Who Should Get Money? Estimating Welfare Weights in the U.S. Pre-registration

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1 Introduction

Welfare weights measure the value of a $1 transfer to individuals. In this project, we elicit the welfare weights that citizens assign to individuals in society. We conduct an experiment using the general population of the U.S. to elicit their welfare weights. We validate the welfare weights from our approach and compare them to other estimates of welfare weights.

2 Experimental Design

2.1 Eliciting Welfare Weights

Participants in our experiment assume the role of either a *Social Architect* or a *Recipient*. Social Architects face pairs of Recipients with different real-world disposable incomes. They are presented with various decisions that involve allocating monetary amounts to the Recipients. Their choices are used to identify the welfare weights they assign to the Recipients. The Recipients are passive subjects who receive money based on the Social Architects' choices.

2.1.1 Decisions

A Social Architect is presented with pairs of Recipients with different incomes. For each pair, they are presented with reforms of the type $(r_l, -r_h)$, where r_l and $-r_h$ are the monetary amounts accrued to the low-income and high-income Recipients, respectively. Participants are asked to decide whether they want to implement a reform or stick to the status quo (0, 0). To ensure that negative transfers are feasible, we endow both Recipients with an initial endowment of $1,000, We aim to identify the reform which makes the Social Architect just indifferent between that reform and the status quo; the reform at this point of indifference is used to recover the ratio of the welfare weights assigned to the high-income (g_h) and low-income (g_l) Recipients, given by the following equation

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$$\tilde{g} = \frac{g_h}{g_l} = \frac{r_l}{r_h}. \tag{1}$$

Table 1 presents the reforms $(r_l, -r_h)$ used to elicit welfare weights. We aim to identify a Social Architect's switch-point—the row where they switch from preferring the status quo to preferring the reform. The mid-point of the reforms in this row and the previous row, when plugged into Equation (1), gives us $\tilde{g}$. If a Social Architect always prefers a reform (i.e., switches in the first row), we take the mid-point of (\$50,-\$950) and (\$0,-\$1000). Conversely, if a Social Architect always prefers the status quo (i.e., never switches), we take the mid-point of (\$950,-\$50) and (\$1000, \$0).

Table 1: Set of Reforms

Row	Status quo	Reform $(r_l, -r_h)$	$\tilde{g}$
1	(\$0, \$0)	(\$50, −\$950)	0.05
⋮	⋮	⋮	⋮
6	(\$0, \$0)	(\$300, −\$700)	0.43
⋮	⋮	⋮	⋮
8	(\$0, \$0)	(\$400, −\$600)	0.67
9	(\$0, \$0)	(\$450, −\$550)	0.82
10	(\$0, \$0)	(\$500, −\$500)	1
11	(\$0, \$0)	(\$550, −\$450)	1.22
12	(\$0, \$0)	(\$600, −\$400)	1.5
⋮	⋮	⋮	⋮
14	(\$0, \$0)	(\$700, −\$300)	2.33
⋮	⋮	⋮	⋮
18	(\$0, \$0)	(\$900, −\$100)	9
19	(\$0, \$0)	(\$950, −\$50)	19

Notes: The table presents pairs of reforms $(r_l, -r_h)$, where r_l and r_h are the monetary benefits accrued to the low-income and high-income Recipients, respectively. $\tilde{g} = \frac{g_h}{g_l} = \frac{r_l}{r_h}$ is the ratio of the weights assigned to the high-income and low-income Recipients.

To identify a Social Architect's switch-point in Table 1, we use the "staircase method," presenting them with a subset of decisions from the table in an adaptive manner. We randomize the starting point or the first decision: for half the participants, the reform in the first decision (\$300, −\$700), while for the other half, it is (\$700, −\$300). Section 4 presents the staircase in detail.

2.1.2 Decision Screens

The Social Architects are presented with five "decision screens," each including a pair of Recipients. Table 2 displays the incomes of the Recipients in each decision screen. We use Social Architects' decisions in each decision screen to identify $\tilde{g}$. Since the Recipient earning \$60,000 is common across the five decision screens, the Social Architects' decisions across the five decision screens allow us to identify the relative welfare weights assigned to the six Recipients.

Table 2: Recipients' Incomes Across Decision Screens

	Decision Screen				
	1	2	3	4	5
Recipient l	\$15,000	\$30,000	\$60,000	\$60,000	\$60,000
Recipient h	\$60,000	\$60,000	\$120,000	\$240,000	\$480,000

We randomize the order of the decision screens. For half the Social Architects, the order is as presented in Table 2, while for the other half, the order of the decision screens is reversed. We also randomize the income of the Recipient common across the decision screens. The income is randomized to be either \$60,000 or \$120,000.

2.1.3 Incentives

We inform the Social Architects that one participant in the study would be randomly selected. For the selected Social Architect, their choices on one randomly selected decision will be implemented. Their decision could be selected from either of the two waves of data collection (see next section for details about Waves).

2.2 Assessing Robustness, Temporal Stability, and Validity of Welfare Weights

To assess the robustness, validity, and temporal stability of the elicited welfare weights, we conducted various tests.

2.2.1 Assessing Robustness to Design Features

To assess the robustness of the welfare weights to the features of the experimental design, we include several treatments in the experiment that vary the features across Social Architects. The first three treatment dimensions vary the features of the decision environment. They involve randomization of the (i) order of the Recipients on the screen (left or right), (ii) the

order of the decision screens (small income differences presented first or last), and (iii) the Recipient common across the decision screens ($60,000 or $120,000).

The last two treatment dimensions vary the features of the elicitation method. To test whether Social Architects' decisions depend on the first decision in the staircase, we randomize the first decision to be either ($300, −$700) or ($700, −$300). To test whether Social Architects' decisions are based on mistakes, we vary whether Social Architects are prompted to consider the consequences of their choices before they can proceed. Social Architects in the treatment with this prompt are asked to choose between two final income distributions, which reflect the consequences of the two options they were presented with. If their choice on whether to implement the change aligns with their preferred final income distribution, they can proceed with the survey. If there is an inconsistency, they will see an error message. Social Architects can proceed with the survey only when there is no inconsistency.

