

Salience of History and the Preference for Redistribution

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Abstract

Citizens' preference for redistribution determines many key political economy outcomes. In this project, we aim to understand how ancestors' redistributive experiences affect the descendants' preference for redistribution. We conduct a survey experiment under the historical backdrop of the wealth equalization movements during the Communist Revolution in China (1947-1956). We remind a random subset of respondents of these movements that their ancestors went through. We find that on average, making the historical experiences salient turns the respondents significantly and persistently more favorable towards government redistribution. We show that the treatment effect is not driven by changes in apolitical preferences, beliefs of current inequality, or knowledge of the movements. We provide suggestive evidence that salience in history influences the mental framework when respondents think of redistribution: respondents are reminded of the specific family experiences during past redistribution, and they are triggered to project similar redistribution in the future.

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1 Introduction

Preferences regarding whether the government should redistribute income and wealth from the rich to help the poor is regarded as the defining factor of the political left and the political right (Alesina and Giuliano, 2011). Preference for redistribution governs some of the most fundamental aspects of political economy outcomes (Alesina and Glaeser, 2005), and its importance has generated a growing literature investigating what shapes such preference among the citizens. In particular, recent studies find that while many contemporary factors such as income, race and education matter for citizens' preference of redistribution, history – both of citizens themselves and of society at large – plays an important role in affecting the preference (for example, Alesina and Fuchs-Schündeln (2007) and Giuliano and Spilimbergo (2014)).

How do historical experiences affect citizens' preference for redistribution? On the one hand, history shapes the direct incentives for citizens to support government redistribution by shifting the relative costs and benefits of redistributive policies. For instance, history brings persistent changes in income and wealth, creates opportunities for citizens to learn about their upward mobility, generates differences in indoctrination regarding redistributive norms among citizens, and more. On the other hand, historical experiences – specifically, ancestors' experiences in historical episodes of redistribution – may act as "focal points" that shape what is on citizens' mind when they think about prospective redistribution. Historical episodes of redistribution could remind citizens of what redistribution policies have achieved in the past; inform how redistribution would transform the livelihood of individual families if it were to be implemented again; trigger rich emotions – either grudges or gratitude – that correspond to ancestor's experiences in the past redistribution; and ultimately affect citizens' identity (Akerlof and Kranton, 2000). In other words, memory of historical experiences passed down from the ancestors provides citizens with an important mental framework that could impact their preference for redistribution, and this complements the direct changes in actual incentives to support redistribution that history brings about. In this paper, we examine this more subtle channel in which history may operate to shape preference for redistribution that has previously received less attention.

We conduct a survey experiment to examine how historical experiences affect the preference for redistribution by changing what is on citizens' mind when they think about redistribution. Our experiment randomly induces salience in a historic redistributive episode among survey respondents, before eliciting their preference for redistribution. Specifically, we situate our survey experiment under the historical backdrop of two massive wealth equalization movements during the Chinese Communist Revolution: (*i*) the *Land Reform* (1947-1953) in the rural sector, which expropriated land and agricultural production assets of the landlord and rich peasants, and redistributed to the poor and landless. It involved more than 43% of the cultivated land across China, and has fundamentally transformed the lives of more than 300 million rural residents. And (*ii*) the *Socialist Remold of Capitalist Enterprises* (1953-1956) in the urban sector, which expropriated enter-

prise ownership from the capitalists and business owners, and redistributed to the workers. This movement has profoundly changed the landscape of industry and commerce in urban China.

In the survey experiment, we first present an information pamphlet to a random subsample of respondents, aiming to remind them about the particular historical episodes mentioned above, and hence to induce historical salience.¹ We then elicit participants' preference for redistribution, as well as additional preferences, beliefs and attitudes that are related to redistribution. The elicitation combined with the information pamphlet treatment enables us to examine the effect of salience in history on preference for redistribution.

In addition, we utilize the unique feature of the *class labels* assigned during these movements to explore the mechanisms of historical salience. The *class labels* categorize families into landlords, rich peasants, middle peasants and poor peasants (in rural sector); and capitalists, enterprises owners, employees and workers (in urban sector). These labels serve two primary functions in the experimental design. First, as some families benefited while others lost from the wealth equalization movements, historical salience may generate distinctive mental frameworks regarding redistribution. The *class labels*, critically, allow us to identify the particular experiences that families went through during the movements.² Second, respondents' familiarity with the *class labels* assigned to their families allows us to capture the degree to which respondents are informed of the wealth equalization movement and their ancestors' experiences in these episodes. The empirically measured familiarity with the *class labels*, coupled with the institutional background that knowing one's *class labels* was made mandatory by the *Agrarian Reform Law* before it was abolished in 1987, enables us to distinguish treatment effect driven by historical salience from that induced by the generic provision of new information about past events.

Our experimental design creates exogenous variation in the degree of salience of a major historical episode on respondents' mind, holding fixed the consequences of this redistributive episode on dimensions such as citizens' income, wealth, educational attainment and socioeconomic status, which directly affected the incentives to support further redistribution by the government. In other words, while history reallocates material incentives and changes information set among citizens – channels that history affects citizens' preference for redistribution that have been previously documented by the literature, our survey experiment is explicitly designed to identify the effect of historical salience on preference for redistribution. We hypothesize and provide empirical evidence that historical salience affects preference because it changes citizens' mental framework when they evaluate prospective redistribution.

¹Similar method has been employed by social psychologists and more recently economists to heighten respondents' salience in a particular aspect of their identity or social category (e.g. Benjamin, Choi and Strickland (2010)). The information pamphlet serves as the *primes* in our survey experiment.

²The *class labels*, as the particular names of the labels suggest, were assigned based on household asset ownership. While the exact asset cutoffs used to assign textit{class labels} varied across regions, it is important to note that once these labels were assigned, redistributive policies were carried out strictly adhering to the assigned labels. For example, when families were assigned with the "landlord" label, they were subject under redistributive policies with respect to landlords no matter where they were located.

We find that when we make historical experiences salient through the information treatment, respondents on average become significantly more favorable towards government redistribution. The identified treatment effect is large in magnitude, and lasts months beyond the initial survey intervention. We show that the treatment effect is unlikely to be driven by experimenter demand effect, changes in underlying apolitical preferences related to redistribution such as altruism and reciprocity, increases in knowledge about the historical events of interest, or shifts in attitudes related to general equity-efficiency tradeoff and beliefs about social inequality.

We then examine the hypothesis that historical salience affects preference for redistribution because it changes the way respondents approach and perceive redistribution (a different “mental framework” on redistribution-related issues). Specifically, historical salience could lead respondents to incorporate both past redistributive experiences and future redistributive expectations, when they think about redistribution. First, respondents may be reminded of the *specific* experiences of their ancestors during the wealth equalization movements when they read the *general* description of these episodes in the information pamphlet. We test this hypothesis by demonstrating that the treatment effect diverges in opposite directions between descendants of the beneficiaries and those of the victims of the redistribution: respondents whose ancestors were expropriated of assets during redistribution expressed less support of future government redistribution. Moreover, such divergence is *no longer* evident among younger cohorts who are *not* required to know their own *class labels* by law and thus not familiar with these labels. Second, historical salience may trigger respondents to project history into the future – specifically, they may reevaluate the costs and benefits if similar redistributive policies were to be implemented again in the near future. We provide support to this hypothesis by showing that the *expected* beneficiaries of future redistribution, based on contemporary real estate asset ownership status, become more likely to support future redistribution when they were reminded of the past, while the expected victims remain neutral.

These findings contribute to a growing literature that investigates where citizens’ preference for redistribution comes from.³ In particular, a small empirical literature examines the role history and historical experiences play in the process of preference formation. Alesina and Fuchs-Schündeln (2007) use the context of Germany division and reunification to demonstrate that preference for redistribution is shaped by the political regimes citizens grew up in; Giuliano and Spilimbergo (2014) identify that the experiences of economic recession during formative years (16-25 years old) left individuals more favorable towards state redistribution. Using a survey experiment, we identify a channel through which history affects preference for redistribution that has not been previously documented. We show that the redistributive experiences of the previous generation lead to a large and lasting effect on how citizens view government redistribution

³Alesina and Giuliano (2011) provide a great survey of the existing empirical evidence that we have regarding the formation of preference for redistribution. More recently, Alesina, Stantcheva and Teso (2016) document that citizens’ preferences for redistribution is correlated with their perception on mobility, particularly among left-wing voters.

when these historical episodes are made salient. In particular, we highlight that historical salience triggers citizens to change their mental framework when thinking about redistributive policies by reevaluating their costs and benefits. In addition, we provide some of the first data points on the preference for redistribution among citizens in China, who may hold systematically different view on redistribution from those in the US and Europe.

More broadly, our paper adds to the empirical literature on experience-based formation of beliefs, attitudes, and preferences.⁴ Nunn and Wantchekon (2011) identify a persistent impact of the African slave trade on social trust; Di Tella, Galant and Schargrodsy (2007) show that property rights allocation outcomes influenced a wide set of market-related beliefs; Fuchs-Schündeln and Schündeln (2015) show that cohorts who spent more time under democracy exhibit stronger support for the regime; Chen and Yang (2015) demonstrate that citizens make inference on government's trustworthiness from their traumatic experiences, which result in persistent changes in their core political attitudes; Malmendier and Nagel (2016) use rich belief data in finance to show that individuals form inflation expectations based on personal experiences in the past; and Koudijs and Voth (Forthcoming) show that personal experiences affect risk-taking and aggregate leverage among Dutch investors in the 18th century. Our paper offers additional micro-evidence to illustrate an often overlooked channel through which experiences are working to affect attitudes and preferences. Our findings also help explain why historical experiences have often generated *persistent* impact. Historical experiences may serve as an ongoing context or reference point where citizens use to think about contemporary and prospective issues. The function of historical experiences as context or reference point not only results in changes in citizens' preferences, but also magnifies and sustains the initial impact of these experiences.

Methodologically, our paper is closely related to Kuziemko et al. (2015). The authors use online survey experiments to provide US citizens with customized information related to income, taxation and inequality, in order to examine to what extent citizens' preference for redistribution responds to the provision of information. They find that in general, preference for redistribution is inelastic with respect to information shocks: information treatment does *not* move respondents' preferences on a range of policies concerning taxation and transfers, with the exception of the support for estate tax policies. In the context of China, we also find that citizens' preference for redistribution is *temporally* inelastic, as more than 70% of the respondents we called back six months after the initial survey stated preference very close to their original reports. However, we find a large baseline treatment effect after presenting the information pamphlet to respondents in the treatment group, suggesting that citizens' preference for redistribution is in fact *elastic* with respect to the salience of their ancestors' redistributive experiences.

Lastly, our finding that the previous rounds of redistributive policy affects subsequent generation's preference for redistribution also contributes to the literature on the political economy of dynamic policy choices. Piketty (1995) shows that when voters learn about the fundamental de-

⁴Nunn (2012) provides a fascinating survey on how cultural norms and political beliefs are shaped by history.

terminants of income from their own income processes, persistent divergence in the beliefs about social mobility and the corresponding divergence in policy preference would arise. Besley and Coate (1998) provide a theoretical framework that models the dynamic policy choices in democratic regime, where in equilibrium citizens take into account of potential future policies being selected through the democratic process. Coate and Morris (1999) demonstrate that the often observed persistence of economic policies can be explained by a dynamic model where agents choose optimizing actions to benefit from policies that are already introduced, which would increase their willingness to pay for similar policies in the future. Our findings suggest that historical policies, particularly the redistributive ones, may shape not only the actual incentives for citizens to support redistribution (via reallocating resources and inducting re-optimizing behaviors), but also the underlying preferences of redistributive policies (via shifting the mental framework when citizens think of redistribution). The latter consequence on preferences may amplify the path-dependence of economic policies.

The rest of the paper proceeds as follows: Section 2 briefly describes the historical context of the wealth equalization movement during the Chinese Communist Revolution, where the survey experiment is situated in. Section 3 describes the experimental design in detail, where we also introduce the measurement of key outcomes of interest. Section 4 presents the main results, discussing its robustness, magnitude, and temporal stability. We also rule out some alternative hypotheses that may explain the results. Section 5 investigates the mechanisms that are likely to explain the results identified. Finally, Section 6 concludes.

2 Wealth equalization movements during the Communist Revolution

The core of the survey experiment features one of the most radical redistributive episodes in Chinese history: the wealth equalization movements during the Communist Revolution. When the Chinese Communist Party won the civil war and formally established the People's Republic of China in 1949, the Party faced urging challenges: a nation torn apart by the war, a political power yet to be fully consolidated, and a backward economic structure that impedes growth. To address some of these pressing concerns, the Party launched the monumental wealth equalization movements not only to gain political support from the disadvantaged masses, but also to unleash their productivity and to fuel the upcoming industrialization.

