

Immigrants' Attitudes towards Redistribution: Implications for the Welfare State*

Andreas Bergh[†]
Ratio & Lund University

Günther Fink[‡]
Harvard School of Public Health

June 2009

Abstract

Using data from the World Value Survey we examine first and second generation immigrants' attitudes towards income inequality and redistribution. We find that first generation immigrants are on average less favorable to redistribution compared to non-immigrants. This effect is particularly pronounced in the Nordic welfare states, while in residual welfare states immigrants have stronger preferences for more government involvement, but not necessarily towards more redistribution. We find only marginal differences for second generation immigrants, suggesting a rather rapid adaptation of local norms and political preferences.

JEL-codes: J61, H23

Keywords: Immigration, redistribution, welfare state, attitudes

* The authors thank seminar participants at Växjö University and the Ratio institute for useful comments on earlier versions of this paper. Financial support from Torsten and Ragnar Söderbergs stiftelser and Centre for Economic Demography at Lund university for Andreas Bergh is gratefully acknowledged.

[†] andreas.bergh@nek.lu.se. Dept of Economics, Lund university and the Ratio Institute. P.O. BOX 7082, 220 07 Lund Sweden.

[‡] gfink@hsph.harvard.edu. Center for Population and Development, Harvard School of Public Health.

“It was the bravest who moved first over the big sea. Those who stayed, the sluggish and thoughtful, called them adventurers.”

Vilhelm Moberg, *The Emigrants*, 1951.

“Immigration must be halted in the short-term so that our dole queues are not added to by, in many cases, unskilled migrants not fluent in the English language.”

Pauline Hanson, Australian Politician

1. Introduction

Immigrants, defined as people born in another country than they reside in, constitute a large fraction of total populations across countries. In 2005, immigrants accounted for 10.3 percent of domestic populations in the average country, and more than 20% in over 30 countries.* †

The inflow of immigrants has triggered substantial debate about migration policy in many developed countries, and also raised questions welfare state design in the presence of immigration. Sinn (2002) and Peterson and Rom (1990) argue that immigration constitutes a flight towards safety, especially when host countries are endowed with generous welfare states. Under this *welfare magnet hypothesis* (Borjas, 1999) immigration endangers the long-term sustainability of the welfare state, as immigrants will impose a heavy burden on social insurance schemes. This idea stands in stark contrast with the notion of the skilled and risk-taking immigrant that self-selects into migration – as described by the Moberg quote above (and also by Chiswick, 1999). According to the *self-selection hypothesis*, immigrants are a

* Source: World Development Indicators, Immigrant Stock World Bank (2007).

† The share of immigrants world-wide has been roughly constant over the latest decades, but the migrant stock tends to be increasing in developed countries and decreasing in less developed countries Zlotnick (1998).

selected, less risk averse and competitive subsample of their home country population, and thus not primarily interested in the generous welfare state offered by their hosting country.

In this paper, we use a large set of nationally representative surveys to investigate the nature of immigration and immigrants' attitudes towards redistribution. Combining data from multiple waves of the world value survey, we analyze both the socioeconomic characteristics of the average immigrant, and also use the responses to two broad welfare state questions to investigate their redistributive preferences. Our results provide little support for the welfare state magnet hypothesis and appear consistent with the hypothesis of self-selection. First generation immigrants typically prefer less redistribution compared to non-immigrants in the country where they reside, while their children (second generation immigrants) are almost identical to their peers. Our results speak strongly against immigration leading to an expansion of the welfare state: if anything, the political impact from immigrants on the welfare state is towards convergence: In countries with small, residual welfare states, first generation immigrants prefer a larger role for government in providing for all, while in the Nordic universal welfare states, immigrants are significantly less leaning towards income inequality compared to non-immigrants in these countries. However, these differences do not transmit to the next generation.

Several scholars have examined the impact of immigration on the political preferences of natives. In theoretical political economy models, results often suggest that immigration leads to lower welfare state support among non-immigrants as immigrants often end up claiming welfare benefits. For example, Mayr (2007) shows that there is a case for natives to oppose immigrant voting out of redistributive concerns. Similarly Razin et al. (2002) notes that as the number of migrants grows, more tax revenue ends up in the hands of low-skill migrants,

causing the native-born tax payers to prefer lower taxes. The conclusion is supported by data on 11 European 1974–1992, indicating that a higher share of low-education immigrants in the population leads to a lower tax rate on labor income and less generous social transfers.*

Among recent empirical evidence, Eger (2009) finds that more new immigrants decreases welfare state support in Swedish counties. On the other hand, Senik et al. (2009) study 22 European countries using the European social survey and find only weak evidence of a negative association between the perceived presence of immigrants and natives' support for the welfare state.† Tamura (2006) notes that immigration should theoretically cause disagreement among natives, and notes that this idea is supported by Dustmann and Preston (2004) who show that low-income earners and those who face unemployment risk are less in favor of immigration in the UK. Finally, Alesina and La Ferrara (2002) argue that ethnically more diverse communities display lower degree of trust, and thus generally demand lower levels of redistribution.

