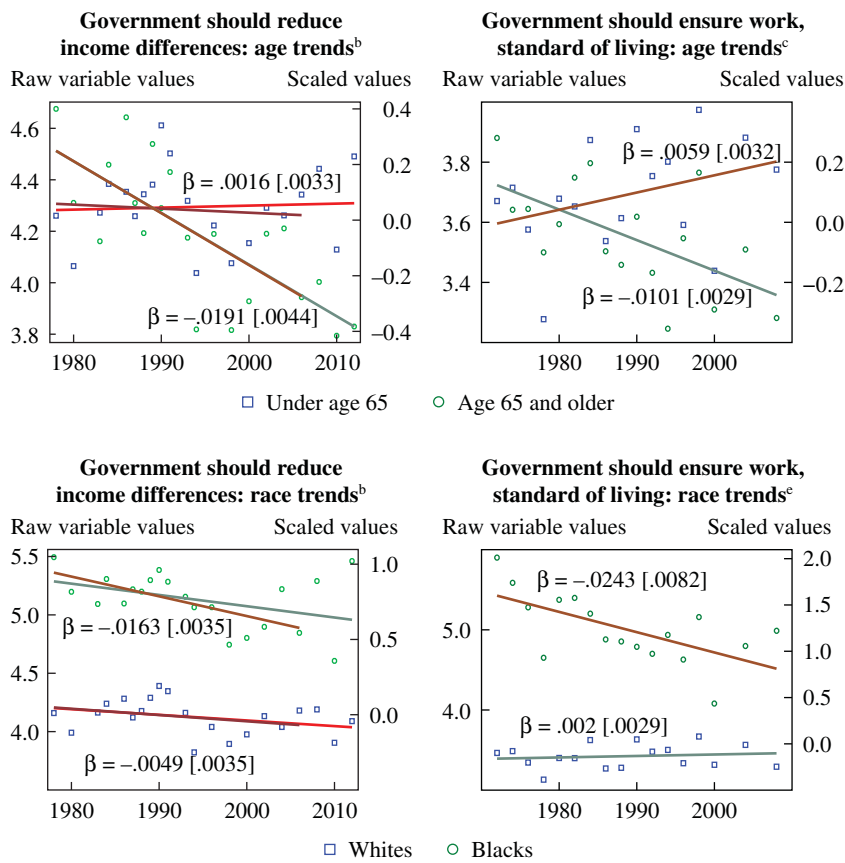
In this section we examine how the trend in support for redistribution varies by several immutable demographic characteristics: age, race, and sex.

**TRENDS IN AGE** In figure 3 (upper-left panel) we return to our focal GSS “reduce differences” question and find remarkable heterogeneity in the trends of younger and older respondents. Over our 28-year sample period, while no significant change occurred among those under age 65 in their mean desire for reducing income inequality, among those age 65 or older attitudes grew increasingly negative. Looking at our standardized party scale on the right-hand axis, we see that across our sample period support decreased among the elderly by more than 50 percent of the Democrat-Republican difference. This relative decrease among the elderly is robust to using our ANES redistribution question (figure 3, upper right panel). By this measure, young Americans have seen a marginally significant increase of about 20 percent of a partisan unit over the 36-year sample period, while the elderly show a significant decline of roughly 40 percent of the party difference over that period. By either measure, the relative position of the elderly has flipped; the group begins the time period more in favor of redistribution than the rest of the population (significantly so in the GSS), but by the end of the time series the elderly are significantly less supportive (both for the GSS and the ANES).

**TRENDS BY RACE** The second demographic split we investigate is race. Because of sample size limitations, we are able to examine only two racial groups: blacks and whites.<sup>12</sup> As with age, we demonstrate in figure 3 remarkable differences in trends by race both from the GSS data (lower-left panel) and the ANES data (lower-right panel). While there has been no significant movement on the issue by whites, in both data sets, blacks, who have a much higher desire for redistribution on average, have significantly decreased their support, by nearly half of a partisan unit in the GSS and by about 90 percent of a unit in the ANES, over their respective sample periods.

12. Moreover, the GSS only asks about Hispanic ethnicity consistently beginning in 2000.

**Figure 3. Trends in Redistributive Support, by Age and Race<sup>a</sup>**

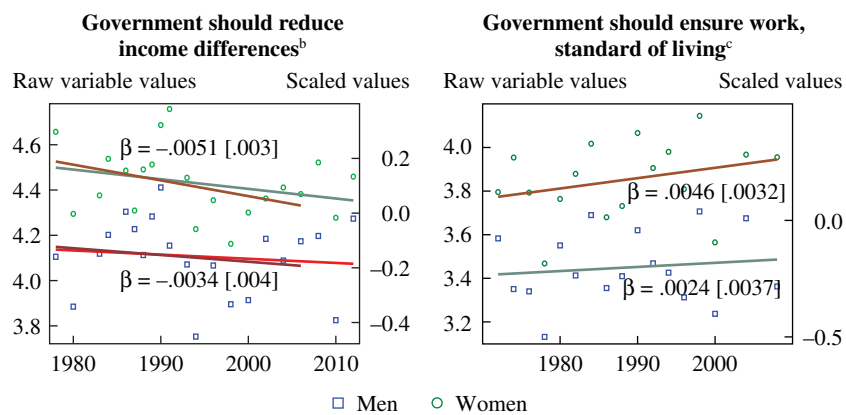


Source: Authors' calculations, based on data from the General Social Survey, and the American National Election Studies.

a. Figures depict measures of redistributive preferences by age and race. See notes to figure 2 for explanations.

b. The left-hand panels depict the *eqwlth* variable (from the GSS), which since 1978 asks whether the government should reduce income difference. The shorter lines depict trends through 2006 only; the longer lines through 2012.

c. The right-hand panels depict the *VCF0809* variable (1972–2008) from the ANES, which asks whether the government should ensure that each person has a job and a good standard of living.

Figure 4. Trends in Redistributive Support, by Gender<sup>a</sup>

Source: Authors' calculations, based on data from the General Social Survey, and the American National Election Studies.

a. Figures depict measures of redistributive preferences by gender. See notes to figure 2 for explanations.

b. Depicts responses to the *eqwlth* variable from the GSS, which since 1978 asks whether the government should reduce income difference. The shorter line depicts trend through 2006 only; the longer line through 2012.

c. Depicts the *VCF0809* variable (1972–2008) from the ANES, which asks whether the government should ensure that each person has a job and a good standard of living

**TRENDS BY GENDER** Unlike for race and age, for gender we do not find significant trend differences in either data set. In both the GSS and the ANES, we see that women have a higher demand for redistribution than men, and the sexes trend similarly over time in decreasing or increasing support in both surveys (see figure 4). This nonresult is somewhat surprising given the large income gains women have made relative to men over the same time period.

### I.C. Discussion

While Americans overall have exhibited no marked trend in their support for redistribution over the past four decades, our subgroup analyses have identified two groups with markedly negative trends over time: the elderly and African Americans. These groups are in fact among the most dependent on transfers, making their redistributive trends a priori surprising.<sup>13</sup> In the next section, we explore whether commonly used

13. Between 1978 and 2006, the average share of the elderly's total income received from government transfers was approximately 65 percent, in contrast with roughly 10 percent among the nonelderly. Similarly, over the same period, the average share among African Americans was about 25 percent, in contrast with around 15 percent for whites. Authors' calculations are based on Current Population Survey data.

models of redistributive preferences may explain the divergent trends of these two subgroups.

## II. Can Standard Models of Redistributive Preferences Explain Subgroup Trends?

In this section, we explore to what extent we can “explain away” the black and elderly differential trends that we uncovered in the previous section, using controls suggested by common models of redistributive preferences.

### II.A. *Economic Self-Interest*

The workhorse political economy model has voters maximizing after-tax income, with demand for redistribution an increasing function of the difference between their income and that of the average taxpayer. We thus begin our exploration of why the elderly and African Americans have differentially moved against redistribution by examining the robustness of their differential trends to a myriad of income controls. Since we tend to prefer the main GSS redistribution question (that is, our “reduce differences” question), we focus on that data source in the analysis that follows. Nevertheless, all results are robust to using the ANES, and for some key results we will report the parallel ANES analysis.

Column 1 of table 1 quantifies the relative decline among the elderly in support for redistribution, essentially replicating the first panel (shorter time period, through 2006) of figure 3 in regression form. With no controls besides the elderly dummy and year fixed effects, positive answers to this question decline among the elderly (relative to others) by roughly 0.20 points (on a seven-point scale) per year. Since the units of this coefficient have no intuitive interpretation, below the table we provide two alternative measures of the magnitude of our findings. First, we divide the coefficient by the variable’s standard deviation and report it as the “Scaled effect (SD).” Second, we divide the coefficient by the Democrat-Republican difference on this question, and report that as the “Scaled effect (party)” below the coefficient estimate. Since the coefficient is in terms of 100 years, whereas our GSS sample period typically spans 28 years (depending on the outcome question), the scaled effect listed in column 1 suggests that over this period, the elderly have differentially shifted their views on this question by roughly 29 percent ( $0.28 \times 1.023 \approx 0.286$ ) of a standard deviation, or by an amount equal to roughly 50 percent ( $0.28 \times 1.846 \approx 0.517$ ) of the partisan gap on this question (moving in the “Republican” direction).

**Table 1. Regressions Explaining Trends in Attitude toward Redistribution among Blacks and the Elderly<sup>a</sup>**

	(1) <sup>b</sup>	(2) <sup>c</sup>	(3) <sup>d</sup>	(4) <sup>e</sup>	(5) <sup>f</sup>	(6) <sup>g</sup>	(7) <sup>h</sup>	(8) <sup>i</sup>
<i>Reduce income differences (1 to 7)</i>								
Elderly × (Year-1975)/100	-1.995*** [0.401]	-1.924*** [0.388]	-1.403*** [0.381]	-1.720*** [0.394]	-1.423*** [0.414]	-1.431*** [0.446]	-1.491*** [0.458]	-1.307*** [0.423]
Black × (Year-1975)/100								
Mean, dependent variable	4.251	4.252	4.251	4.251	4.252	4.254	4.252	4.252
Scaled effect (SD)	-1.023	-0.987	-0.720	-0.882	-0.730	-0.734	-0.765	-0.670
Scaled effect (party)	-1.846	-1.781	-1.298	-1.591	-1.316	-1.323	-1.378	-1.208
Income covariates?	No	Yes	No	No	No	Yes	No	No
Education covariates?	No	No	Yes	No	No	No	Yes	No
Relative covariates?	No	No	No	Yes	No	No	No	Yes
Share explained	—	0.0352112	0.2965051	0.1379481	—	-0.0056065	-0.0475128	0.0819684
No. of observations	24,388	24,260	24,388	24,388	24,463	24,331	24,463	24,463

a. All regressions run using GSS data and contain year fixed effects, cluster standard errors by year, and use provided survey weights. Asterisks indicate statistical significance at the \*\*\*1 percent, \*\*5 percent, and \*10 percent levels. See text (section II.A) for additional detail.

b. Columns 1 and 5 contain no additional controls except an elderly (black) indicator variable.

c. Columns 2 and 6 contain the income measure (*realinc*) adjusted for household size (we follow the OECD and give each additional adult beyond the head a weight of 0.5 and each child a weight of 0.3) and inflation and coding missing values to zero, as well as an indicator variable for having a missing value for this variable. We lose some observations due to missing household-size inputs.

d. Columns 3 and 7 include fixed effects for highest degree attained ("missing" is its own category).

e. Columns 4 and 8 contain fixed effects for the five possible answers to where respondents see themselves in the U.S. income distribution and the four possible answers for their self-assessed social class ("missing" is its own category).

Column 5 shows the parallel analysis for blacks. The coefficient of interest suggests that over our 28-year sample period, relative to other groups black support for redistribution has moved roughly 20 percent of a standard deviation—a distance equal to roughly 37 percent ( $0.28 \times 1.316 \approx 0.368$ ) of the Democrat-Republican gap—on this question. Again, this movement in the Republican direction is consistent with figure 3 (lower-left panel).

In columns 2 and 6 we add household income controls. We use the GSS *realinc* measure, converted to 2014 dollars, and adjust for household size, following Betsey Stevenson and Justin Wolfers (2013). We also add a separate control for the roughly 10 percent of respondents who have missing information for this variable. Below the coefficient estimates, we report the “Share explained” (merely one minus the coefficient of interest after we include controls divided by the original coefficient). For both groups, controlling for household income has essentially no effect on the coefficient of interest. For the elderly, the income controls explain roughly 4 percent of the original effect. For blacks, including income controls actually increases the magnitude of the group’s differential trend, although again the effect is close to zero in both cases.

Actual income may be a noisy proxy for economic well-being, especially for the elderly, many of whom are retired, so in columns 3 and 7 we use education (fixed effects for highest degree attained) as a proxy for permanent income. For the elderly (column 3), this control has some explanatory power, reducing the original coefficient by nearly 30 percent, even though the elderly differential trend remains negative and highly significant. In column 7, controlling for education once again increases the black differential trend, though only slightly.

The controls we have used so far are based on respondents’ assessments of absolute objective measures. In the final set of analyses in table 1 we control for more subjective and relative measures: where the respondent places her household in the U.S. income distribution relative to the average household (fixed effects for far below, below, average, above, and far above) and which social class she views herself as being in (lower, working, middle, or upper). For neither group do these controls go far in explaining different trends. The controls serve to reduce the elderly coefficient by less than 15 percent and the black coefficient by less than 10 percent.

We perform a number of robustness checks related to the results in table 1. First, we demonstrate that the elderly and black trends (columns 1 and 4) are robust to controlling for each other simultaneously as well as simultaneously controlling for *female*  $\times$  *year*, *top income quintile*  $\times$  *year*,

and *college*  $\times$  *year* (see online appendix table A.1).<sup>14</sup> As such, the black and elderly trends appear to be separately identifiable phenomena and separate from any other groups' trend.

While we noted earlier that our preferred sample period excludes the Great Recession years, in online appendix table A.2 we extend our sample period through 2012. While heterogeneity by age is greater over the longer time frame, the race gap shrinks substantially and is no longer statistically significant when we include the period confounded by the Great Recession, the first black U.S. president, and the passage of the Affordable Care Act. However, the ability of covariates to explain the basic trends remains limited for both groups in this extended period.

