Intergenerational Mobility and Preferences for Redistribution

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(Stereo)typically Documented Views

Americans:

- Econ system mostly “fair," American dream alive
- Wealth is reward for ability and effort
- Poverty due to inability to take advantage of opportunity
- Effort pays off

Continental Europeans:

- Econ system is basically unfair
- Wealth due to family history, connections, sticky social classes
- Poverty due to bad luck, society’s inability to help the needy
- Effort may payoff

- 70% of Americans versus 35% of Europeans believe you can climb social ladder if you work hard (WVS)
- Yet, intergenerational mobility not systematically higher in the US (Chetty *et al.* 2014)

This Paper: Research Questions

- Do people have realistic views about intergenerational mobility?
- What are their views on fairness, such as the role of effort vs. luck?
- Link between perceived intergenerational mobility and preferred redistribution policies?
  - **Equality of opportunities** policies (education, bequest taxes)
  - **Equality of outcome** policies (social insurance, progressive income taxation)?
- Correlation and Causality (experimental).
- Heterogeneity by socio-economic background, political views, own mobility experience?

Method: Surveys and Randomized Experiments

- Online surveys on representative samples in the US, UK, France, Italy, and Sweden. ▸ Stats
- Research agenda ahead.
- Can collect more data to reduce noise, further treatments to test channels. Suggestions very welcome!
- Survey structure: Background/ Fairness / Randomized: Info on Mobility / Perceptions of Mobility / Policies / Randomized: Views on government
- Sample collected (mainly) September/October 2016
  $N \approx 2,000$ for IT, UK, FR, $N \approx 4000$ for U.S., $N \approx 1,500$ for SE.

Main Findings

- Americans are more optimistic than Europeans, but:
  - Americans too optimistic, especially about "American dream."
  - Europeans too pessimistic, especially about staying stuck in poverty.
- People believe effort matters, but not for making it to the very top.
- Pessimism on mobility $\leftrightarrow$ support for redistribution (especially "equality of opportunity policies.")
- Experiment: more pessimistic $\rightarrow$ increases support for redistribution... but only among left-wing respondents.
- Strong polarization between left and right wing on government, redistribution: same information, very different effects.

Outline of this Talk

1. Data on Actual Intergenerational Mobility
2. Survey and Methodology
3. Mobility Perceptions and Misperceptions
4. Role of Effort
5. Geography of Perceptions in the U.S.
6. Perceptions of Mobility and Policy Preferences
7. Randomized Information Experiment

Related Literature

Theory: Galor and Zeira (1993), Piketty (1995), Alesina and Angeletos (1995), Owen & Weil (1998), Benabou & Ok (2001), Benabou (2002), Benabou & Tirole (2006), Galor (2011), Saez & Stantcheva (2016).

Empirical Evidence on belief differences and redistribution: Alesina & Glaeser (2004), Alesina & La Ferrara (2005).

Empirical Studies of Social Mobility: Gottschalk and Spolaore (2002), Solon (2002), Jantti *et al.* (2006), Goldin and Katz (2009), Blanden (2011), Fryer and Katz (2013), Corak (2013), Chetty, Hendren, Kline, and Saez (2014), Akcigit, Grigsby, and Nicholas (2016), Aghion, Akcigit, Hyytinen, and Toivanen (2016).

Experimental manipulation of beliefs: Kuziemko, Norton, Saez, and Stantcheva (2015), Perez-Truglia and Cruces (2016), Karadja, Mollerstrom and Seim (2016), Cruces *et al.* (2013), Newman *et al.* (2014), George (2016).

Policies for Mobility: Chetty, Hendren, & Katz (2016), Abramitzky (2011, 2017), Hoxby and Turner (2013, 2015),

Polarization: Gentzkow, Shapiro and Taddy (2017), Gentzkow, Boxell, and Shapiro (2017).

Data on Actual Intergenerational Mobility

Sources of Data on Intergenerational Mobility

- US: Administrative tax-return data (Chetty *et al.*, 2014) ▸ Detail
- UK: sample of 2806 parents-children, from the British Cohort Study
- France: sample of 4,581 parents and 1,444 children, from survey "Formation et Qualification professionnelle", INSEE
- Italy: Administrative tax-return data (Acciari *et al.* 2016)
- Sweden: 20% random sample from Statistics Sweden's administrative registers (Jantti *et al.*, 2006)
- Currently (we think), best data available. Future research may compare our respondents' answers to better data). Levels interesting per se.

Survey and Methodology

Survey Structure

- **Background** socio-economic questions, own social mobility experience, political experience.
- **Fairness**: Fair system, reasons poor, reasons rich. Detail
- **Randomized "information"** experiment to shift views on extent of social mobility. Randomization
- **Perceptions of intergenerational mobility** in own country.
- **Policies:** Overall intervention, overall support for equality of opportunity, income taxes, estate tax, budget.
- **Government:** views on role and capacities of government (order randomized, pre or post info treatment).

Eliciting Beliefs on Upward Mobility

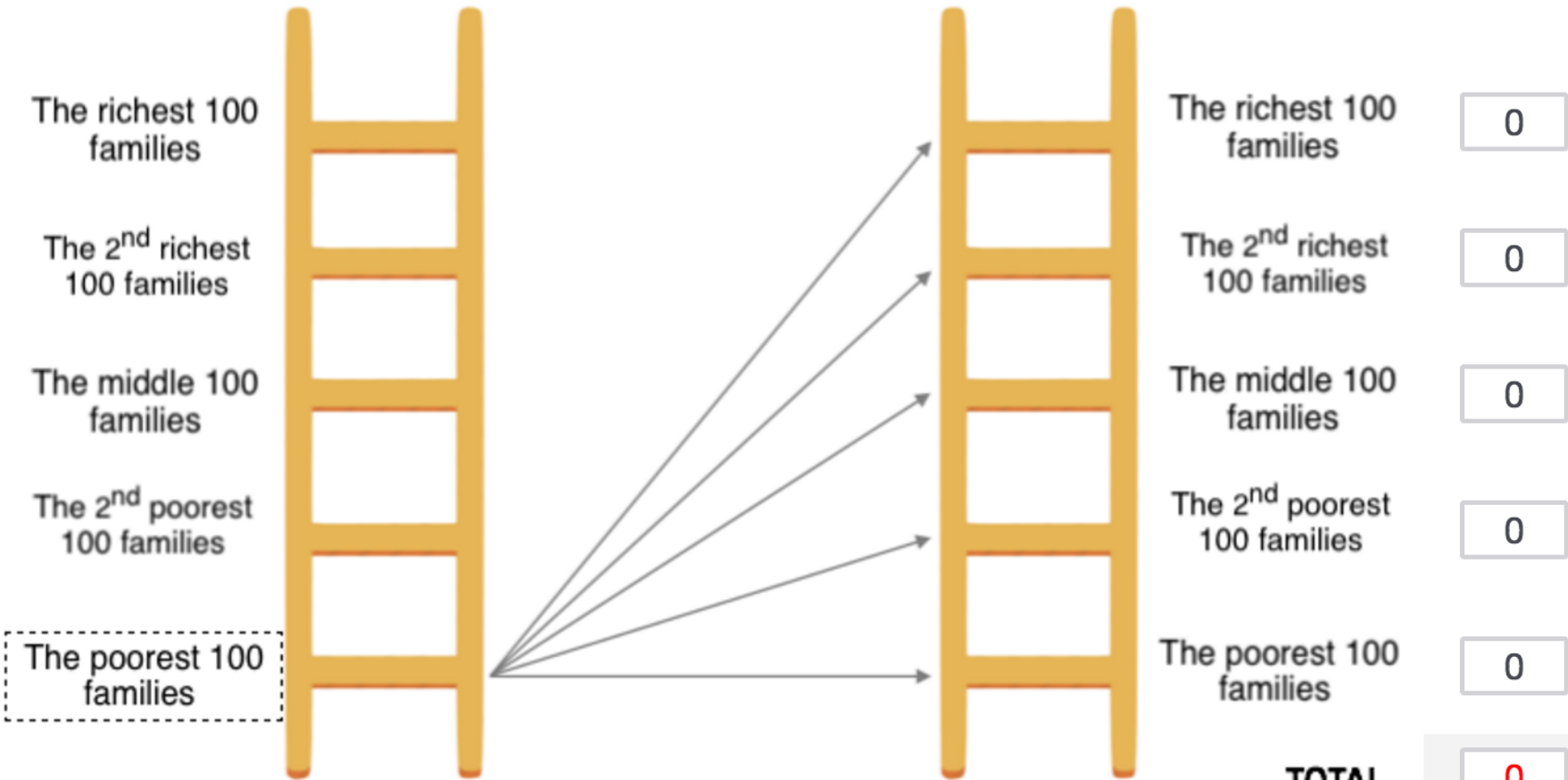
For the following questions, we focus on 500 families that represent the U.S. population. We divide them into five groups on the basis of their income, with each group containing 100 families. These groups are: the poorest 100 families, the second poorest 100 families, the middle 100 families, the second richest 100 families, and the richest 100 families.

In the following questions, we will ask you to evaluate the chances that children born in one of the poorest 100 families, once they grow up, will belong to any of these income groups.

Please fill out the entries to the right of the figure below to tell us, in your opinion, how many out of 100 children coming from the poorest 100 families will grow up to be in each income group.

Eliciting respondent's beliefs on upward mobility

Here are **500 families** that represent the US population:



Eliciting Beliefs on Upward Mobility (II)

Qualitative questions for robustness:

> *Do you think the chances that a child from the poorest 100 families will grow up to be among the richest 100 families are: [Close to zero, Low, Fairly Low, Fairly High, High*].

"American dream question:"

> *How do you feel about the following statement? "In [country] everybody has a chance to make it and be economically successful."*

Ask about mobility conditional on "effort" and "talent."

> *Consider 100 children coming from the poorest 100 families. These children are very determined and put in hard work both at school and, later in life, when finding a job and doing that job.*
>
> *Consider 100 children coming from the poorest 100 families. These children are very talented.*

Robustness: provided absolute cutoffs for quintiles: no change.

Questions on Policies

Logic: Split desired policies into components

i) overall government involvement and intervention,

ii) how to share a given tax burden,

iii) how to allocate a given budget.

Income taxes on top 1%, next 9%, next 40%, bottom 50%. Detail

Budget allocation on 1) Defense/ Security, 2) Infrastructure, 3) Education, 4) SS, Medicare, DI, and SSI, 5) Social Insurance and Income Support Programs, 6) Health. Detail

Estate tax: Rate support. Detail

Support for equality of opportunity policies: subject to other policies being reduced (qualitative, robust, no free lunch). Detail

Questions on Role and Capacities of Government

Randomized block (outcomes/ pre-existing characteristics):

- Trust in government
- Tools of the government
- Are unequal opportunities a problem?

Scope of government: to reduce unequal opportunities for children from rich and poor backgrounds, from 1 to 7.

Is lowering or raising taxes better for reducing unequal opportunities? ▸ Detail

Ensuring reasonable answers

Appeal to people's social responsibility. Detail

Warn that "careless answers" will be flagged.

Constrain answers to add up to 100. Tabulating answers – few strange patterns. Detail

Attention check question (0.88%), Meade and Craig (2012).

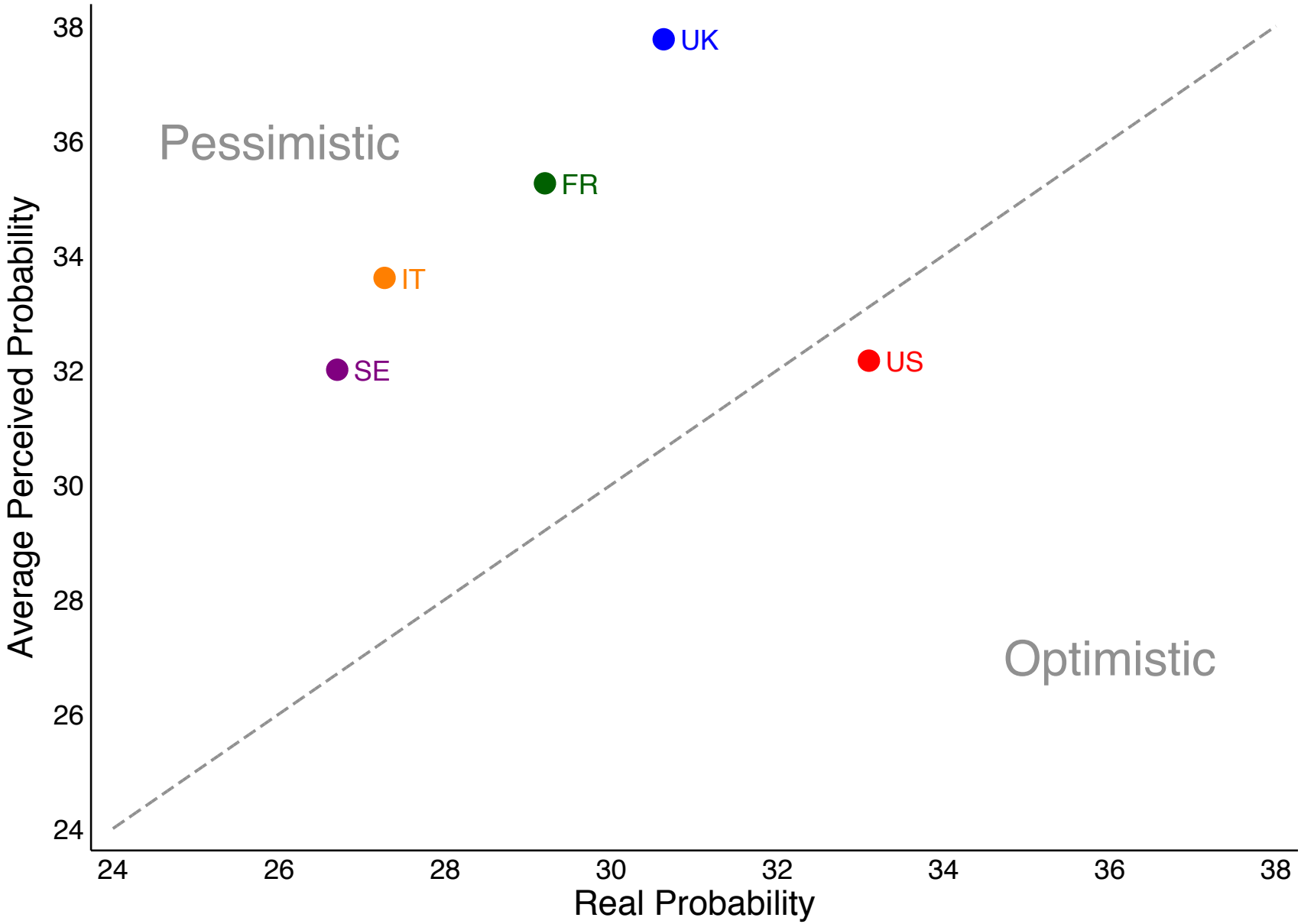
Time spent on separate questions' pages and overall survey time.

Ask for feedback post survey, whether felt survey was biased (18%).

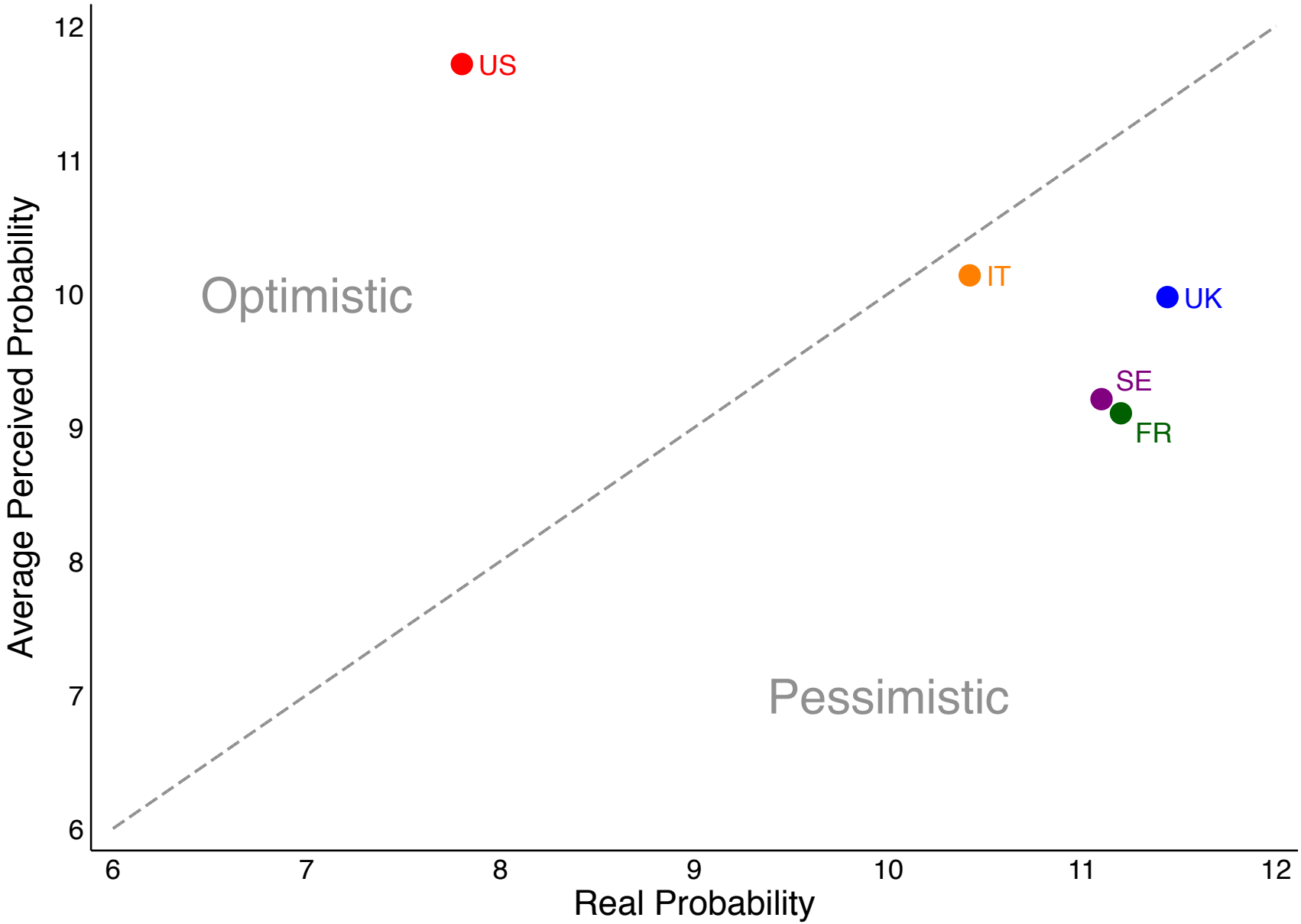
Asked for questions in different orders (ascending vs. descending) and on different pages.

