

Intergroup Contact and its Effects on Discriminatory Attitudes: Evidence from India*

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Abstract

Living in diverse neighborhoods can reduce inter group prejudice. It may be difficult to identify the effect of such diversity on attitudes, since individuals self select into neighborhoods. Using random assignment of neighbors through a slum relocation program in India, I examine the effect of living among caste diverse neighbors on trust and attitudes towards caste. Using administrative data on the assignment of housing and data on attitudes from a survey I designed, I find evidence in favor of the contact hypothesis. Living among more caste diverse neighbors increases inter caste trust and support for inter caste marriage. I find a significant increase in the belief that caste injustice has increased. Having more caste diverse current and previous friends may be a channel for more favorable attitudes. My findings throw light on the positive effects of proximity to diverse social groups.

Keywords: Contact Hypothesis, Intergroup Contact, Caste, Slum Relocation, India

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1 Introduction

The extent of group diversity in the neighborhoods is important in shaping individuals' attitudes towards other groups (Eric Oliver and Wong, 2003). However, it is difficult to identify these effects since neighbors self select into neighborhoods and may prefer to live in places where there is a majority of their own group (Wong, 2013). Moreover, it is not clear how exposure to diverse social groups affects an individual. The contact hypothesis predicts that exposure to diversity leads to reduced prejudice towards other groups, whereas conflict theory predicts that exposure to diverse groups may result in conflict amongst these groups (Robinson, 2017). I use a slum relocation policy in India to examine the effect of living among caste diverse neighbors on intercaste prejudice. The policy assigns individuals to live together *within* public sites, thus allowing for random variation in caste composition of neighbors. I find that living in a more caste diverse neighborhood makes attitudes towards other caste groups more favorable. Individuals surrounded by more other caste neighbors increase their trust in other caste members and are more accepting of inter caste marriage. I find that the caste composition of friendships may be a suggestive channel for these changes in beliefs.

The contact hypothesis states that, under certain conditions, interpersonal contact reduces prejudice between groups (Allport, Clark and Pettigrew, 1954). Boisjoly et al. (2006) show that when white and black roommates were randomly assigned to dorm rooms together, white individuals became more tolerant of diverse populations. Moreover, there is evidence to show that the type of contact matters for influencing attitudes towards the other group. Carrell, Hoekstra and West (2015) show an improvement in white males' attitudes toward African American peers based on exposure to both quality and quantity of different peer groups, in a study where US Air Force Academy students are randomly assigned. The assignment of random roommates to college freshmen at Dartmouth College influences the social organizations that students identify with (Sacerdote, 2001). Rao (2019) looks at the effect of interactions between rich and poor school children in the city of Delhi, India on generosity, discrimination and behavior in the classroom. Lu and Anderson (2014) use random seat assignment within a school to estimate the effect of gender of neighboring students on a students academic achievement, and find a positive and significant effect of neighbors on the test scores of females. I test the contact hypothesis by measuring contact at a granular level, through random assignment of neighbors under a slum relocation policy. Since individuals are not given a choice in selecting their immediate neighbors, this allows for varying caste composition of neighbors which I exploit and use to measure contact.

Previous literature has looked at the effects of slum relocation policies on networks and friendships (Sanbonmatsu et al., 2011; Chetty, Hendren and Katz, 2016). Bazzi et al. (2019) look at the effects of the Transmigration Resettlement Program on national integration in Indonesia, and find greater integration in communities which are ethnically diverse. In the Indian context, Barnhardt, Field and Pande (2017) find that those who won a housing lottery in the city of

Ahmedabad lost access to their friends and previous networks after moving location, and were hence unhappy with the provision of public housing. However, these studies focus on the intent to treat effects of *winning* a public housing lottery. I exploit a second level of randomization to measure the effect on intergroup interactions: I examine the effect of interactions within the relocation site by exploiting the random assignment of apartments *within* each building in the site. Random assignment *within* the relocation site allows me to use both caste and sub caste variation of intended beneficiary households to obtain a plausible measure of exposure to caste diversity.

Caste is one of the key factors which influence social networks in India (Kandpal and Baylis, 2019), and these networks induce effective participation in government programs (Munshi, 2004; Debnath, Jain and Singh, 2017). Engagement among different caste groups in a collaborative environment may reduce discrimination, whereas adversarial contact between castes may increase prejudice towards the outgroup (Lowe, 2018a). There is evidence to show that disadvantaged groups stand to gain more from increased intergroup interaction (Rao, 2019). Caste forms the basis for affirmative action policies and marriage, and caste based injustice and discrimination are still rampant in Indian society (Munshi, 2017). In this paper, I present results from a survey I administered to elicit responses on attitudes as well as friendships within the randomized neighborhood. I look at the role of caste diversity in influencing attitudes, and examine the role of friendships in mediating these outcomes. Close contact between ethnically diverse groups can lead to increased trust (Finseraas et al., 2019), or a decline in trust between groups (Alesina and La Ferrara, 2002). The caste system is endogamous (i.e. people marry within their own caste), with only 4.9% of marriages taking place outside caste in India (Goli, Singh and Sekher, 2013). Exposure to other groups can lead to favorable attitudes towards outmarriage, which may be an instrument to build an integrated society (McDoom, 2019). Group identities are key to determining economic outcomes, such as labor market opportunities (Akerlof, 1976), housing preferences (Wong, 2013), exclusion from public spaces (Mosse, 2018) and access to affirmative action (Bagde, Epple and Taylor, 2016).

I examine these neighborhood effects through a public housing program under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM).¹ This program randomly assigned individuals from 33 slums across the city of Pune, India to become neighbors in two public housing sites. I look at the effect of exposure to other caste neighbors on individuals' attitudes towards caste discrimination. I combine administrative data on the assignment of housing with survey data that I collected from individuals living in these public housing sites. I exploit the variation in immediate neighbor composition *within* the new location to identify the causal effect of living among other caste neighbors on attitudes towards the other caste. The attitudes I measure are beliefs on trust, inter caste marriage, and current salience of caste. I find a significant increase in the extent of inter caste trust with exposure to greater caste diversity among

¹The JNNURM was a national level urban redevelopment program in India, introduced in the year 2005. More details in Section 2

neighbors. A one standard deviation (s.d.) increase in caste diversity of neighbors leads to a 9.6 percentage points (p.p.) greater inter caste trust. I find greater tolerance for inter caste marriage, both in general as well as within an individual’s family. A one s.d. increase in caste diversity of neighbors leads to a 7.2 p.p. increase in support for intercaste marriage *within the individual’s family*. Such support is also seen to increase with longer exposure to caste-diverse neighbors. A one s.d. increase in caste diversity of neighbors leads to a 9.5 p.p. increase in the belief that caste injustice has increased in the last ten years.

However, when I split the sample by sub caste, caste identities are salient for the lower caste group when exposed to less caste diverse neighbors. I find no effect of caste diversity on support for affirmative action. I collect information on individuals’ past and current friendships within their immediate neighborhood. The increase in likelihood of making new friends is a suggestive mechanism through which the changes in beliefs may have taken place, and it is previous friendships which may be the channel through which favorable caste attitudes operate. I find suggestive evidence of an increase in the likelihood of an individual making atleast one *new* friend from a different caste group, when exposed to greater caste diversity . However, if an individual has a higher proportion of friends from his previous slum *and* lives in more caste diverse settings, his/her trust in individuals from other caste groups increases. I provide evidence for random assignment within the public housing site. I also show evidence for survey participation being random and not affected by neighbor caste diversity.

My research contributes to the literature on the causal effect of intergroup interactions on measures of trust and attitudes relating to discrimination in a developing country context. My work is close to work done by Lowe (2018b) and Okunogbe (2018). Lowe (2018b) estimates the effects of different types of caste integration on cross caste friendships by randomly assigning different caste members within cricket leagues in rural India. Okunogbe (2018) looks at the the effect of temporary random assignment of university graduates in Nigeria to different regions of the country for national service on attachment to the country, willingness to adapt to a different culture, and inter ethnic marriage. Three features distinguish this paper: First, I focus on caste in an urban setting, where caste based residential segregation is very high ². I look at the interaction between neighbors belonging to different caste groups on beliefs about inter caste trust, inter caste marriage, and the salience of caste. Second, I use localized and granular data to test the effect of contact on attitudes. The group I analyze are erstwhile slum dwellers in the city of Pune, who are randomly assigned to new units within public housing sites in the city. I examine the effect of random assignment of such units, which changes neighborhood caste composition, on an individual’s attitudes. I find that merely living in proximity to other caste neighbors can induce favorable feelings towards the other caste. Third, I look at attitudes such as beliefs about caste injustice, beliefs about inter caste marriage *within* the individual’s family, and an individual’s support for caste based reservation. This contributes to the work done on

²More details in Section 2

caste in modern day India, such as Appadurai (2004) & Goel and Deshpande (2016), who find that government schemes can change caste perceptions among individuals for the better.

The paper is organized as follows: Section 2 provides background and policy details, Section 3 explains the empirical strategy, Section 4 discusses results, Section 5 outlines heterogeneous results, Section 6 provides robustness checks, Section 7 provides a discussion and Section 8 concludes.

2 Background

2.1 Caste and Attitudes

Caste is a system of social categorization, wherein people are classified into closed groups by birth (Bagde, Eppe and Taylor, 2016). Each broad caste group consists of many sub castes. Membership of a sub caste ensures entry into a job specific to that sub caste. Furthermore, marriage is allowed only within the same subcaste (endogamy) (Lowe, 2018*b*). After India attained independence, affirmative action policies in India came into effect to help historically disadvantaged castes. These disadvantaged groups are formally recognized as the Scheduled Castes (SC), Scheduled Tribes (ST) and the Other Backward Castes (OBC). Under such policies, quotas for these groups were created in higher education, political office, and government jobs. The role of caste has been studied extensively in rural India (Mosse, 2018; Vijayabaskar and Kalaiyarasan, 2014; Munshi, 2017). Lowe (2018*b*) focuses on different types of cross caste contact in a experimental setup of cricket. Munshi and Rosenzweig (2008) find that a numerical sub caste majority in local governments leads to increased public provision.

Despite the government putting in policies to bridge the caste divide, caste prejudices are still very high in India. 30% of urban India still practices untouchability ³, and about 40% of urban India does not support inter caste marriage (Coffey et al., 2018). Moreover, cities in India have been experiencing an increase in caste based segregation. The state of Maharashtra, of which Pune is a part, has had 34% of its cities experiencing an increase in caste based segregation (Singh, Vithayathil and Pradhan, 2019). The increase in caste based segregation in Pune is consistent with this evidence ⁴. The increase in caste based segregation in Pune is consistent with this evidence. Using the Duncan index of dissimilarity (Duncan and Duncan, 1955), we see high levels of caste based residential segregation in Pune. The index takes a value of 0 if there is complete integration of castes across wards within the city, and 1 if the groups are completely segregated. This measure is affected if members of the overrepresented caste group in a certain ward within the city move to a ward within the city where they are

³Untouchability is a practice where those from the upper caste are not supposed to come in close contact with the other caste. They do not share food or allow entry of lower castes into their home. Untouchability is banned by law in India, but is still practised (Coffey et al., 2018).

⁴In contrast, about 41-63% of cities in the southern states (Andhra Pradesh, Tamil Nadu, Karnataka) have seen a decline in caste based segregation

underrepresented. (Gorard and Taylor, 2002)⁵. The index is calculated as:

$$D = 0.5 \sum_{i=1}^n | (P_{ig}/P_g) - (P_{ih}/P_h) | \quad (1)$$

where P_{ig} is the population of group g in ward i in the city, P_{ih} is the population of group h in ward i in the city, P_g is the total population of group g in the city and P_h is the total population of group h in the city. I use Census of India data at the ward level to calculate this index for the years 2001 and 2011, using the framework outlined by Vithayathil and Singh (2012). I divide caste into two broad groups: SC/ST population and non SC/ST population. In 2001, the dissimilarity index for caste in Pune stood at 15.37%. In 2011, the index increased to 20.27%. This means that 20.27% of the non SC/ST population in 2011 need to move to other wards in the city to maintain evenness of distribution in population. A change of 0.05 in the dissimilarity index from 2001 to 2011 is indicative of significantly greater caste based segregation in Pune. This implies that caste may be an important factor in an individual's housing decisions in this city. Since people select into their residence and surrounding neighborhood, it is difficult to isolate the effect of contact (Eric Oliver and Wong, 2003; Wong, 2013). Random assignment of neighbors, which is a part of the slum relocation policy I use, allows me to isolate this effect to measure the causal effect of caste diverse neighbors on attitudes.

2.2 The Housing Assignment

The housing scheme I evaluate is part of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The JNNURM was a national level urban redevelopment program introduced in 2005 by the Government of India. The Basic Services to Urban Poor (BSUP) was a sub program targeting urban poverty reform. The goal of the BSUP program was to *'provide basic services (including water supply and sanitation) to all poor including security of tenure, and improved housing at affordable prices and ensure delivery of social services such as education, health and social security to poor people'* (Government of India, 2006).

