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IZA DP No. 17171

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ABSTRACT

“Should CEOs’ Salaries Be Capped?” A Survey Experiment on Limitarian Preferences

This paper investigates preferences for limiting top incomes and wealth through a survey-based experiment with a large sample of participants ($N = 3,954$) from the US and Germany. Using a revealed preferences approach, we find that a significant majority (around 85%) of participants support income limits (have *limitarian preferences*). Importantly, we also find that a large share of these participants are driven by inequality aversion (weak limitarians), while a significant proportion of participants (around 30%) support limits irrespective of inequality (*strong limitarians*). Preferences for wealth caps are more polarized than for income caps, with higher shares of strong limitarians and those who oppose limits (*non-limitarians*). Notably, our participant classification predicts “real-world” voting behavior in a petition that required effort to sign. In terms of underlying motivations, strong limitarians exhibit less concern about the negative impacts of limits on economic efficiency, are less inclined to attribute top incomes and wealth to merit, are more supportive of government redistribution, and are more concerned about the effects of wealth concentration on corruption and the environment. These findings have important implications for economic theories of social preferences and can inform policy discussions around CEO compensation and wealth taxation.

JEL Classification: D3, D6, D9, H2, M12

Keywords: limitarian preferences, limitarianism, CEO compensation, income cap, wealth cap, wealth taxation

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JEL Codes: D3; D6; D9; H2; M12.

1. INTRODUCTION

In recent years, the rise in income and wealth inequality has become a central issue in both public and academic debates. Significant attention has been directed toward the top “one percent” and the large gap between the compensation of top executives and that of ordinary workers (Piketty and Saez 2003, 2006; Stiglitz 2011; Bell and Reenen 2013; Mankiw 2013; Atkinson 2015; Saez and Zucman 2019). Policy discussions targeting the top “one percent” have become prominent, with proposals such as implementing an executive-to-worker maximum pay ratio, capping executive pay, and imposing taxes or limits on wealth accumulation (e.g., BBC 2013; CNN 2019; Bloomberg 2022; The Guardian 2022).

Despite the widespread interest in the topic, little is known empirically about public preferences for limiting income and wealth at the top of the distribution. To what extent do people actually support capping income and wealth accumulation? Are these preferences sensitive to important features of the environment, such as shifts in the median income or wealth level? Furthermore, do these preferences impact economic and political decision-making? In terms of motivations, are these preferences primarily driven by inequality aversion and thus accounted for by standard economic models of social preferences? Or are there other motivations at play? For instance, do these preferences stem from beliefs about the deservingness of top earners, concerns about the relationship between wealth concentration and environmental degradation, or perhaps other considerations?

In this paper, we conduct a large-scale survey-based experiment involving 3,954 participants from the US and Germany to elicit people’s preferences for limiting income and wealth (what we term **limitarian preferences**) and to shed light on the questions above. In our baseline treatment, we present US participants with several hypothetical scenarios concerning the 500 largest US companies that differ only in the typical CEO and employee compensation levels. For each scenario, participants are asked to indicate whether they favor or oppose a limit to CEOs’ compensation. The sequence of these scenarios follows a simple algorithm whereby, depending on a participant’s answer to the preceding scenario, the typical CEO *or* the typical employee compensation level changes in the subsequent scenario. This method

allows us to categorize participants into three types using a revealed preferences approach: (a) **strong limitarians**, who support limiting the top of the distribution irrespective of inequality, (b) **weak limitarians**, who support limits because of inequality aversion, and (c) **non-limitarians**, who oppose limits altogether. Note that strong limitarians may also have concerns about the levels of inequality in society; the key distinction relative to weak limitarians is that they support limits to income and wealth even if it is not a means to address inequality. As shown further on, the distinction between strong and weak limitarians is both conceptually important and policy-relevant.

Beyond our baseline treatment, our design includes between-subject treatments to estimate the causal effects of two factors on participants' revealed limitarian preferences: concerns over potential efficiency losses from setting a limit on executive compensation (Treatment 2) and aversion to government intervention (Treatment 3). We also investigate whether our baseline findings extend to the context of limiting entrepreneurial wealth accumulation (Treatment 4) and whether these results generalize to other socio-political-cultural settings using a German sample (Treatment 5). To test if the preferences identified in our experiment predict voting behavior, we use a real petition that requires effort to sign, similar to the approach used by [Haaland and Roth \(2020\)](#) and [Dechezleprêtre et al. \(2022\)](#). Finally, we leverage a rich set of questions eliciting participants' attitudes and beliefs to further understand the underlying motives for limitarian preferences, as done in, for instance, [Kuziemko et al. \(2015\)](#) and [Stantcheva \(2021\)](#).

We find that, when examining top executive compensation, 28% of our US participants are strong limitarians, 56% are weak limitarians, and 15% are non-limitarians. Interestingly, limitarian preferences are not exclusively a left-wing phenomenon, as 18% of Republicans in our sample are strong limitarians and 52% are weak limitarians. These patterns also hold in Germany, where we find no statistically significant difference in the share of limitarians compared to the US. In the context of limiting wealth, limitarian preferences are more polarized, with 39% strong limitarians, 36% weak limitarians, and 25% non-limitarians. Taken together, these results suggest that while a large share of limitarian preferences can be explained by inequality aversion, a significant proportion of people hold limitarian preferences that cannot be explained by traditional models of social preferences based on inequality aversion. Reassuringly, the preference types uncovered in our survey-based experiment predict voting behavior in a real petition that required effort to sign.

In terms of underlying motivations, we find that efficiency concerns and aversion to government intervention play a significant role in the support for limits. The proportion of strong limitarians significantly decreases when participants are informed about potential efficiency costs (Treatment 2), and the proportion of non-limitarians significantly decreases when, all else equal, firms set a common limit as opposed to the government setting the limit (Treatment 3). Strong limitarianism also correlates with preferences for redistribution and concerns about environmental degradation and corruption stemming from concentrated wealth. Conversely, it is negatively associated with positive perceptions of CEO merit and their contributions to society.

These findings have important implications. Our results indicate that a large share of people who support limits on income and wealth view these limits primarily as a means to address inequality. In other words, they do not regard limits on income and wealth as intrinsically important and they would not support these limits if inequality were to be addressed through alternative policies, such as an executive-to-worker maximum pay ratio. Note that direct survey questions about support for caps on income and wealth, as asked in the British Household Panel Survey (BHPS) or the General Social Survey (GSS) in the US, would overlook this critical nuance. At the same time, we identify a significant proportion of people who support these limits irrespective of inequality. This group views limits to income and wealth as intrinsically important or as a means to address issues beyond inequality, such as the impact of wealth concentration on corruption and the environment. These insights can inform the development of public policies on executive-to-worker maximum pay ratios, wealth taxation, and caps on income and wealth. Furthermore, our findings bring conceptual clarity and new evidence on public preferences over these policies, which can be an important input in the formulation of public policies and in efforts to inform the public, to shape public opinion and the policy debate. Similarly, these findings can also guide companies in developing voluntary codes of practice for pay and employment, including whether to regulate executive compensation, as practiced by companies like John Lewis and the TSB Banking Group.

Related literature. Our study contributes to several strands of the literature. First, it adds to the growing literature eliciting distributional preferences through survey-based experiments (e.g., [Kuziemko et al. 2015](#); [Karadja et al. 2017](#); [Alesina et al. 2018](#); [Fisman et al. 2020, 2021](#); [Rowlingson et al. 2021](#); [Stantcheva 2021](#);

Charité et al. 2022; Fehr et al. 2022).¹ Most closely related, Fisman et al. (2021) find that people prefer hypothetical income distributions that specifically lower the top tail of the distribution. However, their approach does not address people’s preferences for putting a maximum ceiling at the top of the distribution. To the best of our knowledge, we are the first to analyze — both conceptually and empirically — different types of limitarian preferences. We do this for both the US and Germany and across two relevant contexts: income and wealth. This provides valuable insights about these preferences and offers novel empirical evidence on policies that have been overlooked in the economics literature, such as implementing caps to the top of the distribution.²

Second, we contribute to the growing literature examining the motives underlying social and distributional preferences (e.g., Cruces et al. 2013; Kuziemko et al. 2015; Roth and Wohlfart 2018; Stantcheva 2021; Di Tella et al. 2021; Hoy and Mager 2021; Fehr and Vollmann 2022; Hope et al. 2023; Støstad and Lobeck 2023; Douenne et al. 2024). We provide novel rigorous evidence on the underlying motives for different limitarian preferences. Using between-subject treatment variations, we show that two motives widely discussed in the literature — efficiency concerns (e.g., Engelmann and Strobel 2004; Fehr et al. 2006; Almås et al. 2020; Andre 2024) and aversion to/trust in government intervention (e.g., Kuziemko et al. 2015; Stantcheva 2021; Pew Research Center 2023) — causally influence these preferences. Through correlational analysis, we also offer insights into potential mechanisms explaining these preferences, such as beliefs about CEOs’ merit and contributions to prosperity or concerns about the effect of wealth concentration on corruption and the environment. This contributes new insights, for instance, to the literature looking at the link between preferences for redistribution and meritocratic preferences (e.g., Almås et al. 2020; Fehr and Vollmann 2022). In addition, these findings highlight mechanisms that policymakers could focus on if they are interested in shaping public opinion on these issues.

¹For studies using lab experiments see, e.g., Beckman et al. (2002), Engelmann and Strobel (2004), Cappelen et al. (2007, 2010, 2013), Abbink and Sadrieh (2009), Balafoutas et al. (2013), Durante et al. (2014), Cetre et al. (2019), Almås et al. (2020), and Ferreira et al. (2023).

²Burak (2013) and Khan et al. (2023) are, to our knowledge, the only prior studies investigating public support for caps on top incomes. However, Burak’s (2013) analysis relies on a direct question about support or opposition to income caps that lacks control (it does not specify, for instance, how the cap is implemented), while Khan et al. (2023) anchor participants to a specific income level of €150k. Kiatpongsan and Norton (2014) provide related evidence on perceived and ideal pay gaps between skilled and unskilled workers across the world, but their approach is silent in terms of caps to income/wealth.

Finally, from a conceptual standpoint, our study contributes to the extensive literature in economics modeling *social preferences*, such as inequality aversion and envy (e.g., Kirchsteiger 1994; Levine 1998; Fehr and Schmidt 1999; Bolton and Ockenfels 2000; Charness and Rabin 2002; Fisman et al. 2021). In particular, our findings demonstrate that a significant proportion of people exhibit preferences that cannot be explained by traditional economic models of social preferences. In Section 2, we extend these standard models to account for these preferences. Therefore, our study contributes to the way we conceptualize social preferences by enlarging the relevant phenomena that social preference models can explain.³

The rest of the paper is organized as follows. Next, we propose a simple conceptual framework that formally distinguishes between strong, weak, and non-limitarians. In Section 3, we present our experimental design. Section 4 introduces our pre-registered hypotheses and Section 5 presents our main results. In Section 6, we examine the underlying motives for supporting a limit to income and wealth accumulation. We then provide lower and upper bounds for strong limitarianism in our sample and show how our results extend to a counterfactual representative sample (Section 7). Section 8 concludes.

2. CONCEPTUAL FRAMEWORK

In this section, we present a simple conceptual framework that formalizes the distinction between limitarian types. We consider a set $N = \{1, \dots, n\} \cup \{s\}$ of $n + 1$ individuals, where individual s is an uninvolved *spectator*. An allocation is a vector $\mathbf{x} = (x_1, \dots, x_n) \in \mathbb{R}_+^n$, where x_i can be interpreted as the income of each $i \in N \setminus \{s\}$. We are interested in describing the spectator’s preferences over different allocations, which are represented by the following utility function:

$$U_s(\mathbf{x}) = \alpha \sum_{i \in N \setminus \{s\}} x_i + \beta \min[\mathbf{x}] - \delta(\max[\mathbf{x}] - \text{med}[\mathbf{x}]) - \gamma \max\{\max[\mathbf{x}] - l_s, 0\} \quad (1)$$

where $\alpha, \beta, \delta, \gamma \geq 0$, $\alpha + \beta + \delta + \gamma = 1$, and $\max[\mathbf{x}]$, $\min[\mathbf{x}]$, and $\text{med}[\mathbf{x}]$ are the maximum, minimum, and median income in allocation \mathbf{x} , respectively. Additionally, l_s represents the highest absolute level of income that s is willing to accept. We call l_s the *limitarian threshold* of s .

³Our paper also contributes, both conceptually and empirically, to the growing literature in political philosophy studying theoretical arguments for and against “limitarianism” — the moral position that income and/or wealth should be capped (see, e.g., Robeyns 2017, 2024; Robeyns et al. 2022; Timmer 2021; Huseby 2022).

The first component in equation 1 captures *efficiency concerns*, i.e., the greater the total amount distributed, the more appealing a distribution becomes for the spectator. The second component captures *fairness concerns* for the worst-off individual in the distribution. These two components are standard in models of social preferences and correspond to [Charness and Rabin's](#) (2002, p. 851) spectator model without reciprocity (CS hereafter). In addition to these “standard” components, we introduce two new components: the third component captures disutility proportional to the distance between the maximum and the median of \mathbf{x} and the fourth component captures disutility proportional to the distance between the maximum of \mathbf{x} and the spectator’s limitarian threshold. This simple model allows us to distinguish between different limitarian preferences as follows.

First, if $\delta = 0$ and $\gamma = 0$, we say the spectator is a *non-limitarian*. In this case, the spectator is concerned with “efficiency” and the resources of the worst-off individual in the allocation.

Second, we call the spectator a *weak limitarian* if $\delta > 0$ and $\gamma = 0$. Weak limitarians are concerned about the maximum of the distribution. However, as explained in the introduction, these concerns are driven by inequality aversion. This is captured by $\delta > 0$, i.e., the spectator derives disutility when the distance between the maximum and the median of the distribution increases.⁴ In addition, weak limitarians may or may not have concerns for the worst-off ($\beta \geq 0$) or efficiency ($\alpha \geq 0$).

Finally, a *strong limitarian* is characterized by $\gamma > 0$. Therefore, a strong limitarian is concerned about the excess income or wealth above her limit l_s , *regardless of the inequality in the distribution*. Importantly, strong limitarianism only affects behavior for distributions where $\max[\mathbf{x}] > l_s$. This distinguishes the testable implications of strong limitarianism from those of envy and spite (e.g., [Kirchsteiger 1994](#); [Levine 1998](#)).⁵ As with weak limitarians, strong limitarians may or may not exhibit concerns for the worst-off ($\beta \geq 0$) or efficiency ($\alpha \geq 0$). They also may or may not exhibit concerns for inequality ($\delta \geq 0$).

Despite its simplicity, our framework can explain choices that are inconsistent with existing models of social preferences, such as CS and [Fehr and Schmidt](#)

⁴We model inequality aversion using the difference between the maximum and the median of the distribution because it highlights a concern with the maximum of the distribution that is not captured by the CS model and because it is consistent with the data we provided to our survey participants.

⁵Strong limitarianism can be motivated by envy or spite, but it is not limited to those motivations. We explore the underlying motivations of strong limitarianism below.

(1999) (FS hereafter). Consider first situation (**A**), in which a spectator chooses between allocations \mathbf{x} and \mathbf{y} , where $(\text{med}[\mathbf{x}], \text{max}[\mathbf{x}]) = (100, 500)$ and $(\text{med}[\mathbf{y}], \text{max}[\mathbf{y}]) = (100, 550)$. Choosing \mathbf{x} is inconsistent with CS’s model since \mathbf{y} is a Pareto improvement over \mathbf{x} . However, such a choice pattern can be rationalized for $\delta > 0$ (i.e., for a weak limitarian spectator), or $\gamma > 0$ and $l_s < 550$ (i.e., for a strong limitarian spectator). Similar patterns of behavior have been observed in surveys and lab experiments where large minorities of participants support/engage in “money burning” to reduce inequality (e.g., [Amiel and Cowell 1994](#); [Beckman et al. 2002](#); [Cetre et al. 2019](#)).

