

# **Welfare for natives only or no welfare at all?**

*Immigrant unemployment, workplace encounters, and majority attitudes toward social spending in Sweden*

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## **Abstract**

Populist radical right-wing parties across Europe garner support for welfare chauvinistic promises to restrict welfare access to native majorities. Past research suggests that majority endorsement of welfare chauvinism should gain when immigrants are not sufficiently economically integrated, that is, if they are overrepresented among those likely to receive welfare. However, most research on the immigration-welfare nexus does not study welfare chauvinism but instead focuses on generalized support for the welfare state. It also does not sufficiently consider whether immigrants' economic integration might matter in addition to their non-integration in shaping majority attitudes. Using register-linked Swedish survey data, we address both limitations. We find that the frequently cited support-hampering association between immigrants' economic situation and majority welfare preferences is limited in two ways: first, to native Swedes who experience immigrants' non-integration in both their municipality and in their more socially relevant neighborhood contexts; and second, to welfare chauvinism as an outcome. Moreover, the fact that European immigrants compete for jobs of particular interest to the majority, while non-Western immigrants are overrepresented among the unemployed, seems to jointly increase natives' probability of opposing social spending. Finally, negative prejudice provides a second route into chauvinism, net of immigrants' economic integration or lack thereof.

## 1. Introduction

Much research has addressed the hypothesis that national majorities may be less inclined to support social expenditures that are perceived to benefit groups which “they do not recognize as their own” and to whom they hence do not feel obliged by solidarity (Banting, 2000: 16). Since non-Western immigrants in particular are among the most visible out-groups across affluent European democracies, this relationship is likely reflected in decreased support for spending perceived to aid such immigrants. This should especially be the case when expenses are seen as drawing on investments in the welfare of native majority citizens. The kind of exclusionary sentiments we describe are often called *welfare chauvinism* (cf. Andersen and Bjørklund 1990; Mewes and Mau, 2012; van der Waal et al., 2010). Past research suggests that welfare chauvinism should be most pronounced when immigrants are not sufficiently economically integrated, that is, if they are overrepresented among the poor and thus among those likely to receive welfare (Burgoon, 2014; Finseraas, 2012; Luttmer, 2001; Stichnoth, 2012). However, what is much less studied is the theoretical possibility that competition for jobs and wages, that is, immigrants’ economic integration, might equally incentivize natives to oppose spending on immigrants (cf. Burgoon et al., 2012).

Even though there is a large and growing body of research dedicated to the immigration-welfare nexus, very few studies have addressed the issue of welfare chauvinism, focusing on generalized support for the welfare state instead. This implies a problematic disconnect between measurement and theory and also does not account for the actual political debate around immigration and welfare. After all, the vast majority of populist radical right-wing parties across Europe do not (or no longer) garner support based on promises to dismantle the welfare state per se, but rather to restrict its provisions to native recipients (Rydgren, 2007; Eger and Valdez, 2015).

To address this issue, we formulate a new outcome measure that contrasts four mutually exclusive types of individual welfare attitudes – welfare chauvinism, generalized opposition, generalized support, and immigrant solidarity. Focusing on Sweden, we study the relevance of immigrant unemployment (economic non-integration) in municipality and neighborhood contexts as well as the proportion of European and non-Western immigrants at workplaces (economic integration) for our outcome categories. Using register-linked Swedish survey data, we find that the often-cited support-hampering association between the presence of immigrants and welfare attitudes is limited in two important ways: first, to individuals who experience immigrant unemployment in both their municipality and in their more immediately socially relevant neighborhood context; and second, to welfare chauvinism as an outcome, not to welfare opposition more broadly. The only exception in this regard is the finding that immigrant unemployment and competition with similarly qualified EU27 immigrants at the workplace are not jointly associated with an increased likelihood of expressing welfare chauvinism, but rather with generalized opposition to social spending. Finally, negative

prejudice provides a second route into chauvinism, as it operates as a significant predictor net of immigrants' economic integration or lack thereof.

The paper is structured as follows: We first introduce theories and past research linking the immigration-induced presence of large, often socioeconomically disadvantaged non-native populations to attitudes toward the welfare state among Western majority publics. Section three provides background information on Sweden. The sections thereafter present the data and analytical strategy, before we summarize and discuss our empirical findings.

## **2. Immigration and Solidarity within the Welfare State**

The so-called *anti-solidarity hypothesis* was the first to gain prominence in the debate on how the presence of large immigrant populations might influence the stance of majorities toward redistribution. Conceived in the era of democratic nation building, Western welfare states established citizenship as their primary criterion of belonging, distinguishing between those who deserve support and empathy and those who are considered 'strangers' and expected to fend for themselves (Marshall, 2009 [1950]). Some early European nation states, such as Belgium, comprised ethnically and religiously heterogeneous populations and were nevertheless able to establish welfare communities based on territoriality (Pontusson 2006). Yet today, ethno-cultural markers of belonging to a visible majority appear to matter greatly for the attribution of deservingness (Clarke and Fink, 2008; van Oorschot, 2006). In other words, in the modern-day era of large-scale immigration from diverse countries of origin, naturalization into the political national community by right and title does not automatically imply inclusion in terms of majority solidarity. Based on this insight, the anti-solidarity hypothesis predicts that immigrants, as 'outsiders', cannot be made part of the welfare community without arousing the opposition of the national majority (Freeman, 1986; Kitschelt and McGann, 1995).

Existing studies vary in the extent to which they regard anti-solidarity as motivated by group- or self-interest and do not provide empirical tests capable of untangling the two pathways. We briefly describe both theoretical pathways in turn, before section 4 explains how we restrict our sample to investigate them statistically.

### *2.1 In-Group Favoritism and Group Interest*

A long line of research in social psychology reveals the importance of in-group favoritism, i.e., a tendency to favor and show greater concern for the wellbeing of one's own group when allocating resources (Brewer, 1979; Tajfel, 1970, 1982). Both people's willingness to share and their propensity to reciprocate when shared with are stronger when the social distance among individuals is small (Bowles and Gintis, 2000). More specifically, "economic inequality – particularly when overlaid with racial, ethnic, language, and other differences – increases the social distance that undermines the

motivational basis for reaching out to those in need” (ibid., 45). This is problematic, given that non-Western immigrants in particular are both among the most visible out-groups as compared to dominant native majorities and among the most vulnerable social groups across Europe, whose use of welfare provisions is widely considered to exceed their tax-based contribution to the social system (Burgoon, 2014: 368).

If in-group favoritism explains low out-group solidarity, frequently observed negative associations between the size or composition of immigrant populations and majorities’ support for redistribution should be driven by a lack of economic integration among immigrants, e.g., by the degree to which they are over-represented among the unemployed recipients of government assistance. Moreover, unwillingness to share with the out-group should be independent of in-group members’ personal self-interest in the resources in question, as in-group favoritism has been shown to be rooted in concerns for the group rather than the self (cf. Turner et al., 1979). Experimental evidence even suggests that individuals are considerably more competitive over or protective of given resources when they perceive themselves as members of groups rather than as single, non-attached actors (Tajfel 1982: 15). In the setting of our study, group awareness can indeed be assumed, since majority citizens are asked about their preferences for social spending on other natives as opposed to immigrants, which represent a highly politicized out-group in Sweden (see section 3).

