Economic Segregation and Public Support for Redistribution*

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Abstract

This study assesses whether local economic segregation, or the degree to which people live among others of similar economic status, influences the American public's preferences for government redistribution. To test this proposition, we combine unique measures of economic segregation at the local level (using zip codes), covering nearly the entire U.S. population, with individual-level opinions on government spending and taxation. Multilevel regression analysis with random intercepts is used to assess whether the public's preferences for redistribution are shaped by local economic segregation. Our findings suggest that residents living in highly segregated areas are less likely to favor redistributive government policy. Additionally, the results show that the influence of economic segregation on public support for redistribution is particularly strong among the affluent. This research not only contributes to our understanding of the consequences of economic change, but it also demonstrates the importance of considering local context when studying the attitudes of the American public. While the expansion of income inequality is certainly a global phenomenon, the political, economic, and social environments that make up the communities where people live are bound to have an influence on public opinion.

Keywords: economic segregation; inequality; class; public policy

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Introduction

Even with perpetually high unemployment and an escalating poverty rate in the wake of the 2008 economic collapse, Wall Street CEOs received record-breaking payouts and the income share of the wealthiest Americans continued to grow (Hacker and Pierson, 2010). In fact, the richest 10% of Americans held over half of the country's total income in 2012 for the first time since the start of the 20th Century (DeSilver, 2013) and the economic dominance of top-income earners has continued in subsequent years (Saez, 2016). This now well-documented expansion of income inequality in the United States has led to questions about the potential consequences of this new economic reality. Some suggest inequality leads to decreases in economic productivity, stability, and growth (Stiglitz, 2012), more political power for the wealthy (Solt, 2011; Solt et al., 2011), and deficiencies in public health (Wilkinson and Pickett, 2011). In addition to these mostly unfavorable outcomes, scholars have also connected growing inequality to support for government redistribution.

One common argument suggests that more inequality should lead to more government redistribution. As disparities in income increase, a larger number of citizens stand to benefit from government programs and will therefore be more supportive of such programs. In response to these growing preferences for redistribution, elected officials will then adopt policies aimed at redirecting economic resources to the middle and lower classes (Meltzer and Richard, 1981). Although this logic seems straightforward, history tells us that those countries with the highest levels of inequality have some of the lowest levels of government redistribution (Shapiro, 2002) and recent changes in inequality do not appear to increase public demand for government action (Bartels, 2008; Kelly and Enns, 2010). A number of studies have provided more nuanced accounts of the relationship between inequality and policy preferences, which demonstrate that the public's response to economic change is likely more complicated than earlier research suggests (Cavaillé and Trump, 2015; Franko, 2016; McCall, 2013).

Although this line of study has begun to provide a clearer assessment of how inequality shapes public attitudes, we argue that not enough attention has been given to how recent economic changes have

altered the composition of local neighborhoods and whether local context affects political beliefs. The purpose of this study is to expand our understanding of how public preferences for redistribution are influenced by the economic sorting and isolation that has occurred within many neighborhoods in the U.S. Economic segregation, or the degree to which people live among others of similar economic status, has grown in tandem with income inequality (Reardon and Bischoff, 2011; Watson, 2009) and, as we argue in more detail below, has the potential to affect how individuals view those who benefit from government redistribution. As those with greater resources continue to benefit from inequality they are also becoming more isolated from the middle and lower classes. We argue that this growing economic segregation leads to weaker social attachments between the haves and have-nots by creating fewer interactions among individuals from different social classes. Weaker cross-class group attachments result in the affluent having a weaker understanding of those lacking economic resources, and therefore more conservative attitudes about redistribution.

In the following sections, we give some background on the composition of inequality and economic segregation in the U.S., and we show that inequality and segregation are two distinct concepts. We also discuss how taking into account the social consequences of economic segregation can provide a more robust conceptualization of how economic context can influence policy attitudes. To this end, we develop a perspective based on concepts from intergroup contact theory to demonstrate that interactions among individuals from various income groups can structure public preferences for redistribution. We then provide the details of the approach we use to measure economic segregation in local neighborhoods, and then discuss the methodological strategy used to test our hypothesis. In the final two sections, we present our results and offer some conclusions based on our analysis.

Economic Context and Attitudes About Redistribution

This study argues that an overlooked consequence of rising income inequality in the U.S. is the growing economic uniformity of the neighborhoods where people reside. Before we more thoroughly discuss how income segregation might affect public attitudes about government redistribution, we first

briefly review the existing research on the relationship between inequality and support for redistribution. While we demonstrate below that there are clear conceptual differences between economic inequality and economic segregation, the main theoretical foundations developed in the income inequality literature provide a sensible starting point for our study. Even though the explanations linking inequality to political attitudes in this research are inherently about changes in the income distribution and not about the residential sorting of individuals, we argue that the proposed mechanisms at work have important implications for political behavior when considering how various income groups interact as a result of living in more or less economically segregated neighborhoods.

Growing Income Inequality and Preferences for Redistribution

Scholars addressing how views on government redistribution have changed in response to growing income differences have approached this question from two broad perspectives: economic self-interest and social affinity. The self-interest perspective assumes that one's personal economic situation is an important factor in the development of individual attitudes about redistribution. This idea stems from the possibility that those with fewer economic resources will be more supportive of redistribution since they are more likely to benefit from the outcomes of these policies. Conversely, those with higher incomes will view the same policies much less favorably since they are often asked to cover the costs of these programs and are unlikely to directly benefit from them. For the most part, studies examining the differences in the policy preferences of the rich and poor have found that those with fewer economic resources are indeed more supportive of government redistribution (Alesina and Giuliano, 2011; Bartels, 2008; Franko, Tolbert, and Witko, 2013; Kelly and Enns, 2010; Page, Bartels, and Seawright, 2013), and more recent work has connected the economic insecurity of individuals with lower incomes to more positive views of redistributive policies (Hacker, Rehm, and Schlesinger, 2013; Margalit, 2013).

While the concept of economic self-interest suggests growing inequality should lead to greater support for government intervention (e.g., Meltzer and Richard, 1981), the evidence supporting this idea is mixed (Bartels, 2008; Cavaillé and Trump, 2015; Ellis, 2017; Franko, 2016; Kelly and Enns, 2010;

McCall, 2013; McCall and Kenworthy, 2009; Moene and Wallerstein, 2001). This lack of consensus around how changes in inequality affect political attitudes suggest that economic self-interest has its limitations and may only be a factor in shaping responses to inequality under certain circumstances (also see Benabou, 2000; Kelly and Enns, 2010; Luttig, 2013; Persson, 1995). For this reason, a number of scholars have focused on factors that do not necessarily rely on the self-interest paradigm in an effort to provide some clarity to our understanding of how the public has responded to growing inequality. Broadly speaking, this area of literature emphasizes the importance of social relationships and group identities when studying political behavior. The work that considers how the interactions among people and groups might be altered as a result of inequality has been referred to as the social affinity perspective (Cavaillé and Trump, 2015).

In general, the social affinity perspective recognizes that individuals live in a variety of different social contexts and that political preferences are developed through interactions within those environments (Huckfeldt and Sprague, 1987). This means that the types of people and groups one interacts with will influence support for redistributive policies, particularly since these policies often benefit specific groups – that is, those with fewer economic resources. Changes to the income distribution can alter how individuals perceive the distance between themselves and other groups in society, thereby creating stronger or weaker ties to certain groups depending on whether these income changes make particular groups look more alike or more dissimilar (Lupu and Pontusson, 2011).

We argue that considering the underlying mechanisms of the self-interest and social affinity perspectives in the context of neighborhood income segregation can lead to a better understanding of how the public responds to its economic environment. Consistent with economic self-interest, those with lower incomes will generally be more supportive of redistribution since they will likely benefit from redistributive programs and the inverse will be true for those with higher incomes. At the same time, attitudes about redistribution will not necessarily be uniform for a given level of economic status – for instance, support for redistributive policy among the affluent may vary depending on one's empathy for those with fewer resources. As we discuss in more detail below, the extent to which people have more

positive attitudes about the disadvantaged will depend on the social interactions among various class groups as aspects of the social affinity perspective suggest. Importantly, we argue that the current literature has overlooked how political attitudes are shaped by the physical separation of income groups. This suggests that public support for the role of government in the economy may depend on the local *geographic* structure of inequality, or what can be thought of as economic segregation, which can be quite different from the *distributional* structure of inequality. Considering economic segregation can help explain why support for redistribution has increased for some but not for others. In short, we contend that opinion toward redistribution is shaped by the economic composition of the neighborhoods where people reside.

Economic Segregation, Intergroup Contact, and Support for Redistribution

A potentially important development related to how economic changes have influenced political behavior is that income segregation, or the degree to which people live among others of similar economic status, has grown in tandem with income inequality in the U.S. (Reardon and Bischoff, 2011; Watson, 2009). According to one estimate, for example, economic segregation in metropolitan areas grew over 25% from 1970 to 2000 (Reardon and Bischoff, 2011). This means neighborhoods have become more homogeneous, or clustered, suggesting that not only are income differences expanding but the geographic distinction between the rich and the poor is also becoming more pronounced. A number of scholars have examined the consequences of economic segregation and have typically focused on the negative effects segregation can have on disadvantaged groups. For instance, those living in concentrated poverty have fewer job prospects, worse overall health outcomes, and are exposed to more crime than those living in more heterogeneous communities (Dreier, Mollenkopf, and Swanstrom, 2004; Massey, 1996). Others have found that individuals residing in more economically similar neighborhoods are less likely to participate in politics (Campbell, 2006; Oliver, 1999; Widestrom, 2015).

