

# **Economic Inequality, Immigrants, and Selective Solidarity: From Perceived Lack of Opportunity to Ingroup Favoritism**

Gabriele Magni  
Loyola Marymount University  
gabriele.magni@lmu.edu

How does economic inequality affect support for redistribution to native citizens and immigrants? While existing scholarship examines the separate effects of inequality and immigration on redistribution preferences, still missing is a good understanding of how inequality and communal identity interact. This article explains that inequality triggers selective solidarity. Individuals exposed to inequality become more supportive of redistribution – but only if redistribution benefits native-born citizens. Inequality therefore reinforces the already popular opinion that native citizens deserve welfare priority and widens the gap between support for natives and support for immigrants. I first provide cross-national evidence with OECD survey data linked to contextual socio-economic indicators. To evaluate causally identified effects, I then present a survey experiment conducted with a nationally representative sample of Italian citizens. The findings imply that economic inequality can increase support for populist radical right parties that advocate for discrimination in access to welfare services based on native citizenship.

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Economic inequality has reached its highest levels in 30 years in advanced industrial societies. Since the mid-1980s, the Gini coefficient has grown on average by 3 points. The richest 10% now earn 9.5 times more than the bottom 10%, up from 7 times in the mid-1980s. Citizens are also increasingly aware of inequality. In 2013, 85% of Europeans believed that the gap between the rich and the poor had increased, and 60% agreed that inequality was a “very big” problem. 62% of Americans considered the economic system unfair.<sup>1</sup>

At the same time, immigration has been prominent in the refugee crisis, Brexit, and recent elections in the US and Europe. On average 5% of Americans have mentioned immigration as the most important political problem since 2001, but the number jumped to 22% in 2018, surging to the top of the list. Between 2005 and 2017, the share of Europeans considering immigration a top priority grew from 14 to 39%. And in a 2017 survey conducted in 25 countries, 49% of respondents agreed that immigrants were placing too much pressure on public services, compared to 19% who disagreed. 62% of Americans also supported excluding new immigrants from welfare benefits.<sup>2</sup>

These data reveal that immigration is salient in advanced democracies, especially in the politics of welfare, and that a large number of citizens is concerned about economic inequality. Inequality increases the stakes of redistribution and often puts those who pay for it at odds with those who benefit, but what happens when different groups enter the picture as potential recipients? How does inequality affect support for redistribution to native citizens as opposed to immigrants?

While the literature has explored the relationship between competition over scarce resources and hostility toward immigrants (Citrin et al. 1997, Dancygier and Donnelly 2012), the impact of economic inequality on support for immigrants has received less attention. Previous work on preferences for redistribution has examined the separate effects of inequality (Shayo 2009, Lupu and Pontusson 2011, Kuziemko et al. 2015, Rueda and Stegmueller 2016, Trump 2017) and

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<sup>1</sup> See OECD 2014; Pew 2013; Pew 2014.

<sup>2</sup> See, respectively: Gallup 2018; Eurobarometer 2017; Ipsos 2017; Rasmussen 2017.

immigration (Mau and Burkhardt 2009, Brady and Finnigan 2014, Alesina et al. 2018). Still missing, however, is a good understanding of how inequality and immigration interact to affect welfare support.

Furthermore, while individuals exhibit different attitudes depending on the social policies under consideration (Moene and Wallerstein 2001, Cavaillé and Trump 2015, Ballard-Rosa et al. 2017, Munoz and Pardos-Prado 2017, Holland 2018) and the identity of welfare recipients (Bobo and Kluegel 1993, Gilens 1999, Luttmer 2001, Arceneaux 2017, Rueda 2018), most of the comparative literature on inequality focuses on support for general redistribution. As a result, it is not clear what groups benefit or are penalized under inequality.

This article argues that economic inequality triggers selective solidarity. When inequality is high, individuals grow more supportive of redistribution – but only if redistribution benefits native citizens. Inequality therefore reinforces the already popular opinion that native citizens deserve welfare priority over immigrants and widens the gap between support for natives and support for immigrants. This happens because inequality erodes beliefs in the existence of economic opportunity conducive to social mobility, which in turn strengthens ingroup favoritism. In times when citizens think that external factors more than hard work determine one's economic fate, they become more selective regarding who should receive government support – and more likely to prioritize natives.

I offer evidence for my argument combining cross-national observational analysis with an original survey experiment. This approach allows me to evaluate attitudes in a large sample of countries and to isolate causally identified effects. The observational analysis links European Social Survey data to contextual socio-economic indicators, including a measure of economic inequality that takes into account the large subnational variation. The results reveal a strong negative correlation between inequality and support for welfare redistribution to immigrants.

I then present a survey experiment with a nationally representative sample of 1,275 Italian citizens, in which I prime participants to think about inequality. Exposure to objective information about inequality significantly increases support for redistribution through higher taxes on the rich (+11 percentage points) and for income subsidies for native citizens (+7 percentage points), but does not boost willingness to help immigrants. In fact, among conservatives, inequality reduces support for subsidies for immigrants by 17 percentage points.

This study bridges political economy and political psychology by unpacking the relationship between economic inequality, immigration, and support for redistribution. Specifically, it shows how inequality leads to selective solidarity by influencing a psychological component, i.e. erosion of beliefs in social mobility. Furthermore, the fact that welfare recipients' identity powerfully shapes the impact of inequality helps explain why existing comparative scholarship on inequality and preferences for redistribution – which has usually focused on *general* redistribution – has produced inconsistent results.

More generally, my findings suggest a possible micro-foundational explanation for the increased support for populist radical right parties in times of growing economic disparity. By spurring welfare chauvinism as a product of despair over perceived lack of opportunity, inequality can favor the success of parties that often embrace nativist positions.

### **Previous Work: Economic Inequality, Identity, and Redistribution**

The study of the impact of economic inequality on pro-social behavior has a long history. Plato believed that inequality generates divisions between the rich and the poor and makes the rich neglect their responsibilities (Plato n.d.). Aristotle suggested in *Politics* that inequality reduces solidarity by making individuals concerned about their short-term self-interest and by pitting the rich against the poor (Aristotle 2013, Pol. 1295b; Tranvik n.d.). In his *Discourse on the Origins of*

*Inequality*, Rousseau warned that inequality leads to fragmented societies where the rich are less inclined to help the poor (Rousseau [and Gourevitch] 1997, 137, 171, 185). While Adam Smith believed that moderate inequality boosts political stability, he also worried that high inequality diminishes willingness to help the disadvantaged (Smith 1982, I.iii.2, 50–61; Rasmussen 2016).

Modern social science has extensively explored the link between economic inequality and redistribution. The median voter theorem suggests that higher market income inequality favors greater support for redistribution, because the distance between average income and the median voter's income is greater in more unequal societies (Romer 1975, Meltzer and Richard 1981).

Empirical work on the impact of economic inequality on preferences for redistribution, however, has yielded mixed results. Some studies find that inequality increases support for redistribution (Finseraas 2009, Tóth and Keller 2011). This happens especially among the rich, who become more altruistic as a result of rising crime, which is a negative externality of inequality (Rueda and Stegmueller 2016, Dimick et al. 2016).

Other studies find no effect of inequality on preferences for redistribution (Lübker 2007, Kenworthy and McCall 2008, Kuziemko et al. 2015, Trump 2017, Trump and White 2018) or an effect that is conditional on the structure rather than the level of inequality (Lupu and Pontusson 2011). Still others show that inequality reduces support for redistribution (Bowles and Gintis 2000, Paskov and Dewilde 2012), specifically among higher-income individuals (Côté et al. 2015) and when economic disparity is more visible (Nishi et al. 2015). Consistently, Larsen (2006, 2008) finds that individuals in liberal and conservative welfare regimes – characterized by higher inequality – have more negative welfare attitudes.

One reason why previous studies have produced inconsistent outcomes is that they have usually focused on support for *general* redistribution rather than for *specific* policies. Redistribution, however, can elicit different attitudes depending on the social groups who are

thought to benefit (Ballard-Rosa et al. 2017, Arceneaux 2017, Munoz and Pardos-Prado 2017, Rueda 2018, Alesina et al. 2018). In the U.S., for instance, welfare has become racially coded and associated with blacks among large subsets of the white electorate (Gilens 1999), while Social Security is linked to whiteness (Winter 2006).

