

Creencias sobre los Ricos y Sistemas Economicos

basado en un trabajo con Juan Dubra (Universidad de Montevideo) y
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Conferencia Inaugural
AAEP, 18 de Noviembre, 2020

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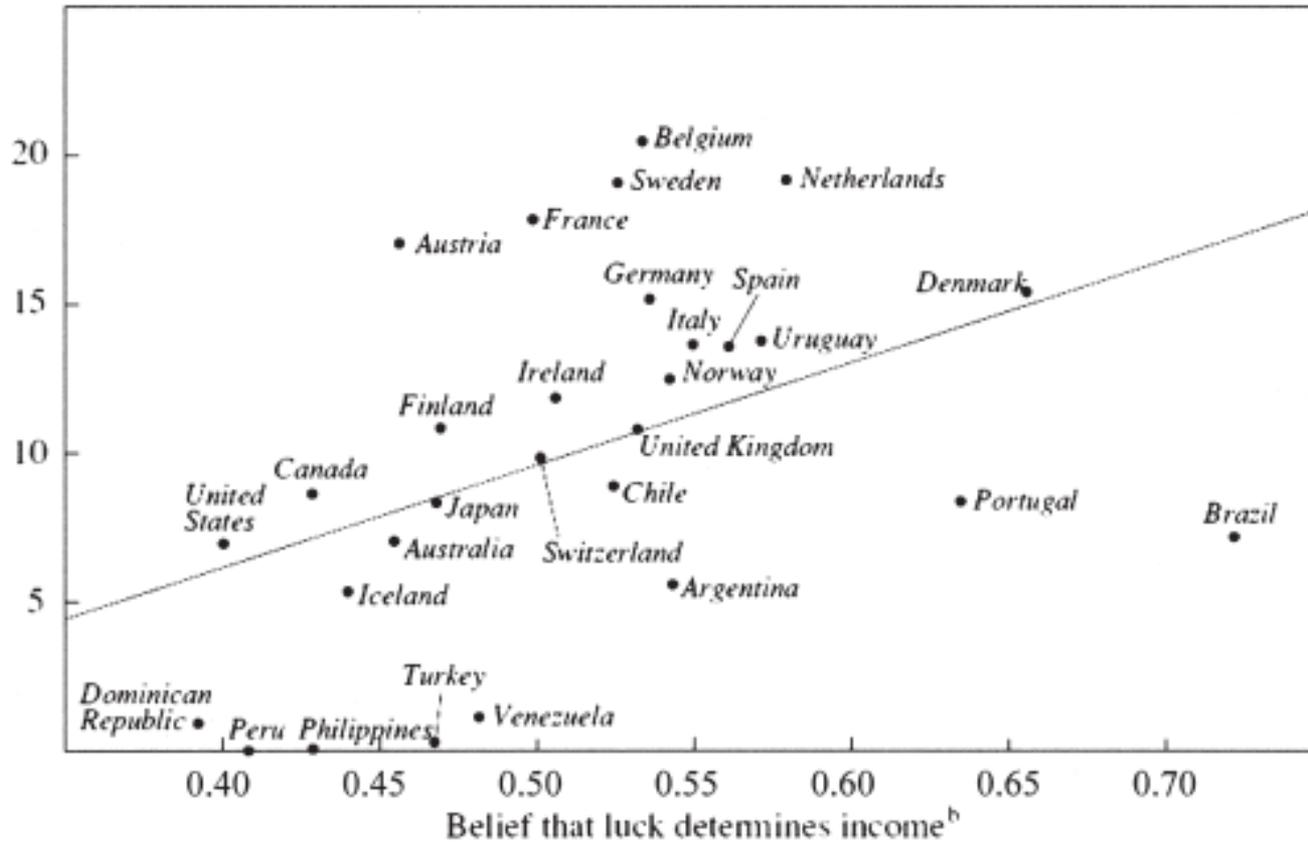
Harvard Business School

Lo que se Olvidó Becker

- La tradición de Virginia/Chicago señala que la regulación aparece porque los grupos de interés (empresas, burócratas, vivillos, etc) la provee.
- Djankov, et al (2002): terrible “bienestar” asociado a estas intervenciones.
- Problema: La gente quiere mas (Di Tella & MacCulloch, 2009). La pregunta es por que?
- Paradojas también en la literatura de impuestos y “capacidad estatal”
- Se ponen impuestos para bajar la desigualdad. Zero evidencia (Kuziemko et al).
- Poca capacidad estatal porque nos faltaron algunas guerras hace 200 años (Besley&Persson).
- ...es decir, falta muuucho...

Piedra Basal: Creencias... sobre los pobres?

Social spending (percent of GDP)^a



Y las creencias sobre los ricos?

- Múltiples dimensiones (honestidad, eficiencia). Cambios en el tiempo (Internet boom, Wall Street bailout, Enron, boom de commodities). Varía entre sectores (contratista del estado vs productos al consumidor; Recursos naturales vs Tecnología).

