REFORM WINDFALL AS REDISTRIBUTION: A SURVEY EXPERIMENT ON REDISTRIBUTIVE PREFERENCES IN CONTEMPORARY CHINA

MARGOT BELGUISE
NORA YUQIAN CHEN
YUCHEN HUANG
ZHEXUN MO

WORKING PAPER N°2023/20

UPDATED VERSION
DECEMBER 2024

WORLD INEQUALITY LAB

Reform Windfall as Redistribution: A Survey Experiment on Redistributive Preferences in Contemporary China*

Margot Belguise† Nora Yuqian Chen‡ Yuchen Huang§ Zhexun Mo¶

December 13, 2024

Abstract

China has experienced a remarkable rise in living standards over four decades of economic reforms, alongside a tremendous increase in inequalities. In this context, do Chinese people support redistribution of wealth gained through reform windfalls? To answer this question, we conducted an online survey experiment with a nationally representative sample from China ($N = 2,000$). The treatment group was shown examples of wealth acquired through typical reform-era pathways requiring minimal ability or effort. This exposure led to a 0.1 standard deviation decrease in their support for redistribution. We propose a "reform windfall as redistribution" mechanism to explain this reduction: the treated group perceives the reform era as inherently redistributive, providing opportunities to escape systemic inequalities tied to the political system, thereby reducing the perceived need for formal redistribution. This decline in support is not driven by changes in fairness perceptions, as respondents do not attribute the wealth acquisition scenarios to ability or effort, nor do they view them as distinctly fair or unfair. Furthermore, we find limited evidence of heterogeneity, with one exception: individuals reporting higher economic pressure show an even greater reduction in redistributive support when exposed to the treatment. We hypothesize that this occurs because unmet expectations for upward mobility exacerbate their reactions to the treatment scenarios.

*Acknowledgements: This study was approved by the IRB of Harvard University (Protocol ID 21-0923), the IRB of the Paris School of Economics (Protocol ID 2024-031) and the IRB of Warwick University Economics department. We are indebted to Jialin Wu and Ziyue Zhang for their excellent research assistance in conducting qualitative interviews in China; and Jie Yan and Martin K. Whyte for sharing data. We thank invaluable comments from Ren Mu which have greatly improved the quality of the current draft. We are also grateful to Abhijit Banerjee, Melani Cammett, Alexander Cappelen, Guihlem Cassan, Charlotte Cavaillé, Stephen Chaudoin, Denis Cogneau, Jeffry Frieden, Torben Iversen, Nicolas Jacquemet, Ruixue Jia, Sylvie Lambert, Adeline Lo, Karen Macours, Thomas Piketty, Sandra Poncet, Pia Raffler, Pauline Rossi, Claudia Senik, Stéphane Straub, Anna Tompsett, Yuhua Wang, Saul Wilson, and Lu Zheng, as well as participants at the Comparative Politics and Political Economy Workshop at Harvard University, Casual Friday Development Seminar & Applied Economics Lunch Seminar at Paris School of Economics for their insightful comments on this project. We gratefully acknowledge financial support from the Economic History and the Environment & Regulation Research Groups of Paris School of Economics, Warwick University's Economics Department, Warwick University's Applied Microeconomics Research Group, Warwick University's Behaviour Spotlight, as well as the French National Agency for Research (ANR-17-EUR-0001). Margot Belguise gratefully acknowledges financial support from the ESRC as part of the Midlands Graduate School Doctoral Training Partnership (grant number ES/P000711/1). This study was pre-registered in the AEA RCT Registry under the unique identifying number AEARCTR-0013928. In addition, it builds upon an old pilot experiment registered under the identifying number AEARCTR-0009024. This paper also replaces the previous working paper circulating under the title **"Not My Money to Touch: Experimental Evidence on Redistributive Preferences under Market Transition in China."**

†Department of Economics, Warwick University; margot.belguise@warwick.ac.uk

‡Department of Government, Harvard University; yuqian_chen@g.harvard.edu

§Department of Economics, Sciences Po Paris; yuchen.huang@sciencespo.fr

¶**Corresponding Author**; Stone Center on Socio-Economic Inequality, GC-CUNY & World Inequality Lab; zmo@gc.cuny.edu

1 Introduction

China's economic rise is arguably one of the most significant economic events of the past four decades. While the country has achieved tremendous growth in national income per capita (Piketty et al., 2019) and lifted 800 million people out of poverty (Ang, 2018), the Chinese economic reform has also generated new inequalities. China now has the second-largest number of billionaires globally, with the top 10% owning 68% of the country's wealth—comparable to the USA's 70%.[1]

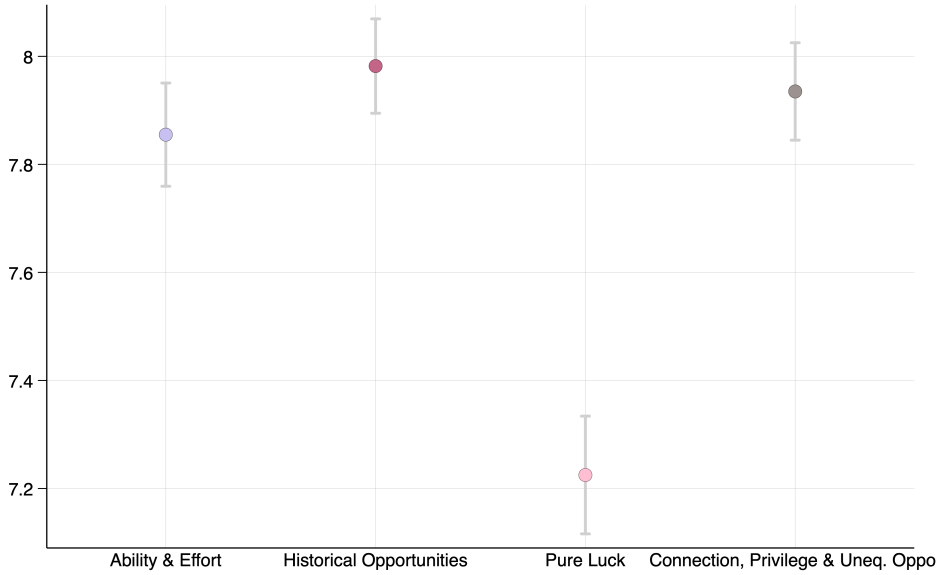
A significant portion of the private wealth accumulated over the past 40 years cannot be attributed solely to meritocratic factors such as ability or effort. In many cases, individuals became wealthy simply by being "in the right place at the right time" during the takeoff of China's economy, without foreseeing that they were guaranteed to become wealthy. In this paper, we define such opportunities for enrichment, made possible by the reform and requiring minimal deliberate ability or effort, as "reform windfalls." An archetypal example is the real estate market in China. Rapid urbanization and local governments' reliance on land sales for revenues drove housing prices up continuously over the past two decades until recently. As a result, household wealth today varies widely based on factors such as where one's residence was located before the economy took off, and when and where they chose to buy housing. Since China's rapid growth was largely unpredictable, even when these factors involved personal decisions, much of the resulting wealth can be attributed to luck.

Although we do not know of any scholarly effort systematically documenting the share of Chinese private wealth attributable to reform windfalls, evidence shows that many Chinese people believe opportunities during specific time windows played a crucial role in wealth acquisition. We surveyed a nationally representative sample to assess the perceived importance of various factors in achieving wealth in China today: (i) pure luck, (ii) ability and effort, (iii) historical opportunities during the reform era, and (iv) connections, privileges, and unequal opportunities. Figure 1.1 reports the mean responses and 95% confidence intervals for each factor.[2] "Historical

[1] Data taken from World Inequality Database.

[2] The data is drawn from our 2024 survey experiment on which this paper is based. Figure 1.1 only reports control group averages, as the question was asked after the treatment stage, making the control group responses the baseline.

Figure 1.1: Beliefs about the Determinants of Wealth for the Rich in China Today (1-10), Control Group



Notes: We use responses to the survey question: "To what extent do you think the wealth of the rich in our society today depends on the following factors? (Rate each factor from 1 to 10)" here. The four factors assessed are: (i) pure luck, (ii) ability and effort, (iii) historical opportunities during the reform era, and (iv) connections, privileges, and unequal opportunities. Confidence intervals are shown at the 95% level.

Opportunities"—a term referring to opportunities unique to the historical period following China's reform—ranked as the most important among the four factors considered.[3]

As China's economic growth slows and income inequality intensifies, redistributive policies have become a central topic of public discourse. Additionally, public pessimism about future income growth prospects has increased (Alisky et al., 2024). In this context, does the average Chinese citizen support active redistribution of wealth gained through reform windfalls?

To answer this question, we ran an online survey experiment in August 2024 with a nationally representative sample of 2,000 Chinese respondents. Half of the respondents were randomly assigned to a treatment group that was shown three vignettes illustrating "reform windfalls"—representative wealth-acquisition stories from the past four decades that did not involve extraordinary ability or effort (e.g., housing arbitrage,

[3]The Chinese term for this concept translates more directly as "opportunities of the era," but we use "historical opportunities" for clarity in English.

housing demolition compensation, and family factory inheritance). The other half served as a control group and were not shown any vignettes. We assess respondents' support for redistribution using a set of statements about the government's duty to redistribute and hypothetical redistributive policies. Our findings reveal that exposure to the vignettes significantly *reduces* support for redistribution, lowering overall support by nearly 0.1 standard deviation. This effect is primarily driven by a reduced perception among respondents that the government has a duty to redistribute wealth from the rich to the poor, followed by a decline in support for policies targeting wealth redistribution from the rich. These findings align with pilot results we obtained in 2021. We find no evidence of treatment effect heterogeneity across various socioeconomic variables, such as income levels or urban/rural status. However, respondents reporting higher levels of *subjective* economic pressure exhibit larger treatment effects.

Sanity checks confirm that respondents do not perceive the vignettes' characters as particularly capable or hardworking. Those results may seem puzzling given the common assumption that people often hold meritocratic preferences (Alesina & Angeletos, 2005; Benabou & Tirole, 2006; Alesina et al., 2018), perceiving luck-based inequalities as less fair—and more deserving of redistribution—than those based on ability or effort. However, we conjecture that stories of windfall gains during the reform era prime respondents to view redistribution as achievable without explicit policies. In a context where systemic inequalities are viewed as particularly unfair (Whyte, 2010), such windfalls may mitigate the perceived need for redistributive policies by serving as a substitute for them. Indeed, we find that treated respondents are significantly more likely than the control group to perceive China's economic reform as redistributive, benefiting both the previously disadvantaged and themselves or their families. This could further explain the more pronounced treatment effects among respondents reporting high subjective economic pressure. These individuals are often better-educated, employed in the public sector, residing in larger and more developed cities, lacking travel experience abroad, and having lower household incomes. We conjecture that such respondents may have had high expectations of upward mobility that were unmet due to China's recent deviation from its market-oriented reform trajectory. They may thus perceive advantages to a social structure perturbed by marketization, explaining their stronger response to the treatment.

Our study contributes to several strands of the literature. First, we offer a new answer to the age-old question: Why do poor people, particularly in the developing world, not demand greater redistribution? Several explanations have been put forward to account for this phenomenon, such as benchmarking against one's own standard of living (Hoy & Mager, 2021), limited coverage and access barriers in welfare provision (Holland, 2018) and low tax literacy (Ardanaz et al., 2022).[4] Aligned with but distinct from Benabou and Ok (2001)'s "prospect of upward mobility" hypothesis, we propose that in countries where development has generated prominent windfalls enabling some individuals to rise from poverty to wealth, the prospect of such windfalls may discourage the poor from demanding redistribution. In such economies, luck or opportunities tied to the specific period of development may be seen as substitutes for redistributive policies.

Second, our findings challenge the widely assumed link between perceptions of meritocratic fairness and demand for redistribution, as often discussed in the literature.[5] Following the meritocratic paradigm, this literature typically draws a dichotomy between ability or effort (viewed as fair sources of wealth) and luck (viewed as an unfair source of wealth). However, we argue that individuals might differentiate among various forms of luck, showing greater tolerance for some. This aligns with a growing body of research seeking to unpack the concept of "luck," which reveals that certain types of luck are perceived as fairer than others (Belguise et al., 2023; Cappelen et al., 2023; Sartor & Yusof, 2024). In our specific context, survey respondents appear to regard ability- and effort-based wealth as the fairest sources of wealth. However, they also perceive winning a lottery or windfall wealth to be significantly fairer than privilege-based wealth. Against this backdrop, emphasizing certain forms of luck—such as windfall wealth in our case—can *reduce* the demand for redistribution, as observed in our experiment.

Third, our paper contributes to the literature on inequality perceptions and redistribu-

[4]Benchmarking against one's own standard of living assumes that people use their own standard of living as a reference point to assess what is acceptable for others. So, if the relatively poor discover that their own living standards are lower than they thought, they become less concerned about the economic situation of the poor in their country.

[5]Research on the connection between fairness views and demand for redistribution includes: Almås et al. (2020, 2021); Benabou and Tirole (2006); Cappelen et al. (2022, 2023); Harrs and Sterba (2023); Andre (2024)

tive preferences in post-socialist countries, highlighting the importance of diverging transition trajectories (Alesina & Fuchs-Schündeln, 2007; Cojocaru, 2014; Okulicz-Kozaryn, 2014). In particular, our paper contributes to the discussion by comparing Chinese citizens to their counterparts in Eastern Europe, where shock therapies were applied during the market transition. Chinese citizens have been reported to be more accepting of current levels of inequality and less likely to attribute existing inequalities to connections or unfair economic structures (Whyte & Han, 2008; Whyte, 2010). Many of these cross-country surveys, however, are from the early reform periods (late 1990s to early 2000s) when memories of the transition processes were still fresh. We show that the effects of the transition are lasting. Even in the face of the recent economic slowdown, reminding respondents of the windfalls of the reform period decreases their demand for redistribution. This suggests that, in post-transition economies, memories of the mobility opportunities characteristic of the development process may still be deeply ingrained—and ultimately limit the public support for redistributive policies.

Finally, our research joins the recent effort of using survey experiments to study redistributive preferences.[6] Survey experiments are increasingly popular in the research on preferences and attitudes, as they allow for rigorous causal identification and provide fine-grained data at the individual level. Prior research that employs survey experiments to investigate redistributive preferences has primarily focused on providing factual information and examining how belief updates, particularly about one's relative income positions, impact the relative change in demand for redistribution (Cruces et al., 2013; Fehr et al., 2019; Pellicer et al., 2019; Hoy & Mager, 2021). Existing work on redistributive preferences in China have mainly utilized micro-level survey datasets, which offer correlational but not causal evidence (Smyth et al., 2010; Xun, 2015; An & Ye, 2017; Huang, 2019). To the best of our knowledge, only two studies have employed experimental designs to investigate redistributive preferences in China. One of them shows that reminding respondents of the wealth equalization movements their ancestors went through during the Communist Revolution increases demand for redistribution (Y. Chen et al., 2017). The other informs participants about the actual level

[6]Notable studies include but are not limited to the following: Cruces et al. (2013); Kuziemko et al. (2015); Alesina et al. (2018); Fehr et al. (2019); Pellicer et al. (2019); Hoy and Mager (2021); Campos-Vazquez et al. (2022); Alesina et al. (2023).

of wealth concentration in China and their own relative income positions, and finds that it does not result in a significant rise in demand for redistribution, despite an increase in perceived income inequality and a heightened belief that income is primarily driven by family background rather than hard work (Mu, 2022). First, while priming wealth equalization movements increases Chinese people's support for redistribution, we show that highlighting the opposite—reform windfalls—reduces it. Second, we emphasize that the source of wealth—whether it stems from ability or effort—may not be a primary factor in driving redistributive demands, especially when the economic environment that generates the wealth is viewed as inherently redistributive.

The remainder of this paper is structured as follows. Section 2 introduces our experiment design. Section 3 presents our data and main results, while Section 4 discusses the potential mechanisms explaining our results. The final section concludes.

2 Experiment Design

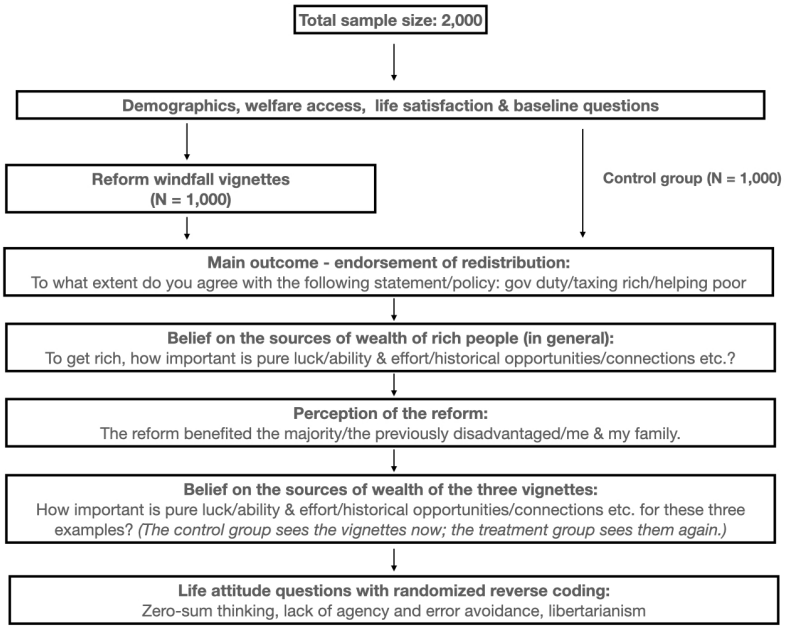
2.1 Experiment Overview

We designed and conducted a survey with a nationally representative sample of 2,000 adults in China. Figure 2.1 provides an overview of our experimental design. At the start of the survey, all respondents were asked a series of baseline questions covering demographics and subjective well-being. Respondents were then randomly assigned to either the treatment group or the control group, with 1,000 individuals in each group. In the treatment group, the intervention consists of three vignettes describing stories that illustrate typical reform windfall pathways to wealth in reform-era China, highlighting the substantial financial opportunities that arose during this period.[7]

Both groups were then asked about the main outcomes, including their agreement with statements regarding the government's duty to redistribute and their support for a range of hypothetical redistributive policies. Following this, participants were prompted to identify what they perceived as the main sources of wealth in contem-

[7]This intervention is grounded in findings from our 2021 pilot experiment, which showed a significant effect of these wealth-acquisition stories on support for redistribution in China. For a detailed description of our 2021 experimental design, please see Appendix Section 6.13.

Figure 2.1: Experiment Design by Treatment Arms



porary China. The options included: i) pure luck, ii) ability and effort, iii) historical opportunities during the reform era, and iv) connections, privileges, and unequal opportunities.[8]

Finally, we collected a series of additional outcomes to explore potential mechanisms, including respondents' perceptions of the reform and their beliefs about the sources of wealth described in the vignettes. Additional post-treatment questions were included to check for acquiescence bias and provide context for the scale of responses.

2.2 Treatment

We considered three representative windfall scenarios of wealth acquisition during China's reform period. First, individuals may have directly benefited from the economic transition by investing at the right time, coinciding with asset values rising during privatization and urbanization. Second, individuals may have indirectly benefited from the rise of a market-oriented economy, for example, as second-generation beneficiaries rather than direct participants. Third, opportunities may have occurred

[8]We use "historical opportunities during the reform era," translated from a Chinese term that means "opportunities of the era," see footnote 3.

randomly, falling upon individuals without any deliberate action on their part.

In the first story, the example we used for being a direct beneficiary of the reform windfall is housing arbitrage. We argue that being able to profit from housing arbitrage has very little to do with merit but more to do with investing at the right time.[9] The example we used for being an indirect beneficiary, in the second story, is inheriting a private enterprise founded by one's parents. The third case involves being a beneficiary of random luck without having taken any action. A typical example of this is the significant compensation some individuals received for housing demolition during China's rapid urbanization, as the government sold land for real estate development or allocated it for infrastructure projects, resulting in substantial payouts.[10] We specify that the individual has a wealth of approximately 10 million RMB or an annual income of 3.6 million RMB, both placing them in the top 1% of the country.[11] No additional information was provided to the control group at this stage.

2.3 Outcomes

The outcome of interest in this study is support for redistribution. Previous research has often relied on a single survey item to quantify support for support for redistribution, typically asking respondents whether they believe the government has a responsibility to reduce inequality or engage in redistribution. This practice neglects the potential independence and asymmetry between preferences for "taxing the rich" and "helping the poor." We contextualize support for redistribution using a host of statements and hypothetical policies and specify three outcome categories. In addition to asking respondents about government responsibility, we also make a distinction between "redistribution from" (taxing the rich) and "redistribution to" (helping the poor) policies, following recent work in rich democracies (Cavaillé & Trump, 2015). A comprehensive list of these outcome questions can be found in Appendix Section 6.12.

[9] We verify that respondents indeed do not attribute this example to ability or effort through a supplementary survey, as detailed in Section 4.2.

[10] The vignettes of these stories are available in Appendix Section 6.11.

[11] Earning an annual income of 3.6 million RMB would place an individual in the top 0.1% by income in the country; the distributions of wealth and income come from the World Inequality Lab (n.d.). While respondents may not have an accurate understanding of the wealth and income distribution in the country, such figures would almost certainly be perceived as representing the rich rather than the middle class. In addition, we introduced the three examples as people who "have become rich through various means" in the prompt right before the vignettes.