Mobility Perceptions and Misperceptions

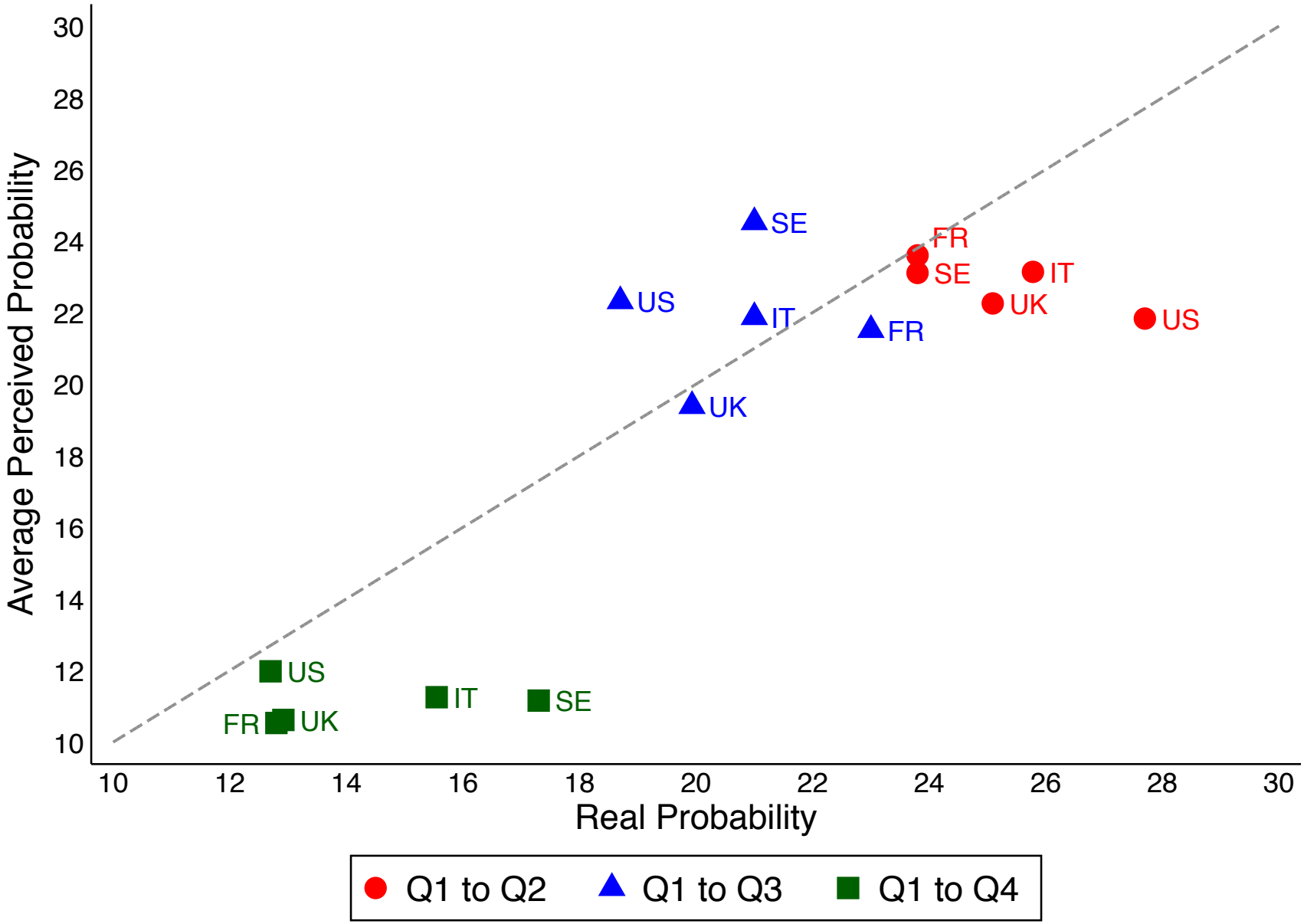
Probability of Staying in Bottom Quintile (Actual vs. Perceived)



Probability of Moving to Top Quintile (Actual vs. Perceived)



Probability of Moving to Quintiles Q2, Q3, and Q4



Accuracy of Individual Level Perceptions

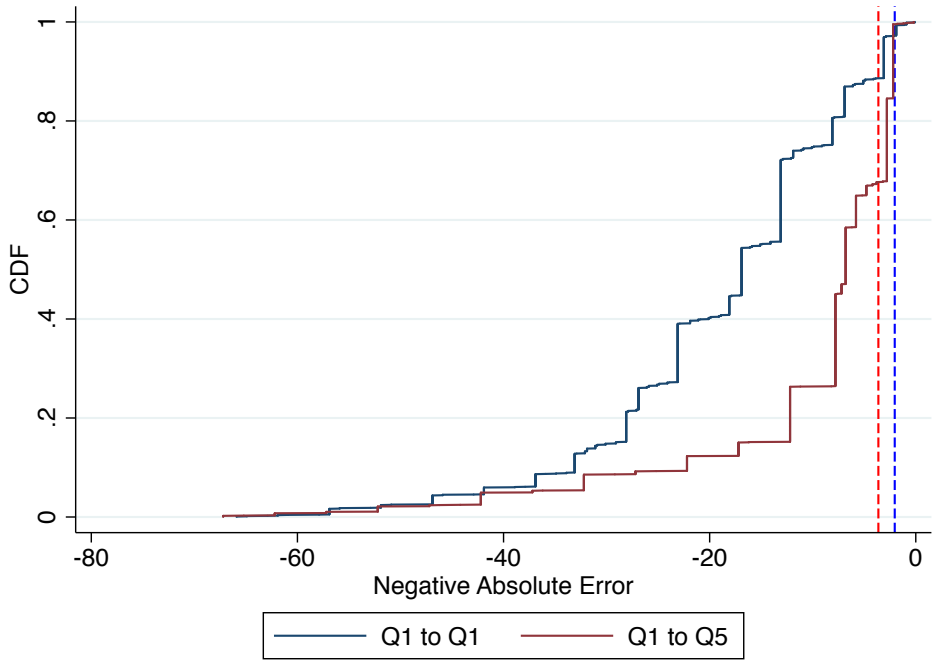


Figure 1: United States

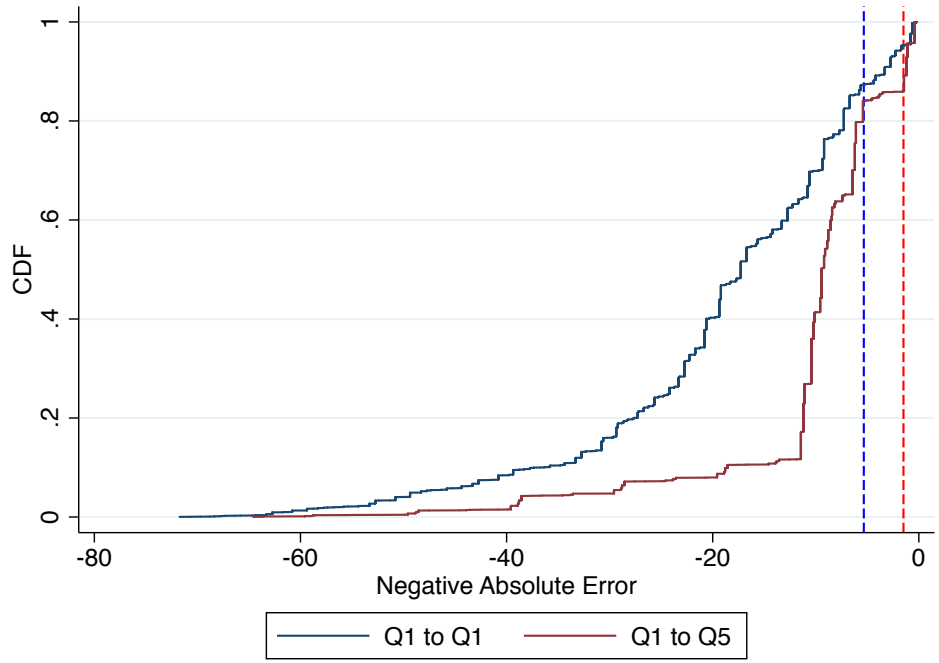
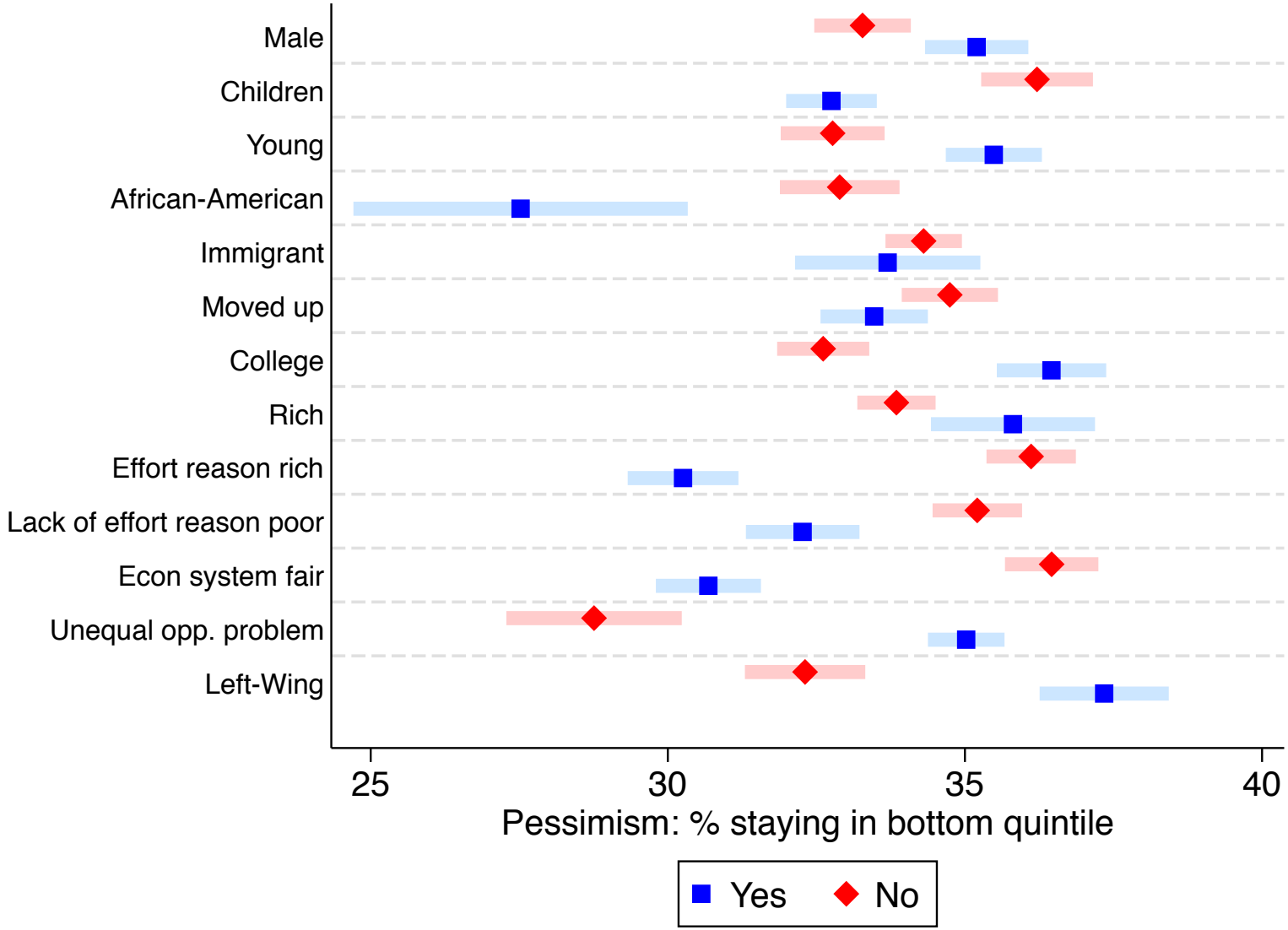


Figure 2: Europe

% of individuals less accurate than average:

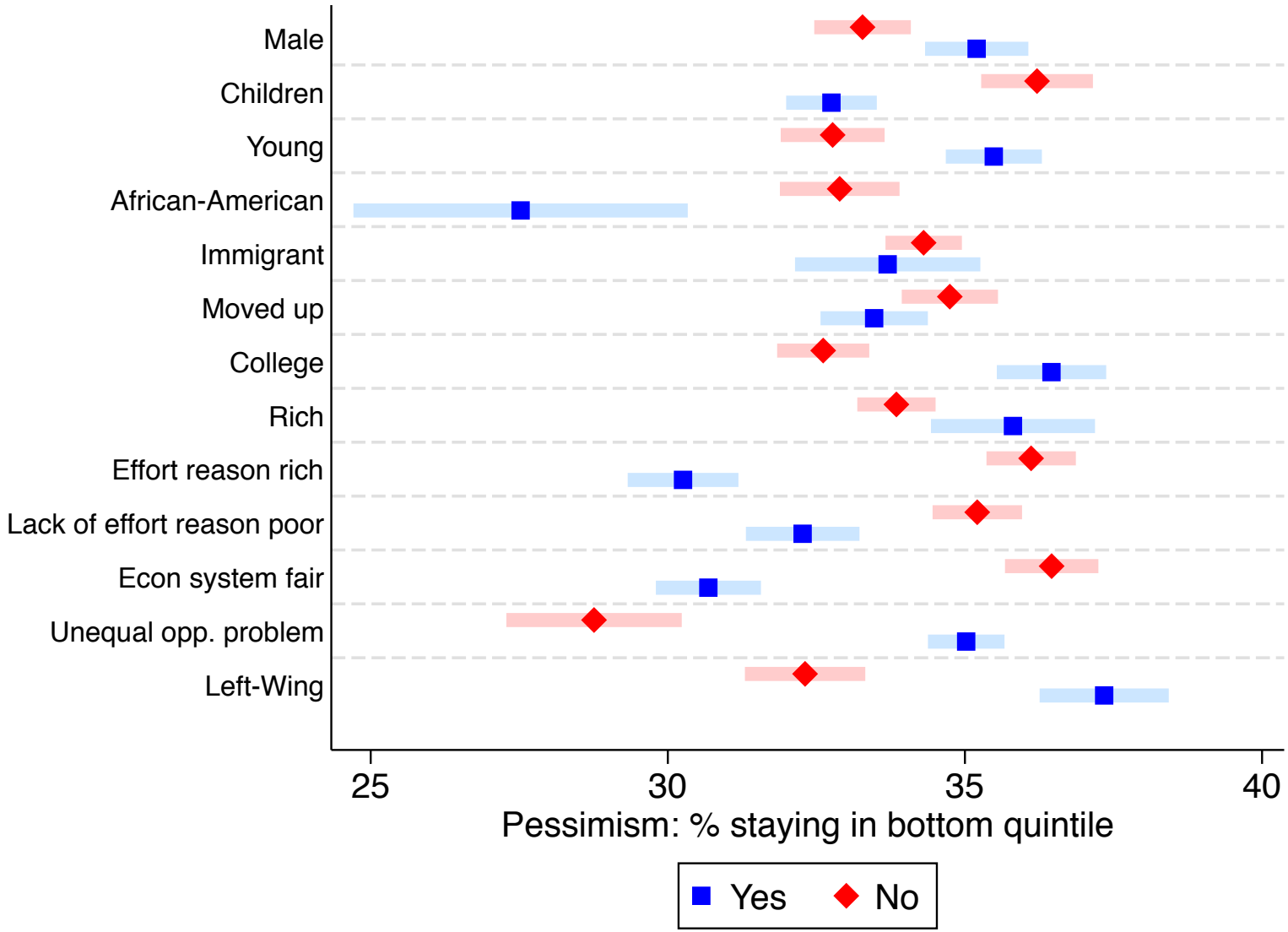
	Q1 to Q1	Q1 to Q5
U.S.	99.4%	68.1%
Europe	85.5%	89.4%

Which Groups are More Pessimistic?



Men, people without children, high income, college-educated, young, non African-American, those who do not believe in effort, think unequal opp. are problem.

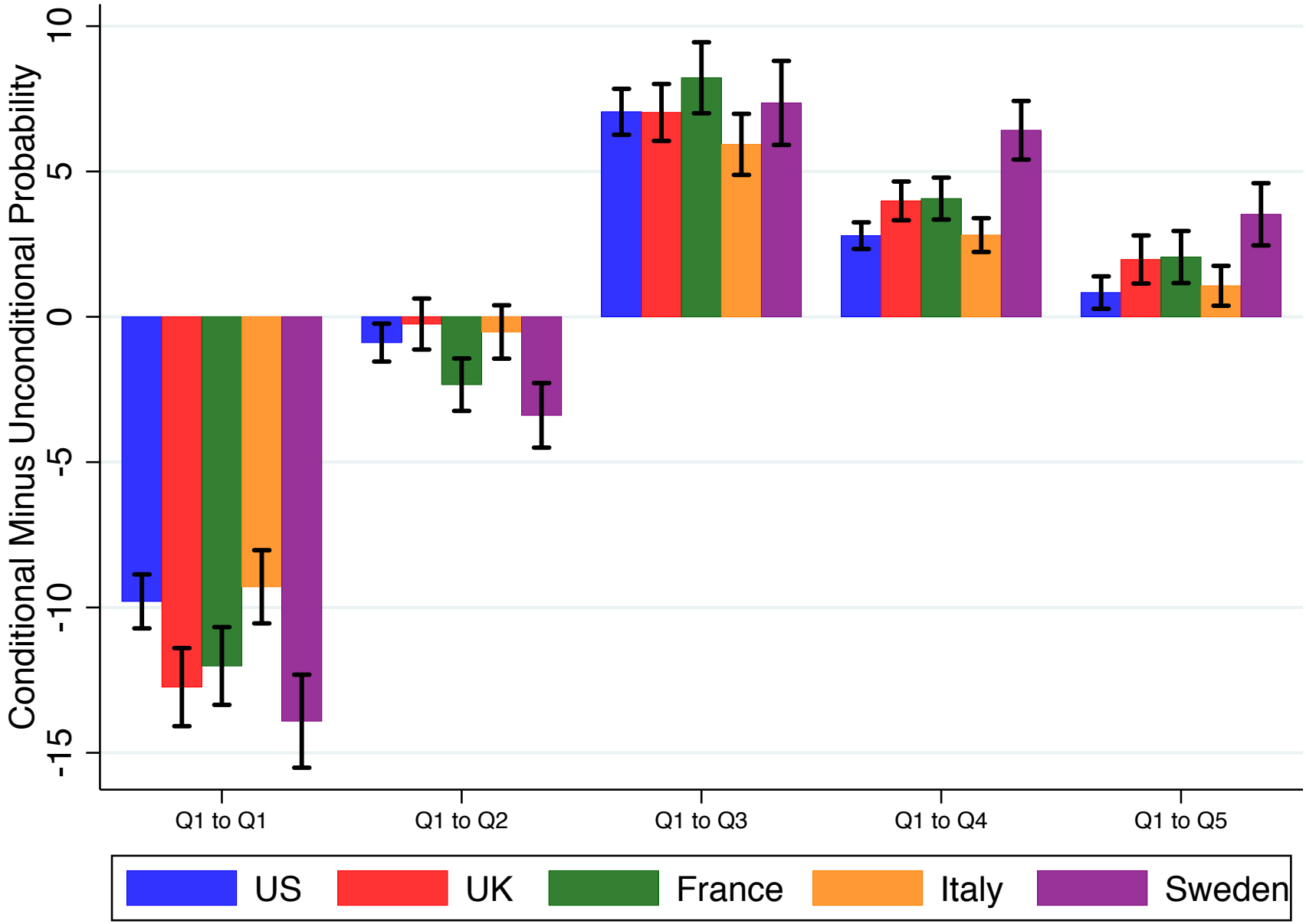
Which Groups are More Pessimistic?



Strongest predictor are political views (left/right wing).

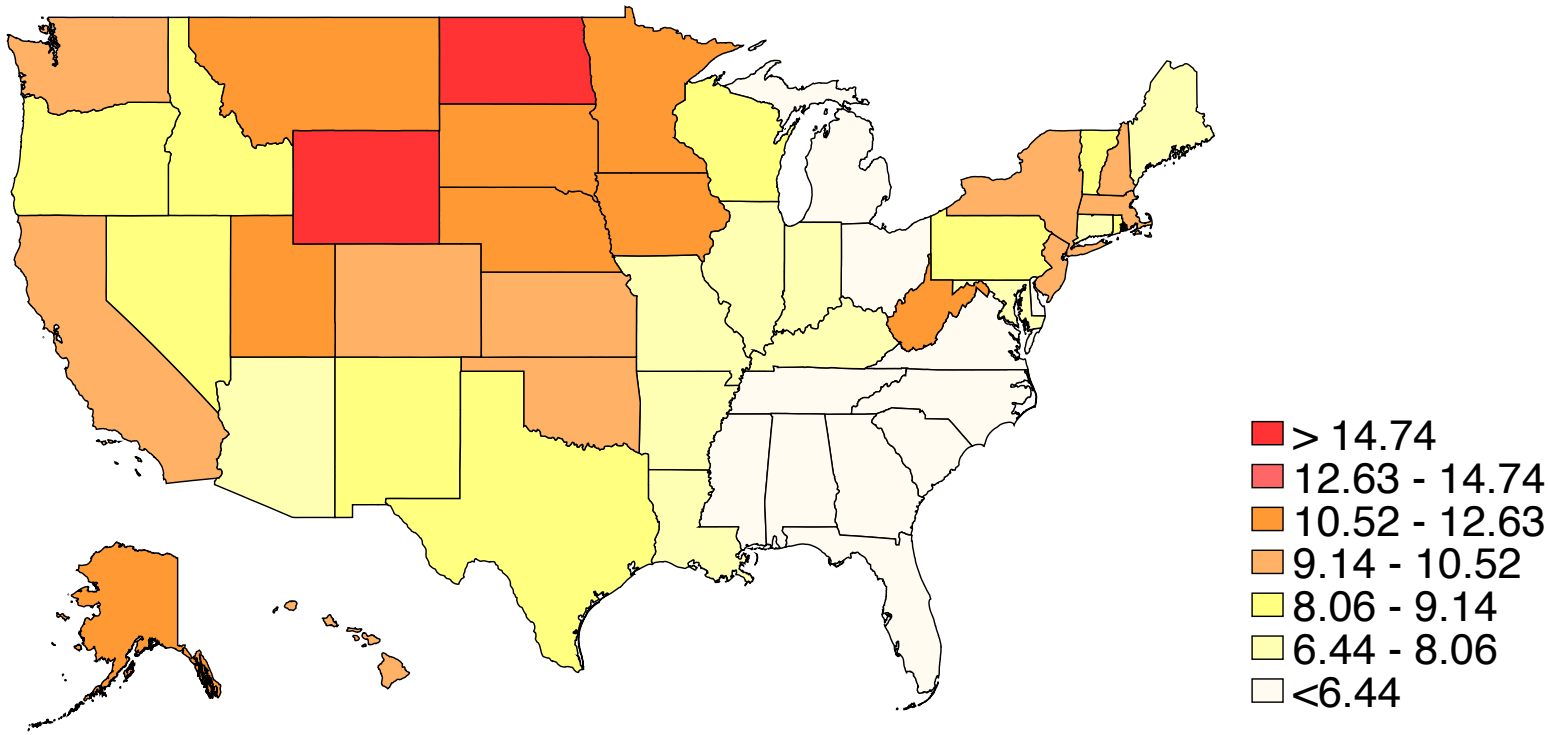
Role of Effort

Does Effort Change the Perceived Mobility?