Few studies, however, have assessed how segregation might shape preferences for redistribution (see Bjorvatn and Cappelen, 2003; Minkoff and Lyons, 2019).[1] How, then, can the spatial segregation of incomes affect the public's attitudes about government transfers? We argue that as economic segregation has grown and communities have become more clearly distinct on the basis of income, the social attachments between people from different economic strata have become weaker as a result of fewer interactions among individuals from different social classes. Weaker cross-class group attachments can potentially lead to less empathy for those who make up different economic groups, and will therefore create greater social distance between the rich and poor. This suggests that patterns of residential income clustering may play an important role in how attitudes about government redistribution are developed. This is particularly true for those who have become more segregated from those with lower incomes – that is, those more likely to benefit from government programs – where people who experience less contact with the disadvantaged become less likely to support greater levels of redistribution.

It is important to point out that while the over-time trends in income inequality and economic segregation have been comparable in recent years, the two concepts are distinct. To demonstrate this, Figure 1 shows the economic composition of four hypothetical neighborhoods (e.g., zip codes) across two different geographic areas (e.g., states). In each area we assume that the level of overall inequality is exactly the same – the only difference is in how those from various income groups are clustered in each of the neighborhoods. The top panel shows a situation where members from each of the three income groups (low, middle, and high) live among each other in all four neighborhoods, which can be thought of as heterogeneous communities with very little economic segregation. Alternatively, the bottom panel

[1] Bjorvatn and Cappelen (2003) is theoretical in nature and while Minkoff and Lyons (2019) empirically examine the relationship between neighborhood income diversity and preferences for redistribution, their study focuses on a single U.S. city (i.e., New York City) and is therefore not generalizable outside of this particular context. As we discuss in more detail below, our analysis is much broader in scope and considers nearly the entire U.S. population.

presents a scenario where there is segregation among each of the income groups in three of the four neighborhoods. In this case, those with lower, middle, and high incomes are largely clustered in their own geographic areas. The main point here is that regardless of the level of income inequality that exists in a given place, it is possible for income groups to be geographically clustered in very different ways.

[Figure 1 about here]

Central to our conceptualization of how economic segregation shapes policy preferences is the idea that group interactions and social networks are crucial to the development of political attitudes (Huckfeldt and Sprague, 1987). Emphasizing the importance of group perceptions in shaping policy preferences, particularly in the context of economic segregation, fits well within the framework of what is known as intergroup contact theory (Allport, 1954; Pettigrew et al., 2011). The theory, initially proposed as a way to explain U.S. race relations, suggests that individuals in all societies either explicitly or implicitly belong to a number of social groups based on categorizations such as race, ethnicity, gender, age, and class. Often times, those belonging to a given group have negative views or perceptions of those making up other groups, referred to as outgroups. Contact theory argues that when individuals have more frequent interactions with outgroups these negative views and stereotypes can be reduced or even eliminated (Pettigrew, 1998).

The positive effects of intergroup contact arise through at least three mechanisms. The first is that contact with outgroups allows those from the ingroup to gain knowledge about the individuals from those outside groups. Learning about differences in culture and lifestyle can lead to more positive views of those in the outgroup and can potentially correct existing prejudices. Second, intergroup contact can cause changes in behavior among those in the ingroup. When individuals are placed in new situations, new expectations may be established – for example, feeling obligated to be considerate to those in the outgroup – that can eventually alter existing attitudes about a group. Finally, interaction with different groups can lead to the formation of new emotional connections to people who are part of the outgroup. Perhaps most importantly, these connections can result in greater empathy for those in the outgroup and more overall positive attitudes about the group (Pettigrew, 1998). As Pettigrew et al. (2011) suggest,

intergroup contact "enhances empathy for the outgroup and adoption of the outgroup's perspective. One begins to sense how outgroup members feel and view the world (277)." Additionally, it appears as though all of the positive effects promoted through cross-group contact can be generalized to the entire outgroup, implying that these outcomes go beyond the direct interactions between particular individuals (Pettigrew, 1998).

It should be noted, however, that all forms of intergroup contact are not unconditionally expected to create less bias toward outgroups among ingroup members. In general, cross-group interactions are more likely to produce positive, bias-reducing effects when the contact occurs in contexts where the members of the groups are thought to be of equal status and when the contact is cooperative in nature (Allport, 1954). Of course, it is possible that interactions between two groups can also lead to negative experiences. In these circumstances there is the potential for these experiences to have the opposite effect of creating more biased attitudes toward the outgroup. Negative effects arising from intergroup contact are most likely to occur when group interactions are forced rather than voluntary, when there is competition between the groups, and when interactions are marked by conflict (Pettigrew et al., 2011).

Even with these situations in mind, it is important to point out that meta-analyses of intergroup contact studies find largely positive effects from group interactions even when the circumstances examined in this research are not based on ideal forms of intergroup contact as Allport originally proposed. One potential reason for these broadly positive findings is that most people report positive experiences from intergroup contact (Pettigrew and Tropp, 2006). Furthermore, there is a considerable amount of evidence supporting the expectations derived from intergroup contact theory across a number of disciplines (see Pettigrew et al., 2011 for a review of the literature). In the U.S. context, for instance, intergroup contact theory plays a prominent role for those who study race and ethnicity. Specifically, a number of studies show that racial attitudes among white Americans are influenced by the extent to which individuals have contact with minority groups, where greater contact with racial minorities is associated with less interracial hostility (Forbes, 1997; Rocha and Espino, 2009; Sigelman and Welch, 1993; Welch and Sigelman, 2000). A crucial finding stemming from this line of research is that more intergroup

contact occurs in more heterogeneous contexts (Pettigrew, 1998; Welch et al., 2001). In other words, people are more likely to have contact with a diverse set of social groups when living among those same groups.

We suggest that in considering the concepts rooted in social contact theory we can better understand how the recent growth in economic segregation affects public attitudes by taking into account the social environment where people live. When individuals live in economically heterogeneous communities they are more likely to have interactions with those from different social classes, which will lead to more positive attitudes and greater empathy for members of other groups. Having contact with individuals from lower classes is especially important when considering the negative stereotypes that are attached to what some have termed the "undeserving poor" in the context of policies designed to aid the disadvantaged (Gilens, 2000; Katz, 1990). Consistent with this argument, in a study of school integration in Delhi, India, Rao (2019) finds that the newly formed interactions between rich students and poor students led the rich students to be more generous, have more egalitarian attitudes, and to be less discriminatory toward their poorer classmates. If communities become more economically homogeneous, however, the ties among different social classes become weaker and individuals will be less inclined to support government redistribution designed to assist outsider groups.

From this perspective, we can derive several expected outcomes when assessing whether the public's preferences for government redistribution are shaped by economic segregation. First, on average, people living in more economically segregated communities will have lower levels of support for redistribution than those living in less segregated areas since intergroup contact, and therefore empathy for outgroups, will be minimal. The opposite response is expected for those living in more heterogeneous communities. As described above, individuals residing in less economically segregated communities are likely to have more intergroup contact with those from other class groups, leading to more empathy for the disadvantaged. When empathy for the outgroup is greater, individuals will be more willing to support government redistribution.

Second, we will likely observe differences in the effects of local economic context for those residing in areas that are mostly rich and segregated from the poor when compared with those in areas that are mostly poor and segregated from the rich. Specifically, we expect the effect of income clustering on attitudes about redistribution to be particularly pronounced in neighborhoods where higher income groups are insulated from lower income groups. This is likely since people living in mostly affluent areas that are insulated from the poor will have a lower probability of being exposed to people with lower incomes, and will therefore be less supportive of government redistribution as a result of having weaker ties to and less empathy for those most likely to benefit from redistributive policies.

Finally, following from these expectations, it is also possible that some income groups will develop more conservative attitudes about redistribution in the context of segregation. Specifically, those with higher incomes will not only have less positive views of the poor, but they will also have the most to lose from redistribution – that is, the affluent will likely be asked to contribute more in taxes to fund programs aimed at the disadvantaged while also being unlikely to benefit from these same programs. When living in less segregated areas, however, the rich are the most likely group to be influenced by greater social interaction with the poor as they develop more empathy for those with lower-incomes and subsequently higher levels of support for redistribution. As the self-interest perspective suggests, those with fewer resources will typically view redistribution more favorably overall, and social contact will be less relevant since their group identity will again lead to stronger preferences for redistributive policies.[2]

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[2] The relationship we propose between economic segregation and policy attitudes based on intergroup contact theory is also consistent with research showing that when the affluent are isolated from lower-income groups they are more likely to have optimistic views of general social conditions (Thal, 2017). These biased views of society could certainly lead to less support for government programs designed to address social problems since the affluent will have less concern for issues they are mostly unaware of or do not see as problematic. Of course, more contact between the rich and the poor would be one mechanism that would lead the affluent to have less biased perceptions and be more conscious of social problems. While we do not argue that intergroup contact will have a large influence

Underlying the discussion of how preferences for government redistribution are shaped by geographic context and social contact is the idea that people will be cognizant of class-based group distinctions. We argue that it is only necessary for individuals to recognize differences in the characteristics of those from other income groups, broadly defined, and a specific class identity in the traditional sense is not required. This is consistent with recent research suggesting that individuals are aware of their local economic context (Newman, Johnston, and Lown, 2015; Newman et al., 2015) and that Americans are generally aware of income differences (Franko and Witko, 2017).

Data and Measures

Since the focus of our research is on how local economic context influences individual attitudes about redistribution, testing our expectations requires a local measure of economic segregation between the rich and the poor (our main explanatory variable) and a measure of opinion that captures preferences for redistributive policy along with information about where respondents reside. Ideally, we would like to use a measure of segregation that accounts for geographic living patterns of people at the neighborhood level in order to accurately assess which income groups are most likely to be socially connected. We are able to approximate the economic composition of local neighborhoods by using zip code household income data from the U.S. Census's American Community Survey (ACS) five-year estimates.