Now consider a different situation (**B**), where $(\text{med}[\mathbf{x}], \text{max}[\mathbf{x}]) = (100, 500)$, $(\text{med}[\mathbf{y}], \text{max}[\mathbf{y}]) = (150, 550)$, and suppose the spectator chooses \mathbf{x} . In this case, while \mathbf{y} is a Pareto improvement over \mathbf{x} as in situation (**A**), the distance between the maximum and the median is the same in \mathbf{x} and \mathbf{y} (i.e., inequality, as defined in equation 1, is constant across the two allocations). This means that this choice cannot be rationalized by inequality aversion and a weak limitarian could not choose \mathbf{x} over \mathbf{y} . We could create an equivalent example that could not be rationalized by a spectator version of the FS model. However, the previous choice pattern can be rationalized by a strong limitarian spectator ($\gamma > 0$) with $l_s < 550$. In “real-world” contexts as in our design, there may be several underlying motivations for a spectator to choose \mathbf{x} over \mathbf{y} , such as concerns about the impact of wealth accumulation on the environment (e.g., [Raworth 2017](#); [Khan et al. 2023](#); [François et al. 2023](#)).

3. EXPERIMENTAL DESIGN

In this section, we present our experimental design. Survey-based experiments have gained popularity in economics, allowing researchers to unveil certain attitudes, perceptions, and beliefs that are difficult to reveal through choices made in the lab.⁶ This aspect is particularly relevant to our research question, as we are interested in understanding people’s attitudes towards capping income and wealth at levels that are unfeasible to replicate in the lab. There is also increasing evidence showing that survey-based studies can predict “real life” choices (see, e.g., [Hainmueller et al. 2015](#) and [Stantcheva 2023](#)). We now explain the main elements of our experiment.

⁶See [Gaertner and Schokkaert \(2012\)](#), [Stantcheva \(2023\)](#), and [Haaland et al. \(2023\)](#) for reviews.

3.1 The vignette

Participants are first presented with a short *vignette*, presenting a brief description of a hypothetical scenario, similar to the approach in, for instance, [Ambuehl and Ockenfels \(2017\)](#) and [Lane et al. \(2023\)](#).⁷ Specifically, in the baseline treatment, subjects are informed that they “will be presented with several hypothetical scenarios about the 500 largest companies in the U.S.” that typically “have many shareholders and employees” and “a Chief Executive Officer (CEO) who is the main person responsible for managing the company”. They are also advised that they “will be asked to give [their] opinion on whether [they] favor or oppose the government setting a limit on how much CEOs can earn per year”, and that the “scenarios only differ in terms of the CEOs’ typical earnings and the typical pay of the employees in these companies”.

After being presented with an example of a hypothetical scenario, participants are instructed to consider the following information when evaluating the different scenarios: (i) “If the government sets a limit on CEOs’ earnings, each shareholder receives no more than \$1 from the money that is not paid to the CEOs (even if a shareholder holds multiple shares)”, (ii) “employees’ working conditions remain the same, regardless of whether the limit is implemented or not”, and (iii) “when taking everything into consideration, the country’s tax revenue is not impacted by this policy”. These three pieces of information are provided to control for the main indirect channels through which a cap on income could impact inequality (besides the direct effect via salaries).⁸ This is important for distinguishing between strong and weak limitarians, as the former should *not* support a limit *because* it will directly or indirectly decrease inequality. Note that we do not control for other potential consequences of setting a limit, such as CEOs’ behavioral responses to a limit, because we want to study if certain underlying preferences and beliefs can explain participants’ support/rejection of income caps.

⁷We provide a transcript of the main set of instructions in Appendix H. The survey seen by participants is available at https://southampton.qualtrics.com/jfe/form/SV_0eVCEds2Ff4V9C6.

⁸Statement (i) distributes the surplus created from the limit as a bonus of “no more than \$1” to all shareholders. The underlying idea is to convey to participants that no one really benefits from the surplus. We preferred this option to the alternative of “burning money”, as the latter could instigate moral/symbolic reactions that could be seen as a confound.

3.2 Hypothetical scenarios

Participants are then presented with a series of hypothetical scenarios that only differ in terms of the typical CEOs' and typical employees' salaries. A screenshot of one of these scenarios is shown in Figure 1.

Assume that last year, the pay of the CEOs and employees in the 500 largest companies was as follows:

- The typical CEO pay was **\$500,000** (including base salary, bonuses, and pension contributions).
- The typical employee pay was **\$25,000** (including base salary, bonuses, and pension contributions).

Do you favor or oppose the government setting a limit of \$500,000 per year on CEOs' earnings?



The screenshot shows a survey question with four radio button options arranged vertically in a light gray box. The options are: "Strongly favor", "Favor", "Oppose", and "Strongly oppose". Each option is preceded by an empty radio button.

Figure 1. Hypothetical scenario

It is worth highlighting a few elements of the hypothetical scenarios. First, we followed best practices in survey question construction, as highlighted in [Stantcheva \(2023, Appendix A-3\)](#). For example, we used the phrase “do you favor or oppose” to avoid biasing responses towards one of the options ([Stantcheva 2023, p. A-27](#)). Second, we randomly assigned participants to view the answer options as presented in Figure 1 or presented in the reverse order, to address potential answer-order effects or automatic answers. Third, we provided participants with two answer options in each direction to allow for a nuanced expression of their preferences. In our analysis, however, we aggregate “Strongly favor” with “Favor” and “Strongly oppose” with “Oppose” (as, e.g., in [Kahneman et al. 1986](#)).

3.3 Identification of limitarian types

The scenarios are presented to participants using a simple algorithm designed to adjust parameters (salaries of the CEOs and/or employees) in a manner that allows us to distinguish between strong limitarians, weak limitarians, and non-limitarians.

The example in Figure 2 illustrates our approach.

In this example, participants are first presented with a scenario where the CEOs' typical pay is \$500k and the employees' typical pay is \$25k. If the participant opposes a limit under these parameters, they are then presented with a scenario where the CEO pay is raised while the employee pay is kept constant. If the participant continues to oppose a limit in several iterations that raise the CEOs' pay (in this example, one iteration raising it to \$500 million), then we classify this participant as a non-limitarian. Essentially, a non-limitarian opposes a limit even when the typical CEO receives an extremely high salary.

If instead, the participant favors a limit in the initial scenario, they are then presented with a scenario where the employees' pay is raised while the CEOs' pay is kept constant. If the participant favors a limit in iterations that raise the employees' pay (in this example, one iteration leading to full equality at \$500k), then we classify this participant as a strong limitarian. In other words, a strong limitarian expresses a preference for a limit even when inequality aversion cannot explain their answers.

Finally, if a participant initially favors a limit but changes their choice when the employees' typical salary is raised, we classify them as a weak limitarian. The underlying idea is that the participant supported a limit of \$500k for a given employees' typical pay, but *switched* to opposing it when inequality was reduced, *revealing* that their initial preference for a limit was driven by a desire to reduce inequality.

In our main analysis, we take a conservative approach by classifying participants as strong limitarians only if they consistently favor a limit across all levels of employees' typical salary for a given CEO pay. This means that all participants who switch from favoring to opposing a limit when we reduce inequality are classified as weak limitarians. In Section 7, we perform a sensitivity analysis to assess the impact of this classification approach and provide both lower and upper bounds for the share of strong limitarians in our data.

To make the sequence of scenarios feel natural to participants, we present the typical CEOs and employees' salaries in ascending order, one step at a time. The employees' pay values are {\$25k, \$45k, \$85k, \$125k, \$250k, \$500k}, while the CEOs' pay values are {\$500k, \$2M, \$20M, \$75M, \$500M}. These values are chosen to distinguish between limitarian types using a "semi-realistic" range of values: They reflect levels of pay practiced in the 500 largest companies in the US, with

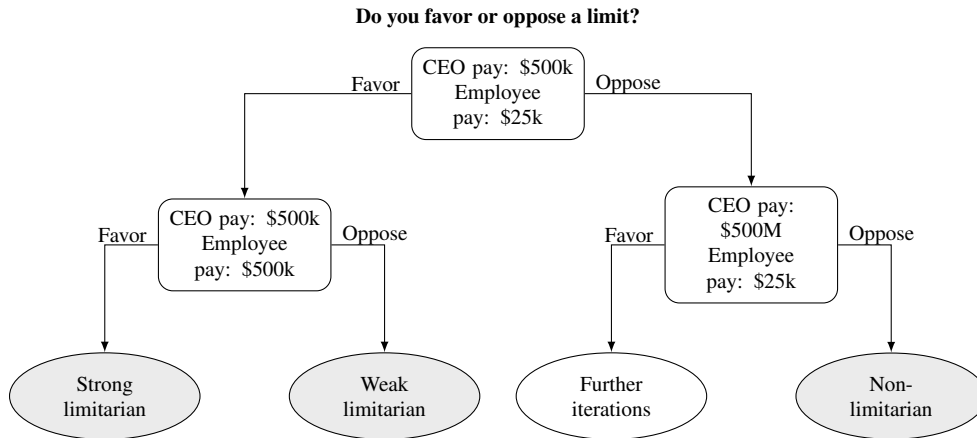


Figure 2. Identification of limitarian types

a wide range of values to stress test our limitarian types.⁹ One important feature of this choice of values is that full equality between CEOs and employees’ pay is achieved only when both are \$500k. This could be a potential confound in our identification of types, since participants classified as strong limitarians when the CEOs’ typical pay is above \$500k may still be motivated by reducing inequality, even if employees are very well paid at \$500k. We chose not to include employees’ typical pay above \$500k because we were concerned that those values would not be taken seriously by participants, thus undermining response quality. To overcome this limitation, we use the classification of strong limitarians when full equality is achieved (typical compensation of \$500k for both CEOs and employees) to estimate a lower bound of strong limitarianism.

We randomly assign participants to four starting points for CEOs and employees’ pay: (1) {\$500k, \$25k}, (2) {\$500k, \$45k}, (3) {\$2M, \$25k}, and (4) {\$2M, \$45k}. This allows us to test for “anchoring effects”, i.e., if participants’ behavior is influenced by environmental cues/“anchors” on initial levels of pay (see, e.g., Tversky and Kahneman 1974; Ariely et al. 2003; Choi et al. 2004; cf. Fudenberg et al. 2012; Maniadis et al. 2014).

⁹For data, see, e.g., EPI (2019, 2023) and WSJ (2021, 2022). Some CEOs earn above 500M per year (Yahoo Finance 2022). We decided not to include such values because these are outliers and we expected limitarian preferences to “kick in” at lower levels of pay.

3.4 Treatments

Subjects in our US sample were randomly assigned to one of the following four treatments:

- **T1 (Baseline).** Subjects are asked if they favor or oppose the government setting a limit to CEOs' earnings in several hypothetical situations that differ in terms of the typical CEOs' and employees' pay. The design and instructions are as explained in the previous subsections.
- **T2 (Efficiency).** Same as T1, with the exception that subjects are informed that a limit will have a negative impact on CEOs & firms' performance.¹⁰
- **T3 (Firm).** Same as T1, with the exception that subjects are asked if they favor or oppose the firms themselves (as opposed to the government) setting a common limit to the CEOs' earnings.¹¹
- **T4 (Wealth).** Equivalent to T1, but here subjects are asked if they favor or oppose the government setting a limit on how much wealth can be accumulated by entrepreneurs in several hypothetical situations that differ in terms of the entrepreneurs' typical wealth and the typical wealth of the residents in the US.¹²

¹⁰This was included as one additional sentence within the pieces of information we asked participants to consider when evaluating the different hypothetical scenarios (see Section 3.1 for the other pieces of information). The exact wording was: "Setting a limit on CEOs' earnings will have a detrimental effect on their individual performance and, more broadly, on the overall performance of their companies". Compared to T1, T2 fixes beliefs in terms of the existence of efficiency losses due to the introduction of a limit (in T1, participants may or may not believe that there are efficiency losses).

¹¹The exact wording in the vignette is as follows: "For each hypothetical scenario, you will be asked to give your opinion on whether you favor or oppose these companies setting a limit on how much CEOs can earn per year. This limit applies to all companies and it is set by the companies themselves without government intervention". The rest of the instructions are equivalent to T1 changing "government" to "companies".

¹²Subjects are told that the 500 wealthiest entrepreneurs in the US are people that, in general, "have accumulated most of their wealth by founding highly successful companies". The exact wording about the implementation of a limit is as follows: "For each hypothetical scenario, you will be asked to give your opinion on whether you favor or oppose the government setting a limit on how much wealth can be accumulated by entrepreneurs, using a 100% wealth tax for wealth above a certain limit". The residents' wealth values are {\$65k, \$125k, \$250k, \$450k, \$850k, \$5M}, while the entrepreneurs' wealth values are {\$500M, \$2B, \$20B, \$75B, \$200B} with B for Billions. As with the CEO treatments, these are semi-realistic ranges of values that reflect levels of wealth of the typical resident and the richest entrepreneurs in society, with a wide range of values to stress test our limitarian types (for data see, e.g., [Aladangady et al. 2023](#); [Bloomberg 2024](#); [Forbes 2024](#)).

In addition to these four treatments, we also conducted our baseline treatment with a sample from a different country.

- **T5 (Germany)**. Same as T1, with a sample of German subjects.

These between-subject treatments allow us to study several important questions. T2 and T3 let us test for the causal effect of potential motivation for supporting or opposing a limit to CEOs' salaries: T2 examines the impact of concerns over efficiency losses due to a limit, while T3 examines the effect of aversion to government intervention. T4 allows us to test if limitarian preferences hold across different contexts, by studying these preferences in the important domain of wealth. Finally, T5 enables us to test if the results hold in other relevant socio-political-cultural backgrounds. We chose Germany for this purpose for two reasons. First, the European Union (EU) is a region of interest for our study because there are active public debates and policy changes regarding the regulation of executive compensation (see references in the introduction). Second, among the EU countries, Germany had the largest available sample with our data provider at the time of data collection.

3.5 Underlying motives & direct policy questions

After responding to the hypothetical scenarios, participants were presented with a set of questions about potential underlying motives for supporting or opposing a salary limit, as well as a set of direct policy questions about imposing limits on CEOs' compensation. The order of presentation of these two sets of questions was randomized.

The set probing underlying motives consisted of 30 questions, which we mapped into 16 potential factors driving limitarian preferences.¹³ Examples of these motives include support for government redistribution, belief in high social mobility, concern that a limit will hurt the economy, views on CEO merit, trust in government, and concerns about the environment and corruption. We pre-registered this rich list of potential motives based on literature exploring reasons for supporting income and wealth taxation (e.g., [Stantcheva 2021](#)), defending top earnings (e.g., [Mankiw 2013](#)), and supporting limits to income/wealth accumulation (e.g., [Robeyns 2024](#)). While not exhaustive, our list is comprehensive, covering more

¹³These 16 motives were elicited through either a single question *or* several questions addressing the same motive, aggregated into summary indices following the methodology in [Kling et al. \(2007\)](#). See Appendix [E.1](#) for a detailed list and description of each motive.

motives than previous related studies, while keeping the survey relatively short to minimize cognitive load and survey fatigue.

The set of direct policy questions consisted of three components: (i) a direct multiple-choice question that mapped our definitions of strong limitarianism, weak limitarianism, and non-limitarianism to three options;¹⁴ (ii) an open-ended question to “describe [their] reasons for [the] view” they expressed in the previous question; and (iii) a question in which subjects could use a slider to choose the “income threshold” they thought there should be a limit to CEOs’ salaries, with the option to select no limit.