Under the BSUP, in the city of Pune, slum rehabilitation was one of the primary goals. The policy aimed to eradicate slums and provide affordable housing to slum dwellers. Local government officials in the city identified the slums that needed to be demolished, targeting those located in environmentally fragile zones within the city and those infringing on government land. The representatives of Society For the Promotion of Area Resource Centers (SPARC), a non governmental organization worked with the municipality to make a list of all the residents in these slums and then conducted a lottery within the slum premises. Apartments were randomly assigned through a lottery system, where slum dwellers were asked to pick out a slip of paper. The slip of paper had the name of the site as well as the apartment number written on it. They

⁵For example, if Caste Group A has an 80% concentration in Ward 1 and 20% concentration in Ward 2, the dissimilarity index would reflect a change when members of Caste Group A move from Ward 1, where they are overrepresented, to Ward 2, where they are underrepresented.

were not allowed to express preferences for the apartment or floor and were required to stay in the apartment allotted to them. Those who won the lottery got their house numbers assigned to them immediately and were asked to move in within six months of winning the lottery. The first lottery was conducted in November 2012, and the first phase of relocation was completed in May 2013, six months after the lottery was conducted. The lottery was conducted in this manner up until 2018, when all assignment was to be completed. The bulk of these relocations took place in the initial years of 2013 and 2014, with most apartments being allotted in these two years.

Individuals from 33 slums were relocated to buildings in two sites, Site A and Site B. Slum dwellers living in slums to the west of the city were moved to Site A, whereas those located to the east were moved to Site B⁶. A total of 947 houses were allotted by lottery. At the time of the survey, 200 apartments were vacant and expected to be filled up in the next six months⁷. Since the floor and apartment allocated to the household under this scheme is random, this allows for localized randomization at the floor level, with neighbors from different caste groups are randomly assigned to live next to each other.

Figure 1 shows the pattern of relocation in the individuals in the sample under study. Most of the sample under study relocated in the years 2013 and 2014. Figure 2 depicts the structure of a building in Site A. All residents in these 33 slums were to move. Subletting these apartments was forbidden. However, while conducting the survey, I found many apartments where the original owners had sublet the premises. SPARC has an office at each of these relocation sites to keep track of the households living in each building, and they verified that 411 houses had been sublet illegally. As a result, there could be concerns of bias in estimates due to selection into the available households surveyed⁸. Those who took part in the survey may be a self selected sample who are open minded about caste and are willing to live in caste diverse settings. In Section 7, I provide evidence to show that participation in the survey was not influenced by the caste composition of the floor of the building.

2.3 Data

I use two sources of data in this study: administrative records and survey data. I obtained administrative records from the local municipality, and it contains details of the assignment. It contains details on name of the household head, caste, subcaste, expected year of relocation, slum from where they were relocated, site allotted, the building and the apartment number. 947 households were assigned in both relocation sites. Since these records are based on initial assignment, they help me obtain an exogenous measure of caste diversity that an individual is exposed to within the floor.

⁶Site A has 7 buildings with seven floors with 16 apartments on each floor, whereas Site B has 10 buildings with 5 floors and 4 houses on each floor.

⁷Discussions with the Pune Municipal Corporation chief, as well as the SPARC NGO chiefs, confirmed this process of random assignment.

⁸Out of these 411 households, I found 102 houses where tenants were living. I collected only demographic information on these individuals. These households have been excluded from the main analysis.

The survey modules were designed to cover all consenting adults living in a particular household at both sites. The first module consisted of questions on baseline characteristics such as family composition, education, previous slum location, and employment. The second module contained questions on attitudes measuring trust, intercaste marriage and caste salience. 219 households (692 adults) were covered in the survey. The response rate for the survey was 40.83%.⁹

Figures 3 and 4 shows the distribution of caste diversity exposure of the respondents. About 15% of the respondents are surrounded by 50% of households belonging to a different caste (Figure 4). Approximately 8% of the respondents are surrounded entirely by their own group, whereas approximately 13% are surrounded entirely by households from other caste groups.

2.4 Descriptive Statistics

Table 1 shows the characteristics of all individuals surveyed. I show attributes of SC/ST, non SC/ST and all individuals in the survey¹⁰. The average age of an individual surveyed is about 35 and 52% of those surveyed in both groups are female, on average. 54.9% of the individuals belonging to the non SC/ST category are employed, as opposed to 48.1% of those belonging to the SC/ST category. In order to motivate the importance of caste in this setting, I showed the individuals a photograph of the list of residents in the building and asked them to guess the caste and sub caste of the person. The sub caste is easy to ascertain by the last name (surname) of the person. I verified the responses using the administrative level data provided by the municipality. 60% of the respondents accurately guessed the sub castes of the other residents, which is suggestive of a high level of caste consciousness among the respondents. Across all individuals, the general level of trust is high, at almost 96%. When it comes to inter caste trust, however, only 59.4% of all individuals trust those from another caste. The support for caste inter marriage is greater among members of the SC/ST group than the non SC/ST group.

To ascertain salience of caste among individuals, one of the survey questions asks people how highly they rank the importance of caste and religion today as against 10 years ago. Table 1 shows that the 63.5% of the non SC/ST group attach importance to caste, as compared to 57% from the disadvantaged groups. This reflects the growing economic insecurity among those from higher castes, and anecdotal evidence from the field confirms the same. At the time of the survey, there was an increasing clamor for higher quotas from those belonging to the General Category¹¹. The survey also asks questions about affirmative action. 85% of the

⁹The response rate is calculated as the number of households surveyed divided by the total number of households eligible. In total, there were 947 households. 219 households responded to the survey. 317 households were unavailable and could not be contacted. 411 households were found to be living on rent. 15 households refused to participate in the survey, leading to a low refusal rate of 1.5%. I show robustness checks to address the concerns of selection due to households staying on rent in Section 7.

¹⁰SC/ST is defined as Scheduled Caste/Scheduled Tribes, and non SC/ST consists of the General Category and Other Backward Classes (OBC)

¹¹[http://www.newindianexpress.com/nation/2018/aug/07/maratha-agitation-police-to-step-up-vigil-in-pune-](http://www.newindianexpress.com/nation/2018/aug/07/maratha-agitation-police-to-step-up-vigil-in-pune)

respondents were aware of the existence of caste based quotas for disadvantaged groups in government jobs and higher education institutes. Table 1 shows that there seems to be a high level of support for these quotas, especially among members of the SC/ST category, who are the main beneficiaries of affirmative action in India. When asked for reasons why they supported caste based reservations, 62% of respondents from the SC/ST group claimed it was to address historic inequalities faced by marginalized groups. On the other hand, 52% of non SC/ST group respondents felt that they needed caste based reservation in order to avail opportunities, at parity with those from the disadvantaged groups. In response to a question on whether caste based injustice has increased, respondents belonging to both groups seem to think that caste injustice has increased in the last ten years.

2.5 Balance Tests

If the initial assignment of housing was indeed random, this requires that the fraction of households belonging to another caste on any given floor, as assigned by the program, should be random. To test the identifying assumption, I regress the independent variable in my main specification on the baseline characteristics of the individuals present in the survey. The specification is given as follows:

$$FractionOtherCasteHH_{cf} = \beta_0 + \mathbf{X}_{icf} + \epsilon_{icf} \quad (2)$$

where $FractionOtherCasteHH_{cf}$ is the fraction of other caste households staying on the same floor f as individual i belonging to caste c . X_{icf} is a vector of baseline characteristics such as age, gender, percentage of surveyed individuals who have completed primary education, number of family members, age of oldest child, number of children before the move into public housing and a dummy for caste. To control for unobserved characteristics across slums of origin, I include slum fixed effects. The null hypothesis for the F test is that none of the predetermined characteristics of the surveyed individuals should jointly influence the measure of caste exposure of an individual. If the null hypothesis holds, it would show that caste exposure is indeed random and not influenced by any predetermined variables.

Table 2 reports results where I divide caste into the non SC/ST and SC/ST groups. This division is consistent with the categorization in the Census of India (Government of India, 2011). The joint F test in Table 2 shows that the null hypothesis holds (p values at 0.71 respectively). This provides evidence to show that characteristics of the surveyed slum dwellers do not influence the initial assignment of the houses to slum dwellers. The caste diversity measure is mechanically correlated with the coefficients for the General Category as well as the SC/ST category, as a result of construction.

In light of the low response rates and high incidence of subletting in these sites, the balance test shows that the initial assignment was not influenced by any predetermined characteristics.

It also shows that there was no differential attrition on the basis of these characteristics.

3 Empirical Strategy

My identification strategy exploits the random assignment of public housing to identify the effect that interacting with a neighbor of a different caste has outcomes such as trust, marriage and attitudes towards caste identities.

The baseline specification is as follows:

$$y_{icf} = \alpha_c + \beta \text{FractionOtherCasteHH}_{cf} + \mathbf{X}_{icf} + \epsilon_{icf} \quad (3)$$

where y_{icf} denotes outcome y for individual i from caste c living on floor f . The coefficient of interest is β , which identifies the causal effect of an individual having a certain proportion of his neighbors from another caste on his attitudes. Section 2 shows that β is not affected by differential attrition. I will show further evidence for β not being affected by selection into the sample. To allow for correlated shocks within the floor, I cluster standard errors at the floor level. I run OLS and probit regressions with the functional form.

3.1 Independent Variables

FractionOtherCaste is the fraction of households assigned who belong to a different caste living on the same floor as individual i . I construct this from administrative records, which contain details on the initial random assignment. α_c represent caste fixed effects, to eliminate differences across caste groups. \mathbf{X}_{icf} are a set of time invariant control variables, which are obtained from the survey modules. The controls include an individual's education level, age, nature of work and previous slum location.

3.2 Dependent Variables

I measure the effect of diversity in caste on three sets of measures: trust, beliefs about inter caste marriage and caste salience. For purposes of analysis in this paper, I convert all outcomes as binary outcomes¹². There are two questions on trust in the survey. The first is taken from the World Values Survey (2012). This question is modified and worded¹³ as follows: 'How much do you trust people in general?' The second question focuses on inter caste trust and asks 'How much do you trust individuals from another caste?'. I code up the responses into a binary variable, which takes value of 1 for trust and 0 if the individual does not trust.

¹²At the time of survey, all questions were coded up with responses ranging from 1-5, to capture variation in levels of beliefs. For ease of interpretation, however, all responses have been reduced to binary outcomes and responses where people answer with 'Don't Know/Can't Say' have been excluded from the analysis.

¹³The World Values Survey question for India is: 'Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people?'

I ask two questions on attitudes towards inter caste marriage and are taken from the Social Attitudes Research for India (SARI). The general question on inter caste marriage is worded as follows: ‘How much do you support a law prohibiting inter caste marriage?’. The second question seeks opinions on support for inter caste marriage within the individual’s family. The wording of this question is ‘How much do you support inter caste marriage within your own family?’ Both variables are coded up as binary during analysis. A value of 1 represents greater support for inter caste marriage.

Questions on general caste attitudes examine an individual’s beliefs regarding caste injustice (‘In your opinion, has caste injustice increased, decreased or remained the same compared to ten years ago?’), the importance of caste at present (‘In your opinion, is caste as important in people’s lives as it was ten years ago?’) and the extent of support for affirmative action (reservations) on the basis of caste (‘How much do you support caste based reservation?’).

The General Castes (GC) form the uppermost rung of the caste hierarchy, with the OBC and SC/ST coming in second and third. In the paper, I look at two broad caste groups: SC/ST and non SC/ST, which consists of the OBC and GC groups. This is consistent with the categorization followed by the Census of India¹⁴, and is also politically meaningful, as OBC’s constitute socially forward but economically backward castes of India, and are hence closer to the General Category (Government of India, 2011).

4 Results

4.1 Trust

Table 3 presents results highlighting the causal relationship between caste diversity exposure and trust outcomes for an individual. I ask two questions on trust. The first question is taken from the World Values Survey (2012) questionnaire and is framed as follows: ‘*How much do you trust people in general?*’. At an all India level, 77.9% of respondents to the survey believe that people cannot be easily trusted. In contrast, for the surveyed sample, Table 1 shows that trust levels in the relocation site are high, at around 93%. Table 3 shows that exposure to caste diversity does not have an effect on an individual’s general trust level. The second question I ask in my survey examines inter caste trust. This question is framed as follows: ‘*How much do you trust members of another caste?*’. On average, the level of inter caste trust is lower than general trust, at 34.2% (Table 1). Column 3 of Table 3 shows a statistically significant increase in the extent of trust in other castes, when exposed to greater caste diversity. A one unit increase (1 sd) in the proportion of other caste households on an individual’s floor results in an increase in intercaste trust by 34.2 percentage points (9.6 pp).

¹⁴The 2011 Census classifies caste groups as SC/ST and non SC/ST. The distribution of OBC’s in Pune is only 22%, according to the National Sample Survey Organisation (NSSO, 2007). In the city Census carried out in 2011, the non SC/ST population is 86%, with no clear distinction between the General and OBC categories

4.2 Caste Attitudes

4.2.1 Beliefs about Inter Caste Marriage

The caste system is characterized by endogamy. That is, members of a particular caste are only allowed to marry within their own caste. Goli, Singh and Sekher (2013), in their study of mixed marriages in India using data from the India Human Development Survey (IHDS), find that inter-caste marriages rose from 3.5 percent in 1981 to 6.1 percent in 2005. In particular, in the state of Maharashtra, which is where the city of Pune is located, only 3.7% of all married women in the state have married outside caste (Goli, Singh and Sekher, 2013). This shows that the norms of the caste system are rigid till date, despite evidence showing that outmarriage usually allows for integration McDoom (2019). Intermarriage between social groups is crucial to the formation of wider networks and helpful in fostering greater intergroup contact (Qian and Lichter, 2007).

In order to understand the attachment to this social norm for the surveyed sample, I ask two questions on inter caste marriage, which are taken from the Social Attitudes Research for India (SARI) questionnaire. To gauge general attitudes towards inter caste marriage, I ask the question *‘How much do you support a law prohibiting inter caste marriage?’*. Column 1 of Table 4 presents results on the effect of exposure to caste diversity in neighbors on an individual’s attitudes towards intercaste marriage. A decrease in support for the law indicates increased acceptance of inter caste marriage. I find a significant decrease in support for the law, where at the baseline, 80% of the individuals do not support the law. A one unit (1 sd) increase in exposure to neighborhood caste diversity increases opposition against the discriminatory hypothetical marriage law by 19.7 pp (4.8 pp).

