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Moral Boundaries

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Abstract

This article reviews the growing economics literature that studies the politico-economic impacts of heterogeneity in moral boundaries across individuals and cultures. The so-called universalism-versus-particularism cleavage has emerged as a main organizing principle behind various salient features of contemporary political competition, including individual-level and spatial variation in voting, the realignment of rich liberals and poor conservatives, the internal structure of ideology, and the moral content of political messaging. A recurring theme is that the explanatory power of universalism for left-wing policy views and voting is considerably larger than that of traditional economic variables. Looking at the origins of heterogeneity in universalism, an emerging consensus is that cross-group variation is partly economically functional and reflects that morality evolved to support cooperation in economic production. This insight organizes much work on how kinship systems, market exposure, political institutions, and ecology have shaped universalism through their impacts on the relative benefits of localized and impersonal interactions.

> The circle of altruism has broadened from the family and tribe to the nation and race, and we are beginning to recognize that our obligations extend to all human beings.
>
> —Peter Singer, author of *The Expanding Circle*, 1981

> To be from the left means to know that the Third World's issues are closer to us than our neighborhood's issues.
>
> —Gilles Deleuze, left-wing French philosopher, 1988

> If you believe you are a citizen of the world, you are a citizen of nowhere. [Many] feel the strongest sense of solidarity with those who share their history, language, and common culture.
>
> —Theresa May, UK Prime Minister, 2016

1. INTRODUCTION

During the so-called European refugee crisis of 2015–2016, more than a million Syrian civil war refugees entered Germany, increasing its population by more than 1%. While the German authorities were struggling, local soup kitchens—upon which the homeless and the needy in Germany had relied for decades—also faced a dilemma. The influx of refugees dramatically increased demand for their services, stretching a tight NGO budget. In 2018, a prominent local leader of a soup kitchen announced that his organization would no longer serve Syrian refugees and, instead, would prioritize helping Germans. A main justification for this decision was that "these are our people." A controversial national debate about loyalty, solidarity, and equal treatment ensued. Evidently, the local soup kitchen leader is not a selfish individual: He had led his organization as a volunteer for 12 years. Yet, the moral conflict at the center of this episode is not that of self versus other, but rather that of us versus them.

Just like other social scientists, economists have long understood the importance of groups. Large literatures on ethnicity, language, religion, nationhood, and social identity document that people tend to be more prosocial and trusting toward in-group members and that this affects economically important behaviors and outcomes (e.g., Alesina et al. 1999, Alesina & La Ferrara 2005, Bernhard et al. 2006, Goette et al. 2006, Chen & Li 2009, Franck & Rainer 2012, Lane 2016, Shayo 2020).

To a first approximation, these impactful literatures focus on documenting that people typically confer some special treatment to in-group members. Yet in doing so the literature has sidestepped deep questions about what people actually believe to be right or wrong—for example, What do you think are the boundaries of your moral obligations toward others? Is it morally right for you to treat everyone equally, or do you owe some special treatment to those who are close or similar to you? If the latter, do these relationship- or group-specific moral values only apply to the family or also to neighbors, friends, colleagues, coethnics, and compatriots? Was it right of the NGO leader mentioned above to confer special treatment to his compatriots?

A robust stylized fact that emerges from the field of moral psychology is that people exhibit pronounced heterogeneity in how they think about these questions. Building on this insight, a recent economics literature has moved beyond the question of identifying (average) group-specific preferences and has made heterogeneity in moral boundaries across individuals and cultures front and center, highlighting both the politico-economic consequences and the economic origins of this variation.

Psychologists and economists have conceptualized people's moral boundaries as a continuum between universalism and particularism (or a communal morality). Universalism corresponds to the moral stance of equal treatment: Universalists believe they have the same moral obligations toward strangers as they have toward those who are socially close or similar to them. One way to

think about universalism is, hence, that it reflects an impersonal morality. A particularist morality, on the other hand, emphasizes relationship- or group-specific moral principles. Heterogeneity in universalism does not capture who is more moral but rather toward whom a given "moral budget" is allocated. Indeed, even philosophers hotly debate the normative benefits of a universalist and particularist morality (e.g., Rawls 1971, Singer 1972, Sandel 1998).

In recent years, economists have made considerable progress in quantifying heterogeneity in moral boundaries using experiments, large-scale surveys, observational data, and natural language processing. Section 2 reviews these measurement techniques as well as the underlying theoretical concepts and exposes the nature of heterogeneity in universalism across individuals, US regions, and countries. Two main lessons consistently emerge from such measurement exercises. First, there is large heterogeneity. Second, an individual's degree of universalism can largely be viewed as a type that applies very similarly across very different potential in-groups (including, but not limited to, traditional domains such as ethnicity, religion, and language).

A common thread that runs through the literature is that this heterogeneity in universalism is a promising construct to conceptualize and measure moral conflict in the political sphere. Indeed, many contemporary hot-button issues—such as immigration, affirmative action, LGBTQ rights, national pride, globalization, EU market integration, or "America first" principles—directly tap into people's intuitions, preferences, and values regarding their moral boundaries. As summarized in Section 3, voters' degree of universalism is strongly predictive of their policy views and voting (especially among the rich), such that the success of political candidates partly depends on how their moral messaging matches the values of the electorate. The link between universalism and left-wing politics has been robustly documented in a large number of different ways. Such link is found (*a*) regardless of whether universalism is measured using psychological questionnaires, experimental games, or real donations data; (*b*) both across individual voters and across districts or counties; (*c*) looking at policy views and voting; and (*d*) across a large number of different countries.

After developing an overview of how and why heterogeneity in moral boundaries matters for political and economic outcomes, I turn to discussing the growing body of work that examines the origins of variation in universalism. Much of this work traces its intellectual origins to the popular theory in moral psychology and evolutionary biology that morality is economically functional, that is, that it evolved to support and incentivize social cooperation in economic production. According to this theory, heterogeneity in moral boundaries across individuals, social groups, and cultures partly reflects heterogeneity in economic incentives that results from differences in production modes, institutions (markets, political systems, kinship systems), and ecology. The general idea is that different social structures or ecological conditions imply different costs and benefits of repeated localized or one-shot impersonal interactions, and that these incentives give rise to differences in morality. Section 4 synthesizes the empirical evidence in favor of this broad proposition.

Because the literature on heterogeneity in moral boundaries emerged relatively recently, there are many open questions and applications to be pursued. Section 5 discusses what I perceive to be some of them.

2. CONCEPTS, MEASUREMENT, AND HETEROGENEITY

2.1. Concepts

Economists and psychologists conceptualize and measure people's moral boundaries in different but related ways. In economics, a prominent approach, pioneered by Tabellini (2008b) and refined by Enke et al. (2022b, 2023b), is to formalize people's altruism as a decreasing function of

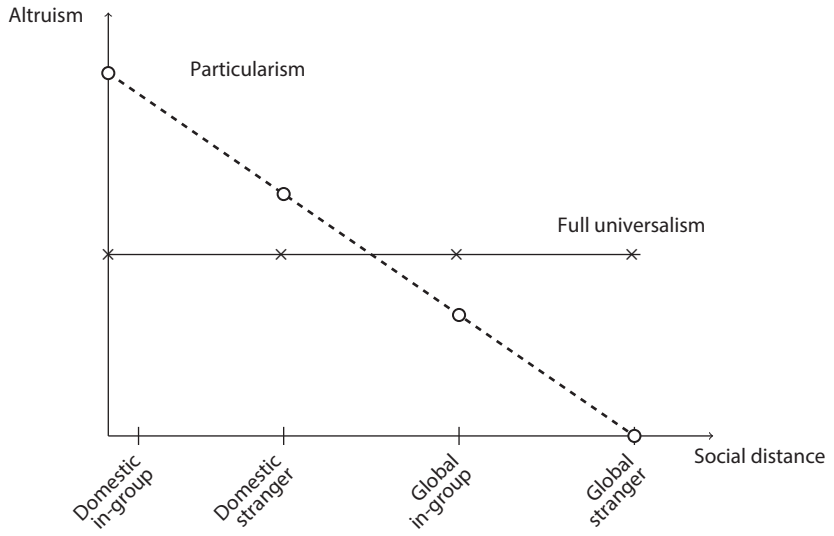

Figure 1

Illustration of heterogeneity in universalism. Figure adapted from Enke et al. (2022b).

social distance. This is illustrated in **Figure 1**. Social distance is a stand-in for the various types of distance that may actually matter in practice: family, geography, ethnicity, language, values, occupation, nationality, and others. A fully universalist morality corresponds to a horizontal line, meaning that the individual cares as much about their sibling as about a random stranger from another part of the world. In Section 5 I discuss the notion of social distance in greater detail.

