Rescuing Intuitions: Income Inequality Begets Liberal Shifts in Public Mood

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Abstract

Kelly-Enns 2010 challenged a commonly held intuition about the relationship between income inequality and preferences for governmental redistribution. I recover that intuition here by way of making a few theoretically motivated alterations to the Kelly-Enns 2010 model. These alterations include dropping a variable controlling for thermostatic changes in policy on the basis of post-treatment bias and other challenges. I also add a control variable: trust in government. These alterations result in a change in sign in the Kelly-Enns 2010 quantity of interest: effect of income inequality on public mood. Contrary to Kelly-Enns 2010, my analysis shows that across the population generally, and among both the rich and poor, increases in income inequality lead to a more liberal public mood, ceteris paribus. Finally, I briefly explore the use of preference for governmental reduction in income inequality rather than public mood as the dependent variable.

Kelly-Enns 2010[1]

Kelly-Enns 2010 attempts to explain the trend of reinforcing economic inequality observed in the United States in the recent past without adopting the "unequal democracy" perspective that policies are more responsive to the rich than the poor. Kelly-Enns 2010 finds that the public mood—a measure of the liberalism of public opinion—among the rich, the poor, and the population at large tends to become more conservative with rising income inequality

In this way, Kelly-Enns 2010 explains the reinforcing nature of income inequality observed in recent US history: as income inequality rises, public opinion calls for more conservative policies, preventing the government from ameliorating inequality, instead allowing it to grow. The model offered in Kelly-Enns 2010 explains the pattern of reinforcing inequality without assuming differential policy responsiveness to the rich and the poor. Rather it maintains the claim that preferences across income classes are highly correlated.[2]

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[1] Kelly, N. J., & Enns, P. K. (2010). Inequality and the dynamics of public opinion: The self-reinforcing link between economic inequality and mass preferences. *American Journal of Political Science*, *54*(4), 855-870. doi:10.1111/j.1540-5907.2010.00472. I had no trouble replicating the results reported in the paper given the data and code provided on dataverse.

[2] A few specifics: Kelly-Enns 2010 offers multiple models. The three that I will focus on here can be found in the original article in Table 1 Column 3 and Table 3 Columns 3 and 4. The first model is a model of the whole population. It uses an Error Correction Model (ECM) with basic OLS regression. The error correction piece refers to the inclusion of both lagged and difference forms of each covariate and a lagged dependent variable. The dependent variable is public opinion, the treatment variable is the gini coefficient and the control variables are inflation, unemployment and policy liberalism. The models in Table 2, Columns 3 and 4, are the same model applied to low- and high-income portions of the population. The same variables are included. However, because of evidence of an AR(1) process a prais-winsten regression is utilized in place of the OLS.

Introduction of the Puzzle

As the title suggests, this article rescues our intuitions about the relationship between inequality and public opinion questioned in Kelly-Enns 2010. Kelly-Enns 2010 sets out to discover the "linkage between economic inequality and support for government expansion (i.e., public mood liberalism)."[3] Through this exploration, an interesting puzzle is uncovered: increases in income inequality seem to lead to increased conservatism among the population in general, as well as within high and low income groups.

This conclusion clearly runs counter to the theory offered in Meltzer-Richard 1981, which claims increases in inequality will lead to increased calls for redistribution overall.[4] Perhaps more interestingly, it also runs counter to the theory offered in Benabou 2000.[5] This theory states that increases in inequality will lead to a drop in preferences for redistribution on balance, despite persisting preferences among the poor for increased redistribution. Thus, the puzzle: Kelly-Enns 2010 finds that increases in inequality lead society *as a whole*, rich and poor alike, to become more conservative. This does not fit either the Meltzer-Richard or the Benabou models.

This article offers a solution to this puzzle and consequently rescues our intuitions about the relationship between inequality and preferences for

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[3] Ibid. pp. 862

[4] Ibid. pp. 858; Meltzer, AlanH., and Scott F. Richard. 1981. "A Rational Theory of the Size of Government." Journal of Political Economy 89(4): 914–27. Note that by overall here, I mean on balance. Meltzer-Richard assumes rising inequality will lead to calls by the poor for increased redistribution and that, assuming the mean of the income distribution doesn't change, this will lead to calls for increased redistribution on balance.

