

Abstract

What explains individual support for redistribution among regions within a country and individual support for different federation arrangements? Recent advances in the literature on fiscal federalism have neglected explanations of such preferences. We conduct an empirical examination of the sources of such preferences. We hypothesize that such preferences are greatly affected by individual-level information about the relative wealth of a citizen's region, and that individuals can vary greatly in how misinformed they are about this relative wealth. We test this hypothesis with an experiment embedded in nationally representative survey in Spain. We find that (a) citizens are not necessarily well informed about their own region's relative wealth, though they are more well informed in richer & poorer regions; (b) this perception of relative wealth (regardless of accuracy) affects preferences for regional redistribution; (c) learning about one's region's relative position affects preferences for regional distribution in expected directions for much of Spain; (d) learning about one's regional position in Catalonia specifically also affects preferences, but in unexpected ways: the information increases the preference for regional redistribution, as well as opposition to centralization. Overall, the findings have implications for large debates in comparative politics about the durability of federalist institutions; the role of second-dimensional "identity" politics in such institutions, and the conditional impact of citizen information on preferences for redistribution.

Policy Implications

The findings have implications for large debates in comparative politics about the durability of federalist institutions; the role of second-dimensional "identity" politics in such institutions, and the conditional impact of inequality on preferences for redistribution.