An important feature of the conceptualization in **Figure 1** is that the overall level of altruism (or moral concern for others) is held constant across universalists and particularists, such that the degree of universalism only captures the slope of altruism rather than its level. This clarifies that universalists are not necessarily more or less moral than particularists. Casually speaking, the framework thus implies that, all else equal, universalists are great strangers to encounter, while particularists are great friends to have.

An advantage of the representation in **Figure 1** is that it has an obvious counterpart in utilitarian mathematical models, whereby an individual's utility weight for others decreases in social distance. Psychologists, in contrast, traditionally think about moral boundaries primarily from the perspective of moral values, that is, people's normative beliefs about what is right and wrong. Because such values can be deontological in nature, they usually do not admit simple utility formulations. An example is a psychological framework called Moral Foundations Theory (Haidt 2012, Graham et al. 2013), which distinguishes between values that have a universalist flavor (such as impartial fairness, justice, and rights) and those that have a relationship- or group-specific component (such as loyalty, respect, or the importance of family, community, and tradition).

Relative to earlier work on favoritism related to ethnicity, religion, language, or nationality, the framework above offers two refinements. First, trivially, it emphasizes heterogeneity across individuals. Second, the framework views the universalism–particularism divide as a construct that organizes how groupy people are in general, rather than only with respect to a particular salient group identity. While work on specific social groups such as those based on ethnicity effectively assumes that the function in **Figure 1** is a step function, an important idea in **Figure 1** is that of domain generality: An individual who is more particularist vis-á-vis some groups is also more particularist vis-á-vis other groups. Put differently, an individual's local slope of altruism when trading

off the welfare of, say, a family member and a domestic stranger should be correlated with that individual's slope when trading off the welfare of a domestic stranger and a global stranger. This domain generality corresponds to the important idea that there are (reasonably fixed) individual universalism types.

The existence of heterogeneous-but-stable universalism types is one of the core ideas in the recent literature because it shifts the focus of the discussion away from the question of whether people are generally fully universalist toward understanding heterogeneity, how it matters, and what generates it.

It is worth comparing the framework in **Figure 1** to work on social identity more generally (e.g., Akerlof & Kranton 2000; Shayo 2009, 2020; Bénabou & Tirole 2011; Bonomi et al. 2021; Grossman & Helpman 2021). Because the x-axis in **Figure 1** corresponds to different social identities (with more important identities located further to the left), one interpretation of the universalism–particularism cleavage is that it captures how much group- and place-based social identities matter to an individual. For a fully universalist person, all possible group-based identities are equally (un)important, while for a particularist some identities matter a lot.

Finally, the universalism–particularism continuum is potentially related to work in cultural economics on the individualism–collectivism cleavage (Gorodnichenko & Roland 2011, 2017, Landier & Thesmar 2022). This latter construct is typically framed as capturing the trade-off between individual independence and strong embeddedness in groups. Because both collectivism and particularism emphasize strong group identities as well as prosociality and loyalty toward the group, these concepts appear intimately linked. An advantage of the universalism–particularism conceptualization is that it focuses on a single construct—the slope of altruism, holding the level fixed—while the individualism–collectivism cleavage could potentially be understood as being partly about the slope and partly about the level, with individualists being both more universalist and less altruistic overall.

2.2. Measurement

Economists have devised a variety of tools to measure heterogeneity in universalism.

2.2.1. Money allocation tasks. In economics, people's degree of universalism is often measured using money allocation games. Conceptually, the objective of these games is to measure the local slope of the altruism function in **Figure 1**. Because we are interested in the slope rather than the level of altruism, these games are typically designed in a so-called disinterested spectator design, which means that the decision maker's own payoff is never at stake. Rather, experimental subjects or survey participants are asked to divide a fixed sum of money between two recipients, one of whom is socially more distant than the other. For example, in the allocation tasks deployed by Enke et al. (2022b, 2023b) and Cappelen et al. (2022), participants are asked to divide $100 between a family member and a stranger, between a friend and a stranger, or between a compatriot and a global stranger, always assuming that these two recipients are equally rich.

A relevant practical question is whether these money allocation tasks should be financially incentivized or whether hypothetical questions deliver data of comparable quality. This is relevant in particular for researchers who wish to field large-scale surveys in which incentives are logistically and financially infeasible. To address this, Enke et al. (2022b) conduct an experimental validation study in which subjects complete both an incentivized and an unincentivized version (with a one-week time lag in between). They find that the correlation between incentivized and unincentivized behavior is high, and exactly as high as an incentivized test–retest correlation. This suggests that researchers do not forgo much in working with hypothetical questions.

2.2.2. Donations. A related strategy to measure universalism is to work with donations data. In line with the framework embodied in **Figure 1**, the object of interest is again not how much an individual (or region) donates but instead to whom. Relative to money allocation tasks, working with donations data adds ecological validity but sacrifices some control.

2.2.3. Survey questions on trust. Just like people's altruism can be more or less universalist, so can their trust in others. In this domain, full universalism would correspond to a case in which someone trusts their family members as much as a distant stranger. Evidently, it need not be that universalist altruism and universalist trust go hand in hand; however, recent research has shown a tight link between the two (Cappelen et al. 2022, Enke et al. 2022b). This insight is of interest because various surveys, such as the World Values Survey, contain questions on trust in different groups of people, such that researchers can leverage these data sets to study universalism even when they do not contain information about behavior in money allocation tasks (e.g., Enke 2019, Le Rossignol & Lowes 2022).

2.2.4. Psychological questionnaires. A fourth technique to measure people's moral boundaries consists of psychological questionnaires such as the Moral Foundations Questionnaire (MFQ) developed by Graham et al. (2013). This questionnaire elicits people's (dis)agreement with moral value judgments related to concepts such as impartial fairness, justice, loyalty, respect, and betrayal. In the psychology literature, there is a considerable debate about how many different subcomponents a universalist or particularist morality has. As discussed in previous work (Enke 2020), I have found it productive to set these discussions over psychological details aside and to focus on the broad universalism–particularism distinction.

The psychological and economic measurement techniques have different strengths and weaknesses. Money allocation tasks are well defined, offer tight control, and do not require the potentially subjective interpretation of relatively vague survey questions. On the other hand, they are considerably more abstract and less intuitive, such that psychological questionnaires may be more likely to tap into people's real moral intuitions.

Despite the large differences in elicitation protocols, there is now encouraging evidence that these techniques get at the same underlying concept. First, various papers show that the different measurements are highly correlated (e.g., Enke 2020, Enke et al. 2022b). Second, the correlations of the different economic and psychological constructs with demographics such as age, gender, and income are always very similar.

2.2.5. Text analyses. Sometimes, researchers are interested in estimating the position along the universalism–particularism spectrum of an individual who cannot easily be involved in experiments or surveys. A prime example is politicians. In such cases, it can be useful to deploy natural language processing techniques. Along with the MFQ, Graham et al. (2013) proposed a so-called Moral Foundations Dictionary (MFD), which has since been extended into the so-called eMFD (Hopp et al. 2021). These dictionaries essentially comprise separate bags of words for a universalist and a particularist morality that enable both simple word count and more sophisticated word-embedding analyses.

2.3. Heterogeneity

Universalism exhibits large heterogeneity across individuals, subnational regions, and countries.

