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WHO IS NEOLIBERAL?
DURKHEIMIAN INDIVIDUALISM AND SUPPORT FOR MARKET MECHANISMS

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ABSTRACT

This paper investigates the drivers of support for market mechanisms (competition and optimizing behavior by agents). We elicit such attitudes using concrete and simplified situations where respondents face a tradeoff between an economically efficient situation and a pro-social objective. We find that support for deviation from efficient solutions achieved through market mechanism is strongly correlated with moral values as defined by Haidt (2013): care, fairness, loyalty and authority. While the traditional left-right divide spans some of this variation, an even bigger role is played by what we label “individualism”, the average support for all 4 values, a moral stance orthogonal to the left-right divide. We ground this measure of individualism in the sociology of Emile Durkheim.

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A data appendix is available at <http://www.nber.org/data-appendix/w29942>

1 Introduction

In this paper, we argue that political support for traditional economic mechanisms (reliance on competition, on maximizing behavior by consumers and firms) can be explained by individualism – the ideology according to which “the interest of the individual ought to be ethically paramount” (Merriam-Webster’s dictionary). Support for such traditional economic mechanisms is an area where the opinions of regular people and economists diverge the most (see, e.g. [Sapienza and Zingales \(2013\)](#), [Johnson and Ballard \(2016\)](#)). While a large majority of economists support free trade agreements, oppose business subsidies, promote a carbon tax, a large majority of survey respondents reject it. There are three main views on why such divergence may occur. First is the self-interest view, whereby citizens adhere to policies that maximize their material utility. This view fails, however, to fully explain attitudes towards market mechanisms. For instance, [Frank \(2005\)](#) and [Russell Hochschild \(2016\)](#) describe situations where voters seem to vote *against* their material interest.¹ An alternative view is that political attitudes arise from erroneous beliefs about how the economy works (e.g. [Alesina et al. \(2022\)](#), [Alesina et al. \(2018\)](#)). Others suggest that moral preferences, rather than economic beliefs or self-interest, shape political opinions (e.g. [Ash et al. \(2021\)](#), [Enke \(2020\)](#), [Enke et al. \(2021a\)](#)). This paper belongs to this third view: It explores *moral preferences* as an explanation for attitudes to market mechanisms using a new survey on 6,000 people in the U.S., France and Germany.

In order to separate preferences from beliefs, we rely on simple thought experiments. In these experiments, survey respondents are confronted with simple tradeoffs between efficient market mechanisms and prosocial policies. These hypotheticals are inspired by the Trolley problem in analytical philosophy and its recent application to the analysis of moral dilemmas in self-driving vehicles ([Awad et al., 2018](#)). The objective is to put survey respondents in simplified situations where beliefs about how the real world works do not play an important role. We design three questions on competition and two questions on maximizing behavior. The three questions on competition set up different tensions between competition and society: (1) buying local to save local jobs, at a cost, (2) imposing costly tariffs to defend moral obligations and (3) subsidizing local retail stores by paying more taxes. The two questions on optimization explore support for deviation from strict profit and utility maximization: (1) a consumer choosing to buy a more expensive, fair trade product and (2) a company using some of its cash-flows for a prosocial action. Each time, respondents are asked to locate their choice on a Likert scale of 1 to 10, between the perfect market situation and the pro-social outcome. We describe these questions in detail in

¹Along the same line, [Gethin et al. \(2022\)](#) document how, over the past decades, richer voters have progressively migrated to the left, even though its platform involves more taxation and redistribution. [Inglehart and Norris \(2018\)](#) oppose economics versus culture, and find that economic variables only explain a small fraction of the variance of political attitudes.

Section 2.1.

Once beliefs have been set aside, the next step of our analysis consists in separating what is driven by self interest vs. moral preferences. We do this by explicitly eliciting moral values through questionnaires. Our key moral value is support for *individualism*. Our notion of individualism is inspired by the sociology of Emile Durkheim (Durkheim, 2014), who famously argued that individualism (which he calls “egotistic utilitarianism”) is the cardinal value of modern societies: In these societies, the division of labor prevails, relationships are transactional and individuals compete. Durkheimian individualism emphasizes the primacy of the individual over society. In the ancient order, according to Durkheim, the will of the individual was largely subordinated to society, but could find a certain comfort in collective action:

A group is not only a moral authority which dominates the life of its members; it is also a source of life sui generis. From it comes a warmth which animates its members, making them intensely human, destroying their egotisms. (Durkheim, 2014)

With the demise of the traditional society, Durkheim envisions the emergence of individualistic *homini economici*, agents driven to maximize their self-interests and compete with one another, which are more adapted to the division of labor in society:

If, in activities that almost completely fill our days, we follow no rule save that of our own self-interest, as we understand it, how then can we acquire a taste for altruism, for forgetfulness of self and sacrifice?

In line with this description, we label “individualist” those respondents who think that the materialistic needs and desires of the individual should be placed before society, very much opposite to traditional, “collectivist”, values that Durkheim think are specific to pre-industrial societies.

In order to measure individualism in the data, we rely on insight of Haidt (2013), who suggests that individualists – in the sense of Durkheim – tend to be people who score low on the cardinal moral values that he has isolated in prior research: care, fairness, group loyalty, authority and sanctity (Graham et al. (2013)). To the hypothetical policy questions of our survey, we thus add questions from the Moral Foundation Questionnaire (Graham et al., 2013), designed to elicit support for these values. In our baseline approach, we simply compute *minus* the average of individual scores on questions designed to elicit care, fairness, loyalty and authority (as in Enke (2020)). Respondents with high such scores are labelled “individualists”: They score low on care, fairness, loyalty and altruism. In our analysis, we also control for self-reported political orientation, which as argued by Haidt (2013) and Enke (2020), is also strongly determined by moral values. In our data, we confirm their findings that self-reported conservatism increases with authority and

loyalty and decreases care and fairness. As it turns out, in our data on moral value, a simple PCA generates, as its first PC, a vector highly correlated with our measure of individualism. The second axis of the PCA is itself strongly correlated with the conservative-progressive divide. We describe the alternative constructions of the individualism variable in Section 2.2.

We then show that our measure of individualism strongly explains the support for market mechanisms in the cross-section, more so than the left-right divide. For each one of the five questions described previously, we regress the intensity of support for “competition” and individual “optimization” on our measure of individualism, the self-assessed level of conservatism, and a small set of socio-demographics. In our first question, we measure the support for a decision, by the local transportation authority, to buy trains locally to save jobs. In the cross-section of respondents, political leanings have no effect on support for this policy, but individualism does. The effect of individualism has the same order of magnitude as the effect of the cost of the policy (as measured by the induced increase in ticket prices). The second question measures the support for value-based costly protectionism (willingness to accept import price increases in order to discourage imports from countries not sharing the same values). Again, individualism strongly predicts hostility to protectionism, more than self-assessed conservatism. Our third and final competition-related question is on whether respondents are willing to pay additional local taxes to prevent small local shops from going bankrupt. As in the first question, individualism is a strong predictor of aversion to subsidize unprofitable businesses, it has much stronger explanatory power than political leaning, and as much explanatory power as the cost of the policy (the size of the tax hike). We describe these results in detail in Section 3.1.

A similar flavor obtains for the questions about individual optimisation. Our fourth question takes the perspective of a shopper who can buy fair trade chicken breasts – this product is more expensive but the additional cost is paid to charities. Here, like in the protectionism question, individualism predicts reluctance to buy the product, and explains as much variation as self-reported political leanings (more conservative respondent are also more reluctant to buy the fair trade product). Our fifth and last question asks people for their support for a company implementing a charitable action, at the expense of shareholders or employees. In this question, individualism reduces the support for the company’s charitable action. It is also more predictive than conservatism in the cross-section of opinions. All these results are summarized in Section 3.2. In addition, in all five questions, individualism predicts a stronger support for laissez-faire and individual optimization, in general less than, or at most as much as, self-reported political leanings.

