



TOBIN PROJECT UPDATE

2019

Tobin Hosts Conference to Further Research on Inequality and Decision Making

For the past decade, the most affluent 1% of Americans have consistently received upwards of 20% of the total national income. Drastic rises in the share of income controlled by the top 1% of earners have peaked twice in the last century, followed both times by major financial crises. Still, there is little understanding of possible connections between those phenomena, and the consequences of the rise in inequality, though potentially vast, remain unclear.

Tobin's efforts to foster greater understanding of inequality's consequences are motivated by two fundamental questions: how does rising inequality affect individual behavior, and how might these changes in behavior affect America's democracy, economy, and society

as a whole? For a number of years, the Tobin Project has sought to gather scholars from across the social sciences to conduct rigorous research investigating these questions. From psychologists working in the lab to isolate inequality's effects on altruism or risk taking, to political scientists investigating the impact of inequality on voting behavior, scholars from many disciplines have joined our effort to uncover how the micro-level effects of inequality may in turn have large-scale consequences.

To recognize, encourage, and build on a recent surge of academic research in this area, the Tobin Project convened nearly fifty scholars at our 2019 Conference on Inequality and Decision Making last April. The event featured six panels, each focused on an integral topic

in the study of inequality. Panel discussions sought to establish the state of scholarship on specific subjects and to identify the most important unanswered questions about the relationship between inequality, individual behavior, and broader social outcomes.

The conference featured a keynote address by Jason Furman, Chairman of the Council of Economic Advisers from August 2013 to January 2017, who drew on his experiences in the White House to offer a policymaker's perspective on the importance of understanding inequality and its consequences. The event also highlighted research conducted by Orestes Patterson Hastings (*Assistant Professor of Sociology, Colorado State University*), Daniel Schneider (*Assistant Professor of Sociology, University of California, Berkeley*), and Joe LaBriola (*PhD Candidate in Sociology, University of California, Berkeley*), whose paper "Income Inequality and Class Divides in Parental Investments" explores potential causes of reduced intergenerational mobility in the United States. For their outstanding work, the Tobin Project awarded Professors Hastings and Schneider our 2018 Prize for Exemplary Work on Inequality and Decision Making. Following the event, several conference participants reached out to one another to discuss potential new research projects, and we look forward to working with them and other scholars to continue building this field in the years to come.

Participants Respond to the Conference

"There is no substitute to bringing interested and multidisciplinary researchers together on the complex topic of inequality and have them critically debate issues and share what they know... I was also able to update my understanding of the field with different approaches to studying inequality that simply would not be possible through a literature search. In short, this conference [was] invaluable."
—Martin Day (*Assistant Professor of Psychology, Memorial University of Newfoundland*)

"I'm more motivated now to continue research in this area after meeting other scholars who are working on related topics. ... I think interdisciplinary collaboration will help facilitate productive knowledge-building—the psychologists, sociologists, economists, and political scientists at this conference all learned a lot from each other. ... I'm appreciative of this conference for starting to build those bonds."
—Joe LaBriola (*PhD Candidate in Sociology, University of California, Berkeley*)

INSIDE

- Scholars study cases of democratic breakdown in *When Democracy Breaks*
- A new inquiry on the antimonopoly tradition in American history
- Tobin expands its work on case-based pedagogy

Conference Panels Consider Unanswered Questions in the Field

Inequality, Geography, and Perceptions

Individuals' understandings of economic inequality and their perceptions of its extent may be shaped by an array of experiences and communities, both physical and virtual. This panel aimed to identify the myriad geographic, social, and digital spaces in which individuals become aware of high or rising inequality, and to determine how their experience of inequality in their day-to-day lives shapes their sense of their own relative status.

Social Comparisons in Consumption and Well-Being

This panel worked to focus attention on the particular kinds of social comparisons that are most psychologically salient to individuals. It also sought to explore the consequences of high and rising economic inequality on these comparisons with respect to two interrelated areas: consumption decisions and subjective well-being. From there, panelists considered the particular mechanisms by which inequality may or may not alter subjective perceptions of well-being, such as through shifts in one's mental health or financial behavior.