[5] Kelly-Enns 2010, pp. 860; Benabou, Roland. 2000. "Unequal Societies: Income Distribution and the Social Contract." American Economic Review 90(1): 96–129.

redistribution. It seems natural that increasing inequality would offer reasons for all classes, perhaps especially the poor, to desire more redistributive policies. Why, then, do we see the opposite of this in the Kelly-Enns 2010 analysis? I will propose a few alterations to the Kelly-Enns 2010 model by way of answering this question.

First, I challenge the use of policy as a control variable primarily on the grounds of post-treatment bias. Second, I suggest controlling for trust in government. Finally, I will briefly question the use of public opinion as the dependent variable in the model. The result is a theory driven model with results more in line with our intuition: controlling for trust in government and general economic conditions, increases in inequality lead to liberal shifts in public opinion (across the population generally, as well as within high and low income groups).[6]

Intuition

Let me start by mentioning a few possible theoretical alternatives to Benabou 2000 and Meltzer-Richard 1981. It seems plausible that, other things being equal, increases in inequality would lead people, perhaps especially those least well off, to desire increased governmental liberalism. This could be a very basic story: more inequality means an increased desire for government redistribution to ameliorate it. It is not implausible to assume all strata of society could hold a

[6] I would like to note here that this model is one I offer only by way of critiquing Kelly-Enns 2010 and showing that their claims regarding the effect of income inequality on public opinion are not without theoretical challenge. I do not, however, want to assert here that this model is a complete reflection of the effects of income inequality on public opinion. The quantity and nature of the usable data is somewhat wanting.

general preference for less inequality.[7]

Notice, though, that this could also be a story about the strength of claims. One might offer a theory that as inequality rises, both the rich and the poor feel more entitled to claims on the government. The poor might feel this way because of their status as the least well off, and their increasingly apparent needs—both of a basic and a status nature.[8] The rich, on the other hand, might feel more entitled to claims on the government because of their status as rich members of society, the power that comes with such status, and the size of their contributions to the state coffers.[9] In this case, both the rich and the poor could be calling for increased state intervention as inequality rises, although perhaps on the basis of different sorts of claims.

I am not going to set out complete arguments for these two theories here. I mention them simply to point out that there are many theoretical alternatives to the Meltzer-Richard 1981 and Benabou 2000 models that Kelly-Enns 2010 convincingly demonstrated did not match the data. I will step away from these models at this point. Instead, in this paper I propose an alternative model that emphasizes considering which covariates should and should not be deemed relevant and appropriate to include on the basis of original, substantive theory.

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[7] This is true especially if we take extreme inequality to be an undesirable state of affairs in society, although this isn't obvious. We can also get this result, however, if we simply assume extreme inequality to not be inherently desirable, and that members of a society care about the conditions of their fellow citizens.

[8] For more on types of needs, status and otherwise, see: Jiwei Ci, "Agency and Other Stakes of Poverty;" *The Journal of Political Philosophy* 21 (2013) pp. 125-150.

[9] Note this presumes a progressive or flat income tax, that there are not major loop holes in the tax policies, that there is compliance, and that we are measuring size not in percentages of income, but in dollars.

Excluding Policy

The model offered in Kelly-Enns 2010 includes a policy control variable. The measure comes from Erikson, MacKuen, and Stimson 2002.[10] It looks at "critical public laws" and determines if they expanded or contracted government at the time they were passed. Policies are coded as positive if they expand government, and negative if they contract it. The first thing to note here is that, like public mood (the dependent variable in Kelly-Enns 2010) this measure is not limited to redistributive policies. It could cover abortion or LGBTQ discrimination policies, among many other things, thus likely casting a wider net than is relevant to our particular quantity of interest: preferences about redistributive policies. However, I will set this particular issue aside for now and consider why this variable, as it stands, does not serve the model well.