As a result, the effect of inequality on welfare preferences is conditional on the recipients targeted by the redistributive measures under evaluation (Moene and Wallerstein 2001). When they consider redistributive policies, individuals tend to differentiate between those that “take from the rich” and those that “give to the poor.” Since the latter are more likely to generate other-oriented social affinity considerations rather than self-oriented income maximization (Cavaillé and Trump 2015), welfare recipients’ identity likely critically shapes the effects of inequality on preferences for redistribution to low-income receivers.

What forms of identity are relevant in the politics of welfare? Individuals tend to display parochial altruism: they are prone to help members of their community but deny support to out-groups (Bernhard et al. 2006, Bowles and Gintis 2011, Marks 2012). Race and immigration often define the community boundaries. Support for welfare increases in the U.S. as the number of recipients of the same race grows (Luttmer 2001, Bobo and Kluegel 1993), while welfare attitudes are more negative in racially heterogeneous societies (Alesina and Glaeser 2004, Hopkins 2009).

In Europe, where immigration rather than race is salient, individuals are more in favor of welfare support for native citizens than for immigrants (Van der Waal et al. 2010, Reeskens and van Oorschot 2012). Feelings of economic competition (Burgoon et al. 2012, Dancygier and Donnelly 2012) or cultural and racial hostility (Ford 2015) can drive such attitudes. These factors help explain why higher levels of immigration often predict lower support for the welfare state (Mau and Burkhardt 2009, Eger 2009, Dahlberg et al. 2012).

While previous scholarship shows that ethnic diversity and immigration increase feelings of competition and negatively affect support for redistribution (Alesina et al. 2018), we do not know whether these sentiments are more common when economic inequality is high.<sup>3</sup> Considering that inequality raises the stakes of redistribution and that immigration is relevant in the politics of welfare, it is important to understand how economic disparity affects willingness to help different groups in society. The next section develops a theory that links economic inequality to welfare redistribution to native citizens and immigrants.

### **Theory: Inequality, Immigrants, and Selective Solidarity**

To understand how macro-level factors influence micro-level behavior, we need to consider how individuals react to the context in which they live. Social identity theory posits that individuals tend to see themselves as members of groups in society, and that they strive to maintain a positive social identity. Such identity is based on a favorable comparison between the in-group and relevant out-groups (Tajfel and Turner 1979; see also Shayo 2009).

What are the relevant groups in the context of economic inequality and redistribution? For a start, we can distinguish between those who pay for redistribution and those who benefit from it – a basic distinction consistent with people’s empirical disposition to differentiate between redistribution “from the rich” and “to the poor” (Cavaillé and Trump 2015).

Survey data show that a vast majority of citizens are unsatisfied with the income distribution. 62% of Americans judge the economic system unfair, while 60% of Europeans agree that inequality is a “very big” problem and 77% that the economic system favors the wealthy.<sup>4</sup> Dissatisfied individuals strive to improve their condition, and social identity theory suggests social

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<sup>3</sup> As a partial exception, Van der Waal et al. (2013) find that individuals in liberal and conservative welfare regimes embrace welfare chauvinism more often than citizens in social-democratic welfare states.

<sup>4</sup> Pew 2014; Pew 2013.

mobility as a possible response (Tajfel and Turner 1979). Indeed, individuals “physically crave to be higher than others on the status ladder” (Payne 2017: 45).<sup>5</sup>

However – I argue – social mobility is perceived as less viable when economic inequality is high. Under high inequality, income is concentrated in the hands of fewer individuals, while a larger number is in a relatively worse position. The increased distance between the top and the rest highlights the economic advantage of the wealthy and emphasizes the contrast between the super-rich and the rest. Economic hierarchy becomes more apparent (Newman et al. 2015). In this framework, not only does inequality depress the likelihood of upward mobility and favor the transmission of economic advantage (Chetty et al. 2014, Corak 2013). Inequality also erodes trust in the role of individual effort to get ahead in life (McCall et al. 2017).

Hence, I anticipate that, when economic inequality is high, citizens lose faith in the existence of opportunities to climb the social ladder. Under deep inequality the steps of the ladder grow further apart (Chetty et al. 2014) and moving up those steps appears prohibitive, as if people were climbing skyscrapers rather than human scales (Payne 2017: 28-29). Hard work, as a result, is no longer seen as a guarantee of economic success.

I expect this belief to be widespread because the increase in inequality in the last decades has been strongly top-skewed (Atkinson et al. 2011, Volscho and Kelly 2012). Top-skewed inequality “makes people *feel poor* [...] *even when they are not*” (Payne 2017: 4) and makes them less likely to identify with the rich (see also Lupu and Pontusson 2011). Indeed, only 1% of Europeans and 2% of Americans consider themselves as members of the higher class.<sup>6</sup> For these reasons, inequality erodes beliefs in social mobility in the vast majority of citizens – even among

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<sup>5</sup> Hirschman similarly described the “exit” option: “The traditional American idea of success [...] – or, what amounts to the same thing, upward social mobility – has long been conceived in terms of evolutionary individualism. The successful individual who starts out at a low rung of the social ladder, necessarily leaves his own group as he rises” (Hirschman 1970: 108).

<sup>6</sup> Eurobarometer 2016; Pew 2012.

the relatively wealthy who do not see themselves as belonging to the super-rich who have benefited from growing inequality. Hence:

*H1: Economic inequality weakens beliefs in the existence of economic opportunity conducive to social mobility.*

Lack of social mobility generates dissatisfaction with social stratification (Newman 1989). Social identity theory then suggests an alternative response for dissatisfied individuals when social mobility does not look attainable: *social competition* – that is, a response that targets the relevant outgroup. When people do not think that citizens can climb the social ladder and improve their situation through personal effort, they grow more likely to back measures that redistribute resources away from the top.

By depressing beliefs in social mobility, therefore, I expect inequality to increase support for redistribution. De Tocqueville (1835) hypothesized that different mobility rates distinctively shaped attitudes toward redistribution in Europe and the United States. Several studies have later shown that citizens are more likely to support redistribution when they have experienced limited social mobility or do not expect future upward mobility (Piketty 1995, Benabou and Ok 2001, Alesina and LaFerrara 2005).

But the effects of social mobility are not limited to direct personal experience. General beliefs about the determinants of position on the social ladder also influence redistribution attitudes. Lipset and Bendix (1959) suggested that different perceptions of class rigidities helped account for diversity in preferences for redistribution in Europe and the US. A vast literature has later explained that people who do not believe that hard work leads to economic success exhibit greater support for redistribution (Piketty 1995, Corneo and Gruener 2002, Alesina and LaFerrara

2005, Giuliano and Spilimbergo 2014). This applies also to individuals who are personally wealthy and unlikely to benefit from redistribution (Fong 2001).<sup>7</sup> Hence:

*H2: By depressing beliefs in opportunity for social mobility, economic inequality increases support for redistribution.*

Not everyone, however, is seen as equally deserving of welfare support. I expect economic inequality to intensify ingroup favoritism. By separating the rich from the rest, inequality activates ingroup/outgroup thinking, a disposition to see the world in “us against them” terms (Kinder and Kam 2010). As *generalized* ingroup bias rather than hostility directed at a *specific* outgroup (Brewer and Campbell 1976, Kinder and Kam 2010), this “us against them” thinking extends to groups other than the rich.

Immigration, in particular, provides an “encompassing distinction” between those who are citizens of the (welfare) state – and therefore ingroup members – and non-citizens – hence, outgroup individuals (Reeskens and Van Oorschot 2012, 122). Communal boundaries have historically delimited the welfare state, generating a strong linkage between welfare, nationality and citizenship, especially in Europe (Miller 1999, Kymlicka 2001). As a result, people often consider immigrants less deserving of welfare than native citizens (Van Oorschot 2006, Ford 2015). Large sectors of the electorate also embrace welfare chauvinism, an attitudinal position that aims to reserve welfare services to native-born citizens (Kitschelt 2007, Van der Waal et al. 2010, Cavallé and Ferwerda n.d., Van der Waal et al. 2013).

