## **UNEQUAL DEMOCRACIES** *Working paper n°9 July, 2019*

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# What rich and poor consider important and how this matters for representation

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## **ABSTRACT:**

Research on unequal representation suggests that governments tend to represent the preferences of the rich better than those of less affluent citizens. We argue that inequality already occurs at the agenda-setting stage: when the rich and the poor hold distinct priorities (priorities gap), governments pay more attention to what the rich consider important in their legislative agenda. We amassed three types of data for our analyses. First, we extract the policy priorities for rich and poor from Eurobarometer data between 2003 and 2015 for 10 European countries and match this information with data on policy outcomes from the Comparative Agendas Project. Second, we validate our findings with a comparison of three single country studies over longer time series. We conclude that unequal representation occurs already at the beginning of the policy-making process. This suppression of the priorities of the poor is potentially even more severe than unequal treatment of preferences.

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## 1 Introduction

Much scientific progress has been made since the publication of the report by the APSA Taskforce on Inequality in 2004, which defines the starting point for a renewed interest in the inequality of the representational process in the USA and elsewhere. We know now more about the unequal nature of government responsiveness in the US, as for example the seminal work by Bartels (2008) or Gilens (2012) document. We further learned that the phenomenon of unequal representation is not confined to the US but more widespread and present also in European societies (Giger, Rosset and Bernauer, 2012; Donnelly and Lefkofridi, 2014; Peters and Ensink, 2015), as well as in Latin America (Lupu and Warner, 2017).

However, important questions remain unanswered as the current literature focuses on preference representation almost exclusively. While certainly democracies should be judged by how attitudes and preferences of their citizens match with government policies, other aspects of representation are crucial as well. An important dimension is how issue priorities of citizens get channeled into the political system: Do governments pursue policy actions on issues that citizens consider important? Do they tackle problems that citizens conceive as salient? In essence, if certain issues are denied access to the agenda, preference (in)congruence might be less of an issue as individuals will not deem the government responsive to their wishes in the first place. Government officials face trade-offs in how much attention they can devote to issues and thus the government agenda is the result of decisions to prioritize certain issues above others (Jones, 1994).

We understand agenda representation as an important aspect of government responsiveness. We label agenda responsiveness as governments' activities that take up salient concerns in the population. This dimension of representation constitutes another instance where citizens potentially are treated unequally based on income. Biases in agenda-setting can have severe consequences for citizens' satisfaction with their government and the democratic system at large. We investigate two related questions to shed light on how unequal agenda representation is spread across European societies. First, do rich and poor citizens have different visions of what deserves government's attention? Second, if divergent priorities prevail, do legislators pay more attention to issues the affluent consider a priority than to what the less affluent want to see tackled?

In our study, we compile a data set that comprises 10 European countries over a 13 year period (Austria, Belgium, Denmark, France, Germany, Hungary, Italy, Netherlands, Spain, and the United Kingdom). We match the coding of "most important issue" questions from the Eurobarometer to the Comparative Agenda Project (CAP) coding scheme, and merge information on issue priorities with information on law introductions (CAP) in the respective policy areas. Importantly, issue priorities have been separately coded for rich and poor citizens in order to analyze priority differences and inequality in agenda attention. We utilize three case studies (Germany, Spain, and the United Kingdom) where longer time series from individual country surveys enable us to assess within-country variation in addition to the cross-sectional sample.

Our findings indicate that poor and rich citizens indeed possess different agendas of what they consider important topics. We call this phenomena a priorities gap. An intuitive example is that less affluent consider the threat of unemployment much more a problem than more affluent citizens. Our subsequent regression results indicate that the most important issues of the rich influence the government agenda to a higher degree than those of the poor and that this trend has increased over time. Our findings highlight that already at the agenda-setting stage of representation, the less affluent are disadvantaged. Poor people's topics and problems are seldom addressed by government. Our study provides important updates for the way we observe unequal representation. Our results suggest that inequality in representation manifests itself in multiple forms which highlights the importance of broadening the focus beyond preference inequalities. The consequences of an unequal treatment of citizens at this early stage of the representational process are far-reaching if issues held important by more affluent citizens are given attention while those prioritized by the less affluent are not. Early agenda denial of some segments of society effectively excludes them from expressing their preferences and having their problems solved. Combined with the existing evidence of unequal preference representation a toxic cocktail might result – especially if priority and preference inequality overlap and accumulate.

## 2 Representation and inequality

The classic "responsible party model" (see Schattschneider, 1960; Thomassen, 1994) describes how an ideal representational process should look like: Fist, citizens chose a party based on their distinct policy programs. Second, parties that receive a sizable amount of votes are represented in parliament and finally, the most successful one(s) build(s) a government that implement the policies the party has announced in its party program. Thereby it is ensured that governments enact policies that are wanted by the population and are thus responsive to what their constituencies want. An important notion within this framework – but also more generally in theories of representation and democracy – is that all citizens should be equal and have equal voice in the democratic process: "a key characteristic of a democracy is the continued responsiveness of the government to the preferences of its citizens, considered as political equals" (Dahl, 1971, : 1).

A wide range of studies confirm that on a general level, the representation process seems to work: overall, there is a fair degree of congruence between what citizens want and what they get, and governments seem rather responsive vis-à-vis public opinion changes (e.g. Page and Shapiro, 1983; Stimson, Mackuen and Erikson, 1995; Burstein, 2003; Binzer Hobolt and Klemmensen, 2008). However, there is also mounting evidence that the principle of equal voice is violated in many democracies: Wealthier citizens carry more weight in the policy-making process, or put differently: High income individuals speak with a loud voice while the poor only whisper during the policy-making process.

