



Do origins matter?

The effect of geographical and social mobility on preferences for redistribution

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Abstract

This dissertation contributes to the long-standing and ongoing discussion about cultural and economic determinants of individual support for government intervention in a market economy and redistribution resources in a society to reduce inequality and poverty. The causal effects of culture and individual self-interest are still disputed. To address the gaps in the existing literature, this dissertation looks at geographic and social mobility to estimate whether changes in cultural settings and life conditions affect preferences for redistribution. Two general questions guide this dissertation. First, “Do people change their preferences for redistribution in response to changes in the cultural and social context where they live?” Second, “Do they change their preferences for redistribution if their socio-economic position changes?” Both parts of the dissertation attempt to answer each respective question.

Part I investigates how cultural differences in countries of origin and countries of destination affect preferences for redistribution. Two different research designs were employed. Using data from the European Social Survey, the International Social Survey Programme and the World Values Survey, a cross-sectional analysis was used to estimate the association between average attitudes to redistribution in countries of origin and preferences of immigrants. Longitudinal data of the German Socio-Economic Panel that followed immigrants over time was used to assess the elasticity of their preferences in Germany. Both studies found that culture had an

effect: both the culture of origin and the culture of destination affect immigrants' preferences for redistribution.

However, preferences are not stable. People can change them in a new cultural environment and the longer individuals live in a culture of destination, the more similar their preferences become to those of the native population. At the same time, the change in immigrants' preferences for redistribution may be conditional on the reasons and circumstances of their migration.

Part II tests four hypotheses related to socio-economic position: the rational learning theory, the prospect of upward mobility hypothesis, the self-interest hypothesis and the theory of relative utility of income. The first three theoretical models predict a higher demand for redistribution in cases in which individuals are disadvantaged in terms of their social conditions. Using data from the German Socio-Economic Panel, I estimate how changes in employment status and income, generally considered the most important determinants of individual welfare, change individual preferences for redistribution. Because the research was longitudinal, I was able to follow individuals over time and was, therefore, able to assess the effect of a transition into unemployment and income growth on individual preferences. The study provides neither strong support for the self-interest hypothesis, nor for the rational learning theory. The transition into unemployment does not lead to an increase in preferences for redistribution. Income growth reduces individual demand for redistribution only slightly and only in the group of low- and middle-income Germans.



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Bio

Olga is a PhD candidate in the Department of Political and Social Science at the European University Institute where she worked on her dissertation *Do Origins Matter? The Effect of Geographical and Social Mobility on Preferences for Redistribution*. The main area of her interest is the study of causal effects of culture and individual socio-economic situation on individual preferences. Other fields of her expertise are adaptation, acculturation, social policy, welfare state, social change, comparative sociology, basic human values, measurement in sociology.

Before she started her PhD at the EUI she worked as research fellow at The National Research University Higher School of Economics, Institute of Sociology of Russian Academy of Sciences, Analytical Center of Yuri Levada (Levada-Center) and as a tutor in sociology at The Financial University under the Government of the Russian Federation. She got her BA and MA degrees from Peoples Friendship University of Russia, Russian PhD degree she earned from the Institute of Sociology of Russian Academy of Sciences.