By inducing the belief that citizens lack opportunities to improve their condition through personal effort, I expect inequality to make individuals more discriminating regarding who should receive help. Inequality therefore strengthens the already popular opinion that native citizens

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<sup>7</sup> Similarly, the attribution theory of poverty argues that citizens who think that social causes beyond individual control determine individuals’ economic condition are more supportive of redistribution (Bullock 1999, Weiner et al. 2011).

deserve welfare priority over immigrants. Reserving welfare for natives under high inequality ensures that resources are channeled to more deserving recipients in times when external factors more than individual control seem to determine one's economic fate. If natives are not given a fair shot to improve their condition through hard work, they should at least be prioritized in the distribution of government support.<sup>8</sup>

*H3: By depressing beliefs in opportunity for social mobility, economic inequality generates selective solidarity, that is, it increases the gap in welfare support for natives vs. immigrants.*

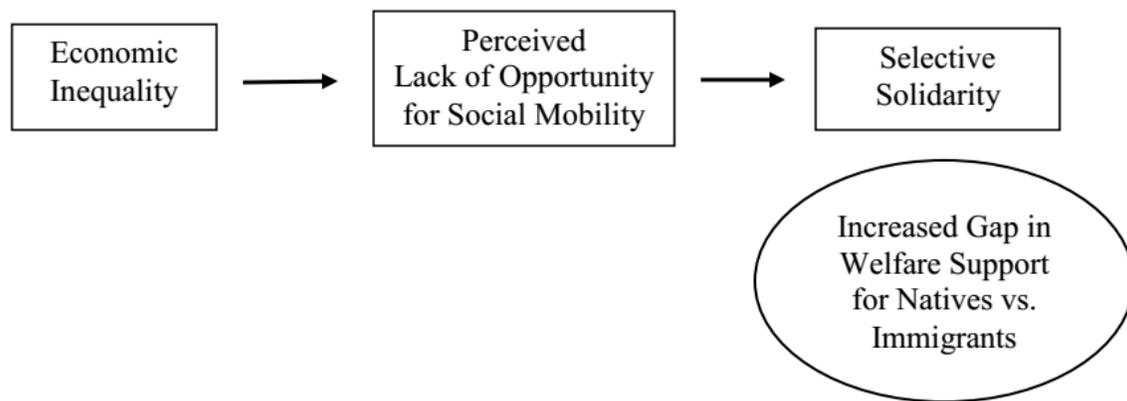
### ***Theory Summary***

By highlighting the contrast between the rich and the rest, inequality erodes beliefs in social mobility. The perceived lack of opportunity for individuals to improve their condition, in turn, increases support for redistribution. Not everyone, however, is considered equally deserving of welfare support. Inequality, in fact, widens the gap between willingness to help native citizens and willingness to help immigrants. In times of perceived lack of opportunity, people become more likely to prioritize natives, who are seen as more deserving of welfare than immigrants.

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<sup>8</sup> My work echoes Larsen's institutional theory on welfare attitudes, but differ on key expectations. Similarly to Larsen's, I argue that shared identity positively influences welfare attitudes. Larsen, however, focuses only on native citizens and on the divide between the rich and the poor. He argues that social democratic welfare regimes favor redistribution support because of their higher universalism and generosity, which make it easier to see everybody *within the nation state* as belonging to one group. I argue, in contrast, that the divide between immigrants and natives is central, given the salience of immigration in the politics of welfare. As a result, I anticipate that high inequality reinforces ingroup solidarity favoring natives over immigrants. My argument is then consistent with Larsen's points on the deservingness criteria of control and reciprocity. Larsen argues that support for those in need is higher in contexts with fewer opportunities, because the disadvantaged are seen as less in control of their fate, and that reciprocity considerations influence welfare attitudes. I link these considerations to inequality and immigrants, arguing that inequality decreases perceptions of available opportunities, which in turn spurs welfare support, but only for native citizens. Furthermore, immigrants, by definition more recent members of the community, have weaker reciprocity credentials.

Figure 1: From economic inequality to selective solidarity



## Data and Methods

To test my hypotheses, I use data for 13 OECD countries from the European Social Survey, which I link to contextual socio-economic indicators. The cross-national analysis allows me to explore the correlation between inequality and preferences for redistribution in a large sample of countries. There are, however, limitations in such analysis, especially with regard to identification and causality. Moreover, some of the survey items are imprecise measures of the concepts of interest and no variable is available to test the mechanism based on perceived lack of opportunity.

I address these shortcomings by complementing the observational analysis with an original survey experiment conducted with a nationally representative sample of Italian citizens. The experiment allows me to evaluate the causal effect of exposure to information about inequality on support for welfare policies benefiting natives and immigrants. Furthermore, I can explore the causal mechanism behind such effect.

Italy is a conservative test for my theory. On the one hand, the country is representative of the level and dynamics of income inequality in OECD countries.<sup>9</sup> Immigration is also a central concern, as it is in most European democracies. 49% of Italians in 2016 and 39% in 2017

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<sup>9</sup> The Gini coefficient was 0.325 in Italy and 0.318 in the OECD area in 2013. Between the mid-1980s and the late 2000s, the Gini coefficient increased by 2.8 points in Italy and 2.6 points in the OECD area. See OECD 2016.

considered immigration the most important issue faced by the EU, compared to averages of 45% and 38%, respectively, across all EU member states.<sup>10</sup>

On the other hand, beliefs in meritocratic opportunity for social mobility are especially weak in Italy. Compared to other OECD citizens, Italians are more likely to consider connections and family background as important determinants of economic success. Data from 29 countries in the *International Social Survey Program*<sup>11</sup> reveal that the percentage of Italians who believe that hard work is important to get ahead in life is 11 points lower than the OECD average (64% vs. 75%). Compared to OECD citizens, Italians are more likely to attribute economic success to coming from a wealthy family (37% vs. 26%), having political connections (43% vs. 21%), and knowing the right people (59% vs. 51%). In a context where the faith in meritocracy is already weak, the expectation that the inequality treatment will further erode beliefs in meritocratic opportunity for social mobility is highly demanding.

### **A Cross-National Analysis of the Effects of Inequality**

I merge survey data from the European Social Survey (ESS) with macro socio-economic variables. I focus on the 13 OECD countries in the 2008 ESS wave for which the measure of inequality is available.<sup>12</sup> I use the 2008 ESS wave because it presents a rich module on welfare state attitudes and because the measure of inequality is available for the years 2002-2009. Given the hierarchical structure of the data, I run multilevel random effect models with varying intercept.<sup>13</sup>

Economic inequality is measured by the regional Gini index (Rueda and Stegmueller 2016). In theory, the Gini index ranges from 0, i.e. a condition of perfect equality, to 1, a condition

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<sup>10</sup> Eurobarometer 2016; 2017.

<sup>11</sup> The survey conducted in 2009 included 29 OECD countries.

<sup>12</sup> Belgium, Denmark, Finland, France, Germany, Great Britain, Ireland, Netherlands, Norway, Portugal, Spain, Sweden, and Switzerland.

<sup>13</sup> A robustness check in the online appendix includes country fixed effects (Table A2). Results remain substantively unchanged.

of absolute inequality. Focusing on the sub-national level allows me to account for the substantial regional differences in inequality and welfare preferences observed in many European countries. For instance, in Spain, the Cantabria region has a Gini value of 0.22, the lowest in the entire sample, while Castilla-La Mancha has a Gini value of 0.37, which is higher than the value corresponding to the third quartile. Residents of Cantabria exhibit low support for people in need (3.17), while residents of Extremadura are much more supportive (4.15, a whole point higher on a five-point scale). As for immigrants, for instance, in Germany support ranges from 2.4 in Brandenburg to 3.3 in Bremen (on a five-point scale).

