

Milestone 6.5

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4/12/2020

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*** NOTE: I recently switched papers and am waiting on the code to replicate figures etc, that's why this is so incomplete

Abstract

In her paper 'Exposure to inequality affects support for redistribution', Sands explores how exposure to inequality affects attitudes towards redistribution efforts.

Introduction

Sand's paper 'Exposure to inequality affects support for redistribution' provides experimental evidence that exposure to inequality affects attitudes regarding redistribution. The methodology employed a randomized field experiment and following analysis of results, whereby the presence of poverty stricken individuals was randomized in different affluent neighborhoods of Boston, MA. Passerbies were asked to sign a petition for a millionaire tax, a frequently cited wealth redistribution policy proposal. Conclusions are drawn from the analysis of average treatment effects on different racial and gender groups, as well as ordinary-least squares (OLS) regression. This study primarily concludes that displays of inequality in affluent areas decreases the overall support for redistributive policies in those areas. Race also seems to be a factor which affects this, with white participants responding negatively to poor white confederates, but positively to poor black confederates.

Review of Literature

It's no surprise that wealth inequality is an issue world wide. The difference between the wealthiest of the world, and the poorest of the world only becomes more stark every day. Particularly in some of the wealthiest countries in the world such as the United States, this gap is even more shocking. The gap between the wealthiest 1% of Americans and the poorest of them was the widest it ever was since before the Great Depression in 2012, and has only grown wider ever since. The political and social implications of this are gargantuan and the nation becomes more divided with time about what to do regarding this issue. Redistribution is an often mentioned solution to wealth inequality, however, little is known about what factors affect attitudes towards redistribution, or more specifically, how exposure to inequality can affect these attitudes. Some studies have examined the effect of environmental changes on attitudes, others have examined the effect of perceptions of inequality on survey responses. They generally find that higher income individuals have less charitable and empathetic attitudes than their less wealthy counterparts. However, none have conducted a fully randomized field-experiment to establish a causal effect. This is precisely where Sands' paper fits within the general scholarly discourse of this subject.