Much fewer studies focus on the preferences of immigrants themselves. Studying Germany and Great Britain, Dacnygier and Saunders (2006) show that once income is controlled for, immigrants are very similar to natives in their support for increased social spending and redistributive measures. Finally, using a survey of foreign born immigrants in Germany, Bonin and coauthors (2006) conclude that “first-generation immigrants are more risk averse

* A similar, although more complex model appears in Dolmas and Huffman (2004), who note that natives' preferences over immigration are influenced by the prospect that immigrants will be voting over future tax policy.

† Unsurprisingly, the effect is bigger for natives who dislike immigrants and also are concerned about the economic consequences of immigration.

than natives, while in the second generation risk preferences appear to equalize" (p. 1).^{*} This study extends the existing literature to a larger, and more heterogeneous, set of countries, allowing an individual level analysis against a range of host country settings.

The paper is structured as follows: we describe the data and the empirical strategy chosen in section 2, and present the results in section 3. We conclude with a short summary in section 4.

2. Data and empirical strategy

2.1. Data

The data used in this study are from the World Value Survey (WVS). The World Values Survey is the result of an international collaboration to collect data on socio-cultural and political change. Starting in 1981 with the European Value Surveys (EVS), the WVS has grown rapidly to cover more than 80 countries around the globe by 2007.[†] Surveys are conducted by local investigators, and designed to be nationally representative. As of today, 5 waves of the survey were collected: 1981, 1990, 1995, 2000, and 2005, with a growing, but changing set of countries across waves.

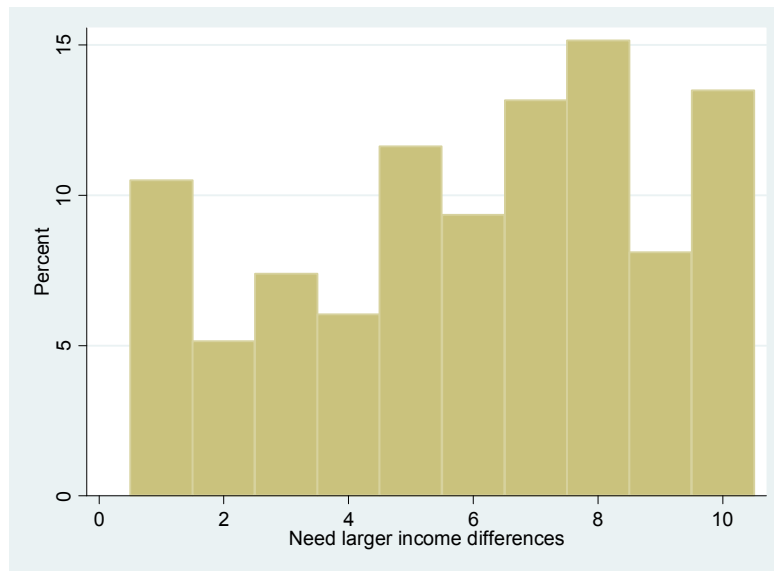
The WVS contains a large set of questions regarding values and attitudes, two of which are the primary focus of this paper. First, the surveys contain a question regarding inequality.

The question asked is the following:

^{*} The measure used is the stated "willingness to take risks, in general" on a 0 to 10 scale, for a sample of 21 000 adults.

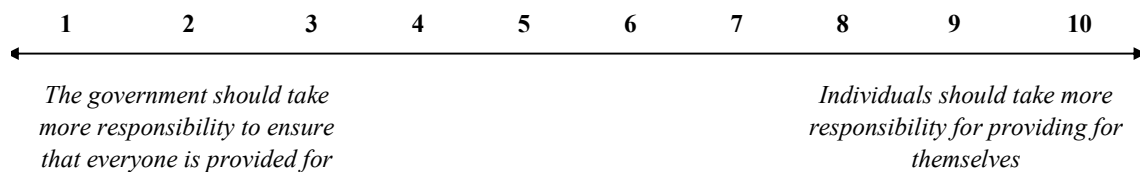
[†] A full description of the history of the WVS as well as the data files is available online at <http://www.worldvaluessurvey.org/>.