Two parallel movements took place during this period: the *Land Reform* in the rural sector (Section 2.1), and the *Socialist Remold of Capitalist Enterprises* in the urban sector (Section 2.2). As a critical element of both movements, *class labels* were assigned to families as the criteria for asset redistribution (Section 2.3). These labels create a link between the old and the young generation, allowing us to identify distinctive experiences that the respondents' ancestors went through during the movements. These two movements mark the final stage of the Communist Revolution in China. Together, they have transformed the lives of hundreds of millions. The *Land Reform* and

the *Socialist Remold of Capitalist Enterprises* set the stage for our survey experiment, as we make salient to the respondents about these events their grandparents lived through just a few decades ago.

2.1 Rural: the *Land Reform*

The *Land Reform*, started since 1947 in the newly “liberated” regions under the Communist Party’s rule, is one of the largest scale and most dramatic wealth equalization efforts that history has ever witnessed.⁵ At least 43% of the entire land assets in rural China changed hands during the reform which spans for six years (Wong (1973a)).

The Agrarian Reform Law The reform was formalized and implemented as a nation-wide policy with the passing of the *Agrarian Reform Law* in late 1950. The *Agrarian Reform Law* took its shape from the *China's Agrarian Reform Law Framework* approved in 1947, and was built upon the experiences from the Party’s earlier land reform practices. The law emphasizes the Communist Party’s commitment to expropriating the landlord class and to advocating the proprietorship of the peasantry.⁶ Article 1 of the law declares the overarching principles of the *Land Reform*:

The land ownership system of feudal exploitation by the landlord class shall be abolished and the system of peasant land ownership shall be introduced in order to set free the rural productive forces, develop agricultural production and thus pave the way for New China’s industrialization.

The rest of the law lays out specific guidelines regarding with the ways and means of transferring land ownership from the landlords to the poor peasants. Section 2, titled “Confiscation and Requisitioning of Land,” orders that the landlords’ land, cattle, and excessive production tools and real estate properties to be confiscated (e.g. Article 2). Section 3, “Distribution of Land,” further instructs that the confiscated land and other assets should be distributed uniformly, fairly, and reasonably among landless peasants and poor peasants who owned very limited assets (e.g. Article 10). Translation of the entire *Agrarian Reform Law* can be found in Appendix A.

⁵As the Communist Party of China expanded its control over inland provinces and stretches towards its final victory in the Civil War, it simultaneously implemented various forms of land reforms in these regions as early as 1947. By 1950, approximately one-third of the rural population has already completed a land reforms of one kind or another (Wong (1973b)). Differed from the land reform that took place after 1950, the pre-1950 land reform episode typically replied on military operations, and was often filled with excessive disruptions and overheated class struggle.

⁶In the medium run, the Communist Party of China aimed to use the *Land Reform* as a stepping stone to achieve agricultural collectivism. The party made no secret of this explicit goal of the eventual collectivization of agricultural production and related assets. In particular, Mao had from the earliest days envisaged that the *Land Reform* was meant to precede collectivization, with the implication that the former was designed and intended to facilitate the latter (Wong (1973b)).

Implementation and field practices The *Agrarian Reform Law* establishes a set of uniform principles that guide decision-making and implementations of the land reform across China.⁷ The Communist Party placed a top priority whether the peasants actually received land and the landlords actually been expropriated. To maximize the chances that the implementation would go smoothly and efficiently, the central government passed down all land reform responsibilities to the local government, and left considerable flexibility for the local government to interpret, adapt, plan, and carry out the land reform in each locality.⁸

The redistribution process typically consists of two stages. First, the locality prepares the land reform by forming relevant committees and teams, mobilizing peasant masses via propaganda and indoctrination, and crucially, assigning the *class labels* to families (we will discuss *class labels* in details in Section 2.3). Second, based on the *class labels*, land and other production tools were confiscated from the landlords and rich peasants, and redistributed to the newly identified landless and poor peasants. The expropriation and redistribution were operationally one process, and in vast majority of the cases, what was expropriated has been entirely redistributed (Wong (1973b)).

Overall, the redistributive nature of the *Land Reform* made it clear that some would lose and some would gain from the movement, and the government made every effort to ensure that the victims complied, and the beneficiaries indeed received asset transfers. Both physical and psychological violence (or the threat of violence) was often deployed during the confiscation process in order to suppress effective oppositions from the expropriated families. A militia was organized for the purpose of the land reform, and it is estimated that for every landlord there were 8 organized peasants assisting the land reform implementation, among whom 1 was armed (Wong (1973a)). Forced confessions in small groups and mass trials attended by tens of thousands were employed to induce intense psychological pressure of submission.

Impact While scholars debate on the exact magnitude of land redistribution during the *Land Reform*, it has undeniably resulted in a “monumental and profound” socioeconomic revolution that affected almost every rural resident in China (Huang (1995)). In 1953, the central government declared that the land reform has achieved desirable outcomes in vast majority parts of China. The landlord class was essentially eliminated and their asset level brought down to that of middle or even poor peasants.⁹ Landless, poor, and middle peasants received cultivated farmland amounted

⁷The *Agrarian Reform Law* was accompanied by several supporting documents. The law was nationally oriented in tone and contents so that more detailed rules and explicit regulations pertaining implementation needed to be provided in the form of supporting documents. These documents included additional documents and important speeches issued by the central government and provincial authorities.

⁸This heavy emphasis on the informal and often personalized approach of implementing the land reform reflects the reality that the core field staffs of the reform – local cadres complemented by the Peasant’s Association – were mostly technically under-trained albeit politically dedicated (Wong (1973a)).

⁹Note that in many regions, the redistribution after the *Land Reform* was *de-facto* rank preserving. In other words, the reform did *not* bring about complete leveling. Nevertheless, the richest families were still among the richest in the locality, although the wealth gap between the rich and the poor was massively reduced or almost eliminated.

to 43% of the total land acreage in China, according to some estimates (among others, see Wong (1973b), Lippit (1974), and Perkins (2013)).

Figure 1 plots the average land (in acres) owned by different types of households before and after the *Land Reform*, based on the official data released by the National Statistics Bureau of China.¹⁰ One can see the dramatic impact the *Land Reform* has achieved in redistributing land assets. In particular, the redistributive nature of the movement is evident in the clear distinction of beneficiaries and victims of the movement.

Schurmann (1971) describes the far-reaching social impact of the *Land Reform* as follows:

[...] as a social revolution, land reform succeeded in destroying the traditional system of social stratification in the rural areas. The old rural gentry, whether based on the village or residing in towns, was destroyed. A social element, which had exercised leadership in the village by virtue of its status, its ownership of land, and its access to power had ceased to exist.

2.2 Urban: the Socialist Remold of Capitalist Enterprises

With the success of the land reform and increasing consolidation of political power in the rural sector, the Communist Party of China initiated the 1st Five Year Plan in 1953, with the full-fledged transition to socialism as a primary goal. The urban sector, which was excluded from many previous reforms and redistributive policies, finally welcomed a major episode that fundamentally reshaped its enterprise ownership landscape.

Utilizing, restricting, and remolding the capitalist enterprises In 1953, the United Front Work Department of the Peoples' Congress Central Committee issued a report titled "Advices on Utilizing, Restricting, and Remolding the Capitalist Enterprises", which marked the beginning of a three year long movement of socialist reform in the urban sector. The report provided principle guidelines to the movement. Mao Zedong, in his comments to this report, asserted that the capitalist class "needs to be eliminated and transformed." He further emphasized the two-step procedure of remolding the capitalist enterprises: first, to turn the unrestricted private enterprises into state capitalism that is characterized by a highly restricted ownership structure; second, to transform the ownership structure of state capitalism into one that is full socialism. These policies have been formalized into the 1st Constitution of China (1954), affirming the goal that "ownership by the public should gradually replace ownership by the capitalists" (Article 10).

Joint public-private management Between 1953 and 1956, private enterprises across China have gone through profound transformations. Following the Central Committee's guidelines, by 1956, the transformation process had been basically completed in all major urban centers (Teiwes (1987)).

¹⁰While not all scholars agree with the accuracy of these numbers (and it is challenging to reconstruct such data that covers the entire nation completely from non-official sources), most would concur with the overall picture it paints on the aftermath of the *Land Reform*.

Capitalist enterprises were restructured into joint public-private management entities. These newly formed business entities featured three defining characteristics: (i) enterprises were jointly owned by public and private capitalists, with the public ownership occupying the leading position; (ii) previous owners were gradually deprived of management rights; and (iii) enterprises' profits were distributed according to "dividing the fat among hour horses" principle, where previous owners received a fixed rate of 5% annual interest from their ownership shares.

2.3 The *Class Labels*

In order to determine from whom assets were to be expropriated and to whom they should be redistributed, *class labels* were assigned to families during the *Land Reform* and the *Socialist Remold of Capitalist Enterprises*. These labels were: (i) (to a large extent) determined by families asset ownership prior to the reforms; (ii) used as a exclusive criteria for asset redistribution; and (iii) carried forward to the later generations.

Assignment of the labels To supplement the *Agrarian Reform Law* and to aid the implementation of the *Land Reform*, the State Council issued a document titled "Decisions on Assigning the Class Labels in Rural Sector" in 1950. It called local reform committees to divide up all rural residents into the following broad classes, and these uniform class labels would act as the basis for redistributive decisions during the *Land Reform*. An urban counterpart was also implemented during the *Socialist Remold* movements following the *Land Reform*. The specific class labels are listed as follows:

	Rural	Urban
<i>Beneficiaries</i>	Hired labors Poor peasants Middle peasants	Poor peasants in the city Workers Employees
<i>Victims</i>	Rich peasants Landlords	Enterprise owners Capitalists

As one can tell from the list of the *class labels*, the classification of some categories are unambiguous (e.g. the landlords were defined by the document as "those who owned land and did not exert labor themselves"). However, the distinctions between categories such as *middle peasants* and *rich peasants* are relatively fuzzier. The Communist Party relied on local knowledge within each village for the peasants to identify each other's asset ownership status in order to safeguard wrong classifications (Wong (1973a)). As a result, the *de-facto* cutoffs to determine fuzzy categories exhibit variations across the country. Crucially, conditional on having been assigned with a particular class label, there is no ambiguity – both to the affected families themselves and to researchers *ad hoc* – regarding who were the beneficiaries and who were the victims of the wealth equalization

movements, since the wealth equalization was carried out strictly according to the assigned labels.

Transmission and persistence of the labels The class label was assigned at the family level: each member of the family share the same label. The label is also stable across time and across generations: once it was initially assigned it was rarely revised; in addition, the same label was passed down along all patriarchal descendants of the family.

Since the initial assignment, *class labels* have integrated into many aspects of Chinese citizens' lives, and have become an core component of their personal identity in Communist China. In fact, Chinese citizens were required to know their own *class labels* until the *Agrarian Reform Law* was formally abolished in 1987. As early as middle school, students needed to regularly fill in their own *class labels* as part of their personal identity (alongside with name, gender, age and ethnicity) on the school forms.¹¹ For cohorts entering middle school after 1987, however, *class labels* were no longer part of the personal identity students needed to fill in on the school forms, as these labels outlawed and officially retreated into history. As a result, acquiring knowledge of ones' own *class labels* largely became a decision of their parents, reflecting parents' willingness to pass down this particular family heritage – either gratifying or humiliating – to their children.

3 Experimental design

We now describe the experimental design of the survey experiment. Figure 2 depicts the overview of the design: (i) enumerators started the survey by collecting basic demographic information (age, gender, ancestor's residence location at 1950, etc.); (ii) respondents were randomly assigned into treatment and control group, and the treatment group respondents were presented with a version of the information treatment according to their ancestors' residence location (Section 3.2); (iii) we then elicit a range of preference, attitudes, and beliefs of the respondents (Section 3.3); (iv) we next collect information on respondents' income, career, as well as real estate asset holdings (Section 3.4); and (v) lastly, we collect information on the *class labels* that were assigned to the respondents' ancestors (Section 3.5).

3.1 Recruitment and treatment assginment

Recruitment To recruit respondents for this study, we first recruited 96 undergraduate students at the Guanghua School of Management at Peking University to serve as survey enumerators. Each student enumerator conducted at least 20 face-to-face interviews for this study, when they returned to hometown for the Chinese Lunar New Year during winter break (February 2015). This arrangement allows us to observe a sample that covers 27 (out of 31) provinces across China.¹²

¹¹See Appendix Figure A.1 for a picture of one such school forms.