3.6 Petition

Before the final set of questions, participants were asked if they wanted to sign two petitions related to the debate on limits to CEO compensation/wealth accumulation in the US/Germany. A screenshot of the petition for T1, T2, and T3 is shown in Figure 3.

Signing a petition is a common method to test if survey-based responses can predict “real life” choices (e.g., [Haaland and Roth 2020](#); [Grigorieff et al. 2020](#); [Dechezleprêtre et al. 2022](#); [Roth et al. 2022](#)). We follow the framing in [Dechezleprêtre et al. \(2022\)](#) and ask participants if they are willing to support a petition whose results will be shared with the relevant authorities. We allow participants to sign two opposing petitions to avoid biasing them in one direction, following [Haaland and Roth \(2020\)](#). Participants are randomly assigned to a screen as shown in Figure 3, or a screen in which Petition 1 and 2 are presented in the reverse order.

Our petition task constitutes a “real stakes” decision for two reasons. First, it engages expressive and policy-influencing motives that are less prominent in the rest of the survey. In other words, compared to the other questions, participants are more likely to treat this petition as an opportunity to voice their opinions and potentially influence policy-making. Second, signing the petition is costly, as participants need to answer additional questions (i.e., exert effort) *only if* they sign one of the two petitions (see [Bourgeois-Gironde and Ferreira 2024](#) for a similar

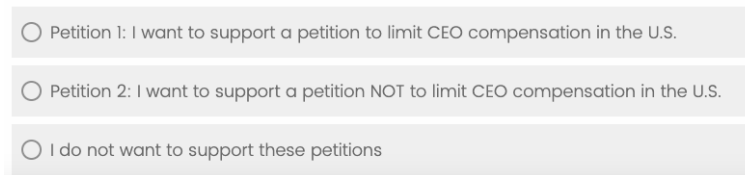
¹⁴We asked participants the following question in T1-T3 and T5 (equivalent for wealth in T4): “Which of the following statements best describes your view about limiting CEO compensation in the US? (Please pick the one closest to your views, even if it does not match your view perfectly)” [Answer options: I am only in favor of limiting CEO compensation when workers are not paid well enough; I am in favor of limiting CEO compensation even if workers are paid well enough; I oppose limiting CEO compensation].

You will now have the possibility of **signing a petition** related to the debate on limits to CEO compensation in the U.S. When the survey is complete, **we will send the results to the federal government, informing them what share of people who took this survey were willing to support the petition.**

Consider the following two petitions and decide whether you would like to sign one of them.

You will NOT be asked to sign, only your answer is required here and remains anonymous.

NOTE THAT in case you support one of the two petitions, we will ask you a few additional questions that should take around one minute to answer. After that, you will proceed to a set of very simple questions to finish.



Petition 1: I want to support a petition to limit CEO compensation in the U.S.

Petition 2: I want to support a petition NOT to limit CEO compensation in the U.S.

I do not want to support these petitions

Figure 3. Petition

technique in a different setting).¹⁵ This is clearly stated to subjects, as shown in Figure 3.

3.7 Additional questions

In the set of potential motives (but not counting as a motive), we included a multiple-choice question about people's fairness views, taken from [Bhattacharya and Mollerstrom \(2022\)](#), which distinguishes between *meritocratic*, *egalitarian*, and *libertarian* views à la [Cappelen et al. \(2007\)](#). This allows us to study how limitarian preferences and these fairness views relate to each other. The survey ended with questions about the perceived difficulty of the survey, its perceived bias (left-wing, right-wing, or no bias), and various socio-demographic questions.

3.8 Procedures

Data collection took place via Prolific in June 2023. The experimental design, empirical analysis, and hypotheses were pre-registered before the data collection

¹⁵These additional questions asked subjects their reasons for signing the petition, their prior experience of signing a petition, perceived value of signing petitions, and their state of residency.

started (https://aspredicted.org/74F_CJH). Recruitment targeted a sample of US (German) nationals, currently residing in the US (Germany), with a minimum “approval rate” of 98% on Prolific.¹⁶ The sample is balanced in terms of gender for each country.

Our results are based on a sample of 3,954 participants (859 T1, 852 T2, 853 T3, 859 T4, 531 T5).¹⁷ All these participants completed the survey, responded correctly to 3 comprehension questions (without failing any of the comprehension questions twice), and responded correctly to 2 attention checks. The median time to complete the survey was approximately 15 minutes for all treatments. Participants were paid £2.5 for their participation, equivalent to approximately £10 per hour, which is considered a “good” hourly rate according to Prolific.

To ensure linguistic consistency between the US and German versions of the survey, the instructions in English were translated into German by a professional bilingual speaker and then cross-checked by another professional bilingual speaker. In addition, a colleague who is a native German speaker reviewed the German instructions to ensure the quality and neutrality of the language. Values for CEO and employee pay in Germany were calculated from US values using purchasing power parity (PPP).

4. HYPOTHESES

In this section, we present our pre-registered hypotheses on potential treatment differences.

First, in line with economic theory and previous evidence (e.g., [Engelmann and Strobel 2004](#); [Fehr et al. 2006](#); [Almås et al. 2020](#)), we hypothesized that the presence of efficiency losses would reduce the number of strong limitarians as well as the overall number of limitarians (strong plus weak limitarians).

Hypothesis 1. The relative prevalence of strong limitarians and all limitarians is higher in T1 (Baseline) than in T2 (Efficiency).

We also expected that the relative prevalence of limitarian preferences would increase when firms set the limit instead of the government. Representative surveys in the US show that most Americans do not trust the federal government “to

¹⁶Prolific provides the option to “reject” subjects and not pay for their participation (e.g. because of *speeding*). The approval rate is the percentage of studies for which a participant has been previously approved by the people conducting the studies.

¹⁷We planned to recruit 850 participants in T5 as well, but we were unable to recruit them in Prolific due to the size of their sample.

do what is right” and that a non-negligible number of Americans self-identify as *libertarians*, in the sense of “someone whose political views emphasize individual freedom by limiting the role of government” (Pew Research Center 2014, 2023). We expected people with these attitudes to be more supportive of income caps if firms set the limit themselves. Therefore:

Hypothesis 2. The relative prevalence of strong limitarians and all limitarians is lower in T1 (Baseline) than in T3 (Firm).

There is little evidence comparing distributional preferences across income and wealth. We conjectured, however, that limitarian preferences would be driven by underlying motives that are context-independent:

Hypothesis 3. The relative prevalence of strong limitarians and all limitarians is similar in T1 (Baseline) and T4 (Wealth).

We also conjectured that these preferences would be similar across countries:

Hypothesis 4. The relative prevalence of strong limitarians and all limitarians is similar in T1 (Baseline/US) and T5 (Germany).

Finally, we conjectured that similar hypotheses would hold for policy real-stakes behavior measured by the signature of a real petition that is effortful to sign.

5. MAIN RESULTS

5.1 Summary statistics

Subjects’ characteristics across treatments are shown in Table 1. Column 5 of the table also provides summary statistics from the 2022 General Social Survey (GSS), which provides a benchmark for assessing if our US sample is representative of the broader socio-demographics and pertinent opinions of the US population. As shown in the table, our sample has a similar proportion of females and whites as the US population, is slightly younger on average, is slightly more educated, and has a similar income. Compared to the GSS, our sample also has a slightly larger percentage of participants identifying as Republicans. Regarding opinions and beliefs, participants in our sample are somewhat more supportive of government redistribution, they trust less CEOs and are more likely to believe that luck is more important

to success than hard work.¹⁸ Overall, our sample is representative of the US population in important dimensions, while showing relevant differences in some other important dimensions. For that reason, we present below an analysis of heterogeneity by socio-demographics and we show that our main results are robust when we re-weight our sample to be reflective of the US population on key characteristics (as done, e.g., in [Fisman et al. 2020](#)).

Table 1 also shows that our US and German samples differ in relevant characteristics. Consequently, we present our country comparison controlling for observable socio-demographics, including political orientation. Finally, the two bottom rows indicate that participants found the survey very easy to understand on average, and that the overwhelming majority felt it was not politically biased.

Table 1. Summary statistics in our samples and the 2022 GSS.

	US				GER	
	T1	T2	T3	T4	GSS	T5
Age	40.9	39.9	39.9	41.1	47.1	29.9
Female (fraction)	52.0	46.5	48.2	50.2	51.3	45.2
Education (1 Lower, 9 Upper)	5.3	5.3	5.3	5.3	13.9yrs	4.4
2-year College Degree or ↑ (fraction)	66.4	63.7	65.4	68.1	52.7	55.9
White (fraction)	70.8	73.5	73.3	72.1	74.4	91.7
Household income (1 min, 7 max)	3	3	3	3	\$50k	3
Republican (fraction)	16.4	15.7	16.8	17.8	12.9	-
Political orientation (0 left, 10 right)	4.5	4.6	4.6	4.6	-	4.5
Gov't redistribution (1 support, 7 against)	3.0	3.0	2.9	3.1	3.5	2.6
Trust CEOs "a great deal" (fraction)	12.1	11.5	10.6	10.8	15.0	6.6
Luck more important to success than hard work (fraction)	21.4	20.4	20.4	25.3	13.9	21.3
Difficulty (1 very easy, 10 very difficult)	2.1	2.2	2.2	2.3	-	3.1
Bias (Fraction):						
Left-wing	11.4	10.9	9.6	10.9	-	16.6
Right-wing	3.3	9.4	4.0	5.9	-	1.7
No bias	85.3	79.7	86.4	83.1	-	81.7

Notes: Mean values for *Age*, *Education*, *Political orientation*, *Gov't redistribution*, and *Difficulty*. *Education* equal to 5 is equivalent to a 2-year College Degree in the US (T1-T4) and a Bachelor's degree or comparable in Germany (T5), where we used a 1 to 8 scale adapted to the German context. Median values for *Household income* of 3 are equivalent to \$50,000 - \$75,000 in the US (T1-T4) and 35.000 - 55.000€ in Germany (T5), where we used PPP values in relation to the US scale. GSS survey weights are used in Column 5.

¹⁸To gauge opinions on relevant dimensions in our setting, we asked our sample questions taken verbatim from the GSS. See questions Q5, Q7, and Q13 in Appendix H for precise wording. This practice has been previously used, for instance, by [Fisman et al. \(2020\)](#), who ask their non-representative MTurk sample the same questions about government redistribution and luck/hard work role in success (see also [Stantcheva 2023](#), pp. 214-5).

5.2 Baseline: Limitarianism type classification

We begin by showing results on how subjects are classified into limitarian types based on the method (algorithm) presented in Section 3.3. Figure 4 displays the types for the whole sample and separately for Democrats and Republicans. The fraction of strong limitarians stands at 28%, with 56% revealing themselves to be weak limitarians and 15% being non-limitarians. In other words, 85% of the sample displays some form of limitarianism.

- **Result 1.** In the Baseline treatment (T1), 28% of participants are classified as strong limitarians, 56% as weak limitarians, and 15% as non-limitarians.

What is the profile of limitarians? As shown in Figure 4, we do see some expected differences by political affiliation: Democrats are more likely to be strong limitarians than Republicans (32% vs 18%), while the opposite is true for non-limitarians (9% vs 29%). Nonetheless, a non-negligible fraction of Republicans reveal themselves, via their choices, to be strong limitarians, and most of them are classified as weak limitarians. To gain further insight, we regress the likelihood of being a limitarian (strong or strong plus weak) on various participant characteristics. Results for the Baseline treatment are presented in the first column of Table A.1 in Appendix A. What emerges is that female and non-Republican participants are more likely to reveal themselves as strong limitarians. For combined strong and weak limitarianism, political affiliation and age are the two significant correlates, even though age has only a small negative effect.

How does the classification of types derived from the experiment compare to the one obtained from the direct multiple-choice question that maps our definitions of strong limitarianism, weak limitarianism, and non-limitarianism to three options (see Section 3.5 for the precise question)? Table 2 provides the cross-referencing of the two methods of classifying participants into types. What emerges is that (i) there is a strong correlation of types across methods, but (ii) the direct method estimates a larger share of strong limitarians than our revealed preferences method. This provides support to our main classification and suggests that, as argued above, we take a conservative approach when classifying participants as strong limitarians.¹⁹

¹⁹We also note that, not surprisingly but reassuringly, our classification correlates with the meritocratic, egalitarian, and libertarian fairness views highlighted in Cappelen et al. (2007). See Appendix G for results.

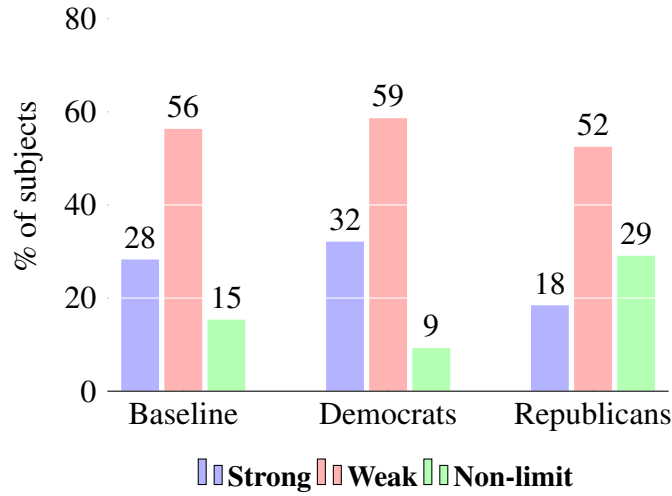


Figure 4. Limitarian types in Baseline (T1)

Table 2. Revealed preferences versus direct question (Baseline)

Revealed pref.	Direct question			% of total
	Strong	Weak	Non-limit	
Strong	170	67	6	28%
Weak type	157	303	24	56%
Non-limit	7	18	107	15%
% of total	39%	45%	16%	

5.3 Motives: Efficiency and firm's control

To illuminate the hypotheses developed in Section 4 and help us uncover motivations behind participants' choices, we next turn attention to the evidence on treatment differences. Figure 5 presents limitarian types by treatment. We test for differences using Pearson Chi-square tests and probit regressions with individual controls reported in Appendix B, Table B.1.

Comparing T1 (Baseline) with T2 (Efficiency), we find a lower share of strong limitarians in T2 compared to T1 (28% vs 24%; $p = 0.053$, Pearson Chi-square test & $p = 0.033$, probit regression). This suggests that efficiency concerns are an important consideration for people who support caps irrespective of the observed inequality. This is consistent with Hypothesis 1. At the same time, we find no statistically significant difference between limitarians (strong plus weak) across treatments, suggesting that efficiency costs alone do not reduce support for caps when CEO pay and inequality are high.