I adopt two separate dependent variables, one measuring general support for individuals facing economic hardship and the other capturing welfare support specifically for low-income immigrants. Regarding help for people in need, higher values correspond to the belief that benefits for the poor are insufficient.<sup>14</sup> The wording of the survey item is especially fitting because it mentions respondents' country of residence, which should emphasize considerations related to their national identity (see Kuo and Margalit 2012). Willingness to provide economic help to immigrants is measured by an item focused on support for the provision of welfare services to immigrants. Greater values indicate greater willingness to support immigrants.<sup>15</sup>

The models include controls at the individual, regional, and national level. Regarding individual variables, the first model presents basic socio-demographic indicators that may affect

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<sup>14</sup> Respondents stated to what extent they agreed or disagreed that “[t]here are insufficient benefits in [country] to help the people who are in real need” on a 5-point scale. One limitation in this measure must be acknowledged. An individual living in a country with a well-developed welfare system may think that support for the poor is enough, even if that individual is in favor of redistributive policies. Hence, I evaluate whether the impact of inequality varies depending on the levels of social expenditure or the type of welfare state. Results remain substantively unchanged (see fn. 16). The survey experiment then offers a more precise measure of welfare support for low-income natives.

<sup>15</sup> “Thinking of people coming to live in [country] from other countries, when do you think they should obtain the same rights to social benefits and services as citizens already living here?” The variable is measured on a five-point scale: “They should never get the same rights; Once they have become a citizen; After worked and paid taxes at least a year; After a year, whether or not have worked; Immediately on arrival.” As a robustness check, I operationalize the dependent variable as a dummy in which 0 corresponds to the first two categories (immigrants should never get the same rights or they should only when they become citizens) and 1 to the remaining categories. This operationalization isolates respondents willing to provide welfare benefits only to citizens. Results remain substantively unchanged.

preferences for redistribution. In addition to gender, age and education, I control for income – whose measure is based on deciles and therefore comparable across countries, – political ideology (where 0 corresponds to “left” and 10 to “right”), and religiosity.

The second model adds controls for union membership, employment status, household size, and age squared (displayed in Table A1 in the appendix because of space constraint). It also controls for socio-economic perceptions and attitudinal positions. I consider feelings of economic security, which are often negatively related to welfare support (Ford 2015); inequality evaluations; poor and immigrant deservingness, an important determinant of welfare support (Petersen 2012); general economic and cultural attitudes toward immigrants; and the perceived numbers of the poor and immigrants, which measure both the perceived spread of need and the possible costs of assistance (shown in the online appendix, Table A1).<sup>16</sup>

Additionally, all the models include regional controls to isolate the impact of inequality from other subnational indicators. GDP per capita and the unemployment rate control for general economic conditions, since both support for redistribution and hostility toward immigrants may be higher during economic hardship. Population density accounts for the possibility that individuals who live in urban areas exhibit different preferences (Cho et al. 2006). I also control for the share of foreigners, given the often negative link between ethnic heterogeneity and support for the welfare state (Alesina and Glaeser 2004, Finseraas 2009).

Finally, the third model includes socio-economic indicators at the national level: average GDP per capita, social expenditure, unemployment rate, and share of foreigners.<sup>17</sup> Because of space constraint, Table 1 reports only some individual controls, while Table A1 in the appendix reproduces the full model specifications.

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<sup>16</sup> As a robustness check, I also included respondents’ party vote choice. Results do not change.

<sup>17</sup> The variable “Social expenditure” comes from the OECD Social Expenditure Database. I also ran model 3 with an interaction between inequality and social expenditure. While the interaction is negative, the overall marginal effect of inequality is always positive, indicating that inequality always has a positive impact on support for people in need.

Table 1: Welfare support for people in need and immigrants

	Welfare support for people in need			Welfare support for immigrants		
	(1)	(2)	(3)	(4)	(5)	(6)
Inequality	1.489** (0.518)	1.205* (0.522)	1.158* (0.517)	-1.083* (0.528)	-1.228* (0.528)	-1.033* (0.517)
Income	-0.010*** (0.003)	0.022*** (0.004)	0.011** (0.004)	-0.002 (0.003)	-0.011** (0.004)	-0.008* (0.004)
Female	0.061*** (0.013)	0.063*** (0.014)	0.058*** (0.015)	0.033* (0.014)	0.055*** (0.015)	0.042** (0.015)
Age	-0.001 (0.0004)	0.0004 (0.002)	-0.0003 (0.002)	-0.001* (0.0004)	-0.001 (0.002)	-0.0003 (0.002)
Education	-0.063*** (0.006)	-0.038*** (0.006)	-0.032*** (0.006)	0.075*** (0.006)	0.025*** (0.006)	0.016* (0.006)
Right	-0.022*** (0.003)	-0.016*** (0.003)	-0.015*** (0.003)	-0.034*** (0.003)	-0.026*** (0.003)	-0.036*** (0.004)
Religiosity	-0.012** (0.005)	-0.010 (0.005)	-0.017** (0.005)	-0.007 (0.005)	-0.005 (0.005)	0.009 (0.006)
Union		-0.001 (0.017)	0.008 (0.017)		0.054** (0.017)	0.051** (0.017)
Economic security		-0.092*** (0.011)	-0.093*** (0.011)		0.009 (0.011)	0.022 (0.011)
Inequality Evaluation		0.071*** (0.008)	0.087*** (0.008)			
Poor Undeservingness		-0.257*** (0.008)	-0.239*** (0.008)			
Immigr. Attit. (Economy)					0.058*** (0.004)	0.056*** (0.004)
Immigr. Attit. (Culture)					0.049*** (0.004)	0.049*** (0.004)
Immigr. Undeservingness					-0.051*** (0.004)	-0.040*** (0.004)
<i>Addit. individual controls</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>
<i>Regional Controls</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
<i>National Controls</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>No</i>	<i>No</i>	<i>Yes</i>
Constant	3.586*** (0.200)	3.964*** (0.203)	4.490*** (0.317)	3.826*** (0.200)	3.488*** (0.206)	2.604*** (0.310)
Observations	20,487	17,029	15,855	20,179	16,692	15,562
Log Likelihood	-28,141.23	-22,649.03	-20,889.22	-28,071.32	-22,406.34	-20,505.07
Akaike Inf. Crit.	56,310.46	45,344.05	41,832.45	56,172.65	44,862.68	41,068.13
Bayesian Inf. Crit.	56,421.44	45,522.14	42,039.57	56,291.33	45,055.75	41,290.06

Note:

\* p<0.05; \*\* p<0.01; \*\*\* p<0.001

Models 1 through 3 show that higher levels of inequality are correlated with lower willingness to provide support to people in need, even after controlling for numerous individual and contextual indicators. On the other hand, models 4 through 6 reveal that the average willingness to provide economic help to immigrants decreases as inequality grows.

The negative effect of inequality on support for people in need and for welfare for immigrants is substantial. According to the predicted values from models 1 and 4, respectively, the difference in support between an average individual living in the most equal region and a citizen living in the most unequal region is roughly similar to the difference in predicted support between an individual with the lowest level of education and one with the highest level and between two citizens at the opposite extremes on the political ideology scale. The robustness of these findings is quite remarkable if one considers that inequality remains significant even after controlling for feelings of undeservingness of the poor (models 2 and 3) and immigrants (models 5 and 6), and for individual economic and cultural attitudes toward immigrants (models 5 and 6).

This analysis, therefore, shows a correlation between economic inequality, on the one hand, and two contrasting attitudes, on the other: general support for people facing economic difficulty and desire to tighten immigrant access to social benefits. Next, I turn to the survey experiment, which allows me to isolate the causal effect of inequality on support for welfare policies benefiting native citizens vs. immigrants.

## **Survey Experiment**

I conducted a survey experiment with a nationally representative sample of 1,275 Italian citizens.<sup>18</sup> After providing information on their age and gender and confirming that they resided in Italy,

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<sup>18</sup> The survey was distributed by the survey company Cint in December 2016. The median completion time was 12 minutes. The experiment was registered with EGAP (Evidence in Governance and Politics) before data collection.

respondents were randomly assigned to one of three conditions: the economic inequality treatment, the poverty treatment, or the control group.

The inequality and poverty treatments primed respondents to think about inequality and poverty in Italy, respectively, and were built symmetrically. They presented two pages providing objective information about economic inequality and poverty in the country with bullet-point data summary, graphs, and pictures (see online appendix, Figure B1 and B2). The poverty treatment is not the focus of this article, but allows me to test whether the effect of inequality (i.e. unequal resource distribution between top and bottom) differs from the effect of a focus on the lack of resources for the bottom.