In Section 3.3, we then explore questions that are *not* directly related to competition or individual optimization. We find that these questions are much better explained by the left-right

divide than individualism. Regarding support for work immigration, political leanings have an explanatory power that is 3 times bigger than our individualism variable. We also look at the ideal share of government spending in police, justice and defense. We find that, in the cross-section, conservatism is strongly correlated with preferences for such governmental functions (hereby replicating similar findings by [Enke et al. \(2021a\)](#)), while our individualism variable has no explanatory power.

This paper contributes to the emerging literature arguing that policy preferences are not only shaped by economic self interest, but also moral values ([Inglehart and Norris \(2018\)](#), [Gethin et al. \(2022\)](#)). [Ash et al. \(2021\)](#) argues such values can be shaped by economic outcomes, while [Margalit \(2019\)](#) suggests that economic drivers are relatively small. Our contribution here is to connect such policy preferences with moral values defined by [Haidt \(2013\)](#). Such connection has already been made by [Enke \(2020\)](#), [Enke et al. \(2021b\)](#) and [Enke et al. \(2021a\)](#). In this series of papers, the authors document that conservative voting and policies are strongly predicted by support for authority and loyalty (positively) and care and fairness (negatively). Our paper complements these findings by looking at pro-market policies, and adding a second dimension of values, individualism, so explain them.

This paper is also part of the rising literature using surveys to analyze attitudes towards various policies. For instance, ([Kuziemko et al., 2015](#)) and [Alesina et al. \(108\)](#) analyze beliefs about inequality (of incomes or opportunities), and show these beliefs are correlated with policy support. They emphasize the belief channel in showing that information treatments tend to move some policy attitudes, though not always, suggesting moral preferences (or motivated cognition) may also play a role. [Alesina et al. \(2022\)](#) document beliefs about the importance immigration correlate strongly (and negatively) with support for redistribution. Our paper expands on these by (1) focusing on a different set of issues (support for market mechanisms, as in [Landier et al. \(2008\)](#), [DiTella and Rodrik \(2020\)](#)), (2) eliciting moral preferences separately from beliefs through questions with tradeoffs and (3) connecting answers with moral values.

Through its emphasis on individualism and inspiration from the sociology of Durkheim, this paper is also related to the research on social capital, especially [Putnam \(2020\)](#), which collects various evidence in order to document the rise of individualism in U.S. society since the 1970s. Our contribution here is to introduce a moral value-based indicator that we can then relate to attitudes towards market mechanisms.

2 Data

We describe here our survey. Our survey was administered by the polling and marketing research firm Kantar in June 2021. Questionnaires are self-administered by email to a panel of regular interviewees, and the sample is representative of the general population. We targeted 2,000 respondents in each one of the following 3 countries: U.S., France and Germany. Overall, 51% of the respondent are female, 18% are in a “high-skill” occupation (doctors, lawyers, executives, engineers). About 11% are less than 24 years old; 26% are between 25 and 39; 28% are between 40 and 54; 23% are more than 65.

2.1 Preference for Market Distortion

The first group of questions focuses on competition distortions designed to protect society. The first question is on the preservation of local employment, the second on the promotion of humanist principles through protectionism, and the third proposes to protect local retail from competition. Let us describe them sequentially.

2.1.1 Distorting Competition to Protect Society

The first question is phrased as follows:

To provide support to a local manufacturer, public authorities have required that your city’s transportation authority only purchases trams built by a company that is [two hypotheses: European / national]. This requirement would increase ticket prices by [three hypotheses: 5%, 10%, 50%], but it will save 1,000 jobs [two hypotheses: in Europe / nationally].

To what extent do you agree with this initiative? Rate from 1 to 10: where 1 means you strongly disagree and 10 means you strongly agree.

Note that there are two variants in this question. First, half of the participants see that we are talking about a "national" manufacturer (in the United States we use the term "local", which would correspond to the region or even the state). The other half see that we are talking about a "European" manufacturer (we use the word "national" in the United States). The second dimension of variation is the additional cost imposed to support the local company: 5, 10 or 50%. This question is reminiscent of the one explored in [DiTella and Rodrik \(2020\)](#), who propose to respondents various policies to help failing firms. Interestingly, they find that, in case of a trade shock, the economically inefficient policy – raising tariffs – was preferred, suggesting a role for national loyalty.

In this paper, to simplify exposition, we only focus on the second dimension of randomization, i.e. the cost imposed by the decision.

Our second question compares the cost of protectionism (a 10% increase in the cost of imports) with the defence of moral values. Here, it is not the cost that varies across participants, but the moral motivations for protectionist measures. The question is formulated as follows:

The government is proposing a new tax on clothing imported from countries: [1 of the following three options:]

- *that have weaker environmental standards than [your country]. (1/3 of the sample)*
- *that have weaker social standards than [your country] (1/3 of the sample)*
- *that do not respect Human Rights. (1/3 of the sample).*

Because of this tax, your clothing costs would increase by approximately 10%. To what extent do you agree with this initiative? Rate from 1 to 10: where 1 means you strongly disagree and 10 means you strongly agree.

Our third and final question on this theme asks participants for their support on a tax to support local retail stores. The tax varies from 10, 50 to 100 euros. Furthermore, for half of the participants, the decision comes from the mayor (and affects local taxes), and for the other half, it comes from the central government (and affects national taxes). However, as in the question on the local manufacturer, we will not discuss this dimension here to keep the paper manageable.

You live in a small town. Shops, cafes and restaurants are struggling in the city center. To help them stay afloat, [the mayor / the government] is proposing a municipal tax reduction. This will allow these small businesses to stay open. This policy will be financed by an increase in your [local taxes / national] of approximately [10/50/100] dollars per year.

Do you approve this decision [of the mayor/government]? Rate from 1 to 10: where 1 means you strongly disagree and 10 means you strongly agree. 1 means you strongly disagree and 10 means you strongly agree.

2.1.2 Non-optimizing Firms and Consumers

These two questions explore whether interviewees aspire to deviation from standard economic behavior, such as strict material utility maximization (first question) or profit maximization (second question).

Our first question puts the consumer in the situation of buying a fair trade product. This product is more expensive than the standard product, but has a moral content. In this question, we do not vary the extra cost incurred, but the nature of the moral benefit:

A supermarket sells a tray of chicken breast for \$7. This supermarket also offers “a fair trade” version of this product consisting of : [1 of the following 3 options:]

- *to pay an additional 50 cents directly to the farmer who grew the chicken (1/3 of the sample).*
- *to pay an additional 50 cents directly to a non-profit that helps struggling farmers (1/3 of the sample).*
- *to pay an additional 50 cents directly to a non-profit that subsidizes the transition to organic farming (1/3 of the sample).*

This “fair trade” version would therefore cost you \$7.50 instead of \$7. On a scale of 1 to 10, do you buy the classic tray (1) or the fair trade tray (10)?

Finally, we ask participants to think of themselves as being employees of a company that takes up a humanitarian cause (help farmers in poor countries to transition to organic production). This new project is undertaken pro bono by the company and needs to be financed. The cost can either be borne by shareholders – through a dividend freeze – or by employees – through a salary freeze:

A multinational company or the boss of a multinational company would like to start a voluntary activity to help developing countries and provide environmentally friendly methods to help the farmers there. This activity will not be profitable for the company, but it will be very useful for the farmers in these countries. To finance this new activity :

- *The company will freeze employee compensation for 3 years (1/3 of the sample);*
- *The company will freeze the remuneration of employees but also that of shareholders for 3 years (1/3 of the sample);*
- *The company will freeze shareholders’ remuneration for 3 years (1/3 of the sample).*

How much do you agree with this initiative? Rate from 1 to 10: where 1 means you strongly disagree and 10 means you strongly agree.