Respondents may exhibit social desirability bias while answering this question. Responses might be influenced by perceived views of the enumerator. In an attempt to understand the true preferences of the individual with respect to inter caste marriage, I frame the second question on inter caste marriage as follows: *‘How much do you support intercaste marriage within your own family?’*. Column 3 of Table 4 shows that on average, 64.2% of respondents support inter caste marriage within their own family. A one unit increase (1 sd increase) in exposure to caste diversity among neighbors increases support for inter caste marriage within the family by 26.1 pp (7.2 pp). Table 5 shows no evidence of difference in attitudes across caste groups when it comes to questions on inter caste marriage. Given the rigid social norms surrounding inter caste marriage and the low rate of out marriage in India, a change in beliefs when exposed to greater caste diversity could be an indicator of more favorable attitudes towards other caste groups.

4.2.2 Caste Salience

Table 4 presents results for three sets of questions on general attitudes towards caste. The first question is framed as *‘In your opinion, has caste injustice decreased, increased or seen no change compared to ten years ago?’*. This question attempts to capture general sentiments

about caste injustice. On average, 52.1% of respondents felt that caste injustice has increased. A one unit (1 sd) increase in the exposure to caste diverse neighbors increases the belief that caste injustice has increased in the past few years by 35.4 pp (9.5 pp). The second question is intended to understand how salient caste is among the surveyed individuals. The question is framed as follows: *'In your opinion, is caste as important in people's lives as it was ten years ago?'*. The third question gauges the support for caste based affirmative action. Affirmative action in India consists of caste based quotas in government jobs as well as institutions of higher education (Mosse, 2018). The effects on attitudes towards the importance an individual lays on caste as well as support for affirmative action are not affected by exposure to caste diverse neighbors.

These results represent aggregated views on caste identity, and cannot discern whether people refer to their own or others' caste identities when answering these questions. Castes which have been historically disadvantaged, for example, may feel more excluded and hence push more for affirmative action than the non SC/ST group, which are more privileged. To examine whether responses to these questions differ by caste group, I interact the explanatory variable, proportion of other caste households on the floor, with the caste group of the individual. Table 5 shows no evidence of difference in attitudes across caste groups when it comes to questions on caste injustice, affirmative action policies as well as importance given to caste. Hence, the results in Table 5 reflect that people seem to care less about caste identity and may be more concerned about caste based atrocities.¹⁵

5 Additional Results

5.0.1 Sub Caste Variation

The two broad caste groups have many sub castes within them. These sub castes are endogenous in nature, with the sub caste determining occupational choice and marriage (Mosse, 2018; Appadurai, 2004; Vijayabaskar and Kalaiyarasan, 2014). The administrative records have information on sub castes of households, which I use to test whether the sub caste composition of the floor has an effect on attitudes.

$$y_{icf} = \alpha_c + \beta \text{MorethanOneSubcasteHH}_{cf} + X_{icf} + \epsilon_{icf} \quad (4)$$

where $\text{MorethanOneSubcasteHH}_{cf}$ is an indicator variable which takes the value 1 if there is more than one other same subcaste household on floor f . This represents a homogeneous neighborhood for the individual. A value of 0 represents heterogeneous sub caste composition on the floor. This helps examine the role of subcaste minority and majority floors, akin to work

¹⁵At the time of survey, there was an increased clamor for increased quotas for the upper caste community, leading to caste based violence in several parts of the city of Pune. The press coverage on the same may have led to responses on average indicating increased caste injustice (<https://www.indiatoday.in/india/story/maratha-protesters-in-violence-pune-maharashtra-1300233-2018-07-30>). Moreover, I asked a qualitative question to understand whether people knew why the government had caste based reservations. About 40% of the respondents felt that reservations were misused to gain political mileage and divide society.

done by Tropp and Pettigrew (2005) on the differences between behaviors exhibited by ethnic minorities and majorities, when made to interact with each other.

Table 6 and Table 7 report results on the main outcome variables, with the explanatory variable representing the presence of a subcaste majority on a floor. Column 4 of Table 7 shows that an individual from a particular subcaste within the disadvantaged castes (SC/ST) shows greater support for reservations (affirmative action) and lays more emphasis on the importance of caste (Column 5, Table 7), if he stays on a floor surrounded by more people of the same subcaste. This effect is consistent with Åslund et al. (2011), who find that exposure to own ethnicity is shown to have a greater effect for disadvantaged groups than advantaged groups in a randomly assigned resettlement programme in Sweden. On most other margins, however, sub caste does not have an effect on people’s attitudes ¹⁶.

5.0.2 Impact of Duration of Stay

Exposure to different groups over a longer period of time may make the individual less discriminatory (Chetty, Hendren and Katz, 2016). To test this, I interact the length of stay at the allotted apartment with the explanatory variable. The individual questionnaire asks a question on year of move. I corroborate this with administrative data, which has information on expected month and year of move and match the survey responses to ensure accuracy ¹⁷. I use the following specification:

$$y_{icf} = \alpha_c + \beta FractionOtherCasteHH_{cf} \times YearsSinceMove_{icf} + \gamma FractionOtherCasteHH_{cf} + \lambda YearsSinceMove_{icf} + X_{icf} + \epsilon_{icf}$$

where $YearsSinceMove_{icf}$ is indicator variable which takes the value 1 if individual i has stayed more than 3 years, 0 if individual i has stayed less than 3 years.

Table 8 and Table 9 present results estimates from this equation on each set of outcomes. Column 2 of Table 9 shows that with longer exposure, there is an increasing acceptance of intercaste marriage within their family. There is an increase of 0.42 pp in support for intercaste marriage for individuals living in these locations for a longer duration. This reflects an increase of 63% in support of intercaste marriage ¹⁸. The increase in positive attitudes towards intercaste marriage is consistent with Åslund et al. (2011), who find that characteristics of the ethnic environment have a significant effect on children who were assigned to randomly assigned refugee locations in Sweden at an early age than later. However, duration of stay at the site does not have an effect on attitudes related to inter caste marriage and caste identities .

¹⁶In Table 7, subcastes within the SC/ST group show less support for intercaste marriage (though imprecise), contrary to the main effects shown in Table 4. This may be due to a tendency for members of higher caste groups to intermarry, and hence punish those who intermarry with lower ranked groups (McDoom, 2019).

¹⁷There was no incorrect response to this question from all individuals surveyed

¹⁸Baseline means for the regression Column 2 of Table 9 is 0.661

6 Robustness Checks

The results are robust to a binary probit specification. The marginal effects coincide with the estimates obtained from the linear probability specification. Table 3 and Table 4 report contain estimates of the marginal effects from the probit regressions.

An important threat to identification is non availability of eligible households and subletting of apartments in both sites. 411 houses were found to be on rent and 317 houses were not occupied. If owners sublet their houses or do not move in because they are averse to being surrounded by neighbors of other castes, the sample I survey could suffer from selection bias. I may have only captured a sub sample of individuals who are open to associating with individuals from other castes. I was able to confirm the exact apartments that were either sublet or not occupied from my own survey and SPARC officials. This allows me to determine the exact number of participants and non participants in the survey.

In order to show that participation in my survey is not affected by exposure to caste diversity among immediate neighbors, I estimate the following equation:

$$SurveyParticipation_{cf} = \beta_0 + \beta_1 FractionOtherCasteHH_{cf} + \alpha_c + \alpha_s + \epsilon_{icf} \quad (5)$$

where $SurveyParticipation_{cf}$ is a dummy variable which takes the value of 1 if a household participated in the survey. α_s represents site fixed effects, which control for unobserved characteristics of the public housing site. Table 13 reports estimates from Equation 5 . The caste diversity measure has no effect on participation in the survey. It is possible that people of a particular caste group are more averse to living among diverse individuals, This attrition may also depend on the particular housing site. I split the sample by caste and site (see Appendix), and find no effect on participation in the survey¹⁹. This provides further evidence for initial random assignment and minimization of selection bias. This allows me to conclude that the estimates I present in Sections 4 and 5 are indeed causal.

7 Discussion

I show evidence of favorable attitudes towards the other caste group with greater exposure to caste diverse neighbors. Living in proximity to more caste diverse neighbors leads to more favorable attitudes towards other groups. However, a change in inner circles of friendship may also be an underlying channel which may influence the change in beliefs. To examine the role of an individual's inner circle, I explore the role that friendships have to play in promoting these favorable attitudes. Kandpal and Baylis (2019) show the importance of friendships to women's security, but the composition of these friends' circles are restricted to one's own caste group.

¹⁹I tracked about 20 apartment owners who had sublet their apartments and asked their reasons for leaving the apartment. 13 of these households cited distance from the workplace as a major factor, whereas the others stated the availability of cheaper public schools around the whole neighborhood, which was lacking around the public housing site.

In the survey, I ask the respondent to name his/her five closest friends within the building.²⁰ I verify the caste of these friends along with their exact residence within the building from administrative records. This allows me to construct a variable, *FractionFriend*, which represents the fraction of friends from the other caste. In addition, I ask the individual to identify people within the building who they knew from the previous slum.²¹ This helps me separate those previously known to an individual and new friends made by him/her after moving to the new neighborhood. I construct a variable, *FractionNewFriend*, which measures the proportion of *new* friends from the other caste. To measure whether any friend or new friend is from the opposite caste, I create dummy variables, *AtleastOneFriend* and *AtleastOneNewFriend*, which switch on when an individual has atleast one friend and one new friend from the other caste group, respectively.²²

Table 10 depicts the relationship between exposure to caste diversity and friendship. Although friendship with the other caste seems to be positively influenced by diversity in caste composition, these effects are imprecise. Only the likelihood of having atleast one new friend is weakly influenced by the caste diversity among neighbors.²³ The results in Table 10 imply that randomly assigning people to live with each other seems to make them more accepting of people from other groups, even if their inner circle of friends does not change. If not exposure to caste diversity, there may be a role that pre existing inner circles have in fostering current caste diverse friendships.

While conducting the survey, I ask a question on ‘people known in the building from the previous slum’. I show the respondent the roster of the building asking them to identify those who they knew previously. From the administrative records, I can then decipher the caste of the person previously known. It may be argued that the relationship between those previously known people and caste diversity on the floor could be endogenous, as those people who had more cross caste friendships may be the people living within these caste diverse settings and driving these results.

In the Appendix, I present results from regressing the composition of previously known individuals on the caste diversity of neighbors, which show that there is no relationship between the two. To address concerns of differential attrition among those who have more other caste friends previously than others, I also regress the previous slum variables on predetermined characteristics (see Appendix). This table provides evidence that previously known people are also randomly assigned for the respondents and those responding to the survey are not only those who may have already been open to having other caste friends in the past. Since households are assigned randomly, the assignment of previous friends within the same floor, by extension, should also be as good as random.

²⁰‘Who are your five closest friends within this building?’

²¹‘From the list of residents in this building, identify five of those you know from your previous slum’

²²The specification is as follows:

$$y_{icf} = \alpha_c + \beta \text{FractionOtherCaste} H_{cf} + \mathbf{X}_{icf} + \epsilon_{icf} \quad (6)$$

where y_{icf} denotes the measures of other caste friendship mentioned above.

²³The number of friends is also not influenced by the caste diversity measure (see Appendix).

I find high correlation between previous and current friendships, controlling for previous slum location (see Appendix). It is possible that those who already had more other caste friends prior to the move could have more favorable attitudes, when exposed to greater caste diversity among immediate neighbors. To test this, I regress the outcomes on attitudes on an interaction of the caste diversity measure and the fraction of previous slum friends who are from another caste group.²⁴

The estimates in Column 2 of Table 11 show that intercaste trust increases significantly for those who live in more caste diverse settings *and* had more friends from other castes prior to moving. This interaction does not have any additional impact on marriage or caste related beliefs (Table 12).

8 Conclusion

In this paper, I examine the effect of cross caste contact between neighbors on individual attitudes towards trust, marriage and caste identities. I use administrative records on random assignment of units within public housing to slum dwellers, to construct a measure for neighborhood caste diversity. To measure attitudes, I designed a survey and collected responses from 692 individuals, who were assigned random neighbors within the public housing site. I find an increase in favorable attitudes with exposure to greater caste diversity among neighbors, in support of the contact hypothesis. Inter caste trust increases with exposure to more caste diversity. Support for inter caste marriage, in general as well as within the family, increases when exposed to greater caste diversity. Exposure to greater caste diversity makes people aware of greater caste injustice.

Additional results show that length of exposure to caste diversity matters for positive attitudes towards intercaste marriage. When splitting the sample by sub castes, I find that presence of the same sub caste on a floor may make caste identities appear more salient. The likelihood of making a new close friend from the other caste is a suggestive mechanism through which these effects take place. Previous cross caste friendships may also have a role to play in enhancing inter caste trust.

I rely on self reported views on trust, marriage and caste salience to measure caste related attitudes. It is an open question to what extent attitudes translate into more accepting behaviors. For instance, in the case of questions related to inter caste marriage, responses may not necessarily translate into action. From a policy perspective, my results have implications for the design of housing programs in other settings. While reallocating people to live in unfamiliar settings may come with costs such as loss of networks with others (Barnhardt, Field

²⁴The specification is as follows:

$$y_{icf} = \alpha_c + \beta \text{FractionOtherCasteHH}_{cf} \times \text{FractionPreviousFriend}_{icf} + \gamma \text{FractionOtherCasteHH}_{cf} + \lambda \text{FractionPreviousFriend}_{icf} + X_{icf} + \epsilon_{icf}$$

where $\text{FractionPreviousFriend}_{icf}$ refers to the fraction of friends known previously to the individual from the other caste.

and Pande, 2017), there may be substantial benefits to living close to members of other social groups(Dragan, Ellen and Glied, 2019). My findings may have implications for reintegrating effects of housing policies, thus serving as a potential tool to reduce intergroup prejudice.