While most measures of a person's neighborhood are likely to be flawed (see Minkoff and Lyons 2019), we believe zip codes offer the most sensible approach to capturing the local context of the respondents that are part of the survey data being used for the analysis (discussed in more detail below) when considering the available options. Counties, for instance, could also be used to account for

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on preferences for redistribution among the poor, it is possible that economic context can shape the policy attitudes of the poor through other mechanisms. For instance, when the poor live among those with higher incomes they may become more aware of their class position in society, less likely to view economic outcomes as meritocratic, and as a result more supportive of government redistribution (see Newman, Johnston, and Lown, 2015).

neighborhood context, but the relatively large size of counties make it unlikely that these geographic areas are representative of most people's neighborhood. Census tracts, another way to measure local neighborhood boundaries, are not available with the survey data being used. Additionally, we are able to create rich-poor segregation measures for a large majority of all zip code areas in the U.S., which means our analysis is not limited to major metropolitan areas as is the case with other measures of segregation.[3]

As our discussion of intergroup contact theory in the previous section suggests, the effect of economic segregation on preferences for government redistribution will be particularly influential as the physical separation between the rich and the poor changes. Areas where lower- and higher-income groups interact with one another relatively frequently will be more likely to accept government redistribution while the opposite will be true when the rich and poor are segregated. Additionally, the influence of segregation is expected to vary depending on whether a neighborhood is segregated and mostly rich or segregated and mostly poor. Areas that are segregated and rich will have relatively low levels of support for redistribution as a result of having minimal contact with the disadvantaged and motivations related to self-interest (e.g., lower taxes).

Therefore, we examine two separate measures of economic segregation that were both designed to capture the likelihood that the rich and the poor are exposed to, or come into contact with, each other. We define rich and poor as the top and bottom income quintiles in each state using the Census Bureau's standard 16 income categories. The first measure captures the extent to which the rich and the poor reside in the same neighborhood using the proportion of those living in a zip code that are rich (*rich population*), the proportion that are poor (*poor population*), and an interaction term between these two variables (*rich*

[3] For instance, recently developed measures by Reardon and Bischoff (2011) and Watson (2009) are restricted to metropolitan areas. To get reasonable estimates of our economic segregation measures, we only calculate measures for zip codes that have at least 100 households. Overall, the measures are calculated for over 29,000 of the 33,000+ zip code areas created by the Census, which covers approximately 99% of the U.S. population.

population × poor population).[4] While we expect, on average, that places with more rich residents will be less likely to support government redistribution and places with higher numbers of poor residents will be more supportive, the interaction term allows us to examine whether the effect of living in an area with many rich people is conditioned by the number of lower-income people who also live in the area. Therefore, based on our argument outlined above, the interaction term should be positive, which would indicate that those living in places where there are larger numbers of rich and poor residents have more favorable attitudes toward redistribution.

The second measure we use quantifies the likelihood that the rich and the poor interact with one another by taking into account whether a neighborhood is segregated and rich, segregated and poor, or somewhere in between. This is accomplished by first calculating the ratio of rich to poor in each zip code (*rich population / poor population*) and then log transforming this value (also see Flavin and Franko 2019). The measure is log transformed so that higher positive values indicate a richer neighborhood with very few poor people, negative values represent a poorer neighborhood with very few rich people, and a value of zero indicates an even balance between the rich and poor. Also, the log transformation reduces the influence of outliers, which can be large in zip codes where there are many poor people and rich residents are rare or vice versa. Using the same examples as above, a neighborhood with an even balance of rich and poor residents would lead to a value of 0 for this measure (that is, 0.5/0.5 = 1, and the log of 1

[4] This approach is similar to the one used by Johnston and Newman (2016), but our measures use income quintiles to account for rich and poor populations while their research defines low and high incomes based on absolute income thresholds. The Herfindahl–Hirschman Index (HHI) is a similar measure that has been used in previous research to account for a neighborhood's income diversity (Minkoff and Lyons 2019), but this measure requires the use of all income categories in its calculation. While this may be ideal for some research questions, our central focus is on the living patterns of rich and poor residents. Isolating the rich and poor, as we define these groups here, in order to study the effects of potential exposure between these two groups would not be possible using the HHI measure of diversity. Therefore, we believe our interaction approach is a better fit for our particular study.

is 0). A segregated and rich neighborhood, where 80% are rich and 5% are poor, would lead to the higher value of 2.8 (that is, 0.8/0.05 = 16, and the log of 16 is 2.8). Also note that the inverse of this situation, where a neighborhood has few rich residents (5%) and mostly poor residents (80%), leads to a value of -2.8 (that is, 0.05/0.8 = 0.0625, and the log of 0.0625 is -2.8). Since higher values indicate a mostly rich neighborhood relative to the poor, we call this measure the *rich insulation index*.

One potential limitation of the rich insulation index is that is does not account for the overall population of rich and poor in a given zip code. For instance, a place where 90% of its residents are rich and 10% are poor will have the same measure as an area with 9% rich and 1% poor. Although the relative presence of the two groups in a given area is captured in both situations, the measure could be problematic if neighborhoods where the residents are mostly middle income are different from places that are mostly rich or mostly poor. To consider this possibility, we model the effects of the rich insulation index using two additional approaches. The first simply includes a variable that measures the proportion of each zip code's *middle-income population* – that is, the proportion of residents with incomes in the 20th to 80th percentile. The second approach weights the rich insulation index by the total population of rich and poor living in a zip code. This is done by multiplying the original index by the total proportion of rich and poor. The result is that the index will be weighted downward when there are very few rich and poor residents.[5]

To examine how the context of economic segregation affects redistributive attitudes, we need a measure of individual support for redistribution and survey data that include the respondents' zip code.

[5] Returning to the previous example, in a place with 90% rich and 10% poor the original rich insulation index would be 2.2 (i.e., log(.90/.10) = 2.2) as would a place with 9% rich and 1% poor. The population weighted measure, however, takes these differences into account. The weighted measure for the first example would not change since the proportion of rich and poor is 1 (i.e., 2.2 × 1 = 2.2), but the latter example would be substantially lower at 0.22 since this neighborhood is composed of only 10% rich and poor (i.e., 2.2 × .10 = 0.22).

We rely on the Cooperative Congressional Election Study (CCES), a nationally representative survey of the U.S. population. The CCES regularly offers a common measure of preferences for redistribution and large enough sample sizes that respondent zip code of residence can be identified. We use the most recent CCES studies that are publicly available, coincide with the five-year ACS data used to estimate our measures of economic segregation, and ask the policy preference questions used for our measure of support for redistribution. Specifically, this includes the surveys fielded in 2008, 2010, 2011, 2012, 2014, and 2016. Altogether, the combined surveys provide us with well over 150,000 respondents for use in our analysis.[6]

Since fiscal policy can redistribute income through government expenditures and taxation, we look to capture public attitudes about both types of policy. We use two questions from the CCES to account for the public's policy preferences, both of which are included on all of the surveys. The first question asks the following: "If your state were to have a budget deficit this year it would have to raise taxes on income and sales or cut spending, such as on education, health care, welfare, and road construction. What would you prefer more, raising taxes or cutting spending?" The question asks respondents about their position on a tradeoff between continued government spending through increased taxes and the alternative of cutting spending to avoid new taxes. While the type of potential tax increase is not specified (this is addressed with the second question we use), the government programs that are given as examples in the question largely benefit those with fewer resources. More generally, the question taps into how respondents view the size of government, which is a fundamental aspect of redistribution (Kelly and Enns, 2010; Meltzer and Richard, 1981). Importantly, most forms of government spending tend to

[6] The total sample sizes for each survey, without accounting for missing responses, is: 32,800 (2008), 55,400 (2010), 20,150 (2011), 54,535 (2012), 56,195 (2014), 64,600 (2016). There was also a CCES survey fielded in 2009, but the questions we rely on to measure policy attitudes were not asked in this year so it cannot be included in the analysis.

redistribute income downward, even when the spending is not explicitly designed to assist the poor (Kelly, 2009).

Additionally, we examine responses to a second CCES question that asks: "If the state had to raise taxes, what share of the tax increase should come from increased income taxes and what share from increased sales taxes?" This question focuses on a tradeoff between two forms of taxation, each placing a different burden on various income groups. The income tax is generally viewed as one of the most progressive taxes with its reliance on those with higher incomes. Conversely, the sales tax is often viewed as being a highly regressive tax that disproportionately relies on lower-income people who tend to spend most of their earnings on taxable goods (Bartels, 2008; Davis et al., 2013; Franko, Kelly, and Witko, 2016).

Responses to both questions, which we use as our dependent variables, range from 0 to 100 with higher values indicating more support for redistribution. That is, respondents who prefer tax increases over spending cuts and those who prefer the income tax over the sales tax have higher scores on both of the dependent variables.[7] We believe these two questions offer broad measures of individual preferences for redistribution. As mentioned above, since our local measures of economic segregation are based on five-year estimates we pool the surveys when modeling policy preferences. Specifically, we combine the 2008-2012 ACS zip code data with the CCES survey responses from 2008 to 2012 and use the 2011-2015 ACS zip code data for the 2014 and 2016 CCES data.

[7] Responses to the questions tend to cluster around multiples of 25 (i.e., 0, 25, 50, 75, and 100) for both variables in all survey years, which can be seen in the distributional plots of the variables on the 0-100 scale (see Figure A1 in the supplementary materials section). Because of this, we re-estimate the main models presented below using five-category dependent variables in place of the 0-100 variables as a robustness check. The results can be found in supplementary materials Tables A2 and A3, and are substantively consistent with the results presented in the main text.

Our analyses of political attitudes also include a number of variables to account for other factors that might influence attitudes about redistribution. At the individual level, we include measures of party identification (a seven-point scale from more Democrat to more Republican), ideology (a five-point scale from more liberal to more conservative), family income (in quartiles for consistency across survey years), education, age, gender, and race. As we discuss above, the current literature shows that income inequality is likely associated with economic segregation, so we use the Gini coefficient at the zip code level, a common measure of inequality, in the analyses. Also at the zip code level, we account for the proportion of the population that is Black (non-Hispanic), the proportion of the population that is Hispanic, and the urban status of each zip code.[8] Descriptive statistics for all of the measures used in the analysis are provided in supplementary materials Table A1.

