Background

Most research on people's preferences for public policies comes from opinion surveys. Academic studies of societal preferences typically focus on either equality of economic outcomes or equality of economic opportunities. A new study by Bernardo Lara and Kenneth Shores, at Universidad de Talca and Pennsylvania State University, in vol. 15, issue 2 of EFP simultaneously examines people's preferences for equality in both economic opportunities (college access) and economic outcomes (income equality).

The Study

To examine societal preferences for access to higher education and for income equality, Lara and Shores administered a survey via Amazon's MTurk, a survey platform designed to collect data from persons living in the United States. In total, the sample comprised nearly 1,000 individuals who answered a variety of questions regarding their preferences for different hypothetical societies. The survey also collected demographic and personal information, such as political affiliation and educational attainment.

Findings

United States residents are willing to pay more in societal average income to reduce income inequality than they would be to reduce college enrollment inequality. However, Americans are still willing to sacrifice nearly $5,000 of average income to increase college enrollment. While most Democrat respondents will sacrifice income to reduce inequalities in income and college access, Republicans had very low levels of willingness to pay to reduce either type of inequality. Increasing higher education enrollment as a whole still has bipartisan support, with both Democrat and Republican respondents being willing to pay over $4,000 of average income to increase average college enrollment. Support for higher enrollment and income equality by subgroup is shown below.

The findings from this study have two important policy implications. First, policies that focus on increasing enrollment in higher education, without focusing on inequality, would have broad political support. Second, those policies that specifically target inequality might have broader political support if they aimed to reduce income inequality directly, rather than focusing on higher educational opportunities.

For more details:
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