¹²The provinces from which we do not have sample are: Guangxi, Inner Mongolia, Qinghai, and Tibet.

In order to ensure the quality of our survey sample, we specifically enforced, among others, the following details on sample recruitment. First, we required two degrees of separation between student enumerators and the survey respondents. The student enumerators were asked to contact 10 friends, classmates and/or relatives – these “intermediary contacts” each referred 2-3 people who would become the actual participants of the study. Second, explicitly aiming to cover a wide socioeconomic spectrum in the sample, we instructed each enumerator to recruit a sample that consists of: (i) long-term residence of the region; (ii) respondents all above 18 years old; (iii) half male and half female; (iv) no more than 2 respondents came from the same household; and (v) a recommended age profile of 7 respondents between 19-30 years old, 10 between 31-60 years old, and 3 above 60 years old.

Overall, we recruited 1,763 participants for the study. Table 1, Column 1 and 2, present the summary statistics of the sample. While the sample is by no means representative of the entire Chinese population, we believe its wide coverage in geographic regions, age, gender and socioeconomic background greatly benefits this study.¹³ Importantly, the lack of representativeness does not threaten the internal validity of our experimental design due to the treatment randomization *within sample*. However, one needs to exercise caution when extrapolating the identified effects to the overall Chinese population.

Treatment assignment & randomization check We randomly assign respondents into treatment and control group *within* the enumerator block. Crucially, this randomization procedure allows us to overcome the systematic differences across enumerator blocks (the most obvious one being geographic location of residence), and to ensure that our causal inference of treatment effect is not confounded by fixed differences across the samples recruited by different enumerators. Table 1, Column 3 and 4, present the mean of background characteristics of the respondents assigned to the treatment group and to the control group, respectively. Column 5 calculates the difference in means and column 6 present the p-value of a t-test of the difference. One can see that the treatment assignment is balanced: respondents in the treatment group do not demonstrate significant differences across a range of characteristics, comparing to those assigned to the control group.

3.2 Information treatment

Respondents assigned to the treatment group were presented with the information treatment, which is in the form of an one-page pamphlet. The enumerators allowed up to 5 minutes for the

¹³One of the most obvious dimensions in which our sample deviates from population average is educational attainment. 60% of the respondents in our sample completed college education (or above), comparing to approximately 15-20% in the overall Chinese population. This disproportionately higher education attainment than population average is also reflected in our sample’s higher share of individuals who are members of the Communist Party of China (33.5% in our sample, versus an estimated of 6-8% in the population). The divergence from population average along these dimensions is largely due to the recruitment strategy that we employed, where individuals two degrees separated from undergraduates at Peking University, one of the two most prestigious universities in China, are much more likely to have high education attainment and social status themselves.

respondents to read through the materials by *themselves*, before the enumerators moved on to the next section of the survey.¹⁴ Figure 3 presents the screenshot of the actual pamphlet (in Chinese), and Appendix B provides translated script of the entire pamphlet.

The information pamphlet is primarily aimed to make history salient among the respondents, rather than to induce them to learn about the wealth equalization movements took place decades ago from scratch. Accordingly, we design the information pamphlet such that it offers a brief overall of the movements. In particular, we source the contents included on the pamphlet from school textbooks, state-owned public media, and books published in mainland China. These contents, although not always uncontroversial, reflect how the historical episodes of interest are portrayed in the public sphere that most citizens have access to (e.g. state-owned media), or were required to have exposure of (e.g. school curriculum). Hence, the respondents would not receive an “information shock” in the sense that they receive information about the wealth equalization that is drastically different from what they have seen previously.

Separate versions for rural & urban As described previously, the wealth equalization movement was carried out in distinctive forms in rural (the *Land Reform*) and urban (the *Socialist Remodel of Capitalist Enterprises*) regions. We thus created *two* separate versions of the information pamphlet to tailor the actual historical episode that the respondents’ parents and/or grandparents went through. Depending on how respondents answered the question: “Did your grandparents on your father’s side live in the rural or urban section prior to 1950?”, the respondents were presented with the information pamphlet of the corresponding version. Note, however, that the same pamphlet was presented to every individual whose ancestors reside in the same sector, irrespective of the particular experiences that their ancestors actually went through during the movement.

Contents included Both versions of the information pamphlet contains the following contents: (i) historical background and the origin of the movement; (ii) wealth distribution before and after the corresponding movement; (iii) who benefited and who lost during the movement, using the exact terms of the *class labels* – so that for those respondents who know their *class labels*, they can place themselves in either the beneficiary or the victim narratives; (iv) the historical significance and implications of the movement; and (v) photos during the movement, one showing beneficiaries, and the other showing the victims. One thing worth noting is that the information pamphlet does *not* explicitly use words such as “provision for the poor” and “fairness” – the core language used when we later elicit respondents’ preference for redistribution and other related beliefs and attitudes. This helps alleviates concerns that the treatment effect would be driven by the experimenter demand effect.

¹⁴No respondents in our sample are illiterate, hence all respondents are able to read through the treatment material without difficulty.

3.3 Elicitation of preference, beliefs, and attitudes

Next, we elicit a range of preferences, beliefs, and attitudes related to redistribution. Our main outcome of interest is the preference for government redistribution. In addition, we measure respondents' redistribution-related preferences and attitudes that are apolitical, as well as their beliefs regarding social inequality and the need for redistribution. The exact survey questions are shown as follows:

Panel A: Preference for government redistribution

- A.1 How would you place your views on the following scale? (1 = you agree completely with Statement A; 5 = you agree completely with Statement B)

Statement A: Providing for the poor is not government's responsibility. People should take more responsibility to provide for themselves.

Statement B: The government should do all it can to ensure that the poor live better lives.

Panel B: Apolitical preferences related to redistribution

- B.1-4 On a scale of 1-5, how willing are you to do the following things? (1 = completely not willing; 5 = completely willing)

B.1 *[Altruism]* How willing are you to give to good causes without expecting anything in return?

B.2 *[Positive reciprocity]* How willing are you to return favor when someone does you a favor?

B.3 *[Negative reciprocity (self)]* How willing are you to punish someone who treats *you* unfairly, even if there may be cost to you?

B.4 *[Negative reciprocity (others)]* How willing are you to punish someone who treats *others* unfairly, even if there is cost to you?

Panel C: Beliefs and attitudes related to redistribution

- C.1 On a scale of 1-5, how severe do you think social inequality is in China today? (1 = not severe at all; 5 = very severe)

- C.2 How would you place your views on the following scale? (1 = you agree completely with Statement A; 5 = you agree completely with Statement B)

Statement A: Fast economic growth should be of high priority, even if doing so can lead to increasing inequality.

Statement B: Equality should be of high priority, even if doing so can lead to slower economic growth.

Validation of preference for redistribution measurement We use the particular question shown in Panel A to elicit preference for redistribution because it is a relevant measurement of citizens' core political preferences. It follows similar wordings of the questions used in World Value Survey administrated across the world, and the General Social Survey in the US. Among respondents in many democratic countries, this question is able to capture crucial aspects of citizens' preferences regarding government redistribution that is reflected in their partisan choices. For example, for the US citizens in the World Value Survey sample, their answers to this very question is one of the best predictors of which party they would vote for ($t\text{-stats} = 2.83$; number of observation = 3,631).

In the context of China, if we use membership in the Communist Party of China to reflect

respondents' political orientation and "partisan choices," we find that our measurement of the preference for redistribution is significantly associated with the party membership: those who prefer government redistribution are much more likely to be a member of the Communist Party ($t\text{-stats} = 2.73$), whose core political ideology lays in social equality and government intervention in the redistributive processes.

In addition, we replicate in our sample several robust patterns of the preference for redistribution. Similar to what Alesina and Giuliano (2011) have shown using the General Social Survey in the US, we find that: (i) individuals from richer households favor government redistribution less ($t\text{-stats} = 2.33$); and (ii) older cohorts are more supportive of government redistribution ($t\text{-stats} = 3.48$). These confirmed patterns suggest that the preference for redistribution elicited using this particular question (shown in Panel A) in our sample can be interpreted in the same way as previous studies have done in other survey contexts.

Validation of apolitical preferences The survey questions on citizens' apolitical preferences that are related to redistribution (shown in Panel B) are taken from Falk et al. (2014), which have been behaviorally validated *out of the sample*.¹⁵ Falk et al. (2014) creates an experimentally-validated survey module to measure economic preferences, by selecting from a pool of candidate survey questions the best predictors of how subjects behave in incentivized laboratory games: first mover behavior in a dictator game (*altruism*); second mover behavior in trust games (*positive reciprocity*); and investment into punishment after unilateral defection of the opponent in a prisoner's dilemma and minimum acceptable offer in an ultimatum game (*negative reciprocity*).

Sequence of the questions The ordering of this module within the entire survey and the ordering within the module are worth emphasizing. First, preferences, beliefs, and attitudes are elicited before the respondents were asked any questions regarding their income, career, real estate assets, and in particular the class labels assigned to their ancestors. This mitigates the potential concern that asking about objective socioeconomic status may prime the respondents to answer preferences, beliefs, and attitudes differently. Hence, any differences in the reported preferences, beliefs, and attitudes can be credibly attributed to the experimental variation in the information treatment, which was administrated immediately before the preference elicitation module.

Second, we randomize the sequence in which these questions on preferences, beliefs, and attitudes were asked. Among this section of questions on preferences, beliefs, and attitudes, we have a clear *ex-ante* outcome of interest, as well as several "control questions" upon which we hypothesize that our information treatment would *not* have an effect. The sequence randomization ensures that the preference for government redistribution, our core outcome of interest, is *not* always asked first after the information treatment. This helps alleviate concerns of the experimenter demand effect. For the identified treatment effect on preference for redistribution to be mainly

¹⁵The survey-experiment validation was conducted among 409 students from the University of Bonn.

driven by experimenter demand effect, respondents could not simply assume that the first (and *only* the first) question after the information treatment would be the core outcome of interest that the experimenters wish to observe significant effect. Instead, respondents would need to make consistent and coherent predictions of not only which exact question is the core outcome of experimenter's interest, but also in what direction experimenter would like the treatment to affect their answers on this question. This level of sophistication of the respondents, we conjecture, is rather unrealistic.

3.4 Collecting information about income, career, and assets

After the module on preference, beliefs and attitudes, we ask questions on respondents' objective socioeconomic status. We aim to cover key dimensions that are indicative of where respondents stand along the socioeconomic ladder in China, both contemporary and during childhood. These questions include:

Panel D: Current career & income

- D.1 Are you currently employed?
 - D.2 What sector do you currently work in (or worked in before you retire)?
 - D.3 What industry do you currently work in (or worked in before you retire)?
 - D.4 How much is your personal pre-tax monthly income during the past year?
 - D.5 How much is the monthly pre-tax income of the entire household during the past year?
-

Panel E: Economic conditions at age 16

- E.1 How would you describe your household's economic conditions when you were 16? (very good; so-so; very bad).
 - E.2 Which of the following item(s) do your household own when you were 16? (watch; bicycle; radio; television; fridge; washing machine).
-

Panel F: Real estate assets

- F.1 What type of housing do your household live right now?
 - F.2 What is the ownership status of the house that you live in now?
 - F.3 What is the construction size of the house that you live in now?
 - F.4 Which year did you move in to your current resident house?
 - F.5 How much does your house worth if you were to sell it last month?
 - F.6 Apart from the house that you currently live in, how many other houses do you own in this city?
 - F.7 What is the total construction size of additional houses that you own in this city?
 - F.8 What is the total market value of the additional houses that you own in this city, if you were to sell last month?
-

3.5 Elicitation of the *class labels*

At the very end of the survey session, we ask the respondents about the *class labels* assigned to their ancestors, providing them with the corresponding list of standard *class labels* depending on the rural/urban sector their ancestors resided in to aid their recall. For the respondents who could

not recall the *class labels* immediately or did not know their assigned class labels at all, we asked them to call older relatives of the family to consult. After the survey session was concluded, the enumerators recorded the degree to which the respondents were familiar with their *class labels*: whether the respondents were able to recall immediately, or showed minor hesitation but could recall eventually, or needed to call older relatives for consultation, or even older relatives could not recall.¹⁶

Overall, close to 13% of our sample were assigned with *class label* associated with the victims of the wealth equalization movement. This proportion is higher than estimates using a national representative survey (6% using subjects' own answers, and approximately 9% after adjusting for younger cohorts who lack knowledge about their *class label*),¹⁷ which reflects our over-sampling on individuals with higher socioeconomic status as described previously.