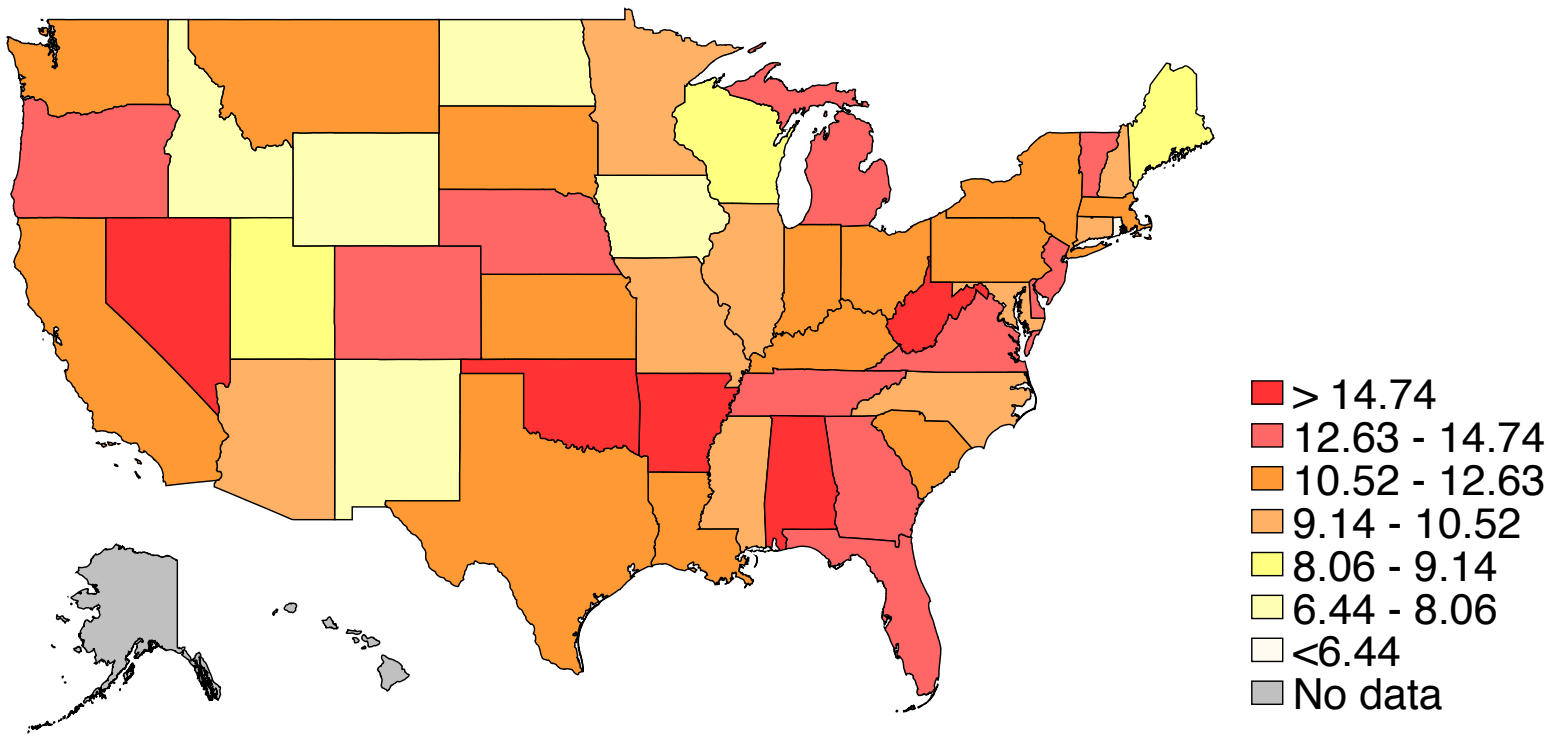


Geography of Perceptions in the U.S.

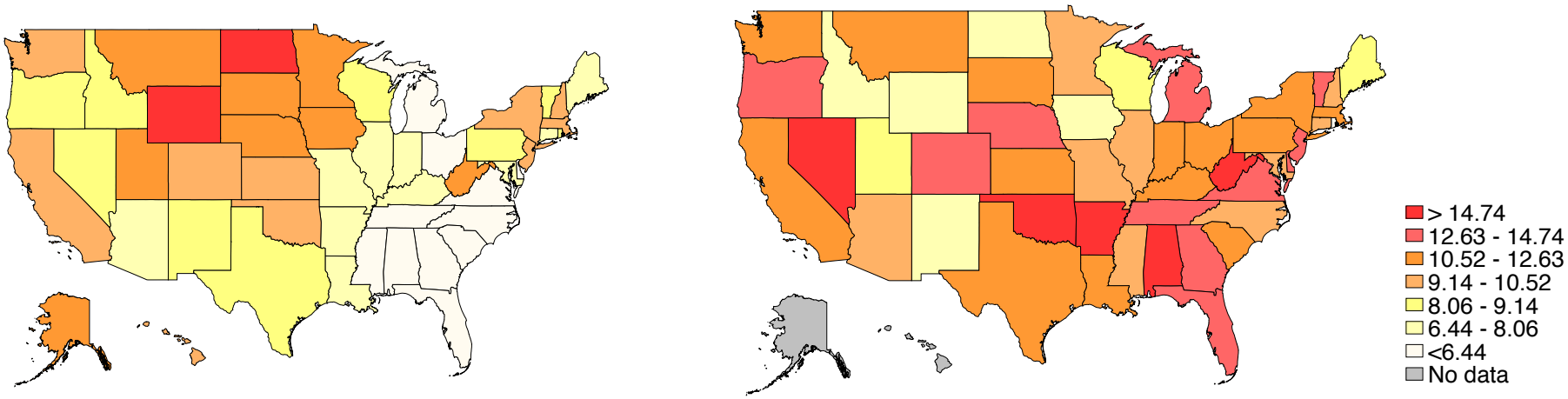
Actual probability of moving from bottom to top quintile



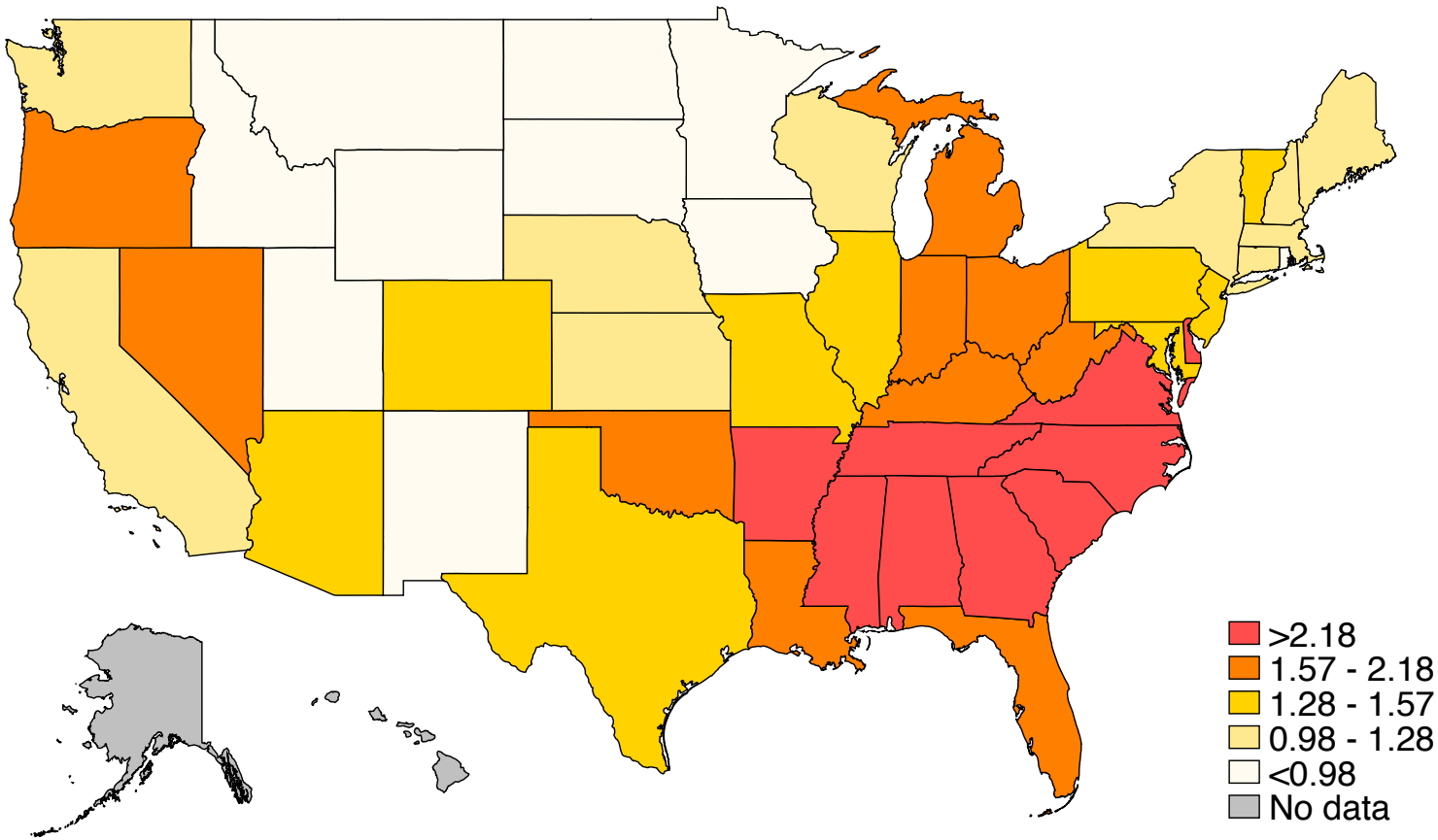
Perceived probability of moving from bottom to top



Actual and perceived probability of moving from bottom to top quintile

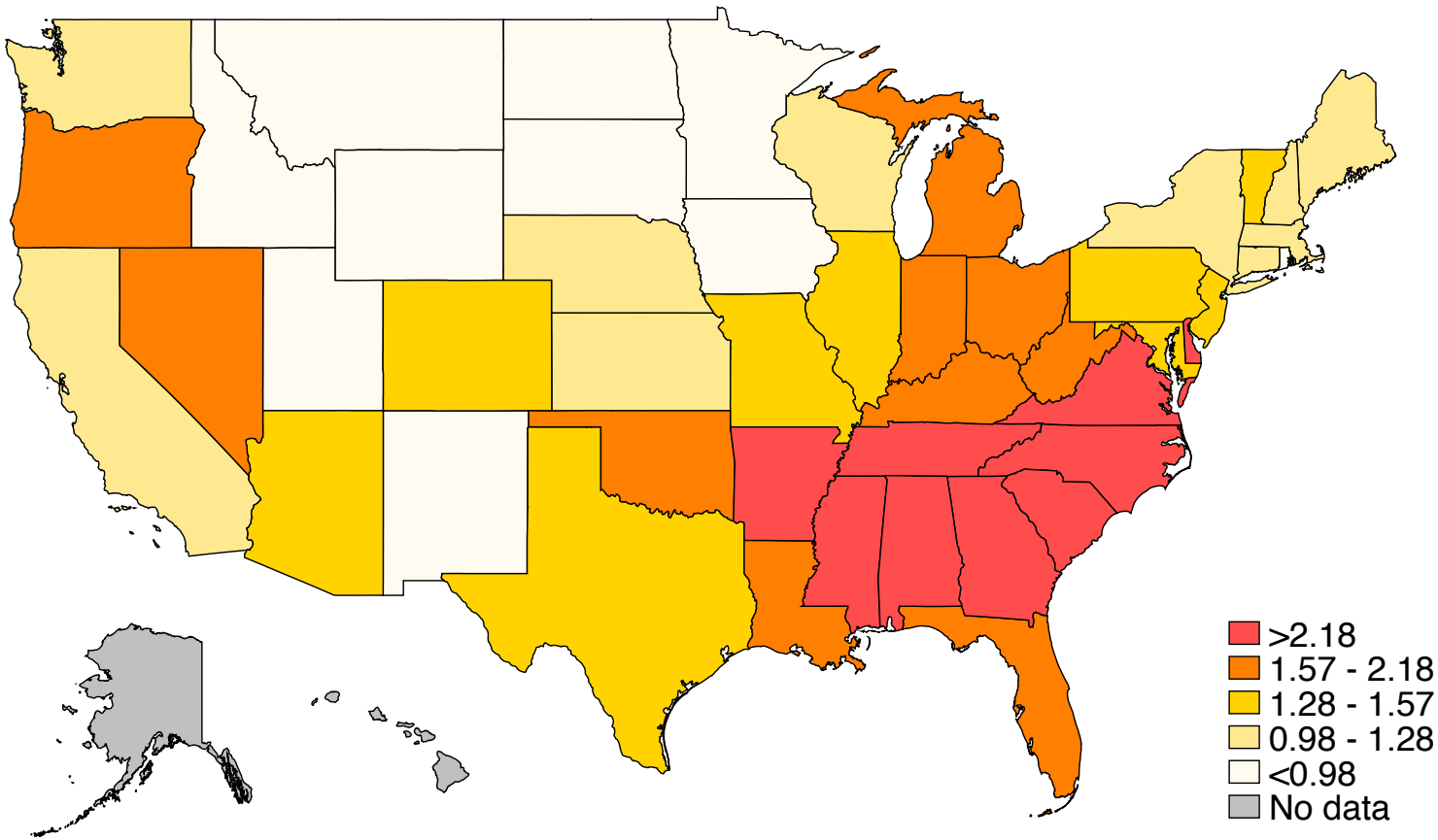


Ratio of actual local and perceived probability of moving from bottom to top



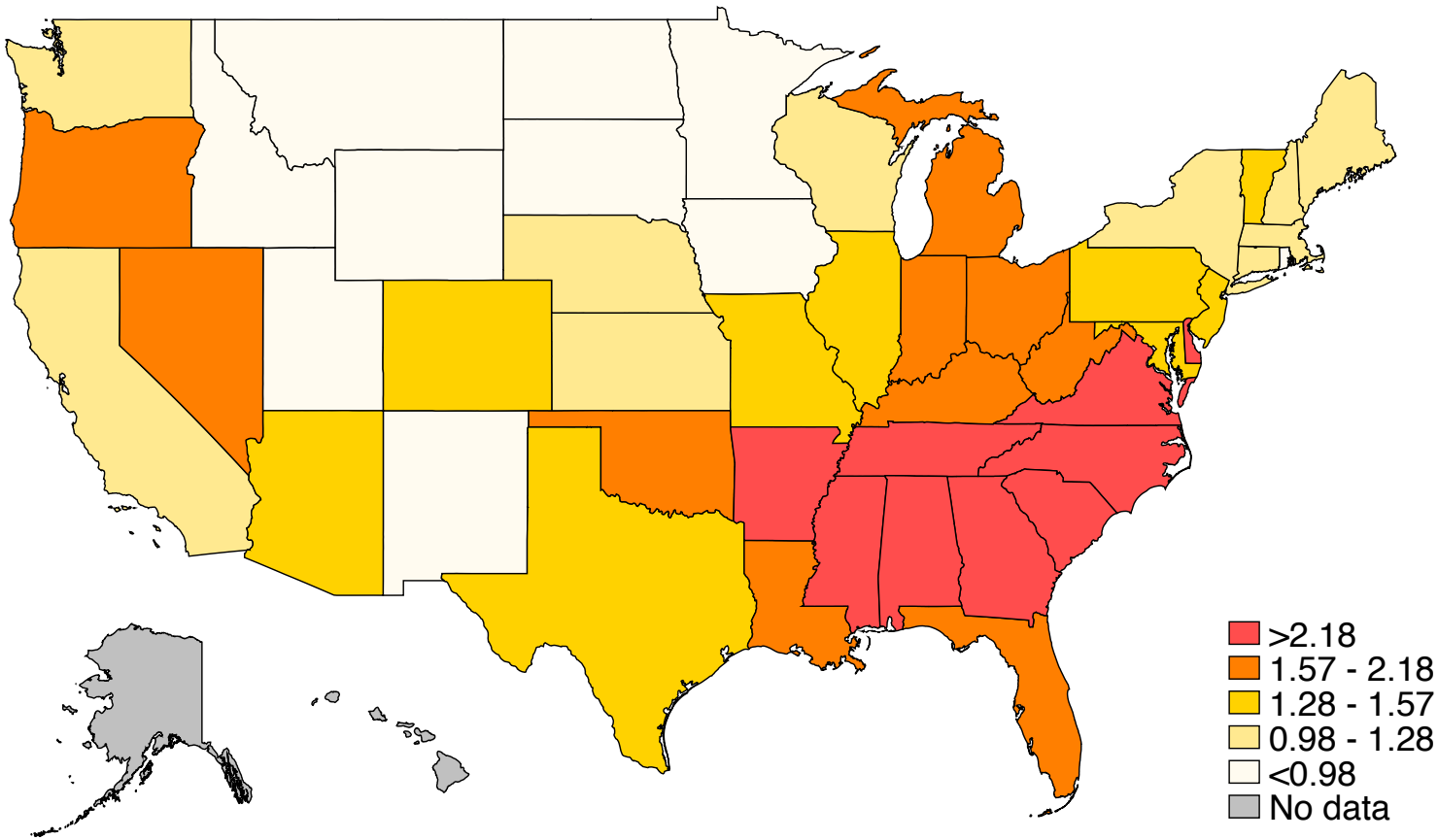
What are local perceptions correlated with, controlling for individual-level characteristics? ▸ National

Ratio of actual local and perceived probability of moving from bottom to top



Include: manufacturing share, college grads, income, etc...