Oligarchs/ Parasites	vs	Entrepreneurs/ Innovators
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- Tradición Americana: “Templo”, GM=America. Diferencia resto del mundo

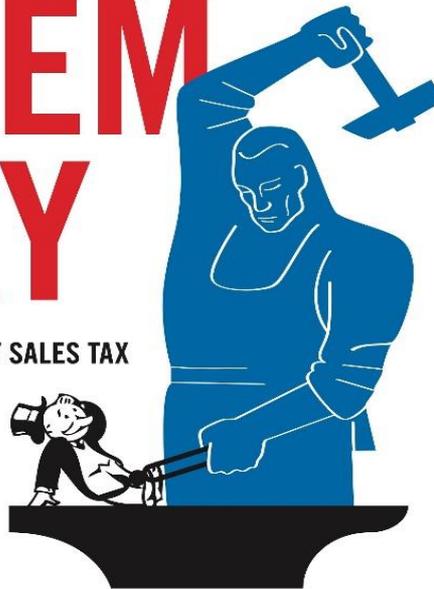
	Democrats (MTurk)	Republicans (MTurk)	America (WVS)	Europe (WVS)	India (WVS)
Poor Lazy	15%	41%	61%	22%	44%
Rich Effort	28%	57%	72%	60%	31%

Los economistas no deberíamos hablar de Legitimidad comercial?

- Sud Africa?
- Scheve and Stasavage (2016) presenta evidencia histórica para USA.
 - Las sociedades no ponen impuestos porque son democracias donde hay mas pobres que ricos.
 - O porque hay mucha desigualdad
 - O porque la gente cree que los impuestos generan muchas distorsiones.
 - **“Las sociedades le ponen impuestos a los ricos cuando creen que el estado los ayudó y por lo tanto hay que cobrarles para equilibrar la balanza (justicia)”**

**MAKE
THEM
PAY**

1% WALL STREET SALES TAX



Tax Wall Street Party

A Fighting Program to Rebuild America | twsp.us

Nuestro proyecto

- 2 tratamientos con “desconfianza” causan
 - Desconfianza en Grandes Empresas
 - Desconfianza en el Gobierno y las Cortes
- Como así también
 - Impuestos mas altos al 1% mas rico
 - Mayor demanda de regulación
 - Menor tolerancia a que haya encuentros sector Privado-Publico
- Consistente con gente que reacciona a la legitimidad de los ricos
 - Tenemos un modelo donde la gente se enoja con aquellos que exhiben poco altruismo (como en Levine 1998)
 - y ponerles impuestos ayuda porque le baja la felicidad a gente “fea” (bajo altruismo) mas que por algo “útil” materialmente

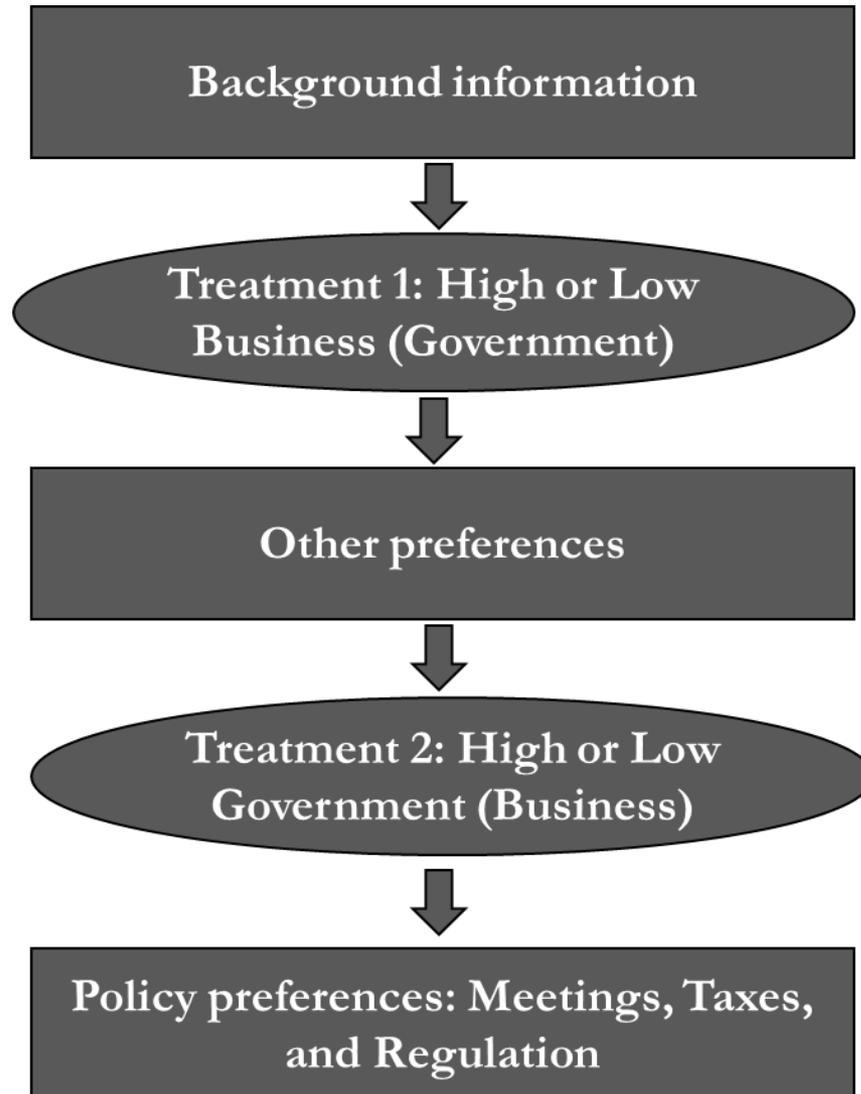
6k personas encuestadas en Mturk

- Amazon MTurk: Noviembre 2015,
 - “10 minute survey about your opinions”, \$1
- Aproximadamente 6,000 personas
- Para asegurarnos respuestas útiles
 - Una sola ola.
 - Requerimiento de alto HIT (approval rate =80%).
 - Muy corto el aviso (10min)
 - Mas corto aún en la practica (promedio ~7min)
 - Muy pocos (0.35%) dicen que es sesgado
 - Attention check en una encuesta suplementaria: 0.82% of reportan inatención
 - Muestra retribuida a individuos que pasaron mas de 3min y 3 segundos en cada ventana de tratamiento.
 - Pop-up windows to discourage skipping questions.

