Government of the people, by the elite, for the rich: Unequal responsiveness in an unlikely case

Lea Elsässer / Svenja Hense / Armin Schäfer

Abstract
Empirical studies have shown that US politics is heavily tilted in favor of the wealthy, as political decisions tend to reflect the preferences of the rich, while largely ignoring those of the poor and middle classes. These findings have prompted a lively debate about potential mechanisms that cause this pattern of unequal responsiveness. Existing studies suggest that specific characteristics of the electoral system are a major explanatory factor – in particular, private donations and campaign financing. We build on these studies but focus for the first time on an entirely different case. In this article, we ask whether similar patterns of unequal responsiveness are discernible in Germany, which is not only a more egalitarian country but also differs in the electoral system. We analyze an original dataset of more than 800 survey questions posed between 1980 and 2013. The questions deal with specific political decisions debated at the time and cover a broad range of politically relevant topics. Our results show a notable association between political decisions and the opinions of the rich, but none or even a negative association for the poor. Representational inequality in Germany thus resembles the findings for the US case, despite its different institutional setting. Against this background, we conclude by discussing potential mechanisms of unequal responsiveness.

Introduction

Does "American Exceptionalism" account for unequal responsiveness in the United States? Empirical studies have shown that American politics is heavily tilted in favor of the wealthy, as political decisions tend to reflect the preferences of the rich, while largely ignoring those of the poor and middle classes. These findings have prompted a lively debate about potential mechanisms that cause this pattern of unequal responsiveness. Scholars focusing on the US often argue that the specific characteristics of the electoral system are a major explanatory factor – in particular, private donations and campaign financing. As the bulk of party and campaign funding comes from a relatively small number of large donors, these scholars see a systematic dependence of policy-makers on affluent donors and interest groups as the core problem of the American system (Gilens 2015a). The dominance of private money in politics is indeed exceptional in the United States: In the 2016 Presidential election, Hillary Clinton and Donald Trump alone spent 1.2 billion and 700 million dollars, respectively.[1] Campaign spending for Congress also vastly increased between the mid-1970s and today, making candidates much more dependent on donations (Lessig 2011: 91, 130-131).

This stands in sharp contrast to most European countries, where both parties and election campaigns are to a larger extent publicly funded. With the exceptions of the UK, Switzerland and Luxembourg, all Western European countries grant significant state subsidies to their parties (Koß 2010: 2). Next to state subsidies, "grassroot" funding through regular membership contributions is also a common feature of many European electoral systems (Naßmacher 2009), which further reduces the structural dependence on few and large private contributions. Even though this does not mean that wealthy

[1] https://www.bloomberg.com/politics/graphics/2016-presidential-campaign-fundraising/

donors or interest groups do not seek to influence party politics, the contrast to party and campaign financing in the US is rather striking. Following the argument that politicians' dependence on large donors explains their selective responsiveness towards wealthy citizens, we would expect responsiveness in European democracies to be less biased and closer to the ideal of political equality.

In this study, however, we show that the "dominance of money in elections" (Gilens 2015a: 227) is not the sole factor in explaining representational biases in Western democracies. Using an original dataset covering more than 800 survey questions from 1980 to 2013, we find that political representation in Germany is equally as biased as it is in the US. Richer citizens find a close link between their preferences and political decisions while this is not the case for the less affluent. In the following section, we briefly review the existing literature on unequal responsiveness in the US and discuss the role of private money as a potential mechanism causing this inequality in representation. We then provide a short review of the few existing studies on unequal responsiveness in Europe and argue why they do not allow for a reliable comparison to the US case. In the section that follows, we describe our data and analytical technique and present the results of our study. We conclude by discussing the implications of our work for understanding potential mechanisms underlying representational inequalities in Western democracies.

Unequal responsiveness in the US and the role of private political finance

In recent years, the study of political responsiveness has focused on the question of *whose* preferences are taken into account by political representatives. Several studies on the American case document selective responsiveness on the part of political decision-makers, in favor of the better-off (Bartels 2008; Gilens 2012; 2005; Jacobs and Page 2005). In his impressive contribution to the field, Gilens (2012; 2005) uses 1,800 survey questions on policy preferences, covering a wide array of policies, and compares the opinions of different income groups with political decisions made within four years after the questions were asked. He finds that political decisions only reflect poor citizens' opinions if these coincide with the preferences of the rich. Low and even middle-income groups seem to have no influence once their preferences diverge from those of top income groups. Other studies corroborate these findings. Bartels (2008) compares senators' votes with the preferences of their constituents and concludes that their voting decisions are skewed in favor of the rich. Examining political responsiveness at the states' level, Flavin (2012) shows that citizens with lower incomes get less substantial representation in the field of general liberalism and on some highly controversial social topics like abortion.

