Homeownership and Social Policy Preferences in China: Mediating Roles of Employment Sector and Socioeconomic Perceptions

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Abstract

Housing consistently ranks as one of the most significant assets for ordinary citizens in China. Despite its crucial importance, political economists have scarcely explored its impact on citizens' welfare and their demands from the government. This study addresses the critical role of housing, focusing on its heterogeneous impact on social policy preferences among homeowners. Specifically, employing both matching techniques and instrumental variable analysis, our findings indicate that homeownership leads to an increased support for policies related to redistribution. We also find that homeownership increases support for redistribution across the board but does so more substantially among employees of state-owned enterprises (SOEs) compared to their private-sector counterparts. Through the application of mediation analysis, this research uncovers how different channels potentially mediate the effect of homeownership on social redistribution attitude. The findings shed light on the nuanced, heterogeneous effects of housing as an economic asset on the socio-political dynamics of policy support in China, underscoring the importance of contextual factors in understanding the socio-economic implications of homeownership.

1 Introduction

Housing prices in China have seen rapid and sustained growth over the past decade, increasing nearly twice as fast as people's disposable income. Data from 35 major Chinese cities indicate that average real housing prices have risen at an annual rate of approximately 17 percent, compared to the nation's average GDP growth of 10 percent during the same period. Such surges in asset prices significantly impact the livelihood of citizens by either bolstering or diminishing their savings and personal wealth.

In response, the Chinese authorities have implemented various policies aimed at cooling down the housing market. These measures include promoting affordable housing, contemplating and enforcing real estate taxes, and restricting the number of houses an individual can purchase to discourage speculative investment in housing. Despite these efforts, political scientists have surprisingly little understanding of how changes in asset ownership, such as homeownership, influence support for broader social policy institutions. This oversight is particularly striking given the critical role of homeownership in Chinese society.

The contemporary significance of the housing market raises a crucial question: How do citizens react to homeownership in terms of their demand and support for social redistribution? This query is vital for understanding the broader socio-economic impacts of housing market dynamics in China.

The implications of housing markets for social policy and individual preferences have been explored, particularly in Western democracies. At the micro level, the relationship between housing and individual preferences has received scholarly attention. For example, Scheve and Slaughter (2001) analyze how homeownership influences trade-policy preferences, arguing that homeowners in regions with uncompetitive industries are likely to oppose free trade agreements that could devalue their properties.

Further research has explored the impact of homeownership on political behavior. Hall and Yoder (2022) utilized deed-level homeownership data and administrative data on voter turnout from over 18 million individuals in Ohio and North Carolina. Their findings reveal that home-

owner turnout significantly increases, nearly doubling, during elections where zoning issues are on the ballot, highlighting the heightened stake homeowners have in local governance decisions. Similarly, Yoder (2020) merged deed-level property records from California and Texas with an original dataset on individual participation in local city council meetings. His research revealed significant disparities in who participates in these meetings, with property owners being far more likely to engage. Moreover, he linked property records to individual-level contribution records and administrative voter files, finding that acquiring property markedly boosts an individual's political activity. Beyond just voting in local elections, property ownership compels individuals to engage more actively in local governance, such as attending city council meetings and donating to political candidates. These studies underscore the profound influence of homeownership on both political behavior and policy preferences, emphasizing that property ownership shapes political landscape through influencing individual policy opinion and political behavior.

Despite extensive research in Western democracies on how homeownership impacts public opinion, such studies are less common in China. This gap in research may stem from assumptions, as noted by Pan and Xu (2017), that public opinion is less relevant in political systems without electoral mechanisms, where the organization of societal preferences might seem immaterial. However, we contend that exploring policy preferences is crucial, even in autocratic regimes, as it can deepen our understanding of the dynamics of support for or opposition to autocratic governance. This exploration can reveal undercurrents of public sentiment that could influence policy formulation and implementation, providing valuable insights into the social and political fabric of autocratic societies.

In this paper, we discover that homeownership has a positive influence on individuals' support for government redistribution. Furthermore, we observe that the impact of owning a house on policy preferences varies significantly across different demographic groups. Specifically, the effect is considerably more pronounced among employees of state-owned enterprises (SOEs) compared to those working in the private sector. This disparity is further validated through instrumental variable regression, where we employ city-level housing prices as an instrument for homeownership.

Additionally, we undertake mediation analysis to explore potential pathways through which homeownership might influence support for redistribution. Our findings indicate that the effect of homeownership on redistribution support is mediated through several key factors: family wealth, perceptions of social inequality, and marital status. These mediators help elucidate the mechanisms by which homeownership shapes attitudes towards redistribution, providing a deeper understanding of the socio-economic underpinnings of policy preferences.

This paper contributes significantly to the literature on public opinion within authoritarian regimes, with a specific focus on China. Despite a growing body of research examining public opinion and ideology in China, as highlighted by scholars such as Pan and Xu (2017), there has been limited attention on attitudes towards government redistribution and the welfare state. This oversight is particularly noteworthy given China's efforts over recent decades to expand its social insurance coverage, making it a highly pertinent issue among the general populace. Furthermore, to our knowledge, this study is the first to explore the impact of housing on political attitudes and public opinion within the Chinese context. The relationship between homeownership and political engagement is well-established within Western democracies. For example, in the United States, homeownership has been shown to influence political beliefs and behaviors significantly, suggesting that homeowners, motivated by their investment, are more likely to engage in political activities (Hall and Yoder, 2017). By extending this line of inquiry to an authoritarian setting, our paper enriches the existing literature on housing politics. It introduces new perspectives on how personal economic factors, such as homeownership, can shape political attitudes in different political systems. This study, therefore, not only fills a critical gap in the current research but also sets the groundwork for future investigations into the socio-political impacts of housing in non-democratic contexts (Ansell 2014; Ansell 2022).

2   Literature Review

The body of research exploring preferences for social redistribution policy is primarily divided into two strands: one that focuses on individual material self-interest and another that centers on individual perceptions, beliefs and ideology.

Within the first theoretical strand, there are two distinct approaches. Class-based theorists, such as Esping-Andersen (1990) and Huber and Stephens (2001), argue that labor market income shapes preferences over redistribution. They suggest that individuals with higher incomes generally oppose taxes and transfers that would reduce their net income, an idea also supported by Meltzer and Richard (1981). More contemporary research proposes that labor market risk, rather than income alone, prompts the demand for social insurance. According to this perspective, individuals at risk of job loss are likely to support increased social spending to sustain their consumption when they are out of work (Iversen and Soskice, 2001; Mares, 2003; Rehm, 2011). Building on these insights, Rehm, Hacker, and Schlesinger (2012) suggest that a combined analysis of the interaction between income and risk can offer a more nuanced understanding of how diverse preferences for redistribution and social insurance emerge.

The Meltzer and Richard hypothesis (1981), which suggests that high levels of inequality should catalyze demands for redistribution, has garnered mixed empirical support. While some studies report a positive correlation between inequality and demands for redistribution (Borge and Rattsø, 2004; Finseraas, 2009; Schmidt-Catran, 2014), others have identified negative (Dallinger, 2010; Kelly and Enns, 2010) or even nonexistent (Kenworthy and McCall, 2008) relationships. Consequently, the link between economic inequality and attitudes towards redistribution appears to be complex, influenced by both perceptions of and beliefs about economic inequality.

Historically, misperceptions about the extent of inequality have been well-documented. Kluegel and Smith (1986) were among the first to explore these misperceptions. More recent research by Norton and Ariely (2011) demonstrates that Americans significantly underestimate the level of wealth inequality. Hauser and Norton (2017) further confirm these findings. Conversely, Chambers, Heesacker, and Lawton (2014) observe that while Americans tend to overestimate the growth

of income inequality, they underestimate average income levels, with notable differences in perception across political parties.