2.2.2 Assessing Robustness to Quality of Responses

We will also assess the robustness of the welfare weights to the quality of responses at the individual level based on several proxies of response quality. First, we measure decision consistency by including a sixth decision screen, with the income comparisons in the decision screen being $60,000 vs. $120,000. Our consistency check examines whether the welfare weights in the third and the sixth decision screens—with identical pairs of Recipients—are similar in sign. Second, we flag unusual completion times within each treatment—those beyond two standard deviations from the mean—as an indicator of low response quality. Third, we test Social Architects' comprehension of the instructions with three questions. Social Architects must pass each question to proceed; failing any question on the first attempt flags low response quality. Finally, we elicit Social Architects' self-reported confidence in their decisions and classify those with low confidence as having low response quality.

2.2.3 Correlation with Support for Redistribution

We validate our measure of welfare weights by testing whether it correlates with two measures of support for government redistribution. The first measure, capturing general support for redistribution, asks Social Architects whether the government should reduce income differences between the rich and the poor. The second measure, capturing support for redistribution at the margin, asks Social Architects whether they want additional redistribution beyond what is achieved by the current tax and transfer system. The order of the questions is counterbalanced across participants.

2.2.4 Which Concerns do Welfare Weights Capture?

We test whether welfare weights capture fairness concerns (as intended) or other concerns, by eliciting Social Architects' concerns using survey questions. These questions include including views about (i) the fairness of the current income distribution, (ii) trickle-down economics, (iii) the effect of increasing taxes on high-income earners on economic growth, (iv) the effect of increasing taxes on high-income earners on labor supply responses, (v) trust in government, and (vi) scope of government. The order of the questions on the six is randomized across Social Architects.

We also test whether welfare weights capture misperceptions about the level of taxes paid by individuals and the share of low-income individuals. We measure perceptions of about the level of taxes paid by individuals by eliciting the following perceptions: (i) the share of households in the top tax bracket, (ii) the top marginal tax rate, (iii) the average tax rate of those in the top tax bracket, (iv) the share of households who pay no taxes, and (v) the average tax rate of the median income household. We measure perceptions of the share of low-income individuals by eliciting beliefs about the share of households with disposable incomes below $15,000.

2.2.5 Stability Over Time

To assess the temporal stability of welfare weights, we elicit Social Architects' welfare weights in two survey waves separated by four weeks. We recruited 2,000 Social Architects in Wave 1 and invited all of them to participate in a follow-up survey (Wave 2). Each participant completes the same welfare weights elicitation task and retains the same treatment assignment across both waves.

Comparing Social Architects' welfare weights across both waves—at the individual and aggregate levels—allows us to assess their temporal stability. We benchmark the temporal stability of welfare weights against the temporal stability of participants' support for redistribution at the margin and support for government general redistribution, which we elicit in both waves.

2.3 Data Collection

We will conduct the study across two waves. In Wave 1, we will recruit participants in the role of Social Architects through the data collection platform Prolific. Recruitment will be based on three demographic quotas available on Prolific: gender, ethnicity, and age. To ensure high response quality, only participants with a high Prolific approval rating (95–100) will be invited to participate.

In the study, participants will complete an attention check. Participants who do not pass the attention check will not be allowed to continue with the study. Participants who pass the attention check will be randomized into treatments. Additionally, participants will complete three comprehension checks. They must answer each comprehension check correctly before they can proceed. We will record whether participants fail these comprehension checks on their first attempt. We aim to have a final sample of 2,000 participants who consented to the study, passed the attention check, reached the final page of the survey, and did not attempt to take the survey more than once.

We will invite all participants from Wave 1 with valid responses to a follow-up study (Wave 2). In this wave, participants will again complete an attention check and three comprehension checks. Those failing the attention check cannot continue with the study. Our final sample in Wave 2 will include participants who consented to the study, passed the attention check, reached the final page of the survey, and did not attempt to take the survey more than once.

3 Analysis

3.1 Estimating Welfare Weights

In each decision screen $d \in \{1, \ldots, 5\}$, a Social Architect's decisions are used to obtain $\tilde{g}_d$, the ratio of the weights assigned to the high-income and low-income Recipients. These ratios across the five decision screens are used to identify the relative weights assigned to the six Recipients ($g_r, r \in \{1, \ldots, 6\}$), which is illustrated in Table 3. The weights assigned by each Social Architect to the six Recipients are normalized to sum to 1 ($\sum_r g_r = 1$).

Table 3: Recovering g_r from $\tilde{g}_d$

	Common Recipient earns \$60,000					
Recipient Income	\$15,000	\$30,000	\$60,000	\$120,000	\$240,000	\$480,000
Welfare weight (g)	$1/\tilde{g}_1$	$1/\tilde{g}_2$	1	$\tilde{g}_3$	$\tilde{g}_4$	$\tilde{g}_5$
	Common Recipient earns \$120,000					
Recipient Income	\$15,000	\$30,000	\$60,000	\$120,000	\$240,000	\$480,000
Welfare weight (g)	$1/\tilde{g}_1$	$1/\tilde{g}_2$	$1/\tilde{g}_3$	1	$\tilde{g}_4$	$\tilde{g}_5$

3.2 Individual Level Progressivity

We estimate the progressivity of a Social Architect's welfare weights using a commonly used parametric function, in which welfare weights g_r are proportional to c_r^{ν}, where c_r represents the Recipients' disposable income and ν is a parameter that governs the progressivity of the

weights. To estimate ν for each Social Architect, we model the conditional expectation of the assigned welfare weights as

$$E[g_r \mid c_r] = \exp\big(\nu \log c_r\big). \tag{2}$$

The parameter ν can be interpreted as the elasticity of the weights with respect to the Recipients' incomes. We estimate ν using a Poisson Pseudo Maximum Likelihood (PPML) estimation.

3.3 Aggregate Progressivity of the Weights

The exercise in the previous section allows us to estimate the progressivity of the weights ($\hat{\nu}$) for each Social Architect. To obtain the aggregate progressivity of the weights, we will compute the weighted median value of $\hat{\nu}$, weighting the sample using sampling weighting. The sampling weights are designed to match the sample to the population based on the following variables: Income: <30,000, Income: 30-59,999, Income: 60-99,999, Income: 100-149,999, Income: >=150,000, Age: 18-24, Age: 25-34, Age: 35-44, Age: 45-54, Age: 55-64, Age: >=65, Edu: Up to Highschool, Edu: Some college, Edu: Bachelor or Associate, Edu: Masters or above, Region: West, Region: North-east, Region: South, Region: Mid-west, Male. We obtain the population averages using the 2023 American Community Survey (ACS) 1-year estimates for individuals aged 18 and older.