Developing this line of research further, Gilens and Page (2014) compare not only the influence of average citizens' opinions (i.e., those of the median income group) to those of economic elites, but also examine the impact of interest group alignment on policy change. They observe that both

economic elites and business interest groups have an independent effect on political decision-making, while they find only limited or no impact of average citizens' opinions and mass-based interest groups. Taken as a whole, these findings show a strong representational bias towards economically powerful actors in the US, leading the authors to conclude that "America's claims to being a democratic society are seriously threatened" (Gilens and Page 2014: 577). Although some authors have disputed some aspects of these findings, the overall evidence of representational inequality in the US seems rather powerful (Gilens 2015b).[2]

One explanation for the selective responsiveness of policy-makers towards the affluent is the institutional set-up of the American electoral system – particularly the outstanding role of private party and campaign financing. Most campaign financing comes from private donors, while public funding is negligible. And although private contributing has become more widespread during the last decades, it has also become more concentrated: The share of campaign contributions donated by the top 0.01 percent of the income distribution has grown from around 15 percent in 1980 to over 40 percent in 2012 (Bonica et al. 2013: 111). As a consequence, policy-makers structurally depend on "big money" to win an election, as outspending your opponent significantly increases the probability of being elected (Bowie and Lioz 2013).

In his account on the role of money in American Congress, Lessig (2011) identifies different mechanisms through which the constant need for raising funds from affluent donors distorts legislative behavior and "bends" the system towards the preferences of the affluent. Based on an impressive amount of interview data with former members of Congress, he argues that the necessity to raise money for (re-)election incentivizes lawmakers to adapt themselves – in advance – to their donors' policy positions in order to secure funding ("shape shifting") and leads to privileged political access for large contributors. The consequences are both a substantive distortion of policy outcomes and a biased political agenda that favors special interests' preferred topics (Lessig 2011: 151-166). Page and Gilens (2017) assert "U.S. elections to be awash in money from affluent contributors" (Page and Gilens 2017: 93). Against this background, American authors from different fields consider a strengthening of public funding as the most promising way to reduce representational inequality by freeing candidates from systematic dependence on affluent campaign donors and interest groups (Gilens 2015a: 227; Lessig 2011; Page and Gilens 2017: Chapter 8).

[2] Some authors have argued that the potential for selective responsiveness towards richer citizens might be limited, since income groups have similar preferences on many political issues (Branham, Soroka, and Wlezien 2015; Soroka and Wlezien 2008; Ura and Ellis 2008), at least when it comes to relative priorities for different issues (Enns 2015). However, differences in preferences do not occur randomly, but often concern fundamental questions of taxing and redistribution (Gilens 2009; Page, Bartels, and Seawright 2013) in which better-off citizens achieve their goals far more often (Gilens 2015b). For a methodological discussion on the estimation technique, see also Bashir (2015), Enns (2015) and Gilens' response (2015b).

Unequal responsiveness in Europe?

Since the importance of private donations is a rather unique feature of US politics, decisions could be expected to be more responsive to poorer citizens in European democracies. Apart from the UK, where parties rely almost exclusively on private donors, large donations from individuals and corporations play a minor role in the major European democracies.[3] The first public funding schemes were introduced as early as the 1960s in northern European countries and Germany, and spread steadily throughout Europe in subsequent decades (Woll 2016). France only introduced state funding in the 1990s, but since then French parties also rely mainly on public subsidies. Today, private donations in most European parties rarely exceed 20 percent of total party income, while state subsidies and regular membership dues are the main income sources (Koß 2010: Chapter 6; Naßmacher 2009).[4] As Koß (2010) empirically shows, the introduction of public funding schemes was often related to discourses on political corruption and thus normatively related to questions of unequal political influence. European electoral systems thus provide much less opportunities for economically powerful actors to influence politics through direct financial contributions. If the political dependence on private donations were the most powerful explanation of representational inequality, political representation in Europe should be less skewed in favor of the affluent.

A number of authors have already tried to examine unequal responsiveness in Europe, but the research designs differ substantially from those focusing on the US. Existing studies do not relate public opinion on detailed policy proposals to actual political decisions, but use much more aggregated measures. While some of them measure congruence of public opinion and politicians or parties (Adams and Ezrow 2009; Bernauer, Giger, and Rosset 2015; Giger, Rosset, and Bernauer 2012) or self-placement on the left-right scale for both politicians and their constituents (Lehmann, Regel, and Schlote 2015; Rosset, Giger, and Bernauer 2011), others focus on political outcomes. Peters and Ensink (2015), for example, use social spending as their dependent variable. Yet, this measure comes with disadvantages, especially if it is operationalized as public expenditure as a percentage of GDP. Changes in GDP are mainly beyond the reach of national politics, so it is hard to distinguish whether a preferred change in social expenditure was affected by responsive behavior or by exogenous factors. The same holds for Donnelly and Lefkofridi (2014), who compare preferences and policy output for various topics in a range of European countries, with most of their indicators related to the GDP as well. In sum, there are no comparable studies of representational distortion for European countries to date.