Inequality, Politics, and Group Dynamics

How do changes in economic inequality change how people form, maintain, and

identify with groups and social networks, and what political outcomes might result from such shifts? In answering that question, panelists discussed how inequality interacts with pre-existing social norms, preferences, and patterns of discrimination, and how its effects on partisan affiliations and inter-group dynamics may influence individuals' political preferences.

Inequality and the Top-End

This panel explored the mechanisms by which increasing concentrations of wealth and/or income at the top-end of the distribution may influence the behaviors and attitudes of members of the economic elite. It also examined how those changes might affect society more broadly: since those at the top-end are more likely to hold positions of social and political power, inequality's effects on their perceptions and decision making may be particularly likely to have far-reaching consequences.

Inequality and the Workplace

Panelists looked at places of work as case studies of inequality, considering how inequalities that individuals experience while on the job might affect their attitudes and decisions. The conversation focused in particular on how the degree and visibility



↑ Beth Truesdale (*Research Associate, Center for Population and Development Studies, Harvard University*) and Keith Payne (*Professor of Psychology and Neuroscience, University of North Carolina at Chapel Hill*) discuss ideas presented at the conference.

of inequality in the workplace impact employees' satisfaction, performance, and sociability with others.

Inequality and Health Outcomes

The final discussion of the conference asked whether and how economic inequality adversely affects the extent to which individuals can live long and healthy lives. Scholars assessed a number of possible factors, including inequality's impact on individuals' diet and exercise, tendency to engage in risky health behaviors, ability to manage stress and illness, and, ultimately, their overall life expectancy.



↑ Jennifer Richeson (*Philip R. Allen Professor of Psychology, Yale University*) shares a comment during a panel discussion.

New Venues for Inequality and Decision Making

Since our conference in April, the Tobin Project and its affiliated scholars have worked to foster additional scholarship related to inequality and decision making. In November, Oliver Hauser (*Senior Lecturer in Economics, University of Exeter Business School*) and Jon Jachimowicz (*Assistant Professor of Organizational Behavior, Harvard Business School*), both conference participants, organized a one-and-a-half-day workshop before the annual meeting of the Society for Judgment and Decision-Making. The workshop, "Sizing Up Inequality," brought together twenty-five scholars to discuss new initiatives in the measurement of economic inequality and how to standardize best practices in the field. Hauser and Jachimowicz sought Tobin's support and input in the lead-up to the event, and our Inequality research team participated in the meeting and helped guide conference discussion.



↑ Scholars engage in discussion during a meeting on *When Democracy Breaks*.

Volume on *When Democracy Breaks* Takes Shape

Last February, the Tobin Project convened scholars for the second meeting of our book project on When Democracy Breaks. This edited volume explores past moments of democratic crisis, with the aim of identifying key factors that led to the erosion of critical institutions, norms, and values in each case. By investigating eleven historical and contemporary episodes of democratic decline and collapse, we hope to gain a better understanding of why democracies fail and, in turn, how we can sustain a robust democracy over time.

Tobin launched this inquiry at a meeting in September 2018, where scholars shared and workshopped proposals for new research. Contributors subsequently developed their projects with input from the volume's editors: Archon Fung (*Winthrop Laflin McCormack Professor of Citizenship and Self-Government, Harvard Kennedy School*), David Moss (*Paul Whiton Cherington Professor of Business Administration, Harvard Business School*), and Arne Westad (*Elihu Professor of History, Yale University*). At our most recent meeting, sixteen historians and political scientists presented and received feedback on drafts

of their chapters, each of which explores a different moment of democratic breakdown.

At a time when anxieties about democracy are high and claims about the subject are ubiquitous, *When Democracy Breaks* has the potential to broaden and improve our collective understanding of how democracy functions and sometimes breaks down. It will not only discuss modern democracies facing serious threats to their futures, but will also offer thoughtful explanations for why democracies have failed at various moments in history. The contributors consider a wide range of factors in their analysis, including international pressures and large-scale

economic shifts like rising inequality and financial instability. In addition, volume contributors examine the role of contingency in determining democracies' ability to effectively navigate crisis, with special focus paid to the presence or absence of people and groups willing to actively defend democracy.

It is our hope that this volume will contribute to scholarly understanding of the choices faced by historical actors and of the economic, sociopolitical, and cultural forces that shaped their environments. By building this understanding, we seek to encourage further work on the many factors that influence democratic health and what we can do to sustain it.

