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Economic Inequality and Democratic Political Engagement

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What effect, if any, does the extent of economic inequality in a country have upon the political engagement of its citizens? This study examines this question using data from multiple cross-national surveys of the advanced industrial democracies. It tests the theory that greater inequality increases the relative power of the wealthy to shape politics in their own favor against rival arguments that focus on the effects of inequality on citizens' objective interests or the resources they have available for political engagement. The analysis demonstrates that higher levels of income inequality powerfully depress political interest, the frequency of political discussion, and participation in elections among all but the most affluent citizens, providing compelling evidence that greater economic inequality yields greater political inequality.

E conomic inequality has been rising in nearly all of the advanced industrial democracies over the past two decades (e.g., Smeeding 2005). The consequences of this greater economic inequality for the politics of these countries, however, have gone almost completely unexamined in the empirical literature. As the recent APSA Task Force on Inequality and American Democracy was forced to conclude, "we know little about the connections between changing economic inequality and changes in political behavior" (2004, 661).

This study examines how economic inequality affects a central attribute of democracies, their ability to sustain the active engagement of their citizens in the political process. Using standardized data from over a dozen crossnational surveys of the world's rich democracies in a series of multilevel models, it tests three rival theories that offer very different predictions regarding inequality's relationship with political engagement. The analyses demonstrate that economic inequality powerfully depresses political interest, discussion of politics, and participation in elections among all but the most affluent and that this negative effect increases with declining relative income. These results support only the relative power theory of political engagement, which maintains that where income and wealth are more concentrated, power will also be more concentrated and that the less affluent will therefore be more likely to find that the issues debated are not those that interest them, to give up on discussing political matters, and to conclude that, given the options presented, participating in elections is just not worth their effort. This finding has important implications for our understanding of political participation, of the politics of redistribution, and of democracy.

Theories of Inequality and Engagement

The nature of the relationship between the extent of economic inequality in a country and the political engagement of that country's citizens has been the subject of considerable debate. Some democratic theorists treat as essentially self-evident the proposition that economic inequality should be expected to depress political engagement, and particularly that of poorer citizens (see, e.g., Dahl 2006, 85-86). Other political scientists, however, continue to argue that greater inequality should result in more political engagement (e.g., Brady 2004; Oliver 2001) or that it discourages engagement among poorer individuals while stimulating the engagement of the more affluent (e.g., Ansolabehere, de Figueiredo, and Snyder 2003). This section explains the three theories behind these conflicting perspectives and reviews the scant empirical literature on the topic.

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First, the relative power theory contends that economic inequality should have a negative effect on political engagement generally and among poorer individuals especially due to its consequences for the distribution of power. It maintains that because money can be used to influence others, if a country's income and wealth are more concentrated, power within the country will be more concentrated; that is, where rich individuals are richer relative to poor individuals, they will be more powerful relative to these poor individuals as well (Goodin and Dryzek 1980). This larger power imbalance shapes the political landscape through its impact on whatever issues might cleave richer people from their poorer fellow citizens. First, wealthier individuals' larger power advantage allows them to more consistently prevail in any open conflicts on these issues (e.g., Goodin and Dryzek 1980, 286). Second, it allows richer citizens to more successfully preclude these issues from even being publicly debated (Bachrach and Baratz 1970, 6-11). No coordination-or even intent-is required for this to occur: by using their money to amplify their own speech in arguments on some issues, more affluent people can drown out the voices of poorer citizens and so keep the issues they would raise from being discussed (Schattschneider 1960, 106). And third, it eventually convinces poorer individuals who consistently find themselves unable to prevail in political contests or even to gain a hearing for their positions that their interests cannot be pursued through the political process; they therefore abandon preferences that have no chance of being enacted (Lukes 2005, 27). Through repeated failures, these poorer citizens come to conclude that their condition is natural, destined by fate, or simply no less than they deserve, and they internalize "the values, beliefs, or rules of the game of the powerful as a further adaptive response—i.e., as a means of escaping the subjective sense of powerlessness if not its objective condition" (Gaventa 1980, 17).

The systematic removal of these issues from the political agenda has predictable consequences for political engagement.¹ Poorer citizens, confronted by a political system that fails even to develop alternatives regarding many issues of importance to them, can be expected to become more and more likely to rationally conclude that there is little point to being engaged in politics (e.g., Gaventa 1980, 9–13; Pateman 1971, 297–98; Schattschneider 1960, 105). Richer citizens' need to engage in the political process to defend their interests from the challenges of poorer individuals declines as these issues are removed from debate, but their political engagement should nevertheless continue to be motivated to some extent by their conflicts with each other (Schattschneider 1960, 105–7). Inequality should therefore have a negative impact on the political engagement of richer citizens as well as poorer citizens, although its effect on the former should be smaller than its effect on the latter.

Second, the conflict theory holds just the opposite position: that inequality should be expected to *increase* people's engagement in politics. According to this argument, higher levels of inequality cause divergences in political preferences that fuel debates about the appropriate course of policy; these debates then cause higher rates of political mobilization. More inequality means that the poor are poorer relative to their fellow citizens, so redistributive policies should become more attractive to them as a means of improving their circumstances (Meltzer and Richard 1981). But redistribution becomes more costly to the well-off as inequality increases, so wealthy individuals should become increasingly strident in their opposition to such policies. In fact, when the rich are richer, their potential gains from lower tax rates are greater, so they should be expected to seek policies that reduce rather than increase redistribution.