But do people have to experience the reality of immigrants’ lack of economic integration or does mere prejudice suffice to transform the non-experienced presence of immigrant out-groups into welfare chauvinism?

In Sweden, municipalities are responsible for the provision of many public goods, among them schooling and care for children and the elderly. They are the administrative level at which political debates are held and decisions about the allocation of government resources are made. This is also why media reports on matters of social policy and immigrants’ economic integration tend to refer to the local municipality level. In this sense, municipalities are potentially relevant for majority views on immigrants and on the welfare state. However, residential neighborhoods, as truly experienced environments, may act as important intermediary spheres of influence in this regard. Because they are small enough to be known by their inhabitants, neighborhood characteristics likely serve as bases for the formation of attitudes and extrapolation to the general (see, e.g., Hamilton and Trolier [1986] and Rydgren [2004] on generalizing and stereotyping as cognitive coping mechanisms). For instance, if the number of unemployed immigrants is high where a given respondent lives, said respondent may be more likely to assume that immigrants tend to be unemployed throughout the municipality, county, etc., than someone who does not observe immigrant unemployment on a daily basis. The experienced reality of immigrant unemployment in the neighborhood context would thus serve to confirm political debates and media reports that make such statements with reference to politically relevant levels of aggregation, like municipalities. If this is the case, we should expect that experience of immigrant

unemployment in the neighborhood context mediates the positive association between the proportion of unemployed immigrants in the municipality and native-born Swedes' likelihood of being welfare chauvinistic rather than generally supportive of welfare (*Hypothesis 1*). Alternatively, it might also be the case that the generally positive association between the municipality's share of immigrant unemployment and native Swedes' propensity to display welfare chauvinism is especially pronounced in respondents who live in neighborhoods where the proportion of unemployed immigrants is higher, suggesting that the neighborhood variable serves as a moderator, inducing heterogeneity into the association of main interest (*Hypothesis 2*).

Though many studies have investigated the relationship between majority welfare support and measures of immigrant out-group sizes or ethnic diversity (see Stichnoth and Van der Straeten [2013] for a detailed review), very few have been able to test the anti-solidarity hypothesis by considering the interplay between immigration and immigrants' economic integration. Moreover, disregarding the fact that the anti-solidarity proposition does not necessarily predict a decline in support for the welfare state per se, but rather in support for welfare benefits to out-groups, existing studies have overwhelmingly examined generalized support for welfare rather than welfare chauvinism.

A notable exception in regard to our first criticism is a recent study by Burgoon (2014). Looking at a sample of 22 European societies, Burgoon concluded that the negative relationship between the country-level percentage of foreign-born residents and majority support for welfare is conditional upon the extent to which immigrants are represented among the unemployed and the recipients of social benefits. Breaking the level analysis further down to 96 European regions within 14 countries, Finseraas (2012) also found that support for redistribution among wealthy citizens in particular is lower when the proportion of ethnic minorities among the poor is high. Studying Germany as a single case, Stichnoth (2012) found a weakly negative association between native-born Germans' support for unemployment assistance and the share of immigrants among the unemployed at the county level. Mirroring Stichnoth's study, Luttmer (2001) showed that white Americans' support for redistribution also declines as the percentage of black welfare recipients residing in their neighborhood rises. Interestingly, black Americans are less likely to support social assistance if they live in communities with larger percentages of white recipients as well, but both black and white Americans' attitudes are not related to the local share of welfare beneficiaries belonging to their own ethnic group.

While Hypotheses 1 and 2 imply that immigrants' economic non-integration must be experienced to matter for majority welfare preferences, evidence from past research also suggests that prejudice against immigrants might be enough to raise welfare chauvinism. Blumer famously noted that dominant majorities derive their abstract, generalizing images of ethnic out-groups "in the area of the remote and not the near," arguing that immediate experience does little to alter notions manifested in the "public arena" (1954: 6). Yet the literature investigating the interplay of ethnic or racial

prejudice and majority attitudes toward welfare remains relatively sparse. To our knowledge, none of the existing studies test explicitly whether prejudice matters for welfare attitudes net of experienced immigrant poverty, as Blumer's statement implies. Analyzing US data, Gilens (1995, 2000) concluded that stereotypes about blacks' alleged laziness and unwillingness to work constitute the most important predictor of whites' opposition to welfare. Similarly, Ford (2006) showed that Britons who admit to being prejudiced against people of other races are significantly less likely to support redistribution. Focusing on exclusionary attitudes in particular, rather than support for welfare in general, Gorodzeisky (2013) found that the willingness of Israeli majority respondents to keep non-Jewish workers from accessing basic social rights is dependent on their prejudice against the immigrant population. Finally, analyzing the joint relevance of prejudice and the presence of non-natives for majority welfare preferences, Senik et al. (2008) confirmed that a negative association between the perceived national share of immigrants and support for the welfare state is found only in those respondents who dislike immigrants.

Combined with Semyonov et al.'s (2006) insight that Europeans across societies and time (1988-2000) were significantly more likely to think that immigrants exploit the welfare state if they harbor anti-immigrant sentiment, past research seems to suggest that negative prejudice against immigrants may inhibit natives' willingness to share welfare resources. Based on these insights, we test whether a potentially positive association between the proportion of unemployed immigrants in the municipality and native Swedes' likelihood of being welfare chauvinistic rather than generally supportive of welfare merely masks respondents' prejudice against the foreign-born (*Hypothesis 3*). Conversely, whether prejudice comes to matter for the probability of wanting to exclude immigrants from welfare may also depend on the extent to which individuals observe immigrant unemployment as an issue within their municipality (*Hypothesis 4*).

## *2.2 Compensation and Self-Interest*

Of course, municipalities and neighborhoods are not the only social spheres likely to influence welfare preferences and attitudes toward immigrants more broadly. Most adults spend nearly as much of their time at workplaces as they do at home. One set of hypotheses has already stated that observing immigrant unemployment in the neighborhood context is likely to trigger in-group favoritism and the exclusivist pursuit of in-group welfare, even among those who are themselves working and hence unlikely to compete for the same kinds of resources as poor or unemployed immigrants and natives. Foreign colleagues may, however, represent competition for tangible economic resources such as wages, even for more or less immediately disadvantaged groups. Immigrants with qualification levels similar to or exceeding those of the majority population are particularly relevant competitors. The so-called *compensation hypothesis* thus predicts that the increased presence of qualified immigrants may lead natives to fear wage depression and job loss, which may ultimately

cause them to increase rather than decrease their demand for a strong welfare state (Finseraas, 2008), or, by the same logic, for the exclusion of immigrants.<sup>1</sup> While neighborhood encounters may thus trigger a group-interest-based desire for the exclusion of immigrants even among comparatively well-off natives, workplace encounters may instead incentivize chauvinism based on self-interest.