Figure 1: Distribution of answers: "Need larger income differences"



Source: World Values Surveys, wave 5

On the other hand, one could argue that the question is directly about the progressivity of the tax system; individuals indicating a preference for larger income differentials may want the same amount of social transfers, but a less steep tax schedule to encourage work and entrepreneurship. To deal with this issue, we also analyze a second question featured in the WVS. Following the same agree/disagree setting from before, the two options are:

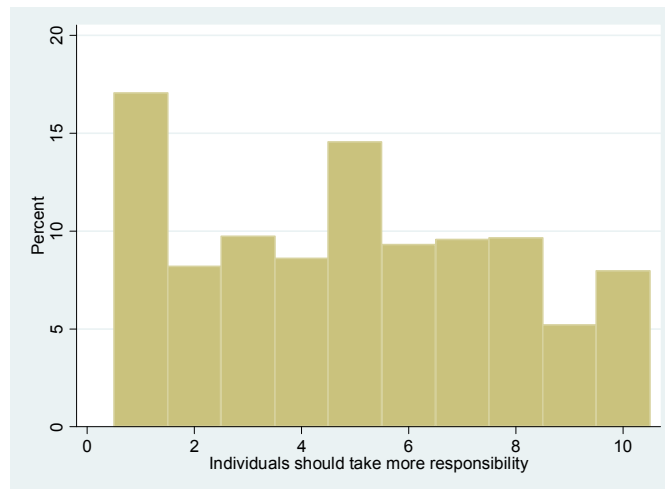


This question was recently analyzed by Koster (2008), who argues that the answers reflect a preference over economic individualism versus social equality. As Figure 2 shows, the

distribution of the answers to this question is slightly more tilted towards the left. The most common answer is 1 (19.5%), followed by 5 (14.8%), the latter of which is also the median response. The correlation between answers to the two questions is a moderate at 0.18, highlighting the different dimensions of the welfare state addressed by the two questions.

In the group of respondents answering 1 on the government question, 29% also have a score of 1 on the inequality question, but a 26% indicate that larger income differentials are needed. The desire for more government provision does thus not necessarily imply a desire for less income inequality, and the same is true the other way around: a desire for less inequality does not necessarily imply a desire for more government.

Figure 2: Distribution of answers: "Individuals should take more responsibility for providing for themselves"



Source: World Values Surveys, wave 5

While the questions regarding inequality and government size were asked in each survey, immigration was addressed only in 3 of the 5 survey waves. In waves 2 and 3 (1990 and

1995) respondents were asked about their country of birth. In wave 5, respondents were asked about the birth place of their parents. Using these two questions, we divide our analysis in two parts. In the first part, we analyze the first generation immigrants, that is, the respondents in the 1990 and 1995 surveys that indicated to be born in a foreign country. As summarized in Table 1 below, we have 48,634 observations in this sample, spread over 42 countries in 5 continents.* On average, 6.3% of respondents indicate to be immigrants.

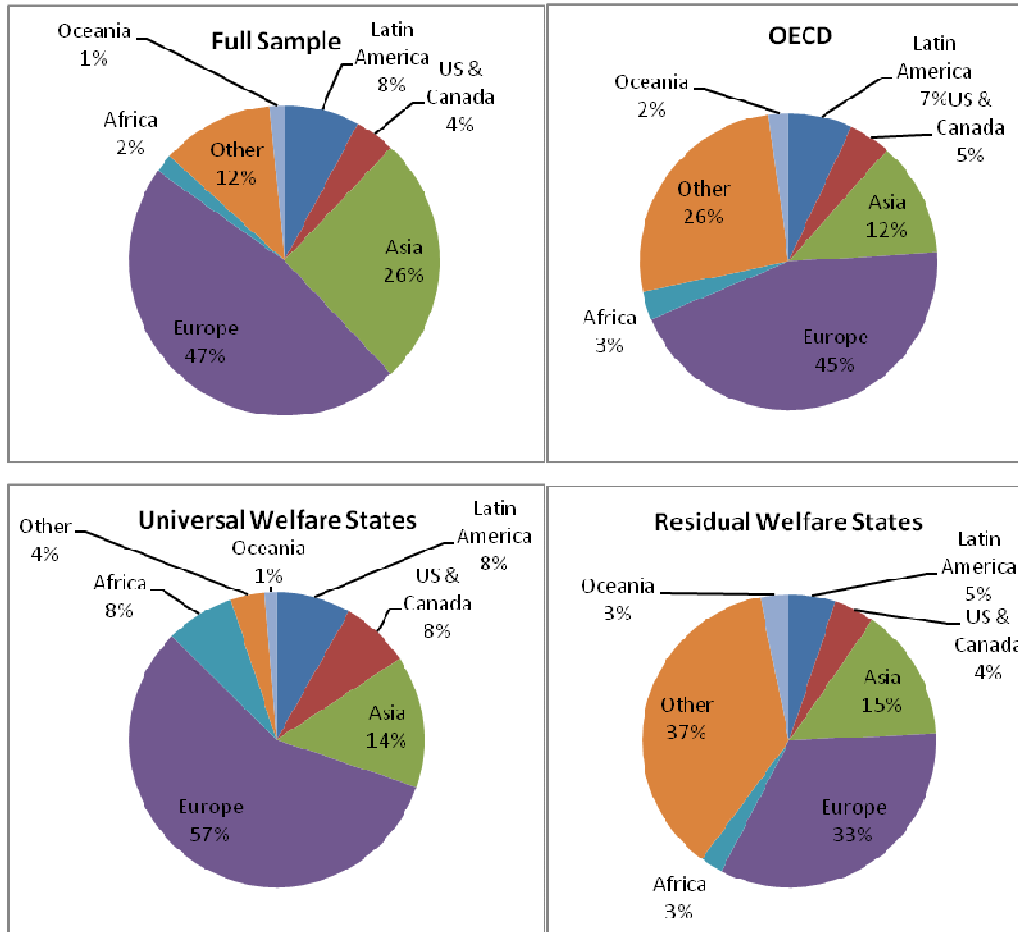
For the country of birth, the WVS collected regional information as summarized in Figure 3 below. In the full sample, a remarkably high fraction of 47% indicates to have European origins, followed by Asia (26%). The fraction of immigrants from Africa and Latin America is rather small. Since we have a highly diverse group of countries in our sample, we put special emphasis on three sub-groups in our sample: (1) the original OECD members as high income migration countries (2) the group of countries with universal welfare states (Sweden, Norway, Denmark) and (3) the group of countries with residual (also known as marginal or targeted) welfare states (US, Australia, New Zealand in our sample). The classification of countries into different welfare state types vary in the literature, but according to Bamba (2007), some countries should be considered to be more core to certain regime types than other; undoubtedly, Nordic countries and the US have very different types of welfare states. To simplify, we can interpret the two categories to mean big and small welfare state respectively.