In online appendix table A.3 we show that the results of columns 2 to 5 and 6 to 8 in table 1 are robust to interacting each of these economic controls with the main effect (elderly or black, depending on the specification). These specifications allow the controls to have different effects on redistributive preferences across our key groups. In fact, this flexibility tends to have less explanatory power in accounting for the differential trends among blacks, and thus the differential trends that remain tend to grow using this specification.

To maximize sample size, we create a separate category for observations with missing household income values, but online appendix table A.4 shows that our results hold if we instead drop these observations. Finally, while we use an ordinary least squares (OLS) model for ease of interpretation, in online appendix table A.5 we show that our results are robust to using an ordered probit model. In fact, the cut-points generated by the ordered probit model are very close to linear (online appendix figure A.1), suggesting that OLS is a reasonable estimating model.

Besides probing the specifications and regression samples used in table 1, in table 2 we also explore whether broader measures of well-being, economic or otherwise, might better explain the differential trends of the elderly and blacks. For ease of comparison (and because some questions are only asked in a subset of sample years) each odd-numbered column provides the baseline elderly or black specification with no additional controls. Throughout the table we restrict our sample to those observations with nonmissing responses to the controls used in the even-numbered column that follows.

14. Online appendixes for all papers in this volume may be found at the *Brookings Papers* web page, [www.brookings.edu/bpea](http://www.brookings.edu/bpea), under "Past Editions."



**Table 2. Regressions Using Broader Measures to Explain Trends in Attitude toward Redistribution among Blacks and the Elderly<sup>a</sup>**

	Reduce income differences (1 to 7)											
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Elderly × (Year-1975)/100	-1.969*** [0.396]	-1.990*** [0.382]	-2.103*** [0.344]	-1.943*** [0.349]	-1.090 [1.239]	-1.129 [1.246]						
Black × (Year-1975)/100							-1.410*** [0.438]	-1.270** [0.454]	-2.164*** [0.335]	-2.123*** [0.359]	-3.124* [1.489]	-3.180* [1.460]
Happiness (1 to 3)		-0.366*** [0.0196]						-0.320*** [0.0205]				
Health (1 to 4)				-0.295*** [0.0211]						-0.253*** [0.0191]		
Kids will do worse						-0.0476 [0.0247]						-0.0207 [0.0238]
Doing worse than parents						0.0851*** [0.0153]						0.0918*** [0.0151]
Mean, dependent variable	4.252	4.252	4.212	4.212	4.159	4.159	4.254	4.254	4.214	4.214	4.160	4.160
Scaled effect (SD)	-1.011	-1.022	-1.078	-0.996	-0.562	-0.582	-0.724	-0.652	-1.109	-1.088	-1.609	-1.638
Scaled effect (party)	-1.822	-1.841	-1.922	-1.776	-0.901	-0.933	-1.304	-1.174	-1.976	-1.938	-2.584	-2.631
Share explained	—	-0.102991	—	0.0763383	—	-0.0357122	—	0.0995062	—	0.0190701	—	-0.0179786
No. of observations	24,159	24,159	14,458	14,458	9,077	9,077	24,227	24,227	14,499	14,499	9,096	9,096

a. All regressions run using GSS and contain year fixed effects, cluster standard errors by year, and use provided survey weights. Odd columns contain no additional controls except an elderly (black) indicator variable. Asterisks indicate statistical significance at the \*\*\*] percent, \*\*5 percent, and \*10 percent levels. See text (section II.A) for additional details.

In columns 2 and 8, the control is self-reported happiness. This control fails to explain the elderly trend at all, but it does lead to a small (10 percent) reduction in the black differential trend, which nevertheless remains highly significant, consistent with Stevenson and Wolfers' (2013) findings on black-white happiness convergence. Given the large life-expectancy gains among the elderly (a topic to which we return briefly in section III), in columns 4 and 10 we control for self-assessed health; this reduces the elderly and black coefficients by only 8 and 2 percent, respectively. Finally, in columns 6 and 12 we explore the explanatory power of views on intergenerational mobility, which past authors have found reduces support for redistribution.<sup>15</sup> Specifically, we control for whether the respondent thinks that her children's standard of living will be worse than her own and whether she feels that her standard of living is worse than her parents' (we drop childless respondents). Only the latter control significantly correlates with redistributive preferences. The inclusion of both mobility variables serves to increase our key coefficients slightly. While we do not have intragenerational questions in the GSS, the ANES asks whether the respondent believes that she will be better off next year. That variable's inclusion does not change the black and elderly differential trends significantly.<sup>16</sup>

### *II.B. Increased Conservatism and Cognitive Dissonance*

A second hypothesis that we explore is that the declines in redistributive support among the elderly and blacks are part of a larger trend of increased conservatism among these groups. Nathan Kelly and Peter Enns (2010) find that increased income inequality is associated with increased conservatism. To the extent that this effect was differentially large for blacks and the elderly, these groups may have become relatively more conservative over time.

To explore the possibility of a general increase in conservatism causing increased conservatism in redistributive views, in table 3 we examine the extent to which our differential trends by age (race) are explained by controls for conservatism. We recognize that a significant correlation

15. See Checchi, Ichino, and Rustichini (1999) and Corneo and Grüner (2002) on the connection between intergenerational mobility and redistributive preferences.

16. Results available upon request. The classic treatment of redistributive demand as a function of personal mobility is by Hirschman and Rothschild (1973). A more recent application using Russian data is by Ravallion and Lokshin (2000).

between redistributive attitudes and other attitudes could result from redistributive views as either cause or effect. Scholars have demonstrated the relevance of the theory of cognitive dissonance (Festinger 1957)—which posits a need for internal consistency—to political views (see, for example, Beasley and Joslyn 2001, Mullainathan and Washington 2009, and Gerber, Huber, and Washington 2010).

However, the results of table 3 demonstrate that for neither blacks nor the elderly is the decline in redistributive support explained by a general movement toward conservatism. In columns 1 and 5 we repeat the basic uncontrolled age and race specification for comparison. In columns 2 and 6 we control for party identification (a 1-to-7 scale running from strong Democrat through strong Republican). For both blacks and the elderly, controlling for party identification makes the magnitude of the differential redistributive trend even larger, by about 15 percent in the case of blacks. As these coefficient patterns suggest, despite their movement away from support for redistribution blacks and the elderly have become no more Republican. In fact, relatively speaking, blacks have become significantly more Democratic, as whites have moved away from that party while blacks have remained loyal to it.

Columns 3 and 7 in table 3 show that, unlike party identification, controlling for political ideology (a seven-point scale from extremely liberal through extremely conservative) does decrease the coefficients of interest, but by a small amount (roughly 11 percent for the elderly and under 3 percent for blacks). Finally, as Geoffrey Layman (1997) and others since have noted, religious attendance has become increasingly linked with conservatism, so in columns 4 and 8 we add a nine-point scale of attendance (from never attend to attend more than weekly) as a control. As with political ideology, the effect on the coefficients of interest is very limited, although this time it shows a larger decrease for blacks (roughly 7 percent) than for the elderly (under 2 percent).

In a final test of the general conservatism hypothesis we explore how views on certain political hot-button issues—abortion, homosexuality, and gun control—serve to explain our patterns. We relegate these results to online appendix table A.6 because of loss of sample size. Nonetheless, like the more global attitudinal measures, these single issues explain less than 10 percent of our trends in redistributive views by age and race. We find no evidence that the decline in redistributive support among either blacks or the elderly is part of a wider trend toward ideological or cultural conservatism.

**Table 3. Regressions Using Political and Religious Identity to Explain Trends in Attitude toward Redistribution among Blacks and the Elderly<sup>a</sup>**

	Reduce income differences (1 to 7)							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Elderly × (Year-1975)/100	-2.071*** [0.393]	-2.181*** [0.427]	-1.851*** [0.354]	-2.034*** [0.398]	-1.500*** [0.453]	-1.720*** [0.434]	-1.462*** [0.498]	-1.391*** [0.451]
Black × (Year-1975)/100								
Identify as Republicans (1 to 7)		-0.265*** [0.00904]				-0.241*** [0.00995]		
Liberal to conservative (1 to 7)			-0.306*** [0.0114]				-0.290*** [0.0127]	
Religious attendance (1 to 9)				-0.0264*** [0.00512]				-0.0372*** [0.00593]
Mean, dependent variable	4.231	4.231	4.231	4.231	4.232	4.232	4.232	4.232
Scaled effect (SD)	-1.069	-1.126	-0.956	-1.050	-0.774	-0.888	-0.754	-0.718
Scaled effect (party)	-1.936	-2.039	-1.731	-1.902	-1.402	-1.608	-1.366	-1.301
Share explained	—	-0.0534258	0.1058472	0.0176777	—	-0.1466506	0.0254986	0.0724976
No. of observations	22,119	22,119	22,119	22,119	22,172	22,172	22,172	22,172

a. All regressions run using GSS and contain year fixed effects, cluster standard errors by year, and use provided survey weights. Asterisks indicate statistical significance at the \*\*\*1 percent, \*\*5 percent, and \*10 percent levels. See text (section II.B) for additional details.

### *II.C. Discussion*

In general, controls associated with common models of redistributive preferences have limited power to explain why the views of the elderly and African Americans have moved against redistribution, relative to other Americans' views. In the case of the elderly, we find some evidence that the standard model of economic self-interest may hold, as controlling for education (potentially a better proxy of permanent income for this largely retired population than current annual income) reduces the differential elderly trend by roughly 30 percent. For blacks, these standard controls enjoy even less success in reducing the magnitude of the coefficient of interest.

In the final two sections of the paper, we move beyond standard redistributive theories and instead explore whether historical or institutional factors specific to each of these groups can provide clues to their declining support for redistribution.

## **III. Explanations Specific to the Elderly**

In this section, we explore two potential explanations for the decrease in redistributive support among the elderly. The first is that the trend is explained by improvements in elderly health and well-being, and so should appear in other countries that experienced similar improvements. The second is that elderly Americans fear crowd-out of Medicare funding through expansion of government health insurance to other groups.

### *III.A. Unobserved Changes to the Well-Being of the Elderly: International Evidence*

While we are able to observe and control for economic and attitudinal shifts among the elderly in our sample period, our controls only capture large, underlying trends for this group imperfectly. Life expectancy over our sample period has significantly increased, and along with it the total years of retirement that individuals can expect to enjoy have increased as well. Perhaps as a reaction, there have been increasing calls in policy circles to raise the age of eligibility for collecting government retirement benefits, and this too could be affecting the elderly's redistributive preferences.

In the United States, life expectancy at age 65 increased from 15.2 years in 1970 to 19.1 years in 2010.<sup>17</sup> And, indeed, the share of seniors reporting

17. See <http://www.cdc.gov/nchs/data/hus/2011/022.pdf>

only poor or fair health fell from 30.2 percent in 1975 to 22.7 percent in 2012.<sup>18</sup> While we tried controlling for health in our regression analysis, we may not have fully captured these gains in well-being nor the effect of the corresponding policy pressure on retirement ages.

The parallel trends of increasing life expectancy at age 65 and the postponement of full retirement benefits generally hold across OECD countries. In this section, we ask: Is the relative decline in redistributive support among the elderly replicated in other developed countries? The GSS and the ANES are relatively unusual in providing the ability to examine several decades-long trends regarding redistributive preferences. Multicountry surveys such as the World Values Survey and the European Social Survey have only been fielded three or four times (and in the case of the latter, only once before the 2008 economic crisis), so they are of limited use for long-run trend analysis. To place our results for the American elderly in a comparative context, we performed a comprehensive search of the survey data from 17 developed countries. We found only three that had similar data: the United Kingdom, Germany, and Sweden.<sup>19</sup> In all three cases, the available span of years was more limited. While more data would have been ideal, these countries give us coverage from another Anglo-Saxon economy, as well as continental Europe and Scandinavia.

The immutability of age and the fact that all our case countries have state-run pension programs allow us to examine elderly support for redistribution cross-nationally. Each of these countries has exhibited similar gains in life expectancy conditional on reaching the retirement age, and all but one (Sweden) have planned increases in their “pensionable ages.”<sup>20</sup> As such, if these broad trends were causing the decline in the American elderly’s redistributive preferences, we should see similar evidence abroad.

**DATA SOURCES FOR THE UNITED KINGDOM, GERMANY, AND SWEDEN** The British Social Attitudes (BSA) survey has been administered annually since 1983. Sampling aims to be representative of the British population, and each year roughly 3,000 respondents are interviewed in their homes. Britain is an especially useful comparison to the United States not only due to its historical connections but also because the country has seen a

18. See <http://www.cdc.gov/nchs/data/hus/hus82acc.pdf> and <http://www.cdc.gov/nchs/data/hus/hus13.pdf#050>

19. We detail our search, including surveys consulted and the wording and years of relevant questions, in online appendix B.

20. See Chomik and Whitehouse (2010).

marked rise in pretax income inequality (though somewhat smaller than the increase in the United States) since the 1980s (Atkinson, Piketty, and Saez 2011).

In roughly half of the years since 1983, the BSA has asked three questions related to redistributive preferences. The first asks whether the government should “reduce income differences”; respondents indicate their agreement with the idea on a five-point scale. The second question asks about the gaps between high and low incomes, with “too small” being coded as 1, and “too large” being coded as 3. Finally, and related to the first question, a third question asks whether “the government should redistribute income” and again gives respondents a five-point scale to indicate their agreement. We take the first as our focal question and relegate analysis of the remaining questions to the online appendix.<sup>21</sup>

The German General Social Survey has been fielded roughly every other year since 1980.<sup>22</sup> Unfortunately, the German GSS redistributive questions are both less comparable to those in the American GSS and asked less frequently than those in the BSA. The German GSS asks individuals to place themselves on a four-point scale based on agreement with this statement: “The state must ensure that people can have a decent income, even in illness, hardship, unemployment and old age.” In another question, again using a four-point scale, individuals are asked to react to the statement, “Income should not be based solely on individual achievement. Instead, everybody should have what they and their family need for a decent life,” as well as, “Only when differences in income and in social standing are large enough is there an incentive for individual achievement.”<sup>23</sup> Given that the first statement involves the role of government, we take it as the one closest to the American GSS’s “reduce income differences” question and therefore define it as our focal question, again relegating analyses using the remaining questions to the online appendix.