2.4 Additional Outcomes for Mechanism Exploration

In addition to eliciting support for redistributive policies, we included three additional sets of questions post-treatment. These questions were asked to both control and treatment respondents, enabling us to test for mechanisms by comparing responses across the two groups.

Belief on the Sources of Wealth in General We first asked respondents to evaluate the extent to which various factors contributed to the wealth of rich individuals in China on a scale of 1 (for "not important at all") to 10 (for "very important"). These factors included: (i) pure luck, (ii) ability and effort, (iii) historical opportunities during the reform era, and (iv) connections, privileges, and unequal opportunities.[12] This approach allows us to determine whether the treatment alters beliefs about the determinants of wealth in general and, consequently, shifts redistribution preferences by evoking meritocratic fairness. We hypothesize that the vignettes could shape respondents' redistributive preferences by emphasizing specific determinants of wealth, thereby influencing their perceptions of the fairness of existing inequalities. Furthermore, this categorization enables us to distinguish between different types of non-meritocratic luck. For example, pure luck and historical opportunities during the reform era may be perceived as fairer and more acceptable than connections, privileges, and unequal opportunities.

Perception of the Reform Respondents were subsequently asked about their perceptions of the reform, specifically whether they considered it inclusive ("benefited everyone"), redistributive ("benefited the previously disadvantaged"), and whether they believed they were among its primary beneficiaries ("benefited particularly me and my family"). We hypothesized that the vignettes could influence redistributive preferences by implicitly priming respondents to reflect on the reform's impacts and benefits. Viewing the vignettes might prompt respondents to recall the opportunities and economic transformations brought about by the reform.

[12] We grouped effort and ability together, as past studies point out that Chinese respondents often group these two factors together, or view them as similar determinants of existing inequalities (Whyte, 2010).

Belief on the Sources of Wealth in the Vignettes Next, we asked respondents to attribute the wealth of the individuals described in the vignettes to the four factors outlined above.[13] This helps us understand how respondents interpreted the vignettes and provides further confirmation that they perceived the stories as non-merit-based, attributing wealth to factors other than ability or effort.

Life Attitude Questions with Randomized Reverse Coding At the end of the survey, we incorporated a series of life attitude questions using the "reverse coding" technique, commonly employed in behavioral and market research. The "direction" of the questions was randomized to test for acquiescence bias and provide context for the scale of respondents' answers.[14] The questions include zero-sum thinking (Chinoy et al., 2023), agency and error-aversion (Belguise et al., 2023) and libertarianism.[15][16] The randomization was conducted within both the control and treatment groups. In each group, half of the sample was randomly assigned to questions framed in one direction (e.g., "I am always afraid of making a mistake"), while the other half received questions framed in the other direction (e.g., "I am never afraid of making a mistake"). Figure 6.16 in the Appendix provides the specific wording of the questions along with their answer distributions.

3 Data and Results

3.1 Surveys

We conducted three online surveys in collaboration with a leading market research firm in China. Each survey is introduced as follows.

Pilot Survey Experiment 2021 In September 2021, we conducted a pilot randomized online survey experiment with a nationally representative sample of 2,500 adults.[17]

[13]The treatment group respondents were shown the vignettes a second time, whereas the control group respondents viewed them for the first time.

[14]See Baron-Epel et al. (2010) for an example of reverse coding, which also demonstrates that the strength of acquiescence bias differs across cultures.

[15]We measure libertarianism as the belief that the government should not interfere with personal decisions in general.

[16]The exact questions we included were chosen to carry out exploratory analysis for future work.

[17]We believe that the pandemic did not compromise the validity of our study, as pandemic control in China was relatively stable at the time the survey was conducted. In fact, it was one of the periods

To ensure that our sample was as nationally representative as possible, we imposed a quota scheme for each treatment/control group (described in detail in Appendix Section 6.3). In the pilot experiment, we investigated several hypotheses regarding various determinants of redistributive preferences in contemporary China, as detailed in Appendix Section 6.13.

Additional Survey in 2022 To gain deeper insights into Chinese citizens' fairness views and their underlying beliefs about the determinants of various wealth acquisition scenarios in contemporary China, we conducted an additional survey in April 2022 with a smaller, yet nationally representative, sample of 360 individuals.[18]

Main Survey Experiment 2024 In August 2024, we conducted our main randomized online survey with a nationally representative sample of 2,000 adults in China. This survey applied the same quotas for age, gender, education, income, and geographical coverage, etc. as those used in the 2021 pilot survey.

3.2 Baseline Results

The baseline results are presented in the first column of Table 1, summarizing the level of support for redistribution in China as measured among the control group. Column 2 in turn shows the level of support for redistribution among treated respondents. We define a response as an endorsement when respondents select "agree" or "strongly agree" for an outcome item, and the average endorsement rate across all outcome categories is over 70%.

when the spread of COVID-19 was least severe between 2020 and 2022. More extreme measures were implemented in 2020, during the initial outbreak of the pandemic, and in 2022, with the spread of the Omicron variant. For a comprehensive timeline of China's COVID-19 measures, please refer to this Wikipedia page on COVID-19 pandemic in mainland China.

[18]For the stories illustrating common paths to wealth acquisition, please refer to Appendix Section 6.17. We fully acknowledge the timing of our survey, which took place during the March-May 2022 lockdown in Shanghai, one of the most severe COVID lockdowns since the initial lockdown in Wuhan and arguably the most politicized and controversial. However, we believe that our results were unlikely to be heavily influenced by the Shanghai lockdown because: 1) The questions in our survey focused on general perceptions of representative cases of wealth acquisition, which should be relatively unaffected by the salience of COVID lockdowns. 2) Our survey was conducted with a nationally representative sample, and only 6 out of the 360 surveyed individuals reported residing in Shanghai. These factors suggest that any potential bias introduced by the Shanghai lockdown is likely to be minimal and should not substantially impact our overall findings. See Table 6 in the Appendix for the quota enforced in this survey.

Table 1: General Support for Redistributive Policies (Wave 2024, Control and Treatment Groups)

	Control Mean	Treatment Mean
Tax-Rich Policies		
Tax on 2+ Properties	0.70	0.68
Maximum Income Limit	0.47	0.46
Restrict Asset Transfers Abroad	0.86	0.78
Wealth Tax	0.84	0.77
Audit Top 0.1% Earners	0.82	0.76
New Sent-Down Movement	0.49	0.48
Help-Poor Policies		
Free Chronic/Major Illness Care for the Poor	0.92	0.87
Reserved University Quotas for the Poor	0.66	0.60
Raise Minimum Wage	0.81	0.79
Expand Urban Affordable Housing	0.81	0.86
Double Minimum Social Protection	0.72	0.69
Increase Income Tax Starting Point	0.79	0.75
Gov Duty Statements		
Reduce Rich-Poor Gap	0.90	0.84
Unify Exams/Admissions for Higher Ed	0.82	0.76
Provide Jobs	0.80	0.70
Gov Redistribution is Just	0.77	0.67
Category Averages		
All Policies & Gov Duty	0.76	0.72
All Tax Rich Policies	0.70	0.66
All Help Poor Policies	0.78	0.76
All Gov Duty Questions	0.82	0.74
Observations	1000	1000

At baseline, support for redistributive policies and the government's role in redistribution is notably high compared to preferences for redistribution observed in similar controlled experimental studies in this strand of literature (Kuziemko et al., 2015; Cruces et al., 2013; Pellicer et al., 2019).[19]

There are two reasons for the high baseline support we observe for redistributive policies in China. First, prior literature documents an acquiescence or middle response tendencies among East Asian survey respondents, meaning that they tend to agree with or give non-extreme responses to survey items in general (C. Chen et al., 1995; Dolnicar & Grün, 2007; Yang et al., 2010). We find evidence for a strong acquiescence bias by analyzing responses to a series of post-treatment life attitude questions at the end of the survey. These questions were presented with randomized reverse wording while maintaining consistent meaning (as explained in Section 2.4). The results, presented in Appendix Section 6.16, indicate that Chinese respondents' endorsement of survey items remains high for nearly all questions, even when the direction of the statement is completely reversed. Second, the high baseline support may also be strongly influenced by China's pre-reform socialist policies and the Party's *de jure* commitment to egalitarianism. The reasons outlined above highlight the need to normalize our main outcome variables. Accordingly, we calculate normalized Z-scores for different groups of redistributive policy outcomes, following the method in Kling et al. (2007).

3.3 Average Treatment Effects on Support for Redistribution

We report estimated Average Treatment Effects (ATE) in Figure 3.1. All the ATEs reported here are the estimated Intention-To-Treat (ITT) effects of being randomly assigned to the treatment group relative to the control group. The dependent variables on the x-axis are indices calculated as the average of the Z-scores for endorsement across all outcome items (overall) and within each specific outcome category (government duty to redistribute, help the poor, and tax the rich policies). We use simple Ordinary Least Squares (OLS) regression as our baseline model. Specifically, we run

[19]Two of the most radical policies—"Unconditional Income Ceiling" and "New Sent-down Movement"—receive the least support (the old "Sent-down Movement" during the Cultural Revolution sent urban youth to the countryside to live and work). It is worth noting that even these radical policies receive over 45% support.

the following regression for each of the indexes:

$$Index_i = \beta_0 + \beta_1 Treatment_i + \beta_2 X_i + \epsilon_i \quad (1)$$

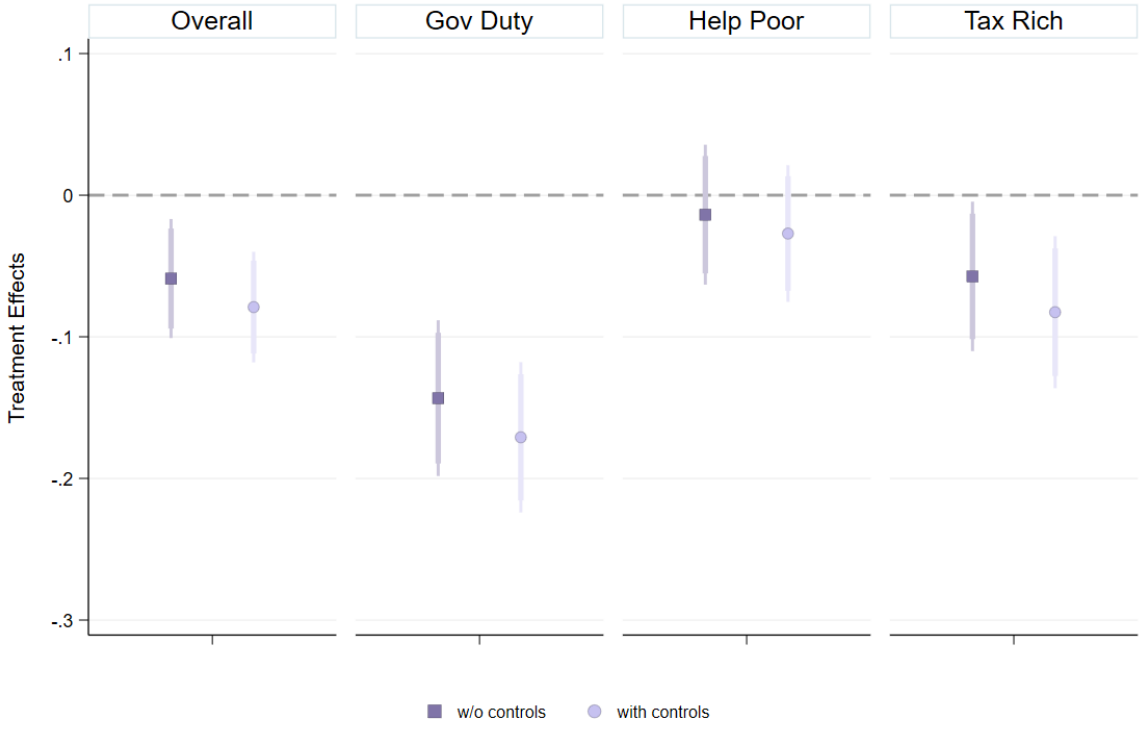
where the $Index_i$ is the average of the Z-scores for each category of outcomes or the average of Z-scores of outcomes. $Treatment_i$ is a binary variable indicating that the respondent belongs to the treatment group and X_i is the set of demographics, socio-economic characteristics, welfare access, and life satisfaction controls. We include the controls to account for any random imbalances in the distribution of pre-determined characteristics across the control and treatment groups. Notably, Table 9 shows that control group respondents are more likely to be CCP members, tend to live in smaller cities and to report a higher (self-assessed) social status. To ensure completeness, we control for all demographic and socio-economic status variables collected in the survey. In addition, we also control for life satisfaction variables in order to account for potentially more subjective differences between the control and treatment groups that might not be fully captured by objective socio-economic criteria.[20] See Appendix Section 6.9 for a detailed list of the controls. Robust standard errors are reported.

Overall, the treatment—which provides cues about the windfall effect of China's economic reform—has a statistically significant negative effect on support for redistribution. Presenting respondents with vignettes that make the "reform windfall" narrative salient significantly reduces overall support for redistribution by nearly 0.1 standard deviation.[21] The magnitude of this reduction is consistent with the average effects observed in experimental studies on redistributive preferences, such as the impact of a

[20] We follow Imbens and Rubin (2015) and compute normalized mean differences for each of the baseline characteristics to verify that imbalances are small enough for covariate-adjustment to yield reliable estimates. We report the normalized mean differences in Appendix Section 6.6. Reassuringly, the normalized mean differences between treatment and control group are smaller than 0.25 for each of the 44 variables, suggesting that covariate adjustment should yield reliable estimates.

[21] The point estimates are robust to the inclusion of controls. If anything, adding the control variables increases the magnitude of the treatment effect estimates for all indexes, but the difference is not statistically significant—even though the adjusted R-squares increase substantially. This suggests that selection on unobservables would need to be significantly larger than selection on observables to invalidate our results. This is unlikely, given that we control for a wide range of socio-economic characteristics that are crucial for explaining demand for redistribution. Appendix Section 6.7 accordingly reports Oster bound estimates (following Oster (2019)), demonstrating that, under the assumption that selection on unobservables is no greater than selection on observables, we can infer a negative average treatment effect for each outcome.

Figure 3.1: Estimated Treatment Effects on Redistributive Indices



Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

pessimistic narrative on upward mobility in Alesina et al. (2018). Reassuringly, these results are closely aligned with those from our pilot survey experiment, as shown in Figure 6.8 in the Appendix. This finding suggests that reminding respondents that some individuals gained wealth as lucky beneficiaries of various windfall scenarios made possible by the reform—whether through investment arbitrage, family background, or pure luck—reduces their willingness to support redistribution.

Distinguishing among the three outcome categories (government duty to redistribute, help the poor, and tax the rich policies), the reduction in redistributive support is primarily driven by a decline in the belief that the government has a duty to redistribute and then by decreased support for policies aimed at redistributing wealth away from the rich. In contrast, support for policies aimed at helping the poor does not exhibit any statistically significant change. However, this is largely attributable to higher levels of endorsement for increasing affordable housing among treated respondents relative to the control group respondents. If we remove this hypothetical policy from the help-the-poor outcome category, we find that the treatment leads to a statistically significant reduction in support for the redefined help-the-poor category, as reported in Figure 6.9 in the Appendix. Since two of the treatment arm's stories involved wealth acquisition related to housing, the treatment may have heightened respondents' awareness of the housing burden or the salience of housing issues in China, leading to an increased demand for more affordable housing.

3.4 Heterogeneous Treatment Effects on Support for Redistribution

We analyze potential heterogeneous treatment effects based on factors identified in the literature as influencing redistributive preferences (Alesina et al., 2018), as well as key socio-economic cleavages in China. These factors include the rural-urban divide, public versus private sector employment, income and wealth, and experienced social mobility. In addition, we include subjective economic pressure, as it was the only factor contributing to heterogeneous treatment effects observed in our 2021 pilot survey.

We run the following regression:

$$Index_i = \beta_0 + \beta_1 Treatment_i + \beta_2 Het_i + \beta_3 Treatment_i \times Het_i + \beta_4 X_i + \epsilon_i \quad (2)$$

where the $Index_i$ is the average of the Z-scores for each category of outcomes or the average of Z-scores of all outcomes. $Treatment_i$ is a binary variable indicating whether respondents belong to the treatment group and Het_i is a binary variable indicating whether respondents belong to a sub-group with certain socio-economic characteristics (e.g. having more than one property). Those characteristics are listed in Table 12 in the Appendix. We also report the share of respondents that fall into each group.

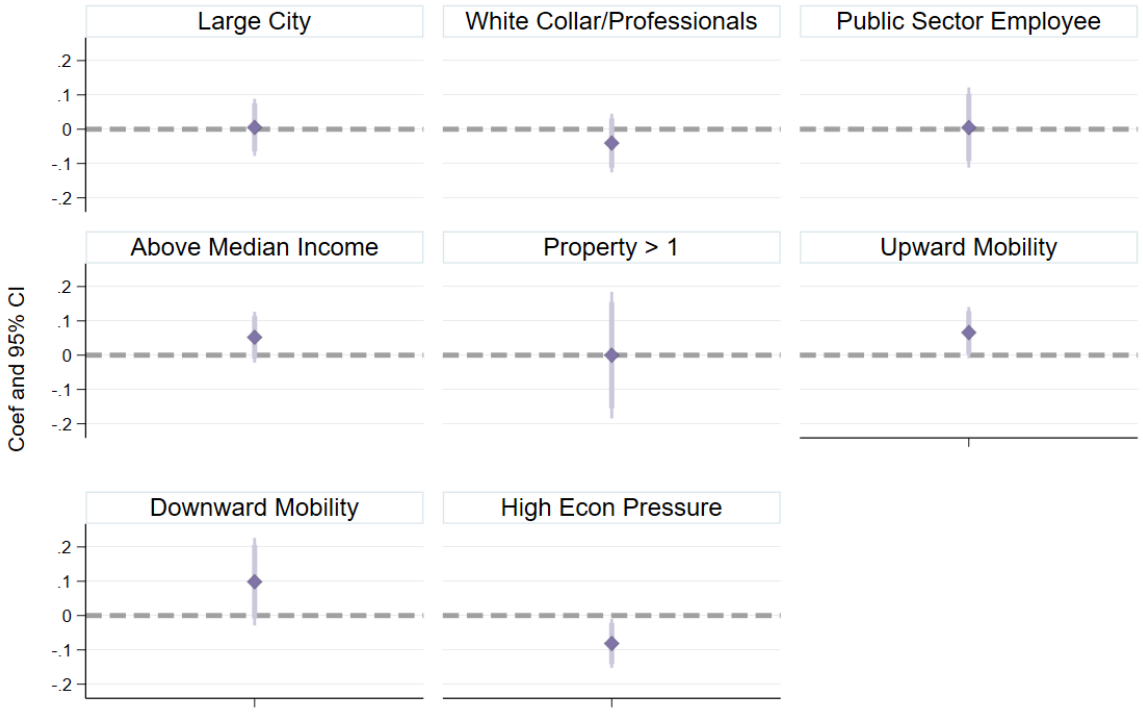
The main results of our heterogeneity analysis are presented in Figure 3.2, with the outcome variable defined as the average Z-score for all outcomes. We report only the interaction term β_3. Overall, we observe minimal heterogeneity across most of the selected variables. The only statistically significant heterogeneous treatment effect is observed in relation to subjective economic pressure. Respondents reporting relatively higher economic pressure exhibit significantly larger estimated treatment effects.[22]

[22]We also report heterogeneity analysis from our 2021 pilot survey and heterogeneity analysis for each index in Appendix Section 6.15. As a general rule, we avoid over-interpreting single-index results to mitigate the risks associated with multiple hypothesis testing.

In 2024, respondents who experienced upward mobility demonstrated marginally lower estimated treatment effects, although the difference was only significant at the 10% level (p = 0.084). Additionally, we found statistically significant larger estimated treatment effects on the government duty index (but not on the all-policies index) among respondents who owned multiple properties.

In 2021, we observed that respondents with higher subjective economic pressure exhibited a lower estimated treatment effect on the help-the-poor index. However, we did not identify significant heterogeneity for other outcome categories.

Figure 3.2: Heterogeneous Treatment Effects on Support for Redistribution (Overall Index) - Interaction Coefficients



Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the overall index of all 16 outcomes (12 policy outcomes and 4 government duty outcomes). The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

To better understand the factors driving the heterogeneous effects among individuals with varying levels of subjective economic pressure, we analyze the determinants of subjective economic pressure in both the 2021 and 2024 survey waves. We regress the subjective economic pressure variable on a series of demographic and socio-economic characteristics to identify which types of respondents are more likely to report high economic pressure. The results are reported in Table 2.[23]

[23]We regress the socio-economic characteristics on the non-dichotomized subjective economic pressure scale (1–10) instead of the binary version used for the heterogeneity analysis, to fully exploit the

Table 2: Determinants of Economic Pressure, 2021 vs 2024

	(1) 2021		(2) 2024	
Female	-0.0330	(0.0535)	0.0698	(0.0852)
Age	-0.00152	(0.00290)	-0.000878	(0.00420)
Resid: Suburban	0.0945	(0.0926)	0.254	(0.155)
Resid: Medium City	-0.251**	(0.108)	0.107	(0.156)
Resid: Small City/Town	-0.0577	(0.118)	-0.271*	(0.150)
Resid: Rural	-0.0790	(0.0883)	0.0424	(0.155)
Self-Assessed Social Status (1-10)	-0.0534*	(0.0289)	0.0192	(0.0281)
Self-Assessed Income Level (1-10)	-0.0567*	(0.0292)	0.0468	(0.0303)
Total Personal Income	-0.0113	(0.0247)	0.0612	(0.0400)
Total Household Income	-0.0567**	(0.0287)	-0.231***	(0.0469)
Highest Education Level	-0.0629*	(0.0332)	0.0964**	(0.0385)
Father's Education Level	0.0157	(0.0276)	0.115***	(0.0340)
Foreign Travel Experience	0.0269	(0.0868)	-1.001***	(0.176)
Public Sector Employee	0.134*	(0.0761)	0.429***	(0.137)
City Tier Classification	-0.321***	(0.0360)	-0.111*	(0.0570)
Own >1 Property	-0.0349	(0.105)	-0.347	(0.218)
Interest in Politics (1-4)	0.0406	(0.0419)	-0.0899	(0.0630)
Constant	9.473***	(0.257)	8.186***	(0.399)
Mean DV	7.44		7.08	
St. Dev. DV	1.35		1.87	
N	2500		2000	
Adj. R^2	0.08		0.09	

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01. Standard errors in parentheses. The variables such as total personal income, total household income, self and father's education level and city tier classification are ordered categorical variables detailed in Appendix Section 6.9.

