Supplementary Material
MIND THE GAP:
WHY WEALTHY VOTERS SUPPORT BREXIT

Contents


A   Measurement Validation

Measuring respondents' wealth in surveys is difficult insofar as respondents may under-report their financial difficulties (e.g. debts, unemployment spells) and over-report more favourable aspects, such as employment status, savings. In order to explore this issue we report in Table A.1 a number of key indicators in determining or constructing the income and wealth measures and their comparative distribution in the BES and BoE samples and the UK population. We rely on several sources of official statistics including the Office for National Statics for data on population estimation and labour market statistics, the Higher Education Statistics Agency for data on student population and on the 2017/18 English Housing Survey for data on home ownership, average mortgage and rent payments. The referenced BES and BoE data are weighted. On most measures, the indicators' central tendencies is impressively similar to that provided by official statistics.

Table A.1: Measurement Validation against Official Statistics

Indicator	BES Sample	BoE Sample	UK Population	Source
Unemployment	1.87	3.77	2.07	ONS Unempl & Pop
Student Uni (Current)	2.43	4.7	3.52	HESA 2017/18
Home Owners	71.23	63.17	63.5	EHS
Private Renters	19.56	19.63	19.5	EHS
Mean Home Price	270k	263k	240k	HPI

Figure A.1: Leaver Status and Wealth Reporting

(a) BES Sample
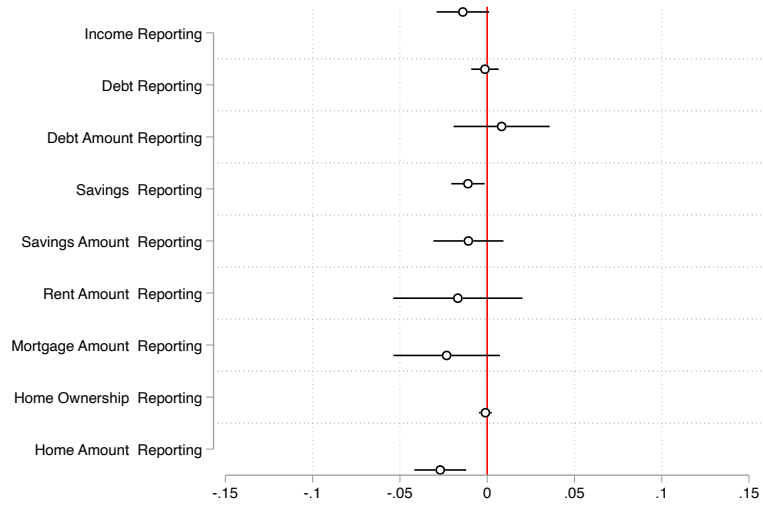
(b) BoE Sample
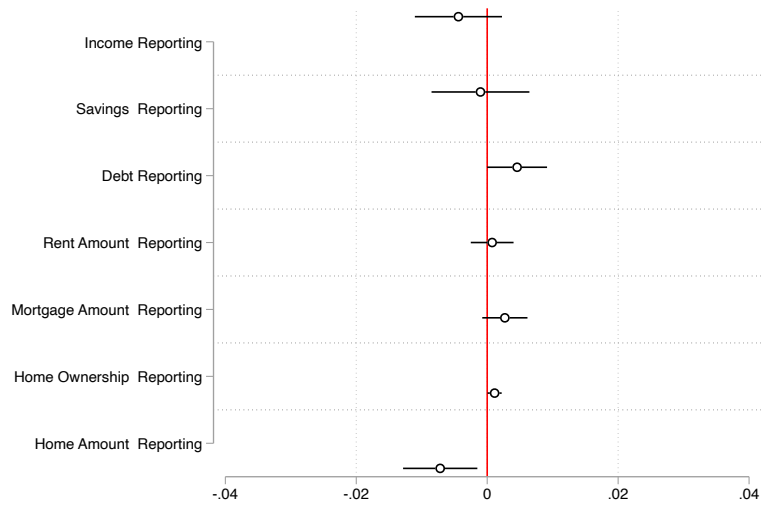
NOTE: BES models include controls for gender, age, education, marital status, authoritarian values, employment status and BoE include controls for gender, education, age, employment status. Robust standard errors are reported for the BES sample and clustered robust standard errors for BoE sample.