2.3.1. Across individuals. Regardless of which measurement tool is deployed, much research shows that there is large variation in universalism across individuals. In recent years, robust evidence has emerged that shows significant demographic differences. Men, the elderly, the religious,

and Whites are less universalist (more particularist), where the strongest correlations are typically found with age and religiosity. These correlations are present not only in the United States (Enke 2020, Enke et al. 2022b) but also in Western Europe (Enke et al. 2023b) and even in a global sample (Cappelen et al. 2022). Moreover, these correlations are found both in money allocation tasks and in the psychological MFQ.

In contrast, correlations with education and income are relatively weak and inconsistent. If anything, richer people tend to be less universalist, especially once education is accounted for (Enke 2020; Cappelen et al. 2022; Enke et al. 2022b, 2023b).

2.3.2. Across US regions. There is significant spatial variation within the United States. One approach, pursued by Enke (2020), makes use of the data from **www.yourmorals.org**, obtained from roughly 300,000 Americans who completed the MFQ. A shortcoming of these data is that they are not nationally representative. On the other hand, the sample size is much larger than in any nationally representative data set, which enables researchers to calculate a meaningful measure of local universalism for counties or congressional districts.

A second approach that is more closely tied to economic theory and makes use of real-stakes decisions consists in analyzing donations data on the charity website **www.donorschoose.org**. On this crowdfunding platform, public school teachers post requests for project funding (e.g., a new computer for their classroom), and potential donors select a particular project they would like to fund. To estimate cross-district variation in universalism, Enke et al. (2023a) essentially estimate the model sketched in **Figure 1** and analyze to what degree donations that originate in a given district decrease as a function of the distance between donor and recipient (netting out factors such as economic need). In some districts, the slope of donations with respect to distance is essentially flat (i.e., people donate as much to local schools as to faraway schools), while in others it is very steep.

Figure 2 visualizes the across-district heterogeneity in universalism derived from this procedure. State fixed effects explain about 60% of the variation, with districts in the heartland exhibiting higher particularism. In the empirical analyses summarized below, even within-state variation is strongly predictive of political outcomes.

Even though this donations-based approach to estimate spatial variation in universalism relies on very different data compared to the MFQ-based approach, the correlation shown by the data

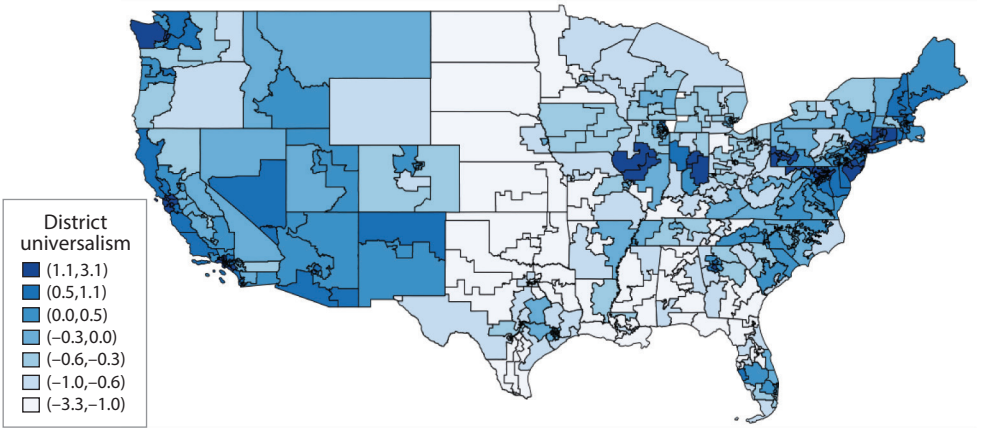

Figure 2

District-level universalism (normalized into z-scores) derived from donations data from the charity website *Donors Choose* (**www.donorschoose.org**). Figure adapted from Enke et al. (2023a).

at the congressional district level is encouragingly high ($r = 0.53$), which again suggests that the different empirical tools that economists and psychologists use to measure universalism capture the same underlying construct. The strongest predictor of district universalism is local population density. I return to this observation in Sections 4 and 5 when I discuss the potential functional economic reasons that underlie variation in universalism.

2.3.3. Across countries. Heterogeneity in universalism across cultures has attracted a fair amount of interest among cultural psychologists. As reviewed by Henrich (2020), a common argument is that populations outside of the rich West—in particular, in Asia and the Middle East—cherish a relatively particularist morality. The evidence in support for this thesis is derived from various small-scale studies, nonrepresentative participant pools, and different psychological outcome variables.

In part to remedy this shortcoming of high-quality representative data, Cappelen et al. (2022) implemented the Global Universalism Survey. This survey was implemented through the infrastructure of the Gallup World Poll and involves nationally representative samples from 60 countries, for a total sample size of about 64,000 respondents. Each respondent participated in a series of hypothetical money allocation tasks of the type described above, such as splitting $1,000 (denominated in local currency, adjusted for purchasing power) between a friend and a stranger, again assuming that the two potential recipients are equally rich.

In these representative survey data, there is no evidence that richer countries are more universalist. Indeed, some of the most universalist countries in the sample are located in sub-Saharan Africa. Meanwhile, this global data set by and large confirms the idea from psychology that Asian and Middle Eastern countries are relatively particularist, with participants from China, India, and Israel allocating the most money to in-group members, on average.

3. POLITICAL ECONOMY IMPLICATIONS

As suggested by the opening quotes, the structure of political conflict in Western democracies is increasingly characterized by a moral or cultural divide rather than by the traditional divisions over pro-market versus pro-redistribution policies. Indeed, in the United States, the correlation between income and voting is considerably lower today than it used to be 40 years ago (e.g., Gethin et al. 2022). Relatedly, while much research has argued that economic shocks such as globalization and EU market integration have fueled a rise of populism (Guriev & Papaioannou 2022), these events only seem to have had quantitatively small impacts on people's attitudes and voting (Margalit 2019). This raises the question of which noneconomic forces shape people's thinking and decision making.

In this respect, universalism is a promising construct precisely because many of the events that economists generally interpret as having primarily economic effects—such as globalization, market integration, and immigration—do not just affect people's economic prospects but also tap into their deep moral intuitions about the treatment of in-group members and strangers. Almost by definition, it is no surprise that particularist voters—those with strong group- and placed-based identities—feel uneasy about multiculturalism, market integration, and immigration. Indeed, recent qualitative book-length treatments have emphasized that people with strong community attachments feel threatened and alienated by the universalist worldviews of the professional class (e.g., Goodhart 2017). Moreover, many discussions over contemporary hot-button issues—including immigration, affirmative action, LGBTQ rights, and national pride—potentially tap into people's views on their moral boundaries.

Conceptualizing heterogeneity in morality through the lens of universalism provides social scientists with a language, framework, and measurement tools to think about and analyze these

patterns. I now discuss how recent research on heterogeneity in universalism has shed light on questions such as the following:

1. What is the relative importance of moral values and income/wealth for voting decisions in presidential elections?
2. Are rich or poor people more likely to prioritize their values for their vote choice?
3. What are the origins of the large variation in behavior among US legislators, both within and across parties? What is a plausible mechanism behind the strong urban–rural divide in politics?
4. Why are people's social and economic policy views strongly correlated across seemingly distinct policy domains, in ways that are almost identical across Western nations?
5. How have cross-party differences in morality among US legislators changed over time? What causes significant social change?

3.1. Voting

In direct analogy to the standard spatial models of political competition, recent research on moral values has jointly studied the location of voters and candidates on the universalism–particularism continuum. An emerging thread is that political candidates do well precisely in those areas (or with those voter groups) where the values of the electorate coincide with the politician's moral messaging.

3.1.1. Variation in politicians' moral types. Because the latent moral types of politicians are unobserved, they need to be estimated indirectly, using text analyses. To achieve this, researchers have deployed the MFD and its variants on congressional speeches, tweets, press releases, and debates (e.g., Sagi & Dehghani 2014, Enke 2020, Figueroa & Fouka 2022, Enke et al. 2023a). A robust result in the literature is that Democratic politicians use more universalist (less particularist) language relative to their Republican counterparts. These cross-party differences in moral language have increased substantially over the last 50 years (Enke 2020).