When comparing T1 (Baseline) with T3 (Firm), we find different results. On

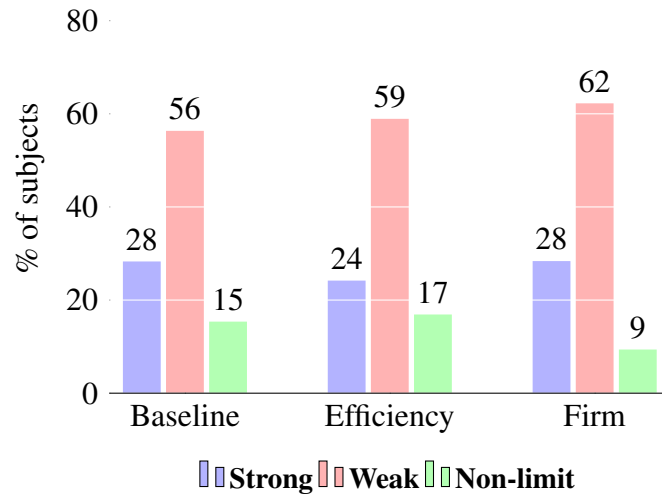


Figure 5. Limitarian types in Efficiency (T2) and Firm (T3)

the one hand, we observe a larger fraction of limitarians (strong plus weak) in T3 than in T1, indicating that people are more willing to support a cap imposed by firms than the government (90% vs 84%; $p < 0.001$, Pearson Chi-square test & probit regression). This is consistent with Hypothesis 2. On the other hand, we find no statistically significant difference in the share of strong limitarians across the two treatments. In other words, the “shift” in preferences is driven by people who are non-limitarians when the government sets the cap, but would support a cap if firms impose it. These results can be summarized as follows:

- **Result 2.** The fraction of strong limitarians is larger in Baseline (T1) than in Efficiency (T2).
- **Result 3.** The fraction of all limitarians (strong plus weak) is smaller in Baseline (T1) than in Firm (T3).

5.4 Wealth

Figure 6 presents limitarian types for the Wealth treatment (T4). It is remarkable that in this treatment, strong limitarians is the most populous category, while the share of non-limitarians exceeds that in the Baseline. The differences in the shares of types across treatments are statistically significant ($p < 0.001$ for all tests, Pearson Chi-square tests & probit regressions in Appendix B, Table B.1). This indicates that, in contradiction to Hypothesis 3, limits on wealth accumulation induce more

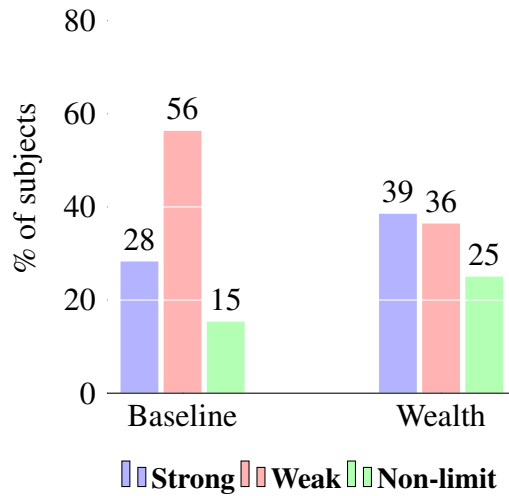


Figure 6. Limitarian types in Wealth (T4)

polarized views than limits on income. These findings can be summarized as follows:

- **Result 4.** The fraction of strong limitarians is smaller in Baseline (T1) than in Wealth (T4), while the fraction of all limitarians (strong plus weak) is larger in Baseline (T1) than in Wealth (T4).

5.5 Germany

To investigate whether the classification of types we obtain in the Baseline is specific to the US sample, we next examine the type classification for the German sample (T5). Figure 7 suggests that there is a larger fraction of limitarians in Germany than in the Baseline. These differences are statistically significant ($p < 0.01$ for strong plus weak limitarians and $p < 0.1$ for strong limitarians, Pearson Chi-square tests). However, once we control for individual characteristics, there are no statistically significant differences in the type classification across countries (reported in Table B.1 of Appendix B). Since the participants from the two countries come from different samples, we rely on the latter test for our inferences. The resulting finding is consistent with Hypothesis 4.

- **Result 5.** The share of strong limitarians and all limitarians (strong plus weak) is similar in the US (T1) and Germany (T5).

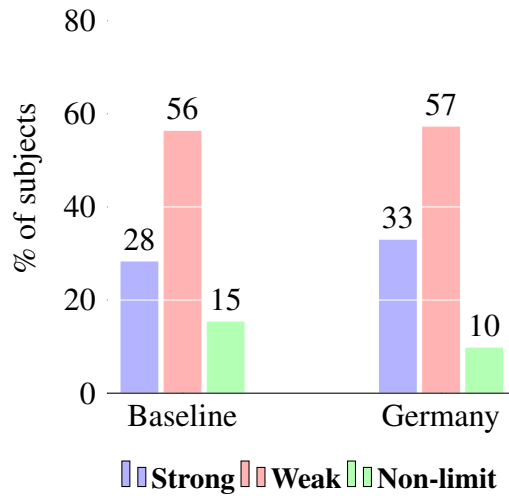


Figure 7. Limitarian types in Germany (T5)

5.6 Petition

To assess if the type classification predicts actual behavior, Figure 8 presents, for each type, the percentages of subjects who signed a real petition that demanded effort to sign. For this analysis, we pool the data for CEO treatments in the US (T1 to T3), as pre-registered. As shown in the figure, we observe that a higher fraction of strong limitarians are willing to exert effort to support a real petition compared to weak limitarians and non-limitarians. Furthermore, weak limitarians are more likely to exert effort to support a real petition than non-limitarians. The differences between strong limitarians and others, and all limitarians and non-limitarians are statistically significant for the CEO, Wealth, and Germany treatments ($p < 0.001$ for all tests, probit regressions reported in Table B.2 of Appendix B). This provides reassurance that the elicitation of types obtained through our survey experiment is relevant for actual behavior.²⁰

- **Result 6.** Strong limitarians are more likely to exert effort to sign a real petition than others, and all limitarians (strong plus weak) are more likely to exert effort to sign a real petition than non-limitarians.

In terms of treatment differences, several observations are noteworthy. First, subjects are more likely to sign the petition in the Baseline than in the Efficiency

²⁰Non-limitarians who signed the petition did so likely due to a mistake. Note, however, that very few participants classified as non-limitarian signed the petition (11 in T1, 9 in T2, 17 in T3, 4 in T4, and 4 in T5).

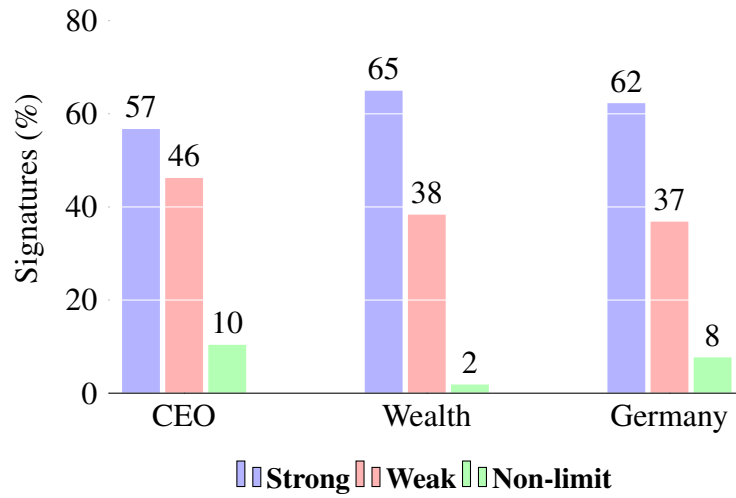


Figure 8. Petition signatures per limitarian type and treatment

treatment (44% vs 40%; $p = 0.087$, Pearson Chi-square & $p = 0.071$, probit regression reported in Table B.3 of Appendix B). This is consistent with our findings regarding the limitarian type classification across these treatments.

Second, there is no statistically significant difference between Baseline and Firm on the likelihood to sign the petition (Pearson Chi-square test and probit regression in Appendix B, Table B.3). In other words, the observed difference between limitarian types between T1 and T3 does not translate into an overall higher likelihood to sign the petition.

Third, subjects are more likely to sign the petition in the Baseline treatment than in the Wealth treatment (44% vs 39%; $p = 0.036$, Pearson Chi-square & $p = 0.036$, probit regression in Appendix B, Table B.3). Note, however, that this difference is driven by weak limitarians (47% in T1 vs 38% in T4, $p = 0.017$ Pearson Chi-square test), since strong limitarians show a tendency in the opposite direction (59% in T1 vs 65% in T4, difference not statistically significant, Pearson Chi-square test). This suggests that weak limitarians in the Baseline treatment have relatively “stronger” preferences for imposing caps than weak limitarians in the Wealth treatment.

Finally, there is no statistically significant difference between Baseline in the US and baseline in Germany in the likelihood of signing the petition (Pearson Chi-square test and probit regression in Appendix B, Table B.3). This is again consistent with our previous results.

5.7 Robustness checks

Several checks reported in Appendix D provide further confidence for our results. First, our results remain robust when we perform several checks for attention. Specifically, the results are very similar when we restrict our analysis to participants who passed stricter attention criteria (see Appendix D.1 for details). This indicates that our findings are not driven by participants who may have not fully engaged with the survey.

Second, our results are robust to “order effects” of answer options in the hypothetical scenarios (see Appendix D.3 for results). This provides further reassurance that our classification is not driven by automatic answers. Furthermore, our petition signature results are very similar irrespective of the order of the set of direct policy questions *and* the set of questions about potential underlying motives, as well as the order of Petitions 1 and 2 in the petition question (see Appendix D.3 for results).

Third, our results are robust to anchoring effects (see Appendix D.3 for results). Although we do observe some variation in responses with respect to their starting points, our classification remains robust across different conditions. In Section 7, we provide lower and upper bounds to the share of strong limitarians that account for these variations.

Fourth, we study which potential underlying motives are affected by the Efficiency and Firm treatments (see Appendix F for results). Doing so allows us to test potential underlying drivers of treatment differences. We find that the only difference between Efficiency (T2) and Baseline (T1) is that participants in T2 are more likely to believe that a limit hurts the economy and leads to “negative” CEO behavior such as evading taxes or moving to a state or country without a limit. This indicates that the underlying drivers of treatment differences in T2 are as expected. Comparing Firm (T3) with Baseline (T1), participants in T3 are more likely to believe that a limit hurts the economy, are less likely to think that a limit leads to “negative” CEO behavior and that CEOs have a role in the prosperity of the US. This suggests that participants may have interpreted the fact of firms setting a limit to CEO compensation as a signal of their expected behavior and contribution to society.

Finally, participants’ choices could, at least in principle, be influenced by the perceived inequality between the main actors in the vignette and external actors (e.g., between employees in the 500 largest companies and other employees). This

would be a confounding factor. While we do not control for this type of consideration, it seems to be a source of inequality that is not salient in our vignette and that, for this reason, should not significantly affect participants' responses. This factor is also less salient in the wealth treatment (T4), yet we still find a high share of strong and weak limitarians. Moreover, our statistically significant treatment effects and petition results, which do not depend on this issue, suggest that our classification is eliciting a relevant preference dimension.

6. UNDERLYING MOTIVES

This section examines the underlying motives for supporting a limit to income and wealth accumulation. This analysis is particularly relevant for strong limitarians, whose support cannot be rationalized by inequality aversion. Recall that in the survey, we elicited a wide range of participants' views and beliefs that could constitute possible motives for endorsing a limit, as explained in Section 3.5. To assess the relevance of the various motives (16 in total), we estimate regressions of the likelihood of being a strong limitarian (limitarian) on these motives. We also control for the treatment group and various individual characteristics. Figure 9 presents the estimated coefficients for each of the motives with 95% confidence intervals for the case of strong limitarians (see Table E.2 in Appendix E.3 for the underlying regression results).

We obtain statistically significant results for several motives (at $p < 0.05$). These include support for government redistribution as well as environmental and corruption concerns, which show positive associations. Conversely, beliefs in the role of CEOs in prosperity, the notion that CEO success is attributed to merit, concerns that the limit hurts the economy, and the belief that one can have "too much" money all exhibit negative associations. Also, consistent with Hypothesis 1, Efficiency (T2) has a statistically significant negative effect for strong limitarianism ($p < 0.1$).

We conducted the same analysis for the likelihood of being limitarian (strong plus weak) (see Table E.2 in Appendix E.3). Results are similar, with a few exceptions. Belief that CEO success is due to merit is the only motive that is relevant to strong limitarians but not for all limitarians. In addition, limitarianism is positively associated with positional concerns and trust in the government, while it is negatively associated with a belief that the limit leads to "negative" behavior such as evading taxes or moving to a state or country without a limit. Consistent

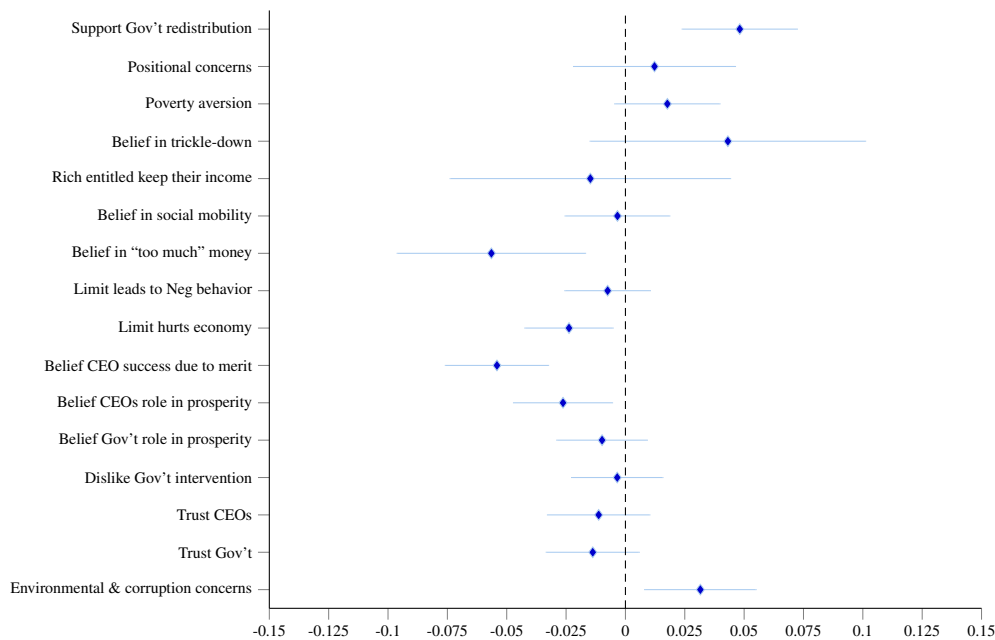


Figure 9. Underlying motives for strong limitarianism (CEO treatments)

Notes: Results are based on an OLS regression with clustered standard errors per subject, as reported in Table E.2 of Appendix E.3. The dependent variable is being classified as strong limitarian. Independent variables include motives constructed as described in Appendix E, treatment indicators, and individual characteristics. Bars show 95% confidence intervals.

with Hypothesis 2, Firm (T3) has a statistically significant positive effect for all limitarianism (strong plus weak) ($p < 0.001$).

Overall, the analysis of motives yields quite intuitive patterns: support for limits correlates with preferences for redistribution and concerns regarding the adverse effects of wealth concentration on corruption and the environment. Positional concerns and trust in the government also correlate positively with wider limitarian preferences. On the other hand, opposition is associated with positive perceptions of CEOs' contributions, their merit, and concerns about the detrimental effects of limits on the economy. These results are helpful in mapping mechanisms that are likely to influence limitarian preferences. This is particularly important for strong limitarians, who are more likely to support a limit even in the presence of other policies that address inequality.