By inferring individuals' political preferences from their positions within the country's income distribution in this way, the conflict theory predicts that the views of richer and poorer citizens will be more opposed at higher levels of inequality. These increasingly incompatible preferences, in this view, should lead not to the quiescence suggested by relative power theory but rather to more conflictive politics. The more conflictive politics present when inequality is greater should in turn stimulate more interest and participation in the political process. Conversely, contexts of lower inequality should lead to fewer demands on government, greater consensus about the shape of policy, and so less engaging politics (Brady 2004; Oliver 2001).

Third, the resource theory maintains that whether economic inequality has a negative relationship to political engagement or a positive one depends on each individual's income. Unlike the two previous theories, the resource theory does not contend that the context

ories regarding the relationship between economic inequality and democratic political engagement is supported empirically.

¹Indeed, declining engagement may be the only observable indication that the scope of politics is being constrained—it is very difficult, perhaps impossible, to surmise which issues among those that remain undebated and uncontemplated would be on the agenda or in people's thoughts if not for the exercise of greater relative power (see, e.g., Bachrach and Baratz 1970, 49–50). Although the second dimension of power tends to increase the divergence between the issues contested (as evidenced by conflicting party platforms, for example) and citizens' expressed preferences, the third dimension tends to reduce it. The relative power theory therefore makes no firm prediction about the extent of this divergence. In any event, the goal of this work is not to examine every implication of the relative power theory but rather to test which, if any, of the the-

of inequality has a broad impact on the shape of politics; instead, it examines only the ramifications of inequality for citizens as individuals. It is derived from the view that to be engaged in politics requires resources: "time to take part, money to contribute to campaigns and other political causes, and skills to use time and money effectively" (Verba, Schlozman, and Brady 1995, 16). Individuals therefore can be expected to make decisions about engaging in politics just as they make decisions to consume any other good; that is, they will be engaged only to the extent they are willing to pay the costs. As a consequence, they will do so more as their incomes increase (Ansolabehere, de Figueiredo, and Snyder 2003, 117-18). According to the resource theory, then, inequality should affect political engagement because for any given average income, higher levels of inequality mean fewer resources with which to pay the costs of engagement for a country's poorer citizens and more such resources for its richer citizens. Greater inequality should therefore be expected to result in less political engagement among the relatively poor, but more political engagement among the better off.

Despite these three contradictory theories, few empirical works have directly addressed the effects of economic inequality on political engagement, and none have been fully convincing. Goodin and Dryzek (1980) and found that the relationships between income inequality and turnout in elections were strongly negative across 38 democracies in the late 1950s and across 42 U.S. metropolitan areas in the early 1960s. Their analyses, however, failed to include controls for the many individual and national characteristics that are also thought to affect electoral participation. Boix (2003) and Solt (2004) similarly found that differing levels of economic inequality had important negative effects on subnational turnout rates in the United States early in the twentieth century and in Italy during the 1970s and 1980s, respectively, but their single-country research designs leave questions regarding the generalizability of their results. Oliver's (2001, 86–93) finding of a positive relationship between municipal-level income inequality and local political engagement in the United States in 1990 suffers the same shortcoming, and the distinctive character of inequality in U.S. municipalities further cautions against drawing more general conclusions from this work.² None of these studies included

²Income equality at the municipal level in the United States is well understood to be driven by income *inequality* on the regional scale: the rich are more likely to seek to distance themselves from the poor or to generate housing prices high enough to force the poor to relocate as the difference between rich and poor grows (e.g., Mayer 2001). Oliver's finding of increased political participation with greater municipal inequality therefore may simply be a retests to determine whether the effects of inequality vary according to individuals' incomes as predicted by the relative power and resource theories. It is very difficult to assess the interconnections, if any, between economic inequality and political behavior on the basis of such scant and conflicting evidence. As the APSA Task Force concluded, "there is an urgent need for research that analyzes these interconnections" (2004, 655).

Data and Measures

This article addresses the question by examining the relationship between economic inequality and political engagement in a diverse sample of rich and upper-middleincome democracies. Countries under authoritarian rule are excluded because political engagement is a distinctly different phenomenon in authoritarian regimes; participation in elections, for example, is simultaneously coerced and an instrument of coercion. Therefore, only democratic countries were considered: countries in which contested elections with broad suffrage determined the occupants of the most important political offices. Differences in the character of much political engagement in the democracies of the developing world similarly counsel against including these countries in this study. Many impoverished citizens in these poorer democracies trade their political support for particularistic benefits and lose access to these needed resources if they fail to vote as directed. Participating in clientelistic networks in this way is distinctly different from engaging in politics to express one's political preferences; indeed, clientelist political engagement is often viewed as evidence of the absence of democratic rights rather than their exercise (e.g., Huber, Rueschemeyer, and Stephens 1997, 344).³ This study therefore focuses on political engagement in the contemporary industrialized democracies, where coercion and clientelism are relatively rare, and leaves the relationship between inequality and engagement under authoritarian rule and in the developing world as topics for future research.

Drawing accurate cross-level inferences about the effects of an aspect of context, such as economic inequality, on individuals' attitudes and behavior, such as their political engagement, requires information about both

flection of the concomitant equality of the larger region (cf. Oliver 2001, 96–98).

³The fact that widespread clientelism occurs in the countries of the developing world, where great economic inequality provides the wealthy with the resources necessary to directly buy the votes of the poor, can be seen as providing preliminary support for the relative power theory (see Huber, Rueschemeyer, and Stephens 1997, 344).

the individual and the context (e.g., Achen and Shively 1995). The individual-level data used here come from a collection of cross-national surveys. These surveys were selected to provide the maximum amount of variation in context while maintaining equivalent indicators for the variables considered in this study. The countries and years included in each analysis, along with the surveys that provided the individual-level data, are listed in the appendix.