Again, political campaigns and media reports inform people of the presence of immigrants at administratively meaningful levels of aggregation, such as municipalities, also referring to their role as jobseekers therein and potentially raising concern among native workers. If this is so, the extent to which the proportion of immigrants registered in a given municipality may translate into individual welfare chauvinism may depend on the extent to which natives actually experience the presence of immigrants, this time at their workplaces. To investigate this empirically, we test whether the positive relationship between the proportion of unemployed immigrants in the municipality and native Swedes' likelihood of being welfare chauvinistic rather than generally supportive of welfare is either mediated by (*Hypothesis 5*) or varies across levels of exposure to foreign-born co-workers at the workplace, with higher workplace exposure strengthening the municipality-level association (*Hypothesis 6*). To address the issue of competitive qualifications, we distinguish between coworkers from EU 27 and non-Western countries of origin.

To our knowledge, no prior study has investigated job competition at the level of workplaces as a source of low solidarity with immigrants as opposed to natives. However, investigating majority demands for compensation, expressed as support for welfare in general, a few recent papers have nevertheless provided evidence for the compensation argument. Brady and Finnigan (2014) have shown that residents of 17 wealthy democracies are significantly more likely to demand higher social spending on health, pensions, and unemployment as their home countries' net migration increases. In addition, they also find that immigration flows are negatively associated with support for government intervention that is explicitly universal in character, thus precluding the exclusion of immigrants. This suggests that immigration "heightens perceptions of competition, instability, and insecurity," increasing both support for government compensation and welfare chauvinism (Brady and Finnigan, 2014: 35). While Brady and Finnigan's study does not allow us to infer where and how this sense of competition and insecurity might be experienced, Burgoon et al. (2012) showed that natives across European societies who face higher levels of foreign-born competition in their employment sectors

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<sup>1</sup> Another potentially counteracting mechanism may also be at play: If we follow the logic of our previous argument on how individuals generalize from their particular experience, then people working with a higher number of immigrants could be assumed to take their workplace encounters to imply that the unemployment rate among immigrants is relatively low (at least in comparison to the assessment made by those working in less heterogeneous workplaces). For instance, if native-born workers meet a lot of employed immigrants, they may generalize to the population of immigrants and assume that their presence implies lower costs to the welfare state than widely suggested, making these natives indeed less likely to display welfare chauvinism. While this is neither in line with our empirical findings nor with prior research, this alternative theoretical pathway should be borne in mind.

are significantly more likely to display pro-redistribution attitudes. They also interpret their finding to signify that native majorities' fear of losing jobs and wages due to foreign competition spurs their demand for redistributive government intervention (cf. Finseraas, 2008).

### **3. Sweden as a Test Case**

In the 1950s and 1960s, government-mandated labor migration schemes caused a first wave of large-scale migration to Sweden, introducing a previously unknown component of diversity to the Swedish welfare community. Even after the labor migration policy was discontinued in the 1970s, family reunions, work-related immigration, and refugee inflows from countries plagued by humanitarian crises continued to increase Sweden's foreign-born population. Looking at Figure 2, we see that between 1990 and 2012 alone, the number of non-natives granted residency has more than doubled, from about 35,000 to 85,000 persons per year, also doubling Sweden's foreign-born population share from 6.7 to 14.3 percent. The vast majority of foreign-born residents settled in Sweden for work purposes. However, given the ongoing refugee crisis and the observable, widely discussed and reported differences of many asylum seeker groups (e.g., in terms of religion and language), it is likely that majority attitudes toward immigrants' inclusion in the welfare state are currently driven by citizens' stance on refugees. Public opinion thus likely does not account for the fact that Sweden's total foreign-born population is actually marked by a rather unique degree of diversity in national origins and social prospects, with the five largest groups hailing from Finland, Iraq, Poland, the former Yugoslavia, and Iran (Statistiska centralbyrån, 2014).

[Figure 1 about here]

Aside from hosting the fourth highest number of foreign-born nationals per capita in Europe (exceeded only by Luxemburg, Malta, and Cyprus; Eurostat, 2015), Sweden also remains the second biggest welfare spender in the world, investing about 33 percent of its annual GDP in social expenditures (OECD, 2014). However, as in many other countries, poverty and immigrant status are closely associated. In 2007, 28 percent of all immigrants born outside and 17 percent of those born inside the EU faced poverty in Sweden, while merely 11.5 percent of all native-born Swedes had similarly low income levels (Fritzell et al., 2012). This is also reflected in the over-representation of immigrants among the recipients of means-tested social assistance, where the immigrant-native ratio was 12 to 2 percent in 2008 (Gustafsson, 2011).

Motivated by these realities, Eger (2010) studied the relationship between the size of the immigrant populations across Swedish counties and individual attitudes toward social spending. Controlling for a range of measures of economic self-interest at the individual level as well as a number of county-level indicators unrelated to migration, Eger found that “the proximity of an



[ethnic] out-group negatively affects attitudes about the allocation of resources” (2010, 211). Her conclusion was supported by Dahlberg et al. (2012), who claimed to establish a causal link between ethnic heterogeneity and lowered majority support for redistribution. They did so by exploiting exogenous variation in non-Western immigrant shares resulting from a Sweden-wide policy operating between 1985 and 1994 that aimed at distributing newly arriving refugees evenly across the country’s municipalities (but see Nekby and Pettersson-Lidbom, 2012).

The use of government assistance by immigrants and, in particular, asylum seekers is contentiously debated in Swedish politics and media discourses. Yet Eger (2010) and Dahlberg et al.’s (2012) focus on support for social spending in general does not adequately reflect the ideological thrust of these debates. For instance, rather than demanding the dismantling of the welfare state as a whole, the radical right-wing anti-immigration party Sweden Democrats (SD) garners support around a clearly welfare chauvinistic demand of welfare ‘for natives only’ (Mulinari and Neergaard, 2014). Succeeding on their welfare chauvinistic agenda, SD entered the national parliament for the first time in 2010, then securing 5.7 percent of the votes and further increasing their vote share to 12.9 percent in the 2014 general election.

The electoral success of the SD suggests that chauvinism and anti-immigrant sentiment are becoming increasingly manifest in some parts of the Swedish population (Rydgren and Ruth, 2011). At the same time, average attitudes toward immigration have become more positive over the past twenty years, far more accepting than the European average (Demker 2014). But how are we to explain the co-existence of such widespread openness and fierce opposition to immigration in general and immigrants’ dependence on welfare in particular?

One potential answer, the focus of this paper, lies in the fact that individuals in Sweden receive their attitudinally relevant cues about immigration and its relation to issues of state-funded welfare from very different sources. As we discussed earlier, political debates and media reports focus on larger, administratively relevant units of aggregation, such as municipalities. While Swedish municipalities vary greatly in the size and composition of their foreign-born populations, the way in which they are experienced by the individual likely depends on where they spend their everyday lives within these greater geographic areas.

Ethnic residential enclaves are very uncommon in Sweden and most immigrant-dense neighborhoods are heterogeneous with regard to national origins. Figure 3 shows that even though native-born Swedes and foreign-born residents are exposed to very different degrees of housing segregation, many of the native-born are actually highly exposed to at least some immigrants within their neighborhoods.

[Figure 2 about here]

In contrast to the neighborhoods, immigrants tend to be segregated from natives in workplaces. Åslund and Skans (2010) have reported that “even when accounting for age, gender, education, region, and industry, the average immigrant has 40 percent more immigrants in his or her workplace” than expected from a completely random distribution, while “natives are on average underexposed” to immigrant colleagues in Sweden (2010: 489). Foreign-born groups with low employment rates are most segregated from natives (*ibid.*).

