

> Thursday, February 9th, 2023

12:00 – 13:30

IFLAME RESEARCH SEMINAR

**RESEARCH
SEMINAR**



EMPOWERING CHANGEMAKERS FOR A BETTER SOCIETY

‘THE CONSERVATIVE TAX: POLITICAL PREFERENCES AND MIGRATION OF COLLEGE-EDUCATED WORKERS’

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Joint work with Jinci Liu



ABSTRACT

We study the economic consequences of the increasingly large divide in political attitudes between college-educated and non-college workers in the US. First, using large-scale survey data and methods borrowed from political science, we show that the college/non-college gap in policy views has grown dramatically over the last 10 years. College-educated workers are very far to the left on non-college workers, on both cultural and economic issues. Second, using a variety of identification strategies, we show that replacing a Democratic Governor with a Republican Governor substantially reduces in-migration of college-educated workers. The effects are comparable to an 8% reduction in after-tax income, and are confined only to the periods in which gaps in views were large. Third, we modify a spatial model of location choice to include political preferences as amenities, and calibrate the model to match our reduced form estimates. We use the model to simulate the aggregate and distributional consequences of various plausible changes in the partisan control of state government.