Dependent Variables

The dependent variables measure three different aspects of political engagement: interest in politics, discussion of political issues, and participation in elections. Each of these variables is described below.

Political Interest. Data on political interest for 22 countries in 71 country-years come from the World Values Survey, the Eurobarometer, and the European Election Survey; details are provided in the appendix. These surveys asked respondents to describe their interest in politics on a four-point scale ranging from (1) not at all interested, through (2) not very interested and (3) somewhat interested, to (4) very interested. The mean political-interest score across countries and years is slightly below 2.5. On average, the Spanish expressed the least interest in politics: in 1990 the mean political-interest score in Spain was only 1.8, with nearly half reporting that they were not at all interested. The two highest mean political-interest scores were recorded in Germany. In 1990 and again in 1997, over three-quarters of Germans said they were at least somewhat interested in politics, and the mean score across the country was 3.0 in both years. Interest in politics varies over time as well as across countries: the mean level of political interest in Britain dropped steadily from 2.7 in 1988 to just 2.0 in 1999.

Political Discussion. The frequency with which people discuss politics has long been considered an important indicator of their active participation in politics, and both the *World Values Survey* and the *Eurobarometer* series regularly include an item tapping political discussion. For this study, these surveys provide information about political discussion in 22 countries in a total of 62 different country-years, which are listed in the appendix. Respondents reported how often they discussed political matters with their friends on a three-point scale: (1) never, (2) occasionally, or (3) frequently. Most people say that they occasionally discuss politics: on average across countries and years, 27% of citizens never discuss political issues. But the patterns of political discussion vary greatly

from one country to another and over time. In 1990, fewer than one in ten Norwegians declared that they never discussed politics. By contrast, over half of British citizens completely avoided talking about politics in 1999, twice as many as did in 1988. Only 7% of Spanish respondents in 1988 and Finnish respondents in 2000 frequently engaged in political discussion; the highest rate of frequent political discussion was found in Israel in 2001, 38%. The percentage of Italians who frequently discussed politics more than doubled from 1988 to 1995, from 11% to 26%, only to fall again to 14% in 1999.

Electoral Participation. Participation in elections is the most studied aspect of democratic political engagement. Data on whether individual respondents voted in the last national election were collected for 59 elections in 23 democracies from the Eurobarometer, the International Social Survey Program's Role of Government, the European Election Study, and the Comparative Study of Electoral Systems series of surveys; details are in the appendix. The average reported turnout across elections was 78.5%, but as is well known, voting rates vary considerably across countries and over time. A little over half of Polish citizens typically reported participating in their national elections; on the other hand, consistently more than 90% of Australian citizens said they had voted. Reported voting rates in Austria fell from 85.1% in the 1986 parliamentary election, well above the average turnout, to just 72.9% in 1994, well below it.

Independent Variables

Economic Inequality. Part of the reason so little progress has been made in the study of the political consequences of economic inequality has been the lack of inequality data suitable for cross-national comparisons. Fortunately, the Luxembourg Income Study (LIS) is remedying this problem by collecting the results of many trustworthy national income surveys and using a consistent methodology to calculate income inequality statistics for many countries at multiple points in time. The unparalleled comparability of the LIS data makes it possible to analyze the effects of income inequality on political engagement across democracies.⁴

The LIS Gini index of household income inequality serves as the measure of economic inequality in this

⁴Although perfect comparability is impossible, the LIS data are acknowledged to be the best available and are widely accepted in the study of income trends (see Smeeding 2005). For a complete description of the LIS project and access to the inequality data used in this article, see http://www.lisproject.org.



FIGURE 1 Income Inequality in Five Democracies, 1984 to 2000

study.⁵ The Gini index has a theoretical range from 0, indicating that each household receives an equal share of income, to 1, indicating that a single household receives all income. Intermediate values may be interpreted as the proportion of income that would have to be redistributed to achieve perfect equality across households. Figure 1 displays the trends in the LIS data from 1984 to 2000 in five countries: the United States, Great Britain, Canada, Germany, and Sweden. The United States and Great Britain have some of the highest levels of income inequality among countries in the LIS dataset that were democratic during the time period considered in this study, while Sweden was among the most egalitarian countries in the dataset. Canada and Germany were close to the median of the countries studied in terms of income inequality for most of the period examined.

Income. Relative, rather than absolute, income is the theoretically important variable: in both the relative power and resource theories, the effect of the distribution of economic resources on an individual's political engagement is hypothesized to depend on where in this distribution the individual falls. For this study, the income quintile of each respondent's household is used as the measure of income, with the poorest quintile coded as 1 and the richest quintile coded as 5. FREDERICK SOLT

Control Variables

The literature on the causes of political engagement is extensive, and many characteristics of individuals and aspects of their contexts have been suggested as explanations. Education and age have been repeatedly shown to be the two most powerful individual-level influences of political engagement; their effects are typically attributed to their contributions to citizens' ability to assess the importance of politics and the consequences of their participation. Many other demographic characteristics have also been argued to affect political engagement and are included as controls in this study (see, e.g., Verba, Schlozman, and Brady 1995). Although women tend to vote at similar rates to men, they have been found to be less engaged in politics otherwise. Married people are more likely to remind each other to vote than single people, but they are less likely to have or spend free time to otherwise engage in politics; free time and therefore political engagement decline further as the number of children in the family increases. Those in the workforce are thought to be more likely to be politically engaged than those who are not employed. The inhabitants of rural locations and small towns-for the purposes of this study, those living in locations with fewer than 2,000 inhabitants-are less likely to be politically engaged than those in suburban or urban locations (Oliver 2001, 48-50). Labor unions work to politically organize and mobilize their members, leading union members to be more engaged in politics (e.g., Radcliff and Davis 2000). Those who are active members of churches may gain skills through their participation that then facilitate their political engagement, and churches also frequently seek to mobilize their members electorally (e.g., Verba, Schlozman, and Brady 1995, 320-25).