Multiple papers have also documented the existence of pronounced within-party heterogeneity in moral language. For example, both the contenders in presidential primaries and the congressional representatives exhibit large heterogeneity in their moral language, even holding party membership fixed (e.g., Enke 2020, Enke et al. 2023a). A somewhat open question is whether moral language largely reflects strategic considerations or politicians' true values. The available evidence suggests that at least part of the variation in the usage of universalist versus particularist language is strategic in nature, as suggested by the fact that Democratic and Republican candidates tend to converge in their use of moral language after the primaries.

3.1.2. Voting: individual-level evidence. The results on strong heterogeneity in the moral types of politicians and parties raise the question of whether voting decisions reflect these differences, that is, whether more universalist voters are more likely to vote for universalist candidates. Psychologists have long documented that universalism (as measured either in the MFQ or using experiments) is indeed strongly correlated with liberal versus conservative self-identification (e.g., Graham et al. 2009, Haidt 2012, Waytz et al. 2019, Brewer et al. 2022, Pizziol et al. 2023).

To systematically study the role of moral values in US presidential elections, and to benchmark their importance against traditional economic variables, Enke (2020) links politicians' universalism, estimated from text analyses, to that of voters. **Figure 3** shows a binned scatter plot of the link between universalism and the probability of voting for Hillary Clinton in the 2016 general election. The raw correlation of universalism with voting Democratic is $r = 0.42$, much larger than its correlations with income, wealth, or education. The correlation between universalism and voting

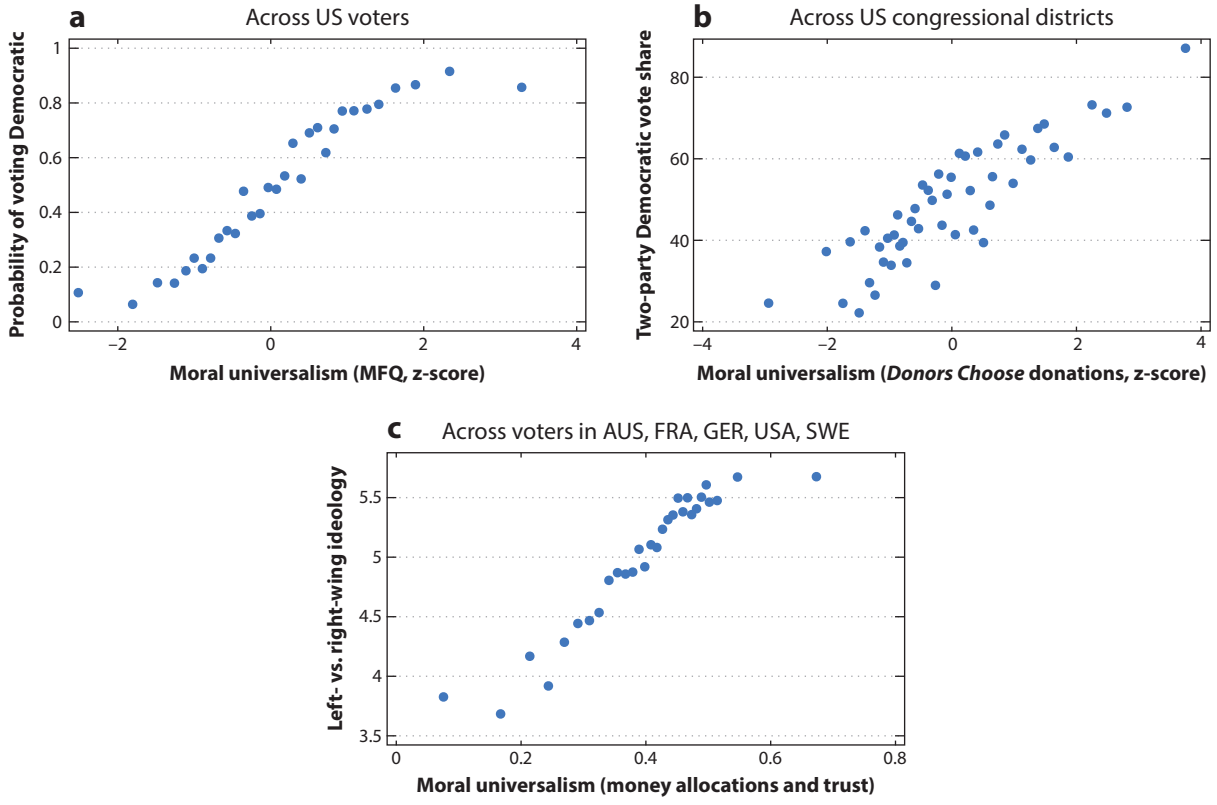

Figure 3

(*a*) Binned scatter plot between individual-level moral universalism (measured using MFQ) and probability of voting for Hillary Clinton in the 2016 presidential election (data from Enke 2020). (*b*) Binned scatter plot of district-level universalism (estimated from *Donors Choose* donations) and Democratic vote share in 2020 US House races. (*c*) Binned scatter plot of individual-level universalism (measured using money and trust point allocation tasks) and left-wing ideology (data from Enke et al. 2023b). Abbreviations: AUS, Australia; FRA, France; GER, Germany; MFQ, Moral Foundations Questionnaire; SWE, Sweden.

Democratic is precisely what one would expect based on a spatial voting model, because (*a*) Democratic politicians as a whole are more universalist than Republican ones, and (*b*) Hillary Clinton used much more universalist language than Donald Trump on the campaign trail.

3.1.3. Voting: variation across space. As is well known, there is large cross-district variation in local vote shares in presidential and congressional elections, even within US states. This geographic heterogeneity is widely believed to be a key driver of affective polarization and legislative gridlock, because it implies that Democratic and Republican partisans live in different worlds (Enos 2017, Brown & Enos 2021).

To understand the underlying drivers of this geographic variation, Enke et al. (2023a) estimate cross-district variation in universalism using large-scale donations data, as described in Section 2. **Figure 3*b*** shows that this donations-based estimate of universalism is strongly correlated with Democratic vote shares in the 2022 House races ($r = 0.46$). Again, universalism is a substantially stronger predictor of vote shares than traditional economic variables such as median income or college graduation rates.

Notably, local universalism is predictive of outcomes also in within-party comparisons. For instance, even controlling for the legislators' party ID, more universalist districts tend to have

more left-wing legislators in terms of both the legislators' roll-call voting and text analyses of their congressional speeches (Enke et al. 2023a).

Cantoni & Pons (2022) emphasize the relevance of the universalism–particularism divide by showing that it is the main variable that predicts Republican party affiliation at the state level.

3.1.4. Ballot propositions. Yet another approach to studying the relevance of moral concerns is pursued by Matsusaka & Kendall (2021), who analyze support for ballot propositions in California. They estimate a model in which voters not only have potentially conflicting spatial preferences but also partly care about the common good (e.g., flood prevention). Crucially, from the perspective of moral boundaries, Matsusaka & Kendall's definition of the common good is very universalist in nature in that it is not restricted to policies that have a common goods character only for a specific in-group. The authors estimate large heterogeneity in how much weight voters place on the universalist common good. Interestingly, they find that old, rich, and White voters place a lower weight on the common good. These relationships are remarkably consistent with the demographic correlations found with survey-based universalism measures. My interpretation of Matsusaka & Kendall's (2021) results is, hence, that voters' degree of universalism also manifests in votes on ballot propositions.

3.2. Policy Views

We have seen that left-wing politicians use more universalist language and that people with more universalist values are more likely to vote left. But what makes left-wing policies appealing to universalists? Various recent papers have documented a link between universalism and left-wing social and economic policy views and left-wing ideology more generally (e.g., Andre et al. 2021, Kivikangas et al. 2021, Cappelen et al. 2022, Enke et al. 2023b) (see **Figure 3*c***). Pizziol et al. (2023) show a link between left-wing ideology and universalist donation behavior in a large number of countries.