The first page of the inequality treatment described the level of economic inequality in Italy and contrasted the income and wealth of the top 1% with that of the rest of the population. A plot also showed the income distribution by quintile. The second page contained information about the growth of inequality in the country and compared wealth accumulation and income trends for the top and the rest since 2000. The second page also presented two pictures that contrasted a wealthy individual in front of an expensive car and a luxury house with a lower-income individual looking for food among surplus products at a city food market.

Similarly, the first page of the poverty treatment presented information on the level of poverty in Italy and a plot showing the number of poor who cannot afford basic services. The second page reported data on the increase of poverty in the last two decades, in addition to a picture depicting a lower-income individual looking for food at a city market.

Respondents in the treatment groups were instructed to carefully read the information provided before answering questions, while those in the control group started answering questions right away. I gauged welfare attitudes in two ways. First, I measured support for redistribution that takes away from the rich. To emphasize the cost of redistribution for the rich, the survey item

asked respondents to what extent they agreed or disagreed with the following statement: “The government should increase taxes on the rich to decrease income differences in Italy.”

Second, I focused on policies that distribute to those in need by measuring support for monthly income subsidies for natives and immigrants: “How much are you in favor of or against a government intervention to promote the following policies, even if such intervention required a tax increase or a spending cut in other sectors? Providing a payment card of 350 euros per month for food, health and bills-related expenses to Italian citizens who live in absolute poverty [to immigrants who live in Italy in absolute poverty]?” The only difference in the questions about this policy, which is in place in Italy, was recipients’ identity, and the order of the questions was randomized across respondents.

To investigate the mechanism through which inequality shapes welfare preferences, I included an item that measured beliefs in economic opportunity conducive to social mobility, captured by the perceived importance of hard work to improve one’s economic condition. In the second part of the survey, respondents answered questions about their socio-economic situation and their political preferences. The post-experiment questionnaire also included manipulation and attention checks. The manipulation checks confirmed that the two treatments increased awareness of inequality and poverty, respectively (see online appendix: Tables B1, B2 and B3).<sup>19</sup>

### ***Experimental Findings***

Below I present the results of the analysis based on the entire sample. The online appendix reports the analysis run with the subset of respondents who passed the attention check and the subset that excludes the 5% fastest and slowest respondents. Results remain substantively unchanged.

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<sup>19</sup> I placed the attention check at the end of the survey to avoid bias that could be elicited by the screener-induced feeling that the respondent is being monitored. 1,018 out of 1,275 respondents passed the attention check.

### Redistribution that Takes Away from the Rich

Exposure to information about inequality significantly increases support for redistribution that takes away from the rich. While 40.9% of respondents in the control group agree that taxes on the rich should be raised to reduce income differences, this share is 51.4% in the inequality group. In contrast, the impact of the poverty treatment is positive but insignificant, with 43.3% of respondents strongly agreeing on raising taxes on the rich.

Figure 2 – Support for redistribution

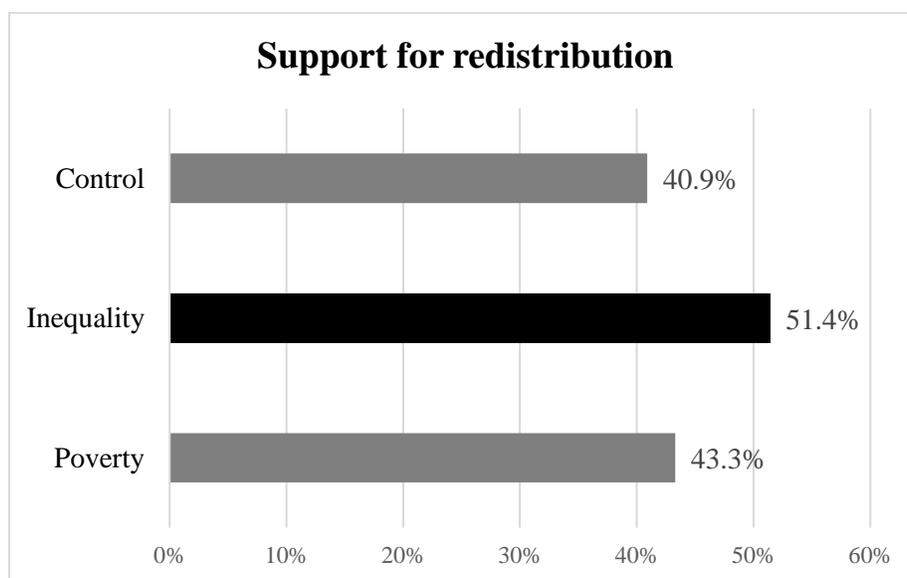


Table 2 reports the results of OLS, logit and ordered logit models with and without controls (because of space constraint the controls in this and the following tables are shown in the online appendix: Tables B4 and B5).<sup>20</sup> All the model specifications confirm that inequality increases support for redistribution through higher taxes on the rich. When controls are included, inequality produces a 14-percentage-point increase in support for higher taxes on the rich (model 2).

<sup>20</sup> In tables 2, 3 and 4, the dependent variables are measured on a five-point scale ranging from “strongly disagree” to “strongly agree” in the ordered logit models, while they are binary variable for which 1 corresponds to “strongly agree” in the OLS and logit models. The total number of observations in the models with controls is 1,098 because some respondents did not answer questions on their income and political preferences.

The online appendix (Table B4) also shows that, as expected, richer and economically conservative individuals display significant opposition to redistribution. The effect of inequality is about one third the size of the effects of income and political ideology – arguably a relatively strong impact for an informational treatment.

In contrast, the impact of the poverty treatment is not significant. Why this is the case remains to some extent a matter of speculation. One could hypothesize that the inequality treatment – which highlights the resource imbalance between the top and the bottom – leads participants to focus on the very rich at the top, while the poverty treatment – which emphasizes the lack of resources for the bottom – focuses on the have-nots. If this is the case, inequality may make the majority of respondents feel poor compared to the top (Payne 2017), in a way that the poverty treatment that clearly separates the majority from the bottom does not. Recent experimental work finds that changes in people’s social comparisons modify political opinions. Individuals who feel comparatively poorer become more supportive of redistribution, while those who feel relatively rich show decreased support (Brown-Iannuzzi et al. 2015). Under inequality, therefore, even relatively affluent respondents exposed to the super-rich may favor greater redistribution.

*Table 2: Support for redistribution*

	<b>Support for Redistribution</b>					
	<i>OLS</i>		<i>Logistic</i>		<i>Ordered logistic</i>	
	(1)	(2)	(3)	(4)	(5)	(6)
Inequality	0.11** (0.03)	0.14*** (0.04)	0.44** (0.14)	0.61*** (0.16)	0.28* (0.13)	0.39** (0.14)
Poverty	0.03 (0.03)	0.01 (0.04)	0.12 (0.14)	0.05 (0.16)	-0.04 (0.13)	-0.12 (0.14)
Covariates	No	Yes	No	Yes	No	Yes
Control mean	0.41	0.41	0.41	0.41	4.02	4.02
Observations	1,273	1,098	1,273	1,098	1,273	1,098
R <sup>2</sup>	0.01	0.11	--	--	--	--

AIC	--	--	1748.3	1419.8	3380.3	2744.2
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Note: \*p<0.05; \*\*p<0.01; \*\*\*p<0.001

The models in this and the next tables include the following covariates: gender, age, education, household income, economic ideology, social ideology, party ID, and location of residence. Control mean reports the mean of the outcome variable for the control group.