Most cross-national work on the determinants of political engagement, however, focuses on institutional characteristics. Presidentialism, by separating executive and legislative power, provides citizens with an additional point of influence on policymaking and can therefore be expected to facilitate political engagement generally, but this division of power reduces accountability and so decreases the salience of elections (Lijphart 1999).⁶ Federalism similarly increases the number of access points available to citizens and also allows politics to be more closely tailored to regional concerns, encouraging interest and discussion of politics (Lijphart 1999, 186–87). But

⁶Presidential systems are defined here as those with (1) a popularly elected president who (2) exercises real political power, either legislative powers of veto or decree or nonlegislative powers to appoint cabinet ministers or dissolve parliament (see, e.g., Lijphart 1999, 117–24).

⁵Household income is net of transfers and direct taxes. Household size and composition are taken into account by dividing each household's income by the number of equivalent adults, calculated as the square root of the number of persons in the household (Smeeding 2005).

in distributing power to regional governments, federalism makes national elections less important and so discourages voting (e.g., Blais and Carty 1990). Unicameral legislatures make policymaking more decisive, heighten the stakes of politics, and so increase political engagement (e.g., Jackman and Miller 1995, 470–71).⁷ Enforced laws that make voting compulsory are thought to be effective in boosting electoral participation, but whether they similarly increase other aspects of political engagement is doubtful (Jackman and Miller 1995, 481). Higher district magnitudes are hypothesized to generate more political engagement: by increasing the proportionality between votes and electoral outcomes, larger districts contribute to a greater sense of citizen control over politics (Blais and Carty 1990).8 Conversely, more pluralistic party systems are thought to have a negative effect on political engagement because more parties increase uncertainty about governing coalitions before elections and tend to blur responsibility afterwards (Jackman and Miller 1995, 470).9

Three other potentially important contextual variables are also included in the analysis. Because unions frequently seek to mobilize even nonmembers, the density of unions in a country may have a positive effect on political engagement there (e.g., Radcliff and Davis 2000).¹⁰ Political interest and political discussion are also plausibly hypothesized to increase during election years. Finally, it may be that absolute income provides additional resources for engagement in politics. This possibility is taken into account by introducing a control for contemporary GDP per capita, measured in thousands of 2000 U.S. dollars and adjusted for differences in purchasing power.

⁷Legislatures with two houses but very asymmetrical powers those with upper houses that have the power only to delay but not amend or veto lower-house bills—are considered unicameral for the purposes of this study (see, e.g., Lijphart 1999, 206).

⁸The measure used is the effective district magnitude, the average number of seats elected per electoral district, adjusted to take into account legal thresholds and upper tiers that affect how proportionally votes are translated into seats (see Taagepera and Shugart 1989).

⁹Party pluralism is measured here using the effective number of electoral parties, a count of the number of parties that weights each by its share of the vote (see Taagepera and Shugart 1989).

¹⁰As union density has been found to have a strong negative effect on the extent of income inequality generated by market forces (Bradley et al. 2003), it is especially important to control for this variable so as to avoid any possibility of spurious results.

Method

The theoretical relationship between economic inequality, income, and political engagement spans multiple levels. Income and engagement in politics are characteristics of individuals, but inequality is a characteristic of the context present in a country in a particular year and so does not vary across all individuals. Because many of the other contextual variables thought to affect political engagement, such as presidentialism and unicameralism, do not vary over time in the countries examined here,¹¹ there are in fact three nested levels in this analysis: individuals, country-years, and countries. Ignoring the multilevel nature of the data violates the assumption of independent errors and so can lead to the underestimation of the standard errors associated with contextual variables (Steenbergen and Jones 2002). Therefore, this analysis proceeds using an explicitly multilevel model. For individual i in country-year i in country k, the equation to be estimated is defined as follows:

Engagement_{ijk}

- $= \gamma_{000} + \gamma_{001} Presidential_k + \gamma_{002} Federal_k$ $+ \gamma_{003} Unicameral_k + \gamma_{004} Compulsory Voting_k$
- $+ \gamma_{010}$ Inequality_{ik} $+ \gamma_{020}$ District Magnitude_{ik}
- + γ_{030} Party Pluralism_{jk} + γ_{040} Election_{jk}
- + γ_{050} Average Income_{ik} + γ_{060} Union Density_{ik}
- + γ_{100} Income_{ijk} + γ_{200} Age_{ijk} + γ_{300} Age²_{ijk} + γ_{400} Education_{ijk}
- $+ \gamma_{500}$ Female_{ijk} $+ \gamma_{600}$ Married_{ijk} $+ \gamma_{700}$ Children_{ijk}
- $+ \gamma_{800} Rural_{ijk} + \gamma_{900} Employed_{ijk} + \gamma_{1000} Union_{ijk}$
- $+ \gamma_{1100} Church_{ijk} + \gamma_{110} Inequality_{jk} \times Income_{ijk}$
- $+r_{0jk}+r_{1jk}Income_{ijk}+u_{00k}$ (1)