Non-Western immigrants in particular face harsher economic conditions than native-born citizens in the Swedish labor market. Even seven years after immigration, non-Western immigrants’ levels of employment are well below that of native Swedes or Western immigrants (Nekby, 2002). They face substantially higher unemployment risks (Arai and Vilhelmsson, 2004), earn lower wages (Grand and Szulkin, 2002), and tend to be segregated into lower-ranked jobs (Åslund and Skans, 2010) than natives. There is also some evidence of direct discrimination in the hiring process (Bursell, 2007; Carlsson and Rooth, 2007). Consequently, the Swedish workers most likely to experience contact with non-Western immigrants in particular are those who are also employed in lower-status, lower-income jobs, whose often precarious working conditions arguably render them concerned about government compensation for potential job loss. To address this relationship, we control for occupation types and investigate the relationship between welfare attitudes and the proportion of non-Western co-workers separate from the proportion of non-Nordic, European colleagues.

#### **4. Data and Method**

We use data from the Swedish *Social Networks and Xenophobia Survey*. Telephone interviews were conducted with a random sample of the Swedish population between November 2013 and February 2014. Additional respondent information was retrieved from administrative registers. Since this study aims at investigating the Swedish majority public’s attitudes, foreign-born residents with non-Swedish parents as well as respondents with two foreign-born parents (second-generation immigrants) were excluded from the analyses. The final sample comprises 1,085 native-born Swedes who were employed at the time of the survey. Limiting the sample to those currently employed allows us to test all of our hypotheses on the same sample, allowing for some comparability across models. Focusing on the employed excludes those who might oppose spending on immigrants, because they compete for government aid that they themselves might be receiving (means-tested social assistance in particular). It also excludes those who are on old-age or disability pensions, which gives them a strong and immediate self-interest in safeguarding such provisions. By limiting the kind of immigrant-majority competition relevant to our respondents to the sphere of employment, we can test the *self-interest*-based compensation hypothesis by looking at workplace compositions and the meaning of *group-interest* and in-group favoritism (that should be independent of competition) by studying the interplay of municipality and neighborhood characteristics.

The dependent variable is constructed from four mutually exclusive answer combinations on two survey questions (Figure 3). In weighing spending on immigrants against spending on the old and the sick, who are likely thought of as native (van Oorschot, 2006), the measure attempts to capture the imagined zero-sum trade-off between welfare for immigrants and welfare for natives that characterizes welfare chauvinism (cf. Brady and Finnigan, 2014: 36). Those stating that the government spends too little on the sick but too much on immigrants are classified as ‘welfare chauvinists’. A non-trivial 28% of all respondents included in our sample belong to this category. Respondents who indicate that the government spends too much or too little on both immigrants and the old or sick are considered to be in ‘generalized opposition’ or, conversely, in ‘generalized support’ with respect to social spending. Perhaps not surprisingly, the majority (62%) of our Swedish sample falls into the generalized support category. Lastly, a group of those who feel that the government does not spend too little on the elderly and also should not spend less on immigrants is classified as showing ‘immigrant solidarity’. The outcome distributions already suggest that the main fault line in Sweden’s debate on welfare is the question of whether immigrants should be included or not, with very few people being opposed to government social spending more broadly (3%).

[Figure 3 about here]

Our predictors of main interest are variables describing respondents’ municipalities and neighborhoods of residence, workplaces, as well as a scale constructed to capture prejudice against immigrants (see Appendix 1 for a descriptive overview).

There are 290 municipalities in Sweden. Population sizes vary a lot, with a median size of 11,000 individuals and the 75th percentile having ca. 23,000 residents. For each municipality, we calculate the proportion of foreign-born individuals who are unemployed.

The neighborhood characteristic of primary interest is the proportion of foreign-born unemployed individuals. The correlation between the municipality and neighborhood proportions of unemployed immigrants is positive, as expected, but rather weak ( $r=0.38$ ), allowing us to include both variables in our models simultaneously. Neighborhoods are defined as so-called SAMS (Small Areas for Market Statistics) units. SAMS units are based on local government areas within the larger municipalities and electoral districts. There are 9,200 SAMS areas in Sweden, nested within the 290 municipalities. Due to their small size and the typical structure of Swedish cities and towns, in which housing areas are built around their own local shopping, GP, and community centers, SAMS units can be expected to measure experienced neighborhood settings (also see Edling and Rydgren, 2012).

For workplaces, our main predictors represent the proportion of co-workers born within the EU27 (excluding the Nordic Region) and the proportion of employees coming from outside the EU or the Nordic Region. The two measures are significantly positively correlated, but the strength of the

correlation is, again, very modest ( $r=.15$ ). This is likely due to the fact that EU and non-Western immigrants face different labor market opportunities, and thus usually do not occupy the same types of workplaces (Adsera and Chiswick, 2007).

Prejudice is measured by the standard Bogardus social distance scale, which is constructed from items asking respondents whether they would mind having an immigrant marry into their family, become their boss, be their coworker, or live next door (Bogardus, 1933). The additive index ranges from 1 to 5, with higher values indicating a greater desire for distance (Cronbach's  $\alpha = .83$ ).

Since the survey is based on a random sample of the Swedish population and the number of neighborhoods and workplaces is large, we mostly observe only one case (for very few areas, up to three cases) per context. Consequently, modeling the neighborhood and workplace associations in a multilevel framework is not possible, but the independence of observations is likely given and the traditional single-level approach thus seems appropriate. We do, however, adjust the standard errors for clustering within municipalities. We use multinomial logistic regression to model our non-ordered categorical outcome.<sup>2</sup> Results are presented as average marginal effects that show the probability of being in any category other than ‘generalized support.’

Given that our analyses are based on cross-sectional data, the observed relationships must be understood as associations rather than (causal) effects. Self-selection is another issue raised by the design of our study. Is it likely that native-born Swedes who feel more positive toward redistribution and immigrants are more likely to, e.g., move into or stay in neighborhoods with higher proportions of (unemployed) non-native residents? We cannot exclude this possibility. However, we argue that self-selection by preferences for redistribution and native/non-native composition is much less likely to be an issue in municipalities and workplaces than in areas of residence (Mutz and Mondak, 2006). For the neighborhood context, people with more negative attitudes toward immigrants and immigration can probably be expected to select out of places with large proportions of poor or unemployed immigrants. However, since these are also the people whom we would expect to be most likely to display exclusionary, welfare chauvinistic attitudes, self-selection should make our expected positive association less likely, not more. In other words, the fact that we find the neighborhood proportion of unemployed immigrants to be positively associated with the likelihood of being classified as welfare chauvinistic rather than generally supportive of welfare should be regarded as a rather conservative estimate, given the likely selection pattern.

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<sup>2</sup> As mentioned earlier, most observations may be classified as either “welfare chauvinist” or “generally supportive.” To provide sensitivity checks, we used standard logistic regression on a dichotomized version of the dependent variable, where 1 signifies agreement and 0 disagreement with (or neutrality toward) the statement that “the government spends too much to help immigrants”. Results from the binary regressions are in line with our findings for the chauvinism outcome in the multinomial analyses (see Appendices 3-5).