Representativa... excepto mas joven/educada

	All (our sample)	Democrats (our sample)	Republicans (our sample)	Kuziemko, et al. (2015)	WVS 6 th Wave	ACS 2015
<i>Demographics</i>						
Male	43.8%	43.6%	44.7%	42.8%	48.4%	48.6%
Age	34.9	33.8	37.3	35.4	46.5	47.1
White	80.5%	74.8%	93.0%	77.8%	69.8%	74.8%
Black	9.2%	12.5%	1.8%	7.6%	10.4%	12.2%
Hispanic	6.6%	7.7%	4.3%	4.4%	13.4%	15.5%
Asian	6.8%	8.6%	2.9%	7.6%	-	6.2%
Other race	2.6%	2.9%	2.0%	2.6%	-	2.8%
Postgraduate degree	13.3%	14.2%	11.4%	12.6%	11.5%	10.2%
Only college degree	47.4%	47.7%	47.1%	40.7%	24.8%	25.7%
No college degree	39.3%	38.1%	41.5%	46.7%	63.7%	64.1%
Full-time employee	46.7%	47.1%	45.7%	33.2%	42.7%	43.9%
Part-time employee	12.8%	12.6%	13.3%	13.3%	8.8%	16.7%
Self-employed	12.4%	12.1%	12.7%	10.5%	5.1%	7.2%
Unemployed	8.0%	8.6%	6.7%	12.4%	9.4%	3.9%
Student	8.7%	10.0%	5.7%	15.8%	4.7%	3.8%
Not in Labor Force	11.5%	9.5%	15.9%	14.8%	23.8%	31.7%
<i>Political preferences and beliefs</i>						
Trust	4.9	5.0	4.8	-	-	-
Poor didn't make an effort	22.8%	14.7%	40.7%	-	-	-
Rich made an effort	36.9%	27.8%	57.2%	-	-	-
Obama	68.8%	100%	0%	67.5%	-	-

Flujo de la Encuesta



Dos tratamientos de Negocios (High & Low)

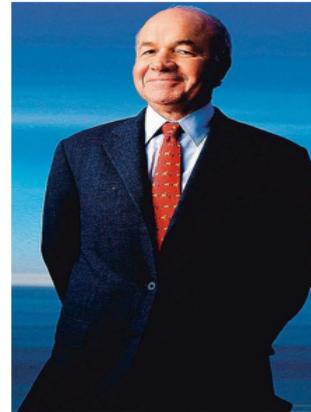
American business people are amongst the most successful in the world. Some of the most famous include Bill Gates (founder and CEO of Microsoft) and Steve Jobs, (founder of Apple, NeXT and Pixar), who have revolutionized the technology industry. In several other areas, such as biotechnology, entertainment, medical devices, and high-end machinery, US business people have also been at the forefront of innovation.



Bill Gates, CEO and founder of Microsoft, a company that revolutionized the personal computer industry

- Why do you think American business people have been so successful?
 - It is due to the system: business people in the US are encouraged to work hard and can gain money and prestige by creating truly good products.
 - It is a combination of the system interacting with exceptional individuals, amplified by the availability of capital that allows the successful to expand their business.
 - It is due to the individuals: there are remarkable business people in the US, who are exceptionally creative and naturally hard working.

American business people have been involved in some major scandals over the years. Some of the most famous include Bernie Madoff (a Wall Street financier who was able to swindle investors for nearly 20 years) and Ken Lay (the former CEO of failed energy giant Enron who lobbied to obtain regulatory exemptions and government contracts). In several other areas, such as construction and medical supplies, there is also evidence of significant wrongdoing.

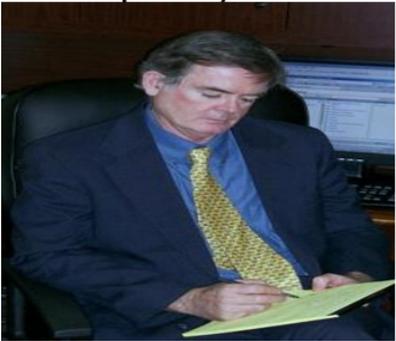


Ken Lay, CEO of Enron, the politically connected energy company that became a symbol of corporate abuse

- Why do you think there has been so much wrongdoing in American business?
 - It is due to the system: business people in the US are encouraged to focus on profits and can gain lots of money by getting favors from regulators and politicians.
 - It is a combination of the system interacting with greedy individuals, amplified by the availability of capital that allows the dishonest to hide their actions.
 - It is due to the individuals: there are business people in the US that are remarkably greedy and dishonest.

Dos Tratamientos de Gobierno (High & Low)

American policymakers and institutions of government are some of the most successful in the world. There are several famous cases of government officials who are dedicated and honest (one example is Robert McCarthy who helped improve the administration of two large federal programs). The US government is consistently ranked as one of the most honest and efficient in the world (for example, according to indices constructed by the World Bank, the US is one of the top countries in terms of Regulatory Quality and Control of Corruption).