The influence of the rich prevails in the United States (e.g. Bartels, 2008; Gilens, 2012; Kelly, 2009) as well as for a range of European countries (e.g. Giger, Rosset and Bernauer, 2012; Donnelly and Lefkofridi, 2014; Peters and Ensink, 2015). Bartels (2008) shows that in the US high income constituents predict the voting behavior of their Senators to a much larger degree than low income citizens, which have little or no power. Gilens (2012) collected thousands of opinion polls and analyzed how public preferences correspond to government policies. He documents virtually no influence for the poor, while opinions of the rich are significantly related to policy outcomes. Only if the preferences of poor and rich align, governments seem responsive to the political opinions of less wealthy citizens. Similarly, studies on European countries have shown that political parties and governments tend to be better aligned with the interests of the rich (Giger, Rosset and Bernauer, 2012; Bernauer, Giger and Rosset, 2015), and the available evidence suggests that government policies rather reflect public preferences of the more affluent than those of the poor (Donnelly and Lefkofridi, 2014). While cross-national differences exist in the degree of underrepresentation, there is virtually no case where preferences of the poor are better represented than those of the rich.

What remains contested, though, are the exact mechanisms that are responsible for the unequal representation of income groups' preferences. There seems to be some variation in the degree of underrepresentation according to institutions – such as proportional electoral

rules –, the degree of macro-economic inequality (Bernauer, Giger and Rosset, 2015; Rosset, Giger and Bernauer, 2013), as well as due to the low participation rates of low income citizens (Peters and Ensink, 2015).

In this paper, we take a different approach. Instead of examining representation of political preferences, we shed light on the process of representation by focusing on an early stage of policy making: agenda setting. We argue that equally important for the working of democracy is government's agenda responsiveness, i.e. the question which topic political actors pay attention to and focus on. Policy makers represent citizens also through selectively devoting attention to issues, thereby reflecting the citizens' concerns, and dealing with political problems on their behalf, i.e. problem-solving as coined by Adler and Wilkerson (2013).

In most instances, agenda representation is thus a necessary condition for policy representation to occur (Jones and Baumgartner, 2004). Given that public concerns are widespread and government attention is a scarce good, prioritization is needed for spurring government action. Thus, the degree to which a government pays attention to the issues and problems raised by certain constituencies indicates its priorities in representing certain groups within society. Agenda representation is highly consequential for citizens and their satisfaction with the democratic process as the work by Stefanie Reher (Reher, 2014, 2015) demonstrates. Problem-solving is one of the key attributes of electoral success: parties rated competent to tackle certain issue get a large premium from voters (Petrocik, 1996).

Agenda setting representation is the subject of a range of articles that predominately focus on the US case (e.g. Jones, Larsen-Price and Wilkerson, 2009; Jones and Baumgartner, 2004), where governments are generally attentive to public's priorities. Single-country studies in European settings tend to reach similar conclusions (Bevan and Jennings, 2014; Bonafont and Palau, 2011; Lindeboom, 2012). However, these works treat the citizenry as one uniform body regardless of socio-demographic characteristics. Given our interest in unequal representation and the widespread evidence of an unequal treatment of economic groups, we depart from this state of the art and look at the priorities of different social groups in comparison. Flavin and Franko (2017) pioneering study takes a first step in this direction by analyzing how priorities of rich and poor voters differ in the US states and how these priorities are taken up by policy-makers. Their findings reveal that unequal agenda representation is widespread in the US: state legislators are less likely to devote attention to an issue prioritized by the poor than to one that is salient to the more affluent. We broaden the empirical scope and study unequal agenda representation in comparative perspective featuring 10 European countries. Not only allows such a design to put the US findings into perspective, we also gain leverage of the phenomenon across a range of different institutional settings, and even expand the sample of countries for which agenda congruence across the whole population has been studied. In general, the European setting can be seen as a harder test for unequal agenda responsiveness since multiparty systems are seen as more inclusive and therefore open to new issues (see e.g. Lijphart, 1984).

## 3 Unequal priorities and government responsiveness

In this study, we explore the unequal responsiveness of governments to citizens' priorities. However, before we examine responsiveness, we need to ask whether differences in issue priorities exist between economic groups, i.e. tackle the question whether poor and rich differ in what they consider a salient issue in their country. Unequal representation of any kind relies on the (implicit) premise that differences in attitudes, priorities or other evaluations exist - otherwise partial responsiveness is impossible, and policy actors are either responsive to the whole society or to no one (see also the vivid debate about this point in the literature on unequal preference representation (Soroka and Wlezien, 2008; Ura and Ellis, 2008; Gilens, 2009)). It is thus indispensable to study whether priority differences exist in the first place. Only in a second step will we analyze how responsive governments are in their attention to different topics.

