Asking for More: Support for Redistribution in the Age of Inequality

Charlotte Cavaille*

Institute for Advanced Study in Toulouse (until December 2016)
Georgetown University (starting in January 2017)

The politics of inequality and redistribution are a defining theme of our time. This is especially true in the United States and Great Britain, two countries that have experienced a striking growth in income and wealth inequalities since the 1970s. The Occupy movement, the rise of left-wing challengers such as Bernie Sanders or Jeremy Corbyn, and the surprising success of Thomas Piketty’s *Capital in the Twenty-First Century* indicate that many are paying attention to the current state of affairs. Still, to most pundits and scholars, the public’s reaction to escalating inequalities is surprisingly muted. In the most recent British elections, an absolute majority of citizens voted for parties that support the privatization of public health care and propose further tax-breaks for the wealthy. In the United States, President Obama has faced intense opposition in his attempts to provide universal health care or close tax loopholes that benefit high-income households.

*Asking for More* contributes to our understanding of the public’s multifaceted response to rising inequality. It carefully investigates how mass attitudes toward redistributive social policies have changed over time in mature Western Democracies. First, the book documents a striking disconnect between theoretical expectations developed by political economists on the one hand, and attitudinal trends as measured using survey data on the other. Through a close consideration of the limits of models that focus on material interest, the book offers a more general account of the dynamics of social policy preferences in which material interest has “a privileged but not exclusive role” (Elster 1983: 31). The main insight, succinctly put, is that the public’s response to inequality cannot be understood independently of changes in the supply side of politics: what political elites have to say about inequality and redistribution matters as much as one’s personal experience with material hardship and inequality.

* Email: charlotte.cavaille@iast.fr
**Book Overview**

How much should the government redistribute from the rich to the poor? Should the government financially support those who can no longer provide for themselves? How generous should this support be and how should it be funded? Answers to these questions constitute “probably the most important dividing line between the political left and the political right (...) on economic issues” ([Alesina and Giuliano](2011) 94).

The most prominent line of argument links differences in how people answer these questions to differences in how much people benefit from redistribution. At the individual-level, support for redistributive policies is expected to be inversely proportional to income: the higher the income, the lower the support. At the country-level, popular support should be comparatively higher in countries with a more unequal distribution of income and wealth. By extension, support for redistribution is expected to increase as inequality increases, especially among those at the bottom of the income ladder.

*Asking for More*, through a careful gathering and examination of the available longitudinal survey data, finds no evidence that attitudinal trends match these expectations. Despite a sharp growth in income inequality in the United States and Great Britain since the 1970s, support for redistribution in these countries has remained surprisingly stable. In Great Britain, any evidence of change points to a decline in support, paradoxically among low-income individuals. In the United States, there has been a slight increase in support, surprisingly among high-income individuals.

Other anomalies emerge from the data. During the Great Recession, support for redistribution has increased the most in the country affected the least by the Great Recession, namely Germany. Across Europe, income is a poor predictor of attitudes towards cuts in taxes and social spending, with the richest 20 percent households expressing surprisingly high levels of opposition to cuts. In the United States, while poor Republicans support redistribution more than rich Republicans, there is no similar income difference among people who identify with the Democratic Party: both rich and poor Democrats are supportive of redistribution.

To explain this mismatch between theories that focus on material self-interest and the existing survey data, *Asking for More* develops a new approach to social policy preferences with two key features. First, building on behavioral economics and evolutionary psychology, the book argues that social policy preferences are shaped not only by self-regarding material concerns, but also by other-regarding concerns for reciprocity (“reciprocity” thereafter). Second, the proposed approach emphasizes the role played by discursive and institutional contexts, which shape perceptions of redistributive social policies.

Reciprocity, refers to individuals’ natural inclination to behave pro-socially conditional on others behaving similarly ([Bowles and Gintis](2011); [Ostrom and Walker](2003)). Beliefs about whether others can be trusted to reciprocate, in other words trusted to not free ride on the welfare state, are powerful determinants of support for redistributive social policies. An important implication of reciprocity, fleshed out in the book, is that perceptions of free riding do not correlate with income but with individuals’ moral worldviews. A second implication is that social
policy preferences are inherently two-dimensional: attitudes regarding redistribution to those at the bottom of the social ladder do not correlate with social policy preferences aimed at addressing income disparities driven by the top of the social ladder. Political economists have largely ignored the double-sided nature of social policy preferences with important consequences, this book shows, for how we understand attitudinal change in post-industrial democracies.