Robert McCarthy, an employee of the federal government who received a prize in 2008 for honesty and efficiency

- Why do you think the US government is so much more efficient and honest than the governments in other countries?
- A) It is a question of incentives: officials in the US can have a long and well-rewarded career in government by being honest and efficient. The temptations are not worth their while.
- B) It is due to the existence of independent checks: the American judiciary system has a long tradition of protecting the rule of law and combating corruption.

American policymakers and institutions of government have been involved in some major scandals over the years. There are several famous cases of government officials involved in major corruption scandals (one example is Sal DiMasi, who had a long career in government in spite of extorting bribe payments from several businesses, including one business owned by IBM). There are several other examples of significant wrongdoing in government.



Sal DiMasi, the Massachusetts politician who became a symbol of corruption in the State.

- Why do you think so much wrongdoing takes place in American government?
- A) It is a question of incentives: government officials in the US can gain large amounts of money extracting payments from firms that want to comply with all existing regulations. The temptations are just too profitable.
- B) It is due to the lack of effective checks: the legal system has so many loopholes that corrupt officials can defend themselves in very effective ways.

Impuestos

- Ahora le queremos preguntar sobre la tasa del impuesto a las ganancias* que ud. cree que la gente debería pagar. La tasa del impuesto a las ganancias es el porcentaje de su ingreso que usted paga impuesto federal a las ganancias. Por ejemplo, si ud. gana \$30,000 y ud. paga \$3,000 en impuesto a las ganancias, su tasa de impuesto a las ganancias es del 10%. Por favor use las sliders abajo para decirnos cuanto usted cree que cada grupo tiene que pagar como porcentaje de sus ingresos totales
 - The top 1% (richest)
 - The next 9% (1% of households earn more than them, but 90% earn less)
 - The next 40% (10% earn more than them, but 50% earn less)
 - The bottom 50% (poorest)

*We consider only the Federal income tax, which is a tax on household income. If you receive a regular paycheck, this tax is automatically taken out of your pay. When you file a federal tax return each year, you calculate the exact amount you owe, and you get a tax refund from the federal government if you paid more than you owe. To keep things simple, we do not include other taxes such as social security taxes, state income taxes or sales taxes.

Regresiones

3 outcomes:

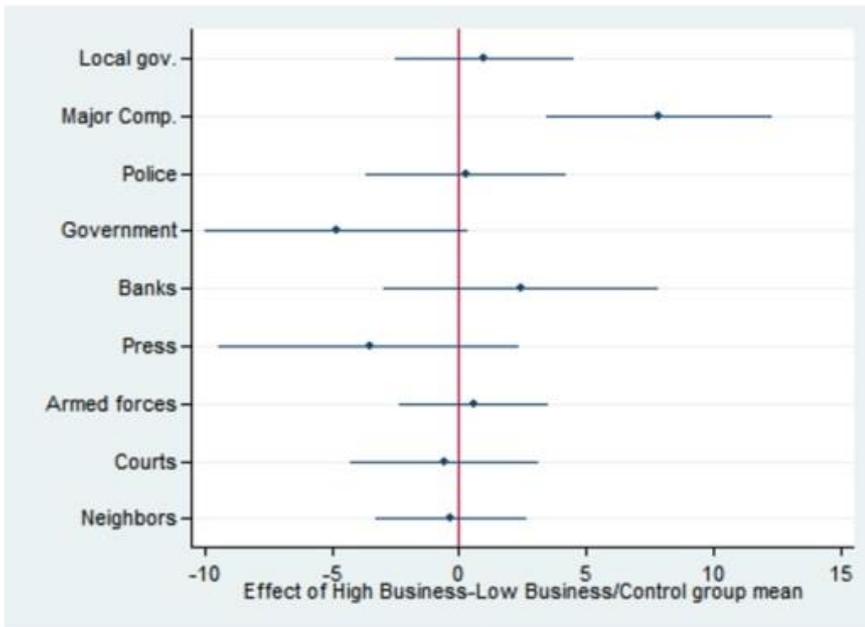
Taxes to the Top 1%; Regulation; Support Meetings public and private sector

$$\text{Policy Preference}_i = \beta_1(\text{High Bus \& High Gov})_i + \beta_2(\text{High Bus \& Low Gov})_i + \beta_3(\text{Low Bus \& High Gov})_i + \beta_4(\text{Low Bus \& Low Gov})_i + \gamma X_i + \epsilon_i$$