Across the two survey waves, we observe both similarities and notable differences in the characteristics of individuals reporting higher economic pressure. In both waves, household income is a significant negative predictor of subjective economic pressure, with this negative correlation becoming more pronounced in 2024. Similarly, city tier ranking is negatively correlated with subjective economic pressure in both waves, although the correlation is weaker in 2024 than in 2021. Specifically, respondents in smaller, less developed cities report lower levels of subjective economic pressure.[24]

Several key differences between the 2024 survey and the 2021 pilot survey emerge. In 2024, education level (both one's own and their father's) and employment in the public sector become significant positive predictors of subjective economic pressure. Conversely, having travel experience abroad—indicating broader exposure and potential financial means—is negatively correlated with subjective economic pressure. To summarize, in 2024, we find that better-educated individuals living in larger and more developed cities, without travel experience abroad, employed in the public sector, and with lower household incomes are more likely to report higher levels of subjective economic pressure. These individuals, in turn, responded to the treatment with a larger decrease in demand for redistribution, compared to respondents reporting lower subjective economic pressure.

Overall, we observe relatively homogeneous treatment effects across respondents' socio-economic situations, with only minor heterogeneity observed along subjective economic pressure. Respondents reporting the highest levels of economic pressure showed the greatest reduction in their demand for redistribution in response to the treatment. We conjecture that these individuals likely held high expectations for upward mobility that were unmet. Given their higher educational attainment, along with

available variation. For comparison, see Appendix Table 15, which presents the same regression performed on the binary economic pressure variable. We use the full sample for both waves here since the subjective economic pressure question is a baseline question asked prior to the treatment and, therefore, not influenced by the treatment.

[24]City tier is a ranking method used in China to differentiate cities based on income, population size, and level of development. This ranking is commonly referenced in popular media, economic analyses, and official documents. The higher the tier number, the smaller and less developed the city is. Tier 1 cities are large metropolises, typically referring exclusively to Beijing, Shanghai, Guangzhou, and Shenzhen. Tier 2 cities are provincial capitals or major non-capital cities in more developed provinces. Tier 3 cities are relatively less wealthy cities in more developed provinces and comparatively wealthier cities in less developed provinces. Tier 4 cities and below refer to smaller, non-major cities typically located in poorer and often inland provinces.

their tendency to hold public sector jobs and reside in larger, more developed cities, they were likely aspiring to climb the social ladder. However, China's recent shift away from a market-oriented trajectory, coupled with slowing economic growth and diminishing returns to human capital, has made such aspirations increasingly difficult to realize. In Section 4.1, we propose a possible explanation for these respondents' stronger response to the treatment.

4 Mechanisms

Although analyzing heterogeneous treatment effects provides valuable insights, it does not fully clarify the mechanisms behind our results. Why do respondents show significantly lower support for redistribution after viewing the vignettes? This section explores possible mechanisms.

We consider two possible mechanisms. First, the vignettes may suggest that wealth redistribution in contemporary China can be possible without the need for explicit redistributive policies, thereby reducing demand for such policies. Alternatively, these examples might influence respondents' beliefs about the primary determinants of inequality in China (e.g., meritocratic factors such as effort and ability, or non-meritocratic factors such as luck, opportunities, or systemic inequalities). If demand for redistribution is influenced by perceptions of fairness regarding the determinants of inequality, any changes in beliefs about what these determinants are could, in turn, affect respondents' demand for redistribution. However, we find limited evidence to support this second mechanism.

We leverage post-treatment questions we include in the 2024 main survey to test for potential mechanisms. We also draw on data from the 2022 supplementary survey for additional evidence. In this survey, respondents were presented with 13 wealth acquisition scenarios, including the three scenarios used in the treatment. The full text of the 13 stories is reported in Appendix Section 6.17. Respondents were asked to assess the fairness of each wealth acquisition scenario and evaluate the extent to which it could be attributed to effort as well as the following four factors: luck, ability, market conditions, and the political system.

4.1 The Reform Windfall: Redistribution Without Redistributive Policies

The mechanism we privilege is that the vignettes are perceived as inherently redistributive. The stories in the vignettes depict hypothetical characters or families who were not initially wealthy or privileged but overcame their initial disadvantages by being among the lucky beneficiaries of the reform's windfall. They may prime respondents to recall other examples of redistribution, where windfall effects enabled Chinese citizens to escape systemic inequalities associated with personal connections, privileges, and corruption. Such windfalls might be seen as substitutes for formal redistribution, so the perceived necessity for explicit redistributive policies may diminish.

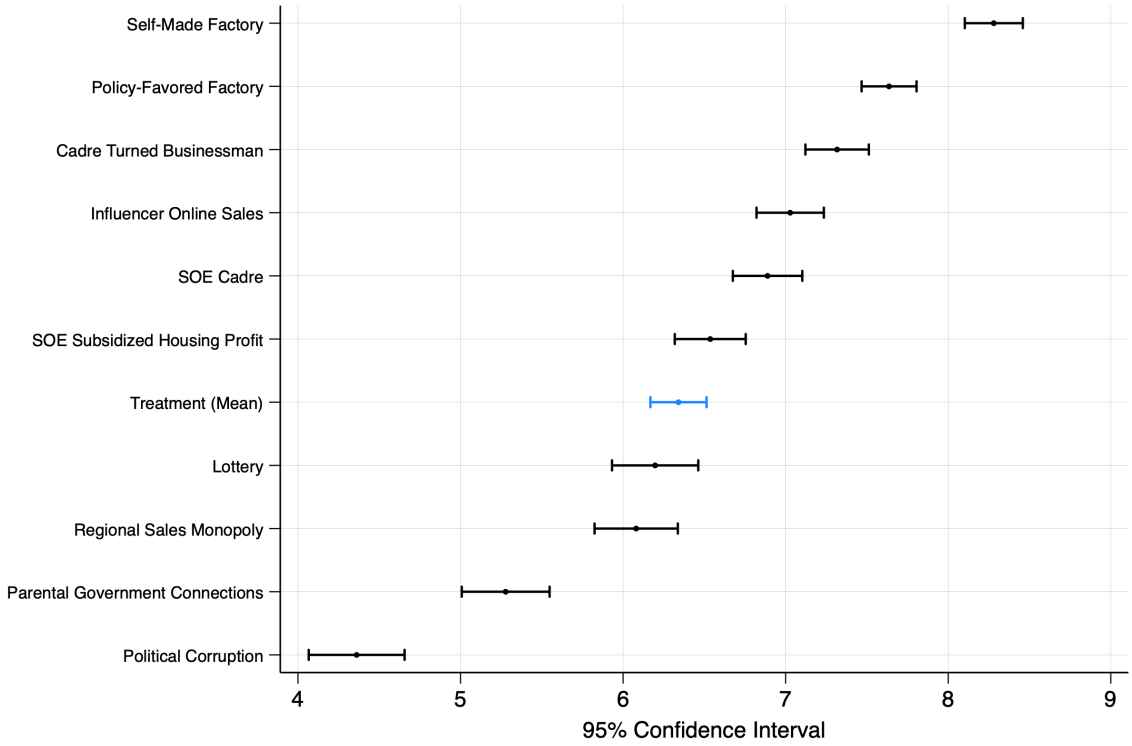
Data from our 2022 supplementary survey shows that Chinese citizens view systemic inequalities—such as those linked to privileges, personal connections, or corruption—as particularly unfair. As shown in Figure 4.1, the two scenarios highlighting systemic inequalities (political corruption and parental government connections) were perceived as the most unfair. Respondents were further asked to assess the extent to which various factors influenced these scenarios. Figure 6.26 in the Appendix provides a sanity check, demonstrating that when respondents were asked about the influence of the political system, these two scenarios of systemic inequalities ranked among the highest. In contrast, the combination of the vignettes is far from being considered as attributable to the political system.[25] Given that the Chinese public views systemic inequalities as particularly unfair, it is plausible that they see the reform windfall as an opportunity to escape such inequalities.

Consistent with the "reform windfall as redistribution" mechanism, we find that the treatment shifts respondents' perceptions of the reform (see Table 3). We estimate the following regression:

$$Agreement_i = \beta_0 + \beta_1 Treatment_i + \beta_2 X_i + \epsilon_i \tag{3}$$

[25]We average the three scenarios from the treatment vignettes to align with the bundled treatment design used in the 2024 survey.

Figure 4.1: Perceived Fairness of Different Wealth-Acquisition Scenarios, 2022



Notes: The figure reports the mean and 95% confidence intervals of perceived fairness rating (ranging from 0, the least fair, to 10, the most fair) across various scenarios of wealth acquisition, as assessed in the 2022 supplementary survey. The full text of the scenarios is reported in Appendix Section 6.17. The mean fairness rating for the three treatment vignettes from the main survey is highlighted in blue.

where $Agreement_i$ represents the respondent's agreement with the statement that the reform benefited the majority, the previously disadvantaged, or that the respondent and their family are among the biggest winners of the reform (between 1 "strongly agree" and 10 "strongly disagree"). We regress the dependent variables on the indicator variable for being in the treatment group, and include all controls in the main specification as listed in Appendix Section 6.9.

While the treatment does not significantly increase respondents' belief that the reform benefited the majority, it does significantly increase their perception that the reform benefited the previously disadvantaged and that it benefited them personally. This suggests that the treatment enhances respondents' view of the reform as redistributive. By emphasizing the possibility of redistributive growth—achieved without explicit redistributive policies—the treatment may reduce the demand for explicit redistribution policies.

Table 3: Estimated Treatment Effects on Perceptions of the Reform

	(1) The Majority	(2) The Previously Disadvantaged	(3) Myself
Treatment	0.13	0.22**	0.19**
	(0.09)	(0.09)	(0.09)
Mean DV	6.97	6.83	6.78
St. Dev. DV	2.09	2.22	2.19
Province FE	YES	YES	YES
Obs	2000	2000	2000
Adj. R^2	0.27	0.30	0.31

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01. We control for province fixed effects, demographics, job and income categories, subjective socio-economic status and life satisfaction, access to welfare, and the type of device used to complete the survey.

The "reform windfall as redistribution" mechanism also provides insights into the results of the heterogeneity analysis, particularly explaining why respondents with likely unmet aspirations of upward mobility exhibit a stronger response to the treatment. The treatment reminds these individuals of the numerous windfall opportunities created during the reform era, potentially heightening their awareness of the possibility of upward mobility through similar means. They may perceive themselves as potential beneficiaries of such opportunities due to their advantage in educational attainment—a factor expected to yield greater socioeconomic returns in a market-

oriented society. In contrast, in a more politically managed system, where systemic inequalities such as political capital, family political backgrounds, and connections play a more significant role, their educational advantage may hold less value. Given China's recent deviation from its earlier marketization trajectory and slower growth, these unrealized expectations probably contribute to heightened subjective economic pressure in the current economic context. This would explain why those respondents exhibit a stronger response to the treatment, not necessarily because they expect to benefit from the specific windfalls described in the vignettes, but because they perceive potential advantages in a social structure more perturbed by marketization.

Ultimately, another piece of evidence corroborating the "reform windfall as redistribution" mechanism is that, among the three outcome categories (government duty to redistribute, help the poor, and tax the rich) we examine, responses to government duty-related questions are the most affected by the treatment. This further suggests that exposure to the vignettes prompts respondents to perceive such windfalls as substitutes for formal redistribution.

4.2 Shaping the Perceived Fairness of Existing Inequalities?

A competing mechanism is that the treatment could influence respondents' beliefs about the primary sources of inequality in contemporary China. Demand for redistribution is often assumed to be shaped by fairness concerns in the literature.[26] If so, a shift in beliefs about what drives inequality could, in turn, affect respondents' support for redistribution. Specifically, if the treatment leads respondents to attribute inequalities to factors they perceive as fair, it would likely reduce their support for redistribution.

Testing this mechanism requires demonstrating three components. First, we need to identify the factors that respondents attribute to the wealth acquisition scenarios described in the treatment vignettes. Second, we need to assess whether respondents perceive these factors as fair or unfair. Third, we need to determine whether exposure to the treatment led to a shift in respondents' beliefs about the importance of these

[26] See for example Fong (2001); Alesina and Angeletos (2005); Benabou and Tirole (2006); Alesina and Giuliano (2011); Cavaillé (2023) and the experiment literature on fairness preferences such as Almås et al. (2020, 2021).

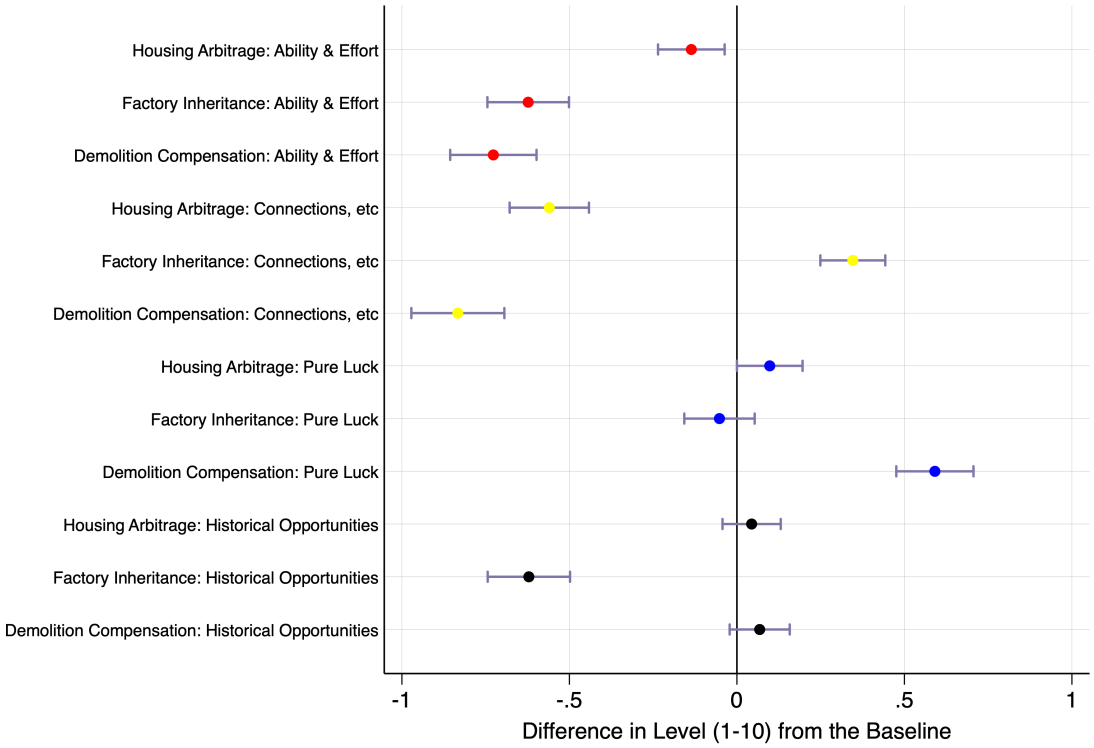
factors in driving wealth acquisition in China.

In the 2024 survey, we designed post-treatment questions asking all respondents to what extent various factors contributed to becoming wealthy in contemporary China, generally speaking, and then specifically in each of the three vignettes. The factors we include are: (i) pure luck, (ii) ability and effort, (iii) historical opportunities during the reform era, and (iv) connections, privileges, and unequal opportunities. We then compare the control group respondents' answers regarding the general wealth acquisition case with their answers to the vignette scenarios. The control group was exposed to the vignettes for the first time when asked to attribute wealth acquisition within the vignettes. As a result, their perceptions of what drives wealth acquisition in the general case remain unaffected by the vignettes. This approach allows us to benchmark how Chinese people attribute wealth acquisition in the three specific scenarios described in the vignettes against a baseline assessment. We also use data collected in the 2022 supplementary survey to provide additional evidence for attribution of wealth acquisition to systemic factors (connections, privileges, unequal opportunities) and how fair these scenarios appear to them.

Figure 4.2 visualizes the differences in attributed drivers of wealth acquisition between the general case and the treatment vignettes. Unsurprisingly, compared to the general case, control group respondents are *less* likely to attribute wealth acquisition described in the vignettes to meritocratic factors such as ability or effort. This pattern is further supported by results from the 2022 supplementary survey, as shown in Appendix Figures 6.23 and 6.24. The difference in attribution to systemic factors (connections, privileges, unequal opportunities) between the general case and the vignettes is not clearly evident from Figure 4.2. However, our supplementary survey reveals that, among a range of 13 specific scenarios, the scenarios in the treatment generally rank low in terms of attribution to systemic factors (see Appendix Figure 6.26).

Since respondents do not consider wealth acquisition described in the treatment to be particularly driven by ability, effort, or systemic factors, how fair do they perceive these scenarios to be? As shown in Figure 4.1, the treatment scenarios are far from being perceived as the least fair—associated with connections, privileges, and unequal opportunities—and far from being perceived as the most fair, which are typi-

Figure 4.2: Differences in Beliefs on the Sources of Wealth - Wealth in General versus Vignettes



Notes: This figure shows the mean difference in the perceived importance of a given factor in wealth acquisition for the rich in general in China compared to its importance in each specific vignette in the treatment. The means were calculated using responses from the control group only, to avoid potential bias from ex-post rationalization. The 95% confidence intervals are also reported.

cally linked to self-made entrepreneurship.

The literature on redistributive preferences largely follows a "meritocratic" paradigm, contrasting effort- or ability-based inequalities (perceived as fair) with luck-based inequalities (perceived as unfair).[27] However, we suggest that, beyond this dichotomy, certain forms of luck may be perceived as more or less fair. Figure 4.1 illustrates that respondents in our 2022 supplementary survey viewed lotteries as significantly less fair than effort- or ability-based scenarios (such as the self-made factory owner, the policy-favored factory owner, the cadre turned businessman, the influencer doing online sales, and the SOE cadre). However, lotteries were also perceived as significantly fairer than privilege-based scenarios (such as parental government connections and political corruption), which were rated as the least fair.[28]

Ultimately, we do not find any evidence that the treatment changes respondents' beliefs on the main determinants of wealth in China. We estimated the following regression:

$$Agreement_i = \beta_0 + \beta_1 Treatment_i + \beta_2 X_i + \epsilon_i \tag{4}$$

where $Agreement_i$ represents the respondent's agreement with the statement that contemporary wealth in China can be attributed to (i) pure luck, (ii) ability and effort, (iii) historical opportunities during the reform era, or (iv) connections, privileges, and inequality of opportunities (between 1 "extremely unimportant" and 10 "extremely important"). We regress the dependent variables on the indicator variable for being in the treatment group, and include all controls in the main specification as listed in Appendix Section 6.9. We present the results in Table 4. There is no statistically significant difference between treated and control respondents in the extent to which they attribute contemporary wealth to any of the four factors we asked. Thus, there is little evidence that the treatment works by increasing the perceived prevalence of "fair" inequalities.[29]

[27] See for instance Fong (2001); Alesina and Angeletos (2005); Benabou and Tirole (2006); Alesina and Giuliano (2011); Alesina et al. (2018); Almås et al. (2021); Cavaillé (2023)

[28] Figures 6.23, 6.24, 6.25 and 6.26 in the Appendix further provide a sanity check by showing that, out of all 13 scenarios considered, the lottery scenario ranked the highest in terms of attribution to luck

Table 4: Estimated Treatment Effects on Beliefs on Sources of Wealth

	(1) Ability & Effort	(2) Pure Luck	(3) Historical Opportunities	(4) Connections & Ineq. Oppo
Treatment	0.01	0.09	-0.01	-0.08
	(0.07)	(0.08)	(0.06)	(0.07)
Mean DV	7.87	7.25	8.01	7.92
St. Dev. DV	1.50	1.72	1.38	1.44
Province FE	YES	YES	YES	YES
Obs	2000	2000	2000	2000
Adj. R^2	0.18	0.21	0.23	0.21

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01. We control for province fixed effects, demographics, job and income categories, subjective socio-economic status and life satisfaction, access to welfare, as well as the type of device used to answer the survey.

To summarize, the treatment vignettes are not perceived as particularly fair or unfair, and they do not appear to alter respondents' beliefs about what drives wealth acquisition in contemporary China. Therefore, we rule out the fairness concerns mechanism due to a lack of supporting evidence.

but the lowest in terms of attribution to effort, ability, or the system.