The effect of abolishing the *Agrarian Reform Law* on citizens' familiarity of their *class labels* is evident from Figure 4, which plots, for each birth cohort, the percentage of respondents who know the *class labels* assigned to their family (can report class label either immediately or only after minor hesitation). Almost everyone in cohorts born before 1975 – hence started junior high school (age 12) before the *Agrarian Reform Law* was abolished in 1987 – are familiar with the *class labels* assigned to them. The year 1975 marks the beginning of a sharp decline in the percentage of people who know their *class labels*. Take the cohort born in 1995 (20 years old at the time of the survey) as an example: almost half of them need to consult with older relatives in order to find out their own *class labels*.

Following this empirical pattern, we focus on the cohorts born between 1955 and 1975 in our main analysis to examine the effect of information treatment, conditional on the respondents possessing basic knowledge about the general historical episode and their own families' experiences, *regardless of* whether their parents are willing to pass down such memory. Crucially, this allows us to minimize the likelihood that the information pamphlet may induce "information shocks" to respondents (regarding either the historical episodes in general or their own families' experiences) in a manner that correlates with parental characteristics and the selective transmission the knowledge and memory to the subsequent generation. We use cohorts born after 1975, especially those who do not know their own class labels, to examine the effect of the information treatment when older generations chose *not* to transmit the memory of their particular experiences during the movement. In Appendix Table A.1, we show summary statistics and randomization checks of the subsample that contains respondents from the older cohorts born between 1955 and 1975.

¹⁶Since older generations were required to know their *class labels*, in vast majority of the cases it took only one phone call for the respondents to find out their *class labels*.

¹⁷This is calculated by the authors using the baseline wave (2010) of the China Family Panel Study.

4 Results

4.1 Overall impact of the information treatment

We now examine the overall impact of the information treatment on respondents' preference for redistribution. Table 2 presents the estimates of the treatment effect among all respondents who were born between 1955 and 1975. Recall that they did not experience the wealth equalization movements themselves, but they were required to obtain knowledge about the *class labels* assigned to their families as a result of the *Agrarian Reform Law*.

Column 1 shows the *unconditional* coefficient on *Treatment* indicator when it is regressed on respondents' preferences for redistribution. One can see that on average, the information treatment has induced an increase in the preference for redistribution (favoring more government redistribution) by approximately 0.3 unit (out of a scale of 5). In other words, when the historical episodes of either the *Land Reform* or the *Socialist Remold of the Capitalist Enterprises* were made salient to the respondents, they significantly favored higher interventions of the government to redistribute to the poor.

Column 2 to 6 present various specifications of the estimates for conditional treatment effect. In Column 2, we control for a wide range of individual characteristics; In Column 3 and 4, we control for birth province and province of current residence fixed effects, respectively; In Column 5, we control for both individual characteristics and province of current residence fixed effects; and finally, in Column 6 we control for enumerator fixed effects. It is evident that the identified treatment effect is robust and stable across all specifications, both in terms of its level of statistical inference and its magnitude.

Treatment induces shifts across the entire distribution In Figure 5, we plot the (unconditional) distribution of respondents' preference for redistribution, separately for those received the information treatment and those who did not. One can see that the information treatment leads to a upward shift in respondents' preference for redistribution across the entire spectrum. In other words, the information treatment has reduced the share of both respondents who were to report intense aversion towards government redistribution (answered 1 or 2), and those who were to be neutral about the redistribution (answered 3). Upon seeing the information treatment has made them either modestly favorable (answered 4) or highly favorable (answered 5) towards redistribution by the government.

Treatment effect is large in magnitude The information treatment has induced an increase in respondents' preferences for redistribution by about a quarter of a standard deviation. In particular, approximately a fifth of the respondents who would not have favored government redistribution (beyond neutrality) were turned favorable once they were presented with the information

treatment. This yields a *persuasion rate* (as defined in DellaVigna and Gentzkow (2010)) of 20.6%, suggesting a large persuasion effect benchmarking against effects identified in recent studies.

Treatment effect is not merely transient Although the information treatment allows us to credibly identify an *immediate* causal effect of historical salience on citizens' current preferences for redistribution, one may be concerned that this effect is transient and would retain only during the survey sessions. In order to get a sense of how long the treatment effect lasts, we called back a random selection of 100 respondents (50 from the treatment group and 50 from the control group) in July and August 2015, 6 months after the initial survey. We re-elicited their preference for redistribution using the exact same wording and scale as before, and we find that about 70% of the respondents indicated a preference that stayed within a window of 1 in scale around their original reports. In particular, we estimate the magnitude of the treatment effect 6 months after the intervention to be a little under 50% of the initial effect. Given that the information treatment takes less than 5 minutes to administrate, it is rather remarkable that the treatment effect would still be detectable months later.¹⁸ While our treatment (by design) is unlikely to add drastically new information about the historical episodes to the respondents who read it, we conjecture that it provides a rare opportunity to heighten the salience of these episodes among the respondents. Given that the *Land Reform* and the *Socialist Remold of Capitalist Enterprises* are not frequently portrayed in the public media, our survey experiment was perhaps the first time many respondents heard about these events again since they had learned about these episodes from parents or at school. Therefore, the information treatment, albeit rather brief, may have generated a lasting impression among the treated respondents. Such salience, once heightened, is slow to erode.

4.2 The impact is *not* driven by ...

We next explore what may be driving the identified treatment effect. Specifically, we examine whether information treatment has induced changes in other dimensions related redistribution: to the extent that many of these dimensions are correlated with citizens' preference for redistribution, if we see large and significant treatment effect with respect to them, then the identified treatment effect on preference for redistribution could be mere manifestation of these underlying treatment effect.

We estimate the treatment effect on each of the additional preferences, beliefs and attitudes related to redistribution that we have elicited in the survey. The unconditional coefficient estimates on *Treatment* are shown in Table 3, one outcome variable at a time. Column 1 replicates our baseline results on the preferences for redistribution, the core outcome of interest; Column 2-5 correspond to survey questions described in Section 3.3, Panel B; Column 6-7 correspond to

¹⁸We acknowledge that although we did not provide information treatment or mention such treatment again during the call back procedure, the enumerators *did* introduce themselves as part of the same study team who conducted the initial survey, which may implicitly remind the respondents of what they have read on the information pamphlet.

those in Panel C; and Column 8 corresponds to respondents' familiarity with their class labels as described in Section 3.5.

Apolitical preferences related to redistribution Preferences such as altruism, positive reciprocity and negative reciprocity (regarding both self and others) play important roles in constituting citizens' preference in redistribution in general (Alesina and Giuliano (2011)).¹⁹ However, *ex-ante*, we do not anticipate these general preferences would be significantly altered by the treatment of making historical episodes of wealth equalization movements salient, via an information pamphlet that is brief and primarily focused on the political aspects of these redistributive episodes.²⁰ Indeed, as shown in Table 3, Column 2-5, reading through the information pamphlet does *not* affect respondents' preferences along these apolitical dimensions. The fact that we cannot reject the hypothesis that our treatment caused zero impact on these preferences (either individually or jointly) not only alleviates concerns over experimenter demand effect driving our main results, but also suggests that historical salience affecting preference for redistribution likely operates in channels that are more directly related to political factors.

Beliefs and attitudes related to redistribution Citizens' belief about how severe inequality is in the society today is a critical determinant of how much redistribution they prefer (Kuziemko et al. (2015)). As shown in Table 3, Column 6, making salient the historical wealth equalization movements turns the respondents more likely to believe inequality is a severe problem in China today. Note that the treatment effect on such belief is neither statistically significant nor in a magnitude large enough to be able to account for the impact on the preference for redistribution that we have identified. Nonetheless, this intertwined connection between salience of the past and beliefs about the contemporary embodied here *does* hint at an important avenue through which historical salience operates to affect current preferences for redistribution – and we explore this further in the following section.

How citizens trade off efficiency versus equity – specifically, between economic growth versus equitable distribution of the outcomes – plays a central role in shaping their preferences for redistribution (Fisman, Kariv and Markovits (2007) and Fisman et al. (2015)). Again, as shown in Table 3, Column 7, we do not find evidence that the information treatment that we provide significantly changes the way respondents evaluate the relative importance between efficiency and equity *in general*. This indicates that the treatment effect in preference for redistribution is unlikely to be driven by a broad shift such that respondents would now sacrifice economic growth to maintain social equality.

¹⁹In particular, preferences for redistribution have been considered as a manifestation of altruistic (or, the opposite of selfish) inclination of individuals towards others. See, among others, Fisman, Kariv and Markovits (2007), Durante, Putterman and van der Weele (2014), and Fisman et al. (2015).

²⁰Rather than the humanitarian aspects that highlight the fairness or various human interactions during the movements

Familiarity with own class label Lastly, we investigate whether making historical episodes salient via the information pamphlet could increase the likelihood of respondents being able to recall the *class labels* assigned to their own families during the wealth equalization movements.²¹ As described previously, these *class labels* are indicative of ancestors' experiences during the movements, and are highly symbolic in terms of the families' pre-1950 wealth and the socioeconomic status even decades after the movements. Recalling these labels could hence provide respondents with crucial information that directly affects their preference for redistribution. As shown in Table 3, Column 8, the extent to which respondents were familiar with their own *class labels* remains unchanged after they were exposed to the information treatment. This is largely resulted from restricting the sample to cohorts who went to middle school before the *Agarian Reform Law* was abolished in 1987, after which the regular practices for students to fill in their *class labels* as part of their identities in various school forms discontinued. To the extent that the familiarity with *class labels* captures an important aspect of respondents' knowledge about these historical episodes, the evidence that we show here indicates that the treatment effect on the preference for redistribution is unlikely to be driven by mere provision of information and the subsequent increase in knowledge of historical events.

5 Mechanisms of the treatment effect

After we have ruled out a range of explanations that may drive the identified treatment effect, we now provide evidence of suggestive mechanisms at work. In particular, we show that by making history salient, the information treatment affects what is brought to mind when respondents think about redistribution: it induces them to not only look back into the past – how redistribution *has already affected* their own families' circumstances (Section 5.1), but also look forward into the future – how similar redistribution *will further affect* their families (Section 5.2). This changed mental framework that incorporates both the past and the future shifted the way participants perceive government redistribution.

5.1 Looking back: reminding of the past

The information treatment, as it talks about the historical episodes, could remind the respondents of the past, and in particular the specific experiences that their families went through during these episodes. We can empirically test this hypothesis by investigating the differential effect of the information treatment between descendants of the families who received asset transfers and those who were expropriated during the movements: while the *same* historical episodes were made

²¹Note that "heightened salience" differs from "recalled memory": individuals already fully possess the knowledge of a characteristic that would later become salient (e.g. gender or ethnic identity). However, before individuals recall certain information or knowledge, they no longer have such information or knowledge available during their decision making. See Benjamin, Choi and Strickland (2010) for detailed discussion on salience and its psychological foundations.

salient, the respondents may be reminded of completely *opposite* experiences that their families went through.

Recall that apart from the two versions that catered toward the rural versus urban sectors during the wealth equalization movements, the same information pamphlet was presented regardless of whether ones' ancestors were beneficiaries or victims of the movements. Nonetheless, we explicitly describe in the information pamphlet who benefited and who lost from the wealth equalization movements using the exact language of the standardized *class labels* assigned to different categories of families. Such description allows the respondents who know their own *class labels* – and *only* those who know – to recognize from the generic historical narratives their families' specific outcomes in the aftermath of the movements.

To identify the differential treatment effect between beneficiaries and victims from the movements, we regress respondents' preference for redistribution, on indicator of whether they were presented with the information pamphlet (*Treatment*), indicator of whether their families were victims during the movements (*Victim*), and the interaction between the two (*Treatment* \times *victim*). Table 4 presents coefficient estimates from the regression. Column 1-3 show results using the baseline sample, those born between 1955 and 1975 who were required by the *Agrarian Reform Law* to know the *class labels* assigned to their families. One can see that among the 1955-1975 cohorts, the *average* treatment of increased preference for redistribution is largely driven by descendants of the *beneficiaries* of the movements – they make up 89.6% of the sample after all. When we examine the descendants of those who were expropriated during the movements, we actually find a treatment effect of the opposite direction, provided that the victim memory has been transmitted to the subsequent generation via the knowledge of the *class labels*.²² For participants from the victim families of the wealth equalization movements, making this historical episode salient has made them *less* favorable towards contemporaneous government redistribution to help the poor.²³ Nevertheless, one needs to interpret this result with caution, since the divergent treatment effect identified is *not* statistically distinguishable from zero. This is largely due to power constraints, since the victims, already explicitly over-sampled due to our recruitment strategy, only make up 10.4% of the sample.