With regards to context, the core claim is that a change in social policy preferences happens at the intersection of individual push factors, such as concerns about material well-being or reciprocity, and contextual pull factors, rooted in changes in elite discourse or differences in policy design. One key implication is that individuals are more likely to translate personal hardship into higher support for left-wing redistributive social policies when political elites actively compete over these issues. In contrast, when elites politicize issues of free riding and deservingness, the activation of reciprocity concerns re-shapes public opinion in ways that have very little to do with income and self-regarding material concerns. For instance, despite their income level, highly-educated moral liberals become key actors in the expansion of programs aimed at helping the worse off.

In light of this new approach to social policy preferences, recent patterns become less puzzling. Germany’s increase in support for redistribution can be traced back to pre-crisis attitudinal trends resulting from an important shift in elite-level competition on redistributive issues. By factoring in other-regarding reciprocity concerns, one can explain the disconnect between income and support for cuts in taxes and social spending. Most importantly, Asking for More provides a new perspective on puzzling trends in attitudes in the United States and Great Britain. Simply put, policy design and changes in elite-level patterns of electoral competition combine to undermine any straightforward translation of economic conditions into growing demand for redistribution.

In support of this argument, Asking for More embeds large-N statistical analyses using individual-level longitudinal survey data into small-N case studies of the historical trajectories of carefully selected countries, including Great Britain, Germany and the United States. To analyse the role of context more rigorously, the book moves beyond these three cases and uses multilevel models that embed individual observations into time-varying and country-specific discursive and institutional contexts. Two survey experiments in Great Britain and France further test key micro-level assumptions regarding the cognitive mechanisms that shape social policy preferences.

**Contribution to Political Science and Political Economy**

*Asking for More* documents the complex interaction between elite messaging, policy design and popular perceptions of inequality as a policy issue. It is based on doctoral work that has received the 2015-2016 Mancur Olson Prize for Best Dissertation in Political Economy, awarded by the APSA Political Economy Section. The award committee emphasized its “pioneering contribution” to our understanding of “heterogeneity in public responses to the objective increase in inequality, a major policy and political issue of our time.”
Asking for More reaches across the full spectrum of relevant literatures, not only in political science and sociology but also in behavioral economics (Henrich et al. 2001; Fehr and Gächter 2000), evolutionary psychology (Petersen 2012; Petersen et al. 2012) and moral psychology (Skitka and Tetlock 1993; Haidt 2012). Drawing key insights from cutting-edge research on the foundations of human behavior, the book provides a model of social policy preferences with important implications for the ways in which mass support for redistribution should be measured, conceptualized, and its determinants tested. For instance, ignoring the two-dimensional nature of social policy preferences can lead researchers to contradictory or confusing results. The British case is a striking example: while self-interested support for redistribution away from those who are better off is correlated with income and broadly stable from 1986 to 2012; support for redistribution to the poor has, during the same period, unraveled to reach historically low levels.

By examining how universal behavioral motives (material self-interest and reciprocity) play out in different contexts (e.g. elite discourse and policy design), Asking for More provides a simple but powerful framework to compare and contrast public opinion, both in terms of structure and trends. This framework offers a bridge between two models of political change. One model, ubiquitous in political economy, approaches political change as a bottom-up process where economic phenomena such as de-industrialization, globalization or the Great Recession affect policy preferences, voting patterns and electoral outcomes. In contrast, behavioralists, especially students of American politics, emphasize the top-down dynamics that structure political change. Asking for More argues that political change happens at the intersection of these bottom-up and top-down processes.

Structure of the Book

The book manuscript is currently organized into 9 chapters, for a total of 350 double-spaced pages, not including the methodological appendix.

Chapter 1 presents the empirical puzzles guiding the inquiry.

Chapters 2 and 3 present theory and evidence regarding the role, alongside material self-interest, of reciprocity concerns.

Chapter 4 provides a general framework to understand how the institutional and political contexts affect the interaction between these two behavioral motives. Chapter 5 uses this framework to re-examine some of the puzzles presented in the first chapter, most importantly the surprisingly high level of support for redistributive social policies among high-income households.

Chapters 6 through 8 rely on this framework to understand why support for redistribution does not increase when inequality increases. More specifically, chapter 6 examines how the nature and structure of the opinions made available in one’s political environment affect which motive (material self-interest or reciprocity) underlies attitudinal change. Chapter 7 focuses on the dynamics of redistributive preferences in Great Britain, and chapter 8 examines attitudinal change in the United States.
Chapter 9 concludes with a summary of the results. It also lays out the book’s contribution to the study of mass social policy preferences in post-industrial democracies.
Cited Work


Rothstein, Bo. 1998. *Just Institutions Matter: the Moral and Political Logic of the Universal
Welfare State. Cambridge University Press.