B Distribution of Wealth and Income

B.1 Distribution in BES Sample

As in Meltzer and Richard (1981), we define an individual as *poor* if she earns an income below the mean in the sample and someone as *rich* if they are above the mean.

Figure B.1: Distribution of Home Ownership by Income
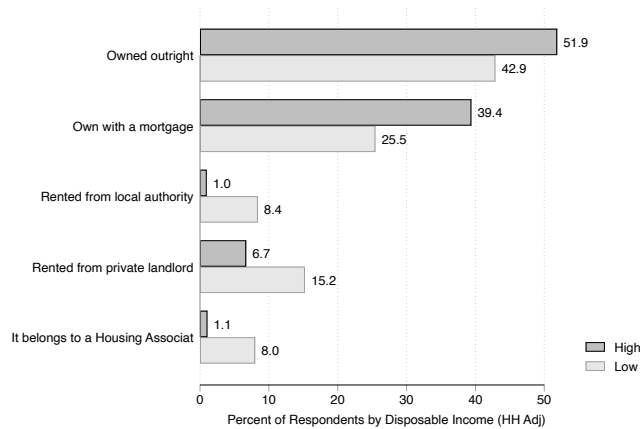
NOTE: The figure plots the distribution of home ownership by household adjusted disposable income (accounting for rent and mortgage payments).

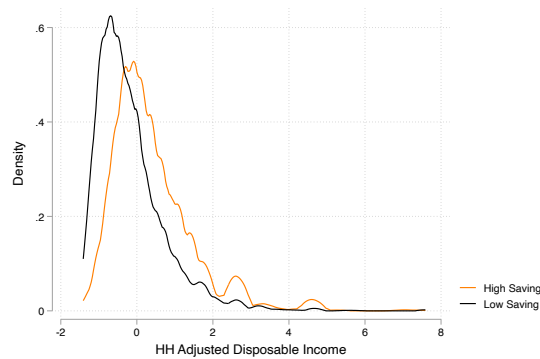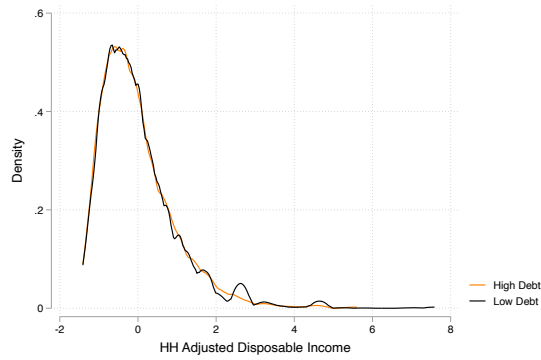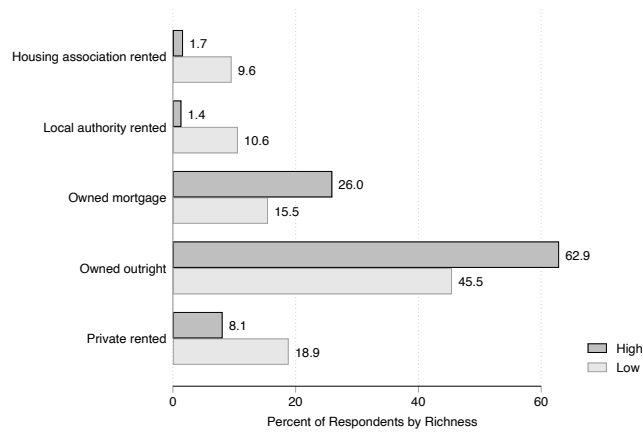Figure B.2: Distribution of Income by Savings and Debt

Figure B.3: Distribution of Income by Debt

B.2 Distribution in BoE Sample

Figure B.4: Distribution of Home Ownership by Income

NOTE: The top panel plots the distribution of home ownership by the unadjusted income measure. The bottom panel reports it by the household adjusted disposable income (accounting for rent and mortgage payments). Both measures are standardized with mean 0 and standard deviation 1.
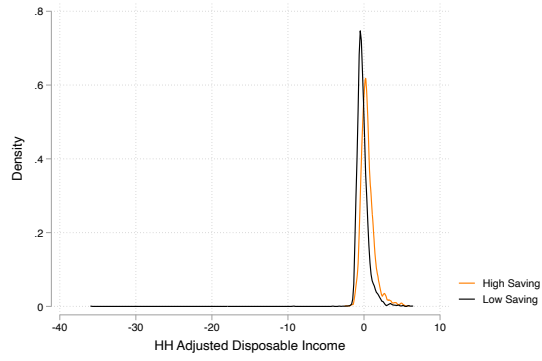
Figure B.5: Distribution of Income by Savings