Gimpelson and Treisman (2018) argue that perceived inequality, rather than actual inequality, more strongly influences the demand for redistribution. They emphasize the prevalence of widespread misconceptions about economic disparities, suggesting that these perceptions, rather than factual data, are what truly shape public support for redistributive policies. This body of research indicates that understanding the public's perceptions of inequality is crucial for interpreting their attitudes towards redistribution.

Additionally, another line of research moves beyond economic self-interest to underscore the influence of political ideology on attitudes towards welfare. Variations in ideological leanings between left- and right-wing voters, particularly on issues like equity, fairness, and the government's role, are crucial in shaping individual welfare preferences (Alesina and Glaeser, 2004; Bean and Papadakis, 1998; Feldman and Zaller; Fong, 2001; Funk, 2000; Linos and West, 2003). However, recognizing that the explanations focused on economic self-interest and ideology might not be mutually exclusive is important. For instance, ideology could be a product of material conditions rather than an independent influence, or it might systematically moderate how individuals' material interests influence their political views (Lodge and Taber, 2000; Redlawsk, 2001). Thus, due to these interactive mechanisms, empirically disentangling the roles of self-interest and ideology to causally determine the impact of personal economic circumstances on welfare policy preferences remains a significant challenge.

However, while there has been considerable discussion on how income from the labor market affects social policy preferences, the significant role of asset ownership and wealth, especially in the form of housing, has often been overlooked. Ansell (2014) highlights this oversight, noting that it is crucial. She argues that homeownership not only enhances individual wealth by acting as a fixed asset but also serves as a form of insurance against labor market instability (2014). According to her, an individual's assets, such as property, may appreciate even as their labor market income stagnates or decreases, or even as they exit the labor market altogether. To fully grasp

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the nuances of individual support for redistribution and social insurance, it is essential to seriously consider the impact of wealth alongside income. Building on the "permanent income hypothesis" introduced by Friedman (1957) and Modigliani and Brumberg (1954), which posits that an individual's current consumption is determined not by their current income—subject to temporary fluctuations—but by their estimated permanent income over their lifetime, which includes their wealth. Ansell further elaborates that housing contributes significantly to an individual's permanent income. Therefore, homeownership should enable individuals to enhance their consumption levels. This effect remains largely independent of an individual's fluctuating labor market income. Indeed, homeowners have the option to sell their property or use it as collateral to secure loans, thereby sustaining consumption during periods of reduced income, including retirement. Studies that overlook the role of housing thus fail to account for a critical component of an individual's permanent income and consequently, their expected living standards.

Housing not only functions as a store of permanent income but also acts as a form of "self-insurance." Carroll (1997) expands upon the permanent income hypothesis by acknowledging that individuals may encounter liquidity constraints when they are out of the labor market, making it challenging to borrow against future income. This situation promotes "precautionary saving" as individuals accumulate a "buffer-stock" of assets to ensure they can maintain consumption during periods of temporary income loss. While assets in the traditional permanent income model are used to smooth consumption over one's life cycle, the buffer-stock model suggests that housing additionally serves as a hedge against labor market uncertainty, providing a financial safety net in volatile times.

Therefore, housing influences preferences regarding social insurance and redistribution policies that offer income support during periods of unemployment. The capacity to utilize housing as a means to stabilize consumption while out of the workforce, and to leverage housing assets to fund retirement, enables individuals to maintain consistent consumption levels during times of reduced income. Consequently, homeownership serves as a form of "private insurance," providing a self-supplied safety net against the economic hardships associated with job loss, thereby reduc-

ing reliance on socially provided benefits such as unemployment insurance and pensions (Ansell 2014).

She uncovers evidence that increasing house prices influence homeowners' preferences, leading them to favor reduced redistribution and social insurance expenditures. This conclusion is drawn from panel surveys conducted in the US and cross-country surveys from 29 other democratic countries.

3 Theory and Hypotheses

3.1 Housing Reforms in China: The Road to Commercial Housing

Urban housing in China was predominantly managed within a socialist framework for over three decades after 1949. During the 1950s and 1960s, private rented housing in urban areas was systematically transferred to local government control, as noted by Wang (1992). Concurrently, the government constructed a significant amount of public housing to support industrial expansion and urban renewal efforts, as detailed by Kirkby (1990), Wang (1995), and Wu (1996). By the late 1970s, public-sector housing provision through employment had become the primary mode of housing supply in all Chinese cities.

Starting in 1980, economic reforms began to allow market forces and private enterprises to increasingly influence the overall economy, including the housing sector. This shift marked a departure from the state's previous role as the sole solution provider for housing issues. A pivotal moment came in 1988 with the initiation of the Ten Year Reform Strategy, aimed at encouraging urban residents to purchase their homes, establishing housing development funds, and reforming the rent system in the public sector (Liu 1989).

Following this strategy, new policies were introduced to commercialize the urban housing system and foster the development of commercial housing by private and joint-venture companies. These companies were incentivized to build for profit and sell properties at market prices, leading to a transformation in the urban housing provision system (Chen 1996; Wang and Murie 1996).

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This shift not only led to the privatization of urban housing through various central and local legislations but also resulted in the construction of large quantities of houses by developers, thereby shaping a commercialized housing development and distribution system across the country.

More recently, the government has positioned the commercial housing development sector as a key driver for future urban economic growth and reform initiatives, reflecting a continued strategic emphasis on integrating market dynamics into the urban development framework(Wang and Murie 1999). With the privatization of the housing market and its integration into private wealth and assets, we have the opportunity to build upon existing research on housing and attitudes towards government redistribution. This shift allows for a deeper exploration of how personal property interests influence public support for redistribution policies in China. We hypothesize that homeownership impacts attitudes towards social redistribution, diverging somewhat from Ansell's (2014) findings. Specifically, we suggest that the negative influence of homeownership on support for government redistribution may be limited and varies across different groups within China. While homeownership may potentially decrease support among the general population, we posit that it enhances support for social redistribution among employees of state-owned enterprises (SOEs), in contrast to its negligible or negative effect on workers in the private sector. This variation underscores the complex interaction between economic status and political attitudes across different sectors and illustrates that the effects of homeownership are not uniformly distributed either internationally or within a single country.

3.2 The Limited Negative Impact of Homeownership on General Chinese Population: An Institutional Approach

While previous research, both theoretical and empirical, suggests that an increase in individual assets may decrease support for government redistribution in liberal democracies, we propose that different institutional arrangements of social policy and production regimes critically influence the demands that people develop regarding the redistribution of income, wealth, or other social policy programs.

Esping-Andersen (1990) presented two fundamental arguments to elucidate the cross-national differences in public opinion on redistribution, in the face of the fact that actual societal inequality does not entirely account for these variations. First, the cleavage groups that dominate a regime, each with distinct social policy interests, vary widely across systems. Second, these groups advocate for differing socio-political ideals. Over time, the prevailing societal powers and political coalitions shape specific social and political institutions and programs, reinforcing certain socio-political ideals within their governance structures. For instance, in liberal regimes, market processes are minimally interfered with, and there is a strong emphasis on individual responsibility for income security. Conversely, in conservative regimes influenced by Catholic social doctrine and Christian democracy, the welfare state plays a more significant role. Although these regimes prioritize equity and emphasize employment-based social insurance systems aimed primarily at security rather than redistribution. Social democratic regimes, on the other hand, have developed under the influence of left-wing labor parties in coalition with other social groups committed to universal social rights and an egalitarian social policy ideology.

