

Economic Inequality, Intergenerational Mobility, and Belief in Meritocracy in the United States

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University of Iowa

Inequality Mini-Conference
SPSA 2016

A Big Question

- ▶ What's the Relationship Between Economic Inequality and Democracy?
- ▶ Inequality: Self-Correcting or Self-Reinforcing?
 - ▶ Meltzer-Richard or Benabou?
 - ▶ Unequal Representation?
 - ▶ Participation: Energized or Demobilized?

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- ▶ Belief in Meritocracy
- ▶ Activated Conflict Theory
 - ▶ Exposure to great inequality activates psychological defenses
 - ▶ leading poor to avoid responsibility: meritocracy ↓
 - ▶ and rich to avoid guilt: meritocracy ↑

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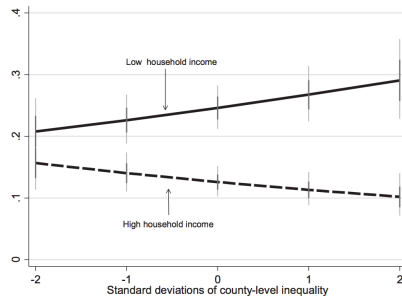
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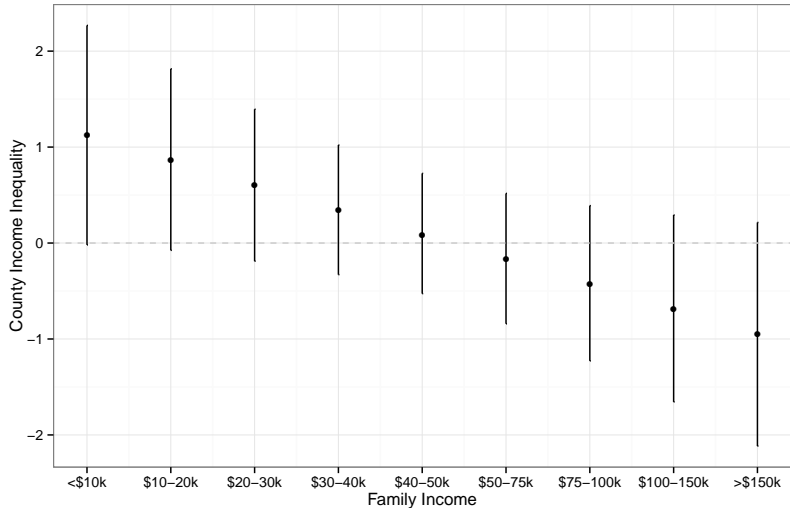
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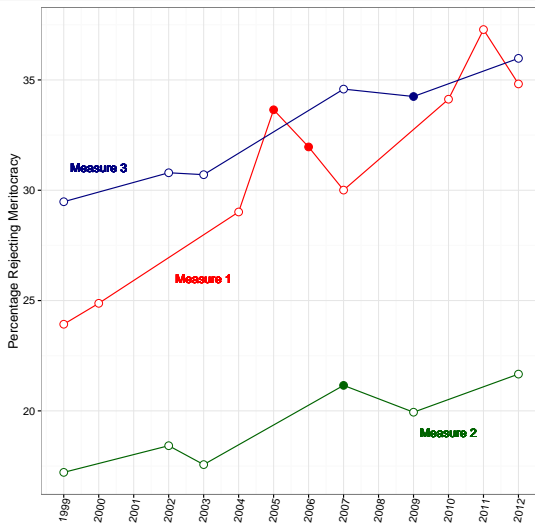
FIGURE 2 The Polarizing Effect of Local Inequality on Belief in Meritocracy across Income Levels for White Americans, 2005–09



Misinterpreted Interaction Terms

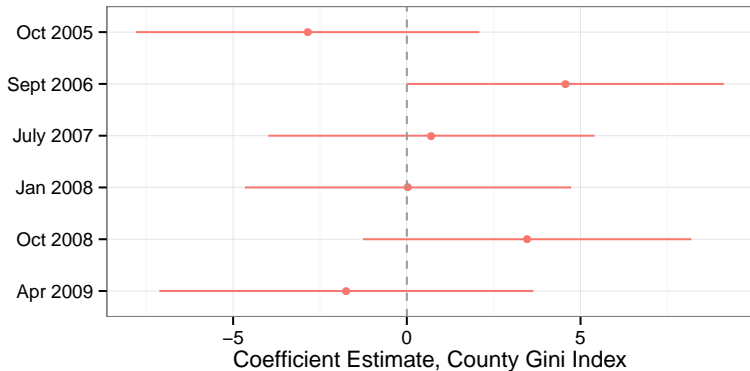


Pooling of Incomparable Observations



Excluded Data

Coefficients on Self-Identification as 'Have-Not', 6 Pew Surveys



Can you guess which one was reported?