[29]The very small and insignificant estimated treatment effect on the perception of historical opportunities as a driver of current wealth does not contradict the "reform windfall as redistribution" mechanism. One possible explanation is that beliefs about the sources of wealth are deeply entrenched and cannot be easily influenced by a brief description of several wealth acquisition stories. Alternatively, historical opportunities may not readily come to mind as a primary source of wealth for respondents. However, exposure to the vignettes may prompt respondents to consider examples of such opportunities to become wealthy.

5 Conclusion and Discussion

We conducted a survey experiment with a nationally representative sample in China ($N = 2,000$), where respondents were presented with three stories representative of "reform windfalls": opportunities for enrichment enabled by the economic reform that required minimal ability or effort. Although these stories are not rooted in meritocratic factors such as ability or effort and are acknowledged as such by respondents, we find that priming with these examples *reduces* support for redistributive policies. This finding withstands the test of time. We conducted the experiment twice—first as an exploratory pilot in 2021, and then with a larger sample in 2024—and consistently observed a negative treatment effect on support for redistribution.

We propose a "reform windfall as redistribution" mechanism to account for the main finding. Opportunities emerging during the reform era that alleviate structural inequalities for the previously disadvantaged may be seen as substitutes for formal redistributive policies. The wealth-acquisition stories presented to respondents are viewed as examples of such redistributive windfalls. We find that the treatment increases respondents' perceptions that China's economic reform period primarily benefited the previously disadvantaged, as well as themselves and their families. This suggests that the treatment primes respondents to see the reform era as a time of redistributive growth, reducing the perceived need for explicit redistributive policies.

Our main finding may initially seem puzzling in light of the dominant meritocratic paradigm in the literature, which assumes that the public perceives non-meritocratic inequalities, such as those based on luck rather than ability or effort, as inherently unfair and warranting greater redistribution compared to merit-based inequalities. However, we argue that this paradigm overlooks the nuance that different forms of luck exist, and some luck-based inequalities may be perceived as substantially fairer than others. A supplementary survey we conducted in China in 2022 reveals that the average Chinese citizen perceives inequalities caused by privileges, connections, and unequal opportunities as significantly less fair than those resulting from pure luck.

Therefore, our study offers a cautionary note for the literature on demand for redistribution, particularly in rapidly transforming economies where economic opportunities

are shifting away from political control. Increasing the salience of non-meritocratic origins of wealth—a strategy often employed by advocates of redistribution to mobilize public support—can unexpectedly reduce endorsement of redistributive policies. Even when people perceive merit-based wealth as fairer than lottery or windfall-based wealth, this perception does not necessarily play a first-order role in shaping their demand for redistribution. In fact, highlighting luck-based wealth may also draw attention to real or imagined alternatives to government redistribution, thereby reducing demand for redistributive policies.

Moreover, our results demonstrate that Chinese people perceive the gains from economic reform as highly legitimate and desirable. This preference is further highlighted by our heterogeneity analysis. Overall, we find minimal heterogeneity in treatment effects across a wide range of socio-economic variables, with one notable exception: individuals reporting higher economic pressure. These respondents, who are more likely to be educated residents of large cities with lower household incomes, further reduced their support for redistribution. We argue that this reduced support stems from unmet expectations, as they are reminded that they might have benefited more if China had maintained its marketization and growth momentum.

The shift in the composition of groups reporting higher economic pressure between our 2021 pilot survey and the 2024 main survey further underscores this conjecture. This shift occurred within the context of a more politically controlled economy and slower growth in the three years following the pandemic. In 2021, those reporting higher economic pressure were primarily the urban poor—individuals with lower levels of education, who self-identified as lower class, and relied on government transfers. By 2024, however, this group had shifted to more educated urban residents who do not see themselves as part of the lower class. Those respondents probably held unmet expectations, explaining why they report higher economic pressure and respond more strongly to the treatment. A recent study by Alisky et al. (2024) supports this shift in public sentiment. It finds that Chinese people increasingly see structural factors, such as unequal opportunities, as more significant than individual merit in determining wealth and poverty. Furthermore, they express lower expectations for future income growth compared to earlier years.

We call for further research to conduct similar analyses in other emerging economies that are undergoing or have undergone rapid market liberalization. Comparable results might also be expected in societies where economic opportunities are becoming less politically controlled.

Declaration of Generative AI and AI-assisted technologies in the writing process

Statement: During the preparation of this work the authors used GPT-4o in order to improve readability and language of the paper. After using this tool, the authors reviewed and edited the content as needed and take full responsibility for the content of the publication.

References

Alesina, A., & Angeletos, G.-M. (2005). Fairness and redistribution. *American economic review*, *95*(4), 960–980.

Alesina, A., & Fuchs-Schündeln, N. (2007). Good-bye lenin (or not?): The effect of communism on people's preferences. *American Economic Review*, *97*(4), 1507–1528.

Alesina, A., & Giuliano, P. (2011). Preferences for redistribution. In *Handbook of social economics* (Vol. 1, pp. 93–131). Elsevier.

Alesina, A., Miano, A., & Stantcheva, S. (2023). Immigration and redistribution. *The Review of Economic Studies*, *90*(1), 1–39.

Alesina, A., Stantcheva, S., & Teso, E. (2018). Intergenerational mobility and preferences for redistribution. *American Economic Review*, *108*(2), 521–54.

Alisky, M., Rozelle, S., & Whyte, M. K. (2024, September). *Getting ahead in today's china: From optimism to pessimism* (Working Paper). Stanford Center on China's Economy and Institutions.

Almås, I., Cappelen, A., Sørensen, E., & Tungodden, B. (2021). Fairness across the world: Preferences and beliefs. *Working paper*.

Almås, I., Cappelen, A. W., & Tungodden, B. (2020). Cutthroat capitalism versus cuddly socialism: Are Americans more meritocratic and efficiency-seeking than Scandinavians? *Journal of Political Economy*, *128*(5), 1753–1788.

An, W., & Ye, M. (2017). Mind the gap: Disparity in redistributive preference between political elites and the public in China. *European Journal of Political Economy*, *50*, 75–91.

Andre, P. (2024). Shallow meritocracy. *Review of Economic Studies*, rdae040.

Ang, Y. Y. (2018). *How china escaped the poverty trap*. Cornell University Press.

Ardanaz, M., Hübscher, E., Keefer, P., & Sattler, T. (2022). Policy misperceptions, information, and the demand for redistributive tax reform: Experimental evidence from Latin American countries.

Baron-Epel, O., Kaplan, G., Weinstein, R., & Green, M. S. (2010). Extreme and acquiescence bias in a bi-ethnic population. *European Journal of Public Health*, *20*(5), 543–548.

Belguise, M., Huang, Y., & Mo, Z. (2023). Utilitarian meritocrats or conformist merito-

crats? a redistribution experiment in China and France. *PSE Unpublished Working Paper*.

Benabou, R., & Ok, E. A. (2001). Social mobility and the demand for redistribution: the poum hypothesis. *The Quarterly journal of economics*, *116*(2), 447–487.

Benabou, R., & Tirole, J. (2006). Belief in a just world and redistributive politics. *The Quarterly journal of economics*, *121*(2), 699–746.

Campos-Vazquez, R. M., Krozer, A., Ramírez-Álvarez, A. A., de la Torre, R., & Velez-Grajales, R. (2022). Perceptions of inequality and social mobility in Mexico. *World Development*, *151*, 105778.

Cappelen, A. W., Cappelen, C., & Tungodden, B. (2023). Second-best fairness: The trade-off between false positives and false negatives. *American Economic Review*, *113*(9), 2458–2485.

Cappelen, A. W., Mollerstrom, J., Reme, B.-A., & Tungodden, B. (2022). A meritocratic origin of egalitarian behaviour. *The Economic Journal*, *132*(646), 2101–2117.

Cavaillé, C. (2023). *Fair enough?: support for redistribution in the age of inequality*. Cambridge University Press.

Cavaillé, C., & Trump, K.-S. (2015). The two facets of social policy preferences. *The Journal of Politics*, *77*(1), 146–160.

Chen, C., Lee, S.-y., & Stevenson, H. W. (1995). Response style and cross-cultural comparisons of rating scales among east asian and north american students. *Psychological Science*, *6*(3), 170–175.

Chen, Y., Wang, H., & Yang, D. (2017). Salience of history and the preference for redistribution. *Available at SSRN 2717651*.

Chinoy, S., Nunn, N., Sequeira, S., & Stantcheva, S. (2023). *Zero-sum thinking and the roots of us political divides* (Tech. Rep.). National Bureau of Economic Research.

Cojocaru, A. (2014). Prospects of upward mobility and preferences for redistribution: Evidence from the life in transition survey. *European Journal of Political Economy*, *34*, 300–314.

Cruces, G., Perez-Truglia, R., & Tetaz, M. (2013). Biased perceptions of income distribution and preferences for redistribution: Evidence from a survey experiment. *Journal of Public Economics*, *98*, 100–112.

Dolnicar, S., & Grün, B. (2007). Cross-cultural differences in survey response patterns.

International Marketing Review, *24*(2), 127–143.

Fehr, D., Mollerstrom, J., & Perez-Truglia, R. (2019). Your place in the world: The demand for national and global redistribution. *NBER working paper*(w26555).

Fong, C. (2001). Social preferences, self-interest, and the demand for redistribution. *Journal of Public economics*, *82*(2), 225–246.

Harrs, S., & Sterba, M.-B. (2023). Fairness and support for welfare policies.

Holland, A. C. (2018). Diminished expectations: redistributive preferences in truncated welfare states. *World Politics*, *70*(4), 555–594.

Hoy, C., & Mager, F. (2021). Why are relatively poor people not more supportive of redistribution? evidence from a randomized survey experiment across ten countries. *American Economic Journal: Economic Policy*, *13*(4), 299–328.

Huang, X. (2019). Social cleavages and preferences for government redistribution in contemporary China. *Studies in Comparative International Development*, *54*(3), 415–450.

Imbens, G. W., & Rubin, D. B. (2015). Assessing overlap in covariate distributions. *Causal inference in statistics, social, and biomedical sciences*.

Kling, J. R., Liebman, J. B., & Katz, L. F. (2007). Experimental analysis of neighborhood effects. *Econometrica*, *75*(1), 83–119.

Kuziemko, I., Norton, M. I., Saez, E., & Stantcheva, S. (2015). How elastic are preferences for redistribution? evidence from randomized survey experiments. *American Economic Review*, *105*(4), 1478–1508.

Mu, R. (2022). Perceived relative income, fairness, and the role of government: Evidence from a randomized survey experiment in China. *China Economic Review*, *73*, 101784.

Okulicz-Kozaryn, A. (2014). Winners and losers in transition: preferences for redistribution and nostalgia for communism in eastern europe. *Kyklos*, *67*(3), 447–461.

Oster, E. (2019). Unobservable selection and coefficient stability: Theory and evidence. *Journal of Business & Economic Statistics*, *37*(2), 187–204.

Pellicer, M., Piraino, P., & Wegner, E. (2019). Perceptions of inevitability and demand for redistribution: Evidence from a survey experiment. *Journal of Economic Behavior & Organization*, *159*, 274–288.

Piketty, T., Yang, L., & Zucman, G. (2019). Capital accumulation, private property, and

rising inequality in China, 1978–2015. *American Economic Review*, *109*(7), 2469–96.

Sartor, S., & Yusof, J. (2024). Market luck: Skill-biased inequality and redistributive preferences. *Working Paper*.

Smyth, R., Mishra, V., & Qian, X. (2010). Knowing one's lot in life versus climbing the social ladder: The formation of redistributive preferences in urban China. *Social Indicators Research*, *96*(2), 275–293.

Whyte, M. K. (2010). *Myth of the social volcano: Perceptions of inequality and distributive injustice in contemporary China*. Stanford University Press.

Whyte, M. K., & Han, C. (2008). Popular attitudes toward distributive injustice: Beijing and Warsaw compared. *Journal of Chinese Political Science*, *13*, 29–51.

World Inequality Lab. (n.d.). *World inequality database.* (data retrieved from wid.world)

Xun, Z. (2015). Preference for redistribution and inequality perception in China: Evidence from the CGSS 2006.

Yang, Y., Harkness, J. A., Chin, T.-Y., & Villar, A. (2010). Response styles and culture. *Survey methods in multinational, multiregional, and multicultural contexts*, 203–223.

6 Appendix

6.1 Geographical Outreach of the 2021 and 2024 Main Survey - Frequency by Province

Figure 6.1: Percentages of Respondents by Province, 2021 Survey

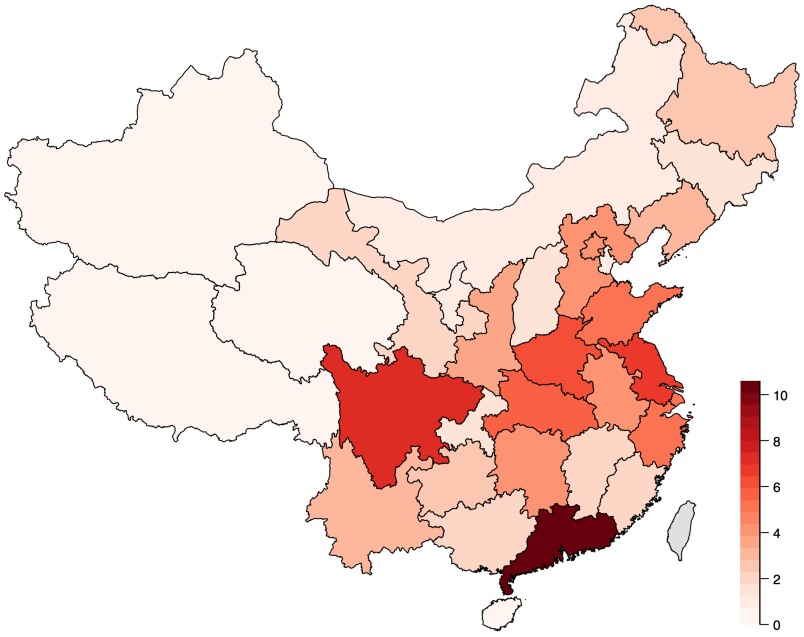


Figure 6.2: Percentages of Respondents by Province, 2024 Survey

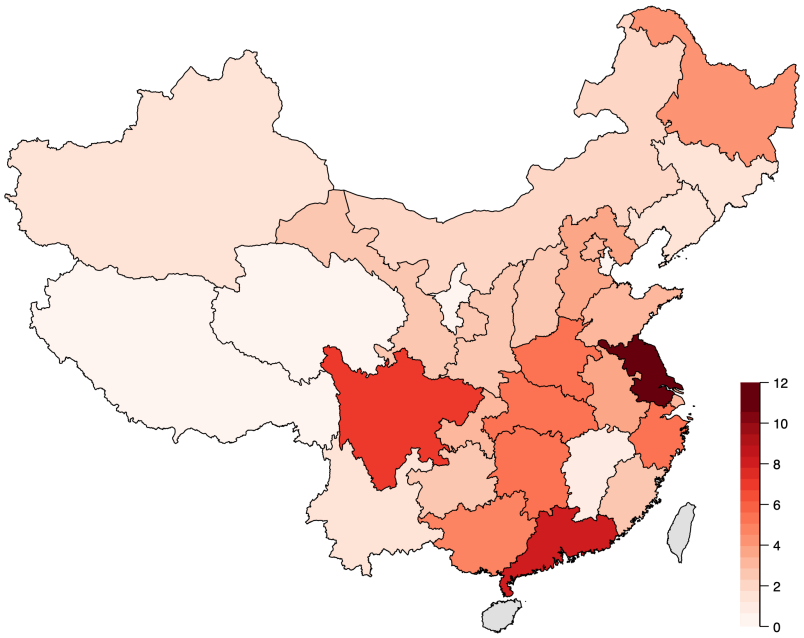


Figure 6.3: Population Percentages by Province, 2020 Census

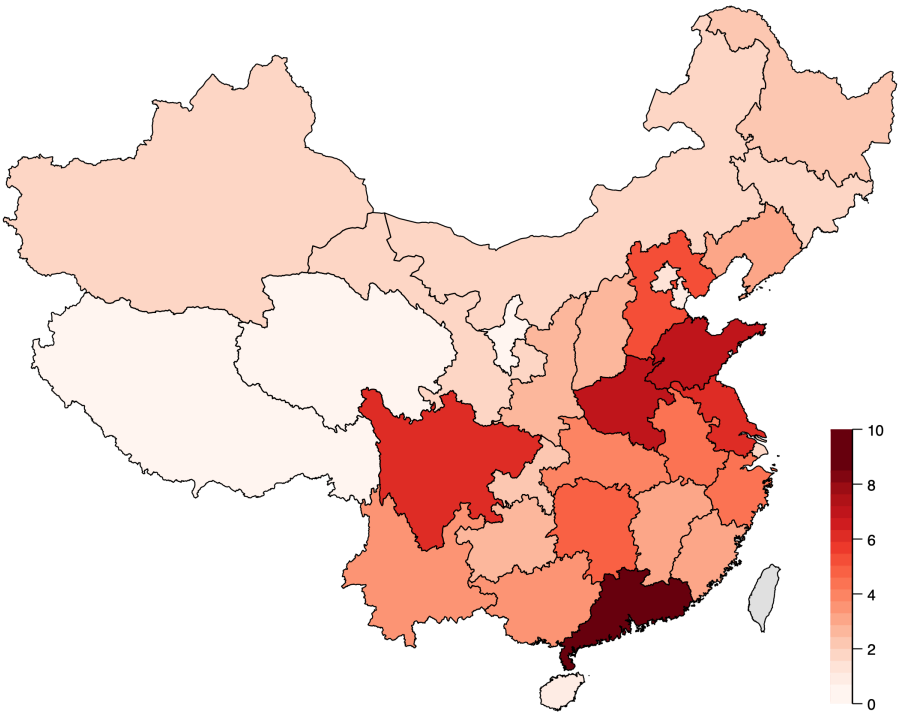


Figure 6.4: Prefectures Covered by 2021 Survey (covered prefectures are in orange)

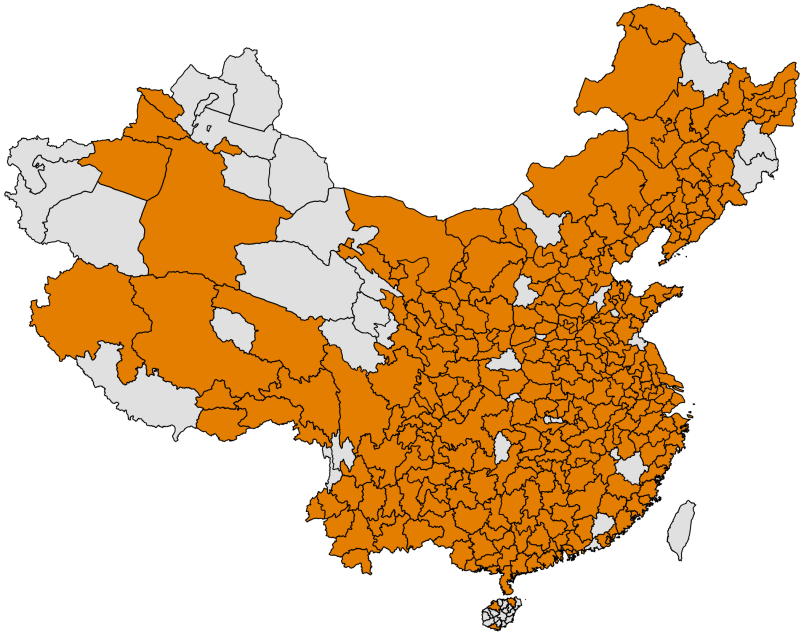
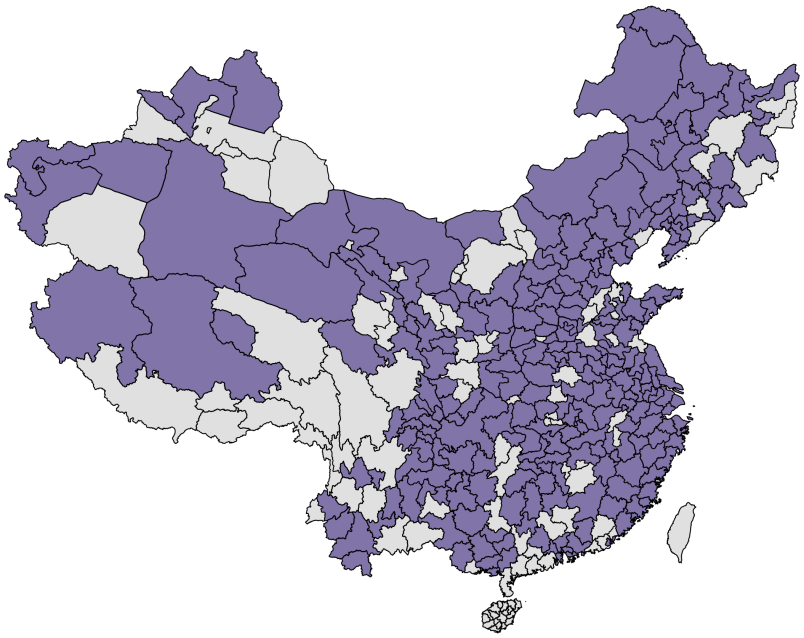


Figure 6.5: Prefectures Covered by 2024 Survey (covered prefectures are in purple)



6.2 Randomization Protocol

The randomization protocol applies to both the pilot experiment (September, 2021) and the main survey experiment (August, 2024).

To ensure that each treatment group (including the control group) was as nationally representative as possible, we adopted the following randomization protocol.

1. Multiply the demographic quota by the treatment group size (sub-sample size) to calculate the number of questionnaires needed in each demographic "slot."