3.4 Assessing Robustness to Design Features

We implemented several treatments in the experiment to assess the robustness of the welfare weights to the features of the experimental design. We will explore how each treatment shifts the median progressivity parameter across Social Architects by estimating the following median regression model

$$\nu_i^m = \beta_{0.5} + \gamma_{0.5}\, X_i + \varepsilon_i, \tag{3}$$

where ν_i is progressivity of the weights of Social Architect i (estimated using Equation (2)) and X_i is a vector of treatment indicators. These treatment indicators indicate: (i) the order of the Recipients on the screen (left vs. right), (ii) the order of the decision screens (small vs. large income differences presented first), (iii) the common Recipient across the decision screens (\$60,000 vs. \$120,000), (iv) the first decision ((\$300, −\$700) vs. (\$700, −\$300)),

and (v) whether the questions prompted participants to consider the consequences of their choices. Additionally, we will estimate univariate quantile regressions in which each of the treatment indicators enters the regression separately.

Adjustments

If we find that the starting point of the staircase procedure affects the median progressivity of the weights, we will adjust our progressivity estimates to correct for such measurement error, closely following Luttmer & Samwick (2018). We assume that the reported reform amount accrued to the low-income Recipient at the point of indifference in each decision screen ($r^r_{l,d} \, \forall \, d \in \{1, ..., 5\}$), is a weighted average of the starting value ($r^s_{l,d}$), which is either \$300 or \$700 depending on the treatment, and the true value $r^a_{l,d}$. By rearranging the terms, we get

$$r^a_{l,d} = r^r_{l,d} - \frac{\beta}{1-\beta}(r^s_{l,d} - r^r_{l,d}). \tag{4}$$

To obtain β, we regress the reported value ($r^r_{l,d}$) on the starting value ($r^s_{l,d}$). We also include seven indicators of response quality (described in the next section) and demographic controls in the regressions. The demographic controls include *High Age* (=1 if age is above median age), *High Education* (=1 if education is above median education), *Male* (=1 if sex is Male), *Republican* (=1 if political affiliation is Republican), and *High Income* (= 1 if above median income).

Similarly, if we find that prompting participants to consider the consequences of their choice affects the median progressivity of the weights, implying that participants' decisions are (partly) based on mistakes, we will provide estimates of progressivity correcting for such mistakes. The nature of these corrections will depend on the nature of the measurement error induced by the staircase method.

3.5 Assessing Robustness to Quality of Responses

We will assess the quality of responses at the individual level. In particular, we estimate the median regressions specified in Equations (3) with the vector X including the following variables: (i) an indicator variable that takes value 1 if a participant's decisions are consistent, (ii) an indicator variable that takes a value 1 if the participant's time spent on the survey lies within 2 standard deviations of the mean time spent within each treatment, (iii) three indicator variable that take a value of 1 if a participant passed each of the three comprehension questions in their first attempt, respectively, and (iv) a dummy variable that takes

a value of 1 if a participant reports being "Very Much" confident in their answers. We will also include treatment indicators and demographic controls (those specified in Section 3.4) in the regression.

We provide corrected estimates of the progressivity of the weights, correcting for the quality of response at the individual level. To do so, we will add the coefficient estimate of each response quality indicator variable explained above from the values of ν for those with low response quality (the indicator variable takes a value of 0).

3.6 Temporal Stability of Weights

We will assess the temporal stability of the welfare weights across the two waves of data collection at both the individual and aggregate levels.

To explore the individual-level stability, we will estimate the median regression specified in Equations (3), with the dependent variable being $\hat{\nu}_i$ estimated using the data in Wave 1 and the vector X including $\hat{\nu}_i$ estimated using the data in Wave 2 and treatment indicators. We will also estimate this regression replacing $\hat{\nu}_i$ with $1(\hat{\nu}_i < 0)$, which is an indicator variable taking a value of 1 if a Social Architect has progressive weights. Additionally, we will compare the individual progressivity measures across waves after adjusting for response quality, following the approach in Section 3.5. We will benchmark the effect by comparing the correlation in Social Architects' support for redistribution across the two waves using the two questions used in our survey.

To explore the aggregate stability, we will estimate the median progressivity of the weights in Wave 2 using the method described in Section 3.3, and compare it to the corresponding estimate from the full Wave 1 sample. To identify the role of selection of participants into Wave 2, based on observables and unobservables, we will compute unweighted and weighted estimates, and additionally compare estimates using Social Architects with valid responses in both waves.

3.7 Welfare Weights and Support for Redistribution

To explore whether Social Architects' welfare weights predict their support for government redistribution, we estimate linear regressions of the following form:

$$Support_i = \beta_0 + \gamma X_i + \epsilon_i. \tag{5}$$

$Support_i$ measures Social Architect i's support for redistribution, which could include one of the following variables: (i) responses to whether income differences between the rich

and the poor should be reduced (on a scale from 1 to 7), and (ii) responses to whether redistribution beyond the current tax system is desirable (ranging from -2 to $+2$). The vector X_i includes $\hat{\nu}_i$, which the progressivity of Social Architects' welfare weights.

We also estimate alternative specifications that replace the continuous measures for both the outcome variables and explanatory variables with binary measures as follows

$$\text{If Support}_i = \beta_0 + \gamma X_i + \epsilon_i. \tag{6}$$

If Support$_i$ could include one of the following variables: (i) indicator variable taking a value of 1 if a participant favors reducing income differences (responses > 4) and 0 otherwise, and (ii) indicator variable taking a value of 1 if a participant favors redistribution beyond the current tax system (responses > 0) and 0 otherwise. The vector X_i includes the variable $1(\hat{\nu}_i < 0)_i$, which is an indicator variable taking a value of 1 if a Social Architect has progressive weights.

3.8 The Effect of Background Variables

To explore how the progressivity of the weights differ across different demographic groups, we estimate the median regression specified in Equations (3), with the vector X including the following variables: *High Age*, *High Education*, *Male*, and *Republican*.