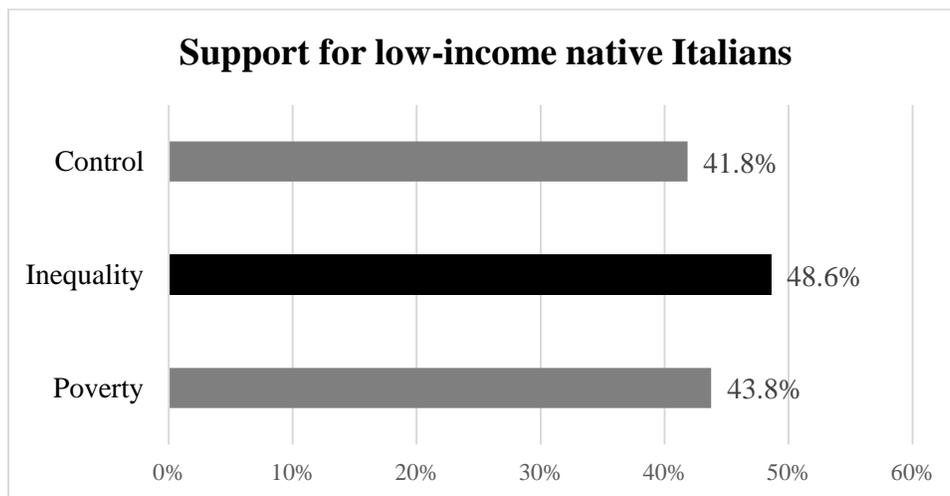
Welfare Redistribution to Natives vs. Immigrants

What is the impact of inequality on support for welfare redistribution to natives and immigrants?

Inequality – but not poverty – significantly increases willingness to redistribute to low-income natives. 48.6% of respondents in the inequality group strongly support monthly income subsidies for low-income natives, compared to 41.8% in the control group and 43.8% in the poverty group.

On the other hand, despite the low level of baseline support for immigrants (and therefore room for increase), inequality does not promote greater willingness to provide redistribution to immigrants. The shares of respondents who strongly back income subsidies for immigrants are 9.9% in the inequality group, 7.8% in the control group and 6.6% in the poverty group. The differences across control and treatment groups are not statistically significant.

Figure 3 – Support for low-income native Italians and for low-income immigrants



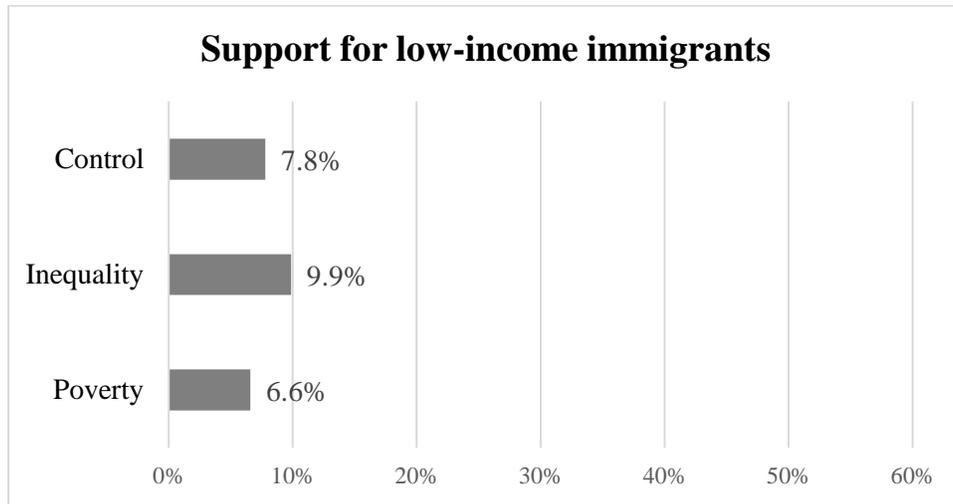


Table 3 reports OLS, logit and ordered logit models. The models confirm that inequality increases willingness to support low-income natives (models 1 through 6), but does not have a significant effect on willingness to help immigrants (models 7 through 12). In the OLS model with controls (model 2), exposure to information about inequality increases support for welfare redistribution to natives by 9 percentage points. The full specifications in the online appendix (Table B5) also show that women and lower-income respondents are more in favor of welfare for natives, while supporters of *Lega Nord* – a party promoting nativism – strongly oppose welfare for immigrants.

Table 3: Support for welfare policies benefiting natives and immigrants

	Support for											
	Low-Income Natives						Low-Income Immigrants					
	OLS		Logistic		Ordered logistic		OLS		Logistic		Ordered logistic	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Inequality	0.07*	0.09*	0.29*	0.39*	0.23 <sup>+</sup>	0.31*	-0.01	-0.02	-0.06	-0.07	-0.00	-0.07
	(0.03)	(0.04)	(0.14)	(0.15)	(0.13)	(0.14)	(0.03)	(0.03)	(0.14)	(0.17)	(0.12)	(0.14)
Poverty	0.02	0.04	0.10	0.17	0.05	0.09	0.02	-0.01	0.09	-0.05	0.04	-0.15
	(0.03)	(0.04)	(0.14)	(0.15)	(0.13)	(0.14)	(0.03)	(0.03)	(0.15)	(0.17)	(0.12)	(0.14)
Covariates	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes
Control mean	0.42	0.42	0.42	0.42	4.07	4.07	0.08	0.08	0.08	0.08	2.42	2.42

Observations	1,273	1,098	1,273	1,098	1,273	1,098	1,273	1,098	1,273	1,098	1,273	1,098
R <sup>2</sup>	0.004	0.05	--	--	--	--	0.001	0.12	--	--	--	--
AIC	--	--	1752.3	1492.7	3221.7	2753.7	--	--	1645.1	1309.5	3867.7	3207.2
<i>Note:</i>	+p<0.1; *p<0.05; **p<0.01; ***p<0.001											

### Selective solidarity

To offer further evidence, I now code individual responses as “response patterns.” My argument, which focuses on the individual level, claims that individuals exposed to inequality show at the same time stronger support for redistribution away from the rich and to natives and greater opposition to redistribution to immigrants. Hence, to verify that the results are not driven by separate groups of respondents, I now consider response patterns rather than separate preferences.

I adopt a dependent binary variable, which I call selective solidarity. Selective solidarity equals 1 for respondents who expressed *both* support for redistribution away from the rich *and* support for redistribution to natives *and* opposition to redistribution to immigrants. It equals 0 for the other respondents. Table 4, which presents logit models with and without controls, shows that inequality promotes selective solidarity. Individuals exposed to inequality become more likely to support redistribution to natives and, at the same time, oppose redistribution to immigrants.<sup>21</sup>

Overall, these results provide evidence that inequality increases support for redistribution, but only for policies that benefit native citizens. Exposure to information about economic inequality, therefore, widens the gap in support for welfare redistribution to natives vs. immigrants.

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<sup>21</sup> I also ran OLS models, which offer an easier interpretation of the substantive effect of inequality on selective solidarity. Inequality increases support for selective solidarity by 8.5 percentage points in the model without controls and by 10.5 percentage points in the model with controls.

Table 4: Selective solidarity

	Selective Solidarity	
	(1)	(2)
Inequality	0.42** (0.15)	0.56** (0.17)
Poverty	0.01 (0.16)	0.04 (0.18)
Covariates	No	Yes
Observations	1,273	1,098
AIC	1479.5	1238.2
Note:	**p<0.01; ***p<0.001	

Causal Mechanism: Perceived Lack of Economic Opportunity and Welfare Deservingness

Why does inequality spark these reactions? To explore the causal mechanism, I first run separate models and then causal mediation analysis. Table 5 evaluates the effect of inequality on perceptions of economic opportunity and examines the impact of perceived lack of opportunity on welfare support. Model A is a logit model in which the binary dependent variable equals 1 for respondents who disagree that one can improve their economic condition through hard work. Models B1, B2 and B3 are ordered logit in which the main independent variable is lack of opportunity and the dependent variables are the indicators of welfare support presented above.

Economic inequality – but not poverty – significantly increases the conviction that society lacks economic opportunity. In turn, believing that society is not offering a channel for those at the bottom to improve their condition *increases* support for redistribution that takes away from the rich and for welfare programs that benefit native citizens, but *decreases* willingness to help immigrants through welfare support.

