How Much Do Citizens Care About Ethnic Wealth Gaps?

Inequality and Support for Financial Market Stabilization in Times of Crisis*

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Abstract

People value household wealth as a source of private insurance, investment, and social status, which is reflected in their policy preferences. These preferences encourage governments to stabilize financial markets and protect private wealth during major economic crises. However, such policies often exacerbate wealth inequality, including between dominant and subordinate ethnic groups. We explore how citizens evaluate this trade-off by using information treatment and conjoint survey experiments in Australia and the UK in the wake of the COVID crisis. We find that information on ethnic wealth disparities has little, if any, effect on financial stabilization policy preferences, whereas information on ethnicity-neutral wealth inequality reduces support for such stabilization. Additionally, the conjoint experiment reveals greater acceptance of targeted interventions that reduce general wealth disparities than of targeted interventions to alleviate ethnic inequality. Our findings reveal a critical political economy constraint on contemporary policy efforts to address enduring inequities in multiethnic societies.

Keywords: Ethnic wealth gaps, wealth inequality, financial crises, stabilization policies, multi-ethnic societies, survey experiments

Word count: 11,880

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Introduction

Debate over the inequities of "racialized capitalism" in advanced democracies has recently moved to center stage (Melamed 2015; Robinson 1983). As Darity (2022, p. 402) explains, this form of social stratification means that "[m]embers of a subordinate group can do all 'the right things'...and still not receive the level of rewards received by similarly accomplished members of a dominant group" (see also DeSante 2013).

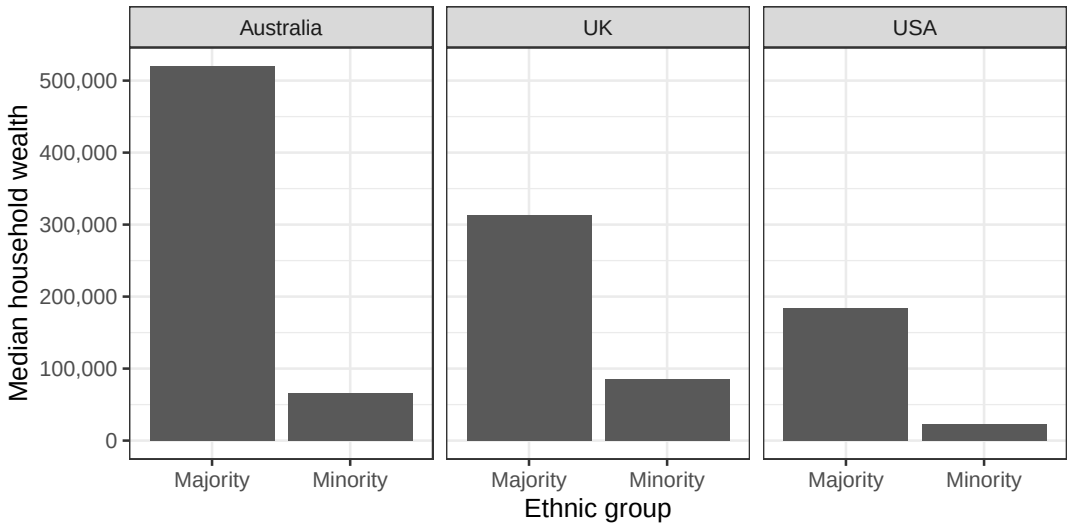
Large wealth gaps result from and reproduce such stratification (e.g., Addo and Darity 2021; Darity 2022; Derenoncourt et al. 2022). Most scholarly attention to "ethnic" wealth inequality, which we define as a systematic absolute difference in the median household net wealth of dominant and historically subordinate ethnic groups,[1] has focused on the United States (US), with its large and persistent ethnic wealth divides.[2] Although systematic comparison is hampered by large data gaps, there are similarly large ethnic wealth disparities in other advanced democracies (Chatterjee, Czajka, and Gethin 2021; Karagiannaki 2023).[3] For example, Figure 1 shows that Indigenous Australian and Black British households have far lower median levels of wealth than majority White households, comparable with Black-White wealth inequality in the US.

Research points to historical legacies, market structures, and societal and policy biases as sources of persistent large wealth gaps and policies that reproduce them. In the US case, these include the racialized allocation of credit and its effects on the distribution of housing assets (Thurston 2018) and health outcomes (Hamil-Luker and O'Rand 2023), the legacies of the G.I. Bill (Turner and Bound 2003) and redlining in housing markets (Rothstein 2017), labor market stratification (Chetty et al. 2024), and biases in personal bankruptcy and welfare regimes (Wiedemann and Wise 2020; Wise 2020). In Europe, the

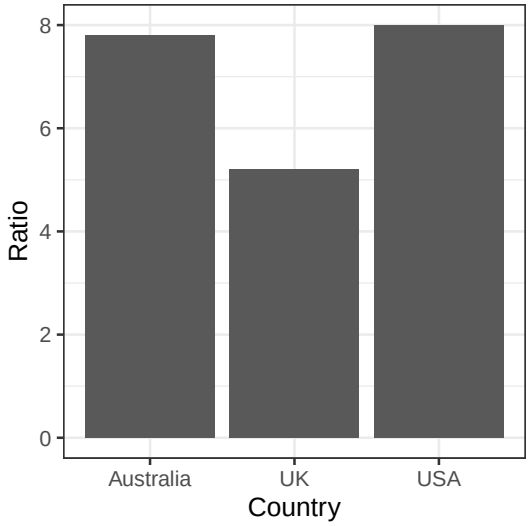
1. The terms "race" and "ethnicity" overlap. We use the latter throughout, as it is the more dominant term. Since "White" and "Black" are common shorthands for dominant and subordinate groups in many advanced democracies, we also use them accordingly (see Finney et al. 2023, pp. 1-10).

2. Across each quintile of the wealth distribution the White-to-Black ratio of median household net worth is ten to one or higher (Darity, Addo, and Smith 2021, p. 6).

3. Most European national statistical agencies do not compile statistics on race or ethnicity (Balestra and Fleischer 2018, p. 15). Others, such as Canada, do not collect data on household *wealth* by race or ethnicity.



(a) Median household wealth.



(b) Ratio of majority-to-minority median household wealth.

Figure 1: Median household wealth and ratio of white to black median household wealth in Australia, the UK, and the US (national currencies)
Note: Ethnic majority comprises Non-Indigenous Australian, White British, and White US households. Ethnic minority comprises Indigenous Australian, Black Caribbean and Black African in the UK, and African-American households in the US. Source: The Household, Income and Labour Dynamics in Australia (HILDA) wave 18 (2018); UK Office of National Statistics Wealth and Assets Survey April 2016-March 2018; US Federal Reserve Board Survey of Consumer Finances 2019.

literature on "welfare chauvinism" has shown how anti-immigrant bias reduces support for redistribution (e.g., Avdagic and Savage 2024; Magni 2021; Rueda 2018).

We are not primarily interested in testing public attitudes towards redistribution and welfare policy. Instead, we investigate attitudes towards other policies that have powerful (indirect) consequences for wealth inequality: those that protect private wealth

during economic crises. People value personal wealth as a form of private insurance against shocks, for retirement, as sources of investment in human and business capital, as collateral for borrowing, and for social status (e.g., Ansell 2014; Iversen and Rehm 2022; Wiedemann 2021). During the Global Financial Crisis (GFC) and the COVID-19 pandemic, governments supported household incomes, wealth, and continued access to credit markets by stabilizing financial markets and boosting the value of financial assets and housing (see Figure A.1 in the Appendix). These interventions benefited many middle-class and poorer households, but wealthier households captured most of the wealth benefits. For example, in the United Kingdom (UK) and the US, the wealth share of the poorest 50 percent of households (in which subordinate ethnic groups are disproportionately represented) fell after the GFC, while those in the top decile increased. In the US, the wealth of subordinate ethnic group households experienced larger declines than those of White households during the Great Recession and its immediate aftermath (2007–2013) (Credit Suisse 2022).

Financial market stabilization may be necessary in complex, financialized economies to prevent cascading defaults and economic collapse that would negatively affect most people. Yet it often increases wealth inequality because supporting asset prices disproportionately benefits the already wealthy – an instance of the so-called "Matthew effect".[4] Since wealth inequality is typically much higher than income inequality (Fagereng et al. 2023; Gomez 2024; Greenwald et al. 2021; Wolff 2022), and dominant ethnic groups hold an outsized share of market-traded assets (Crossley, Fisher, and Low 2021; Kanabar 2022; Weller and Figueroa 2021), crisis interventions can sustain and even exacerbate high ethnic wealth inequality. As former US Treasury Secretary Hank Paulson (cited in Luce (2023)) remarked:

> How do you respond to people who say that, no matter what happens, the rich always get bailed out? 'Yup. It's unfortunate, because that's what happens. The actions you need to take to protect everyone cause the equity markets to

4. "For to everyone who has will more be given, and he will have abundance; but from him who has not, even what he has will be taken away" (Matthew 25:29, RSV).

go up, and those that own the equities benefit more.'

Ethnic wealth inequality is longstanding, but this policy trade-off is a comparatively recent phenomenon. The political salience of ethnic disadvantage increased with the Black Lives Matter (BLM) protests after the murder of George Floyd in March 2020. The COVID-19 pandemic also increased sympathy for disadvantaged ethnic minorities by highlighting their role in front-line health and other service sector jobs. Among advanced democracies, disparities between ethnic groups are considered among the most concerning forms of inequality in Canada, the Netherlands, Australia, the UK, and the US, especially among the young (Duffy et al. 2021; see also Benson et al. 2021, pp. 23-27).

In addition, only since the 1970s have governments consistently acted to protect household wealth during crises (Chwieroth and Walter 2019). Before World War Two, crises associated with plagues, wars, revolutions, and state collapse often drove sustained *reductions* in economic inequality by destroying the wealth of the rich (Scheidel 2017). Since then, the rise of mass middle-class wealth has made it virtually impossible for governments not to intervene to prevent widespread wealth destruction.

How then do citizens evaluate this modern policy trade-off between crisis interventions and reducing ethnic wealth inequality? Do they favor addressing ethnic wealth inequality during crises if this puts their own wealth at greater risk? This question is a crucial test of the strength of support for financial stabilization policies. It is also a hard test of the strength of inequality aversion and of the Meltzer and Richard (1981) argument that as inequality grows, most voters will favor more redistribution.

We address these issues by examining attitudes in Australia and the UK, two multiethnic countries with high ethnic wealth inequality that have received limited scholarly attention. We fielded a large online survey in both countries in early 2022 (n=5,096). We used an information treatment experiment to test whether informing people of large ethnic wealth gaps and the effect of crisis interventions on them influenced their support for financial stabilization policies. To provide a benchmark, we also used an information treatment

that highlights the impact of financial stabilization policies on "ethnicity-neutral" wealth inequality (that is, referring only to wealth deciles). This allowed us to determine whether aversion to ethnic wealth inequality differs from aversion to ethnicity-neutral inequality. We then used a conjoint survey experiment to test whether people favored mitigating the regressive impact of financial stabilization policies by providing targeted direct assistance to ethnic minorities, comparing this to support for assistance to "poor" households.

We find that most people, unsurprisingly, support financial stabilization policies in crises. Wealth inequality aversion is also apparent but, strikingly, only when framed in ethnicity-neutral terms. Thus, our core finding is that most people give little weight to the regressive consequences of such policies for *ethnic* inequality. The conjoint survey experiment also shows that, on average, respondents support compensation for poor households but *oppose* it for disadvantaged ethnic groups. The results of both experiments are robust to a series of different specifications and tests. Further analysis indicates that respondents are less averse to ethnic wealth inequality than to ethnicity-neutral wealth inequality due to strong in-/out-group dynamics, ethnic resentment, merit-based beliefs about inequality, and right-wing partisanship.

We see these results as substantively important. Contemporary wealth inequality is high and persistent, especially between dominant and subordinate ethnic groups. By undertaking financial stabilization in crises, governments are doing what is broadly popular, but this can reproduce one of the most pernicious inequalities in contemporary capitalist democracies. Persisting ethnic inequality dampens growth and poverty reduction by limiting opportunities for disadvantaged citizens, increasing their financial vulnerability, eroding democratic institutions and norms (Bartels 2016; Burgoon et al. 2019; Darvas and Midões 2021; Hacker and Pierson 2010; Rodrik 2021; Silverman and Moise 2021), and reducing support for public goods provision (Busemeyer and Iversen 2020).

The next section situates our questions in existing research and develops our empirical expectations. Section three discusses our cases, data, and research methods. Section four describes our information treatment experiment and summarizes its results. Section five

describes our conjoint experiment and its results. Section six addresses some significant heterogeneous treatment effects, and the final section considers the wider implications of our findings.

Theory

Today, especially in advanced economies, governments and central banks use a growing policy arsenal to limit losses from financial crises. This includes interest rate reductions, bank recapitalizations, central bank asset purchases and liquidity provision, asset and liability guarantees, and debt rescheduling and reduction. All were used during the GFC and the COVID-19 pandemic, directly or indirectly supporting the prices of financial and housing assets that dominate household wealth (Chwieroth and Walter 2019, pp. 165-184). These policies also maintain private sector access to credit, allowing firms to maintain output and employment, and households to refinance leveraged assets such as housing at lower cost and to borrow to invest in education and skills (Wiedemann 2021). During the pandemic, many governments introduced explicit household debt relief and rescheduling policies, while others encouraged banks to allow struggling borrowers to delay repayments.[5] These financial stabilization policies differ in principle from unemployment insurance, but the line is blurred because leveraged households use income to service debt and thus to preserve asset ownership and credit access.

We set aside the question of government policy motivations and focus on voter preferences. Many households have a strong material interest in financial stabilization policies. Those with high net wealth face significant financial risks, particularly when it is illiquid (Jensen and Wiedemann 2023). In recent decades, middle-class voters have gained significant wealth in the form of property and pensions, and their participation in financial markets has grown, including via credit. Adverse market movements threaten retirement

5. Household debt relief policies were comparatively modest during the GFC, such as the Obama administration's HAMP program.

prospects due to the general shift from defined benefit to defined contribution pensions. Less wealthy households also have a growing stake in financial stabilization due to dependence on credit to cope with shocks, to retain control of leveraged housing assets, and to maintain consumption of goods and services such as education and healthcare (Ahlquist and Ansell 2017; Crouch 2009; OECD 2022; Wiedemann 2021). Lastly, households may support financial stabilization policies to prevent adverse sociotropic effects resulting from financial sector collapse and mass unemployment. These considerations suggest that risks to household wealth will shape voters' preferences on financial stabilization, as in other domains (Ahlquist and Ansell 2017; Ansell 2014; Chwieroth and Walter 2019; Hariri, Jensen, and Lassen 2020; Margalit and Shayo 2021; Markgraf and Rosas 2024; Wiedemann 2021).

The regressive effects of financial stabilization

Financial stabilization is problematic from another perspective because it disproportionately benefits the wealthiest households, among which ethnic minority groups are often under-represented. Low net wealth held by disadvantaged ethnic minorities has multiple causes, including historically racialized credit allocation that hampered access to housing (Thurston 2018), and low household income, pension and financial market access, and low intergenerational transfers (e.g., Addo and Darity 2021; Darity 2022; Derenoncourt et al. 2022). Hence, crisis policies that boost market asset values disproportionately benefit wealthier households. Disadvantaged ethnic minority households with financialized assets can benefit in absolute terms but lose in relative terms because of their lower net wealth than dominant groups (Bourquin, Brewer, and Wernham 2022; Crossley, Fisher, and Low 2021; Kanabar 2022; Weller and Figueroa 2021).

These regressive effects have not gone unnoticed. During the COVID pandemic, some progressive politicians called on governments and central banks to assist disadvantaged ethnic groups by undertaking bold wealth and income redistribution. In introducing

legislation to require the US Federal Reserve to tackle racial gaps in employment, income, and wealth, Senator Elizabeth Warren insisted that "systemic racism and inequality is...a result of specific policy choices and the Fed must take deliberate action to fix it."[6] There have been similar calls on other governments to reduce ethnic wealth inequality, including in the UK (Khan 2020) and Australia (McIlwraith 2024).

Evaluating preferences for financial stabilization

How do people evaluate the trade-off between financial stabilization and addressing high ethnic inequality? Many people are concerned about distributional fairness and exhibit "inequality aversion" (Cavaillé and Trump 2015; Dimick, Rueda, and Stegmueller 2017; Gilens and Thal 2018; McCall and Kenworthy 2009; Scheve and Stasavage 2017, pp. 463-464). If inequality is seen as the result of structural disadvantage and luck rather than variations in personal effort, support for redistribution tends to be higher (Alesina and Angeletos 2005; Ballard-Rosa, Martin, and Scheve 2017; Cappelen et al. 2013; Gilens 1999; McCall 2013; Petersen 2012; Petersen et al. 2011). Such inequality aversion can also influence assessments of crisis interventions. For example, Limberg (2020) shows that GFC policy interventions were often perceived as unfairly benefiting wealthier residents, increasing support for progressive redistribution.

However, we expect that general inequality aversion will not substantially dampen demand for financial stabilization policies for three reasons. First, as explained above, most households across the wealth distribution have a material interest in financial stabilization policies. These patterns of household wealth and indebtedness can erode their support for redistribution, dampening the effect of inequality aversion (Ahlquist and Ansell 2017; Ansell 2014; Wiedemann 2021).

Second, as household wealth rises, inequality aversion likely falls. This may be because people are prone to motivated reasoning (Bénabou and Tirole 2016; Epley and Gilovich

6. Source: https://financialservices.house.gov/news/documentsingle.aspx?DocumentID=407678

2016). The relatively wealthy are more likely to adopt an individualist view of inequality as due primarily to variations in merit and effort, reducing their support for wealth redistribution (Alesina and Angeletos 2005; Ballard-Rosa, Martin, and Scheve 2017; Cappelen et al. 2013; Gualtieri, Nicolini, and Sabatini 2019; McCall 2013). Individuals' opinions about inequality can also be shaped by their partisan values (Culpepper et al. 2024; Lindqvist 2024).

Third, attitudes toward redistribution can be shaped by ethnic and racial biases (Harell, Soroka, and Iyengar 2016). Individuals in dominant ethnic groups can oppose redistribution if they perceive subordinate groups as disproportionate or undeserving beneficiaries. Such "welfare ethnocentrism" (Ford 2016, p. 633) may offset concerns about the regressive effects of financial stabilization policies.

Thus, we expect the following:

Hypothesis 1. *Support for financial stabilization policies will be widespread in asset-rich, financialized economies.*

However, support for stabilization policies could depend on people's access to information linking the consequences of financial stabilization to a fairness narrative (Culpepper et al. 2024). The distributive consequences of these policies are complex and difficult to understand. Moreover, many people in practice underestimate inequality (Gimpelson and Treisman 2018; Xu and Garand 2010). This suggests that providing information about the impact of stabilization could alter their policy preferences. However, research shows that such information often has little impact on redistribution preferences (Ciani, Louis, and Manfredi 2021; Kuziemko et al. 2015).[7] Thus, we expect that:

Hypothesis 2a. *Informing respondents about the distributive consequences of financial stabilization policies will reduce but not eliminate support for these policies.*

Nevertheless, some voters are likely to be sensitive to the regressive impact of stabiliza-

7. Direct exposure to local inequality can have significant effects. See Sands (2017) and Sands and Kadt (2020).

tion policies. Inequality aversion might manifest itself in support for targeted assistance for underprivileged groups disadvantaged by financial stabilization policies. Such assistance could include direct transfers, subsidies, or preferential treatment for groups lacking wealth (Wheeler 2021, p. 12). Some voters may view targeted measures as more efficient than generalized redistribution and/or may prefer them to the indirect solution of curtailing financial stabilization policies. This produces a further expectation:

Hypothesis 2b. *On average, citizens will prefer a combination of generalized financial stabilization and targeted support for disadvantaged groups.*

We also expect that some voters will be less concerned about the regressive impact of financial stabilization policies when they are framed in ethnic rather than general terms. Inequality favoring one's in-group is more likely to be perceived as fair and merit-based (Becker 2020; Trump 2020). Ethnic divides reduce support for redistribution in the US. (Alesina, Ferroni, and Stantcheva 2021; Elkjær and Iversen 2023; Gilens 1999; Luttmer 2001; Myrdal 1944) and in societies with stronger redistributive traditions (Alesina and Glaeser 2004; Alesina and Stantcheva 2020; Harell, Soroka, and Iyengar 2016; Lieberman 2003). Attitudes toward Indigenous peoples in settler societies, including the US, Canada, Australia, and New Zealand, also limit support for redistribution (Beauvais 2022; Harell, Soroka, and Ladner 2014).