Enke et al. (2023b) propose that a main reason for the tight link between universalism and left-wing policy views is that many canonical left-wing policies have a very universalist flavor. For instance, foreign aid, affirmative action, environmental protection, and federal redistribution are all highly universalist policies in that their beneficiaries often are socially or geographically distant strangers.

Consider the case of views on redistribution. An important, though sometimes underemphasized, feature of the redistributive systems in Western democracies is that they are highly impersonal in nature. An old idea in political economy is that redistribution does not travel well across ethnic, racial, and national lines (e.g., Alesina et al. 1999, Luttmer 2001, Alesina & Glaeser 2004, Fong & Luttmer 2009, Gilens 2009, Fehr et al. 2022b). However, while it is well known that people generally have a preference for in-group-based redistribution, recent work suggests that this insight strongly depends on people's degree of universalism. For universalists, it is by definition less important whether redistribution benefits people they have much in common with or random strangers. Particularists, on the other hand, might favor a more local, group-based type of redistribution.

Enke et al. (2023b) and Cappelen et al. (2022) study this by linking universalism (measured using money allocation games in surveys) to policy views in large multi-country studies. They document a strong correlation between universalism and support for standard federal redistribution in a large number of Western countries. Perhaps more surprisingly, they also document that the standard link between left-wing ideology and views on redistribution entirely breaks down when people are not polled about national redistribution but, instead, about local, community-based redistribution. In other words, conservatives are no less supportive of redistribution than

liberals when it occurs within the group. This suggests that a main reason conservatives oppose governmental redistribution is its highly universalist nature.

3.2.1. Affirmative action and race relations. Other policy domains in which views on universalism versus particularism are relevant are those of affirmative action and race relations. Experimentally measured universalism is strongly correlated with support for affirmative action (Enke et al. 2023b). Figueroa & Fouka (2022) provide more ecological evidence on this matter in a historical analysis of social change. They analyze the distribution of support for the abolitionist movement in eighteenth- and nineteenth-century Britain. They document that local support for abolition, as captured by antislavery petitions and voting behavior in parliament, was strongly linked to the rise of the industrial class, which appears to have had more universalist values than the aristocratic elite. To provide evidence for this, Figueroa & Fouka (2022) document that members of parliament from the industrial class used more universalist language in their speeches and that newspaper articles from industrial locations were more likely to feature humanitarian arguments. This contribution not only confirms the link between universalism and views on minorities and race relations but also highlights how shifts in the distribution of economic power from less to more universalist groups in the population can have implications for large-scale social change.

3.2.2. Generality of the universalism–politics link. An important takeaway from the previous discussion is how robust and general the link between heterogeneity in universalism and political behavior is. It holds across individual voters and geographical regions. It is found looking at specific policy views and at voting. It is documented in very similar ways regardless of whether universalism is measured using psychological surveys, lab experimental games, or large-scale donations data. And, finally, it is found in almost every Western country.

The last qualification is significant. As is well known in comparative political science, the structure of political competition and people's policy views differ widely between rich, democratic Western countries and other nations. A main difference is that politics outside the West cannot be neatly organized on a simple left–right spectrum. Given that heterogeneity in universalism is strongly predictive of left–right orientation in the West, an immediate question is whether heterogeneity in universalism is also relevant for politics outside the West. In their global study, Cappelen et al. (2022) find that measured universalism is indeed essentially uncorrelated with political views outside the West, including in relatively rich countries such as South Korea or Japan. A main open question is why the universalism–particularism cleavage is less important for political competition outside the West.

3.3. Political Economy Models

The empirical insight that heterogeneity in moral boundaries affects political outcomes has also trickled down (or up) into formal political economy models. For example, Besley & Persson (2023) propose a model of the green transition in which universalism drives voter behavior and, hence, affects environmental policy. Morelli et al. (2021) study a model that links heterogeneity in universalism to the emergence of populism. The theory of Bonomi et al. (2021) highlights how a voter's degree of universalism can act as a social identity and, hence, influence political allegiances. In synthesizing the theoretical literature on culture and economic policy, Persson & Tabellini (2020) highlight the role of universalism in agency conflicts and political power abuse.

Enke et al. (2022a) study a model of how people trade off their moral concerns and their financial interests when these are in conflict with each other. An influential idea outside of economics is that values are luxury goods: People increasingly prioritize their values over financial considerations as they get richer. This "postmaterialism" idea received a great deal of attention through the

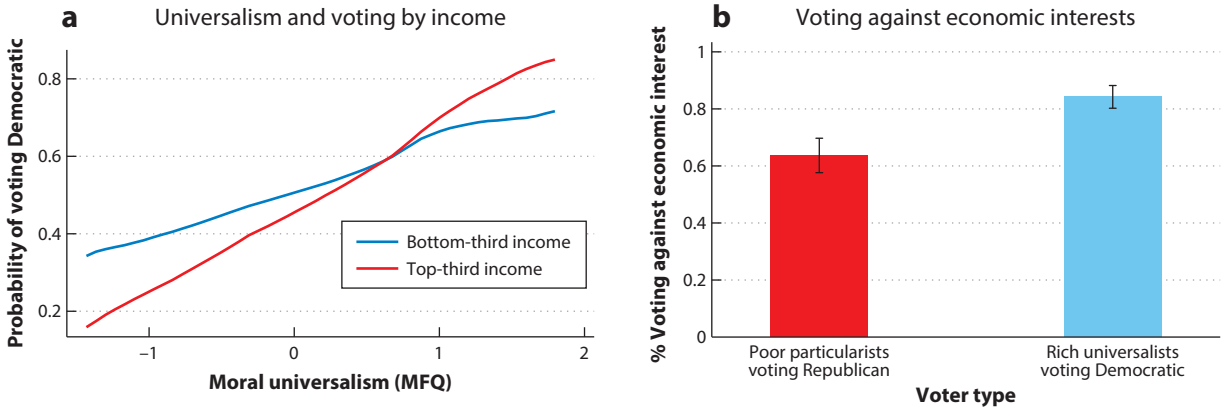

Figure 4

(*a*) Local polynomial plots of probability of voting for Hillary Clinton in 2016 against universalism in the Moral Foundations Questionnaire (MFQ), shown separately for top-third and bottom-third income groups. (*b*) Fraction of rich universalists and poor particularists who vote against their economic interests. Figure constructed using data from Enke et al. (2022a).

work of Inglehart (1997) and his collaborators. Based on this evidence, Enke et al. (2022a) model voters who care about both (*a*) how economic policy affects their income and (*b*) how far away from their moral bliss point the social and/or economic policy are. The key assumption in the model is that the utility weight placed on the moral part of utility increases in absolute income. As shown in the **Figure 4*a***, the voting–values gradient is indeed considerably stronger among the rich than among the poor. Other work has similarly documented that the link between social preferences and views on redistribution and taxation is especially pronounced among the rich (Fehr et al. 2022a, Cohn et al. 2021), and Danieli et al. (2022) emphasize how people's priorities have shifted toward moral and cultural issues over time, which is also consistent with an income-based mechanism.

The insight that values are more important for the political views of the rich is of particular relevance for understanding the behavior of two voter groups that have received a great deal of attention in the public discourse: people who are either rich and morally liberal (universalists) or poor and morally conservative (particularists). In popular books, the fact that poor moral conservatives often vote conservatively has received much attention and is often viewed as a puzzle because it is believed that people vote against their economic interests (Frank 2007, Hacker & Pierson 2020). Yet, an immediate implication of the values-as-luxury-goods model is that rich moral universalists should actually be more likely to vote against their economic interest than poor moral particularists. Enke et al. (2022a) test this hypothesis empirically and find strong support. For example, as shown in **Figure 4*b***, rich universalists are 35% more likely to vote Democratic than poor particularists are to vote Republican. Thus, the luxury goods logic sheds light on which groups in the population are more or less likely to vote based on their values (but it does not speak to the "level effect" of why even many poor people vote based on their values).