Starting from the premise that the difference between poor and rich are more than simply earnings, we argue that political priorities differ according to income (see also Flavin and Franko, 2017). Based on social cognitive accounts of social class differences (Kraus et al., 2012), we posit that the social context is influential not only for our preferences but also for our thinking of what essential issues of public policy are. First and foremost, material self-interest is associated with different expectations what the state should do and how the government can assist its people (Hacker and Pierson, 2002). Low income citizens concentrate their interests on a well-developed welfare state that assists them when turning ill or losing their jobs. Such assistance is of less relevance to wealthy citizens who do not need to care about each penny and have the means to purchase private medical assistance if needed. As a consequence, we expect poor citizens to focus their attention more on issues of poverty relief, unemployment protection or housing. Different life experience can also enter the equation from a different angle, namely through social networks and shared life experiences within the neighborhood (Newman, Johnston and Lown, 2015; Thal, 2017). So living in a poor neighborhood with a high level of unemployment, crime and social deprivation might have a direct effect on what you consider important irrespective of your own direct experience. Similarly, living in a more affluent neighborhood will influence what you consider important through social discussions with your colleagues and neighbors (McPherson, Smith-Lovin and Cook, 2001). In sum, we expect considerations about what is important to be different according to the position within

the income strata. We call this discrepancy the priority gap and define it as the difference in the degree of importance between the rich and the poor on a policy issue

Our main research question asks whether governments are responsive to diverging priorities of rich and poor. We see government policy making as problem solving (Jones and Baumgartner, 2005; Adler and Wilkerson, 2013). Policy making is understood as sequential and starts with the agenda setting stage, the struggle over preferences comes only in a later phase (Jones, Larsen-Price and Wilkerson, 2009; Klüver, 2018). In fact, the power to set the agenda, to determine which issues are important enough to be treated by the government has long been recognized (see e.g. Schattschneider, 1960) and has been central in the seminal study by Kingdon (1984).

Importantly, governments face trade-offs in which problems or priorities to consider, to devote resources and attention. Assuming that priorities are stratified according to income as argued above, the key question becomes how public officials prioritize among salient topics for different societal groups. We argue that faced with a trade-off, governments tend to prioritize what the more affluent consider important while devoting less attention to the priorities and problems of the less affluent. We see three mechanisms that account for this process. They share the assumption that legislators care for their re-election and are thus vote-maximizers.

First, different political participation rates are crucial, in particular the fact that low income is associated with lower participation and less political activism in general (Brady, Verba and Schlozman, 1995; Gallego, 2014). If poorer citizens turn out less and contact politicians less, this makes them not only less visible (see e.g. Griffin and Newman, 2015) but also less important in the eyes of politicians facing re-election. Differences in visibility skew agenda representation towards those who participate more and are more active in politics.

A second mechanism is the direct influence of money, which runs either via campaign

contribution or lobby groups. Wealthier citizens are more likely to contribute to political campaigns than citizens with low income (Schlozman, Verba and Brady, 2012; Brady, Verba and Schlozman, 1995). While there is little evidence that monetary contribution can directly "buy" policy outcomes, it is nevertheless likely that these donors get some "return on their investment". One potential return might take the form of increased attention to their problems. A second direct channel of money are interest groups which tend to be dominated by business and other professional groups that represent the interest of the wealthy rather than the poor (Gray et al., 2004; Giger and Klüver, 2016). While their direct impact might be limited (and difficult to prove), interest groups's role as information providers (see e.g. Bouwen, 2004; Hall and Deardorff, 2006; Klüver, 2018) enables them to be especially efficient in manoeuvring the priorities of business owners and managers into the political sphere. This advantage do less affluent citizens not enjoy.

Last, socialization might be consequential. According to our argument above, social status shapes how we see the (political) world and thus influences which political issues we consider salient. The highly disproportionate share of rich among professional politicians (Carnes, 2013; Carnes and Lupu, 2015) might thus be another reason for the prioritization of affluent issues: As MPs have strong incentives to rely on their own experience and background when deciding on which topics to focus their attention (Butler, 2014), at the aggregate these priorities happen to be aligned with those of the rich.

In sum, all mechanisms point in the same direction: governments are disproportionally more responsive to the priorities of high income citizens.

## 4 Data and methods

To test our hypotheses we combine several data sets that include information about priorities of the rich and the poor, and about government activities in different policy domains in 10 European countries. The sample includes Austria, Belgium, Denmark, France, Germany, Hungary, Italy, Netherlands, Spain, and the UK. Even though the selection is constrained by data availability, we cover a variety of different regional (Scandinavia, Central Europe, Southern Europe) and institutional settings (multiparty systems and majoritarian democracies).

We present two types of analyses, a cross-sectional longitudinal study with data between 2003 and 2015, and three single-country studies with longer time series starting in the 1990s (United Kingdom, Spain and Germany). The time periods covered by country in the cross-section vary between 8 years (Belgium, 2003-2010) and 13 years (Spain and UK, 2003-2015) (depending on data available from the CAP project), the single country time series data includes a time period of 17, 20 and 27 years, respectively.

#### 4.1 Dependent variable: government and legislative activities

Our dependent variable comes from the Comparative Agendas Project (CAP) and measures parliament and government activities in different policy areas<sup>1</sup>. More specifically, for each country/year we calculate the proportion of laws adopted in a specific policy area.

Our coding of the legislative activity corresponds with the issue categories in the survey

<sup>&</sup>lt;sup>1</sup>As we match this information with public priorities, we are not looking at policy direction here. Instead, we rely on ample evidence that if governments are unequally responsive they are taking action at the detriment of the poor (Gilens, 2012; Bartels, 2008; Giger, Rosset and Bernauer, 2012; Donnelly and Lefkofridi, 2014; Peters and Ensink, 2015)

data (Eurobarometer and country-specific surveys, see below). Specifically, each law is first assigned to one of the 220 mutually exclusive topics in the CAP codebook<sup>2</sup> and then matched with one of the available issue categories in the surveys' "most important problem" question. For example, the German law of 2007 on "the improvement of employment chances for elderly employees"<sup>3</sup> is coded into the CAP-category "General Labor Issues", and then matched with the category "unemployment" in the survey data. The British law of 2015 on "Corporation taxes in Northern Ireland" is assigned to the CAP-category "Corporate Mergers, Antitrust Regulation, and Corporate Management Issues", which is coded into the category "economy".