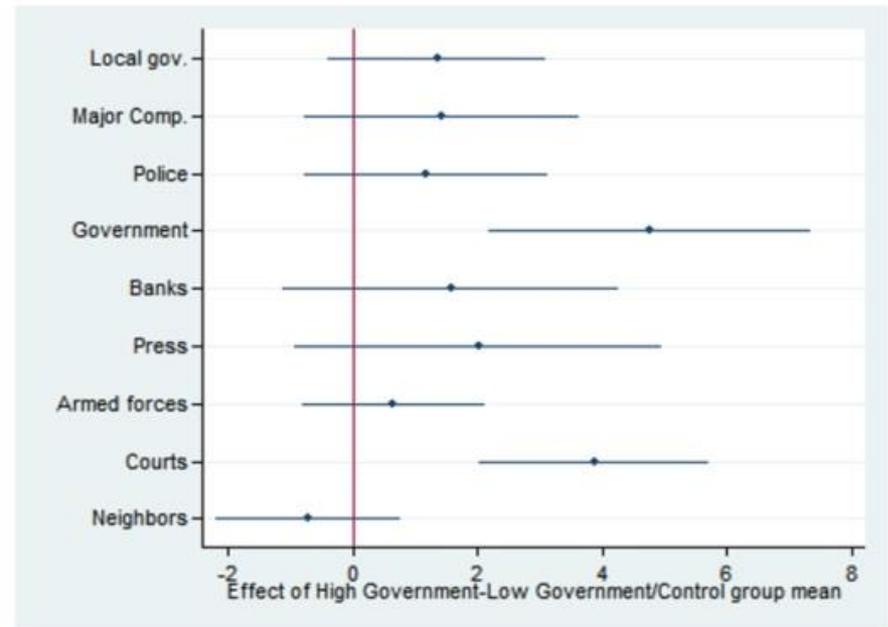
- $\beta_1 - \beta_3$: Efecto de confianza en empresarios condicional en *High Government*
- $\beta_2 - \beta_4$: Efecto de confianza en empresarios condicional en *Low Government*
- $\frac{(\beta_1 - \beta_3) + (\beta_2 - \beta_4)}{2}$: Efecto de confianza en empresarios
- Similar para gobierno. Combinaciones lineares son útiles (alternativa es tratamientos extremos, pero manipulativos). Agnósticos sobre los “priors” en la condición de no tratamiento.

First Stage (en una encuesta suplementaria)

Effect of Trust in Business Treatments on Trust



Effect of Trust in Government Treatments on Trust



Resultados: Impuestos al top 1%

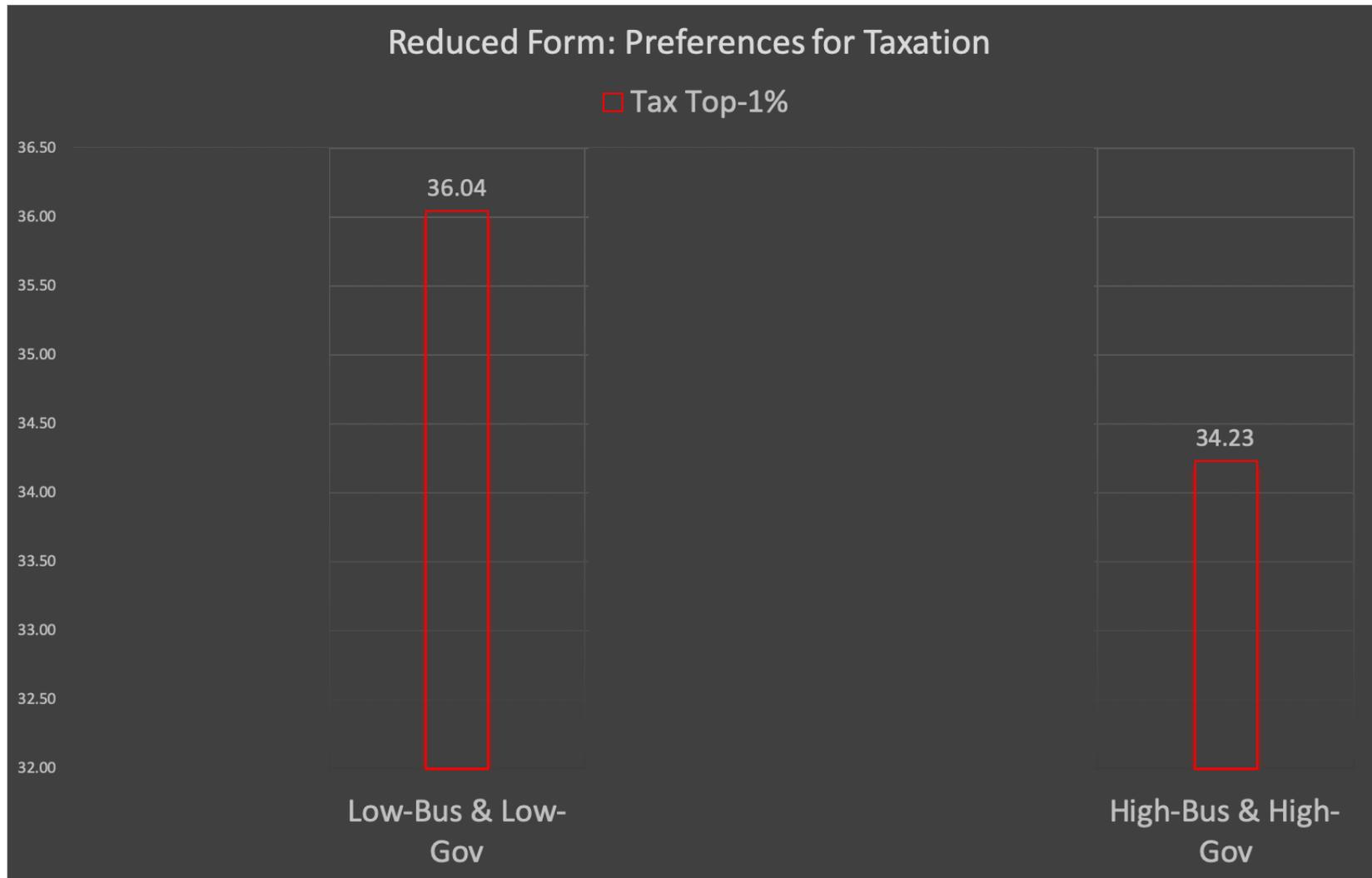
				Dependent variable: Tax_1_percent2		
<i>Panel A: Regression output</i>				(1)	(2)	(3)
<i>Treatments</i>						
High Bus – Low Bus High Gov	(β_1) High Business & High Government	-0.028 (1.020)	-0.068 (1.015)	-0.461 (0.976)		
	(β_2) High Business & Low Government	-0.953 (0.864)	-0.843 (0.858)	-1.037 (0.820)		
	(β_3) Low Business & High Government	-0.238 (0.865)	-0.059 (0.860)	-0.462 (0.824)		
	(β_4) Low Business & Low Government	1.743* (1.043)	1.951* (1.040)	1.351 (0.991)		
<i>Other covariates</i>						
Poor didn't make an effort				-	-	-3.858*** (0.632)
Rich made an effort				-	-	-7.174*** (0.565)
Obama				-	-	8.248*** (0.599)
Trust				-	-	-0.051 (0.113)
Observations				5954	5931	5915
Control group mean				34.755	34.693	34.693