   For example, if the treatment group consists of 1,000 people and requires 500 men and 500 women, then a "slot" of 500 men and a "slot" of 500 women are created based on the demographic quota. For more details on the exact quotas, please refer to the next sub-section of the Appendix.

2. Distribute the questionnaire to a first round of potential respondents, randomly assigning them to a treatment group.

3. If an individual slot is filled, the system will filter out respondents who satisfy the criterion of this slot. They will be shown a message that says "Thanks for your participation, but you do not satisfy the conditions of this survey," and they will then exit the survey.

4. If there are still unfilled slots after the first round, the survey firm will distribute the questionnaire for a second round to new potential respondents.

5. Repeat steps 2 to 4 until all quotas are filled.

6.3 Quotas Imposed

Table 5: Quota Scheme for the Main Survey, 2024 (N=2,000)

Variable	Quotas
Gender	50% male
	50% female
Age	Between 18 and 35 years old (including 35 years old): 40%
	Between 35 and 50 years old (including 50 years old): 40%
	Over 50 years old: 20%
Region	North China: 12%
	Northeast China: 7%
	East China: 30%
	Central China: 16%
	South China: 13%
	Southwest China: 15%
	Northwest China: 7%
Migrant Status	Migrant Status: 30%
	Non-Migrant Status: 70%
Usual Residence	Urban/Peri-urban residence: 64%
	Rural residence: 36%
Income	Gross personal income up to 50,000 per year (including those with no income): 50%
	Gross personal income of 50,000 to 100,000 per year (including 100,000): 30%
	Gross personal income of 100,000 or more per year: 20%
Education	Junior high school degree and below: 60%
	High school education and below, junior high school education and above: 20%
	College/College-level vocational school degree and above: 20%

Notes: Quotas for age, region, migrant status, education and usual residence are based on the Seventh National Population Census of the People's Republic of China (the 2020 Chinese Census). The same quota was applied to the 2021 pilot survey experiment.
Quotas for income are based on income data from the World Inequality Database.
Region is defined as one's current place of residence.
Migrant status: If one's household registration (*hukou*) does not match her current place of residence, we consider that person a migrant.

Table 6: Quota Scheme for the Supplementary Survey, 2022 (N=360)

Variable	Quotas
Gender	50% male
	50% female
Region	North China: 12%
	Northeast China: 7%
	East China: 30%
	Central China: 16%
	South China: 13%
	Southwest China: 15%
	Northwest China: 7%
Income	Gross personal income up to 50,000 per year (including those with no income): 50%
	Gross personal income of 50,000 to 100,000 per year (including 100,000): 30%
	Gross personal income of 100,000 or more per year: 20%
Education	Junior high school degree and below: 60%
	High school education and below, junior high school education and above: 20%
	College/College-level vocational school degree and above: 20%

Notes: Compared to the quotas imposed on the main survey (N=2,500), for the supplementary survey we only imposed quotas on the dimensions related to gender, region, income and education.

6.4 Baseline Characteristics of Respondents of the Main Survey, 2021 and 2024

Table 7: Baseline Characteristics in 2021 and 2024- Compared with the Latest National Figures

	(1) 2021	(2) 2024	(3) National Average
Female	0.500	0.500	0.5124
Median Age	38	38	38.4
College Educated	0.094	0.119	0.154
Total Personal Income (Last Year)	50000	50000	46,749 (2019 - WID)
Migrant: Not living in Household Registration Place	0.300	0.300	0.345
Household Size	3.364	3.334	2.62
Urban Resident	0.640	0.640	0.6389
Years of Education	10.566	9.995	9.91
CCP Member	0.054	0.071	0.067
Public Sector Employee	0.156	0.100	NA
Observations	2500	2000	

Notes: Data source for national figures excluding income: The 2020 Chinese Census. Data source for income: World Inequality Database. We did not obtain a precise figure on the share of public sector employers at the national level, hence we did not impose any quota in the survey and cannot make concrete comparison between our survey and the country-level statistic.

6.5 Balance Tables of the Treatment and Control Groups' Characteristics (2021 and 2024 Waves)

Table 8: Mean of Demographic Variables for Control and Treatment Group and t-test of Their Differences, 2021

	(1) Control		(2) Treatment		(3) Mean Difference	
	mean	sd	mean	sd	b	t
Female	0.500	0.501	0.500	0.501	0.000	(0.000)
Age	39.163	11.906	38.228	11.733	0.935	(0.923)
CCP Member	0.053	0.225	0.072	0.259	-0.019	(-0.904)
Resid: Large City	0.243	0.430	0.324	0.469	-0.081*	(-2.103)
Resid: Suburban	0.113	0.318	0.092	0.290	0.021	(0.816)
Resid: Medium City	0.103	0.305	0.096	0.295	0.007	(0.285)
Resid: Small City/Town	0.180	0.385	0.128	0.335	0.052	(1.673)
Resid: Rural	0.360	0.481	0.360	0.481	0.000	(0.000)
Self-Assessed Social Status (1-10)	4.970	2.035	4.924	2.043	0.046	(0.263)
Self-Assessed Income Level (1-10)	4.740	1.985	4.736	2.001	0.004	(0.023)
Total Personal Income (Last Year)	6.130	2.440	6.188	2.472	-0.058	(-0.276)
Total Household Income (Last Year)	7.683	1.965	7.572	2.207	0.111	(0.625)
Highest Education Level	3.563	1.145	3.592	1.233	-0.029	(-0.282)
Father's Education Level	3.110	1.485	3.116	1.428	-0.006	(-0.048)
Foreign Travel Experience	0.107	0.309	0.100	0.301	0.007	(0.255)
Public Sector Employee	0.117	0.322	0.136	0.343	-0.019	(-0.681)
Amount Would Share (Dictator Game)	1687.400	1464.749	1739.676	1625.556	-52.276	(-0.396)
City Tier Classification	2.603	1.066	2.556	1.071	0.047	(0.517)
Household Size	3.390	0.753	3.368	0.712	0.022	(0.350)
Own >1 Property	0.097	0.296	0.096	0.295	0.001	(0.026)
Interest in Politics (1-4)	2.930	0.726	2.916	0.692	0.014	(0.230)
Device: Android	0.700	0.459	0.684	0.466	0.016	(0.404)
Device: iPhone	0.077	0.267	0.064	0.245	0.013	(0.575)
Device: Tablet	0.007	0.082	0.000	0.000	0.007	(1.293)
Device: PC	0.217	0.413	0.252	0.435	-0.035	(-0.975)
Observations	300		250		550	

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01.

Table 9: Mean of Demographic Variables for Control and Treatment Groups and t-test of Their Differences, 2024

	(1) Control		(2) Treatment		(3) Mean Difference	
	mean	sd	mean	sd	b	t
Female	0.500	0.500	0.500	0.500	0.000	(0.000)
Age	40.097	11.049	40.040	11.387	0.057	(0.114)
CCP Member	0.053	0.224	0.089	0.285	-0.036**	(-3.141)
Resid: Large City	0.232	0.422	0.278	0.448	-0.046*	(-2.362)
Resid: Suburban	0.081	0.273	0.078	0.268	0.003	(0.248)
Resid: Medium City	0.111	0.314	0.129	0.335	-0.018	(-1.238)
Resid: Small City/Town	0.216	0.412	0.155	0.362	0.061***	(3.518)
Resid: Rural	0.360	0.480	0.360	0.480	0.000	(0.000)
Rural Land Contracting Right	0.621	0.485	0.617	0.486	0.004	(0.184)
Self-Assessed Social Status (1-10)	5.376	1.940	5.036	1.922	0.340***	(3.937)
Self-Assessed Income Level (1-10)	5.160	1.860	5.002	1.833	0.158	(1.913)
Total Personal Income (Last Year)	6.275	2.256	6.288	2.357	-0.013	(-0.126)
Total Household Income (Last Year)	8.122	2.131	8.318	2.168	-0.196*	(-2.039)
Highest Education Level	3.391	1.277	3.434	1.463	-0.043	(-0.700)
Father's Education Level	3.315	1.584	3.147	1.434	0.168*	(2.486)
Foreign Travel Experience	0.092	0.289	0.082	0.275	0.010	(0.793)
Public Sector Employee	0.095	0.293	0.101	0.301	-0.006	(-0.451)
Amount Would Share (Dictator Game)	1785.807	1664.323	1871.655	1757.502	-85.848	(-1.122)
City Tier Classification	2.653	1.024	2.632	1.066	0.021	(0.449)
Household Size	3.320	0.700	3.348	0.697	-0.028	(-0.897)
Own >1 Property	0.046	0.210	0.075	0.264	-0.029**	(-2.724)
Interest in Politics (1-4)	2.954	0.739	2.924	0.715	0.030	(0.923)
Device: Android	0.742	0.438	0.696	0.460	0.046*	(2.290)
Device: iPhone	0.044	0.205	0.041	0.198	0.003	(0.332)
Device: Tablet	0.004	0.063	0.004	0.063	0.000	(0.000)
Device: PC	0.210	0.408	0.259	0.438	-0.049**	(-2.589)
Observations	1000		1000		2000	

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01.

6.6 Normalized Mean Differences of Treated and Control Group Respondents, 2024

Table 10: Normalized Mean Differences Between Treatment and Control Groups, 2024

	Normalized Mean Difference
Female	0.000
Resid: Rural Areas	0.000
Device: Other	0.000
Pension: Landless Farmers	0.000
Age	-0.005
Personal Income	0.006
Land Contract Rights	-0.008
Pension: Urban Resident	-0.010
Pension: Commercial	0.010
Resid: Urban Areas	-0.011
Device: iPhone	-0.015
Health Insurance: Rural Cooperative	-0.019
City Tier Level	-0.020
Public Sector Employee	0.020
Health Insurance: Urban Employee	0.021
Pension: Urban Employee	0.023
Education Level	0.031
Foreign Travel Experience	-0.035
Health Insurance: Urban Resident	-0.039
Household Size	0.040
Interest in Social/Political Issues	-0.041
No Health Insurance	-0.044
Amount Would Share (Dictator Game)	0.050
Resid: Towns/Villages	0.055
Pension: Rural	-0.065
Feel Secure (1–10)	-0.068
No Pension Coverage	0.074
Self-Reported Income Category	-0.086
Household Income	0.091
Economic Pressure (1–10)	0.094
Health Insurance: Unknown	-0.095
Device: Android	-0.102
Resid: City Center	0.106
Father Education	-0.111
Device: PC	0.116
Own >1 Property	0.122
Life Satisfaction (1–10)	-0.124
CCP Member	0.140
Resid: Small City/Town	-0.157
Self-Assessed Social Status (1–10)	-0.176
Health Insurance: Commercial	0.199

6.7 Oster Bounds for Treatment Effect Estimates

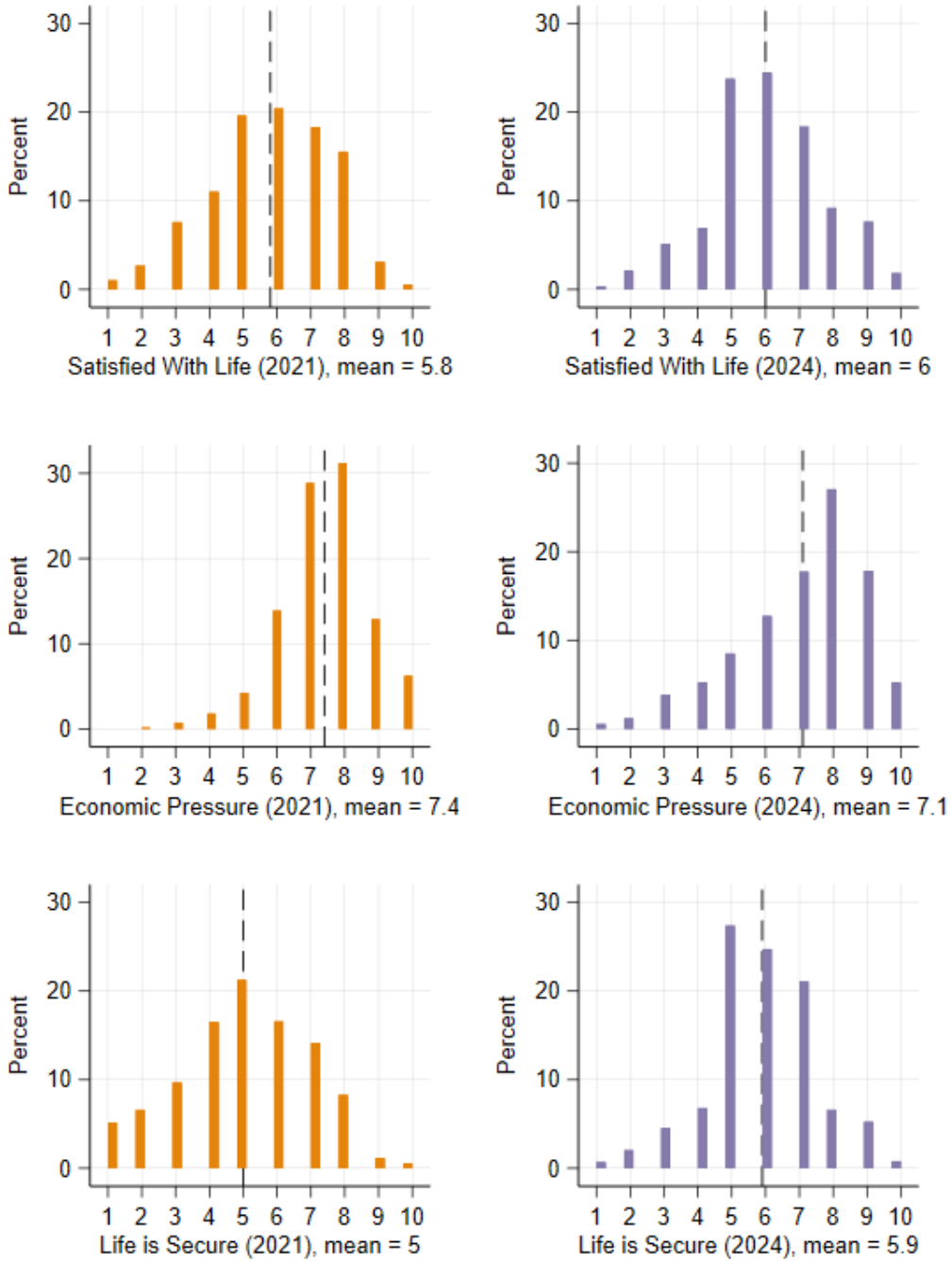
Table 11: Oster Bounds for the Treatment Effect Estimates, 2024

	(1) All Policies	(2) Gov. Duty Index	(3) Tax Rich Index (All)	(4) Tax Rich Index (Without Housing)	(5) Help Poor Index (All)	(6) Help Poor Index (Without Housing)
Treatment=1	-0.0790***	-0.171***	-0.0697***	-0.0826***	-0.0271	-0.0639**
	(0.02)	(0.03)	(0.03)	(0.03)	(0.02)	(0.03)
$\beta\ (\delta = 1)$	-0.15	-0.36	-0.33	-0.38	-0.14	-0.14
$\beta\ (\delta = -1)$	-0.05	-0.12	-0.02	-0.03	-0.00	-0.05
Obs	2000	2000	2000	2000	2000	2000

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01. Standard errors in parentheses. We assume R_max=1

6.8 Subjective Economic Pressure, Life Satisfaction and Feeling Secure - 2021 and 2024

Figure 6.6: Distribution of Subjective Assessment of Economic Pressure, Life Satisfaction and Feeling Secure, 2021 and 2024



Notes: This figure reports the distribution of answers to life satisfaction questions in the 2021 and 2024 waves of survey. The complete questions are: "Are you satisfied with your life level right now? Choose 1 for completely dissatisfied and 10 for completely satisfied"; "Is your family feeling a lot of economic pressure? Choose 1 for no pressure at all and 10 for a lot of pressure." and "Do you feel that your life is secure? Choose 1 for no security at all and I will be doomed if something happens, and choose 10 for completely secure and not worried about a sudden job loss or sickness."

6.9 Full Set of Controls Used in Main Treatment Effect Regressions - 2021 and 2024

The following variables are used as controls in the main and heterogeneous treatment effect analysis.

- Gender (male or female)
- Age
- Self-reported CCP membership
- Place of residence (factor): Large cities, suburbs or outskirts of large cities, small cities or countryside.
- (Only for 2024) Whether the respondent has land contracting right. This variable is a proxy for whether the respondent has rural status after the era of household registration system.
- (Only for 2021) Migrant, meaning that the respondent does not reside where his or her household registration is.
- Subjective perception of relative socio-economic status in the current Chinese society: On a scale of 1-10, where would the respondent place him/herself, with 1 being the lowest and 10 being the highest.
- Subjective perception of relative income position in the current Chinese society : On a scale of 1-10, where would the respondent place him/herself, with 1 being the lowest and 10 being the highest.
- Job category (factor): Agriculture, service, independent artisan or merchant, head of private enterprise, white collar clerical work, government cadre, management, army/police, other professionals, blue collar workers and others.
- Self-reported personal income category (factor): No income, under 10k RMB, 10k to 20k, 20k to 30k, 30k to 40k, 40k to 50k, 50k to 80k, 80k to 100k, 100k to 150k, 150k to 200k, above 200k.

- Self-reported household income category (factor): Under 10k, 10k to 20k, 20k to 40k, 40k to 50k, 50k to 80k, 80k to 100k, 100k to 150k, 150k to 200k, above 200k.
- Education level (factor): Less than primary, primary, junior high (9 years of education), senior high (12 years of education), technial college, four-year college, postgraduate degrees.
- Father education level (factor): Less than primary, primary, junior high (9 years of education), senior high (12 years of education), technial college, four-year college, postgraduate degrees.
- Foreign travel experience
- Work in public sector
- Hypothetical test of how much one would share in a dictator game out of 10k RMB
- City tiers (factor): Tier 1 cities are larger, richer and more central than tier 2 cities, and so on. Tier 1 cities refer to Beijing, Shanghai, Shenzhen, etc. Tier 2 cities commonly refer to provincial capitals or large, rich cities (e.g. Wenzhou) that are not provincial capitals. Tier 3 cities refer to other cities in a province that has certain amount of influence and wealth. Tier 4 cities and below are often in Western, poorer provinces.
- Household size
- Property count (factors): One property, two properties, three-five properties and more.
- Level of interest for social and political affairs: 1 for not interested at all, 4 for very interested.
- Type of device used to answer the survey (iPhone, Android, tablet or PC)
- Type of health insurance (factor): Urban employee medical insurance, urban resident medical insurance, rural cooperative medical insurance, commercial health insurance, other health insurance (e.g. University), no health insurance, does not

know.

- Type of pension insurance (factor): Urban employee basic pension scheme, urban resident pension scheme, commercial pension scheme, landless farmers pension scheme, new rural social pension scheme, other pension schemes, no pension scheme and do not know.
- Subjective life satisfaction (1-10)
- Subjective economic pressure (1-10)
- Subjective feeling of security (1-10)
- Province fixed effects

6.10 Definition and Descriptive Statistics of the Dummies Used for Heterogeneity Analysis

Table 12: Dummy Variables for Treatment Effect Heterogeneity Analysis in Figure 3.2

	(1) 2021 mean	(2) 2024 mean
Large Cities (Residence = Large City or its Suburb)	0.40	0.33
White Collar/Professionals	0.26	0.28
Work in SOE/Public	0.17	0.13
Income Above Median	0.50	0.50
Own >1 Property	0.09	0.06
High Econ Pressure (Larger than Median)	0.50	0.50
Upward Mobility (No Mobility = 0, Downward = NA)	0.48	0.46
Downward Mobility (No Mobility = 0, Upward = NA)	0.16	0.15
Observations	2500	2000

6.11 Representative Vignettes of Wealth Acquisition (Treatment)

- **Wealth Acquisition via Reform Windfall**

  Since the reform and opening up, China has seen a significant increase in national wealth. Some people have become rich through various means. For example, please read the following three stories.

  1. Wang is the owner of a medium-sized enterprise located in a city of the Zhejiang Province. Since 2000, he has been a member of a local real estate hunting group, where he has been buying real estate around the country for investment purposes. The group's practice of purchasing together makes bargaining with developers easier, and Wang has turned his initial investment of 1.1 million into 10 million in just a few years.

  2. Li's family resides in a city in Jiangsu Province. His parents started a successful family business and have gained considerable wealth in their hometown after many years of operation. Li struggled academically as a child and was sent to study abroad by his parents. After obtaining his college degree and returning to China, he joined the family business and now serves as the Vice CEO. Liu, who is the same age as Li, graduated from a prestigious university and joined the company as a sales manager, earning an annual salary of 120,000 yuan. Both Li and Liu work tirelessly, but Li earns 30 times more than Liu.

  3. The Zhang family purchased a small property in the urban village of Shenzhen in 2000, measuring approximately 120 square meters, for a price of some 100,000 yuan. In 2019, demolition finally took place, and the compensation standard was set at 100,000 yuan per square meter. With the compensation of 12 million yuan, the Zhang family became instant millionaires.

6.12 Outcomes of Interest Detailed

- **Policies pertaining to taxing the rich**

    1. Wealth Tax (tax on the super rich): The rich should pay an annual asset tax if their total assets exceed a certain limit.

    2. Audit Top 0.1% Income Earners: The top 0.1% of the ultra-high income group (1.4 million people) should be subject to annual state audits and disclosure of their income sources.