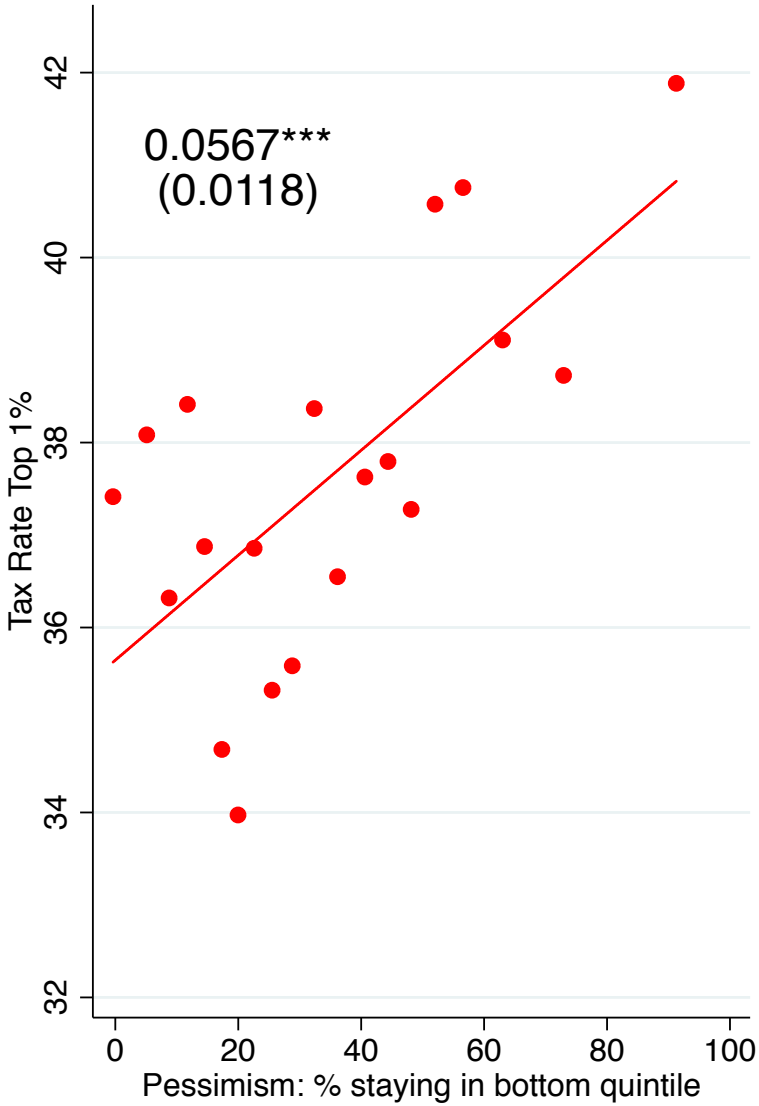
Ratio of actual local and perceived probability of moving from bottom to top

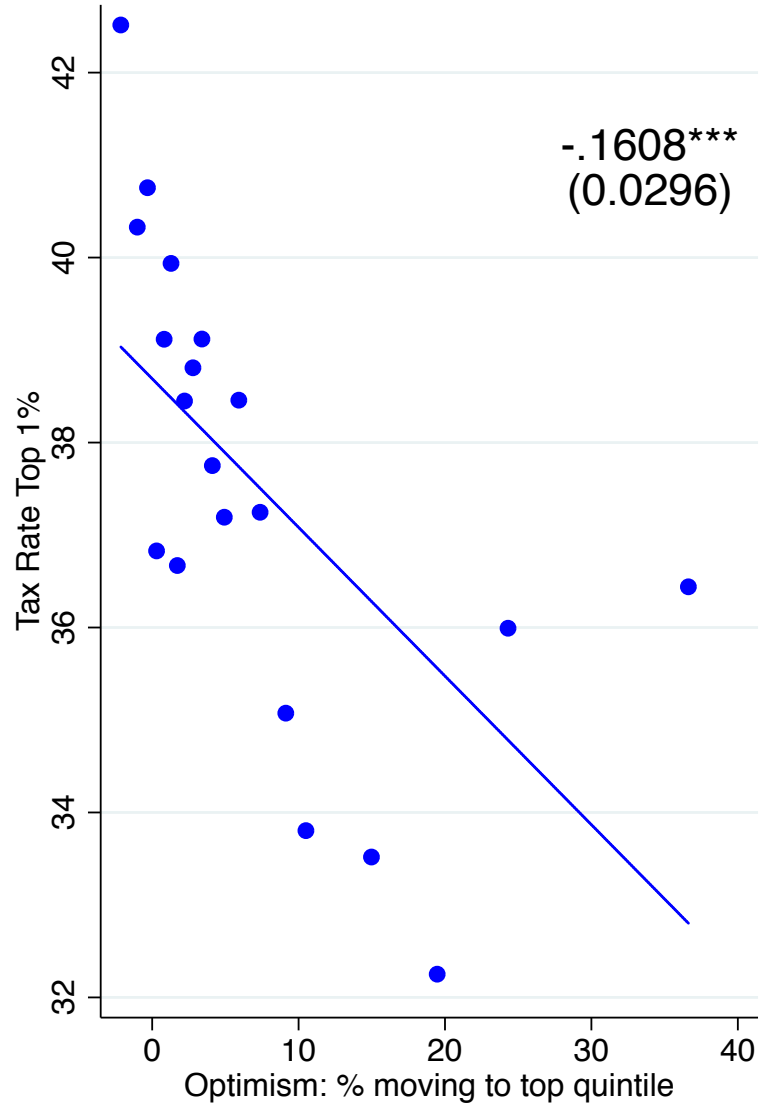


Strongest predictors of optimism: 1) high racial segregation 2) low income segregation (controlling for both at same time).

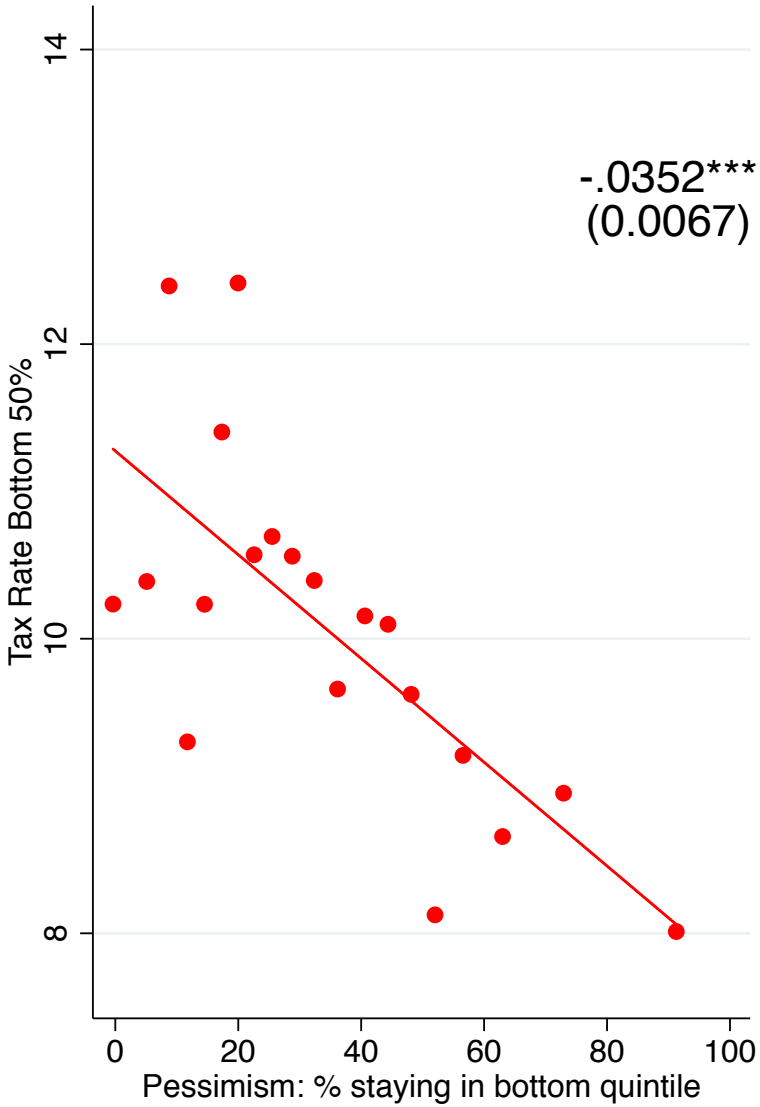
Perceptions of Mobility and Policy Preferences

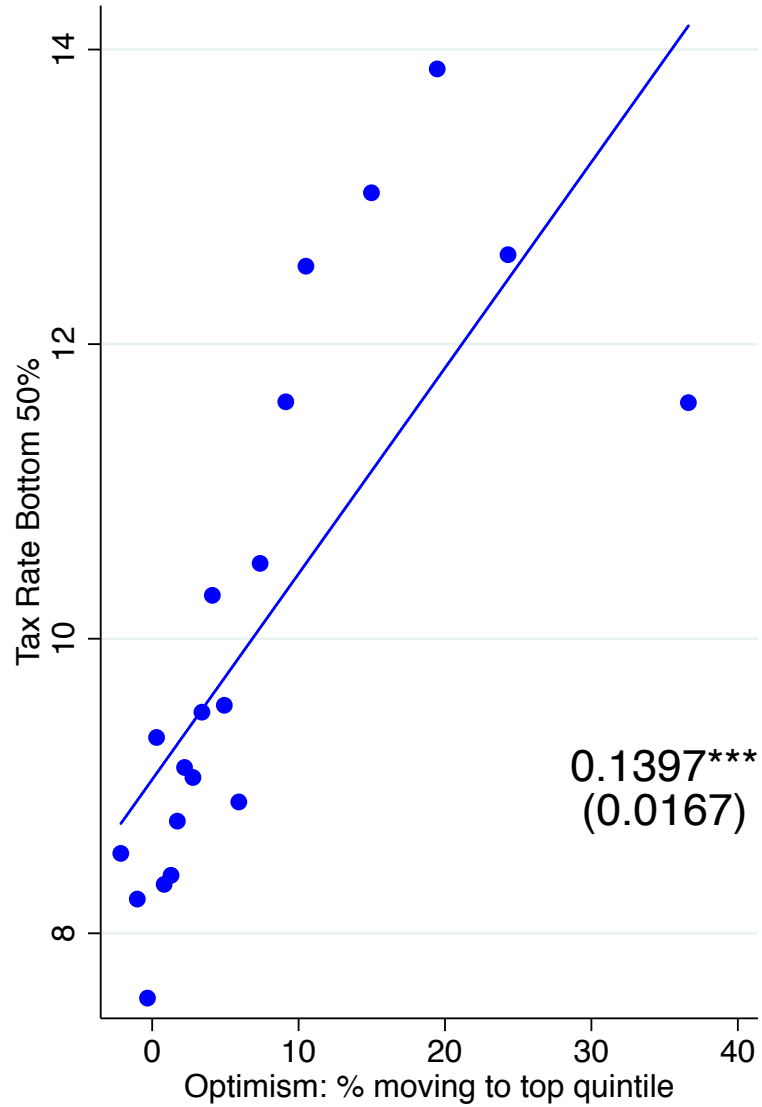
Pessimism, Optimism, and Top Tax Rate



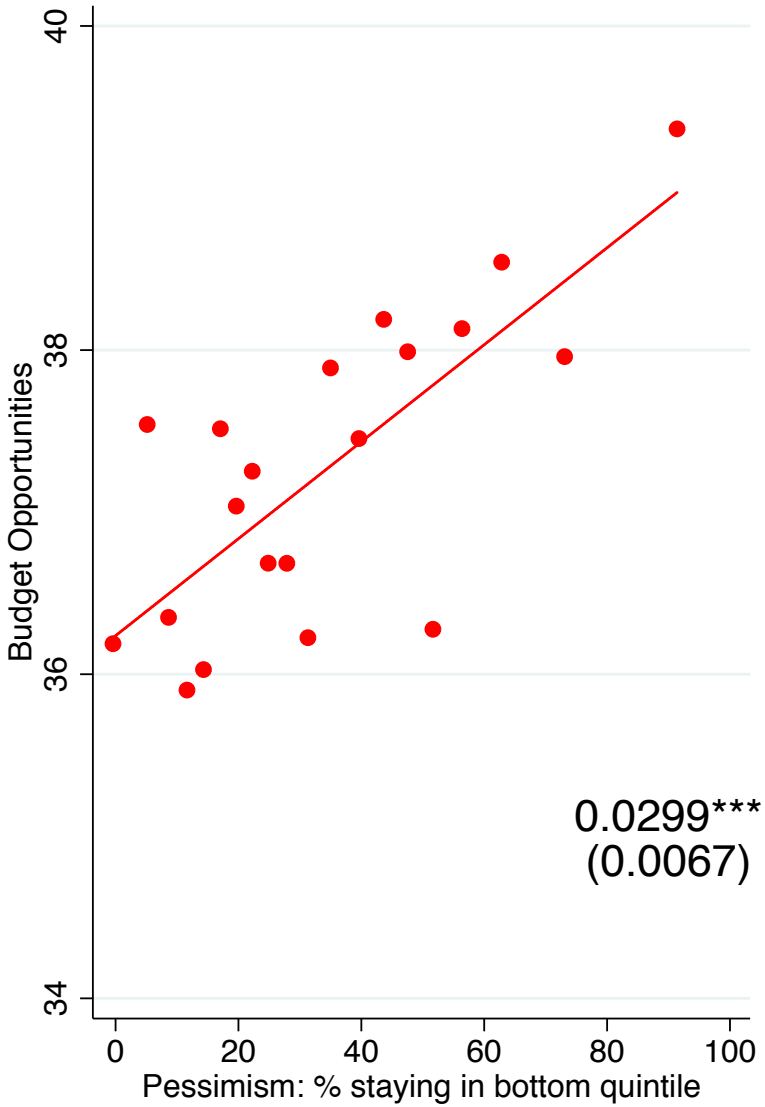


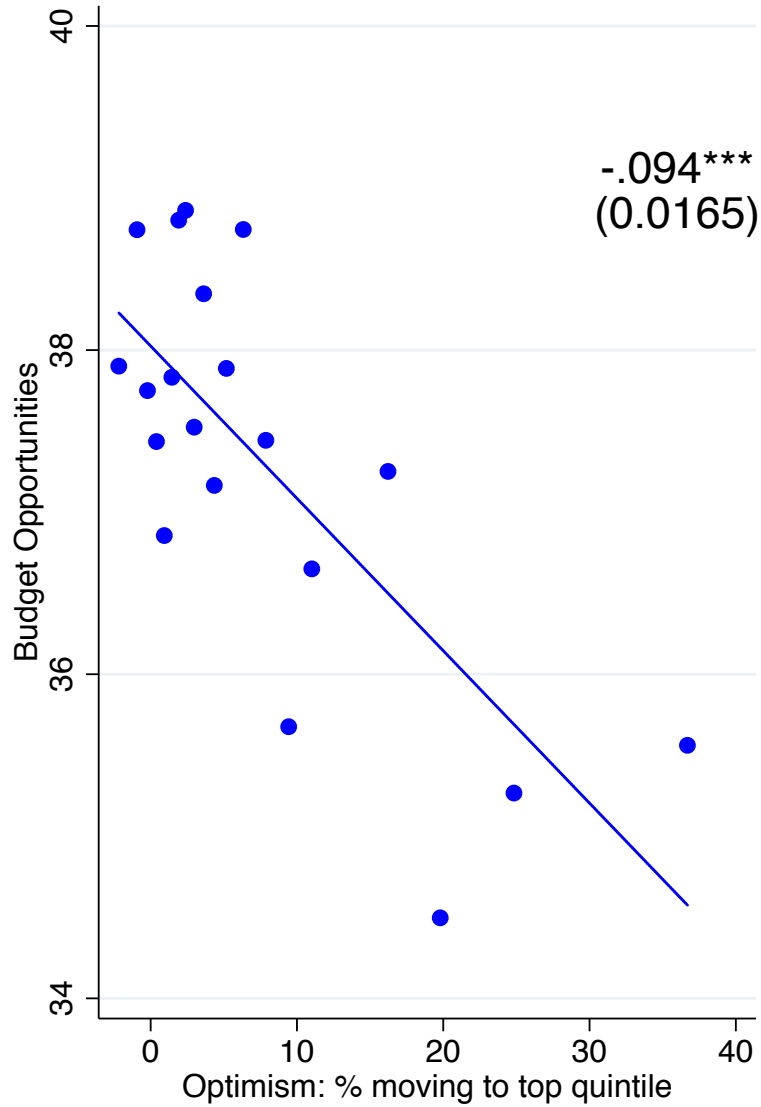
Pessimism, Optimism, and Bottom Tax Rate



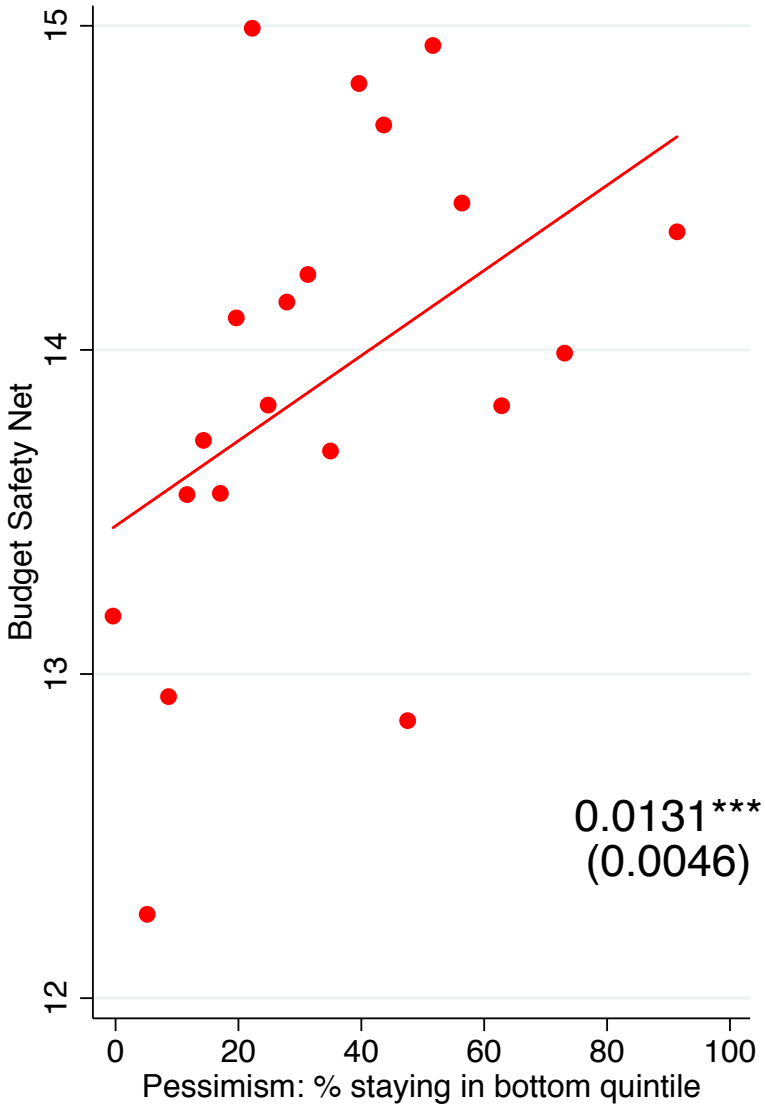


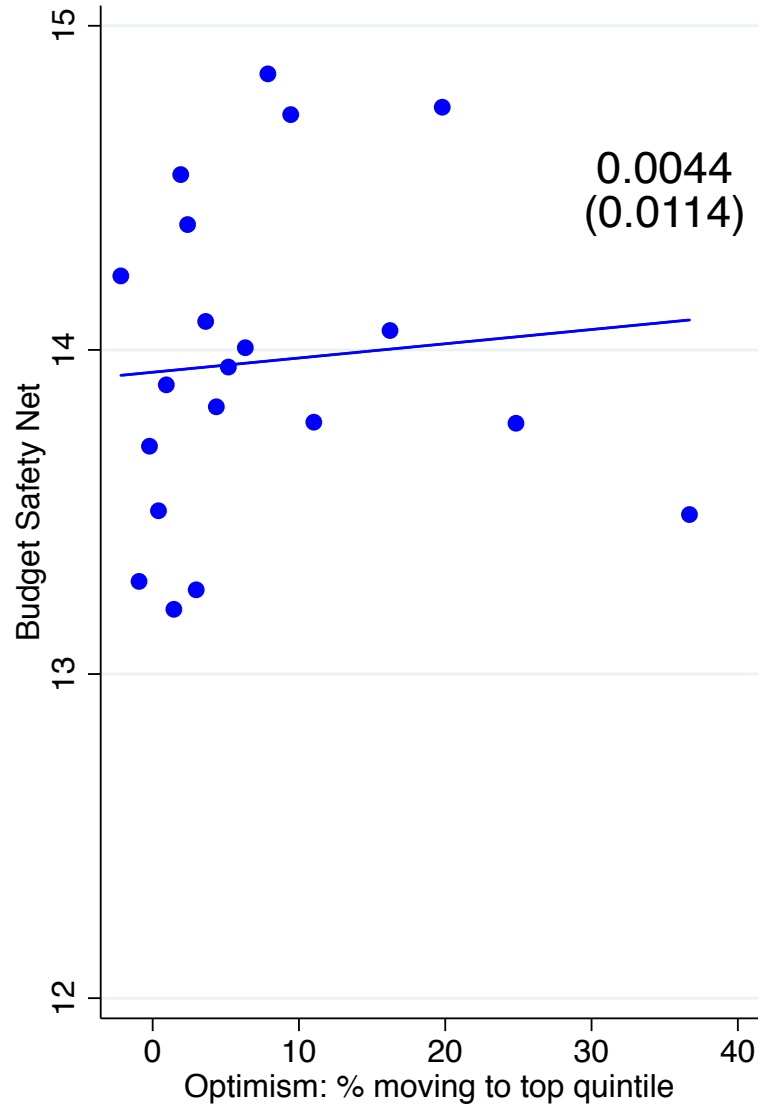
Strong Correlation with Equality of Opportunity Policies: Education and Health





Weaker Correlation with Safety Net Policies





Policy Preferences Strongly Related to Pessimism for Left-Wing Respondents..