Results: Taxes on the top 1%

Panel B: Hypothesis testing over the coefficients

Effect of Trust in Business Elites			
High Bus – Low Bus	-1.243* [0.0505]	-1.401** [0.0272]	-1.194** [0.0477]
High Bus – Low Bus High Gov	0.211 [0.8120]	-0.009 [0.9915]	0.001 [0.9992]
Expected result		Not significant	
High Bus – Low Bus Low Gov	-2.696*** [0.0031]	-2.793*** [0.0022]	-2.388*** [0.0055]
Expected result		Negative	
Scaled effect	-0.316	-0.316	-0.270
Effect of Trust in Government			
High Gov – Low Gov	-0.528 [0.4060]	-0.617 [0.3308]	-0.618 [0.3056]
High Gov – Low Gov High Bus	0.925 [0.2955]	0.775 [0.3797]	0.576 [0.4943]
Expected result		Not significant	
High Gov – Low Gov Low Bus	-1.982** [0.0299]	-2.009** [0.0278]	-1.813** [0.0360]
Expected result		Negative	
Scaled effect	-0.232	-0.227	-0.205

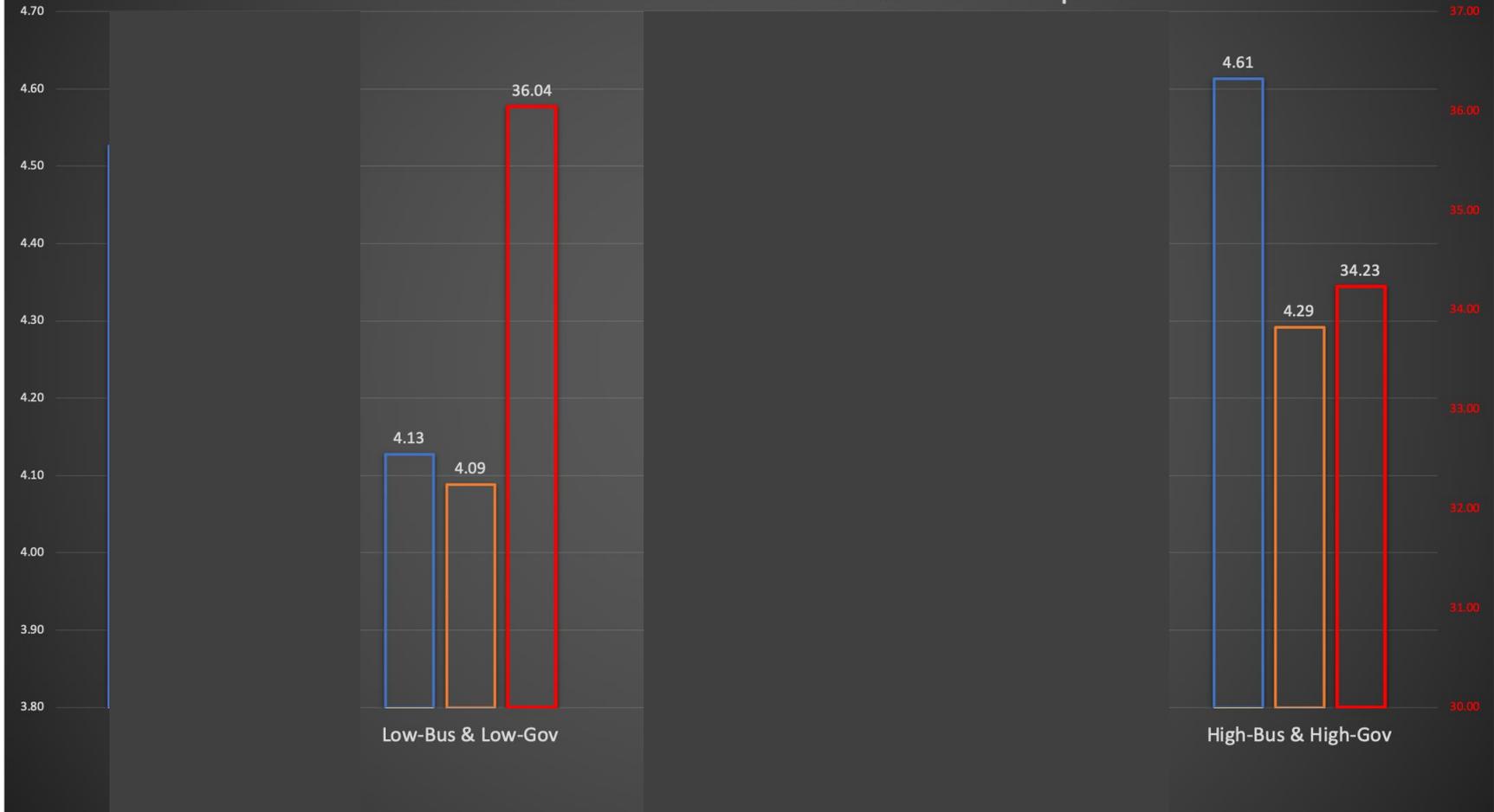
Resultados



Mecanismo? Menos Confianza

First Stage & RF

Trust Business Trust Government Tax Top-1%



Significado

- No hay efecto de la desigualdad (Kuziemko, et al 2018).
- El MISMO método, pero con “corrupción” genera efectos grandes.
- Entre el 14% y el 25% de la diferencia entre Demócratas y Republicanos (38% vs 29%) aun después de controlar por creencias que son cruciales para los demócratas y republicanos...

Resultados: Impuestos al resto de la distribución

	Tax rate top 1%	Tax rate next 9%	Tax rate next 40%	Tax rate bottom 50%
<i>Panel A: Regression output</i>	(1)	(2)	(3)	(4)
<i>Treatments</i>				
(β_1) High Business & High Government	-0.461 (0.976)	-0.248 (0.766)	-0.012 (0.603)	0.098 (0.529)
(β_2) High Business & Low Government	-1.037 (0.820)	-0.662 (0.653)	-0.349 (0.516)	-0.593 (0.440)
(β_3) Low Business & High Government	-0.462 (0.824)	-0.153 (0.657)	-0.055 (0.517)	-0.057 (0.441)
(β_4) Low Business & Low Government	1.351 (0.991)	1.386* (0.806)	0.467 (0.613)	-0.170 (0.492)
<i>Other covariates</i>				
Poor didn't make an effort	-3.858*** (0.632)	-3.008*** (0.495)	-1.089*** (0.406)	0.933*** (0.358)
Rich made an effort	-7.174*** (0.565)	-4.803*** (0.445)	-1.383*** (0.355)	0.725** (0.305)
Obama	8.248*** (0.599)	5.280*** (0.479)	2.226*** (0.381)	-1.216*** (0.323)