With separate error terms for each country-year, r_{0jk} , and country, u_{00k} , this model allows independent variables at all three levels of analysis but does not assume that they fully account for the variation in political engagement at each level. Because the indicators of political engagement take on one of four or fewer ordered values, the models of political interest and political discussion were estimated using ordered logistic regression, and the

¹¹Although the adoption of direct elections for prime minister in Israel from 1996 to 2001 temporarily changed that country's parliamentary system to a presidential one, survey data on political interest and political discussion in Israel are only available during the presidential period, and all of the data on Israeli electoral participation used here predate it. model of electoral participation was estimated using logistic regression.¹²

It is also important to note that models such as these that incorporate interaction terms require particular care in interpretation (Braumoeller 2004). The marginal effect of inequality on political engagement is calculated by taking the partial derivative of (1) with respect to inequality:

$$\frac{\partial Engagement_{ijk}}{\partial Inequality_{ik}} = \gamma_{010} + \gamma_{110} Income_{ijk}$$
(2)

That is, the estimated effect on an individual's engagement of a change in inequality equals the sum of (1) the estimated coefficient of inequality, γ_{010} , and (2) the product of the coefficient of the interaction between inequality and income, γ_{110} , and the individual's income. Because inequality's effect depends on each individual's income, its magnitude and statistical significance must be examined throughout the range of values of household income (see Braumoeller 2004).

A brief review of the predictions of each of the three theories relating economic inequality to political engagement before the presentation of the results is useful. The relative power theory predicts that the coefficient of economic inequality, γ_{010} in equation 1, will be negative and that the interaction between inequality and income, γ_{110} , will be positive. Moreover, it holds that the product of γ_{110} and relative income will be smaller than γ_{010} , that is, that the expected effect of inequality on political engagement will remain negative over all incomes, but will be smaller for richer individuals than for poorer individuals. The resource theory yields similar expectations for the signs of these coefficients but different predictions regarding their magnitude relative to each other. It maintains that the product of γ_{110} and relative income will become larger than γ_{010} at high relative incomes; the effect of inequality will be negative for poorer people and positive for richer people. The conflict theory predicts simply that γ_{010} will be positive: more inequality will result in more engagement for all individuals regardless of their incomes.

Analysis and Results

Table 1 displays the results of the multilevel analyses. These results are consistent only with the relative power theory:

income inequality had a strong negative effect on the political interest of those with incomes in the median quintile or below and on the political discussion and electoral participation of all but those in the richest quintile. Contrary to the conflict and resource theories, inequality does not encourage more political engagement among those in any income quintile. These findings are discussed in turn below.

The Effects of Income Inequality on Political Interest

The results of the analysis of political interest are reported in the first column of Table 1. Recall that the relative power and resource theories predict that the effect of the context of economic inequality on an individual's interest in politics varies with that individual's income and that an interaction term was used to estimate this conditional effect.

Table 2 displays the estimated effects in logits of inequality on political interest and the other indicators of political engagement across various incomes calculated using equation 2.¹³ The first line of Table 2 shows that the estimated effect of inequality on interest in politics is negative for all incomes and reaches statistical significance for those in the median quintile and below. This result is consistent only with the relative power theory. The magnitude of inequality's negative effect can be assessed by calculating the first difference in the predicted probabilities of various levels of political interest generated by a change in the context of inequality while all other variables are held constant at their median values. With all other variables constant at their median values, among those in the poorest 20% of households a change from the lowest to the highest observed level of income inequality is estimated to reduce the probability of being more interested in politics by 13.2 percentage points, according to these results. For those in the second poorest quintile, moving from the lowest to the highest observed level of income inequality reduces the probability of expressing more interest by 11.0 percentage points. Among those with incomes in the median quintile, the probability of expressing more interest in politics falls 8.6 percentage points over the observed range of income inequality.¹⁴ These are

¹⁴The bounds of the one-tailed 95% confidence intervals for these estimates are 6.2, 2.2, and 0.1 percentage points, respectively.

¹²For political interest and discussion, this means that *Engagement* in equation 1 is modeled as the logged odds of a higher response; these models also included thresholds as appropriate. Similarly, for electoral participation, *Engagement* was modeled as the logged odds of voting. Although these nonlinear specifications are necessary given the categorical nature of the dependent variables, unlike linear multilevel models they regrettably do not generate unique variance components that can be used to determine model fit at each level. The models were estimated using HLM 6.0.

¹³Following Braumoeller (2004), the standard errors reported in Table 2 were calculated by repeating the analyses reported in Table 1 five times each while subtracting 1, 2, 3, 4, and 5 from the original household income variable, that is, while allowing each of the five values of household income to equal zero in turn. The standard errors vary only slightly across income quintiles due to the small variations in the number of respondents in each quintile.