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9 Tables

Table 1: Descriptive Statistics of Surveyed Individuals

	SC/ST (1)	Non SC/ST (2)	Full Sample (3)
General Trust	0.975 (0.155)	0.948 (0.222)	0.959 (0.197)
Trust Other Caste	0.604 (0.490)	0.589 (0.492)	0.594 (0.491)
Against Marriage Ban	0.87 (0.337)	0.806 (0.396)	0.833 (0.374)
Support Inter caste Marriage within Family	0.549 (0.498)	0.492 (0.500)	0.432 (0.496)
Caste Injustice has Increased	0.411 (0.493)	0.402 (0.491)	0.401 (0.491)
Support Reservation	0.739 (0.440)	0.660 (0.474)	0.693 (0.461)
Caste is Important	0.571 (0.496)	0.635 (0.482)	0.609 (0.488)
Fraction of Other Caste HH	0.497 (0.271)	0.562 (0.286)	0.535 (0.281)
Age	36.06 (22.26)	35.08 (13.80)	35.48 (17.78)
Completed Primary Education	0.717 (0.451)	0.768 (0.422)	0.747 (0.435)
Employed	0.481 (0.501)	0.549 (0.498)	0.521 (0.500)
Duration of Stay	2.122 (1.304)	1.975 (1.243)	2.036 (1.270)
General	x	x	0.423 (0.494)
Other Backward Classes (OBC)	x	x	0.163 (0.370)
SC/ST	x	x	0.413 (0.493)
<i>N</i>	286	406	692

mean coefficients; sd in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 2: Balance Test

	Fraction of Other Caste HH	SC/ST	Non SC/ST
Age	-0.0006 (0.0007)	0.0008 (0.0006)	-0.0008 (0.004)
Age of Male	-0.00005 (0.0005)	0.0002 (0.0004)	-0.0001 (0.003)
Female	-0.002 (0.012)	0.007 (0.014)	-0.001 (0.011)
Age of Female	-0.0002 (0.002)	-0.0005 (0.002)	-0.0002 (0.002)
Completed Primary	-0.015 (0.027)	-0.028 (0.036)	0.003 (0.0260)
Number of Family Members	-0.005 (0.013)	-0.012 (0.025)	0.011 (0.016)
Age of Oldest Child	0.005 (0.004)	0.003 (0.006)	0.007 (0.005)
Number of Children Before Move	-0.021 (0.015)	-0.015 (0.023)	-0.028 (0.025)
Gender of Respondent	-0.035 (0.094)	-0.132 (0.131)	-0.051 (0.186)
Other Backward Classes	-0.177*** (0.055)	-	0.196*** (0.054)
SC/ST	0.036 (0.054)	-	-
Previous Slum FE	Y	Y	Y
Observations	692	286	406

Notes: This table shows the regression of composition of other caste households on a given floor on baseline characteristics. General Caste is the omitted caste category. Standard errors are clustered at the floor level.

Table 3: Relationship between Trust and Neighbor Caste Composition

	General Trust		TrustOtherCaste	
	OLS	Probit	OLS	Probit
	(1)	(2)	(3)	(4)
Fraction of Other Caste HH	0.066 (0.074)	0.147 (0.117)	0.342** (0.157)	0.352** (0.148)
OBC	0.034 (0.044)	0.032 (0.043)	-0.208 (0.157)	-0.211 (0.148)
SC/ST	0.049 (0.047)	0.047 (0.043)	-0.096 (0.082)	-0.098 (0.085)
Outcome Mean	0.937	0.936	0.613	0.611
Previous Slum FE	Y	Y	Y	Y
Controls	Y	Y	Y	Y
N	691	691	680	680

Notes: Each column represents a separate regression. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. Results reported in the probit columns are the marginal effects. *General Trust*: Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people (0-Do not Trust, 1-Trust)? *ExtentTrustOtherCaste*: How much do you trust members of another caste? (0-Do not Trust, 1-Trust) *** denotes significance at the 1% level, ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 4: Relationship between Caste Attitudes and Neighbor Caste Composition

	AgainstMarriageBan		SupportInterCasteMarriage		CasteInjustice		ImportanceCaste		SupportReservation	
	OLS (1)	Probit (2)	OLS (3)	Probit (4)	OLS (5)	Probit (6)	OLS (7)	Probit (8)	OLS (9)	Probit (10)
Fraction of Other Caste HH	0.197** (0.086)	0.206* (0.112)	0.261** (0.131)	0.267** (0.127)	0.354** (0.169)	0.351** (0.159)	-0.048 (0.165)	-0.03 (0.158)	-0.144 (0.155)	-0.14 (0.144)
OBC	0.183 (0.084)	0.180 (0.081)	0.079 (0.123)	0.076 (0.120)	-0.035 (0.116)	-0.033 (0.115)	-0.14 (0.127)	-0.15 (0.129)	-0.035 (0.115)	-0.032 (0.113)
SC/ST	0.099 (0.063)	0.097 (0.061)	0.014 (0.077)	0.015 (0.074)	-0.046 (0.097)	-0.043 (0.097)	-0.155 (0.096)	-0.153 (0.079)	-0.046 (0.075)	-0.048 (0.097)
Outcome Mean	0.8	0.8	0.542	0.541	0.521	0.52	0.601	0.601	0.692	0.69
Previous Slum FE	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Controls	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Observations	687	687	656	656	525	525	672	672	623	623

Notes: Each column represents a separate regression. Results reported in the probit columns are the marginal effects. Controls include age, education and employment status. Standard errors in parentheses and clustered at the floor level. 0-Against Inter Caste Marriage, 1-Support Inter Caste Marriage. *CasteInjustice*: In your opinion, has caste injustice decreased, increased or seen no change? (1-Increased, 0-Decreased) *ImportanceCaste*: In your opinion, is caste still as important in people's lives today as it was ten years ago? (0-Not Important, 1-Important) *SupportReservation*: How much do you support caste based reservation? (0-Do not Support, 1-Support). $p < 0.01$, $**p < 0.05$, $*p < 0.10$

Table 5: Outcomes on Caste Attitudes Interacted with Caste Categories

	AgainstMarriageBan	SupportInterCasteMarriage	CasteInjustice	SupportReservation	ImportanceCaste
	(1)	(2)	(3)	(4)	(5)
Fraction of Other Caste HH	0.240*	0.380*	0.407*	-0.189	-0.175
	(0.132)	(0.197)	(0.216)	(0.201)	(0.205)
SC/ST	0.183	0.154	0.079	-0.009	-0.238
	(0.131)	(0.162)	(0.197)	(0.148)	(0.190)
Fraction of Other Caste HH \times SC/ST	0.160	0.267	-0.209	-0.092	0.217
	(0.220)	(0.291)	(0.286)	(0.271)	(0.322)
Observations	687	656	525	623	672

Notes: Each column represents a separate regression. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. 0-Against Inter Caste Marriage, 1-Support Inter Caste Marriage. *CasteInjustice*: In your opinion, has caste injustice decreased, increased or seen no change? (1-Increased, 0-Decreased) *ImportanceCaste*: In your opinion, is caste still as important in people's lives today as it was ten years ago? (0-Not Important, 1-Important) *SupportReservation*: How much do you support caste based reservation? (0-Do not support, 1-Support). Omitted caste category is Non SC/ST. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 6: Outcomes on Trust Using Subcaste Variation

	General Trust	TrustOtherCaste
	(1)	(2)
MorethanOneSubcaste: SC/ST	-0.075 (0.059)	-0.062 (0.143)
Observations	285	282
MorethanOneSubcaste: Non SC/ST	-0.021 (0.041)	-0.030 (0.126)
Observations	406	398

Notes: Each column represents a separate regression . Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. *General Trust*: Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people (0-Do not Trust, 1-Trust)? *ExtentTrustOtherCaste*: How much do you trust members of another caste? (0-Do not Trust, 1-Trust). ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 7: Outcomes on Caste Attitudes Using Subcaste Variation

	AgainstMarriageBan	SupportInterCasteMarriage	CasteInjustice	SupportReservation	ImportanceCaste
	(1)	(2)	(3)	(4)	(5)
MorethanOneSubcaste: SC/ST	-0.022 (0.077)	-0.054 (0.136)	-0.131 (0.139)	0.303** (0.115)	0.255* (0.149)
Observations	284	266	214	264	280
MorethanOneSubcaste: Non SC/ST	-0.020 (0.083)	0.065 (0.098)	0.007 (0.131)	0.042 (0.099)	0.057 (0.113)
Observations	403	390	311	359	392

Notes: Each column represents a separate regression. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location.

AgainstMarriageBan: How much would you support a law prohibiting intercaste marriage? (0-Support, 1-Do not Support Marriage Ban (more accepting of intercaste marriage)) *SupportInterCasteMarriage*:

How much do you support intercaste marriage within your own family? (0-Do not Support, 1-Support). ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 8: Outcomes on Trust Interacted with Years Since Move

	General Trust	Extent Trust Another Caste
	(1)	(2)
Fraction of Other Caste HH	0.052 (0.077)	0.285 (0.177)
Years Since Move	-0.080 (0.123)	0.062 (0.175)
Fraction of Other Caste HH \times Years Since Move	0.118 (0.170)	-0.004 (0.287)
Caste Fixed Effects	Y	Y
Observations	691	680

Notes: Each column represents a separate regression. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. *General Trust*: Generally speaking, would you say that most people can be trusted or that you need to be very careful in dealing with people (0-Do not Trust, 1-Trust)? *TrustOtherCaste*: How much do you trust members of another caste? (0-Do not Trust, 1-Trust). Years Since Move: Less than 3 years is the omitted category. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 9: Outcomes on Attitudes Towards Caste Interacted with Duration of Stay

AgainstMarriageBan	SupportInterCasteMarriage	CasteInjustice	SupportReservation	ImportanceCaste	
	(1)	(2)	(3)	(4)	(5)
Fraction of Other Caste HH	-0.249** (0.108)	0.130 (0.136)	0.305 (0.189)	-0.096 (0.165)	-0.109 (0.171)
Years Since Move	-0.099 (0.121)	0.417** (0.174)	0.187 (0.183)	0.135 (0.170)	-0.034 (0.217)
Fraction of Other Caste HH \times Years Since Move	0.201 (0.217)	0.635** (0.297)	0.136 (0.251)	-0.325 (0.316)	0.197 (0.368)
Observations	687	656	525	623	672

Notes: Each column represents a separate regression. Controls include age, education, nature of work and previous slum location. *CasteInjusticeAttitude*: In your opinion, has caste injustice decreased, increased or seen no change? (0-Decreased, 1-Increased) *ImportanceCaste*: In your opinion, is caste still as important in people's lives today as it was ten years ago? (0-Not Important, 1-Important)

SupportReservation: How much do you support caste based reservation? (0-Do not Support, 1-Support). Years Since Move: Less than 3 years is the omitted category. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 10: Relationship between Friendship and Caste Diversity of Neighbors

	FractionFriend	AtleastOneFriend	FractionNew	AtleastOneNew
X: Fraction of Other Caste HH	0.056 (0.122)	0.005 (0.116)	0.034 (0.095)	0.076* (0.046)
Outcome Mean	0.512	0.713	0.44	0.971
Caste FE	Y	Y	Y	Y
Observations	692	692	692	692

Notes: Each column represents a separate regression. *FractionFriend* is defined as the proportion of friends from the other castes.

AtleastOneFriend is defined as a dummy which takes a value of 1 if the individual has atleast one other caste friend. *FractionNew* is defined as the proportion of new friends from the other castes. *AtleastOneNew* is defined as a dummy which takes a value of 1 if the individual has atleast one other caste new friend. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 11: Trust Outcomes: Interaction between Caste Composition and Previous Slum Friends

	General Trust Outcome Mean=0.897 (1)	TrustOtherCaste Outcome Mean=0.271 (2)
Fraction of Other Caste HH	0.062 (0.071)	0.340*** (0.159)
FractionPreviousFriend	0.034 (0.278)	0.262*** (0.121)
FractionOtherCaste×PreviousFriend	0.272 (0.404)	0.420*** (0.208)
Caste FE	Y	Y
Controls	Y	Y
N	691	680

Notes: Each column represents a separate regression. *FractionPreviousFriend* is defined as the previously known residents from another caste. *AtleastOnePreviousFriend* is a dummy which takes the value of 1 if the person knows atleast one person from the slum he/she previously stayed in. Standard errors in parentheses and clustered at the floor level. Controls include age, education and nature of work. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 12: Outcomes on Caste Attitudes: Interaction between Caste Composition and Previous Slum Friends

	AgainstMarriageBan (1)	SupportInterCasteMarriage (2)	CasteInJustice (3)	ImportanceCaste (4)	SupportReservation (5)
Fraction of Other Caste HH	-0.199** (0.087)	0.257** (0.128)	0.351** (0.163)	-0.045 (0.21)	-0.146 (0.208)
FractionPreviousFriend	-0.207 (0.233)	0.361 (0.264)	0.61 (0.303)	0.227 (0.244)	-0.141 (0.25)
FractionOtherCaste×PreviousFriend	-0.02 (0.37)	0.097 (0.393)	0.28 (0.473)	-0.226 (0.395)	0.319 (0.44)
Outcome Mean	0.744	0.541	0.521	Mean=0.601	Mean=0.692
Caste FE	Y	Y	Y	Y	Y
Controls	Y	Y	Y	Y	Y
N	687	656	525	672	623