The Swedish National Election Studies (SNES) Program was established in 1954 to study public opinion and voting behavior. Since 1988,

21. Social and community planning research, British Social Attitudes Survey, 1983–2013 [computer file]. (Colchester, Essex: UK Data archive [distributor]). Accessed: September 2014.

22. According to the German General Social Survey program, prior to German reunification the sample of respondents was drawn from West Germany and West Berlin.

23. GESIS Leibniz Institute for the Social Sciences, German General Social Survey (ALLBUS) Cumulation 1980–2012 [computer file] (Cologne, Germany: GESIS Data Archive [distributor]). Accessed: September 2014.

the SNES has asked respondents to indicate their agreement (on a five-point scale) with this statement: “Here are a number of proposals that have appeared in the political debate. What is your opinion about . . . the proposal to: Reduce income differences in society?”<sup>24</sup>

**INTERNATIONAL EVIDENCE** We replicate our elderly graphs using the international data in appendix figures 1, 2, and 3 (located at the end of this paper). For each country, it is clear that the elderly are not differentially moving away from redistribution, relative to the rest of the population. Additionally, we recognize that the German reunification introduced composition issues, but in online appendix figure A.6 we find that the same general pattern holds when we restrict the sample to those living in the territory of the old Federal Republic (West Germany).

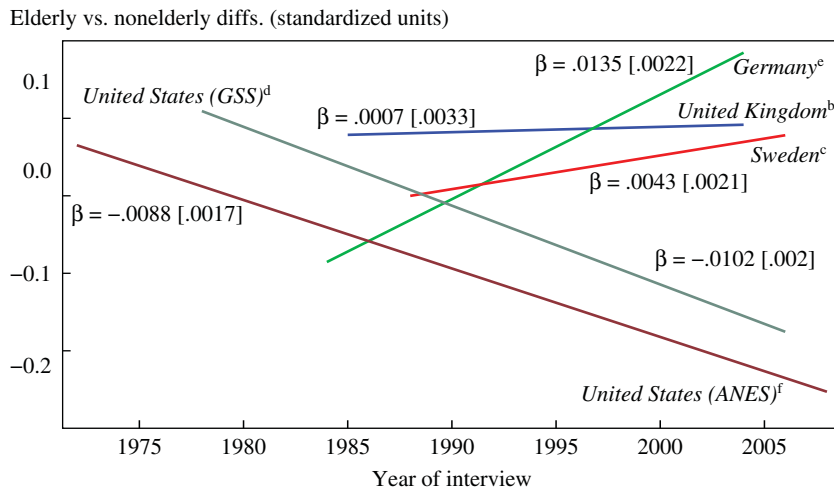
In figure 5 we attempt to compare these trends in a more harmonized way across our five data sets (our three data sets from European countries plus the ANES and GSS data). We first standardize each of the questions by dividing by its standard deviation. We next regress these standardized variables, separately for each data set, on an elderly dummy, year fixed effects, and an elderly-specific trend (that is, the column 1 specification in table 1). We then generate lines defined by the elderly dummy and the elderly trend, so that for each year we give the predicted difference in support for redistribution among the elderly relative to others, separately by data set. We only generate this line over the sample period of each data set.

Figure 5 highlights how differently the elderly have evolved on redistribution in the United States relative to similar wealthy countries. For each of the other countries, the figure shows, if anything, that the elderly are growing more supportive of redistribution relative to other populations (significantly so in Germany and Sweden). For each of the U.S. data sets, the 95 percent confidence intervals do not include any of the point-estimates generated by the European data.

Past work has found that relative to other developed countries, social spending in the United States is more tilted toward the elderly (see, for example, Lynch 2001 and Tepe and Vanhuysse 2010). In fact, these calculations typically exclude health spending, suggesting that the elderly bias is understated in the United States, where until very recently the elderly were one of the few groups guaranteed government-subsidized health

24. H. Oscarsson, “Swedish National Election Study, 1956–2006” [computer file] (Gothenburg, Sweden: Swedish National Data Service [distributor]). Accessed: December 2014.



**Figure 5. Relative Elderly Trends on Redistributive Issues, by Country<sup>a</sup>**

Source: Authors' calculations, based on data from the (U.S.) General Social Survey, the American National Election Studies, the British Social Attitudes Survey, the Swedish National Election Studies Program, and the German General Social Survey.

a. Figure depicts the difference in the standardized trends in redistributive support between the elderly and nonelderly (elderly minus nonelderly) as measured in each national survey. See notes to figure 2 for explanations.

b. Measures whether the government should reduce income differences (*incdiff* variable in the British Social Attitudes Survey, 1985–2004).

c. Measures whether the government should reduce income differences (*v121*, *v130*, *v131*, *v142*, *v153*, and *v406* variables in the Swedish National Election Studies Program, 1988–2006).

d. Measures (for the GSS) whether the government should reduce income differences (*eqwlth* variable, 1978–2006).

e. Measures whether the state should ensure people a decent income (*V183* variable in the German General Social Survey, 1984–2004).

f. Measures (for the ANES) whether the government should ensure that each person has a job and a good standard of living (*VCF0809* variable, 1972–2008).

care. The disproportionate gains to the American elderly in terms of social spending over the past several decades may make them wary of extending redistributive programs. The next section explores this idea in the context of health insurance.

### III.B. The Elderly's Views of Government Health Insurance

As we noted in the preceding subsection, the elderly in the United States have many important similarities with their counterparts in other OECD countries. However, the U.S. social insurance system exhibits a key difference: Those 65 and over are the only immutable group universally guaranteed government-provided health insurance (not means-tested or

dependent on documented disability status), whereas in other OECD countries that benefit does not depend on age.

Extending that protection to the rest of the population has been a key policy goal of the American left for decades. Indeed, the last two Democratic presidents made passing universal health insurance their first major policy goal upon taking office, although only the current president, Barack Obama, can be said to have succeeded in that realm. In fact, views about whether it is the government's responsibility to pay for doctor and hospital bills predict both Democratic Party identification and self-identification as "liberal" as strongly as do views on redistribution.<sup>25</sup>

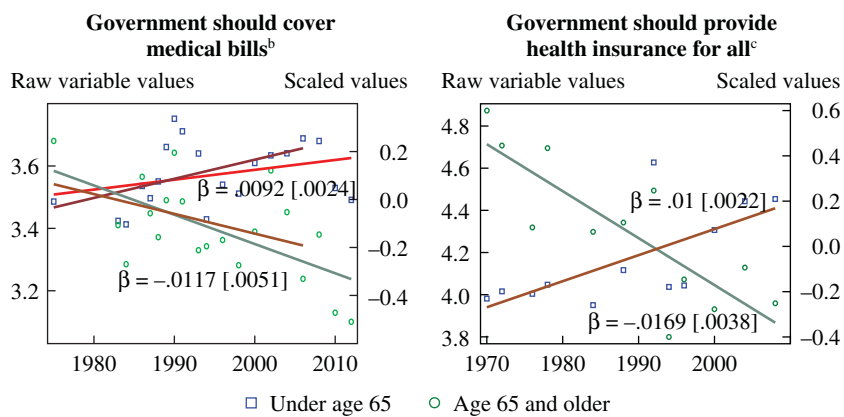
In this section we explore the idea that seniors, a group unique in having guaranteed health insurance, may increasingly feel that expansions of redistributive programs could come at their expense. This is an idea that is somewhat supported by the academic literature, most recently by Melissa McInerney, Jennifer Mellor, and Lindsay Sabik (2015), who find a reduction in spending on Medicare patients following state Medicaid expansions. However, like prior work on the topic, the authors find no evidence of reductions in health access or outcomes. Well placed or not, as we mentioned previously, past work has shown that the fear of Medicare cuts triggers seniors' political activism (Campbell 2003).<sup>26</sup>

In this section we ask two questions: Have seniors become increasingly opposed to government health insurance over our sample period and, if so, can this increased opposition explain their general decline in redistributive sentiment?

**VIEWS ON GOVERNMENT HEALTH INSURANCE** Both the GSS and the ANES ask respondents about their views on government health insurance. We focus on the GSS, where this question is asked more often, though we demonstrate robustness with the ANES. Figure 6 (left panel) shows the evolution over our sample period of views, separately among seniors and among other adults, on whether the government has the responsibility to pay for medical bills. Seniors' support for such a responsibility shows a significant decline, moving about one-third of the partisan gap in the Republican direction. In contrast, other adults have become significantly more favorable toward the idea that government bears some responsibility for covering medical costs.

25. Authors' calculations are based on the General Social Survey. For exact wording of this question, see GSS "1972–2014 Cumulative Codebook," p. 507 (see note 4).

26. This idea was certainly emphasized by media outlets that broadcast videos of irate seniors holding "Get your hands off my Medicare!" protest signs at town hall meetings during the Congressional debate on the Affordable Care Act.

**Figure 6.** Trends in Support for Government Health Insurance, by Age<sup>a</sup>

Source: Authors' calculations, based on data from the General Social Survey, and the American National Election Studies.

a. Figures depict measures of support for government health insurance by age. See notes to figure 2 for explanations.

b. Depicts responses to the the *helpsick* variable from the GSS, which since 1974 asks whether the government has the responsibility to pay for medical bills.

c. Depicts responses to the *VCF0806* variable from the ANES, 1972–2008, which asks whether there should be government-provided health insurance for all.

One might ask how, by the end of our sample period, seniors can be less supportive of the idea that government cover medical bills given that they, uniquely, are categorically entitled to this coverage. Suzanne Mettler (2010) analyzes a 2008 survey and finds that 40 percent of Medicare recipients in that year answered that “they do not use a government social program,” suggesting a lower bound of 40 percent of Medicare recipients who do not consider Medicare a government social program. Most Medicare recipients pay a premium, which covers 25 percent of Part B costs, perhaps leading many to think they cover the actuarial cost of the program. Finally, an increasing share of Medicare beneficiaries join private Medicare Advantage health plans, which are fully financed by capitation payments paid by the federal government, perhaps further weakening the program’s association with government.

**VIEWS ON GOVERNMENT HEALTH INSURANCE AND REDISTRIBUTION** In table 4, we explore whether respondents’ views on government’s role in covering medical bills explains the divergent trends on redistribution among the elderly and African Americans. The first two columns of the table focus on the elderly results, with column 1 replicating the baseline results without additional controls and including only the subsample that answers

**Table 4.** Regressions Using Views on Public Health Insurance to Explain Redistributive Trends among Blacks and the Elderly<sup>a</sup>

	<i>Reduce income differences (1 to 7)</i>			
	<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>
Elderly × (Year-1975)/100	-1.599*** [0.534]	-0.971* [0.465]		
Black × (Year-1975)/100			-1.279** [0.444]	-1.090* [0.555]
Gov't medical care		0.504*** [0.0223]		0.479*** [0.0221]
Mean, dependent variable	4.261	4.261	4.263	4.263
Scaled effect (SD)	-0.821	-0.499	-0.657	-0.559
Scaled effect (party)	-1.436	-0.872	-1.148	-0.978
Share explained	—	0.3924316	—	0.1482657
No. of observations	21,710	21,710	21,773	21,773

a. All regressions run using GSS and contain year fixed effects, cluster standard errors by year, and use provided survey weights. Asterisks indicate statistical significance at the \*\*\*1 percent, \*\*5 percent, and \*10 percent levels. See text (section II.C) for additional details.

the government health insurance question. Column 2 adds the control for views on government covering medical bills. Not surprisingly, views on health insurance strongly predict views on redistribution; moving by one unit on this question with a 1-to-5 scale (for example, moving from support to strongly support for the idea that government should cover medical bills) increases support for redistribution by 0.50 points (or by 40 percent of the partisan gap on redistribution).

More relevant for our analysis, controlling for this variable has a meaningful effect on the differential elderly trend over redistributive preferences. The coefficient is reduced by 40 percent, although it remains significant at the 10 percent level, and given the size of the standard errors, it is statistically indistinguishable from the original coefficient. This result is robust to controlling more flexibly for views on health insurance, allowing it to enter as a fixed effect for each level of support, instead of continuously, and interacting it with the elderly indicator.<sup>27</sup>

Given how many potential stories we have tested in the GSS and found had little explanatory power, we worry that random chance might suggest that a single story might show statistical significance even if it had no true explanatory power. To somewhat assuage these concerns, we replicate

27. Results are available upon request.

these patterns of results in the ANES. In most years since the 1970s, the ANES has fielded the following question:

Some people feel there should be a government insurance plan which would cover all medical and hospital expenses for everyone. Suppose these people are at one end of a scale, at point 1. Others feel that medical expenses should be paid by individuals through private insurance plans. . . . Suppose these people are at the other end, at point 7. . . . Where do you place yourself on this scale. . . ?<sup>28</sup>

We flip the variable so that it is increasing as support for government health insurance increases. Figure 6 (right panel) shows how elderly versus other adult respondents have evolved on this question. As with the GSS, the elderly started the sample period more supportive than other adults, but have substantially moved against the idea, so that by the end of the sample period they are well below the rest of adults in their support. As in the GSS, nonelderly adults have become more supportive of the idea of government insurance. When we replicate the table 4 analysis using ANES data, we find that attitudes toward government insurance explain a larger share—nearly 60 percent—of the differential elderly trend on redistributive preferences, rendering the coefficient of interest insignificant.<sup>29</sup>

A final point about both the GSS and ANES regression results is that the effect of controlling for views on health insurance is more muted for the regressions comparing black and nonblack redistributive trends. Blacks have slightly reduced their support for government insurance, relative to other populations, but the differential trend is small and insignificant, supporting the idea that growing reservations about government health insurance is a trend unique to the elderly during this period.

#### IV. Blacks and Fairness

There is a large literature linking redistributive preferences to perceptions of fairness (see, for example, Alesina and Angeletos 2005 and Durante, Putterman, and van der Weele 2014). Those who believe the distribution of income is fair are less likely to support government redistribution. Blacks fit this model. Although we have shown that their support is declining, the level of black support for income redistribution remains higher than that of whites. Blacks are also on average less likely than whites to say that economic rewards are fairly earned, a belief that is not surprising given a legacy of slavery and segregation.

28. For full text, see “ANES cumulative data file,” p. 423 (see note 10).

29. Results are available upon request.

However, there are reasons to believe that black views about fairness may be changing. Although the black-white earnings gap is remarkably persistent,<sup>30</sup> Stevenson and Wolfers (2013) document in the GSS a decline in the black-white happiness gap, a finding the authors attribute to social gains in the arena of civil rights. In this section we ask two questions: First, do blacks believe that economic rewards are becoming more fairly distributed? Second, if they do, does this changing view explain, in a regression sense, their decreased support for redistribution?