We repeat the previous analysis among post-1975 cohorts who do *not* know their own *class*

²²One may be concerned that the overall treatment effect described in Section 4.1 is driven by mere exposure to the descriptions of the government's successful policy in the past: such descriptions may generate unanimous support of similar policies in the future, simply because respondents infer about the government's priorities and policy intentions. This, however, is unlikely to be true, in light of the fact that a considerable amount of respondents react to the treatment in the opposite direction.

²³We do not suggest that the differential treatment effect shown here is exclusively driven by the divide between beneficiaries and victims. In particular, descendants from the beneficiaries and victims differ along many dimensions (such as current educational attainment and income). These characteristics correlated with *class labels* may have induced the differential effect when respondents were presented with the information treatment, and hence we cannot attribute the observed differential treatment effect entirely to the *class labels*. However, some of these concerns can be alleviated as we show that the differential treatment effect remains robust even if we controls for key individual characteristics that differ across the beneficiaries and victims.

labels, and the coefficient estimates are shown in Table 4, Column 4-6. Importantly, divergence in treatment effect that we previously observe is no longer evident among these younger respondents. No longer required to acquire knowledge of their *class labels*, the post-1975 cohorts may be less exposed to the particular experiences their families went through during the movements because of limited intergenerational transmission of such memory. Moreover, the lack of knowledge in *class labels* prevents them from categorizing themselves as either beneficiaries or victims when we describe the wealth equalization movements using the language of *class labels* in the information pamphlet.

Overall, the differential responses to information treatment between the old and the young, and between beneficiaries and the victims indicate that the treatment affects respondents' preference for redistribution as it makes them to think about these historical episodes. To the post-1975 cohorts who lack knowledge in *class labels*, the information pamphlet serves as a reminder of merely the *general* picture of the movements, which many of them have formally learned in schools or been exposed to in public media. In contrast, to the older cohorts, they have been transmitted with the specific family memory from the movements (embodied in their *class labels*). The information treatment, despite of its being a general description of historical events, reminds them of the *specific* experiences that their ancestors went through. To them, major historical episodes of the entire nation, although they did not experience first hand, turn from generic narratives to the actual experiences that have been transmitted to them via family memory and ancestors' storytelling, which are often filled with vivid imagery and rich emotions. This, hence, has created divergent responses to the information treatment among descendants of the beneficiaries and those of the victims, pulling them further apart in their preference for redistribution.

5.2 Looking forward: projecting into the future

As we have shown previously, the information treatment triggers thoughts about the past. In particular it makes salient to respondents whether they were the *actual* beneficiaries or victims from the previous round of redistribution. In fact, by nature any redistributive policies would inevitably generate beneficiaries and victims since assets and income are taken from the rich and transferred to the poor.²⁴ Our information treatment, with its explicit emphasis on the contrast between beneficiaries and victims (rather than a Pareto improvement for *all* citizens), may have provided respondents with a particular set of mental framework when they think about redistribution – not just the historical episodes but also the future ones. In other words, when respondents are asked about their preference for government redistribution in the future, the information treatment reminds them that some would benefit while others would unavoidably lose if such re-

²⁴Wealth equalization movements may appear to create much more extreme division between the fate of beneficiaries and victims, since the expropriation and asset transfers from the landlord to the landless was implemented with much coercion. However, one needs to note that even considerably milder policies such as taxation also rely (to a varying extent) on the state monopoly power of coercion and legal enforcement to ensure their successful implementation.

distributive policies were to repeat again. As a result, this type of thinking about redistribution leads to the observed changes in the preference for redistribution.

We can test this hypothesis by examining the differential treatment effect between the *expected* beneficiaries and *expected* victims if redistributive policies similar to the *Land Reform* were to be carried out in the future. In particular, the *Land Reform* and the *Socialist Remold of Capitalist Enterprises* divided citizens into distinctive categories that *de-facto* defined beneficiaries and victims almost exclusively based on families ownership in land and other real estate properties. Concerning future redistribution, the contemporary counterpart of such *class labels* division criteria would be citizens' ownership of apartments and houses. Specifically, the government encourages citizens to jointly own the property with their working units (counted as not self-owned in our sample) or to own a single property where the household resides in. The existing polities discourage owning multiple properties, with the rationale that ownership of excessive amount of properties are considered as signs for corruption and extravagance. In other words, were the government to address inequality and benefit the poor by carrying out another mass redistributive policy similar to the ones described in the information treatment, the *expected* victims would be those who own multiple properties as they would now be considered as the new "landlord" class with excessive real estate assets available to be confiscated. The *expected* beneficiaries, on the other hand, would be those who do not own property in its entirety or only own the property of residence.²⁵ The information treatment, while it induces higher support for government redistribution on average, should have an amplified effect among the *expected* beneficiaries, and a moderate effect among the *expected* victims.

Following this logic, we repeat our baseline regressions first on the subsample of respondents who own no property or only own one property as of 2015, and then on the subsample of those owning multiple properties. The estimates of the treatment effect are shown in Table 5, where Column 1-4 correspond to results based on the former subsample, and Column 5-8 the latter. One can see that indeed, the estimated treatment effect on the preference for redistribution is intensified among respondents who own one or less property – the *expected* beneficiaries of future redistribution policies, and the treatment effect significantly diminished among those who own multiple properties – the *expected* victims.

This pattern is robust even if we control for a wide range of individual characteristics (Column 2 and 6), and include province of current residence fixed effects (Column 4 and 8). In addition, one may be concerned that property ownership in contemporary China is highly correlated with historical ownership and hence merely reflects the *class labels* assigned to these families two to three

²⁵It is worth noting that many of the current multiple property owners are direct beneficiaries of the real estate property reform in the late 1990s, which essentially granted them the ownership of first batch of commercial apartments in modern China whose value appreciated dramatically over the next decade. Thus, these multiple-properties-owners may realize the importance of luck in shaping ones' wealth and income, which would make them more supportive of redistribution. In other words, the prediction on the treatment effect among these respondents is ambiguous, since an opposing force described above is also at play.

generations ago. In Column 3 and 7, we control for the class labels in addition to the individual characteristics of the respondents, and the results remain intact.

The evidence presented here demonstrates a second channel through which historical salience may affect citizens' preference for redistribution: history is especially relevant because it triggers thoughts about the future – a version in which certain historical episodes repeat. Lessons from the historical experiences may be extrapolated into the future. When historical episodes are brought to the respondents' mind, they re-frame how they think about redistribution policies, projecting themselves into this narrative of (expected) beneficiaries and victims, and hence re-formulate their preference for redistribution.

6 Conclusion

History sheds long shadow over the present. Historical events reallocate resources, shift incentives, and persistently influence socioeconomic development outcomes (Nunn (2009)). More subtly, historical experiences affect how citizens perceive the world, and fundamentally shape their preferences. Preference for redistribution, one of the core preferences in economics, accumulates the impacts from citizens' historical experiences of redistribution. Using a survey experiment, we show that when major redistributive episodes in history – in particular, the wealth equalization movements during the Communist Revolution in China – are made salient, respondents exhibit a large and lasting shift in their preference for government redistribution. The salience of history affects preference, because it shapes the mental framework when respondents think about redistribution: they are reminded of the past redistribution episodes that their ancestors went through as either beneficiaries or victims, and they are triggered to project future redistribution, forming expectations on whether they would become beneficiaries or victims themselves.

Our findings provide evidence on the mechanisms underlying the persistent impact of history. First, we show that citizens are affected by historical experiences beyond what changes in incentives (income, wealth, etc.) or information can account for. Mere salience in historical events matter. Second, our findings suggest that preferences on important socioeconomic policies, in particular the redistributive ones, are endogenous to citizens' experiences in the previous rounds of similar policies. The systematic changes in preferences may help explain the path-dependence of economic policies as well as the far-reaching consequences of important historical episodes, since preferences would determine subsequent political outcomes and policy choices. Third, history influences citizens' mental framework on contemporaneous issues through the complex interactions among actual experiences, memory of such experiences, (intergenerational) transmission of the memory, and the salience of such memory. Each element along this chain may involve citizens' strategic considerations as well as their social influences, both of which we believe deserve further study.²⁶

²⁶Bisin and Verdier (2001) and Benabou and Tirole (2006), among others, provide theoretical frameworks that model

In addition, what we have learned in the survey experiment are especially relevant to our understanding of several key socioeconomic issues in China today. When respondents are reminded of the wealth equalization movements that took place six decades ago, descendants of the beneficiaries and those of the victims react in opposite directions in terms of their preference for future government redistribution. This finding may explain why the Chinese government, an authoritarian regime that faces challenges from the increasing diversification of public opinions, rarely emphasizes historical redistributive episodes in the public sphere. Salience of these events would create further divide between those who benefited and those who lost, making it even more difficult for the population to reach consensus on future policies to support. In addition, the treatment effect diverges across respondents who hold different amount of real estate properties today, suggesting that the rich exhibits considerable fear of becoming the victims of forced asset redistribution in the future. The lack of state commitment to protect property rights foster such victim expectation and the associated fear among the rich, which may be the key driver for the growing outflow of assets as many well-off Chinese seek to relocate assets to economies with stronger protection of property rights.

the strategic transmission of preferences and attitudes, and the dynamic consequences of corresponding policy choices.

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Figures and Tables

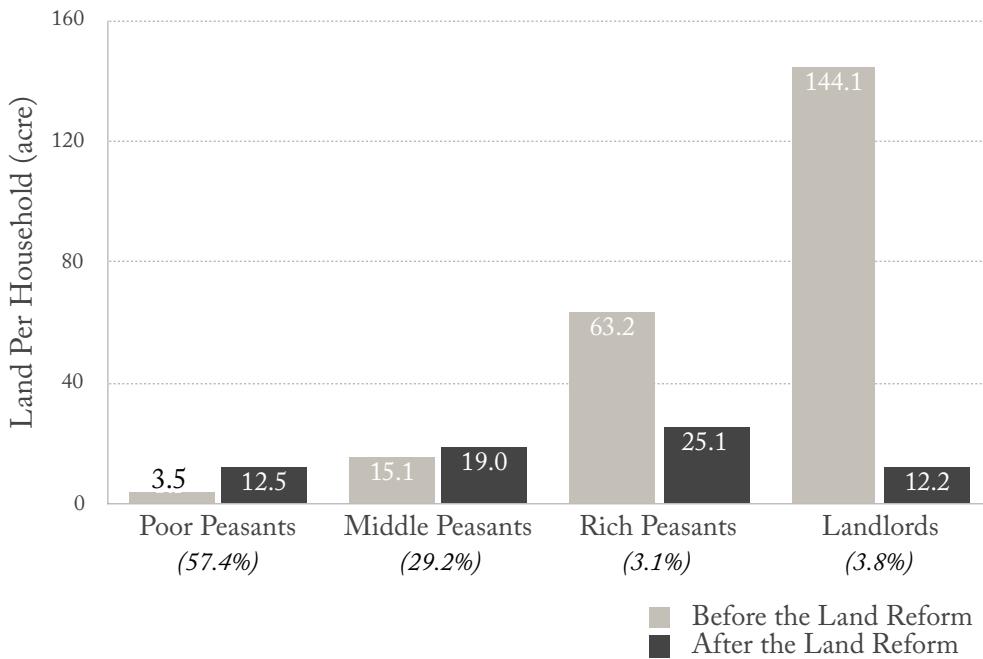


Figure 1: Average land ownership (in acres) by different types of households, before and after the *Land Reform*. Data based on the *Compilation of National Agricultural Statistics from 1949 to 1979* published by the National Statistics Bureau in 1980. The household type is determined by the *class label* assignment. Percentage in parentheses below each household type indicates the share of the corresponding household types in China in 1949. The omitted household type is “others,” which amounts to 6.5% of the population.