2.2 Moral Values

2.2.1 Moral Foundations and Conservatism

We follow [Haidt \(2013\)](#) and [Enke \(2020\)](#), and ask our respondents to position themselves on four different moral values: Compassion, Authority, Loyalty and Fairness. Two of the 6 moral foundations of [Haidt \(2013\)](#) are missing: Liberty and purity. We leave it to future research to include them in future survey.

Self-positioning on the four moral values is elicited through the following questions:

On a scale of 1 (Strongly Disagree) to 10 (Completely Agree), indicate your degree of agreement with the following statements, using intermediate scores to qualify your assessment.

- 1. Compassion for those who are suffering is the most crucial moral value (compassion)*
- 2. Respect for authority is something all children need to learn (authority)*
- 3. People should be loyal to their family members, even when they have done something wrong (loyalty)*
- 4. I think it's morally wrong that rich children inherit a lot of money while poor children inherit nothing (fairness)*

We also collect data on self-positioning on a progressive-conservative scale:

On a political scale from left to right, where 1 is the leftmost positioning and 7 is the rightmost positioning, where would you be?

As previously noted in [Graham et al. \(2009\)](#) and [Enke \(2020\)](#) among others, support for the four moral values correlates with self-positioning on the left-right scale. We check that this is also the case in our survey, and report the results in [Figure 1](#). This Figure computes the average level of support by number on the political scale. All questions are standardized by their sample mean and standard deviation, so that the mean of each variable is 0 and the s.d. is 1. Support for authority and in-group loyalty varies linearly with self-reported conservatism. Compassion and fairness are also more pronounced on the left end of the political spectrum.

2.3 Individualism and Conservatism

We organize our analysis of moral values along two dimensions: (1) the classical progressive-conservative divide and (2) a scale of “individualism”, which we define here as the primacy of the

individual over society, inspired by the sociology of Emile Durkheim. According to the 19th century French sociologist, the industrial society, where labor is divided and relationships are transactional, has replaced the ancient order, with its rules, values and hierarchies, where everyone had a position, a duty to fulfill (Durkheim, 2014). The advent of modernity, according to Durkheim, leads to *anomie*, normlessness, a situation where the members of society do not know which value to adopt, which function to perform, which duties to fulfill. The demise of the ancient norms fosters the worst kind of individualism, where individuals are forced to compete with one another and maximize their self-interest. Durkheim, as cited by Mesure (2017), was no friend of individualism, which he thinks is a perversion of individualism:

Individualism[...] is easily confused with narrow individualism and the utilitarian egoism of Spencer and the economists. It is easy to denounce as an ideal without grandeur this petty commercialism which reduces society to being only a vast apparatus of production and exchange, and it is too clear that any common life is impossible if there is no interest superior to the individual interest.

To Durkheim, “common life” with “utilitarian egoism” may be so impossible that the weakest individuals may be forced into loneliness, despair and, potentially, suicide.

We rely on Haidt (2013) to operationalize Durkheim’s insight into measurement. Opposite to “individualism”, Haidt (2013) argues that an ideal Durkheimian society is one that not only values fairness and compassion, but also authority and group loyalty: “A Durkheimian world is usually hierarchical, punitive and religious. It places limits on people’s autonomy and it endorses traditions” (Haidt (2013), p 193). Support for such a society would require adherence to all four values, it does not contrast conservative values (loyalty, authority) with progressive ones (compassion, fairness). Note Haidt (2013) has one more value, purity, which is not part of our questionnaire so we exclude it from our analysis (though clearly Durkheim is a believer that religion used to hold society together, and that modern society needs an equivalent “sacred glue”).

Relying on Haidt’s insights, we define Durkheimian individualism as *minus* the equal-weighted average of support for all 4 moral values:

$$\text{individualism} = - (\text{Compassion} + \text{Fairness} + \text{Loyalty} + \text{Authority})$$

Respondents who score high on this metric are people who tend to put the individual’s interest before the group. They display little altruism, little concern for “social justice”, but also have little respect for authority and loyalty. As we show in Figure 2, Panel A, this measure of individualism is uncorrelated with conservative-progressive self-positioning. Utilitarians can be either left-wing or right-wing, as is the case of their polar opposites, which we will label “Durkheimian corporatists”.

This measure, because it is simple and based on the literature, is our baseline measure, the one we use in our main regressions. We discuss, however, alternative measures below.

While we mostly connect it with Durkheim, the concept of “utilitarianism” echoes similar notions in quantitative social sciences. First is the concept of “individualism”, studied in the sociological literature (see e.g. [Triandis \(1995\)](#)). In this literature, individualism characterizes cultures that tend to emphasize individual autonomy to the detriment of the group. Individualist societies champion individual choice, personal freedom and self-actualization. Western cultures are more individualistic, while East-Asian societies emphasize the collective. [Triandis and Gelfand \(1998\)](#) provide a methodology (aka INDCOL) to elicit individualism through questionnaires, which seeks to elicit independence (“I’d rather depend on myself than others”) and competitiveness (“winning is everything”), as opposed to compassion and cooperation (“I feel proud if a coworker gets a prize”) and group loyalty (“It is important to respect the decisions of the group”). In that sense, individualism is quite close to our definition above (though it does not explicitly incorporate authority and fairness). We could check in the same questionnaire that the two notion indeed overlap – we leave this for future research.

Another related line of research is the one initiated by Ronald Inglehart, in several books using the World Value Survey. For instance, looking at a cross-section of countries, [Inglehart and Oyserman \(2004\)](#) argue that individualism – as defined above – is correlated with post-materialism, i.e. values of individual self-expression as opposed to survival values, as measured through the World Value Survey. Self-expression values put to the fore flourishing of the individual, leisure, tolerance, trust of strangers. Survival values are values that serve a purpose in situations of economic scarcity, from conservative family values and scientism to materialistic aspirations. It could well be that our measure of individualism correlates strongly with post-materialist values. We also leave this analysis for future research.

This definition is, however, subject to two issues, one conceptual and one empirical, which we try to address using alternative measures. First, on the conceptual dimension, equal weighting of all four moral values may seem arbitrary. In order to validate this approach, we implement a principal component analysis (PCA) of all 4 values. The first axis of this analysis provides us with an alternative measure of individualism:

$$\text{individualism (PCA)} = - (.56\text{Compassion} + .40\text{Fairness} + .56\text{Loyalty} + .45\text{Authority})$$

This first PC accounts for about 39% of the variance (with 4 variables), so it has a significant explanatory power over the space of moral values. Notice that the weights of each values have

similar values. Unsurprisingly, and as shown in Figure 2, Panel B, the correlation between the baseline measure and this first PC is very high ($R^2 = .99$) and the relationship almost perfectly linear.

It is interesting to discuss the second PC of the PCA, which turns out to be quite correlated with self-assessed conservatism. This second PC explains some 26% of total variance and is defined as:

$$\text{Conservative (PCA)} = .20\text{Loyalty} + .63\text{Authority} - .21\text{Compassion} - .71\text{Fairness}$$

which is reminiscent of Enke (2020), who constructs a similar variable, also based on a PCA (it is the first axis in his case) which he labels communal v universalist moral values. He establishes that this variable strongly correlates with voting. We show in Figure 2, Panel D, that his result is also present in our data (except that our “conservative PCA” variable is the second, not the first PC): “conservative PCA” correlates very strongly, and reasonably linearly, with self-reported conservatism ($R^2 = .09$).

A second key issue with our baseline measure is that respondents may have different ways of answering on the likert scales that we use (all between 1 and 10, except for the conservative/progressive scale). For instance, some respondents may mechanically answer with high values (say, between 6 and 10), and others with low values (say, between 1 and 6). Then, our Anti-Individualist measure may be confounded with a propensity to give large numbers on the likert scale.