As Figure 3 shows, the composition of immigrants varies substantially across groups. While European immigrants are the largest group in all three subsets of countries, only 33% of

* See appendix for a country list.

immigrants indicated to be of European origin in the residual welfare group, while the same is true for 57% in the universal welfare state countries in our sample.

Figure 3: The origin of first generation immigrants in various sub-groups of our sample



As to the other socio-economic characteristics, immigrants are actually rather similar to the domestic population. On average, immigrants are better educated and earning higher income than non-immigrants. They are also slightly older and have fewer children.

As to the two main variables of interest – attitudes towards income inequality and government size – first generation immigrants seem to differ significantly from the domestically born population. On average, immigrants indicate to want more income

inequality, but at the same time also larger governments, a point we shall address in more detail in the following section.

Table 1: Descriptive statistics for the first generation immigrants

	Non-Immigrants (N=45,523)		Immigrants (N=3,111)	
	<i>Mean</i>	<i>Std. Dev.</i>	<i>Mean</i>	<i>Std. Dev.</i>
Age	40.93	15.69	46.22	16.01
Female	0.51	0.50	0.53	0.50
Number of children	1.84	1.64	1.71	1.33
Married	0.61	0.49	0.63	0.48
Educational attainment	4.65	2.20	5.21	2.16
Self-employed	0.08	0.27	0.05	0.21
Unemployed	0.08	0.27	0.07	0.26
Student	0.06	0.24	0.04	0.20
Retired	0.14	0.35	0.22	0.42
Income decile	4.39	2.57	4.84	2.72
Perceived Social Class	1.68	0.95	1.69	0.89
Incomes need to be more equal	4.20	2.99	3.91	2.78
Government needs to provide more	6.29	3.03	6.42	2.95

In the second part of the paper we use data from the wave 5 of the WVS. In wave 5 (collected from 2005 to 2007), respondents were no longer asked about their birth place, but, instead about the birth place of their parents. As shown in Table 2, about 4.5% of the wave 5 respondents indicate that both parents were born in a foreign country. Second generation immigrants are overall very similar to the first generation, with slightly higher educational attainment and higher incomes than the domestically born population.

Table 2: Descriptive statistics: Second generation immigrants

	Non-Immigrant Parents (N=30,942)		Immigrant Parents (N=1,440)	
	<i>Mean</i>	<i>Std. Dev.</i>	<i>Mean</i>	<i>Std. Dev.</i>
Age	42.33	14.73	42.10	15.23
Female	0.44	0.50	0.47	0.50
Number of children	1.86	1.66	1.64	1.60
Married	0.61	0.49	0.54	0.50
Educational attainment	5.46	2.48	5.73	2.39
Self-employed	0.20	0.40	0.17	0.38
Unemployed	0.04	0.19	0.03	0.17
Student	0.02	0.15	0.02	0.15
Retired	0.09	0.29	0.10	0.30
Cognitive job	4.73	3.11	5.21	3.10
Income decile	4.86	2.17	5.20	2.22
Perceived Social Class	2.68	0.96	2.87	0.97
Incomes need to be more equal	4.96	2.85	5.20	2.85
Government needs to provide more	6.03	2.85	5.95	2.83