We measure respondents' sense of fairness using three questions across two surveys. Our first question, drawn from the GSS, asks, "Some people say that people get ahead by their own hard work; others say that lucky breaks or help from other people are more important. Which do you think is most important?"<sup>31</sup> Valid answers are (1) hard work (2) equally important and (3) luck. We refer to this as our "luck" question. In figure 7 we graph responses by race. Two things are notable. First, as expected, blacks are on average more likely than whites to say that luck is more important than hard work. But second, the black-white gap has closed significantly—by a full partisan unit—over our sample period.

We next complement the fairness measure by examining views on aid targeted specifically to blacks. Is an increasing sense of fairness coupled with a view that race-specific aid is less desirable? Both the GSS and the ANES have questions on this issue. The GSS asks:

Some people think that (Blacks/Negroes/African Americans) have been discriminated against for so long that the government has a special obligation to help improve their living standards. Others believe that the government should not be giving special treatment to (Blacks/Negroes/African Americans). Where would you place yourself on this scale, or haven't you made up your mind on this?<sup>32</sup>

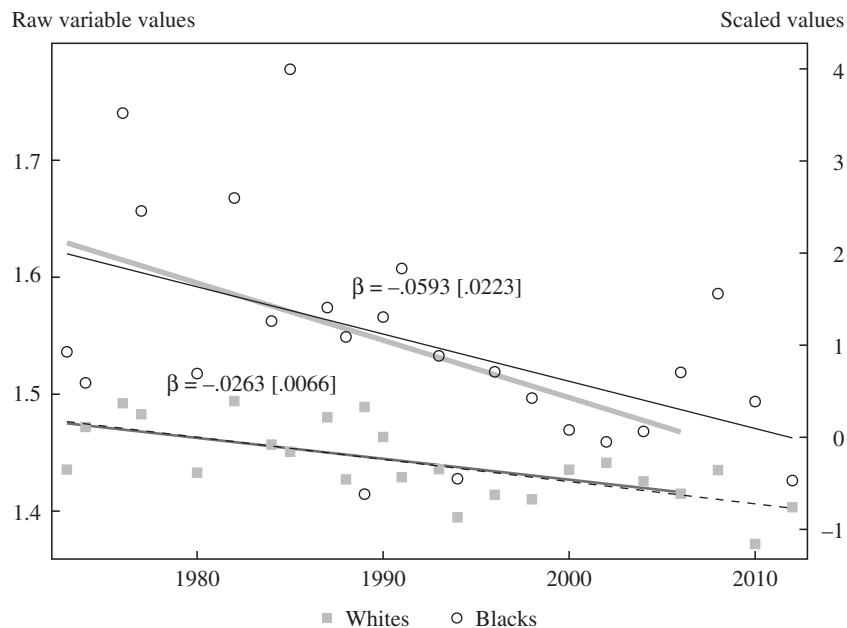
Respondents are asked to place their views on a scale numbered from 1 (government should help blacks) through 5 (no special treatment). ANES imposes a scale from 1 to 7 and asks a closely related question this way:

Some people feel that the government in Washington should make every possible effort to improve the social and economic position of blacks. (Suppose these people are at one end of a scale, at point 1.) Others feel that the government should not make any special effort to help blacks because they should

30. See Altonji and Blank (1999) on the stalling of the black-white wage convergence. In the most recent decade, the black-white gap has in fact grown (see [www.census.gov/prod/2013pubs/p60-245.pdf](http://www.census.gov/prod/2013pubs/p60-245.pdf).)

31. For full text, see GSS, "1972–2014 Cumulative Codebook" (see note 4).

32. As above; see note 4.

**Figure 7.** Trends in Belief That Luck and Help Are Key to Success, by Race<sup>a</sup>

Source: Authors' calculations, based on data from the General Social Survey.

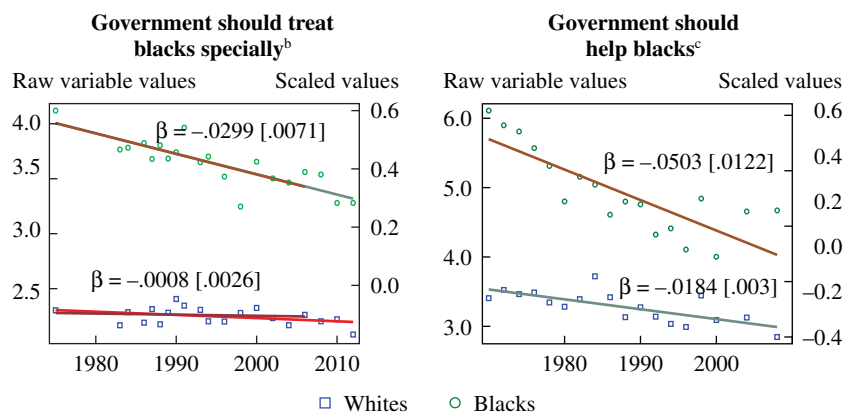
a. Figure depicts measures of support for the notion that luck and help from others are keys to success. Graph uses the *getahead* variable from the GSS. See notes to figure 2 for explanations.

help themselves. (Suppose these people are at the other end, at point 7.) And, of course, some other people have opinions somewhere in between, at points 2, 3, 4, 5, or 6. Where would you place yourself on this scale, or haven't you thought much about it?<sup>33</sup>

We reorient both measures so that they are increasing in support for race-based aid. We refer to these questions as our GSS and ANES "black aid" questions.

As shown in figure 8, responses to the ANES and GSS questions show similar patterns. In both cases, blacks are more likely than whites to support government aid targeted to blacks, unsurprisingly. What is remarkable is that the views by race are converging, as over time blacks have become less supportive of this type of special treatment for blacks by the

33. For full text, see "ANES 2008 Pre-Election Questionnaire," p. 45 (see note 10). Note that exact wording varies from year to year.

**Figure 8.** Trends in Support for Government Aid to Blacks, by Race<sup>a</sup>

Source: Authors' calculations, based on data from the General Social Survey and the American National Election Studies.

a. Figures depict measures of support for special government consideration for blacks by race. See notes to figure 2 for explanations.

b. Depicts responses to *helpblk* variable from the GSS.

c. Depicts responses to the *VCF0830* variable from the ANES, 1972–2008.

government. And like the movement on the “luck” measure, the trend for blacks on government aid to blacks is quite steep. The scaled drop in support is more than three-quarters of the full party distance in the GSS and more than 1.5 times that distance in the ANES. Blacks view the economic system as becoming increasingly fair and are decreasingly supportive of government targeted aid based on race.

Does this changing sense of fairness “explain” blacks’ decreased support for redistribution? We examine this question in table 5. In columns 1 and 2 (5 and 6 for the patterns by age) we limit our focus to the sample for which we have nonmissing responses to the “luck” question. Consistent with previous literature, we find that a belief that luck determines outcomes positively predicts support for redistribution. Nonetheless, controlling for this belief only accounts for 2 percent of the black-white redistribution trend gap. (The luck control explains none of the elderly pattern.) In the remaining columns of the table we restrict attention to the sample for which we have nonmissing responses to the black aid question. Support for black aid predicts support for redistribution, and controlling for black aid explains 45 percent of the decline in black support for redistribution. However, this explanation is not unique to blacks; the control explains more than 20 percent of the decline in elderly support as well.



**Table 5. Regressions Using Views on Income, Merit, and Aid to Blacks to Explain Trends in Attitude toward Redistribution among Blacks and the Elderly<sup>a</sup>**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Black × (Year-1975)/100	-1.626** [0.561]	-1.587** [0.563]	-1.228** [0.477]	-0.677 [0.547]	-2.186*** [0.322]	-2.207*** [0.328]	-1.492** [0.511]	-1.148* [0.558]
Elderly × (Year-1975)/100						0.104*** [0.0325]		
Success mostly luck		0.0933** [0.0323]						
Gov't should help blacks v. no special treatment				0.315*** [0.0260]				0.360*** [0.0228]
Mean, dependent variable	4.233	4.233	4.253	4.253	4.231	4.231	4.252	4.252
Scaled effect (SD)	-0.833	-0.813	-0.630	-0.347	-1.120	-1.132	-0.765	-0.589
Scaled effect (party)	-1.482	-1.446	-1.104	-0.609	-1.995	-2.015	-1.343	-1.034
Share explained	—	0.0243181	—	0.4489072	—	-0.0099724	—	0.2304056
No. of observations	12,559	12,559	21,637	21,637	12,522	12,522	21,574	21,574

a. All regressions run using GSS and contain year fixed effects, cluster standard errors by year, and use provided survey weights. Asterisks indicate statistical significance at the \*\*\*1 percent, \*\*5 percent, and \*10 percent levels. See text (section IV) for additional details.

Thus, although we have explained in a regression sense nearly half of the black trend in redistribution, we recognize that this explanation opens up a new puzzle: Why, in the face of stalled economic catch-up, are blacks decreasingly supportive of racially targeted aid?

## **V. Conclusion**

Americans have had a puzzling reaction to rising economic inequality. Across a 30- to 40-year period of increasing inequality, survey respondents have failed to increase their support for redistribution. While we do not claim to have resolved the mystery, we have tried to offer a number of clues.

First, we demonstrated that the overall flat trend in support for redistribution masks considerable and surprising heterogeneity. Blacks and the elderly, two groups who are relatively more reliant on government assistance, have significantly decreased support for redistribution over the sample period relative to other Americans.

Second, we probed various hypotheses as to why redistributive support has trended downward among these populations. We do not find evidence that is consistent with the most common models of redistribution. Measures of economic and more general well-being fail to explain (in a regression sense) either trend, with the exception of the education control. The education control, which could perhaps be a proxy for permanent income in a retired population, explains about 30 percent of the elderly trend. Nor do we find evidence that these trends reflect a wider movement toward conservatism among these groups. In fact, blacks have identified increasingly as Democrats over the period.

Third, we moved beyond the more basic models to generate and test hypotheses unique to each group. In the case of the elderly, we can rule out the possibility that the trend is driven by something particular to the modern aging process, as we do not see a similar pattern in OECD countries with comparable data. Instead, we hypothesize that the trend derives from a uniquely American concern. The elderly in the United States are the only immutable group entitled to government health insurance. Thus we ask, in this period in which universal health care has moved in and out of policy discussions, whether seniors, perhaps concerned about a crowd-out of funding for their own care, have grown increasingly unsupportive of extending guaranteed government health care to others. We find not only a trend of decreasing support for universal care, but also that this variable explains about 40 percent of the elderly's decreased support for redistribution.

Concerning the trend among blacks, we offer not so much a hypothesis as the identification of a concurrent trend. We find that blacks, while

more likely than whites to support racially targeted government aid, are converging toward the opinion of whites. (Concurrently and perhaps relatedly, blacks are increasingly likely to say that economic outcomes can be attributed to hard work over luck.) We find this decrease in support for race-based aid explains nearly 45 percent of blacks' decreased support for redistribution, a finding that deepens the puzzle: Why is support for race-targeted aid decreasing during a period in which the black-white wage gap has stagnated?

Finally, while we have framed the question for the most part as "Why have blacks moved against redistribution?" an equally legitimate framing is "Why have whites *not* moved against redistribution?" A possibility is that whites turned against redistribution during the Civil Rights movement, when blacks became more able to enjoy the benefits of full citizenship and government safety-net benefits. To the extent that whites' reaction to this one-time shock was either an overreaction (and thus led to some regression to the mean) or a drop in support to an extreme negative value (so that floor effects prevented a further negative trend), then, mechanically speaking, whites may have been unable to move further against redistribution. Unfortunately, it is difficult to piece together a consistent time series on redistributive preferences from both before and after the Civil Rights movement. However, in a separate paper, two of us (Kuziemko and Washington 2015) show that among whites after 1963, declines in Democratic Party identification, which is potentially a proxy for redistributive preferences, are highly correlated with conservative racial views, especially in the South.<sup>34</sup>

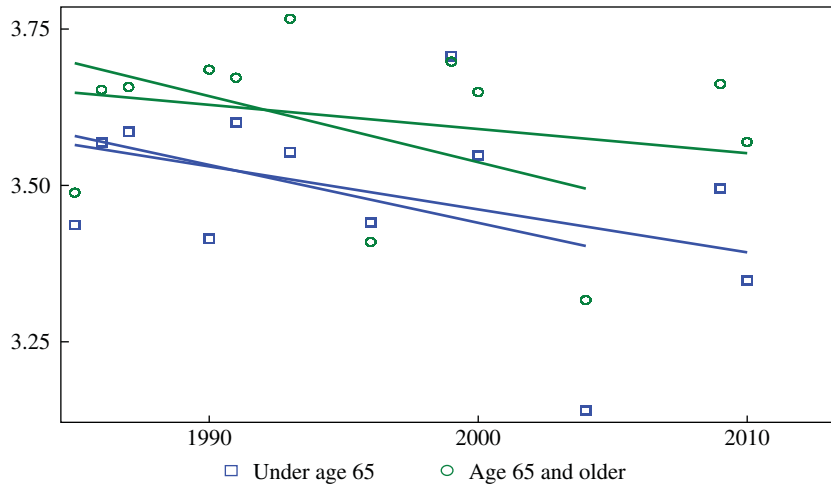
We present the findings in this paper not as firm conclusions but, hopefully, as useful starting points for researchers who may confirm or challenge these ideas as they seek to explain the trend of redistributive views in the United States during this period of rising inequality.

**ACKNOWLEDGMENTS** We thank Angus Deaton, Joanna Lahey, Matt Weinzierl, the volume editors, seminar participants at Princeton, and discussants Peter Enns and Paola Giuliano for incredibly helpful feedback. Khurram Ali and María Bernardita Canals Cavagnaro provided invaluable research assistance.

34. We thank our discussant Peter Enns for this fascinating hypothesis. It picks up on an idea in Lee and Roemer (2006) that before the Democratic Party's 1960s Civil Rights initiatives, "it was possible, in the South, to vote both 'redistributive' and 'racist' simultaneously. Afterwards it was not—and the Southern white vote gradually moved from the Democratic to Republican parties. Thus, ironically, the Civil Rights Movement may have decreased the degree of redistribution in the United States."