Esping-Andersen later expanded his regime typology to include Mediterranean and transition countries. The impact of the Mediterranean regime on preferences for redistribution is expected to be similar to that of the conservative regime, emphasizing the role of the family and state in welfare provision, as noted by Gelissen (2000). Following their independence from the Soviet Union, the institutions in transition countries vary significantly, making it challenging to categorize them as a homogeneous group due to their diverse approaches to economic and social policy. These countries have unique trajectories in developing their welfare institutions, reflecting their varied historical and socio-economic contexts. The foundational premise of the institutional approach is that regimes exert a formative influence on citizens' preferences (Gelissen, 2002; Mau, 2004). This influence arises because each regime encapsulates specific ideologies that shape societal values regarding market distributions and the redistributive responsibilities of the government, as highlighted by Svallfors (1997). These ideologies promote varied interpretations and implementations of economic justice and social welfare, thereby molding public attitudes towards redistribution

policies.

Building on the institutional approach, we extend the discussion to the impact on support for government redistribution in an authoritarian regime governed by the Chinese Communist Party (CCP). We argue that China, under the leadership of the CCP, is a regime that prioritizes social welfare, consistently promoting it as a key societal issue through various public communication methods such as propaganda campaigns and educational initiatives. These efforts are aimed at ingraining socialist values and the importance of collective well-being among the populace. Another significant method of public communication is the use of national media to broadcast success stories and the benefits of government policies, which reinforces the government's role in ensuring social welfare and promoting common prosperity. The CCP emphasizes that the essence of socialism is to achieve common prosperity. In early 1992, Deng Xiaoping, the second-generation leader of the CCP after the founding of the People's Republic of China, stated during his southern tour that "the essence of socialism is the liberation and development of the productive forces, the elimination of exploitation, the elimination of polarization, and ultimately achieving common prosperity." This foundational principle was reiterated by President Xi Jinping shortly after the 18th National Congress of the CCP in December 2012, where he stressed, "Eliminating poverty, improving people's livelihoods, and achieving common prosperity are the essential demands of socialism." This articulation underscores that common prosperity is not just a goal but a fundamental requirement rooted in the nature of socialism itself, highlighting its profound significance.

Based on this, we posit that in contrast to liberal democracies where homeownership generally reduces support for social redistribution, the impact of homeownership on attitudes toward social welfare in China may be negligible or even non-existent. This hypothesis is predicated on the unique socio-political context of China under CCP leadership, where social welfare is heavily promoted as a cornerstone of socialist values, potentially mitigating the traditional property-ownership effect observed in Western societies.

Hypothesis One (H1): *The influence of homeownership on support for government redistribution in China will be minimal or potentially nonexistent.*

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3.3 Heterogeneity between Employment Sectors

We further contend that the impact of homeownership on support for government redistribution varies significantly across different segments of the Chinese population. Chinese society is marked by various social cleavages, among which the distinction between state-owned enterprise (SOE) employees and private-sector workers is particularly significant. This divide became especially pronounced following the economic reforms and opening up initiated in 1978, which allowed for the expansion of private enterprises within the country. In Maoist China, state-owned enterprises (SOEs) were envisioned as more than just production entities; they were comprehensive economic communities, or "danwei," that provided extensive social services to their employees from birth through retirement. This system was designed to fulfill the regime's claims of social responsibility and bolster its legitimacy by ensuring social stability. The SOEs offered their workforce a range of privileges including lifetime job security, superior wages, and comprehensive welfare benefits like healthcare, housing, and pensions. Additionally, in line with the Party state's commitment to full employment and comprehensive welfare, SOEs were typically overstaffed, a practice seen as an obligation to meet the social and economic mandates of the state. This overstaffing was both a measure of social policy and an economic strategy to maintain stability and support among workers (Shi *working paper*).

Since the reform and opening-up policies initiated in 1978, following a period of economic stagnation caused by the Cultural Revolution, China has witnessed significant transformations in its societal and economic structures. This period marked a profound shift as the Chinese populace sought to liberate their thinking and break away from the restrictive traditional economic systems. A notable inspiration for these reforms was a group of farmers from Xiaogang village in Anhui province. These farmers innovatively established the Household Contract Responsibility System, which replaced the less efficient People's Commune System. This new system galvanized farmer enthusiasm and innovation, receiving gradual endorsement from various government levels.

To further facilitate economic reform and open up to the global market, China established its first special economic zones in four coastal cities: Shenzhen, Zhuhai, Shantou in Guangdong

Province, and Xiamen in Fujian Province. These zones served as experimental grounds to refine and expand reform strategies across the nation.

Four decades of relentless reform and development have propelled China to become the world's second-largest economy. China's contribution to global GDP has dramatically increased from 2.4% to 14.8%. Concurrently, the per capita GDP has surged from 380 CNY to 54,000 CNY, and the per capita disposable income has grown from 170 CNY to 24,000 CNY. Moreover, China's outward foreign direct investment has skyrocketed from 297 million CNY to an impressive 1,235,925 million CNY. These figures highlight the vast economic advancements China has achieved through its innovative policies and commitment to economic reform.

As China's private economy has rapidly developed, state-owned enterprises (SOEs) continue to "control the lifelines of the national economy." Consequently, the distinction between these two groups has become increasingly pronounced. A substantial number of SOE positions are often inherited from family members of the previous generation. Consequently, individuals working in SOEs are typically born into this system and raised in an environment distinct from those outside of it, leading to fundamentally different socialization experiences during their formative years. This early socialization can have a profound and lasting impact on political identity, which in turn influences a range of political behaviors, including policy preferences, participation, and voting. The seminal work by Campbell et al. (1960) and subsequent studies by Green, Palmquist, and Schickler (2002) emphasize the role of childhood experiences in shaping political attitudes. Furthermore, extensive research by M. Kent Jennings and Richard Niemi has explored how political attitudes are transmitted within families from one generation to the next. Through their longitudinal study of Americans, captured in a series of articles and books (Jennings and Niemi 1968, 1974; Tedin 1974, 1980), they demonstrated that political attitudes are often inherited and persist across generations. The most recent analysis from Jennings, Stoker, and Bowers (2009) of the complete four-wave panel data confirmed that the influence of intergenerational political socialization remains significant even 40 years later. Collectively, this body of research robustly supports the notion that early-life experiences are critical in forming and sustaining political beliefs throughout

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an individual's life.

Therefore, although China does not have a multi-party system where individuals develop partisanship during their formative years, the process of socialization still significantly influences their political beliefs and values. Consequently, we can anticipate that employees in state-owned enterprises (SOEs) and those in the private sector may hold different policy opinions, even when subjected to the same political or economic conditions.

Furthermore, in China, the distinction between SOE employees and their private sector counterparts extends beyond the workplace to encompass virtually all facets of life. For example, employees of state-owned enterprises generally enjoy significantly higher job security compared to those in the private sector. While private enterprises are subject to the fluctuations of the economy, potentially affecting employment stability, SOE positions are nearly always secure, even during economic downturns. This is largely because SOEs operate in key industries considered crucial to national interests and are supported by government funding.

Another area of difference is housing. Historically, SOE employees often had access to subsidized housing through the system known as "unit-funded housing", allowing them to purchase apartments at rates far below market prices. This benefit reflects the broader support and stability provided to SOE employees, further distinguishing their living conditions and economic resilience from those in the private sector.

All these differences, whether ideological or socioeconomic, could lead to vastly different opinions towards government redistribution. Therefore, we contend that it is crucial to distinguish between SOE employees and private-sector employees when discussing policy preferences related to redistribution and social welfare.