Unlike the CAP data, where all government and parliament activities are recorded, the public priority question in the surveys includes only a low number of issue areas. Therefore, government activities in certain domains had no correspondence (e.g. activities coded as "Intergovernmental Relations" or "Gender Discrimination") and were dropped. Accordingly, our measure for the dependent variable computes the combined government/parliament output in one parliamentary year concerning the respective issues included in surveys" "most important issue" question. Note that as a consequence of this re-coding procedure the combined policy output in all issue categories does not sum to 1, even though this measure is a proportion, strictly speaking. For more detailed information about the distribution of this variable, see figure 1 in the appendix.<sup>4</sup>

<sup>2</sup>http://www.comparativeagendas.net/pages/master-codebook.

<sup>3</sup> "Gesetz zur Verbesserung der Beschäftigungschancen älterer Menschen".

<sup>4</sup>The two examples from the CAP data above were coded into the "unemployment" and "economy" category of the surveys, respectively.

#### 4.2 Independent variable: political priorities of the rich and the poor

We measure public priorities by aggregating the "Most important issue" question in the Eurobarometer (EB) (cross-section analysis), and in the three country surveys (time series analysis). More specifically, the respondents had to answer the following questions:

- EB: What do you think are the most important issues facing (OUR COUNTRY) in the moment? (max 2 answers).
- UK: What would you say is the most important issue facing Britain today?
- **Spain**: ¿Cuál es, a su juicio, el principal problema que existe actualmente en España? [What do you think is the principal problem that exists in Spain at the moment?]
- **Germany**: Was ist Ihrer Meinung nach gegenwärtig das wichtigste Problem in Deutschland? [In your opinion, what is currently the most important problem in Germany?]<sup>5</sup>

The EB includes a fixed selection of issue categories for the respondents to choose (varying only slightly during the 13-year period). Table 1 shows how we used the pre-set categories in the final dataset. For purposes of comparability we have collapsed the open-ended questions in Germany, Spain, and the UK into the same categories.

Since surveys are fielded several times a year, we aggregate the most important issue question for each survey first, then taking the average per year (and country). Table 1 in the appendix gives an overview of the 32 EB-surveys included. More specifically, we take the share of respondents who considered the respective issue important. For example, "housing"

<sup>5</sup>Surveys for the United Kingdom were conducted by Mori and IPSOS-Mori, respectively, surveys for Spain come from the Centro de Investigaciones Sociolgicas, and in Germany we rely on Politbarometer data

	Eurobarometer	Final dataset
1.	Crime	
1. 2	Transport (until 2006)	
<u>-</u> За.	Economic situation	combined with government debt
3b.	Government debt (from 2010 on)	combined with economic situation
4.	Rising prices/Inflation	
5.	Taxation	
6.	Unemployment	
7.	Terrorism	
8.	Defense/foreign affairs (until 2010)	
9.	Housing	
10.	Immigration	
11.	Healthcare system	
12.	Education system	
13.	Pensions	
14a.	The environment (from 2012 combined with energy issues)	combined with energy
14b.	Energy related issues	combined with environment

Table 1: Most important issues: categories in Eurobarometer

is coded 0.3 if 30% of respondents thought housing was the most important issue in a given year (country).

However, instead of taking the share of answers of the whole population, we aggregate the answers by group, distinguishing between low and high income. Because income measures are notoriously biased in surveys and suffer from many missing values, and therefore fewer and fewer surveys include actual income measures at all, we approximate income groups by occupation. We distinguish between *Manager and Business Owner* on the one hand, and *Manual Workers and Service Employees* on the other – assuming that these are the occupational groups with the largest income differences (see tables 2 and 3 in the appendix for detailed coding of occupational groups in the Eurobarometer). After aggregating the share of respondents in these two occupational groups (per issue/year/country), all other respondents were dropped from the dataset. The same procedure was applied to the time-series data from

the three individual countries UK, Spain and Germany.<sup>67</sup>

To identify differences in priorities of low and high income citizens, we use two different measures of priorities. They follow a slightly different logic: the first simply counts the share of respondents within a specific occupational group who thought the issue was important, as described above. This measure accounts for the *relative* priorities of different groups. The distribution varies considerably between the cases. In some situations, one issue is clearly the most salient. In Germany in 2005, for example, unemployment was considered the most important issue by 82 percent of affluent citizens and 83 percent of those with low income. In other situations, several issues have similar importance. For example, in 2007 the environment was the most important issue for 32 percent of high income Belgians (19 percent of poor), while pensions were mentioned by 30 percent (17 percent) and unemployment by 28 percent (32 percent). Comparing the share of mentions between issues and groups gives information about the intensity of preferences. We identify the priority gap by simply subtracting the share of low income people who mentioned an issue from the share of rich who considered the issue the most important at the time.

Our second measure is the most important issue in absolute terms, ignoring the intensity of priorities – or agreement among the group. It is a simple dummy variable coded 1 if an issue in any given group/country/year received the highest number of answers, and 0 otherwise.

<sup>6</sup>We validated our coding with income and class data where possible (see tables 2, 3, 4, and 5 in the appendix). Our tests confirm that occupation aligns neatly with social classes and income levels, respectively.