It is also important to note that while we believe we provide a sound conceptualization of how economic segregation affects the public's preferences for redistribution, we recognize the possibility of an endogenous relationship between segregation and political attitudes. For instance, it is possible that those with more liberal political ideologies may choose to live in more economically diverse places and vice versa. Although the methodological approach used to test our expectations cannot completely rule out this potential endogeneity, we are confident in the conclusions based on our analysis below for several reasons. First, as mentioned above, we are able to statistically control for both individual political ideology and party identification. Second, decades of research on residential relocation demonstrates that over 95% of people who move to a new place decide where to live based on reasons related to housing, family, or employment (Chen and Rosenthal, 2008; Ihrke, 2014). For example, common housing-related

[8] The zip code measures of the Gini coefficient, Black (non-Hispanic) population, and Hispanic population were obtained from the Census Bureau's five-year ACS estimates. The urban indicator is a dichotomous variable that is equal to 1 for zip codes in urban areas and 0 otherwise. The urban status data is available on the Census's Urban Area Relationship Files page (https://www.census.gov/geo/maps-data/data/ua_rel_download.html).

reasons for moving include renters who buy a new home and people who want to upgrade the quality of their home or apartment. Family-related reasons for moving typically include those who want to establish their own household (Ihrke, 2014). Finally, there are a substantial number of studies supporting intergroup contact theory, demonstrating that outgroup interaction leads to more positive views of outgroups while accounting for a myriad of conditions. Essential to the current point, this evidence includes experimental designs that specifically control whether participants interact with the outgroup (Pettigrew and Tropp, 2006).[9] For these reasons, we think it is unlikely that our results are largely driven by politically-based relocation decisions.

Methods and Results

Since we are examining dependent variables that range from 0 to 100 (i.e., preferences for less redistribution to more redistribution) and we are interested in accounting for factors at both the zip code and individual levels, we use multilevel regression analysis with random intercepts to account for the non-independence among our second-level (i.e., zip code) variables. We also include indicators for the year of the survey to control for any unobserved heterogeneity between the surveys.[10] To assess whether the

[9] Support for intergroup contact theory holds when considering a variety of methodological approaches (e.g., experimental, quasi-experimental, and observational studies) and across a number of different group definitions (e.g., race, ethnicity, religion, age, and sexual orientation). See Pettigrew and Tropp's (2006) meta-analysis for more details.

[10] The intraclass correlation (ICC) for responses at the zip code level are all approximately 0.03 for the tax increases over spending cuts variable and all around 0.04 for the income tax versus the sales tax variable. These are fairly low correlations, which is one indicator suggesting that modeling the data using random intercepts at the zip code level may not be required. We still use multilevel models for our estimates since our data are structured at multiple levels and low ICCs do not necessarily indicate that multilevel analysis cannot improve estimates (see Nezlek, 2008). In any case, we replicate the models presented in Tables 1 and 2 in the main text using standard OLS regression and

public's preferences for government redistribution are shaped by economic segregation, we present several sets of results for each dependent variable we analyze. The first model includes the proportion of rich residents, the proportion of poor residents, and the interaction between these two measures, the second model includes the rich insulation index, and models 3 and 4 include the alternative approaches to modeling the rich insulation index discussed above.[11]

[Table 1 about here]

The results examining preferences for tax increases over spending cuts are presented in Table 1. As expected, the first column shows that those living in areas where the proportions of rich and poor are higher – that is, neighborhoods where the rich and poor are more likely to interact with each other – have higher levels of support for redistribution, an effect that is statistically different from zero. To better understand this interaction effect, we show the estimated level of support for redistribution by various combinations of rich and poor populations. We hold the number of rich residents constant at 40%, a relatively high level (the 95th percentile), to allow for a straightforward interpretation. Then, the number of poor residents is changed from a low value of 8% (the 5th percentile) to a high value of 40% (the 95th percentile). In other words, we show how policy preferences change for those living in different levels of economic segregation: from a largely segregated area (i.e., 40% rich and 8% poor) to an area with an even balance of rich (40%) and poor (40%). The results, which can be found in Figure 2 (left panel), show that support for redistribution increases by around 4 points when comparing the preferences of those living in a segregated neighborhood to those residing in an area where the rich and poor are more likely to interact. While a 4-point change may not initially appear to be substantively large, it is important to remember that

present these results in Tables A4 and A5 (see the supplementary materials section). The OLS results are substantively consistent with the results presented in the main text.

[11] In the supplementary materials section, we also present the results of the analyses found in Tables 1 and 2 after standardizing each variable to have a mean of zero and standard deviation of one. These results can be found in Tables A6 and A7.

this is an average contextual effect when holding constant individual characteristics like partisanship, ideology, and family income.

[Figure 2 about here]

Moving on to the effect of the rich insulation index in Table 1, where higher values represent zip codes that are segregated and rich, we find that there is a negative and statistically significant effect for this measure of economic segregation. Again consistent with our expectations, this suggests that residents living in local areas where the rich are unlikely to regularly come into contact with the disadvantaged are less likely to favor redistributive policy. Additionally, the estimated coefficients on the rich insulation index are also negative and statistically significant in columns 3 and 4, which provide variations of the insulation index. Specifically, the third column includes a variable that controls for the proportion of middle-income residents in each zip code and column 4 uses the version of the rich insulation index that is weighted by the total rich-poor population. It should also be noted that the estimated effect of income inequality is positive and statistically significant, which is consistent with previous studies showing that higher levels of local income inequality can lead to more public support for redistribution (Franko, 2016; Minkoff and Lyons, 2017; Rueda and Stegmueller, 2016).

The results in Table 2 are from models that are nearly identical to those in Table 1, with the only difference being that in the Table 2 models we examine our second dependent variable. Recall that this variable measures attitudes about redistribution as a tradeoff between preferences for the income tax versus the sales tax. The results across the first four columns are analogous to those found when using the first measure of redistributive preferences – support for redistribution is lower in neighborhoods where the rich and the poor are more segregated and less likely to interact with each other. One important difference between the two dependent variables is that while the estimated effect of the rich-poor interaction term is positive it is not statistically different from zero (see column 1). This is reflected in the estimated effects found in the right panel of Figure 2. While more integrated areas have higher levels of support for income taxes over sales taxes, the increase is a little over 2 points and the confidence intervals are larger when compared with the estimates for the first dependent variable. All three models including

the variations of the rich insulation index, however, demonstrate that those living in places where the rich are more insulated from the poor tend to have less support for redistribution (see columns 2-4). The rich insulation index coefficients are statistically significant in each of the three models. Also similar to the results using the first dependent variable (see Table 1), the estimates show higher levels of support for redistribution via tax tradeoffs in areas where income inequality is higher.

[Table 2 about here]

Again, it should be noted that the effect of economic segregation on preferences for redistribution is found when controlling for a host of factors at the individual level. Additionally, the estimates on the control variables included in the models are largely consistent with other studies of individual opinions on redistribution. For instance, those identifying with the Republican Party and having a more conservative ideology have less favorable views of redistributive policy. Considering our earlier discussion of how self-interest is likely to influence preferences for redistribution, the effect of individual income is also in line with expectations. As family income increases, people are less supportive of redistributive policies. These results are similar across all models presented in Tables 1 and 2 for both measures of redistributive preferences.

While our account of intergroup contact theory argues that there are broad contextual effects of economic segregation on attitudes about redistribution, which is supported by the results presented above, it is also likely that segregation plays a more influential role in shaping the policy preferences of some people relative to others. Specifically, we expect to observe stronger effects of economic segregation on redistributive attitudes among the affluent when compared with lower-income groups. This is because the interaction between the rich and the poor provided by residing in more heterogeneous neighborhoods is more important for the rich in developing greater empathy and understanding of the disadvantaged, and therefore having more positive views of redistribution than they otherwise would. A lack of intergroup contact will likely lead those with higher incomes to focus on aspects of redistribution related to self-interest (e.g., higher taxes without receiving many additional direct benefits) and have weaker support for government transfers.

This implies that economic segregation has a conditional effect on attitudes about redistribution by levels of individual income. To test this possibility, we replicate the models presented in the first column of Tables 1 and 2 and include a three-way interaction term between the rich population at the zip code level, the poor population at the zip code level, and income at the individual level (*rich population* $\times$ *poor population* $\times$ *individual income*). The results of these models are presented in column 5 of Tables 1 and 2. The estimates demonstrate that the interaction term is positive and statistically significant for both dependent variables. To interpret these results, we rely on the same approach used to present the conditional effects in Figure 2. That is, we hold the number of rich residents at the zip code level constant at 40% and change the number of poor residents from low (8%) to high (40%). The main difference is that we also calculate separate estimates for those with low individual-level incomes (bottom quintile) and those with high individual-level incomes (top quintile). Figure 3 presents the results for tax increases over spending cuts preferences in the left panel and the support for tax increases over spending cuts results in the right panel.

[Figure 3 about here]

The conditional effects for both dependent variables demonstrate a common pattern. The positive effect of residing in a neighborhood where the rich and poor are more integrated on support for redistribution is stronger for the rich than it is for the poor. While the effect of changing the local context from a more segregated area to less segregated area is relatively flat for those in the lowest income quintile, those in the highest income group clearly become more supportive of tax increases and spending when living in a less economically segregated area (left panel). A very similar pattern is found for the second dependent variable, where the positive effect of living in an area where the rich and poor are more likely to interact is much larger for rich respondents (right panel). We also considered several alternative approaches to modeling the conditional effect of economic segregation. These models include using fixed effects at the zip code level rather than modeling random intercepts (see supplementary materials Table A8) and estimates that include various combinations of additional interaction terms (see supplementary

materials Table A9 and Figure A2). The results of these models are substantively consistent with those presented Tables 1 (column 5) and 2 (column 5). Overall, the results of the three-way interaction models suggest that the contextual effect of residing in a more economically segregated area is particularly important among those with higher incomes.