    3. Tax on 2+ Properties: Real estate taxes should be imposed on people who own two or more real estate properties

    4. Maximum Income Limit: No one should be able to have an annual income above a ceiling for any reason.

    5. Restrict Asset Transfers Abroad: We should strictly restrict rich people from transferring assets overseas.

    6. New Sent-Down Movement: Urban residents in developed areas should be obliged to go to poor areas for a year of compulsory rural work and poverty alleviation before the age of 30, in the form of a new sent-down movement.

- **Policies pertaining to helping the poor**

    1. Reserved University Quotas for the Poor: Students from poor families or underdeveloped areas should have reserved quota in key universities and key high schools.[30]

    2. Free Chronic/Major Illness Care for the Poor: Low-income families would be reimbursed for most treatment costs for serious chronic and major ill-

[30] By key universities (Zhòng Diǎn Dà Xué in Chinese), we refer to those universities that are included in the "Project 211" ad "Project 985". These two projects were established in the late 1990s to improve education quality and raise research standards in China. Announced in 1995 and 1998 respectively, both programs expired in 2014 but the labels attached to universities remain. Both 985 and 211 universities are considered elite universities by the general public in China, with the 985 universities being even more elitist. There are 154 universities in these two categories. Key high schools (Zhòng Diǎn Gāo Zhōng in Chinese), also known as "model high schools," refer to national exemplary ordinary senior high schools that have been evaluated and recognized by the State Education Commission and the Ministry of Education. Approximately 1,000 such schools exist nationwide in China.

nesses.

3. Raise Minimum Wage: A uniform national minimum wage should be set and the amount of the minimum wage should be further increased compared to the existing minimum wages in some regions of China.

4. Expand Urban Affordable Housing: Urban affordable housing should be further expanded, mainly for young working people and those whose parents do not own urban housing.

5. Double Minimum Social Protection: The minimum living assistance program (*Dibao*) should be expanded to more than twice its current coverage and the amount of benefits increased.

6. Increase Income Tax Starting Point: The starting point of personal income tax should be further increased (currently the starting point is $5,000).

- **Statements pertaining to government duty**

1. Reduce Rich-Poor Gap: Our government should take strong action to reduce the gap between the rich and the poor.

2. Unify Exams/Admissions for Higher Ed: The government should use uniform test questions and admissions standards to allow everyone to compete fairly for higher education admissions.

3. Provide Jobs: Our government has a responsibility to provide appropriate jobs for everyone who wants to work.

4. Gov Redistribution is Just: It is just to let the government regulate the distribution of wealth and income.

6.13 Experimental Design of the Pilot Survey Experiment (2021)

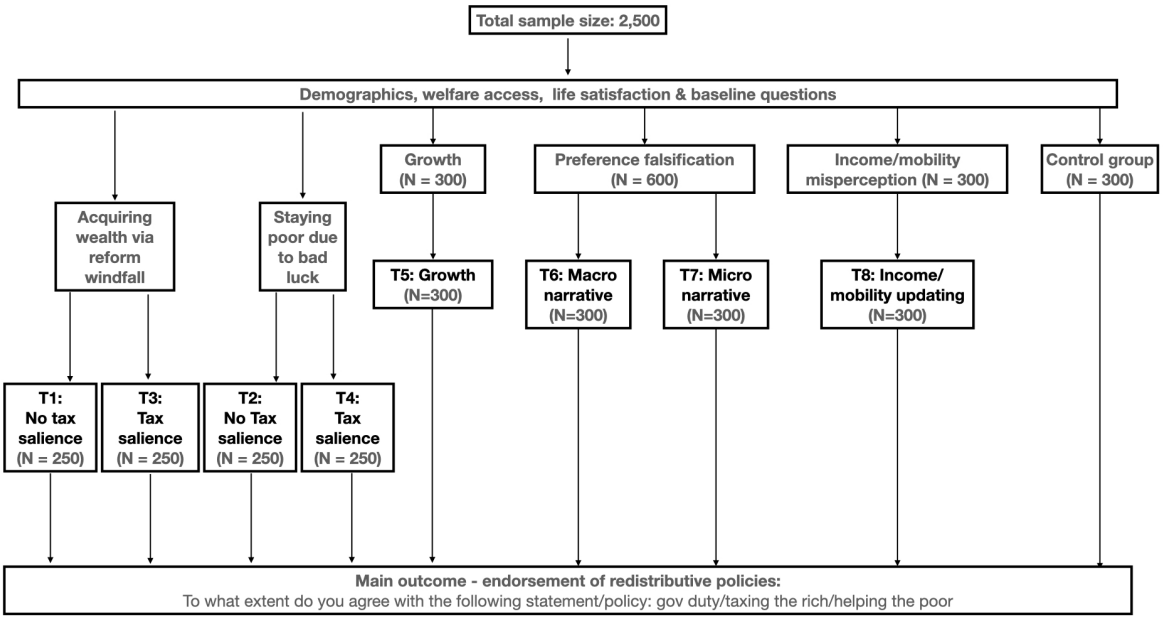
An overview of our pilot experiment design with all treatment arms can be found in Figure 6.7. Our first set of treatments aimed to test whether the reform windfall is perceived to be a fair source of inequality and to parse out the effect of low tax salience. We adopt a two-stage randomization design here. In the first stage, we presented a somewhat non-meritocratic income generating process from two dimensions: One was acquiring wealth, and the other was staying poor. In the wealth-acquisition arm, we provided three short vignettes that represent typical ways of acquiring wealth from the market transition process.

In the staying-poor arm, we provided three short vignettes of people staying poor due to involuntary unemployment, illness, and divorce. All these scenarios are commonplace in contemporary China. Since our outcome questions also fall along the rich and poor dimensions ("taxing the rich" policies and "helping the poor" policies), we wanted to see if perturbing a single dimension of the income generating process would alter policy preferences along that dimension without affecting the other.

In the second stage, we wanted to see if seeing information that increases tax salience would alter redistributive support. We divided the sub-samples shown vignettes about acquiring wealth and staying poor into two halves. One half of each group was provided with tax-salience information. In the tax-salience arm, we initially told respondents how much income tax representative individuals need to pay across the income distribution in China, which is very progressive. We then provided information on how much Value-Added Tax (VAT) these representative individuals might pay based on their daily consumption. Due to the flat rate of VAT in China and the fact that the poor spend a larger proportion of their total income on consumption than the rich, the updated tax burden is effectively more regressive. In total, we had four treatment arms in the two-stage design: Becoming-rich, becoming-rich with tax salience, staying-poor, and staying-poor with tax salience.

To test whether growth and the distributive implications of growth shape redistributive support, we used a treatment priming the progress and rationale of China's economic reforms from a historical perspective (the growth treatment). We reminded

Figure 6.7: Experimental Design by Treatment Arm



respondents that China began with widespread poverty and little inequality. Inequality soared after the economy took off, but even the poorest saw significant income growth after 1978. We further reminded respondents of the official "common prosperity" narrative, which argues that redistribution follows only after a reasonable level of economic development. Finally, we explained that the central government chose Zhejiang Province as China's "Common Prosperity Demonstration Zone" in 2021 because it is one of China's most economically advanced provinces. A potential concern here is that a short piece of information does not update anything since growth is very salient in the Chinese context. We argue that the belief that everybody in China has become richer while inequality rises is not necessarily widely held. So what we update is how economic growth empowers individuals, including those who are the least advantaged, rather than China's economic growth *per se*. These implications are more fundamental in shaping fairness views and redistributive preferences than the mere fact of growth itself.

We used two treatments that employ different framings when introducing a hypothetical redistributive policy—the initiation of real estate taxation—to eliminate concerns regarding preference falsification. In the macro-narrative treatment, we used a tone

similar to government propaganda, featuring convoluted political terms and explaining how this new tax affects the entire country. In the micro-narrative treatment, we introduced real estate tax using plain language and provided information about how much real estate tax representative households owning varying numbers of properties would pay. If preference falsification were at play, we would expect respondents to reveal more "fundamental" preferences when primed to think about an issue at a more micro level that pertains more closely to their personal interests.

Finally, we used an income position and mobility updating treatment to see whether misinformation about relative income positions or mobility affects redistributive support in China. We let respondents guess their relative income positions by asking "what percentage of the population do you think are poorer than you?" and then revealed income distribution data in China by showing where representative individuals' income percentile falls based on their annual incomes.[31] We also asked respondents to guess the probabilities of intergenerational social mobility and then revealed the actual probabilities calculated from China General Social Survey (CGSS) data. Specifically, we asked respondents to estimate top- and bottom-income occupation persistence, contextualized by the probabilities of a son with a father working as a senior white-collar worker also working as a senior white-collar worker, and the son of a farmer or low-skilled worker also working as a farmer or low-skilled worker. The definitions of top- and bottom-income occupations are provided in detail in Appendix Section 6.14.

[31] Data source: World Inequality Database (http://wid.world).

6.14 Protocol for Inter-generational Occupation Mobility Calculation

China General Social Surveys (CGSS) We use the pooled sample of the China General Social Survey (CGSS) in the 2010s, including the following four waves: 2011, 2013, 2015 and 2017. The CGSS contains the respondents' and their fathers' occupations coded following the International Standard Classification of Occupations (ISCO). We take the ISCO code at first-digit level, and coded the occupational status accordingly in the following way:

- **High-Income Occupation**: Managers and Professionals (ISCO one-digit code 0, 1 or 2)
- **Medium-Top Occupation**: Technicians, Clerks and Employees in the Service Industry (ISCO one-digit code 3, 4, 5)
- **Medium-Low Occupation**: Lower-Skilled Workers (ISCO one-digit code 7 or 8)
- **Low-Income Occupation**: Farmers and Unskilled Workers (ISCO one-digit code 6 and 9)

Using this categorization, the persistence figures of high and low socio-economic statuses are respectively 28% and 50%; that is to say, for someone born to a father with a high-income occupation, the chance that he or she also stays in this occuaptional category is 28%. The full results are reported in Table 13.

Our Survey Given the structure of our questions, we are unable to ask our respondents' occupations in the same detail as that in the CGSS; We coded our respondents' and their fathers' socio-economic statuses in the following way:

- **High-Income Occupation**: Private Enterprise Owners, Party and Government Officials, Management and Professionals (inclusive of teachers, doctors, lawyers, etc)
- **Medium-Income Occupation**: Clerks, Workers in the Service Sector and Skilled Workers
- **Low-Income Occupation**: Farmers and Unskilled Workers

The coding of socio-economic status in our survey is slightly different from the CGSS coding at the top. In the CGSS, we only code high-income managerial and professional jobs as high socio-economic status, whereas in our survey the standard is slightly relaxed to include professionals at a lower level. Meanwhile, the coding for the proxy of low socio-economic status (farmers and low-skilled workers) is the same.

Using this coding methodology, we observe that the persistence of high and low socio-economic status are respectively 38% and 47%; The statistic for the bottom-occupation category is very similar to the one obtained from the CGSS, while the figure for the top-occupation category is larger. This is somewhat expected as the bottom-occupation definition are the same while our definition of top-income occupation is also broader.

Table 13: Socio-Economic Status and Social Mobility Indexes from the CGSS (2011-2017)

	Children's Socio-Economic Status (SES)				
	Low-Income	Mid-Low	Mid-High	High-Income	Total
Father's SES	Obs/pct	Obs/pct	Obs/pct	Obs/pct	Obs/pct
Low-Income	12811	4457	5003	2099	24370
	50%	19%	22%	9%	100%
Mid-Low	574	1129	1596	633	3932
	14%	28%	41%	17%	100%
Mid-High	573	686	1691	790	3740
	14%	17%	46%	23%	100%
High-Income	581	449	1157	827	3014
	19%	14%	39%	**28%**	100%
Total	14539	6721	9447	4349	35056
	39%	19%	28%	13%	100%

Table 14: Socio-Economic Status and Social Mobility Indexes - Our Survey

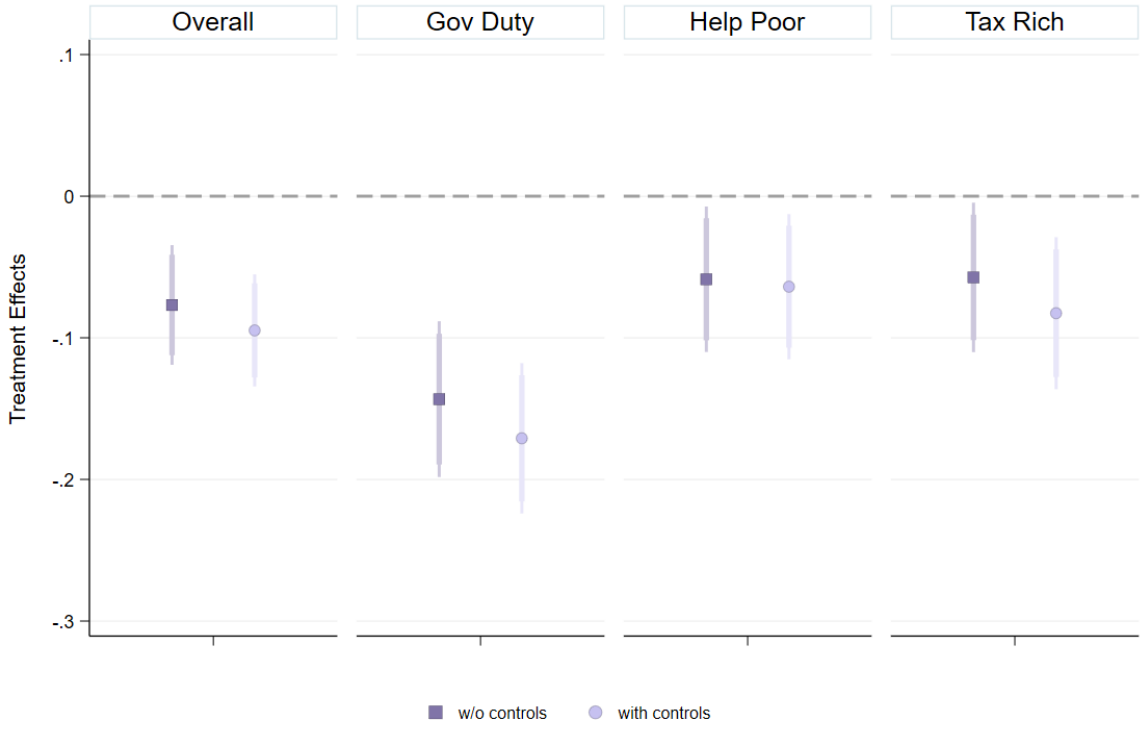
	Children's Socio-Economic Status (SES)			
	Low-Income	Medium-Income	High-Income	Total
Father's SES	Obs/pct	Obs/pct	Obs/pct	Obs/pct
Low-Income	657	681	53	1391
	47.23%	48.96%	3.81%	100%
Medium-Income	71	486	116	673
	10.55%	72.21%	17.24%	100%
High-Income	18	124	87	229
	7.86%	54.15%	**37.99%**	100%
Total	746	1291	256	2293
	32.53%	56.30%	11.16%	100%

6.15 Additional Results

Figure 6.8: Estimated Treatment Effects on Redistributive Indices, 2021 and 2024

Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

Figure 6.9: Estimated Treatment Effects on Redistributive Indices, 2024 - Without Affordable Housing Policy

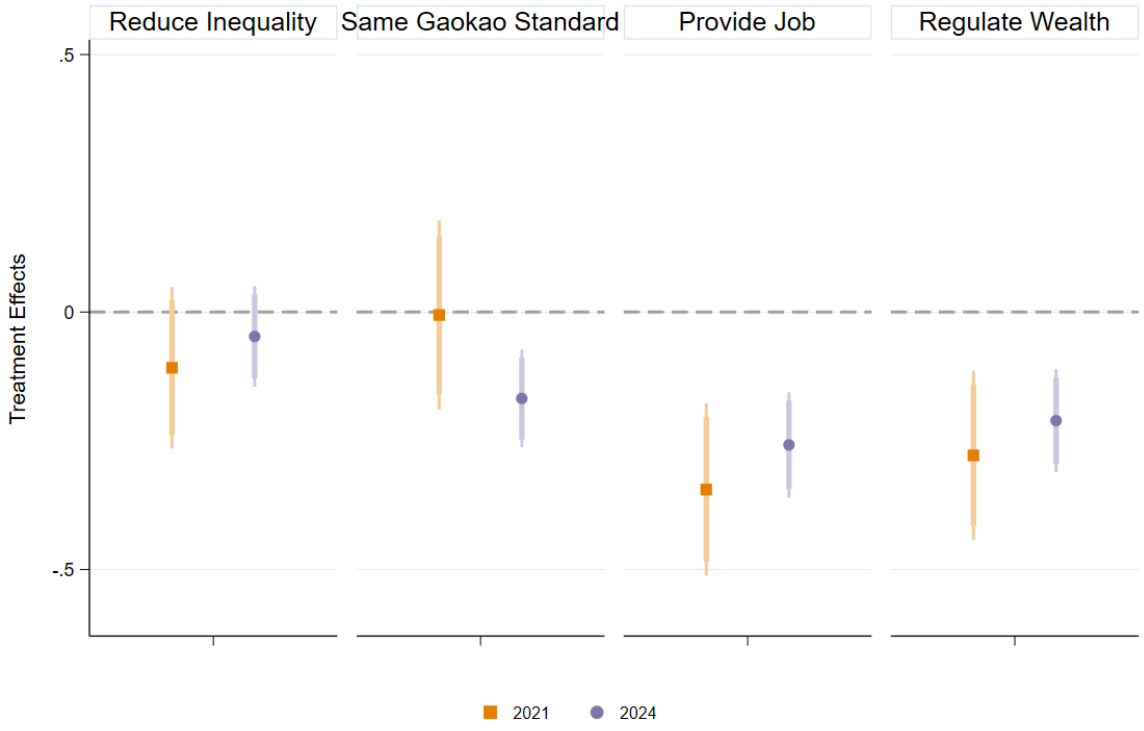


Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

Figure 6.10: Estimated Treatment Effects on Redistributive Indices, 2021 and 2024 - Without Affordable Housing Policy

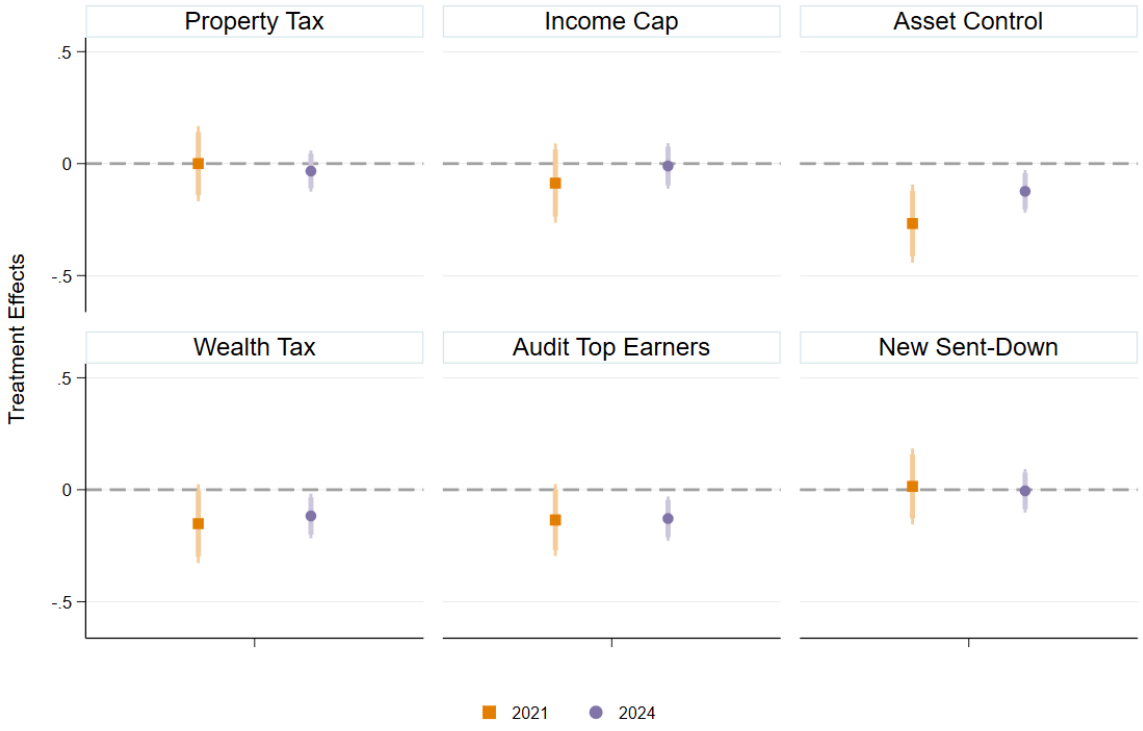
Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

Figure 6.11: Estimated Treatment Effect on Individual Government Duty Outcomes, 2021 and 2024



Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

Figure 6.12: Estimated Treatment Effect on Individual Tax-the-Rich Outcomes, 2021 and 2024