These attitudes differ, at least in appearance, from "old-fashioned racism" (OFR) based on notions of innate racial hierarchy. Today, prejudice often manifests as "symbolic" resentment toward groups that are perceived to violate meritocratic norms (Cramer 2020; Kam and Burge 2018).[8] For example, some US voters viewed sub-prime mortgage defaults after 2007 as caused by poor initial purchase and borrowing decisions by particular groups, and thus as undeserving of public assistance (Skocpol and Williamson 2016). In fact, economic crises often exacerbate pre-existing social divides, amplifying the tendency of individuals to discriminate against outgroups (Gidron and Mijs 2019; Sambanis, Nikolova,

8. Others find OFR remains important in American politics: Huddy and Feldman (2009), Knuckey and Kim (2015), and Tesler (2012).

and Schultz 2022). In the extreme, ethnicity-neutral public assistance can be unpopular among in-groups if they exhibit welfare ethnocentrism or chauvinism (e.g., Magni 2021; Rueda 2018). This can even apply to the poor in a dominant ethnic group (Kuziemko et al. 2014).

Therefore, we expect that informing people that *poorer* members of their society (which we call a "class" framing) are negatively affected by a policy intervention will have a stronger effect on preferences than informing them that disadvantaged *ethnic* subgroups are negatively affected.[9] Similarly, targeted assistance to disadvantaged ethnic minorities should be less popular than targeted assistance to the generalized "poor". This can be summarized as follows:

Hypothesis 3a. *Informing respondents about the distributive consequences of financial stabilization policies will moderate support for these policies more when framed in class terms than when framed in ethnic group terms.*

Hypothesis 3b. *On average, citizens will prefer to complement financial stabilization measures with targeted support for poor households rather than with targeted support for ethnic minorities.*

Data

Our Cases

To test our expectations, we focus on Australia and the UK, two countries relatively underexplored in the literature on ethnic wealth inequality. Unlike most countries, both collect data on ethnic wealth inequality, which is large and persistent. Like the US, they have wealthier white majorities and longstanding histories of discrimination against and

9. We define class in "economic" rather than "sociological" terms, focusing on the position of groups in the income and wealth distribution (Goldthorpe 2010).

disadvantage among some ethnic minority groups. Both have fraught histories of imperialism, settler colonialism, immigration, and racism that remain politically salient, as demonstrated by recent controversies over the treatment of Britain's "Windrush" generation of immigrants from the Caribbean and by the failed "Voice to Parliament" for Indigenous Australians referendum in 2023. Australia and the UK are less tainted by the legacy of slavery than the US, upon which much social science literature has focused (e.g., Alesina, Ferroni, and Stantcheva 2021; Alesina and Glaeser 2004; DeSante 2013; Engstrom and Huckfeldt 2020; Gilens 1999; Haney-López 2018; Schram, Soss, and Fording 2003; Silverman and Moise 2021; Winter 2006).[10] Neither country relied as heavily as the US on affirmative action programs as mechanisms of redistribution, nor have they experienced as strong a backlash against them (Rieder 1987). Both Australia and the UK also had more typical economic experiences during the pandemic than the United States, which had an exceptionally strong recovery that substantially benefited lower-income households.

Australia and the UK share other common characteristics that assist comparison, including political culture, institutions, economic development, welfare regimes emphasizing targeted rather than universal social insurance, comparable wealth inequality, and attitudes toward redistribution. Compared to the US, proportionally more citizens in Australia and the UK share the view that luck rather than merit determine individuals' economic circumstances, with the UK somewhat closer to a more "pessimistic" European norm.[11]

The two countries also differ in relevant ways. Both have become more ethnically diverse in recent decades, but Australia has a very disadvantaged minority Indigenous population (Aboriginal and Torres Strait Islanders, hereafter "ATSI") and since the 1970s experienced rapid growth in immigration from East Asia. The UK's imperial experience means that its rising ethnic diversity, including its now significant Black British and South Asian

10. However, Britain's role in modern slavery before and after its phased abolition by parliament in 1833 has received considerable attention. E.g., Huzzey (2012).

11. See data from the International Social Survey Program and the World Values Survey shown in Appendix B.

ethnic group population, is primarily due to immigration from former colonies.[12] We focus on ATSI and Black British ethnic groups rather than other minority ethnic groups because of their especially disadvantaged positions. These groups constitute similar proportions of the total population – about 3.3 and 4 percent respectively in Australia and the UK. Our two-country survey allows us to explore the possibility that different national attitudes and experiences shape policy preferences on financial stabilization and targeted compensation.

Governments in Australia and the UK, as in many countries, undertook extensive policy interventions in response to the COVID-19 pandemic in 2020-2021 and the deep economic crises it induced. According to an IMF study, there were 69 policy interventions (including policy revisions) in Australia and 70 in the UK in 2020 alone, including some that directly and indirectly supported asset prices and debt servicing by households and businesses. As Figure 2 indicates, these were extraordinary in size and scope, overshadowing those undertaken during the GFC. Many citizens were substantially affected by these interventions, which received extensive media coverage from early 2020 through the period of our surveys. The timing of our surveys enabled us to take advantage of the recent lived experience of citizens with the interventions we analyze.

Importantly, financial stabilization policies likely contributed to increasing wealth inequality in Australia and the UK, which was already politically salient before the pandemic.[13] In Australia over 2020-2021, the real net wealth of households in the wealthiest decile rose by an estimated average of $900,000, compared to $276,000 for the next three deciles and $66,000 for the bottom six.[14] In the UK, the net wealth of the richest decile of households increased from February 2020 to May 2021 by over £44,000, compared to £6,500 for the fifth decile and £0 for the bottom three.[15]

12. We follow the terminology of both countries' national statistical agencies.
13. In Australia, the federal Senate initiated an inquiry on inequality in 2014. The UK Parliament appointed a Commission on Race and Ethnic Disparities (CRED) in 2020.
14. In proportional terms, households in the bottom six deciles did slightly better than higher deciles (Davidson and Bradbury 2022, pp. 26-27).
15. The fifth decile gained most in proportional terms (Leslie and Shah 2021, p. 35).

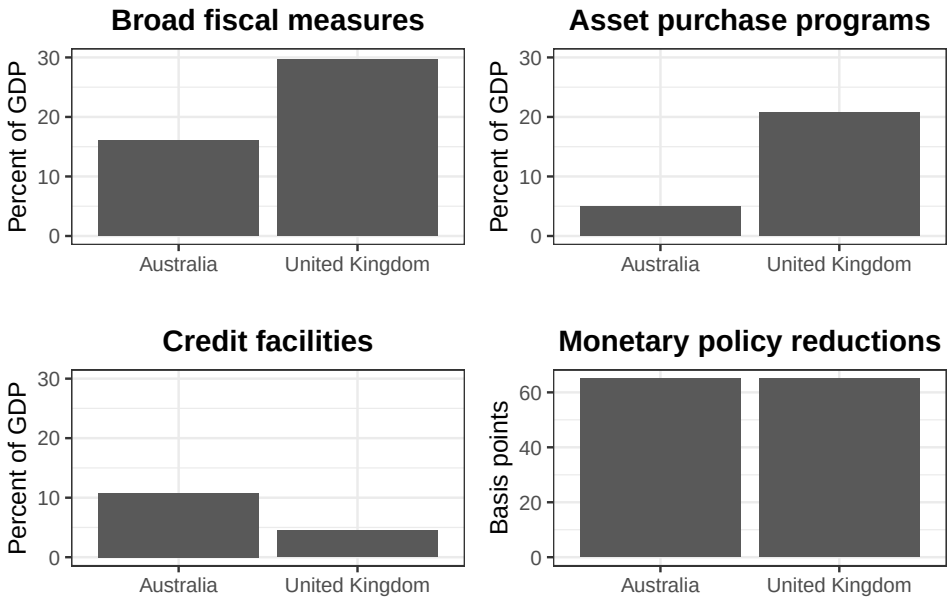


Figure 2: Fiscal measures, central bank credit facilities, central bank asset purchase programs (percent of GDP), and monetary policy basis point reductions: Australia and UK initiated in 2020
Source: Kirti et al. (2022).

Our Survey

We worked with the survey company *Qualtrics* to recruit a high-quality sample of around 2,550 respondents from each country. We restricted the sample to eligible voters (citizens aged 18 or older) and used crossed quotas for age, gender, and education to obtain a representative general population sample.[16] The final version of the survey was fielded in both countries in March 2022. Data collection and the subsequent analyses were pre-registered and received Institutional Review Board (IRB) approval.[17]

Figure A.4 presents an overview of our survey design, which is explained in more detail in Appendix B. Its central elements, an information treatment and a conjoint experiment, were designed to elicit preferences towards financial stabilization. The lived experience of many respondents with these policies likely helped them to understand our questions, but we also prefaced each experiment with simple explanations to ensure that they had

16. We had pre-tested the survey among a convenience sample of students, using their feedback to refine it.

17. IRB approval was granted by the Research Ethics Committee of the London School of Economics (ref. 43119). The pre-analysis plan is available online at https://osf.io/gdmh5. We discuss ethical considerations in Appendix A.

sufficient knowledge to answer our questions.

The information treatment experiments randomly exposed subgroups to additional information on wealth inequality and the distributive effects of financial stabilization policies. We provided two treatments to investigate whether information about policy effects on "ethnic" and "class" inequality had different effects on preferences. Our survey is distinctive but related to that of Alesina, Ferroni, and Stantcheva (2021), who investigate the effect of providing a factual account of the causes and consequences of structural racism on US respondents' policy preferences.

Our conjoint experiment measured levels of support for a randomized set of alternative policies that many governments implemented during deep economic crises in recent decades. These include general financial stabilization policies as well as targeted assistance to disadvantaged households. This allows us to test whether respondents would support mitigating the regressive impact of financial stabilization policies by combining them with assistance for disadvantaged groups, defined either in class or ethnic terms.[18]

Information treatment experiment: Financial stabilization policies and ethnic inequality

Experimental design and methods

We first showed an introductory vignette to all respondents that briefly explained the rationale and design of financial stabilization policies used by governments and central banks to mitigate wealth losses in an economic crisis. Then we randomly assigned two groups of respondents to different additional information treatments. The full text that

18. Wealth taxes are a theoretical alternative to targeted assistance. However, we excluded this option because it would not have allowed us to discriminate between aversion to higher inequality and personal loss aversion.

respondents received in each experimental group is shown in Appendix B.[19] These described respectively the effect of financial stabilization policies on the wealth distribution between ethnic groups ("the ethnicity frame") and between rich and poor groups ("the class frame"). A control group received no information about the distributive effects of these policies. This design enabled us to test how respondents reacted to the prospect of increasing inequality, and whether the ethnicity or class treatments were more powerful.

The ethnicity frame described the trade-off in which we are primarily interested. It first compared the average level and portfolio composition of household wealth for ATSI and non-ATSI households in Australia and Black and White British households in the UK, and the average levels of indebtedness of each group. Then it explained why high *ex-ante* ethnic wealth inequality means that financial stabilization policies often increase this inequality.

The class frame compared the average levels and portfolio composition of wealth for households in the bottom ten percent and the top ten percent of the wealth distribution with the "typical" (median) household. It also compared the average levels of indebtedness of each group. Finally, it explained why financial stabilization policies often increase wealth inequality by disproportionately benefiting households with more property, pension, and financial assets. If judgments about the fairness of inequality depend on the availability of comparative information, then our treatments should mitigate any cognitive biases related to the lack of available information.[20]

After being shown the information treatment (or none for the control group), respondents were asked: (1) to rate on a Likert scale from 0 to 10 how supportive they were of financial stabilization policies ("support variable") and (2) whether they would implement financial stabilization policies after a crisis if they had a say ("choice variable"), giving them three answer categories ("yes", "no", "don't know").

19. We used authoritative data on each country's wealth distribution from national statistical agencies and other respected surveys.

20. Following Culpepper et al. (2024), we strive to maintain politically neutral language, but recognize that the impact of the treatment might be partially driven by some respondents' belief that merely raising the issue of inequality reflects left-wing bias.

We use these as our main dependent variables, employing linear regressions to calculate the average treatment effects (ATEs) of the frames on support for financial stabilization policies. To facilitate comparison of the results across the two dependent variables, we re-scaled the linear "support" variable measured on the Likert scale so that it ranges from 0 to 1. Moreover, since we are interested in *support* for financial stabilization, we transform the choice variable into a binary variable where 1 means support and 0 means no support (opposition or don't know).

Results

Figure 3 shows that in the control group, support for financial stabilization policies is generally high. The distribution of the support variable is strongly left-skewed, indicating generally favorable preferences. According to the choice variable, nearly half of respondents favor financial stabilization policies, 22 percent oppose them, and 28 percent are uncertain. Appendix C.1 shows that differences in support across both countries are minimal (see Figure A.5).

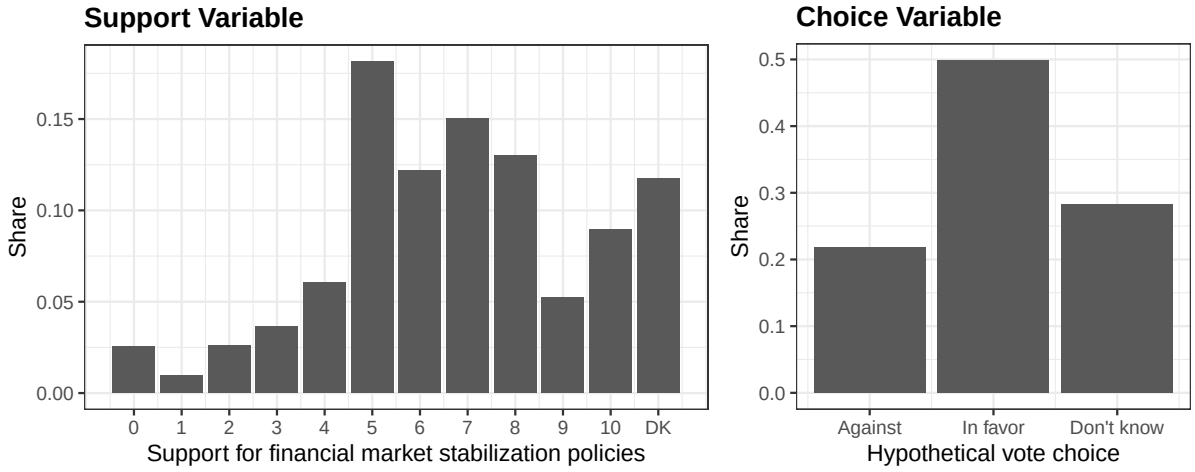


Figure 3: Support for financial stabilization policies, pooled.
Note: The left panel of the figure shows the distribution of respondents for a continuous measure of support for financial stabilization policies. The right panel of the figure shows the distribution of responses to a hypothetical choice question. Question wording in Table A.1. Only data from the control group shown.

We also asked respondents about their support for individual stabilization policies. Figure

Table 1: Average treatment effect on support for stabilization policies.

	Support variable			Choice variable		
	M1	M2	M3	M4	M5	M6
(Intercept)	0.658***	0.668***	0.694***	0.695***	0.734***	0.853***
	(0.006)	(0.006)	(0.011)	(0.014)	(0.016)	(0.026)
Ethnic inequality treatment	−0.019*	−0.019*	−0.019*	−0.016	−0.016	−0.008
	(0.008)	(0.008)	(0.008)	(0.019)	(0.019)	(0.019)
Class inequality treatment	−0.057***	−0.057***	−0.056***	−0.105***	−0.105***	−0.102***
	(0.008)	(0.008)	(0.008)	(0.019)	(0.019)	(0.019)
Country fixed effects	✗	✓	✓	✗	✓	✓
Covariates	✗	✗	✓	✗	✗	✓
Num.Obs.	4519	4519	4300	3654	3654	3503
R2	0.012	0.014	0.022	0.009	0.016	0.036
R2 Adj.	0.011	0.013	0.020	0.009	0.015	0.034

+ p < 0.1, * p < 0.05, ** p < 0.01, *** p < 0.001

A.6 in Appendix C.1 shows that most respondents support several policies, including those that boost asset prices and policies that reschedule or reduce debt. Overall, this is evidence in favor of Hypothesis 1: people generally support financial stabilization policies, although a sizeable group is uncertain.[21] This could indicate that the preferences of some respondents are less strongly anchored because these respondents lack information about the effects of these policies. Therefore, we next analyze the effect of our information treatments.

Table 1 shows, as we expected, that providing information about the regressive effects of financial stabilization policies reduces support for them. The "class" treatment lowers support for financial stabilization by 5.7 percentage points compared to the control group (Model 1). Moreover, respondents exposed to this treatment are 10.5 percent less likely to answer that they would favor using financial stabilization policies in the next crisis compared to the control group (Model 4). These effects are statistically significant and remain stable when we include country-fixed effects (Models 2 and 5) and additional individual-level covariates (Models 3 and 6).[22]

21. Poorer respondents tend to register a higher level of uncertainty than wealthier respondents and constitute roughly half of those who fail to articulate a clear preference. This may be because these respondents are less able to bear the costs of acquiring detailed information about financial sector stabilization policies. For a similar view regarding inheritance taxation, see (Elkjaer et al. 2023).

22. In the next section, we show that the treatments do not influence uncertainty.

The "ethnicity" treatment has a much smaller effect, reducing support for financial stabilization policies by only 1.9 percentage points (Model 1). More remarkably, the treatment has no statistically significant effect on respondents' choice to implement financial stabilization policies (Model 4). These effects are stable if we include country-fixed effects (Models 2 and 5) and individual-level covariates (Models 3 and 6).

Overall, the results are consistent with Hypotheses 2a and 3a. Only ethnicity-neutral information treatments highlighting the regressive impact of financial stabilization policies substantially reduce support for these policies. Thus, our respondents appear willing to forgo some of the benefits of interventions to avoid worsening class inequality, but collectively they are less concerned about higher ethnic inequality.

Robustness tests

To probe the robustness of these results, we first used different regression models to estimate the treatment effects. We recoded the linear "support" variable into a dummy, which does not change the effects. Then we treated the "decision" variable as categorical and used multinomial probit regression models. The results confirm that the ethnicity treatment does not affect the choice to implement financial stabilization: it neither affects the likelihood to favor or oppose these policies nor the likelihood to answer "don't know" (see Figure A.10 in Appendix D).

Second, we re-ran the analyses by country. Figure A.11 shows the resulting heterogeneous treatment effects (HTEs). It confirms that the class treatment has a negative effect in both countries. This effect is slightly larger in the UK, but the difference is not statistically significant. In contrast, the ethnicity treatment has no effect in either country.

Third, we used a manipulation check to test whether respondents receiving the treatment read our vignette carefully. Specifically, we asked respondents in our two treatment groups the following question: "Earlier we provided you with information comparing the

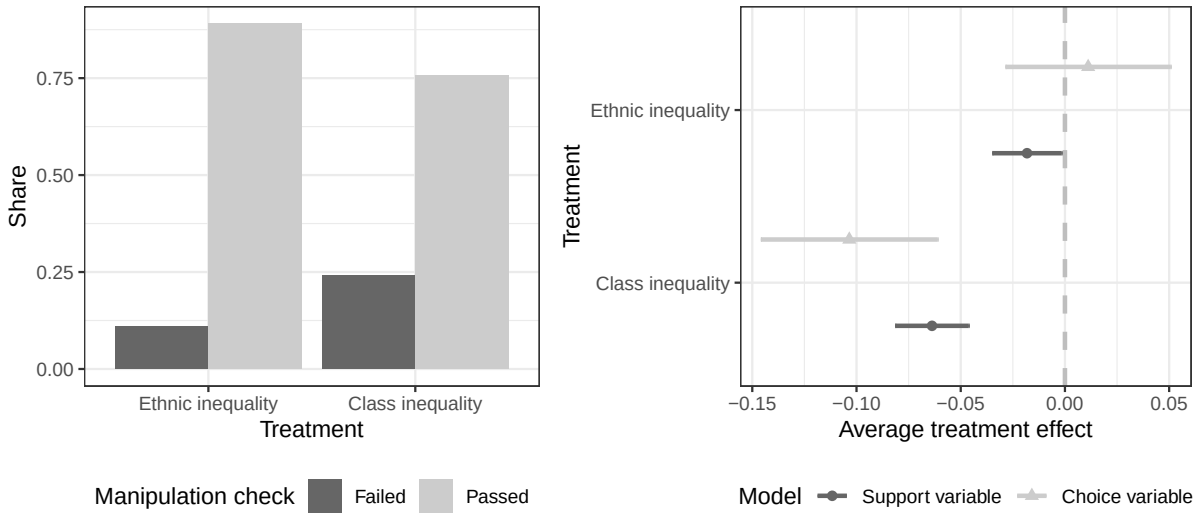


Figure 4: Results from the manipulation check
Note: The left panel shows the share of respondents in each treatment group who passed our manipulation check; the right panel shows the average treatment effects excluding all respondents who failed the manipulation check. Country fixed effects and covariates included.

household wealth of two different groups. Which groups were the subject of this information?" The left panel of Figure 4 shows that the vast majority of respondents answered this question correctly. Interestingly, a larger share of respondents in the ethnicity treatment group than in the class treatment group answered correctly. This likely rules out the possibility that the ethnicity treatment was less well understood. When we exclude respondents who failed the manipulation check, our results do not change (Figure 4, right panel).