3.9 What Concerns do Welfare Weights Capture?

Our experimental measure of welfare weights is designed to capture fairness concerns. To identify which concerns are captured by welfare weights, we proceed in two steps. First, we estimate the overall variation in support for redistribution that can be explained by welfare weights using a linear regression. Some of this overall variation may be explained by various concerns, such as fairness or efficiency. These concerns "mediate" the effect of welfare weights. A concern that predicts support for redistribution via welfare weights is thus captured by welfare weights. In the second step, we decompose this overall variation in support for redistribution explained by welfare weights into the variation explained by each concern. Our estimation assumes that the set of concerns captured by support for redistribution is a superset of the set of concerns captured by welfare weights.

The overall variation in support for redistribution that is explained by welfare weights can be estimated using the following equation

$$Support_i = \beta_0 + \gamma \hat{\nu}_i + \epsilon_i. \tag{7}$$

$Support_i$ is Social Architect i's responses to whether redistribution beyond the current tax system is desirable (ranging from -2 to $+2$). The variable $\hat{\nu}_i$ is the progressivity of the weights of Social Architect i.

Next, we estimate a version of Equation (7) in which we additionally include demographic variables and the following variables below:

Overestimate the level of taxes: We elicit Social Architects' beliefs about (i) the share of households in the top tax bracket, (ii) the top marginal tax rate, (iii) the average tax rate of those in the top tax bracket, (iv) the share of households who pay no taxes, and (v) the average tax rate of the median income household. We identify misperceptions in each of the five variables by subtracting Social Architects' answers from the truth (see Stantcheva (2020)). This is done as follows

- Gap in top share = Beliefs about top share - 0.73
- Gap in top MTR = Beliefs about top MTR - 37
- Gap in top average tax rate = Beliefs about top average tax rate - 32.7
- Gap in non-filers = 44 - Beliefs about non-filers
- Gap in ATR at median income = Beliefs about ATR at median income - 13

We standardize each of the five misperception variables (subtracting the mean and dividing by the standard deviation) such that the resulting variables have a mean of 0 and a standard deviation of 1. Then, we create an index by taking the equally weighted average of the four standardized misperception variables and then standardize the resulting variable again (subtracting the mean and dividing by the standard deviation). The procedure of indexing reduces concerns for multiple hypothesis testing and helps with the interpretation of the variables.

Overestimate low-income share: We ask Social Architects their beliefs about the share of individuals who earn below \$15,000. We identify Architects' misperceptions by subtracting the truth (which is 11) from their responses. Finally, we standardize the resulting misperceptions by subtracting the mean and dividing by the standard deviation.

Behavioral responses high earners: This variable takes a value of 1 if a Social Architect indicates "A moderate amount," "A lot," or "A great deal," and a value of 0 if the participant indicates "A little," or "None at all."

Higher taxes high-incomes hurt economy: This variable takes a value of 1 if the participant indicates "Hurt economic activity in the U.S." and a value of 0 if the participant indicates "Not have an effect on economic activity in the U.S." or "Help economic activity in the U.S."
Belief trickle down: This variable takes a value of 1 if a participant indicates "Mostly win," and a value of 0 if the participant indicates "Mostly lose" or "Neither lose nor win."
Fair distribution of income: This variable takes a value of 1 if a Social Architect indicates "Very fair," "Somewhat fair," and a value of 0 if the participant indicates "Neither unfair nor fair," "Somewhat unfair," or "Very unfair".
Trust the government: takes a value of 1 if the participant indicates "Just about always" or "Most of the time," and a value of 0 if the participant indicates "Only some of the time" or "Never."
Scope of Government: takes a value of 1 if the participant indicates "Government should do more" and a value of 0 if the participant indicates "Government is doing just the right amount" or "Government is doing too much."

3.10 The Role of Self-Interest Motives

We will explore whether Social Architects assign higher welfare weights to Recipients whose disposable incomes are closer to theirs. The dependent variable $g(R_j)_i$ is the weight assigned by Social Architect i to Recipient j. In first regression, the indicator variables *Income near R1* through *Income near R6* equal 1 if a Social Architect's income falls in the bracket [0, \$22,500), [\$22,500, \$45,000), [\$45,000, \$90,000), [\$90,000, \$180,000), [\$180,000, \$360,000), and [\$360,000, ∞), respectively. In second regression, *Income near R1* ... *Income near R6* takes a value of 1 if a Social Architect's income is within $\pm$ 20% of the income of Recipient 1 through Recipient 6, respectively. Both regressions include Social Architect fixed effects.

3.11 Alternative Estimates of Aggregate Progressivity

We will provide alternative estimates of the aggregate progressivity of the weights. In particular, we will also compute the following estimates (i) unweighted median of $\hat{\nu}$, (ii) weighted median of $\hat{\nu}$, where $\hat{\nu}$ is estimated using log-log OLS regressions, and (iii) weighted median of ν, weighting by sampling weights and the propensity of being a registered voter (which we will use for comparisons with the weights implied by policies).

References

Luttmer, E. F. & Samwick, A. A. (2018), 'The welfare cost of perceived policy uncertainty: Evidence from social security', *American Economic Review* **108**(2), 275–307.

Stantcheva, S. (2020), 'Understanding economic policies: What do people know and learn', *Unpublished Manuscript, Harvard University* pp. 2309–2369.

4 Instructions Wave 1

Bold text, underlining, tables, etc. appear as in the original screen.

Screen Break

[Consent screen]

Introduction
Welcome! This study is conducted by Unidistance Suisse, Switzerland and WZB, Germany. Our goal is to understand the views of U.S. residents on various topics. By carefully completing this survey, you are helping us to understand these views.

Requirements
To participate in this study, you must be a U.S. resident and at least 18 years old.

Time required
This study will take around **12 minutes**.

Compensation
You will receive **$2.5** for completing the study. The payment will be made in the next few days.

Checks
Our survey includes attention checks to test whether participants take our survey carefully. Additionally, we have implemented measures to ensure that participants do not use AI assistance during the surveys. Participants must complete the survey independently, without the help of AI tools. Participants who fail these checks cannot proceed with the survey, and will be asked to return the survey.

Follow-up study
You may be contacted for a follow-up study approximately four weeks from now. We will notify you of the study via Prolific. Your participation in the follow-up is very important to us.

Confidentiality
Your answers will remain anonymous and will be used for scientific purposes only. Strict confidentiality is guaranteed, and your identity can never be associated with your answers.