Figure B.6: Distribution of Income by Debt
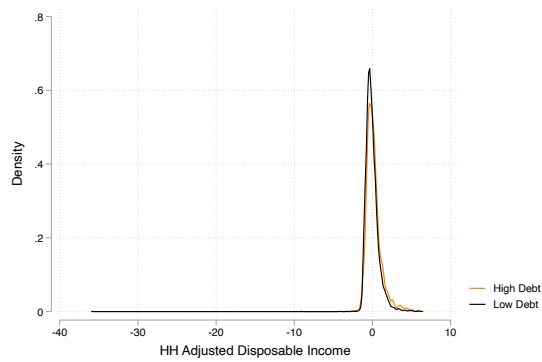
C Who is Wealthy?

Figure C.1: Median Home Value at LSOA

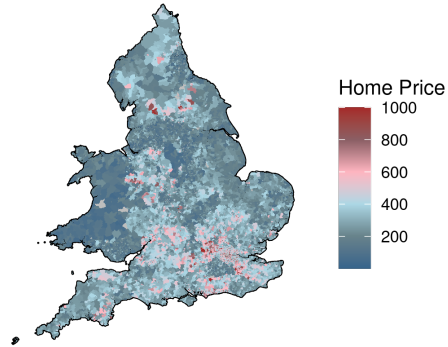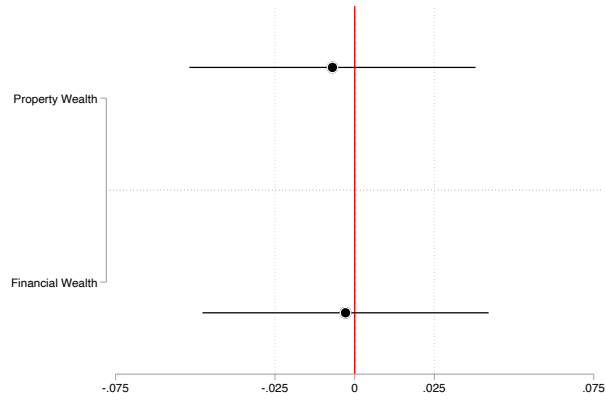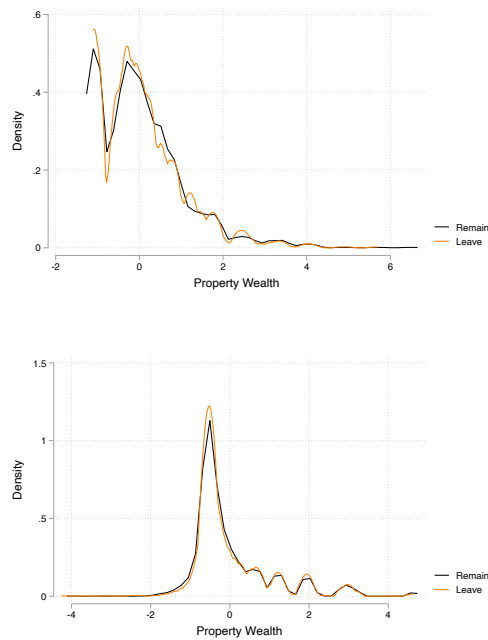Figure C.2: Are Leavers Wealthier?

(a) Differences in Means

(b) Differences in Distributions

NOTE: These results are based on the BES Wealth Module. K-S tests, further confirms that the two distributions in panel (b) are not statistically different from one another.

