Explaining Voter Turnout Inequality in Post-Communist Eastern Europe: Income Inequality, Institutions, and the Normalization of Voting

Ksenia Northmore-Ball
BA, MPhil (Oxon.)

Nuffield College

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Abstract

This research examines the causes of turnout inequality in post-Communist Eastern Europe, particularly focusing on how macro-level contextual factors influence voter turnout across socioeconomic groups (by education, income, occupation class). I use repeated cross-sectional survey data covering twelve countries from the collapse of communism in 1989 to the late 2000s. I show that unlike in established democracies, turnout inequality cannot be simply explained by how easy it is to vote as determined by various institutions, such as voter registration rules and ballot complexity, and neither can turnout inequality be explained by disengagement among the losers in the economic transition. Instead turnout inequality is primarily determined by the interaction between the level political motivation of individual voters, which is the product of early life political socialization, and factors related to the transition process itself, such as the waning of the initial excitement with democratic elections. Income inequality appears to indirectly discourage educated and discerning voters by reinforcing the conditions, such as the dominance of clientelistic and paternalistic parties and corruption, which render electoral choices less meaningful.

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1 Introduction

As communism collapsed across Eastern Europe and the Soviet Union, many observers expressed worries about the viability of simultaneous economic and political transitions, fearing that the economic hardships of the transition could inspire a popular backlash against democracy. The most quoted expression of these fears is in Adam Przeworski's *Democracy and the Market*, where he warns that "Market-oriented reforms necessarily cause a temporary fall in aggregate consumption. They are socially costly and political risky… they hurt large social groups and evoke opposition from important political forces. And if that happens, democracy may be undermined or reforms abandoned or both… (136)." Several other commentators shared his fears about the possibility of democratic breakdown (Elster 1993), and many expected the economic reforms to lead to collective protests (Ekiert 1993). While protests did take place, they have been peaceful and non-violent (Greskovits 1998).

In fact, the literature shows a general consensus that the economic and political reforms in the post-communist context have been mutually and positively reinforcing (Bunce 2001). Although the economic reforms failed to bring dramatic consequences, such as the collapse of the new democracies, the question remains whether the economic transition has influenced the political transition in more subtle ways such as by shaping patterns in political participation. The economic transition changed the structure of post-communist societies in a fundamental way by increasing economic inequality, and thinkers going back even to Aristotle find economic inequality to be incompatible with equality of political voice, which is fundamental to democracy. This thesis will focus on the implications of economic inequality for political equality in post-communist countries specifically in terms of voting participation.