	Political Interest		Political Discussion		Electoral Participation	
Independent Variable	Estimate	(Std. Error)	Estimate	(Std. Error)	Estimate	(Std. Error)
Income Inequality	-7.911*	(2.745)	-8.118*	(2.300)	-5.331*	(2.271)
Household Income	129	(.098)	144	(.077)	.027	(.103)
Inequality \times Income	1.093*	(.345)	.980*	(.271)	.458	(.353)
Individual Controls						
Age	.046*	(.003)	.060*	(.003)	.089*	(.004)
Age ² /100	031*	(.003)	052^{*}	(.003)	069*	(.004)
Years of Education	.117*	(.002)	.110*	(.002)	.058*	(.003)
Female	600^{*}	(.015)	472*	(.015)	011	(.021)
Married	073*	(.017)	036^{*}	(.018)	.169*	(.025)
Number of Children	013*	(.006)	009	(.006)	036^{*}	(.010)
Rural Household	119*	(.021)	099*	(.022)	.033	(.025)
Employed	010	(.018)	.064*	(.018)	.057*	(.027)
Union Member	.315*	(.019)	.327*	(.021)	.263*	(.030)
Active Church Member	.084*	(.019)	010	(.020)	.281*	(.031)
Country-Year Controls						
District Magnitude	.012*	(.006)	.007	(.005)	.011*	(.005)
Party Pluralism	016	(.040)	.059*	(.033)	105^{*}	(.035)
Election Year	.083	(.106)	.019	(.113)		
GDP/Capita	.001	(.013)	.011	(.011)	.006	(.010)
Union Density	005	(.007)	.006	(.005)	.001	(.005)
Country Controls						
Presidentialism	.721*	(.232)	.556*	(.197)	.124	(.203)
Federalism	.825*	(.246)	.670*	(.202)	066	(.194)
Unicameralism	.859*	(.288)	.692*	(.226)	.222	(.206)
Compulsory Voting	067	(.267)	203	(.221)	1.192*	(.226)
Constant	.281	(.934)	164	(.804)	.740	(.848)
Second Threshold	1.658*	(.011)	2.879*	(.013)		
Third Threshold	3.862*	(.016)				
Individuals	68 907		71.596		64.092	
Country-Years	00	71	62		59	
Countries	22		22		23	
$-2 \times Log Likelihood$	333621.8		276778.2		182587.2	

 TABLE 1
 Effects of Inequality and Income on Political Engagement

*p < .05

powerful effects; of the variables considered, only education was estimated to have a stronger impact on the political interest of the poorest quintile.¹⁵ The difference in political interest between a context of low income in-

¹⁵Education is estimated to increase the probability of being more interested in politics by an average of 25.7 percentage points (25.1 points at the bound of the 95% confidence interval) for those with 20 or more years of schooling compared to those without formal education when all other variables are at their median values. Several other control variables have strong estimated effects on political interest under these assumptions. Interest in politics peaks at age 74 according to this model; at that age, the probability of expressequality, like that of Sweden in the early 1980s, and one of high income inequality, like that of the United States in

ing more political interest increases 11.5 (11.2) percentage points compared to 18-year-olds, again assuming otherwise median characteristics and contexts. Compared to single-member districts, the most proportional electoral system was estimated to increase the probability of being more interested by 9.6 (1.7) points. Unicameralism, 9.6 (4.1) percentage points; federalism, 9.2 (4.5) percentage points; and presidentialism, 7.9 (3.8) percentage points, also had strong positive estimated effects on political interest. Women were 6.5 (6.2) percentage points less likely to express a higher level of political interest than similar men.

	Poorest	Second	Median	Fourth	Richest
	Quintile	Quintile	Quintile	Quintile	Quintile
Dependent Variable	Estimate	Estimate	Estimate	Estimate	Estimate
	(Std. Error)				
Political Interest	-6.821*	-5.726*	-4.633*	-3.541	-2.448
	(2.623)	(2.547)	(2.514)	(2.528)	(2.588)
Political Discussion	-7.139*	-6.160*	-5.181*	-4.201*	-3.222
	(2.220)	(2.172)	(2.156)	(2.175)	(2.226)
Electoral Participation	-4.873*	-4.415*	-3.957*	-3.498*	-3.040
	(2.010)	(1.978)	(1.914)	(1.914)	(1.979)

 TABLE 2
 Effects of Inequality on Political Engagement by Income Quintile

**p* < .05

the late 1990s, for those in the bottom 20% of household income is similar to the difference between college graduates and sixth-grade dropouts when all else is equal at median values. For poorer citizens, economic inequality works to sharply depress interest in politics.

The Effects of Income Inequality on the Discussion of Politics

The second column of Table 1 lists the results of the analysis of political discussion, and the second line of Table 2 shows the estimated effect of income inequality on discussion by household income. Again consistent with only the relative power theory, income inequality was estimated to decrease the frequency with which citizens of all incomes discuss politics, but by smaller amounts as their incomes increase. This negative effect is statistically significant for all citizens except for those in the richest quintile of households; for the top fifth by income, the decline in discussion generated by increasing inequality is not distinguishable from zero.

Among those with more modest incomes, income inequality has a strong effect on the frequency of political discussion. Given otherwise median characteristics and contexts, a change in income inequality from its lowest to its highest observed value causes an estimated 12.5 percentage-point decline in the probability of discussing politics more often among people in the poorest income quintile. The estimated effect, assuming the same circumstances, falls to a 10.3 percentage-point decline for those in the second quintile of household income, a 9.4 percentage-point decline for the median income quintile, and an 8.2 percentage-point decline for the fourth income quintile.¹⁶ For those in the poorest 40% of households, only education has a larger effect on the frequency of political discussion.¹⁷ In contexts of greater economic inequality, all but those in the highest income quintile are much less likely to engage in conversations about political issues.

The Effects of Income Inequality on Electoral Participation

The third column of Table 1 shows the results for electoral participation, and the third line of Table 2 presents

¹⁶Given otherwise median characteristics and contexts, the upper bound on the estimated negative effect of inequality described by the 95% confidence interval is 6.4 percentage points for those in the poorest fifth of households, 3.7 percentage points in the second income quintile, 2.1 percentage points for those in the median income quintile, and 0.3 percentage points for those in the fourth quintile by household income.