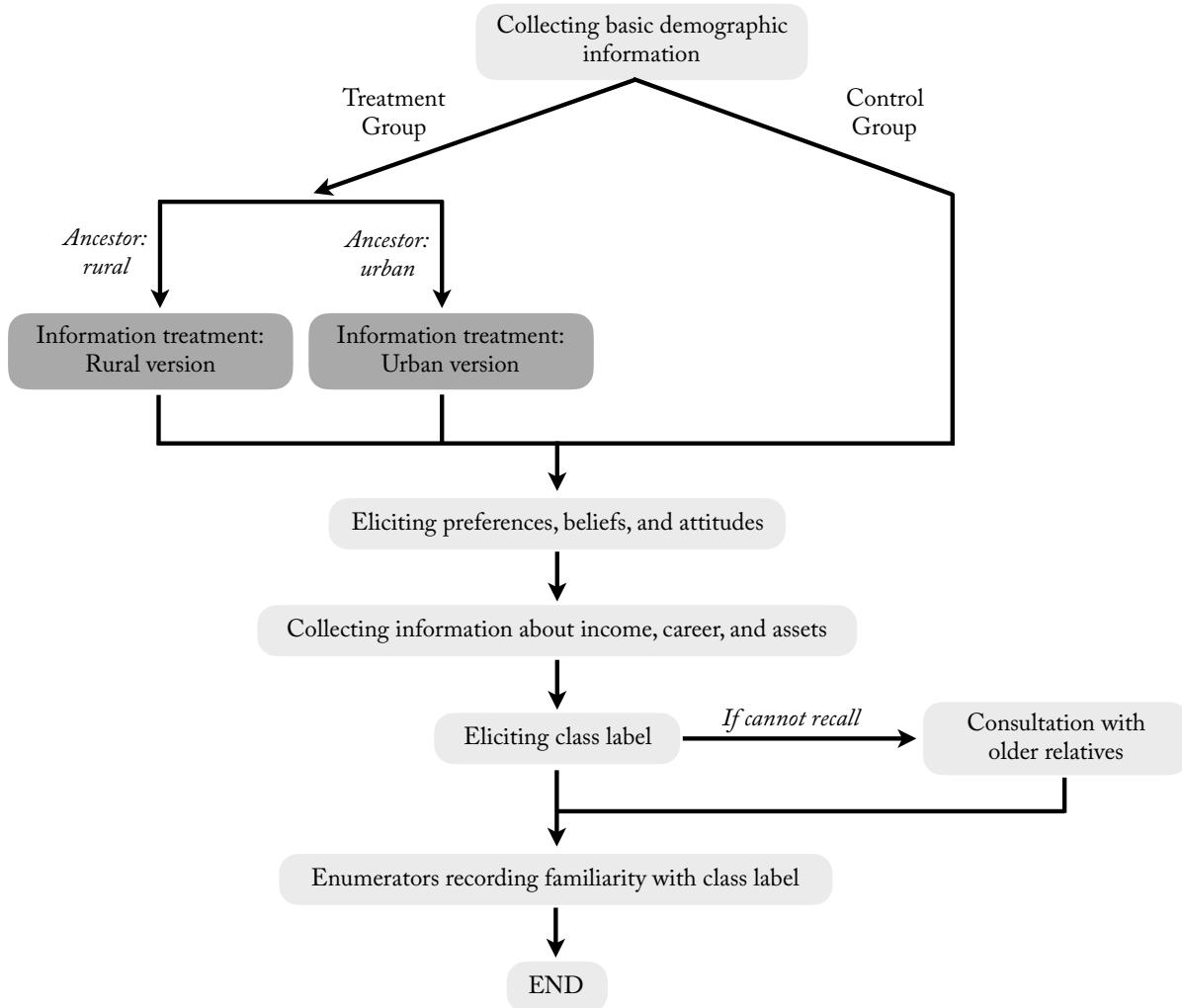


Figure 2: Experimental design: procedure of the survey.

Rural Version

农村信息页

在今天问卷调查的最后，我们将询问您家庭老一辈在解放初期的具体经历。
在这之前，请先阅读一些关于那个特殊时期的历史材料。

土地改革运动 (1950-1953)

土地改革运动是什么？

- 新中国建立初期，中国共产党在全国各地相继开展了土地改革运动。土地改革运动将地主的土地没收后，分配给无地少地的农民，目的是将封建土地所有制改变为农民土地所有制，提高农业生产力，为新中国的工业化做准备。

土地改革的历史背景

- 旧中国的土地制度极不合理，占农村总人口大约 5%的地主、富农占有农村一半以上的耕地。而占农村人口总数 90%以上的贫农、雇农和中农，占有土地不足一半。贫、雇农终年辛勤劳动，却不得温饱。

土地改革取得的效果

- 至 1953 年，中国大陆大部分地区的土地改革基本完成，3 亿多无地或少地的农民无偿分得了 7 亿亩土地及生产资料，并每年免除地租 3000 万吨粮食。
- 地主的土地和财产都被政府无偿没收，分配给贫农或无土地农民。
 - 最直接受益的是贫农和无地农民。他们拥有了可供自己耕作的土地。最穷的农民还得到一份额外的、通常是最好的土地。
 - 对被剥夺了财产的富农，也同样分给他们一份与贫农相等的土地，使地主也能依靠自己的劳动维持生活，并在劳动中改造自己。
- 这是中国几千年来土地制度上一次最大、最彻底、最大规模的改革，封建土地所有制从此被彻底消灭。




地主的土地被收归国有 贫雇农分得土地

Urban Version

城市信息页

在今天问卷调查的最后，我们将询问您家庭老一辈在解放初期的具体经历。
在这之前，请先阅读一些关于那个特殊时期的历史材料。

资本主义工商业的社会主义改造 (1953-1956)

资本主义工商业的社会主义改造是什么？

- 1953-1956 年间，中国共产党在全国范围内开展了对资本主义工商业的社会主义改造运动。国家采取“公私合营”，“和平赎买”的政策，逐步将私营企业改造为社会主义公有制企业，目的是消灭资本主义私有制，彻底改造资产阶级，确立社会主义经济制度。

资本主义工商业改造的历史背景

- 资本主义工商业者与社会主义的计划经济发生矛盾，盲目发展，自产自销、套购、抢购重要物资、抢购粮食、哄抬物价、扰乱市场，破坏国家经济秩序。

资本主义工商业改造取得的成果

- 截止 1956 年，基本上完成了对资本主义所有制的社会主义改造，全国范围内实行公私合营的私营工业企业已达到 99%，私营商业达到 85%，私营工商业已全部转变为公私合营企业。
- 私营企业被政府通过“公私合营”，“和平赎买”的方式改造为公有制企业。
 - 最直接受益的是工人，他们完全摆脱了雇佣劳动者的地位，成为企业的主人，生产积极性大大提高。
 - 失去企业所有权的资本家被允许领取少量的定息，但他们对企业的生产资料已无权过问，已不再是资本家的身分。




公私合营 和平赎买

Figure 3: Screenshot of actual information pamphlet presented to respondents in the treatment group; rural version on the left panel, urban version on the right panel.



Figure 4: Percentage of respondents who know the class label assigned to their family (can report class label either immediately or only after some hesitations), by birth cohort. Vertical line indicates year 1975. Graph is smoothed over 3-year cohort bins.

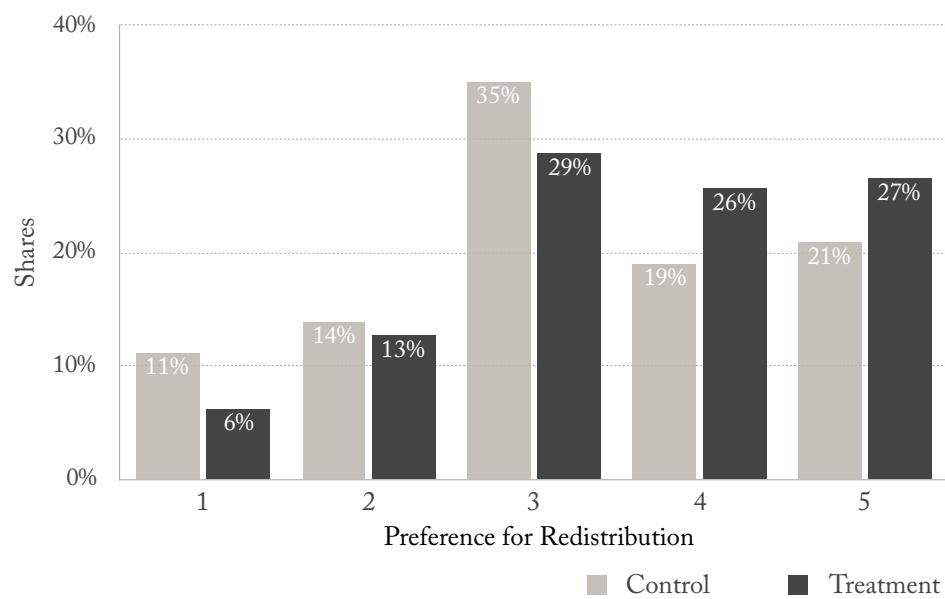


Figure 5: Distribution of preference for redistribution, by respondents in the treatment and control group.

Table 1: Summary statistics & randomization checks

Variables	All		Treatment	Control	Treatment vs. Control	
	Mean	Std.Dev.	Mean	Mean	Difference	p-value
	(1)	(2)	(3)	(4)	(5)	(6)
Age	38.9	15.7	38.6	39.1	-0.5	0.521
Male	0.500	0.500	0.515	0.486	0.028	0.216
Currently married	0.679	0.467	0.668	0.694	-0.026	0.228
# of siblings	2.001	1.769	1.961	2.051	-0.090	0.267
Rank among siblings	2.042	1.377	2.023	2.061	-0.039	0.547
# people in family	3.453	1.280	3.495	3.404	0.092	0.119
# youths in family	0.477	0.312	0.448	0.515	-0.067	0.266
Personal monthly income	4194	7708	4224	4179	45.34	0.916
Household monthly income	11592	27198	12207	11008	1199.5	0.337
Self college or above	0.593	0.491	0.611	0.576	0.035	0.117
Self CCP member	0.335	0.475	0.356	0.315	0.041	0.061
Father HS or above	0.457	0.498	0.451	0.462	-0.012	0.611
Father CCP member	0.361	0.481	0.372	0.351	0.021	0.349
Very poor at 16	0.298	0.458	0.302	0.296	0.007	0.756
Victims of movement	0.127	0.333	0.134	0.120	0.014	0.348
Urban during movement	0.228	0.420	0.233	0.226	0.006	0.749
Treatment	0.505	0.500	1	0	-	-

Columns 5 and 6 report raw (unconditional) differences in means across individuals in the treatment group and those in the control group, and the p-value for a t-test of differences in means. "Personal monthly income" and "household monthly income" are based on survey answers; if respondents failed to report exact number, we substitute the mean of the corresponding income category that they reported. "Very poor at 16" is based on respondents' self evaluation on household economic conditions at age 16. "Victims of movement" is based on the *class labels*. Total number of observation: 1920 (treatment: 951; control: 969).

Table 2: Treatment effect on the preference of redistribution

Dependent variable:	Preference for redistribution					
	(1)	(2)	(3)	(4)	(5)	(6)
Treatment	0.292*** [0.093]	0.306*** [0.094]	0.303*** [0.095]	0.286*** [0.094]	0.295*** [0.094]	0.233*** [0.093]
<i>p-value</i>	(0.002)	(0.001)	(0.002)	(0.002)	(0.002)	(0.013)
Ind. controls	No	Yes	No	No	Yes	No
Birth prov. FE	No	No	Yes	No	No	No
Prov. of residence FE	No	No	No	Yes	Yes	No
Enumerator FE	No	No	No	No	No	Yes
Observations	685	646	675	685	646	685
Mean DV	3.391	3.391	3.391	3.391	3.391	3.391
Std.Dev. DV	1.222	1.222	1.222	1.222	1.222	1.222

*: Significant at 10%; **: 5%; ***: 1%. Robust standard errors in brackets. Corresponding p-values are reported for the coefficient estimates on *Treatment*. Individual controls (in Column 2 and 5) include: gender, age, number of siblings, rank among siblings, number of people in the household, number of youths in the household, current marital status, current resident sector (urban vs. rural), indicator whether self is at least college educated, indicator whether father is at least high school educated, CCP membership of self and of father, household monthly income category, economic status at age 16, indicator of urban during wealth equalization movements, and indicator if one is employed by the SOE or by the government.

Table 3: Treatment effects on other preferences, attitudes and beliefs

Dependent variable:	Preference for Redistribution	Panel A				Panel B: Apolitical preferences related to redistribution				Panel C: Beliefs and attitudes related to redistribution			
		Altruism		Reciprocity		Positive reciprocity (self)		Negative reciprocity (others)		Severity of inequality today		Equity vs. efficiency tradeoff	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)				
Treatment	0.292*** [0.093]	-0.004 [0.092]	0.071 [0.062]	0.122 [0.094]	0.026 [0.096]	0.124 [0.076]	-0.049 [0.100]			0.001 [0.012]			
p-value	(0.002)	(0.967)	(0.249)	(0.196)	(0.785)	(0.105)	(0.620)	(0.903)					
Observations	685	685	684	685	684	685	685	685	662				
Mean DV	3.391	3.227	4.659	2.440	2.592	4.159	2.984	2.984	0.976				
Std.Dev. DV	1.222	1.201	0.815	1.232	1.254	0.995	1.302	1.302	0.153				

*: Significant at 10%; **: 5%; ***: 1%. Robust standard errors in brackets. Corresponding p-values are reported for the coefficient estimates on Treatment.