Finally, we also asked respondents if they believe that financial stabilization policies would be effective for different social groups. These questions came after the primary dependent variables used above and included two questions about the effect of these policies on poor and ethnic minority households in each country. Table 2 shows that both treatments reduce respondents' belief that such policies benefit ATSI and Black British households. This signals that respondents, on average, understood the implications of our treatments. Once again, in the case of the ethnicity treatment, this did not affect their support for financial stabilization policies, which further supports our inference that most respondents do not sufficiently weigh concerns about ethnic wealth inequality to change their policy preferences.

Table 2: Average treatment effect on perceived effectiveness of stabilization policies.

	Poor	Black
(Intercept)	0.611***	0.546***
	(0.013)	(0.012)
Ethnic inequality treatment	−0.034***	−0.028***
	(0.009)	(0.008)
Class inequality treatment	−0.040***	−0.023**
	(0.009)	(0.009)
Country fixed effects	✓	✓
Covariates	✓	✓
Num.Obs.	4347	4012
R2	0.030	0.021
R2 Adj.	0.028	0.019

+ p < 0.1, * p < 0.05, ** p < 0.01, *** p < 0.001

Conjoint experiment: Different dimensions of financial stabilization and targeted support

Experimental design and methods

Although respondents do not weigh concerns about ethnic inequality highly, they may support *both* generalized financial stabilization and targeted compensation to ethnic minorities. To test support for this combination, we use the conjoint survey experiment, in which we gave respondents detailed information about different policies that governments routinely implement during economic crises. We then asked them to decide between pairs of randomly created policy packages.

Specifically, we presented respondents with policy packages that included five policy interventions (attributes) with levels that randomly vary across pairings. This includes income support, policies protecting asset values, debt relief, and targeted support for specific social groups.[23] Table 3 shows the wording of all attributes and levels in the conjoint experiment.

Each respondent was confronted with five pairs of policy packages and after each pair,

23. For each respondent, we randomized the order in which the respondent viewed the sets of policy tools.

Table 3: List of attributes and attribute levels in the conjoint experiment.

Policy attribute	**Policy level**
Income support	No income replacement Replacement rate of 25% Replacement rate of 50% Replacement rate of 75% Replacement rate of 100%
Asset prices	No support Support property prices Support the value of private pensions Support share prices Support bond prices Guarantee deposits in bank accounts
Debt rescheduling	No rescheduling Reschedule mortgage debt Reschedule credit card debt Reschedule student debt Reschedule personal debt
Debt restructuring	No reduction Reduce mortgage debt Reduce credit card debt Reduce student debt Reduce personal debt
Targeted support	No targeted support Poor households UK: Black households; AUS: Indigenous Australian households

they were asked to (1) choose between the two policy packages (forced choice) and (2) rate each package on a Likert scale from 1 to 5. We primarily use the force choice variable, estimating OLS regressions to calculate the average marginal component effects (AMCEs) (Hainmueller, Hopkins, and Yamamoto 2014). This allows us to measure the average impact of each policy level on the probability that respondents choose a policy package. Since each respondent evaluated ten policy packages in total, we cluster standard errors by respondents.

Results

The results of the conjoint experiment Figure 5 show that respondents most strongly support income protection policies, with support increasing as wage replacement rates

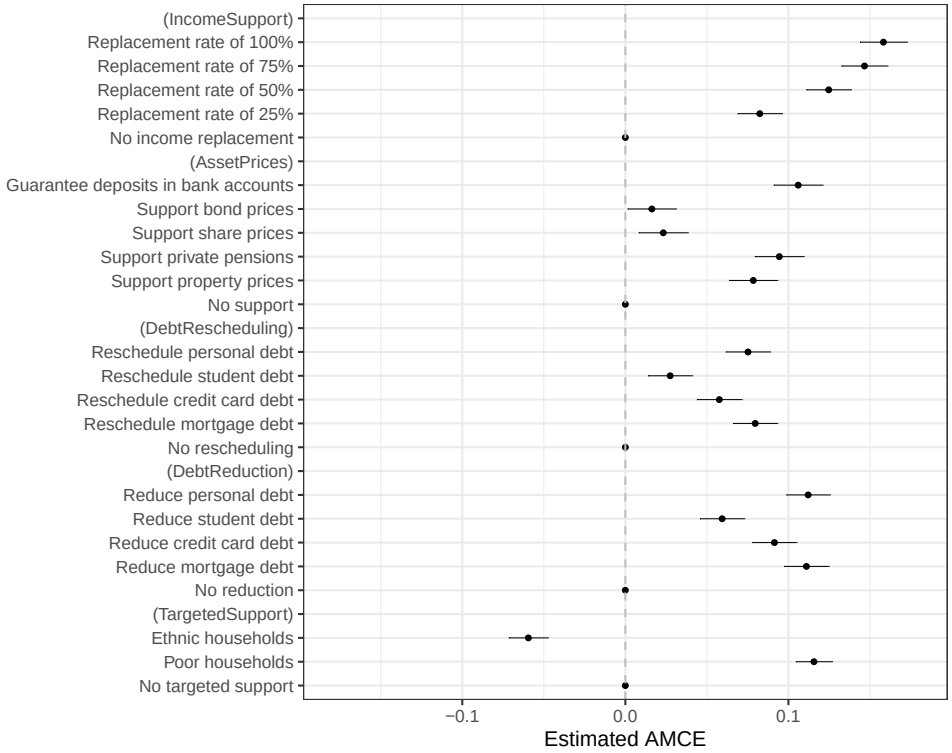


Figure 5: AMCEs from conjoint survey experiment, pooled.
Note: The figure shows the average marginal component effects (AMCEs) of a change in the value of one of our five dimensions on the probability that the respondent chooses the policy package.

increase. The highest support is for wage replacement of 100 percent of the pre-crisis average wage. Yet we also find high support for financial stabilization policies, including protecting assets in bank accounts, in pensions, and in private property compared to no protection. It is stronger than support for policies protecting bond and share prices.

As noted earlier, one of the main components of household wealth, housing, is often leveraged. Many households require income to sustain mortgage and other debt payments, making it difficult to distinguish demand for income protection and for financial stabilization. However, most respondents also support policies facilitating the restructuring of mortgage and other personal debts, including credit card debt. The restructuring of student debt is the least popular, but still more popular than no debt restructuring. The patterns are similar for debt *rescheduling*.

Overall, this is strong additional evidence that many Australian and British citizens favor financial stabilization policies. Do they also support combining financial stabilization with

targeted support for disadvantaged groups?

To answer this question, we included targeted support for ethnic minority and poor households, respectively, as our main attribute of interest in the conjoint experiment. We frame our question in a way most likely to induce generosity, by avoiding saying that targeted support will be financed by taxes or borrowing. The results suggest that respondents prefer a combination of financial stabilization and targeted support to poorer groups, consistent with Hypothesis 2b. However, they are strikingly divided on the desirability of targeted policies based on class and ethnicity. Most favor targeted support for "poor" groups but oppose targeted support for ATSI and Black British ethnic groups – both compared to no targeted support. This is consistent with Hypothesis 3b.

Robustness Tests

To probe the robustness of these results, we first repeated the analysis using respondents' rating of each package as a dependent variable, instead of the choice variable. As shown in Figure A.12, this does not change our results.

Second, we analyzed the conjoint experiment by country. Following Leeper, Hobolt, and Tilley (2020), we report the conditional marginal means in Figure A.13. It shows that country differences are minimal, except for reported preferences on targeted support for different groups. Opposition to targeted protection for disadvantaged ethnic households was significantly lower in Australia than in the UK. However, in both countries, there was much stronger support for targeted protection based on class (in line with Hypothesis 3b). That these results are consistent across our two country samples increases our confidence in the external validity of this central finding.

Third, we used a priming experiment before the conjoint to test whether respondents oppose targeted assistance to ethnic minorities because they know little about the extent of their disadvantage. Do they change their preferences if they are informed about the size

of the ethnic wealth gap?[24] Contrary to our pre-registered expectations, the answer is no: informed respondents also strongly oppose targeted assistance to wealth-poor ethnic minorities.[25] This could suggest that at least some respondents' views about the relative desirability of ethnicity-based redistribution are ingrained and relatively resistant to information provision, as Alesina, Ferroni, and Stantcheva (2021) also found in the US context.

Finally, we conducted several standard robustness tests for conjoint survey experiments. We find no carry-over effects, i.e., respondents did not evaluate packages differently across the five rounds of conjoint tasks (see Figure A.16). Nor did profile order alter our estimated effects (Figure A.17). Finally, the response to the conjoint experiment neither meaningfully varied by respondents' screen size (Figure A.18) nor by respondents' survey completion time (Figure A.19).

Heterogeneous treatment effects

Why are respondents less averse to the regressive effects of financial stabilization on ethnic wealth inequality than on class inequality? We explore this question by investigating heterogeneous treatment effects (HTEs).

First, we find little evidence that respondents' preferences are shaped by *variation* in their material position in asset and credit markets, which is contrary to our pre-registered expectations. In an economy in which wealth increasingly influences policy preferences, even less financialized respondents appear to view the costs of worsening inequality as insufficient to outweigh the benefits of financialization stabilization policies. The level of financialization (measured variously) does not influence responses to the information treatment experiment (Figure A.8). However, in the conjoint experiment, people with more net wealth are more strongly opposed to targeted support for ethnic minorities

24. Appendix D includes more information about the priming example and its design.
25. The primes did not influence responses to the information treatment experiment, either.

(Figure A.9). We find somewhat smaller differences regarding targeted support for poor households; instead, people with more net wealth are more likely to favor no targeted support.

The weak effect of financialization variables implies that wider material considerations may drive overall support for financial stabilization. This could be because stabilization provides both personal and sociotropic benefits to households by protecting personal wealth and preventing wider economic and societal losses, including unemployment.

Treatment effects vary more strongly by other variables. As the upper-left panel of Figure 6 shows, Black/ATSI respondents respond to the ethnic inequality treatment more than others. For Black/ATSI respondents, the information reduces their support for financial stabilization policies by 7.5 percentage points, while it has no effect on the majority.[26] This is mirrored by the results from the conjoint experiment (Figure 7, upper-left panel), where Black/ATSI respondents are equally supportive of targeted support for ethnic minorities and poor households. Respondents from the majority strongly prefer support for poor households. Black/ATSI respondents are also more strongly opposed to no targeted support than other respondents; the latter even prefer no targeted support to targeted support for Black households.

This suggests that the majority of respondents are opposed to ethnicity-based redistribution due to strong in-/out-group dynamics, whereas outgroups view inequality and redistribution more through the lens of ethnicity. It is consistent with the interpretation that egalitarian values in liberal democracies are more strongly associated with notions of class rather than ethnic divides. It is also notable that despite their divergence from the majority position on the trade-off, Black/ATSI respondents still support financial stabilization policies in crises like the ethnic majority. This likely helps to sustain political support for financial stabilization policies.

26. Interestingly, Black/ATSI respondents do not, on average, respond to the class inequality information treatment. Other respondents respond *only* to the class treatment.

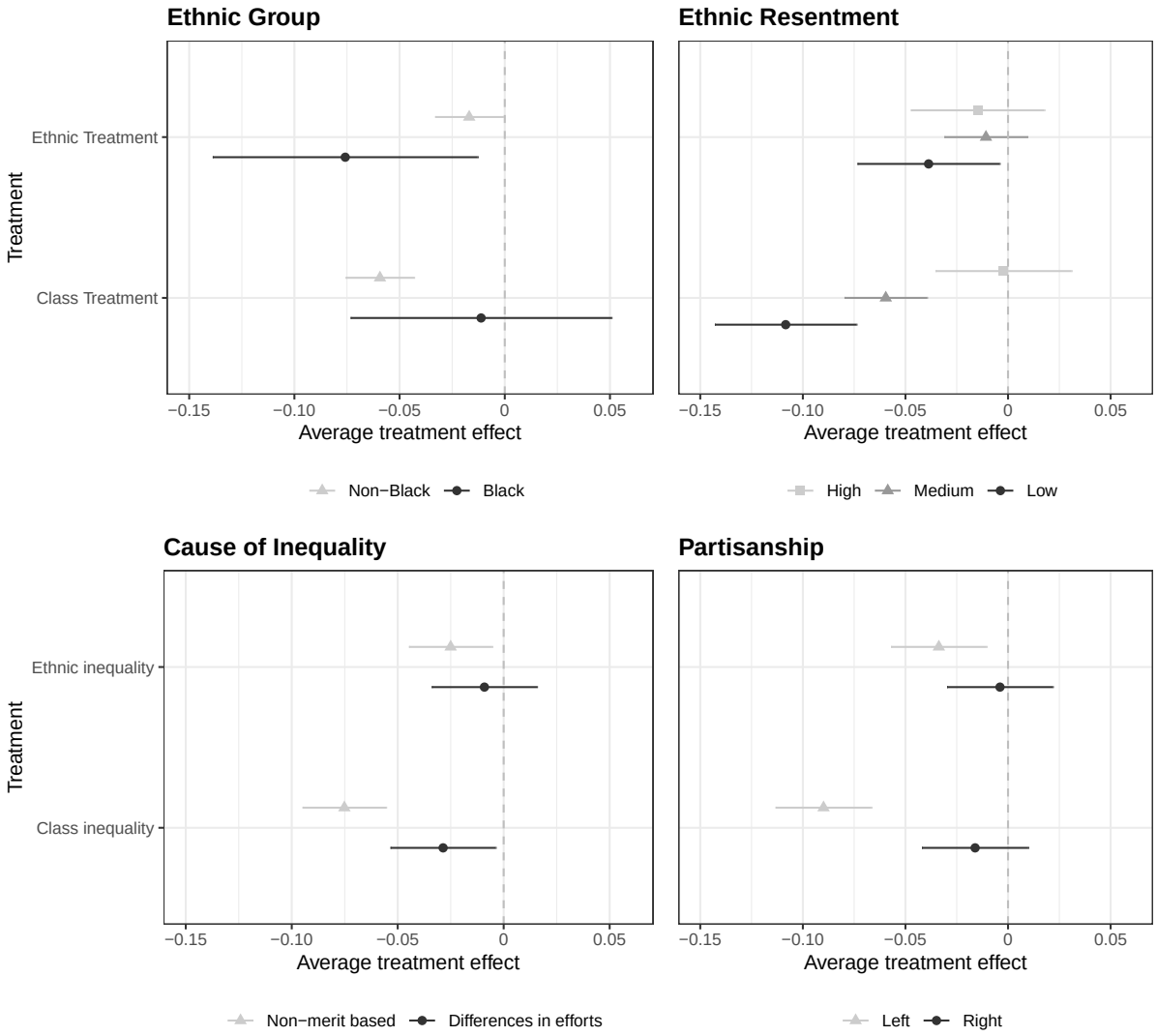


Figure 6: HTEs in the information treatment experiment by ethnic group, ethnic resentment, inequality beliefs, and partisanship.
Note: The figure shows HTEs of the information treatments on the linear "support" variable as the dependent variable (recoded to range from 0-1); controls for country fixed effects and covariates included.

This dynamic is clearly influenced by ethnic resentment.[27] People exhibiting higher levels of ethnic resentment should care less about the regressive effects of financial market stabilization policies when framed in ethnic terms. This is exactly what we find. The ethnic information treatment reduces support for financial stabilization among people with low ethnic resentment, but not for people with medium or high resentment (Figure 6, upper-right panel). Interestingly, respondents with low ethnic resentment are also more responsive to the class treatment, suggesting that ethnic resentment may be correlated

27. We follow the literature and use an ethnic resentment index based on four common questions, the wording of which is shown in the Appendix.

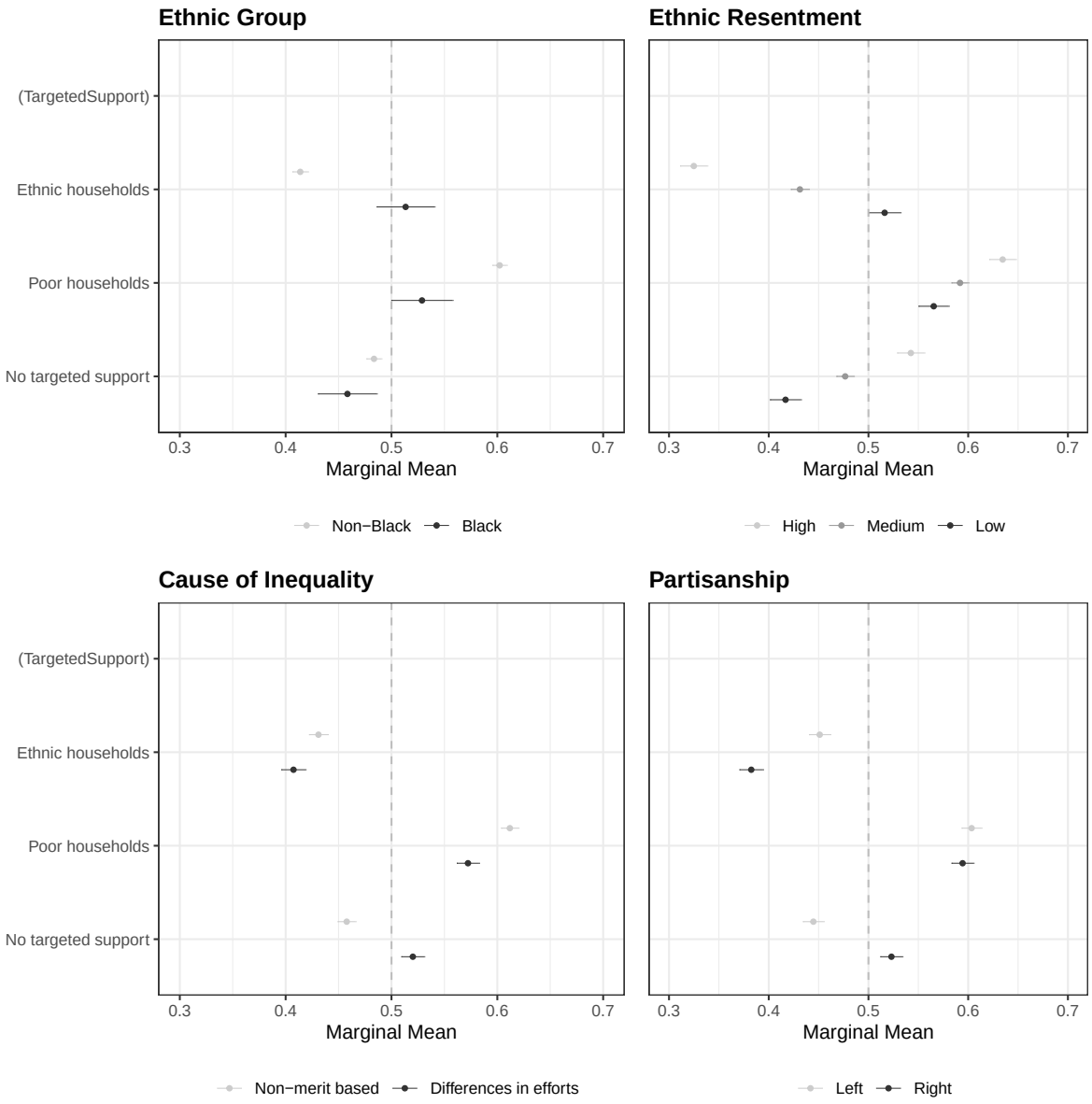


Figure 7: Marginal means from conjoint survey experiment by ethnicity, ethnic resentment, inequality beliefs, and partisanship.

with a higher tolerance for inequality. Similarly, in the conjoint experiment, respondents exhibiting greater ethnic resentment are both more strongly opposed to ethnicity-based targeting and, perhaps more interestingly, more supportive of class-based targeting compared to people with low ethnic resentment. The former are also much more supportive of no targeted assistance compared to the latter. Ethnic resentment thus plausibly explains why some individuals are not concerned about the regressive effects of financial market stabilization policies on ethnic minorities and oppose redistribution along ethnic lines. Most people, however, exhibit less ethnic resentment and their preference for class-based

redistribution could derive from a view that it is the fairest option precisely because it is "colorblind". The similar results in both Australia and the UK increase our confidence that this result is not due to majority animosity towards either Indigenous or immigrant groups specifically.