Conclusion

As income inequality in the U.S. continues to rise, more scholars are asking what the consequences of this trend are for American politics. A number of studies have focused on whether the public has responded to growing income differences by altering their views on the government's role in redistributing resources. Much less attention, however, has been given to the political consequences of economic segregation, a phenomenon that is at least in part driven by inequality (Reardon and Bischoff, 2011; Watson, 2009). Economic segregation refers to the residential clustering of people with similar financial resources, which we argue has an important influence on political attitudes. Simply put, this study examines whether the public's support for redistributive policies changes in a context where the rich are more likely to live among other rich people and the poor are likely to live among other poor people.

While income inequality and economic segregation are related to a certain extent, the two concepts are conceptually distinct. Importantly, those living in an area that has high levels of inequality – for instance, a state with a very unequal distribution of income – may potentially live in a local neighborhood that is segregated and mostly rich, segregated and mostly poor, or one that is relatively integrated. Our study emphasizes the importance of these variations in local economic context and geographic living patterns as factors that are likely to influence people's attitudes about government redistribution. Specifically, we argue that economic segregation shapes how individuals view those who belong to other social classes. When a neighborhood is more economically diverse, members from all classes will more regularly interact with one another, leading to more positive views of and empathy for other groups. We suggest that it is particularly important for those with higher incomes to have contact

with individuals from lower social classes since many redistributive programs are designed to assist the poor. As neighborhoods become more segregated and the affluent are more insulated from others, the rich will be less likely to understand the position of those who tend to benefit most from redistribution.

We combine local measures of economic segregation with several years of individual survey data to test whether segregation affects preferences for redistribution. Our analyses support our expectations and show that, on average, people living in local areas where the rich and poor are more integrated have more positive attitudes about redistribution. Similarly, those residing in neighborhoods that are segregated and mostly rich have lower levels of support for redistributive policies. Our results also suggest that segregation disproportionately influences attitudes about redistribution for higher income individuals. Affluent individuals who live in neighborhoods that are more economically integrated have higher levels of support for redistributive policies than those living in homogeneous areas.

While our results demonstrate a clear relationship between rich-poor segregation and policy preferences based on a large, representative sample of U.S. adults, we still have much more to learn about how segregated communities shape political attitudes. For instance, our measures of economic segregation only allow us to make inferences about the likelihood that people from different class backgrounds interact with each other and how these various contexts influence support for redistribution. Future studies could build on these findings by analyzing contexts where researchers can more carefully observe the interactions of those from high- and low-income groups to better establish how political attitudes change as a result of intergroup contact (e.g., see the approach used by Rao, 2019). Additionally, it may be useful to carefully examine whether people are more or less willing to support particular kinds of redistribution in response to greater interactions between the rich and the poor.

Overall, this research not only contributes to our understanding of the consequences of economic change, but it also demonstrates the importance of considering local context when studying the attitudes of the American public. While the expansion of income inequality is certainly a global phenomenon, the political, economic, and social environments that make up the communities where people live are bound to have an influence on the development of public opinion. Considering the continued growth of more

economically homogeneous neighborhoods, segregation will likely shape a host of opinions on class-related issues. Attitudes about unemployment, crime, and immigration are just a few political topics in addition to government redistribution that could potentially be influenced by the social structures of local communities.

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Tables and Figures

Table 1: The Effect of Rich-Poor Segregation on Preferences for Increasing Taxes vs. Cutting Spending

	DV: Tax Increase Over Spending Cuts				
	(1)	(2)	(3)	(4)	(5)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level					
Rich Pop.	-2.236**				-2.825***
	(1.110)				(1.071)
Poor Pop.	3.502***				3.108***
	(1.195)				(1.196)
Rich Pop. × Poor Pop.	22.473***				
	(7.671)				
Rich Insulation Index		-0.313***	-0.338***		
		(0.063)	(0.065)		
Middle Income Pop.			-1.345		
			(0.976)		
Rich Insulation (weighted)				-0.705***	
				(0.138)	
Rich Pop. × Poor Pop. × Individual Inc.					8.747***
					(1.942)
Gini Coefficient	6.505***	11.060***	9.771***	10.811***	5.972***
	(1.766)	(1.250)	(1.561)	(1.258)	(1.708)
Black Pop.	-0.513	-0.459	-0.511	-0.529	-0.470
	(0.435)	(0.428)	(0.429)	(0.432)	(0.434)
Hispanic Pop.	-0.445	-0.596	-0.566	-0.579	-0.442
	(0.417)	(0.415)	(0.416)	(0.414)	(0.415)
Urban	-0.129	-0.131	-0.141	-0.143	-0.122
	(0.181)	(0.181)	(0.181)	(0.180)	(0.181)
Individual Level					
Party ID	-2.845***	-2.847***	-2.846***	-2.847***	-2.844***
	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)
Ideology	-7.997***	-7.996***	-7.996***	-7.996***	-7.997***
	(0.064)	(0.064)	(0.064)	(0.064)	(0.064)
Income Quintile	-0.825***	-0.833***	-0.833***	-0.833***	-1.092***
	(0.042)	(0.042)	(0.042)	(0.042)	(0.073)
Education	0.694***	0.691***	0.690***	0.691***	0.693***
	(0.040)	(0.040)	(0.040)	(0.040)	(0.040)
Age	0.037***	0.037***	0.037***	0.037***	0.037***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Male	-1.371***	-1.366***	-1.367***	-1.368***	-1.371***
	(0.108)	(0.108)	(0.108)	(0.108)	(0.108)
White	2.090***	2.098***	2.100***	2.098***	2.086***
	(0.147)	(0.147)	(0.147)	(0.147)	(0.147)
Constant	68.369***	67.436***	68.797***	67.576***	69.448***
	(0.665)	(0.621)	(1.167)	(0.622)	(0.735)
N	176056	176045	176045	176045	176056

Log-Likelihood	-794211.5	-794172.8	-794171.8	-794172.4	-794205.6

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table 2: The Effect of Rich-Poor Segregation on Preferences for Income Tax vs. Sales Tax

	DV: Income Tax Over Sales Tax				
	(1)	(2)	(3)	(4)	(5)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level					
Rich Pop.	1.961				0.082
	(1.378)				(1.321)
Poor Pop.	4.531***				3.638**
	(1.472)				(1.473)
Rich Pop. × Poor Pop.	6.437				
	(9.470)				
Rich Insulation Index		-0.182**	-0.250***		
		(0.077)	(0.080)		
Middle Income Pop.			-3.730***		
			(1.202)		
Rich Insulation (weighted)				-0.392**	
				(0.171)	
Rich Pop. × Poor Pop. × Individual Inc.					8.862***
					(2.356)
Gini Coefficient	8.159***	12.306***	8.731***	12.182***	6.050***
	(2.178)	(1.551)	(1.932)	(1.562)	(2.103)
Black Pop.	-2.574***	-2.582***	-2.736***	-2.608***	-2.418***
	(0.541)	(0.531)	(0.533)	(0.536)	(0.539)
Hispanic Pop.	-1.428***	-1.679***	-1.601***	-1.656***	-1.315**
	(0.520)	(0.518)	(0.518)	(0.516)	(0.517)
Urban	0.517**	0.594***	0.566**	0.582***	0.515**
	(0.221)	(0.222)	(0.222)	(0.221)	(0.221)
Individual Level					
Party ID	-1.477***	-1.478***	-1.477***	-1.478***	-1.476***
	(0.039)	(0.039)	(0.039)	(0.039)	(0.039)
Ideology	-4.705***	-4.705***	-4.705***	-4.705***	-4.704***
	(0.075)	(0.075)	(0.075)	(0.075)	(0.075)
Income Quintile	-1.327***	-1.323***	-1.322***	-1.323***	-1.598***
	(0.050)	(0.050)	(0.050)	(0.050)	(0.087)
Education	0.656***	0.660***	0.657***	0.659***	0.655***
	(0.047)	(0.047)	(0.047)	(0.047)	(0.047)
Age	0.024***	0.024***	0.024***	0.024***	0.024***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Male	0.324**	0.326**	0.324**	0.325**	0.323**
	(0.127)	(0.127)	(0.127)	(0.127)	(0.127)
White	2.138***	2.128***	2.134***	2.129***	2.130***
	(0.172)	(0.172)	(0.172)	(0.172)	(0.172)
Constant	54.213***	53.869***	57.643***	53.948***	55.797***
	(0.811)	(0.758)	(1.433)	(0.759)	(0.894)
N	167872	167861	167861	167861	167872
Log-Likelihood	-780428.2	-780381.2	-780376.4	-780381.3	-780421.4

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Figure 1: Examples of the Geography of Income and Economic Segregation