Figure C.3: Property Wealth by Demographic Characteristics (BES)
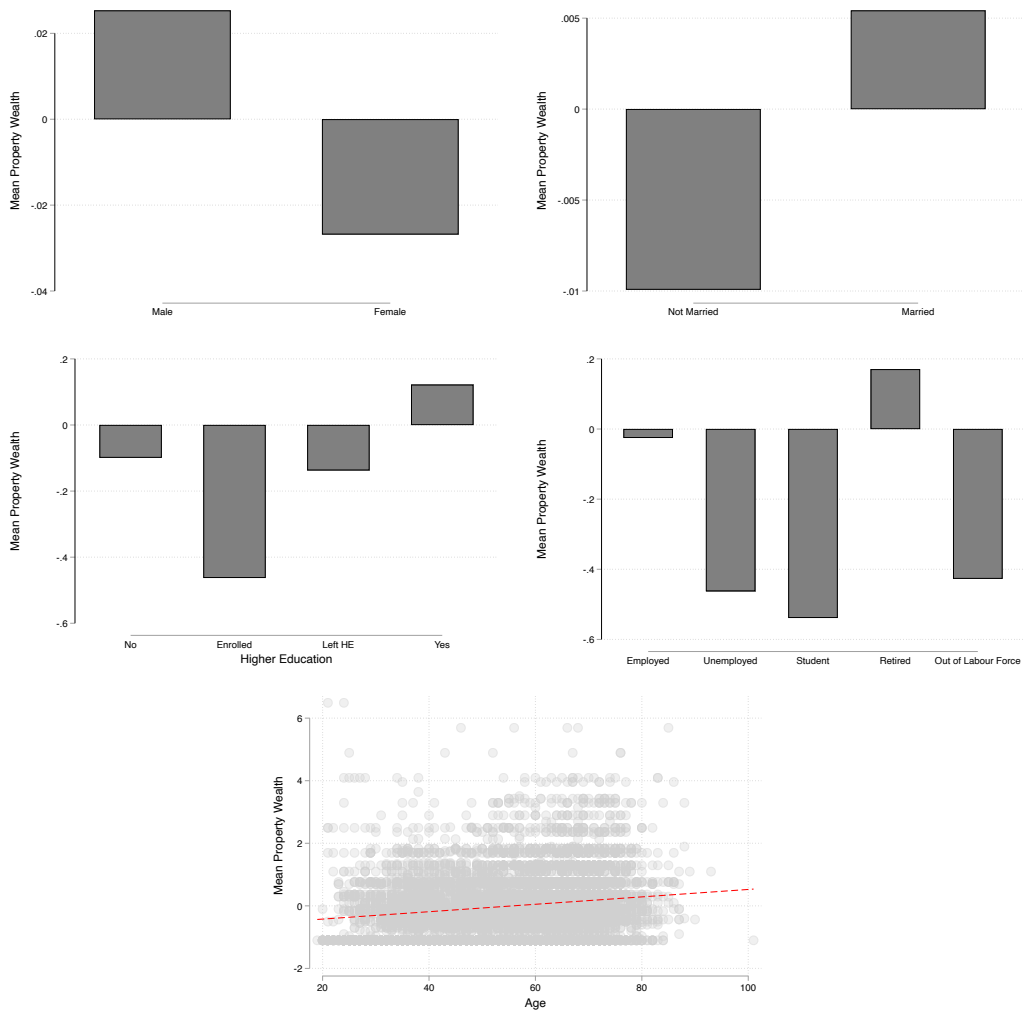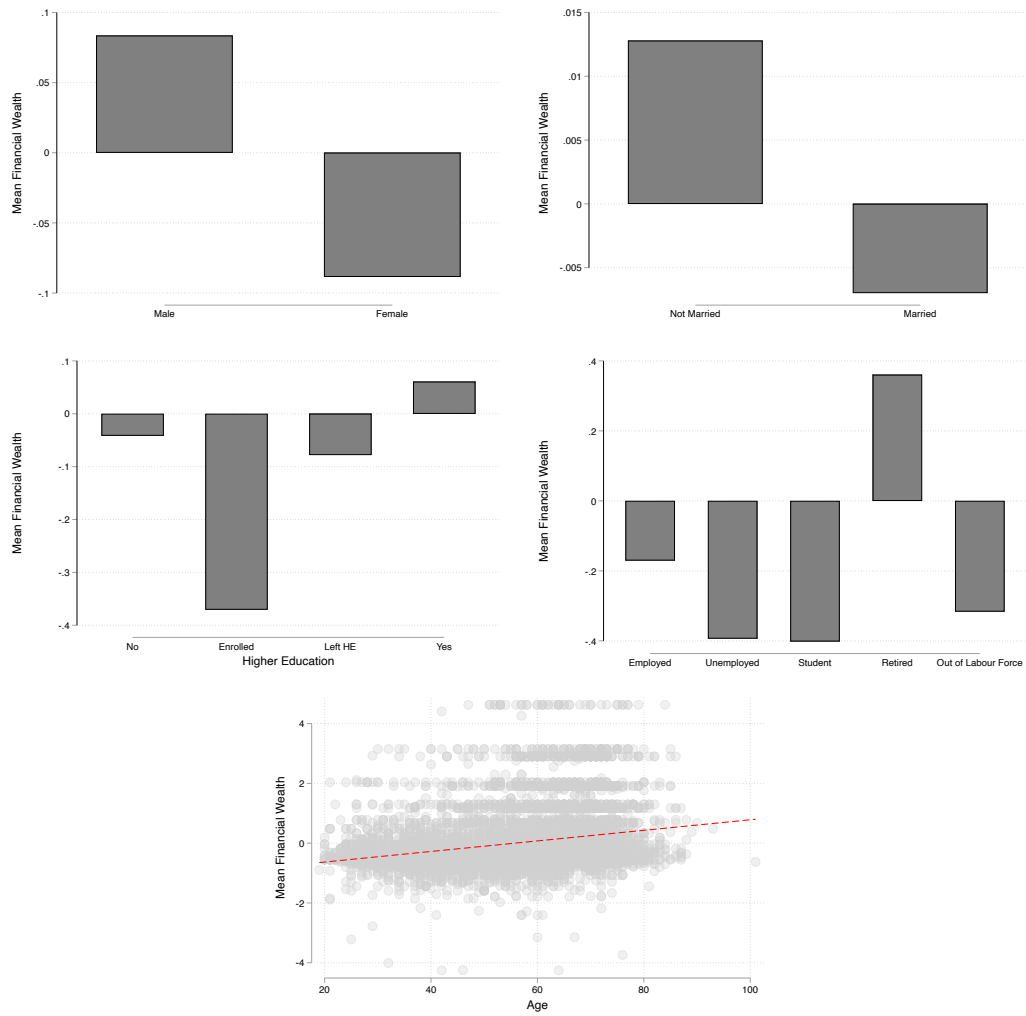
Figure C.4: Financial Wealth by Demographic Characteristics (BES)