Table 4: Divergent treatment effects by beneficiaries and victims

Dependent variable:		Preference for redistribution					
Subsample:		1955-1975 cohorts			Post-1975 cohorts; don't know own class labels		
		(1)	(2)	(3)	(4)	(5)	(6)
Treatment		0.317*** [0.098]	0.333*** [0.094]	0.315*** [0.100]	-0.024 [0.115]	-0.023 [0.121]	-0.013 [0.119]
Treatment × victim		-0.227 [0.312]	-0.268 [0.320]	-0.240 [0.302]	0.271 [0.364]	0.212 [0.346]	0.256 [0.338]
Victim		-0.034 [0.235]	-0.043 [0.241]	-0.024 [0.229]	-0.350 [0.283]	-0.360 [0.272]	-0.389 [0.273]
Birth prov. FE	No	Yes	No	No	Yes	No	
Prov. of residence FE	No	No	Yes	No	No	Yes	
Observations	685	675	685	380	379	380	
Mean DV	3.391	3.391	3.391	3.216	3.216	3.216	
Std.Dev. DV	1.222	1.222	1.222	1.066	1.066	1.066	

*: Significant at 10%; **: 5%; ***: 1%. Robust standard errors in brackets.

Table 5: Differential treatment effects by property ownership status

Dependent variable:		Preference for redistribution							
Subsample:		Own one or less property				Own multiple properties			
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Treatment		0.341*** [0.111]	0.354*** [0.113]	0.353*** [0.113]	0.351*** [0.112]	0.079 [0.194]	0.099 [0.213]	0.099 [0.211]	0.138 [0.208]
<i>p</i> -value		(0.002)	(0.002)	(0.002)	(0.002)	(0.685)	(0.643)	(0.639)	(0.508)
Ind. controls	No	Yes	Yes	No	No	Yes	Yes	No	
Class label	No	No	Yes	No	No	No	Yes	No	
Prov. of residence FE	No	No	No	Yes	No	No	No	Yes	
Observations	494	463	463	494	153	147	147	147	
Mean DV	3.411	3.411	3.411	3.411	3.320	3.320	3.320	3.320	
Std.Dev. DV	1.243	1.243	1.243	1.243	1.196	1.196	1.196	1.196	

*: Significant at 10%; **: 5%; ***: 1%. Robust standard errors in brackets. Corresponding p-values are reported for the coefficient estimates on *Treatment*. Individual controls (in Column 2, 3, 6 and 7) include: gender, age, number of siblings, rank among siblings, number of people in the household, number of youths in the household, current marital status, current resident sector (urban vs. rural), indicator whether self is at least college educated, indicator whether father is at least high school educated, CCP membership of self and of father, household monthly income category, economic status at age 16, indicator of urban during wealth equalization movements, and indicator if one is employed by the SOE or by the government.

ONLINE APPENDICES, NOT FOR PUBLICATION

Appendix A Translation of the *Agrarian Reform Law of the People's Republic of China*

*Promulgated by the Central People's Government on June 30th, 1950.*¹

SECTION ONE: General Principles

ARTICLE 1 The land ownership system of feudal exploitation by the landlord class shall be abolished and the system of peasant land ownership shall be introduced in order to set free the rural productive forces, develop agricultural production and thus pave the way for New China's industrialization.

SECTION TWO: Confiscation and Requisition of Land

ARTICLE 2 The land, drought animals, farm implements and surplus grain of the landlords, and their surplus houses in the countryside shall be confiscated, but their other properties shall not be confiscated.

ARTICLE 3 The rural land belonging to ancestral shrines, temples, monasteries, churches, schools and organizations, and other land owned by public bodies shall be requisitioned. But local people's governments should devise appropriate measures to solve the financial problems facing such as schools, orphanages, homes for the aged, hospitals, etc., that depend on the income from the above-mentioned land for their maintenance.

Land owned by mosques may be retained according to circumstances with the consent of the Muslims residing in the places where such mosques are situated.

ARTICLE 4 Industry and commerce shall be protected from infringement.

Industrial and commercial enterprises operated by landlords and the land and other properties used by landlords directly for the operation of industrial and commercial enterprises shall not be confiscated. In confiscating feudal land and other properties, no infringement upon industry and commerce shall be permitted.

Land and peasant dwellings in the countryside which are owned by industrialists and merchants shall be requisitioned, but their other rural properties and lawful businesses shall be protected from infringement.

¹The translation is adopted from Wong (1973b).

ARTICLE 5 Revolutionary army men, dependent of martyrs, workers, staff members, professional workers, peddlers and others who rent out small portions of land because they are engaged in other occupations or because they lack labor power shall not be classified as landlords. If the average per capita landholding of such families does not exceed 200 percent of the average per capita landholding in the locality, it shall remain untouched. (For instance, if the average per capita landholding in the locality is two *mu*, the average per capita landholding of such family members shall not exceed four *mu*.) If it exceeds this proportion, the surplus land may be requisitioned. If the land proves to have been purchased with the earnings of the owners' own labor or if old persons living alone, orphans, invalids, helpless widows or widowers, depend on this land for their livelihood, allowance may be made for such persons according to individual cases even though their average per capita landholding may exceed 200 percent.

ARTICLE 6 Land owned by rich peasants and cultivated by themselves or by hired labor and their other properties shall be protected from infringement.

Small portions of land rented out by rich peasants shall remain untouched. But in certain special areas, the land rented out by rich peasants may be requisitioned in part or in whole with the approval of the people's governments at provincial level or above.

If the portions of land rented out by rich peasants of a semi-landlord type exceed in size and land tilled by themselves and by their hired labor the land rented out should be requisitioned.

The land let out by rich peasants should be balanced against the land which they themselves rent for their own use.

ARTICLE 7 Land and other properties of the middle peasants (including well-to-do middle peasants) shall be protected from infringement.

ARTICLE 8 Transfer or dispersal after the liberation of the locality by sale, mortgage, gift or any other means, of any land which should be confiscated or requisitioned according to this law shall be declared null and void. Such land should be included in the land to be redistributed. But if peasants who bought such land or took mortgages on such land will thereby suffer any considerable loss, measures should be worked out for proper compensation.

ARTICLE 9 The legal definition of landlords, rich peasants, middle peasants, poor peasants, farm laborers and other component classes of rural society will be dealt with separately.

SECTION THREE: Distribution of Land

ARTICLE 10 All land and other means of production thus confiscated and requisitioned, with the exception of those to be nationalized as stipulated in this Law, shall be taken over by the county peasants' association for unified, equitable and rational distribution to poverty-stricken peasants

who have little or no land and who lack other means of production. Landlords shall be given an equal share so that they can make their living by their own labor and thus reform themselves through labor.

ARTICLE 11 Land shall be distributed by their country or an administrative village corresponding to a country as a single unit. Land shall be distributed in a unified manner according to the population therein, based upon the principle of allotting the land to its present tiller and making necessary readjustment in landholdings by taking into consideration the amount, quality and location of land. However, county peasants' associations may make certain necessary adjustments between various county or administrative villages corresponding to a county. In areas of extensive territory and sparse population, for convenience in cultivation, the unit for land distribution may be smaller and below the level of the county. The land lying across the boundary of two counties shall be allocated for distribution to the county where the actual tillers reside.

ARTICLE 12 Under the principle of allotting land to the present tiller, land owned by the tiller shall not be drawn upon for distribution during land distribution. When rented land is drawn upon for distribution, proper consideration should be given to the present tiller. The land he acquires through land distribution plus his own landholding (if he has land) shall be slightly and suitably more than the landholding, after distribution, of the peasants who had little or no land. The principle in this connection should be that the present tiller should retain the approximate average per capita landholding in the locality.

If the tiller possesses the surface rights of the land he rents, a portion of land equivalent to the price of the surface rights in that locality shall be reserved for him if the land is drawn upon for distribution.

ARTICLE 13 During land distribution, certain special problems concerning the landless and land-poor population shall be settled as follows:

(a) An impoverished peasant family of one or two members who are able to work may be given more land than the allotment for one or two persons, provided the land conditions in the county permit.

(b) Rural handicraftmen, peddlers, professional workers and their dependents should be given a certain amount of land and other means of production according to individual cases. But if the earnings from their occupations are sufficient to regularly maintain their dependents no land shall be allotted to them.

(c) If their homes are in the countryside, martyrs' families (the martyr himself can be counted as a member of the family), officers, men, wounded and demobilized servicemen of the People's Liberation Army, functionaries of the People's Government and people's organizations as well as their families (including those who travel with the Army) shall be given land and other means

of production equal to those allotted to the peasants. But in the case of the functionaries of the People's Government and people's organizations, less land or none may be allotted according to the amount of their salaries and other income and the degree to which they are able to support their dependents.

(d) If local residents take up occupations elsewhere, their dependents still living in the village should be given land and other means of production according to individual cases. But if the income of such persons from their occupations is adequate to regularly maintain their dependents no land need to be allotted to them.

(e) Monks, nuns, Taoists, priests and Akhangs should be given shares of land and other means of production equal to those of the peasants if they have no other means of making a living and are able and willing to engage in agricultural work.

(f) Unemployed workers and their dependents who return to the countryside with certificates from municipal governments or trade unions should be given shares of land and other means of production equal to those of the peasants if they want land are able to engage in agricultural work and if local land conditions permit.

(g) Landlords who have returned after running away, persons who once worked for the enemy but have returned to the countryside, and the families of such persons, should be given shares of land and other means of production equal to those of the peasants, provided they are able to willing to earn a living by agricultural work.

(h) No land shall be given to those residing in the countryside whom the People's Government has ed to be collaborationists, traitors, war criminals, counter-revolutionaries who have committed extremely grave crimes, or criminals who have persistently sabotaged agrarian reform. Members of their families, who have not participated in their criminal acts and have no other occupation with which to make a living and who are able and willing to take up agricultural work, should be given the same shares of land and other means of production as those of the peasants.

ARTICLE 14 During land distribution, each county may reserve a small amount of land, in accordance with local land conditions, for cultivation by natives of the county who have gone or fled away, whose whereabouts are unknown but who may return, or for use in adjusting land in the county. The land thus reserved shall be temporarily placed under the administration of the county people's government and rented to peasants for cultivation. However, the total amount of land reserved for this purpose must not exceed not percent of all land in the county.

ARTICLE 15 During land distribution, the people's governments at or above the county level may, in accordance with the local land conditions, set apart a certain amount of land to be nationalized and used for establishing experimental farms for one or more counties or model state farms. Prior to the establishment of such farms, the land may be rented to peasants for cultivation.

SECTION FOUR: Treatment of Special Land Problems

ARTICLE 16 Confiscated and requisitioned woods, fish ponds, tea groves, tung oil plantations, mulberry fields, bamboo groves, orchards, reed lands, wasteland and other distributable land should be calculated in terms of ordinary land at an appropriate ratio and distributed in a unified way. In the interests of production, these tracts of land should first be allotted as far as possible to the peasants who have hitherto utilized them. Persons receiving this kind of land may be given little or no ordinary arable land. If this kind of distribution is detrimental to production, the land may be operated by the local people's governments in a proper manner and under democratic management in conformity with established customs.

ARTICLE 17 Confiscated and requisitioned irrigation works, such as dams and ponds, if they are distributable, should be distributed together with the fields. If it is not convenient to distribute them, they should be democratically managed by the local people's governments in conformity with established customs.

ARTICLE 18 All large forests, large water conservancy works, large expanses of wasteland, large uncultivated hillsides, big salt fields and mines as well as lakes, marshes, rivers and ports must be nationalized and be managed and operated by the People's Government. Those in which private capital has been invested and which have so far been privately managed shall continue to be operated by the existing management, according to the decrees promulgated by the People's Government.

ARTICLE 19 The farms, seedling nurseries and experimental farms that are cultivated with machinery or other modern equipment, and the large bamboo groves, large orchards, large tea groves, large tung oil plantations, large mulberry fields and large pastures – where technique is essential – shall continue to be operated by their existing managements, and should not be dispersed. But if such land is owned by landlords, it may be nationalized with the approval of the people's governments at the provincial level of above.

ARTICLE 20 In the course of the confiscation and requisition of land, all graveyards and woods therein must remain intact.