To account for self-selection into neighborhoods as well as for alternative explanations of welfare attitudes, we control for a number of individual demographic and socioeconomic characteristics. These variables include age, gender, civil status, the presence of children in the household, household income, educational attainment (in years), and a set of occupational indicators (e.g., unskilled, skilled, routine manual, etc.). In addition, municipality, neighborhood, and workplace characteristics that might confound the relationship between the proportion of immigrants and welfare attitudes are considered as well (see Appendix 1).

## 5. Empirical Results

We estimate ten multinomial logistic regressions predicting welfare attitudes with ‘generalized support’ as the reference category. The regression tables report average marginal effects with standard errors in parentheses.

[Table 1 about here]

Table 1 investigates the interplay between immigrant unemployment in municipalities and neighborhoods. The models presented here address the theory on anti-solidarity arising from *in-group favoritism*, suggesting that welfare chauvinism becomes more likely as the proportion of immigrant out-group members among the unemployed increases. The baseline model (M1, T1) shows that the bivariate association between the proportion of unemployed immigrants in a respondent’s municipality and said respondent’s probability of being classified as welfare chauvinistic rather than generally supportive is indeed significant and positive. However, the relationship only becomes apparent once its non-linearity<sup>3</sup> is taken into account. The chauvinism-increasing ‘effect’ appears to decline as the threshold of 24% immigrant unemployment is reached. However, confirming Hypothesis 1, the neighborhood proportion of unemployed immigrants does appear to mediate the municipality association, which becomes insignificant once the neighborhood variable is added to the model (M2, T1). The fully specified model shows that respondents living in neighborhoods with higher proportions of unemployed immigrants are significantly more likely to be chauvinistic rather than generally supportive. The same appears to hold true for the probability of generalized opposition, though this association is only marginally significant at the 10-percent level and much smaller in magnitude. It should be noted that throughout most of our analyses, we find that welfare chauvinism is indeed the outcome category that is most persistently and significantly related to our key predictors.

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<sup>3</sup> We did not find any non-linearity in the relationship between welfare attitudes and immigrant unemployment in the neighborhood or at workplaces (not shown).

Since Hypothesis 2 suggests that observing immigrant unemployment within the neighborhood setting might also serve to moderate the association between municipality-level immigrant unemployment and welfare attitudes, we interact the two predictors. We do find some effect moderation for welfare chauvinism, as long as the model does not contain any controls (M3, T1). The interaction is negative, yet only marginally significant with  $p=.09$ . Contrary to our theoretical expectations, this suggests that those who are exposed to higher levels of immigrant unemployment at both the municipality and the neighborhood levels are significantly less likely to be chauvinistic rather than fully supportive. Looking at the significant main effect of the neighborhood variable, we see that a higher presence of jobless immigrants there, coupled with no immigrant unemployment at the municipality level is associated with a particularly heightened likelihood of being chauvinistic rather than generally supportive. However, once controls are added, the interaction term no longer attains significance, leading us to reject Hypothesis 2.

[Table 2 about here]

Table 2 investigates the *compensation* mechanism. Neither working with non-Western nor European-born colleagues mediates the significantly positive relationship between the municipality proportion of unemployed immigrants and welfare chauvinism (M1, T2), which speaks against Hypothesis 5. We do, however, find that exposure to foreign coworkers does induce some heterogeneity into the association: Controlling for additional municipality and workplace characteristics, those who are exposed to higher levels of immigrant unemployment in their municipality are more likely to be chauvinistic when they also have a larger share of non-Western colleagues at their workplace. However, the interaction becomes insignificant as further controls are added to the model.

More surprising is the insight that those living in municipalities with higher proportions of unemployed immigrants and work among larger shares of Non-Nordic, European colleagues are persistently significantly more likely to be opposed to welfare in general, rather than being fully supportive (M2/M3, T2). As we reported earlier, non-Western and European foreign-born residents tend to work in very different employment sectors, with the latter group being much more likely to work in better paid, more skilled jobs alongside majority citizens. The fact that European workers largely compete for jobs of particular interest to the majority public and non-Western immigrants find themselves overrepresented among the unemployed thus appears to increase native-born respondents' probability of opposing spending on all groups addressed in our dependent variable. Yet, why this effect is not limited to spending on immigrants is unclear. We thus do not find support for Hypothesis 6 either.

[Table 3 about here]

Finally, Table 3 addresses the role of prejudice. Looking back at Model 1 in Table 1, we see that the bivariate association with the municipality measure of immigrant unemployment is significant and positive for chauvinism only. Adding the prejudice scale to the model (M1, 3) slightly weakens this positive relationship, but it is not rendered insignificant until the model includes the entire set of municipality, neighborhood, workplace, and individual characteristics (M2, 3). We consequently do not find full support for Hypothesis 3, since prejudice alone does not mediate the link between welfare attitudes and the municipality predictor. The fully specified Model 2 in Table 3 also shows that those who harbor stronger prejudice are significantly more likely to classify as either welfare chauvinistic or generally opposed, compared to generally supportive. However, the predicted average marginal effect of prejudice on chauvinism is nine times larger than that on opposition. Prejudice thus appears to imply a second pathway into chauvinism, independent of actual exposure to immigrants' economic integration or lack thereof.

Model 3 in Table 3, finally, tests whether prejudice induces heterogeneity in the municipality-attitude link. The interaction is significant and negative for chauvinism, implying that the proportion of unemployed immigrants within the municipality becomes less and less relevant to welfare chauvinism as prejudice increases. The significantly positive main effect for prejudice also suggests that those who are more prejudiced but live in municipalities without any unemployment among the foreign-born are more likely to be chauvinistic than generally supportive. Since none of the municipalities represented in our sample actually have no immigrant unemployment, we consider a more realistic scenario: respondents with an elevated prejudice score of 4 have a 74% predicted probability of being chauvinistic rather than fully supportive when they live in municipalities where 12% of the unemployed are foreign-born (low/10<sup>th</sup> percentile) and of 56% when the 29% (high/90<sup>th</sup> percentile) of the unemployed are foreign born (fixing all remaining covariates at their mean). Hypothesis 4 suggested that prejudice should be most relevant where the municipality proportion of immigrants among the unemployed is highest. However, our findings seem to imply that while prejudice matters above and beyond actual immigrant unemployment, negative affect is also especially pronounced in those who are the least exposed to the socioeconomic realities thought to trigger welfare chauvinism.

## **6. Conclusion**

We find that the repeatedly cited support-eroding relationship between the presence of large immigrant populations and majority attitudes toward the welfare state requires some qualifications – at least for the arguably conservative test case of Sweden.

Compared to generalized support, welfare chauvinism is the alternative outcome category that is most persistently and significantly related to our key predictors throughout most of our analyses. We also find that the positive association between the municipality proportion of unemployed immigrants and welfare chauvinism is mediated by the proportion of unemployed immigrants in the more immediately observable neighborhood context. This implies that the actual experience or direct observation of immigrant unemployment in the socially meaningful neighborhood context likely trumps the mere knowledge of the same condition at the more removed municipality level. Given that we restricted our sample to working Swedes, our findings also suggest the importance of in-group favoritism as a source of chauvinism based on group-interest, independent of self-interest.