D Main Results

D.1 Main Results Full

Table D.1: Wealth Increases Brexit Support (Survey Experiment)

	(1)	(2)
Hypothetical £1 Million House Win	0.245**	0.191**
	(0.098)	(0.092)
Education: Enrolled in HE		-0.868***
		(0.322)
Education: Have not Completed HE		-1.119***
		(0.182)
Education: Graduated from HE		-1.836***
		(0.102)
Unemployed		0.252
		(0.367)
Student		-0.760*
		(0.396)
Retired		0.128
		(0.141)
Not in Paid Work		0.220
		(0.172)
Female		-0.181*
		(0.094)
Age		0.051***
		(0.004)
Control Mean	6.238	6.238
Controls	No	Yes
Observations	7,225	7,225
R-squared	0.001	0.105

NOTE: Outcome is a Brexit satisfaction scale (10= satisfied). Compared to model (1), model (2) includes controls for gender, age, education, employment status. The reference categories are as follows: Education: not enrolled in HE. Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

D.2 Main Results Robustness

Table D.2: Effect of Wealth Treatment on Risk Aversion

|	(1)	(2)
Hypothetical £1 Million House Win	-0.117***	-0.110***
	(0.025)	(0.024)
Education: Enrolled in HE		-0.393***
		(0.102)
Education: Have not Completed HE		-0.051
		(0.048)
Education: Graduated from HE		-0.033
		(0.027)
Unemployed		-0.157
		(0.101)
Student		0.267**
		(0.125)
Retired		0.079**
		(0.037)
Not in Paid Work		0.089**
		(0.044)
Female		0.268***
		(0.025)
Age		0.009***
		(0.001)
Control Mean	2.332	2.332
Controls	No	Yes
Observations	7,704	7,704
R-squared	0.003	0.044

NOTE: Dependent variable, risk aversion, varies from 0 to 3 (3=risk averse). Compared to model (1), model (2) includes controls for gender, age, education, employment status. The references category for education is no enrolled in HE. Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1