First, we hypothesize that, contrary to trends observed in liberal democracies and Western countries where homeownership typically diminishes support for social redistribution, owning a house among SOE employees in China will actually enhance their support for government redistribution. This hypothesis stems from the unique socialization of SOE employees within a context where the government is perceived as highly effective and capable of resolving a broad spectrum

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of social and individual challenges. Moreover, most SOE employees own commercial properties, largely because they benefit directly from the economic system established by the CCP. This direct experience not only demonstrates how governmental assistance can improve lives but also fosters greater trust in the government's ability to efficiently address social issues.

Hypothesis Two (H2):*For employees of SOEs, homeownership will increase support for government redistribution.*

The relationship between homeownership and support for government redistribution among private sector employees is more nuanced. Typically, like their counterparts in Western democracies, these employees might view homeownership not only as a source of permanent income but also as a form of insurance against unemployment, which could lead them to decrease their support for government redistribution. However, given the strong influence of state ideology and the Chinese government's emphasis on socialism and the goal of achieving common prosperity, we anticipate that the typical negative impact of homeownership on support for redistribution will be substantially mitigated. This is particularly expected among private sector employees, who are also exposed to significant government communication and propaganda efforts promoting these values. Thus, we hypothesize that the negative effect of homeownership on support for government redistribution will be largely neutralized within this group in Chinese society.

Hypothesis Three (H3): *For employees of private sectors, homeownership will not have significant influence on support for government redistribution*

4 Data

We utilized the China General Social Survey (CGSS), conducted by Renmin University, which has been administered 8 times since the start of 2010. This extensive, time-series, cross-sectional dataset encompasses a wide range of variables, including demographic characteristics, socioeconomic status, political attitudes, and policy-related inquiries.

The primary dependent variable in our study is the level of public support for government re-

distribution. However, there is variation in questions related to government redistribution from year to year. For instance, in the year 2010, the questionnaire presented respondents with several statements to gauge their opinions on government involvement in redistributing wealth. The statements included: "The government can reduce social inequality through taxation and revenue allocation," "Eliminating poverty is primarily the responsibility of the poor themselves," "To lessen income disparity, the government should impose higher taxes on the wealthy," and "The government holds no moral obligation to mitigate social inequalities." In 2015, the questionnaire explored public opinion on government intervention for aiding the poor, specifically asking whether higher taxation should be implemented for this purpose. Additionally, it assessed views on the extent of government-provided welfare benefits. The areas of inquiry included whether employment should be guaranteed for everyone, the necessity of universal medical insurance, and the assurance of a secure life for senior citizens. Respondents were asked to express their level of agreement on a scale of 5 with each statement, providing insights into their perspectives on government redistribution policies. Given the variation in questions, we have aggregated all relevant questions within a single year to construct a composite measure. This composite measure is then rescaled to form an index, which we refer to as the *"Government Redistribution Index."* A score of 1 indicates the highest level of support for government-led redistribution efforts, while a score of 0 reflects a complete lack of support.

The principal independent variable in our study is homeownership. Each year, the questionnaire prompts respondents to disclose the number of houses or apartments they own. As previously discussed, this paper focuses exclusively on commercial housing purchased at market rates. We will exclude homeowners with Danwei-assigned apartments and units[1], as well as those with rural self-built houses on homestead land[2]. Originally an ordinal variable representing the count of

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[1]Danwei-assigned housing refers to the residential properties allocated to employees by state-owned enterprises or government agencies. These units were part of a broader welfare system where housing was provided as a benefit of employment within the public sector. This system was prevalent prior to the housing reforms initiated in the 1980s, which aimed to transition from welfare housing to a more market-oriented approach. For more on this, see: Wu, F. (1996). "Changes in the Structure of Public Housing Provision in Urban China" *Urban Studies*, 33(9), 1601-1627.

[2]Homestead land in rural China refers to land allocated to rural households for the purpose of building homes. This land is collectively owned by the village community, and rights to use the land are typically inherited or granted by local village committees. The self-built houses on this land are constructed by the land users, often with minimal

properties owned, we have recoded it into a binary variable for analytical purposes. In this recoded format, a value of 0 signifies no property ownership, whereas a value of 1 indicates possession of one or more properties.

Our analysis includes a set of control variables identified by established theories as influential on individuals' attitudes toward government redistribution. We incorporate the logarithmic values of both individual and family incomes, which are central to theories suggesting that income and wealth levels significantly impact attitudes towards social welfare policies. Additionally, we control for individuals' self-assessment of economic status, aligning with literature that suggests perceptions of economic status, rather than actual income, profoundly influence preferences toward redistribution. Additionally, the study accounts for individuals' perceptions of societal equality, utilizing a scale from 1 to 5, where a score of 1 indicates a view of society as extremely unequal and a score of 5 suggests a perception of complete equality.

We also account for political ideology as a significant determinant of attitudes toward redistribution by including a variable that indicates whether an individual has applied for membership in the Chinese Communist Party (CCP). This variable is employed as a nuanced indicator of political alignment, positing that the act of applying for CCP membership provides a more precise reflection of an individual's endorsement of the party's ideology, principles, and policies, as well as their broader political and governmental beliefs. For clarity and analytical precision, this variable is coded as binary, where 1 indicates that the individual has submitted an application for CCP membership, and 0 indicates they have not.

Furthermore, we control for *Hukou* status, a critical household registration system in China that categorically distinguishes between urban and rural types. This status, represented in our analysis by a binary variable where 1 indicates an urban *Hukou* and 0 represents rural, influences numerous aspects of an individual's life, including housing eligibility, employment opportunities, insurance types, and access to educational and health services. Consequently, *Hukou* plays a pivotal role

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regulatory oversight. This practice is deeply rooted in China's rural land management policies, which aim to provide housing security to rural populations. A comprehensive discussion on this can be found in: Tian, Li. (2014). *Property Rights, Land Values and Urban Development: Betterment and Compensation in China*. Edward Elgar Publishing.

in shaping social and economic experiences, potentially affecting attitudes towards government policies and redistribution.

Additionally, our study accounts for marital status and educational level, crucial demographic factors that further elucidate the complex interplay between social characteristics and attitudes toward government redistribution and social welfare policies. Marital status is coded as a binary variable where 1 indicates that an individual is married and 0 otherwise, providing insights into how familial and social commitments influence political beliefs. Educational level, measured on a graduated scale, allows us to assess how knowledge and informational exposure impact perceptions and support for redistribution. This comprehensive set of controls ensures a robust examination of the various factors influencing attitudes toward redistribution in China.

In our study, we utilized the housing prices of cities as an instrumental variable to estimate individual homeownership. We sourced the housing price data from Anjuke, a prominent real estate reselling website in China. The dataset encompasses average housing prices spanning from 2000 to 2021 across 285 prefecture-level cities[3] in China. We integrated this housing price data with our survey data on public opinions. However, it is important to note that not every survey year discloses the geographical location of its respondents, a practice aimed at safeguarding respondent privacy and information. Consequently, we were unable to merge the housing price data for each year between 2000 and 2021.We successfully merged housing price data with survey data for the years 2010, 2011, 2012, 2013, and 2015. Additionally, to account for economic variations that might affect the analysis, we controlled for the inflation rate in the province where each city is located. The Consumer Price Index (CPI) for each province, published annually in the Chinese Statistical Yearbook, served as our measure for inflation. This adjustment helps ensure that our analysis accounts for the purchasing power changes over time.

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[3]Prefecture-level city: A Chinese administrative division that is generally larger than a county but smaller than a province. Prefecture-level cities are the second level of the administrative structure, below provinces and above counties.

5 Methodology

To explore the impact of homeownership on attitudes toward government redistribution, we initially utilized pooled ordinary least squares (OLS) regression with the *government redistribution index* serving as the dependent variable. Homeownership was the primary independent variable in our analysis. To enhance the robustness of our model, we incorporated control variables that prior research has identified as influential in shaping support for government redistribution.