Thermostatic Policy

Kelly-Enns 2010 motivates the use of this control variable primarily on the basis of evidence that public opinion is thermostatic in relation to policy. The idea here is that if policies get "too liberal" public opinion will shift to be more conservative so as to bring things back to the "proper" place. If one considers this proposition carefully, however, it becomes clear that the theory rests on assuming that public mood and the public's preferred policy need not be the same.

Consider the following example: Assume public opinion (PO_1) starts out at the public's policy ideal point, P*, on the political continuum in Figure 1. Policy

[10] Kelly-Enns 2010, pp, 863; Erikson, Robert S., Michael MacKuen, and James A. Stimson. 2002. The Macro Polity. New York: Cambridge University Press.

starts at SQ_1, a significantly more liberal position than P*.

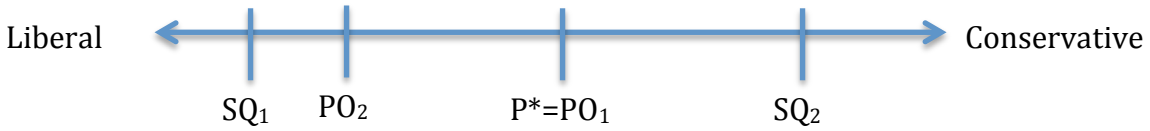

Figure 1: Effect of policy change on position of public opinion on the thermostatic account

Then there is a policy change that brings policy to SQ_2, a more conservative position than P*. On the thermostatic account, we would then see public opinion shift to somewhere like PO_2 so as to "pull" policy back towards the ideal point, P*. Note that, given the thermostatic account, this must be the case. If we assume public opinion were to always coincide with P* then there would be no reason for PO, or P*, to shift as a result of this change in policy. You can think of this deviation between P* and PO_2 as the result of strategic public opinion in some sense.

What does it tell us about the model in Kelly-Enns 2010? If we base the inclusion of the control variable, policy, on the thermostatic theory of public opinion, then we must also implicitly assume that public opinion and the public's policy ideal point need not coincide. But notice then we are implicitly assuming that our dependent variable, public mood, does not necessarily measure or reflect what we are trying to study, the public's true preference about the size of government, particularly regarding redistribution.

If this challenge is true, then there is reason to exclude policy as a control variable. Furthermore, including it could mean controlling for policy attempts to

address income inequality, which is our treatment variable. This introduces another reason to worry about including the variable policy in our analysis: post-treatment bias.

Post-Treatment Bias

Kelly-Enns 2010 claims early on that there is evidence against what they call the "unequal democracy" thesis. This thesis states that the government is more likely to respond to the preferences of the rich than the poor. Instead, Kelly-Enns 2010 claims that the preferences of the rich and poor "track each other over time" and as such, the government is similarly responsive to both groups.[11]

I want to suggest here that this claim is too narrow in scope. It may be true that, over time, policy preferences are not recognizably different across incomes. Consequently it might be hard to imagine governments as more responsive to the rich than the poor—how would they differentiate between class preferences?[12] This is where agenda setting must be considered part of the story.

Agenda setting occurs on multiple-levels: both within government, via practices such as lobbying; and in the creation of government, via campaign finance

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[11] Kelly-Enns 2010, pp. 858.

[12] Cited in Kelly-Enns 2010: Bartels, Larry M. 2008. Unequal Democracy: The Political Economy of a New Gilded Age. Princeton, NJ: Princeton University Press.; Gilens, Martin. 2005. "Inequality and Democratic Responsiveness." Public Opinion Quarterly 69(5): 778–96.; Gilens, Martin. 2009. "Preference Gaps and Inequality in Representation." PS: Political Science and Politics 42(2): 335–41.; Gilens, Martin. 2011. "Policy Consequences of Representational Inequality." In Who Gets Represented? ed. Peter K. Enns and Christopher Wlezien. New York: Russell Sage Foundation.; Hacker, Jacob, and Paul Pierson. 2005. Off Center: The Republican Revolution and the Erosion of American Democracy. New Haven, CT: Yale University Press.; Also see: Hacker, J. S., & Pierson, P. (2011). *Winner-take-all politics: How Washington made the rich richer--and turned its back on the middle class*. Simon and Schuster

and party power. Agenda setting, put in this way, might lead us to believe that the rich are able to set the "policy menu"—they might be members of the government itself, special interests groups, or campaign contributors. Furthermore, we might find it plausible that the rich are capable of controlling the discussion and the information available to the population at large, as members or owners of media outlets and think tanks.[13] After considering these possibilities, it becomes much less surprising that the rich and poor may appear to have similar interests with respect to the available public policy options.