Figure D.1: Main Results with DK
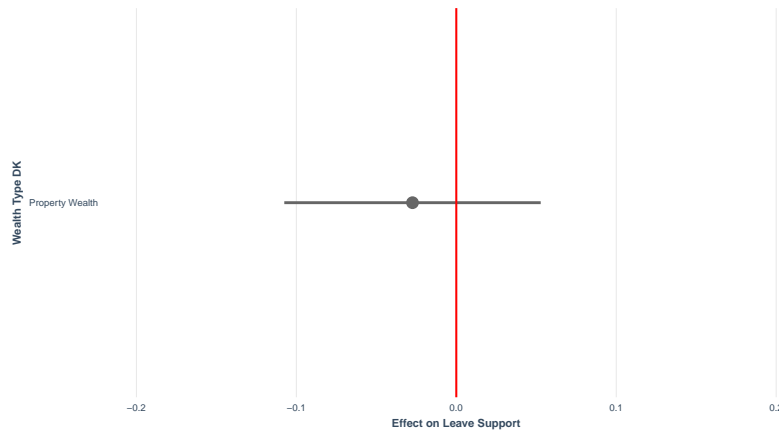
NOTE: Dependent variable, leave vote intention, is binary (1=Leave). Estimation includes controls for disposable income, gender, age, education, marital status, employment status, authoritarian values and respondent's location based on the ONS Super Area Group classification.

Figure D.2: Main Results Controlling for Alternative Explanations
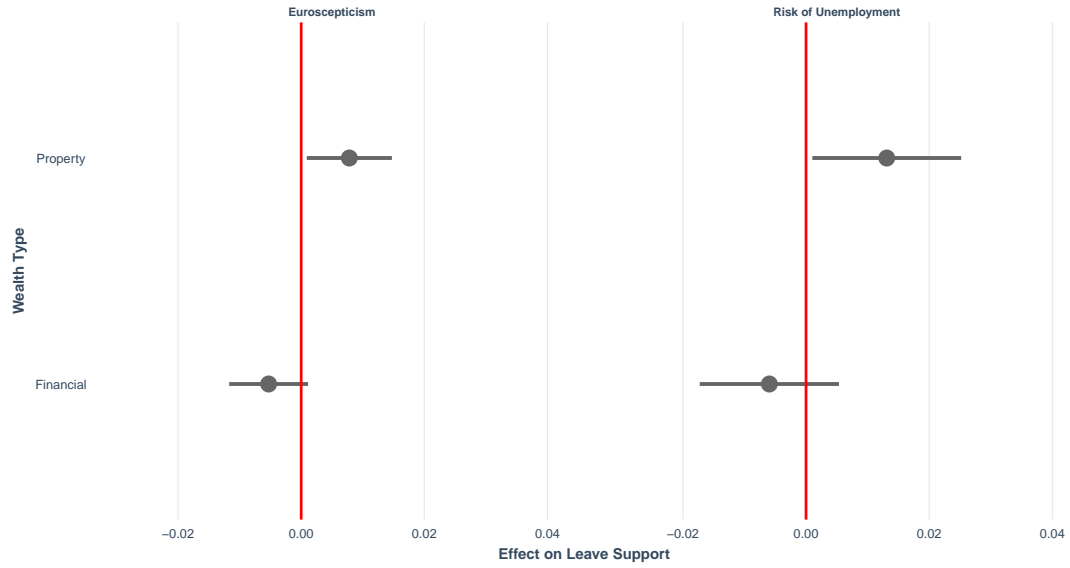
NOTE: Dependent variable, leave vote intention, is binary (1=Leave). Estimation includes controls for disposable income, gender, age, education, marital status, employment status, authoritarian values and respondent's location based on the ONS Super Area Group classification.

Figure D.3: Mechanism Results with Different Expectations
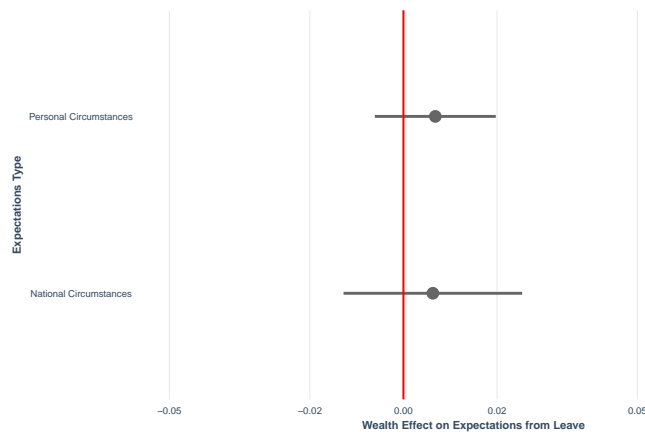
NOTE: Dependent variable is binary and takes the value 1 if the respondent believes leaving the EU will make better her national or personal circumstances. Property wealth is denoted by the respondents' home value, standardized to mean 0 and standard deviation 1.