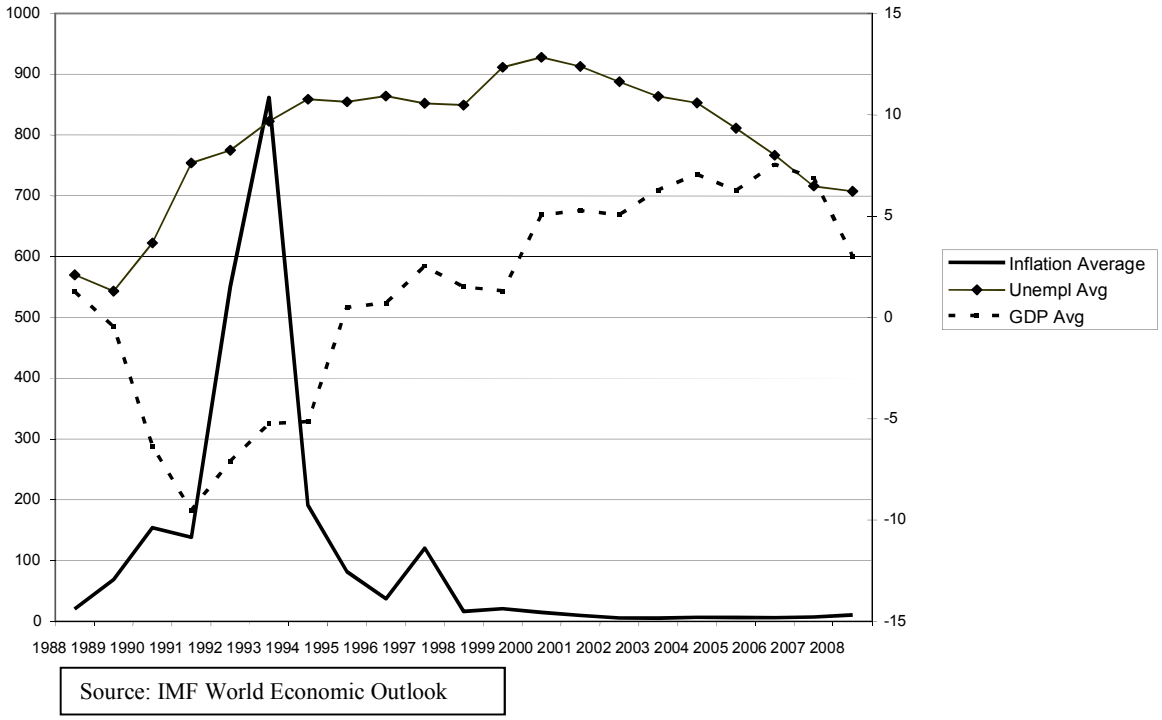


Figure 1.1: Average for 12 Post-communist Countries: Percentage Unemployment, Percentage GDP Growth, and Percentage Inflation by Year

Although the economic transition in Eastern Europe did not cause the emerging democracies to fail, it did result in very significant turmoil and a permanent economic and social restructuring. As the communist system collapsed, prices and wages were deregulated and entire industries de-nationalized resulting in massive inflation, slow GDP growth, and high unemployment, as shown in Figure 1.1. Though the recession and runaway inflation captured the news headlines, these problems mostly subsided within a few years. What emerged as a more enduring consequence of the transition was the unprecedented income inequality in post-communist societies which went from being on par with Sweden to average, at best. That this new level of inequality should have grave political repercussions is not a controversial statement.

Commentators have proposed many arguments for how economic inequality affects the democratic process. Fundamentally in a democracy everyone ought to have an equal voice: in the words of Dahl, all full citizens should be able to make their preferences known and to have their preference weighed equally (Dahl 1971:2). For this to happen not only must all citizens have the right to vote, but they must also have the freedom of expression and the eligibility to run for office. However, these rights require resources to exercise – money is needed to run for office, an education and effective writing skills are needed to draft a letter to the editor of a newspaper. Even voting requires the ability to gather information about how to register. Thus in practice any inequality, be it in wealth or education, distorts the political process and precludes the possibility of equal representation. This theoretical argument has been confirmed by empirical studies, which have consistently found that individuals with higher social status participate more in politics than low-status individuals (Verba and Nie 1972; Verba, Nie and Kim 1978; Brady *et al.* 1995; Wolfinger and Rosenstone 1980; Schlozman *et al.* 2012). There is little doubt that political and economic inequality are fundamentally linked, however the causal mechanisms linking the two remain an open question, and one that is particularly interesting in the context of post-communist democracies.

Several political theorists such as Aristotle, Madison, and de Tocqueville have emphasized how economic inequality can breed social faction and undermine interest in the common good. As James Madison clearly explains in the 10th Federalist Paper, the greatest threat to a democratic government is the formation of factions or groups of citizen with cohesive views which are unable to cooperate for the common good. The primary source of faction, according to Madison, is economic inequality:

> But the most common and durable source of factions has been the various and unequal distribution of property. Those who hold and those who are without property have ever formed distinct interests in society. Those who are creditors, and those who are debtors, fall under a like discrimination. A landed interest, a manufacturing interest, a mercantile interest, a moneyed interest, with many lesser interests, grow up of necessity in civilized nations, and divide them into different classes, actuated by different sentiments and views. The regulation of these various and interfering interests forms the principal task of modern legislation, and involves the spirit of party and faction in the necessary and ordinary operations of the government (James Madison, Federalist Paper # 10).

De Tocqueville similarly attributed much of the success of American democracy to a high level of economic equality which gave American citizens a unity of interests and purpose. If such a lack of trust were to take root in post-communist states it might manifest through depressed political participation.