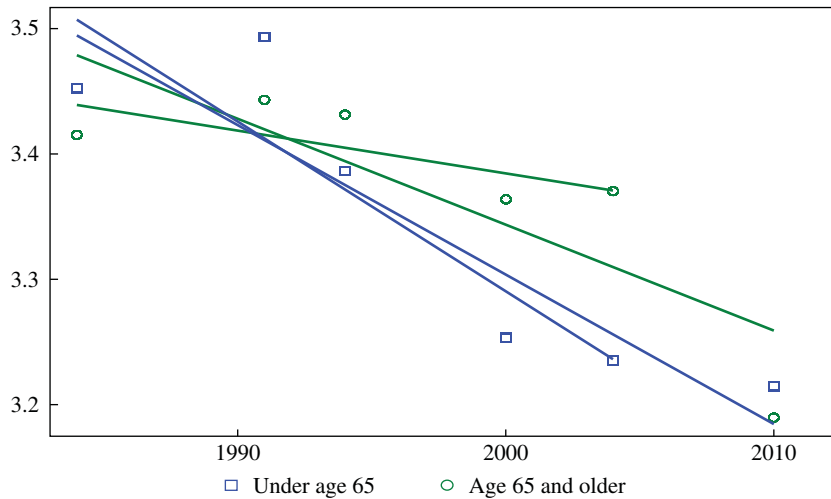
Appendix

**Figure A1. Trends in Agreement That Government Should Reduce Income Differences, Elderly versus Others (British Social Attitudes Survey)<sup>a</sup>**



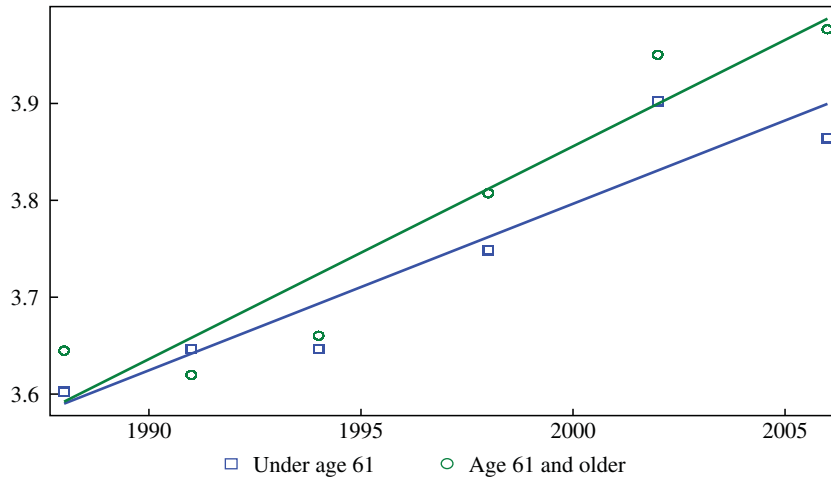
Source: Authors' calculations based on British Social Attitudes (BSA) data.  
 a. This figure depicts responses since 1985 in the British Social Attitudes (BSA) on whether the government should reduce income differences. The graph uses the *incdiff* variable from the BSA (but subtracts it from six so that it is increasing in support for government activism). The shorter line depicts the trend line from 1985 to 2004 only.

**Figure A2. Agreement That State Should Ensure Decent Income, Elderly versus Others, German General Social Survey<sup>a</sup>**



Source: Authors' calculations, based on German General Social Survey (GSS) data.  
 a. This figure depicts responses since 1984 in the German General Social Survey (GSS) on whether the state should ensure people a decent income. The graph uses the *V183* variable from the German GSS (but subtracts it from five so that it is increasing in support for government activism). The shorter line depicts the trend line from 1984 to 2004 only.

**Figure A3.** Trends in Agreement with Proposal to Reduce Income Differences in Society, Elderly versus Others, Swedish National Election Studies (SNES) Program<sup>a</sup>



Source: Authors' calculations, based on Swedish National Election Studies (SNES) Program data.  
 a. This figure depicts responses since 1988 in the SNES Program on whether the government should reduce income differences. The graph uses the *v121*, *v130*, *v131*, *v142*, *v153*, and *v406* variables from the SNES in the years presented above, respectively (but subtracts each one from six so that it is increasing in support for government activism).

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## *Comments and Discussion*

### COMMENT BY

**PETER K. ENNS** Despite decades of widening income inequality in the United States, public demand for redistribution has remained flat and perhaps even declined. This result, which Vivekinan Ashok, Ilyana Kuziemko, and Ebonya Washington demonstrate convincingly, stands in stark contrast to the expectations of standard political economy models, which predict that as inequality rises a greater proportion of the public will support increased redistribution (Meltzer and Richard 1981).<sup>1</sup> This absence of an over-time relationship (or negative relationship) between inequality and public support for redistribution holds major implications for political and economic outcomes. If the public's policy preferences are disconnected from changes in income inequality, then when inequality rises, policy-makers will face no direct electoral incentive to shift taxes and spending in a more redistributive direction.

Further complicating the empirical puzzle, the authors show that during the last 30 years, the elderly (defined as those 65 and above) and African Americans have decreased their support for redistribution the most. These patterns are surprising for a number of reasons. First, the authors show that African Americans and the elderly benefit more than other groups from government transfers. Second, Woojin Lee and John Roemer (2006) demonstrate that voter racism in the United States decreases support for redistribution, and the magnitude of this effect could account for the differences in the size of the public sector between the United States and northern European countries. Yet the authors' finding that African American

1. See also Kelly and Enns (2010) and Kenworthy and McCall (2008) on the lack of public responsiveness to rising inequality.



support for redistribution has declined faster than white support suggests that racism alone cannot fully explain anti-redistributive sentiment in the United States. Roland Bénabou and Efe Ok (2001) offer another explanation for the lack of support for redistribution, showing that the prospect of upward mobility (POUM) can lead an individual who is poorer than average to rationally oppose redistribution. However, because the likelihood of positive income mobility is low for those who are 65 and older, POUM is unlikely to account for the authors' finding for the elderly.<sup>2</sup>

In addition to presenting important and surprising findings, the authors offer potential explanations for the patterns they observe. These explanations focus on the self-interest of the elderly and declining support among African Americans for race-based aid. In this comment, I argue that birth-cohort experiences offer a more compelling explanation for the shifting redistributive preferences of the elderly than self-interest. I also show that if we extend the time period of the analysis back to the 1950s, the difference in support for redistribution between whites and African Americans has remained relatively constant. Finally, I show that analyzing year-to-year changes in support for redistribution (instead of focusing on the linear trend) offers important insights into different groups' policy preferences.

AGE AND SELF-INTEREST OR BIRTH-COHORT EFFECTS? The authors hypothesize that the declining support for redistribution among the elderly reflects self-interested concerns rooted in their growing desire to protect their government health care benefits. Consistent with this hypothesis, the authors "find not only a trend of decreasing support for universal care, but that this variable 'explains' about 40 percent of the elderly's decreased support for redistribution."

We must remember, however, that who constitutes "the elderly" shifts throughout the period of analysis. It is possible that the declining support for redistribution among the elderly reflects birth-cohort effects. That is, those born at approximately the same time may share experiences—particularly during their most formative years—that influence their subsequent policy preferences. Consistent with this view, Paola Giuliano and Antonio Spilimbergo (2014) show that the macroeconomic conditions

2. Bénabou and Ok (2001) allow that individuals may consider their offspring when considering the prospect of upward mobility. However, even if the elderly base their redistributive preferences on the prospects of their offspring's upward mobility, to account for the authors' result during the period of analysis the elderly's confidence in their offspring's upward mobility prospects would have had to increase more than their offspring's confidence in their own upward mobility prospects.

individuals experience between ages 18 and 25 affect their redistributive preferences later in life, and that this effect would produce rising conservatism among the elderly during most of the period of analysis. Other common experiences could also strengthen this effect. John Bullock (2012), for example, finds that precollege education reduces support for redistribution. This result, combined with increasing access to primary and secondary education during the early 1900s, would predict increasing conservatism among those entering the “elderly” category during the period of analysis. Thus, the declining support for redistribution among the elderly that the authors find may actually reflect the fact that who constitutes the elderly changes each year and that during most of the period of their analysis those entering the elderly category were more conservative than previous cohorts.

To evaluate the birth-cohort hypothesis, I begin by replicating columns 1 and 2 of the authors’ table 4 in my table 1. The dependent variable comes from the General Social Survey (GSS) and ranges from 1 (government should not concern itself with income differences) to 7 (government should do something to reduce income differences between the rich and poor).<sup>3</sup>

The negative coefficient on the *Elderly* × (*Year-1975*)/100 interaction in column 1 perfectly replicates the authors’ result and indicates that on average, those 65 and older became less supportive of reducing income differences through the period of analysis. Column 2 is also a perfect replication. We see that support for government provided medical care is not only correlated with attitudes toward redistribution, but controlling for this variable accounts for much of the elderly’s declining support for redistribution (evidenced by the change in the *Elderly* × (*Year-1975*)/100 interaction coefficient between columns 1 and 2).

Column 3 tests the birth-cohort hypothesis by controlling for year born. Figure 1 in Paola Giuliano’s comment shows that successive birth cohorts have all become increasingly conservative, with the exception of the youngest cohort, which has become more liberal. Thus, I include *Year Born* and *Year Born* squared to approximate this curvilinear functional form. Consistent with expectations, we see a negative and significant coefficient on

3. The questions analyzed in my table 1 are *eqwlth*, *helpsick*, *helpblk*. The complete text of these and other GSS survey questions may be viewed in the GSS “1972–2014 Cumulative Codebook” made available online by the National Opinion Research Center at [http://publicdata.norc.org/GSS/DOCUMENTS/BOOK/GSS\\_Codebook.pdf](http://publicdata.norc.org/GSS/DOCUMENTS/BOOK/GSS_Codebook.pdf). These survey questions appear there on pp. 245, 507, and 508, respectively. Following the authors, all variables have been recoded so that more support for redistribution reflects the higher categories.

**Table 1. Declining Support for Redistribution among Those 65 and Older and Evidence Consistent with the Birth-Cohort Hypothesis<sup>a</sup>**

	Replication of authors' table 4:		Controlling for:		
	Col. 1 (1)	Col. 2 (2)	Year born (3)	Age (4)	Gov't help blacks (5)
Elderly × (Year-1975)/100	-1.60*	-0.97	0.64	-1.88*	-1.08
	(0.53)	(0.47)	(0.76)	(0.53)	(0.56)
Gov't medical care		0.50*			
		(0.02)			
Year born			-1.41*		
			(0.26)		
(Year born) <sup>2</sup>			0.0004*		
			(0.0001)		
Age				-0.04*	
				(0.01)	
(Age) <sup>2</sup>				0.0004*	
				(0.0001)	
Gov't help blacks					0.36*
					(0.02)
No. of observations	21,710	21,710	21,709	21,710	21,273

Source: Data from the General Social Survey Cumulative File.

a. Regressions are weighted using survey weights and include year fixed effects and a dichotomous indicator for being 65 or older. Standard errors are clustered by year. Asterisk indicates statistical significance at the 5 percent level.

Year Born, suggesting declining support for redistribution among successive birth-cohorts, but a positive and significant coefficient with *Year Born* squared, which suggests an uptick in support for redistribution among the youngest cohorts. Most importantly, the *Elderly* × *(Year-1975)/100* interaction is small, positive, and imprecisely estimated, suggesting that accounting for the year respondents were born also accounts for the previously observed decline in the elderly's support for redistribution. It is important to note that even though *Year Born* and *Age* are correlated, because the data include repeated cross-sections, the two are not completely redundant. Column 4, which controls for *Age* and *Age* squared, illustrates this point. The negative and significant *Elderly* × *(Year-1975)/100* interaction indicates that controlling for age does not account for the declining support for redistribution among the elderly.<sup>4</sup>

4. See the online appendix for a replication of these results with ANES data.

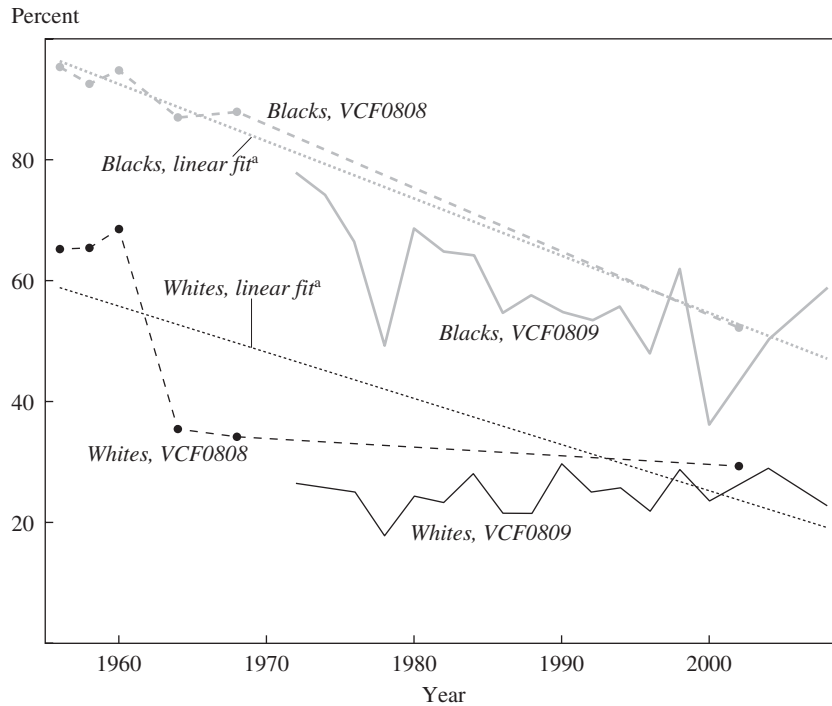
Column 5 controls for support for government helping African Americans. If common experiences have made successive birth cohorts less supportive of government and redistribution, we would expect a substantial reduction in the *Elderly*  $\times$  (*Year-1975*)/100 interaction term if we control for support for government helping African Americans. Indeed, the magnitude of the *Elderly*  $\times$  (*Year-1975*)/100 interaction parallels the result in column 2, and the difference in coefficients is not close to statistically significant. When viewed in isolation, the results in column 5 could also be consistent with the authors' age and self-interest hypothesis if those 65 and older are increasingly concerned with protecting their health-care benefits and thus less supportive of government redistribution *and* less supportive of government helping African Americans. However, when considered alongside the results in columns 3 and 4, the combined evidence lends more support to the birth-cohort hypothesis.