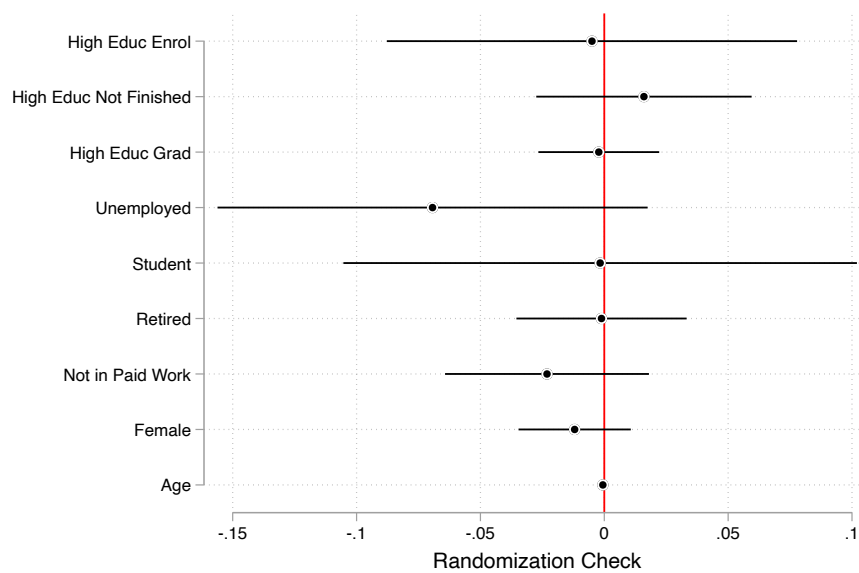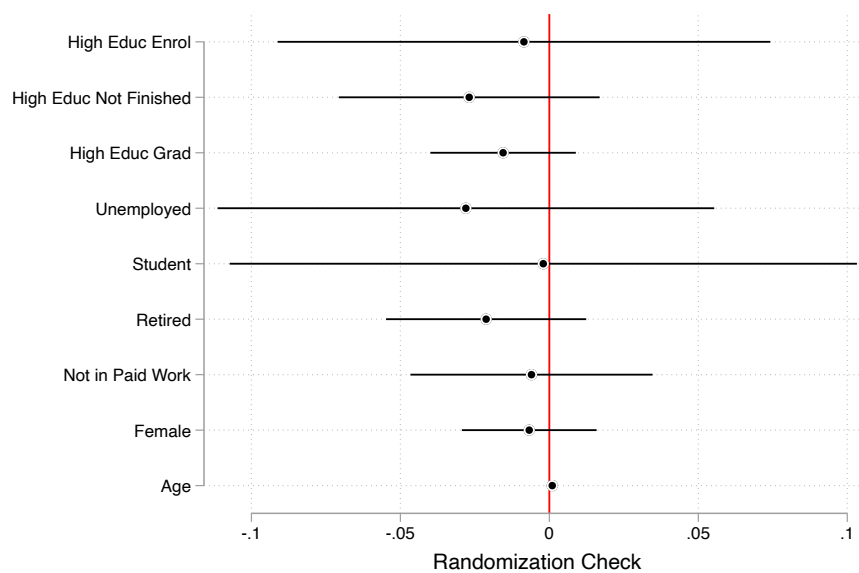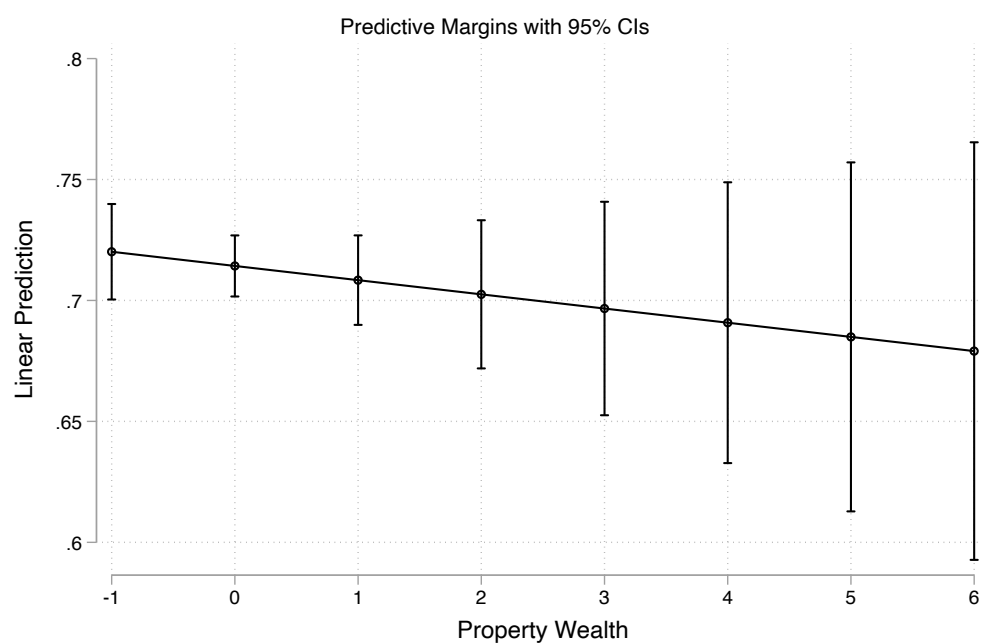Figure D.4: Survey Experiment Randomization Check