In order to deal with this second issue, we exploit all the questions of our survey to retrieve a respondent-specific mean and standard deviation. For each individual, we implement the following adjustment – up to a modification that will be described in Section 3 – based on answers to our survey. Our full survey contains questions on economic policy preferences and support for moral values. Besides the 5 questions described above (3 on competition distortions and 2 on responsible consumers and firms), our survey contains 7 other questions on topics that are not in the scope of the paper. These 7 other questions are described in Section A and in Landier and Thesmar (2022). They cover topics such as immigration, cultural policy, government budget or health care. They have the same format as the questions described above, where support for an alternative policy is ranked on a 1-10 likert scale.

Using these policy preference questions *only* (including the 5 questions we analyze in this paper), we compute an individual-level mean μ_i and standard deviation σ_i (across questions). This mean is on average 3, with an interquartile range of 1. The mean s.d. is 3.3, with again an interquartile range of 1. This mean and s.d. are constructed to measure respondent level anchor point and propensity to measure the entire range of values. These vary quite a lot. They

also capture important scaling effect of Value answers. In Appendix Figure A.1, we show how individual-level support to each one of the 4 values correlates with this mean answer on the other question. The correlation is quite high, especially for compassion and fairness, a bit less for group loyalty, not at all for authority.

We use this adjustment to compute a new measure of individualism:

$$\text{individualism (adj)} = -\frac{1}{\sigma} (\text{Compassion} + \text{Fairness} + \text{Loyalty} + \text{Authority} - \mu)$$

which thus takes into account the propensity of each individual to anchor on one specific point (μ) of the likert scale and use part of the scale (σ). As show in Figure 2, Panel C, the correlation between the baseline measure and the adjusted measure is not perfect but high ($R^2 = .18$) and the relationship close to linear.

Last, we also adjust everyone of the economic policy preference questions using the same approach. The only small difference is that, for each question q , we compute μ_q and σ_q by leaving out question q . We then use these numbers to adjust both the answer to the question itself, and the measure of individualism. This is the adjustment done in Appendix results A.1-A.5.

Finally, all variables are standardized so that their mean is zero and their s.d. is one. This is done in order to compare magnitudes of regression coefficients.

2.4 Demographics

Our survey also contains a limited list of socio-demographic variables. We use three of them, that can reasonably be standardized across all three countries. We use: a Female dummy, a categorical age variable (less than 25, between 25 and 40, between 40 and 54, 55-64 and 65+) which we use linearly in our regression to simplify presentation. We were also able to construct a “High skilled” dummy, equal to 1 for managers, engineers and “independent occupations” such as doctors, lawyers or dentists. This measure combines education and income. The German and U.S. samples have self reported bracketed variables for income but we did not use them – as they are not available in France.

Overall, our sample contains 18% “high-skilled” workers. 37% of the respondent are less than 40 years old, and 23% are more than 65. The sample is designed to be representative of each country’s population. In Table 1, we show summary statistics of our key variables (policy support and moral values) for selected subsamples. Note that all variables are standardized to have a mean of zero and a s.d. of 1. This table clearly indicates that skilled participants are more likely to support pro-social policies, even if that entails deviation from efficiency. This is consistent with Enke et al. (2022) who argue that richer people are more likely to make concessions on economic efficiency – suggesting moral values are a sort of luxury good. Table 1 also shows that

older people tend to support the first two pro-social policies more, but at the same time that they are less compassionate and more favorable to authority and group loyalty, suggesting a more conservative orientation. Our analysis below will be multivariate precisely for such reasons.

3 Results

3.1 Distorting Competition

We start with the support for buying local. The tradeoff faced by respondents is that imposing locally produced trains would save jobs locally, but would also increase ticket prices. We regress support for this protectionist measure on the effect of ticket prices, moral values, and socio-demographics. All variables are standardized so as to have a mean zero and a s.d. of 1. Results are reported in Table 2.

The first result is that support for buying local is a decreasing function of cost. The effect is large: a 1 s.d. increase in cost leads to a 0.2 s.d. decrease in support. It is also very significant ($t = 15$) and robust across specifications and countries.

The second result is that moral values also explain a good deal of cross-sectional heterogeneity, as much as prices. In the first column, we control for all 4 values separately: The three main drivers of support for this policy are Compassion, Authority and Group loyalty, but preference for fairness also marginally correlates with policy preference. It therefore appears that the progressive-conservative axis will not explain this structure very well, since loyalty and authority positively correlate with conservatism, and compassion and fairness negatively so (see Figure 1). Column 2 drives this point home. There, instead of the four values, we just put our two measures: baseline individualism and self-reported conservatism. Quite intuitively, conservatism is barely significant and unstable across specifications. Individualism, however, has a large effect on policy preferences: a 1 s.d. decrease in individualism increases preferences for buying local by 0.15 s.d. This explanatory power is of similar magnitude to the one of prices in our sample. As mentioned above, a concern with our baseline measure of individualism is that it may be affected by individuals' propensities to choose larger numbers on the Likert scale. This is why we try alternative measures of individualism in Appendix Table A.1. These measures include adjusted individualism and principal components that weight values differently, as described in Section 2.3. Our findings are highly robust to these alternative tests. Also, we check that our findings are not driven by outliers or highly non-linear relations by plotting univariate binscatters in Figure 3: Quite clearly, the baseline of adjusted measures of individualism correlate quasi-linearly with support for buying local. Conservatism, or worse, the second PC of the PCA of the 4 values (which correlates strongly with conservatism as discussed in Section 2.3), show at best weak correlation with this

policy preference.

Another specification that we try, in column 3, is that we control for socio-demographics. Including these controls does not materially affect our conclusions. It appears, however, that high skill respondents – and to a lesser extent older ones – have a stronger propensity to support the prosocial policy at the detriment of economic efficiency.

The same econometric analysis is run for the two other competition-related questions in Tables 3 and 4. In the “retail subsidy” question (Table 4), a pattern similar to the “buying local” question emerges: First, answers are sensitive to the fiscal cost of the policy: a 1 s.d. variation in taxes reduces support for the pro-social measure by about .2 s.d. (with a t stat of 15). Second, individualism explains nearly as much cross-sectional variation in attitude as price movements: a one s.d. increase in individualism leads to a .15 s.d. reduction in support for subsidizing small stores. Third, individualism has a much larger explanatory power than self-reported conservatism (which is now significant: Conservative respondents are less likely to support the subsidies). Finally, high-skill respondents are more likely to support prosocial policy, again in line with the conjecture of [Enke et al. \(2022\)](#) that richer people weight moral values more. An alternative interpretation is that individuals respond “for themselves”, so that richer respondent may find the sacrifice relatively less expensive.

The question on Table 3 does not involve variation in prices, so we cannot compare values and monetary costs. We find there that individualism explains a bit less of the variation (.1 s.d. for a one s.d. increase in individualism). Also, the right-wing divide now has a comparatively larger explanatory power, almost equal to that of individualism. This result offers an interesting contrast with [Stantcheva \(2020\)](#), who documents that U.S. republicans are more likely to believe that raising tariffs will help the economy. Our question differs in that it attempts to “control” for beliefs about how the economy works: It explicits the tradeoff involved in the thought experiment so as to elicit moral preferences rather than these beliefs. Our question presents the protectionist decision as a tradeoff between defending moral values and raising price of imports by a given amount (10%). Framed this way, protectionism is more appealing to progressive than conservatives, for a given level of individualism: It preserves jobs nationally and sanctions immoral behavior abroad. The question is thus very different from [Stantcheva \(2020\)](#). Finally, as for the other questions in this group, “high-skill” respondents were more in favor of the pro-social policy, perhaps because the incidence of the 10% rise in clothing prices has less of an effect on their spending, or because richer people weigh moral issues more.

3.2 Deviating from Optimization

The last two questions we analyze in this paper pertain to optimizing behavior – in that sense they directly relate to individualism.

In Table 5, we explore the choice of a consumer facing the opportunity of purchasing a pack of chicken breast that has a “responsible content”. In this question, we do not vary the cost directly, but the moral benefit of purchasing the good: The extra amount may be directly paid to the farmer, to an NGO supporting farmers in need or and NGO supporting transition to organic farming. These benefits are not included as controls in the regression to save space and attention, but the key outcome there is that they do not affect the willingness to purchase the pack of chicken breast. Including these controls does not affect the results we present in Table 5, so we omit them for clarity of exposition.