Voluntary participation
Participation in this study is voluntary. You may withdraw from the study at any time.

Questions about the survey
If you have questions about this study or your rights, please get in touch with us at krishna.srinivasan@unidistance.ch

Consent
I have received the above information and I am willing to participate in the study.

[Yes; No]

What is your Prolific ID?

Screen Break

[Screen shown if participant does not provide consent]

End of survey

You did not give your consent to continue with the study.

Please close this survey and return your submission on Prolific by selecting the "Stop without completing" button.

Screen Break

[Block 1: Background Questions]

What is your gender?

[Female; Male; Non-binary; Prefer not to say]

How old are you?

[18 years old - 24 years old; 25 years old - 34 years old; 35 years old - 44 years old; 45 years old - 54 years old; 55 years old - 64 years old; 65 years old or above]

In which state do you currently reside?

[Alabama; ...; Wyoming; I do not reside in the U.S.]

What is the highest level of education you have completed?

[Primary education or less; Some high school; High school degree/GED; Some college; 2-year college degree; 4-year college degree; Master's degree; Doctoral degree; Professional degree (e.g., JD, MD, MBA)]

The next question is about your **total individual income**, before taxes, last year. This figure should include income from all sources, including salaries, wages, pensions, social security, dividends, interest, and all other income.

What was your total individual income, before taxes, last year?

[$29,999 and below; $30,000 to $59,999; $60,000 to $99,999; $100,000 to $149,999; $150,000 and above]

Screen Break

[Displayed if $29,999 and below is chosen]

You have reported that your total individual income, before taxes, last year was $29,999 and below.

[Displayed if $30,000 to $59,999 is chosen]

You have reported that your total individual income, before taxes, last year was $30,000 to $59,999.

[Displayed if $60,000 to $99,999 is chosen]

You have reported that your total individual income, before taxes, last year was $60,000 to $99,999.

[Displayed if $100,000 to $149,999 is chosen]

You have reported that your total individual income, before taxes, last year was $100,000 to $149,999.

[Displayed if $150,000 and above is chosen]

You have reported that your total individual income, before taxes, last year was $150,000 and above.

[Displayed in all cases]

Could you provide your best guess of what your total individual income, before taxes, last year was?

Screen Break

In politics, as of today, do you consider yourself a Republican, a Democrat or an independent?

[Republican; Democrat; Independent]

Screen Break

[Screen shown if participant does not reside in the U.S.]

End of survey

Unfortunately, you do not fulfill the requirements of this study since you do not reside in the U.S.

Thank you for your time.

Please close this survey and return your submission on Prolific by selecting the "Stop without completing" button.

Screen Break

[Attention check]

In surveys like ours, some participants do not carefully read the questions. This means that there are a lot of random answers that can compromise the results of research studies. To show that you read our questions carefully, please choose "Not at all interested" below:

[Extremely interested; Very interested; A little bit interested; Almost not interested; Not at all interested]

Screen Break

[Screen shown if participant failed the attention check]

End of survey

Unfortunately, you failed the attention check.

For this reason, you cannot continue the study and will not receive a payment.

Please close this survey and return your submission on Prolific by selecting the "Stop without completing" button.

Screen Break

[**Block 2: Eliciting Welfare Weights**]

Instructions

In this section, **you will be asked to decide whether you want to change the incomes of six real individuals in society.** These real individuals will be recruited from the U.S. general population. They are above the age of 18 and are U.S. citizens. As we will explain below, your decisions may have real consequences for two of these individuals.

You will be presented with several questions. In each question, you will be presented with two individuals and learn their disposable incomes. **Disposable income is defined as income after all taxes have been paid and transfers have been received (including federal and state taxes and transfers).**

In each question, you will be presented with a proposed change to the incomes of the individuals, and will be asked to indicate whether or not you prefer to implement this change. **If you prefer to implement the change, the income of the lower-income individual in the pair will increase, and the income of the higher-income individual in the pair will decrease by the amounts proposed in the change.** If you prefer not to implement the change, the incomes of the two individuals will remain unchanged. We will describe below how these changes are implemented.

Example

Here is an example of a question that you will see in the survey:

	Person #3	**Person #6**
Annual disposable income	\$60,000	\$120,000
Proposed change	\$500	-\$500

Please make your decision:

- ◦ I prefer to implement the change
- ◦ I prefer not to implement the change

In this example, there are two individuals: Person #3 with an income of \$60,000 and Person #6 with an income of \$120,000.

The proposed change involves increasing the income of Person #3 by $500 and decreasing the income of Person #6 by $500. If you prefer to implement the change, the final incomes of the individuals are Person #3: $60,500 and Person #6: $119,500. If you prefer not to implement the change, the incomes of the individuals remain unchanged.

Comparisons

You will face several questions like the one above, with the amounts in the proposed change varying across the questions. You will face several comparisons, with the income of the individuals varying across them. The following table indicates the comparisons.

Comparison	Annual disposable income of individuals
1	$15,000 vs. $60,000
2	$30,000 vs. $60,000
3	$60,000 vs. $120,000
4	$60,000 vs. $240,000
5	$60,000 vs. $480,000

Incentives and Implementation

At the end of the study, one participant will be randomly selected. If you are selected, one question will be randomly chosen from either this survey or the follow-up survey, and your choice on that question will be implemented. The two individuals involved in the selected question will then be affected by your decision. **Thus, if you are randomly selected, one of your choices may have real consequences for two other individuals.**

If you are selected, a $1,000 bonus will be transferred to the two individuals affected by your choice. The disposable incomes shown above for each person already include this $1,000 bonus, under the assumption that they receive it. The amounts specified in your proposed change will be added to or subtracted from that bonus.

[If Treatment Prompted] For the first question in each comparison, you will be presented with two distributions of income for the pairs of individuals, which reflect the consequences of the two choices you were presented with. You will then be asked to decide which distribution you

prefer. This is meant to help you consider the consequences of your choice before proceeding.

Please answer the following questions to show that you have understood the instructions. You can read the instructions above again if needed.

How many individuals will you make decisions regarding?

[Three; Six]

We will present you with the incomes of several individuals. What type of income will we present to you?

[Pre-tax income, Disposable income]

Please state True or False: "If you are randomly selected, one of your choices may have real consequences for two other individuals."