A significant challenge with ordinary least squares (OLS) estimates, as highlighted by Knight et al. (2009), is the assumption that all confounding variables that influence both the treatment and the outcome are fully captured and correctly modeled. If these variables are omitted or misidentified, the OLS estimates of the treatment effect can become biased due to confounding. To address this issue, we adopted matching techniques that simulate the conditions of randomization. Matching involves constructing a control group of non-property owners that is closely matched to the treatment group of homeowners based on observed covariates. By ensuring that both groups are comparable on key variables, this method significantly reduces the influence of confounding factors, thereby enhancing the accuracy and reliability of our causal inferences.

In this study, we implemented two matching algorithms to enhance the robustness of our estimates. The first technique utilized is the *nearest neighbor matching with a caliper*. This approach refines the standard nearest neighbor matching method by incorporating a caliper—a predefined maximum distance allowable between the treated unit and potential matches. Under this method, the closest control unit within the caliper distance is selected for each treated unit (homeowner). If no control units fall within this caliper, then the treated unit remains unmatched. The caliper's role is crucial as it ensures that the matches are not only geographically proximate but also exhibit sufficient similarity in terms of the propensity score. This stringent matching criterion helps preserve the quality of the matches and minimizes the likelihood of poor matches, which are more common in high-dimensional spaces due to greater potential distances. The second matching algorithm utilized in this study is exact matching. This method rigorously controls for confounding by pairing units that share identical values on specified covariates. Exact matching thus effectively eliminates

confounding influences, ensuring that any observed differences in outcomes between the matched treatment and control groups can be more confidently attributed to the treatment itself, rather than to discrepancies in the covariates. This approach significantly enhances the reliability of causal effect estimates derived from the study.

Although matching can largely improve the robustness of the estimate, one caveat with matching is that it can only match on observed cavariates. we cannot make sure that unobserved characteristics are counted for. This article tackles the challenge of deriving accurate estimates of homeownership's impact on public attitudes towards government redistribution, particularly using observational data. Such data often come with inherent issues like endogeneity, omitted variable bias, and measurement errors, complicating reliable analysis. We propose the use of a carefully selected instrumental variable (IV) that is associated with variations in homeownership yet remains independent of the opinion dynamics influenced by property ownership. By employing IV estimation, we aim to isolate and remove the influence of endogenous predictors, ensuring that our estimates are driven solely by exogenous factors. This method also offers a pathway to mitigate biases introduced by omitted variables and measurement inaccuracies.

However, resorting to IV estimation is not without its drawbacks. Compared to ordinary least squares (OLS) estimation, IV approaches tend to be less efficient and might lead to significant biases if the underlying assumptions of the model are not met. Despite these limitations, we argue that IV methodologies present a practical and effective means for assessing the causal impact of homeownership on public opinion regarding government redistribution.

Haurin, Parcel and Haurin (2002a, 2002b) noted that homeownership is influenced strongly by the price of owning, and that the relative price of ownership is not likely to be correlated with a number of behaviors of interest. A high price of owning tends to discourage homeownership, and the effects are greatest for households that are close to the margin for purchasing a home. To address this challenge, we employ local city-level housing prices as an instrumental variable for homeownership. This approach leverages the assumption that while housing prices are correlated with the likelihood of homeownership, they are exogenous to individual preferences and

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outcomes related to government redistribution, affecting these outcomes only through their impact on homeownership. Therefore, we propose employing a two-stage least squares (2SLS) regression to estimate the impact of homeownership on support for government redistribution. This method will allow us to address potential endogeneity issues by isolating the causal effect of homeownership from other confounding variables. Consider the following two-stage least squares (2SLS) model:

$$\text{First stage:} \quad Homeownership_i = \alpha_0 + \alpha_1 Z_i + \alpha_2 X_i + \epsilon_i$$

$$\text{Second stage:} \quad GovernmentRedistributionIndex_i = \beta_0 + \beta_1 Homeownership_i + \beta_2 X_i + u_i$$

where: $Homeownership_i$ is the homeownership status of individual i, $GovernmentRedistributionIndex_i$ is the attitude towards government redistribution, Z_i is the instrumental variable for homeownership, assumed to be exogenous, X_i represents control variables, ϵ_i and u_i are the error terms.

6 Findings

We first present findings from the pooled OLS regression indicate that homeownership is positively associated with support for government redistribution, corresponding to an increase of 0.12 units on the Government Redistribution Index as indicated by column 1 of Table 1.

To explore the heterogeneity of the treatment effect, we incorporated several interaction terms into our analysis. Column 2 of Table 2 details the outcomes from the OLS regression that includes these interaction terms, providing insights into the varied impacts of the treatment across different subgroups. For example, homeownership exhibits a significantly stronger positive effect on attitudes toward government redistribution among individuals employed in state-owned enterprises. Figure 1 illustrates the average Government Redistribution Index across two groups: employees of state-owned enterprises and workers in the private sector. Within each group, it further distinguishes between individuals who do not own houses and those who are homeowners. The figure

	Government Redistribution Index	
	(1)	(2)
Homeownership	0.12***	-0.147**
	(0.01)	(0.05)
Homeownership*Education		-0.00
		(0.00)
Homeownership*Sex		0.04*
		(0.02)
Homeownership*Inequality		0.01
		(0.01)
Homeownership*Workplace		0.05***
		(0.01)
Controls	Yes	Yes
Constant	3.54***	8.115
	(0.11)	(7.33)
Adjusted R2	0.02	0.04
Observations	46,046	12,283

Table 1: Effects of Direct Democracy on Bureaucracies Required for New Projects

Note: Robust standard errors are in parentheses. Column 1 shows that homeowners are more likely to support government redistribtuion. Column 2 indicates that the positive effect of owning a house on support for government redistribution is more prominent among SOE employees.

$p < 0.1$; [**] $p < 0.05$; [***] $p < 0.01$.

demonstrates that homeownership enhances support for government redistribution among both categories of workers. Notably, this effect is more pronounced among employees of state-owned enterprises.
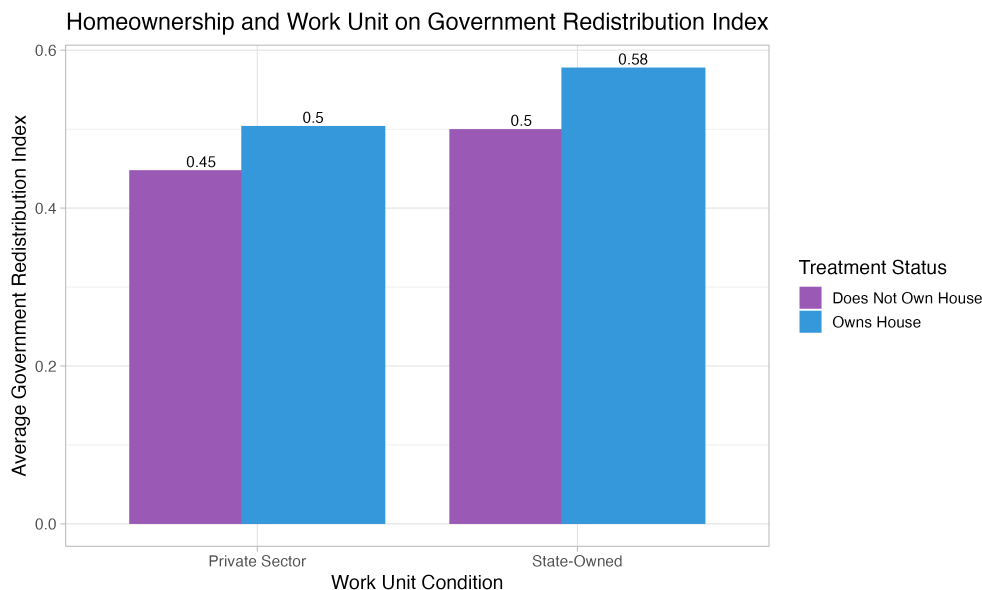

Figure 1: Heterogeneous Effects of Homeownership among Different Employment Sectors

Note: Figure 1 demonstrates that owning a house increases people's support for government redistribution, with the effect being more pronounced among SOE employees.