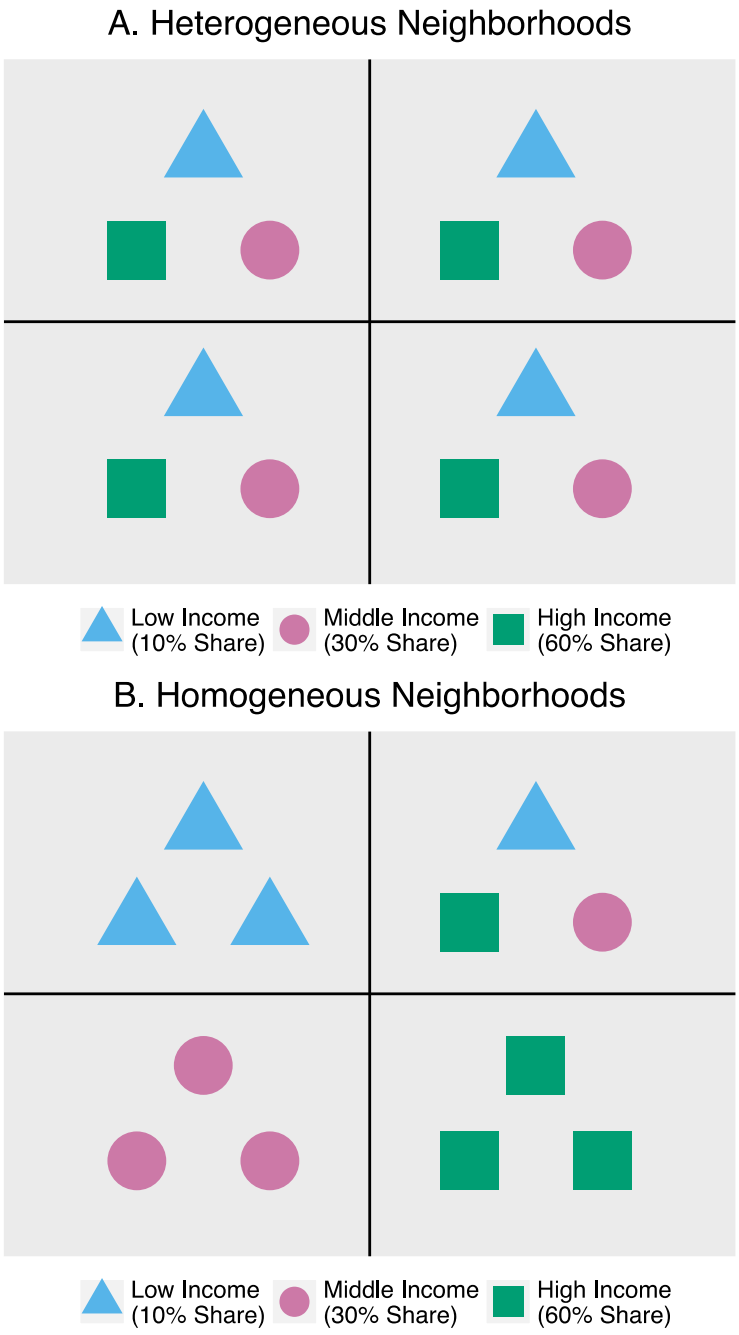
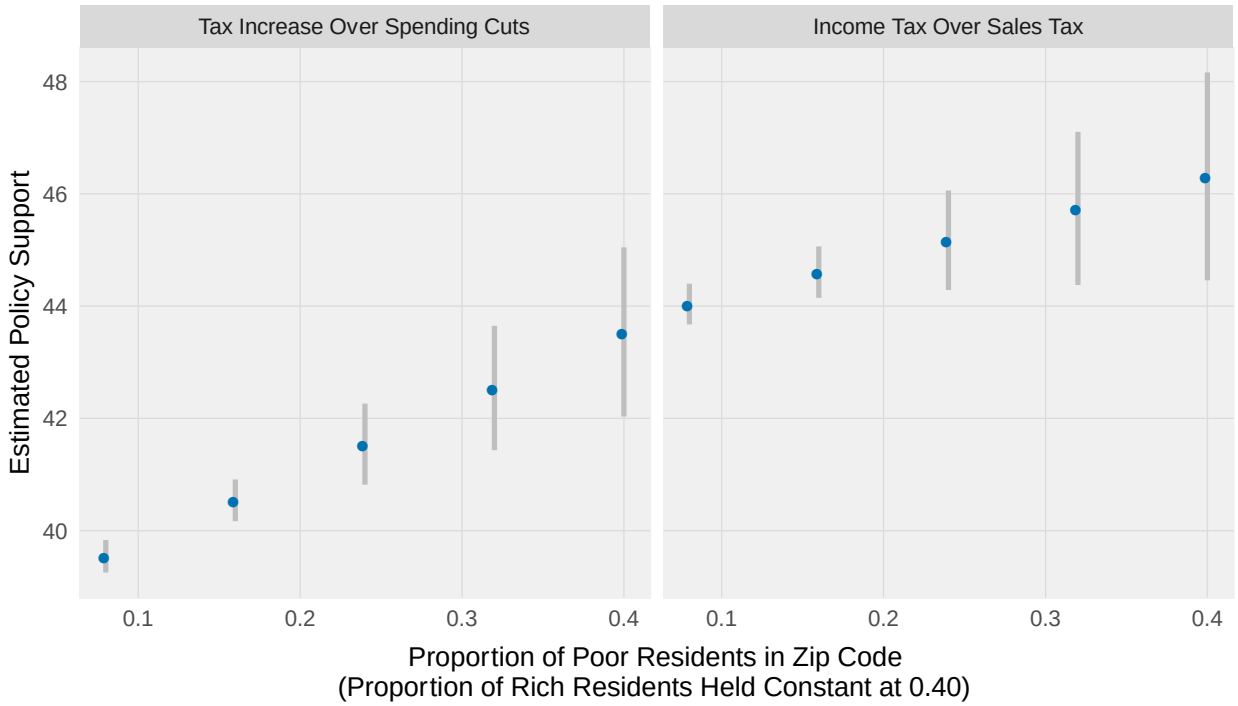


Figure 2: Estimated Policy Preferences at Different Levels of Rich-Poor Segregation at the Local Level



Note: The estimated effects presented in the left panel are based on the results from model 1 in Table 1 and effects in the right panel are based on model 1 in Table 2. Estimates are calculated holding the number of rich residents at the zip code level constant at 40% (the 95th percentile) while the number of poor residents at the zip code level is changed from 8% (the 5th percentile) to 40% (the 95th percentile). Vertical bars represent 90% confidence intervals.

Figure 3: Estimated Policy Preferences for High- and Low-Income Individuals at Different Levels of Rich-Poor Segregation at the Local Level

Note: The estimated effects are based on the results from the "Taxes vs. Spending Cuts" (left panel) and "Income vs. Sales Tax" (right panel) models found in Table 3. Estimates are calculated holding the number of rich residents at the zip code level constant at 40% (the 95th percentile) while the number of poor residents at the zip code level is changed from 8% (the 5th percentile) to 40% (the 95th percentile), and individual-level income is set at the top income quintile and bottom income quintile. Vertical bars represent 90% confidence intervals.

Supplementary Materials

Table A1: Summary Statistics for Individual and Contextual Variables

	Min	Max	Mean	SD
Individual Level				
Tax vs. Spend	0	100	40.10	26.58
Income vs. Sales Tax	0	100	44.03	26.85
Party ID	1	7	3.72	2.21
Ideology	1	5	3.14	1.14
Income Quintile	1	5	3.02	1.42
Education	1	6	3.62	1.46
Age	18	100	50.20	16.24
Male	0	1	0.47	0.50
White	0	1	0.75	0.43
Zip Code Level				
Rich Pop.	0.00	0.85	0.15	0.11
Poor Pop.	0.00	0.91	0.24	0.11
Rich Insulation Index	-6.81	6.96	-0.64	1.25
Middle Income Pop.	0.08	1.00	0.62	0.09
Rich Insulation (weighted)	-5.55	4.53	-0.24	0.57
Gini Coefficient	0.00	0.81	0.42	0.06
Black Pop.	0.00	1.00	0.09	0.16
Hispanic Pop.	0.00	1.00	0.10	0.16
Urban	0.00	1.00	0.55	0.50

Table A2: The Effect of Rich-Poor Segregation on Preferences for Increasing Taxes vs. Cutting Spending, Categorical Dependent Variable Estimates

	DV: Tax Increase Over Spending Cuts			
	(1)	(2)	(3)	(4)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level				
Rich Pop.	-0.110**			
	(0.051)			
Poor Pop.	0.131**			
	(0.055)			
Rich Pop. × Poor Pop.	1.103***			
	(0.352)			
Rich Insulation Index		-0.012***	-0.013***	
		(0.003)	(0.003)	
Middle Income Pop.			-0.047	
			(0.045)	
Rich Insulation (weighted)				-0.028***
				(0.006)
Gini Coefficient	0.303***	0.503***	0.457***	0.492***
	(0.081)	(0.057)	(0.072)	(0.058)
Black Pop.	-0.022	-0.021	-0.023	-0.024
	(0.020)	(0.020)	(0.020)	(0.020)
Hispanic Pop.	-0.022	-0.029	-0.028	-0.029
	(0.019)	(0.019)	(0.019)	(0.019)
Urban	-0.011	-0.011	-0.011	-0.011
	(0.008)	(0.008)	(0.008)	(0.008)
Individual Level				
Party ID	-0.131***	-0.131***	-0.131***	-0.131***
	(0.002)	(0.002)	(0.002)	(0.002)
Ideology	-0.357***	-0.357***	-0.357***	-0.357***
	(0.003)	(0.003)	(0.003)	(0.003)
Income Quintile	-0.037***	-0.037***	-0.037***	-0.037***
	(0.002)	(0.002)	(0.002)	(0.002)
Education	0.032***	0.032***	0.032***	0.032***
	(0.002)	(0.002)	(0.002)	(0.002)
Age	0.002***	0.002***	0.002***	0.002***
	(0.000)	(0.000)	(0.000)	(0.000)
Male	-0.053***	-0.052***	-0.052***	-0.052***
	(0.005)	(0.005)	(0.005)	(0.005)
White	0.094***	0.094***	0.094***	0.094***
	(0.007)	(0.007)	(0.007)	(0.007)
Constant	3.838***	3.794***	3.842***	3.800***
	(0.031)	(0.029)	(0.054)	(0.029)
N	176056	176045	176045	176045
Log-Likelihood	-253230.09	-253224.56	-253224.00	-253224.07

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table A3: The Effect of Rich-Poor Segregation on Preferences for Income Tax vs. Sales Tax, Categorical Dependent Variable Estimates