AFRICAN AMERICAN AND WHITE CONVERGENCE OR THE CONTINUATION OF HISTORICAL PATTERNS? The fact that African American support for redistribution has declined faster than white support is another important and surprising result. In their conclusion, the authors suggest that whites' reaction to the Civil Rights Movement may help explain the surprising over-time patterns of support for redistribution among whites and blacks. Indeed, since the Civil Rights Movement, attitudes toward poverty and support for welfare have become strongly connected with race (Gilens 1999). Thus, we might expect a steep decline in support for redistribution among whites during and following this period. My figure 1 examines this prediction with two nearly identical questions from the American National Election Studies (ANES).

The first question, also analyzed by the authors in their figure 3 (lower-right panel), asked whether respondents believe the government in Washington should see to it that every person has a job and a good standard of living (coded as 1) or whether government should just let each person get ahead on his or her own (coded as 7). In my figure 1, I plot the percent of African Americans and whites in favor of guaranteed jobs and a good standard of living from 1972 to 2008.<sup>5</sup> I also include a nearly identically worded ANES question about government-guaranteed jobs and a good standard of living that offered just two response options (instead of seven). This question was asked in 1956, 1958, 1960, 1964, 1968, and 2002 and

5. The percentages that appear in my figure 1 differ slightly from the series reported by the authors in their figure 3 (lower-right panel), because they report the mean response for whites and African Americans (not percentages).

**Figure 1.** Percent Favoring Guaranteed Jobs and a Good Living Standard, by Race, 1956–2008



Source: Based on the variables VCF0809 and VCF0808, and survey weights from the ANES Cumulative Data File. See text.

a. Linear trend lines based on VCF0808.

thus allows an analysis of support for redistribution among whites and African Americans before and after the Civil Rights Movement.<sup>6</sup>

Several patterns stand out in my figure 1. First, unsurprisingly, throughout the entire period of analysis African Americans are more supportive than whites of government ensuring that every person has a job and a good standard of living. Second, between 1960 and 1964, white support for

6. In 1956, 1958, and 1960, four response options were given, and these were recoded into two categories. The question wording differed slightly during the first three years, but all respondents received the same wording in any given year. Thus, the drop in white support relative to African American support—which is the key finding of interest—cannot be attributed to the shift in question wording. The complete text of these and other survey questions in the ANES may be viewed in the “1948–2012 Time Series Cumulative Data File,” available at [http://www.electionstudies.org/study pages/anes.\\_timeseries\\_cdf/anes\\_timeseries\\_cdf.htm](http://www.electionstudies.org/study pages/anes._timeseries_cdf/anes_timeseries_cdf.htm)

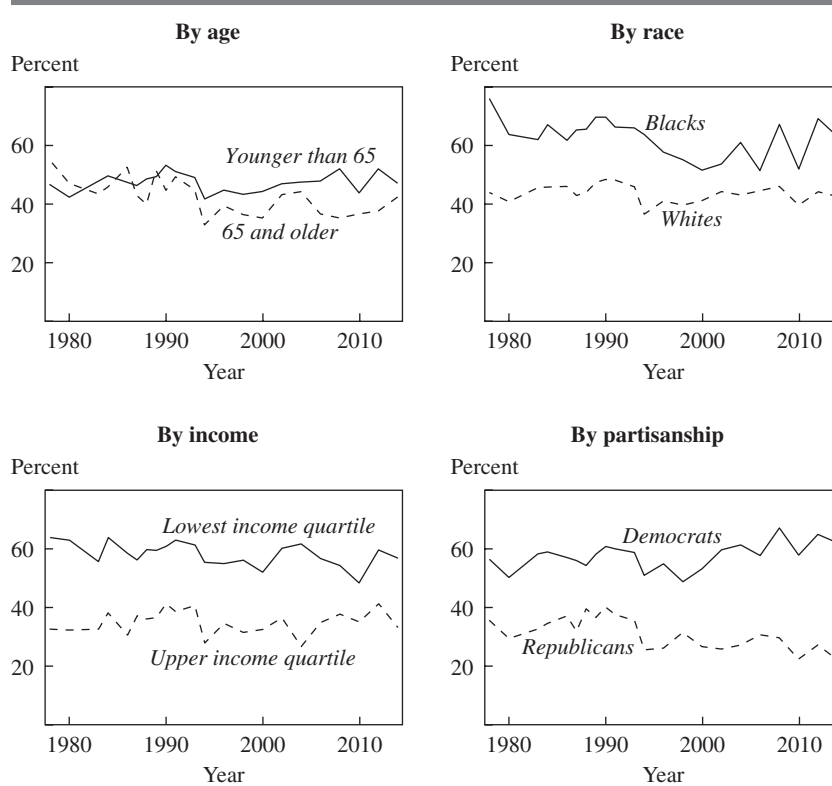
guaranteed jobs drops almost in half to just 35 percent. The magnitude of this decline is stunning and is consistent with a strong reaction to the Civil Rights Movement and legislation such as the Civil Rights Act of 1964. In contrast to the steep drop among whites, the decline among African Americans has followed a linear trend since the 1950s. Interestingly, if white support for guaranteed jobs and a good standard of living had declined at a linear rate and in parallel with African American support (see the gray trend lines), white support would have ended up about where it did in 2008 (the final year of the authors' analysis). Thus, although support for redistribution has declined more among African Americans than whites since the 1970s, by extending the time series back to the 1950s we see relatively similar long-term trajectories.

**YEAR-TO-YEAR OPINION CHANGE** The authors focus primarily on the linear trend in redistributive preferences. Given the near-linear increase in the pretax income share of the top 1 percent since the 1970s (with some zig-zags around the trend line in the late-1990s and 2000s), this focus on preference *trends* makes sense. However, short-term shifts in policy preferences can also be informative. To explore these changes, my figures 2 and 3 plot support for reducing income differences and support for spending more on welfare by age, race, income level, and partisanship. As with any subgroup analysis, we must remember that sampling error is larger because we are not analyzing all respondents, but these figures offer a general picture of how various groups' preferences have shifted from year to year.

The upper panels of my figure 2 provide the same information as the authors' figure 3 (upper-right and lower-left panels). However, instead of plotting the mean response each year by group, I plot the percentage of each group in favor of reducing income differences. Additionally, instead of indicating a point for each year and plotting the linear trend line, I connect the points, which helps illustrate the year-to-year changes in each group's reported preferences. I also report the preferences of the highest and lowest income quartiles (lower-left panel) and of Democrats and Republicans (lower-right).<sup>7</sup> Plotting the data in this way highlights several important patterns.

7. In order to approximate income quartiles, I used the *realinc* variable, which reports family income in constant dollars. Because incomes are grouped, the actual proportion of the upper-income group varied from 15 to 27 percent of respondents, with a mean of 19 percent. The actual proportion of the low-income group ranged from 20 to 26 percent of respondents, with a mean of 22 percent. The seven-point *partyid* variable was used to identify Democrats and Republicans. Independents "near" the Democratic or Republican party were excluded.

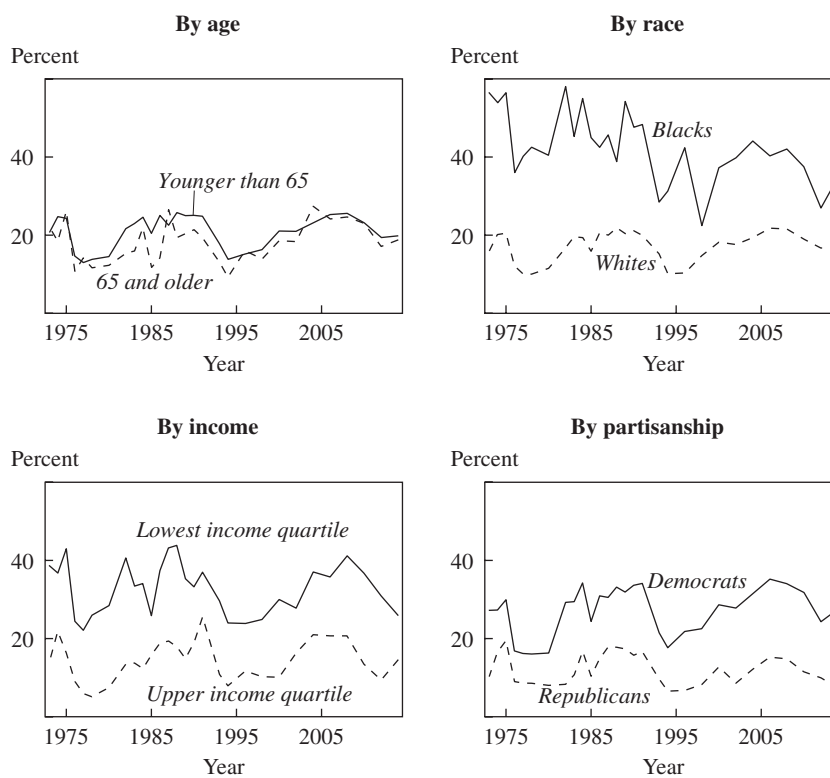
**Figure 2.** Percent Supporting Reducing Income Differences, by Group, 1978–2014



Source: Based on the variable EQWLTH and survey weights from the GSS Cumulative Codebook. See text.

For example, although those in the 65 and older group have become more conservative than those younger than 65, throughout the entire period of analysis the difference in support for reducing income differences among these two age groups is the smallest out of all the groups considered. Also of note, between 2008 and 2014, support for reducing income differences increased among the elderly. This pattern seems to run counter to the self-interest hypothesis. If declining support for redistribution among the elderly results because of concerns about expanding health care access, we would not expect the elderly to increase their support for redistribution in the years before and after the passage of the Affordable Care Act in 2010.

Considering the rise of income inequality during this period, the most notable feature of the income group analysis (lower-left panel) is the relatively flat trajectories of support for reducing income differences. Perhaps

**Figure 3. Percent Supporting More Spending on Welfare, by Group, 1973–2014**

Source: Based on the variable NATFARE and survey weights from the GSS Cumulative Codebook. See text.

these patterns reflect the fact that most of the income gains have occurred for the top 1 percent and above. Thus, focusing on income quartiles may be too coarse. By contrast, it may be that factors other than economic self-interest influence changes in redistributive preferences. Perhaps consistent with this view, the increasing separation of Democrats and Republicans in the lower-right panel suggests that partisan identification has become increasingly important for redistributive preferences.<sup>8</sup>

8. Of course, who identifies as a Democrat or Republican is not fixed, so some of this pattern may reflect shifting partisan identities. For the most part, however, partisanship is relatively stable, and these differences likely reflect increased partisan sorting (Levendusky 2009) in the electorate.



My figure 3 plots the percentage of respondents who believe the government is spending too little money on welfare. Thus, higher values indicate support for more welfare spending. This question allows us to extend the time series back to 1973 and allows us to consider attitudes toward a specific policy action (government spending) that relates to redistribution. As with my figure 2, those 65 and older and those younger than 65 express the most similar levels of support. We also see declining support for more spending on welfare among African Americans. Support for welfare spending moves in similar ways for the highest and lowest income groups. While this is not a new finding (Kelly and Enns 2010; Page and Shapiro 1992; Wlezien and Soroka 2011), the over-time similarities again raise the question of whether changing preferences reflect other considerations beyond economic self-interest or whether we would need to move to the extremes of the income distribution to observe distinct patterns. We also see similar trajectories among Democrats and Republicans, although the gap between the two groups has increased in recent years. The year-to-year analysis of welfare spending preferences also shows that support for welfare spending declined among all groups in the early 1990s. This is an important pattern, because in 1996 the Personal Responsibility and Work Opportunity Reconciliation Act radically altered welfare policy. It appears that this policy shift was consistent with shifting public preferences.

**CONCLUSION** When the public's policy preferences change, policy tends to follow (Enns forthcoming; Erikson, MacKuen, and Stimson 2002; Page and Shapiro 1983; Soroka and Wlezien 2010). Thus, understanding how and why the public's preferences shift holds important implications. Ashok, Kuziemko, and Washington present a novel and sophisticated analysis that pushes us toward a better understanding of the over-time dynamics of public support for redistribution and how this varies (or does not vary) across key subgroups. The primary focus is the United States, but their use of cross-national public opinion data is equally important.

They show, for example, that the decline in support for redistribution among the elderly—relative to those less than 65 years old—has not occurred in Germany, Sweden, or the United Kingdom. In the United Kingdom, support for reducing income differences has declined among both the elderly and the nonelderly. Both groups have also decreased support for redistribution in Germany, but this decrease has been most pronounced among those under age 65. In Sweden, by contrast, both groups have increased agreement with reducing income differences in

society, but those 61 and older have shown a greater increase in these redistributive preferences.<sup>9</sup> Given the evidence above, future research should investigate whether macroeconomic conditions experienced by birth cohorts help explain these cross-national differences.

Another task for future research is to further understand why different age groups and racial groups adjust their support for redistribution as they do. In this comment I have suggested that birth-cohort effects may offer a more complete account of the changes in the elderly's attitudes toward redistribution than self-interest rooted in the desire to protect government health-care benefits. I have also suggested that the decline in African American support for redistribution may reflect the continuation of a long-term trend that actually parallels the long-term trajectory among whites. Considering the fact that the income share of the richest 1 percent (and above) has continued to increase for more than three decades, as well as the fact that changes in various groups' demand for redistribution do not appear to correspond with the predictions of standard political economy models, understanding what has led to these changes in support for redistribution is a crucial undertaking for future research.

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## COMMENT BY

**PAOLA GIULIANO** The question this paper by Vivekinan Ashok, Ilyana Kuziemko, and Ebonya Washington tackles is an important one: What determines support for redistribution in the United States? The authors use the General Social Survey and the American National Election Studies for the period between 1972 and 2006, assembling the longest possible time series of questions regarding preferences for redistribution. They also complement their analysis with data from the United Kingdom, Germany, and Sweden.