Given the potential bias in OLS estimates, I therefore present results from matching analyses in Table 2.Column (1) displays the results from nearest neighbor matching with a caliper, while column (2) presents estimates from exact matching. Despite utilizing different matching algorithms, the results consistently indicate that homeownership enhances support for government redistribution. Specifically, on the 0-1 *index*, homeownership increases support for redistribution by 0.44 points.

Since matching has its limitations in causal inference—particularly because it can only account for observable variables—we propose addressing the endogeneity issue further by employing instrumental variables. Specifically, we use city-level housing prices as the instrumental variable for the respondent's homeownership status.

I initially apply the IV model to the entire sample. Column 1 in Table 3 displays the estimation

| | Government Redistribution Index | |
	(1)	(2)
Homeownership	0.44***	0.44**
	(0.01)	(0.05)
Controls	Yes	Yes
Constant	0.14***	0.12***
	(0.01)	(0.01)
Adjusted R2	0.03	0.01
Observations	12,890	42,470

Table 2: Nearest Matching with Caliper and Exact Matching

Note: Robust standard errors are in parentheses. Column 1 shows that homeowners are more likely to support government redistribituion. Both Column (1) and (2) show that owning a house could significantly increase people's support for government redistribution.

$p < 0.1$; [**] $p < 0.05$; [***] $p < 0.01$.

results derived from analyzing the full sample. [4]

Subsequently, I conducted a subgroup analysis using the same IV model, applied separately to individuals employed in SOEs and those in the private sector. This analysis was performed to determine if the IV estimates corroborate previous findings that the positive impact of homeownership on support for redistribution is more pronounced among SOE employees than among their private-sector counterparts. The IV estimation results for these subgroups are presented in Columns 2 and 3, corresponding to state-owned enterprise employees and private-sector employees, respectively. The subgroup analysis revealed that homeownership's positive effect is significant exclusively for employees of state-owned enterprises, whereas it appears to exert no influence on individuals employed within the private sector. The finding that homeownership significantly influences attitudes toward redistribution primarily among SOE employees reinforces earlier analyses indicating

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[4]The diminished significance level observed in the IV estimation is consistent with findings from other studies in this field. For example, Engelhardt et al. (2008) analyzed the social benefits of homeownership, initially demonstrating through simple probit models that homeownership positively influences political engagement. However, when using instrumental variable probits, they found that homeownership had no significant impact on political involvement. The IV results for other social outcomes in their study were also inconclusive. Despite this, in our research, the IV estimate on the full sample remains statistically significant, leading us to cautiously maintain that homeownership likely enhances support for redistribution. This cautious optimism is based on the robustness of our findings across different analytical methods.

a more pronounced effect within this group. This consistency underscores the unique impact of homeownership on individuals in state-owned sectors.

	Government Redistribution Index		
	(1)	(2)	(3)
Homeownership	0.5*	0.52**	0.59
	(0.29)	(0.27)	(0.6)
Controls	Yes	Yes	yes
Constant	0.82***	0.6***	0.86***
	(0.17)	(0.19)	(0.33)
Adjusted R2	-0.21	-0.13	-0.38
Observations	2,318	1,008	1,310

Table 3: The Effect of Homeownership on Support for Redistribution with IV Estimation

Note: Robust standard errors are in parentheses. Column 1 demonstrates that homeowners are more likely to support redistribution. Column 2 reveals that this positive effect of homeownership on support for government redistribution is more pronounced among SOE employees. Conversely, as shown in Column 3, this effect is entirely absent among individuals in the private sector.

$p < 0.1$; [**] $p < 0.05$; [***] $p < 0.01$.

7 Mediation Effects and Explain Differences in Policy Preference between SOE and Private-Sector Employees

Observing from both the pooled OLS and IV estimations that homeownership significantly enhances support for government redistribution only among individuals employed in state-owned enterprises, we aim to explore the underlying mechanisms driving these heterogeneous treatment effects across different segments of the population. Following the methodology established by Imai et al. (2011), we employ mediation analysis to assess the empirical significance of various channels. Mediation analysis is a valuable tool for understanding how a treatment impacts an outcome through intermediary variables known as mediators, as detailed by Fagereng, Mogstad, and Rønning (2021). Our mediation analysis incorporates several observable mediators identified in

existing literature, including individual wealth, self-assessment of wealth, perceptions of social inequality, ideological beliefs, marital status, and *Hukou* status. This comprehensive approach allows us to unravel the complex interactions influencing differences in attitudes and outcomes between these two employment groups.

To establish mediation, two critical conditions must be satisfied. Initially, it's essential to ascertain whether homeownership influences the levels of the potential mediator. For example, if there are no discernible differences in income levels between SOE and private sector employees, income cannot be considered a mediating factor explaining the variance in support for government redistribution between these two groups. Secondly, we must investigate whether the mediator in question significantly correlates with individuals' attitudes towards social welfare. For any socio-economic factor to act as a mediator in the relationship between homeownership and attitudes towards government redistribution, a clear association with the latter is imperative. When both conditions are fulfilled, it becomes possible to decompose the effect of homeownership into its direct impact on the outcome and the indirect influence it exerts through the mediator. This analytical approach allows for a detailed understanding of how homeownership contributes to shaping public opinion on government redistribution policies. In figure 2, we diagrammed the mediation model to be tested. I consider seven potential mediators of homeownership's influence on people's support for government redistribution: income (family income and individual income), *Hukou*, ideology, income evaluation, perceived inequality, marriage.

First, we employed two-sample t-tests to contrast these two distinct groups: employees of state-owned companies and those in the private sector. Figure 3 reveals that employees of SOEs typically have higher incomes, both individually and at the family level. Beyond their objective financial status, SOE employees are also more likely to perceive themselves as economically better off compared to the local average. Due to their relatively stable job security, they often view society as more equitable compared to their counterparts in the private sector. Additionally, SOE employees are more likely to possess urban Hukou and are more inclined to apply for membership in the Chinese Communist Party (CCP), often motivated either by workplace requirements or the

significant benefits that CCP membership can confer within state-run organizations. Lastly, the data show that SOE employees are more likely to be married than those in the private sector.
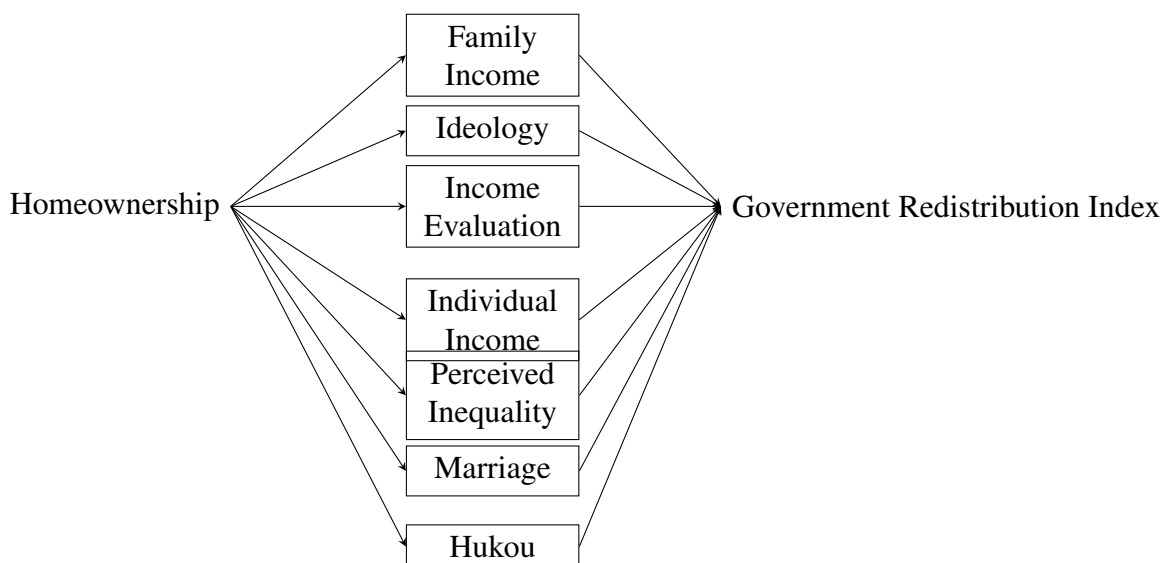