Notes: Each column represents a separate regression. *FractionPreviousFriend* is defined as the previously known residents from another caste. *AtleastOnePreviousFriend* is a dummy which takes the value of 1 if the person knows atleast one person from the slum he/she previously stayed in. Standard errors in parentheses and clustered at the floor level. Controls include age, education and nature of work. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 13: Effect of Caste Composition on Survey Participation

	Participation in Survey
Fraction Other Caste HH	0.028 (0.064)
OBC	-0.014 (0.032)
SC/ST	-0.02 (0.025)
Observations	947

Notes: This table shows the regression of Survey Participation on the composition of other caste households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey. Site fixed effects included

10 Figures

Figure 1: Distribution of Year of Relocation

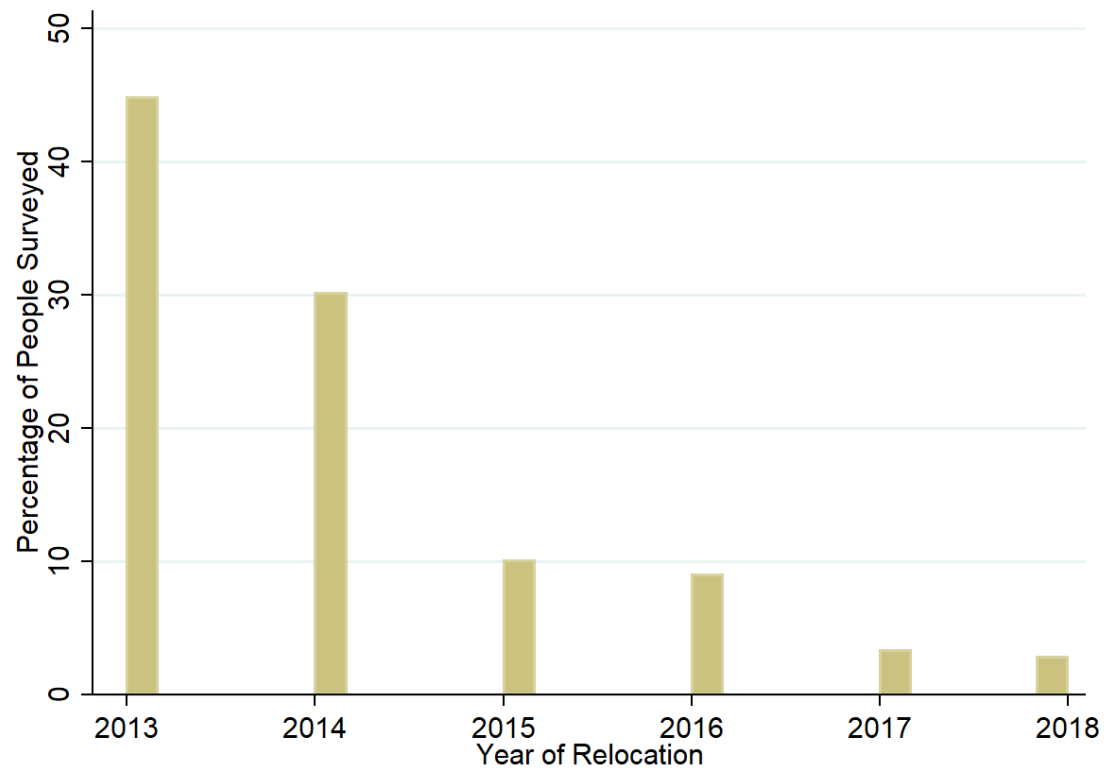


Figure 2: Resettlement Site

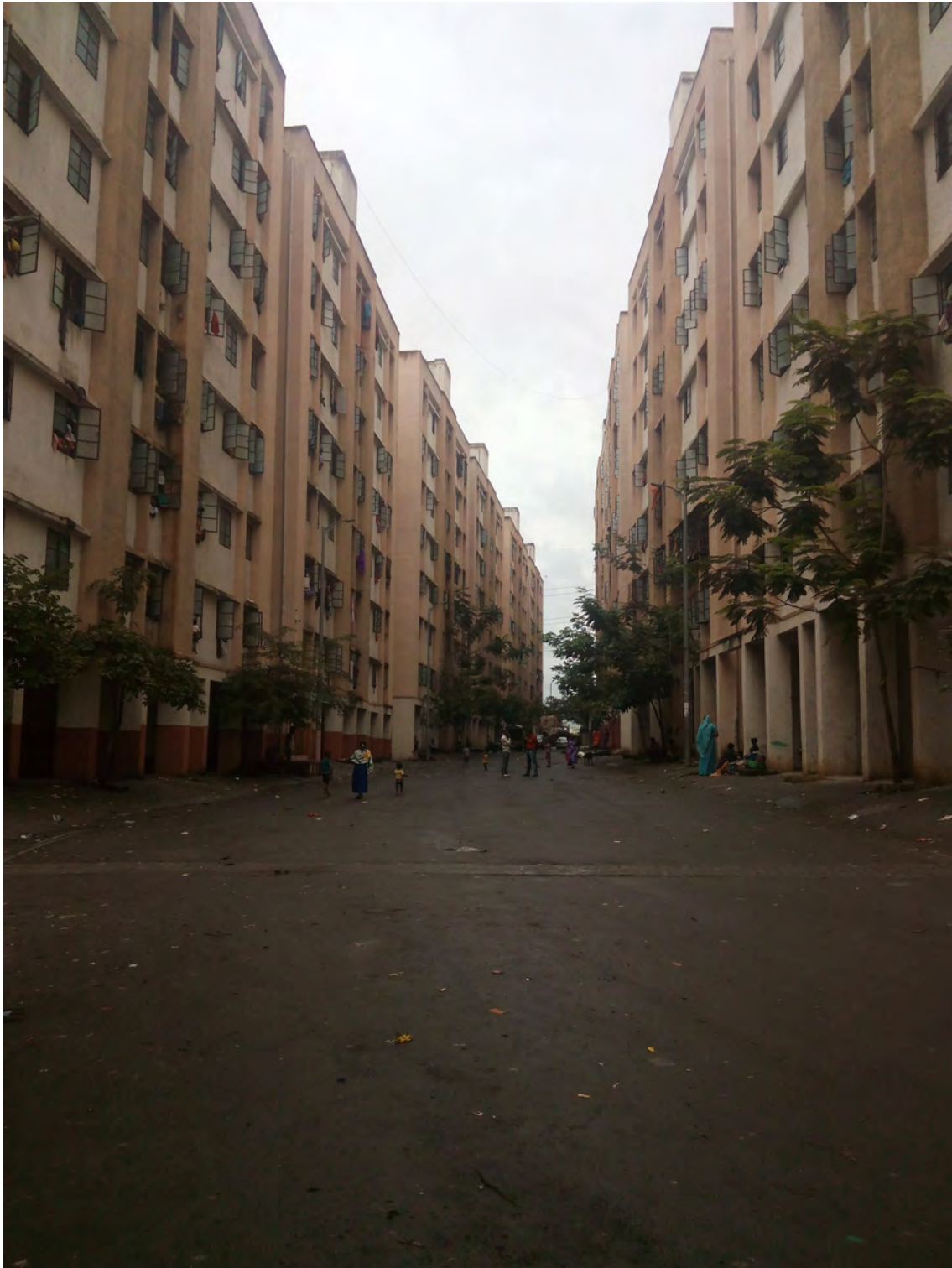


Figure 3: Distribution of Individuals' Exposure to Caste Diverse Neighbors

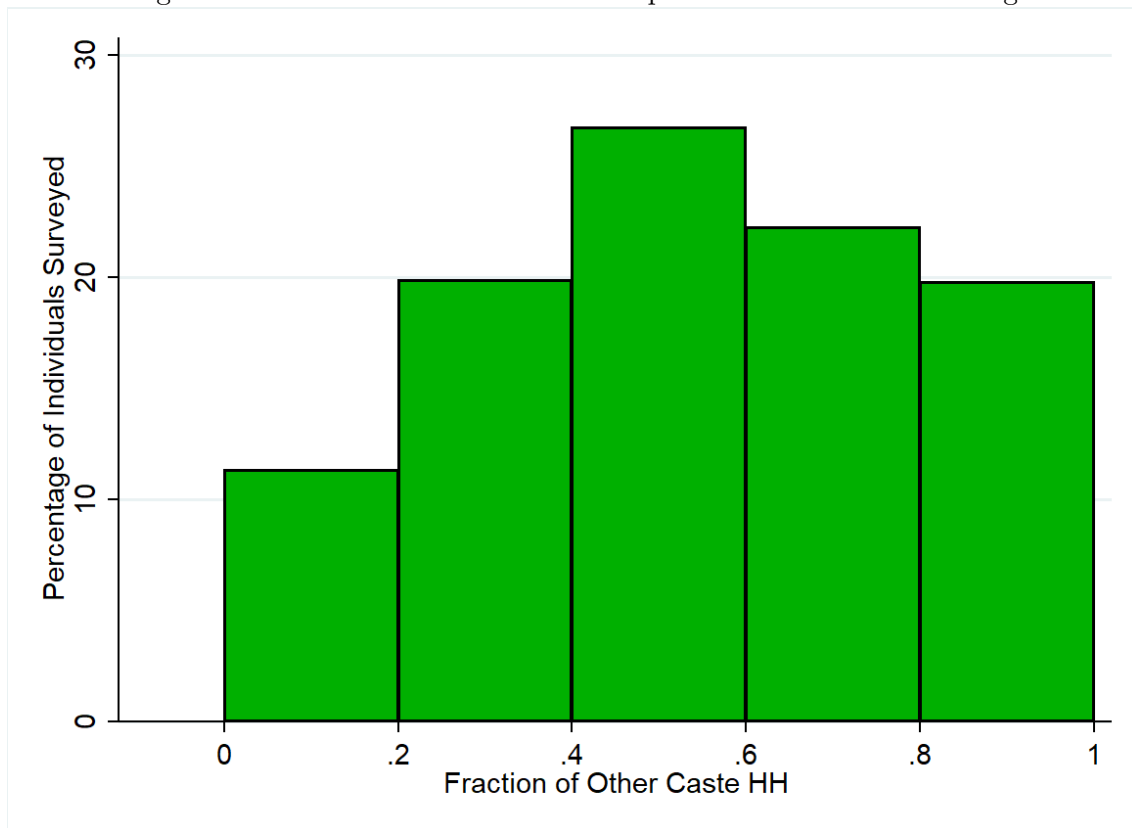


Figure 4: Distribution of Individuals Exposed to Fraction of Other Caste Households: Disaggregated

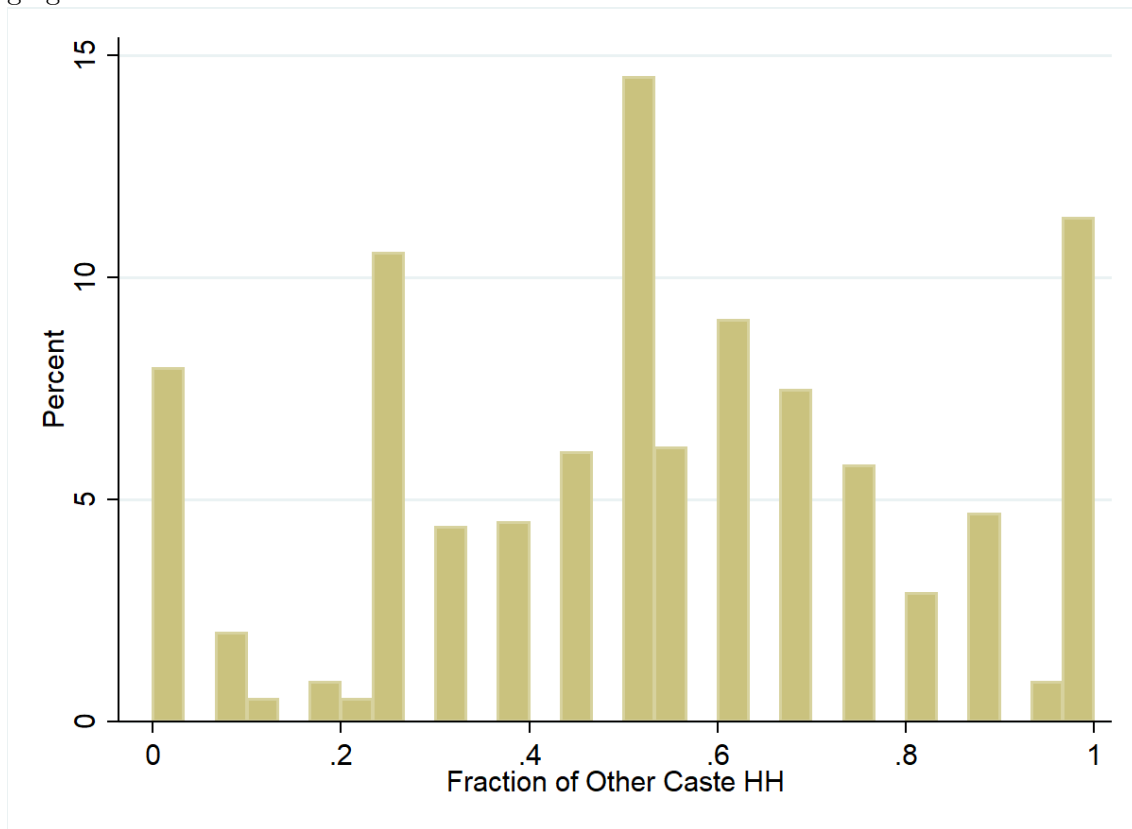


Figure 5: Distribution of Individuals Exposed to Proportion of Other Caste Households by Caste