[True; False]

Screen Break

If a participant fails any of the three comprehension checks, they are taken back to the instruction screen and informed which checks they failed. The error message reads: "In your first try, you answered the [] question[s] incorrectly. Please try again." Any check answered correctly is locked, while those failed require a new response. Participants must pass the remaining checks before proceeding. On subsequent attempts, if a participant fails a check, they receive the following error message: "In your previous try, you answered the [] question[s] incorrectly. Please try again."

Screen Break

[We present the proposed change in each question as ($\$r_l$, $-\$r_h$), where $\$r_l$ and $-\$r_h$ refer to the amounts accrued to the lower-income Recipient and high-income Recipients in the pair, respectively. Participants are randomized into one of two treatments that vary the amounts in the first question to be either ($300, −$700) or ($700, −$300). Below we describe the questions in both treatments.]

[D1Q1]

[If first decision is ($300, −$700)]

Please consider each question carefully because if you are selected, one of your choices may have real consequences for two real individuals.

Comparison 1, Question 1

	Person #1	**Person #3**
Annual disposable income	$15,000	$60,000
Proposed change	$300	-$700

Please make your decision:

- ◦ I prefer to implement the change
- ◦ I prefer not to implement the change

If you prefer to implement the change, the final incomes of the individuals are Person #1: $15,300 and Person #3: $59,300. If you prefer not to implement the change, the incomes of individuals remain unchanged.

[If first decision is ($700, −$300)]

Please consider each question carefully because if you are selected, one of your choices may have real consequences for two real individuals.

Comparison 1, Question 1

	Person #1	**Person #3**
Annual disposable income	$15,000	$60,000
Proposed change	$700	-$300

Please make your decision:

- ◦ I prefer to implement the change
- ◦ I prefer not to implement the change

If you prefer to implement the change, the final incomes of the individuals are Person #1:

$15,700 and Person #3: $59,700. If you prefer not to implement the change, the incomes of individuals remain unchanged.

Screen Break

[If first decision is ($300, −$700) and Treatment Prompted and first question]

Please consider each question carefully because if you are selected, one of your choices may have real consequences for two real individuals.

Comparison 1, Question 1

	Person #1	**Person #3**
Annual disposable income	$15,000	$60,000
Proposed change	$300	-$700

Please make your decision:

- ◦ I prefer to implement the change
- ◦ I prefer not to implement the change

If you prefer to implement the change, the final incomes of the individuals are Person #1: $15,300 and Person #3: $59,300. If you prefer not to implement the change, the incomes of individuals remain unchanged.

Which of the following final income distributions do you prefer?

- ◦ Person #1: $15,300 and Person #3: $59,300
- ◦ Person #1: $15,000 and Person #3: $60,000

[As shown above, in Treatment Prompted, participants are asked to choose between two final income distributions, which reflect the consequences of the two options they were presented with. If their choice on whether to implement the change aligns with their preferred final income distribution, they can proceed with the survey. If there is an inconsistency, they will see the following message: "Your choice on whether to implement the change (above) and your preferred distribution of final incomes (below) contradict each other. Please make your

choice and indicate your preferred distribution of final incomes once again." Participants can proceed with the survey only when there is no inconsistency.]

[If first decision is ($300, −$700)]

[D1Q2.1: If change implemented in D1Q1, choose whether to implement ($200, −$800)]

[D1Q2.2: If change not implemented in D1Q1, choose whether to implement ($600, −$400)]

[If first decision is ($700, −$300)]

[D1Q2.1: If change implemented in D1Q1, choose whether to implement ($400, −$600)]

[D1Q2.2: If change not implemented in D1Q1, choose whether to implement ($800, −$200)]

Screen Break

[If first decision is ($300, −$700)]

[D1Q3.1: If change implemented in D1Q2.1, choose whether to implement ($100, −$900)]

[D1Q3.2: If change not implemented in D1Q2.1, choose whether to implement ($250, −$750)]

[D1Q3.3: If change implemented in D1Q2.2, choose whether to implement ($400, −$600)]

[D1Q3.4: If change not implemented in D1Q2.2, choose whether to implement ($800, −$200)]

[If first decision is ($700, −$300)]

[D1Q3.1: If change implemented in D1Q2.1, choose whether to implement ($200, −$800)]

[D1Q3.2: If change not implemented in D1Q2.1, choose whether to implement ($600, −$400)]

[D1Q3.3: If change implemented in D1Q2.2, choose whether to implement ($750, −$250)]

[D1Q3.4: If change not implemented in D1Q2.2, choose whether to implement ($900, −$100)]

Screen Break

[If first decision is ($300, −$700)]

[D1Q4.1: If change implemented in D1Q3.1, choose whether to implement ($50, −$950)]

[D1Q4.2: If change not implemented in D1Q3.1, choose whether to implement ($150, −$850)]

[If change implemented in D1Q3.2, participant indifferent between ($225, −$775)]

[If change not implemented in D1Q3.2, participant indifferent between ($275, −$725)]

[D1Q4.3: If change implemented in D1Q3.3, choose whether to implement ($350, −$650)]

[D1Q4.4: If change not implemented in D1Q3.3, choose whether to implement ($500, −$500)]

[D1Q4.5: If change implemented in D1Q3.4, choose whether to implement ($700, −$300)]

[D1Q4.6: If change not implemented in D1Q3.4, choose whether to implement ($900, −$100)]

[If first decision is ($700, −$300)]

[D1Q4.1: If change implemented in D1Q3.1, choose whether to implement ($100, −$900)]

[D1Q4.2: If change not implemented in D1Q3.1, choose whether to implement ($300, −$700)]

[D1Q4.3: If change implemented in D1Q3.2, choose whether to implement ($500, −$500)]

[D1Q4.4: If change not implemented in D1Q3.2, choose whether to implement ($650, −$350)]

[If change implemented in D1Q3.3, participant indifferent between ($725, −$275)]

[If change not implemented in D1Q3.3, participant indifferent between ($775, −$225)]

[D1Q4.5: If change implemented in D1Q3.4, choose whether to implement ($850, −$150)]

[D1Q4.6: If change not implemented in D1Q3.4, choose whether to implement ($950, −$50)]

Screen Break

[If first decision is ($300, −$700)]

[If change implemented in D1Q4.1, participant indifferent between ($25, −$975)]