Topics and Chapters in *When Democracy Breaks*

ANCIENT ATHENS

Federica Carugati (*Program Director, Center for Advanced Study in the Behavioral Sciences, Stanford University*) and Josiah Ober (*Mitsotakis Professor of Political Science and Classics, Stanford University*) examine the breakdown and recovery of Athenian democracy between 411 and 403 BCE, highlighting the importance of institutional design and longstanding, deep-rooted democratic culture.

U.S. SECESSION

David Moss (*Paul Whiton Cherington Professor of Business Administration, Harvard Business School*) and Dean Grodzins (*Senior Researcher, Case Method Project*) explain how the suppression of speech rights among free persons in the U.S. South over several decades leading up to the Civil War dramatically changed the political environment across the South and contributed to the Southern States' decisions to secede.

WEIMAR GERMANY

Eric Weitz (*Distinguished Professor of History, City University of New York*) assesses how various international and domestic decisions—from the signing of the Versailles peace treaty

through the handling of the economic crisis of the early 1930s—facilitated the Nazi rise to power.

INTERWAR JAPAN

Louise Young (*Professor of History, University of Madison-Wisconsin*) is contributing a chapter on the expansion of democratic practices in 1920s Japan and the role that the country's independent military played in their erosion.

POSTWAR CZECHOSLOVAKIA

John Connelly (*Professor of History, University of California, Berkeley*) chronicles the brief period of relative democracy in Czechoslovakia after World War II and the coup that ended it in 1948.

CHILE, 1973

Marian Schlotterbeck (*Associate Professor of History, University of California, Davis*) is contributing a chapter on the breakdown of Chilean democracy culminating in the 1973 coup d'état, highlighting the increasing demands placed on longstanding democratic institutions by the mass mobilization of the working classes, as well as the responses of the elite and middle classes to Salvador Allende's presidency.

INDIA, 1975–1977

Sugata Bose (*Gardiner Professor of Oceanic History and Affairs, Harvard University*) and Ayesha Jalal (*Mary Richardson Professor of History, Tufts University*) explores the crisis of democracy in India's Emergency Period under Indira Gandhi between 1975 and 1977.

ARGENTINA, 1976

Scott Mainwaring's (*Eugene P. and Helen Conley Professor of Political Science, University of Notre Dame*) work on Argentina argues that egregious government mismanagement, radical actors from the guerrilla revolutionary left to the paramilitary extreme right, and weak commitment to democracy among almost all of the critical actors led to the country's 1976 democratic breakdown.

RUSSIA

In his chapter, Chris Miller (*Assistant Professor of International History, Tufts University*) examines the burgeoning democratic elements that struggled to take hold in Russia's government in the 1990s and their subsequent disappearance under Vladimir Putin in the early 2000s.

TURKEY

Writing about contemporary Turkey, Lisel Hintz (*Assistant Professor of International Relations, Johns Hopkins University SAIS*) analyzes the consolidation of rule by Recep Tayyip Erdogan's Justice and Development Party through its systematic attacks on constitutional checks on its power and its manipulation of the electoral system, all carried out while employing an exclusionary identity narrative that delegitimizes opposition and justifies crackdowns against it.

VENEZUELA

Javier Corrales (*Dwight W. Morrow 1895 Professor of Political Science, Amherst College*) explores democratic erosion in Venezuela, which he argues began gradually under Hugo Chávez (President, 1999–2013) and accelerated under Nicolás Maduro (President, 2013–present).



↑ Scott Mainwaring (*Eugene P. and Helen Conley Professor of Political Science, University of Notre Dame*) discusses his research on contemporary Argentina.

Working Group Pursues New Research on the History of American Democracy

In recent years, the Tobin Project has sought to foster the interdisciplinary study of the institutions, practices, and norms that have shaped American democracy over time. This nascent field, the History of American Democracy, brings together historically focused social scientists, including historians, political scientists, economists, legal scholars, and others, in an effort to move beyond conventional historical narratives and illuminate with greater clarity how Americans have addressed—and sometimes exacerbated—the challenges of democratic governance.