Importantly, however, when seen in this light, the convergence of opinions across classes no longer ameliorates our worry that the rich may be in possession of more control over public policy than the poor. Instead it might worry us more, implying that the poor could be, in some sense, unable to have different policy preferences than the rich, because of agenda setting, media framing, etc. In fact, one might even claim that these "background" powers the rich could posses, perhaps campaign finance privileges in particular, are able to turn our most basic form of democratic oversight, the ability to vote people out of office, into exactly the opposite—a mechanism by which some members of society exercise unequal power over others.

These suggestions clearly deserve more in-depth examination elsewhere. I simply mention them here to point out two things: first, just because the rich and

[13] Cited in Kelly-Enns 2010: Hacker, Jacob, and Paul Pierson. 2005. Off Center: The Republican Revolution and the Erosion of American Democracy. New Haven, CT: Yale University Press.; Jacobs, Lawrence R., and Benjamin I. Page. 2005. "Who Influences U.S. Foreign Policy." American Political Science Review 99(1): 107–23.; Jacobs, Lawrence R., and Robert Y. Shapiro. 2000. Politicians Don't Pander. Chicago: University of Chicago Press.

poor appear to have similar interests among the available policy options, does not mean the rich do not wield more power in determining policy options and shaping preferences.[14] Second I hope this way of outlining agenda setting makes the manner in which policy responds to inequality more obvious—differential power in agenda setting supports the idea that the influences of income inequality come prior to the development of policy. Policies can be responsive to income inequality both in substance as well as through the process by which they are formed. The implication of this claim is that the policy variable included in the model offered in Kelly-Enns 2010 could induce post-treatment bias.

Kelly-Enns 2010 argues thoroughly and convincingly that, "government has the capacity to alter the path of economic inequality."[15] Note that in a sense this supports my claim of post-treatment bias. For a government to have such a capacity, it would first have to identify economic inequality, implying that the inequality comes prior to the policies that might ameliorate it.

Of course, I do not mean to say here that it is not also possible that policy affects inequality (i.e. has a pre-treatment effect). I do not dispute the claim: "it seems quite clear that government can affect distributional outcomes."[16] However, I have argued here that policy seems to have more of a post-treatment character than a pre-treatment one. Some evidence that the post-treatment bias induced by including this policy variable is larger than the overall measured effect is that dropping the covariates related to policy leads to the signs changing on the

[14] For mention of this in Kelley-Enns 2010, see footnotes on pp. 868
[15] Ibid., pp. 856
[16] Ibid., pp. 856

treatment variable in nearly all cases.

Furthermore, consider what we are actually doing when we control for policy in this way. Policy mood, the dependent variable in the model, is based on survey data. Peoples' answers to survey questions are, of course, likely to be influenced by current policy. But note that policy is exactly the most likely mechanism by which inequality might affect public mood (especially if we narrow our measure to public mood related to redistribution). Thus, controlling for it would be like trying to measure the effect of an illness in society on health, while controlling for medical treatment.[17]

Solution to the puzzle

I still have not offered much by way of a solution to the puzzle presented in Kelly-Enns 2010. Let me do so now, right after a brief disclaimer: It seems a worthwhile endeavor to offer an alternative analysis of the model proposed by Kelly-Enns 2010 that may rescue our intuitions about the relationship between income inequality and public mood (particularly preferences about redistribution). However, I do not feel comfortable claiming that what follows is a complete analysis of how inequality influences public mood. One good example of its limits is the