[3] The other two exceptions are Switzerland and Luxembourg.

[4] The shares of state funding and membership contributions vary greatly between countries. Whereas in Sweden, for instance, state subsidies are the biggest income source for parties, income from the state and membership dues are comparatively balanced in Germany (Koß 2010: 77-79). In both cases, however, the dependence on large private donations is low.

With this article, we aim to fill this gap. Focusing on Germany, we replicate Gilens' research design and relate the opinions of citizens at different income percentiles or occupations to actual political decisions. Germany is an instructive case for a comparison with the United States. It introduced state subsidies to electoral campaigns as early as 1959 (Woll 2016). At the time, center-right parties in Germany advocated the introduction of public funding in order to become more independent of business donations (Koß 2010: chapter 7). Today, private donations are strictly regulated since parties have to publicly report any donation above 10,000 Euros, making it less attractive for private donors to contribute high sums. During the year of the German federal election in 2013, private donations and donations from corporations made up only 20 percent of total revenues for the Christian Democratic Party (CDU) and 9 percent for the Social Democrats (SPD), while the bulk of party financing came from the state and regular membership contributions. The six major parties together spent roughly 200 million dollars in the 2013 general election (Deutscher Bundestag 2015) – a tiny fraction relative to US spending levels. Hence, given these differences, one would expect a more egalitarian pattern of responsiveness in Germany.

Methods

In order to analyze the responsiveness of German politics, we use our database "Responsiveness and Public Opinion in Germany" (ResPOG), which includes information on public opinion and respective political decisions for 842 policy proposals. We selected questions from two German representative surveys polled for different media: *Politbarometer* and *DeutschlandTrend*. The former covers the period from 1980 to 2013 and the latter from 1998 to 2013. Questions usually deal with political decisions that were high on the political agenda at the time or that are of general public interest and ask about the respondents' agreement with a specific policy proposal. Issues range from the minimum wage or cuts in social insurance benefits to proposed changes in abortion rights or same-sex marriage. For each of these questions, we calculated the degree of support within different social groups. Respondents are grouped according to measures such as occupation, income, education, gender, region (Eastern/Western Germany), and age. Unfortunately, information on respondents' income is only available in one source and is indicated as household income. As the survey does not ask for the number of persons living in the respondents' households, we are not able to calculate the individual income using the OECD equivalence scale. However, comparing weighted and unweighted data on household income in another German representative study (*ALLBUS*) shows a high correlation (r=0.94; p=0.000, N=3,061). Even though our income variable is far from perfect, it provides a good measure to distinguish high from low and middle incomes.

In order to make our income variable comparable over time, we follow Gilens' (2005) approach and assign each respondent an income score equal to the percentile midpoint of her income group. Using

logistic regressions, we then estimate the probability for each income group to opt for a certain answer to the question. In addition to the predicted midpoint, its quadratic function is also used to make sure that we are also able to observe non-linear correlations.

Since information on household income was only available in the *DeutschlandTrend* survey, we use occupation as an additional measure of social stratification in the following analysis. The measure of occupational groups is based on the scheme developed by Erikson and Goldthorpe (1992). We distinguish skilled from unskilled blue-collar workers, routine white-collar employees and higher ranking white-collar employees, civil servants, and the self-employed.[5] Treating civil servants as a distinct category, we deviate from the Erikson-Goldthorpe scheme because their employment relations differ from those of other white-collar employees in terms of social security benefits and duration of contract. We thus expect them to hold different political opinions.

In order to be able to analyze whose preferences political decisions reflect, we coded whether or not the specific policy change addressed in the question was enacted within the next two or four years. To obtain this information, we researched legislative documents from the German Federal Parliament online archive,[6] newspapers, and an academic web archive on social policy legislation in Germany.[7] In 54 percent of the cases, the proposed policy change was enacted two years after the survey question was asked. This number increases to 59 percent for the four-year period, which we use in this study. However, our results are substantially the same for both measures.

Analysis: Policy responsiveness in Germany

In this section, we compare political responsiveness towards different income and occupational groups. However, we have also run the same analysis for educational groups and come to largely similar results. Table 1 shows the results for the 222 questions that include information on household income. Whereas in Gilens' analysis, the preferences of all income groups are positively linked to policy change, this is not the case in Germany. The preferences of the poorest citizens seem to have a negative impact on the likelihood of policy change, although the coefficient is not statistically significant. The logit coefficient is positive only for the median and the two richest groups and statistically significant only for the two top income groups. Accordingly, the probability of responsive policy chance differs considerably. If 90 percent of the 90th income percentile support policy change, it is 1.6 times more likely to be implemented than if only 10 percent do. In contrast, the probability of

[5] The differences between occupational groups are not always as distinct as one would hope. For example, self-employed respondents include both large-scale entrepreneurs and individuals in a very precarious labor market position. Despite this heterogeneity, however, the highest occupational groups are also those with the highest average income (Statistisches Bundesamt 2015), thus capturing vertical social stratification. The groups differ in size, since they approximately reflect the occupational structure in Germany.