A working group on this subject met for the second time in July, following an initial meeting in May 2018. These meetings were organized by working group leaders Maggie

Blackhawk (*Assistant Professor of Law, University of Pennsylvania Law*), Laura Edwards (*Peabody Family Distinguished Professor of History in Trinity College of Arts and Sciences, Duke University*), and Naomi Lamoreaux (*Stanley B. Resor Professor of Economics and History, Yale University*). This most recent convening included fourteen scholars and was organized around relevant recent work by participants, with the goal of sparking discussion on the factors that have contributed to the strength and vibrancy of democracy in the United States. The discussion focused in particular on the ways that subordinated and/or disenfranchised groups influenced the development and evolution of American democratic institutions, advocating



↑ Karen Tani (*Professor of Law, University of California, Berkeley*), Naomi Lamoreaux (*Stanley B. Resor Professor of Economics and History, Yale University*), and Laura Edwards (*Peabody Family Distinguished Professor of History in Trinity College of Arts and Sciences, Duke University*) during a meeting of the Tobin Project's working group on the History of American Democracy.

at all levels of government for greater sets of rights and legal protections. The projects and conversations that emerged during the meeting have opened up several avenues for possible inquiry.

Scholars Investigate the History of Antimonopoly Activism in American Democracy

In recent years, voices across American public life have suggested with increasing urgency that current policy has failed to sufficiently limit economic concentration, permitting the rise of powerful private firms that threaten to undermine American democracy. Such claims are not new. Throughout our history, Americans have worried about the problems monopoly might pose for democracy and have debated how best to regulate concentrations of economic power in order to enable and protect self-rule. Despite the persistence and increasing relevance of this debate, surprisingly little is known about how different approaches to mitigating economic monopoly have actually impacted our democracy over time.

To inform these debates and provide scholars, policymakers, and the public with critical insights into this important question, the Tobin Project is at work on a new inquiry to catalyze innovative historical research on

the American antimonopoly tradition. This project aims to thoroughly examine the antimonopoly movement's development from the nineteenth century to the present.

In October, Tobin convened a group of eleven scholars to present and workshop detailed proposals for new research on this topic. Participants shared and refined their arguments and considered how their contributions might collectively build understanding of the breadth and effectiveness of antimonopoly activity, which has ranged far beyond the antitrust laws that have been the focus of recent debates. The group sought to assess the concerns that motivated past antimonopoly efforts, whether and how these efforts actually addressed the underlying problems in question, and how these efforts influenced the process or outcomes of American democracy and led to unforeseen consequences that posed new challenges.



↑ Sam Lebovic (*Associate Professor of History, George Mason University*) talks with Daniel Crane (*Frederick Paul Furth Sr. Professor of Law, University of Michigan Law School*) and Kate Andrias (*Professor of Law, University of Michigan Law School*) during Tobin's meeting on antimonopoly and American democracy.

In the coming months, meeting participants will work to develop their projects with guidance and input from the inquiry's co-leaders, Daniel Crane (*Frederick Paul Furth Sr. Professor of Law, University of Michigan Law School*) and William Novak (*Charles F. and Edith J. Clyne Professor of Law, University of Michigan Law School*). We are excited about this work's potential to uncover and assess historical antimonopoly tools that are little known today, and are eager to share the fruits of this research with the public.

The Intersection of Case-Based Pedagogy and Problem-Oriented Research

Since its founding, the Tobin Project has been motivated by the conviction that the academy has a vital role to play in helping to address the greatest challenges facing our society. Our work has always focused on empowering scholars to conduct rigorous, ambitious research on pressing problems in order to produce knowledge that can best serve the public good.

We are now working with scholars in our network to bring that focus on important problems from their research into their

teaching. By incorporating pedagogy, and more specifically, the creation of teaching cases, into our work, Tobin hopes to foster a more problem-oriented approach to thinking, learning, and scholarship among instructors and their students.

The case method of teaching not only effectively engages students in grappling with course material; it also builds skills that are immensely valuable in students' civic lives. By requiring students to inhabit the perspectives of real-life actors faced with

important choices, the case method pushes participants to navigate disagreement, ambiguity, and risk. The discussions that emerge through this exercise develop students' decision-making and problem-solving skills, encouraging them to consider perspectives different from their own, articulate evidence-based arguments, and practice the type of critical thinking that prepares them for meaningful civic engagement.