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)
A. Unconditional Beliefs								
Q1 to Q1 × Left-Wing	0.030***	0.001**	0.006***	0.004***	0.002***	0.020***	0.069***	-0.041***
	(0.011)	(0.000)	(0.001)	(0.001)	(0.000)	(0.008)	(0.020)	(0.011)
Q1 to Q1 × Right-Wing	0.019	-0.000	0.003**	0.003**	0.001**	0.003	0.039*	-0.033***
	(0.012)	(0.001)	(0.001)	(0.002)	(0.000)	(0.008)	(0.021)	(0.012)
p-value diff.	0.506	0.026	0.082	0.659	0.024	0.140	0.288	0.598

... but not for Right-Wing Respondents

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)
A. Unconditional Beliefs								
Q1 to Q1 × Left-Wing	0.030***	0.001**	0.006***	0.004***	0.002***	0.020***	0.069***	-0.041***
	(0.011)	(0.000)	(0.001)	(0.001)	(0.000)	(0.008)	(0.020)	(0.011)
Q1 to Q1 × Right-Wing	0.019	-0.000	0.003**	0.003**	0.001**	0.003	0.039*	-0.033***
	(0.012)	(0.001)	(0.001)	(0.002)	(0.000)	(0.008)	(0.021)	(0.012)
p-value diff.	0.506	0.026	0.082	0.659	0.024	0.140	0.288	0.598

Same Pattern for Optimism (Q1 to Q5 probability)

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)
A. Unconditional Beliefs								
Q1 to Q5 × Left-Wing	-0.080***	-0.001	-0.006***	-0.003	-0.002***	-0.013	-0.054*	0.060***
	(0.018)	(0.001)	(0.002)	(0.002)	(0.001)	(0.013)	(0.032)	(0.018)
Q1 to Q5 × Right-Wing	-0.009	0.001	-0.002	0.002	0.001	-0.003	-0.001	0.039**
	(0.019)	(0.001)	(0.002)	(0.003)	(0.001)	(0.013)	(0.034)	(0.019)
p-value diff.	0.007	0.094	0.153	0.142	0.003	0.582	0.258	0.418
Observations	4290	4289	4290	4290	4290	4290	3442	3442

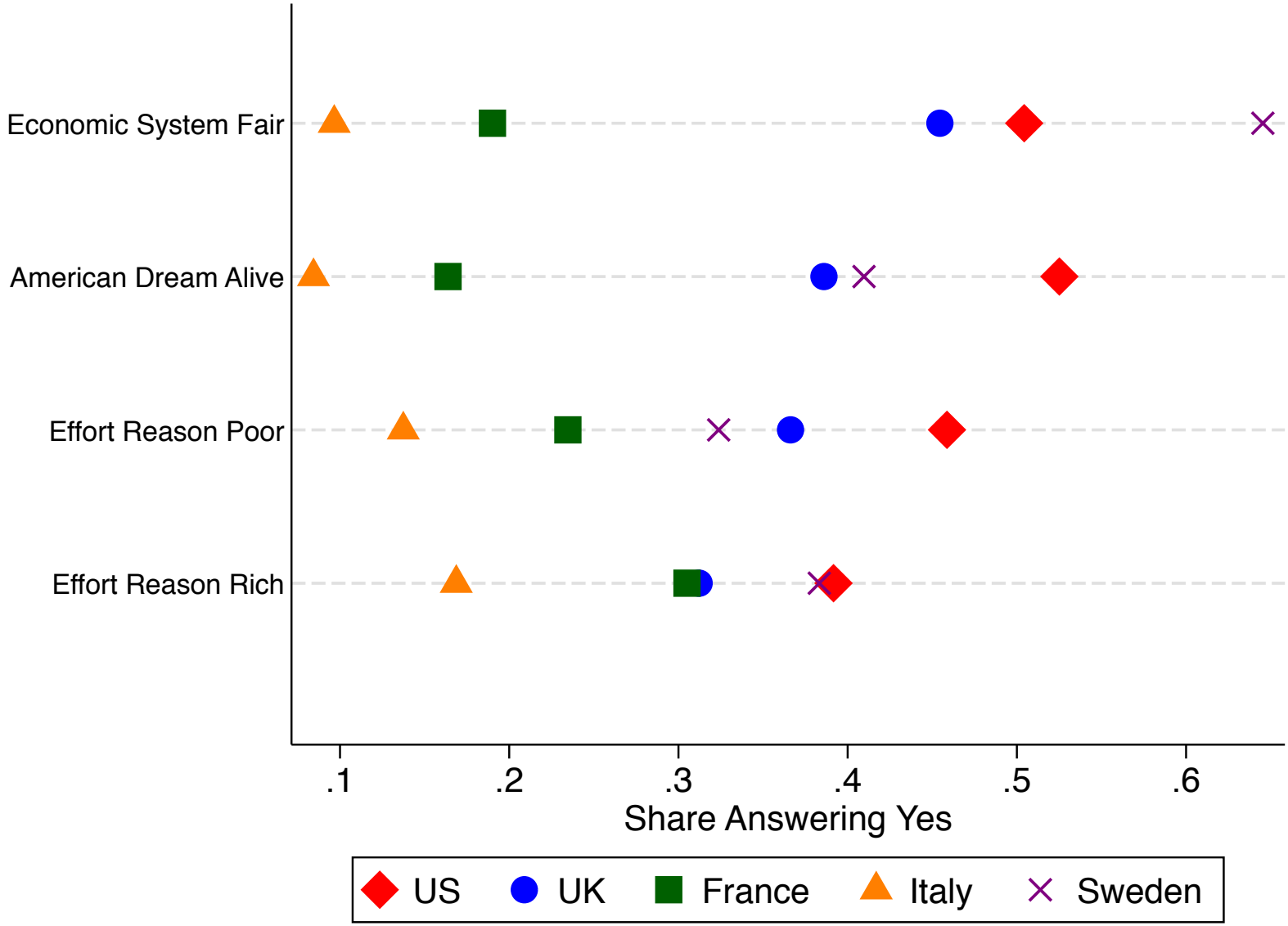
Beliefs Conditional on Effort are Correlated with Policy Preferences Even for Right Wing Respondents

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)
A. Unconditional Beliefs								
Q1 to Q1 × Left-Wing	0.007	0.001*	0.004**	0.003	0.002***	0.033***	0.052**	-0.002
	(0.016)	(0.001)	(0.002)	(0.002)	(0.001)	(0.011)	(0.026)	(0.016)
Q1 to Q1 × Right-Wing	0.041**	0.001	0.005***	0.006**	0.002**	0.029**	0.041	0.007
	(0.019)	(0.001)	(0.002)	(0.003)	(0.001)	(0.013)	(0.031)	(0.018)
p-value diff.	0.165	0.608	0.711	0.520	0.396	0.818	0.781	0.714

No significant difference between left and right wing respondents for the beliefs conditional on effort.

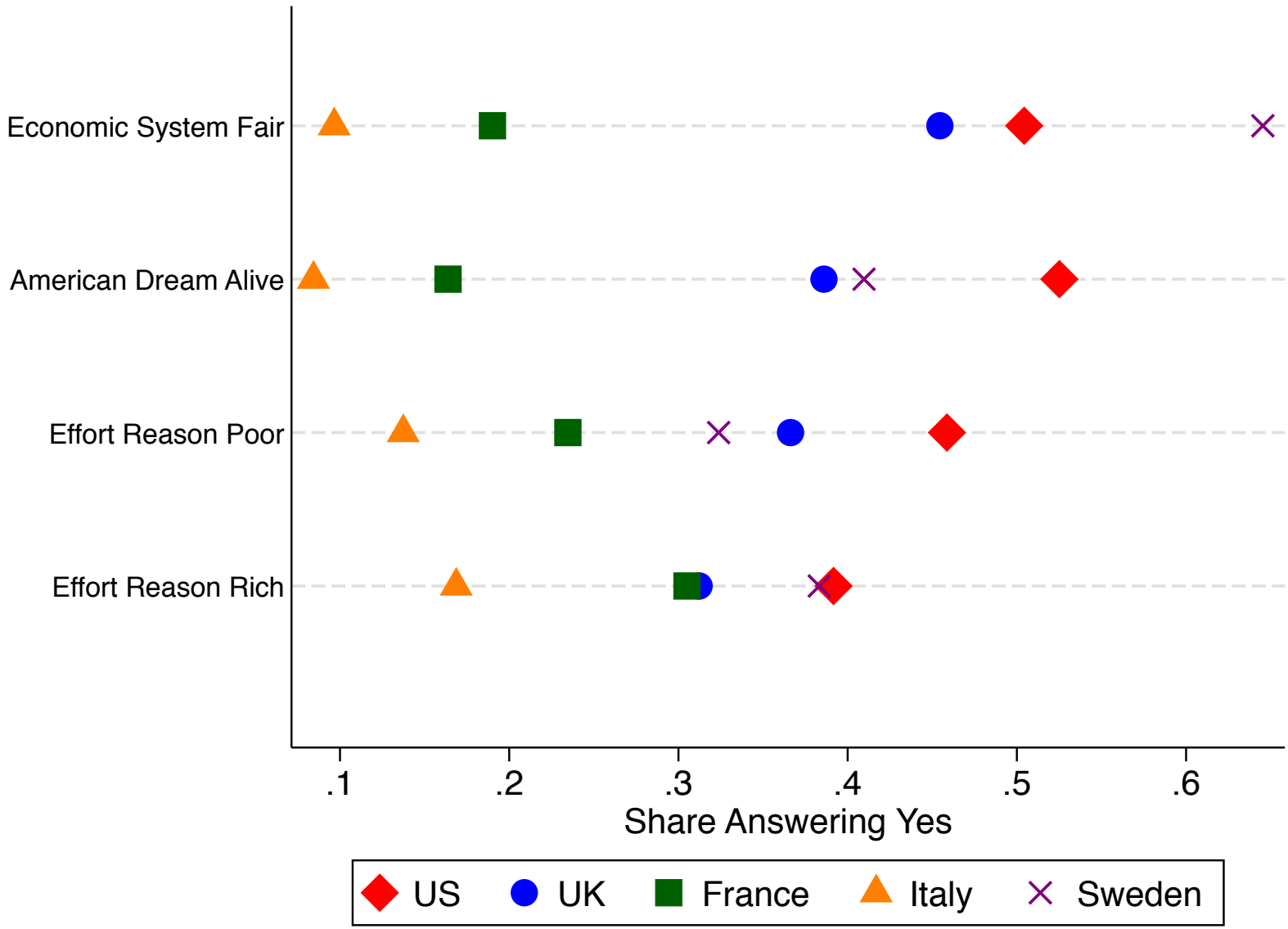
Perceptions of Fairness and Government

Fairness Perceptions by Country



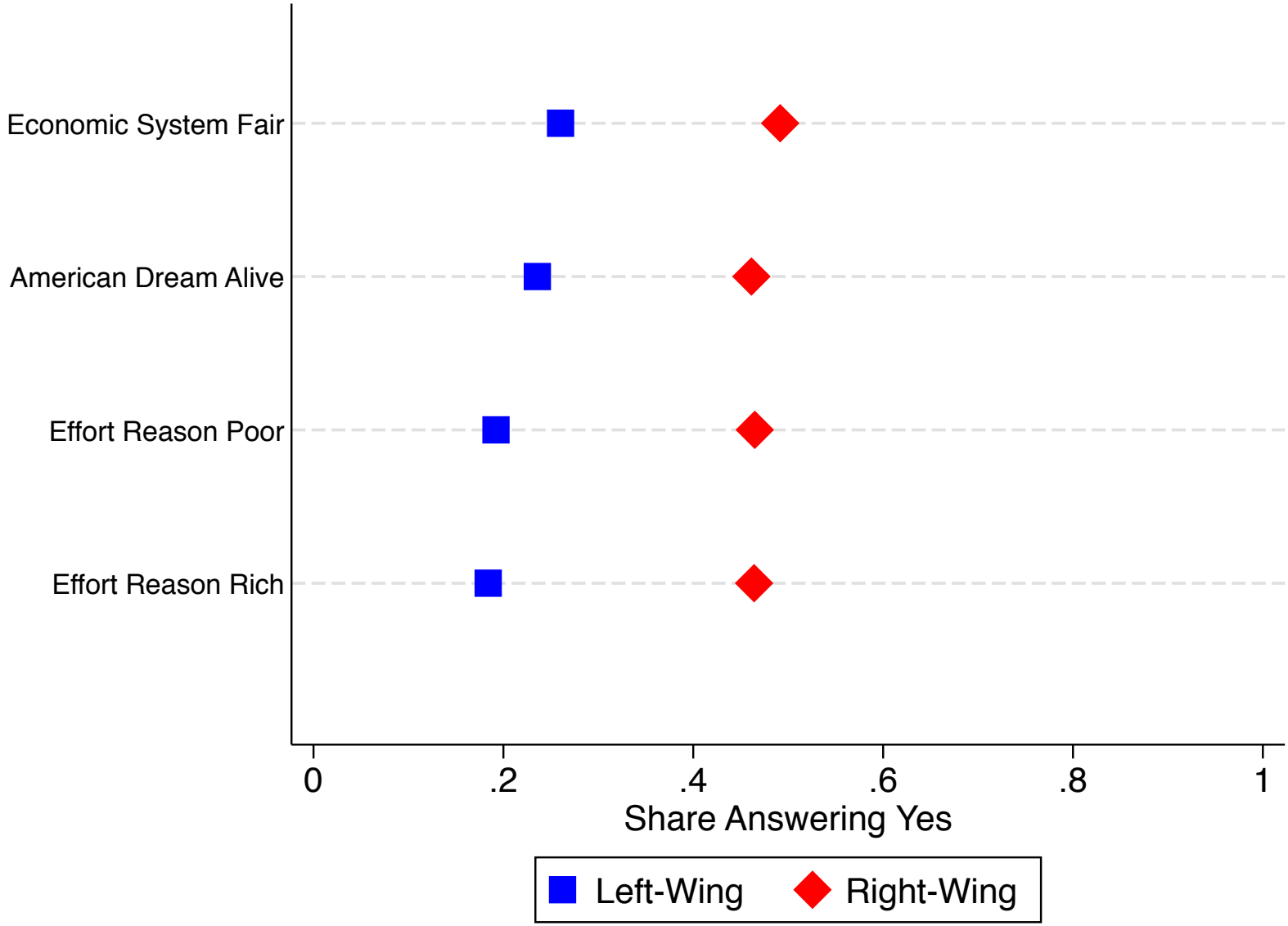
Widespread discontent. U.S. and SE more optimistic (market vs. welfare state?). IT and FR terribly pessimistic.

Fairness Perceptions by Country



U.S. respondents believe more in effort, large variation across countries.

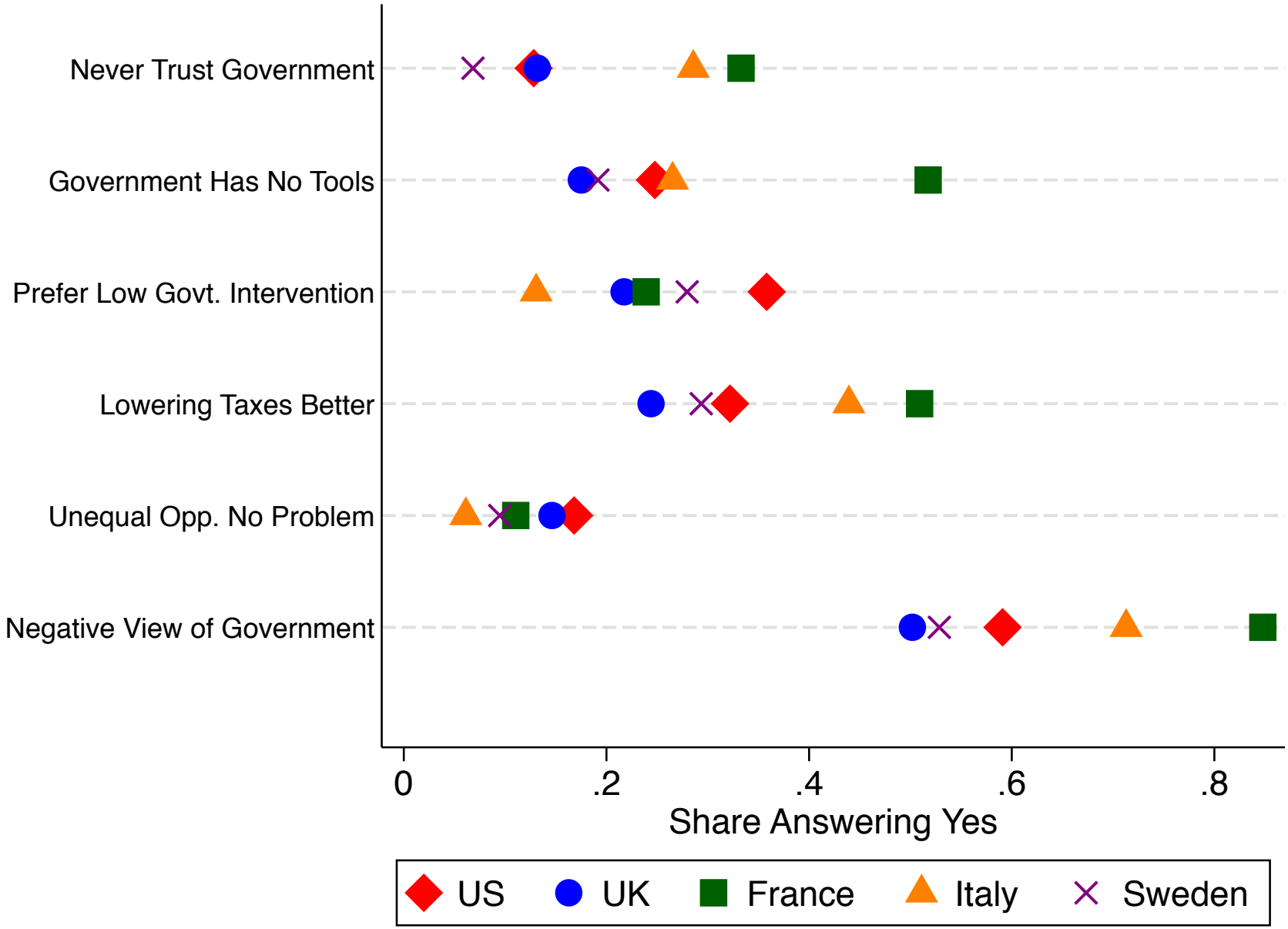
Fairness Perceptions: Left versus Right



Left-wing more pessimistic than right-wing.

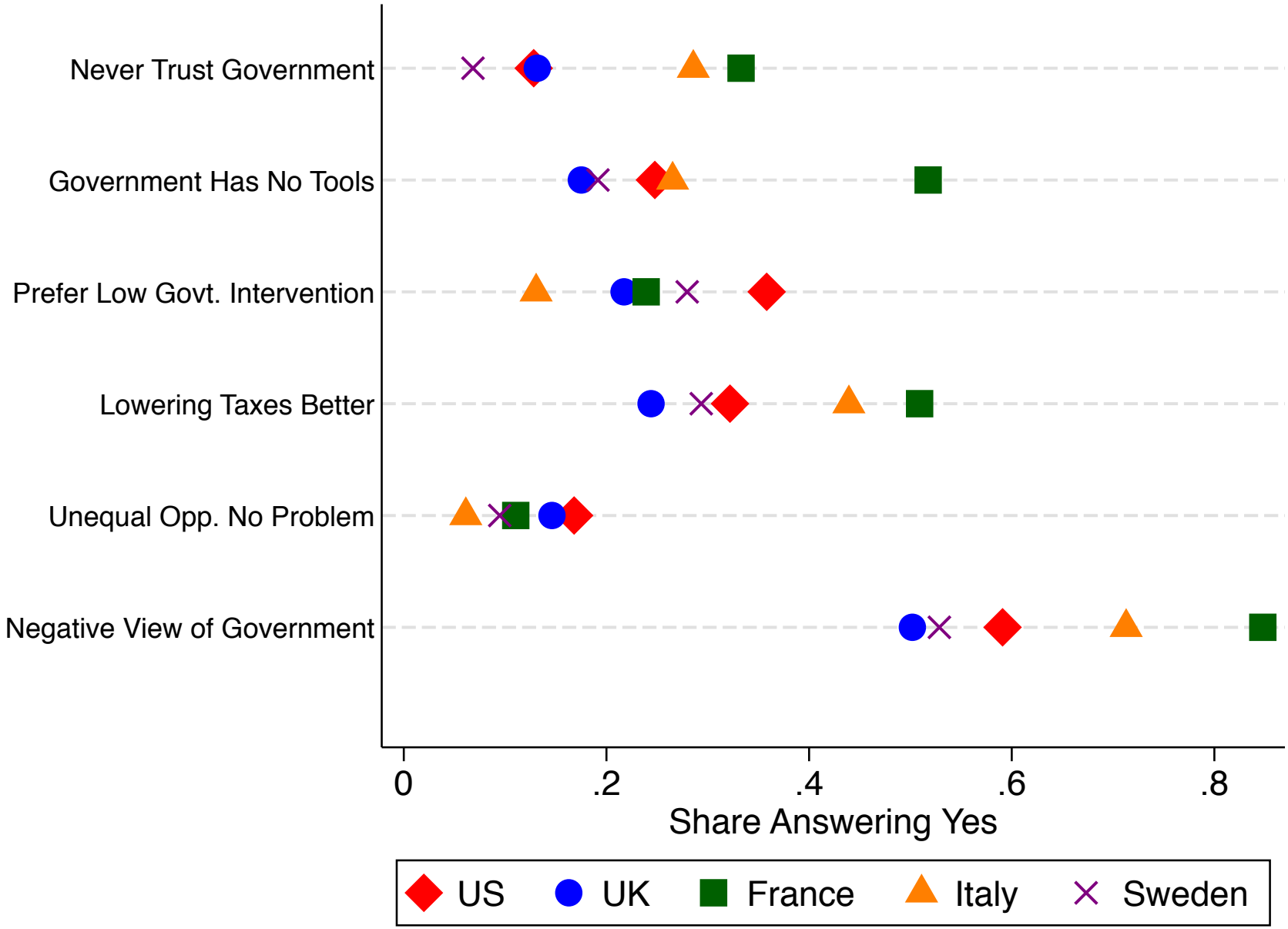
Right-wing respondents believe much more in role of individual effort.