<sup>7</sup>Surveys in the UK take a slightly different approach. Rather than asking about individuals occupations they pre-aggregate information based on social class and occupation into six categories. As table 5 shows these groups align neatly with our operationalization.

Thus, the maximum might be as high as 82 percent (e.g. unemployment in Germany 2005), but it might also be 32 percent (e.g. environment in Belgium 2007). Low and high income groups might differ considerably in the intensity of priorities (or their disagreement), but consider the same issue as most important in absolute terms. To identify the priority gap, we include an interaction term between the two dummy variables (rich and poor) in the regression models.

#### 4.3 Estimation

**Model specification** To take into account that legislative activity takes time, we combine citizens' priorities and government output with a time lag. More specifically, while public opinion data is aggregated by year, the dependent variable – share of laws – is computed for each legislative year, beginning in August. Thus, we compare the public's issue priorities in a specific year with the legislative output beginning after the summer break until the next summer. Since our dependent variable is the share of laws in a given year, we ran proportional logit models (Papke and Wooldridge, 1996) with fixed effects for countries and years, first using the Eurobarometer data which includes ten countries over a 13 year time-span. Second, we apply the same modeling specification (proportional logit and fixed effects) to study three of the countries over a longer time span.<sup>8</sup>

**Threats and challenges** At least two potential sources of bias might distort our results. First, common shocks across all countries as well as unobserved features for specific countries might effect legislative priorities. We addresses this omitted variable bias with using country

<sup>8</sup>We decided against using other types of time-series modeling because of the relatively low number of time points and because most time-series specifications assume a normally distributed dependent variable. and time fixed effects. Legislative activity might nor only respond to citizen priorities of the rich and the poor might, but also influence them as well. The priority gap between rich and poor may change with new legislation. Hence, endogeneity is a second source of bias. Because no clear instrument exists in the current literature on representation and responsiveness, we mitigate this threat by carefully constructing an appropriate lag structure. For all countries in our sample, we obtained information about how much time passes between the introduction and passage of legislation. Based on that information, we lagged citizen priorities so that governments are still able to respond to citizen demands within a legislative session but that citizen priories antecede legislation. Practically, we compare the public's issue priorities in a specific year with the legislative output beginning after the summer break until the next summer. This temporal structure ensures that citizens priorities cannot logically cause governments action.

## 5 Results

#### 5.1 Issue priorities of low and high income citizens in Europe

In a first step, we investigate and compare the priorities of the rich and the poor. If there is no priority gap, responsiveness cannot be unequal by definition – that is, governments will or will not be responsive to society as a whole. We expect priority differences between income groups mainly based on material self-interest resulting in different expectations about the role of the state in society. In addition, different life experiences, social contexts – such as living in a poor neighborhood –, and experiences shared via social networks may influence a persons view on what is important in a specific country at a given time.

Figure 1 shows the differences in priorities between the rich and the poor (see figure 3 in

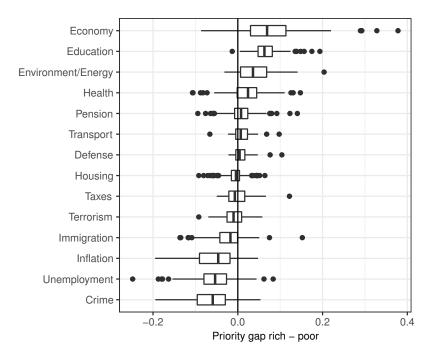


Figure 1: Issue priority gap between the rich and the poor

the appendix for a separate description of the priories of the two groups). It plots the share of mentions among the rich *minus* the share of mentions among the poor in each country and year.<sup>9</sup> Numbers below zero indicate that the issue is more important for lower income groups and positive numbers indicate higher importance for wealthier citizens. Figure 1 illustrates first of all the differences between the rich and the poor with regard to crime, unemployment, inflation and immigration: these issues are more pressing for lower income groups. On the other side, wealthier citizens think the economic situation, education, the environment and health issues are the important issues facing their country at the moment.

As discussed above, there are several ways to calculate citizen priorities. Besides the share of respondents who mention a specific issue, we can also look at the *absolute* priorities, which is simply the issue that receives the highest share of mentions. Comparing the absolute

<sup>9</sup>The boxplots visualise five summary statistics: the median, two hinges (first and third quartiles), and two whiskers ( $\pm$  1.5 \* inter-quartile range from the hinge).

priorities of the two groups reveals a preference overlap in many cases, but there are also important differences (see figure 2 in the appendix). In most instances, unemployment is the most pressing issue for both groups, that is, the issue that receives the highest share of mentions.<sup>10</sup> Further, low and high income groups often agree that the economy and crime are most pressing issues. When both groups differ, the most frequent pattern is that lower income citizens find unemployment most important, while the economy is more salient for affluent citizens. Confirming the findings in figure 1, it is also often the case that managers' priority is the economy, while at the same time workers are more worried about crime.

Overall, the comparison of priorities reveals occasional agreements between the rich and the poor, but also important priority gaps, indicating differences in material interest and life experiences. We explore in the next step how governments and parliaments respond to differing needs and expectations.

#### 5.2 Unequal responsiveness?

According to the "responsible party model" we would expect governments and parliaments to follow their voter's concerns and focus their policy activities on the areas that are currently most salient. In reality, a large part of government activities is of course determined by other factors – an agenda that was decided in a coalition agreement at the beginning of the legislative period, for example, or supranational politics. When comparing policy-making

<sup>10</sup>Note that we simply take the maximum per group – this share can still vary substantially between the two groups, depending on the distribution of issues among the respondents. The maximum could be very high (e.g. 80%), if the respondents only mention a low number of issues, it could also be quite low (e.g. 30%), if different issues are important for different respondents. with citizen's priorities, we can therefore only consider a subset of laws adopted, namely in those policy areas that correspond to the public's priority categories. Figure 2 plots the share of laws concerning theses issues.