At the same time, the process of writing and teaching cases may help focus scholars' attention on the limitations of existing knowledge for addressing real-world challenges and encourage them to conduct research relevant to real-world problems. In order to expand the academy's contribution to the public, Tobin is working to cultivate a mutually-reinforcing relationship between problem-focused research and case-based teaching by collaborating with members of our scholar network to create new cases.

Case Writing at Tobin and Collaboration with the Case Method Project

The Tobin Project first experimented with case writing to support David Moss in developing his "History of American Democracy" course for undergraduate and business students at Harvard. The course, composed of 23 cases on critical moments in U.S. history, was first taught in 2013 and has proved enormously popular every time it has been offered. In 2015, Moss established the Case Method Project, an initiative at Harvard Business School, to bring the "History of American

Democracy" curriculum—and the case method more broadly—to high schools across the country. Over the past four years, the Case Method Project has trained hundreds of educators, introducing cases and the case method to over 30,000 students in forty-four states and the District of Columbia. Responses from students and teachers have been extremely positive, and indicators collected by the Case Method Project suggest that case method teaching may hold enormous potential to improve student outcomes and to foster important civic skills and dispositions. The cases are also proving popular in undergraduate courses beyond Harvard, including at Stanford and the University of Chicago.

↓ David Moss (*Paul Whiting Cberington Professor of Business Administration, Harvard Business School*) leads a class discussion using the case method.



What We Are Doing Now

Alongside its ongoing research efforts, Tobin is working with scholars to develop new teaching cases. In collaboration with Fredrik Logevall (*Laurence D. Belfer Professor of International Affairs, Harvard Kennedy School; Professor of History, Harvard University Faculty of Arts and Sciences*), a Pulitzer Prize winning historian and longtime member of the Tobin scholar network, we are now finishing a new case focused on the relationship between democratic governance and U.S. imperialism at the time of the Spanish-American War. Tobin is also planning to generate cases based on chapters from our book project *When Democracy Breaks*, which explores moments of democratic crisis from ancient Athens to Weimar Germany to contemporary Russia, Turkey, and Venezuela (page 3).

Our ultimate goal is to develop highly effective, problem-centered case-based curricula across the social sciences. Currently, we are exploring the possibility of creating new cases on important economic problems that could be integrated into introductory economics courses.



↑ Case discussions require students to make difficult decisions, express nuanced viewpoints, and wrestle with disagreement and ambiguity.

Tobin Collaborates with the Social Science Research Council to Produce New Research on Regulatory Capture

The Tobin Project’s initiative on regulatory capture has focused academic and policymaker attention on addressing the problem of special interest influence over federal regulation. The framework for detecting, measuring, and mitigating capture offered in Tobin’s 2013 volume, *Preventing Regulatory Capture: Special Interest Influence and How to Limit It*, has informed recent regulatory approaches to addressing this problem. The U.S. Government Accountability Office recently cited research from our initiative in reports recommending policy changes at the Department of the Treasury and the Federal Reserve System, with the intent of protecting the independence of those institutions’ supervision of large banks.

Building upon these efforts, the Tobin Project is working with the Social Science Research

Council to catalyze new scholarship on forms of regulatory capture that may be particularly pernicious and difficult to detect. “Cultural capture,” for example, may occur when regulations are shaped by personal interactions between private industry representatives and government regulators outside of formal procedures. Research in this initiative has suggested that pre-rulemaking meetings, industry conferences, and policy forums could be significant sites of the transmission of undue influence. Yet capture scholars need new tools to empirically study how capture may occur in these spaces—as well as how it can be prevented. Tobin and the SSRC are collaborating to fill this crucial knowledge gap.

In December, Tobin and the SSRC brought together ethnographers and “big data”

scholars—specializing in methodologies such as text and network analysis—to work across disciplines towards identifying and measuring mechanisms of cultural capture. The meeting included presentations of work by three graduate students, whose projects were funded through a competitive grant process, on potential pathways of cultural capture in financial regulation, federal trade negotiations, and state environmental management. Over the coming year, we aim to encourage these nascent inquiries, further develop qualitative and quantitative methodological tools, and identify cross-disciplinary teams to apply these methods across various regulatory areas. We are hopeful that these efforts will generate research that enhances our ability to detect and prevent regulatory capture.