[If change not implemented in D1Q4.1, participant indifferent between ($75, −$925)]

[If change implemented in D1Q4.2, participant indifferent between ($125, −$875)]

[If change not implemented in D1Q4.2, participant indifferent between ($175, −$825)]

[If change implemented in D1Q4.3, participant indifferent between ($325, −$675)]

[If change not implemented in D1Q4.3, participant indifferent between ($375, −$625)]

[D1Q5.1: If change implemented in D1Q4.4, choose whether to implement ($450, −$550)]

[D1Q5.2: If change not implemented in D1Q4.4, choose whether to implement ($550, −$450)]

[D1Q5.3: If change implemented in D1Q4.5, choose whether to implement ($650, −$350)]

[D1Q5.4: If change not implemented in D1Q4.5, choose whether to implement ($750, −$250)]

[D1Q5.5: If change implemented in D1Q4.6, choose whether to implement ($850, −$150)]

[D1Q5.6: If change not implemented in D1Q4.6, choose whether to implement ($950, −$50)]

[If first decision is ($700, −$300)]

[D1Q5.1: If change implemented in D1Q4.1, choose whether to implement ($50, −$950)]

[D1Q5.2: If change not implemented in D1Q4.1, choose whether to implement ($150, −$850)]

[D1Q5.3: If change implemented in D1Q4.2, choose whether to implement ($250, −$750)]

[D1Q5.4: If change not implemented in D1Q4.2, choose whether to implement ($350, −$650)]

[D1Q5.5: If change implemented in D1Q4.3, choose whether to implement ($450, −$550)]

[D1Q5.6: If change not implemented in D1Q4.3, choose whether to implement ($550, −$450)]

[If change implemented in D1Q4.4, participant indifferent between ($625, −$375)]

[If change not implemented in D1Q4.4, participant indifferent between ($675, −$325)]

[If change implemented in D1Q4.5, participant indifferent between ($825, −$175)]

[If change not implemented in D1Q4.5, participant indifferent between ($875, −$125)]

[If change implemented in D1Q4.6, participant indifferent between ($925, −$75)]

[If change not implemented in D1Q4.6, participant indifferent between ($975, −$25)]

Screen Break

[If first decision is ($300, −$700)]

[If Yes chosen in D1Q5.1, participant indifferent between ($425, −$575)]

[If No chosen in D1Q5.1, participant indifferent between ($475, −$525)]

[If Yes chosen in D1Q5.2, participant indifferent between ($525, −$475)]

[If No chosen in D1Q5.2, participant indifferent between ($575, −$425)]

[If Yes chosen in D1Q5.3, participant indifferent between ($625, −$375)]

[If No chosen in D1Q5.3, participant indifferent between ($675, −$325)]

[If Yes chosen in D1Q5.4, participant indifferent between ($725, −$275)]

[If No chosen in D1Q5.4, participant indifferent between ($775, −$225)]

[If change implemented in D1Q5.5, participant indifferent between ($825, −$175)]

[If No chosen in D1Q5.5, participant indifferent between ($875, −$125)]

[If Yes chosen in D1Q5.6, participant indifferent between ($925, −$75)]

[If No chosen in D1Q5.6, participant indifferent between ($975, −$25)]

[If first decision is ($700, −$300)]

[If Yes chosen in D1Q5.1, participant indifferent between ($25, −$975)]

[If No chosen in D1Q5.1, participant indifferent between ($75, −$925)]

[If Yes chosen in D1Q5.2, participant indifferent between ($125, −$875)]

[If No chosen in D1Q5.2, participant indifferent between ($175, −$825)]

[If change implemented in D1Q5.3, participant indifferent between ($225, −$775)]

[If change not implemented in D1Q5.3, participant indifferent between ($275, −$725)]

[If change implemented in D1Q5.4, participant indifferent between ($325, −$675)]

[If change not implemented in D1Q5.4, participant indifferent between ($375, −$625)]

[If change implemented in D1Q5.5, participant indifferent between ($425, −$575)]

[If change not implemented in D1Q5.5, participant indifferent between ($475, −$525)]

[If change implemented in D1Q5.6, participant indifferent between ($525, −$475)]

[If change not implemented in D1Q5.6, participant indifferent between ($575, −$425)]

Screen Break

[Decision Screens 2-5 are identical to Decision Screen 1, with the below exceptions]

[In Decision Screen 2, the Recipients are Person #2: $30,000 and Person #3: $60,000]

[In Decision Screen 3, the Recipients are Person #3: $60,000 and Person #4: $120,000]

[In Decision Screen 4, the Recipients are Person #3: $60,000 and Person #5: $240,000]

[In Decision Screen 5, the Recipients are Person #3: $60,000 and Person #6: $480,000]

Screen Break

[Consistency check]

In this final comparison, all participants will see a pair of individuals that they have encountered before. It is very important for us that you once again consider each question carefully. Thank you very much.

[In this Decision Screen, the Recipients are Person #3: $60,000 and Person #4: $120,000]

Screen Break

[Treatments]

[Participants are randomized to various treatments. The first treatment dimension varies the order of the Decision Screens. For half the participants, the order is as presented above,

while for the other half, the order of the first five Decision Screens is reversed. The sixth Decision Screen is identical across the two treatments. The second treatment dimension varies whether the Recipient common across the Decision Screens earns an income of $60,000 (as shown above) or $120,000. The third treatment dimension varies whether the low-income Recipient is presented on the left (as shown above) or the right of the screen. The fourth treatment dimension varies whether participants are prompted to consider the consequences of their decisions prior to proceeding. The fifth treatment varies the questions in the staircase (explained above). The first four treatment dimensions have implications for the instructions and decision, while the fifth dimension only has implications for the Decision Screens.]

Screen Break

How confident are you that the choices you made in the previous screens reflect what you really think?

[Not at all; Very little; Little; Somewhat; Very much]

Screen Break

[Block 3: Support for Redistribution]

[The order of the two questions is counterbalanced across participants.]

[Support for general redistribution]

In the following screens, we would like to ask you some general questions about your views on society. Your opinion and thoughts are important to us.

Some people think that the government in Washington ought to reduce the income differences between the rich and the poor, perhaps by raising the taxes of wealthy families or by giving income assistance to the poor. Others think that the government should not concern itself with reducing this income difference between the rich and the poor.