The only counter-intuitive finding relates to the belief that one can have "too much" money. It suggests that people who "think there is a point when having additional money no longer contributes to the quality of one's life" (as opposed to "always contributes") are less likely to be strong limitarians and limitarians (strong plus weak). Note, however, that this could be rationalized by *envy* (i.e., outcome-

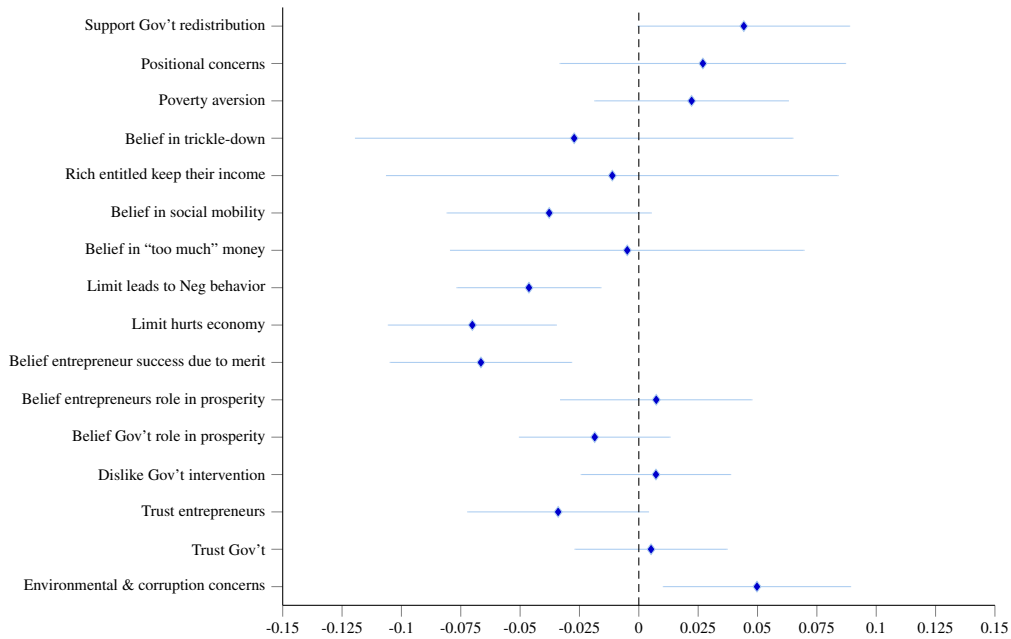


Figure 10. Underlying motives for strong limitarianism (Wealth)

Notes: Results are based on an OLS regression with clustered standard errors per subject, as reported in Table E.2 of Appendix E.3. The dependent variable is being classified as strong limitarian. Independent variables include motives constructed as described in Appendix E, treatment indicators, and individual characteristics. Bars show 95% confidence intervals.

based disadvantageous inequality aversion). Under this interpretation, it is more important to some people to impose a limit if the limit effectively stops people from enjoying additional money that contributes to the quality of their lives (see, e.g., Beckman et al. 2002 for related evidence). This is an interesting potential mechanism that deserves further research in this context.

Figure 10 reports the results for the Wealth treatment. Overall, the picture is similar to income, although confidence intervals are larger, as expected. The differences are as follows: trust in entrepreneurs, belief in social mobility, and a belief that the limit will lead to “negative” behaviors from entrepreneurs are all negatively associated with strong limitarianism ($p < 0.1$, $p < 0.1$ and $p < 0.01$ respectively, regressions reported in Table E.2 of Appendix E.3). On the other hand, belief in entrepreneurs’ role in prosperity and belief in “too much” money are not statistically significant for wealth. In other words, considerations about efficiency and considerations about the merit of CEOs/entrepreneurs and their other “virtues” still matter for both income and wealth (albeit different ones). Moreover, social mobility intuitively matters more in the national (wealth) context than the firm (CEO) context.

Finally, we note that the underlying motives that explain limitarian preferences

also predict signing the petition (see Table E.3 of Appendix E.3). This provides further reassurance regarding the relevance of the mechanisms highlighted in this section.

7. ADDITIONAL ANALYSIS

In this section, we provide some additional sensitivity analysis for the classification of types and a brief discussion of the generalizability of our results.

7.1 Bounds to classification of strong limitarians

We first provide lower and upper bounds for the share of strong limitarians. To establish a lower bound, we apply our identification strategy of strong limitarianism explained in Section 3.3 to the sub-sample of subjects who could be faced with a scenario in which both CEOs' and employees' compensations are set at \$500k (i.e., we focus on participants who started with a CEO pay of \$500k as opposed to \$2M). In this sub-sample, participants who support a cap when both the CEOs' and employees' compensations are \$500k reveal a preference that cannot be explained by inequality aversion. Using this stricter definition of strong limitarianism, we find that 17% of subjects are classified as strong limitarians in our Baseline treatment (74 out of 433 subjects who started with a CEO salary of \$500k supported a cap for all employees' pay levels).

To establish an upper bound, we define strong limitarians as participants who favor a limit for a given CEO pay when the employees' compensation is at its maximum of \$500k. By this definition, some weak limitarians in our main classification become strong limitarians. In other words, a strong limitarian in our main classification cannot be a weak limitarian according to this definition, and the non-limitarian definition is the same for both cases. In our Baseline treatment, 70% of participants are strong limitarians by this definition. Specifically, 12% (74 subjects) are strong limitarians at \$500k, 38% (227) at \$2M, 27% (165) at \$20M, 14% (86) at \$75M, and 9% (52) at \$500M. This suggests that there may be a significantly higher number of strong limitarians for higher levels of CEO pay and that the observed rising trends of these salaries may face further backlash in the population. This conjecture is supported by data we collected on subjects' desired level for a limit to CEO compensation. Using a slider with values from 0 to 75 Million, the median value was \$15M (among the 664 out of 859 participants in the Baseline

treatment who selected a limit in the slider as opposed to a “no limit” option).²¹

7.2 Generalizability

To probe the generalizability of our results to the US general population, we re-do our main classification for a sample that is reflective of the US population on the characteristics that our sample and the 2022 GSS sample differ the most in Table 1 (age, being Republican, having at least a 2-year College Degree, and thinking that luck is more important to success than hard work). As shown in Appendix D.2, our main results are very similar for this counterfactual representative sample. In particular, our main classification in Baseline remains practically identical, with 27% strong limitarians, 57% weak limitarians, and 16% non-limitarians in this counterfactual representative sample.

8. CONCLUDING REMARKS

In recent years, there have been numerous calls from social movements, political discourse, academic literature, and public debate to limit the income of top executives and the wealth of the “one percent”. Despite this, there is little rigorous evidence about whether people support policies that limit the top of the distribution and the underlying motivations for that support. This paper addresses these gaps through a survey-based experiment that elicits people’s preferences for capping income and wealth (*limitarian preferences*).

Half of our US participants support limiting the top of the income distribution because of inequality aversion (56% weak limitarians). From an ethical standpoint, this position reflects an instrumental stance that focuses on the consequences of this policy on reducing income inequality, as opposed to, for instance, deontological considerations about the moral implications of excessive income or wealth. At the same time, we find that about 28% of our participants support income limits regardless of the inequality levels (strong limitarians). These preferences are consistent with deontological considerations *or* consequentialist motives that support limits for reasons beyond reducing inequality. Our analysis of the underlying motives for strong limitarianism suggests that one such potential consequentialist motive is

²¹The median is more informative than the mean of \$23.79M, since, for presentation purposes, the slider had values between 0 and 75 Million and subjects were instructed to select 75 if they favored “a limit of 75 Million or more”. Of those who selected a limit, 2.41% selected a limit lower than \$500k, 16.26% a limit between \$500k and \$2M, 39.76% between \$2M and \$20M, 31.78% between \$20M and \$74.9M, and 9.79% a limit of 75M or more.

the perceived effect of limits on the impact of income and wealth concentration on corruption and the environment. We also find that preferences for wealth caps are more polarized than for income caps with 39% strong limitarians and 25% non-limitarians in the wealth context. Our results are consistent in Germany, and our classification of limitarian types is predictive of voting behavior in a real petition that demanded effort to sign.

Our findings have important policy implications for discussions about measures aimed at regulating top income and wealth levels, such as CEO-to-worker maximum pay ratios, capping CEO compensation, and wealth taxation. By better understanding public preferences and the underlying motives driving the support for these policies, governments and companies will be better equipped to formulate policies that are responsive to public opinion and will be more capable of informing the public, shaping public opinion and the policy debate using more nuanced distinctions and relevant evidence.

While our approach has provided valuable insights into the public support for such policies, future research could further investigate the desirability of these policies from a normative perspective (see [Timmer 2021](#), [Robeyns et al. 2022](#), and [Huseby 2022](#) for discussions in political philosophy). Future research could also investigate the interaction between limitarian preferences, people's beliefs about real pay in their countries, and their economic reasoning. It would also be interesting to study if limitarian preferences relate to other-regarding preferences elicited in incentivized environments and if they differ according to the nature of firms/entrepreneurs' success, such as the sector of their activity.

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DECLARATION OF INTERESTS

None to declare.

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ONLINE APPENDIX

Should CEOs' salaries be capped?

A survey experiment on preferences for limiting income and wealth

João V. Ferreira, Stratos Ramoglou, Foivos Savva, Michael Vlassopoulos

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A. TYPES AND SUBJECTS' CHARACTERISTICS

Table A.1. Limitarian types and subjects' characteristics per treatment

	Baseline		Efficiency		Firm		Wealth		Germany	
	(1) Strong	(2) Weak + Strong	(3) Strong	(4) Weak + Strong	(5) Strong	(6) Weak + Strong	(7) Strong	(8) Weak + Strong	(9) Strong	(10) Weak + Strong
Female	0.270*** (0.092)	0.010 (0.108)	0.121 (0.097)	0.124 (0.106)	0.071 (0.093)	0.152 (0.125)	0.089 (0.091)	0.201** (0.099)	0.364*** (0.121)	0.405** (0.173)
Age	-0.005 (0.003)	-0.019*** (0.004)	-0.019*** (0.004)	-0.016*** (0.004)	-0.002 (0.004)	0.006 (0.005)	-0.022*** (0.004)	-0.020*** (0.004)	0.003 (0.007)	-0.005 (0.008)
Republican	-0.385*** (0.133)	-0.515*** (0.133)	-0.186 (0.141)	-0.392*** (0.131)	-0.381*** (0.130)	-0.590*** (0.142)	-0.757*** (0.136)	-0.599*** (0.117)		
White	0.064 (0.106)	-0.029 (0.126)	0.084 (0.110)	-0.129 (0.130)	0.353*** (0.110)	0.031 (0.142)	0.232** (0.106)	-0.152 (0.117)	0.037 (0.213)	0.147 (0.305)
Income	-0.035 (0.031)	-0.031 (0.035)	-0.047 (0.030)	-0.079** (0.033)	-0.073** (0.030)	-0.082** (0.040)	-0.066** (0.030)	-0.041 (0.031)	-0.040 (0.040)	0.023 (0.048)
College degree	-0.059 (0.101)	0.147 (0.120)	0.042 (0.104)	0.098 (0.117)	-0.100 (0.100)	-0.046 (0.138)	-0.006 (0.101)	0.195* (0.109)	0.082 (0.125)	-0.034 (0.167)
Political orientation									-0.231*** (0.036)	-0.163*** (0.045)
Constant	-0.349* (0.181)	1.943*** (0.226)	0.066 (0.182)	1.944*** (0.221)	-0.445** (0.186)	1.418*** (0.256)	0.716*** (0.184)	1.682*** (0.200)	0.325 (0.300)	1.915*** (0.405)
Observations	859	859	852	852	853	853	859	859	531	531
Pseudo R^2	0.020	0.063	0.034	0.055	0.026	0.047	0.078	0.084	0.111	0.076

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on Probit regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is the probability of being the type in the columns' headings. Independent variables as described in Table 1.

B. REGRESSION ANALYSIS FOR MAIN RESULTS

Table B.1. Probit Results (Treatment differences of limitarian types)

	T1 vs T2		T1 vs T3		T1 vs T4		T1 vs T5	
	(1) Strong	(2) Weak + Strong	(3) Strong	(4) Weak + Strong	(5) Strong	(6) Weak + Strong	(7) Strong	(8) Weak + Strong
Efficiency (T2)	-0.141** (0.066)	-0.086 (0.075)						
Firm (T3)			-0.005 (0.065)	0.292*** (0.080)				
Wealth (T4)					0.296*** (0.064)	-0.358*** (0.072)		
Germany (T5)							0.132 (0.087)	0.070 (0.108)
Female	0.197*** (0.067)	0.066 (0.075)	0.173*** (0.065)	0.086 (0.081)	0.185*** (0.064)	0.114 (0.073)	0.299*** (0.074)	0.076 (0.091)
Age	-0.011*** (0.003)	-0.017*** (0.003)	-0.004 (0.002)	-0.009*** (0.003)	-0.014*** (0.002)	-0.019*** (0.003)	-0.002 (0.003)	-0.015*** (0.004)
Republican	-0.287*** (0.097)	-0.451*** (0.093)	-0.381*** (0.093)	-0.535*** (0.095)	-0.568*** (0.096)	-0.565*** (0.087)		
White	0.068 (0.076)	-0.076 (0.090)	0.201*** (0.076)	-0.007 (0.094)	0.144* (0.074)	-0.093 (0.086)	0.007 (0.096)	-0.028 (0.121)
Income	-0.044** (0.021)	-0.057** (0.024)	-0.055*** (0.021)	-0.053** (0.026)	-0.051** (0.021)	-0.037 (0.023)	-0.047** (0.024)	-0.017 (0.029)
College degree	-0.009 (0.072)	0.120 (0.084)	-0.079 (0.071)	0.056 (0.089)	-0.035 (0.071)	0.172** (0.080)	-0.005 (0.079)	0.075 (0.100)
Political orientation							-0.137*** (0.017)	-0.158*** (0.018)
Constant	-0.082 (0.132)	1.993*** (0.165)	-0.369*** (0.134)	1.603*** (0.169)	0.044 (0.130)	1.994*** (0.157)	0.063 (0.165)	2.455*** (0.210)
Observations	1711	1711	1712	1712	1718	1718	1390	1390
Pseudo R ²	0.024	0.057	0.020	0.050	0.051	0.086	0.071	0.117

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on Probit regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is the probability of being the type in the columns' headings. Independent variables as described in Table 1.

Table B.2. Probit Results (Likelihood to sign the petition)

	CEO treatments		Wealth		Germany	
	(1)	(2)	(3)	(4)	(5)	(6)
Strong	0.394*** (0.058)		0.990*** (0.098)		0.544*** (0.129)	
Strong + Weak		1.176*** (0.096)		2.048*** (0.216)		1.309*** (0.269)
Female	0.068 (0.051)	0.073 (0.052)	0.099 (0.095)	0.049 (0.099)	-0.191 (0.126)	-0.183 (0.125)
Age	-0.003* (0.002)	-0.002 (0.002)	-0.009** (0.004)	-0.010** (0.004)	0.020*** (0.007)	0.022*** (0.007)
Republican	-0.667*** (0.075)	-0.622*** (0.078)	-0.663*** (0.142)	-0.735*** (0.156)		
White	-0.079 (0.058)	-0.053 (0.060)	-0.136 (0.111)	-0.000 (0.112)	0.383* (0.221)	0.372* (0.223)
Income	0.002 (0.016)	0.008 (0.017)	-0.076** (0.031)	-0.091*** (0.032)	-0.091** (0.038)	-0.105*** (0.038)
College degree	0.068 (0.056)	0.046 (0.057)	0.221** (0.105)	0.131 (0.111)	-0.149 (0.122)	-0.133 (0.124)
Efficiency (T2)	-0.093 (0.062)	-0.101 (0.063)				
Firm (T3)	0.080 (0.062)	0.032 (0.064)				
Political orientation					-0.246*** (0.038)	-0.272*** (0.038)
Constant	-0.047 (0.109)	-1.040*** (0.152)	-0.067 (0.201)	-1.344*** (0.299)	0.186 (0.319)	-0.767* (0.410)
Observations	2564	2564	859	859	531	531
Pseudo R^2	0.048	0.086	0.169	0.229	0.146	0.157

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on Probit regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is the probability of signing the petition. Independent variables as described in Table 1.