[6] dip.bundestag.de

[7] www.sozialpolitik-aktuell.de

change actually falls when higher numbers of poor citizens support it. The more they want to see reform, the less likely it is to happen.

These results are reinforced when we look at occupational groups (Table 2). The link between policy preferences and policy change is small and insignificant for unskilled and skilled workers as well as lower-grade employees. The logit coefficient increases and becomes significant as we move towards higher social classes. The preferences for policy change among higher-grade employees, civil servants, and the self-employed are significantly associated with political decisions. If a large majority of citizens within these groups favors a policy change, it is likely to happen. A shift from 10 percent to 90 percent favoring change generates a 1.4 to 1.7 times higher probability of policy change. For lower social classes, it does not seem to matter whether many or few favor change. The predicted probability remains virtually unchanged for all values of the predictor variable.

Table 1: Impact of preferences on policy change for income percentiles

	1st	10th	50th	90th	99th
Logit coefficient (Standard error)	-0.673 (0.634)	-0.622 (0.641)	0.039 (0.680)	1.497+ (0.767)	1.895* (0.775)
Intercept (Standard error)	0.880* (0.372)	0.853* (0.377)	0.494 (0.396)	-0.314 (0.443)	-0.537 (0.448)
Predicted probability if 10% favor	.69	.69	.62	.46	.41
Predicted probability if 90% favor	.57	.57	.63	.74	.76
Relative change in predicted probability (row 6 / row 5)	0.8	0.8	1.0	1.6	1.9
N	222	222	222	222	222
Log likelihood	-146.171	-146.264	-146.737	-144.799	-143.665
Likelihood ratio	1.14	0.95	0.00	3.88	6.15
p-value	0.286	0.330	0.954	0.049	0.013

Standard errors in parentheses; + $p<.1$, * $p<.05$, ** $p<.01$, *** $p<.001$
NOTE: Cases consist of survey questions about proposed policy changes asked between 1998 and 2013. The dependent variable is policy outcome, coded "1" if the proposed policy took place within four years of the survey data and "0" if it did not. The predictors are the imputed percentage of respondents at a given income percentile favoring the proposed policy change.

Table 2: Impact of preferences on policy change for social classes

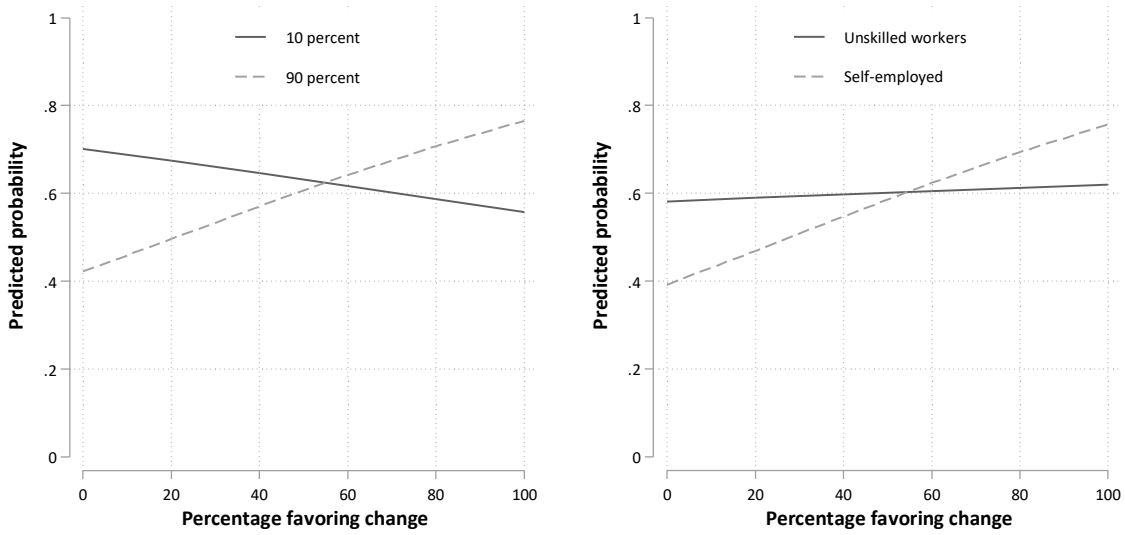
	All	Unskilled workers	Skilled workers	Lower-grade employees	Higher-grade employees	Civil servants	Self-employed
Logit coefficient	0.818* (0.374)	0.160 (0.316)	0.283 (0.332)	0.345 (0.333)	1.000** (0.375)	1.463*** (0.369)	1.571*** (0.397)
Intercept	-0.018 (0.210)	0.331+ (0.179)	0.266 (0.188)	0.232 (0.190)	-0.119 (0.212)	-0.383+ (0.212)	-0.437+ (0.226)
Predicted probability if 10% favor change	0.52	0.59	0.57	0.57	0.50	0.44	0.43
Predicted probability if 90% favor change	0.67	0.62	0.63	0.63	0.69	0.72	0.73
Relative change in	1.3	1.1	1.1	1.1	1.4	1.6	1.7

