

Distributive justice, social norms and the diversity of demands for redistribution

By Gilles Le Garrec

When considering the preference for redistribution at the individual level, the first thing we notice is that people with lower incomes are the ones who say they would like a greater redistribution of income. But the way people look at income in general also plays a crucial role. Indeed, if someone thinks that income reflects more luck than effort, then they will tend to support a higher redistribution. What empirical studies tell us is that demands for redistribution reflect both individuals' self-interest as well as their concern for distributive justice. It should nevertheless be pointed out that the intensity of this concern may vary greatly from one country to another. More precisely, the study by Corneo (2001) showed that people from countries with high income redistribution, such as former West Germany, are characterized by a greater concern for distributive justice than people in low redistribution countries such as the United States. Given this, understanding the role of the cultural environment in the development of individual preferences is crucial to an understanding of demands for redistribution and, by extension, the diversity of redistributive policies in democracies, as illustrated in the table below. In this regard, the conclusion by Luttmer and Signal (2011) that immigrants from countries with a strong preference for redistribution continue to support a higher redistribution in their host country than do natives is decisive. It thus seems not only that the intensity of a person's concern for distributive justice depends on the environment in which they are raised, but also that this no longer varies after reaching adulthood^[1].

In the light of these empirical results, I have proposed in a [working paper](#) a mechanism for the cultural transmission of this moral norm, i.e. the intensity of the concern for distributive justice. The paper argues that preferences are a characteristic of an oblique socialization process [\[2\]](#) and are structured in part by the observation, imitation [\[3\]](#) and internalization of cultural practices. More specifically, my mechanism stipulates that the observation during childhood of excessively unfair redistributive policies will result in a weakened concern for distributive justice. The moral cost of not supporting a fair distribution of income once a person reaches adulthood is lessened by the observation of the collective failure of the previous generation to have established institutions promoting distributive justice. In other words, the mechanism that I am proposing reflects the fact that having been exposed to too much injustice reduces a person's capacity to feel concerned about injustice.[\[4\]](#)

As a consequence of the intergenerational cultural transmission mechanism proposed, my model allows us to satisfactorily account for the fact that redistribution is greater in Europe than in the United States, even though income inequalities before taxes and transfers are lower (cf. Table 1). In doing this, I improve on the prediction of the canonical model of Meltzer and Richard (1981), who argue instead that greater income inequality should result in greater redistribution. Moreover, these differences about redistribution persist over time because they become part of an individual's preferences via the intergenerational transmission of the intensity of concern for distributive justice. It is through this same mechanism of the intergenerational transmission of values $\square\square$ that we can finally explain why immigrants from countries with strong redistribution continue to support a higher level of redistribution in their host country.

Table 1. Redistribution and Income Inequality in 2013

	Income inequality (before tax and transfers, Gini index)	Public social spending (% GDP)	Reduction made to income inequality (%)
Sweden	0,363	17,8	27,5
France	0,445	18,9	33,9
Germany	0,419	16,5	28,6
United States	0,478	12,5	18,0

Source: OECD (2017) and author's calculations.

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[1] In support of this interpretation, the psychologists McCrae and Costa (1994) showed that personality traits were frozen after the age of 30.

[2] We speak of oblique socialization or transmission when an individual learns from contact with people from the generation of his parents or from institutions. Transmission is called vertical when it occurs between parents and their children. It is called horizontal when an individual learns from their peers.

[3] In the evolutionary literature, learning from others by imitating them is an economical and efficient way of acquiring information that is locally relevant to adaptation. In this perspective, the propensities to learn and to imitate are components of a psychology that has evolved through natural selection (Boyd and Richerson, 1985).

[4] Twenge *et al.* (2007) explained that social exclusion causes strong negative feelings that undermine for an empathetic understanding of others and, consequently, diminishes pro-social behavior.