Table B.3. Probit Results (Treatment differences of likelihood to sign the petition)

	(1)	(2)	(3)	(4)
	T1 vs T2	T1 vs T3	T1 vs T4	T1 vs T5
Efficiency (T2)	-0.112* (0.062)			
Firm (T3)		0.078 (0.062)		
Wealth (T4)			-0.130** (0.062)	
Germany (T5)				-0.013 (0.084)
Female	0.072 (0.062)	0.031 (0.062)	0.036 (0.063)	-0.095 (0.071)
Age	-0.005** (0.002)	-0.003 (0.002)	-0.009*** (0.002)	0.003 (0.003)
Republican	-0.643*** (0.092)	-0.704*** (0.089)	-0.722*** (0.092)	
White	-0.115 (0.071)	-0.026 (0.070)	-0.070 (0.071)	-0.089 (0.092)
Income	-0.026 (0.020)	0.025 (0.020)	-0.040* (0.021)	-0.029 (0.022)
College degree	0.075 (0.069)	0.025 (0.068)	0.091 (0.069)	-0.029 (0.076)
Political orientation				-0.177*** (0.016)
Constant	0.242* (0.125)	-0.024 (0.127)	0.436*** (0.128)	0.748*** (0.159)
Observations	1711	1712	1718	1390
Pseudo R^2	0.032	0.032	0.045	0.081

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on Probit regressions with clustered standard errors per subject. Standard errors in parentheses. Independent variables as described in Table 1.

C. SAMPLE EXCLUSION RESTRICTIONS AND ATTRITION

We had 4,691 people trying to respond to the survey in the US. Of these, 205 tried to respond more than once after failing our comprehension questions, after failing our attention checks, or after dropping-out. Our instructions clearly stated in the introductory screen and in the screens that were shown after comprehension/attention failures that second attempts would not be accepted, and for that reason we exclude these entries from our sample. We also exclude 6 entries without a valid Prolific ID.²²

Of the remaining 4,480 prospective participants, 821 failed twice one comprehension question (218 in T1, 225 in T2, 215 in T3, and 163 in T4) and only one subject in T2 failed the two attention checks after passing the comprehension questions. In addition, we exclude 234 participants who dropped-out before completing the survey (27 in T1, 22 in T2, 30 in T3, 28 in T4, and 127 dropped-out before being assigned a treatment).²³ In total, we exclude 245 in T1, 248 in T2, 245 in T3, and 191 in T4. These exclusion restrictions were pre-registered. Pairwise comparisons of the rate of attrition between treatments show that there are no statistically significant differences between T1, T2, and T3 (pairwise Pearson Chi-square tests). However, there is a lower rate of attrition in T4 than in T1/T2/T3 ($p < 0.05$ for all pairwise Pearson Chi-square tests).

In Germany, 834 people tried to respond to the survey. Of these, 36 tried to respond twice or three times. As reported above for the US, we exclude these entries. Of the remaining 798, 231 failed twice one comprehension question, 36 dropped-out before completing the survey, and no subject failed the two attention checks after passing the comprehension questions.²⁴

D. ROBUSTNESS CHECKS

D.1 Main results with restricted sample

For robustness, we also perform our main analysis with a sample of US participants for which we exclude (i) participants who failed one of the two attention questions, (ii) participants who failed the first attempt at two out of three compre-

²²Out of the 205 prospective participants who tried multiple attempts, 163 completed the survey at their last attempt (two to five attempts). Out of the 6 entries without a valid Prolific ID, only 1 completed the survey.

²³The average and median durations for drop-outs were 569 and 201 seconds respectively.

²⁴The average and median durations for drop-outs were 362 and 164 seconds respectively.

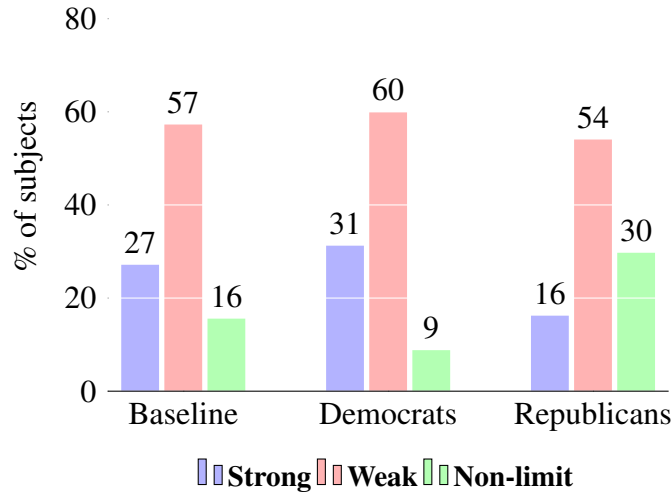


Figure D.1. Limitarian types in Baseline (restricted sample)

hension questions, (iii) participants who answered in a duration lower than one-half of the median duration, (iv) participants who self-attested not to pay full attention to our main questions, and (v) participants who found the survey difficult to answer [5 or higher in a scale from 1 (very easy) to 10 (very difficult)]. Following [Qualtrics \(2024\)](#) guidelines, we also excluded (vi) subjects who scored greater than or equal to 75 in their “duplicate score”, and (vii) subjects who scored greater than or equal to 30 in their “fraud/bot score”. For the 3423 subjects in T1 to T4, we excluded 156 subjects due to (i), 158 due to (ii), 114 due to (iii), 14 due to (iv), 345 due to (v), 21 due to (vi), and 73 due to (vii). Note that some subjects could be excluded for more than one reason (i.e., these figures count twice or more some subjects). We end up with a sample of 2672 subjects (674 in T1, 657 in T2, 666 in T3, and 675 in T4).

Figures [D.1](#), [D.2](#), and [D.3](#) present our main results for this restricted sample. As shown in the figures, the results are very similar to the results with our full sample.

D.2 Main results with counterfactual representative sample

In this appendix, we present our main results reweighted to reflect the US population on the characteristics that our sample and the 2022 GSS sample differ the most (as done, e.g., in [Fisman et al. 2020](#)). Tables [D.4](#), [D.5](#), and [D.6](#) show results after weighting our Prolific observations to match the 2022 GSS in terms of the $2 \times 2 \times 2 \times 2$ weights based on dummies for being greater than forty-seven, Republican, having at least a 2-year College Degree, and thinking that luck is more important

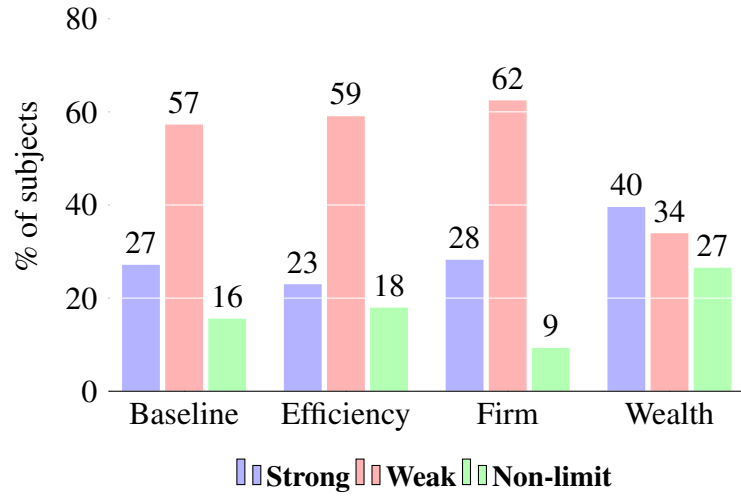


Figure D.2. Limitarian types per treatment (restricted sample)

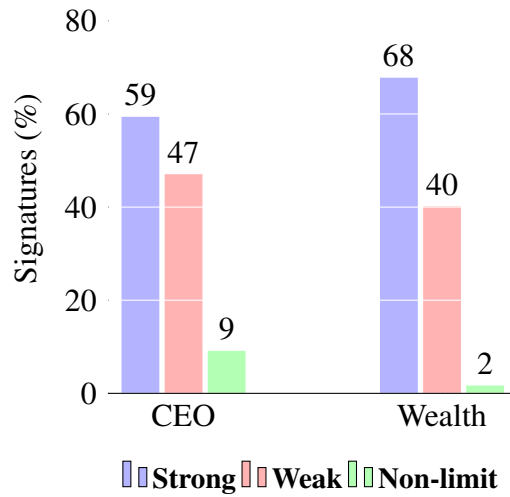


Figure D.3. Petition signatures per limitarian type and treatment (restricted sample)

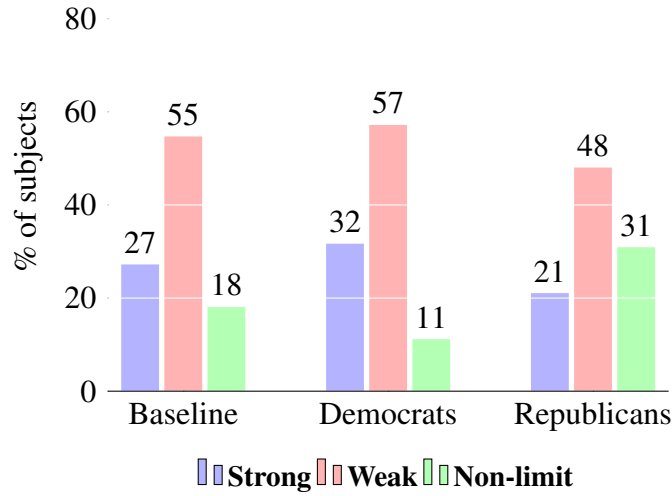


Figure D.4. Limitarian types in Baseline (counterfactual representative sample)

to success than hard work (the characteristics that the two samples differ the most as shown in Table 1). As shown in these figures, the results are very similar for this counterfactual representative sample.

D.3 Anchoring and order effects

In this subsection, we present robustness results for potential (i) anchoring effects to starting salaries, (ii) order effects of answer options in the hypothetical scenarios, (iii) order effects of the set of direct policy questions *and* the set of questions about potential underlying motives, and (iv) order effects of Petitions 1 and 2 in the petition question.

To test for (i), we randomly assign participants to four starting points of CEOs and employees' pay: (1) {\$500k, \$25k}, (2) {\$500k, \$45k}, (3) {\$2M, \$25k}, and (4) {\$2M, \$45k}. Comparing (1) against (2) and (3) against (4) allows us to test for anchoring effects *in relation to the employees' salaries*. We do not test for anchoring effects in relation to the CEO salary [i.e., comparing (1) against (3) and (2) against (4)] because the starting CEO salary can have an impact on the classification that, in our view, should not be interpreted as anchoring effects. For example, a participant that starts with (3) and expresses that he/she favors a limit for {\$2M, \$500k} is classified as strong limitarian, while a participant that starts with (1) and ends up expressing that he/she favors a limit for {\$2M, \$500k} is classified as weak limitarian. This emerges because we adopted a conservative definition of strong limitarianism, according to which strong limitarians cannot switch from

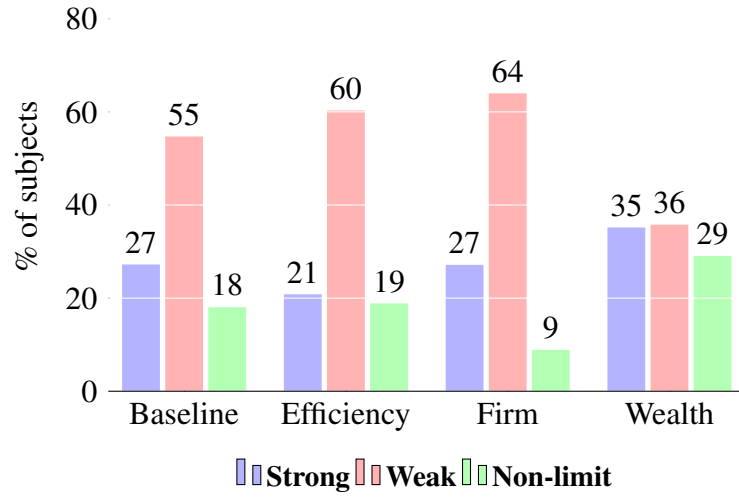


Figure D.5. Limitarian types per treatment (counterfactual representative sample)

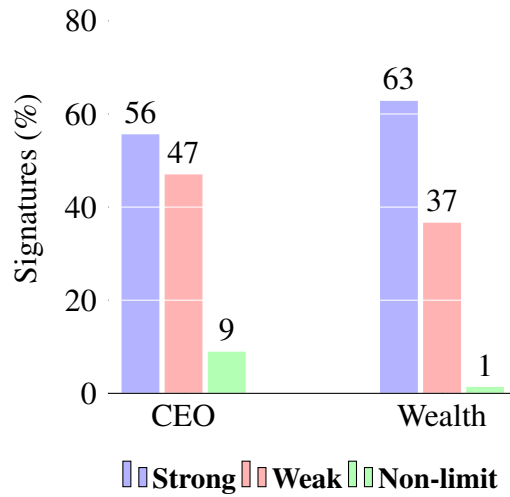


Figure D.6. Petition signatures per limitarian type and treatment (counterfactual representative sample)

Table D.1. Anchoring effects (CEO treatments)

	Salaries in the first hypothetical scenario			
	(1)	(2)	(3)	(4)
CEO:	\$500k	\$500k	\$2M	\$2M
Employees:	\$25k	\$45k	\$25k	\$45k
Strong limitarinas	18.05%	20.58%	30.06%	39.28%.95%
Weak limitarians	67.66%	71.49%	53.96%	43.19%
Non-limitarians	14.29%	7.93%	15.98%	17.53%
N	637	656	632	639

favor to oppose when the employees' salaries increase. Therefore, our preferred interpretation is that having different starting points for the CEOs' salary allows us to test our definition of strong limitarianism for different CEOs' typical pay: our conservative definition of strong limitarianism implies that, by construction, in our main analysis most strong limitarians will favor a limit at \$500k and \$2M. This means that we mainly test strong limitarianism for these two levels of CEO typical pay. This is again a conservative approach, since these levels are well below the median CEO pay for the 500 largest companies in the US (AFL-CIO, 2023). In Section 7, we provide lower and upper bounds of strong limitarianism that further illuminate this issue.

Data shown in Tables D.1 and D.2 suggests some anchoring to the employees' salaries starting point, but overall our classification results are robust across conditions for both income and wealth.

For the order effects of answer options in the hypothetical scenarios (i.e., favor first and oppose second or vice versa), we find that the classification into limitarian types is very similar across conditions for both income and wealth (see Table D.3). This provides further reassurance that our classification is not driven by automatic answers (e.g., always choosing the first option available).

Since randomizations (iii) and (iv) happen after the hypothetical scenarios, the main dependent variable they can affect is the petition signature. As shown in Tables D.4 and D.5, we find very small differences across conditions for both the CEO and the Wealth treatments.