predicted probability (row 6 / row 5)							
N	746	746	746	746	746	746	746
Log likelihood	-499.087	-501.365	-501.130	-500.959	-497.897	-493.434	-493.457
Likelihood ratio	4.81	0.26	0.73	1.07	7.19	16.12	16.07
p-value	0.028	0.613	0.394	0.301	0.007	0.000	0.000

Standard errors in parentheses; + $p<.1$, * $p<.05$, ** $p<.01$, *** $p<.001$
NOTE: Cases consist of survey questions about proposed policy changes asked between 1980 and 2013. The dependent variable is policy outcome, coded "1" if the proposed policy took place within four years of the survey data and "0" if it did not. The predictors are the percentage of each group favoring policy change.

Figure 1 shows the pattern responsiveness towards different income groups and social classes. Whereas the slope is clearly positive for high incomes and the self-employed, it is flat for skilled workers and even negative for low incomes. Political decisions correspond to the preferences of some groups, while other groups cannot see any link between their own preferences and actual policy change.

Figure 1: Probability of policy change depending on the degree of support



NOTE: The figures show the predicted probability of a policy change for different degrees of support among the 10th and the 90th income percentiles as well as among unskilled workers and the self-employed for all survey questions.

So far, we have looked at all survey questions. However, as in the US, there are many topics with relatively minor opinion differences. For 40 percent of our cases, opinions differ by less than ten percentage points. Even if opinions coincide, political decisions could still reflect the preferences of the rich, but it would be impossible to show this with our data. To see how responsive political decisions are to the preferences of different groups if these groups disagree by at least 10

percentage points, we rerun our analyses for the cases with large opinion differences. Since the pattern is similar to the previous, we limit the discussion to the 10th and 90th income percentiles and to skilled workers and the self-employed. However, replacing these groups with more extreme income groups or with unskilled workers and civil servants leads to similar results.

Table 3 lists the logit coefficients for the four groups we compare. The main difference compared to the results in Table 1 and Table 2 is that there is a significant negative coefficient for the poor and for skilled workers. The logit coefficients for the 90th percentile and for the self-employed are positive, but for the 90th percentile it is no longer significant.[8] Still, the overall pattern is confirmed, as can be seen in Figure 2. The link between policy preferences and political decisions for poor citizens and skilled workers is clearly negative, while it is strongly positive for high-income groups and the self-employed. The degree of support for policy change on the part of rich citizens corresponds very closely with the probability that it actually happens. If only 10 percent of the rich favor change, the predicted probability is 47 percent. This figure rises to a 74 percent likelihood if 90 percent support a policy change. This is very different for poorer citizens. If the less well-off disagree with the better-off, their preferences are not translated into policies. In fact, the most strongly supported policies are the ones most unlikely to be implemented. If only 10 percent of the poor are in favor of a particular policy change, it will almost certainly be implemented (81 percent likely) – but if they strongly support change, the predicted probability drops to less than 42 percent. Political decisions in Germany are not only not responsive to the poor, as is the case in the United States, but are actually inversely responsive.

Table 3: Impact of preferences on policy change if opinion differences are large (>=10)