Support for redistribution on ethnic lines may also be influenced by people's beliefs about social stratification. Respondents who believe that inequality is primarily due to bad luck (structuralism) respond to both information treatments, whereas those who believe that inequality is primarily due to differences in individual effort respond to the class inequality treatment and not to the ethnic inequality treatment (Figure 6, bottom-left panel). Inequality beliefs also influence responses to the conjoint experiment (Figure 7, bottom-left panel). People who hold structuralist views are less opposed to targeted support for ethnic households and more opposed to no targeted support than people who hold individualist beliefs. However, people who hold structuralist beliefs still clearly favor class-based redistribution and even oppose ethnicity-based support more than no targeted support.

Beliefs about social stratification are also related to partisanship. Left partisans are more likely to hold structural beliefs and are more egalitarian than right partisans. Since this may not translate into equally strong support for redistribution to out-groups, we examine how partisanship moderates our treatment effects. Figure 6 (bottom-right panel) shows that left-wing respondents react to both the ethnicity and class frames, while right-wing respondents do not. One interpretation of this evidence is that opinions on inequality divide along familiar ideological lines because inequality is an easily accessible partisan issue. However, even left-wing respondents react much more strongly to the class frame. The conjoint experiment confirms these findings (Figure 7, bottom-right panel). Left partisans are less opposed to ethnicity-based targeted support, consistent with the findings of Alesina, Ferroni, and Stantcheva (2021). They are also more opposed to no targeted support than right partisans but, interestingly, they are no more supportive of class-based compensation. Although right-wing respondents do not alter their support

for financial market stabilization when they are informed about its regressive distributive consequences (as shown by the information treatment experiment), they seem ready to combine it with targeted support for poor households.

Conclusion

Household wealth and access to credit serve as important sources of self-insurance, investments in human capital, and social status. Adverse asset and credit market shocks play an increasingly central role in shaping public opinion and citizen behavior in contemporary unequal and racialized political economies. Our analysis shows how people evaluate the trade-off between financial stabilization during crises and reducing wealth inequality of different kinds. Most weight financial stabilization more highly than wealth redistribution. This suggests that the accumulation and financialization of wealth pushes strongly against societal support for redistribution, even as inequality grows in democracies. This is consistent with observed growth in crisis interventions in recent decades.

Yet by benefiting wealthier households most, these interventions can worsen societal inequality, especially between ethnic groups. Although this may help to entrench racialized capitalism in complex, financialized democracies, respondents in Australia and the UK appear relatively unmoved. Highlighting the impact of financial stabilization policies on class inequality somewhat reduces support for them, but highlighting the effects on ethnic inequality does not. We also found that respondents were much more likely to support a combination of financial stabilization policies and compensatory targeted interventions when the latter assist the generically "poor" than when they assist poor *ethnic* minorities.

These findings suggest that in both countries, most respondents are more likely to modify their support for financial stabilization due to its effects on class inequality than on ethnic group inequality. Ethnic majority respondents, those with high ethnic resentment, those with merit-based views of inequality, and those of right-wing political orientation seem

to care least about ethnic wealth inequality. These groups have a strong preference for prioritizing financial stabilization. At the other end of the spectrum, ethnic minority respondents perceive an acute trade-off between these two policy goals and have a stronger preference for reducing ethnic wealth inequality. Ultimately, despite the BLM movement and the highlighting of ethnic inequalities during the pandemic, most people appear not to favor compensating poor ethnic groups during economic crises.

In many democracies, politics is decided in the middle ground rather than at the extremes. Although most citizens seem reluctant to base judgments about fairness and appropriate redistribution on ethnic or racial categories, they retain a significant aversion to the regressive impact of crisis interventions. Those with low to modest levels of ethnic resentment still strongly prefer ethnicity-neutral fairness rationales for tempering these regressive effects. These citizens give fairness considerations significant weight when evaluating policy choices, favoring targeted support to disadvantaged groups. Yet they do not favor the use of ethnicity frames in determining redistributive policies, perhaps because they see class-based redistribution as fairer (on grounds that the poor are found in all ethnic groups). This aligns with previous experimental studies of the United States (Alesina, Ferroni, and Stantcheva 2021). It also aligns with recent public opinion surveys (Duffy et al. 2021; see also Benson et al. 2021, pp. 23-27) showing that although some voters see these gaps as unfair and important, most prefer that governments pursue only class-based redistributive policies.

This interpretation has important implications. William Julius Wilson (2011) argued that both race/ethnicity-based and class-based affirmative action was still needed to reduce the persistent socioeconomic disadvantage of underprivileged ethnic minorities. Since then, there have been growing calls for bolder, targeted ethnicity-based redistribution from progressive politicians and activists. Yet our results suggest that there is limited appetite in liberal democracies to tackle long-standing, large ethnic wealth gaps during periods of crisis when the policy trade-offs are most acute.

This majority preference may in turn intensify the incentives for credit dependency among

marginalized ethnic groups, heightening their financial vulnerability and their disproportionate usage of the higher-cost fringe credit industry (Adami 2022; Posey 2023). It could encourage a ratchet effect, whereby new crisis interventions leave subordinate ethnic groups facing higher levels of wealth inequality and credit dependence. There are few signs to date that most voters are willing to support targeted redistribution sufficient to forestall this outcome. Our findings thus point to a major ethical and practical downside of financial sector stabilization policies – one that highlights a morally hazardous dilemma in bailouts that is less commonly emphasized but to which policymakers should pay greater attention.

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Online Appendix

How Much Do Citizens Care About Ethnic Wealth Gaps? Inequality and Support for Financial Market Stabilization in Times of Crisis

Online Appendix
Table of Contents

A Ethical Considerations

Institutional Review Board We received ethical clearance for this study from the Research Ethics Committee at the London School of Economics (ref. 43119).

Informed and voluntary consent We designed our surveys in Qualtrics and recruited respondents via their online panel. Respondents voluntary opted into the study. At the beginning of the survey, respondents were informed about the content of the survey and informed of the following: "Your participation in this study is entirely voluntary and you can withdraw at any time. The information provided by you in this questionnaire will be used for research purposes only. It will not be used in a manner that allows identification of your individual responses and all your answers in this study will remain confidential." We then asked respondents whether they agreed to participate in the survey and/or wanted to receive more information. Respondents who asked for more information were given a lot of additional information about the content of the study, the use of their data (for scientific purposes), and our commitment to treat their answers in a confidential manner. Respondents who had asked for this additional information were then again given the choice whether to participate in the survey or not.

Survey content and deception The study does not use any deception. Our video treatments only included information that was accurate at the time of our fieldwork.

Risks of harm There were no risks for respondents associated with participating in this study. Respondents were remunerated by Qualtrics for successfully completing the survey.

Participant pool Our participant pool was diverse: It was representative of the general population of the United Kingdom and Australia, respectively, on basic demographic characteristics (age and gender groups as well as education). It did not include members of groups that we consider vulnerable or marginalized, and our surveys posed no harm to respondents.

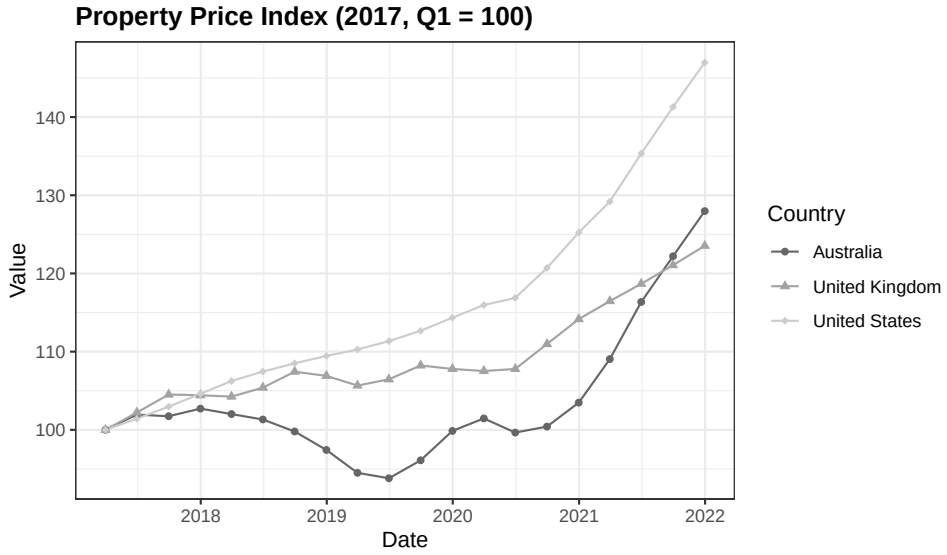
Conflict of interest We are not aware of any conflicts of interest.

Anonymity We did not collect any personal information allowing to identify the respondents (e.g., address, name, place of residence, etc.). As a result, anonymity is guaranteed.

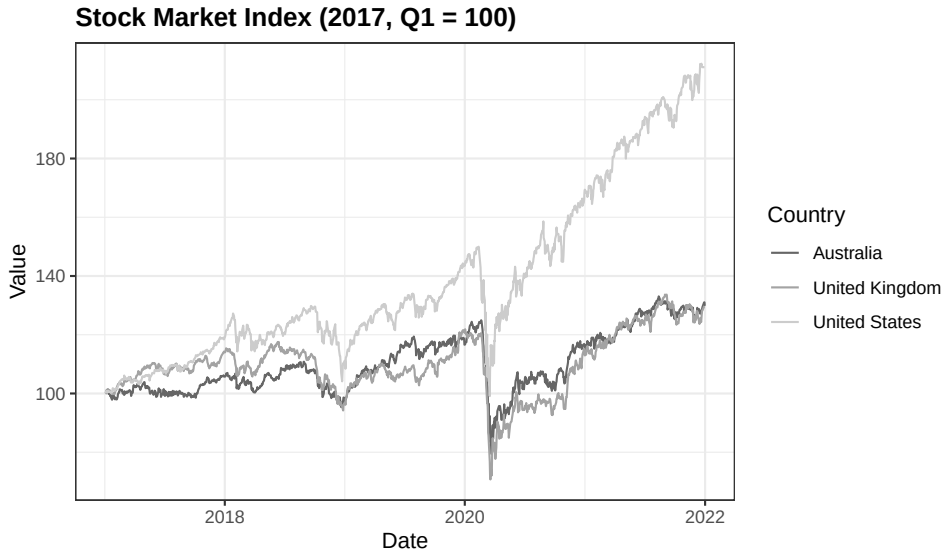
Funding We received funding from the Systemic Risk Centre at the London School of Economics to field the survey.

B Further Information on Data and Methods

B.1 Further information on our cases

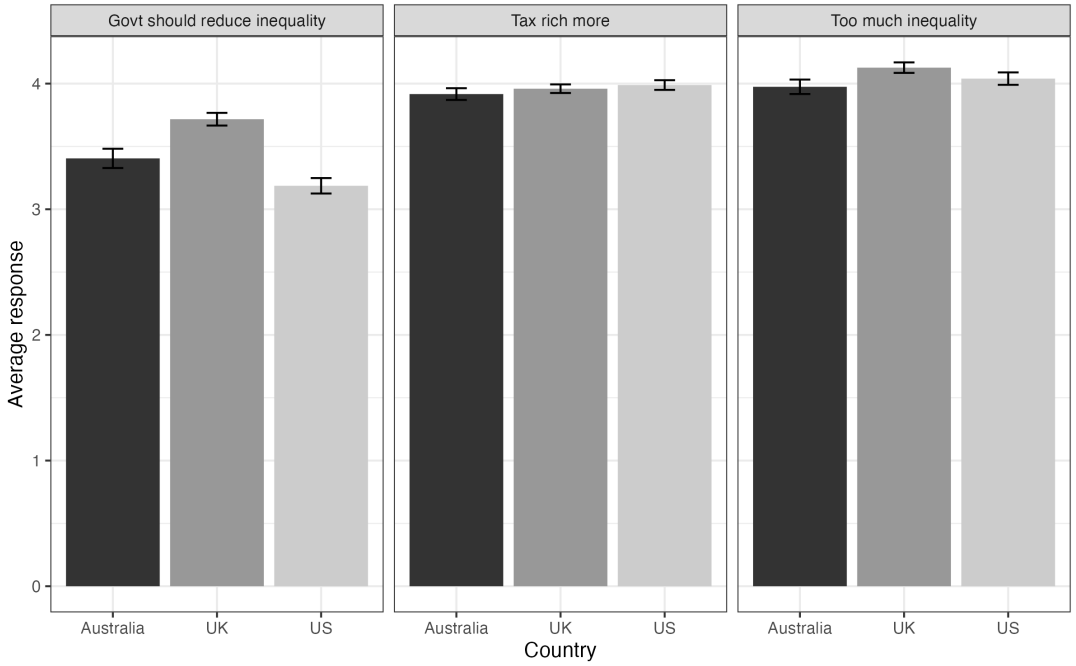


(a) Property prices.

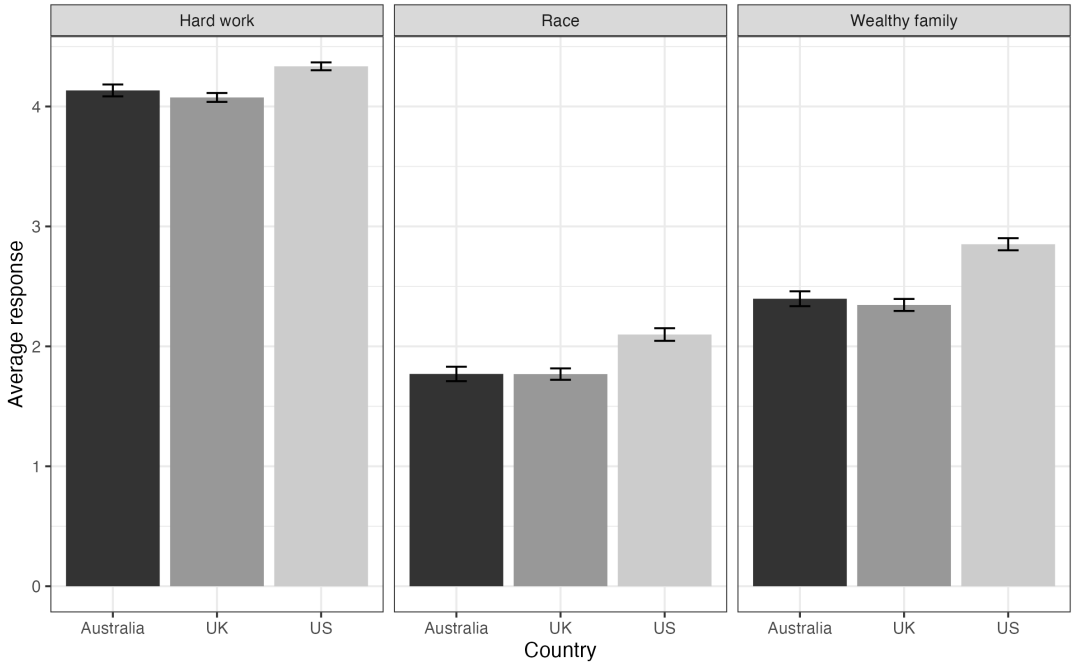


(b) Stock prices.

Figure A.1: Development of asset values in Australia, the UK, and the US from 2017 until 2022
Source: Google Finance, Bank of International Settlements.



(a) Average views on inequality and progressive taxes.



(b) Average views on what is important for getting ahead in life.

Figure A.2: Views on inequality in Australia, the UK, and the US
Note: The top panel shows responses to the question "Please cross one box for each of these to show how important you think it is for getting ahead in life..." The bottom panel shows agreement with the statements "Differences in income in Australia are too large" and "It is the responsibility of the government to reduce the differences in income between people with high incomes" as well as answers to the question "Do you think people with high incomes should pay a larger share of their income in taxes than those with low incomes, the same share, or a smaller share?" All answers are recorded on a scale from 1 to 5, where higher values indicate more progressive views. Source: International Social Survey Program, Wave 2019.

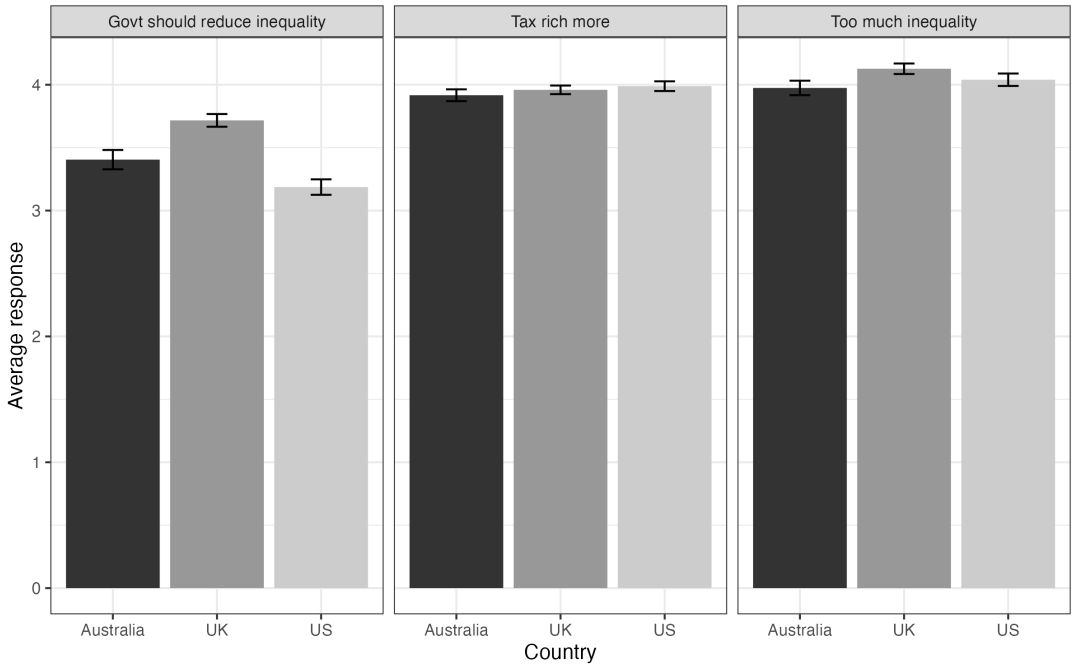


Figure A.3: Average views on inequality and progressive taxes
Note: The figure shows average responses to the question "How would you place your views on this scale?" Incomes should be made more equal (1) vs. There should be greater incentives for individual effort (10). Answers are recorded on a scale from 1 to 10. Source: World Value Survey, Wave 7, 2017-2022.

B.2 Further information on our survey

Our survey was conducted among citizens over the age of 18 in Australia and the United Kingdom (UK). The survey fieldwork was conducted by Qualtrics using their online panels in Australia (N=2,549) and the UK (N=2,547). Fieldwork took place between 2 and 29 March 2022. The survey was designed to take around 20 minutes and the median response time was 20.25 minutes in Australia and 18.9 minutes in the UK.

Sampling We used quotas on age and gender (interlocked) and education in both countries to ensure that the samples are as representative of the population as possible.

Pre-tests We used extensive pre-tests to develop the survey instrument. First, we tested our survey among a convenience sample of university students at [OMITTED FOR PEER REVIEW]. This pre-test allowed us to test responses to our survey experiment and to solicit feedback (via open answer questions) on all elements of our survey. Second, we implemented a soft launch to test our survey among a small sample representative of the Qualtrics panels. This further allowed us to test the length of the survey, check our quality controls, and ensure that data collection worked as intended.

Quality control The survey included two attention checks. Qualtrics eliminated any respondents that failed these checks, as well as those for whom there was evidence of duplication, of "flatlining" answers across questions, of inserting gibberish in open-text answers, and who completed the survey in less than a third of the median response time. The survey also included manipulation checks, which we use in robustness tests.

