

The views of rich Europeans are more likely to be reflected by political parties than those of poorer citizens

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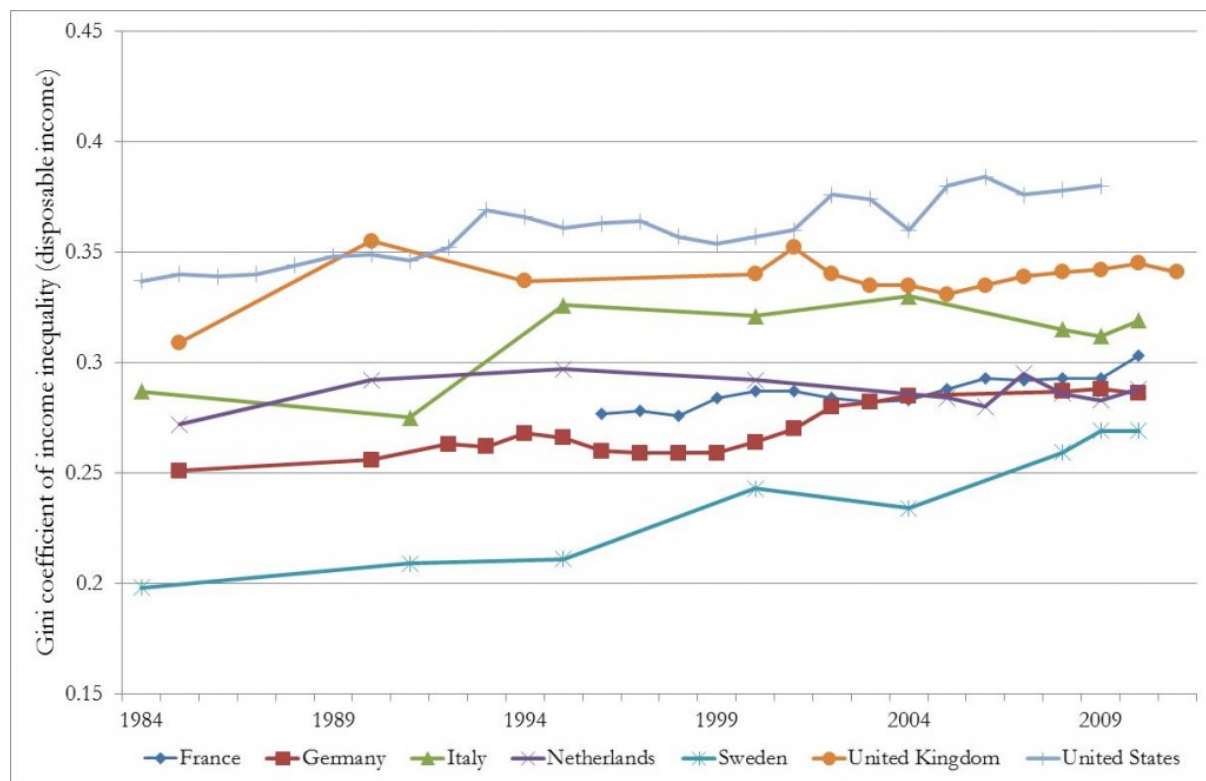
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How does income inequality affect political representation? **Jan Rosset**, **Nathalie Giger** and **Julian Bernauer** examine whether politicians represent the views of poorer and richer citizens equally. They find that in 43 out of the 49 elections included in their analysis, the preferences of low-income citizens are located further away from the policy positions of the closest political party than those with mid-range incomes. This suggests that income inequality may spill-over into political inequalities, although it is less clear whether this effect is likely to get better or worse as a result of the Eurozone crisis.



Over the last thirty years, there has been a slow but persistent rise in economic inequality across industrialised countries (see Figure 1). This could be seen as surprising, given that the majority of these societies are consolidated democracies in which citizens have their say in political decisions. As far back as the Athenian democracy, Aristotle was pointing to the fact that “in a democracy, the poor have more power than the rich, because there are more of them and the will of the majority is supreme”. In a similar fashion, economic theory predicts that with an increase in levels of economic inequality, more people will demand redistribution of incomes via the state and – given the centrality of the will of the majority in democratic rule – will get their say.