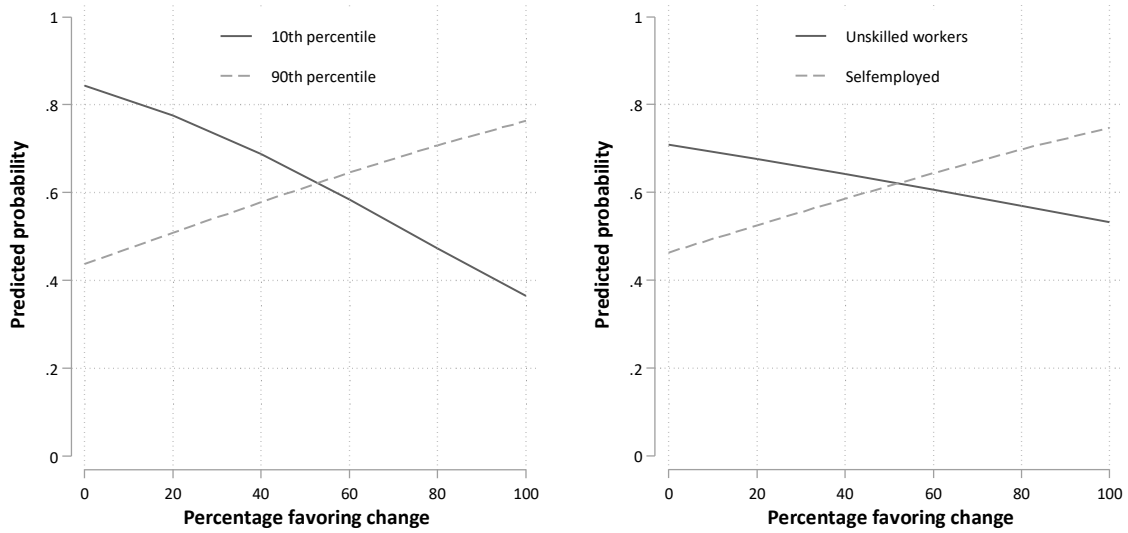
	10th	90th	Skilled workers	Self-employed
Coefficient	-2.240*	1.420	-0.764+	1.232*
	(0.908)	(1.090)	(0.409)	(0.565)
Constant	1.688**	-0.251	0.892***	-0.146
	(0.518)	(0.613)	(0.227)	(0.315)
N	134	134	454	454
Log likelihood	-85.283	-87.662	-298.465	-297.813
Likelihood ratio	6.48	1.72	3.51	4.82
p-value	0.011	0.190	0.061	0.028

Standard errors in parentheses; + $p<.1$, * $p<.05$, ** $p<.01$, *** $p<.001$

NOTE: Cases consist of survey questions about proposed policy changes asked between 1998 and 2013 (income) and 1980 and 2013 (occupation), respectively. The dependent variable is policy outcome, coded "1" if the proposed policy took place within four years of the survey data and "0" if it did not. The predictors are the imputed percentage of respondents at a given income percentile (columns 2 & 3) and the percentage of each occupational group (columns 4 & 5) favoring policy change.

[8] Note, however, that this might be due to the small number of cases that remain if we restrict the analysis to cases with large opinion differences.

Figure 2: Probability of policy change if opinions differ by at least 10 percentage points

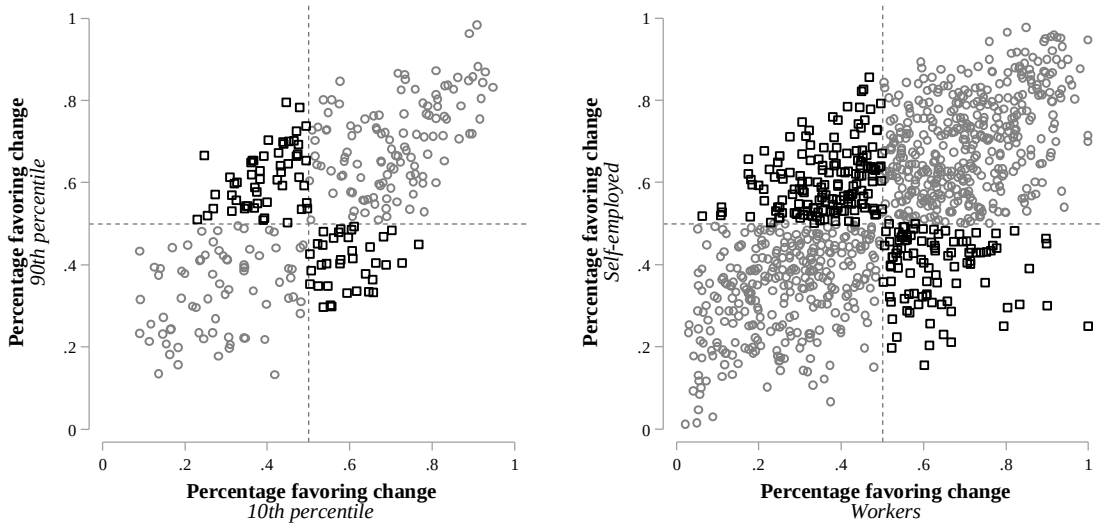


NOTE: The figures show the predicted probability of a policy change for different degrees of support among the 10th and the 90th income percentiles as well as among unskilled workers and the self-employed for all survey questions, when the opinions of the two respective groups differ by at least 10 percentage points.