Their paper emphasizes the importance of exogenous traits, including age, gender, and race. Whereas there are no systematic differences in preferences for redistribution over time by gender, the authors uncover a sharp decline in preferences for redistribution among the elderly (people older than 65) and African Americans. The decline among the elderly almost disappears with the inclusion of other covariates (in particular, education), whereas the decline among African Americans does not appear to be driven by other confounding factors.

According to the authors, the elderly are against redistribution because they believe it will come at their own expense, in particular through cuts

to Medicare. Therefore they could have grown increasingly unsupportive of extending guaranteed government health care because of a generalized concern about the crowding out of funding for their own care. The authors find that this interpretation is responsible for a 40 percent decline in support for redistribution among the elderly.

For African Americans, most of the variation comes from their declining support for race-based government aid. While blacks are still more likely than whites to support such aid, they are converging toward the opinion of whites. This “explains” nearly 45 percent of blacks’ decreased support for redistribution. The specific trend in age observed in the United States is not present in the other three countries of analysis, where it is also not possible to investigate the race issue.

Overall, the authors uncover fundamental determinants regarding the evolution of preferences for redistribution in several industrialized countries. These facts are relevant, and I expect that their contribution will be an important input into future research. Throughout my discussion, guided by theoretical models that go beyond the traditional model developed by Allan Meltzer and Scott Richard (1981), I will highlight additional elements that could help explain the evolution of preferences for redistribution. In the second part of the discussion, I will use these models as a guide to understand the reasons for the particular temporal patterns for redistribution observed by age and race. I emphasize the importance of income, family background, and cohort differences as a potential interpretation of the decline in the elderly’s preferences for redistribution. The decline among African Americans, however, stopped in 1998, and there has recently been an increase, a pattern common to various other groups in the United States.

WHAT DETERMINES PREFERENCES FOR REDISTRIBUTION? Meltzer and Richard (1981) provided the basic political economy model of preferences for redistribution. In this well-known static model, individuals care only about their consumption or their income, or both, and have different productivities. The only tax and transfer scheme allowed is given by lump sum transfers financed with a linear income tax. The median voter theorem aggregates individual preferences and captures a very simple political equilibrium. For the simplest possible illustration of this model, consider a standard utility function

$$u_i = u(c_i),$$

where an individual's utility  $u_i$  is a function of his consumption  $c_i$ .

Labor is inelastically supplied and an individual's productivity is  $\alpha_i$ . Assume that the government uses a linear income tax  $t$  to finance lump sum transfers and that there is wastage equal to  $wt^2$ , capturing the distortionary cost of taxation. The individual's budget constraint is given by

$$c_i = \alpha_i(1 - t) + \alpha^A t - wt^2,$$

and it simply establishes that consumption is the sum of after-tax labor income (the first term) plus the lump sum transfer obtained by the government (the second term, where  $\alpha^A$  denotes the average productivity) reduced by the waste of taxation (the third term). The equilibrium tax rate that maximizes consumption is given by

$$t = \frac{\alpha^A - \alpha^M}{2w},$$

where  $\alpha^M$  is median productivity. In this model, the distance between average and median is the critical measure of inequality. The larger the difference in income between the average and the median voter, the higher the tax rate (and therefore, the higher the lump sum redistribution).

A departure from the basic model is one in which social mobility is allowed, as in the work of Roland Bénabou and Efe Ok (2001). In their model, individuals care not only about current income but also about future income. If redistributive policies are long-lasting, future income prospects, which determine future position on the income ladder, matter in determining current preferences for redistribution. In this case, there will be two periods in the utility function

$$u_i = u(c_{i1}, c_{i2}).$$

Individual income  $y_i$  is perturbed by shocks  $\epsilon_{i2}$  to the individual's productivity ( $y_{i2} = \alpha_i + \epsilon_{i2}$ ), and the budget constraint for the consumer is

$$c_{i1} + c_{i2} = [y_{i1} + E(y_{i2})](1 - t) + y_i^A t + E(y_2^A)t - wt^2$$

where  $E(\cdot)$  is the expected value operator, and  $y^A$  is the average income in society.

The tax rate is decided at the beginning of period 1 and is fixed for period 2. Also, income in period 2 is uncertain, so individual  $i$  has to vote based on his or her expectations about income relative to the average and median income of period 1, which are known, and of period 2, when his or

her position on the income ladder is unknown. In particular, the prospect of upward mobility should make somebody whose income is below the median of today's income be more averse to redistribution than otherwise. In principle, this effect could be counterbalanced by the prospect of downward mobility, but Bénabou and Ok (2001) show that, under certain conditions, prospects of upward mobility reduce the demand for redistribution relative to the basic Meltzer-Richard (1981) case.

In a more radical departure from models in which individuals care only about their income or consumption (or both), the utility function

$$U_i = \sum_{t=p}^T \beta_t u[c_i(\dots Q_t)],$$

includes some measure of income inequality  $Q_t$ . This argument in the utility function captures the fact that individual  $i$  does not care about inequality per se but only about its effect on his or her consumption flow. In this model, even the rich could care about income inequality. For example, they might favor redistribution because they would also benefit from an increase in the average level of education. On the other hand, one may argue that more inequality creates incentives for most people below the top to work harder. To the extent that there are externalities in effort and education acquisition, this may work in favor of the society as a whole, since the aggregate level of effort or investment in education would rise.

The most complex set of models postulates that individuals may have views about "social justice," namely, what constitutes a justifiable level of inequality or distribution of income. One way of expressing these preferences is

$$U_i = \sum_{t=p}^T \beta_t u(c_i(\dots Q_t)) - \delta_i (Q_t - Q_i^*)^2,$$

where  $Q_t$  represents the level of societal inequality,  $Q_i^*$  represents the ideal level of inequality for individual  $i$ , and  $\delta_i$  represents the individual's weight on deviation from it.<sup>1</sup>

1. From a theoretical standpoint, one could characterize various possibilities, such as a libertarian view, that would consider income distribution determined purely by the market and with no government redistribution of any kind; a communist view, in which the government equalizes everybody's income with appropriate tax/transfer schemes; or a Rawlsian view, which is the distribution obtained ex post after the government has implemented all the policies that equalize everybody's utility behind a veil of ignorance.

A fascinating empirical question is what determines  $Q_i^*$ . Individuals' views about an acceptable level of inequality are often intertwined with a sense of what is fair. People feel that there is a difference between wealth accumulated by luck and wealth accumulated by individual effort. This is the point raised by Alberto Alesina and George-Marios Angeletos (2005), who derive a multiple-equilibria model to capture a low-redistribution (U.S.-style) equilibrium and a high-redistribution (European-style) equilibrium. In the former, taxes are low, people work harder, and a larger fraction of the income differences among people is due to effort. Thus, in this equilibrium, people want low redistribution and relatively low taxes. In the European equilibrium, taxes are high, effort and labor supply are low, and a larger fraction of income differences is due to differences in luck, making high taxes and large redistribution desirable.

A second possibility is that different preferences may arise from individual history (Piketty 1995). A history of misfortune may make people more risk-averse, less optimistic about upward mobility, and more inclined to equalize income, as noted by Antonio Spilimbergo and me (2014) with reference to historical events such as the Great Depression. Third, different cultures may put different emphases on the relative merits of equality versus individualism, an issue discussed in detail by Alesina and Edward Glaeser (2004) with reference to a comparison of the United States and Europe. Fourth, indoctrination (for example, in communist regimes) may influence people's views, as emphasized by Alesina and Nicola Fuchs-Schündeln (2007) with reference to Germany. Fifth, parents may purposely transmit "distorted" views about the reality of inequality and social mobility to their children in order to influence their incentives (Bénabou and Tirole 2006). Finally, the structure and organization of the family may make people more or less dependent on and therefore favorable to government redistribution (Todd 1985; Alesina and Giuliano 2010).

**OVERALL INTERPRETATIONS OF THE RESULTS** In the following analysis, I will look at the determinants of preferences for redistribution using evidence from the General Social Survey. To measure them, I use the answers to the same two questions used by the authors:

1. "Some people think that the government in Washington should do everything possible to improve the standard of living of all poor Americans (they are at point 5 on this card). Other people think it is not the government's responsibility, and that each person should take care of himself (they are at point 1). Where do you place yourself on this scale?" [This variable is named *help poor*.]

2. “Some people think that the government in Washington ought to reduce the income differences between the rich and the poor, perhaps by raising the taxes of wealthy families or by giving income assistance to the poor (they are at point 1). Others think that the government should not concern itself with reducing this income difference between the rich and the poor (they are at point 7). Where do you place yourself on this scale?” [This variable is named *income differences*.]

I recoded the variables so that a higher number indicates a stronger desire for redistribution. In my table 1, I replicate the authors’ main results regarding the decline in preferences for redistribution among the elderly using *income differences*. The variable of interest is given by  $Elderly \times (Year-1975)/100$ . The specification includes a dummy for the elderly and year dummies. The sample excludes the years 2008, 2010, and 2012, and uses survey weights. Column 1 confirms the paper’s main finding of a substantial decline over time in preferences for redistribution among the elderly. Column 2 adds demographics (gender and race); the main result still holds, although with a slightly lower coefficient for the main variable of interest. Column 3 adds further controls that could be related to preferences for redistribution: years of education, a dummy for being married, employment status dummies, indicators for religious denominations, and dummies for nine macrogeographic regions of the United States. The inclusion of controls substantially reduces the coefficient, which nevertheless remains significant.

In columns 4 through 6, I add one of the main determinants of preferences for redistribution: income. I test robustness to various specifications: Column 4 includes real income divided by the number of family members, column 5 includes the log of that measure, and column 6 includes 12 income dummies to take into account possible nonlinearities in the relationship between income and preferences for redistribution. Income appears to be very relevant in the determination of preferences for redistribution; in particular, when it is included in a nonlinear way, the coefficient of interest becomes almost one-third of the baseline specification and the significance goes down to 10 percent. Specifications in columns 4 to 6 rely on the authors’ procedure of substituting missing values in the income variable with zero. In columns 7 to 9, I drop from the specification those observations for which income is missing. The results change in nature: Once income is taken into account, the elderly do not show a substantial decline in preferences for redistribution, a result that could be consistent with Meltzer and Richard (1981).



**Table 1. Income and Redistribution Trends (Regressions), General Social Survey<sup>a</sup>**

Variable	(1) Income differences	(2) Income differences	(3) Income differences	(4) Income differences	(5) Income differences	(6) Income differences	(7) Income differences	(8) Income differences	(9) Income differences
Elderly × (Year-1975)/100	-2.103*** (0.402)	-1.761*** (0.368)	-0.951** (0.373)	-1.057*** (0.357)	-1.028** (0.361)	-0.802* (0.410)	-0.868 (0.516)	-0.844 (0.525)	-0.579 (0.556)
Income				-0.015*** (0.001)			-0.018*** (0.001)		
Log (income)					-0.124*** (0.013)			-0.243*** (0.018)	
Demographics	no	yes	yes	yes	yes	yes	yes	yes	yes
Individual controls	no	no	yes	yes	yes	yes	yes	yes	yes
12 income dummies	no	no	no	no	no	yes	no	no	yes
No. of observations	24,568	24,568	24,371	24,370	24,370	24,371	22,022	22,022	22,024
R <sup>2</sup>	0.007	0.043	0.083	0.092	0.087	0.092	0.097	0.096	0.094

Source: Author's calculations, based on data from the General Social Survey.

a. All regressions include year fixed effects and are weighted using survey weights. Standard errors are clustered at the year level. Demographics include gender and race. Individual controls include years of education, number of children, a dummy for being married, labor force status dummies, dummies for religious denomination and the nine geographical macroeconomic regions. Income is adjusted for the number of family members. Statistical significance at the \*\*\* 1 percent, \*\* 5 percent, and \* 10 percent level.

In my table 2, I add as controls various measures of family background to take into account the possibility that preferences for redistribution could be driven by differences in social mobility. I run two sets of specifications, one in which observations with missing income are coded as zero and another in which observations with missing income are dropped from the sample. Columns 1 and 4 report the baseline specification as a reference point for the two samples. Columns 2 and 5 add dummies for the individual's income at age 16. Columns 3 and 6 include an additional control for the father's education. Both controls make the trends in the decline for preferences for redistribution among the elderly not significant. This is true both when observations with missing income are replaced with zero and also true when they are dropped from the sample. Social mobility therefore seems to be important in the determination of preferences for redistribution in the United States.

Since the decline in preferences for redistribution among the elderly does not seem to be robust to the inclusion of income and family background controls, I look at differences in trends across cohorts. Anecdotal evidence and recent research (Giuliano and Spilimbergo 2014) suggest that differences in historical experience can be relevant in the determination of preferences for redistribution and of other types of belief, such as trust in institutions (Stevenson and Wolfers 2011). I look at trends in preferences for redistribution among four cohorts: the Builders (born between 1925 and 1945), the Baby Boomers (born between 1946 and 1964), Generation X (born between 1965 and 1979), and Generation Y (born between 1980 and 1994). The two oldest cohorts exhibit a sharp decline in preferences for redistribution, but the trend is inverted around 2000 for Generation X. Generation Y exhibits an increasing trend (my figure 1).

The robustness of these results to the inclusion of income and differences in family background is reported in my table 3. Even after controlling for income and family backgrounds, the Builders and the Baby Boomers show a decline in preferences for redistribution, most likely driven by the particular historical periods in which they grew up (see Giuliano and Spilimbergo 2014).

Finally, I turn to differences in preferences for redistribution by race. The temporal trends for whites and African Americans are shown in my figure 2. Although there are big differences, a finding already established

2. For a review of the literature on preferences for redistribution, see Alesina and Giuliano 2011.

**Table 2. Family Income and Redistribution Trends (Regressions), General Social Survey<sup>a</sup>**

VARIABLES	(1) Income differences	(2) Income differences	(3) Income differences	(4) Income differences	(5) Income differences	(6) Income differences
Elderly $\times$ (Year-1975)/100	-1.057*** (0.357)	-1.029 (0.591)	-0.861 (0.846)	-0.868 (0.516)	-0.810 (0.806)	-1.121 (1.098)
Income	-0.015*** (0.001)	-0.015*** (0.001)	-0.015*** (0.001)	-0.018*** (0.001)	-0.018*** (0.002)	-0.018*** (0.001)
Father's years of education			-0.022*** (0.005)			-0.019*** (0.005)
Demographics	yes	yes	yes	yes	yes	yes
Individual controls	yes	yes	yes	yes	yes	yes
Income at 16 dummies	no	yes	yes	no	yes	yes
No. of observations	24,370	17,534	12,926	22,022	16,042	11,976
R <sup>2</sup>	0.092	0.098	0.099	0.097	0.102	0.103

Source: Author's calculations, based on data from the General Social Survey.

a. See notes to table 1. Statistical significance at the \*\*\* 1 percent, \*\* 5 percent, and \* 10 percent level.