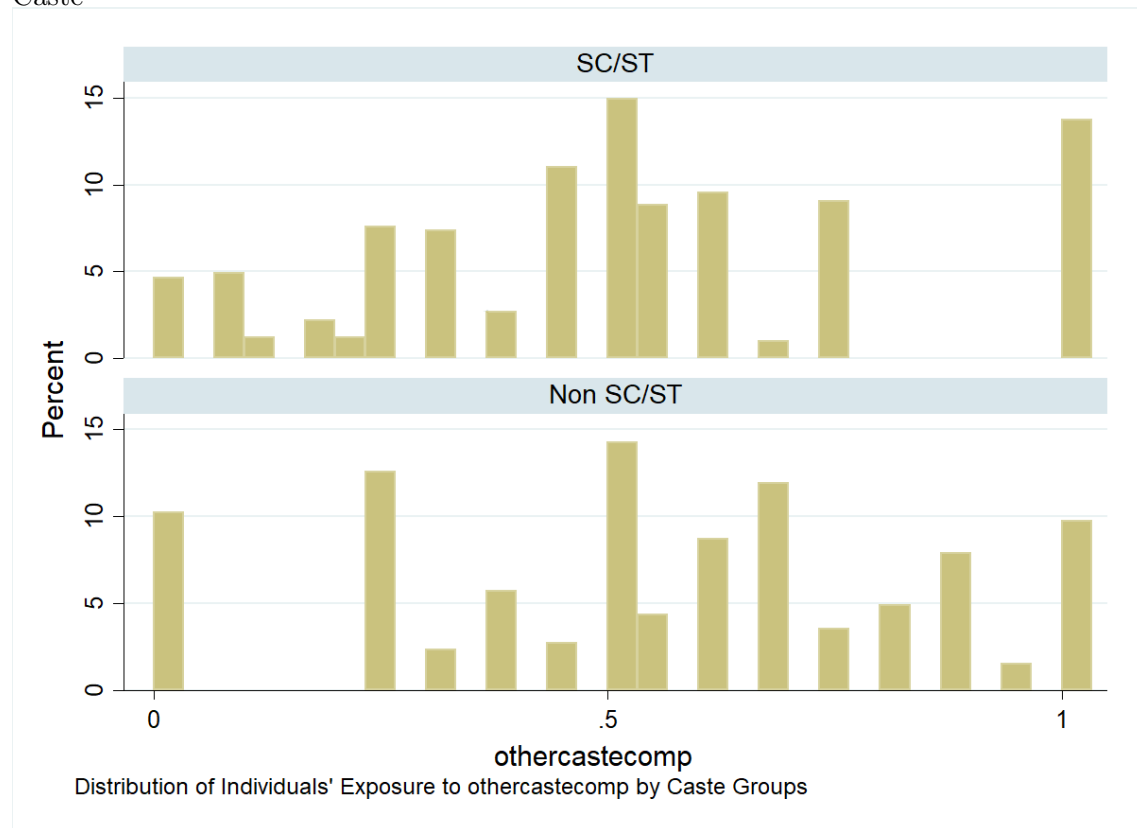


Figure 6: Distribution of All Households Exposed to Proportion of Other Caste Households

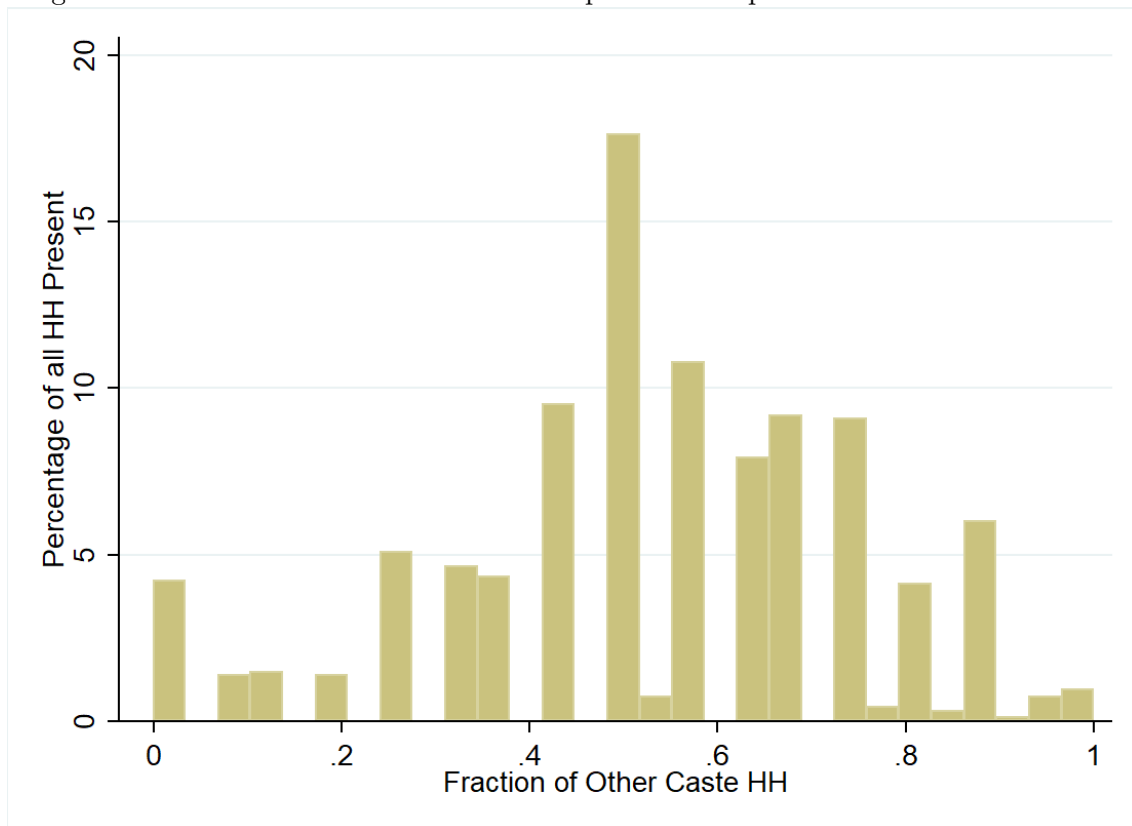


Figure 7: Distribution of Individuals Exposed to Proportion of Other Caste Households: By Site