Despite the patterns of unequal responsiveness, poorer citizens might benefit from what Enns (2015) calls "coincidental representation." In particular, middle income and occupational groups might favor similar policies to those favored by the rich, and, as a consequence, still get what they want in many cases. In fact, Branham et al. (2015) insist that the responsiveness differential between middle and high income groups is very small once we focus on those 185 questions in the Gilens dataset where these groups hold opposing interests. When the rich and the middle disagree, the rich win in 53 percent of the cases and the middle in 47 percent. A noteworthy, but certainly not dramatic difference.

In our dataset, we also find a high correlation between the preferences of different social groups. Citizens in Germany do not hold opposing viewpoints on most questions, but they do differ in the degree of support. Figure 3 plots the preferences of the 10th and the 90th percentiles (left panel) and those of workers and the self-employed (right panel) against each other. Obviously, preferences are generally highly correlated. The light-grey hollow dots indicate those questions where the two respective groups in principle agree but the degree of support differs. These are the cases where coincidental, albeit unequal responsiveness is possible. The dark-grey boxes indicate cases where one group favors change but the other one opposes it. If we reproduce our analysis with only cases with opposing majorities, the earlier results are reinforced. Due to the relatively small number of observations, we do not provide detailed results.

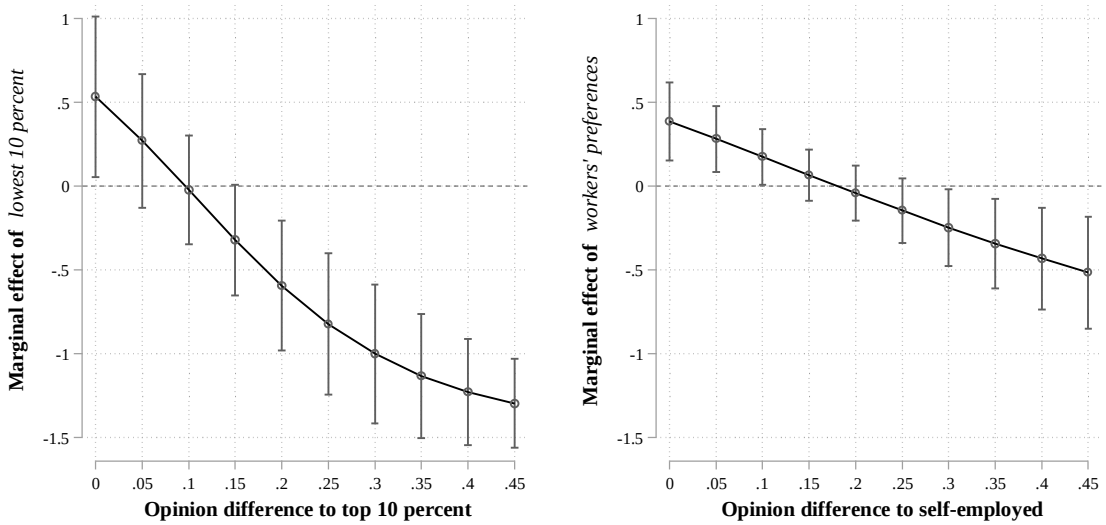
Figure 3: Issues where different social groups have opposing preferences



NOTE: The figures plots the support for policy change among different groups against each other. The light-grey dots indicate cases where a majority of each group favors change, whereas the dark-grey boxes indicate those cases where the groups hold opposing preferences.

Looking only at those cases where different groups fall on different sides of the 50 percent cut-off point might not be the best analytic strategy in the first place. As visual inspections of Figure 3 reveal, the actual size of the opinion difference can be very small even if a majority in one group supports a policy change while the majority in the other group opposes it. In extreme cases, 49.5 percent in one group but 50.5 percent in another would support policy change. Since we are dealing with survey data, this is probably within the margin of error. In contrast, the opinion differences can be very large (up to 50 percentage points) even within the same quadrant. However, it seems equally arbitrary to call opinion differences "large" if they are greater than 7 or 9 percentage points. The best way to see how opinion differences condition the link between preferences and policy change is to interact the two variables.

Figure 4: Marginal effect of low income and workers' opinions on policy change



NOTE: The figures show the average marginal effect with confidence intervals of the preferences of the 10th percentile and skilled workers, conditioned by the size of opinion differences. The effect is statistically significant if the confidence intervals do not cross the zero line.