[17] For more on problems and solutions in detecting causal methods see: Acharya, A., Blackwell, M., & Sen, M. (2015). Detecting direct effects and assessing alternative mechanisms. *Unpublished manuscript. Harvard University, Cambridge, MA*. This article discusses direct versus indirect effects. It suggests that there might be ways to include policy without post-treatment bias. First note, though, that these methods were not employed in Kelly-Enns 2010 as they were developed later. Furthermore, note that what I am claiming here is stronger than what this solution could address. I want to say that this variable could be inducing post-treatment bias, and *beyond that*, based on the substantive theory outlined above, it just doesn't belong in the model.

discussion of the policy variable above. Statistics requires that we assume policy is either pre- or post- treatment here. I have made an argument for it as post-treatment. However, reality and common sense show us that it is in fact both pre- and post-treatment: it can both influence income inequality as well as be influenced by it. This is just one of many statistical limitations to the project of fully explaining the relationship between income inequality and public mood to keep in mind as we go forward. Another is limiting size and nature of the data these models are based on.

Trust in Government

Back to the matter at hand: I would like to submit here that the generally conservative reaction to increases in inequality observed in Kelly-Enns 2010 is partially an artifact of how much society trusts the government. Both the Meltzer-Richard and Benabou models offered as theoretical background to Kelly-Enns 2010 assume, by default, complete trust in government. They abstract away from beliefs about inadequacies or inefficiencies in redistribution—assuming people trust that redistributive policies will benefit them in the ways described. This is clearly a mistake. We can see from Figure 2 that trust in government has been steadily dropping in the US since 1958, making this assumption a dubious one.

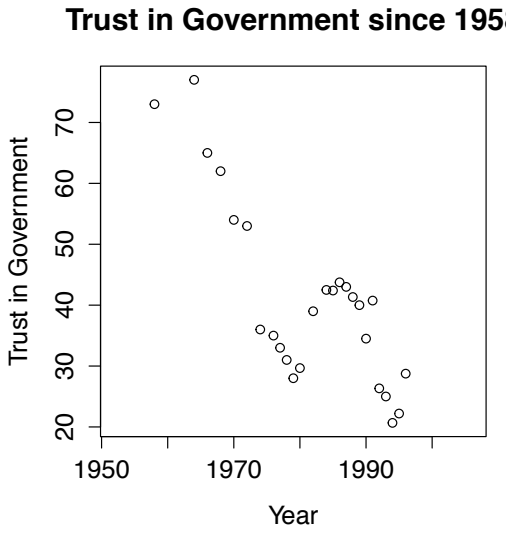

Figure 2: Plot of the variable trust in government over time, indicating the percentage of the population which believes the government will do the right thing just about always/most of the time. Data from the Pew research center.

With this in mind, consider a society in which income inequality is on the rise and trust in government is falling. Is it not plausible that both the rich and the poor would become more attached to the income they have in hand? The rich might become more aware—and weary of—the high amount they are paying in taxes. It is after all, a common refrain that the government is worse at spending money in socially beneficial ways than the people are. The poor, having less money in their pockets, might naturally desire to keep a hold of it all—falling back on a sort of self-sufficient individualism, rather than an increased dependence on the surrounding community via the government.[18]

[18] Kelly–Enns 2010 gesture towards perhaps this sort of argument in their conclusion. To support the claim they cite Gilens, Martin. 2000.Why Americans Hate Welfare: Race, Media, and the Politics of Antipoverty Policy. Boulder, CO: Westview Press.; Jacobs, Lawrence R., and Robert Y. Shapiro. 2000. Politicians Don't Pander. Chicago: University of Chicago Press.

Trust in government affects what we think the government is capable and well suited to accomplish. It is likely a compilation of intuition, scandals, general economic conditions, crime, cultural inheritances, etc. There is an argument to be made that this trust of government variable, like the policy variable I excluded, could induce post-treatment bias. This can be hard to discern, as I pointed out in the case of the policy variable. In fact, it seems right to claim that trust of government, while it clearly effects inequality is probably also affected by inequality in turn. However, I have argued here that it is plausible to assume trust in government is prior to income inequality, pre-treatment, and thus can safely be included as a covariate here. I believe the effect of post-treatment bias in this case, if it exists, is likely smaller than the overall measured effect of the variable, and that leaving it out could induce omitted variable bias.