2.2. Empirical Specification

To investigate the net differences between immigrants and non-immigrant populations, we use a standard multivariate regression model, with our two measures of redistributive preferences as dependent variables. The main estimated equation looks as follows:

$$redistribution_{ij} = \alpha + \beta immigrant_{ij} + X_{ij}\gamma + \delta_j + \varepsilon_{ij} \quad (1)$$

where $redistribution_{ij}$ is respondent i 's expressed attitude towards redistribution in survey j , $immigrant$ is an indicator for first or second generation immigrant, and X is a matrix of individual socioeconomic characteristics. We control for age, gender, education, income, perceived social class and employment status in all of our specifications. To control for year and country specific factors determining average redistributive preferences at the time of the interview, we include survey (country-year) fixed effects δ_j in all of our specification.

3. Results

3.1. First Generation Immigrants

Table 4 and 5 show our main results for first generation immigrants. Table 4 shows the (unconditional) mean differences in redistributive preferences between immigrants and non-immigrants. The main patterns emerging from the table go strongly against the commonly perceived notion of immigrants being particularly vulnerable and thus demanding in terms of welfare state, or immigrants actually being attracted by the welfare state – as found by Borjas (1999) analyzing immigrants with the US only. On average, immigrants agree to a lesser degree that incomes should be made more equal. In the full sample, as well as among OECD-countries only, immigrants are less prone to think that incomes should be more equal. The difference is about 0.3 units on the scale from 1 to 10. In the universal welfare states the difference is much higher (almost 0.8) but in residual welfare states, immigrants are actually slightly more egalitarian. As to the attitudes towards government size, the picture is more mixed; on average, immigrants want slightly larger governments, an effect which is largest in the countries with residual welfare states.

In Table 5, we estimate equation (1) to investigate whether the differences between immigrant and non-immigrant population remain when controlling for the socio-economic characteristics of respondents. Given the negative correlation between income related variables such as education and perceived social class and redistributive preferences, we expect smaller differences in the multivariate setting, which is what we find in Table 5. Once we condition on all available socioeconomic variables, the differences between immigrant and non-immigrant population drops from -0.3 to -0.1 for the full sample, and from -0.8 to -0.5 in the universal welfare state sample; this later difference is significant at the 99%

confidence level. The relative magnitude of the “immigrant effect” is comparable to a 5-decile shift in income, or a one step increase in social class in the universal welfare state group. In residual welfare states, the sign is the opposite but without significance.

Turning to the question regarding the role of government in providing for all, there is no significant difference between immigrants and non-immigrants in the full sample. Interestingly, among OECD countries and residual welfare states, first generation immigrants prefer a slightly bigger role for the government compared to non-immigrants in these countries. However, the same is not true for the universal welfare states, where the estimated differences are not significant.

Most other control variables have the expected sign, with employment status, income and (self-perceived) social class as big influencers on redistributive preferences. Overall, the immigrant effect for first generation is small, and goes against the standard welfare-magnet hypothesis: Immigrants in universal welfare state want less redistribution, whereas immigrants in residual welfare states prefer a larger role for the government, which implies that immigration will lead to a convergence in redistributive preferences across countries.

Table 3: Welfare state attitudes among first generation immigrants compared to non-immigrants (unconditional means)

<i>Want more..</i>	Non-immigrants		Immigrants		Difference	
	<i>equality</i>	<i>government</i>	<i>equality</i>	<i>government</i>	<i>equality</i>	<i>government</i>
Full Sample	4.20	6.29	3.91	6.42	-0.29	0.12
OECD	4.79	5.11	4.56	4.97	-0.23	-0.14
Universal Welfare State	4.88	4.84	4.10	4.47	-0.77	-0.36
Residual Welfare State	4.50	4.54	4.57	5.11	0.08	0.57

Table 4: Multivariate Analysis: Welfare state attitudes among first generation immigrants compared to non-immigrants