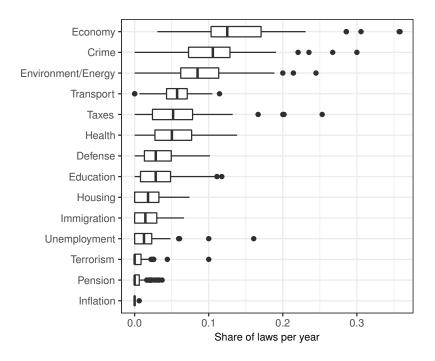


Figure 2: Share of laws in different issue areas (per year)

Ignoring unequal group priorities for now, government activities appear fairly congruent with citizen demands overall. Most laws adopted concern the economy and crime-related issues; moreover governments and parliaments decided on laws concerning energy/environmental issues, transport, taxes, and healthcare. On the other hand, only a low number of laws adopted by European governments between 2002 and 2015 directly concerned terrorism, pension or inflation.<sup>11</sup>

Do governments respond to citizens' priorities in politics and if so, are some groups better represented than others? For a more rigorous study of this question, we proceed with a

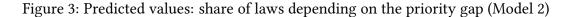
<sup>&</sup>lt;sup>11</sup>Figure 4 in the appendix shows the pattern for each country separately.

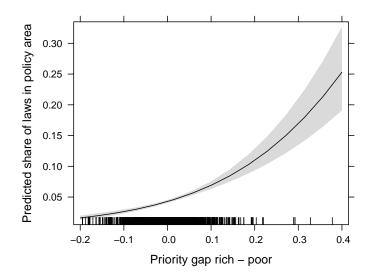
	Model 1	Model 2	Model 3
Intercept	$-3.24^{***}$	$-3.05^{***}$	$-3.05^{***}$
	(0.18)	(0.18)	(0.17)
Priority rich	$4.98^{***}$		
	(0.43)		
Priority poor	$-3.57^{***}$		
	(0.46)		
Priority gap rich - poor		$5.06^{***}$	
		(0.48)	
Most important issue rich			$1.37^{***}$
-			(0.12)
Most important issue poor			-0.26
			(0.23)
Most important issue rich x			$-0.69^{*}$
Most important issue poor			(0.28)
			. ,
Ideological position government	0.03	0.03	0.03
	(0.06)	(0.06)	(0.06)
	. ,	. ,	. ,
Country fixed effects			
	·	·	·
Year fixed effects			
	·	·	·
Dispersion	0.058	0.062	0.058
Deviance	82.11	85.67	85.75
Num. obs.	1510	1510	1510
*** < 0.001 ** < 0.01 * < 0.05			

Table 2: Responsiveness to citizen's priorities (Fractional logit; DV: share of laws per year)

 $^{***}p < 0.001, \,^{**}p < 0.01, \,^{*}p < 0.05$ 

statistical analysis. The dependent variable is the share of laws in a specific policy area (per year / country). The independent variables are the priorities of the wealthy citizens, and of low income groups respectively. Since the dependent variable is a proportion we fit fractional (quasi-binomial) logit models (Papke and Wooldridge, 1996). Further, we include fixed effects for years and countries in the models. The results are shown in table 2. The findings in model 1 indicate that overall, more laws are adopted with regard to issues that a higher share of wealthy people find important. In contrast, the priorities of the poor are negatively related to government output. Corroborating this result, we also find that the priorities of the rich matter more when they differ from those of the poor (model 2): the larger the priority gap on a specific issue – that is, the more important an issue is for the rich while being of lower





priority for the poor –, the stronger the reaction of political elites. The predictions from model 2 are shown in figure 3: On average, if all income groups have the same priorities, about 5 percent of laws are produced in a specific policy area. If an issue becomes more important for the poor, responsiveness decreases. If an issue becomes more important for the rich, however, governments and parliaments respond with considerable legislative activity in this policy area.

Model 3 includes our second priority measure: two dummy variables for the most important issues as mentioned by the rich and the poor (highest number of shares), and the interaction between the two. This allows us to distinguish four situations: 1) neither group considers this issue particularly important, 2) the issue is considered important by a majority of citizens, notwithstanding their economic situation, 3) an issue is considered important by the poor but not by the rich, and 4) affluent citizens pay particular attention to a specific issue, while other topics are more pressing for the poor. Figure 4 shows the predicted average policy output for these four situations. As illustrated on the left-hand side, political elites pay more attention to issues that are important for their citizens than to those that are not, which indicates that European governments are in general responsive to their citizen's priorities.

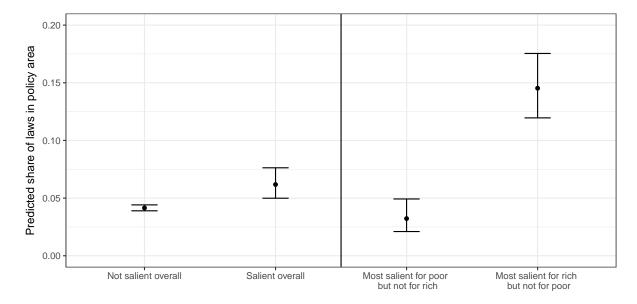


Figure 4: Predicted values: share of laws depending on absolute priorities (most important issue for the whole group) (Model 3)

However, what happens if the priorities of the poor are different from those of the rich? If, for example, crime is considered most important by the poor, while the wealthy are more concerned about the environment? Here we are particularly interested in such priority gaps and the elites' reactions in these situations. In support of our previous findings, the right-hand side of figure 4 illustrates that governments and parliaments are particularly responsive to the rich if a priority gap exists: Legislative activity concerning specific policy issues increases considerably to almost 15 percent overall, if these are considered of highest priority by the high-income citizens of the country, but not by the poor. Conversely, the predictions from model 3 show no difference in elite responsiveness between issues of low priority for the whole population and those that are considered important by the poor only.