If this story is true, then we would expect to see that when trust in government is high (low), inequality would lead to increased (decreased) preferences for redistribution. This seems like a fairly intuitive argument. Furthermore, it allows us to rescue the intuition that increases in inequality would likely lead to an increased desire for redistribution (or government expansion generally) controlling for general economic conditions and the state of trust in government.

Alternative Model

The above predictions are borne out by the data. I start with the three primary models, offered in Kelly-Enns 2010, which look at the change in public

opinion across the population, the rich, and the poor. When I control for trust in government and remove the policy control variables, the coefficients measuring the effects of income inequality on public mood change universally from negative to positive.[19] Furthermore, in each of these models, the effect of trust in government on public opinion appears to be non-trivially different from zero, and positive in sign, implying—as we expected—that increases in trust in government are correlated with increased desire for government expansion.

Finally, it is also worth noting that the coefficients estimating the effect of increased inequality on public mood were larger in magnitude for the low income group, than for the high income one.[20] This also matches the proposed theory that higher income inequality would likely lead to increased preferences for redistribution across all incomes, but perhaps most powerfully amongst the less well off.

[19] In terms of methodology I have attempted to preserve as much as possible of original model. I used the same ECM style. Furthermore, where there is evidence of AR(1), autoregressive errors, I also used prais-winsten just as Kelly-Enns 2010 does. I continue to control for economic conditions—inflation and unemployment—as Kelly-Enns 2010 offers a very plausible justification for this. The main difference in our models not yet mentioned is that among the covariates, I dropped the difference form of the variables, keeping only the lagged form. I did this because of the low numbers of useable observations in the data, and because given the results in Kelly-Enns 2010, it seems plausible that the effects of the difference variables on public mood are not trivially different from zero. Finally, in adding the new trust in government variable I was forced to drop observations out of the original data set. I did this in a way that allowed for a maximum of one year between observations so as to hopefully preserve the general nature of the time series.

[20] Coefficient for the high income group was 83, with a standard error of 41. For the low income group the coefficient was 128, with a standard error of 48. Note that the large magnitudes overall here are an artifact of the use of the gini coefficient which ranges only from 0 to 1. Thus one should be careful in interpreting these, perhaps only looking at the observed range in gini coefficients, 0.35 to 0.44, as the Kelly-Enns 2010 analysis does.

Simulations

Kelly-Enns 2010 claims that income inequality makes society more conservative, conditioning on policy liberalism, unemployment, and inflation. The model I have offered here suggests the opposite trend, conditioning on unemployment, inflation and trust in government. Figures 3 and 4 show simulations of the Kelly-Enns 2010 model and the alternative model offered in this paper, respectfully. Recall that public mood is measured on a scale in which more positive numbers are more liberal. Thus, in figures 3 and 4 positive (negative) numbers on the y-axis—measuring differences in public mood—indicate liberal (conservative) shifts.

Each time series was calculated using simulated coefficients based on the estimated coefficients of the relevant model and populated with the observed data for all the covariates except income inequality. The red lines represent one thousand simulations run using the lowest observed value of income inequality (gini=0.35). The green lines represent one thousand simulations run using the highest observed value of income inequality in the data (gini=0.44). Thus, the simulations reflect the predictions of each model for the difference in public mood time series given income inequality held at its lowest (red), or highest (green), value across all time.

