Regime Changes and Economic Preferences: Global Evidence

Empirical Research Task

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Data

Economic preferences: patience, risk taking, positive reciprocity, negative reciprocity, altruism, trust

V-Dem	General Preference Survey	Polity V	V-Dem Regime of World
Panel from 1789-now	Cross-section collected in 2012	panel 1800–2023	Panel from 1789-now
Liberal Democracy Index (0 - 1)	6 economic preferences, country, age, math skills, gender	Polity2 index [-10: 10]	categorical regime index (0-3)

- Combination of both: approx 75.000 individuals from 1910-2012 from 76 countries

- Economic preferences are formed during childhood + adolescence (Detlefsen et al., 2024)

Economic preferences

The **General Preference Survey (GPS)** measures the following **economic preferences**:

1. **Patience** – The extent to which individuals value future benefits over immediate rewards.

2. **Risk-taking** – Willingness to engage in decisions involving uncertainty or risk.

3. **Positive reciprocity** – The tendency to return a favor when treated kindly.

4. **Negative reciprocity** – The inclination to punish or retaliate when treated unfairly.

5. **Altruism** – Willingness to sacrifice personal gain for the benefit of others.

6. **Trust** – General belief in the reliability or integrity of other people.

Setting

Treatment group

- Initial approach: Regime change experienced between 3 -18 years old (democratization / autocratization)
    - Goal: identify whether an individual experienced a regime change during formative years (3-18)
        * According to Lührmann et al. (2020): Evaluating differences of the LDI index at time **t** and **t-10** -> **confidence intervals** ->**no overlap** between them **AND** absolute value of the change in LDI is > 0.05 = identified as regime change
        * Was individual's age between 3-18 during this identified year -> treated
- **New approach**: democratization / autocratization as a treatment

e Changes by Country and Continent (Post–19