Figure 1: Trend in income inequality in seven OECD countries (1984 – 2010)



Source: OECD

This theory, however, does not take into account the fact that economic inequalities may translate into political inequalities. Representative democracy relies on elections to create a link between the preferences of the people and public policies. Formal rules – the “one citizen, one vote” principle – ensure that there is an equal consideration of each citizen in the voting process. However, despite this principle, representative bodies may reflect the preferences of richer segments of the citizenry better than others.

It is well-known that citizens with higher levels of economic resources generally participate more in politics. Similarly, the social background of individuals who run as candidates mirrors more closely that of richer citizens. Given the role of one’s own lifestyle and everyday experience in defining policy preferences, this may advantage the translation of preferences of more affluent citizens in the political arena. Finally, if money matters in politics through the financing of campaigns or party structures for instance, then wealthier citizens have greater means to spread their message and win elections.

In sum, despite equal political rights, inequality in the representation of the preferences of poor and rich citizens is likely. If these groups of citizens have opposing policy preferences, this can have severe consequences for public policy. Considering their own self-interest, we can assume that wealthier individuals are less in favour of redistribution than their less affluent fellow citizens. If they enjoy more political influence, economic inequalities are likely to grow beyond the point preferred by the median voter.

Are the preferences of richer Europeans better represented?

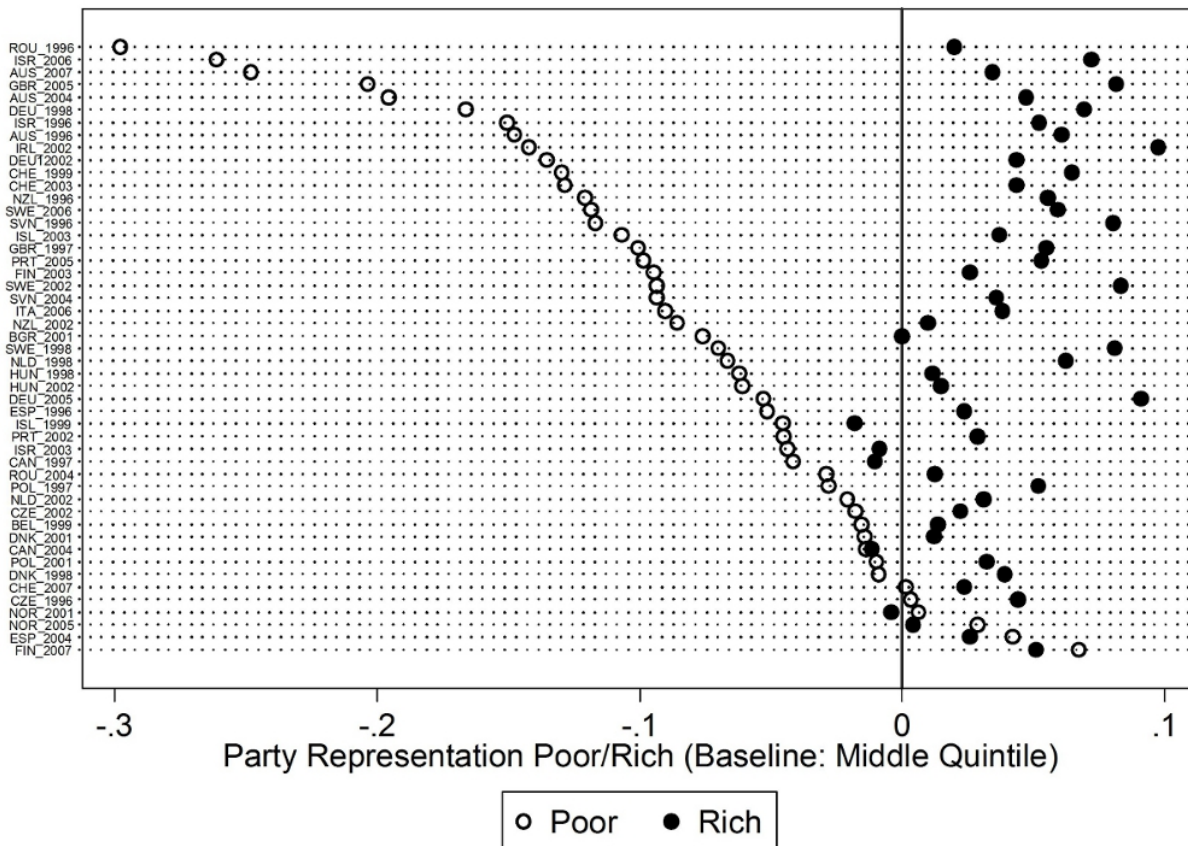
Several studies from the US context have shown that political institutions and public policy are indeed most heavily influenced by the policy preferences of the wealthiest segments of the citizenry, while middle and low income citizens have virtually no impact on politics. However, for Europe our knowledge about inequalities in the representation of preferences of rich and poor is very scarce. While the influence of money has traditionally been perceived as being lower in European politics, there are also good reasons to think that the preferences of richer European citizens are represented better politically. These inequalities in representation can manifest themselves at two different levels. First, citizens with low incomes may simply fail to find a party that represents their preferences and thus lack a political voice. Second, the government formed after the elections can favour the preferences of the rich, which likely has stronger policy consequences.