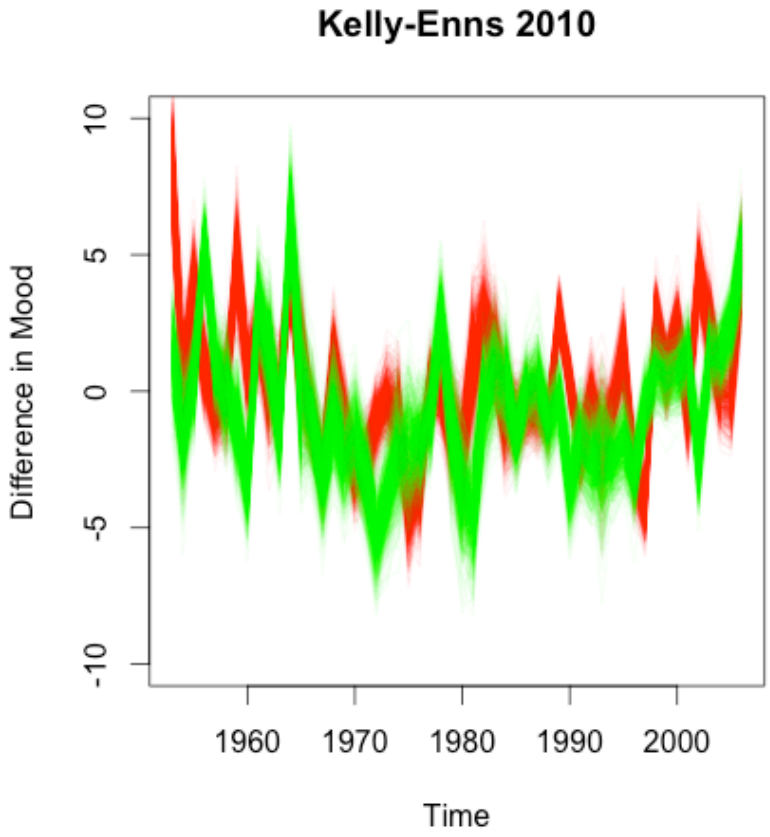

Figure 3: Simulations based on the model offered in Kelly-Enns 2010. 2000 simulations of the time series represented here. Red lines represent the 1000 simulations using the lowest observed gini-coefficient and the green lines, the 1000 with the largest gini.

The Kelly-Enns 2010 model suggests higher income inequality leads to more conservative shifts in public mood than lower income inequality—implying we should see the red lines largely above the green ones in Figure 3. However, Figure 3 shows that the Kelly-Enns 2010 model does not indicate large differences in public mood when income inequality differs (from the lowest to highest observed values). Instead, there is little difference between the low- and high- gini simulations sets calculated from the Kelly-Enns 2010 model.

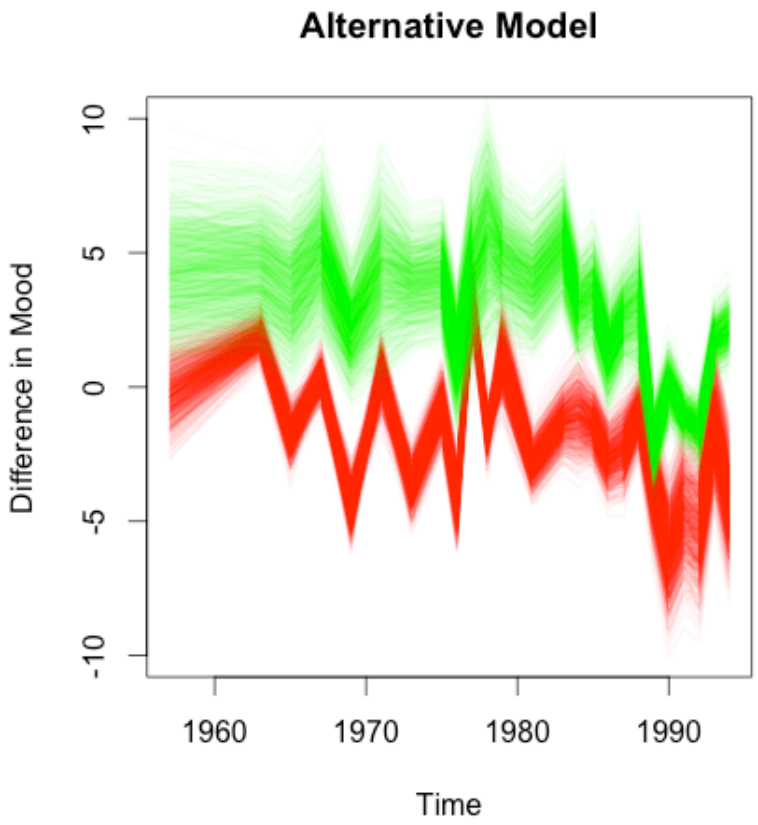

Figure 4: Simulations based on the model offered in this paper. There are 2000 simulations of the time series represented here. The red lines represent 1000 simulations using the lowest observed gini-coefficient and the green lines, the 1000 with the largest gini

In contrast, Figure 4 shows clear differences in public mood over time between the high- and low- gini simulation sets. We can clearly see that the alternative model proposed here suggests higher income inequality implies more liberal shifts in public mood than lower income inequality does. Ultimately, these simulations demonstrate that the alternative model offered in this paper more clearly illuminates the effect of income inequality on changes in public mood then the model offered in Kelly-Enns 2010.

