

Field study suggests wealthy less willing to tax rich when poor people are around

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Credit: George Hodan/public domain

(Phys.org)—A study conducted by a researcher with Harvard University suggests that wealthy people are less likely to support income redistribution through a tax on the very rich after having recently been exposed to an obviously poor person. In her paper published in *Proceedings of the National Academy of Sciences*, Melissa Sands describes a study she carried out using volunteers in wealthy

neighborhoods, what she found and her opinions regarding the impact it could be having on domestic policy decisions.

Most people are aware of the growing divide between the very wealthy (the so-called 1 percent) and everyone else in the United States. The issue has led some to call for income redistribution by forcing the very rich to pay more taxes with the extra money going to help the poor. For such actions to actually happen, ordinary people would have to support such an initiative led by politicians. To learn more about how people might react to such an initiative in the form of a petition in a public place, Sands enlisted the assistance of several volunteers.

The study consisted of having male volunteers (some white, some black) pose as either a reasonably affluent person or as someone obviously very poor. The volunteers were stationed in affluent areas in places where affluent people would have to walk past them to reach their destination, but just before arriving, they would be asked by another volunteer dressed as an affluent person to sign one of two petitions. One of the petitions supported a way to reduce the use of plastic bags (the control), while the other sought support for a 4 percent income tax increase for anyone making more than a million dollars a year. The idea was to see if people felt differently about signing a petition to tax millionaires after exposure to a rich or poor person.

The researchers surveyed 2,519 people and found that contrary to what might seem logical to some, affluent people were less likely to support taxing millionaires after having met a poor person than if they had just seen someone more affluent—those surveyed were approximately twice as likely to sign the tax petition after seeing an affluent man than a poor white man. Interestingly, they were less impacted by the sight of a poor black man. Sands suggests the sight of a poor white man may have caused the affluent [people](#) to be more judgmental due to a feeling that such a person should be doing better without assistance.

More information: Melissa L. Sands. Exposure to inequality affects support for redistribution, *Proceedings of the National Academy of Sciences* (2017). [DOI: 10.1073/pnas.1615010113](https://doi.org/10.1073/pnas.1615010113)

Abstract

The distribution of wealth in the United States and countries around the world is highly skewed. How does visible economic inequality affect well-off individuals' support for redistribution? Using a placebo-controlled field experiment, I randomize the presence of poverty-stricken people in public spaces frequented by the affluent. Passersby were asked to sign a petition calling for greater redistribution through a "millionaire's tax." Results from 2,591 solicitations show that in a real-world-setting exposure to inequality decreases affluent individuals' willingness to redistribute. The finding that exposure to inequality begets inequality has fundamental implications for policymakers and informs our understanding of the effects of poverty, inequality, and economic segregation. Confederate race and socioeconomic status, both of which were randomized, are shown to interact such that treatment effects vary according to the race, as well as gender, of the subject.

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