

Macro Roundup Article

Headline: Whose Preferences Matter for Redistribution: Cross-Country Evidence

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Tweet: Based on cross-sectional data from 93 countries, low-income individuals' redistributive preferences are more predictive of redistribution policy than elite preferences. @alain_cohn @RFisman

Summary: Using cross-sectional data from 93 countries, we investigate the relationship between the desired level of redistribution among citizens from different socioeconomic backgrounds and the actual extent of government redistribution. Our focus on redistribution arises from the inherent class conflicts it engenders in policy choices, allowing us to examine whose preferences shape policy formulation. Our main finding is that the lowest socioeconomic status (SES) group's preferences are most predictive of redistribution. Controlling for preferences at the bottom of the SES distribution, neither the middle nor the top SES group's preferences have any additional explanatory power. Contrary to prevailing assumptions regarding political influence the preferences of the lower socioeconomic group, rather than those of the median or upper strata, are most predictive of realized redistribution.

Related Articles: 'The Economy is Rigged': Inequality Narratives, Fairness, and Support for Redistribution in Six Countries and Does the American Dream Foster Inequality? and Calomiris on Gramm Ekelund and Early on Income Distribution

Primary Topic: Politics

Topics: Academic paper, Database, Fiscal Deficits, Fiscal Policy, Government Spending, Politics, Taxation

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