Here is a scale from 1 to 7. Think of a score of 1 as meaning that the government ought to reduce the income differences between rich and poor, and a score of 7 meaning that the government should not concern itself with reducing income differences. What score between 1 and 7 comes closest to the way you feel?

[1: Government should do something to reduce income differences between rich and poor; 2; 3; 4; 5:; 6:; 7: Government should not concern itself with income differences]

Screen Break

[Support for redistribution at the margin]

Consider the current **disposable incomes** of individuals in society. Disposable income is defined as **income after all taxes have been paid and transfers have been received.**

Do you think that, given the current disposable incomes of individuals in society, incomes should be further redistributed or should they remain as they are?

Please provide your answer on a scale from -2 to $+2$.

- A -2 means that income should be further redistributed by taking from lower/middle-income individuals and giving to higher-income individuals.
- A $+2$ means that income should be further redistributed by taking from higher-income individuals and giving to lower/middle-income individuals.

Given the current disposable incomes of individuals in society ...

[-2: Incomes should be further redistributed by taking from lower/middle-income individuals and giving to higher-income individuals; -1:; +0: Incomes should remain as they are; +1:; +2: Income should be further redistributed by taking from higher-income individuals and giving to lower/middle-income individuals].

Screen Break

[**Block 4: Knowledge**]

The next set of questions is about the income tax system in the United States. In order for your answers to be most helpful to us, it is really important that you provide your best guesses to these questions. Although you may find some questions difficult, it is very important for our research that you try your best. Thank you very much!

In 2024, individuals (single filers) with income over $609,350 were in the top federal personal income tax bracket.

Out of every 100 households in the U.S., how many are in the top federal personal income tax bracket?

[slider 0-100]

What is the marginal income tax rate applied to incomes at the top federal personal income tax bracket?

[slider 0%-100%]

What share of their total income do people in the top federal personal income tax bracket pay in taxes?

[slider 0-100]

Out of every 100 U.S. households, how many pay no federal income taxes?

[slider 0-100]

Imagine a middle class household that is right at the middle of the income distribution, such that half of all households in the U.S. earn more than this household and half earn less.

What share of their income do you think such a household pays in federal income taxes?

[slider 0-100]

Out of every 100 individuals in the U.S., how many earn a disposable income below $15,000?

[slider 0-100]

Screen Break

[Block 5: Mechanisms]

[The order of the questions is randomized across participants]

Please answer the following last set of questions.

If the federal personal income tax rate were to increase for the richest people in the economy, to what extent would it encourage them to work less?

[A great deal; A lot; A moderate amount; A little; None at all]

Do you think that increasing income taxes on high-income households would hurt economic activity, not have an effect on economic activity, or help economic activity in the U.S.?

[Hurt economic activity in the U.S.; Not have an effect on economic activity in the U.S.; Help economic activity in the U.S.]

Typically, when the top federal income tax rate on high earners is cut, do you think that the lower class and working class mostly win or mostly lose from this change?

[Mostly lose; Neither lose nor win; Mostly win]

Consider the current disposable incomes of individuals in society, defined as income after all taxes have been paid and transfers have been received. Do you think that the current distribution of disposable incomes in society is unfair or fair?

[Very unfair; Somewhat unfair; Neither unfair nor fair; Somewhat fair; Very fair]

How much of the time do you think you can trust the federal government to do what is right?

[Never; Only some of the time; Most of the time; Just about always]

Some people think the government is trying to do too many things that should be left to individuals and businesses. Others think that the government should do more to solve our country's problems. Which comes closer to your own view?

[Government is doing too much; Government is doing just the right amount; Government should do more]

Screen Break

End of survey

Thank you for your time!

We will pay you your $2.5 participation payment in the following days.

Please click the following link to finish the survey:

[link]

5 Follow-Up Experiment

[Consent screen]

Introduction
Welcome! This study is conducted by Unidistance, Switzerland and WZB, Germany. You previously participated in our survey. We invite you to participate in our follow-up survey.

Time required
This study will take around **5 minutes**.

Compensation
You will receive **$1** for completing the study. The payment will be made in the next few days.

Checks
Our survey includes attention checks to test whether participants take our survey carefully. Additionally, we have implemented measures to ensure that participants do not use AI assistance during the surveys. Participants must complete the survey independently, without the help of AI tools. Participants who fail these checks cannot proceed with the survey, and will be asked to return the survey.

Confidentiality
Your answers will remain anonymous and will be used for scientific purposes only. Strict confidentiality is guaranteed, and your identity can never be associated with your answers.

Voluntary participation
Participation in this study is voluntary. You may withdraw from the study at any time.

Questions about the survey
If you have questions about this study or your rights, please get in touch with us at krishna.srinivasan@unidistance.ch

Consent
I have received the above information and I am willing to participate in the study.

[Yes; No]

What is your Prolific ID?

Screen Break

[Screen shown if participant does not provide consent]

End of survey

You did not give your consent to continue with the study.

Please close this survey and return your submission on Prolific by selecting the "Stop without completing" button.

Screen Break

[Attention check]

In surveys like ours, some participants do not carefully read the questions. This means that there are a lot of random answers that can compromise the results of research studies. To show that you read our questions carefully, please choose "Not at all interested" below:

[Extremely interested; Very interested; A little bit interested; Almost not interested; Not at all interested]

Screen Break

[Screen shown if participant failed the attention check]

End of survey

Unfortunately, you failed the attention check.

For this reason, you cannot continue the study and will not receive a payment.

Please close this survey and return your submission on Prolific by selecting the "Stop without completing" button.

Screen Break

In the next part, we will present you with several decisions. **These decisions may look very similar to the ones you faced in our previous survey.**

However, it is very important for us that you consider these questions carefully.

Screen Break

[Participants are presented with questions designed to elicit their welfare weights. The questions are identical to those in Wave 1. Each participant is assigned to the same treatment group in both waves. Only one sentence in the instructions for Wave 2 differs from those in Wave 1. The sentence in Wave 1 — "If you are selected, we will randomly select one question (from this survey or the follow-up survey) and implement your choice on this question."— is replaced in Wave 2 with: "If you are selected, we will randomly select one question (from this survey or the previous survey) and implement your choice on this question."]

Screen Break

[Participants are also presented with both questions about preferences for redistribution.]