Dependent variable	Incomes should be more equal				Government should take more responsibility				
	Sample	(1) Full	(2) OECD	(3) Universal	(4) Residual	(5) Full	(6) OECD	(7) Universal	(8) Residual
Immigrant		-0.09* (0.05)	-0.04 (0.09)	-0.52*** (0.19)	0.12 (0.12)	0.08 (0.05)	0.21** (0.10)	-0.21 (0.22)	0.36*** (0.12)
Age		0.00* (0.00)	0.00 (0.00)	-0.01** (0.00)	-0.00 (0.00)	0.00*** (0.00)	-0.01*** (0.00)	-0.02*** (0.00)	-0.02*** (0.00)
Female		0.14*** (0.03)	0.28*** (0.05)	0.30*** (0.08)	0.44*** (0.08)	0.15*** (0.03)	0.07 (0.05)	0.24*** (0.09)	0.02 (0.09)
Education		-0.10*** (0.01)	-0.05*** (0.01)	-0.08*** (0.02)	-0.02 (0.02)	-0.06*** (0.01)	-0.02 (0.01)	0.06** (0.02)	-0.00 (0.02)
Self-employed		-0.25*** (0.05)	-0.32*** (0.12)	-0.36* (0.19)	-0.10 (0.25)	-0.14*** (0.05)	0.04 (0.12)	-0.33* (0.20)	-0.22 (0.25)
Unemployed		0.19*** (0.05)	0.42*** (0.11)	0.31* (0.18)	0.06 (0.24)	0.23*** (0.05)	0.50*** (0.11)	0.34* (0.18)	0.47* (0.24)
Student		0.09 (0.06)	0.13 (0.12)	0.15 (0.18)	0.25 (0.24)	0.04 (0.06)	0.15 (0.13)	0.19 (0.19)	0.53** (0.26)
Retired		0.19*** (0.05)	0.23** (0.09)	0.07 (0.16)	0.26* (0.15)	0.14*** (0.05)	0.36*** (0.10)	0.36** (0.18)	0.22 (0.15)
Married		-0.03 (0.03)	-0.04 (0.06)	-0.03 (0.10)	-0.04 (0.10)	-0.07** (0.03)	-0.07 (0.06)	-0.06 (0.11)	-0.18* (0.10)
Children		0.01 (0.01)	-0.00 (0.02)	0.12*** (0.04)	-0.03 (0.03)	0.01 (0.01)	0.05** (0.02)	0.10** (0.04)	-0.00 (0.03)
Income decile		-0.08*** (0.01)	-0.06*** (0.01)	-0.11*** (0.02)	-0.08*** (0.02)	-0.05*** (0.01)	-0.04*** (0.01)	-0.08*** (0.02)	-0.10*** (0.02)
Self-perceived social class		-0.25*** (0.02)	-0.36*** (0.03)	-0.47*** (0.05)	-0.20*** (0.06)	-0.22*** (0.02)	-0.25*** (0.03)	-0.30*** (0.06)	-0.16*** (0.06)
Constant		5.39*** (0.10)	5.18*** (0.15)	6.04*** (0.22)	5.52*** (0.24)	8.19*** (0.10)	7.45*** (0.15)	4.87*** (0.24)	6.74*** (0.23)
Observations		48634	11048	2564	3837	48634	11048	2564	3837
R-squared		0.109	0.061	0.191	0.031	0.137	0.132	0.135	0.076

Notes: *** p<0.01, ** p<0.05, * p<0.1. Robust standard errors in parentheses

3.2 Second generation immigrants

Tables 5 and 6 show our main results for second generation immigrants. As described in the previous section, the data used in this part was collected in the latest round of the WVS (wave 5). Given that these data were collected after 2005, and the average immigrant in the wave 2 and 3 had immigrated about 10 years prior to the interview, the respondents of wave 5 can loosely be considered the second generation of those immigrants analyzed in the previous section. As shown in the appendix, there are fewer countries in wave 5; there are

only two countries with universal welfare states (Sweden and Finland) and there is only one country from the residual welfare state group, Australia.

As illustrated in the descriptive statistics in Table 2, second generation immigrants are fairly similar to respondents with domestic parents. Second generation immigrants, just like their first generation parents, have on average higher income and are more highly educated than the rest of the population. They also now have a higher self-perceived social class. The 2005 questionnaire also contains a question about whether the current job requires more manual (1) or cognitive (10) skills, a question on which second generation immigrants answer on average 0.5 points higher.

As Table 5 shows, the overall picture regarding the relative redistributive preferences of second generation immigrants is mixed. On average, second generation immigrants want more equality, and slightly less government, but the signs of the differences vary between different sub-samples. Table 6 shows that the differences actually get slightly more pronounced once we control for socioeconomic factors. Conditional on socioeconomic status, second generation immigrants are more favorable to inequality in OECD countries, while the same is no longer true in the Nordic universal welfare state countries, which is opposite to what we find in the first generation immigrant section.

As to the preferences regarding government size, we cannot detect any significant differences between respondents with domestically born, and respondents with foreign born parents. These results suggest that the transmission of welfare state preferences across generations is limited, and that local norms and perceptions are adapted rather rapidly across generations.