Bad Views of Government by Country



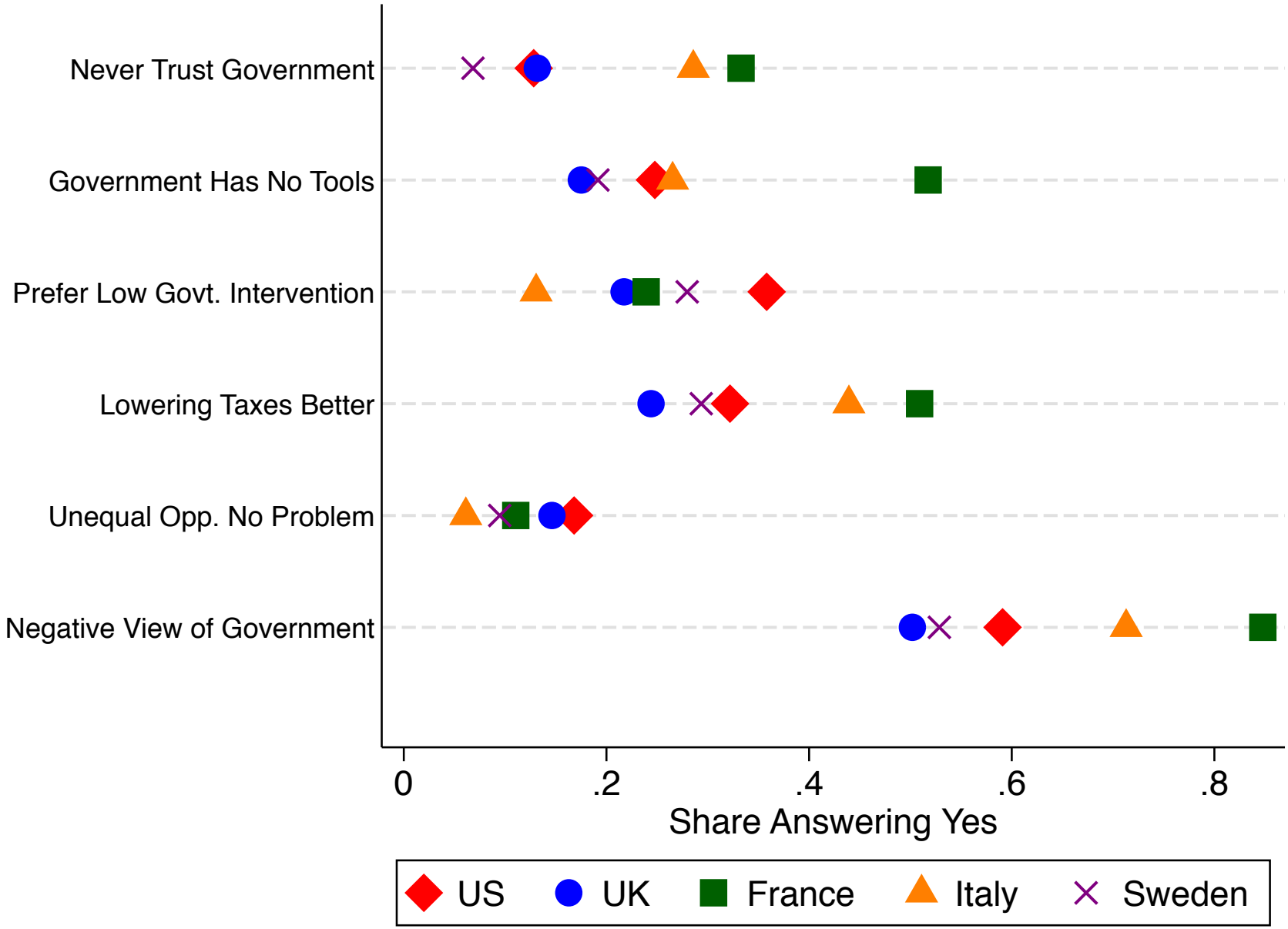
Distrust in government extremely high (FR and IT).

Bad Views of Government by Country



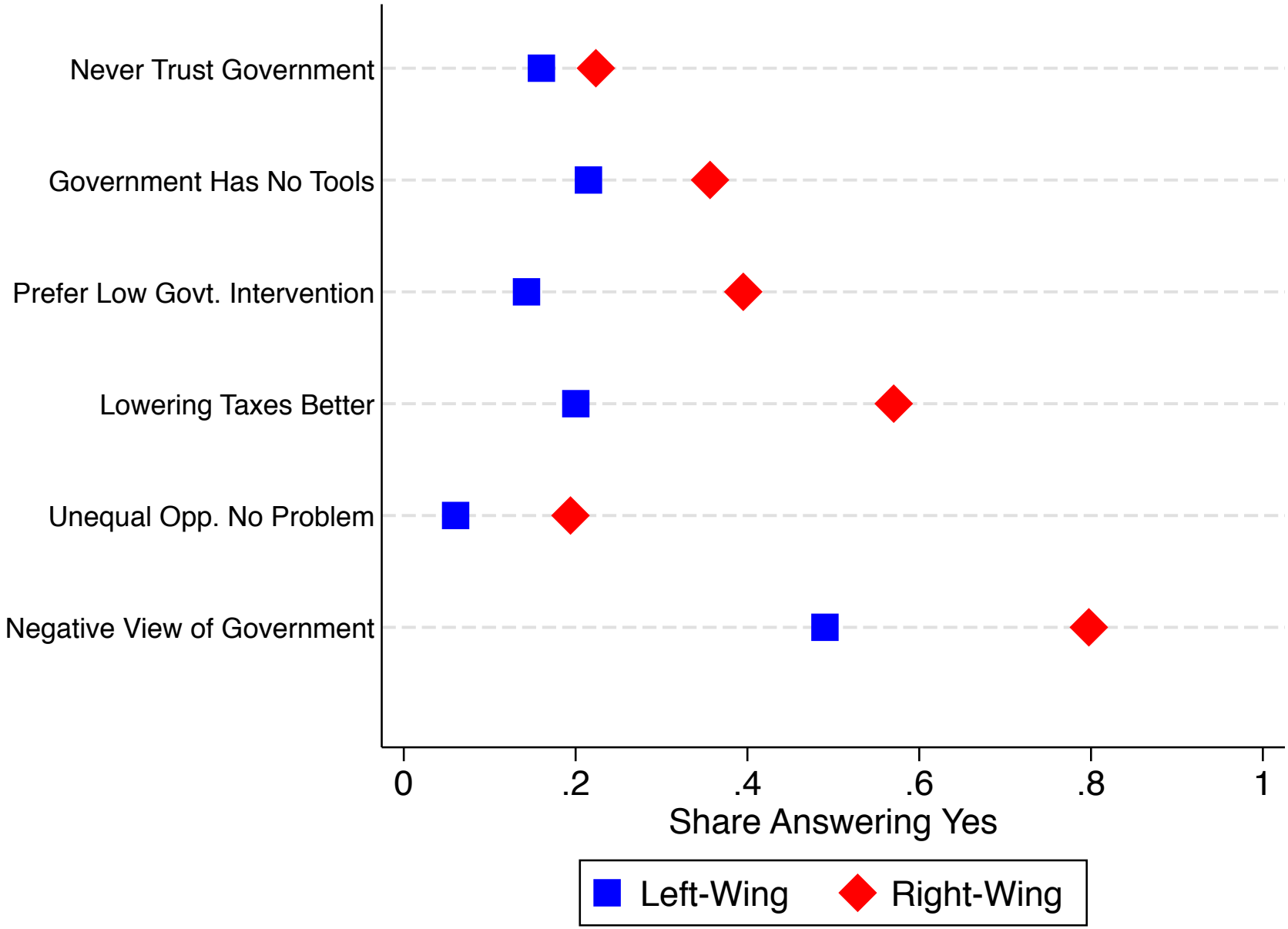
But views are multidimensional: many think the government has some tools,

Bad Views of Government by Country



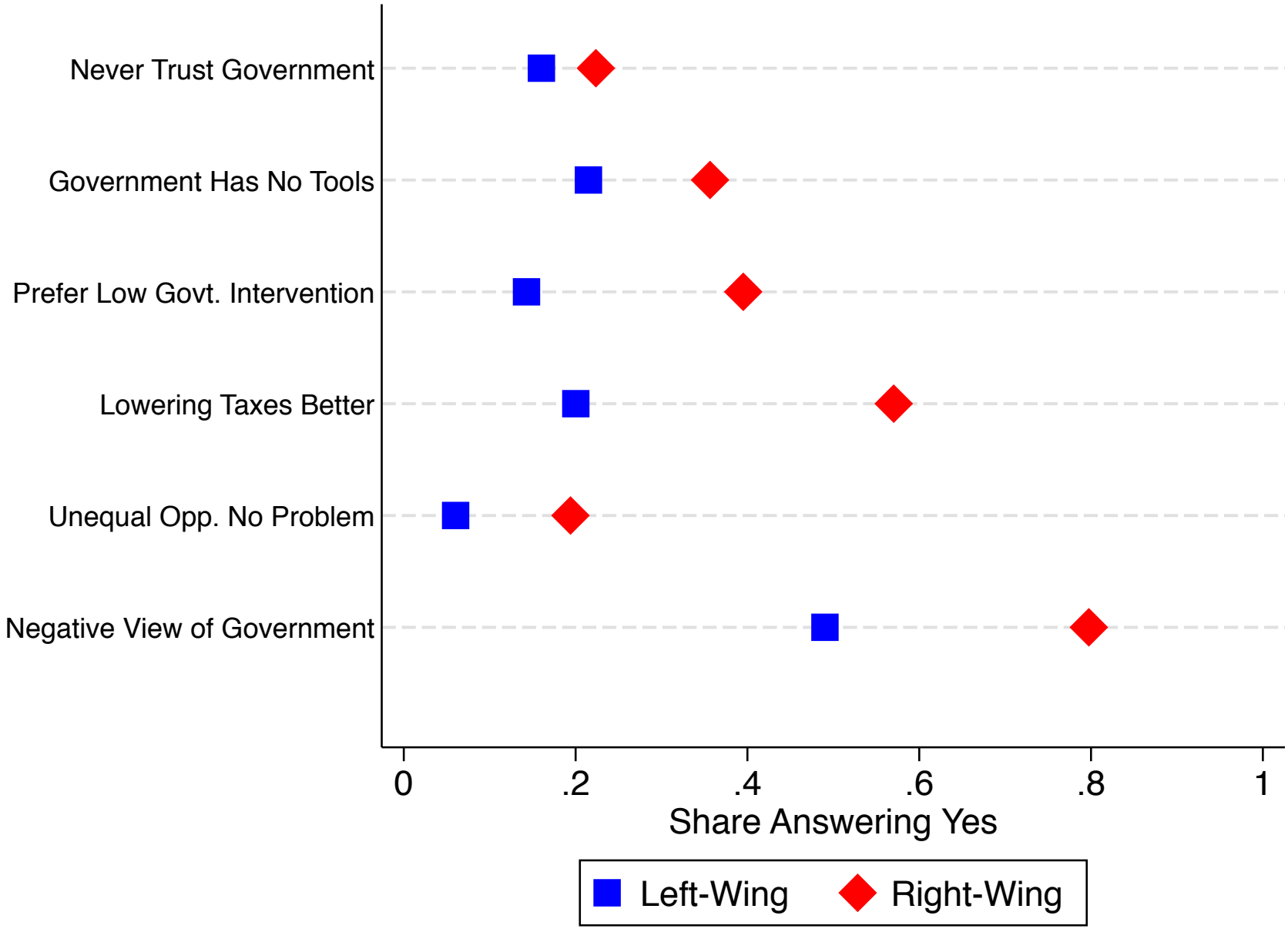
Everyone agrees lack of opportunities are a problem.

Bad Views of Government by Left and Right



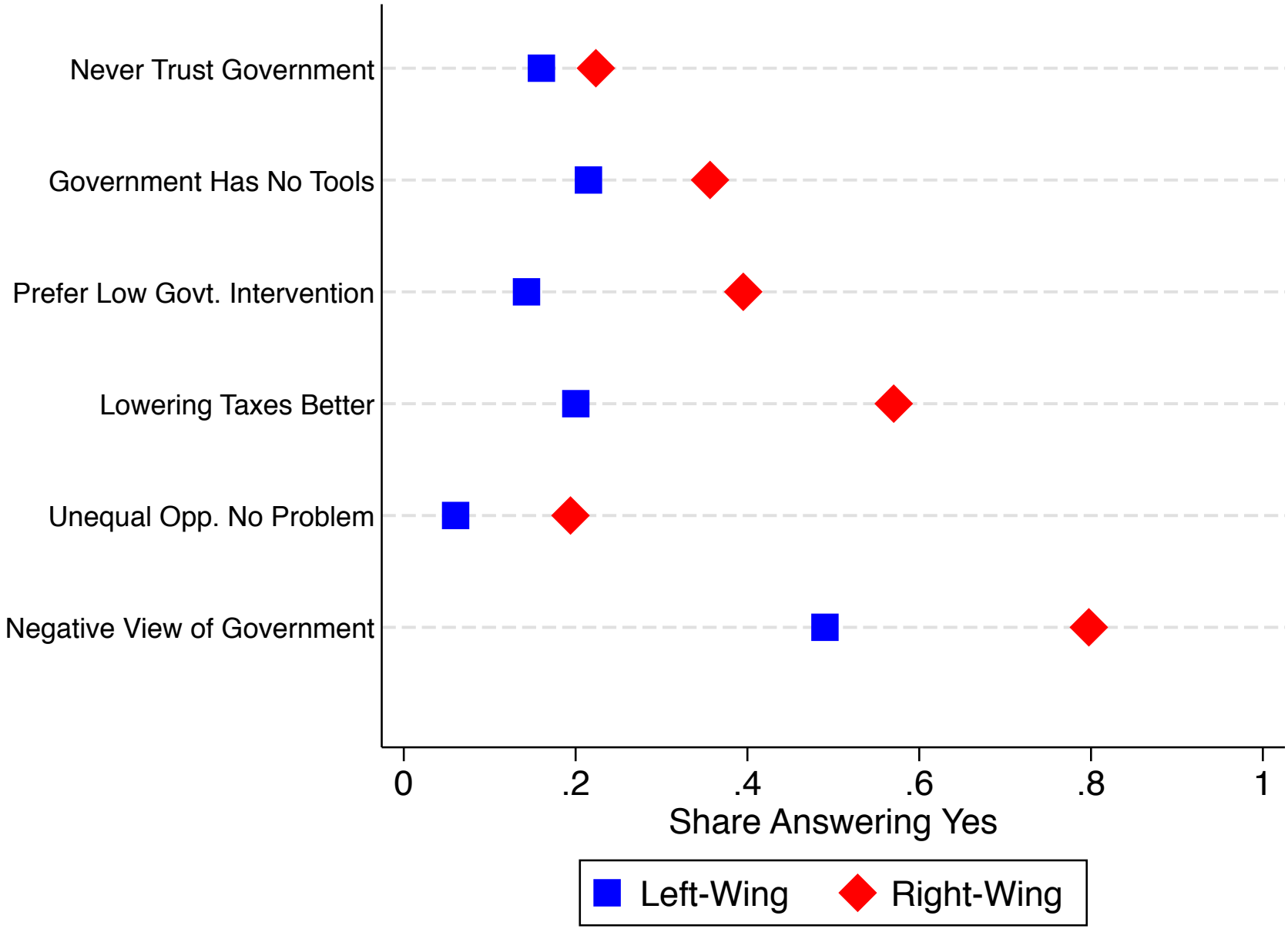
Important to take into account multidimensional perceptions.

Bad Views of Government by Left and Right



Left and Right distrust government, agree unequal opportunities are a problem,

Bad Views of Government by Left and Right



A composite measure of "against government" shows big contrast.

Randomized Perception Experiment

Randomized Perception Experiment

Causal relationship views on mobility $\rightarrow$ policy preferences?

Or simply individual characteristics (e.g.: political affiliation).

Cannot exogenously shift actual social mobility $\rightarrow$ shift perceptions instead.

Our randomized treatment satisfies four criteria:

1. Shift perceptions towards more pessimism (Treatment here)
2. Homogeneous across countries.
3. Does not allude to any policies or to government at all.
4. Accurate, not misleading.

First Stage Treatment Effect on Perceptions...

	Q1 to Q1 (1)	Q1 to Q2 (2)	Q1 to Q3 (3)	Q1 to Q4 (4)	Q1 to Q5 (5)	Q1 to Q4 (Qual.) (6)	Q1 to Q5 (Qual.) (7)	American Dream Alive (8)
A. Unconditional Beliefs								
Treated × Left-Wing	10.209***	-2.126***	-6.093***	-2.053***	0.063	-0.189***	-0.180***	-0.010
	(0.980)	(0.488)	(0.532)	(0.353)	(0.603)	(0.032)	(0.035)	(0.016)
Treated × Right-Wing	11.145***	-2.181***	-6.139***	-2.236***	-0.589	-0.225***	-0.236***	-0.045***
	(0.979)	(0.487)	(0.531)	(0.352)	(0.602)	(0.032)	(0.035)	(0.016)
p-value diff.	0.499	0.937	0.951	0.713	0.445	0.422	0.248	0.140
Cont. Mean Left	37.476	23.005	20.713	9.700	9.105	2.183	1.747	0.238
Cont. Mean Right	32.387	22.843	23.374	11.156	10.240	2.409	1.999	0.459
Observations	8585	8585	8585	8585	8585	8585	8585	8585

Homogeneous across left and right wing respondents (no significant difference).

.. Also Conditional on Effort

	Q1 to Q1 (1)	Q1 to Q2 (2)	Q1 to Q3 (3)	Q1 to Q4 (4)	Q1 to Q5 (5)	Q1 to Q4 (Qual.) (6)	Q1 to Q5 (Qual.) (7)
B. Beliefs Conditional On Effort							
Treated × Left-Wing	8.342***	0.837	-5.101***	-3.064***	-1.013	-0.172***	-0.172***
	(1.191)	(0.671)	(0.944)	(0.552)	(0.749)	(0.049)	(0.054)
Treated × Right-Wing	8.816***	0.819	-5.383***	-3.309***	-0.943	-0.209***	-0.151***
	(1.158)	(0.653)	(0.918)	(0.537)	(0.728)	(0.048)	(0.052)
p-value diff.	0.775	0.985	0.831	0.751	0.947	0.592	0.779
Cont. Mean Left	27.044	22.368	27.885	12.925	9.777	2.743	2.304
Cont. Mean Right	21.007	20.905	31.275	15.391	11.422	3.066	2.640
Observations	5118	5118	5118	5118	5118	5117	5117

Treatment Effects Persist One Week Later

	First Survey All Respondents (1)	First Survey Who Took Follow Up (2)	Follow up Respondents (3)
Q1 to Q1			
Treated	8.308***	9.254***	5.671***
	(0.899)	(1.748)	(1.675)
Q1 to Q2			
Treated	-1.731***	-1.428	-0.968
	(0.444)	(0.920)	(0.943)
Q1 to Q3			
Treated	-5.479***	-6.676***	-3.945***
	(0.491)	(1.019)	(1.013)
Q1 to Q4			
Treated	-1.733***	-1.879***	-1.417**
	(0.335)	(0.642)	(0.688)
Q1 to Q5			
Treated	0.636	0.729	0.659
	(0.582)	(1.243)	(1.069)
Q1 to Q4 (Qual.)			
Treated	-0.230***	-0.140**	-0.110*
	(0.030)	(0.062)	(0.066)
Q1 to Q5 (Qual.)			
Treated	-0.245***	-0.116*	-0.044
	(0.034)	(0.070)	(0.071)
Obs.	3354	815	815

No Significant Treatment Effect on Policies in Full Sample

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)	Govt. Tools (9)	Redistribution Index (10)
A. Treatment Effects										
Treated	0.108	0.002	0.010	-0.020	0.046***	0.225	0.357	0.155	-0.017	0.013
	(0.227)	(0.010)	(0.022)	(0.030)	(0.013)	(0.160)	(0.398)	(0.226)	(0.013)	(0.009)
B. Treatment Effects for Left and Right Wing										
Treated X Left-Wing	0.823**	0.032*	0.078**	0.124**	0.103***	0.111	0.551	0.257	-0.008	0.052***
	(0.398)	(0.017)	(0.039)	(0.053)	(0.022)	(0.281)	(0.686)	(0.389)	(0.023)	(0.015)
Treated X Right-Wing	0.031	-0.001	-0.025	-0.020	0.018	0.200	0.661	-0.386	-0.049**	0.006
	(0.397)	(0.017)	(0.039)	(0.053)	(0.022)	(0.281)	(0.691)	(0.392)	(0.023)	(0.015)
p-value diff.	0.159	0.164	0.061	0.056	0.007	0.823	0.910	0.245	0.211	0.030
Observations	8585	8584	8585	8585	4281	8585	6851	6851	4281	8585

Redistribution Index: Kling, Liebman and Katz (2007).