¹⁷With all other variables at their medians, the probability that the most educated talk about politics more frequently is 23.6 percentage points higher than those without formal education (22.9 percentage points more at the bound of the 95% confidence interval). With these assumptions, unicameralism causes an estimated average increase in political discussion of 9.7 (4.1) percentage points, and federalism boosts discussion an average of 9.4 (4.4) percentage points. At age 58, when political discussion peaks, it shifts 8.5 (7.8) percentage points toward higher frequencies compared to age 18. Presidentialism, 7.6 (3.0) percentage positive effects. Gender is estimated to change the probability of more frequent discussion by 6.4 (6.0) percentage points when all other variables are held constant at their medians, with women discussing politics less often than men.

the estimated effects of income inequality on electoral participation across incomes. Following the pattern of the other aspects of political engagement examined, the effect of inequality on voting is consistently negative but shrinks as income increases. This effect remains statistically significant at incomes in the four poorest quintiles of households.

The estimated effect of income inequality on the electoral participation of the less well-off was again among the strongest in the model. When all other variables are fixed at their median values, the probability of voting for the poorest falls an estimated 12.9 percentage points over the range of income inequality. Among those in the second income quintile, the estimated decline in the probability of voting is 10.6 percentage points with these assumptions. For those in the median income quintile the estimated effect is 8.6 percentage points, and those in the fourth income quintile are estimated to become 6.8 percentage points less likely to vote under these circumstances.¹⁸ Age and education have stronger effects on participation in elections than income inequality according to this analysis, but the effect of the context of inequality on those in all but the richest income quintile is similar to or larger than the powerful effect of compulsory voting laws.¹⁹ Economic inequality plays an important role in depressing the electoral participation of nonaffluent citizens.

Discussion

That economic inequality depresses political engagement, and especially that of people with lower incomes, has important implications for our understanding of political participation, of the politics of redistribution, and of democracy. Since Brody (1978), scholars of political participation have sought to understand why participation in elections has been declining in many advanced countries: the increasingly more educated, older, and, in absolute terms, richer populations of these countries suggest an upward trend in participation should have occurred. The findings of this study indicate that growing inequality, by discouraging political engagement among those with lower relative incomes, contributes toward an explanation of this puzzle.

This conclusion also provides insight into the politics of redistribution. According to the influential Meltzer-Richard model, democracies should be expected to respond to greater economic inequality by increasing redistribution. The citizen with the median income can form a majority in support of redistributive policies that provide benefits to her that are equaled by the efficiency losses created by taxation (Meltzer and Richard 1981). For a given average income, greater inequality reduces the median income and therefore results in greater redistribution. The evidence indicates, however, that higher levels of inequality are not associated with more redistributive spending. Explanations for the absence of a relationship include that preferences for redistribution vary not only with income but also with the specificity of skill sets and with the extent to which benefits are-or may be-targeted to the unemployed or to the poor rather than distributed equally to all citizens (see, e.g., Iversen 2005).

Although not contradicting these conclusions, the results of this study support a third explanation: because it increases the relative power of richer citizens, economic inequality undermines political equality. The declining political engagement of nonaffluent citizens with rising inequality suggests that issues on which a consensus exists among richer individuals, such as redistribution, become increasingly unlikely even to be debated within the political process regardless of whether poorer citizens would care to raise them. The Meltzer-Richard model and its extensions assume that the issue of redistribution is put before the electorate. It appears that this assumption is increasingly unjustified as economic inequality grows.

Finally, these results shed new light on the conditions that affect the functioning of the democratic process. That democratic regimes depend for their very existence on a relatively equal distribution of economic resources across citizens is one of the oldest and best established insights in the study of politics. Indeed, Aristotle observed that the threat of redistribution posed by the promise of political equality makes democracy intolerable to the wealthy as economic disparities increase. Alexis de Tocqueville famously attributed the development of democracy in the

 $^{^{18}}$ The respective bounds described by the 95% confidence interval for these estimates are -4.1, -2.1, -0.8, and -0.4 percentage points.

¹⁹Assuming median values for other individual characteristics and aspects of context, age was estimated to increase the probability of voting by as much as 24.3 percentage points (23.0 at the bound of the 95% confidence interval). The probability of voting for the most educated is 16.5 (14.6) percentage points higher than the least educated when all other variables are fixed at median values. The probability of voting is estimated to decline 12.4 (3.8) percentage points over the observed range of party pluralism, again given otherwise typical circumstances, while more proportional voting laws are estimated to increase the probability of voting by as much as 8.5 (0.9) percentage points. The estimated effect of compulsory voting laws is 7.1 (3.0) percentage points with these assumptions.

United States to the relative economic equality he observed there: "The more I advanced in the study of American society, the more I perceived that the equality of condition is the fundamental fact from which all others seem to be derived, and the central point at which all my observations constantly terminated" (1990, 3). Modern political scientists have repeatedly tested and found support for this inverse relationship: greater economic inequality makes transitions to stable democratic regimes much less likely to occur.²⁰

The relative power theory contends that economic inequality should be expected to continue to adversely affect democracy even after its establishment. As E. E. Schattschneider explained nearly a half century ago, the struggle for democracy—understood as political equality—does not end with the achievement of broad suffrage:

The struggle is no longer about the *right to vote* but about the *organization of politics*. . . . Nonvoting is related to the contradiction, imbedded in the political system, between (1) the movement to universalize suffrage and (2) the attempt to make the vote meaningless. We get confused because we assume the fight for democracy was won a long time ago. We would find it easier to understand what is going on if we assumed that the battle for democracy is still going on but has now assumed a new form. (1960, 100)

Declining political interest, discussion of politics, and participation in elections among poorer citizens with rising inequality attest to the increased ability of relatively wealthy individuals to make politics meaningless for those with lower incomes in such circumstances. The results of this study indicate that democracy is more likely to fulfill its promise of providing political equality among all citizens when economic resources are distributed more equally.