Table D.2. Anchoring effects (Wealth)

	Wealth in the first hypothetical scenario			
	(1)	(2)	(3)	(4)
Entrepreneurs:	\$500M	\$500M	\$2B	\$2B
Residents:	\$65k	\$125k	\$65k	\$125k
Strong limitarians	34.74%	41.31%	36.41%	41.67%
Weak limitarians	37.09%	47.42%	31.80%	29.63%
Non-limitarians	28.17%	11.27%	31.80%	28.70%
N	213	213	217	216

Table D.3. Answer options order effects

	CEO treatments		Wealth	
	Favor-Oppose	Oppose-Favor	Favor-Oppose	Oppose-Favor
Strong limitarinas	27.29%	26.61%	38.23%	38.84%
Weak limitarians	56.94%	61.37%	33.57%	39.30%
Non-limitarians	15.76%	12.02%	28.21%	21.86%
N	1,275	1,289	429	430

Table D.4. Questions order effects

	CEO treatments		Wealth	
	Policy-Motives	Motives-Policy	Policy-Motives	Motives-Policy
Signed Petition 1	42.76%	45.38%	40.89%	38.05%
N	1,277	1,287	428	431

Table D.5. Petition order effects

	CEO treatments		Wealth	
	Pet 1-Pet 2	Pet 2-Pet 1	Pet 1-Pet 2	Pet 2-Pet 1
Signed Petition 1	44.38%	43.76%	41.37%	37.61%
N	1,282	1,282	423	436

E. UNDERLYING MOTIVES

E.1 Elicitation

Table E.1 summarizes how we constructed the 16 underlying motives for this study. Column 1 shows the questions, transcribed in Appendix E.2, that we used to construct each motive. Column 2 shows if the motive corresponds to a dummy variable, a Likert scale, or an index. All variables have signs oriented consistently with the name of the motive (e.g., the higher the number in the Likert scale *Support Gov't redistribution*, the more the participant supports government redistribution).²⁵ Column 3 shows sources for questions that we take from representative surveys or previous research papers. For questions that, to the best of our knowledge, have not been asked previously, we followed common formulations used in representative surveys such as the GSS and (whenever feasible) we followed the best practices in writing survey questions highlighted in Stantcheva (2023, Appendix A-3).

E.2 Survey questions

In this subsection, we present the questions used in the survey to construct the 16 underlying motives. Labels in bold are merely indicative and did not appear in the participants' instructions.

Q1. (*Behavioral effect*): If there is a limit on how much CEOs can earn in the U.S., to what extent would it encourage them towards the following behaviors?

A great deal; A lot; A moderate amount; A little; None at all

- (1) Evade taxes
- (2) Work less
- (3) Be less productive
- (4) Move to a state or country without a limit
- (5) Be less entrepreneurial and create fewer businesses

Q2. (*Hurt economy*): Do you think that setting a limit on how much CEOs can earn would hurt economic activity, not have an effect on economic activity, or help economic activity in the U.S.?

²⁵The indices are constructed following the methodology of Kling et al. (2007). Each index consists of an equally weighted average of the z-scores of its components with signs oriented consistently within its domain. The variables are converted into z-scores by subtracting the mean of the control group and dividing by its standard deviation, resulting in a z-score with a mean of 0 and a standard deviation of 1 for the control group. To facilitate interpretation, the resulting index is itself standardized by subtracting the mean of the control group and dividing by the standard deviation, so that each index has a mean of 0 and a standard deviation of 1.

Table E.1. Underlying motives

	(1) Question(s) in Appendix E.2	(2) Variable type	(3) Main source(s)
Support Gov't redistribution	Q13 (<i>Gov't redistribution</i>)	Likert scale	GSS/Fisman et al. (2020)
Positional concerns	Q16 (<i>Positional concerns</i>)	Dummy	Solnick and Hemenway (1998)
Poverty aversion	Q14.3 (<i>Big issue 3</i>)	Likert scale	-
Belief in trickle-down	Q11 (<i>Trickle down</i>)	Dummy	Stantcheva (2021)
Rich entitled keep their income	Q9 (<i>Rich entitled</i>)	Dummy	Stantcheva (2021)
Belief in social mobility	Q8 (<i>Social mobility</i>)	Likert scale	Alesina et al. (2018)
Belief in "too much" money	Q10 (<i>Zero marginal utility</i>)	Dummy	-
Limit leads to Neg behavior	Q1 (<i>Behavioral effects 1 to 6</i>)	Index	Stantcheva (2021) (a)
Limit hurts economy	Q2 and Q3 (<i>Hurt economy and Laffer effect</i>)	Index	Stantcheva (2021)
Belief CEO success due to merit	Q6 and Q7 (<i>CEO merit 1 to 3 and Rich merit</i>)	Index	GSS/Fisman et al. (2020) (s)
Belief CEOs role in prosperity	Q12.1 and Q4 (<i>Prosperity 1 and CEO contribution</i>)	Index	-
Belief Gov't role in prosperity	Q12.2-Q12.4 (<i>Prosperity 2 to 4</i>)	Index	-
Dislike Gov't intervention	Q14.1-Q14.2 (<i>Big issues 1 and 2</i>)	Index	-
Trust CEOs	Q5 (<i>CEO trust</i>)	Likert scale	GSS
Trust Gov't	Q15 (<i>Gov't trust</i>)	Likert scale	Stantcheva (2021)
Environmental & corruption concerns	Q14.4-Q14.6 (<i>Big issues 4 to 6</i>)	Index	-

Notes: Labels in columns 1 and 2 are indicative and did not appear in the participants' instructions. In column 3, (a) means that it is not verbatim from the source, and (s) means that we only used one question from the source for the index. The index "Environmental & corruption concerns" is constructed based on three questions about concerns related to environmental degradation, corruption from the richest in society, and political power of the richest in society. We label it this way because the two former concerns drive the results reported in the main text.

Hurt economic activity in the U.S.; Not have an effect on economic activity in the U.S.;
Help economic activity in the U.S.

Q3. (Laffer effect): Which comes closer to your view about the long-term impact that setting a limit on how much CEOs can earn may have on the federal budget deficit?

The limit would increase the deficit in the long run because the government would take in a lot less money that it won't be able to recover; The limit would have no effect on the federal budget deficit; The limit would decrease the deficit in the long run because it would stimulate the economy and bring in more money for the government

Q4. (CEO contribution): Which statement most closely reflects your view?

The pay of CEOs of major companies in the U.S. reflects their contribution to society; The pay of CEOs of major companies in the U.S. overestimates their contribution to society; The pay of CEOs of major companies in the U.S. underestimates their contribution to society

Q5. (CEO trust): As far as the people running major companies are concerned, would you say you have a great deal of confidence, only some confidence, or hardly any confidence at all in them?

A great deal; Only some; Hardly any

Q6. (CEO merit): How important do you think are the following factors in CEO's success?

Very important; Somewhat important; Slightly important; Not at all important

(1) Their ability to discover novel opportunities

(2) Their willingness to take risks

(3) Their hard work and perseverance

Q7. (Rich merit): Some people say that people get ahead by their own hard work; others say that lucky breaks or help from other people are more important. Which do you think is most important?

Hard work most important; Hard work, luck equally important; Luck most important

Q8. (Social mobility): How do you feel about the following statement? "In the United States everybody has a chance to make it and be economically successful."

Strongly agree; Agree; Neither agree nor disagree; Disagree; Strongly disagree

Q9. (Rich entitled): Which statement do you agree with most? (Please pick the one closest to your views, even if it does not match your view perfectly)

High-income individuals are entitled to keep a very large share of their income and should not have to pay high taxes, even if that means less government revenues available to help low-income families make ends meet.; It is important to ensure enough government revenues to fund programs that help low-income families make ends meet, even if that means that high-income individuals will have to pay higher taxes on their high incomes.

Q10. (Zero marginal utility): Do you think that additional money always contributes

to the quality of one's life, or do you think there is a point when having additional money no longer contributes to the quality of one's life?

I think additional money always contributes to the quality of one's life; I think there is a point when having additional money no longer contributes to the quality of one's life

Q11. (Trickle down): What do you think would ultimately do more to reduce the income differences between poor and rich families?

Lowering taxes on wealthy people and corporations to encourage more investment in economic growth; Raising taxes on wealthy people and corporations to expand programs for the poor

Q12. (Prosperity): How important do you think are the following factors in America's prosperity?

Very important; Somewhat important; Slightly important; Not at all important

- (1) Major companies
- (2) Government infrastructure
- (3) Public investment in businesses
- (4) The rule of law

Q13. (Gov't redistribution): Some people think that the government in Washington ought to reduce the income differences between the rich and the poor, perhaps by raising the taxes of wealthy families or by giving income assistance to the poor. Others think that the government should not concern itself with reducing this income difference between the rich and the poor. Here is a scale from 1 to 7. Think of a score of 1 as meaning that the government ought to reduce the income differences between rich and poor, and a score of 7 meaning that the government should not concern itself with reducing income differences. What score between 1 and 7 comes closest to the way you feel?

1; 2; 3; 4; 5; 6; 7

Q14. (Big issue): How big of an issue do you think the following elements are in America?

A very serious issue; A serious issue; An issue; A small issue; Not an issue at all

- (1) Too much government intervention
- (2) Government's lack of ability and tools to tackle societal challenges
- (3) Poverty and urgent unmet needs
- (4) Environmental degradation and climate change
- (5) Corruption from the richest in society
- (6) Political power of the richest in society

Q15. (Gov't trust): How much of the time do you think you can trust our federal government to do what is right?

Almost always; A lot of the time; Not very often; Almost never

Q16. (*Positional concerns*): In this hypothetical question, there are two states of the world (State A and State B). You are asked to pick which of the two you would prefer to live in. Note that prices are at their current level and prices (the purchasing power of money) are the same in States A and B.

A: Your current yearly income is \$50,000; the average person in society earns \$25,000;
B: Your current yearly income is \$100,000; the average person in society earns \$200,000

E.3 Regressions

F. TREATMENT EFFECTS ON MOTIVES

In this appendix, we show if responses about potential underlying motives change between T1, T2, and T3 (CEO treatments in the US) using a regression analysis. Doing so allows us to test potential underlying drivers of treatment differences. Results are reported in Tables [G.1](#) and [G.2](#).

G. LIMITARIAN TYPES AND FAIRNESS VIEWS

Table E.2. Regression limitarian types and underlying motives (CEO and Wealth treatments)

	CEO treatments		Wealth	
	(1) Strong	(2) Weak + Strong	(3) Strong	(4) Weak + Strong
Support Gov't redistribution	0.048*** (0.012)	0.040*** (0.010)	0.044* (0.023)	0.029 (0.020)
Positional concerns	0.012 (0.017)	0.035*** (0.013)	0.027 (0.031)	-0.009 (0.027)
Poverty aversion	0.018 (0.011)	-0.011 (0.010)	0.022 (0.021)	-0.040** (0.019)
Belief in trickle-down	0.043 (0.029)	-0.036 (0.030)	-0.027 (0.047)	-0.097* (0.055)
Rich entitled keep their income	-0.015 (0.030)	-0.043 (0.029)	-0.011 (0.048)	-0.110** (0.055)
Belief in social mobility	-0.003 (0.011)	-0.012 (0.009)	-0.038* (0.022)	-0.033* (0.019)
Belief in too much money	-0.056*** (0.020)	-0.037** (0.016)	-0.005 (0.038)	-0.112*** (0.035)
Limit leads to Neg behavior	-0.007 (0.009)	-0.037*** (0.007)	-0.046*** (0.015)	-0.029** (0.014)
Limit hurts economy	-0.024** (0.009)	-0.046*** (0.007)	-0.070*** (0.018)	-0.117*** (0.016)
Belief CEO/entrepreneur success due to merit	-0.054*** (0.011)	0.001 (0.007)	-0.067*** (0.019)	0.020 (0.015)
Belief CEOs/entrepreneurs role in prosperity	-0.026** (0.011)	-0.047*** (0.009)	0.007 (0.020)	-0.072*** (0.016)
Belief Gov't role in prosperity	-0.010 (0.010)	-0.007 (0.008)	-0.019 (0.016)	-0.024* (0.014)
Dislike Gov't intervention	-0.003 (0.010)	-0.002 (0.008)	0.007 (0.016)	-0.025* (0.014)
Trust CEOs/entrepreneurs	-0.011 (0.011)	-0.002 (0.008)	-0.034* (0.019)	0.004 (0.016)
Trust Gov't	-0.014 (0.010)	0.029*** (0.008)	0.005 (0.016)	0.045*** (0.014)
Climate & corruption concerns	0.032*** (0.012)	0.036*** (0.010)	0.050** (0.020)	0.063*** (0.019)
Female	0.034* (0.017)	0.001 (0.012)	-0.018 (0.030)	0.019 (0.025)
Age	-0.000 (0.001)	-0.002*** (0.001)	-0.004*** (0.001)	-0.003*** (0.001)
Republican	0.041* (0.024)	0.040* (0.022)	0.023 (0.040)	0.083** (0.041)
White	0.028 (0.020)	-0.029** (0.014)	0.048 (0.035)	-0.080*** (0.027)
Income	-0.005 (0.005)	-0.006 (0.004)	0.000 (0.009)	0.005 (0.008)
College degree	-0.012 (0.019)	0.011 (0.014)	-0.024 (0.032)	0.026 (0.026)
Efficiency (T2)	-0.033* (0.020)	-0.002 (0.016)		
Firm (T3)	0.008 (0.021)	0.073*** (0.016)		
Constant	0.308*** (0.039)	0.971*** (0.029)	0.524*** (0.068)	1.005*** (0.059)
Observations	2564	2564	859	859
R ²	0.104	0.196	0.302	0.396

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on OLS regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is being the type in the columns' headings. For Wealth, *Limit hurts economy* is only composed of Q3 (as opposed to Q2 and Q3) since there is no variation in Q2 in Wealth (all participants thought that a limit would *hurt economic activity in the US*). Covariates as described in Table 1.

Table E.3. Regression petition signature and underlying motives (CEO and Wealth treatments)

	CEO treatments (1)	Wealth (2)
Support Gov't redistribution	0.092*** (0.013)	0.055** (0.022)
Positional concerns	0.022 (0.019)	-0.001 (0.032)
Poverty aversion	0.001 (0.012)	0.019 (0.020)
Belief in trickle-down	0.016 (0.033)	-0.030 (0.045)
Rich entitled keep their income	-0.018 (0.032)	-0.016 (0.046)
Belief in social mobility	-0.012 (0.012)	-0.031 (0.022)
Belief in too much money	-0.042** (0.021)	0.071* (0.039)
Limit leads to Neg behavior	-0.018* (0.009)	-0.021 (0.015)
Limit hurts economy	-0.058*** (0.010)	-0.093*** (0.018)
Belief CEO/entrepreneur success due to merit	-0.033*** (0.011)	-0.069*** (0.021)
Belief CEOs/entrepreneurs role in prosperity	-0.027** (0.011)	0.001 (0.021)
Belief Gov't role in prosperity	0.012 (0.011)	-0.000 (0.017)
Dislike Gov't intervention	-0.009 (0.010)	-0.012 (0.016)
Trust CEOs/entrepreneurs	0.010 (0.011)	-0.008 (0.020)
Trust Gov't	0.012 (0.010)	0.048*** (0.017)
Climate & corruption concerns	0.081*** (0.013)	0.021 (0.020)
Female	0.009 (0.018)	0.025 (0.030)
Age	0.000 (0.001)	-0.002** (0.001)
Republican	-0.008 (0.025)	0.011 (0.042)
White	-0.043** (0.021)	-0.054 (0.035)
Income	0.014** (0.006)	-0.012 (0.010)
College degree	0.024 (0.020)	0.031 (0.033)
Efficency (T2)	-0.020 (0.022)	
Firm (T3)	0.057** (0.022)	
Constant	0.414*** (0.041)	0.488*** (0.073)
Observations	2564	859
R ²	0.186	0.286

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on OLS regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is signing the petition. For Wealth, *Limit hurts economy* is only composed of Q3 (as opposed to Q2 and Q3) since there is no variation in Q2 in Wealth (all participants thought that a limit would *hurt economic activity in the US*). Covariates as described in Table 1.