Hides underlying Heterogeneity: Significant Treatment Effects on Policies Only For Left-Wing...

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)	Govt. Tools (9)	Redistribution Index (10)
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	(0.397)	(0.017)	(0.039)	(0.053)	(0.022)	(0.281)	(0.691)	(0.392)	(0.023)	(0.015)
p-value diff.	0.159	0.164	0.061	0.056	0.007	0.823	0.910	0.245	0.211	0.030
Observations	8585	8584	8585	8585	4281	8585	6851	6851	4281	8585

Stronger treatment effects (and difference between left and right) on equality of opportunity policies.

... No Treatment Effects on Policies For Right-Wing

	Budget Opp. (1)	Support Estate Tax (2)	Support Equality Opp. Policies (3)	Government Interv. (4)	Unequal Opp. Very Serious Problem (5)	Budget Safety Net (6)	Tax Rate Top 1 (7)	Tax Rate Bottom 50 (8)	Govt. Tools (9)	Redistribution Index (10)
A. Treatment Effects										
Treated	0.108	0.002	0.010	-0.020	0.046***	0.225	0.357	0.155	-0.017	0.013
	(0.227)	(0.010)	(0.022)	(0.030)	(0.013)	(0.160)	(0.398)	(0.226)	(0.013)	(0.009)
B. Treatment Effects for Left and Right Wing										
Treated X Left-Wing	0.823**	0.032*	0.078**	0.124**	0.103***	0.111	0.551	0.257	-0.008	0.052***
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p-value diff.	0.159	0.164	0.061	0.056	0.007	0.823	0.910	0.245	0.211	0.030
Observations	8585	8584	8585	8585	4281	8585	6851	6851	4281	8585

For right-wing respondent, even negative effect on trust in government's ability.

Explaining the Treatment Effect: Polarization on Role of Government

Yet the message of the right is increasingly: It's not your fault that you're a loser; it's the government's fault.

J.D. Vance, Hillbilly Elegy: A Memoir of a Family and Culture in Crisis

- First stage effect present for both left and right wing, but no effect on policy preferences.
- Lack of causal effect mirrors lack of correlation for the right wing.
- Worse views with government are correlated with lower support for redistribution ..
- ... and right-wing respondents have (had) terrible views of government.

Conclusion

- Inaccurate perceptions can be tested and improved thanks to better data.
- But: Polarization along political spectrum means that same information (exogenous, causal) has very different impacts.
  - This is not just about people having different information sets to start with (which they have).
- Geographical patterns intriguing: where do people get their information from?
- Link between racial and immigration perceptions in U.S. and Europe and support for redistribution (on-going work!).

Appendix

Table : Summary statistics by country

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Country:	US (1)	UK (2)	France (3)	Italy (4)	Sweden (5)
Male	0.48	0.48	0.49	0.50	0.49
Age	42.49	42.89	42.84	43.88	44.74
Married	0.51	0.47	0.42	0.54	0.41
Has children	0.57	0.55	0.59	0.58	0.65
Native	0.94	0.89	0.94	0.97	0.91
Employed	0.62	0.66	0.62	0.63	0.66
Unemployed	0.08	0.05	0.12	0.11	0.07
Not in labor force	0.24	0.24	0.20	0.19	0.20
College	0.53	0.37	0.30	0.38	0.33
Left-wing	0.27	0.33	0.34	0.44	0.32

Survey waves, date and sample size

	Sample size	Date
Wave A - US	501	February 2016
Wave A - US Extra	209	April 2016
Wave A - UK	552	February 2016
Wave A - France	550	February 2016
Wave A - Italy	550	February 2016
Wave A - Sweden	495	February 2016
Wave B - US	2002	September 2016
Wave B - Follow Up	423	September 2016
Wave B - UK	1600	September 2016
Wave B - France	1600	September 2016
Wave B - Italy	1601	September 2016
Wave B - Sweden	1003	September 2016
Wave C - US	2000	October 2016
Wave C - Follow Up	586	October 2016

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Randomization Groups

Back

	Treatment/Control	Saw govt. block before/after mobility questions	Effort/talent
Group 1	Control	Before	Effort
Group 2	Treatment	Before	Effort
Group 3	Control	After	Effort
Group 4	Treatment	After	Effort
Group 5	Control	Before	Talent
Group 6	Treatment	Before	Talent
Group 7	Control	After	Talent
Group 8	Treatment	After	Talent

Covariates Balance among randomization groups

Back

	Treated (1)	Saw Channels Block Before Mobility Questions (2)	Effort Questions (3)
Male	0.99	0.51	0.70
Age	0.45	0.42	0.58
Married	0.35	0.70	0.45
Has children	0.60	0.13	0.33
Native	0.17	0.73	0.84
Employed	0.92	0.73	0.58
Unemployed	0.23	0.59	0.41
Not in labor force	0.79	0.86	0.79
Has university degree	0.61	0.42	0.00
Left-wing	0.91	0.98	0.12

Share of respondents with Strange patterns in “ladder" question

Back

	Wave A	Waves B and C
100 in any quintile	0.05	0.04
100 in quintile Q2 or Q3 or Q4 or Q5	0.03	0.02
0 in quintile Q1 or Q2 or Q3	0.12	0.12
20 in each quintile	0.06	0.06

Fairness Questions

Do you think the economic system in the United States is:

Basically fair, since all Americans have an equal opportunity to succeed

Basically unfair, since all Americans do not have an equal opportunity to succeed

Which has more to do with why a person is poor?

Lack of effort on his or her own part

Circumstances beyond his or her control

Which has more to do with why a person is rich?

Because she or he worked harder than others

Because she or he had more advantages than others Back

Questions on Role of Government

How much of the time do you think you can trust the government to do what is right? [Never/.../Always].

To reduce the inequality of opportunities between children born in poor and rich families, the government has the ability and the tools to do: [Nothing,....A lot].

If children from poor and rich backgrounds have unequal opportunities in life, do you think this is: [Not a problem at all/.../A very serious problem].

What do you think would do more to make the opportunities for children from poor and rich families less unequal? [Lowering taxes on wealthy people and corporations to encourage more investment in economic growth/ Raising taxes on wealthy people and corporations to expand programs for the poor.]

Some people think that the government should not concern itself with making the opportunities for children from poor and rich families less unequal. Others think that [...] Think of a score of 1 as meaning that the government should not concern itself with making the opportunities for children from poor and rich families less unequal, and a score of 7 meaning that the government should do everything in its power to reduce this inequality of opportunities.

Back

Overall intervention

Do you support more policies to increase the opportunities for children born in poor families and to foster more equality of opportunity, such as education policies? Naturally, to finance an expansion of policies promoting equal opportunity, it would have to be the case that either other policies are scaled down or taxes are raised. [I very strongly oppose more policies promoting equality of opportunity/ I oppose more policies promoting equality of opportunity/ I am indifferent/ I support more policies promoting equality of opportunity/ I very strongly support more policies promoting equality of opportunity.] Back

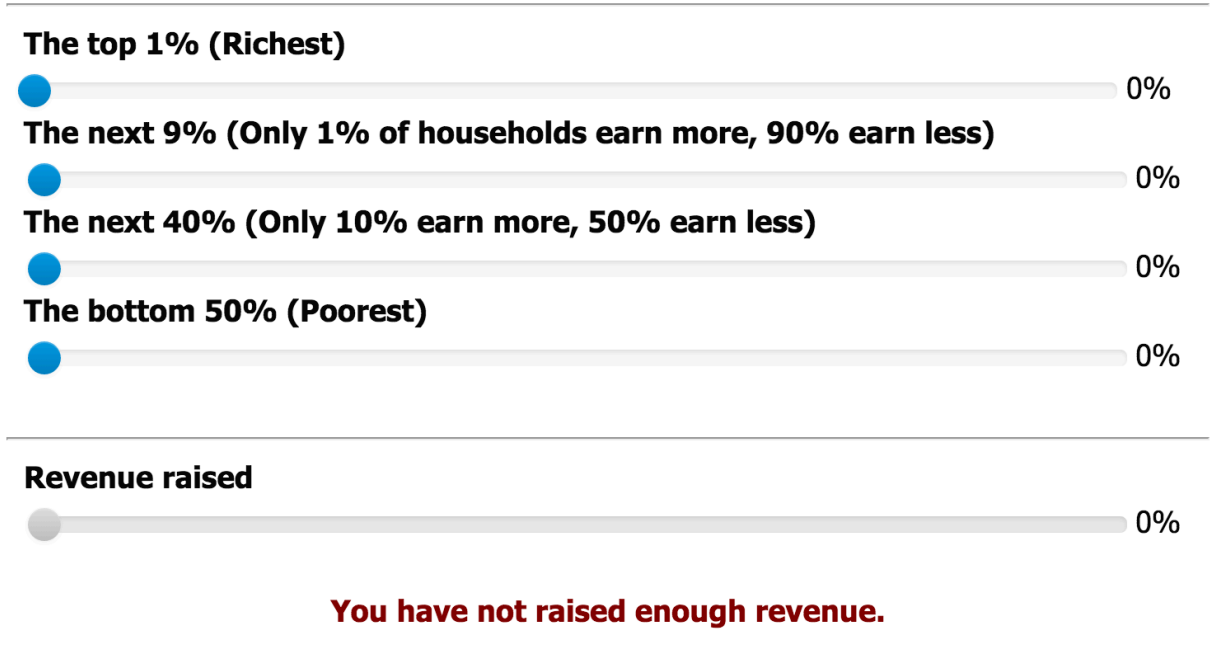
The government currently raises a certain amount of revenue through the income tax in order to sustain the current level of public spending. In you view, what would be the fair split of the tax burden to sustain public spending?

The income tax* rate is the percentage of your income that you pay in federal income tax. For example, if you earn $30,000 and you pay $3,000 in income taxes, your income tax rate is 10%.

Please use the sliders below to tell us how much you think each of the following groups should pay as a percentage of their total income.

While you adjust the four sliders for each group, the fifth bar at the bottom moves in order to show you how much of the current revenue you have been able to raise so far. The bar appears red as long as you have not raised enough revenue, or if you have raised more money than what is needed.

You will only be able to move to the next question when you meet the revenue target and the bar becomes green.



▸ Back

https://harvard.az1.qualtrics.com/SE/?SID=SV_0D1WRIzia9pMxU1

1) **Defense and National Security**, which refers to the costs of the Defense department and the costs of supporting security operations in foreign countries.

2) **Public Infrastructure**, which includes, among others, transport infrastructure like roads, bridges and airports, and water infrastructure.

3) **Spending on Schooling and Higher Education**, including help for children from low income families to attend school and university.

4) **Social Security, Medicare, Disability Insurance and Supplementary Security Income (SSI)**, which provide income support and help with health care expenses to the elderly and the disabled.

5) **Social Insurance and Income Support Programs**. This covers help to the unemployed (through unemployment insurance) and help for low income families (such as through Food stamps or the earned income tax credit (EITC), a tax credit for low-income working families)

6) **Public Spending on Health**, such as Medicaid for the poor (a healthcare program for low income families) or tax subsidies to help families buy health insurance.

Please enter the percent of the budget you would assign to each spending category (the total must sum to 100):

Defense and National Security	0
Public Infrastructure	0
Spending on Schooling and Higher Education	0
Social Security, Medicare, Disability Insurance and Supplementary Security Income (SSI)	0
Social Insurance and Income Support Programs	0
Public Spending on Health	0
Total	0

Support for the Estate Tax

The estate tax is a tax on the transfer of wealth from a deceased person to her heirs. This tax applies only to individuals with wealth above a certain threshold. On a scale from 1 to 5, how would you rate your support for the estate tax, where 1 means do not support at all and 5 means strongly support? Back

Italy

Based on administrative tax records covering the universe of all taxpayers aged 35-55 in 1998-99.

Children's (all gender) income is measured in 2011-2012, when children are 37 or older.

Sweden

20% random sample of all male children born in 1962 from Statistics Sweden registrars, father-sons.

Fathers' earnings are measured in 1970, 1975 and 1980.

Sons' earnings in 1996 and 2000, (age 34 and 38, averaged). Back

UK

British Cohort Study. Father-son only, only employed (not self-employed).

Sons = 2806 male individuals, all born in a single week in 1970. Their income measured in 2004 at age 34.

Fathers' gross weekly income when children aged 10 and 16 (between 1980 and 1986).

France

"Formation et Qualification professionnelle, INSEE" survey.

Use the 1977, 1985 and 2003 waves.

Compute expected income of parents based on information on their education, profession, year of birth, and region of residence. Map to predicted income. Back

Back

We are a non-partisan group of academic researchers from Harvard. Our goal is to understand how information we see and hear in the media influences views on policies. No matter what your political views are, this is an important question and by completing this survey, you are contributing to our knowledge as a society. You might not agree with all the information presented, and that is perfectly fine. Our survey will give you an opportunity to express your own views.

It is very important for the success of our research that you **answer honestly** and **read the questions very carefully** before answering. Anytime you don't know an answer, just give your best guess. However, please be sure to spend enough time reading and understanding the question. To ensure the quality of survey data, your responses will be subject to sophisticated statistical control methods. **Responding without adequate effort may result in your responses being flagged for low quality.**

It is also very important for the success of our research project that you **complete the entire survey**, once you have started. This survey should take (on average) about 10 minutes to complete.

Notes: Your participation in this study is purely voluntary. Your name will never be recorded. Results may include summary data, but you will never be identified. If you have any question about this study, you may contact us at socialsciencestudies@gmail.com

Detailed perceived transition probabilities

	Q1 to Q1 (1)	Q1 to Q2 (2)	Q1 to Q3 (3)	Q1 to Q4 (4)	Q1 to Q5 (5)	Q1 to Q4 (Qual.) (6)	Q1 to Q5 (Qual.) (7)	Obs. (8)
All Countries								
All	34.04	22.64	21.82	11.21	10.29	0.43	0.31	6,880
Left	37.55	23.00	20.27	10.06	9.12	0.35	0.23	2,276
Right	32.25	22.67	22.91	11.70	10.47	0.46	0.32	2,206
US								
All	32.16	21.83	22.32	11.98	11.72	0.46	0.34	2,170
Left	37.37	21.67	19.33	11.10	10.53	0.35	0.25	577
Right	29.45	21.96	24.14	12.49	11.96	0.53	0.38	652
UK								
All	37.77	22.25	19.39	10.62	9.97	0.37	0.27	1,290
Left	42.88	23.20	16.85	8.63	8.44	0.23	0.14	406
Right	36.20	22.00	19.71	11.52	10.57	0.41	0.26	304
France								
All	35.26	23.60	21.51	10.53	9.10	0.42	0.29	1,297
Left	38.36	23.07	20.48	9.56	8.54	0.40	0.26	451
Right	32.70	23.76	22.59	11.47	9.47	0.46	0.31	501
Italy								
All	33.61	23.13	21.87	11.25	10.14	0.40	0.29	1,242
Left	34.77	23.54	21.80	10.51	9.38	0.34	0.25	554
Right	33.55	22.85	22.13	11.18	10.29	0.41	0.31	402
Sweden								
All	32.00	23.10	24.52	11.16	9.21	0.47	0.33	881
Left	34.51	24.22	23.66	9.95	7.66	0.43	0.27	288
Right	31.88	22.79	24.79	11.31	9.24	0.45	0.29	347

▸ Main

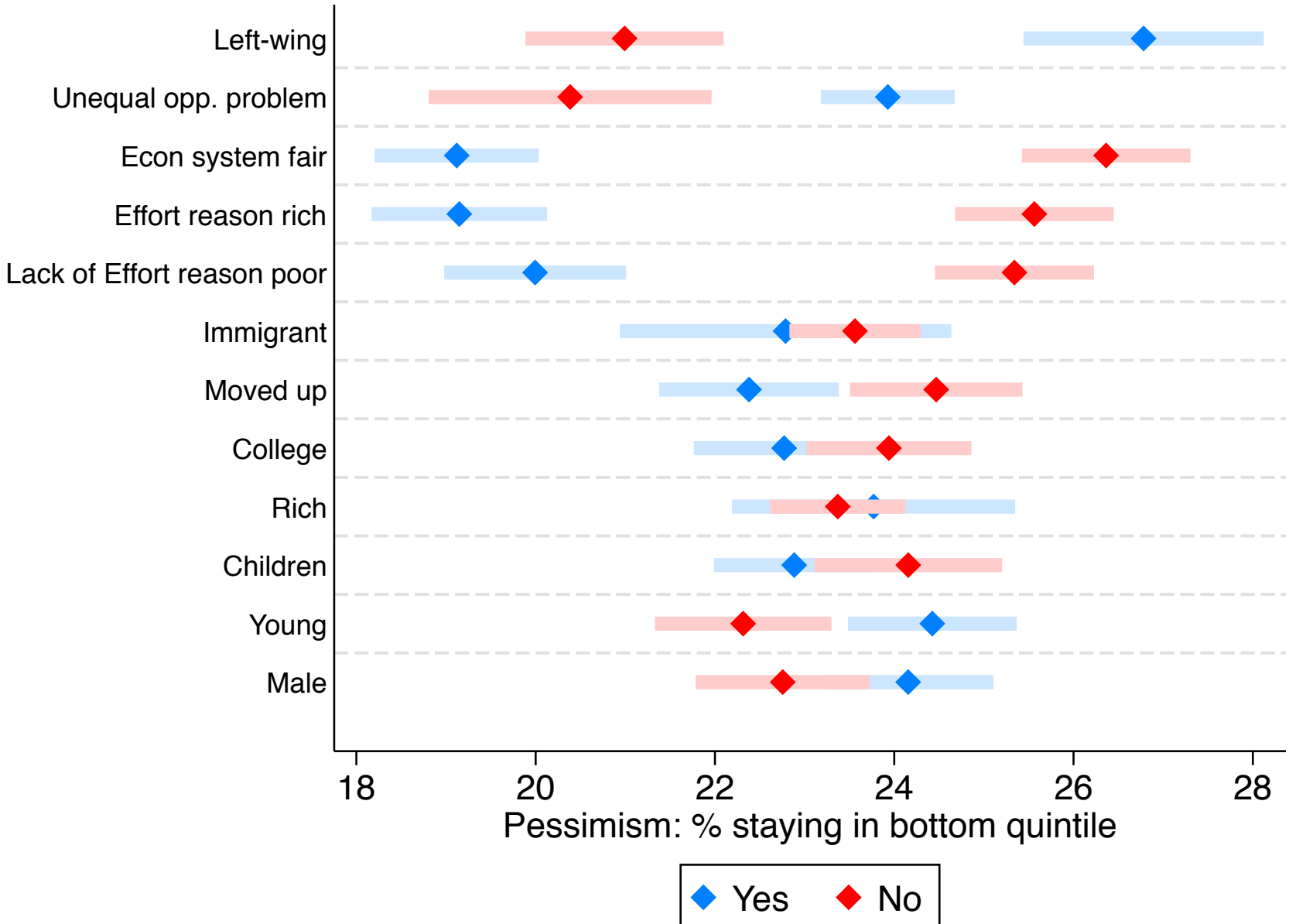
The perceived role of effort

	Panel A: Perceived Transition Probabilities Conditional on Effort					Panel B: % Difference Between Perceived Transition Probabilities Conditional and Unconditional on Effort				
	US (1)	UK (2)	France (3)	Italy (4)	Sweden (5)	US (1)	UK (2)	France (3)	Italy (4)	Sweden (5)
Q1 to Q5	12.47	12.54	11.39	10.86	12.57	0.06	0.26	0.25	0.07	0.36
						(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Q1 to Q4	14.83	15.20	15.03	14.22	17.96	0.24	0.43	0.43	0.26	0.61
						(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Q1 to Q3	29.33	26.38	29.39	27.61	31.82	0.31	0.36	0.37	0.26	0.30
						(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Q1 to Q2	21.14	22.09	20.91	22.53	19.72	-0.03	-0.01	-0.11	-0.03	-0.15
						(0.01)	(0.58)	(0.00)	(0.27)	(0.00)
Q1 to Q1	22.23	23.79	23.28	24.78	17.93	-0.31	-0.37	-0.34	-0.26	-0.44
						(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Obs.	1,735	900	908	872	656	1,735	900	908	872	656