Survey flow Figure A.4 describes the survey flow. Upon agreeing to take the survey, respondents first answered questions about basic demographic information, which we used for quota-based sampling. We then asked respondents a set of questions to elicit information that we use as moderators and covariates. This included a battery of questions asking respondents about their inequality aversion and their resentment towards other ethnic groups.

Thereafter, respondents were informed about the rationale and design of financial stabilization policies used by governments and central banks to mitigate wealth losses in response to an economic crisis. They were then asked to evaluate different policy packages in a conjoint survey experiment. Before the conjoint experiment, respondents were split into a control group and two treatment groups. In the treatment groups, respondents were either exposed to an ethnic wealth prime or a class wealth prime, while the control group only received the common vignette containing basic information about financial market stabilization policies.

After the conjoint experiment, respondents were again split into three different treatment groups. One third of our respondents was exposed to information highlighting the effects of financial stabilization policies on ethnic inequality, while another third of our respondents was exposed to information highlighting class inequality. The remaining third was the control group, receiving no further information. To assign respondents to the groups in this information treatment experiment, we used block randomization, based on the group to which they were assigned in the first manipulation. For example, a third of people who were in the treatment group for the priming experiment were assigned to the

control group for the framing experiment, one third was assigned to the ethnic inequality frame, and one third was assigned to the class inequality frame.

Finally, respondents were asked additional questions about their socio-economic situation and other variables. Table A.1 and Table A.2 present summary statistics and variable coding for independent and dependent variables.

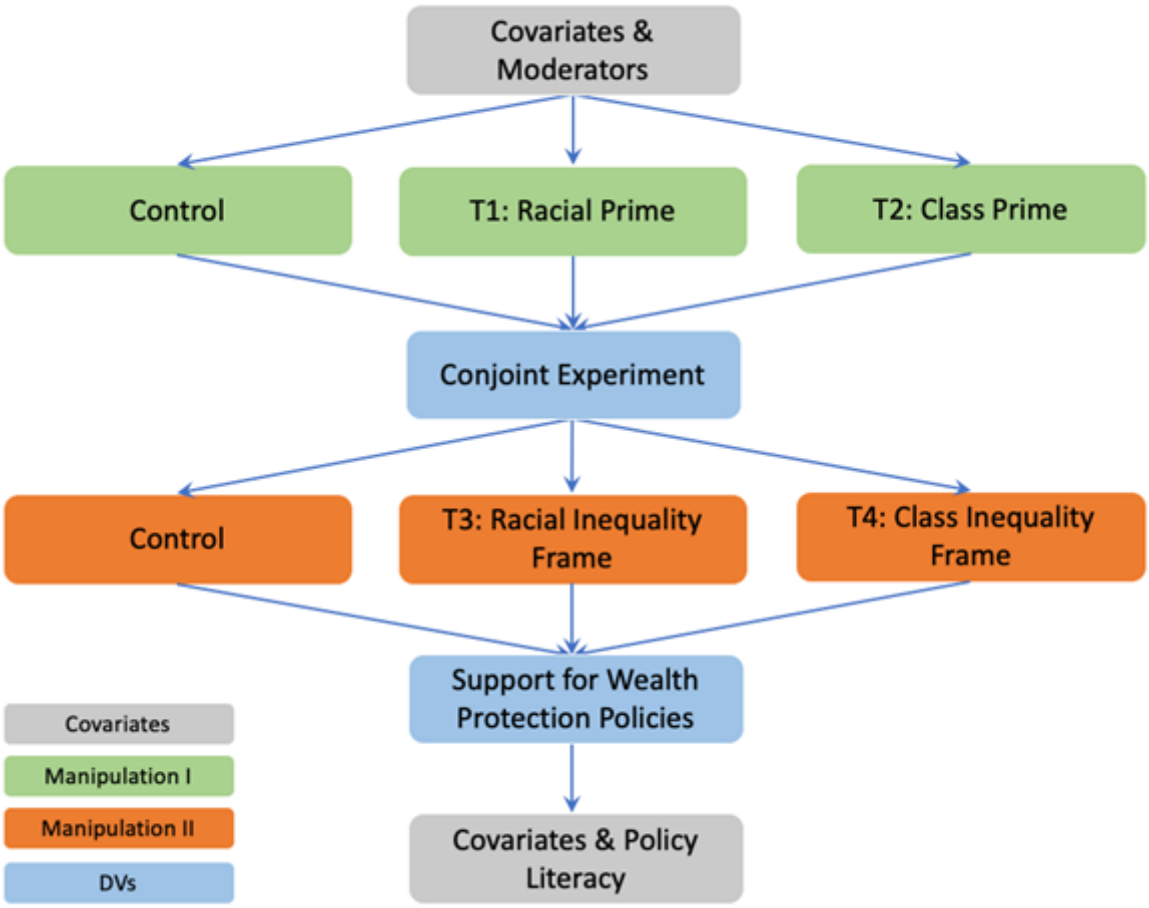


Figure A.4: Survey flow in both countries
Source: Own illustration.

B.3 Variable coding, summary statistics, and variable coding

Table A.1: Operationalization of dependent and independent variables.

Variable	Survey question	Operationalization
Support for stabilization policies	To what extent do you support or oppose policies limiting wealth losses after a crisis? Please answer on a scale from 0 to 10, where 0 means strongly oppose and 10 means strongly support.	Categorical variable: 0-10
Decision on stabilization policies	Imagine you could decide COUNTRY's policies if another economic crisis occurred. Would you implement policies limiting wealth losses after a crisis?	Binary variable: 1= Yes; 0= No
Treatment		Categorical variable: 1 = Control, "Ethnic" treatment, 3 = "Class" treatment
Manipulation check	We just provided you with information comparing the household wealth of two different group. Which groups were the subject of this information?	Binary variable: 0 = Passed, 1 = Failed (only for treatment groups)
Ethnic group	To which of these ethnic groups do you consider you belong?	Binary variable: 1 = Ethnic minority; 0 = Ethnic majority
Ethnic resentment	Please consider the following statements.* To what extent do you agree or disagree?	Additive index from 4 to 20, recoded to a categorical variable: 1 = Low, 2 = Medium, 3 = High
Views on cause of inequality	"In our society some people are poor, others are rich. In your opinion, which has more to do with whether a person is poor?"	Binary variable: 0 = Lack of effort, 1 = Bad luck
Left-right partisanship	Which party did you vote for in the last [UK: General/ Australia: Federal] election in [month year]?	Categorical variable: 1= Left, 2=Center, 3= Right
Value of assets	Please consider all the assets that you own. In your estimation, how much are all of them worth together?	Categorical variable: 1 = Bottom 20%, 2 = Middle, 3 = Top 20%
Value of debt	Please consider all the debt that you own. In your estimations, how much is it worth together?	Categorical variable: 1 = Bottom 20%, 2 = Middle, 3 = Top 20%
Home ownership	Thinking about where you currently live, please choose the description that best applies to you. Do you or any other members of your household ...	Categorical variable: 1 = Rent, 2 = Own (with a mortgage), 3 = Own (outright)
Asset type	We are interested in the financial assets that you own. Please tick all that apply: Do you have ...	Categorical variable: 1 = No financial assets, 2 = Pension scheme, 3 = Stocks/bonds
Gender	What is your gender? Male, Female, Non-Binary, I prefer not to say	Binary variable: 1= Male; 0= Other
Age	What is your age in years (e.g. 43)?	Continuous variable: 18 - 91
Education	What is your highest completed level of education? If you are unsure about your qualification or if you completed your education abroad, please choose the degree you think is closest.	Categorical variable: 1= Low; 2= Middle; 3= High
Income	Can you please tell us the total income from all sources of your household (i.e. including all members), after tax and other compulsory deductions? If you don't know the exact figure, please give an estimate.	Categorical variable: 1= Low; 2= Medium; 3= High

* The ethnic resentment index was based on (dis-)agreement with the following four statements, recorded on a scale ranging from 1 to 5. Answers were recoded, so that higher values systematically mean higher resentment.

1. "A long history of racial discrimination has created conditions that make it difficult for Black/ Indigenous people in [the United Kingdom /Australia ([Black African, Black British, Black Caribbean, other Black ethnic groups / Aboriginal and Torres Strait Islander ethnic groups]) to work their way out of the lower class."
2. "Many other minorities overcame prejudice and worked their way up. Black/Indigenous people in [the United Kingdom /Australia]) should do the same without any special favors."

3. "Over the past few years, Black/Indigenous people in [the United Kingdom /Australia] have gotten less than they deserve."

4. "It's really a matter of some people not trying hard enough. If Black/Indigenous people in [the United Kingdom /Australia] would only try harder, they could be just as well off as White British/non-Indigenous people in [the United Kingdom /Australia]."

Table A.2: Summary statistics of key independent and dependent variables (respondent-level).

	N	Mean	SD	Min	Median	Max
Support for stabilization policies	4519	0.63	0.22	0.09	0.64	1.00
Decision on stabilization policies	3654	0.66	0.48	0.00	1.00	1.00
Treatment	5096	1.99	0.81	1.00	2.00	3.00
Manipulation check	3171	0.83	0.38	0.00	1.00	1.00
Effectiveness for poor	4582	0.54	0.25	0.09	0.55	1.00
Effectiveness for ethnic minorities	4220	0.51	0.22	0.09	0.55	1.00
Ethnic group	4880	0.06	0.23	0.00	0.00	1.00
Ethnic resentment	5090	2.05	0.65	1.00	2.00	3.00
Cause of inequality	5093	0.38	0.49	0.00	0.00	1.00
Left-right partisanship	4151	1.91	0.97	1.00	1.00	3.00
Value of assets	5074	2.02	0.69	1.00	2.00	3.00
Value of debt	4423	1.99	0.75	1.00	2.00	3.00
Home ownership	5062	1.84	0.85	1.00	2.00	3.00
Asset type	5096	1.85	0.77	1.00	2.00	3.00
Gender	5060	0.49	0.50	0.00	0.00	1.00
Age	5095	47.90	66.14	18.00	45.00	3127.00
Education	5094	2.26	0.75	1.00	2.00	3.00
Income	5039	1.74	0.73	1.00	2.00	3.00

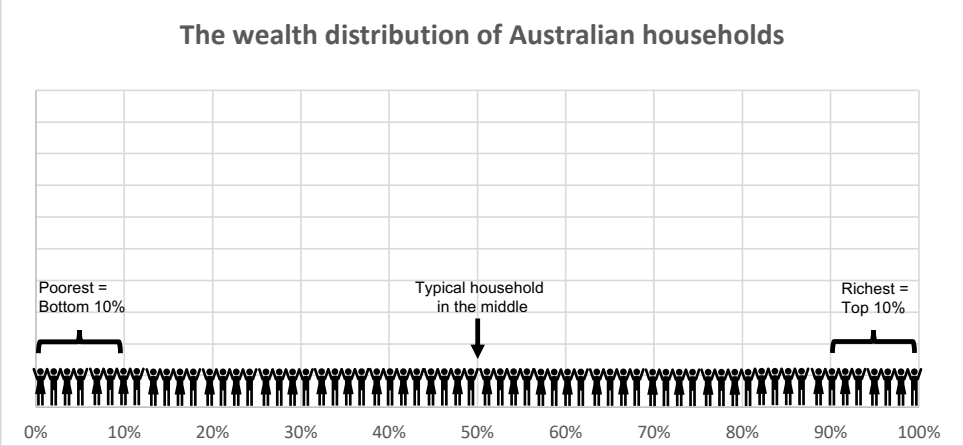
Table A.3: Balance tables showing distributions of independent and dependent variables by experimental group.

		Control (N=1702)		Ethnic T (N=1722)		Class T (N=1672)	
		Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Support for stabilization pol.		0.7	0.2	0.6	0.2	0.6	0.2
Decision on stabilization pol.		0.7	0.5	0.7	0.5	0.6	0.5
Eff. for poor		0.6	0.2	0.5	0.3	0.5	0.2
Eff. for ethnic min.		0.5	0.2	0.5	0.2	0.5	0.2
Age		49.1	90.0	46.6	18.0	48.0	69.0
		N	Pct.	N	Pct.	N	Pct.
Manipulation check	Control	1702	100.0	2	0.1	0	0.0
	Failed	0	0.0	179	10.4	373	22.3
	Passed	0	0.0	1452	84.3	1167	69.8
	NA	0	0.0	89	5.2	132	7.9
Ethnic group	Black	102	6.0	90	5.2	92	5.5
	Non-Black	1523	89.5	1566	90.9	1507	90.1
	NA	77	4.5	66	3.8	73	4.4
Ethnic resentment	High	385	22.6	423	24.6	380	22.7
	Low	318	18.7	309	17.9	315	18.8
	Medium	997	58.6	987	57.3	976	58.4
	NA	2	0.1	3	0.2	1	0.1
Cause of inequality	Differences in efforts	639	37.5	655	38.0	635	38.0
	Non-merit based	1063	62.5	1065	61.8	1036	62.0
	NA	0	0.0	2	0.1	1	0.1
Left-right partisanship	Centrist	66	3.9	73	4.2	60	3.6
	Left	705	41.4	735	42.7	715	42.8
	Right	591	34.7	610	35.4	596	35.6
	NA	340	20.0	304	17.7	301	18.0
Value of assets	Bottom 20	378	22.2	393	22.8	392	23.4
	Middle	901	52.9	897	52.1	843	50.4
	Top 20	413	24.3	426	24.7	431	25.8
	NA	10	0.6	6	0.3	6	0.4
Value of debt	Bottom 20	438	25.7	423	24.6	423	25.3
	Middle	627	36.8	635	36.9	650	38.9
	Top 20	417	24.5	421	24.4	389	23.3
	NA	220	12.9	243	14.1	210	12.6
Home ownership	Homeowner (o.)	490	28.8	507	29.4	513	30.7
	Homeowner (w.m.)	451	26.5	419	24.3	378	22.6
	No homeowner	753	44.2	780	45.3	771	46.1
	NA	8	0.5	16	0.9	10	0.6
Asset type	No financial assets	659	38.7	670	38.9	651	38.9
	Pension scheme	642	37.7	635	36.9	640	38.3
	Stocks/bonds	401	23.6	417	24.2	381	22.8
Gender	Female	873	51.3	856	49.7	871	52.1
	Male	814	47.8	855	49.7	791	47.3
	NA	15	0.9	11	0.6	10	0.6
Education	High	787	46.2	748	43.4	749	44.8
	Low	314	18.4	328	19.0	293	17.5
	Medium	601	35.3	644	37.4	630	37.7
	NA	0	0.0	2	0.1	0	0.0
Income	High	291	17.1	284	16.5	262	15.7
	Low	712	41.8	740	43.0	708	42.3
	Medium	684	40.2	677	39.3	681	40.7
	NA	15	0.9	21	1.2	21	1.3

B.4 Survey instructions and treatment wordings

B.4.1 Wording of the Australian "class" information treatment

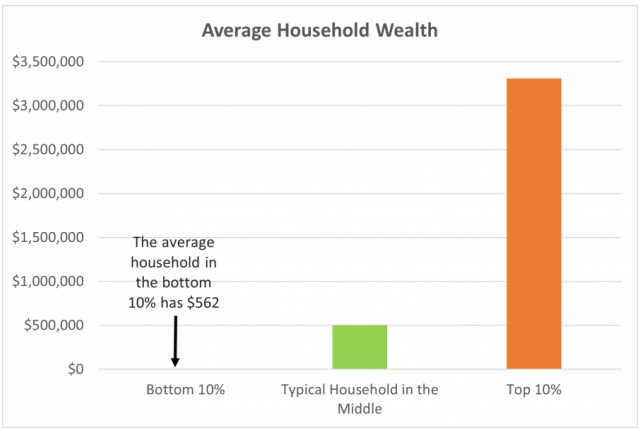
All households may be ranked from poorest to richest in their total wealth and split into different groups, as shown in the figure below.



[PAGE BREAK]

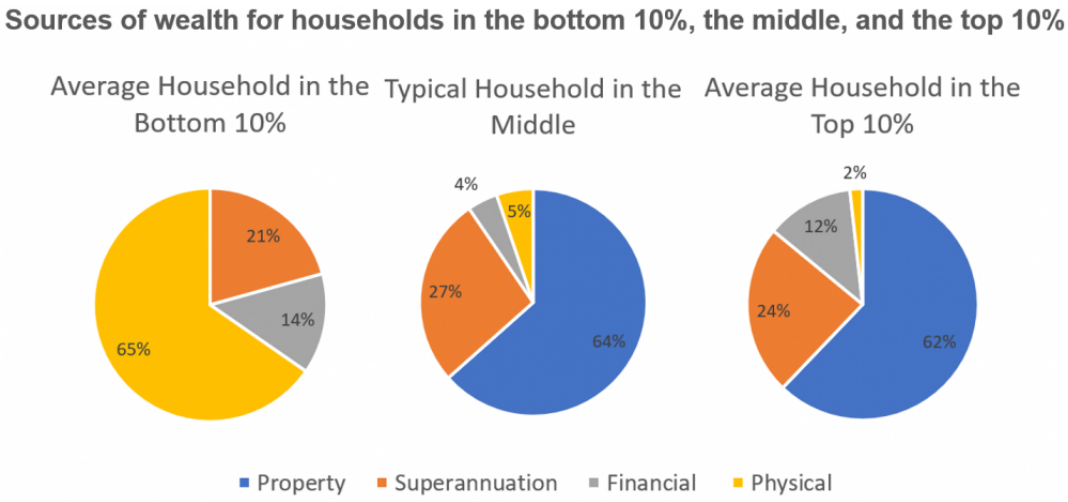
As shown below, the Household, Income, Labour Dynamics in Australia (HILDA) Survey estimates that **the wealth of the average household in the top 10%** is $3,310,000. This **is 6 times more wealth than the typical household in the middle**, which has $502,002; **and 5,900 times more wealth than the average household in the bottom 10%**, which has $562.

This also means that **households in the top 10% also hold 44% of all wealth** in Australia, while **typical household in the middle holds 5%** and those in the **bottom 10% hold less than 1%.**



[PAGE BREAK]

As shown below, the sources of wealth for these three groups are also quite different. Households in the **bottom 10%** hold most of their wealth in physical assets (household contents, possessions, and valuables), whereas **typical** households in the middle and those in the **top 10%** hold most of their wealth in property.



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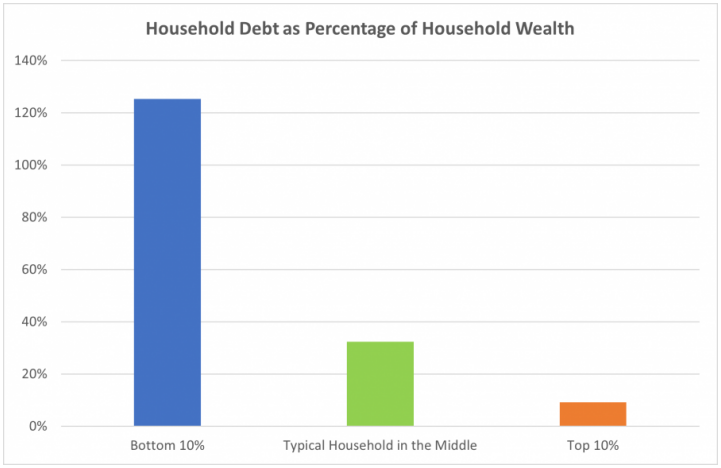
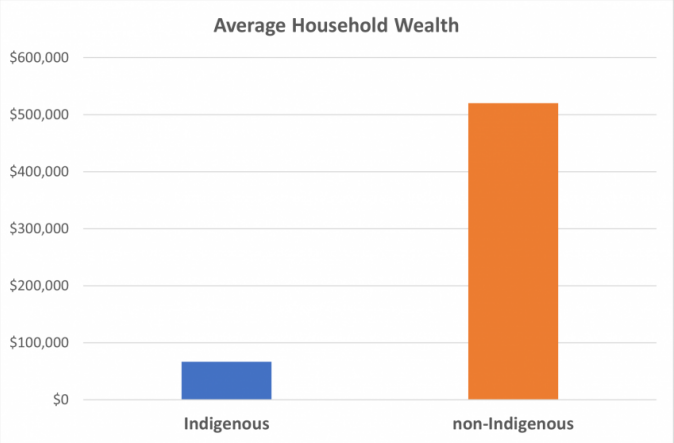
As shown below, the average household in the **bottom 10% has debt that is 125% of its wealth**. By contrast, the **typical household in the middle has debt that is 33% of its wealth**. The average household in the **top 10% has debt that is 9% of its wealth**.