Overall, these findings regarding citizens' *priorities* support what previous studies have found with regard to political *preferences*: Even though in many instances the rich and the poor want the same in politics, if the do not, the political elites listen more closely to those with more money. Interestingly, the results hold when controlling for government ideology<sup>12</sup>; thus, according to our findings, unequal responsiveness is not contingent on the a specific composition of the cabinet.<sup>13</sup>

#### 5.3 Unequal responsiveness in Germany, Spain, and the UK

In this last part we focus on patterns of responsiveness in three selected countries with longer time series. The goal is to ensure that our results are not driven by pooling across many countries, but that patterns of unequal responsiveness are observable within single countries. For this purpose, we selected three major democracies from the above sample for which we had access to detailed, regular, longitudinal information on issue priorities and occupation – Germany, Spain and the United Kingdom. The countries represent three extremes regarding voter-government linkages and are thus well suited to study responsiveness. The UK are a prime example of strong accountability of governments to voters; responsibility is clearly identifiable and voters punish governments for bad performance (Powell Jr and Whitten, 1993). By contrast, responsibility for policy-making is lower in Spain due to its proportional system and the resulting lower clarity of responsibility, corruption, and higher level of decentralization (León, 2011; Hobolt, Tilley and Banducci, 2013). Germany, is sometimes even seen as a consensus democracy (Lijphart, 1999) and provides for the weakest direct

<sup>12</sup>Ideological position of the government is computed as the average share of left-right government position (cabinet parties) in one parliamentary year (August -July) weighted by seat share in parliament. Data comes from the ParlGov database (Döring and Manow, 2018), ideological position is based on expert surveys (codebook: http://www.parlgov.org/documentation/codebook/).

<sup>13</sup>See table 7 in the appendix for results of an interaction model.

accountability and clarity of responsibility due to its coalition governments and the strong role of parties. Apart from their institutional and political systems the countries differ regarding their exposure to economic crises and the salience of economic inequality. Economic inequality is particularly high in the UK and lowest in Germany; Spain was heavily affected by the financial crisis of 2008 and economic inequality became increasingly salient in this context. Comparing these three countries thus enables us to test for unequal responsiveness in various contexts. For all countries we have data from the early or the mid 1990s until today.

We follow the setup of the previous part and first present evidence for differing issue priorities between rich and poor citizens before turning towards the evaluation of unequal responsiveness.

#### 5.3.1 Issue priorities of high and low income citizens in Spain, UK and Germany

The left panel of figure 5 shows the priority gap between rich and poor citizens in the United Kingdom, Germany, and Spain respectively. It plots the share of mentions among the rich citizens minus the share among the poor, pooled over time. The emerging pattern is highly comparable to that presented in figure 1 for all countries. Unemployment, and immigration appear as the most salient issues for poorer citizens, whereas the economic situation, the environment and education are prevalent among the rich. Overall, while issue priorities are similar between lower and higher income citizens on some topics, we discover important differences between the groups, therefore indicating potential for unequal representation.

The right panel presents the share of adopted laws in the same issue areas and summarizes our dependent variable. Results are identical to those presented in figure 4 in the appendix. As most other countries, Germany, Spain, and the United Kingdom enact few laws on unemployment and spend a large amount of resources on legislating on the economy and crime. Also the environment attracts considerable legislative attention.

#### 5.3.2 Unequal responsiveness in Germany, Spain, and the UK

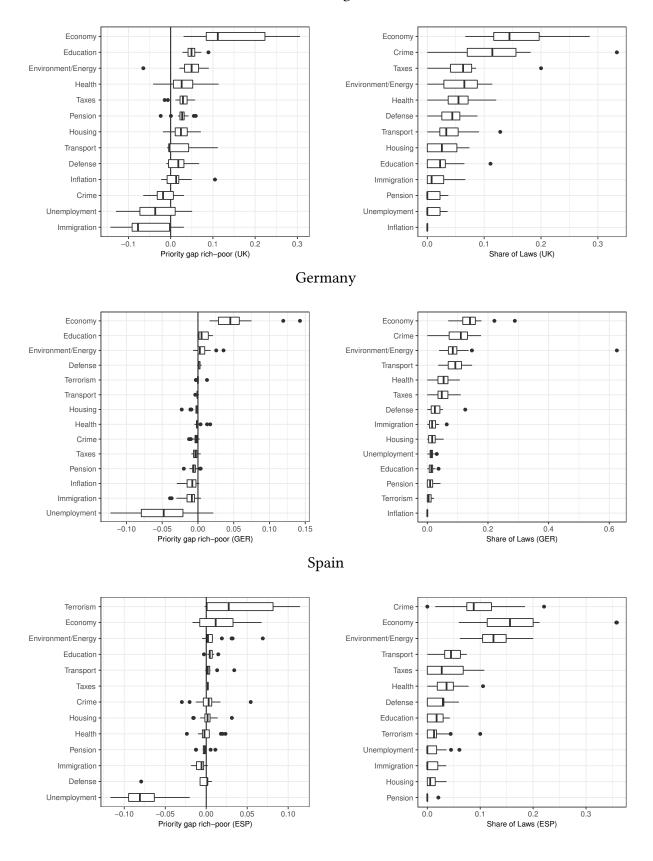
We now turn to the evaluation of unequal responsiveness in the three countries. We present the predicted effect of the priority gap on legislative activity graphically in figure 6 (see table 6 in the appendix for regression results). Our case studies confirm the findings of the cross-sectional analysis above. The effect is most intuitive when looking at differences in issue priorities between rich and poor citizens in figure 6: the more important an issue is for the rich in comparison to the poor the higher the legislative activity of political elites. This is true regardless of the economic and institutional context. We find evidence for unequal responsiveness in the highly unequal United Kingdom where political elites have high incentives to be accountable, as well as in Germany's near consensus democracy with rather low economic inequality, as well as in Spain where economic inequality became increasingly salient in the aftermath of the financial crisis of 2008. In substantial terms, if the rich and poor do not differ with regard to their issue priorities, about 5 percent of laws are produced in a given policy area in all three countries. By contrast, if the rich find an issue 10 percentage points more important than the poor, about 10 percent of laws are produced in this specific policy area in the United Kingdom and Spain, and even 20 percent in Germany. This may suggest that the rich are especially successful to put their political priorities on the agenda in Germany.<sup>14</sup>