Table 4: Impact of preferences on policy change when opinions diverge

	10th	90th	Skilled workers	Self-employed
Coefficient	2.423*	0.380	1.619**	1.645**
	(1.223)	(1.287)	(0.530)	(0.592)
Difference	12.699**	-5.339	5.535***	1.072
	(4.901)	(5.514)	(1.627)	(2.059)
Interaction	-25.290**	10.565	-8.989***	-0.416
	(8.673)	(9.734)	(2.730)	(3.726)
Constant	-0.750	0.256	-0.577+	-0.596+
	(0.733)	(0.773)	(0.317)	(0.341)
N	222	222	746	746
Log likelihood	-141.397	-144.174	-494.893	-492.713
Likelihood ratio	10.68	5.13	13.20	17.56
p-value	0.014	0.163	0.004	0.001

Standard errors in parentheses; + $p<.1$, * $p<.05$, ** $p<.01$, *** $p<.001$

NOTE: Cases consist of survey questions about proposed policy changes asked between 1998 and 2013 (income) and 1980 and 2013 (occupation), respectively. The dependent variable is policy outcome, coded "1" if the proposed policy took place within four years of the survey data and "0" if it did not. The predictors are the imputed percentage of respondents at a given income percentile (columns 2 & 3) and the percentage of each occupational group (columns 4 & 5) favoring policy change.

Figure 4 plots the marginal effect of the preferences of low-income groups and skilled workers for different degrees of opinion differences from those of the rich and the self-employed, respectively. In both cases, lower social groups' preferences only have a positive effect on policy change if the opinion differences are small. If they exceed 10 percentage points, the degree of support for change has no effect – or even a negative effect – on the probability of its realization. The poor can only hope to get what they favor if their preferences are aligned with those of the rich.

Conclusion

In this article, we have shown that policy responsiveness in Germany is also biased towards the better-off as it is in the United States. Lower social classes see their preferences reflected in political decisions less often than higher social classes, in particular when it comes to highly contested issues. In order to facilitate the comparison with findings for the US, we replicated the research design that others have used as far as possible. Our original dataset includes 842 questions that ask about agreement or disagreement with specific policy proposals and were posed between 1980 and 2013. We calculated the degree of support for both income and occupational groups and added information on whether or not the German Parliament decided to implement the policy within four years. Our findings show, overall, that the *Bundestag's* decisions are responsive towards the better-off but virtually ignore the preferences of the poor. When it comes to questions the rich and poor disagree on, the effect of support by lower income groups on the probability of enactment even turns negative. The more these groups favor a certain policy, the less likely it is to become law.

Besides contributing important insights about the German political system, these findings make us wonder whether the dependence on private money can be the sole source of unequal responsiveness. Given the differences in campaign financing between Germany and the United States, it seemed unlikely that we would find heavily distorted responsiveness in Germany. Parties and electoral campaigns are mainly publicly funded, and the total amount spent during election cycles is much lower than in the US. Even though private donors might try to influence political decisions, the systematic dependence on private donors is much lower than in the American system. However, since the results of the empirical analyses show that political representation in Germany is also tilted in favor of the rich, it seems clear that the direct influence through private money cannot be the main factor causing representational inequality. We can thus conclude that this institutional difference cannot be the key driver behind the representational bias we find in both countries.

Apart from institutional differences, the two countries face some similar developments that could affect the way political decisions are taken. Both in Germany and in the US, poor people tend to participate much less in politics than higher social classes (Schäfer 2015; Schlozman, Verba, and Brady 2012). Lower income groups not only turn out in smaller numbers on election day, but they also participate less in alternative political activities such as petitions, contacting politicians or being members of a party (Dalton 2017; Page, Bartels, and Seawright 2013; Schäfer 2015). This trend of unequal participation has increased during the last three decades, leading many authors to argue that this "unequal political voice" (Schlozman, Verba, and Brady 2012) causes politicians to ignore the preferences of those who do not (or cannot) make themselves heard. From the existing empirical evidence alone, however, it is hard to conclude whether unequal participation is the cause

or rather a consequence of selective responsiveness. The discussion so far is still inconclusive, and future research in this field could contribute to answering this important question.

Besides the unequal participation at the voter level, participation in both countries is also heavily stratified at the level of political representatives. Even though the German *Bundestag* is not such a "millionaires' club" (Center for Responsive Politics 2014) as the US Congress, members from higher social classes – and in particular, higher educational groups – are vastly overrepresented. In 2013, 85 percent of the members of the German parliament held a university degree, compared to 15 percent in the general population.[9] The social distance between lawmakers and their constituencies has grown in many countries during the last decades (Best 2007; Bovens and Wille 2017), which could be one reason why lawmakers tend to ignore the perspectives and preferences of the poor. Carnes (2012) shows that US legislators with working-class backgrounds vote more liberally in the field of economic policies than legislators from other class backgrounds, which has triggered a lively debate about the lack of descriptive representation of workers in parliaments (Pontusson 2015). For Germany, however, similar research still needs to be conducted, which could help to further illuminate whether the underrepresentation of lower social classes explains why the preferences of the poor are mostly ignored.

In any case, a democratic system tilted in favor of the already privileged is far from being a case of "American exceptionalism"; rather, it seems to be a common feature of modern Western democracies.

[9] https://www.bundestag.de/datenhandbuch (last retrieved: 20.03.2017)

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