Table 5: Inequality, lack of opportunity, and welfare preferences

	<b>Belief that: Society Lacks Economic Opportunity</b>	<b>Redistribution from Rich</b>	<b>Support for: Low-Income Natives</b>	<b>Low-Income Immigrants</b>
	(A)	(B1)	(B2)	(B3)
Inequality	0.37* (0.15)	--	--	--
Poverty	0.07 (0.15)	--	--	--
Lack of opportunity	--	0.49*** (0.12)	0.28* (0.12)	-0.54*** (0.11)
Covariates	Yes	Yes	Yes	Yes
Observations	1,098	1,098	1,098	1,098
AIC	1519.4	2784.4	2751.0	3183.2

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

Causal mediation analysis tests more systematically whether beliefs about the lack of opportunity mediate the impact of inequality on welfare preferences. In the analysis, inequality is the treatment, lack of economic opportunity the mediator, and support for redistribution (or for welfare policies benefiting low-income natives or low-income immigrants) the outcome. Since I treat all the outcomes as binary, the effects should be interpreted as the change in the probability that respondents support the policy under consideration.<sup>22</sup>

The results (reported in Tables B7 and B8 in the online appendix) reveal that the average causal mediation effect (ACME) is statistically significant at the .05 level in the three analyses. ACME is positive for support for redistribution and low-income natives and negative for support for low-income immigrants. Inequality therefore negatively influences perceptions of economic opportunity, which in turn have a significant and positive (for redistribution and natives) and

<sup>22</sup> I also ran the analysis with the outcome variables as five-category variables. The results remain unchanged. Since inferences about causal mediation effects depend on the sequential ignorability assumption, the online appendix discusses this assumption and presents the sensitivity analysis.

negative (for immigrants) effect on welfare support. Regarding the negative impact on welfare for immigrants, the proportion of the total effect of inequality mediated by lack of opportunity is about 20%.

Further analysis also shows that the inequality-induced perceived lack of opportunity strengthens the opinion that natives should receive priority over immigrants in welfare access (see the online appendix: Tables B9, B10, B11, and B12). By depressing belief in social mobility, therefore, inequality reinforces the link between native citizenship and welfare deservingness.

### **Alternative Explanations? Identity, Altruism, and Material Self-Interest**

My argument claims that inequality depresses beliefs in the existence of economic opportunities, which in turn activates an identity conflict between ingroup and outgroups over welfare deservingness. Other theories could explain selective solidarity under inequality. To evaluate my argument against alternative accounts, I consider the testable implications that they generate.

I explained that inequality activates ingroup/outgroup thinking, with the targeted outgroups including the rich and immigrants in the context of welfare redistribution. While humans are naturally predisposed to think in terms of “us against them” and to display ingroup favoritism, some individuals hold stronger latent ethnocentric positions (Kinder and Kam 2010). They are therefore more likely to react negatively to immigrants when ingroup/outgroup thinking is activated. Who are these individuals? Socially conservatives show greater in-group attachment and endorse the ingroup/loyalty moral foundation more strongly (Graham et al. 2009). They are also generally more nationalistic and have more negative attitudes toward immigrants (Hooghe et al. 2002, Hainmueller and Hiscox 2007). An implication of my argument, therefore, is that inequality should promote selective solidarity to the detriment of immigrants *especially* among conservatives.

Other theories, in contrast, emphasize the importance of income as a factor shaping the effect of inequality. On the one hand, recent comparative literature on inequality and preferences for redistribution argues that inequality increases support for redistribution among the rich (Rueda and Stegmueller 2016, Dimick et al. 2016, Dimick et al. 2018). Group heterogeneity also seems to affect redistribution preferences only among high-income citizens (Rueda 2018). A testable implication of these studies, therefore, is that the rich are more responsive to inequality, especially when redistribution benefits immigrants.

On the other hand, several studies on inequality and redistribution attitudes focus on material self-interest and concerns about relative position. Individuals negatively react to inequality because they care about their rank in the income distribution (Fehr and Schmidt 1999), worry about relative living standards (Corneo and Gruener 2002) and exhibit last-place aversion (Kuziemko et al. 2014). These studies generate two testable implications. First, welfare preferences of lower-income individuals – who face a relative worse condition under inequality – should be more responsive to inequality (see also Newman et al. 2015). Second, lower-income individuals should be especially likely to oppose welfare for immigrants to defend their socio-economic position vis-à-vis potential competitors.

To test the implications derived from alternative theories, I investigate how the impact of inequality varies among conservative, lower-income, and higher-income respondents.<sup>23</sup> A greater responsiveness of the rich to the treatment would support an explanation based on altruism, while greater sensitivity of the poor would be evidence of self-interest. Either explanation would differ from the mechanism that I propose, based on ingroup favoritism to which conservatives are more strongly predisposed.

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<sup>23</sup> I define lower-income and higher-income respondents as respondents with household income smaller than 20,000 and greater than 40,000 euros per year. In 2016, Italy's average annual household income was 30,595 euros.

Table 6 examines the impact of inequality conditional on respondents' conservatism.<sup>24</sup> Remember that, in the general sample analysis considering separate preferences (table 3), inequality widened the gap between willingness to help natives and willingness to help immigrants by increasing support *only* for redistributive policies benefiting native citizens. Model 2 in table 6 now shows that inequality also directly decreases support for immigrants' access to welfare among conservatives by 17 percentage points. The non-significance of the conservative coefficient in the control group indicates that it is the exposure to inequality that activates exclusionary reactions among conservatives. In contrast, inequality does not significantly decrease support for welfare for natives among the same conservative respondents (model 1).

*Table 6: Support for welfare policies for natives and immigrants among social conservatives*

	<b>Support for</b>	
	<b>Low-income natives</b>	<b>Low-income immigrants</b>
	(1)	(2)
Inequality	0.09*	0.03
	(0.04)	(0.04)
Inequality*Conservative	-0.02	-0.17*
	(0.08)	(0.08)
Conservative	0.06	0.06
	(0.06)	(0.06)
Controls	Yes	Yes
Control mean	0.41	0.08
Observations	1,098	1,098
R <sup>2</sup>	0.05	0.12
<i>Note:</i>	*p<0.05; **p<0.01; ***p<0.001	

<sup>24</sup> "Conservative" is a binary variable in which 1 corresponds to respondents who placed themselves on 7 or higher on a 10-point scale ranging from liberal to conservative with regard to social issues. Results remain substantively unchanged when I adopt different cutoff points (i.e. 8 or 9).

I now explore how respondents' income conditions reactions to inequality. Table 7 reveals that richer and poorer respondents exhibit similar preferences.<sup>25</sup> Despite the smaller sample sizes and the low statistical power, contrary to predictions based on altruism or material self-interest, the impact of inequality does not substantively vary based on respondents' income.

*Table 7: Effect of inequality among lower-income and higher-income respondents*

<i>Among:</i>	<b>Support for</b>			
	<b>Low-Income Natives</b>		<b>Low-Income Immigrants</b>	
	<i>Poorer respondents</i>	<i>Richer Respondents</i>	<i>Poorer Respondents</i>	<i>Richer Respondents</i>
	(1)	(2)	(3)	(4)
Inequality	0.10 (0.06)	0.10 (0.07)	-0.02 (0.05)	-0.01 (0.07)
Covariates	Yes	Yes	Yes	Yes
Observations	416	266	416	266
R <sup>2</sup>	0.04	0.10	0.16	0.15

*Note:*

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

To examine the conditionality of the causal mechanism, I explore how income and conservatism moderate the effect of the inequality-induced belief in lack of opportunity on welfare support. Table 8 shows that the impact of perceived lack of opportunity is stronger among conservatives, but is *not* greater among lower-income citizens. Among respondents who have lost faith in the existence of economic opportunity, conservatives are more likely than non-conservative individuals to support welfare redistribution to natives (model 1) and to oppose welfare support to immigrants (model 3). On the contrary, in the group of subjects who do not believe in opportunity for social mobility, lower-income citizens are not more likely than richer citizens to support or

<sup>25</sup> When I run the analysis on the entire sample interacting income and treatment, the interaction term is not significant. See the online appendix (Table B14).

oppose redistribution to natives vs. immigrants (models 2 and 4). These findings provide further evidence in favor of a mechanism based on identity and ingroup favoritism, rather than pure economic self-interest and competition.