Figure 2: A mediation model illustrating the potential mediators of homeownership's influence on support for government redistribution, arranged centrally between the independent variable (Homeownership) and the outcome variable (Government Redistribution Index).

In the case of income, marriage and perceived inequality, I confirm both conditions of mediation. The results shown in Table 4 confirm the second condition. According to the framework proposed by Imai et al., the second condition of mediation—linking the mediators to the outcome—is not met by self-assessed income and wealth, ideological beliefs, and Hukou status. These variables do not demonstrate a statistically significant association with attitudes towards social redistribution, which is crucial for confirming their role as mediators in the model. This lack of a significant relationship implies that while these factors may influence individual perceptions or social status, they do not directly correlate with preferences for government-led redistribution.

Marriage significantly mediates the relationship between homeownership and support for government redistribution, particularly in contexts like China where societal norms deeply intertwine marital status with property ownership. In China, owning a home is often seen as a prerequisite for marriage (Li and Wu, 2014), with societal perceptions that a man's suitability as a spouse is linked to his homeownership status (Wei and Zhang, 2011). This cultural phenomenon, sometimes
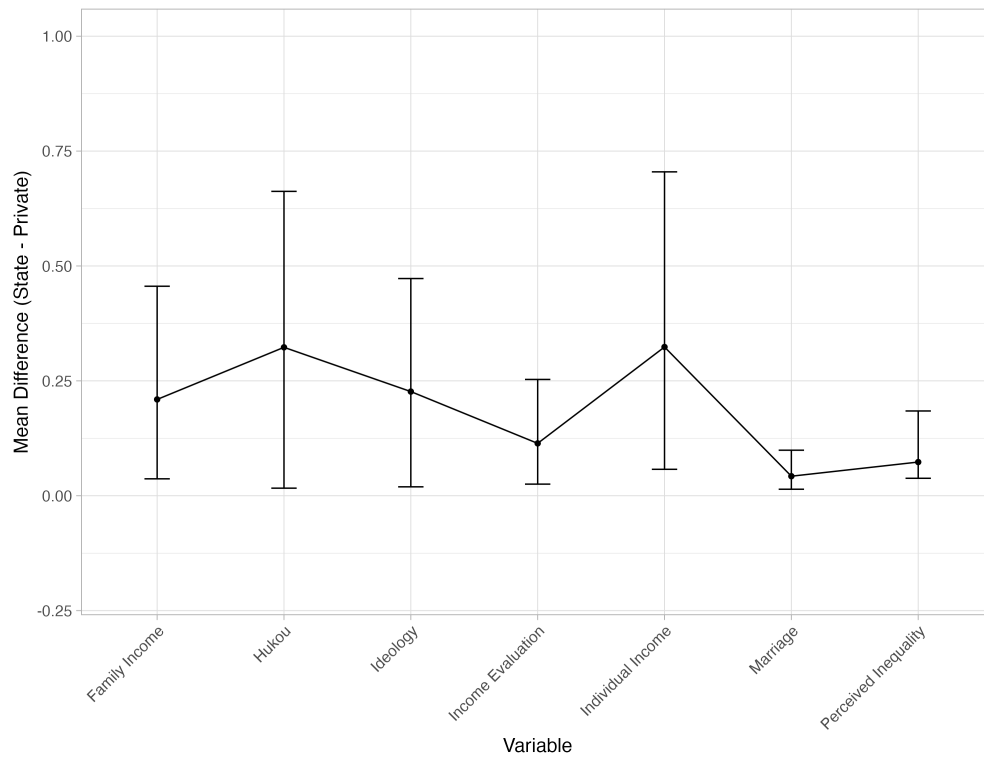
Figure 3: Differences between SOE and Private-Sector Employees

Note: Figure 2 illustrates that SOE employees differ from private-sector counterparts on every single dimension.

referred to as the "mother-in-law effect," pressures couples to secure a home before considering marriage (Li, 2014). Such cultural practices are more pronounced in countries where homeownership is a widespread expectation (Mulder and Wagner, 2001).

In environments where securing a home aligns with fulfilling both personal and societal expectations, homeowners may also embrace broader societal norms that prioritize collective welfare. Marriage itself is associated with increased economic stability and social responsibility. Married individuals, benefiting from potentially dual incomes and shared economic responsibilities, often experience enhanced security and stability. This security may predispose them to support redistributive policies that they see as bolstering societal stability, benefiting not just themselves but future generations as well.

Moreover, married couples typically engage in extensive long-term planning, which frequently

includes investments in real estate and children's education. This forward-looking perspective may incline them to view redistribution not merely as a cost, but as a critical investment in the fabric of a stable and prosperous society. This comprehensive outlook likely fosters a supportive stance towards government initiatives aimed at reducing social inequalities, as these policies align with their interests in maintaining a stable and equitable environment for their families and the broader community.

	Government Redistribution Index
family income(log)	-0.02*
	(0.01)
Individual Income(log)	-0.01
	(0.00)
Income Evaluation	-0.01
	(0.01)
Marriage	0.06***
	(0.02)
Ideology	-0.00
	(0.01)
Hukou	0.01
	(0.01)
Inequality	-0.03***
	0.01
Constant	1.06***
	0.08
Adjusted R2	0.02
Observations	2,318

Table 4: Predicting Support for Government Redistribution

Note: Robust standard errors are in parentheses. Table 4 indicates that income, marital status and perception of inequality is associated with people's support for redistribution

$p < 0.1$; [**] $p < 0.05$; [***] $p < 0.01$.

While our mediation analysis employs the framework outlined by Imai et al. (2011), it is essential to acknowledge the challenges inherent in meeting the model assumptions required to establish a causal mediating relationship. The mediation effect can be considered causally identified only if the sequential ignorability assumption holds. The initial part of this assumption may be reasonably satisfied in our context, as homeownership can be viewed as an exogenous predictor of both the

mediators and the outcomes. However, the latter part of the assumption is less likely to be met since mediator levels may also result from factors other than homeownership.

The presence of unmeasured confounding variables that influence both the mediators and the support for government redistribution would violate this assumption. Additionally, if the mediators themselves are causally interconnected, this would further challenge the assumption. Despite our attempts to adjust for confounding factors, the limitations of observational data mean that we cannot fully ensure mediator ignorability.

Therefore, the interpretations derived from these mediation models should be considered indicative of association rather than causation. To the extent that the model's assumptions are not satisfied, there may be biases in the estimated indirect and direct effects. We discuss this concern more comprehensively in the appendix, where we discuss the implications of these concerns. Furthermore, we present sensitivity analyses that examine how robust our findings are to potential violations of the sequential ignorability assumption. These analyses help gauge the extent to which such violations might alter the conclusions drawn from our study.