Trust	-0.051 (0.113)	0.036 (0.091)	0.072 (0.074)	0.154** (0.063)
Observations	5915	5916	5914	5903
Control group mean	34.693	26.499	17.751	9.332

Regulacion: resultados del WVS (US)

<i>Dependent variables (rows)</i>	Explanatory variables			
	With only one of these regressors		With both regressors	
	Trust in Government	Trust in Business Elites	Trust in Government	Trust in Business Elites
(1) Competition is harmful	-0.076 (0.070)	-0.562*** (0.070)	0.070 (0.071)	-0.582*** (0.072)
N	5,655	5,574	5,532	
(2) Government should take more responsibility	-0.052 (0.087)	-0.642*** (0.087)	0.107 (0.089)	-0.669*** (0.090)
N	5,668	5,586	5,544	
(3) The economic system runs badly in democracies	-0.073*** (0.020)	-0.043** (0.019)	-0.063*** (0.021)	-0.033* (0.019)
N	2,332	2,266	2,249	

Reuniones

- Volviendo al tema de las reuniones entre burócratas y empresarios, en la política se pueden encontrar un abanico de opiniones.
- Algunos políticos están a favor de estas reuniones mientras que otros se oponen. Que tipo de político es mas probables que vos apoyes?
 - Un político que este en contra de permitir estas reuniones (0)
 - Un político que este a favor de permitir estas reuniones(10)

Resultados: Reuniones

	Dependent variable: Meetings Good2		
<i>Panel A: Regression output</i>	(1)	(2)	(3)
<i>Treatments</i>			
(β_1) High Business & High Government	0.557*** (0.117)	0.564*** (0.117)	0.550*** (0.114)
(β_2) High Business & Low Government	-0.123 (0.098)	-0.108 (0.098)	-0.113 (0.095)
(β_3) Low Business & High Government	-0.004 (0.099)	0.008 (0.099)	0.017 (0.096)
(β_4) Low Business & Low Government	-0.471*** (0.113)	-0.458*** (0.113)	-0.438*** (0.110)
<i>Other covariates</i>			
Poor didn't make an effort	-	-	0.247*** (0.079)
Rich made an effort	-	-	0.797*** (0.068)
Obama	-	-	-0.236*** (0.069)
Trust	-	-	0.088*** (0.013)
Observations	5962	5939	5908
Control group mean	3.796	3.796	3.796

Modelo

- Es difícil incorporar la “aversión a la corrupción” en un modelo que solo tiene agentes “materialistas”
- La gente esta dispuesta a “quemar dinero” → enfoque “altruismo minimo”.
- Anticipo: Externalidad ideológica de algunos (algunos?) malos empresarios a la economia.
- equilibrio multiple?