For these reasons, policies limiting wealth losses after a crisis often increase wealth inequality in Australia. This is because these policies mainly support the value of assets (property, private pensions, shares, bonds, and deposits in bank accounts) that are primarily owned by very wealthy households.

B.4.2 Wording of the Australian "ethnic" information treatment

As shown below, the Household, Income, Labour Dynamics in Australia (HILDA) Survey estimates that **the wealth of the average non-Indigenous Australian household** is $520,000. This **is eight times more** wealth **than that of the average Indigenous Australian** (**Aboriginal and Torres Strait Islander) household,** which is $66,250.



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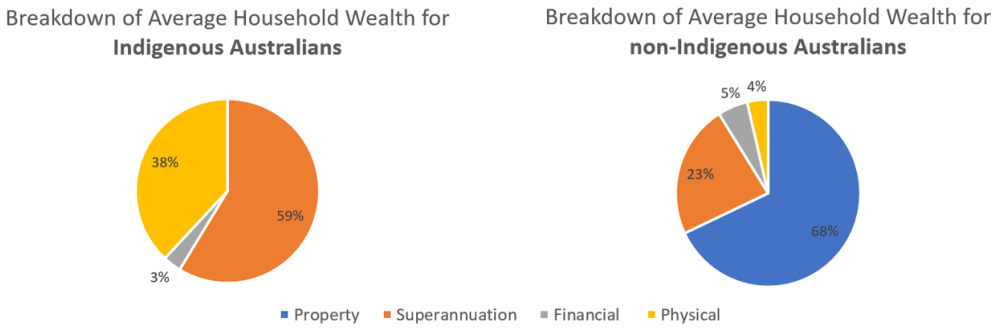
As shown below, the sources of wealth for these two groups are also quite different. **Indigenous households** hold most of their wealth in superannuation followed by physical assets (household contents, possessions, and valuables), whereas **non-Indigenous households** hold most of their wealth in property and superannuation.



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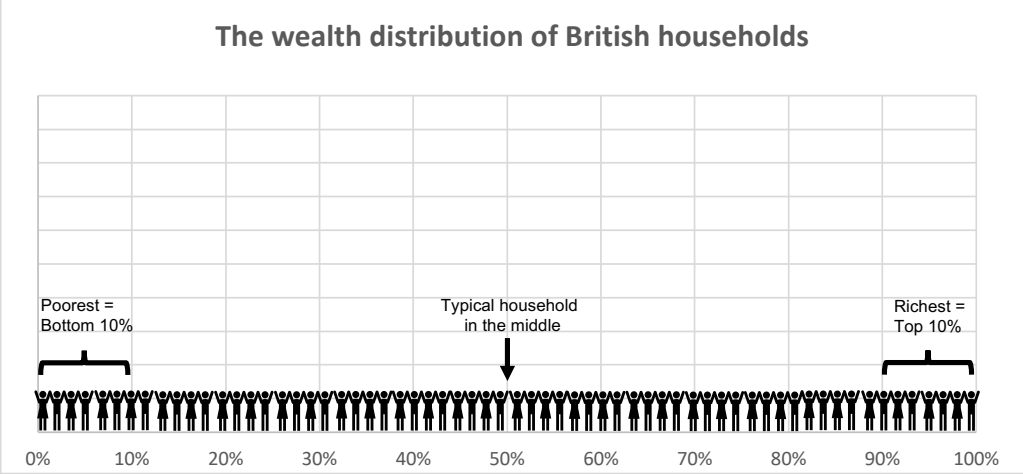
The average Indigenous Australian household has zero net property wealth because it has a lower-than-average rate of home ownership and a larger mortgage relative to the value of its property.

Nearly **51% of Indigenous households have more** personal loans, credit card and student **debt than savings compared to 30% of households of non-Indigenous Australians**.

For these reasons, policies limiting wealth losses after a crisis often increase inequality between ethnic groups in Australia. These policies mainly support the value of assets (property, private pensions, shares, bonds, and deposits in bank accounts) that are primarily owned by non-Indigenous Australian households.

B.4.3 Wording of the British "class" information treatment

All households may be ranked from poorest to richest in their total wealth and split into different groups, as shown in the figure below.



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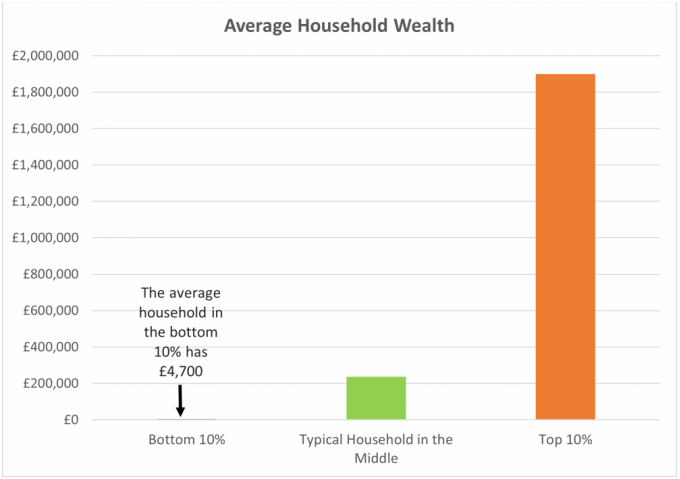
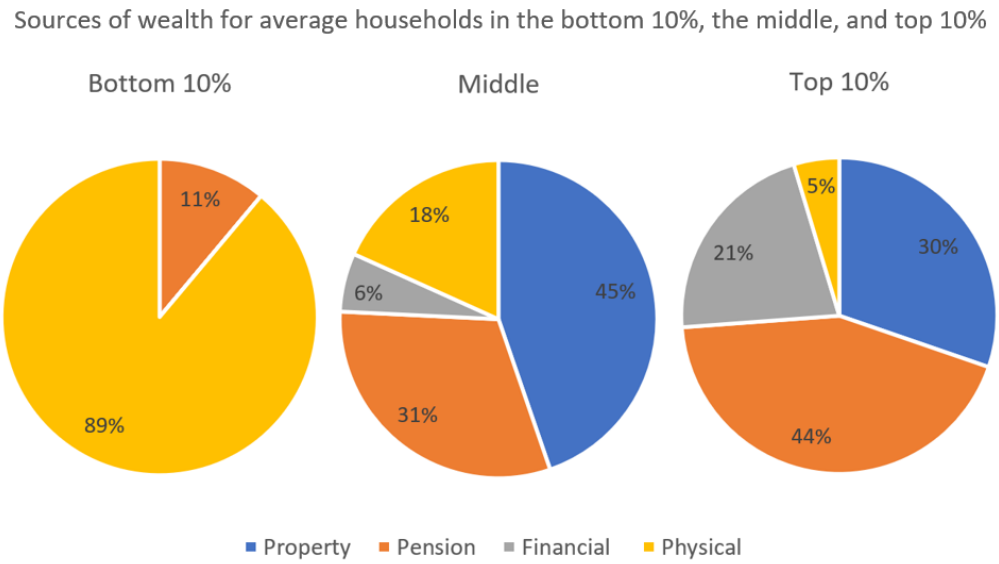
As shown below, the UK Office of National Statistics indicates that **the wealth of the average household in the top 10%** is £1,899,100. This **is 8 times more** wealth than the **typical household in the middle**, which has £235,600, **and 404 times more** wealth **than the average household in the bottom 10%**, which has £4,700.

This also means that **households in the top 10% hold 45% of all wealth** in the United Kingdom, while **typical households in the middle hold 4%** and those in the **bottom 10% hold less than 1%.**



[PAGE BREAK]

As shown below, the sources of wealth for these three groups are also quite different. Households in the **bottom 10%** hold most of their wealth in physical assets (household contents, possessions, and valuables), whereas **typical** households in the middle hold most of their wealth in property. Households in the **top 10%** hold most of their wealth in pensions.



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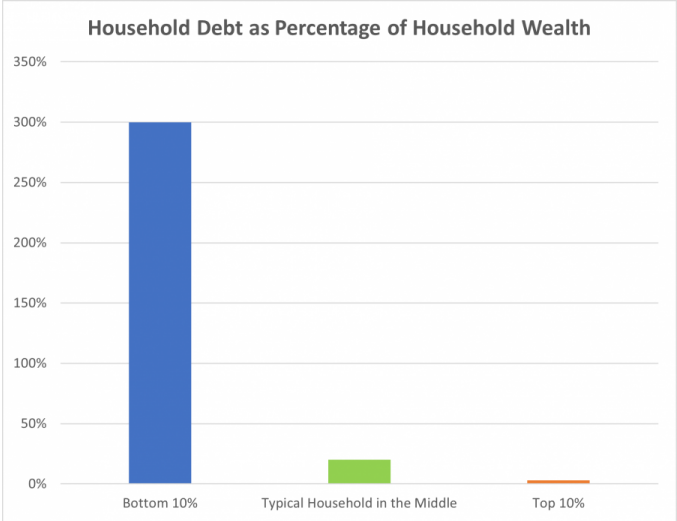
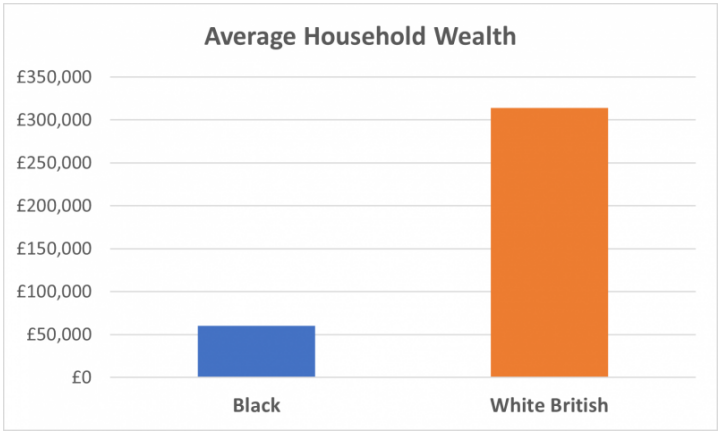
As shown below, the average household in the **bottom 10% has debt that is 300% of its wealth**. By contrast, the **typical household in the middle has debt that is 20% of its wealth**. The average household in the **top 10% has debt that is 3% of its wealth**.



For these reasons, policies limiting wealth losses after a crisis often increase wealth inequality in the United Kingdom. These policies mainly support the value of assets (property, private pensions, shares, bonds, and deposits in bank accounts) that are primarily owned by very wealthy households.

B.4.4 Wording of the British "ethnic" information treatment

As shown below, the UK Office of National Statistics indicates that **the wealth of the average White British household** is £313,900. This **is five times more** wealth **than that of the average Black** (Black African, Black British, Black Caribbean, other Black ethnic groups) **British household**, which is £60,100.



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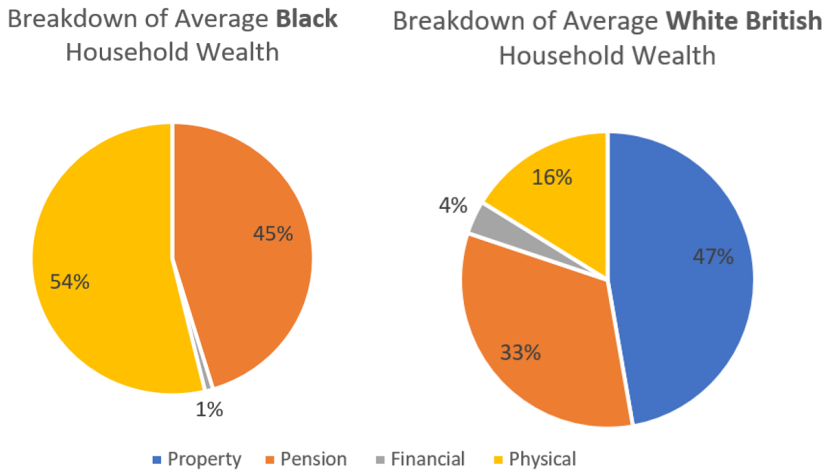
The sources of wealth for these two groups are also quite different. **Black British households** hold most of their wealth in physical assets (household contents, possessions, and valuables), whereas **White British households** hold most of their wealth in property and pensions.



[PAGE BREAK]

The average Black household has *zero* net property wealth. This is because it has a lower-than-average rate of home ownership and a larger mortgage relative to the value of its property.

Nearly **40% of Black households have more** personal loans, credit card and student **debt than savings, compared to 22% of White households**.

For these reasons, policies limiting wealth losses after a crisis often increase inequality between ethnic groups in the United Kingdom. These policies mainly support the value of assets (property, private pensions, shares, bonds, and deposits in bank accounts) that are primarily owned by White households.

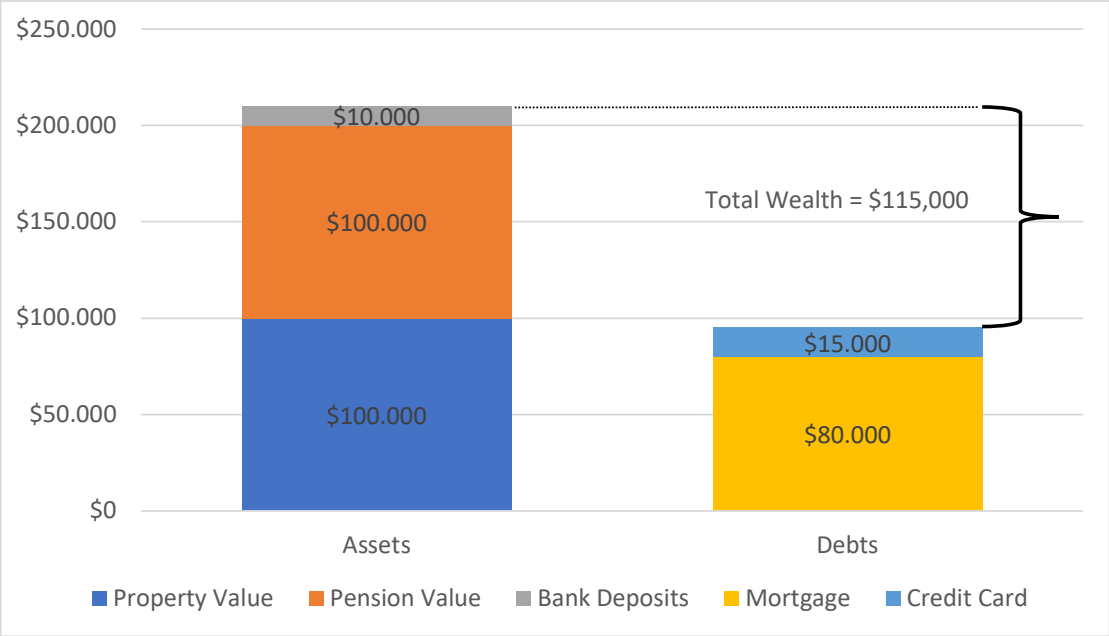
B.4.5 Instructions for the conjoint survey experiment

Household wealth is the value of all assets owned by a household minus the value of all its debt.

Here is a breakdown of some typical household assets and debts:

Assets	Debts
Property	Mortgages
Private pensions	Credit card
Shares	Student loans
Bonds (government and corporate)	Personal loans (including hire purchase, overdrafts, and payday loans)
Deposits in bank accounts	
Physical assets (household contents, possessions, and valuables)	

For instance, imagine this simple example of a household with [£210,000 / $210,000] in total assets and [£95,000 / $95,000] in total debts. Its total wealth is [£115,000 / $115,000]:



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Economic crises can often **have negative consequences for household wealth**.

Asset prices fall. Property values, share and bond prices, and the value of private pensions often decline, while bank deposits may suffer losses.

Also, **households** may **borrow more** to maintain payments for essential items like food, education and childcare, health, rent and mortgage payments.

The result is that many **households experience wealth losses during crises**.

Policymakers may use various policies to **limit wealth losses** for households during economic crises, including:

Support incomes by providing benefits that replace lost income, enabling households to continue making payments, including on their debts. A 25% "replacement rate" means that households receive 25% of their previous income.

Support asset prices by preventing the fall of property, share, bond, and pension values, and by guaranteeing the value of deposits in bank accounts.

Reschedule debts by allowing debtors to delay or extend the period of repayment.

Reduce debts owed by households to lenders.

Targeted support by limiting the wealth losses of specific groups **[Control: No further information; Treatment 1: Add "such as Black households" [UK Survey] / Indigenous Australian households" [Australia Survey]; Treatment 2: Add "such as poor households"]**.

Control 1: No further information

Treatment 1: Ethnic wealth prime

Treatment 2: Class wealth prime

C Additional Results

C.1 Additional descriptive statistics

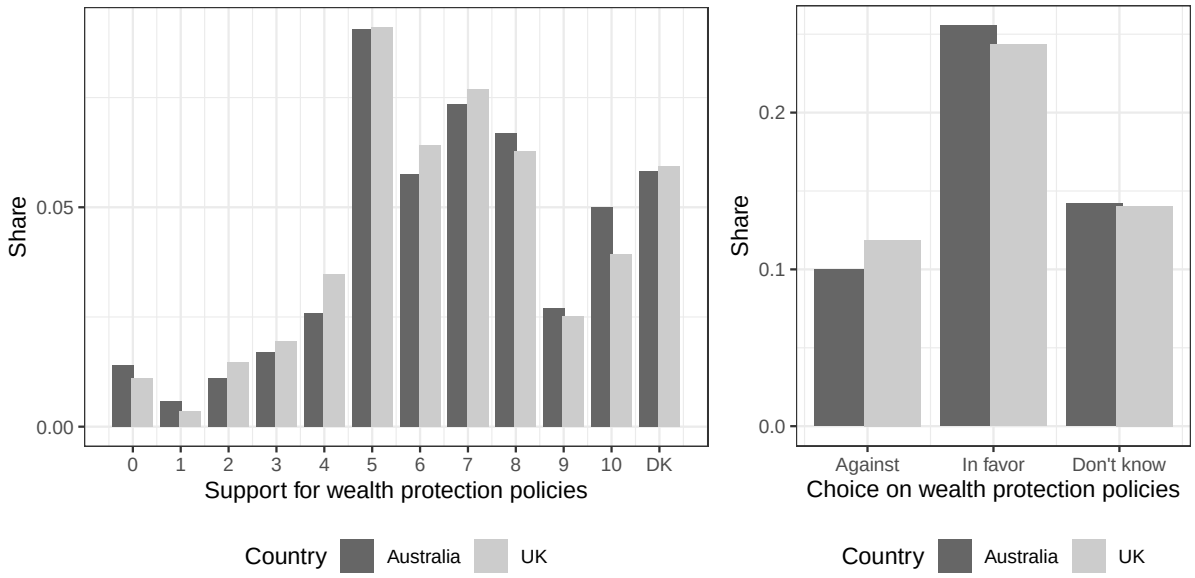

Figure A.5: Support for financial stabilization by country.