That higher levels of economic inequality tend to depress the political engagement of most citizens is therefore a finding of considerable importance. Despite rising levels of inequality in many democracies, the consequences of the distribution of economic resources for the politics of these countries have received scant scholarly attention, especially in comparison to the extensive literature on the effects of an individual's income on his or her political behavior. One's political engagement, however, is shaped not only by how much money one has, but also by how much money everyone else has. Where economic resources are distributed more evenly, power is distributed more equally, and the resulting politics encourage relatively poor citizens to take interest and take part. Greater economic inequality increasingly stacks the deck of democracy in favor of the richest citizens, and as a result, most everyone else is more likely to conclude that politics is simply not a game worth playing.

Appendix: Included Surveys

APPENDIX 1 Countries and Years Included in the Political Interest and Political Discussion Datasets

Country	Year(s)
Australia	1995 ^g
Austria	1990, ^c 1995, ^f 1999 ⁱ
Belgium	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1995, ^f 1999 ⁱ
Britain	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1999 ⁱ
Canada	1990, ^{<i>c</i>} 2000 ^{<i>i</i>}
Denmark	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1995 ^f
Finland	1990, ^c 1995, ^f 1996, ^g 1999, ^h 2000 ⁱ
France	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1995 ^f
Germany	1988, ^{<i>a</i>} 1989, ^{<i>b</i>} 1990, ^{<i>c</i>} 1994, ^{<i>e</i>} 1995, ^{<i>f</i>} 1997, ^{<i>g</i>} 1999, ^{<i>h</i>} 2000 ^{<i>i</i>}
Ireland	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1995, ^f 1999 ⁱ
Israel	2001 ⁱ
Italy	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1995, ^f 1999 ⁱ
Luxembourg	1988, ^a 1989, ^b 1990, ^d 1994, ^e 1995, ^f 1999 ⁱ
Netherlands	1988, ^a 1989, ^b 1990, ^c 1994, ^e 1995, ^f 1999 ⁱ
Norway	1990, ^c 1995, ^f 1996 ^g
Poland	1996, ^g 1999 ⁱ
Slovenia	1999 ⁱ
Spain	1988, ^a 1989, ^b 1990 ^c
Sweden	1990, ^c 1995, ^f 1996, ^g 1999 ^h
Switzerland	1990 ^c
Taiwan	1996 ^g
United States	1990, ^c 1995, ^g 1999 ⁱ

^a Eurobarometer 30.0 ^b Eurobarometer 31.0 (political interest only) ^c World Values Survey II ^d Eurobarometer 34.0 ^e Eurobarometer 41.1 (political interest only) ^f Eurobarometer 44.1 (political discussion only) ^g World Values Survey III ^h European Election Survey, 1999 (political interest only) ⁱ World Values Survey IV

²⁰Comparative historical studies have demonstrated that where economic resources had been concentrated in the hands of small groups of large landowners to a greater degree, the opposition of these groups to sharing political power with the poor worked against the formation and consolidation of democracy (e.g., Rueschemeyer, Stephens, and Stephens 1992). Statistical analyses have similarly found strong evidence of a causal relationship between relative economic equality and the existence of democratic regimes (e.g., Boix 2003). Not surprisingly, several influential recent efforts to specify formal models of democratic transitions stress the role of economic inequality (e.g., Acemoglu and Robinson 2005).

Vaar(a)
iear(s)
1984, ^{<i>a</i>} 1987, ^{<i>a</i>} 1993 ^{<i>g</i>}
1986, ^a 1994, ^f 1999 ⁱ
1991, ^e 1999 ⁱ
1987, ^c 1992, ^g 1997 ⁱ
1993, ^g 1997 ^h
1996 ^g
1988, ^c 1990, ^e 1994, ^f 1998 ⁱ
1995, ^f 1999 ⁱ
1988, ^c 1993 ^g
1987, ^c 1990, ^e 1994, ^f 1998 ⁱ
1994, ^g 1998 ^h
1987, ^b 1989, ^c 1992 ^g
1992 ^g
1987, ^c 1994, ^f 1996 ^g
1994, ^e 1999 ⁱ
1986, ^b 1989, ^c 1994, ^e 1998 ⁱ
1989, ^c 1993, ^g 1997 ^h
1993, ^g 1997 ^h
1996 ^{<i>h</i>}
1986, ^b 1989, ^c 1993, ^e 1996 ^g
1994, ^g 1998 ⁱ
1996^{h}
1984, ^a 1988, ^d 1992, ^g 1996

APPENDIX 2 Countries and Years Included in the Electoral Participation Dataset

^aInternational Social Survey Program, Role of Government I ^bEurobarometer 30.0 ^cEurobarometer 34.0 ^dInternational Social Survey Program, Role of Government II ^eEurobarometer 41.1 ^fEurobarometer 44.1 ^gInternational Social Survey Program, Role of Government III ^hComparative Study of Electoral Systems, 1996–2000 ⁱEuropean Election Survey, 1999

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