Column 1 shows that the willingness to pay is mostly correlated with the Compassion value, and much less than the others. One interpretation is that purchase is akin to a donation act, triggered by empathy with farmers. The fact that the motivation is unidimensional explains why, in columns 2-6, self-assessed political views are not the only drivers of the cross-section of preferences. Both Individualism and Conservatism have the same explanatory power. This comes from the fact that fairness, which is associated with progressive self assessment, is not a determinant of fair trade purchase. Robustness checks in Appendix Table A.4 confirm the findings that conservative-progressive positioning does not explain all of the cross-section of willingnesses to pay.

Table 6 considers a non-profit activity undertaken by a regular, for-profit company. This activity consists of training farmers in emerging countries to techniques in sustainable agriculture. While we do not directly vary the cost of this activity, we vary the mode of financing. Since most respondents are likely employees and former employees, they probably identify with workers. In one condition, the cost is assumed to be entirely borne out by shareholders. In two other conditions, the cost is borne by employees or jointly by employees and shareholders. So we create a dummy variable equal to 1 whenever employees bear the some of the cost of the policy, which is likely to make the cost of the policy more salient.

We find that, in this situation, the cost dummy have a large explanatory power on the cross-section of supports for this corporate initiative. This explanatory power is larger than the individualist effect (.26 v .15 standard deviations of the LHS variable), but both have the same magnitude. We note that this effect is smaller in the U.S. (.14 versus .30 in Europe), consistent with the idea that many U.S. respondents may be more likely to view themselves as shareholders (Azar and Barkai, 2021). Second, and this is more in line with our earlier findings, the dispersion of opinions is not on the left-right axis. People who score high on fairness are very much in favor

of the corporate action, but so to compassionate and loyal people. When we put our two measures together, in columns 2-6, our measure of individualism explains twice as much variation as the left-right measure. Finally, like in all of the previous questions, we observe here that high skill occupation interviewees are more likely to support the policy, which is again consistent with moral behavior being a luxury good.

3.3 Additional questions

As an out of sample test, we analyze separate questions from our survey, which are not directly related to support for competition or individual optimization. We show that, for these questions, individualism has less – or no – explanatory power.

First, we explore in Table 7 attitude to immigration, a variable related to culture and identity, therefore a priori less related to individualism. This question is described in detail in Appendix A: Respondents are asked to score on the 1 to 10 Likert scale their support for more legal immigration, given that some industries essentially hire immigrants. Like the other questions, we then readjust the response by removing the average on all other questions and divided by the standard deviation of answers. We then regress this variable on the same set of variables. Now, the picture differs drastically: Self reported conservatism has a large explanatory power on support for immigration, more than 3 times bigger than our individualism variable. As far as moral values are concerned, immigration is clearly left-right issue, its support correlates positively with compassion and fairness, and negatively with loyalty and authority.

Second, we explore in Table 8 the ideal government budget allocation, which has been shown in existing research to be correlated with conservatism (Enke et al. (2021a)). This question is not defined on Likert scale like the others, but in the following way (more details in Appendix A). To each respondent, we ask for the *current* allocation of government spending in: Defense, police, justice, education, health care, research and social welfare. The answers are in percentage of the total have to sum to 100. We then ask the same respondent about their *preferred* allocation, and compute the difference between preferred and current. This step is done to ensure that we “control” for missperception in effective allocation, and isolate the ideal *change* in budget allocation. Finally, we construct one LHS variable, the ideal increase in the share of Police, Justice and Defense, and standardized this variable so that its mean is zero and s.d. is 1. We then regress it on the usual RHS determinants. Again, the picture is very different from the questions on market mechanisms: Individualism plays no role and conservatism is strongly predictive in the cross-section, essentially confirming results in Enke et al. (2021a).

4 Conclusion

Our paper introduces a new measure of moral values, which we label “individualism”. This measure is inspired by the works of French sociologist Emile Durkheim, who emphasized, more than a century ago, the rugged individualism that emerged in modern societies. This individualism, which he characterized as a form of *utilitarian egoism*, arises with the demise of the old world order, which was hierarchical, religious, and rigid. Using the interpretation of Durkheimian thought developed in [Haidt \(2013\)](#), we define individualism as survey respondents who simultaneously score low on four moral values: compassion, fairness, authority and group loyalty. Their polar opposite are respondents who believe that society comes before the individual, that it can impose its rules and customs, that individuals are not expected to maximize their utility nor compete with one another.

We find that this measure correlates with attitudes to competition and maximization of self-interest in the economy. We ask a series of question designed as simple tradeoffs between prosocial policies and their economic costs. These prosocial policies have in common that they involve deviation from perfect competition (e.g. subsidizing small firms, raising tariffs) and from optimization (by consumers or firms). We find that (1) ideology (conservatism and individualism) explains as much or more variation than economic efficiency (costs implied), (2) within ideology, the conservative-progressive dimension tends to have a lower explanatory power than our individualism measure. We thus argue that individualism, as we measure it, is a key dimension of ideology in support of free-market solutions and individual optimization.

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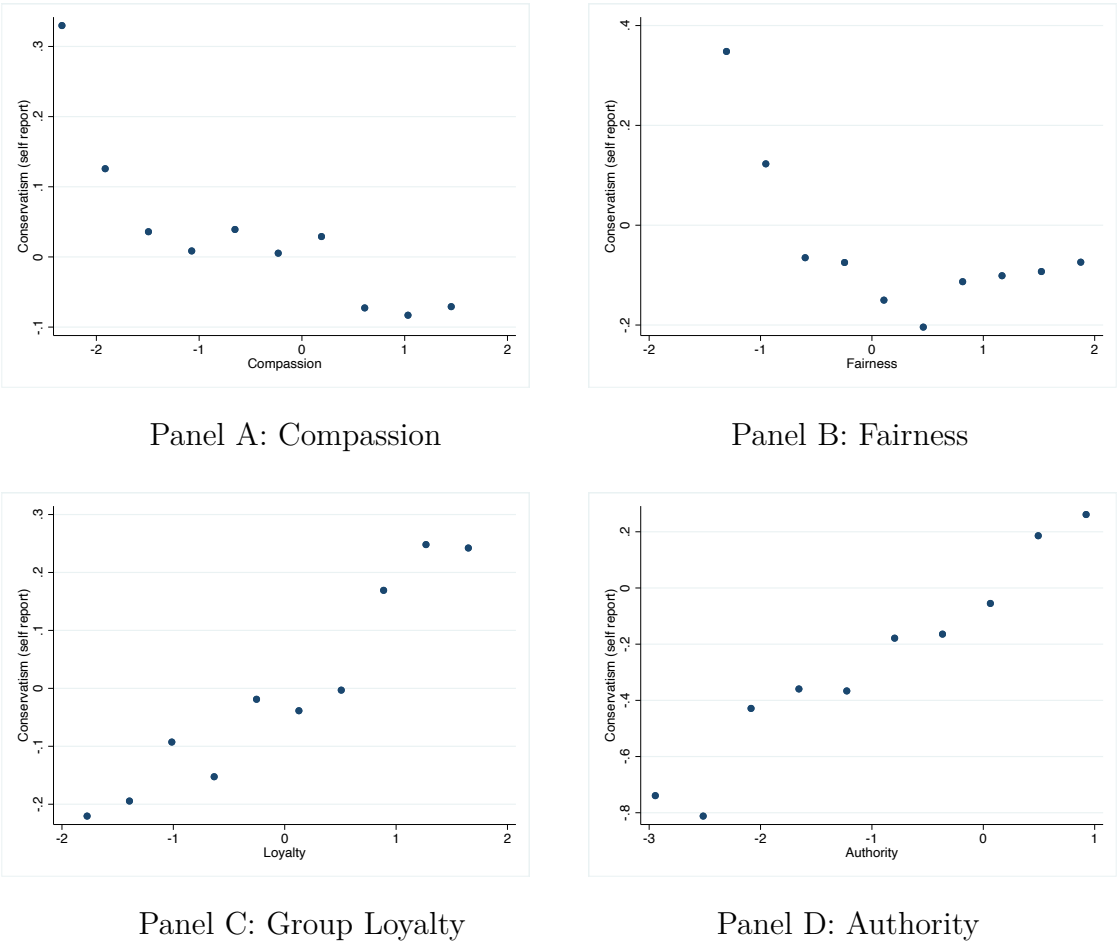
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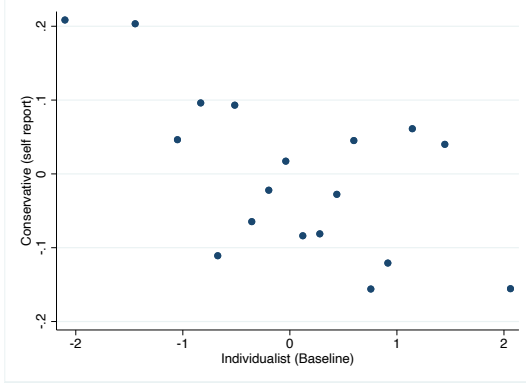
Figures