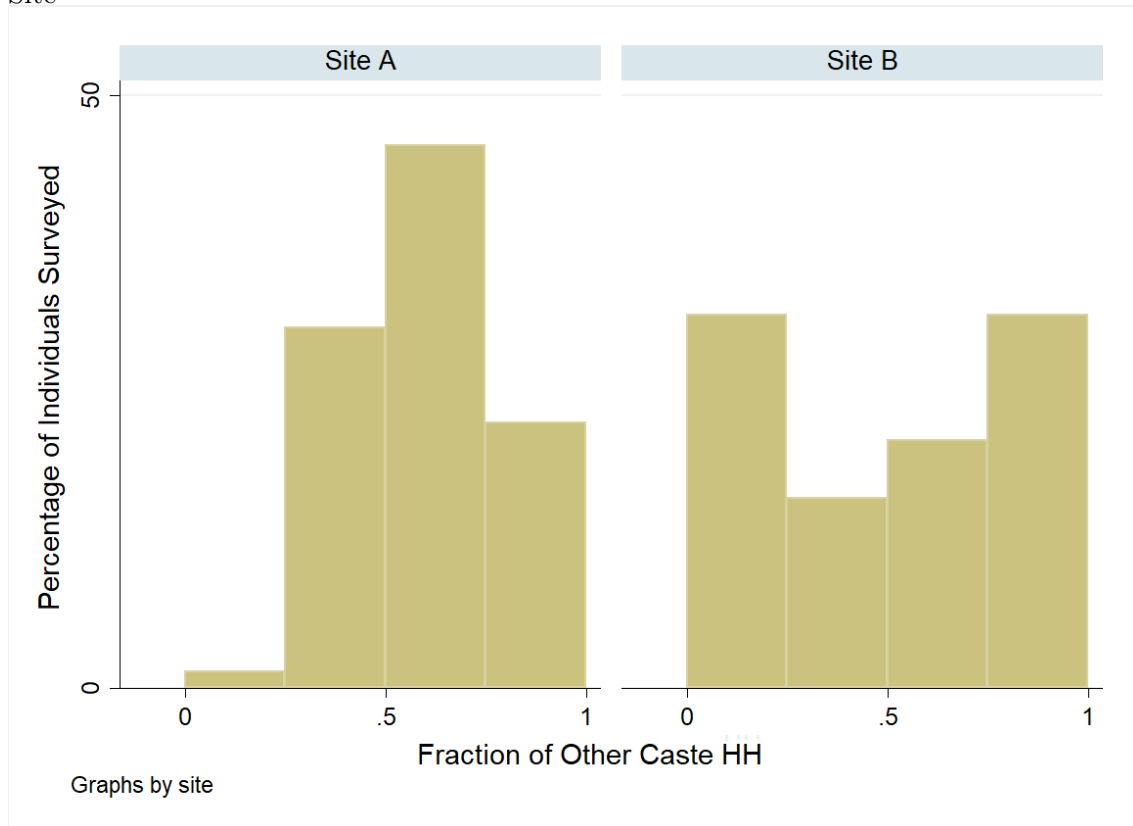


Figure 8: Distribution of Friends

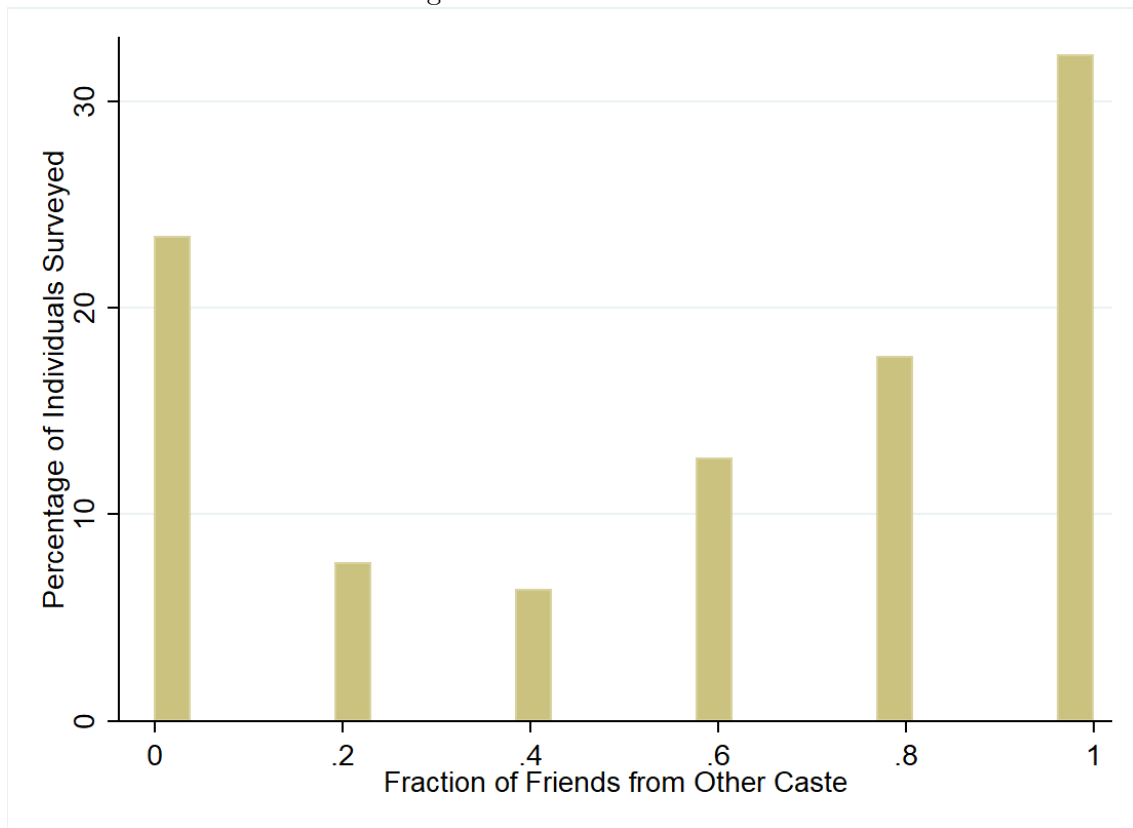


Figure 9: Distribution of Friends by Caste

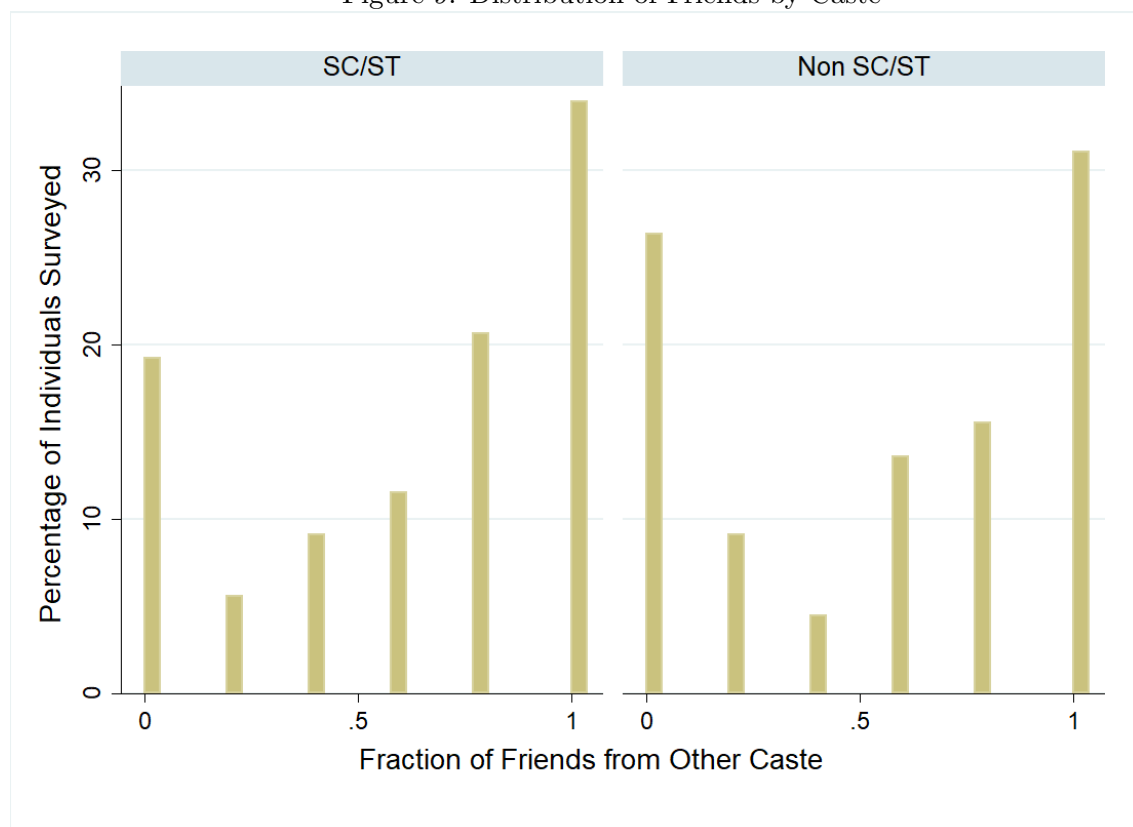


Figure 10: Distribution of New Friends

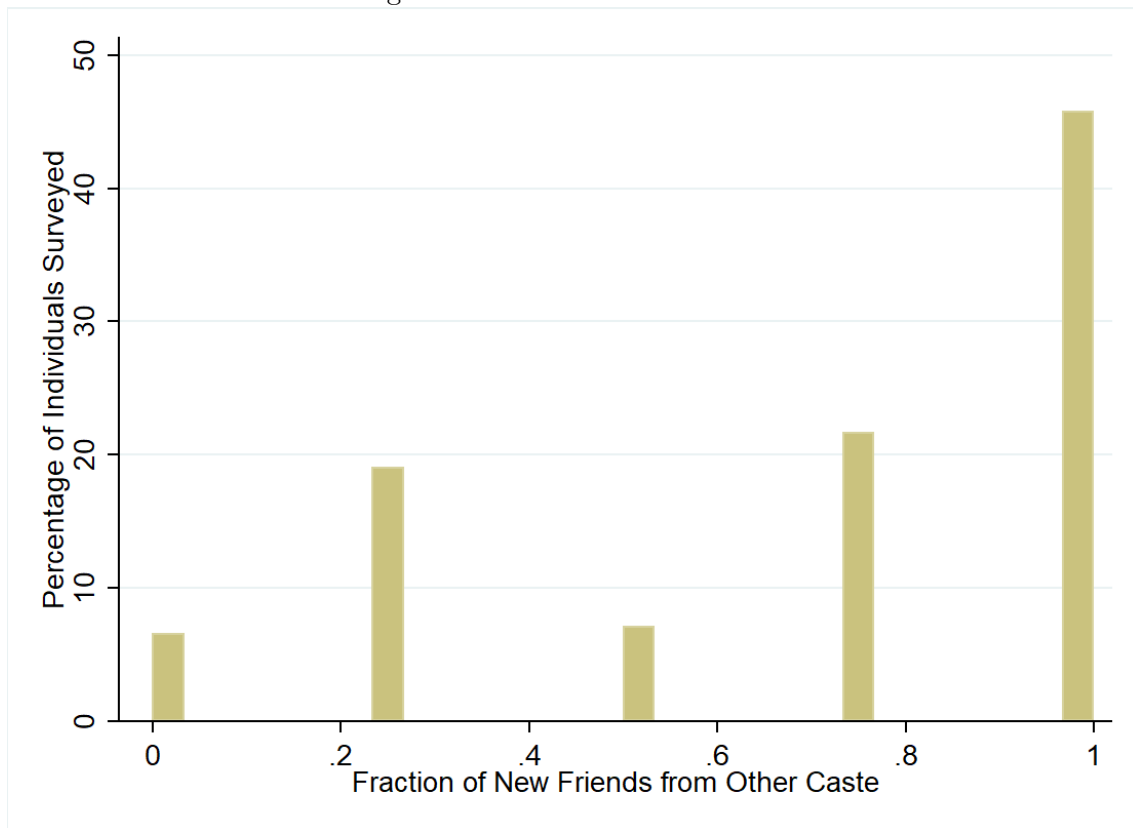


Figure 11: Distribution of New Friends by Caste

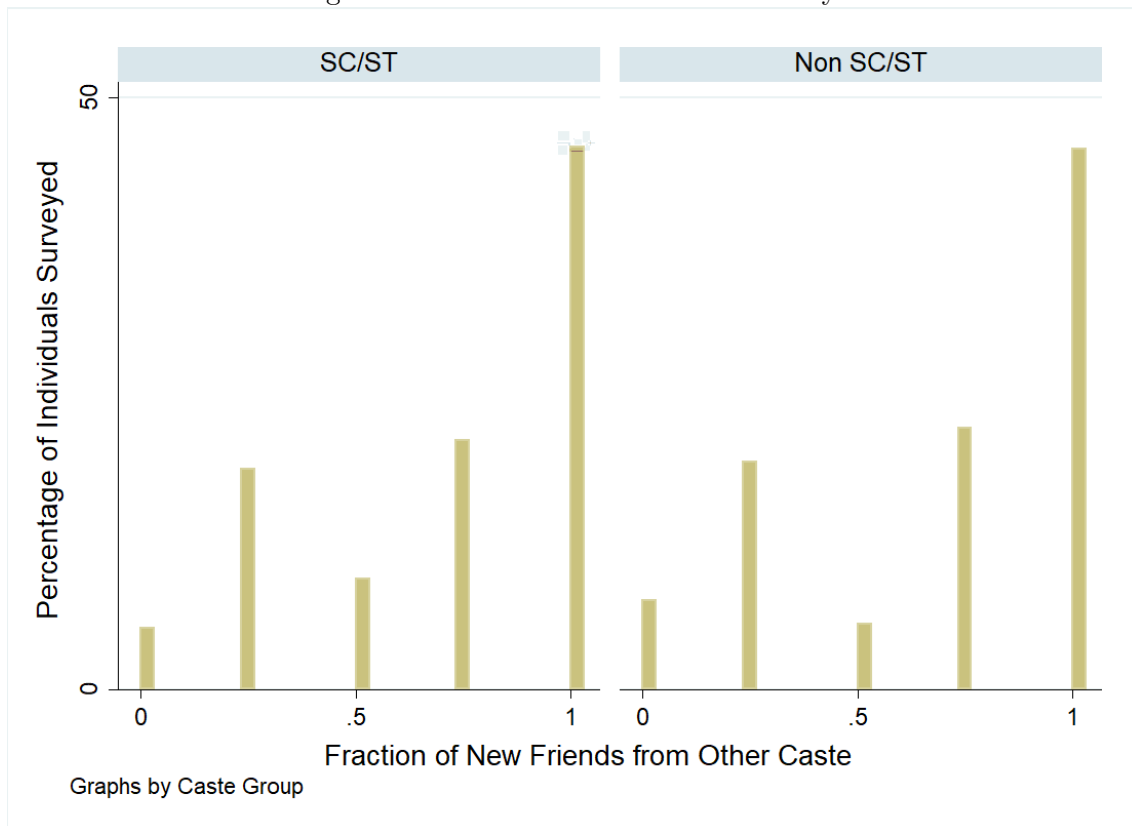


Figure 12: Distribution of Previously Known People of Other Caste

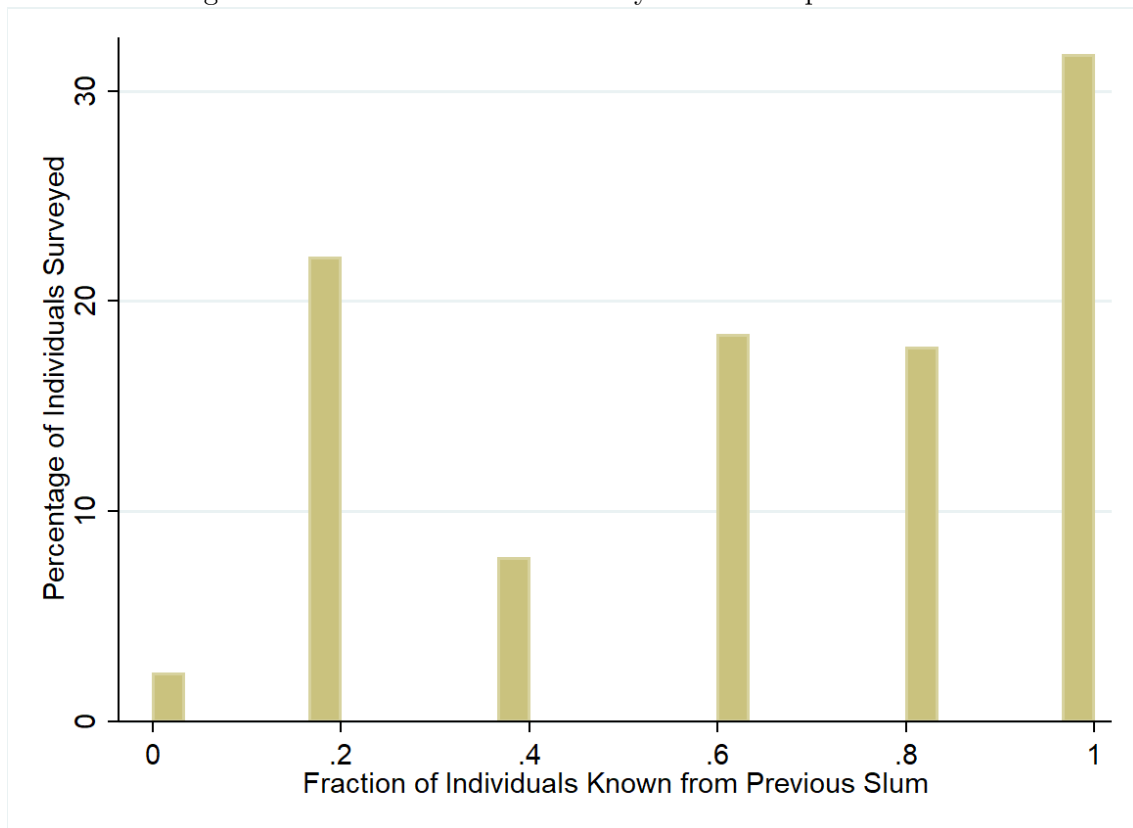


Figure 13: Distribution of Previously Known People of Other Caste by Caste

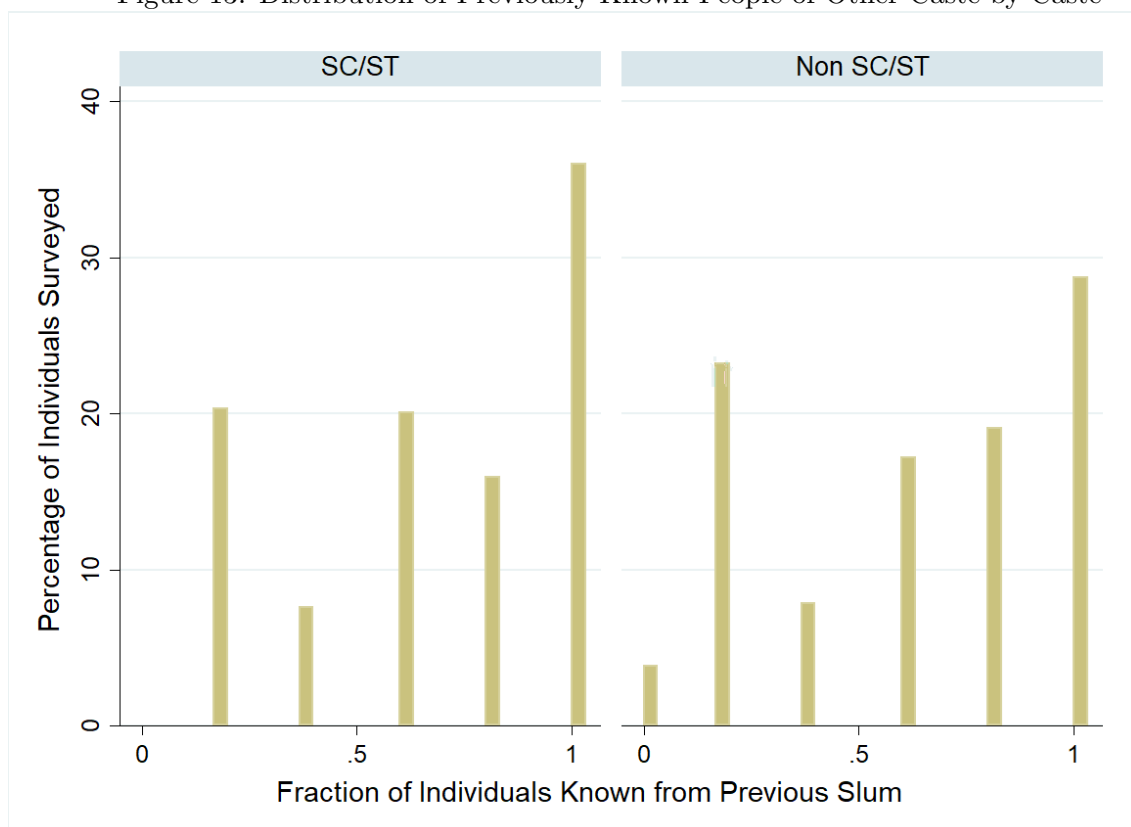
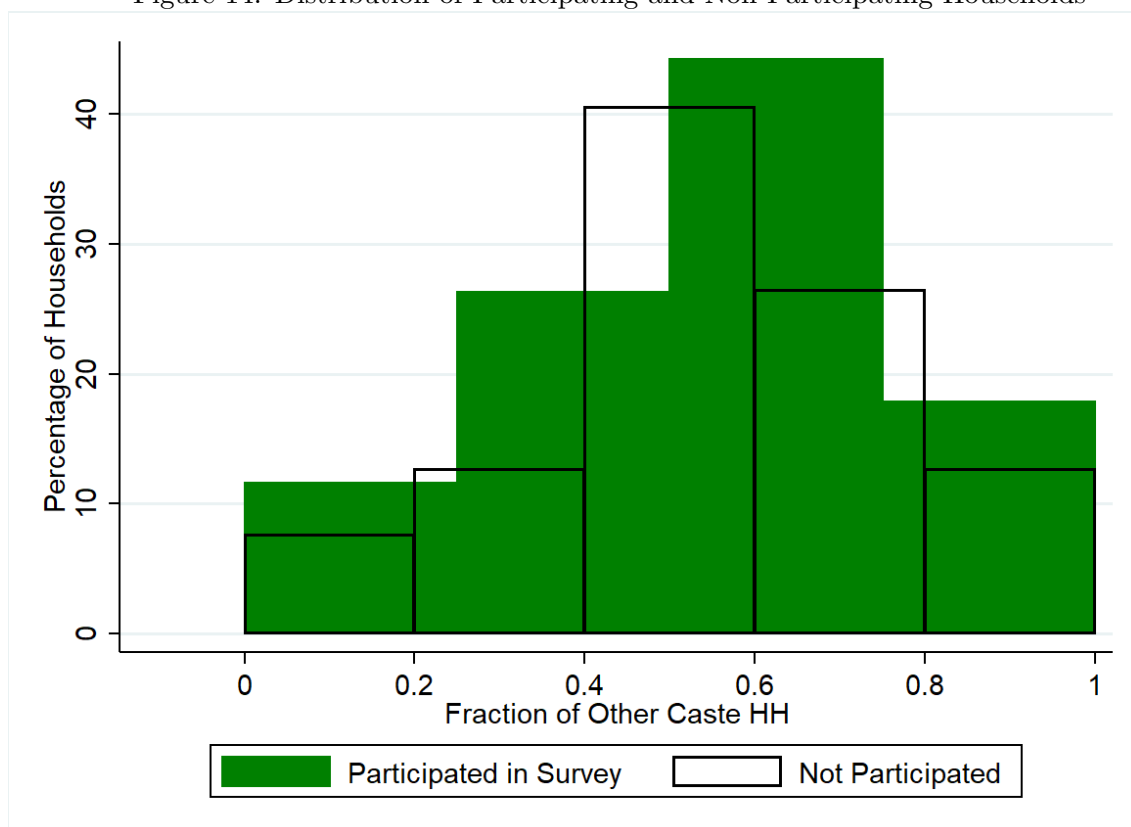


Figure 14: Distribution of Participating and Non Participating Households



11 Appendix

Table 14: Regression of Independent Variable on Predetermined Covariates and only two Caste Groups

	Fraction of Other Caste HH
Age	-0.0007 (0.0008)
Age of Male	-0.00007 (0.0005)
Gender	-0.001 (0.012)
Age of Female	-0.0004 (0.002)
Age Sq	0.000003 (0.000003)
Completed Primary	-0.017 (0.027)
Number of Family Members	-0.01 (0.012)
Age of Oldest Child	0.003 (0.004)
Number of Children Before Move	-0.015 (0.014)
Gender of Respondent	-0.034 (0.096)
Non SC/ST	0.008 (0.051)
Observations	692

Notes: This table shows the regression of composition of other caste households on a given floor on baseline characteristics. This regression includes slum fixed effects. Caste takes a value of 1 if person belongs to SC/ST, 2-General/OBC. Omitted Category is SC/ST. Standard errors are clustered at the floor level

Table 15: Regression of Independent Variable on Pre Determined Covariates: General Category

	Fraction of Other Caste HH
Age	0.004 (0.001)
Number of Family Members	-0.022 (0.012)
Number of Children	-0.003 (0.008)
Education Level	-0.015 (0.031)
Observations	293

Notes: This table shows the regression of composition of other caste households on a given floor on predetermined variables for General Category individuals in the survey. These variables are age of individual, number of family members in surveyed household, number of children before the move in surveyed household and education level of the adults surveyed in the household. This regression includes slum fixed effects.

Table 16: Regression of Independent Variable on Pre Determined Covariates: Other Backward Classes

	Fraction of Other Caste HH
Age	-0.001 (0.0008)
Number of Family Members	0.01 (0.02)
Number of Children	-0.002 (0.008)
Education Level	0.018 (0.02)
Observations	113

Notes: This table shows the regression of composition of other caste households on a given floor on predetermined variables for Other Backward Classes individuals in the survey. These variables are age of individual, number of family members in surveyed household, number of children before the move in surveyed household and education level of the adults surveyed in the household. This regression includes slum fixed effects.

Table 17: Regression of Independent Variable on Pre Determined Covariates: Scheduled Castes/Scheduled Tribes

	Fraction of Other Caste HH
Age	0.0008 (0.0006)
Number of Family Members	-0.029 (0.013)
Number of Children	0.007 (0.008)
Education Level	-0.035 (0.023)
Observations	286

Notes: This table shows the regression of composition of other caste households on a given floor on predetermined variables for Scheduled Castes/Scheduled Tribes in the survey. These variables are age of individual, number of family members in surveyed household, number of children before the move in surveyed household and education level of the adults surveyed in the household. This regression includes slum fixed effects

Table 18: Effect of Caste Composition on Survey Participation with Two Caste Groups

	Participation in Survey
Fraction of Other Caste HH	0.02 (0.061)
Non SC/ST	0.019 (0.023)
Observations	947

Notes: This table shows the regression of Survey Participation on the composition of other caste households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey. Site fixed effects included

Table 19: Effect of Caste Composition on Survey Participation: Site A

	Participation in Survey
Fraction of Other Caste HH	-0.0002 (0.113)
OBC	-0.018 (0.036)
SC/ST	-0.04 (0.032)
Observations	765

Notes: This table shows the regression of Survey Participation on the composition of other caste households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey

Table 20: Effect of Caste Composition on Survey Participation: Site B

	Participation in Survey
Fraction of Other Caste HH	-0.131 (0.104)
OBC	-0.021 (0.166)
SC/ST	-0.081 (0.081)
Observations	182

Notes: This table shows the regression of Survey Participation on the composition of other caste households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey

Table 21: Effect of Caste Composition on Survey Participation

	Participation in Survey
Fraction of Other Caste HH	-0.140 (0.094)
Non SC/ST	0.08 (0.069)
Observations	182

Notes: This table shows the regression of Survey Participation on the composition of other caste households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey

Table 22: Effect of Caste Composition on Survey Participation: General Category

Participation in Survey: General Category	
Fraction of Other Caste HH	-0.135 (0.161)
Observations	283

Notes: This table shows the regression of Survey Participation on the composition of other caste households for General Category Households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey

Table 23: Effect of Caste Composition on Survey Participation: OBC Households

Participation in Survey: Other Backward Castes (OBC)	