▸ Main

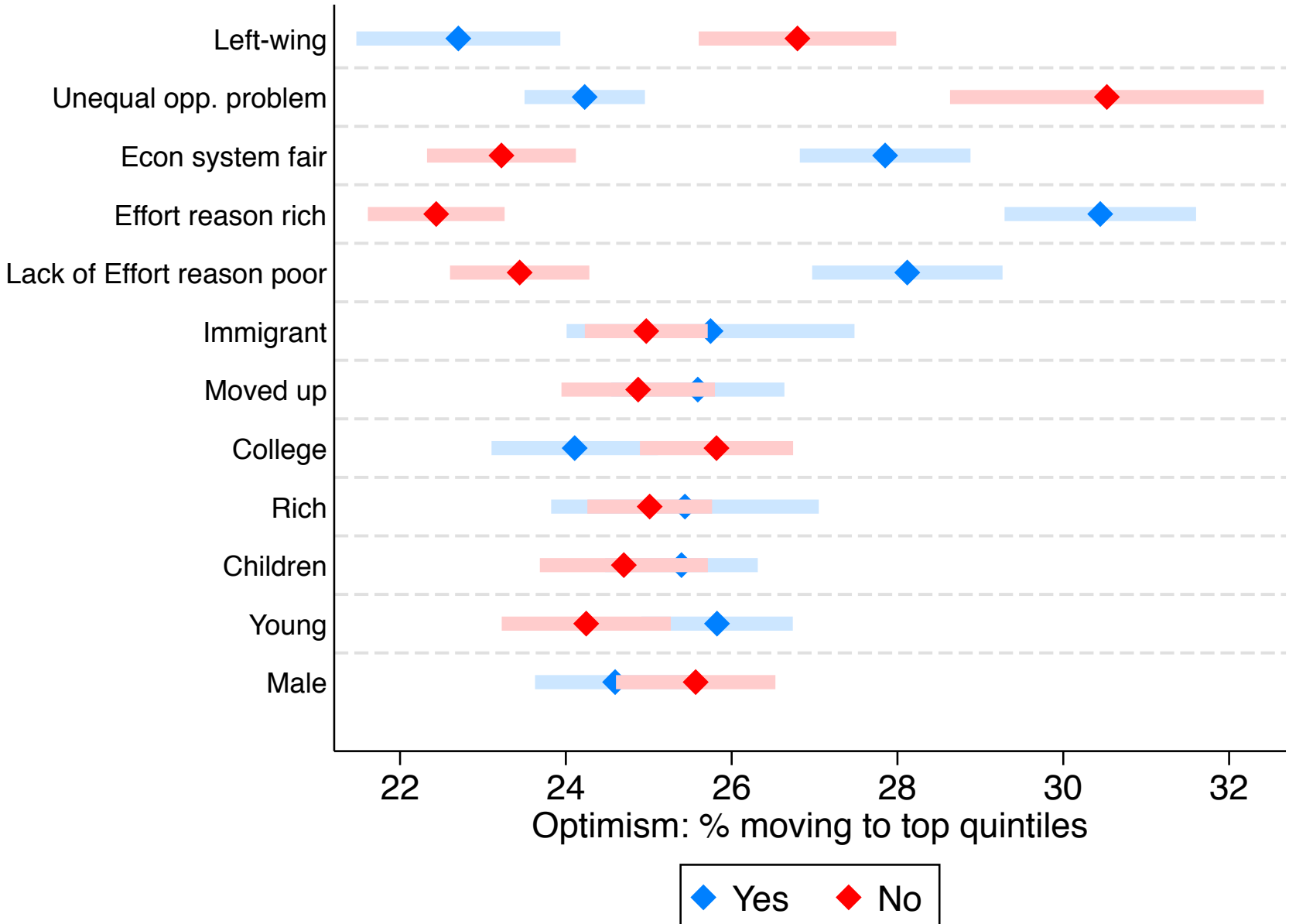
Pessimism Conditional on Effort

Main

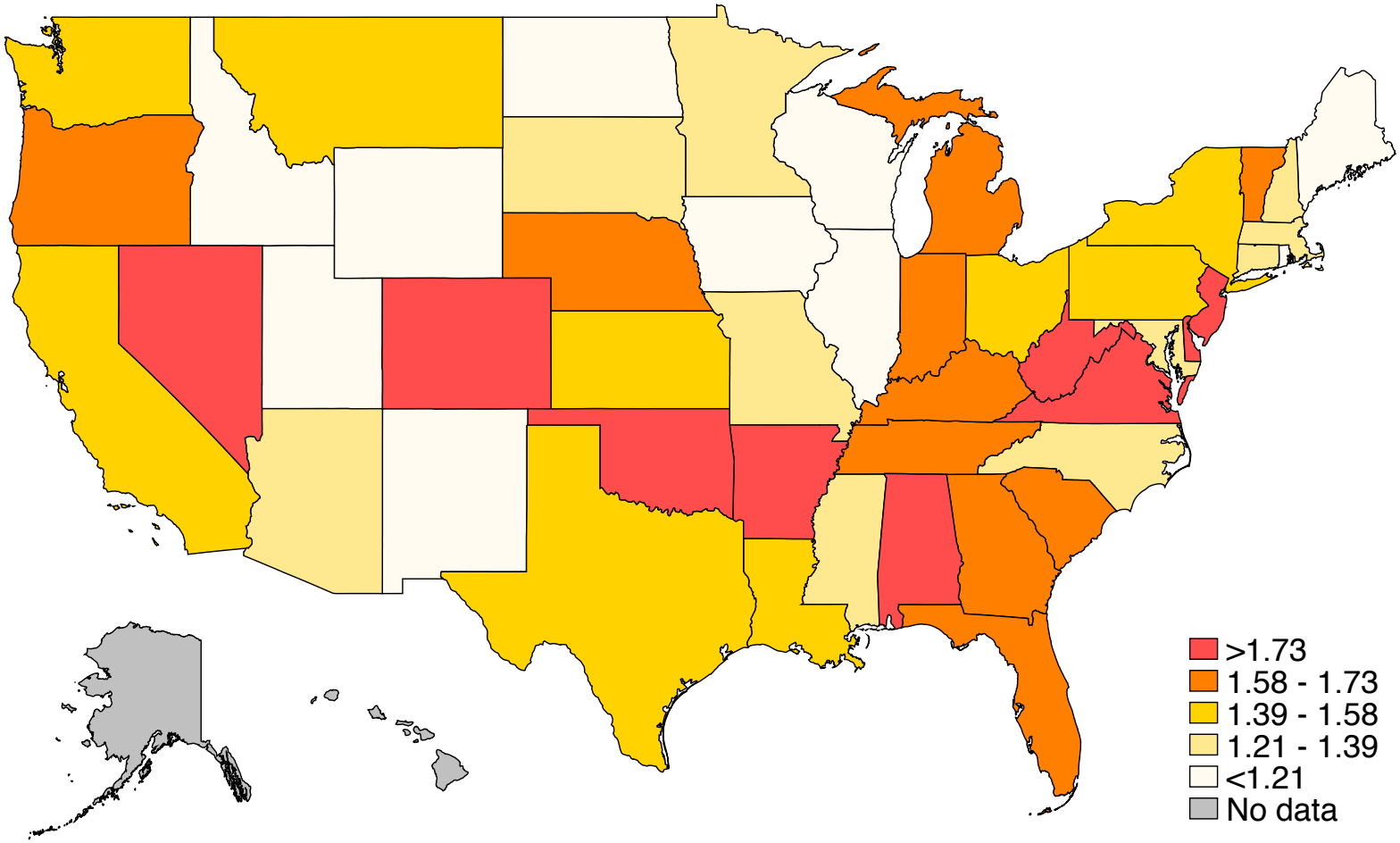


Optimism Conditional on Effort

Main



... relative to the national average



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Views on Taxes

	Tax Rate Top 1 (1)	Tax Rate Next 9 (2)	Tax Rate Bottom 50 (3)	Share Taxes Top 1 (4)	Share Taxes Bottom 50 (5)	Obs. 1-5
All Countries						
All	37.58	25.75	10.09	0.23	0.11	3,564
Left	40.49	27.13	8.83	0.24	0.10	1,193
Right	36.11	26.07	11.96	0.21	0.13	1,163
US						
All	25.22	14.78	7.86	0.35	0.07	851
Left	28.10	15.19	5.96	0.39	0.05	216
Right	22.49	14.52	10.05	0.31	0.08	261
UK						
All	37.15	23.06	6.50	0.28	0.10	758
Left	39.97	23.21	5.67	0.31	0.08	256
Right	34.65	22.89	6.89	0.26	0.10	167
France						
All	43.71	29.41	8.51	0.18	0.12	769
Left	47.07	30.98	6.92	0.19	0.09	249
Right	42.70	28.60	9.59	0.17	0.13	307
Italy						
All	37.75	26.35	10.37	0.19	0.14	732
Left	38.66	27.66	9.04	0.19	0.12	335
Right	34.74	25.26	11.44	0.17	0.15	235
Sweden						
All	50.81	43.61	22.50	0.11	0.17	454
Left	53.49	44.99	22.23	0.11	0.17	137
Right	46.99	41.39	23.32	0.10	0.17	193

back

Views on Public Spending

	Support Estate Tax (6)	Budget Opportunities (7)	Budget Safety Net (8)	Support Equality Opp. Policies (9)	Obs. 6-9
All Countries					
All	0.30	37.29	13.93	3.74	4,447
Left	0.41	39.17	15.17	4.10	1,442
Right	0.18	35.74	12.75	3.41	1,422
US					
All	0.35	32.73	13.51	3.61	1,731
Left	0.51	35.22	15.03	4.08	464
Right	0.20	29.08	11.86	3.09	517
UK					
All	0.32	41.30	13.36	3.90	758
Left	0.44	42.12	14.45	4.20	257
Right	0.26	41.52	12.19	3.67	167
France					
All	0.22	38.59	13.37	3.66	769
Left	0.31	39.95	14.81	3.97	249
Right	0.18	37.09	12.31	3.42	307
Italy					
All	0.23	38.99	15.70	3.96	735
Left	0.31	40.15	15.55	4.11	335
Right	0.14	38.33	15.37	3.84	238
Sweden					
All	0.28	43.03	14.52	3.76	454
Left	0.49	43.26	16.67	4.19	137
Right	0.16	43.25	13.07	3.53	193

back

Treatment

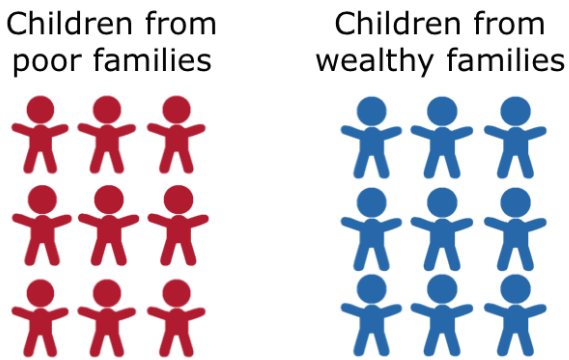
HARVARD
UNIVERSITY

Recent academic research has been exploring the link between one's family background and one's chances of making it in life. These **recent academic studies** have leveraged new large-scale datasets to explore the opportunities available to children from different family backgrounds and their chances of making it in life.

We will now show you **two short animations** that summarize the two key findings of these studies. Please proceed to the next page when you are ready.

>>

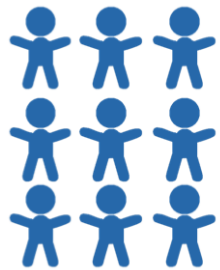
Treatment


Children from
poor families
Children from
wealthy families

Treatment

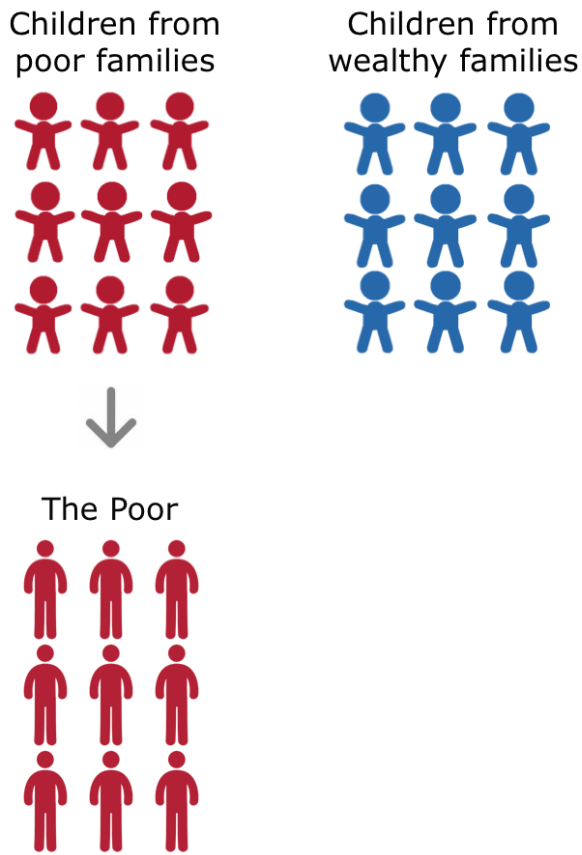
Children from poor families

Children from wealthy families

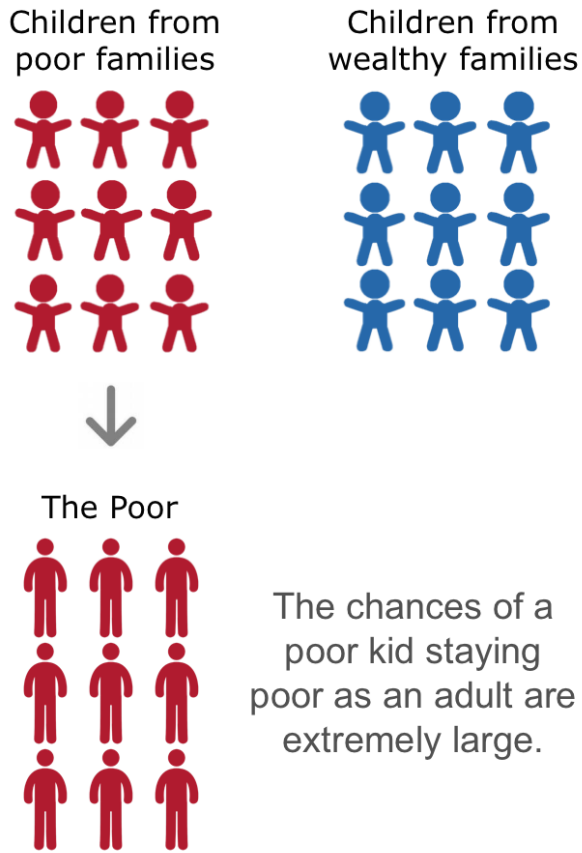


What does recent research tell us about how children from poor families will do when they grow up?

Treatment


Children from poor families
Children from wealthy families
The Poor

Treatment


Children from poor families
Children from wealthy families
The Poor
The chances of a poor kid staying poor as an adult are extremely large.

Treatment

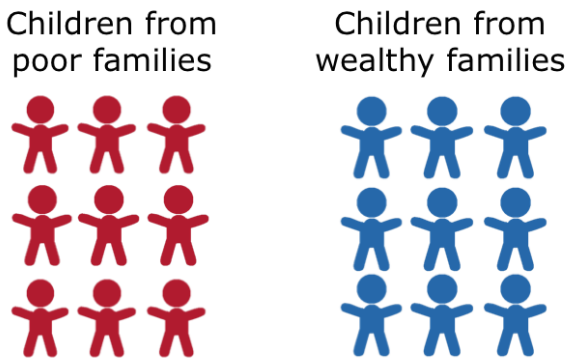
Only very few kids from poor families will ever make it and become rich.

The Poor

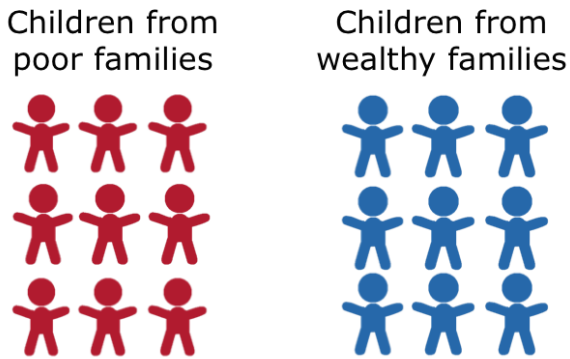
The Wealthy

REPLAY

Treatment

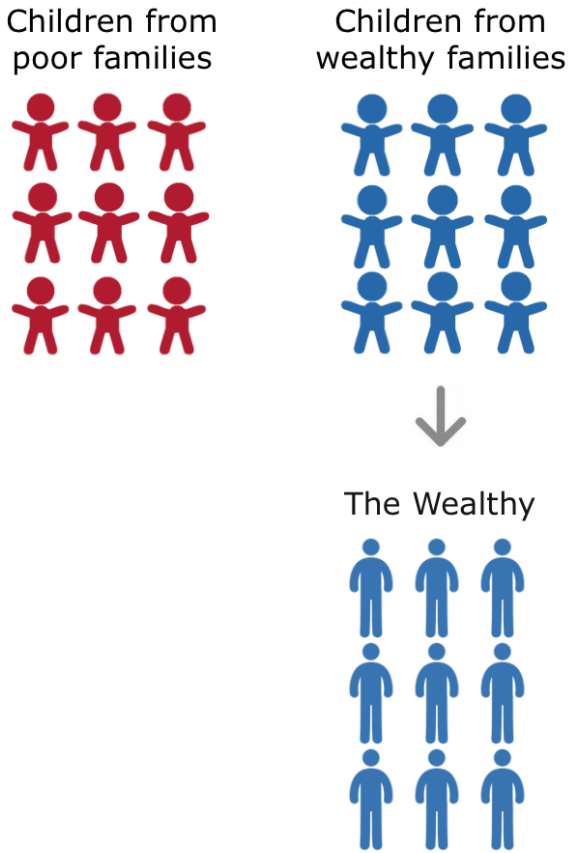

Children from
poor families
Children from
wealthy families

Treatment

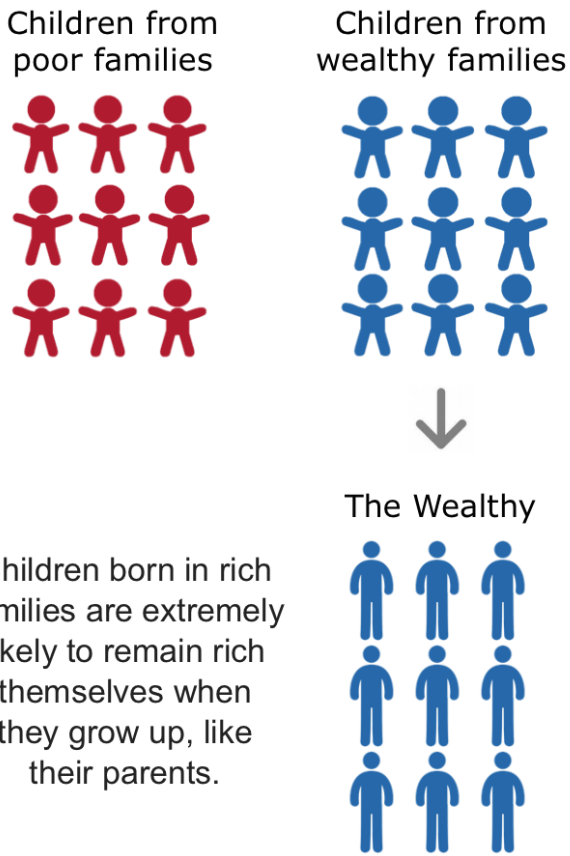


What does recent research tell us about how children from rich families will do when they grow up?

Treatment

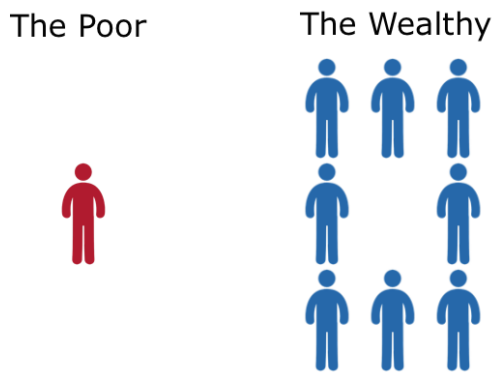

Children from poor families
Children from wealthy families
The Wealthy

Treatment


Children from poor families
Children from wealthy families
The Wealthy
Children born in rich families are extremely likely to remain rich themselves when they grow up, like their parents.

Treatment

It is extremely rare for a child from a rich family to become poor later in life.



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