Figure 1: Moral Values versus Politics

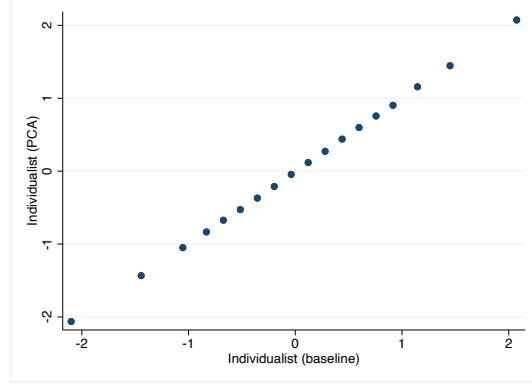


Note: This chart shows binscatter plots indicating correlation between support for moral values (on the x-axis) and self-reported conservatism (on the y-axis). Panel A bins conservatism by bin of compassion. Panel B, C and D focus on fairness, loyalty and authority respectively. Question wording is shown in [Section 2.2](#).

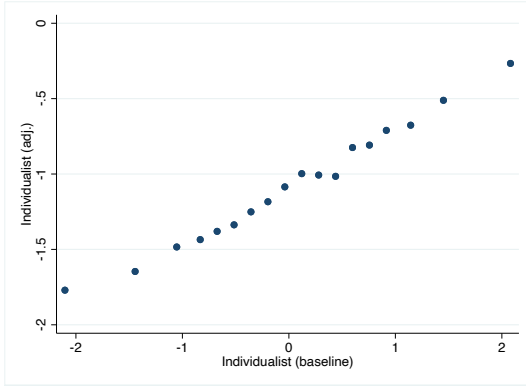
Figure 2: Simple Measures v. PCA



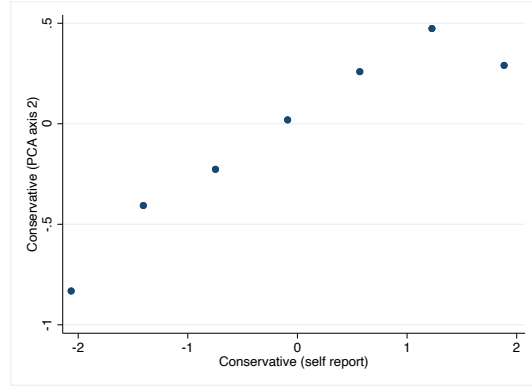
Panel A: Self-Assessed Conservatism v.
Simple Average of Values ($R^2 = .005$)



Panel B: First PCA axis v.
Simple Average of Values ($R^2 = .99$)



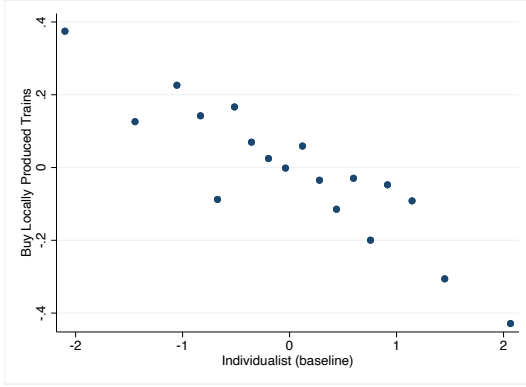
Panel C: Individualism (Adjusted)
v. Simple Average of Values ($R^2 = .18$)



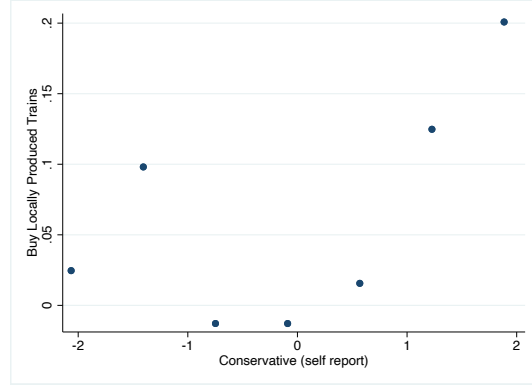
Panel D: Second PCA axis v.
Self-Assessed Conservatism ($R^2 = .09$)

Note: This chart shows correlations (binscatter plots) between various measures of individualism and conservatism. Definitions are provided in Section 2.2. Panel A shows that baseline individualism (minus equal-weight average of values) and self-report conservatism (used in baseline regressions) are uncorrelated. Panel B shows the very strong correlation between baseline individualism and the first PC of the PCA of the four values. Panel C documents the strong correlation between baseline individualism (minus average of values) and *adjusted* individualism (minus average of adjusted values, where values are adjusted so that their mean is 0 and s.d. is 1 *within* individual). Panel D shows that the second PC of the four values is strongly correlated with self-reported left-right divide, as previously shown in [Graham et al. \(2009\)](#) and [Enke \(2020\)](#).

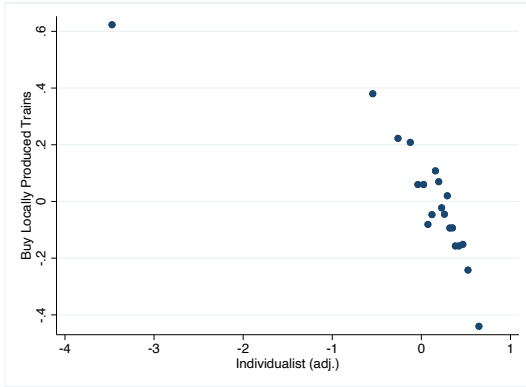
Figure 3: Buy Local v. Values



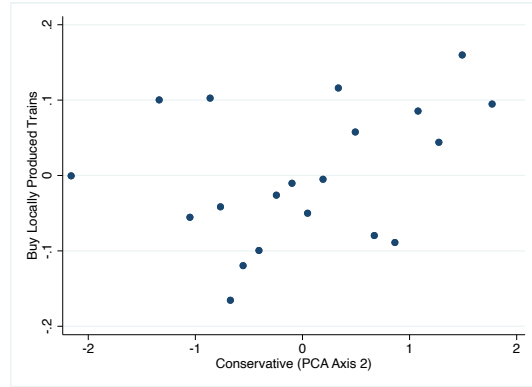
Panel A: Individualism (Simple Average)



Panel B: Self-Assessed Conservatism



Panel C: Individualism (Adjusted)



Panel D: Second PCA axis

Note: This chart shows univariate correlations (under the form of binscatter plots) between our first question (should a local transportation authority buy trains from a local manufacturer to save jobs, at the cost of a more expensive ticket), and moral values. Panel A uses the baseline measure of individualism (average of 4 values). Panel B shows little correlation with self-assessed conservatism. Panel C uses the adjusted measure of individualism (so that within individual mean and s.d. of answers are 0 and 1.), and still finds strong correlation (as in Panel A). Panel D uses, instead of self-reported conservatism, the second PCA axis (itself quite correlated with conservatism, as per Figure 2, Panel D).

