Proposed revision to:

Guilt aversion and redistributive politics: a moral intuitionist approach

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1 Structure of the proposed revision

In the present version of my article, both referees argue that the presentation is confusing. After reading their arguments, I agree with them and propose a revision to focus more on my main motivation which is to show that knowledge in the functioning of thinking (from psychology and neurosciences), which is led both by reason and emotions, can help economists answer specific questions, which is in our present case the sustained differences in income redistribution between Europe and the United States. Confusion in the current version comes both from the introduction and the modellization. I then propose:

- 1. To improve the introduction in the way proposed by referee 2 (remark 1).
- 2. To focus more on the main purpose of the article and to simplify its presentation, I propose to consider that the tax τ^f which is perceived as fair in the population is exogenous. In fact, for my purpose I do not need this tax to be endogenous. Besides, the presentation of the endogenous fair tax is really confusing in the current version. As a consequence, I do not need to introduce anymore an intrinsically motivated effort, which also helps to simplify the presentation of the model.

In addition, with this simplification I can consider heterogeneity in the perception of the fair tax which can help to understand better the model and can answer the first interrogation of referee 1 (in Content).

3. At last, following the modification proposed in point 2, I will modify the sections. In section 2, I will present a standard model with distributional preferences à la Bolton-Ockenfels. In that section, I will show that this standard approach cannot help in explaining why more equal societies sustain more redistribution. Then, in section 3 I will introduce explicitly the distinction between the different psychological processes, where emotions are context dependent. I will introduce the new proposition 1 which will be very similar to the former one. Two extensions will be proposed. In a new section 4 I will deal with the heterogeneity in perception. In section 5, I will present in the simplified framework the revised proposition 3.

I think this revision may satisfy both referees because it goes in the way they proposed: simplify the model, simplify the presentation, clarify the introduction. I can also say that all the modifications I propose can be done very quickly as I already have all the (mathematical) results.

2 Specific answers to referee 1

1. With the revision proposed, the presentation of the model is much easier. For example, symbols e^{im} , e^{em} , \hat{u} , L, F, ... will disappear. Nevertheless, I must say that except for its confused presentation, the

model in the current version is really standard in the economic literature and its mathematics not too difficult. Proof of proposition 1 is mostly the resolution of a second order equation! In the revised version I will also try to make the proofs easier to read and more convincing.

- 2. Referee 1 complains that I only quote Bisin and Verdier (2001) considering cultural transmission, and not for example Boyd and Richerson. However, Bisin and Verdier (2001) is one of the most quoted article on the subject within the economic literature. I did not know well the work of Boyd and Richerson which is published in journals such as Journal of Theoretical Biology or Evolution and Human Behavior that I scarcely even read. To that extent, I thank referee 1 for giving me key references outside the economic literature, and I am sure I will quote Boyd and Richerson in the revised version of my paper.
- 3. Referee 1 also complains that I quote too many articles. However, a large part of these articles are related to cognitive and moral psychology, and neurosciences. These references are intended for economists or people outside the field who would like to acquire a deeper knowledge of cognitive and moral psychology. Just like referee 1 gave me Boyd and Richerson to depeen my knowledge in the cultural transmission. However, in the revised version I will be careful not to enclose too many references outside the introduction.
- 4. Referee 1 is right when he says that I over-interpret the results of the model wonsidering the "emotional contagion". I will reinterpret in the way proposed by referee 1.
- 5. Considering the guilt expressed as $G_{it} = \frac{\left(\tau_t^f \tau_{it}\right)^2}{\left(\tau_{t-1}^f \tau_{t-1}^*\right)^2}$, referee 1 is right when he says that $\tau_{t-1}^f = \tau_{t-1}^*$ leads to an infinite guilt. As a con-

sequence, avoiding guilt leads to the only choice $\tau_{it} = \tau_t^f$, i.e. total conformity in the individual demands for redistribution. I think that introducing heterogeneity in the perception of the fair tax rate rate as proposed for the revised version of the paper will clarify this point.

6. I will comment more properly Figure 3 and the dynamics related to proposition 1.

3 Specific answer to referee 2

(I follow the numbers of his remarks)

- 1. I will follow what referee 2 proposes to improve the introduction.
- 2. I will change "voting behavior" into "median voter theory" and I will update Campante.
- 3. As underlined by referee 2, my paper is an application of Haidt's (2007) new synthesis in moral psychology to explain the international differences in redistribution. Both side in my paper are equally important, I will try to clarify it in the revised version.
- 4. I thank referee 2 in giving me relevant references to improve my paper.

 I will comment them in the revised version.
- 5. About system 1 and system 2, I think I give elements to understand what it is about in the introduction. In addition, such specification is well-known now in economics. Kahneman has been awarded the Nobel in Economics after all. And I give references to deepen the question.

- 6. I can tell the same as for point 5. I give all the references to deepen the question. And "skin conductance" is very intuitive: stress generates sweat that increases the skin conductance.
- 7. The native vs immigrant behavior is an important point to assess my results. I will make it clearer in the revised version.
- 8. See the proposed revision above.
- 9. Referee 2 is right, strictly speaking, the reference Charness and Dufwenberg (2006) is not suitable in my context, it should be removed.
- 10. Very standardingly, $\max_i \{a_i\} \leq 2\bar{a}$ is a technical condition so that preferences are single peaked in τ and then we can apply the median voter theorem. I do not know if I have to tell more about this in the paper. Similarly, assuming that the distribution of a is skewed to the right is a standard assumption that allows to reproduce the fact that the median income is lower that the mean income. Maybe it could be clearer in the text.