ARTICLE 21 Scenic spots, historical relics and places of historical interest should receive proper protection. Ancestral shrines, temples, monasteries, churches and other public buildings and landlords' houses should not be damaged. Surplus houses of landlords in the countryside which are not suitable for the use of peasants may be placed under the management of the local people's governments and be used for public purposes.

ARTICLE 22 Wasteland reclaimed after the liberation should not be confiscated during land distribution and should continue to be tilled by those who reclaimed it. It should not be included in the amount of land for distribution.

ARTICLE 23 Small amounts of land, the proceeds from which are essential for the upkeep of bridges, roads, wayside tea pavilions, free ferries and other public facilities in rural areas may remain intact according to established customs.

ARTICLE 24 Land and houses owned by overseas Chinese should be dealt with in accordance with appropriate measures to be determined by the people's governments (or military and administrative committees) of the various Greater Administrative Areas or by provincial people's governments on the principle of having regard for the interests of overseas Chinese and in keeping with the general principles of this Law.

ARTICLE 25 Sandy land and alluvial land by the shores of lakes, which are owned by landlords or public bodies, should be nationalized and handled in accordance with appropriate measures to be determined by the people's governments at provincial level or above.

ARTICLE 26 Land bordering railways, river banks and river dykes that is needed for their protection or land occupied by airfields, harbors and fortifications should not be distributed. The sites of projected railways, highways, waterways and airfields whose date of construction has been fixed shall be reserved with the approval of the people's governments at provincial level or above.

ARTICLE 27 Private persons managing land owned by the state shall not rent it out, sell it or leave it untended. If the private operators no longer need the land, they must return it to the state.

SECTION FIVE: Organizations and Methods for Carrying Out Agrarian Reform

ARTICLE 28 In order to strengthen the leadership of the people's governments in the work of agrarian reform, the people's governments at county level or above should, at the time of agrarian reform, organize agrarian reform committees should be composed of persons elected by people's representative conferences or persons appointed by the people's governments of a higher level. These committees are responsible for directing and handling all matters concerning agrarian reform.

ARTICLE 29 County and village peasant meetings, peasant representative conferences and committees of peasants' associations elected at such conferences, the peasant congresses at county and

provincial levels and committees of peasants' associations elected at such congresses are the legal executive organizations for reforming the agrarian system.

ARTICLE 30 After agrarian reform is completed, the People's Government shall issue title deeds and shall recognize the right of all land owners to manage, buy, sell or rent out land freely. All land contracts made before the reform of the agrarian system shall be null and void.

ARTICLE 31 The determination of class status shall be carried out according to the decisions on class differentiation in the countryside issued by the Central People's Government. It shall be determined by democratic estimation and decision at the village peasant meetings and peasant representative conferences under the leadership of the village people's governments, bu the method of self-assessment and public discussion. If any person concerned is not a member of a peasants' association, he should, nevertheless, be invited to participate in the estimation and decision at the meetings and be allowed to argue his case.

The estimation and decision must be reported to the county people's government for ratification. If any person concerned, or any other person, does not agree with the result, he may within 15 days after the announcement of such ratification lodge an appeal with the county people's tribunal, which shall pass judgment and carry it into effect.

ARTICLE 32 In the course of agrarian reform a people's tribunal shall be set up in every county to ensure that it is carried out. The tribunal shall travel to different places, to try and punish, according to law, the hated despotic elements who have committed heinous crimes, whom the masses of the people demand to be brought to justice, and all such persons who resist or violate the provisions of the Agrarian Reform Law and decrees. Indiscriminate arrest, beating or killing of people, corporal punishment and the like are strictly forbidden.

The regulations governing the organization of the people's tribunal will be enacted separately.

ARTICLE 33 To maintain order during agrarian reform and to protect the people's property, it is strictly prohibited to slaughter drought animals or fell trees without authorizations, let land lie untended, and destroy farm implements, irrigation works, buildings, crops or the like. Offenders shall be tried and punished by the people's tribunal.

ARTICLE 34 To ensure that all agrarian reform measures conform to the interests and wishes of the overwhelming majority of the people, the people's governments at all levels shall be responsible for the effectively safeguarding the democratic rights of the people. The peasants and their representatives shall have the right to freely criticize and impeach functionaries of any sphere or level at all meetings. Any one who infringes on these rights shall be punished according to law.

SECTION SIX: By Laws

ARTICLE 35 This Law shall apply to the rural areas in general, but not to the areas in the vicinity of big cities for which agrarian reform regulations will be formulated separately. The big cities referred to in this article shall be determined by the people's governments (or military and administrative committees) of the Greater Administrative Areas according to the circumstances of the cities.

ARTICLE 36 This Law shall not apply to areas inhabited by national minorities. But in areas where the *han* nationality is in the majority, scattered inhabitants of national minorities shall be treated in the same way under this Law as the people of *han* nationality during the agrarian reform in those localities.

ARTICLE 37 This Law shall not apply to areas where agrarian reform has in the main been completed.

ARTICLE 38 All areas which begin agrarian reform after the promulgation of this Law, with the exception of the areas referred to in Articles 35, 36 and 37 of this Law, shall proceed in accordance with this Law. The time for starting agrarian reform in various places shall be regulated by decree and made public by the people's governments (or military and administrative committees) of the Greater Administrative Areas and provincial people's government.

ARTICLE 40 When this Law is made public, each provincial people's government shall formulate regulations for carrying out agrarian reform within its territory in accordance with the principles as laid down in this Law and the concrete conditions of the territory and shall submit them to the people's governments (or military and administrative committees) of the Great Administrative Areas and on ratification they shall be put into effect. They shall also be submitted to the Government Administration Council of the Central People's Government for registration.

Appendix B Translated script of the information treatment

Below is the translated script of the information pamphlet that was presented to the respondents assigned to the treatment group.

B.1 Rural version

Note: at the end of today's survey, we'd like to ask you a few questions about the particular experiences that your grandparents went through during the early days of the PRC. Before that, please read the following material on that particular period in history.

Land Reform (1950-1953)

What is the Land Reform?

Since the founding of the People's Republic of China, the Chinese Communist Party has started the Land Reform movement throughout China. The Land Reform expropriated the land and assets of landlords, and then redistribute to peasants who were landless or owned very little land. The goal of the Land Reform is to fundamentally transform the feudal land ownership structure to one which land is owned by peasantry, to increase the agricultural productivity of China, and to prepare for the industrialization for the nation.

Historical background of the Land Reform

The land ownership institution in feudal China was extremely unreasonable. Landlords and rich peasants, accounting for approximately 5% of the total population in rural China, owned more than half of the cultivated land. Accordingly, more than 90% of the rural population were poor peasants, middle peasants, and hired labors, and together they owned less than half of the cultivated land. Poor peasants and hired peasants often had to work hard all year around, yet still would not be able to have ends meet.

Outcomes of the Land Reform

- By 1953, the Land Reform has been completed in majority parts of mainland China. More than 300 million peasants who owned no or very little land received free redistribution of land and other productive assets. In total, they received land redistribution amounting to more than 700 million acres, resulting in a saving of 30 million tons of crops in terms of land rental payment.
- Landlords were expropriated of their land and many other assets by the government, which were then transferred to poor or landless peasants.

- The most direct beneficiaries of the Land Reform are poor peasants and landless peasants, because the Land Reform allowed them to own land that they could use for cultivation. The hired laborers, the poorest type of peasants, received additional land which was sometimes among the most fertile pieces of cultivated land in the region.
- The expropriated landlords received an equivalent size of cultivated land that was given to poor peasants. This would allow landlords to survive based on their own labor, and to transform themselves through their agricultural work.
- The Land Reform is the most profound, most fundamental, and largest scale reform to the feudal land ownership institution that was in place in China for thousands of years. The feudal land ownership structure was eradicated after the Land Reform.

B.2 Urban version

Note: at the end of today's survey, we'd like to ask you a few questions about the particular experiences that your grandparents went through during the early days of the PRC. Before that, please read the following material on that particular period in history.

Socialist Remold of Capitalist Enterprises (1953-1956)

What is the Socialist Remold of Capitalist Enterprises?

Between 1953 and 1956, the Chinese Communist Party launched the Socialist Remold of Capitalist Enterprises movements throughout China. The Communist Party employed “joint public-private management” and “peaceful buy-out” policies, in order to gradually transform the private enterprises into socialist public ones, to remove the capitalist business ownership structure, to completely reshape the capitalist class, and to establish the socialist economic institutions in China.

Historical background of the Socialist Remold of Capitalist Enterprises

Capitalist enterprises were often in conflict with the planned economy under Socialism: these enterprises developed and expanded blindly, acted as customers of their own products, arbitrated business and products, rushed to purchase critical materials and crops, and artificially raised the price for agricultural products. These behaviors disturbed the market order, and impaired the national economy.

Outcomes of the Socialist Remold of Capitalist Enterprises

- By 1956, the Socialist Remold of Capitalist Enterprises have been largely completed throughout China. More than 99% of private industrial companies and 85% of private business firms have adopted joint public-private management.

- Private enterprises have been transformed into public entities through the “joint public-private management” and “peaceful buy-out” policies.
 - The most direct beneficiaries are the workers. The movement has ended their identity as hired labors. Workers became actual owners of the enterprises, which greatly boosted their production morale.
 - Capitalists and business owners have been deprived of the ownership of their enterprises, and they were given small fixed interests from the business activities. They no longer had the right to lead management of the enterprises, and they were no longer identified as the capitalists.

毛主席語录

我们的教育方针，应该使受教育者在德育、智育、体育几方面都得到发展，成为有社会主义觉悟的有文化的劳动者。

中学新生入学登记表

姓 名	张连月	性 别	男	年 龄	一	族 民	汉
出生年月	1956年6月	家庭出身	工人	文化程度	初中	班 级	三
家庭详细地址	张家楼街道办事处			班级	102号		
现 地	村			公社	生产大队	生产队	一队
家庭经济	我属农民。二女是。哥哥已7岁。嫂子嫁到山西。弟三人已娶妻。						
曾 读	小学四年级。1974年6月						
	姓 名	性别	年龄	与本人关系	政治面貌	现在何处工作	
家	张树生	男	40	母	公	山西临汾粮库，会计	
庭	李振华	女	28	女	公	山西临汾粮库，会计	
成	赵志军	男	20	子	公	山西临汾粮库，会计	
成	张连林	男	20	女	公	山西临汾粮库，会计	
相	陈山平	男	4	弟	公	山西临汾粮库，会计	
相							
况							
	毕业小学	临汾小学					毕业小学公章
	名 祠						1974.6.15

Figure A.1: Screenshot of a middle school registration form. Blue entry box asks the students to fill in their class labels.

Table A.1: Summary statistics & randomization checks: 1955 to 1975 cohorts

Variables	All		Treatment	Control	Treatment vs. Control	
	Mean (1)	Std.Dev. (2)	Mean (3)	Mean (4)	Difference (5)	p-value (6)
Age	45.9	4.5	46.1	45.8	0.3	0.387
Male	0.533	0.499	0.547	0.521	0.026	0.505
Currently married	0.937	0.244	0.935	0.940	-0.005	0.806
# of siblings	2.736	1.529	2.774	2.710	0.064	0.585
Rank among siblings	2.513	1.478	2.559	2.465	0.094	0.410
# people in family	3.302	1.042	3.319	3.278	0.041	0.605
# youths in family	0.392	0.617	0.398	0.393	0.006	0.097
Personal monthly income	4886	9169	4982	4833	148.6	0.835
Household monthly income	12736	39767	14304	11138	3166.1	0.289
Self college or above	0.633	0.482	0.624	0.644	-0.019	0.602
Self CCP member	0.440	0.497	0.446	0.441	0.005	0.890
Father HS or above	0.358	0.480	0.337	0.378	-0.041	0.266
Father CCP member	0.435	0.496	0.441	0.427	0.013	0.724
Very poor at 16	0.378	0.485	0.380	0.381	-0.001	0.977
Victims of movement	0.104	0.305	0.116	0.088	0.028	0.222
Urban during movement	0.224	0.417	0.209	0.242	-0.033	0.311
Treatment	0.517	0.500	1	0	-	-

Columns 5 and 6 report raw (unconditional) differences in means across individuals in the treatment group and those in the control group, and the p-value for a t-test of differences in means. "Personal monthly income" and "household monthly income" are based on survey answers; if respondents failed to report exact number, we substitute the mean of the corresponding income category that they reported. "Very poor at 16" is based on respondents' self evaluation on household economic conditions at age 16. "Victims of movement" is based on the *class labels*. Total number of observation: 685 (treatment: 354; control: 331).