3.4. Potential Economic Implications of Cultural Variation

Various scholars have argued that heterogeneity in universalism may also be relevant for understanding aggregate institutional and economic outcomes (e.g., Banfield 1967, Putnam et al. 1992, Henrich 2020, Serafinelli & Tabellini 2022). Some work has attempted to move beyond descriptive work by leveraging potentially exogenous variation in the determinants of a universalist morality. For instance, Tabellini (2008a, 2010) reports instrumental variable (IV) analyses that

link subnational regional development in Europe to measures of morality, instrumented with various historical variables. Relatedly, Gorodnichenko & Roland (2017) present across-country IV analyses that link per capita income to collectivism, instrumented with different genetic markers. A different strategy is pursued in various interrelated contributions by Schulz (2022), Bahrami-Rad et al. (2022), and Akbari et al. (2019). They make use of the observation (discussed below) that a universalist, impersonal morality is strongly associated with measures of the tightness of extended kinship systems. One interpretation of the resulting correlations is that tight extended kinship systems generate a particularist morality, which, in turn, negatively affects contemporary outcomes.

My personal takeaway from this literature is that the correlational evidence is very intriguing. A challenge regarding its interpretation is the breadth of evidence that economists have accumulated on the endogeneity of morality to economic variables (see Friedman 2006; see also Section 4), which suggests the existence of a complex interaction between the two.

4. MORAL SYSTEMS: ECONOMIC FUNCTIONS AND DETERMINANTS

4.1. Morality as Cooperation

As part of the broader "deep determinants" literature, economists became interested in understanding the origins of variation in moral boundaries. Interestingly, by far the most influential theory in evolutionary psychology and biology about the origins of morality is profoundly economic in nature. As summarized in contributions from across the social sciences (e.g., Bowles & Gintis 2003, Gintis et al. 2005, Boyd & Richerson 2009, Haidt 2012, Greene 2014, Tomasello 2016, Henrich & Muthukrishna 2021), a main idea is that morality is economically functional and evolved to maintain and incentivize cooperation in social dilemmas. In a nutshell, the argument goes, productive economic activity such as bilateral trade, occupational specialization, or public goods provision is infeasible if people do not evolve moral systems, that is, packages of functional psychological and biological mechanisms that incentivize people to act prosocially.

While this theory is widely accepted outside of economics, rigorous quantitative evidence in its support is relatively scarce, and in recent years economists have made various contributions to this discussion. A main point of departure for many of these empirical analyses is the idea that if morality enforces economic and social cooperation, it should systematically differ across populations that have different social structures, institutions, and production modes. In particular, universalism should be higher in environments that have high relative benefits of impersonal (one-shot) interactions with strangers rather than more intensive, repeated localized interactions.[1]

4.2. Formal Theories

The first dedicated economics model on the intergenerational evolution of a universalist versus particularist morality was proposed by Tabellini (2008b). He models agents who live on a circle and get paired at random to play a prisoner's dilemma game with each other. As in **Figure 1**, the agent's altruism for other agents decreases in distance on the circle, yet the magnitude of this decrease potentially varies across agents. Agents with high universalism (i.e., a generalized morality) are

[1]The idea that universalism responds to incentives also sheds light on which types of values people choose to publicly display (Bursztyn et al. 2020). For instance, Raux (2023) documents that people's displayed universalism in experimental money allocation tasks strongly depends on their audience and anticipated future economic interactions: If people know they will play a social dilemma game with someone who can observe their degree of universalism, they slant their displayed universalism toward what they believe the audience's preferences to be.

even altruistic toward and cooperate with distant agents, while those with low universalism only cooperate locally.

A crucial ingredient of this model is that the agent's degree of universalism is endogenous and determined by parental investment. Following Bisin & Verdier (2001), parents inculcate values to maximize their child's expected utility (anticipating their future economic interactions), but they do so with imperfect empathy, that is, by evaluating their child's future behavior and interactions through the lens of their own utility function. This assumption implies that the parents' investment choice is forward-looking (because it anticipates the child's economic interactions) but also contains an element of stickiness because the parents' values influence their investment choices. Finally, the model potentially features institutional enforcement of cooperation. In this framework, the parents' investment decision into the child's values effectively depends on the answers to two questions: (*a*) Who will my child predominantly interact with? (*b*) Will even distant matches cooperate?

A key takeaway from this model is a complementarity between institutions and values. If enforcement is primarily local, parents have little incentive to raise a universalist child because they anticipate that the child's distant matches will not cooperate. On the other hand, when there is strong external enforcement also of distant transactions, parents anticipate that other people will cooperate with their child even in distant matches, raising the incentive to imbue them with universalist values.

The formal predictions that the transmission and stock of values depend on the prevailing economic structure (i.e., Are transactions primarily local?) and on the institutional environment (i.e., Is enforcement primarily local or impersonal?) form the backbone of a growing empirical literature that studies how universalism and related values vary as a function of the environment. Following Tabellini's (2008b) contribution, various authors have proposed extensions and modifications of this model, often in conjunction with empirical work (e.g., Greif & Tabellini 2017, Enke 2019).

4.3. Evidence

A broad set of variables have been identified that cause or predict variation in universalism. Here, it is important not to miss the forest for the trees by recognizing that almost all of these relationships can be understood as representing special cases of the idea discussed above, that is, that universalism is functional and responds to the prevailing economic incentives.

4.3.1. Kinship ties. One line of empirical work that (either implicitly or explicitly) studies the idea that morality is economically functional focuses on the structure of local kinship systems. Anthropologists have long noted that kinship systems differ in their tightness, that is, the extent to which people are embedded in large, dense extended family networks that are characterized by the presence of clans, coresidence in extended families, and unilineal descent. The theoretical literature both inside and outside of economics posits that with tight kinship, effective cooperation takes place within cohesive in-groups, yet people do not feel altruism or moral obligations toward outsiders. With loose kinship, on the other hand, people are said to also cooperate with strangers, yet there is no deep loyalty to in-group members (Alesina & Giuliano 2013, Moscona et al. 2017).

Enke (2019) studies the question of how these fundamentally different systems of structuring economic activity are regulated and enforced. Based on the evolutionary and psychological literature (and Tabellini's model), the idea is that an entire vector of psychological and biological traits—moral values, belief in moralizing deities, a desire to seek revenge, and moral emotions of shame and guilt—evolved to support and incentivize cooperation in the two different economic systems.

To test these ideas, Enke (2019) adapts an index of the historical tightness of kinship systems proposed by Henrich (2020). Based on the *Ethnographic Atlas* (Murdock 1967), he quantifies the tightness of preindustrial kinship systems and links it to various historical and contemporary data sets on morality. The basic takeaway from the analysis is that historical kinship systems, and presumably the associated economic production networks, are indeed associated with fundamentally different moral systems. The evidence shows that societies with a historically tightly knit kinship structure exhibit communal moral values, revenge taking, and emotions of external shame. In loose kinship societies, on the other hand, cooperation appears to be enforced through universal moral values, internalized guilt, altruistic third-party punishment, and an apparent rise and fall of moralizing religions. These patterns point to the presence of internally consistent but culturally variable functional moral systems.

The link between the strength of kinship ties and the values related to universalism has since received empirical support in various data sets. Schulz et al. (2019) document strong links between historical kinship ties and a large set of contemporary psychological variables, some of which are related to a universalist versus group-based morality. Cappelen et al. (2022) likewise show a strong cross-country correlation between kinship tightness and universalism as measured in the Global Universalism Survey. Akbari et al. (2020) implement cross-cultural experiments to document a link between in-group favoritism and kinship ties (see also Akbari et al. 2019).