Table G.1. Treatment effects on motives: Individual regressions per motive in CEO treatments (Part 1)

	(1) Support Gov't redistribution	(2) Positional concerns	(3) Poverty aversion	(4) Belief in trickle-down	(5) Rich entitled keep their income	(6) Belief in social mobility	(7) Belief in too much money	(8) Limit leads to Neg behavior	(9) Limit hurts economy
Efficiency (T2)	-0.044 (0.044)	0.030 (0.023)	-0.054 (0.046)	0.012 (0.017)	0.013 (0.017)	0.052 (0.044)	0.032 (0.021)	0.118** (0.048)	0.120** (0.053)
Firm (T3)	0.015 (0.044)	0.033 (0.023)	-0.011 (0.046)	-0.016 (0.016)	-0.013 (0.017)	0.019 (0.045)	0.023 (0.021)	-0.107** (0.047)	0.537*** (0.043)
Female	0.120*** (0.036)	0.008 (0.019)	0.259*** (0.037)	-0.083*** (0.014)	-0.069*** (0.014)	-0.270*** (0.036)	-0.008 (0.017)	0.046 (0.039)	-0.076** (0.038)
Age	-0.007*** (0.001)	0.001 (0.001)	-0.005*** (0.001)	0.002*** (0.001)	0.000 (0.001)	0.008*** (0.001)	0.002*** (0.001)	-0.010*** (0.001)	0.005*** (0.001)
Republican	-1.038*** (0.052)	0.086*** (0.027)	-0.702*** (0.057)	0.377*** (0.025)	0.382*** (0.025)	0.899*** (0.049)	-0.136*** (0.025)	0.279*** (0.055)	0.459*** (0.052)
White	0.037 (0.040)	-0.021 (0.022)	-0.006 (0.043)	-0.013 (0.015)	0.002 (0.015)	-0.135*** (0.043)	0.164*** (0.021)	-0.134*** (0.047)	-0.097** (0.044)
Income	-0.079*** (0.012)	0.023*** (0.006)	-0.075*** (0.012)	0.018*** (0.005)	0.015*** (0.005)	0.085*** (0.012)	-0.004 (0.005)	-0.004 (0.012)	0.033*** (0.012)
College degree	-0.047 (0.040)	0.033 (0.021)	-0.086** (0.041)	0.021 (0.015)	0.022 (0.015)	0.004 (0.040)	0.033* (0.019)	0.038 (0.042)	0.019 (0.041)
Constant	0.655*** (0.074)	0.234*** (0.040)	0.500*** (0.078)	0.013 (0.028)	0.065** (0.029)	-0.559*** (0.075)	0.527*** (0.036)	0.411*** (0.081)	-0.505*** (0.084)
Observations	2564	2564	2564	2564	2564	2564	2564	2564	2564
R ²	0.187	0.014	0.114	0.169	0.158	0.166	0.048	0.038	0.092

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on OLS regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is choosing in line with the motive in the columns' headings. Independent variables as described in Table 1.

Table G.2. Treatment effects on motives: Individual regressions per motive in CEO treatments (Part 2)

	(10) Belief CEO success due to merit	(11) Belief CEOs role in prosperity	(12) Belief Gov't role in prosperity	(13) Dislike Gov't intervention	(14) Trust CEOs	(15) Trust Gov't	(16) Climate & corruption concerns
Efficiency (T2)	0.034 (0.046)	0.007 (0.047)	-0.025 (0.047)	0.033 (0.048)	0.041 (0.047)	-0.053 (0.047)	-0.060 (0.046)
Firm (T3)	-0.009 (0.047)	-0.090** (0.046)	-0.032 (0.048)	-0.012 (0.048)	0.031 (0.046)	-0.012 (0.048)	-0.008 (0.044)
Female	0.010 (0.038)	-0.079** (0.038)	-0.158*** (0.039)	0.043 (0.039)	-0.054 (0.038)	-0.056 (0.039)	0.081** (0.037)
Age	0.015*** (0.001)	0.009*** (0.001)	0.011*** (0.002)	-0.001 (0.002)	0.011*** (0.001)	0.013*** (0.001)	-0.006*** (0.001)
Republican	0.491*** (0.046)	0.629*** (0.056)	-0.030 (0.053)	0.327*** (0.055)	0.509*** (0.052)	-0.085 (0.057)	-0.928*** (0.055)
White	-0.254*** (0.045)	-0.279*** (0.046)	-0.166*** (0.047)	-0.048 (0.047)	-0.194*** (0.045)	-0.115*** (0.044)	0.044 (0.042)
Income	0.046*** (0.012)	0.035*** (0.012)	0.019 (0.013)	-0.007 (0.013)	0.070*** (0.012)	0.049*** (0.012)	-0.059*** (0.012)
College degree	-0.091** (0.041)	-0.053 (0.042)	-0.043 (0.043)	-0.058 (0.044)	0.066 (0.042)	0.175*** (0.042)	-0.012 (0.041)
Constant	-0.610*** (0.080)	-0.294*** (0.082)	-0.244*** (0.082)	0.042 (0.084)	-0.638*** (0.080)	-0.635*** (0.078)	0.552*** (0.076)
Observations	2564	2564	2564	2564	2564	2564	2564
R ²	0.087	0.085	0.026	0.016	0.078	0.047	0.143

Notes: *Significant at 10% level, **Significant at 5% level, ***Significant at 1% level, based on OLS regressions with clustered standard errors per subject. Standard errors in parentheses. Dependent variable is choosing in line with the motive in the columns' headings. Independent variables as described in Table 1.

In this appendix, we show that our classification correlates with the meritocratic, egalitarian, and libertarian fairness views highlighted in [Cappelen et al. \(2007\)](#). To elicit these fairness views, we used a multiple-choice question from [Bhattacharya and Mollerstrom \(2022\)](#) that matches three statements to the three distinct fairness views. Results are shown in Table [G.3](#). Most notably, almost all participants classified as egalitarians have limitarian preferences (either weak or strong), most libertarians are non-limitarians, and very few libertarians are strong limitarians.

Table G.3. Limitarian types and fairness views (Baseline)

Types	Fairness views			Total
	Meritocratic	Egalitarian	Libertarian	
Strong	68	162	13	243
Weak	186	247	51	484
Non-limit	25	26	81	132
Total	279	435	145	859

H. INSTRUCTIONS

In this subsection, we transcribe the participants' instructions for the vignette and hypothetical scenarios across treatments.²⁶ Legends/comments in square brackets were not shown to participants. The full online version is available at https://southampton.qualtrics.com/jfe/form/SV_0eVCEds2Ff4V9C6.

[Welcome and consent screen (all treatments)]

Welcome!

This **academic research survey** is organized by a group of non-partisan academic researchers from the University of Southampton (UK) and its results will be used for academic research.

The survey should take approximately 15 minutes to complete. Please complete it in a single attempt. Your responses are confidential and cannot be traced back to you. The collected anonymous data will be stored in a secure server.

The survey is voluntary: You have the right to stop the survey and withdraw your consent at any time (to exit the survey, simply close this window).

If you have any questions or concerns about this study, please send us a private message via Prolific.

This study has been reviewed and approved by the Ethics and Research Governance body of the University of Southampton. If you are unhappy about any aspect of this study and would like to make a formal complaint, you can contact the Head of Research Integrity and Governance on the following contact details: Email: rgoinfo@soton.ac.uk, phone: +44 2380 595058. Please quote the study number 81570.

Your input is valuable for our research project. Thank you!

Yes, I would like to take part in this study, and confirm that I LIVE IN THE U.S., and I am 18 or older; No, I would not like to participate

[Vignette (T1 and T2)]

Please read the following description carefully.

In the next screens, **you will be presented with several hypothetical scenarios about the 500 largest companies in the U.S.**

In general, these companies have many shareholders and employees. They also have a Chief Executive Officer (CEO) who is the main person responsible for managing the company.

²⁶Instructions for T5 are equivalent to T1. German instructions are available from the authors upon request.

For each hypothetical scenario, **you will be asked to give your opinion on whether you favor or oppose the government setting a limit on how much CEOs can earn per year.**

We will ask if you favor or oppose a limit for several hypothetical scenarios. **The scenarios only differ in terms of the CEOs' typical earnings and the typical pay of the employees in these companies.**

[New screen]

Here is an example of the type of question you will be asked: Assume that last year, the pay of the CEOs and employees in the 500 largest companies was as follows:

- The typical CEO pay was **\$X** (including base salary, bonuses, and pension contributions).
- The typical employee pay was **\$Y** (including base salary, bonuses, and pension contributions).

Do you favor or oppose the government setting a limit of \$X per year on CEOs' earnings?

You will be asked this question for several hypothetical scenarios with different values for X and Y.

When evaluating these scenarios, you should consider the following information:

- [Only in T2] **Setting a limit on CEOs' earnings will have a detrimental effect on their individual performance and, more broadly, on the overall performance of their companies.**
- **If the government sets a limit on CEOs' earnings, each shareholder receives no more than \$1 from the money that is not paid to the CEOs** (even if a shareholder holds multiple shares).
- **Employees' working conditions remain the same**, regardless of whether the limit is implemented or not.
- When taking everything into consideration, **the country's tax revenue is not impacted by this policy.**

Please reflect upon the questions before answering. All hypothetical scenarios are independent of each other. **There are no right or wrong answers, we are just interested in your views.**

[Vignette (T3)]

Please read the following description carefully.

In the next screens, **you will be presented with several hypothetical scenarios about the 500 largest companies in the U.S.**

In general, these companies have many shareholders and employees. They also have a Chief Executive Officer (CEO) who is the main person responsible for managing the company.

For each hypothetical scenario, **you will be asked to give your opinion on whether you favor or oppose these companies setting a limit on how much CEOs can earn per year. This limit applies to all companies and it is set by the companies themselves without government intervention.**

We will ask if you favor or oppose a limit for several hypothetical scenarios. **The scenarios only differ in terms of the CEOs' typical earnings and the typical pay of the employees in these companies.**

[New screen]

Here is an example of the type of question you will be asked: Assume that last year, the pay of the CEOs and employees in the 500 largest companies was as follows:

- The typical CEO pay was **\$X** (including base salary, bonuses, and pension contributions).
- The typical employee pay was **\$Y** (including base salary, bonuses, and pension contributions).

Do you favor or oppose these companies setting a limit of \$X per year on CEOs' earnings?

You will be asked this question for several hypothetical scenarios with different values for X and Y.

When evaluating these scenarios, you should consider the following information:

- **If the companies set a limit on CEOs' earnings, each shareholder receives no more than \$1 from the money that is not paid to the CEOs** (even if a shareholder holds multiple shares).
- **Employees' working conditions remain the same**, regardless of whether the limit is implemented or not.
- When taking everything into consideration, **the country's tax revenue is not impacted by this policy.**

Please reflect upon the questions before answering. All hypothetical scenarios are independent of each other. **There are no right or wrong answers, we are just interested in your views.**

[Vignette (T4)]

Please read the following description carefully.

In the next screens, **you will be presented with several hypothetical scenarios about the 500 wealthiest entrepreneurs in the U.S.**

In general, these entrepreneurs have accumulated most of their wealth by founding highly successful companies.

For each hypothetical scenario, **you will be asked to give your opinion on whether you favor or oppose the government setting a limit on how much wealth can be accumulated by entrepreneurs, using a 100% wealth tax for wealth above a certain limit.**

We will ask if you favor or oppose a limit for several hypothetical scenarios. **The scenarios only differ in terms of the entrepreneurs' typical wealth and the typical wealth of the residents in the U.S.**

[New screen]

Here is an example of the type of question you will be asked: Assume that last year, the wealth of the 500 wealthiest entrepreneurs and residents in the U.S. was as follows:

- The typical entrepreneur had an estimated wealth of **\$X** (including the value of shares in the stock market, property, and all other assets).
- The typical resident had an estimated wealth of **\$Y** (including the value of shares in the stock market, property, and all other assets).

Do you favor or oppose the government setting a limit of \$X on entrepreneurs' wealth?

You will be asked this question for several hypothetical scenarios with different values for X and Y.

When evaluating these scenarios, you should consider the following information:

- **If the government sets a limit on entrepreneurs' wealth, each resident receives no more than \$1 from the wealth that is not accumulated by the entrepreneurs.**
- **Residents' living conditions remain the same**, regardless of whether the limit is implemented or not.

Please reflect upon the questions before answering. All hypothetical scenarios are independent of each other. **There are no right or wrong answers, we are just interested in your views.**

[Comprehension questions (all treatments)]

Before starting, we would like to ask you three quick questions to check your understanding of this part of the survey. Please re-read the instructions if you are unsure. You will have two opportunities to get each question correct.

[New screen (all treatments)]

Based on the instructions you have just read, once a hypothetical scenario is presented to you what do you have to do?

Give the right answer to the question; Give the opinion of the general population about a policy; Avoid giving a wrong answer; Give your opinion about a policy; None of the above is correct

[New screen (T1 to T3)]

Based on the instructions you have just read, which of the following statements is correct? Only one option is correct.

Employees' working conditions change if a limit on CEOs' pay is set; Each shareholder receives more than \$1 if a limit on CEOs' pay is set; Each shareholder receives no more than \$1 if a limit on CEOs' pay is set; The country's tax revenue is impacted if a limit on CEOs' pay is set; None of the above is correct

[New screen (T4)]

Based on the instructions you have just read, which of the following statements is correct? Only one option is correct.

Residents' living conditions improve if a limit on entrepreneurs' wealth is set; Each resident receives more than \$1 if a limit on entrepreneurs' wealth is set; Each resident receives no more than \$1 if a limit on entrepreneurs' wealth is set; Residents' living conditions worsen if a limit on entrepreneurs' wealth is set; None of the above is correct

[New screen (T1 and T2; T3 with "companies" instead of "government")]

You will be presented with several hypothetical scenarios, and for each scenario, you will be asked to give your opinion on whether you favor or oppose the government setting a limit on how much CEOs can earn per year. Which of the following aspects change across the scenarios?

Only the CEOs' typical pay; Only the CEOs' and the employees' typical pay; Only the employees' typical pay; Nothing changes across scenarios; None of the above is correct

[New screen (T4)]

You will be presented with several hypothetical scenarios, and for each scenario, you will be asked to give your opinion on whether you favor or oppose the government setting a limit on how much wealth entrepreneurs can accumulate. Which of the following aspects change across the scenarios?

Only the entrepreneurs' typical wealth; Only the entrepreneurs' and the residents' typical wealth; Only the residents' typical wealth; Nothing changes across scenarios; None of the above is correct

[New screen (all treatments)]

You are now going to be presented with the several hypothetical scenarios described above.

[Hypothetical scenario (example for T1 and T2)]

Assume that last year, the pay of the CEOs and employees in the 500 largest companies was as follows:

- The typical CEO pay was **\$2 Million** (including base salary, bonuses, and pension contributions).
- The typical employee pay was **\$45,000** (including base salary, bonuses, and pension contributions).

Do you favor or oppose the government setting a limit of \$2 Million per year on CEOs' earnings?

Strongly favor; Favor; Oppose; Strongly oppose

[Hypothetical scenario (example for T3)]

Assume that last year, the pay of the CEOs and employees in the 500 largest companies was as follows:

- The typical CEO pay was **\$2 Million** (including base salary, bonuses, and pension contributions).
- The typical employee pay was **\$45,000** (including base salary, bonuses, and pension contributions).

Do you favor or oppose these companies setting a limit of \$2 Million per year on CEOs' earnings?

Strongly favor; Favor; Oppose; Strongly oppose

[Hypotehtical scenario (example for T4)]

Assume that last year, the wealth of the 500 wealthiest entrepreneurs and residents in the U.S. was as follows:

- The typical entrepreneur had an estimated wealth of **\$2 Billion** (including the value of shares in the stock market, property, and all other assets).
- The typical resident had an estimated wealth of **\$120,000** (including the value of shares in the stock market, property, and all other assets).

Do you favor or oppose the government setting a limit of \$2 Billion on entrepreneurs' wealth?

Strongly favor; Favor; Oppose; Strongly oppose