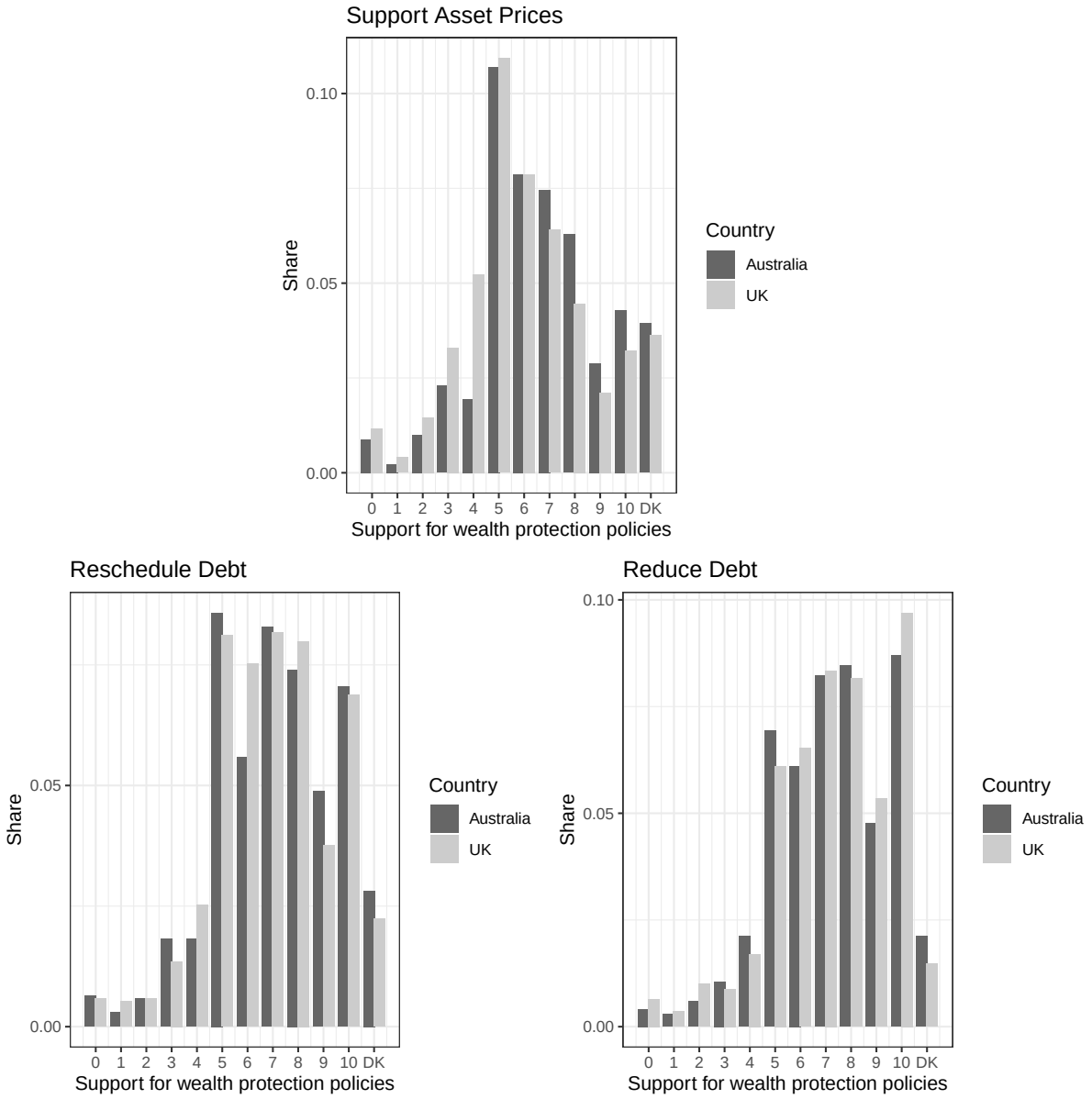

Figure A.6: Support for boosting asset prices and rescheduling/reducing private debt by country.

C.2 Full regression table for Table 1

Table A.4: Average treatment effect on support for wealth protection policies (full regression table).

	Support variable			Choice variable		
	M1	M2	M3	M4	M5	M6
(Intercept)	0.658***	0.668***	0.694***	0.695***	0.734***	0.853***
	(0.006)	(0.006)	(0.011)	(0.014)	(0.016)	(0.026)
Ethnic inequality treatment	−0.019*	−0.019*	−0.019*	−0.016	−0.016	−0.008
	(0.008)	(0.008)	(0.008)	(0.019)	(0.019)	(0.019)
Class inequality treatment	−0.057***	−0.057***	−0.056***	−0.105***	−0.105***	−0.102***
	(0.008)	(0.008)	(0.008)	(0.019)	(0.019)	(0.019)
UK (ref. = Australia)		−0.020**	−0.027***		−0.077***	−0.076***
		(0.006)	(0.007)		(0.016)	(0.016)
Age			0.000+			0.000**
			(0.000)			(0.000)
Male (ref. = female)			0.018**			−0.092***
			(0.007)			(0.016)
Ethnic minority (ref. = majority)			0.011			0.094*
			(0.016)			(0.037)
Low education (ref. = high)			−0.015			−0.060**
			(0.009)			(0.023)
Medium education			−0.027***			−0.044*
			(0.007)			(0.018)
Low income (ref. = high)			−0.024*			−0.046*
			(0.010)			(0.023)
Medium income			−0.013			−0.047*
			(0.009)			(0.023)
Num.Obs.	4519	4519	4300	3654	3654	3503
R2	0.012	0.014	0.022	0.009	0.016	0.036
R2 Adj.	0.011	0.013	0.020	0.009	0.015	0.034

+ $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

C.3 Full regression table for Table 2

Table A.5: Average treatment effect on effectiveness of wealth protection policies (full regression table).

	Poor	Black
(Intercept)	0.611***	0.546***
	(0.013)	(0.012)
Ethnic inequality treatment	−0.034***	−0.028***
	(0.009)	(0.008)
Class inequality treatment	−0.040***	−0.023**
	(0.009)	(0.009)
UK (ref. = Australia)	−0.052***	−0.013+
	(0.008)	(0.007)
Male (ref. = female)	0.037***	0.049***
	(0.008)	(0.007)
Ethnic minority (ref. = majority)	−0.015	−0.011
	(0.018)	(0.016)
Low education (ref. = high)	−0.030**	−0.010
	(0.011)	(0.010)
Medium education	−0.023**	−0.019*
	(0.008)	(0.008)
Low income (ref. = high)	−0.046***	−0.033**
	(0.011)	(0.010)
Medium income	−0.017	−0.024*
	(0.011)	(0.010)
Age	0.000	0.000
	(0.000)	(0.000)
Num.Obs.	4347	4012
R2	0.030	0.021
R2 Adj.	0.028	0.019

+ p < 0.1, * p < 0.05, ** p < 0.01, *** p < 0.001

C.4 Marginal means from the conjoint survey experiment for the entire sample

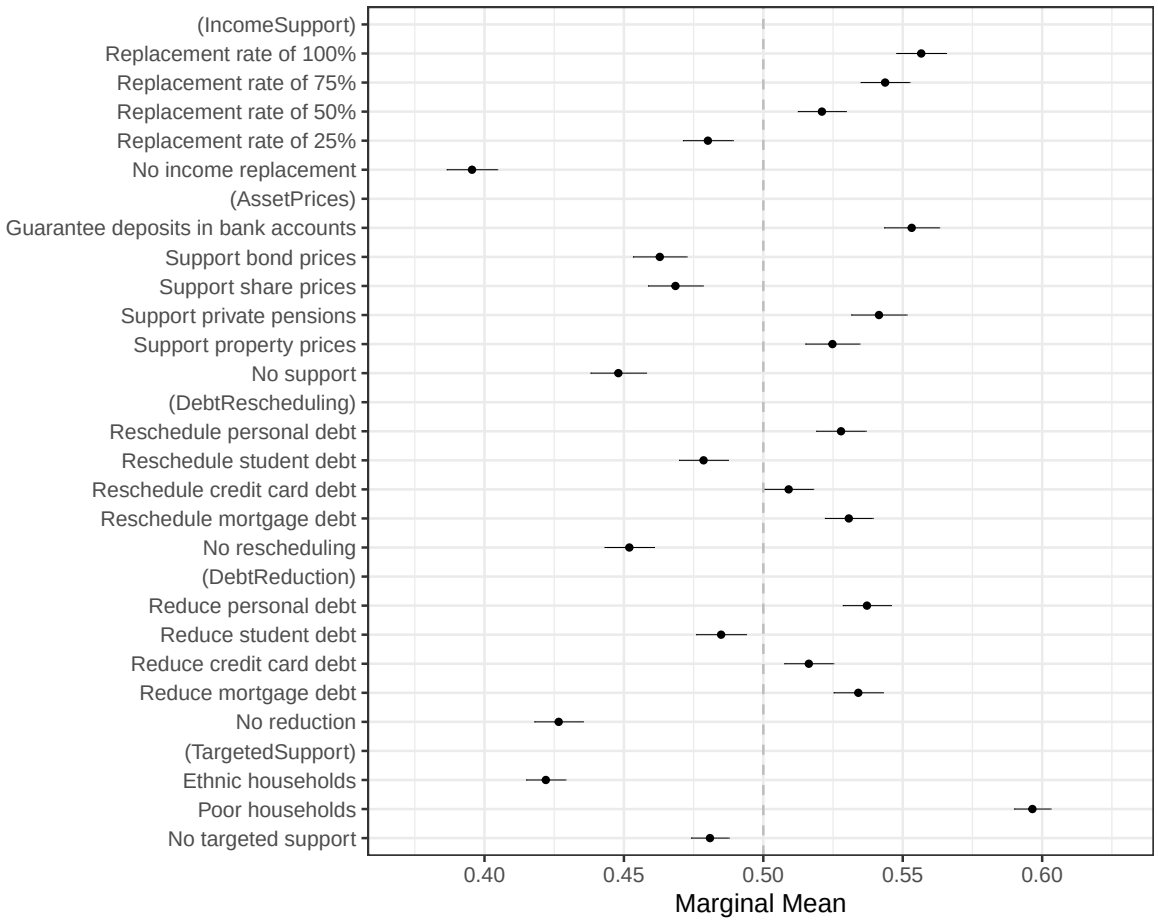

Figure A.7: Marginal means from conjoint survey experiment for the entire sample.

C.5 Additional heterogeneous treatment effects

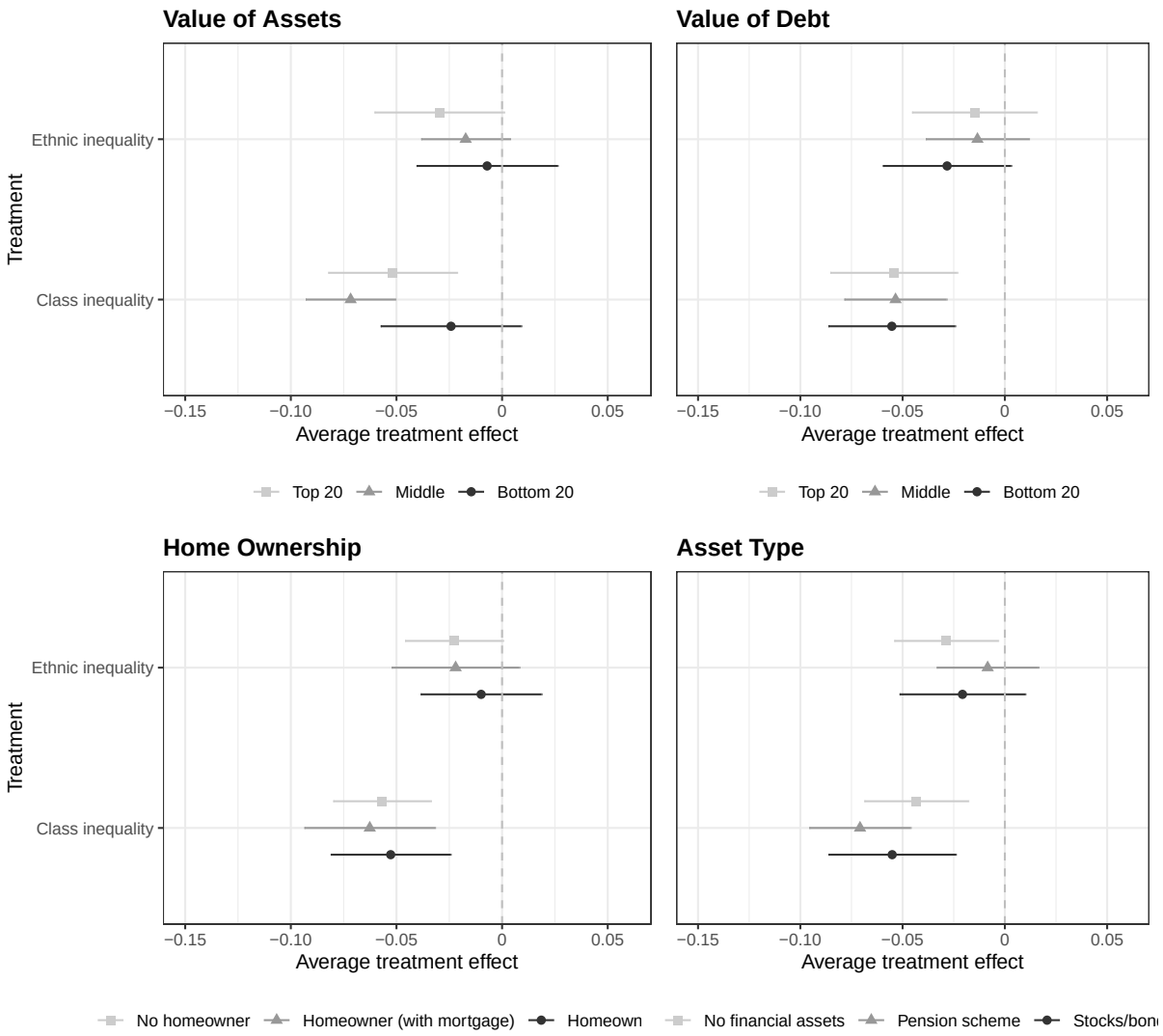

Figure A.8: Heterogeneous treatment effects in the information treatment experiment by value of assets, value of debt, homeownership, and type of assets owned.

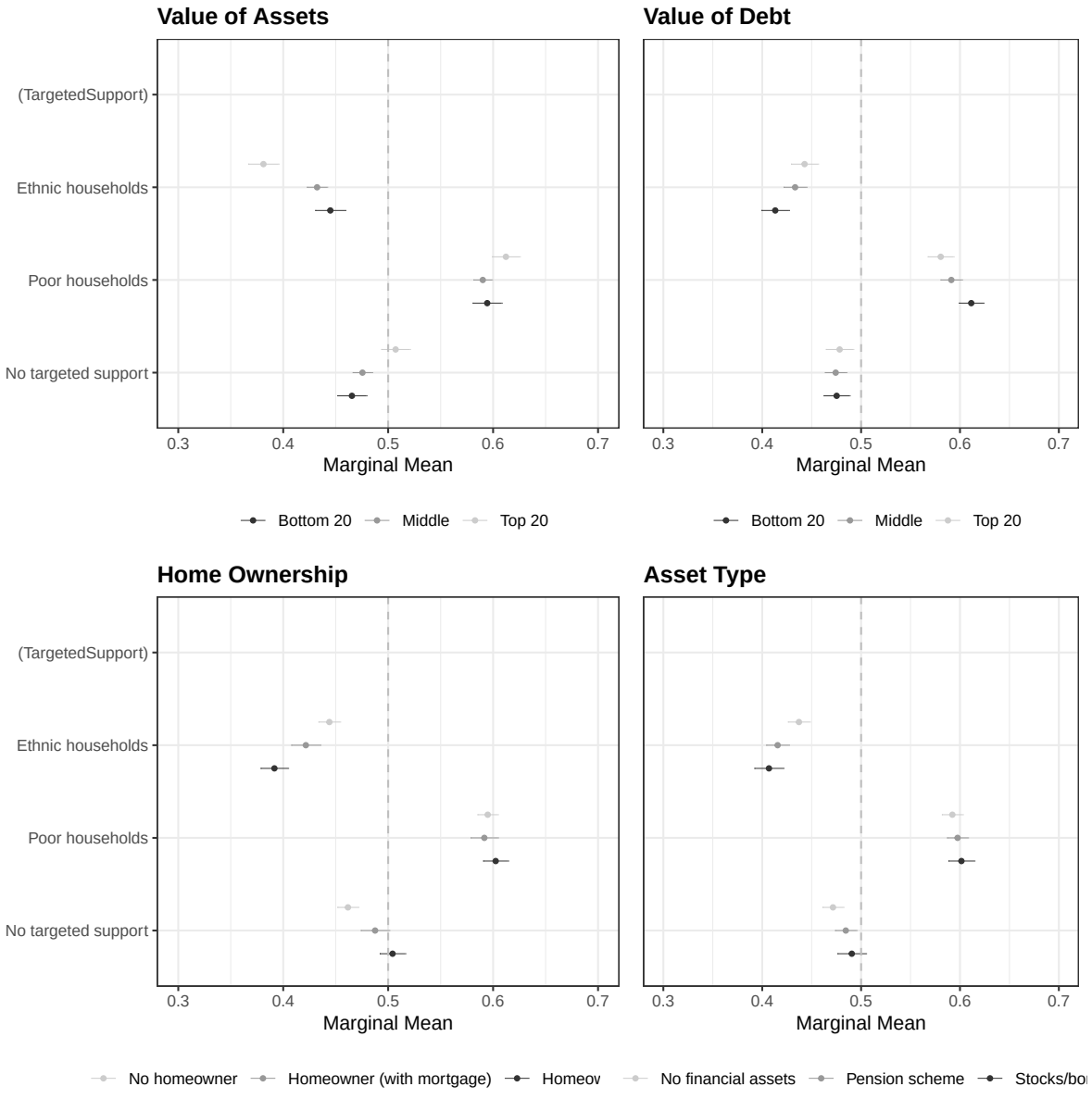

Figure A.9: Marginal means from the conjoint survey experiment by value of assets, value of debt, homeownership, and type of assets owned.

D Robustness Tests

D.1 Information treatment experiment

Table A.6: Average treatment effect on support for wealth protection policies (binary variable).

	M1	M2	M3
(Intercept)	0.616***	0.634***	0.689***
	(0.013)	(0.015)	(0.025)
Ethnic inequality treatment	−0.045*	−0.045*	−0.047*
	(0.018)	(0.018)	(0.018)
Class inequality treatment	−0.127***	−0.127***	−0.126***
	(0.018)	(0.018)	(0.018)
UK (ref. = Australia)		−0.037*	−0.059***
		(0.015)	(0.015)
Age			0.000
			(0.000)
Male (ref. = female)			0.072***
			(0.015)
Ethnic minority (ref. = majority)			0.036
			(0.036)
Low education (ref. = high)			−0.051*
			(0.022)
Medium education			−0.076***
			(0.017)
Low income (ref. = high)			−0.053*
			(0.022)
Medium income			−0.023
			(0.022)
Num.Obs.	4519	4519	4300
R2	0.011	0.013	0.027
R2 Adj.	0.011	0.012	0.024

+ p < 0.1, * p < 0.05, ** p < 0.01, *** p < 0.001

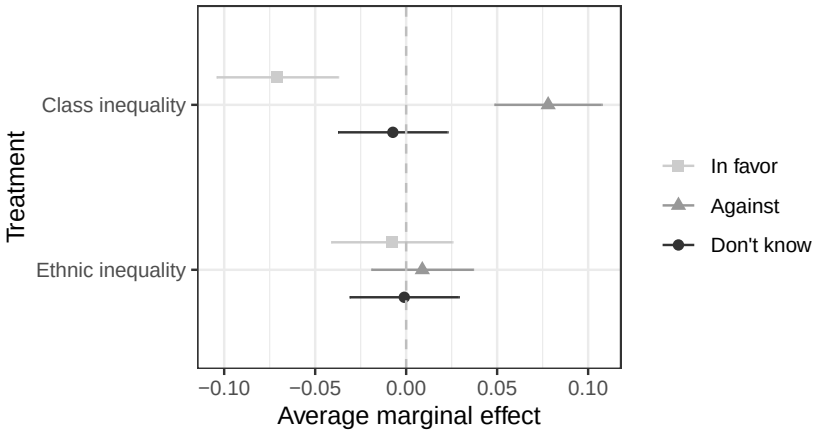

Figure A.10: Average treatment effects on choice variable estimated using multinomial logit regressions.
Note: The figure shows the results of a multinomial regression model, using the "choice" variable as the dependent variable. Controls for country fixed effects and covariates included.