The strong links between universalism and kinship systems raise the question of what shapes the structure of kinship networks in the first place. Schulz et al. (2019) and Schulz (2022) propose that Christianity, and in particular the Western Church, exerted a lasting impact on kin networks by systematically dissolving the formerly tight kinship systems that pervaded Western Europe. For example, the Church enforced extensive legislation against cousin marriage. The authors provide evidence for this argument by showing that, within Europe, longer exposure to the Church is associated with more universalist values and trust today. Bergeron (2019) presents related evidence from the Democratic Republic of the Congo. Using a set of lab-in-the-field experiments, he documents that today, people who live in the proximity of former Christian missions exhibit more universalist values and preferences.

The insight that kinship ties affect a universalist morality, in combination with the idea that universalism affects outcomes and behaviors, has given rise to a growing number of papers that directly link ancestral kinship ties to outcomes. For example, Fasching & Lelkes (2024) document a strong link between the tightness of ancestral kinship ties and political ideology, and Ghosh et al. (2023) and Bahrami-Rad et al. (2022) study linkages with economic development.

4.3.2. Market exposure. Social scientists and philosophers have long debated the interaction between markets and human morality. A prominent body of theories posits that market interactions and a universalist, internalized prosociality go together because anonymous market-based cooperation benefits from a different type of morality than production networks that predominantly involve kith and kin. This body of theories is consistent with the *doux commerce* [soft commerce] argument made by classical thinkers such as Montesquieu (1989).[2]

Early evidence on the association between markets and morality largely stems from behavioral experiments conducted across a small number of small-scale contemporary societies (e.g., Henrich et al. 2010). More recently, various papers have analyzed the link between market exposure and

[2]Here I focus on the literature that studies the broad medium- or long-run effects of market exposure rather than on the laboratory experiments that specifically focus on the diffusion of responsibility that market interaction often entails (e.g., Falk & Szech 2013, Bartling et al. 2015, Ziegler et al. 2020).

morality in larger samples, with richer data. The converging evidence from these papers suggests that market exposure contributes to the development of a more universalist morality.

Enke (2023) uses text analyses on the cultural folklore of almost 1,000 preindustrial ethnolinguistic groups to show that a society's degree of market interactions, proxied by the presence of intercommunity trade and money, is strongly associated with a universalist morality. To move beyond purely correlational evidence, Enke (2023) leverages plausibly exogenous variation in the presence of markets that arises through proximity to historical trade routes or in the local degree of ecological diversity.

Agneman & Chevrot-Bianco (2022) focus on a case study in Greenland, which exhibits large variation in market exposure even within villages today. Traditional economy-hunters and fishermen rely mainly on their catch and communal food sharing for subsistence, while others interact in a parallel modern market economy. The authors implement behavioral experiments with participants from these two different subpopulations. The key result from these experiments is that nonmarket participants (traditional hunters and fishermen) often cheat on anonymous strangers but dramatically reduce cheating when the counterparty is a fellow hunter or fisherman.

Rustagi (2022b) focuses on a different local context in rural Ethiopia, studying people's norms of cooperation as a function of the village's distance to the nearest market place. He implements behavioral experiments with participants from settlements that differ in their distance to towns that have markets. He finds that distance to markets is strongly negatively correlated with people's propensity to cooperate with strangers.

Finally, Banerjee et al. (2021) compare the structure of social networks in Indian villages that were or were not exposed to formal credit market institutions. Their argument is that, in the absence of banks, people sustain close interpersonal relationships in part out of economic necessity, and that these relationships weaken—above and beyond their mechanical economic effect—once formal markets are introduced. The authors document that in those villages in which banks were introduced, the strength of social ties decreased.

Taken together, none of the approaches summarized above provide airtight causal identification. Yet, in combination, these cross-societal or cross-community studies suggest that market exposure exerts systematic effects on people's impersonal morality and social ties. There is also causally identified evidence on this question, though more short-run in nature. Jha & Shayo (2019) report on a field experiment in which they randomly endow Israeli citizens with money to trade in the stock market. They find that such exogenously induced exposure to market activities leads people to develop more left-wing views and values that could be summarized under the label "universalist."

4.3.3. Gains from trade and competition. The literature on market exposure and morality is intimately tied to research that documents the strong effects of economic incentives on intergroup violence. The general idea in this literature is that when there are pronounced gains from trade (i.e., strong intergroup complementarities), violence is significantly less likely than when there is strong intergroup economic competition. Jha (2013) provides evidence for this in the context of Hindu–Muslim relationships in South Asia. Because Muslims had advantages in Indian Ocean shipping, strong complementarities between Hindus and Muslims emerged in medieval trading ports. As a result, many years later (in the nineteenth and twentieth centuries), Hindu versus Muslim riots were still considerably more rare in medieval trading ports.

Becker & Pascali (2019) document a related mechanism by studying the history of anti-Semitism in medieval Germany. Prior to the Protestant Reformation in 1517, Jews were effectively monopolists in the money-lending sector due to the Catholic usury. With the Protestant Reformation, Christians could enter the market and had incentives to foster anti-Semitism in an attempt

to garner a larger market share. Becker & Pascali (2019) provide evidence for this by showing that persecutions and anti-Jewish publications became more common in Protestant areas relative to Catholic ones.

4.3.4. Ecological conditions and forms of subsistence. The argument that the anatomy of morality ultimately responds to economic incentives also runs through various contributions that study how ecological conditions and the resulting subsistence modes shape values and preferences. The argument is that a particularist morality is more likely to emerge in those areas where local conditions incentivize intensive local cooperation.

A prominent example of this is work on the effects of (wetland) rice versus wheat farming. As argued by Talhelm et al. (2014), farming wetland rice necessitates intensive cooperation with neighbors to build and maintain large-scale irrigation systems. In contrast, farming wheat can be achieved without intensive neighborhood-based cooperation. To the degree that the economic necessity to cooperate locally produces strong incentives to treat in-group members well, we should expect regions that traditionally farmed rice (or otherwise practiced intensive irrigation) to develop a less universalist morality. Various empirical contributions have provided support for this broad proposition, both within China (Talhelm et al. 2014, Ge et al. 2021) and beyond (Buggle 2020, Cappelen et al. 2022).

Studying the historical origins of heterogeneity in moral universalism within the United States, Raz (2020) observes that local soil heterogeneity limited the ability of American settler-farmers to learn from their neighbors. Hence, he analyzes whether in areas with lower soil heterogeneity (in which neighbors could productively exchange ideas and knowledge), stronger communal ties and a particularist morality formed. Raz (2020) provides support for this idea and finds that soil heterogeneity still shapes the degree of universalism observed today.

Le Rossignol & Lowes (2022) study the link between contemporary variation in universalism and historical reliance on nomadic pastoralism. They argue that the requirements of nomadic pastoralism, including frequent seasonal migration and mobile herd livestock, may make people highly interdependent and cohesive within groups but hostile to outsiders. Using data from the World Values Survey, the authors show that the descendants of formerly nomadic pastoral societies tend to exhibit less universalist trust today. Consistent with these results, Cao et al. (2021) document that the descendants of former pastoralists are substantially more likely to engage in cross-group conflict and civil wars today.

4.3.5. Political institutions. A prominent idea in the literature both within economics and more generally is that people's experience with institutions affects their moral and social preferences (e.g., Putnam et al. 1992, Besley 2020). For instance, philosophers such as Rawls (1993) have argued that a fair basic structure in society (including democracy) creates moral obligations toward compatriots, expanding the moral circle beyond kin and tribe. Democracy (the D in the widely used WEIRD acronym) is also frequently highlighted in discussions of potential drivers of morality by psychologists and cultural evolution researchers. Emphasizing again the socially functional aspect of morality, it may be that a universalist morality evolves because it is useful in structuring citizens' interactions within large-scale impersonal states and institutions.

Cappelen et al. (2022) test this hypothesis using data from the Global Universalism Survey. The fact that countries transition into or out of democracy at different points in time means that—even within countries—there is large variation in the amount of time the young and the old are exposed to democratic rule. The authors find that this country-cohort variation in experience with democracy is significantly linked to universalism as displayed in money allocation tasks.