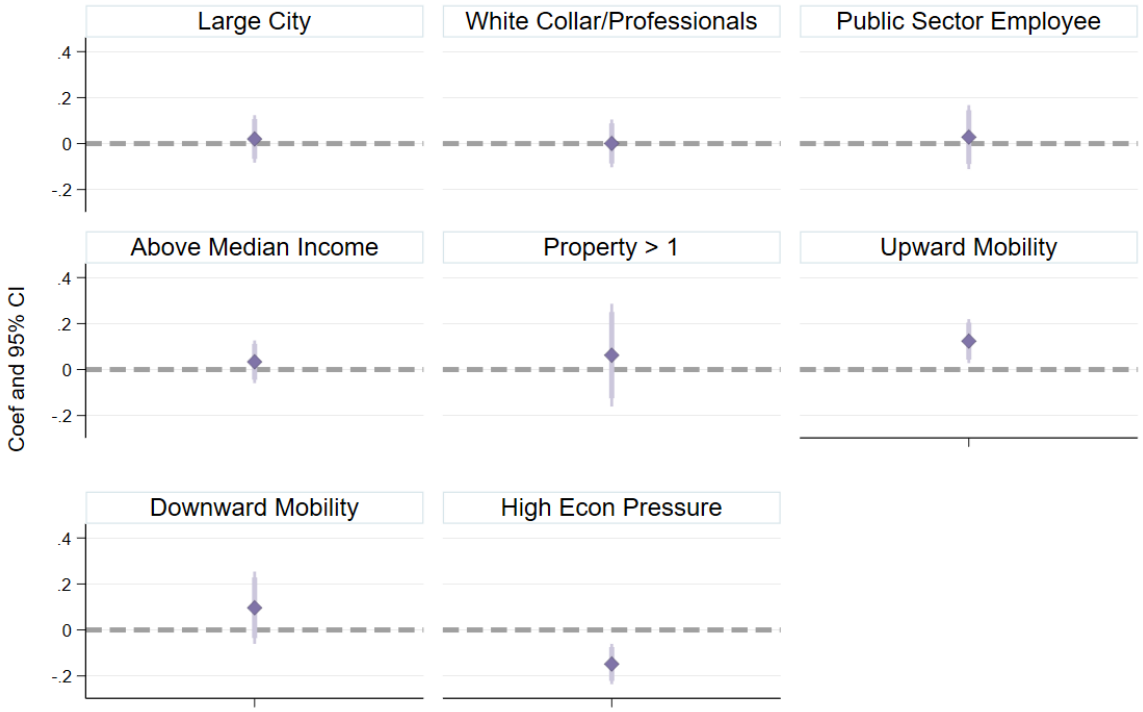


Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

Figure 6.13: Estimated Treatment Effect on Individual Help-the-Poor Outcomes, 2021 and 2024

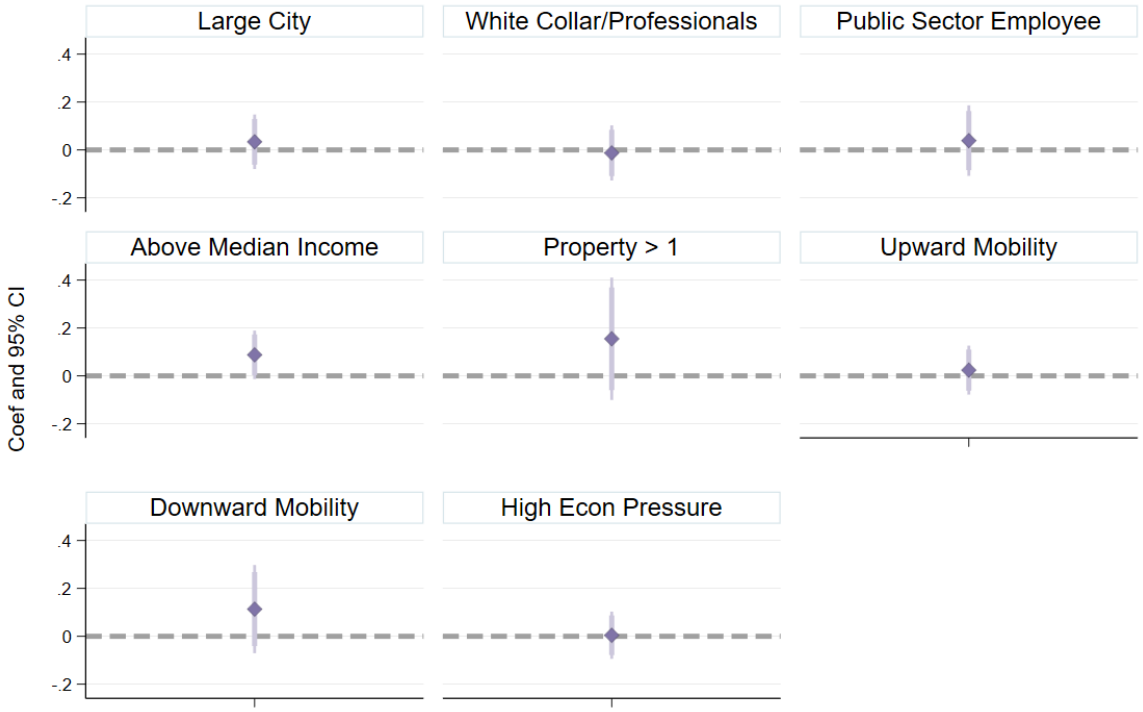
Notes: We report confidence intervals at the 90% and 95% levels. The full set of control variables includes province fixed effects, demographic characteristics, job and income categories, access to welfare, subjective socio-economic status, life satisfaction, access to welfare, and the type of device used to complete the survey.

Figure 6.14: Heterogeneous Treatment Effects on Support for Redistribution (Help-the-Poor Index), 2024



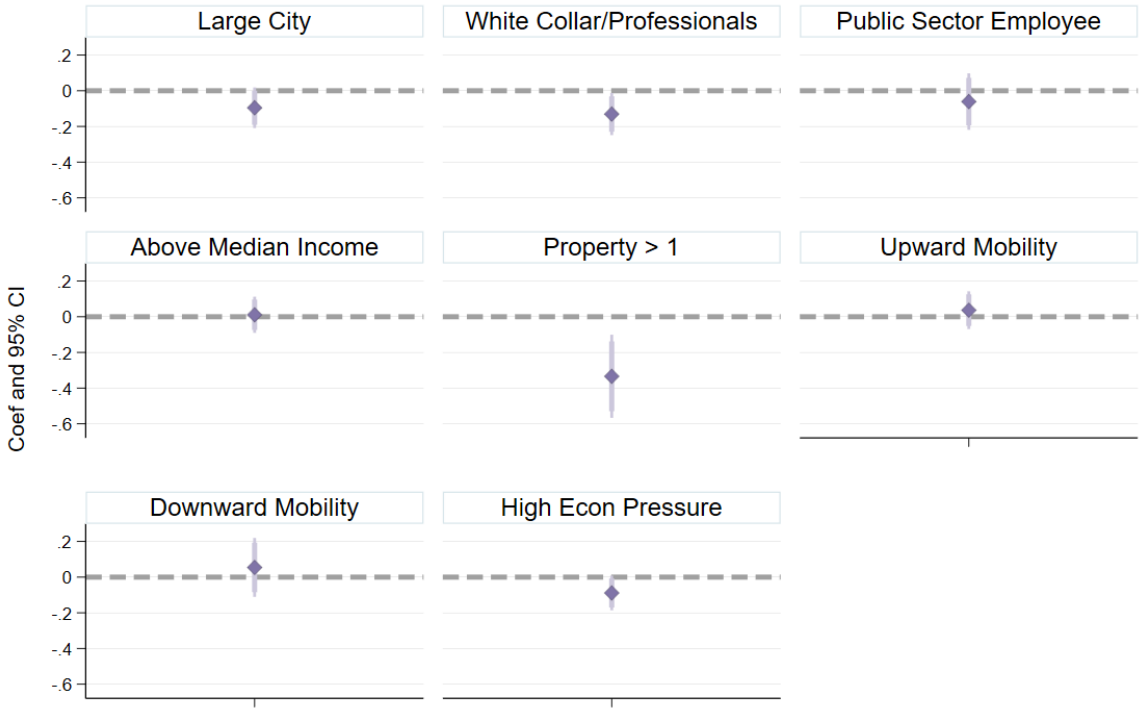
Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the help-the-poor index. The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Figure 6.15: Heterogeneous Treatment Effects on Support for Redistribution (Tax-the-Rich Index), 2024



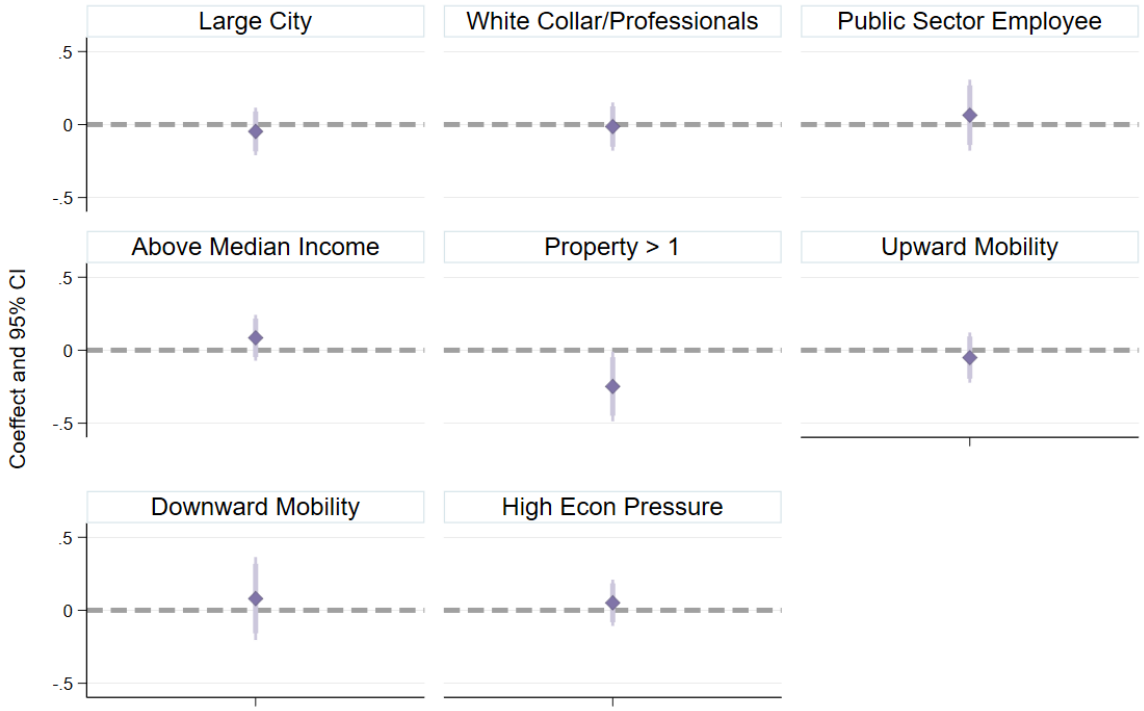
Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the tax-the-rich index. The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Figure 6.16: Heterogeneous Treatment Effects on Support for Redistribution (Government Duty Index), 2024



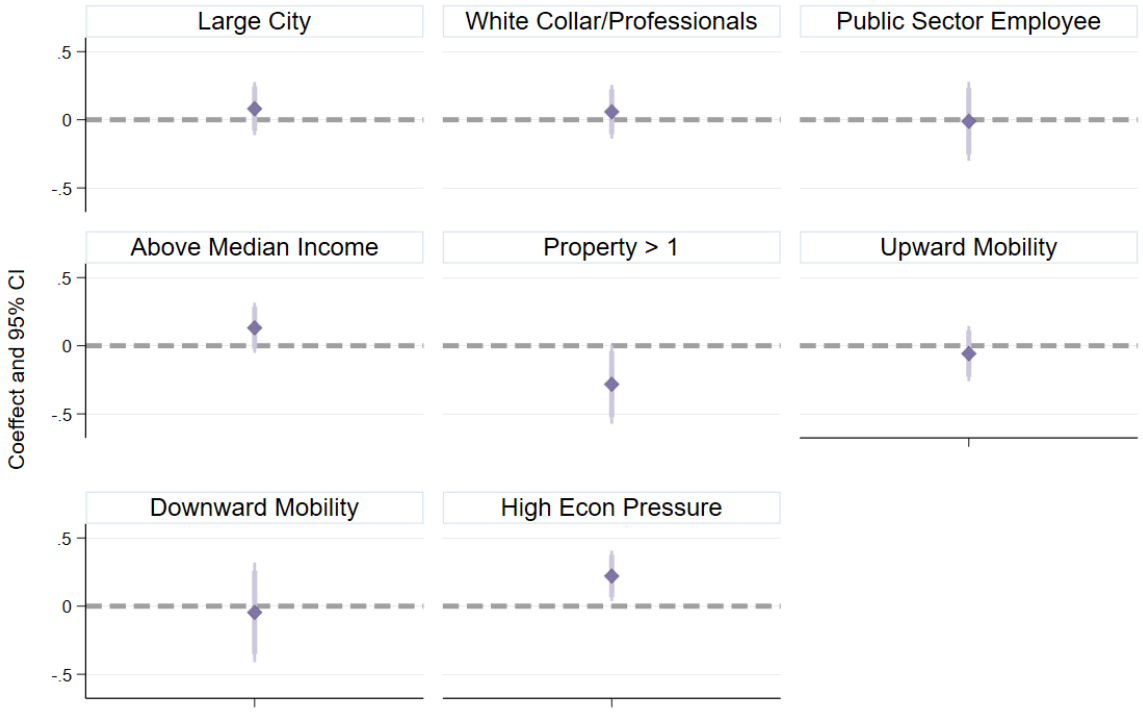
Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the government duty index. The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Figure 6.17: Heterogeneous Treatment Effects on Support for Redistribution (Overall Index), 2021



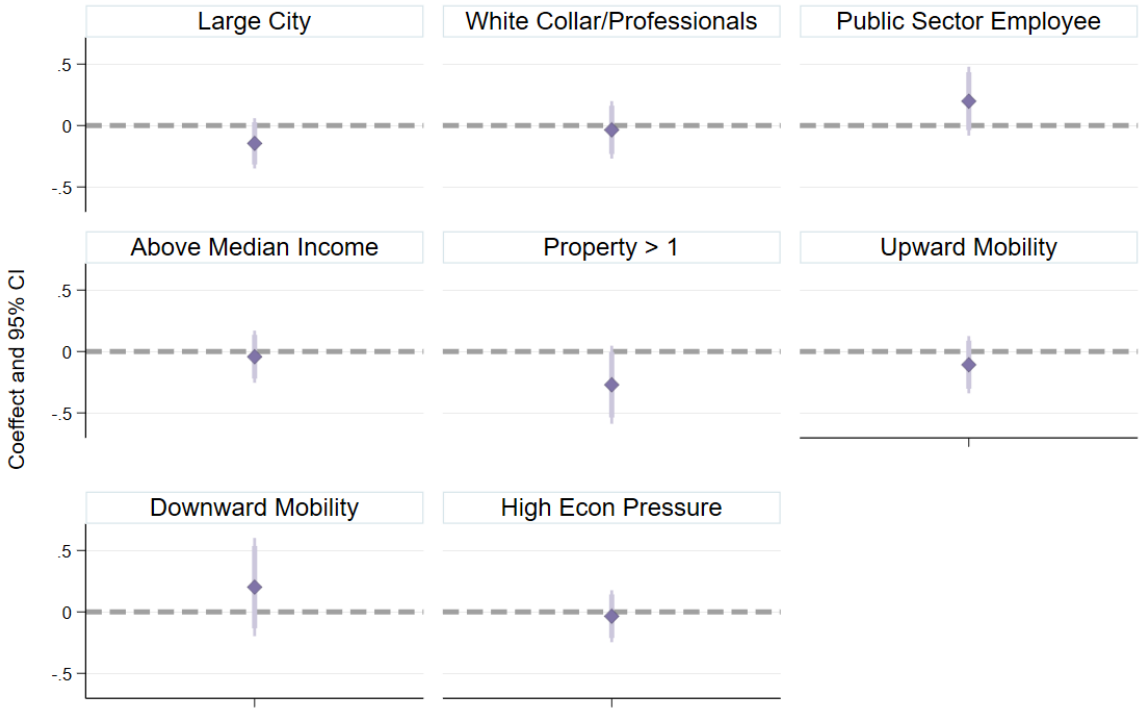
Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the overall index (including all 16 outcomes, 12 policy outcomes and 4 government duty outcomes). The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Figure 6.18: Heterogeneous Treatment Effects on Support for Redistribution (Help-the-Poor Index), 2021



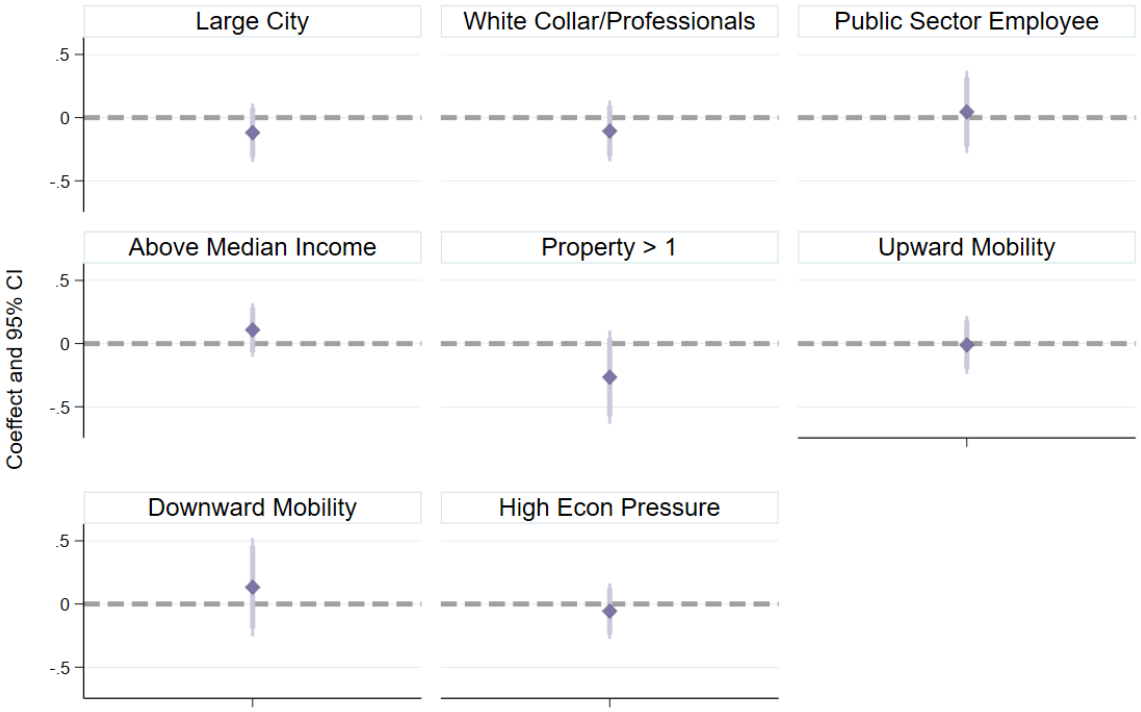
Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the help-the-poor index. The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Figure 6.19: Heterogeneous Treatment Effects on Support for Redistribution (Tax-the-Rich Index), 2021



Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the tax-the-rich index. The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Figure 6.20: Heterogeneous Treatment Effects on Support for Redistribution (Government Duty Index), 2021



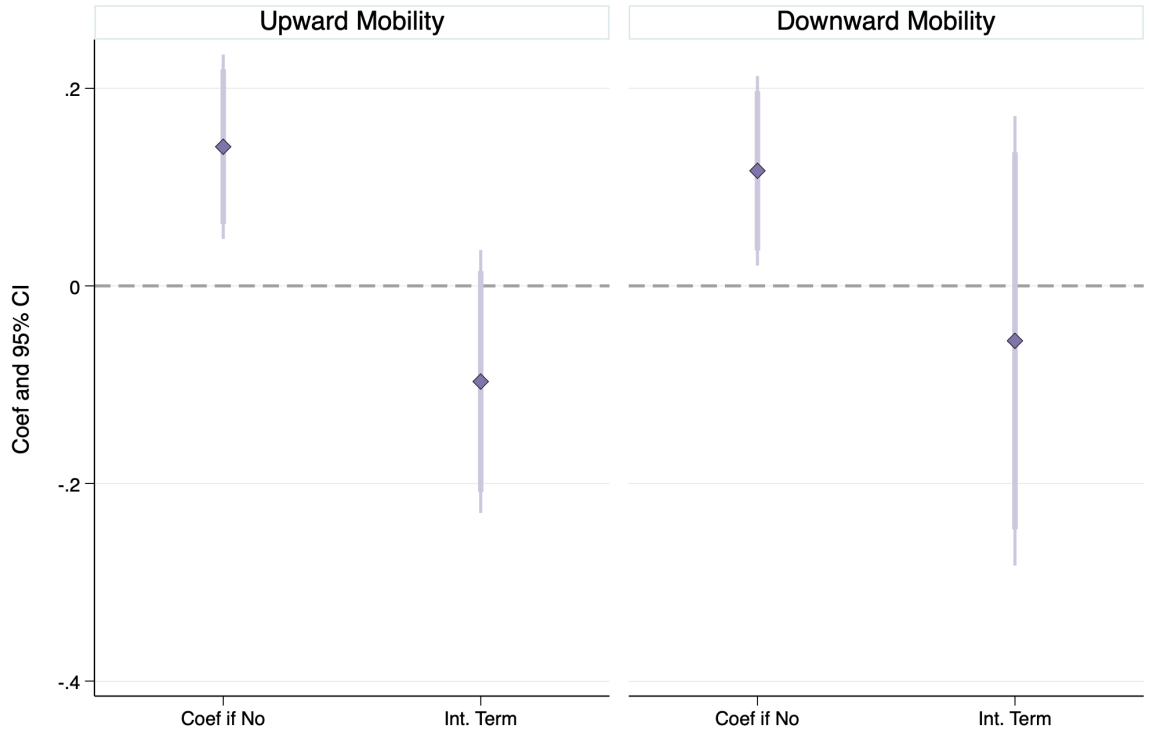
Notes: This graph reports regression coefficients for the interaction term between the treatment effect and a dummy variable for the selected socio-economic characteristic. The outcome variable is the government duty index. The dummies' definition and summary statistics are reported in Appendix Table 12. The confidence intervals are at the 90% and 95% levels. We control for province fixed effects, demographics, job and income categories, access to welfare, subjective socio-economic status and life satisfaction, and the type of device used to complete the survey. See Appendix Section 6.9 for the full list of controls.