Our study of elections in 24 – mostly European – democracies between 1996 and 2007 sheds light on unequal representation in Europe. Based on data from the [Comparative Study of Electoral Systems](#), it documents that there is a consistent pattern of under-representation of the preferences of citizens with low incomes. Preferences of relatively poor citizens measured along a left-right scale are systematically under-represented by political actors – be they political parties or governments – in comparison to the preferences of middle-income and high-income citizens.

This pattern is particularly noticeable in the representation of the poor by the party system. Our analyses, presented in Figure 2, reveal that citizens belonging to the two lowest quintiles of the income distribution are on average further away from the most proximate party (i.e. they are less well represented) than median income earners in 43 out of the 49 elections analysed. In contrast, in a vast majority of elections better-off citizens (i.e. those belonging to the top 40 per cent of the income distribution) are represented more closely by the party system than both the middle-income and low-income groups.

Even more worrying from an equality perspective is the fact that the poorer representation of low income groups is greater in more unequal societies. The bottom 40 per cent of the income distribution is even less well represented in economic contexts where macro-economic inequality is high (as measured by the Gini index of income distribution). The picture is similar but slightly less clear-cut when looking at inequalities at the governmental level.

Figure 2: Party policy congruence of poor and rich as compared to those with middle-incomes



Note: The dots show the distance between the preferences of poor (white dot) and rich (black dot) citizens, and those of the closest political party. The value of 0 on the horizontal axis indicates the distance between middle-income voters' preferences and the position of the closest party. A negative value indicates that citizens were further away (less well represented) than middle-income voters, while a positive value indicates that citizens were closer (better represented) than middle-income voters.

In sum, our work shows clear indications that individual and contextual economic inequalities interactively translate into political inequalities through electoral representation. These results also raise the issue of a potential reinforcing link between economic and political inequality, in which inequalities in one domain would deepen inequalities in the other domain.

Nevertheless, the on-going economic crisis and recent political trends may have changed the trajectory of these developments. In recent years, the rise in economic inequalities has slowed down, mainly due to greater tax transfers in most OECD countries. The success of left parties in recent elections shows that low-income citizens have not lost their ability to voice their preferences through elections. Hence, there is no deterministic rise of economically motivated political inequalities, or in more dramatic words, of plutocracy in disguise.

For a longer discussion of this topic, see the authors' recent articles in [West European Politics](#), and [Representation](#)

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Note: This article gives the views of the authors, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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