*Table 8: Effect of perceived lack of opportunity conditional on conservatism and income*

	<b>Support for</b>			
	<b>Low-Income Natives</b>	<b>Low-Income Immigrants</b>	<b>Low-Income Natives</b>	<b>Low-Income Immigrants</b>
	(1)	(2)	(3)	(4)
Lack of Opportunity	0.45*** (0.13)	0.54*** (0.15)	-0.39*** (0.13)	-0.50*** (0.14)
Lack of Opportunity* Conservative	0.70** (0.28)	--	-0.55* (0.26)	--
Lack of Opportunity* Low income	--	0.18 (0.24)	--	-0.05 (0.23)
Covariates	Yes	Yes	Yes	Yes
Observations	1,098	1,098	1,098	1,098
AIC	2693.8	2702.3	3186.9	3191.3

*Note:*

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

## **Conclusion**

Economic inequality is a serious concern in most advanced democracies. Inequality affects social and political life in many ways, producing resentment and weakened sense of community (Neckerman and Torche 2007, Wilkinson and Pickett 2009), decreasing social trust (Uslaner and Brown 2005, Alesina and La Ferrara 2002, Knack and Keefer 1997), reducing civic and social participation (Alesina and La Ferrara 2000, Costa and Kahn 2003, Putnam 2000), and diminishing life satisfaction (Alesina et al. 2004).

This article shows that economic inequality also generates selective solidarity. Inequality increases support for redistribution, but only if redistributive policies benefit native-born citizens. The cross-national analysis presented above reveals a robust positive correlation in European countries between economic inequality and opposition to welfare programs benefiting immigrants. A survey experiment from Italy then isolates causal effects. While exposure to information about inequality increases support for redistribution away from the rich and for income subsidies for native citizens, inequality does not boost willingness to help immigrants. Among conservative citizens, inequality actually reduces support for welfare redistribution to immigrants. Inequality promotes selective solidarity by negatively affecting the belief in the existence of economic opportunities that can lead to social mobility.

These findings are consistent with work showing that environments characterized by economic threats and anxiety trigger ingroup favoritism (Sniderman et al. 2004, Hopkins 2010, Arceneaux 2017, Magni 2017, Carreras et al. 2019). Similarly, I show how inequality strengthens citizens' disposition to prioritize natives over immigrants with regard to welfare support. The macro-economic context in which individuals live, therefore, can activate identity considerations that influence policy attitudes.

My results also align with Kinder and Kam's (2010) work on ethnocentrism, presented as a disposition to view the world in terms of "us against them," as a generalized prejudice rather than hostility directed at specific groups. By highlighting the contrast between the rich and the rest, inequality activates ingroup/outgroup thinking, which then reinforces ingroup favoritism and extends bias to outgroups other than the rich. Immigrants are an especially likely target given that immigration is salient in public opinion and that political entrepreneurs often frame access to welfare services in terms of conflict between natives and immigrants.

The fact that recipients' identity powerfully shapes the impact of inequality also helps clarify why existing comparative scholarship on preferences for redistribution – which has often focused on *general* redistribution – has produced inconsistent findings. My study shows that the effect of inequality is conditional on who citizens think will gain from redistribution. General measures of redistribution that do not specify who the recipients are may lead citizens to draw implicit conclusions on which groups will reap the benefits (see Gilens 1999, Winter 2006). For instance, individuals for whom immigration is a more readily accessible issue may think that immigrants will be the greatest beneficiaries (Alesina et al. 2018). Explicitly taking into account recipients' identity is therefore important to precisely evaluate the impact of inequality on preferences for redistribution.

This suggests a possible re-interpretation of previous findings showing a lack of effect of inequality on support for redistribution. In fact, inequality may spur opposing attitudes, if different individuals think that different groups will benefit from redistribution. As a result, these opposing effects could cancel each other out, thereby generating what looks like a null effect at the aggregate level. Indeed, when previous studies clearly specified the target of redistributive measures, such as in the case of a real estate tax, they did find a positive effect of inequality on redistribution (Kuziemko et al. 2015).

My study also sheds further light on why the structure of inequality may affect redistribution attitudes. Previous work found that inequality favors greater support for redistribution when the middle class is closer to the bottom than the top (Lupu and Pontusson 2011). This may be due not just to the material interests of the middle class, but also to the fact that its closeness to the bottom facilitates ingroup identification, which then spurs solidarity toward natives.

My findings on the effect of ingroup identity also echo Larsen's (2006, 2008), but differ on a key point. Larsen considers the divide between the rich and the poor and finds that support for redistribution is higher in social democratic welfare regimes, characterized by higher universalism and generosity, which make it easier to see everybody *within the nation state* as belonging to one group. Larsen, however, does not differentiate between natives and immigrants. My study, in contrast, shows that the identity divide between natives and immigrants is central under inequality. Inequality, in particular, activates ingroup/outgroup thinking that extends to groups other than the rich, leading to generalized ingroup bias. Given the salience of immigration in the politics of welfare, immigrants are seen a relevant outgroup less deserving of support. As a result, inequality spurs selective solidarity that benefits only natives.

More broadly, my study confirms the importance of other-regarding preferences and group heterogeneity in welfare attitudes, similarly to studies that found an increased support for redistribution among the rich under inequality (Rueda and Stegmueller 2016, Dimick et al. 2016, Dimick et al. 2018, Rueda 2018). My work, however, deviates from this literature on three fundamental points: the impact of inequality is not limited to the rich, is stronger among conservatives, and is mediated by perceived lack of opportunity rather than altruism. By highlighting boundaries for solidarity between natives and immigrants, inequality strengthens ingroup favoritism, rather than pure altruism.

Can we expect selective solidarity to emerge in other contexts? The experimental component of this study used Italy as a strategic case. While Italy is representative of the levels of inequality in OECD countries, beliefs in meritocratic opportunity for social mobility are especially weak in the country, which made the expectation that inequality further erodes such beliefs demanding. Since inequality spurs selective solidarity, one can anticipate that in countries with very low levels of inequality the division in support for natives vs. immigrants will be less

profound. In contrast, countries with high levels of inequality should experience higher conditional solidarity – and, as a result, possibly greater hostility toward immigrants. These expectations are in line with findings by Van der Waal et al. (2013), who show that individuals in liberal and conservative welfare states – where inequality tends to be higher – display more welfare chauvinism.

These effects should be amplified in countries with strong beliefs in meritocracy and social mobility. Indeed, social mobility affects satisfaction with social stratification and political trust (Daenekindt et al. 2018). My findings suggest that, where these beliefs are strong, inequality has more room to negatively affect perceptions of available meritocratic opportunity, since it is not subject to floor effects as it is in Italy. Recent evidence suggests that this is happening in the United States, where inequality is increasingly sparking skepticism about meritocracy – especially among lower-income individuals (Newman et al. 2015) – and, consequently, greater support for redistribution (McCall et al. 2017).

On the other hand, the greater ethnic and racial heterogeneity of the native population observed in many countries compared to Italy could present a challenge to selective solidarity. Perceptions of the poor as lazy, and therefore undeserving of welfare support, are higher in more ethnically divided societies (Larsen 2006, 2008). As a result, in such contexts inequality may spur support for redistribution that takes away from the rich to reduce income differences (McCall et al. 2017) and hostility toward immigrants without increasing support for welfare policies benefiting low-income citizens. In the US, for instance, because of the racial connotation that welfare programs have acquired in large subsets of the white electorate (Gilens 1999), lower-income American citizens may not display greater support for welfare programs under inequality.

The fact that selective solidarity emerges under inequality as a result of depressed beliefs in social mobility also suggests that welfare chauvinism can sometimes be a product of despair

over lack of opportunity, rather than simply a perception of scarcity based on prejudice when individuals are confronted with diversity. The distinction is important, because it identifies a societal cause for welfare chauvinism – lack of economic opportunity – rather than simply blaming individuals for their prejudices. This finding implies that promoting opportunity-enhancing policies in society could yield the important byproduct of successfully contrasting negative attitudes toward immigrants.

More broadly, this work provides a possible micro-foundational explanation for a relevant contemporary political puzzle. In times of growing inequality, why have radical right parties scored important electoral successes? Part of the answer may lie in the fact that economic inequality promotes ingroup favoritism and, among favorably predisposed individuals, intensifies hostility toward immigrants. Far right parties that often mobilize on immigration and advocate welfare chauvinism may therefore have increased their popularity by promoting nativist positions that receive greater support in times of deep economic disparity.

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