Overall, the individual analysis of this three vastly different countries thus confirms the findings of the cross-sectional part and previous studies on unequal representation. While rich and poor citizens agree on many issues, political elites respond more strongly to the

<sup>&</sup>lt;sup>14</sup>But note that the results stem from three different samples and results are thus not directly comparable.

priorities of the rich if a priority gap exists. Unequal responsiveness is an issue across and within European democracies.

Figure 5: Issue priority gap and share of laws in the United Kingdom (top), Germany (middle), and Spain (bottom)



#### United Kingdom

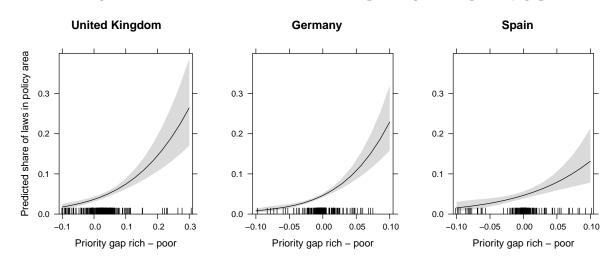


Figure 6: Predicted values: share of laws depending on the priority gap

## Conclusion

In this study we observe a rarely appreciated aspect of unequal representation: inequalities in the attention that government officials devote to the salient topics of rich and poor. We find that priorities of income groups often overlap but also that differences in their priorities exist with the less affluent for example devoting more attention to unemployment while the more affluent think of the economy as a highly salient topic. Most crucial, government react differently to the priorities of rich and poor. When a priority gap exists, governments tend to side with the rich and prioritize their salient issues in policy-making. This finding holds not only for economic issues but across the whole issue range.

These findings are important in two respects: First, they update our view of the representational process especially regarding the equality of treatment promise. It seems that unequal representation is not confined to preferences but takes place at this early stage of policy-making as well. This finding justifies our focus on priorities and at the same time asks for more studies looking at other aspects of representation that potentially bias against low income citizens. The uncovered disconnect at the early stage of the policy-making process, this unequal treatment of the priorities of rich and poor has potentially large consequences for the whole representational chain. If some segments of society are selectively excluded from expressing their preferences and having their problems solved, representational bias in governing are hard to remedy.

Second, these findings call for more research looking at both dimensions of representation – priorities and preferences – simultaneously. It seems plausible that the consequences of unequal agenda representation are especially harsh if the preferences of the less affluent are not taken into account on the same topics. Consequently disadvantages in priorities and preferences overlap and potentially accumulate. For the time being, it seems save to assume that priorities are turned into policies to the disadvantage of less affluent citizens - given recent evidence that suggests that inequality in preference representation is visible in divers issues such as European integration or social lifestyle, (Rosset and Stecker, 2018) and is thus not restricted to the left-right dimension as shown by previous work (Bartels, 2008; Giger, Rosset and Bernauer, 2012).

Unequal responsiveness towards the priorities of the rich and not the poor raises the potential for increased societal discontent and the erosion of democratic legitimacy. Based on the presented research, we offer three potential policy recommendation for abating divergent levels of responsiveness among social groups. First, increasing political participation of marginalized groups goes hand in hand with politicians willingness and readiness to listen and attend to the concerns of marginalized voices. Getting poor voters to be ballot box is a challenging but central task. A simple starting point here might be that politicians consciously reach out to poorer stratas of society when doing constituency work in their districts. Second, the poor need to be well-represented in the political process and have lobbying access. One potential solution here is to rely on the traditional representative of the poor - labor unions. Labor unions, as (Ahlquist and Levi, 2013) have shown, can engage in political action that lies beyond the benefits of their members. Finally, if politicians increasingly share similar upper class backgrounds, political parties need to be aware of this shortcoming and change recruiting mechanisms. The introduction of gender quotas makes clear that strong institutional rules can be employed in this area and that they make a difference in outcomes (Clayton and Zetterberg, 2018). All in all, to paraphrase Schattschneider, reducing unequal responsiveness requires that the heavenly chorus sings with diverse accents.

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