Another Theory

Relative Power Theory

- ▶ High inequality increases power of rich ...
 1. to win overt debates
 2. to control agenda
 3. to shape attitudes
- ▶ leading poor to adopt beliefs of rich: meritocracy ↑
- ▶ and, possibly, self-interest of rich: meritocracy ↑

Yet Another

Economic Mobility

- ▶ High inequality decreases mobility
- ▶ leading poor to recognize stratification: meritocracy ↓
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Data

Individual-Level Data

- ▶ Religious Landscape Survey
- ▶ > 35,000 respondents
- ▶ 'Most people who want to get ahead can make it if they're willing to work hard'
- ▶ plus income and controls

Contextual Data

- ▶ Commuting Zones
- ▶ Equality of Opportunity Project
- ▶ Income Inequality
- ▶ Relative Mobility

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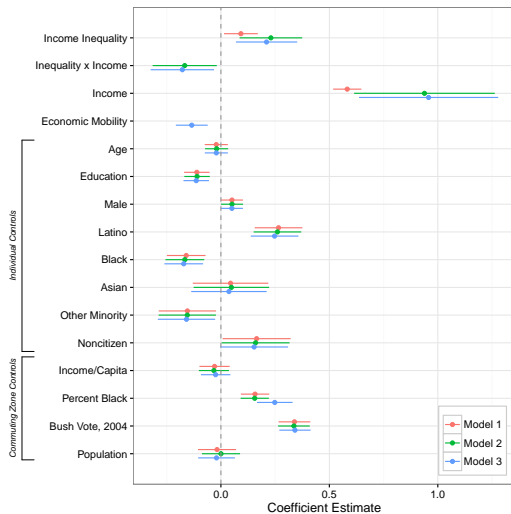
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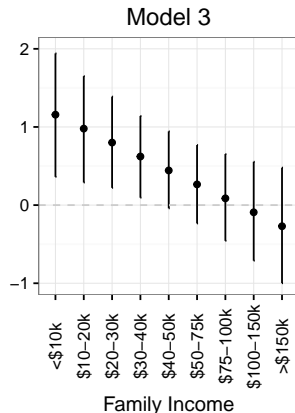
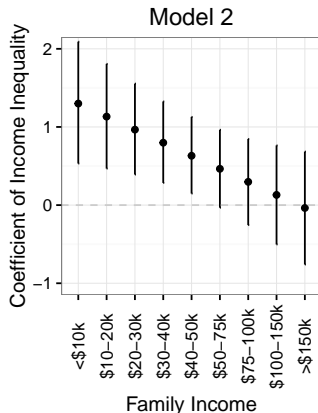
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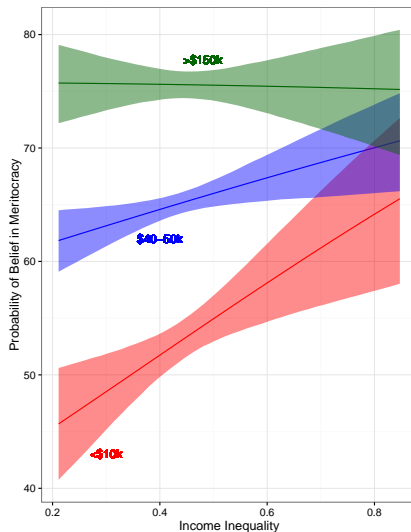
Predicting Belief in Meritocracy



Estimated Coefficients of Income Inequality by Income



Belief in Meritocracy by Income



Moving Forward

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- ▶ *IF* results hold up:
 - ▶ NO reason to think mere exposure breeds opposition
 - ▶ In fact, support for the opposite
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