At face value, we might consider this to mean that the lacking economic integration of immigrants decreases native support for welfare (Burgoon, 2014; Finseraas 2012), especially when it becomes apparent in natives' immediate environments. However, immigrants' integration into labor markets appears to be associated with lowered support for social spending in its own right. The fact that European workers largely compete for jobs of particular interest to the majority public, while non-Western immigrants find themselves overrepresented among the unemployed, seems to jointly increase native-born respondents' probability of opposing spending on immigrants, the old, and the sick. While it is unclear to us why this effect is not limited to spending on immigrants, it nevertheless suggests a noteworthy social dilemma:

If both immigrants' economic integration and their unemployment bode ill for majority Swedes' willingness to endorse the inclusion of immigrants into the welfare community or even social spending in general, how can popular support for the country's all-encompassing, 'color-blind' welfare regime be retained in the face of rising work migration from other EU member states and inflows of refugees in need of government support?

Political discourses spreading the idea of welfare chauvinism, of immigrants as competitors for jobs and undue users of social services, are certainly conducive to the attitudinal patterns we observe. Our finding that the proportion of unemployed immigrants within the municipality becomes less and less relevant to welfare chauvinism as prejudice increases is especially telling in this regard. Publicly communicated images of different immigrant groups as users of welfare are likely to raise out-group resentment, which then becomes relevant to welfare chauvinism, disregarding actual realities of immigrant unemployment and probable welfare use. However, to substantiate such assumptions, our understanding would benefit greatly from further research on how political discourses structure perceptions of welfare deservingness and, importantly, whether and how communications might also be harnessed to alter preconceived chauvinism. To date, this kind of much needed research remains sparse (but see Petersen et al., 2011; Slothuus, 2007), though its insights are becoming increasingly relevant to the study of welfare states and policymakers alike.



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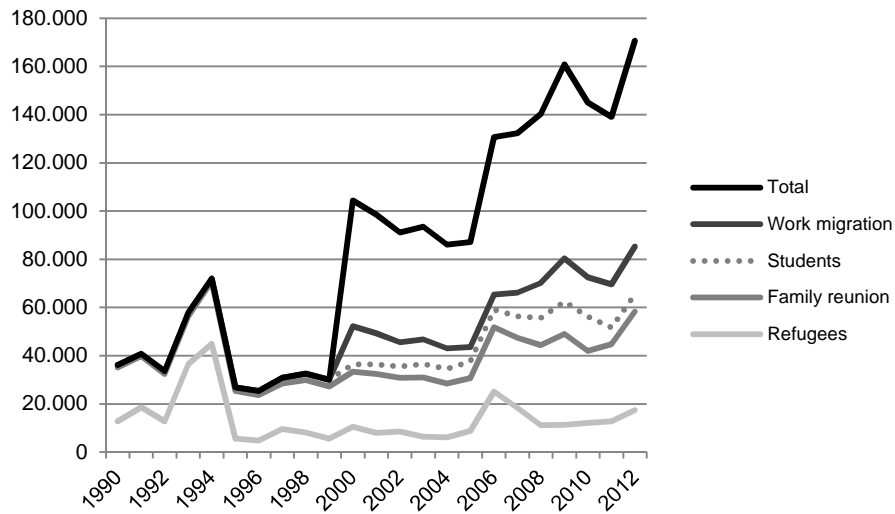
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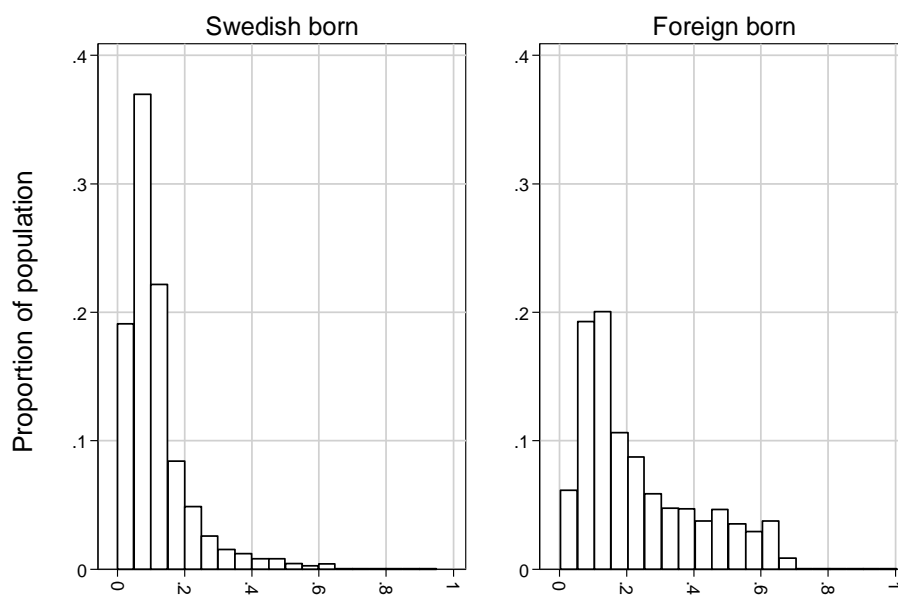
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## Figures and Tables



**Figure 1.** Number of residence permits granted to foreign-born persons (Sweden, 1990-2012)  
*Note:* Based on data from the (Swedish Migration Board, 2014)



**Figure 2.** Neighborhood segregation (proportion foreign-born) experienced by native-born Swedes and foreign-born residents  
*Note:* Own calculations based on the Longitudinal Integration Database for Health Insurance and Labour Market Studies (LISA, national registry); neighborhoods are defined as SAMS units

		Too <u>little</u> is spent on the old and the sick	
Too <u>much</u> is spent on immigrants		YES	NO
	YES	Welfare chauvinism 28%	Generalized opposition 3%
	NO	Generalized support (reference category) 62%	Immigrant solidarity 7%

**Figure 3.** Dependent variable (N=1,085)

**Table 1.** Multinomial logistic regression of welfare attitudes by immigrant unemployment in municipalities and neighborhoods

	M1			M2			M3			M4		
	Chauvinism	Opposition	Immigrant Solidarity	Chauvinism	Opposition	Immigrant Solidarity	Chauvinism	Opposition	Immigrant Solidarity	Chauvinism	Opposition	Immigrant Solidarity
<b>MUNICIPALITY</b>												
P foreign-born in unemployment	3.965** (1.381)	0.337 (0.528)	-0.418 (0.093)	1.253 (1.247)	0.720 (0.649)	-0.351 (0.799)	0.605 (0.424)	-0.128 (0.134)	-0.526 <sup>+</sup> (0.258)	-0.402 (0.430)	0.0373 (0.148)	-0.497* (0.267)
P foreign-born in unemp. ^2	-8.200** (2.980)	-0.933 (1.129)	0.006 (2.095)	-3.884 (2.586)	-1.698 (1.387)	0.0283 (1.824)	-	-	-	-	-	-
IQR disposable hh income	-	-	-	-0.312** (0.107)	0.0738 (0.059)	-0.129 <sup>+</sup> (0.0767)	-	-	-	-0.343*** (0.103)	0.053 (0.047)	-0.138* (0.078)
<b>NEIGHBORHOOD</b>												
P foreign-born in unemployment	-	-	-	0.261* (0.129)	0.072 <sup>+</sup> (0.044)	-0.078 (0.104)	1.211* (0.513)	0.09 (0.127)	-0.371 (0.313)	0.469 (0.469)	0.153 (0.161)	-0.305 (0.310)
IQR disposable hh income	-	-	-	-0.378 <sup>+</sup> (0.233)	0.002 (0.027)	0.054 (0.039)	-	-	-	-0.404 <sup>+</sup> (0.240)	0.003 (0.024)	0.052 (0.039)
In density	-	-	-	-0.004 (0.005)	-0.004* (0.002)	0.0001 (0.004)	-	-	-	-0.003 (-0.005)	-0.004* (0.002)	-0.0001 (0.004)
<b>INTERACTION</b>												
immigrant unemployment mncp x nbh							-3.610 <sup>+</sup> (1.951)	-0.011 (0.493)	1.161 (1.245)	-0.873 (1.800)	-0.364 (0.595)	0.978 (1.220)
<i>Individual characteristics</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
N		1,086			1,085			1,086			1,085	
Pseudo R-squared		0.008			0.141			0.009			0.140	