	Argentina/Italy	American
1	misma economia	Misma economia
2	Un escandalo de corrupción	Nada
3	Voto: ↑ impuestos & Regulación	Voto: ↓ impuestos & Regulación
4	Con mas regulaci3n e impuestos, mas de un escandalo de corrupci3n	Con poca regulaci3n e impuestos Poca corrupcion
5	Voto: ↑ impuestos Confirmado	Voto: ↓ impuesto Confirmado

Modelo: Resentimiento & impuestos al 1%

- Mínimo altruismo.
 - Lo mantengo mientras sea posible. Cuando no puedo (ofertas “insultantes” en el juego del ultimátum o corrupción en un empresario), entonces el peso que le pongo al bienestar material del prójimo es negativo. Como en Levine 1998, Rotemberg 2008.
- 1^{er} etapa: 3 jugadores, cada uno saca su “tipo”
 - Distribuido con $f_i; \lambda_i \sim f_i$.
- 2^{da} etapa: Se realiza el PBI
 - Distribuido con $g: y \sim g(\cdot)$
 - simultáneamente ofrecen y aceptan coimas B a cambio de D; en cuyo caso se oserba PBI menos D
- 3^{ra} etapa: el publico piensa en los merecimientos (estima altruismo) & decide los impuestos

Model 2: Spitefulness & Taxes at the top

$$W_E = (1 - t) w_E (D - B) + \lambda_E (1 - t) w_P (-D)$$

$$W_O = w_O + B + \lambda_O (1 - t) w_P (-D)$$

$$W_P = (1 - t) w_P (-D) + \lambda_P (1 - t) w_E$$

- Los impuestos no sirven para nada útil, excepto castigar.
- Los empresarios buenos disfrutan D que consiguen con las coimas pero les molesta que se empobrezca el publico por lo que no ofrecen coimas.
- Los empresarios “garcas” disfrutan D mas que lo que les molesta la pobreza que generan. Entiende que esto traerá impuestos para todos y todas.
- Si la realización del PBI sugiere que es probable que se hayan intercambiado coimas, el publico concluye que el empresario es garca (rechaza que el altruismo alcanza el mínimo), entones $[\lambda_3 - \xi(\hat{\lambda}_1, \bar{\lambda}_1)]$ se convierte en $[\lambda_3 - \xi] < 0$, y el bienestar material del empresario entra negativamente en la utilidad del publico.

Modelo 2: Resentimiento e Impuestos

- **Teorema.** Existe un conjunto abierto de parámetros tal que hay un equilibrio perfecto Bayesiano donde
 - Los empresarios buenos no ofrecen coimas, y los garcas las ofrecen;
 - Los políticos buenos rechazan las coimas y los garcas las aceptan;
 - & el público elige impuestos altos cuando tanto el empresario como el político son “garcas” (“low types”).

Conclusiones

- “Nueva” Variable Independiente: Confianza en los empresarios
- Impuestos:
 - Desconfianza en los empresarios y en el gobierno lleva a altas tasas impositivas.
 - Coimas solo ocurren cuando hay desconfianza en los dos.
 - Se puede interpretar estos resultados con un modelo donde los votantes ponen impuestos para castigar a las elites empresarias (mas que para redistribuir).
- Consistente con la evidencia histórica de Scheve and Stasavage (2016). “as sociedades no ponen impuestos
 - Porque son democracias donde hay mas votantes pobres que ricos
 - O porque hay desigualdad,
 - O porque creen que los impuestos no son distorsivos,
- Las sociedades ponen impuestos a los ricos cuando la gente cree que el estado los favoreció, por lo que el principio de justicia requiere que se les ponga mas impuestos que al resto.”.

Conclusiones 2

- Regulacion:
 - Desconfianza en los empresarios lleva a demandas de mas regulaci3n.
 - La desconfianza en el gobierno tiene efectos menos claros.
 - La desconfianza en el gobierno reduce la demanda de darle discreci3n.
No hay efecto de la desconfianza en los empresarios.
- Reuniones:
 - Desconfianza lleva a una mayor intolerancia sobre las reuniones entre miembros del sector privado y el publico. Para nosotros esto esta relacionado con una baja capacidad del estado.
- Equilibrios Múltiples?

Kuziemko et al. (2015)

Appendix Table 15: Effect of trust treatment on outcome variables

	<u>Ineq. v. ser.</u>	<u>Ineq. inc.</u>	<u>Pov. v. ser.</u>	<u>Deserving</u>	<u>Top tax</u>	<u>Mill. tax</u>	<u>Estate</u>	<u>Petition</u>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Treated	0.0547* [0.0311]	0.0119 [0.0289]	-0.00257 [0.0313]	-0.0555** [0.0239]	0.490 [1.326]	-0.0421 [0.0275]	-0.00168 [0.0266]	-0.0602** [0.0236]
Control mean	0.343	0.755	0.383	0.185	34.70	0.722	0.204	0.174
Scaled Trust Effect	0.182	0.341	0.00828	0.204	0.0452	0.0949	0.00728	0.580
Obs.	899	899	899	899	898	899	895	899

Notes: The negative trust prime treatment consists of several multiple-choice questions that made respondents reflect on aspects of government they dislike. All terms are defined as previously. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

- “Top tax” is the chosen average tax rate on the richest one percent. [0 to 100]
- “Mill. tax” is an indicator variable for whether the respondent wants to increase the income tax on millionaires. [0/1]
- “Estate” is an indicator variable for whether the respondent wants to increase the estate tax. [0/1]
- “Petition” is an indicator variable for whether the respondent wants to send a petition to her State Senator to increase the estate tax. [0/1]