

## **Social Distance and Redistribution**

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Most European countries are more racially homogeneous than the US and they have no real history of racial segregation. There is a large sociological literature which argues that Europe is still very much fragmented by social class and this has an impact on public good provision. In this paper we examine if social classes cleavages in Europe determine the provision of public goods. In particular the purpose of this paper is to empirically test the implication of a general model of redistribution in a heterogeneous society using as measure of social distance various measures recently proposed in the literature. The paper relies on the framework proposed by Alesina et al.(1999) to examine the relationship between social classes cleavages and public good provision in Europe. We describe an environment in which the more a society is socially fractionalized, the less redistribution (as provision of public good here) we can expect.<br>This model has two interesting implications that can be tested: the lower the median income related to the mean income the more redistribution there is in the society, and the higher the social distance, the lower redistribution there is in the society. As measure of diversity in the whole society under consideration, we use the sum of the Euclidean distances of any group with every other group weighted by the population shares, and, to measure social distance between groups we also adapt the GELF index proposed by Bossert et al. (2010). The empirical analysis is performed on European Countries.