In Figure 4, we present the estimated average causal mediation effects and the percentage of homeownership's influence transmitted through each mediator. Our findings reveal that family yearly income partially mediates the impact of homeownership on support for redistribution, accounting for approximately 16% of the effect on political interest. Additionally, individual perceptions of social inequality mediate about 11% of homeownership's effects on support for government redistribution. Surprisingly, we discover that marital status plays a significant role, mediating approximately 26% of homeownership's effect on support for government redistribution.

Our mediation analysis lends empirical support to theories articulated in prior research, notably the interplay between individual financial standing and attitudes towards social redistribution. Our findings reinforce the established notion that self-interest significantly informs public opinion. The degree to which material interests influence policy preferences seems contingent on public perception of the connection between specific policies and their immediate financial impact. Converse coined the term "doorstep opinions" in 1964 to describe policy views that individuals formulate

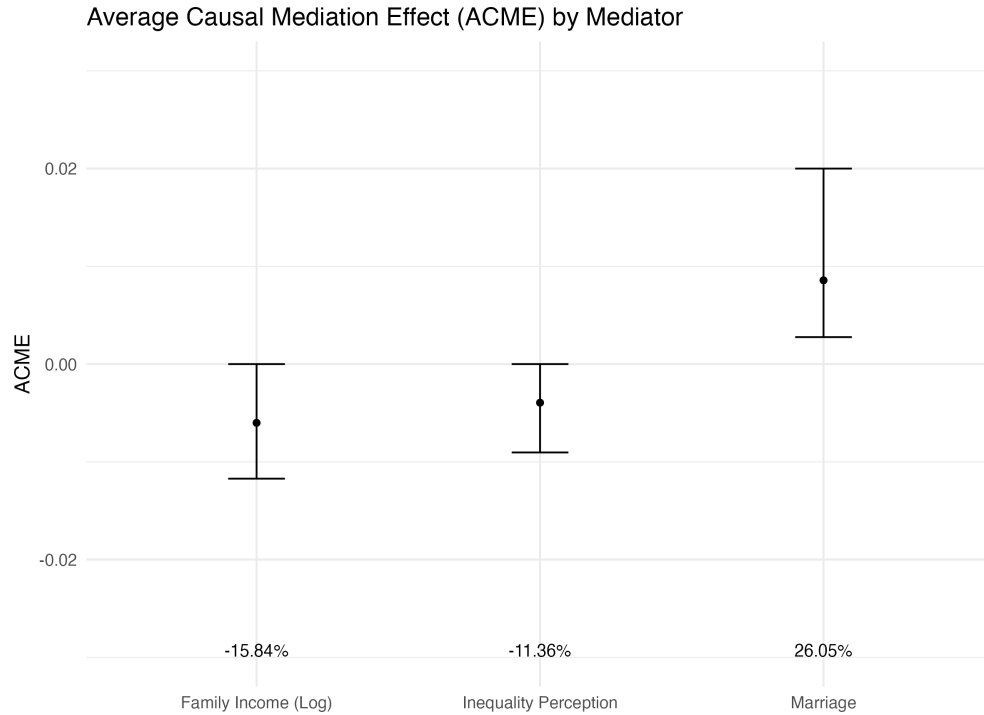Average Causal Mediation Effect (ACME) by Mediator

Figure 4: Average Causal Mediation Effect (ACME) by Mediator

Note: Figure 4 illustrates three potential mediators that may link homeownership with support for government redistribution.

instantly, influenced by the direct implications such issues may have on their personal financial interests.

We discovered an inverse relationship between family wealth and support for redistribution, corroborating previous studies. For example, Doherty and colleagues have demonstrated that personal financial changes, such as lottery winnings, can profoundly affect opinions on estate taxes, which directly engage respondents' material interests, and to a lesser degree, views on income redistribution (2006). This echoes the observations by Campbell, Converse, Miller, and Stokes in 1960, who spoke of voters driven by "primitive self-interest" who nevertheless may lack the ideological framework to interpret political propositions that are not obviously connected to their personal financial circumstances.

Our findings contribute to the discourse on the Meltzer–Richard model, which argues that higher economic inequality typically prompts the median voter to favor increased redistribution.

This presumption is based on an assumption of voters' awareness of their economic environment. However, research indicates that people often have a flawed grasp of actual economic disparities (Kiatpongsan and Norton, 2014; Norton and Ariely, 2011), holding onto skewed beliefs about the distribution of societal wealth (Gimpelson and Treisman, 2017).

Indeed, it is these subjective perceptions of economic inequality, rather than hard economic data, that appear to be more strongly associated with calls for redistribution (Gimpelson and Treisman, 2017; Niehues, 2014). Our research aligns with this insight, showing a tendency among individuals who perceive greater societal equality to be less in favor of government-led redistribution. Conversely, those who view society as markedly unequal are more inclined to endorse redistributive policies. This underscores the complex interplay between individual perceptions of inequality and the political and economic mechanisms governing redistributive preferences.

8   Conclusion

In a nation where property ownership has long been a central priority in people's lives, understanding how homeownership influences political attitudes and behaviors is essential for grasping the broader societal dynamics. This paper's examination of the relationship between homeownership and political attitudes toward public policy is particularly significant in this context.

This study delves into the impact of homeownership on individuals' support for redistributive policies. By utilizing nationally representative survey data and employing sophisticated analytical techniques such as matching algorithms and instrumental variable approaches, this paper provides a rigorous analysis of the relationship between homeownership and public opinion. One of the central findings is that becoming a property owner generally leads individuals to be more supportive of social redistribution. This finding highlights the significant role of individual wealth in shaping political attitudes and contributes to a deeper understanding of the interplay between economic status and political preferences.

Delving deeper, our analysis uncovers a previously understudied relationship between home-

ownership and a key socioeconomic indicator: individuals' employment sector. The focus on employment sector is driven by the unique social system in China. It is important to recognize that these two groups—SOE employees and private-sector workers—may have fundamentally different political ideologies and attitudes due to their distinct socialization experiences. Additionally, these groups have different housing experiences in China, further influencing their perspectives. Understanding these nuances is crucial for a comprehensive analysis of the interplay between homeownership, employment sector, and political attitudes in the Chinese context.

Furthermore, another important revelation is the mediating role of various socioeconomic and demographic factors in the relationship between homeownership and public opinion on social redistribution. While we cannot assert causality for these mediators, including family income, marital status, and perceptions of inequality, this mediation analysis offers deeper insights into how an individual's personal context influences the relationship between homeownership and support for social redistribution. Understanding these mediating factors helps elucidate the complex dynamics at play, highlighting the multifaceted ways in which personal circumstances can shape political attitudes.

This research opens several avenues for further investigation into the influence of homeownership on political engagement. For instance, future studies could explore whether homeownership encourages political participation in China, particularly at the local and community levels. In American politics, research has shown that property ownership is linked to increased participation in local politics, including activities such as voting in mayoral elections, attending city council meetings, and donating to candidates. Examining these dynamics in the Chinese context could provide valuable insights into the broader relationship between homeownership and civic engagement. Moreover, our paper uncovers significant heterogeneity between private-sector and SOE employees, suggesting that future research should investigate whether these divergences exist in other policy areas beyond the redistribution policies examined here. To the best of our knowledge, no studies have systematically explored the differences in political attitudes and behaviors between SOE employees and their private-sector counterparts. Future research could not only investigate

these differences but also examine the underlying mechanisms that may cause systematic variations between these two groups. This line of inquiry could provide a deeper understanding of the political dynamics within different sectors of the workforce. By examining the distinct political attitudes and behaviors of SOE employees compared to private-sector employees, we can gain valuable insights into the broader landscape of political support and social tensions within China.