**Table 3. Generational Trends in Preferences for Redistribution, General Social Survey<sup>a</sup>**

Variable	(1) Help poor	(2) Help poor	(3) Help poor	(4) Help poor	(5) Help poor	(6) Help poor	(7) Help poor
Builders $\times$ (Year-1975)/100 <sup>b</sup>	-1.268*** (0.183)	-1.017*** (0.287)	-1.050*** (0.261)	-1.102*** (0.273)	-0.549** (0.222)	-0.904** (0.344)	-0.715* (0.396)
Baby Boomers $\times$ (Year-1975)/100 <sup>c</sup>	-1.047*** (0.268)	-0.769*** (0.258)	-0.677** (0.251)	-0.742*** (0.260)	-0.390* (0.212)	-0.545* (0.259)	-0.536* (0.255)
Generation X $\times$ (Year-1975)/100 <sup>d</sup>	-1.057*** (0.333)	-0.599 (0.355)	-0.590 (0.354)	-0.622 (0.374)	-0.517 (0.356)	-0.791* (0.431)	-0.999** (0.421)
Generation Y $\times$ (Year-1975)/100 <sup>e</sup>	1.176 (1.289)	1.648 (1.035)	1.175 (0.869)	1.139 (0.890)	1.199 (0.868)	0.737 (1.529)	-0.191 (1.983)
Demographics	yes	yes	yes	yes	yes	yes	yes
Individual controls	no	yes	yes	yes	yes	yes	yes
Income	no	no	yes	no	no	yes	yes
Log (income)	no	no	no	yes	no	no	no
Income dummies	no	no	no	no	yes	no	no
Income at 16 dummies	no	no	no	no	no	yes	yes
Father's years of education	no	no	no	no	no	no	yes
No. of observations	23,837	23,670	21,551	21,551	21,553	16,075	12,365
R <sup>2</sup>	0.010	0.087	0.092	0.096	0.095	0.097	0.088

Source: Author's calculations, based on data from the General Social Survey.

a. See notes to table 1. Demographics include gender, race and a quadratic in age. Statistical significance at the \*\*\* 1 percent, \*\*5 percent, and \*10 percent level.

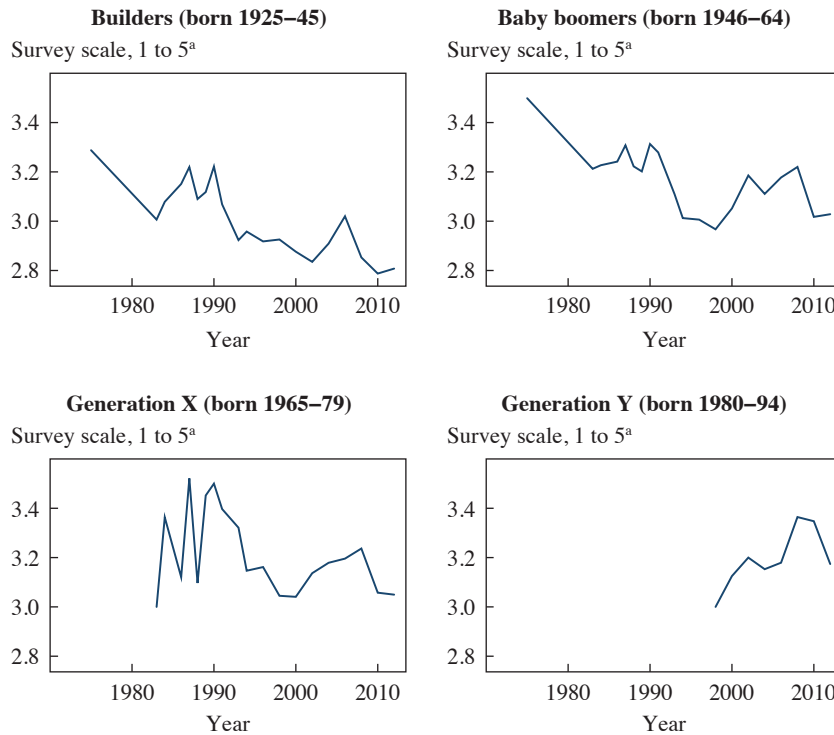
b. "Builders" are those born between 1925 and 1945.

c. "Baby Boomers" are those born between 1946 and 1964.

d. "Generation X" are those born between 1965 and 1979.

e. "Generation Y" are those born between 1980 and 1994.

**Figure 1. Trends in Preferences for Redistribution Across Cohorts**



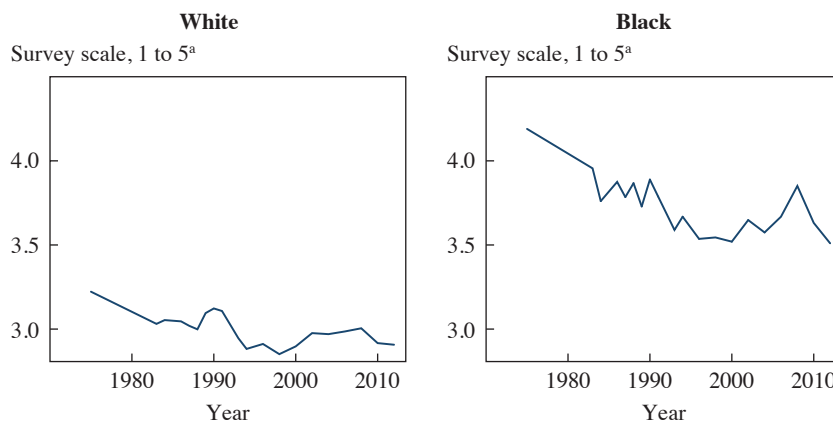
Source: Author's calculations, based on data from the General Social Survey.

a. A value of 1 represents the least support for redistribution to the poor, and a value of 5 represents the most support for redistribution to the poor.

in the literature,<sup>2</sup> both groups show a change in trend starting around 1998.

In my table 4, I look at the decline in preferences for redistribution among African Americans. In the first three columns, I limit the analysis to the 1978–2006 period. In the last three columns, I extend the period to 2012, which makes the decline not significant. In my table 5, I include a quadratic term to test the reversal in preferences for redistribution. Indeed, there seems to be a change in trend in the desire for redistribution among African Americans.

The reversal in preferences, then, seems to take place among the youngest generation (my table 3) and whites. The overall findings could indicate that subgroups' preferences for redistribution have changed in the same

**Figure 2.** Trends in Preferences for Redistribution, by Race, 1978–2012

Source: Author's calculations, based on data from the General Social Survey.

a. A value of 1 represents the least support for redistribution to the poor, and a value of 5 represents the most support for redistribution to the poor.

direction over time, a phenomenon that would be consistent with a “parallel public” interpretation (Page and Shapiro 1992); that is, different groups assimilate new information and ideas at different rates, which could lead to generally stable group differences.

**CONCLUSION** The analysis performed by Ashok, Kuziemko, and Washington is novel, well done, and interesting. The paper raises a lot of questions regarding the determinants of preferences for redistribution in the United States. Individual income, family background, and differences in cohort experience could be a different interpretation of the paper's results, consistent with the more traditional Meltzer and Richard (1981) model, the relevance of social mobility (Bénabou and Ok 2001), and the importance of different historical experience in the determination of values and beliefs (Giuliano and Spilimbergo 2014; Stevenson and Wolfers 2011). The inclusion of the most recent period of analysis also suggests that the phenomenon of “parallel publics” (Page and Shapiro 1992) should be taken into account: different groups may simply assimilate new information and ideas at different rates, which could lead to generally stable group differences and, overall, show a U-shaped behavior of preferences for redistribution over time in the United States.

**Table 4. Trends in Preference for Redistribution, by Race, General Social Survey<sup>a</sup>**

<i>Variable</i>	(1) <sup>b</sup> <i>Income differences</i>	(2) <sup>b</sup> <i>Income differences</i>	(3) <sup>b</sup> <i>Income differences</i>	(4) <sup>c</sup> <i>Income differences</i>	(5) <sup>c</sup> <i>Income differences</i>	(6) <sup>c</sup> <i>Income differences</i>
Blacks × (Year-1975)/100	-1.563*** (0.447)	-1.231** (0.480)	-1.476** (0.536)	-0.838 (0.565)	-0.463 (0.610)	-0.531 (0.649)
Demographics	yes	yes	yes	yes	yes	yes
Individual controls	no	yes	yes	no	yes	yes
Income dummies	no	no	yes	no	no	yes
Observations	24,568	24,310	21,993	28,600	28,302	25,554
R <sup>2</sup>	0.033	0.082	0.092	0.033	0.082	0.091

Source: Author's calculations, based on data from the General Social Survey.

a. See notes to table 1. Demographics include gender and a quadratic in age. Statistical significance at the \*\*\* 1 percent, \*\*5 percent, and \*10 percent level.

b. Sample is the General Social Survey 1978–2006.

c. Sample is the General Social Survey 1978–2012.

**Table 5.** Trends in Preferences for Redistribution, by Race, General Social Survey<sup>a</sup>

Variable	(1) <i>Help poor</i>	(2) <i>Help poor</i>	(3) <i>Help poor</i>
Blacks × (Year-1975)/100	-2.053*** (0.418)	-2.027*** (0.464)	-1.859*** (0.583)
Blacks × [(Year-1975)/100] <sup>2</sup>	3.121** (1.169)	3.264** (1.278)	3.351** (1.570)
Demographics <sup>b</sup>	yes	yes	yes
Individual controls	no	yes	yes
Income dummies	no	no	yes
Observations	27,570	27,291	24,615
R <sup>2</sup>	0.046	0.087	0.095

Source: Author's calculations, based on data from the General Social Survey.

a. Statistical significance at the \*\*\*1 percent, \*\*5 percent, and \*10 percent level.

b. Demographics include gender and a quadratic in age.

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**GENERAL DISCUSSION** Brad DeLong noted with irony that the phrase "keep the government's hands off my Medicare" was supposed to be limited to a small, uninformed fringe of Americans.

Noting that noneconomists rarely read economic studies, Caroline Hoxby said what matters for most people are not facts about income and equality but perceptions. Further, these perceptions will be strongly influenced by whether they think the people earning high incomes deserve the rewards or not. Given the argument the authors were trying to make, it was not enough for the authors to show inequality indexes. For their argument, they needed to demonstrate a large increase in perceived income inequality.

Joe Beaulieu thought that cohorts should be analyzed, a practice that, he noted, is the first inclination of many political scientists. For instance, he thought that coming of age during the Reagan Administration would have a large influence on perceptions about income inequality. He also thought that the finding on whether political ideologies were driving the results was very important and should be highlighted more prominently.

Robert Solow cited a working paper by Leslie McCall, who asked survey respondents if they thought extremely high-income people were overpaid and found that the answer was *yes* from both Democrats and Republicans. McCall also asked if the government should do anything about that, and the answer from people of both party affiliations was generally *no*. Lastly, she asked who should do something about the overpayments, and about half the respondents from each ideological side answered, "business." Solow suggested that these results imply that opinions about inequality might not be driven by inequality per se but rather by opinions about the government.

Jay Shambaugh echoed Solow's comment, suggesting that a poll asking "if the government in Washington should save puppies" would not get a significant affirmative. He suggested that opinions about the government in Washington might be driving much of the results.

Robert Gordon thought that over the past 40 years, the elderly may have had good reason to become increasingly disapproving of the lifestyles of the young. Gordon cited the book *Coming Apart*, by Charles Murray, as evidence for a decline in marriage rates and an increase in cohabitation and single motherhood by the young. He thought that this lifestyle shift

was dismaying to many older people and might make them feel justified in opposing the redistribution of resources toward these “undeserving” people. He thought a similar trend was also occurring among blacks with socially “acceptable” lifestyles entering the middle class, that is, that many of them might regard redistribution as shifting resources to those of whom they disapprove.

Donald Kohn asked if the results could be explained by perceptions of what the government was doing at the time. For example, if someone thought that the government was running very few race-based programs until the mid- to late-1960s, at which point race-based programs increased, it might suggest to that person that the marginal utility of additional race-based programs has declined now that we live in a time of many such programs. A similar phenomenon may have occurred with respect to income redistribution. Ultimately, this might explain why the support for additional race-based or redistributive programs has declined.

Robert Hall noted a peculiar sequence in the econometrics employed during the presentations and discussion. The authors had included time effects, the first discussant included both time and cohort effects, and the second discussant had time effects, cohort effects, and age effects. Hall was surprised that the effects were fully identified. It is well known that time, age, and cohort effects share an ambiguous trend.

Gary Burtless cited a poll that suggested 93 percent of the elderly population (older than 65) did not believe that they received any government subsidies for health insurance, despite the fact that over two-thirds of the elderly identified Medicare as their primary insurer. Burtless suggested that a similar result might have been found with respect to Social Security. He concluded that many individuals might answer differently if they realized that they themselves were the target of redistribution.

Justin Wolfers commented on a possible methodological problem with the General Social Survey. The survey results do not show the fact that average income has grown over the past 35 years. He suggested that there might be an increasing problem with the survey, perhaps because the very rich are no longer answering it or else because there has been a general decline in the kind of civic-mindedness that makes people willing to answer the survey. Wolfers thought that both of those things could have important implications for any analysis looking at differences in the civic-mindedness of the rich and the poor.

Replying to the discussion, Vivekanan Ashok cited other work he had done, looking at the civil rights era. There had been a substantial collapse in white support for redistribution during that era. Turning to the discussion

of whether trust in government drives much of the results, he agreed that it does and mentioned a forthcoming paper on that very topic. But even using trust for government as a control in his analysis, he said, one would still find a significant difference between the races in people's support for government redistribution.

Referring to Medicare, Ashok expressed amazement that the government had developed the program in such a popular and seamless way that many people no longer thought of it as a government program. At the same time, he did not think that most people failed to understand that this is what Medicare is. For example, during the 2012 election there was a lengthy discussion in the media about how \$700 billion had been cut from the Medicare program.