Table 5: Welfare state attitudes among first generation immigrants compared to non-immigrants (unconditional means)

	Non-immigrant parents		Immigrant parents		Difference	
	<i>Want more..</i> equality	government	equality	government	equality	government
Full Sample	4.96	6.03	5.20	5.95	0.24	-0.08
OECD	5.83	5.89	5.55	5.53	-0.28	-0.37
Universal Welfare State	5.23	4.65	5.24	4.93	0.00	0.28
Australia	5.39	5.12	4.89	5.26	-0.50	0.14

Table 6: Multivariate Analysis: Welfare state attitudes among second generation immigrants compared to non-immigrants

Dependent variable	Incomes should be more equal				Government should take more responsibility				
	<i>Sample</i>	(1) Full	(2) OECD	(3) Universal	(4) Australia	(5) Full	(6) OECD	(7) Universal	(8) Australia
Immigrant parents		-0.02 (0.08)	-0.33*** (0.12)	0.38 (0.42)	-0.39** (0.19)	0.04 (0.08)	-0.06 (0.12)	0.37 (0.37)	0.09 (0.19)
Age		0.00** (0.00)	0.00 (0.00)	0.01 (0.01)	0.01 (0.01)	-0.00 (0.00)	-0.01*** (0.01)	-0.00 (0.01)	-0.02*** (0.01)
Female		0.14*** (0.03)	0.28*** (0.06)	0.29** (0.13)	0.40*** (0.15)	0.13*** (0.03)	0.11* (0.06)	0.22* (0.12)	-0.28* (0.15)
Education		-0.05*** (0.01)	0.01 (0.02)	-0.05 (0.04)	0.09* (0.05)	-0.02*** (0.01)	-0.01 (0.02)	0.05 (0.04)	0.12** (0.05)
Self-employed		-0.02 (0.04)	-0.19** (0.10)	-0.57** (0.27)	-0.66*** (0.22)	-0.14*** (0.05)	-0.41*** (0.10)	-0.66** (0.28)	-0.90*** (0.24)
Unemployed		0.02 (0.08)	0.03 (0.15)	0.84 (0.72)	0.58 (0.53)	0.03 (0.09)	0.09 (0.15)	0.22 (0.57)	0.89 (0.60)
Student		-0.29** (0.12)	-0.10 (0.20)	0.30 (0.40)	0.19 (0.63)	0.20* (0.12)	-0.11 (0.20)	-0.29 (0.42)	0.19 (0.42)
Retired		-0.07 (0.06)	0.03 (0.10)	-0.60** (0.28)	0.36 (0.27)	0.03 (0.07)	0.06 (0.10)	-0.49* (0.26)	-0.06 (0.26)
Married		-0.06 (0.04)	-0.11* (0.06)	-0.06 (0.15)	-0.30* (0.17)	0.00 (0.04)	-0.08 (0.06)	-0.01 (0.15)	0.06 (0.17)
Children		-0.03*** (0.01)	-0.00 (0.02)	-0.05 (0.06)	-0.09 (0.06)	-0.01 (0.01)	-0.02 (0.02)	0.01 (0.06)	-0.09 (0.06)
Income decile		-0.10*** (0.01)	-0.11*** (0.01)	-0.15*** (0.03)	-0.05 (0.03)	-0.11*** (0.01)	-0.09*** (0.01)	-0.13*** (0.03)	-0.17*** (0.03)
Self-perceived class		-0.14*** (0.02)	-0.30*** (0.04)	-0.46*** (0.09)	-0.40*** (0.11)	-0.10*** (0.02)	-0.24*** (0.04)	-0.19** (0.09)	-0.19* (0.11)
Cognitive skill job		-0.03*** (0.01)	-0.03*** (0.01)	-0.03 (0.02)	-0.06* (0.03)	-0.04*** (0.01)	-0.01 (0.01)	-0.00 (0.02)	0.03 (0.03)
Constant		7.31*** (0.12)	7.62*** (0.18)	8.21*** (0.38)	6.18*** (0.51)	7.57*** (0.13)	8.10*** (0.19)	5.97*** (0.38)	7.18*** (0.54)
Observations		32382	8091	1251	1178	32382	8091	1251	1178
R-squared		0.132	0.158	0.161	0.082	0.099	0.135	0.056	0.087

Notes: *** p<0.01, ** p<0.05, * p<0.1. Robust standard errors in parentheses

5. Concluding discussion

Immigration flows across countries remain high, with more than a million people leaving countries like Mexico, India and China each year to seek their fortune abroad. The continued inflow of migrants has spurred a heated migration policy debate in many OECD countries, in which immigrants are – as in our second opening quote – often portrayed as poor and uneducated individuals entering rich countries to profit from their generous welfare states.

In this paper we have shown that this notion is incorrect. We have used nationally representative survey data to show that the average immigrant is neither poor, nor uneducated, but, on the contrary, actually slightly better off than the average respondent in the hosting country. Furthermore, even when controlling for several socioeconomic variables, immigrants are not particularly favorable to redistribution and larger government responsibility. On the contrary, our results suggest that immigrants and their descendants have either similar preferences or are slightly less supportive of redistribution than the domestically born population.

Our results cast doubt on the empirical relevance of some theoretical political economy models such as Mayr (2007) and Razin et al. (2002), where immigrants are assumed to be pro-redistribution welfare beneficiaries. More importantly, our results imply that anti-immigration policy for the sake of protecting the welfare state from current abuse or future growth is ill-founded, and likely to reflect specific political agendas rather than empirical evidence.