	DV: Income Tax Over Sales Tax			
	(1)	(2)	(3)	(4)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level				
Rich Pop.	0.085			
	(0.062)			
Poor Pop.	0.202***			
	(0.066)			
Rich Pop. × Poor Pop.	0.370			
	(0.427)			
Rich Insulation Index		-0.008**	-0.011***	
		(0.003)	(0.004)	
Middle Income Pop.			-0.168***	
			(0.054)	
Rich Insulation (weighted)				-0.017**
				(0.008)
Gini Coefficient	0.368***	0.564***	0.403***	0.558***
	(0.098)	(0.070)	(0.087)	(0.070)
Black Pop.	-0.119***	-0.119***	-0.126***	-0.121***
	(0.024)	(0.024)	(0.024)	(0.024)
Hispanic Pop.	-0.056**	-0.068***	-0.064***	-0.067***
	(0.023)	(0.023)	(0.023)	(0.023)
Urban	0.020**	0.024**	0.023**	0.023**
	(0.010)	(0.010)	(0.010)	(0.010)
Individual Level				
Party ID	-0.068***	-0.068***	-0.068***	-0.068***
	(0.002)	(0.002)	(0.002)	(0.002)
Ideology	-0.206***	-0.206***	-0.206***	-0.206***
	(0.003)	(0.003)	(0.003)	(0.003)
Income Quintile	-0.059***	-0.059***	-0.059***	-0.059***
	(0.002)	(0.002)	(0.002)	(0.002)
Education	0.031***	0.031***	0.031***	0.031***
	(0.002)	(0.002)	(0.002)	(0.002)
Age	0.001***	0.001***	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)
Male	0.024***	0.024***	0.024***	0.024***
	(0.006)	(0.006)	(0.006)	(0.006)
White	0.097***	0.097***	0.097***	0.097***
	(0.008)	(0.008)	(0.008)	(0.008)
Constant	3.156***	3.139***	3.309***	3.142***
	(0.037)	(0.034)	(0.065)	(0.034)
N	167872	167861	167861	167861
Log-Likelihood	-262451.40	-262438.32	-262433.52	-262438.32

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table A4: The Effect of Rich-Poor Segregation on Preferences for Increasing Taxes vs. Cutting Spending, OLS Regression Estimates

	DV: Tax Increase Over Spending Cuts			
	(1)	(2)	(3)	(4)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level				
Rich Pop.	-2.368**			
	(0.957)			
Poor Pop.	3.192***			
	(1.047)			
Rich Pop. × Poor Pop.	27.653***			
	(6.700)			
Rich Insulation Index		-0.277***	-0.302***	
		(0.054)	(0.057)	
Middle Income Pop.			-1.293	
			(0.856)	
Rich Insulation (weighted)				-0.633***
				(0.121)
Gini Coefficient	6.330***	11.481***	10.233***	11.268***
	(1.551)	(1.072)	(1.354)	(1.079)
Black Pop.	-0.365	-0.361	-0.406	-0.426
	(0.373)	(0.366)	(0.368)	(0.369)
Hispanic Pop.	-0.330	-0.514	-0.481	-0.505
	(0.353)	(0.351)	(0.352)	(0.350)
Urban	-0.145	-0.136	-0.145	-0.145
	(0.165)	(0.165)	(0.165)	(0.164)
Individual Level				
Party ID	-2.839***	-2.841***	-2.840***	-2.841***
	(0.033)	(0.033)	(0.033)	(0.033)
Ideology	-8.041***	-8.042***	-8.042***	-8.042***
	(0.064)	(0.064)	(0.064)	(0.064)
Income Quintile	-0.859***	-0.872***	-0.871***	-0.871***
	(0.042)	(0.042)	(0.042)	(0.042)
Education	0.727***	0.724***	0.723***	0.724***
	(0.040)	(0.040)	(0.040)	(0.040)
Age	0.036***	0.036***	0.036***	0.036***
	(0.004)	(0.004)	(0.004)	(0.004)
Male	-1.376***	-1.369***	-1.371***	-1.371***
	(0.108)	(0.108)	(0.108)	(0.108)
White	2.110***	2.123***	2.126***	2.123***
	(0.146)	(0.146)	(0.146)	(0.146)
Constant	68.531***	67.448***	68.758***	67.561***
	(0.603)	(0.563)	(1.034)	(0.564)
N	176056	176045	176045	176045

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent OLS regression coefficient estimates with standard errors in parentheses. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table A5: The Effect of Rich-Poor Segregation on Preferences for Income Tax vs. Sales Tax, OLS Regression Estimates

	DV: Income Tax Over Sales Tax			
	(1)	(2)	(3)	(4)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level				
Rich Pop.	1.363			
	(1.125)			
Poor Pop.	4.113***			
	(1.230)			
Rich Pop. × Poor Pop.	14.364*			
	(7.882)			
Rich Insulation Index		-0.165**	-0.235***	
		(0.064)	(0.067)	
Middle Income Pop.			-3.598***	
			(1.007)	
Rich Insulation (weighted)				-0.341**
				(0.142)
Gini Coefficient	9.806***	14.655***	11.171***	14.594***
	(1.827)	(1.261)	(1.594)	(1.269)
Black Pop.	-3.029***	-3.117***	-3.243***	-3.119***
	(0.437)	(0.429)	(0.431)	(0.433)
Hispanic Pop.	-1.446***	-1.757***	-1.666***	-1.723***
	(0.415)	(0.412)	(0.413)	(0.411)
Urban	0.529***	0.612***	0.587***	0.595***
	(0.195)	(0.195)	(0.195)	(0.194)
Individual Level				
Party ID	-1.525***	-1.526***	-1.525***	-1.527***
	(0.039)	(0.039)	(0.039)	(0.039)
Ideology	-4.801***	-4.802***	-4.802***	-4.802***
	(0.075)	(0.075)	(0.075)	(0.075)
Income Quintile	-1.339***	-1.333***	-1.331***	-1.335***
	(0.050)	(0.050)	(0.050)	(0.050)
Education	0.715***	0.721***	0.719***	0.720***
	(0.047)	(0.047)	(0.047)	(0.047)
Age	0.021***	0.021***	0.021***	0.021***
	(0.004)	(0.004)	(0.004)	(0.004)
Male	0.387***	0.391***	0.388***	0.390***
	(0.127)	(0.127)	(0.127)	(0.127)
White	2.034***	2.023***	2.031***	2.025***
	(0.171)	(0.171)	(0.171)	(0.171)
Constant	54.047***	53.461***	57.111***	53.519***
	(0.709)	(0.662)	(1.217)	(0.664)
N	167872	167861	167861	167861

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent OLS regression coefficient estimates with standard errors in parentheses. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table A6: The Effect of Rich-Poor Segregation on Preferences for Increasing Taxes vs. Cutting Spending, Standardized Variables

	DV: Tax Increase Over Spending Cuts			
	(1)	(2)	(3)	(4)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level				
Rich Pop.	0.012*			
	(0.006)			
Poor Pop.	0.028***			
	(0.006)			
Rich Pop. × Poor Pop.	0.010***			
	(0.003)			
Rich Insulation Index		-0.014***	-0.015***	
		(0.003)	(0.003)	
Middle Income Pop.			-0.004	
			(0.003)	
Rich Insulation (weighted)				-0.014***
				(0.003)
Gini Coefficient	0.013***	0.022***	0.019***	0.021***
	(0.003)	(0.002)	(0.003)	(0.002)
Black Pop.	-0.003	-0.003	-0.003	-0.004
	(0.003)	(0.003)	(0.003)	(0.003)
Hispanic Pop.	-0.003	-0.004	-0.004	-0.004
	(0.003)	(0.003)	(0.003)	(0.003)
Urban	-0.002	-0.002	-0.002	-0.002
	(0.002)	(0.002)	(0.002)	(0.002)
Individual Level				
Party ID	-0.237***	-0.237***	-0.237***	-0.237***
	(0.003)	(0.003)	(0.003)	(0.003)
Ideology	-0.344***	-0.344***	-0.344***	-0.344***
	(0.003)	(0.003)	(0.003)	(0.003)
Income Quintile	-0.044***	-0.045***	-0.045***	-0.045***
	(0.002)	(0.002)	(0.002)	(0.002)
Education	0.038***	0.038***	0.038***	0.038***
	(0.002)	(0.002)	(0.002)	(0.002)
Age	0.023***	0.022***	0.022***	0.022***
	(0.002)	(0.002)	(0.002)	(0.002)
Male	-0.026***	-0.026***	-0.026***	-0.026***
	(0.002)	(0.002)	(0.002)	(0.002)
White	0.034***	0.034***	0.034***	0.034***
	(0.002)	(0.002)	(0.002)	(0.002)
Constant	-0.031***	-0.037***	-0.038***	-0.037***
	(0.006)	(0.006)	(0.006)	(0.006)
N	176056	176045	176045	176045
Log-Likelihood	-216728.59	-216725.96	-216725.01	-216725.56

* p<0.10, ** p<0.05, *** p<0.01

Note: All variables in the above models were standardized to have a mean of zero and standard deviation of one Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include

random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table A7: The Effect of Rich-Poor Segregation on Preferences for Income Tax vs. Sales Tax, Standardized Variables