Figure D.5: Respondents Do Not Believe Post-Brexit Home Prices are Changing as a function of Property Wealth (BoE Sample)

NOTE: Dependent variable is binary and takes the value 1 if the respondent believes home prices are changing (either decreasing or increasing). Model includes time dummies for post-Brexit years and controls for income, gender, age, education, region, work status. Property wealth is denoted by the respondents' home value, standardized to mean 0 and standard deviation 1.

E   Aggregate vs Individual Results

Figure E.1: Leave Support Aggregate vs Individual

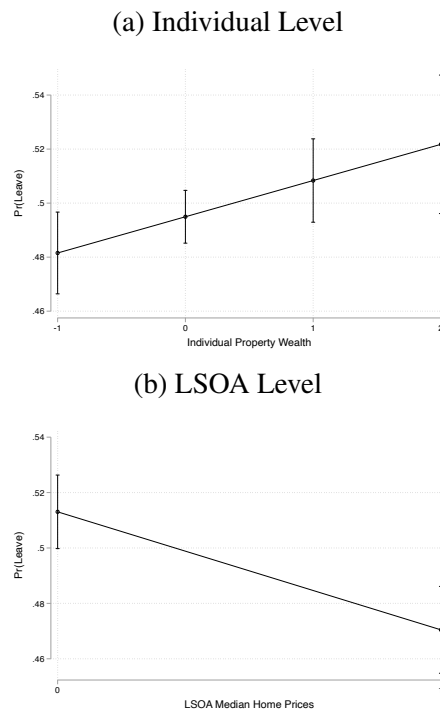## (a) Individual Level
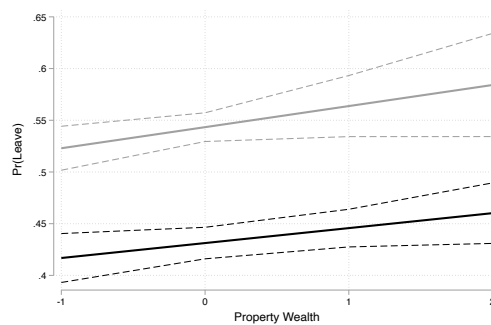

(b) LSOA Level

Figure E.2: BES Main Results by High/Low LSOA Median Home Prices

NOTE: In grey, the analysis is run among LSOAs where the median home prices are below the *average* median home prices in the country. Models include controls for gender, age, education, work status, region, authoritarian values, marital status.

References

Meltzer, A. H. and Richard, S. F. (1981). A rational Theory of the Size of Government. *Journal of Political Economy*, 89(5):914–927.