Fraction of Other Caste HH	-0.125 (0.307)
Observations	135

Notes: This table shows the regression of Survey Participation on the composition of other caste households for OBC Households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey

Table 24: Effect of Caste Composition on Survey Participation: SC/ST Households

Participation in Survey: SC/ST Households	
Fraction of Other Caste HH	0.078 (0.141)
Observations	347

Notes: This table shows the regression of Survey Participation on the composition of other caste households for SC/ST Households. Standard errors are clustered at the floor level. Participation in Survey: 0 if the household is not in the survey, 1 if the household is in the survey

Table 25: Responses to Question: 'Name five of your close friends within this building'

Number of Friends from Other Caste	
No Friends	162
One Friend	53
2 Friends	44
3 Friends	88
4 Friends	122
5 Friends	223
Total	692

Table 26: Number of 'New Friends'	
Number of New Friends from Other Caste	
No Friends	48
One Friend	105
2 Friends	29
3 Friends	46
4 Friends	142
5 Friends	322
Total	692

Table 27: Relationship between Number of Friends and Caste Diversity of Neighbors

	Number of Friends	Number of New Friends
X: Fraction of Other Caste HH	0.278 (0.611)	0.081 (0.457)
Outcome Mean	0.886	1.122
Caste FE	Y	Y
Observations	692	692

Notes: Each column represents a separate regression. *Number of Friends* is defined as the number of friends from the other castes. *Number of New Friends* is defined as the number of new friends from the other castes. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. ** denotes significance at the 5% level, * denotes significance at the 10% level.

11.1 Main Results with Friendship Controls

Table 28: Relationship between Trust and Caste Composition: Friends

	General Trust Outcome Mean=0.970	ExtentTrustOtherCaste Outcome Mean=0.146
Fraction of Other Caste HH	0.067 (0.068)	0.299** (0.144)
AtleastOneFriend	0.033* (0.02)	0.137 (0.123)
Caste Fixed Effects	Y	Y
Controls	Y	Y
N	691	680

Table 29: Relationship between Marriage Attitudes and Caste Composition: Friends

	MarriageLaw Outcome Mean=0.245	InterCasteMarriage Outcome Mean=0.439
Fraction of Other Caste HH	-0.226** (0.112)	0.236 (0.125)
AtleastOneFriend	-0.07 (0.096)	0.021 (0.142)
Caste FE	Y	Y
Controls	Y	Y
N	687	656

Table 30: Relationship Between Caste Attitudes and Trust Composition: Friends

	CasteInjusticeAttitude Outcome Mean=0.412	ImportanceCaste Outcome Mean=0.615	SupportCasteReservation Outcome Mean=0.408
Fraction of Other Caste HH	0.351** (0.159)	-0.067 (0.146)	-0.141 (0.147)
AtleastOneFriend	0.27* (0.147)	0.12 (0.121)	0.046 (0.153)
Caste FE	Y	Y	Y
Controls	Y	Y	Y
N	525	672	623

Table 31: Relationship between Caste Diversity and Previous Known Friends in Slum

	FractionPreviousFriend	AtleastOnePreviousFriend
X: Fraction of Other Caste HH	0.009 (0.103)	0.013 (0.252)
Outcome Mean	0.432	0.79
Site FE	Y	Y
Caste FE	Y	Y
Observations	692	692

Notes: Each column represents a separate regression. *FractionPreviousFriend* is defined as the fraction of friends known from the previous slum who belong to another caste. *AtleastOnePreviousFriend* is a dummy which takes the value of 1 if the person has atleast one other caste friend from the slum he/she previously stayed in. Standard errors in parentheses and clustered at the floor level. Controls include age, education, nature of work and previous slum location. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 32: Balance: Previous Slum Other Caste Friends and Predetermined Variables

	FractionPreviousFriend (1)	AtleastOnePreviousFriend (2)
Age	0.0002 (0.0008)	0.003 (0.003)
Male Age	-0.0007 (0.0005)	-0.0002 (0.001)
Female	0.008 (0.014)	0.0005 (0.005)
Female Age	-0.001 (0.0028)	-0.0016 (0.0016)
Completed Primary	0.027 (0.029)	0.014 (0.009)
No of Family Members	-0.053 (0.063)	-0.008 (0.009)
Age of Oldest Child	0.001 (0.006)	0.0009 (0.0018)
Female Respondent	-0.056 (0.151)	-0.037 (0.073)
Number of Children	0.009 (0.018)	0.011 (0.008)
General	0.028 (0.079)	0.061 (0.057)
SC/ST	0.021 (0.078)	0.069 (0.048)
N	692	692

Notes: This table shows the regression of composition of other caste friends known from the previous slum on a given floor on baseline characteristics. Each column represents a separate regression. *FractionPreviousFriend* is defined as the fraction of friends known from the previous slum who belong to another caste.

AtleastOnePreviousFriend is a dummy which takes the value of 1 if the person has atleast one other caste friend from the slum he/she previously stayed in. These regressions includes slum fixed effects and site fixed effects.

OBC is the omitted caste category. Standard errors are clustered at the floor level. ** denotes significance at the 5% level, * denotes significance at the 10% level.

Table 33: Relationship Between Friends and Previous Slum Acquaintances of Other Caste

	FractionFriend	AtleastOneFriend
X: FractionPreviousFriend	0.483*** (0.042)	0.534*** (0.045)
Outcome Mean	0.832	0.925
Site FE	Y	Y
Caste FE	Y	Y
Observations	692	692

Table 34: Relationship Between New Friends and Previous Slum Friends from Other Castes

	FractionNewFriend (1)	AtleastOneNewFriend (2)
X: FractionPreviousFriend	0.276*** (0.037)	0.343*** (0.031)
Outcome Mean	0.356	0.436
Site FE	Y	Y
Caste FE	Y	Y
Observations	692	692

Table 35: Relationship Between Incidence of Friends and Previous Slum Residents

	AtleastOneFriend	AtleastOneNewFriend
X: AtleastOnePreviousFriend	0.037 (0.03)	0.069*** (0.031)
Outcome Mean	0.807	0.869
Site FE	Y	Y
Caste FE	Y	Y
Observations	692	692