Tables

Table 1: Summary Statistics

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Skill		Gender		Political			Age				
	Low	High	Male	Female	Left	Center	Right	18 – 24	25 – 39	40 – 54	55 – 65	65 +
Buy locally made trains	-.02	.11	.04	-.03	.02	-.01	0	-.12	0	-.01	.05	.06
Obs	4890	1061	2918	3033	1441	1812	2698	663	1530	1657	703	1398
Increase tariffs	-.03	.14	.04	-.04	.21	-.05	-.08	-.15	-.1	-.02	.11	.14
Obs	4853	1060	2906	3007	1434	1796	2683	642	1511	1656	705	1399
Subsidize small stores	-.02	.12	-.01	.01	.12	0	-.07	.03	.02	-.04	0	.01
Obs	4880	1061	2912	3029	1436	1813	2692	661	1524	1656	699	1401
Buy fair trade chicken	-.03	.15	-.07	.06	.21	0	-.11	.08	.03	-.05	.04	-.03
Obs	4873	1060	2914	3019	1443	1801	2689	663	1517	1652	701	1400
Support for pro bono corporate	-.02	.09	.04	-.04	.16	0	-.09	-.05	0	-.04	.08	.04
Obs	4860	1053	2896	3017	1438	1806	2669	659	1502	1648	703	1401
Compassion	0	-.04	-.05	.05	.11	-.01	-.05	.01	.01	0	-.03	-.01
Obs	4926	1066	2934	3058	1449	1826	2717	674	1542	1669	705	1402
Fairness	.01	-.07	-.01	.01	.19	-.02	-.08	.1	.09	-.02	-.05	-.09
Obs	4926	1066	2934	3058	1449	1826	2717	674	1542	1669	705	1402
Group loyalty	0	.02	.07	-.07	-.2	.05	.07	-.17	-.06	0	.08	.12
Obs	4926	1066	2934	3058	1449	1826	2717	674	1542	1669	705	1402
Authority	0	-.01	0	0	-.34	-.01	.19	-.33	-.14	.03	.14	.2
Obs	4926	1066	2934	3058	1449	1826	2717	674	1542	1669	705	1402

Note: This Table provides cross tabulation of political attitudes (described in Section 2.1) and values (described in Section 2.2) by respondent group. Columns 1-2 split by skill level. Columns 3 and 4 split by gender. Columns 5-7 split by self-reported political leaning. Columns 8-12 split by age group. Each time, we report the average answer, and the number of observations used. The number of observations may vary from line to line depending on the fraction of “I don’t know”, which as coded as blank. All questions and moral attitudes used here are adjusted so that their mean is zero and s.d. is 1 *across respondents*. Reading: Support for the “buy local policy” is -.02 s.d. for low-skilled workers, and +.11 s.d. for high-skilled workers.

Table 2: Preference for Local Production & Values

	LHS: Supports Buying Train From Domestic Firm					
	(1)	(2)	(3)	(4) France	(5) Germany	(6) U.S.
Increase in Ticket Price	-.21*** (-17)	-.21*** (-15)	-.21*** (-15)	-.2*** (-8.2)	-.29*** (-12)	-.15*** (-6.7)
Compassion	.1*** (7.8)					
Fairness	.023* (1.7)					
Group loyalty	.041*** (3.1)					
Authority	.1*** (7.6)					
Individualist (baseline)		-.16*** (-12)	-.16*** (-12)	-.17*** (-6.4)	-.097*** (-4.1)	-.21*** (-9.6)
Conservative (self report)		.026* (1.9)	.021 (1.5)	.0058 (.26)	-.047 (-1.5)	.054*** (2.7)
High skill Occupation			.14*** (4.1)	.045 (.68)	.27*** (4.6)	.12** (2.1)
Age category			.03*** (2.8)	.065*** (3.5)	.043** (2.2)	-.02 (-1.1)
Gender (1=female)			-.0082 (-.29)	-.014 (-.29)	-.0046 (-.09)	-.032 (-.69)
Constant	.0009 (.072)	.035*** (2.6)	-.075 (-1.2)	-.098 (-.94)	-.23* (-1.9)	.095 (.95)
Observations	5,942	4,983	4,983	1,588	1,703	1,692
R ²	0.08	0.07	0.08	0.07	0.10	0.09

Note: This Table uses our first question (should a local transportation authority buy trains from a local manufacturer to save jobs, at the cost of a more expensive ticket), as the LHS variable. The RHS variables include: increase in ticket price (respondents are sorted randomly into 3 values, see Section 2.1), four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. High-skill occupation dummy is equal to 1 for managers, engineers, independents. The age category variable goes from 1 to 5, and is included linearly to preserve space. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01. Reading: A 1 s.d. increase in ticket price reduces support for the buy local policy by .2 s.d.

Table 3: Preference for Protectionism & Values

	LHS: Supports Protectionism Even if Costly					
	(1)	(2)	(3)	(4)	(5)	(6)
				France	Germany	U.S.
Social standards	-.051*** (-3.4)	-.055*** (-3.4)	-.053*** (-3.3)	-.072*** (-2.6)	-.029 (-1)	-.059** (-2.2)
Human Rights	.076*** (5.2)	.084*** (5.2)	.085*** (5.3)	.04 (1.5)	.11*** (4)	.1*** (3.7)
Compassion	.076*** (5.6)					
Fairness	.058*** (4.3)					
Group loyalty	-.0043 (-.31)					
Authority	.04*** (2.9)					
Individualist (baseline)		-.096*** (-6.8)	-.093*** (-6.7)	-.13*** (-5.1)	-.058** (-2.4)	-.11*** (-4.9)
Conservative (self report)		-.075*** (-5.4)	-.085*** (-6.1)	-.069*** (-3.1)	-.19*** (-5.8)	-.051** (-2.4)
High skill Occupation			.18*** (5.2)	.086 (1.4)	.22*** (3.8)	.24*** (3.9)
Age category			.076*** (7)	.12*** (6.4)	.036* (1.8)	.025 (1.3)
Gender (1=female)			-.022 (-.77)	.028 (.6)	-.052 (-1)	-.11** (-2.3)
Constant	.00073 (.057)	.045*** (3.2)	-.2*** (-3.2)	-.24** (-2.4)	-.089 (-.76)	-.045 (-1.42)
Observations	5,907	4,957	4,957	1,581	1,703	1,673
R ²	0.03	0.03	0.04	0.06	0.05	0.05

Note: This Table uses our second question (should the government increase taxes on clothing imports from countries that do not share a specific set of values), as the LHS variable. The RHS variables include: criterion for country of origin (reference being lack of “environmental regulation”, see Section 2.1), four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01. Reading: A 1 s.d. increase in “social standard” motive reduces support for protectionist measure by .051 s.d.