Graduate Students Present Work on the History of American Democracy

In September, the Tobin Project held a Graduate Student Workshop on the History of American Democracy. Nine graduate students from a range of disciplines and institutions joined Tobin staff and workshop alumni to share and plan their research projects. Participants provided input on each other’s work and considered how their topics might relate to one another and to problems in the world more broadly. Research included work on:

- The early twentieth-century origins of U.S. media regulation
- How school board members in Austin, Texas responded to the board’s decision to end busing in the city
- The importance of race to the emergence of the school choice movement and market-oriented education policies between 1954 and 1993



↑ Participants of the Tobin Project’s 2019 Graduate Student Workshop on the History of American Democracy. From left to right: Jason Todd (*Duke University, Political Science*), Allison Raven (*Duke University, History*), Justin Pottle (*Harvard University, Government*), Erica Sterling (*Harvard University, History*), Gideon Cohn-Postar (*Northwestern University, History*), Jamie Grischkan (*Boston University, History*), Elliot Stoller (*Harvard University, Organizational Behavior*), Mary Shi (*University of California, Berkeley, Sociology*), Meredith Dost (*Harvard University, Government and Social Policy*).

- How the undertaking of three landmark infrastructure projects—the Erie Canal, the Transcontinental Railroads, and the Hoover Dam—helped create norms and expectations about the role of government in the United States

This workshop is one of many ongoing programs convened by Tobin that aims to build understanding of how American democracy has functioned and evolved over time and to foster a community of scholars conducting work on this important subject. More broadly, our graduate student programming seeks to

encourage the next generation of scholars to pursue ambitious research focused on significant public problems. By engaging graduate students whose work directly relates to Tobin’s inquiries, we hope to foster research agendas that could have a meaningful impact and to ensure that participants receive the most helpful, targeted feedback possible. We have been immensely pleased by the rigor and breadth of the work presented at these workshops, and we plan to convene additional graduate student events centered on other Tobin research initiatives in the future.

Mission Statement

The Tobin Project is a catalyst for transformative research in the social sciences. The mission of the Tobin Project is to mobilize, motivate, and support a community of scholars across the social sciences and allied fields seeking to deepen our understanding of significant challenges facing the nation over the long term. Toward this end, the Tobin Project aims to identify and pursue questions that, if addressed with rigorous scholarly research, could have the greatest potential to benefit society and to unlock doors within the academy to new and vital lines of inquiry.

Opportunities at Tobin

The Tobin Project is looking for talented and motivated individuals to join our team in Research Analyst, Case Writer, and Communications Associate roles. Research Analysts work on a range of projects related to our four core initiatives to generate rigorous social science research aimed at solving important problems facing society. Case Writers work with leading scholars and Tobin Project staff to translate academic research into teaching case studies and to promote case-based pedagogy as a powerful tool for disseminating scholarship and educating students. The Communications Associate writes in a range of styles to convey the content and significance of our work to scholars, policymakers, donors, partner organizations, and the public.

Tobin is also searching for a Director of Strategy and Operations / Chief Operating Officer. This individual will work closely with the Tobin Project's President and Director of Research to lead and manage the organization's daily operations and strategic development. A successful candidate will also assume primary responsibility for managing Tobin's financial and other resources, creating and executing our organizational and fundraising strategies, and leading and developing Tobin's team.

The Tobin Project is accepting applications from top-performing professionals, recent graduates, graduate students, and undergraduates. We are looking for individuals who possess excellent research and writing skills as well as project management experience. Interested candidates can learn more about the positions and application process on the Opportunities page of our website. If you have any questions, please contact opportunities@tobinproject.org.

BOARD OF DIRECTORS

Doris Kearns Goodwin
Stephanie Khurana
Charles H. Ledley
Jamie Mai
David A. Moss
Arthur I. Segel

TOBIN PROJECT STAFF

Katherine B. Aoki
Managing Director
John Cisternino
Director of Research
David Cruikshank
Operations Manager
Emma Kromm
Research Analyst
Keri Lambert
Case Writer
John Malague
Research Analyst
Joel Michaels
Research Analyst