Table 15: Determinants of Economic Pressure, 2021 vs 2024, Outcome = Binary Economic Pressure

	(1) 2021		(2) 2024	
Female	-0.0110	(0.0200)	0.0264	(0.0228)
Age	0.00147	(0.00106)	0.00165	(0.00113)
Resid: Suburban	0.0357	(0.0368)	-0.0144	(0.0458)
Resid: Medium City	-0.0611	(0.0391)	0.00382	(0.0416)
Resid: Small City/Town	-0.0189	(0.0427)	-0.106***	(0.0395)
Resid: Rural	-0.0165	(0.0335)	-0.00207	(0.0392)
Self-Assessed Social Status (1-10)	-0.0226**	(0.0110)	0.00851	(0.00769)
Self-Assessed Income Level (1-10)	-0.00677	(0.0109)	-0.000736	(0.00825)
Total Personal Income	-0.000320	(0.00843)	-0.00924	(0.0111)
Total Household Income	-0.0412***	(0.0102)	-0.0290**	(0.0119)
Highest Education Level	-0.0132	(0.0123)	0.0333***	(0.0111)
Father's Education Level	0.00990	(0.00958)	0.0274***	(0.00941)
Foreign Travel Experience	0.0243	(0.0331)	-0.144***	(0.0382)
Public Sector Employee	0.0372	(0.0295)	0.0881**	(0.0358)
City Tier Classification	-0.121***	(0.0138)	-0.0184	(0.0147)
Own >1 Property	-0.0113	(0.0353)	-0.0480	(0.0502)
Interest in Politics (1-4)	0.0330**	(0.0150)	-0.0410***	(0.0154)
Constant	1.144***	(0.0940)	0.673***	(0.100)
Mean DV	0.50		0.50	
St. Dev. DV	0.50		0.50	
N	2500		2000	
Adj. R^2	0.08		0.06	

Notes: Significance levels: *p<0.1; **p<0.05; ***p<0.01. Standard errors in parentheses.

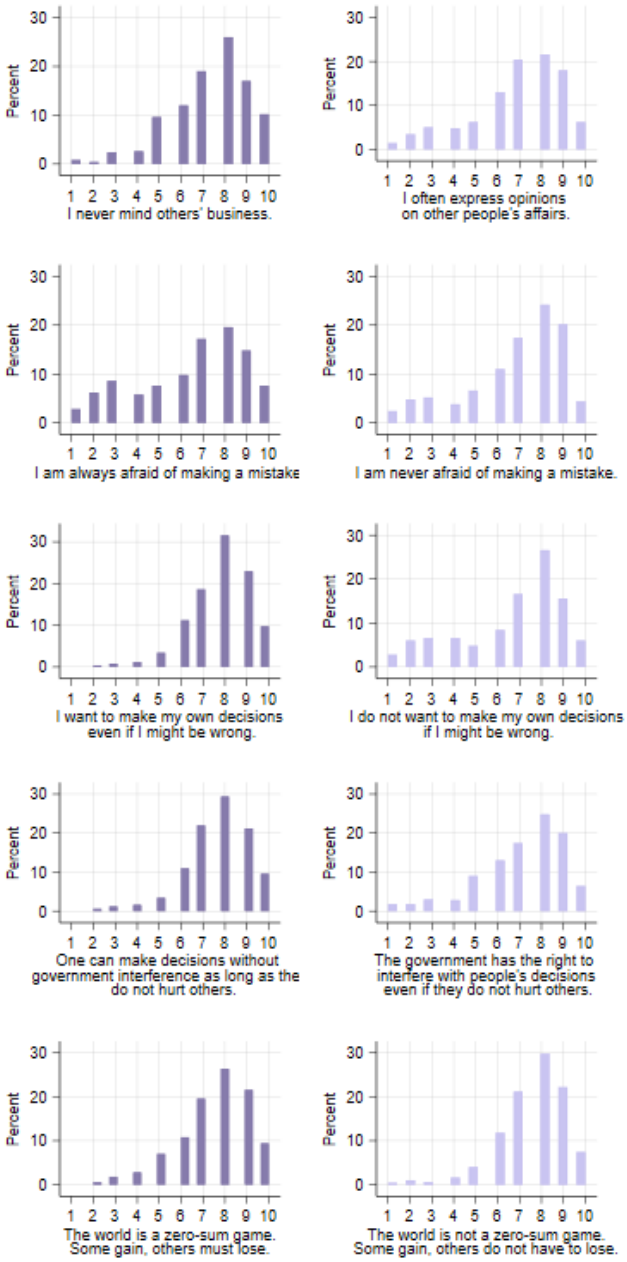
Figure 6.21: Heterogeneous Treatment Effects on Index of Reform Perceptions, 2024



Notes: This graph reports regression coefficients as well as confidence intervals at the 90% and 95% levels. The dependent variable used is an index calculated as the average of the Z-scores of respondents' answers to the three reform perception questions ("benefited everyone", "benefited the previously disadvantaged", "benefited particularly me and my family"). The coefficients reported here are the coefficients on the treatment dummy as well as the coefficients on the interaction term of each selected variable and the treatment dummy. We control for province fixed effects, demographics, job and income categories, subjective socio-economic status and life satisfaction, access to welfare, as well as type of device used to answer the survey.

6.16 Acquiescence Bias

Figure 6.22: Distribution of Reported Agreement to Attitude Statements Framed in Opposite Directions, 2024



Notes: This figure reports the distribution of answers to questions posed at the end of the 2024 survey questionnaires for the control group only. We designed two versions of each question—reversing the direction of the statement—and the direction of the question that a respondent is shown is randomized. 1 represents "Completely Disagree" while 10 represents "Completely Agree"; these histograms show that the respondents tend to respond very positively to the questions regardless of the content and the direction of the question. We report only the control group since this set of questions come after treatment.

6.17 Wealth Acquisition Vignettes in the Supplementary Survey (2022)

Below is a list of the 13 representative scenarios of people becoming wealthy in China during the reform and opening-up era which we used in our supplementary survey ($N = 360$), conducted in April 2022.

1. **Lottery**: Mr. A won ten million in a lottery.

2. **Demolition Compensation**: Mr. A's family owns an old house in the city center of a major city. During the government's demolition process, he received ten million yuan in compensation.

3. **Housing Arbitrage**: Mr. A invested in real estate across the country, earning ten million yuan through strategies like group speculation in housing and negotiating collectively with developers (housing arbitrage).

4. **Factory Inheritance**: Mr. A's parents founded a construction materials company. After graduating from college, he took over the business from his parents and has now earned ten million yuan.

5. **Parental Government Connections**: Mr. A's parents are leaders in government departments. He operates a local architectural design company and has gained an advantage in numerous project bidding processes through his parents' connections. The company has grown larger over time and earned ten million yuan.

6. **Regional Sales Monopoly**: Mr. A is the exclusive distributor of a famous brand in a certain location and made a profit of ten million yuan due to monopolizing the sales channels.

7. **Self-Made Factory**: Mr. A established a hardware processing factory and earned ten million yuan through its operation.

8. **Influencer Online Sales**: Mr. A is a somewhat popular internet influencer who earned ten million yuan through live-streaming sales.

9. **Political Corruption**: Mr. A holds significant power in the local government and handles a large portion of procurement and bidding projects. He made ten

million yuan in kickbacks by favoring specific bidding companies.

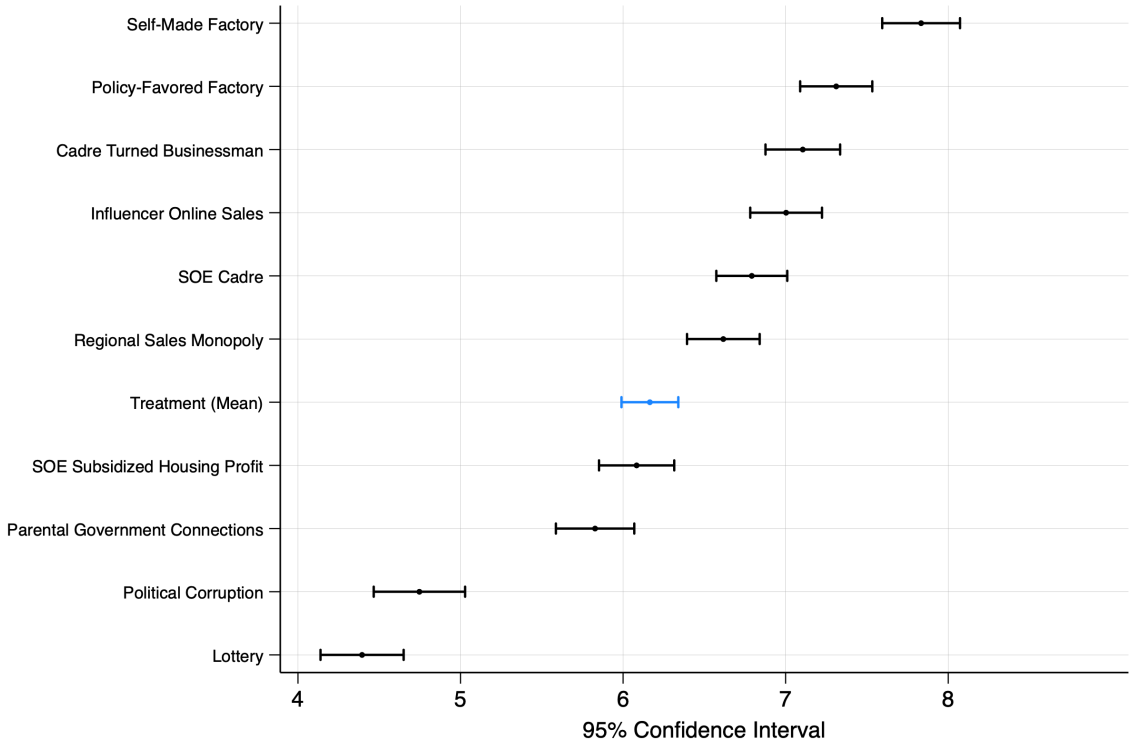
10. **State-Owned Enterprise (SOE) Subsidized Housing Profit**: Mr. A worked in a state-owned enterprise (SOE) and purchased a unit of housing at a significantly lower price than the market value in the 1990s. After the rise in property prices, he made a net profit of ten million yuan.

11. **Policy-Favored Factory**: Mr. A owns a small factory that produces solar panels. With the government's promotion of renewable energy, his demand skyrocketed, and he made a fortune, earning ten million yuan.

12. **Cadre Turned Businessman**: Mr. A used to work as a government official in the late 1990s but later ventured into business. Leveraging his previously established connections, he thrived in the business world, making ten million yuan.

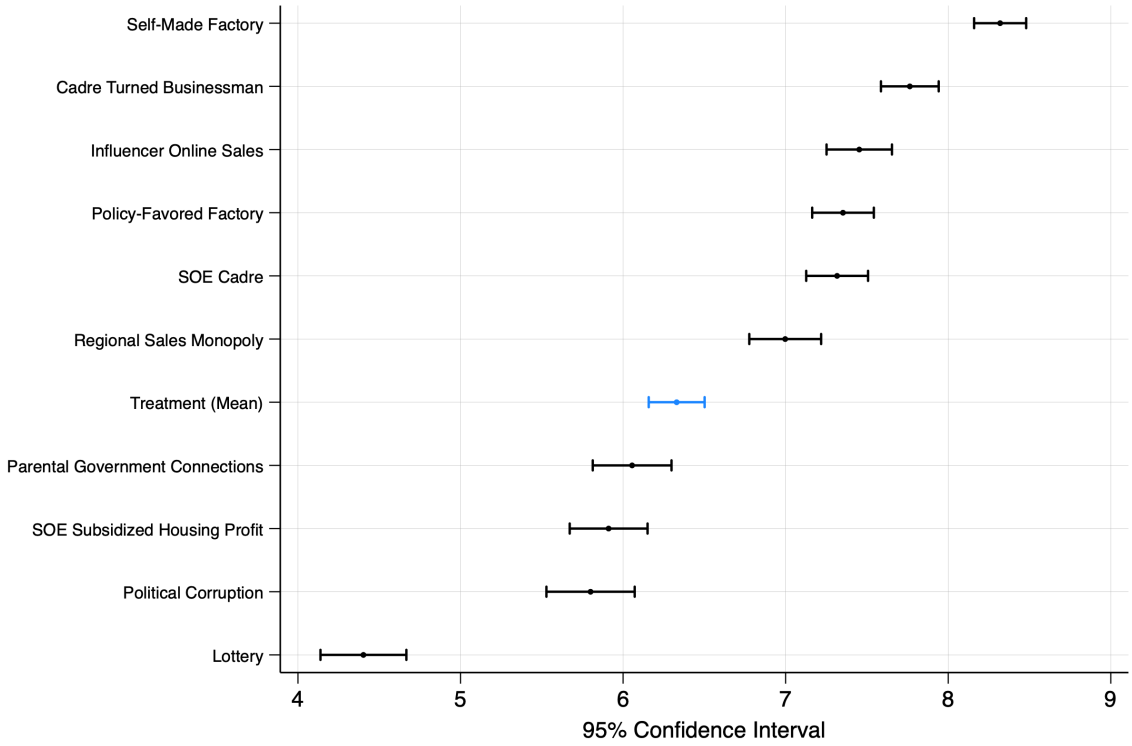
13. **State-Owned Enterprise (SOE) Cadre**: Mr. A used to work in a government agency and later transitioned to a large state-owned enterprise (SOE) in the reform process. He also became an executive in the SOE, enjoying a lucrative salary, and has already earned ten million yuan.

Figure 6.23: Attribution of Wealth Acquisition Scenarios to Effort, 2022



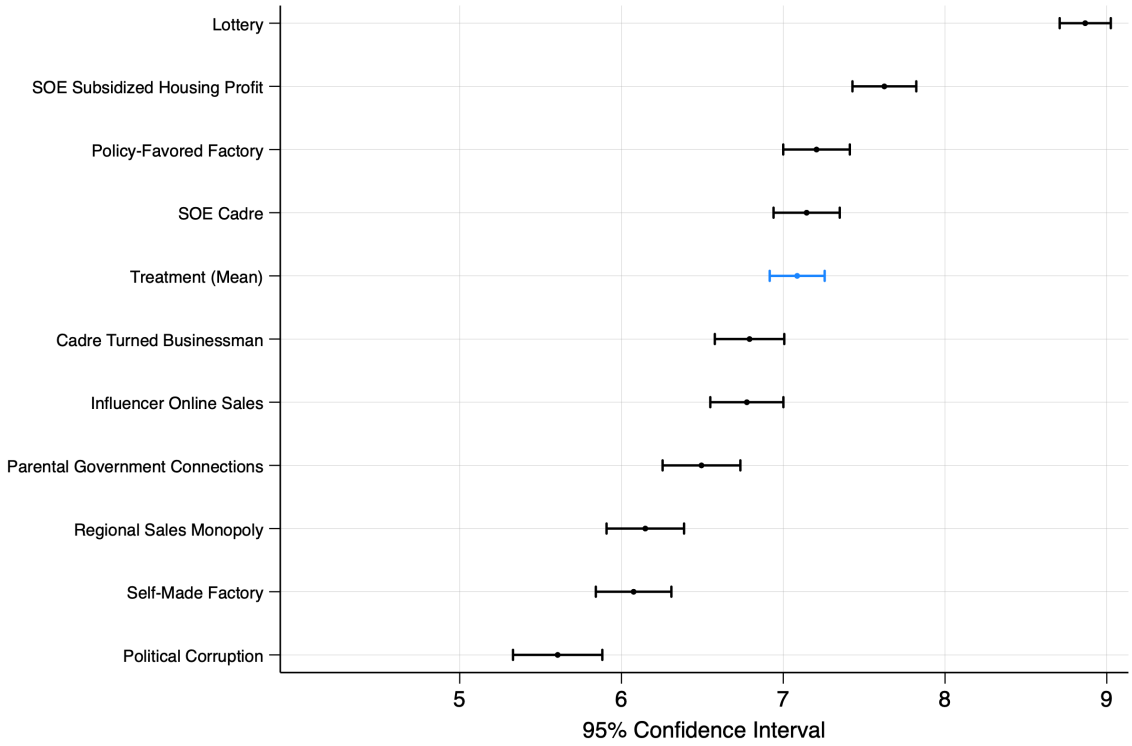
Notes: The figure reports the mean and 95% confidence intervals of the perceived importance of the effort in wealth acquisition (ranging from 0, the least important, to 10, the most important) across various scenarios of wealth acquisition, as assessed in the 2022 supplementary survey. The full text of the scenarios is reported in Appendix Section 6.17. The mean importance of effort for the three treatment vignettes from the main survey is highlighted in blue.

Figure 6.24: Attribution of Wealth Acquisition Scenarios to Ability, 2022



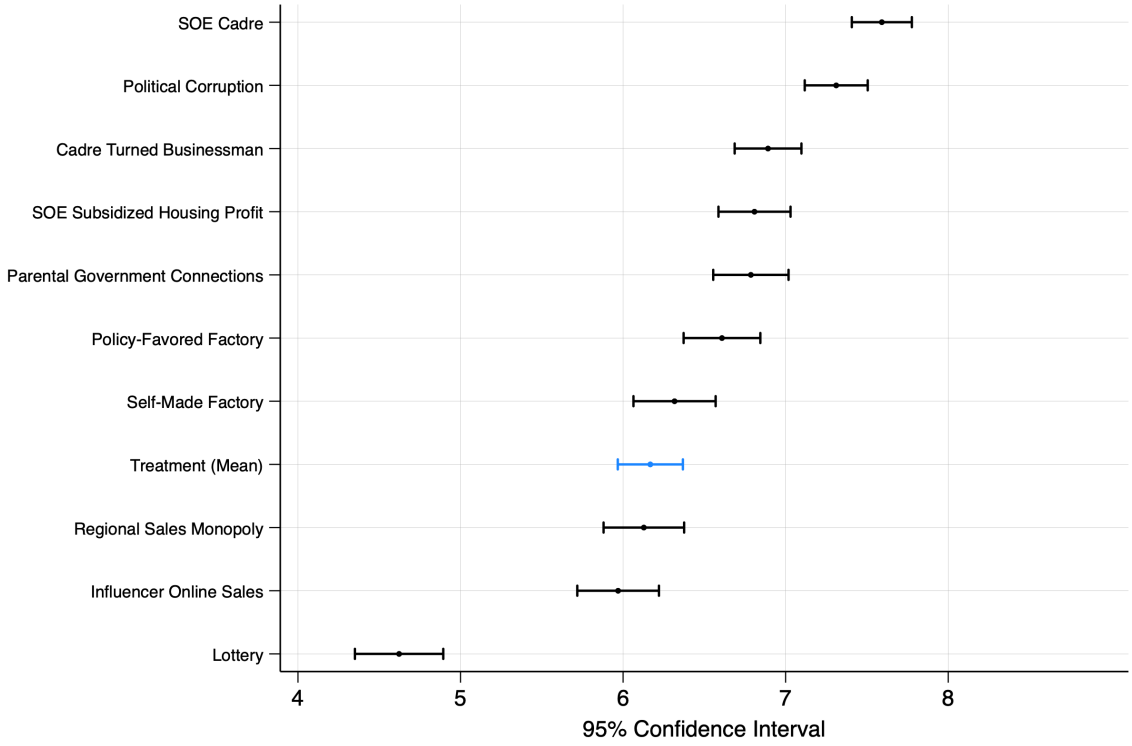
Notes: The figure reports the mean and 95% confidence intervals of the perceived importance of ability in wealth acquisition (ranging from 0, the least important, to 10, the most important) across various scenarios of wealth acquisition, as assessed in the 2022 supplementary survey. The full text of the scenarios is reported in Appendix Section 6.17. The mean importance of ability for the three treatment vignettes from the main survey is highlighted in blue.

Figure 6.25: Attribution of Wealth Acquisition Scenarios to Luck, 2022



Notes: The figure reports the mean and 95% confidence intervals of the perceived importance of luck in wealth acquisition (ranging from 0, the least important, to 10, the most important) across various scenarios of wealth acquisition, as assessed in the 2022 supplementary survey. The full text of the scenarios is reported in Appendix Section 6.17. The mean importance of luck for the three treatment vignettes from the main survey is highlighted in blue.

Figure 6.26: Attribution of Wealth Acquisition Scenarios to the Political System, 2022



Notes: The figure reports the mean and 95% confidence intervals of the perceived importance of the political system in wealth acquisition (ranging from 0, the least important, to 10, the most important) across various scenarios of wealth acquisition, as assessed in the 2022 supplementary survey. The full text of the scenarios is reported in Appendix Section 6.17. The mean importance of system for the three treatment vignettes from the main survey is highlighted in blue.