Table 4: Retail subsidy & Values

	LHS: Supports Subsidizing Downtown Retail					
	(1)	(2)	(3)	(4)	(5)	(6)
				France	Germany	U.S.
Local tax increase	-.19*** (-15)	-.2*** (-15)	-.2*** (-15)	-.28*** (-12)	-.19*** (-7.9)	-.15*** (-6.6)
Compassion	.13*** (9.4)					
Fairness	.064*** (4.9)					
Group loyalty	.043*** (3.2)					
Authority	-.0051 (-.39)					
Individualist (baseline)		-.15*** (-11)	-.15*** (-11)	-.13*** (-4.9)	-.11*** (-4.9)	-.18*** (-8.4)
Conservative (self report)		-.047*** (-3.4)	-.047*** (-3.4)	.019 (.82)	-.14*** (-4.5)	-.063*** (-3)
High skill Occupation			.15*** (4.2)	.0038 (.057)	.17*** (3)	.26*** (4.5)
Age category			-.002 (-.19)	.021 (1.1)	.052*** (2.7)	-.066*** (-3.6)
Gender (1=female)			.07** (2.5)	.12** (2.4)	.044 (.88)	.05 (1)
Constant	.00088 (.07)	.031** (2.2)	-.095 (-1.5)	-.33*** (-3.1)	-.22* (-1.9)	.15 (1.5)
Observations	5,933	4,976	4,976	1,585	1,703	1,688
R ²	0.07	0.06	0.07	0.09	0.07	0.08

Note: This Table uses our third question (should the municipality subsidize downtown retail shops, at the cost of increased local taxes), as the LHS variable. The RHS variables include: increase in local taxes (respondents are sorted randomly into 3 values, see Section 2.1), four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. High-skill occupation dummy is equal to 1 for managers, engineers, independents. The age category variable goes from 1 to 5, and is included linearly to preserve space. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Reading: A 1 s.d. increase in local tax reduces support for the subsidy by .19 s.d.

Table 5: Fair Trade Chicken Breast & Values

	LHS: Buys More Costly Fair Trade Chicken Breast					
	(1)	(2)	(3)	(4)	(5)	(6)
				France	Germany	U.S.
Compassion	.16***					
	(12)					
Fairness	.035***					
	(2.6)					
Group loyalty	.012					
	(.9)					
Authority	-.013					
	(-.98)					
Individualist (baseline)		-.12***	-.12***	-.17***	-.072***	-.16***
		(-8.8)	(-9)	(-6.2)	(-3.1)	(-7.1)
Conservative (self report)		-.13***	-.12***	-.043*	-.2***	-.13***
		(-9)	(-8.8)	(-1.9)	(-6.4)	(-6)
High skill Occupation			.19***	.085	.28***	.18***
			(5.4)	(1.3)	(4.8)	(2.9)
Age category			-.014	.0044	.019	-.1***
			(-1.3)	(.24)	(.97)	(-5.4)
Gender (1=female)			.16***	.15***	.19***	.076
			(5.5)	(3.2)	(3.7)	(1.5)
Constant	.00032	.027*	-.19***	-.23**	-.29**	.078
	(.025)	(1.9)	(-3.1)	(-2.2)	(-2.5)	(.73)
Observations	5,925	4,974	4,974	1,586	1,704	1,684
R ²	0.03	0.03	0.04	0.03	0.05	0.07

Note: This Table uses our fourth question (would you buy a pack of fair trade chicken breasts although it is more expensive), as the LHS variable. The RHS variables include: four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01. Reading: A 1 s.d. increase in compassion increases propensity to purchase the fair trade product by .16 s.d.

Table 6: Corporate Social Responsibility & Values

	LHS: Supports Pro Bono Corporate Initiative					
	(1)	(2)	(3)	(4)	(5)	(6)
				France	Germany	U.S.
Wage (not dividend) Freeze	-.26*** (-21)	-.25*** (-19)	-.25*** (-19)	-.32*** (-14)	-.31*** (-13)	-.14*** (-6.1)
Compassion	.088*** (6.6)					
Fairness	.13*** (10)					
Group loyalty	.044*** (3.4)					
Authority	-.04*** (-3)					
Individualist (baseline)		-.15*** (-11)	-.15*** (-11)	-.17*** (-6.4)	-.13*** (-5.7)	-.18*** (-8.1)
Conservative (self report)		-.077*** (-5.6)	-.081*** (-5.9)	-.09*** (-4)	-.12*** (-3.9)	-.042** (-2)
High skill Occupation			.1*** (2.9)	.11* (1.7)	.023 (.4)	.17*** (3)
Age category			.011 (1.1)	.0033 (.18)	.051*** (2.7)	-.057*** (-3.1)
Gender (1=female)			-.044 (-1.6)	.011 (.22)	-.025 (-.51)	-.14*** (-2.9)
Constant	.00098 (.08)	.038*** (2.8)	.047 (.76)	.049 (.47)	-.06 (-.52)	.26** (2.6)
Observations	5,906	4,957	4,957	1,582	1,699	1,676
R ²	0.10	0.09	0.10	0.14	0.12	0.07

Note: This Table uses our fifth question (should the company implement the pro-social policy of helping farmers), as the LHS variable. The RHS variables include: whether wages will be freezed as a result (as opposed to dividends), four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01. Reading: A 1 s.d. increase in the decision to freeze wages reduces support for the pro-social corporate policy by .26 s.d.

Table 7: Support for Immigration & Values

LHS: Supports Immigration						
	(1)	(2)	(3)	(4) France	(5) Germany	(6) U.S.
Compassion	.19*** (15)					
Fairness	.085*** (6.5)					
Group loyalty	-.021 (-1.6)					
Authority	-.21*** (-16)					
Individualist (baseline)		-.079*** (-5.7)	-.087*** (-6.5)	-.088*** (-3.6)	-.01 (-.45)	-.13*** (-6.1)
Conservative (self report)		-.29*** (-21)	-.29*** (-22)	-.33*** (-16)	-.33*** (-11)	-.25*** (-13)
High skill Occupation			.25*** (7.3)	.21*** (3.4)	.2*** (3.5)	.31*** (5.5)
Age category			-.1*** (-9.7)	-.12*** (-6.6)	-.055*** (-2.9)	-.052*** (-2.9)
Gender (1=female)			-.13*** (-4.5)	-.0034 (-.075)	-.089* (-1.8)	-.17*** (-3.8)
Constant	.00097 (.078)	.049*** (3.6)	.51*** (8.4)	.097 (.99)	.34*** (3)	.65*** (6.5)
Observations	5,926	4,974	4,974	1,581	1,703	1,690
R ²	0.08	0.09	0.12	0.18	0.08	0.11

Note: This Table uses our sixth question (do you support work immigration), as the LHS variable. The RHS variables include: four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01. Reading: A 1 s.d. increase in compassion increases support for immigration by .19 s.d.

Table 8: Increase in Police, Justice, Defense Spending Share

	LHS: Ideal increase					
	(1)	(2)	(3)	(4)	(5)	(6)
				France	Germany	U.S.
Compassion	-.1*** (-7.7)					
Fairness	-.063*** (-4.7)					
Group loyalty	.045*** (3.3)					
Authority	.17*** (13)					
Individualist (baseline)		.0058 (.43)	.0071 (.52)	.027 (1.2)	-.0019 (-.095)	.0013 (.048)
Conservative (self report)		.27*** (20)	.26*** (19)	.23*** (12)	.18*** (6.7)	.33*** (13)
High skill Occupation			.002 (.059)	-.045 (-.79)	.14*** (2.8)	-.14** (-2)
Age category			.024** (2.3)	-.012 (-.73)	.014 (.8)	.078*** (3.5)
Gender (1=female)			-.048* (-1.7)	-.076* (-1.8)	-.059 (-1.3)	.012 (.21)
Constant	.00031 (.024)	-.002 (-.15)	-.0082 (-.14)	.22** (2.4)	-.049 (-.49)	-.24* (-1.9)
Observations	5,992	5,024	5,024	1,597	1,712	1,715
R ²	0.04	0.07	0.07	0.08	0.03	0.10

Note: This Table uses our seventh question (by how much do you want to increase the budget share of police, justice and defense), as the LHS variable. The RHS variables include: four moral values, our alternative baseline definition of individualism, self-reported level of conservatism and three socio-demographic variables. All variables, on the LHS and RHS are standardized *across individuals*, so that their mean is zero and their s.d. is 1. t statistics in parentheses, clustered at the worker level. * p < 0.10, ** p < 0.05, *** p < 0.01. Reading: A 1 s.d. increase in compassion reduces the share of defense and police budget by .1 s.d.