	DV: Income Tax Over Sales Tax			
	(1)	(2)	(3)	(4)
	b/(se)	*b/(se)*	*b/(se)*	*b/(se)*
Zip Code Level				
Rich Pop.	0.014*			
	(0.008)			
Poor Pop.	0.022***			
	(0.008)			
Rich Pop. × Poor Pop.	0.003			
	(0.004)			
Rich Insulation Index		-0.008**	-0.011***	
		(0.003)	(0.003)	
Middle Income Pop.			-0.011***	
			(0.004)	
Rich Insulation (weighted)				-0.008**
				(0.003)
Gini Coefficient	0.016***	0.024***	0.017***	0.024***
	(0.004)	(0.003)	(0.004)	(0.003)
Black Pop.	-0.017***	-0.017***	-0.018***	-0.017***
	(0.004)	(0.003)	(0.004)	(0.004)
Hispanic Pop.	-0.009***	-0.011***	-0.010***	-0.011***
	(0.003)	(0.003)	(0.003)	(0.003)
Urban	0.007**	0.008***	0.007**	0.007***
	(0.003)	(0.003)	(0.003)	(0.003)
Individual Level				
Party ID	-0.122***	-0.122***	-0.122***	-0.122***
	(0.003)	(0.003)	(0.003)	(0.003)
Ideology	-0.200***	-0.200***	-0.200***	-0.200***
	(0.003)	(0.003)	(0.003)	(0.003)
Income Quintile	-0.070***	-0.070***	-0.070***	-0.070***
	(0.003)	(0.003)	(0.003)	(0.003)
Education	0.036***	0.036***	0.036***	0.036***
	(0.003)	(0.003)	(0.003)	(0.003)
Age	0.015***	0.015***	0.015***	0.015***
	(0.003)	(0.003)	(0.003)	(0.003)
Male	0.006**	0.006**	0.006**	0.006**
	(0.002)	(0.002)	(0.002)	(0.002)
White	0.035***	0.034***	0.035***	0.034***
	(0.003)	(0.003)	(0.003)	(0.003)
Constant	-0.138***	-0.140***	-0.140***	-0.140***
	(0.007)	(0.007)	(0.007)	(0.007)
N	167872	167861	167861	167861
Log-Likelihood	-228055.32	-228044.52	-228039.71	-228044.65

* p<0.10, ** p<0.05, *** p<0.01

Note: All variables in the above models were standardized to have a mean of zero and standard deviation of one Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include

random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Table A8: Conditional Effect of Rich-Poor Segregation on Policy Preferences by Individual Income, Fixed Effects Estimates

	Taxes vs. Spending Cuts *b/(se)*	Income vs. Sales Tax *b/(se)*
Zip Code Level		
Rich Pop.	-7.704**	-7.311*
	(3.364)	(3.960)
Poor Pop.	1.261	-7.537
	(4.780)	(5.627)
Rich Pop. × Poor Pop. × Individual Inc.	9.837***	11.443***
	(3.202)	(3.757)
Gini Coefficient	-0.834	4.721
	(5.522)	(6.511)
Black Pop.	7.034	13.063*
	(6.707)	(7.825)
Hispanic Pop.	-4.377	-4.518
	(5.971)	(6.990)
Individual Level		
Party ID	-2.896***	-1.438***
	(0.036)	(0.042)
Ideology	-7.882***	-4.545***
	(0.069)	(0.080)
Income Quintile	-1.029***	-1.624***
	(0.109)	(0.128)
Education	0.637***	0.558***
	(0.043)	(0.050)
Age	0.041***	0.026***
	(0.004)	(0.005)
Male	-1.321***	0.275**
	(0.116)	(0.136)
White	1.955***	2.381***
	(0.156)	(0.183)
Constant	72.771***	58.645***
	(2.535)	(2.992)
N	176056	167872
Log-Likelihood	-781083.57	-766792.38

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent OLS regression coefficient estimates with standard errors in parentheses. All models include fixed effects at the zip code level and for survey year but the coefficients are not presented in the table to preserve space. Indicators for whether the zip code is in an urban area could not be included in these models due to collinearity with the fixed effects.

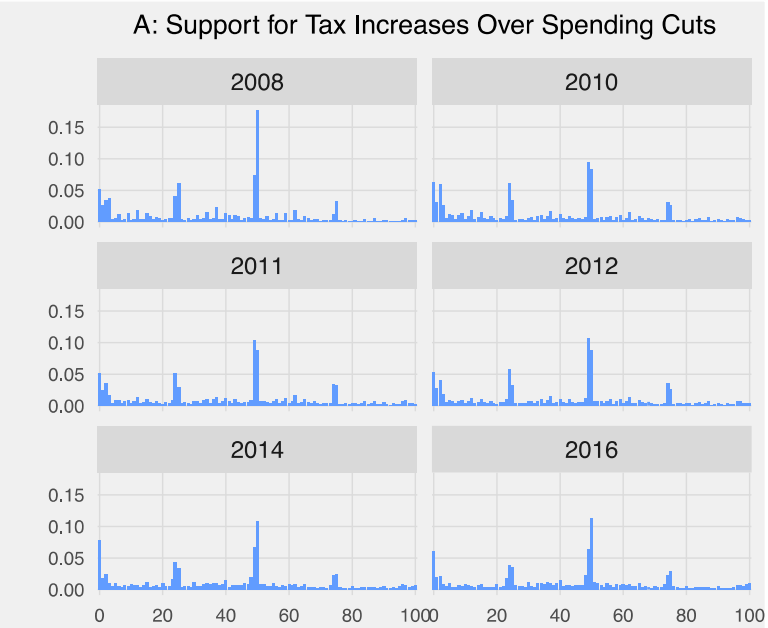
Table A9: Conditional Effect of Rich-Poor Segregation on Policy Preferences by Individual Income, Alternative Interaction Term Estimates

	Taxes vs. Spending Cuts *b/(se)*	Income vs. Sales Tax *b/(se)*	Taxes vs. Spending Cuts *b/(se)*	Income vs. Sales Tax *b/(se)*
Zip Code Level				
Rich Pop.	-2.561**	1.417	-6.322**	-4.289
	(1.114)	(1.382)	(2.801)	(3.315)
Poor Pop.	3.168***	3.969***	2.558	-5.561**
	(1.199)	(1.476)	(2.223)	(2.634)
Rich Pop. × Poor Pop.	-10.433	-47.770***	6.675	-29.911
	(12.073)	(14.461)	(16.179)	(19.203)
Poor Pop. × Individual Inc.			0.053	3.428***
			(0.632)	(0.740)
Rich Pop. × Individual Inc.			0.926	2.033**
			(0.713)	(0.837)
Rich Pop. × Poor Pop. × Individual Inc.	10.785***	17.848***	6.501	10.735**
	(3.056)	(3.599)	(4.282)	(5.043)
Gini Coefficient	6.364***	7.918***	6.352***	7.650***
	(1.767)	(2.178)	(1.767)	(2.178)
Black Pop.	-0.497	-2.548***	-0.477	-2.530***
	(0.435)	(0.541)	(0.436)	(0.541)
Hispanic Pop.	-0.477	-1.481***	-0.462	-1.498***
	(0.417)	(0.520)	(0.417)	(0.520)
Urban	-0.117	0.534**	-0.112	0.559**
	(0.181)	(0.221)	(0.181)	(0.221)
Individual Level				
Party ID	-2.844***	-1.475***	-2.844***	-1.476***
	(0.033)	(0.039)	(0.033)	(0.039)
Ideology	-7.997***	-4.705***	-7.997***	-4.703***
	(0.064)	(0.075)	(0.064)	(0.075)
Income Quintile	-1.155***	-1.874***	-1.193***	-2.773***
	(0.103)	(0.121)	(0.199)	(0.234)
Education	0.693***	0.654***	0.693***	0.654***
	(0.040)	(0.047)	(0.040)	(0.047)
Age	0.037***	0.024***	0.037***	0.024***
	(0.004)	(0.004)	(0.004)	(0.004)
Male	-1.370***	0.325**	-1.373***	0.333***
	(0.108)	(0.127)	(0.108)	(0.127)
White	2.086***	2.129***	2.091***	2.102***
	(0.147)	(0.172)	(0.147)	(0.172)
Constant	69.540***	56.157***	69.754***	58.893***
	(0.743)	(0.901)	(0.922)	(1.104)
N	176056	167872	176056	167872
Log-Likelihood	-794205.28	-780415.91	-794203.35	-780403.43

* p<0.10, ** p<0.05, *** p<0.01

Note: Entries represent multilevel regression coefficient estimates with standard errors in parentheses. All models include random intercepts at the zip code level. Survey year indicators are all included in all models but the coefficients are not presented in the table to preserve space.

Figure A1: Distribution of Dependent Variables on 0 to 100 Scale



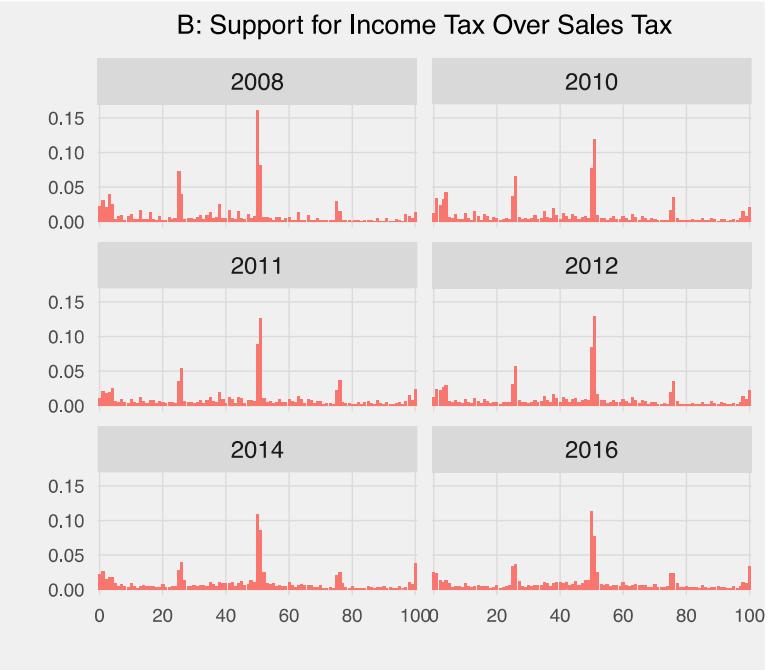


Figure A2: Estimated Policy Preferences for High- and Low-Income Individuals at Different Levels of Rich-Poor Segregation at the Local Level Using Alternative Interaction Models

Note: The estimated effects are based on the results from model 1 (left panel) and model 2 (right panel) found in Table A9. Estimates are calculated holding the number of rich residents at the zip code level constant at 40% (the 95th percentile) while the number of poor residents at the zip code level is changed from 8% (the 5th percentile) to 40% (the 95th percentile), and individual-level income is set at the top income quintile and bottom income quintile. Vertical bars represent 90% confidence intervals.