References

- Alesina, Alberto and Eliana La Ferrara. 2002. "Who trusts others?" *Journal of Public Economics* 85:207-234.
- Bambra, Clare. 2007. "Defamilisation and welfare state regimes: A cluster analysis." *International Journal of Social Welfare* 16:326-338.
- Blekesaune, M. 2007. "Economic conditions and public attitudes to welfare policies." *European Sociological Review* 23:393-403.
- Bonin, Holger, et al. 2006. "Native-migrant differences in risk attitudes " *IZA Discussion Paper No. 1999*.
- Borjas, George, J. 1999. "Immigration and welfare magnets." *Journal of Labor Economics* 17:607-637.
- Chiswick, Barry R. 1999. "Are immigrants favorably self-selected?" *American Economic Review* 89:181-185.
- Dancygier, Rafaela and Elizabeth N. Saunders. 2006. "A new electorate? Comparing preferences and partisanship between immigrants and natives." *American Journal of Political Science* 50:962-981.
- Dolmas, J. I. M. and Gregory W. Huffman. 2004. "On the political economy of immigration and income redistribution." *International Economic Review* 45:1129-1168.
- Dustmann, C and I Preston. 2004. "Racial and economic factors in attitudes to immigration." *Centre for Research and Analysis of Migration Discussion Paper 01/04*, University College London.
- Eger, Maureen A. 2009. "Even in sweden: The effect of immigration on support for welfare state spending." *European Sociological Review* Forthcoming.
- Koster, Ferry. 2008. "The european union's impact on welfare state attitudes: A longitudinal and multilevel investigation." *Paper prepared for the 38th World Congress of the International Institute of Sociology, Budapest, June 26-30, 2008*.
- Mayr, Karin. 2007. "Immigration and income redistribution: A political economy analysis." *Public Choice* 131:101-116.
- Meier Jæger, Mads. 2007. "Do welfare regimes shape the variance in public support for redistribution?" *Social Policy and Welfare Services Working Paper 12:2007*.
- Peterson, Paul E. and Mark C. Rom. 1990. *Welfare magnets: A new case for a national standard*. Washington, D. C.: The Brookings Institute.
- Razin, A., et al. 2002. "Tax burden and migration: A political economy theory and evidence." *Journal of Public Economics* 85:167-190.
- Senik, Claudia, et al. 2009. "Immigration and natives' attitudes towards the welfare state: Evidence from the european social survey." *Social indicators research : an international and interdisciplinary journal for quality-of-life measurement* 91:345-370.
- Sinn, Hans Werner. 2002. "The new systems competition." No. w8747.
- Tamura, Yuji. 2006. "Disagreement over the immigration of low-income earners in a welfare state." *Journal of Population Economics* 19:691-702.
- World Bank. 2007. "World development indicators cd-rom."
- Zlotnick, Hania. 1998. "International migration 1965-96: An overview." *Population and Development Review* 24:429-468.

Appendix

Table A1: Country List - First generation immigrants

Country Name	Sample	Country Name	Sample
Argentina	759	New Zealand	712
Armenia	1,572	Nigeria	1,486
Australia	1,341	Norway	903
Azerbaijan	1,537	Pakistan	660
belarus	1,472	Peru	912
Brazil	1,071	Puerto Rico	950
Bsnia and Herzegovina	948	Republic of Moldova	844
Bulgaria	742	Romania	1,106
Chile	885	Russia	1,639
China	1,334	Serbia and Montenegro	1,280
Czech Republic	840	Slovakia	856
Dominican Republic	306	South Africa	2,215
Estonia	680	spain	792
Finland	776	sweden	758
Georgia	1,798	Switzerland	792
Germany	1,396	Taiwan	628
India	1,215	Turkey	1,487
Latvia	875	Ukraine	1,693
Lithuania	805	United States	1,190
Macedonia	567	Uruguay	860
Mexico	1,842	Venezuela	999

Table A2: Country list: Second generation immigrants

Country	Observations	Country	Observations
Andorra	905	Morocco	841
Australia	1,178	Peru	857
Brazil	670	Poland	374
Bulgaria	392	Romania	584
Burkina Faso	384	Rwanda	798
Chile	716	South Africa	1,712
China	1,207	South Korea	1,187
Cyprus	583	Serbia	562
East Germany	902	Slovenia	733
Egypt	1,051	Spain	936
Ethiopia	640	Sweden	796
Finland	455	Switzerland	1,008
Ghana	812	Taiwan	1,128
India	1,175	Thailand	1,373
Indonesia	939	Trinidad and Tobago	510
Italy	494	Turkey	729
Japan	819	Ukraine	509
Malaysia	802	Vietnam	1,347
Mali	281	West Germany	774
Moldova	855	Zambia	364