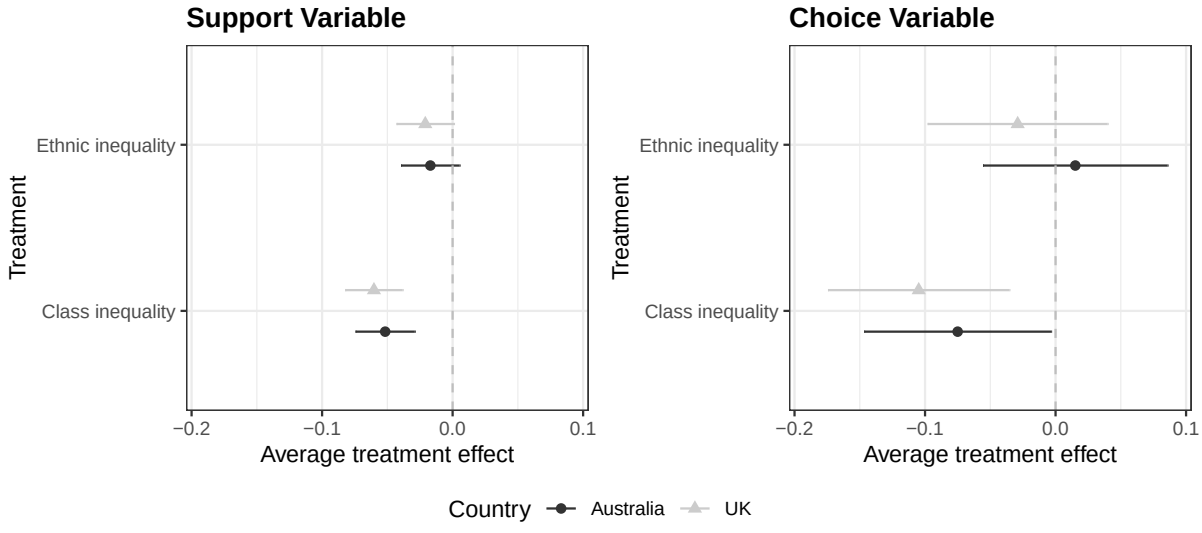

Figure A.11: HTEs by country in the information treatment experiment
Note: The left panel shows the HTEs for the linear "support" variable as the dependent variable (recoded to range from 0-1); the right panel shows HTEs for the categorical "choice" variable. Controls for country fixed effects and covariates included.

D.2 Conjoint experiment

D.2.1 Using the rating variable for the conjoint experiment

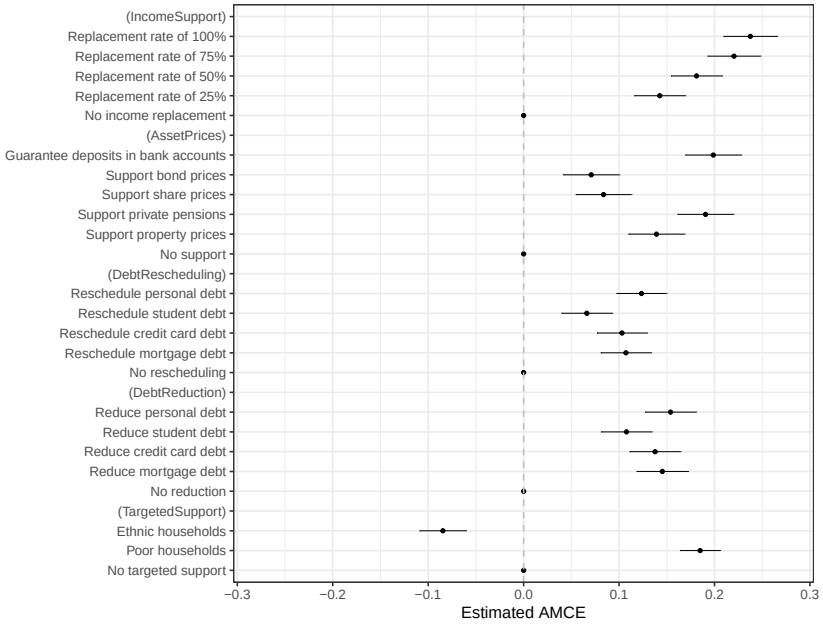

Figure A.12: AMCEs from conjoint survey experiment with rating variable, pooled.

D.2.2 Results of the conjoint experiment by country

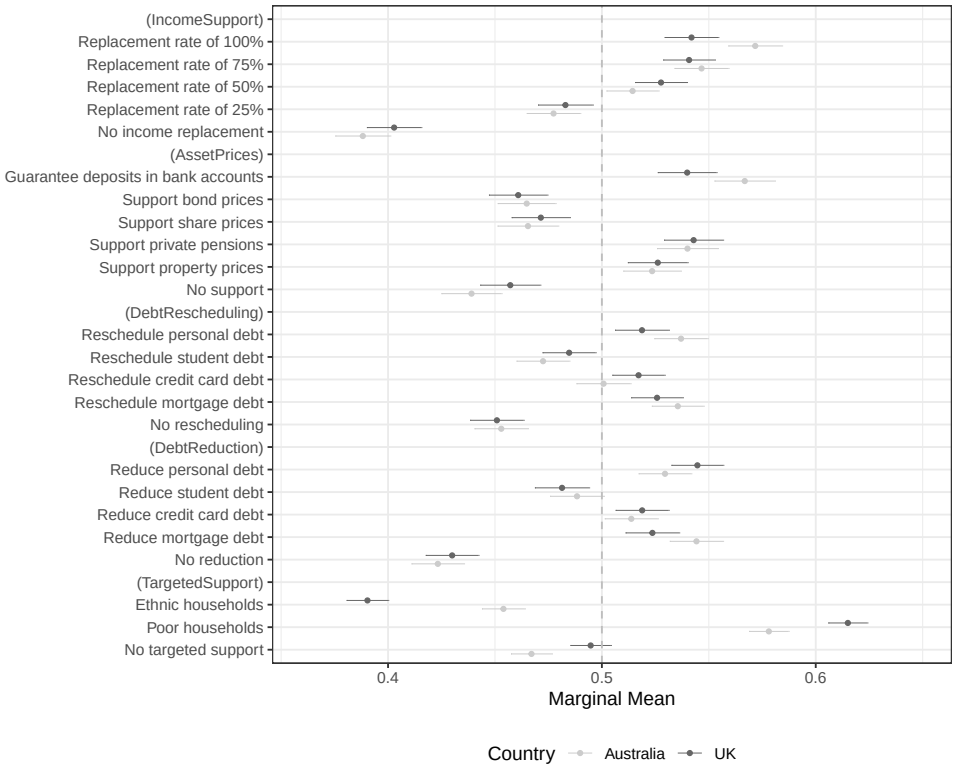

Figure A.13: Marginal means by country from the conjoint experiment.

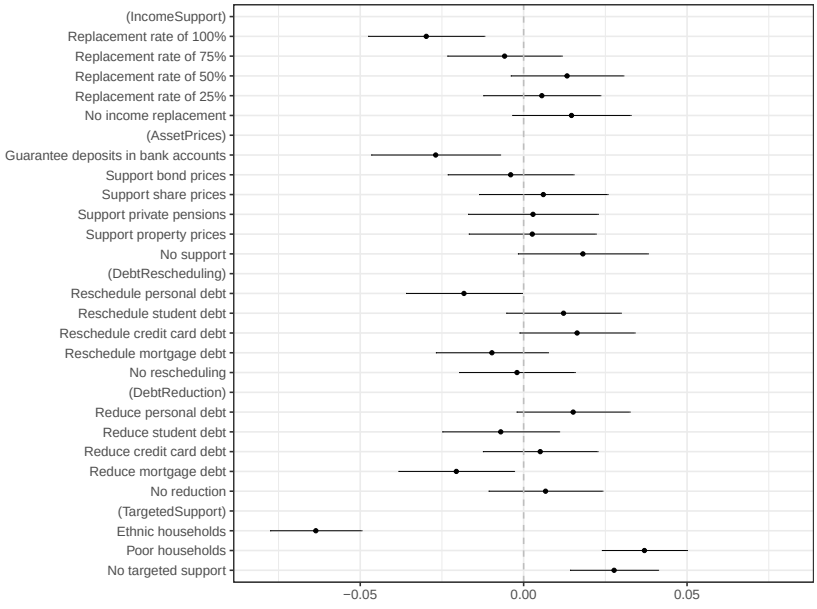

Figure A.14: Estimated differences in marginal means by country.
Note: The figure shows the difference in the marginal means shown in A.13.

D.2.3 Priming respondents about inequality

Prior to the conjoint experiment, we had randomly split respondents into three groups: a control group that received no additional information, and two treatment groups that

received an "ethnic wealth prime" and a "class wealth prime", respectively. The class wealth prime briefly explained the nature and composition of wealth in each country for households in the bottom 10 percent of the wealth distribution, while the ethnic wealth explained the nature and composition of household wealth for people of Indigenous origin in the Australia survey and Black ethnic groups in the UK survey.

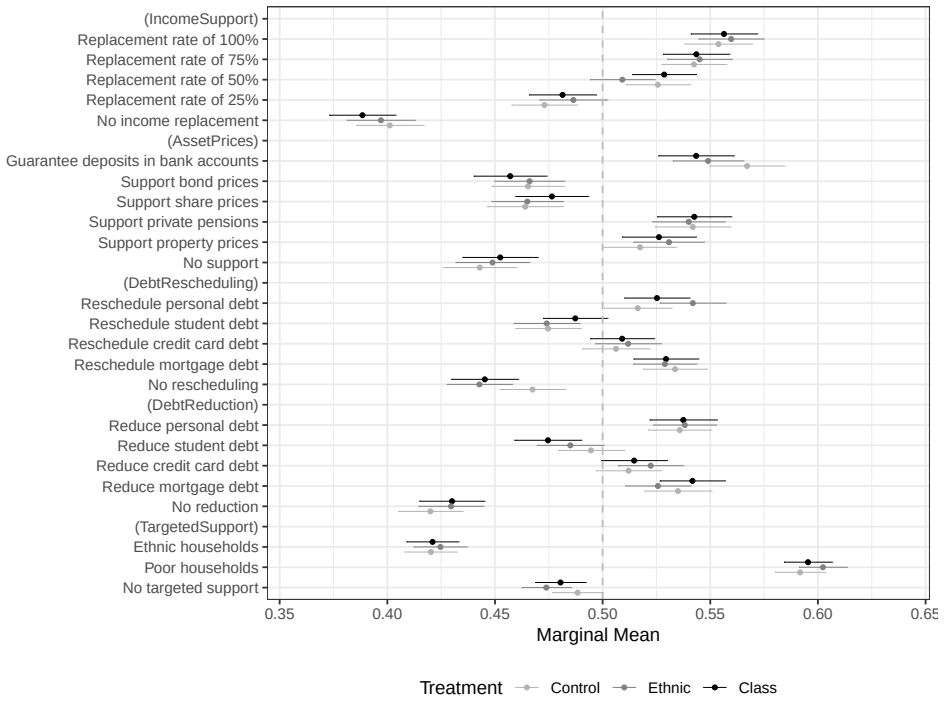

Figure A.15: Estimated marginal means from conjoint survey experiment by treatment.
Note: The marginal means measure how favorable respondents are to a given feature of the support package.

In both cases, our treatments primed respondents to think about the position of minority groups by summarizing the composition of their wealth and the level of their net wealth (assets − liabilities). Again, we relied on true information derived from data from national statistical agencies and authoritative surveys in both countries. Our results show that the primes do not influence respondents' views on targeted support for the different groups. This could suggest that at least some respondents' views about the relative desirability of class-based and ethnicity-based arguments for wealth redistribution are ingrained and relatively resistant to information provision, as other researchers find in the US context (Alesina, Ferroni, and Stantcheva 2021).

D.2.4 Additional robustness tests for the conjoint experiment

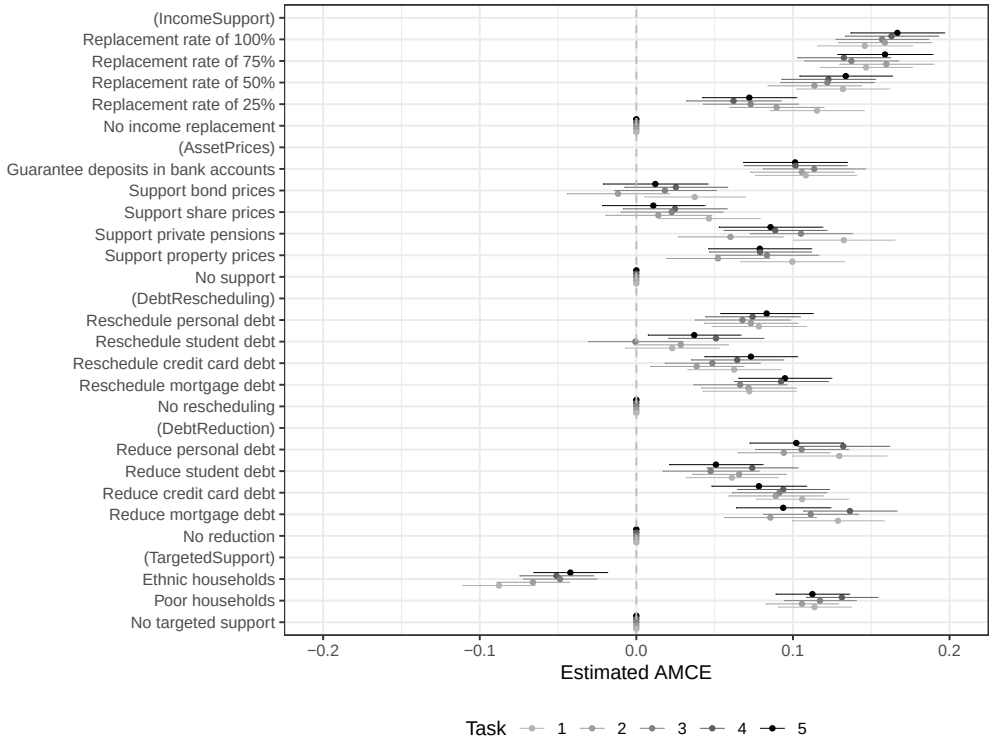

Figure A.16: AMCEs from conjoint survey experiment by conjoint task.

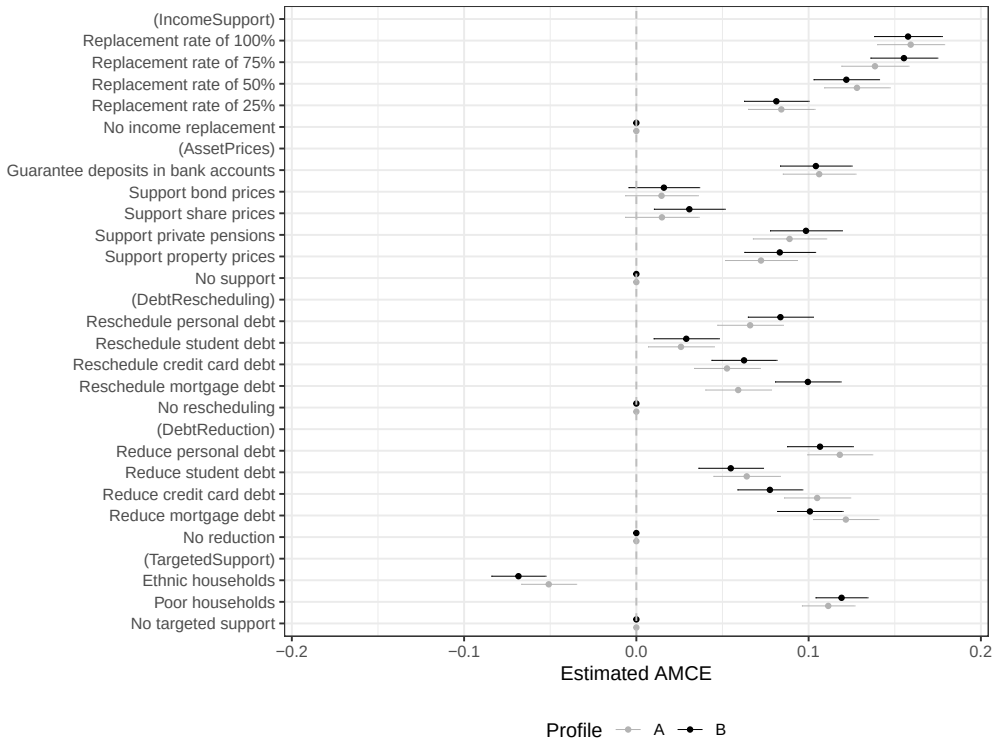

Figure A.17: AMCEs from conjoint survey experiment by profile order.

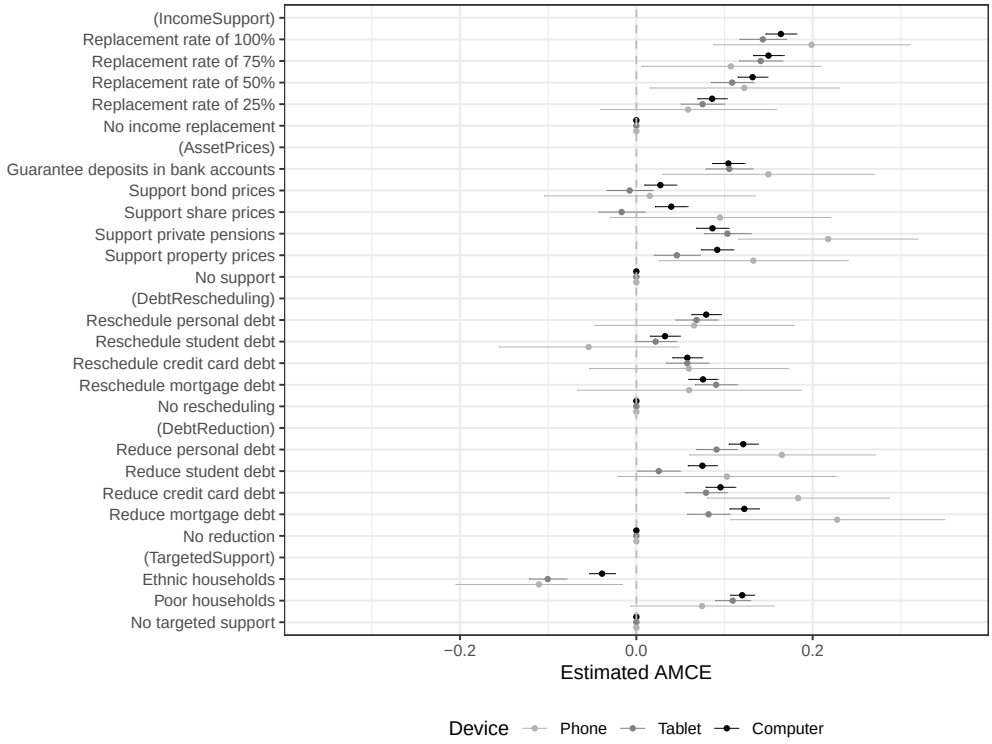

Figure A.18: AMCEs from conjoint survey experiment by device used by survey respondent.

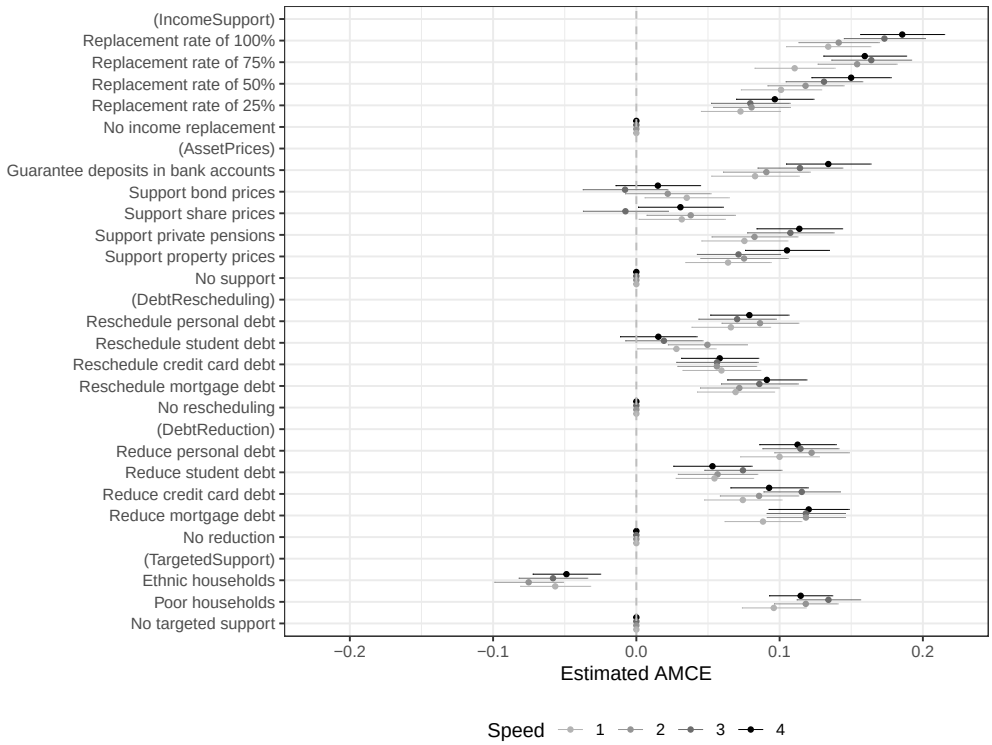

Figure A.19: AMCEs from conjoint survey experiment by speed of survey respondent.