Why Public Opinion?

Finally, I would like to take a moment to point out that Kelly-Enns 2010 does not use preferences for redistribution or tax rates as their dependent variable, but rather, public mood. They justify this by saying that preferences for particular tax rates in the Meltzer-Richard and Benabou models underlying their inquiry are short hand for government activity in general.[21] This does not seem like it can be right.

It is clear that Meltzer-Richard and Benabou are attempting to explain preferences for redistribution based on economic inequality. This is particularly clear in their reasoning that individuals will prefer the policies that improve their economic situation: those that receive a net income gain from redistributive policies will support them and those that suffer a net income loss, will not. Clearly this same reasoning cannot be applied to government expansion in the case of say social or foreign policy. Furthermore, neither Meltzer-Richard nor Benabou claim that it can. Thus, the assumption that preferences over redistributive policies can and should be used as shorthand for public mood does not seem like a natural or obvious one to make.[22]

Replacing public mood with preferences for redistribution in the alternative model I have offered in this paper does not have a major effect on the results. That is to say, increases in both inequality and trust in government still imply increases in

[21] Kelly-Enns 2010, pp. 862

[22] Kelly--Enns 2010 take some note of this (pp. 865) by including one model in their paper in which preferences for welfare are the dependent variable. They dismiss this in the end as having the same results as they find with public opinion. I might push more on this in saying that preferences for redistribution seems to me to be more narrow than public mood but quite a bit wider than welfare preferences. Furthermore, just because the results are consistent does not mean one should not use the most theoretically appropriate variable—unless there are other, unmentioned considerations.

preferences for redistribution. Unfortunately, the dataset I was able to use for this brief analysis is very small, with only eleven usable observations. Consequently the results should be interpreted with caution. Still, it is worth mentioning that in this model all of the proposed covariates: lagged preferences, lagged gini score, lagged inflation, lagged unemployment, and lagged trust in government appear non-trivially different from 0.[23]

Future Study

There are many ways in which one might improve upon the analysis I have offered here. The most glaring is surely the issue of missing or lacking data. The data used in this analysis is paltry and in some cases, incomplete. Future research should address this issue by interpolating the missing values. Furthermore, one might be able to find additional and perhaps more appropriate measures of trust in government, preferences over redistribution, and even inequality. As Kelly-Enns mentioned, the income brackets used here do not include the richest of the rich in society, future researchers might attempt to do just that. They might also use measures of wealth, rather than income, to see if the results are robust to a more broad form of economic inequality.

None of these failings are particularly damaging to the analysis I have offered here, as my goal was simply to illuminate some of the shortcomings of the Kelly-Enns 2010 model and offer some support for the intuition that rising income

[23] Interestingly, the coefficient on a lagged policy variable here is not significantly different from 0. Because of so few observations, I allowed for a difference of two years between observations in this case.

inequality tracks increasing desire for redistribution. However, if one were to try and offer a complete analysis of how income inequality relates to public mood, or distributional preferences in particular, these issues would need to be addressed.

Conclusion

I will conclude briefly by saying that debate around model choice is not uncommon. In this paper I have offered an alternative to the Kelly-Enns 2010 model, motivating my alterations strongly with substantive theory and appeals to intuition. The model I propose drops the thermostatic policy variable included in Kelly-Enns 2010 and instead includes a measure of trust in government. In doing this, the quantity of interest changes from negative to positive, realigning with our intuition that, all other things equal, rising income inequality is likely to produce increased desire for government expansion (specifically redistributive policies) among the general population, the rich, and the poor.

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