

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

Frederick Solt
University of Iowa

Inequality Mini-Conference

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<http://github.com/fsolt/meritocracy>

A Big Question

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

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- ▶ Meritocracy

- ▶ belief that outcomes result from individual effort
- ▶ a core tenet of American Dream
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 - ▶ and rich to avoid guilt (+self-interest): meritocracy ↑

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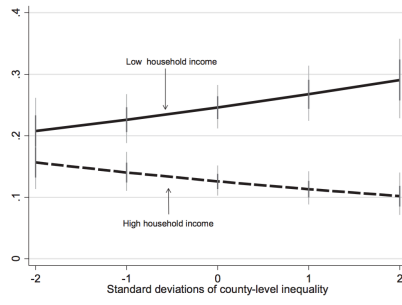
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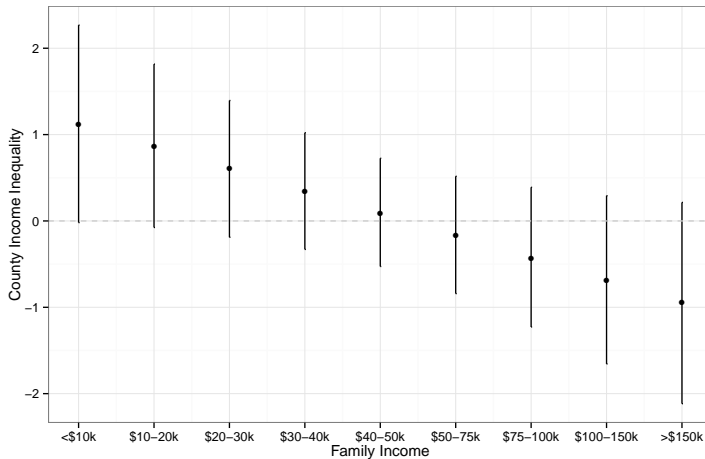
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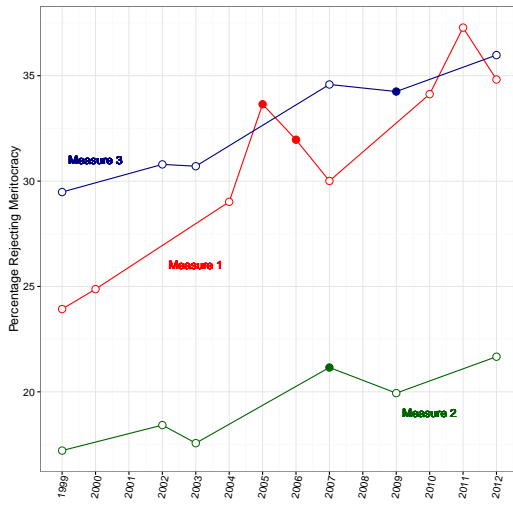
FIGURE 2 The Polarizing Effect of Local Inequality on Belief in Meritocracy across Income Levels for White Americans, 2005–09



Misinterpreted Interaction Terms

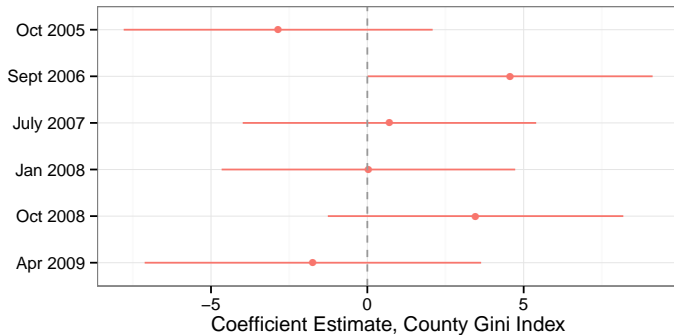


Pooling of Incomparable Observations



Excluded Data

Coefficients on Belief U.S. is Divided into 'Haves' and 'Have-Nots'



Can you guess which one was reported?

Another Theory

Relative Power Theory

- ▶ High inequality increases power of rich . . .
 1. to win overt conflicts
 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 Theory

Economic Mobility

- ▶ High inequality decreases mobility
- ▶ leading poor to recognize stratification: meritocracy ↓
- ▶ and, possibly, the rich as well: meritocracy ↓

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

A problem: ~20% missing data at individual level

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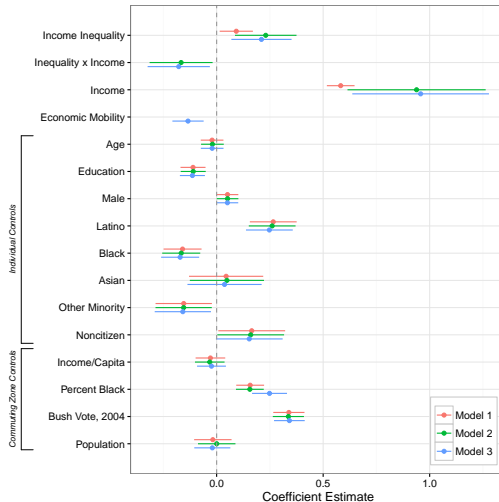
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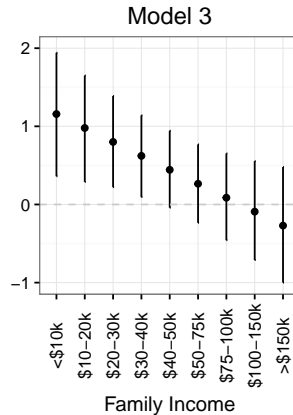
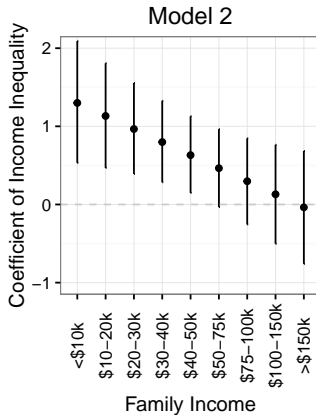
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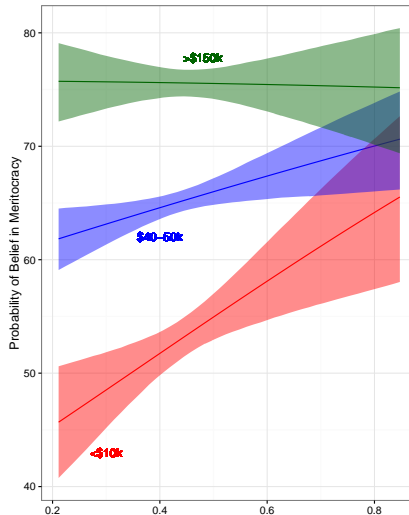
Predicting Belief in Meritocracy



Estimated Coefficients of Income Inequality by Income



Belief in Meritocracy by Income



Moving Forward

- ▶ Missing Data!
- ▶ *IF* results hold up:
 - ▶ NO reason to think mere exposure breeds opposition
 - ▶ In fact, support for the opposite
 - ▶ Inequality is not self-correcting

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