In a related recent study, Rustagi (2022a) focuses on experience with self-governance as a driver of generalized cooperation with strangers. The author makes use of the historical accident that, due to the absence of an heir, a noble Swiss dynasty became extinct, leading some municipalities to achieve self-governance hundreds of years before others. Rustagi (2022a) implements behavioral experiments with Swiss citizens that either do or do not live in municipalities that achieved self-governance early on. He finds that in those cantons that achieved self-governance earlier, people are more likely to follow a conditional cooperation strategy in experiments, meaning that they are more likely to cooperate, provided that others also cooperate.

4.3.6. Summary. The evidence discussed above draws a consistent picture: Variation in morality along the universalism–particularism cleavage is to a significant degree shaped by the economic incentives that are induced by local economic production systems, institutions, and ecology. The main insight is that particularism tends to be pronounced when people strongly depend on each other and benefit from close and repeated mutual interactions.

4.4. Short-Run Determinants

While most of the literature on the determinants of universalism has taken a long-run perspective, a number of recent contributions have also studied short-run determinants.

4.4.1. Social media. Manacorda et al. (2023) study the hypothesis that the diffusion of mobile Internet in Europe increased support for particularist policies. The underlying argument is that enhanced access to social media may amplify echo chambers and, therefore, make people more responsive to in-group focused messaging. Using differences-in-differences analyses that leverage the differential timing of the introduction of 3G and 4G technologies, the authors document that access to mobile Internet indeed increased both particularist values and electoral support for parties that emphasize opposition to minority rights, immigration, multiculturalism, and European integration.

Hua (2023) presents evidence that exposure to Fox News makes voters less universalist (more particularist) in the Moral Foundations Questionnaire. This evidence suggests that the famous Fox News effect on voting at least in part operates through changes in moral values.

4.4.2. Social isolation and exposure. If one's degree of altruism toward in- and out-group members depends on the nature of personal interactions with these groups, one might also expect that social isolation and exclusion should affect universalism. Ramos-Toro (2023) studies this question in the context of the descendants of individuals who were forced to live in a leper colony in Colombia. An attractive feature is that he studies a disease that—ex post—was not harmful and, hence, did not have direct impacts on the economic or social lives of the descendants (once the colonies were abolished). He finds that socially excluded individuals exhibit a higher degree of altruism toward in-group members but not toward out-groups, pointing to the idea that social exclusion and/or close connections within a tight community (the two are closely intertwined in this case study) produce lower universalism. These results are intriguing also from a political perspective, because they jive with the stylized fact that universalism is strongly correlated with local population density. If we partly understand low population density as reflecting isolation, then Ramos-Toro's study can be understood as shedding light on this important correlation that may be the driver behind the pronounced urban–rural divide in voting today.

Related to this work is also the so-called contact hypothesis from social psychology, according to which frequent encounters with out-group members can produce lower in-group favoritism. Economists have contributed a considerable body of evidence to this discussion. A recurring

finding is that exposure to racial and ethnic minorities indeed reduces favoritism, prejudice, and stereotypes (for recent contributions see, e.g., Rao 2019, Lowe 2021, Corno et al. 2022). While related to the present discussion, these papers do not directly address the question of how people's universalism is malleable. The reason is that the common structure of the papers in this literature is to show that exposure to group X makes people more altruistic toward (or less biased against) people in group X. However, as discussed in Section 2, the characteristic feature of a universalist moral framework is the equal treatment of all groups. Thus, a test of the idea that exposure induces higher universalism in general would consist in testing whether exposure to out-group X also increases altruism toward out-group Y.

5. SUMMARY AND OPEN QUESTIONS

Heterogeneity in moral boundaries has emerged as a key concept to understand contemporary political conflict, and much is now understood about what shapes this heterogeneity in the first place. However, given that the approach of directly measuring heterogeneity in universalism and linking it to economic and political variables emerged relatively recently, there are still many open questions.

5.1. Open Conceptual Questions

Perhaps the most important open conceptual question goes back directly to the conceptual framework summarized in **Figure 1**. While researchers have devised various techniques to measure the local slope of this function, a key unobservable is the notion of social distance on the x-axis. While there may often be compelling intuitions for which social groups are socially close or distant, in many cases this is less than obvious. For example, Are coethnics socially closer than neighbors? Are compatriots socially closer than foreigners who share one's values are? In cases like these, a tighter measurement of universalism necessitates an independent measurement of (perceived) social distance. A potentially promising approach is that of similarity: Social psychologists highlight that people generally feel closer to others that they perceive to be similar to them. This suggests conceptualizing social distance as perceived dissimilarity. Building on this idea, one could imagine devising experimental or survey techniques that measure people's perceived similarity to different groups and link behavior in the money allocation tasks discussed in Section 2 to these similarity judgments. A different avenue would be to study how economic shocks or political messaging affect such similarity judgments.

There is indeed indirect evidence in economics that suggests that perceived similarity affects people's attitudes toward different groups. Fouka et al. (2022) use a historical context—the first Great Migration of African Americans—to document that the influx of a new out-group (African Americans) led existing out-groups (Southern and Eastern European immigrants) to be assimilated more quickly. The authors' interpretation is that the appearance of a highly dissimilar group increased the perceived similarity of White Americans to the European immigrants and, hence, increased prosociality toward them.[3] There is also related evidence on shared experiences, which are known to increase group cohesion. For example, Depetris-Chauvin et al. (2020) document that following victories by their national soccer teams, people in Africa become more likely to report in surveys that they primarily identify with their country rather than their ethnic group. A potential interpretation of this is that a social event changes the perceived social distance to different groups (see also Assouad 2020, Ronconi & Ramos-Toro 2022, Bagues & Roth 2023).

[3] Fouka & Tabellini (2022) provide related evidence in a different context.

The common thread behind these case studies is that economic and social events plausibly change perceived similarity of and identification with certain social groups (the x-axis in **Figure 1**) rather than the level of prosociality (the y-axis) as such. More work is needed to (*a*) formalize these ideas, (*b*) measure them in controlled experiments and surveys, and (*c*) systematically study which social or economic events shape perceived similarity.

5.2. Open Empirical Questions in Political Economy

A second open question concerns moral change over time. While some contributions have gauged medium-run time trends using text analyses, these naturally suffer from the drawback that language changes over time. Richer and more nuanced analyses that improve on measurement and identify key drivers of moral change—e.g., within the United States—pose a fascinating challenge for future research.

Third, in various large-scale data-collection exercises in the United States, Western Europe, and Australia, a universalist morality is almost always strongly correlated with local population density (Enke 2020; Cappelen et al. 2022; Enke et al. 2023a,b). This urban–rural difference is of interest in no small part because it may underlie some of the political divisions in these countries, which are often strongly correlated with urbanicity. I speculate that the urban–rural divide in moral values is also partly socially and economically functional. In smaller towns, people depend in myriad ways on the local community for jobs, help, and marriage. In dense, large cities, most economic and social interactions are impersonal in nature, such that there is no strong functional economic need to develop loyalty toward one's neighbors. In testing this hypothesis, one key problem is how to separate selection into locations from the treatment effect of experiencing different lifestyles.

5.3. Social Networks and Loneliness

I believe there is great value to studying heterogeneity in universalism in the nascent economics literature on mental health and loneliness. Preliminary correlational analyses have suggested that universalists have fewer friends, spend less time with them, and are more likely to describe themselves as lonely (Enke et al. 2022b). These correlations make sense from the perspective of the framework sketched in **Figure 1** because, by definition, universalists allocate their prosocial budget more uniformly across different people, which implies that they invest less into close personal relationships. Better understanding the interplay between a universalist morality and friendship patterns appears to be relevant not only to understand cross-sectional variation in loneliness today but also to make sense of the famous time trends in friendship patterns and social capital documented, for example, by Putnam (2000). After all, the decline in strong community networks and close friendships since the 1960s arguably coincided with a dramatic rise in the overall level of universalism in society. Studying these patterns by identifying the causal pathways that are at play appears to be a first-order priority for the social sciences.

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