Note: Coefficients describe average marginal effects (reference category: 'generalized support'); standard errors in parentheses, adjusted for clustering within 232 municipalities

<sup>+</sup> p<0.10 \* p<0.05, \*\* p<0.01, \*\*\* p<0.001

**Table 2.** Multinomial logistic regression of welfare attitudes by immigrant unemployment in municipalities and exposure to immigrants at workplaces

	M1			M2			M3		
	Chauvinism	Gen. Opposition	Immigrant Solidarity	Chauvinism	Gen. Opposition	Immigrant Solidarity	Chauvinism	Gen. Opposition	Immigrant Solidarity
<b>MUNICIPALITY</b>									
P foreign-born in unemployment	3.457** (1.308)	0.279 (0.527)	-0.342 (0.928)	-0.028 (0.263)	-0.157+ (0.103)	-0.464* (0.193)	-0.676* (0.290)	-0.134+ (0.0961)	-0.344* (0.204)
P foreign-born in unemp. ^2	-7.247** (2.848)	-0.832 (1.129)	-0.171 (2.07)	-	-	-	-	-	-
IQR disposable hh income	-	-	-	-	-	-	-0.339*** (0.102)	0.0540 (0.046)	-0.137* (0.073)
<b>WORKPLACE</b>									
P EU colleagues	-0.0605 (0.175)	-0.143 (0.219)	-0.218 (0.236)	0.841 (0.713)	-1.844* (0.874)	-0.158 (0.779)	0.876 (0.765)	-1.733* (0.769)	0.335 (0.706)
P non-Western colleagues	0.0616 (0.107)	0.0309 (0.035)	0.00919 (0.084)	-1.084+ (0.59)	0.0309 (0.14)	-0.198 (0.358)	-0.576 (0.601)	-0.049 (0.232)	-0.081 (0.318)
P female colleagues	-0.271*** (0.044)	-0.0319*** (0.013)	-0.0557*** (0.026)	-0.277*** (0.044)	-0.033*** (0.013)	-0.056*** (0.027)	-0.194*** (0.043)	-0.003 (0.011)	-0.034 (0.037)
In establishment size	-0.00963 (0.008)	-0.000814 (0.003)	0.006 (0.003)	-0.011 (0.008)	0.0002 (0.003)	0.006 (0.003)	0.003 (0.008)	0.000 (0.003)	0.001 (0.004)
<b>INTERACTIONS</b>									
immigrant unemployment in mncp x EU colleagues	-	-	-	-4.263 (3.319)	7.516* (3.489)	-0.194 (4.588)	-4.682 (4.007)	7.368** (2.997)	-3.438 (4.502)
immigrant unemployment in mncp x non-Western colleagues	-	-	-	5.856* (2.892)	0.018 (0.620)	1.09 (1.979)	2.910 (2.936)	0.329 (1.081)	0.782 (1.775)
<b>NEIGHBORHOOD</b>									
P foreign-born in unemployment	-	-	-	-	-	-	0.286* (0.131)	0.07* (0.0398)	-0.081 (0.103)
<i>Nbh controls</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
<i>Individual characteristics</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
N		1,086			1,086			1,086	
Pseudo R-squared		0.0481			0.0480			0.1526	

Note: Coefficients describe average marginal effects (reference category: 'generalized support'); standard errors in parentheses, adjusted for clustering within 232 municipalities

+ p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001



**Table 3.** Multinomial logistic regression of welfare attitudes by immigrant unemployment in municipalities and negative prejudice

	M1			M2			M3		
	Chauvinism	Gen. Opposition	Immigrant Solidarity	Chauvinism	Gen. Opposition	Immigrant Solidarity	Chauvinism	Gen. Opposition	Immigrant Solidarity
Prejudice	0.166*** (0.012)	0.0106*** (0.004)	-0.0343** (0.013)	0.116*** (0.012)	0.0124** (0.004)	-0.029 (0.013)	0.253*** (0.052)	0.01 (0.015)	-0.061 (0.052)
<b>MUNICIPALITY</b>									
P foreign-born in unemployment	2.795* (1.259)	0.281 (0.511)	-0.292 (0.952)	0.675 (1.194)	0.827 (0.683)	-0.341 (0.834)	0.555 (0.532)	-0.084 (0.195)	-0.596 (0.385)
P foreign-born in unemp. ^2	-6.175* (2.730)	-0.843 (1.099)	-0.184 (2.127)	-2.849 (2.584)	-1.959 (1.449)	0.021 (1.891)	-	-	-
IQR disposable hh income	-	-	-	-0.225* (0.102)	0.088 (0.056)	-0.147+ (0.085)	-0.250** (0.097)	0.055 (0.041)	-0.145+ (0.088)
<b>NEIGHBORHOOD</b>									
P foreign-born in unemployment	-	-	-	0.275* (0.127)	0.079* (0.043)	-0.084 (0.102)	0.269* (0.124)	0.07+ (0.043)	-0.082 (0.103)
IQR disposable hh income	-	-	-	-0.333+ (0.199)	0.00350 (0.035)	0.04 (0.041)	-0.348+ (0.190)	0.001 (0.034)	0.039 (0.04)
In density	-	-	-	-0.003 (0.005)	0.004+ (0.002)	-0.0002 (0.003)	-0.002 (0.005)	0.005* (0.002)	-0.0003 (0.003)
<b>INTERACTION</b>									
immigrant unemployment in mncp x prejudice	-	-	-	-	-	-	-0.627* (0.236)	0.012 (0.07)	0.159 (0.225)
<i>Workplace characteristics</i>	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
<i>Individual characteristics</i>	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes
N		1,086			1,086			1,086	
Pseudo R-squared		0.0856			0.1931			0.1941	

Note: Coefficients describe average marginal effects (reference category: 'generalized support'); standard errors in parentheses, adjusted for clustering within 232 municipalities

+ p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001

**Appendix 1. Key independent variables**

Variable	Mean	SD	Min	Max
Prejudice <i>Bogardus social distance scale</i>	1.749	0.839	1	5
<b>MUNICIPALITY</b>				
Proportion foreign-born in unemployment	0.212	0.057	0.094	0.422
IQR disposable income <i>Interquartile range (<math>p_{75}-p_{25}</math>) of <math>\ln</math> disposable income corrected for family size in municipality</i>	4.955	0.107	4.449	5.375
<b>NEIGHBORHOOD</b>				
Proportion foreign-born in unemployment	0.166	0.090	0	0.545
IQR disposable income <i>Interquartile range (<math>p_{75}-p_{25}</math>) of <math>\ln</math> disposable income corrected for family size in SAMS.</i>	0.725	0.122	0	3.873
$\ln$ density <i>In population density</i>	6.10	2.573	-1.554	10.306
<b>WORKPLACE</b>				
Proportion EU colleagues <i>Proportion of individuals born in one of the EU 27 member states (as of 2012, w/o Croatia), excluding the Nordic region</i>	0.020	0.055	0	1
Proportion non-Western colleagues <i>Proportion of individuals born outside of Europe, the US, Canada and Australia</i>	0.054	0.090	0	1
Proportion female colleagues	0.480	0.327	0	1
$\ln$ establishment size	3.579	2.110	0	9.320

**Appendix 2. Correlations among key independent variables**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(1) Prejudice	1.00									
<b>MUNICIPALITY</b>										
(2) P foreign-born in unemployment	0.08 (0.01)	1.00								
(3) IQR disposable hh income	-0.07 (0.03)	-0.33 (0.00)	1.00							
<b>NEIGHBORHOOD</b>										
(4) P foreign-born in unemployment	0.05 (0.12)	0.38 (0.00)	-0.14 (0.00)	1.00						
(5) IQR disposable hh income	-0.06 (0.06)	-0.18 (0.00)	-0.06 (0.04)	-0.12 (0.00)	1.00					
(6) ln density	-0.09 (0.00)	-0.27 (0.00)	0.05 (0.08)	0.06 (0.05)	0.09 (0.00)	1.00				
<b>WORKPLACE</b>										
(7) P non-Western colleagues	-0.04 (0.17)	-0.14 (0.00)	0.01 (0.86)	-0.03 (0.40)	0.10 (0.00)	0.21 (0.00)	1.00			
(8) P EU colleagues	-0.03 (0.27)	-0.10 (0.00)	-0.02 (0.50)	-0.06 (0.04)	0.03 (0.25)	0.02 (0.46)	0.15 (0.00)	1.00		
(9) P female colleagues	-0.20 (0.00)	-0.02 (0.57)	-0.00 (0.87)	0.01 (0.75)	-0.00 (0.87)	0.05 (0.13)	0.06 (0.06)	-0.04 (0.24)	1.00	
(10) ln establishment size	-0.09 (0.00)	-0.07 (0.02)	0.01 (0.86)	-0.03 (0.33)	-0.00 (0.90)	0.09 (0.00)	0.24 (0.00)	0.09 (0.00)	0.11 (0.00)	1.00

Note: N=1,085; p values in parentheses

**Appendix 3.** Logistic regression of opposition to govt. spending on immigrants by immigrant unemployment in municipalities and neighborhoods

	M1	M2	M3	M4
<b>MUNICIPALITY</b>				
P foreign-born in unemployment	4.311** (1.45)	1.937 (1.34)	0.492 (0.46)	-0.315 (0.47)
P foreign-born in unemployment^2	-9.139** (3.10)	-5.369+ (2.76)	–	–
IQR disposable hh income	–	-0.209+ (0.11)	–	-0.251* (0.11)
<b>NEIGHBORHOOD</b>				
P foreign-born in unemployment	–	0.324* (0.13)	1.337* (0.52)	0.613 (0.49)
IQR disposable hh income	–	-0.336 (0.21)	–	-0.365 (0.22)
In density	–	-0.002 (0.01)	–	-0.001 (0.01)
<b>INTERACTION</b>				
immigrant unemployment in mn cp x nbh			-3.679+ (2.01)	-1.211 (1.92)
<i>Individual characteristics</i>	<i>No</i>	<i>Yes</i>	<i>No</i>	<i>Yes</i>
N	1,085	1,085	1,085	1,085
Pseudo R-squared	0.007	0.141	0.008	0.139

*Note:* Coefficients describe average marginal effects; standard errors in parentheses, adjusted for clustering within 232 municipalities

+ p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001

**Appendix 4.** Logistic regression of opposition to govt. spending on immigrants by immigrant unemployment in municipalities and exposure to immigrants at workplaces

	M1	M2	M3
<b>MUNICIPALITY</b>			
P foreign-born in unemployment	3.810** (1.37)	-0.161 (0.27)	-0.729* (0.30)
P foreign-born in unemployment <sup>2</sup>	-8.244** (2.93)	–	–
IQR disposable hh income	–	–	-0.245* (0.11)
<b>WORKPLACE</b>			
P EU27 colleagues	-0.196 (0.17)	-0.088 (0.67)	-0.072 (0.70)
P non-Western colleagues	0.074 (0.12)	-1.127 <sup>+</sup> (0.62)	-0.708 (0.65)
P female colleagues	-0.306*** (0.04)	-0.313*** (0.04)	-0.194*** (0.04)
ln establishment size	-0.011 (0.01)	-0.012 (0.01)	0.003 (0.01)
<b>INTERACTIONS</b>			
immigrant unemployment in mncp x EU colleagues	–	-0.566 (3.25)	-0.660 (3.52)
immigrant unemployment in mncp x non-Western colleagues	–	6.169* (2.96)	3.502 (3.09)
<b>NEIGHBORHOOD</b>			
P foreign-born in unemployment	–	–	0.347** (0.13)
<i>Neighborhood controls</i>	<i>No</i>	<i>No</i>	<i>Yes</i>
<i>Individual characteristics</i>	<i>No</i>	<i>No</i>	<i>Yes</i>
N	1,085	1,085	1,085
Pseudo R-squared	0.056	0.053	0.150

*Note:* Coefficients describe average marginal effects; standard errors in parentheses, adjusted for clustering within 232 municipalities

+ p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001

**Appendix 5.** Logistic regression of opposition to govt. spending on immigrants by immigrant unemployment in municipalities and negative prejudice

	M1	M2	M3
Prejudice	0.179*** (0.01)	0.129*** (0.01)	0.271*** (0.06)
<b>MUNICIPALITY</b>			
P foreign-born in unemployment	3.106* (1.33)	1.413 (1.30)	0.590 (0.57)
p foreign-born in unemployment <sup>2</sup>	-7.079* (2.87)	-4.504 (2.76)	–
IQR disposable hh income	–	-0.122 (0.09)	-0.163 <sup>+</sup> (0.09)
<b>NEIGHBORHOOD</b>			
P foreign-born in unemployment	–	0.343** (0.13)	0.330** (0.12)
IQR disposable hh income	–	-0.291 (0.19)	-0.311 <sup>+</sup> (0.18)
ln density	–	-0.000 (0.01)	0.001 (0.01)
<b>INTERACTION</b>			
immigrant unemployment in mn cp x prejudice	–	–	-0.652** (0.25)
<i>Workplace characteristics</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>
<i>Individual characteristics</i>	<i>No</i>	<i>Yes</i>	<i>Yes</i>
N	1,085	1,085	1,085
Pseudo R-squared	0.128	0.216	0.219

Note: Coefficients describe average marginal effects; standard errors in parentheses, adjusted for clustering within 232 municipalities

+ p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001