In a few recent studies, Rothstein and Uslaner explain in greater detail the specific mechanisms linking social divisions caused by inequality and the functioning of a democracy (Rothstein and Uslaner 2005; Rothstein 2011). The authors explain how inequality destroys generalized social trust which is essential for the health of a democratic society. In an unequal society, the rich and poor live separate lives and have little in common and thus lack a basis for mutual trust beyond their own social groups. Uslaner and Rothstein argue that without generalized trust, people have little faith in democratic institutions and are unwilling to participate in politics. The empirical findings in several studies support these arguments (even if the authors interpret the findings to the contrary), showing that inequality appears to depress political participation (Anderson and Beramendi 2008; Goodin and Dryzek 1980; Solt 2008,

2012).[1] Thus economic inequality can undermine democracy by destroying peoples' faith in democratic institutions and the desire to participate in politics among all members of society.

There are a few reasons why we can expect income inequality to be particularly influential in the post-communist context. Most importantly, inequality skyrocketed in a short period of time. During the transition, entire sectors of the economy declined, including agriculture and heavy industries, leaving large swathes of people unemployed (see Figure 1.1 for unemployment levels). Other groups of people saw their incomes skyrocket, especially those who managed to take over new privatized companies or those whose skills were in demand in new service industries, such as finance. The wealth of the Russian oligarchs is a dramatic illustration of the extent of this inequality. According to some measures, Mikhail Khodorkovsky, the former owner of Lukoil, was the second wealthiest man in the past two thousand years (Carlos Slim of Mexico being the first), surpassing Rockefeller and even the Roman Crassus whose name is synonymous with extreme wealth. At the height of his power, Crassus could hire 25,000 Romans with the income off his wealth, filling half the Colosseum, whereas Khodorkovsky, without selling a single asset and using just his income, could hire an army of a quarter million Russian paying them the median wage (Milanovic 2010).

[1] In order to test the relative power argument and to show that income inequality causes disengagement particularly among the poor, Solt (2008) uses a cross-level interaction between income inequality and household income. Solt (2008) finds that the interaction is only significant when the dependent variable is interest in politics or political discussion. Goodin and Dryzek (1980) only use an aggregate level analysis to back their argument showing that income inequality depresses aggregate level turnout; they infer that turnout is lower when inequality is high because the poor are disengaged. The interaction is not significant when turnout is the dependent variable. Anderson and Beramendi (2008) do not use an interaction term; they find that income inequality promotes abstention to a similar degree for both high and low income individuals. Anderson and Beramendi however attribute the abstention among the rich and poor to two different mechanisms: the poor are discouraged from voting by feelings of powerlessness, while the rich stop bothering because they know they do not have defend their interests. To conclude, the actual empirical findings of these studies do not preclude the possibility that income inequality equally discourages the poor and the rich from voting.

Furthermore, this unprecedented income inequality appeared in societies already negatively predisposed to it, with a communist past in which egalitarianism was fundamental. Overall Eastern Europeans are still far less willing to support inequality compared to their Western European counterparts (Suhrcke 2001; Corneo and Gruner 2000). The egalitarian convictions of Russians are quite apparent in their reactions to the imprisonment of Khodorkovsky – the majority either supported it or were indifferent (Levada Center poll 30-03-2012). Therefore we can expect that Eastern European's aversion to inequality would be reflected in their political views and their behaviour.

One final reason for why we should expect post-communist income inequality to be influential is that it magnified the effects of other dimensions of social inequality on political representation. Winner/loser status in post-communist countries coincides with socioeconomic status. The more advantaged (namely university graduates and professionals) gained significantly, leaving behind those without education and manual labourers. The very same people, who were least able to have political influence owing to their lack of resources, bore the brunt of the economic changes landing at an even greater disadvantage relative to the economic winners.

The association between income growth and socioeconomic status raises the question of how much of the socioeconomic bias in voting participation is actually the product of economic inequality. *If voting is so consistently correlated with socioeconomic status, then a fundamental question arises about the long-term effects of the economic transition on voting participation: If winner/loser status in the economic transition coincides with socioeconomic status, then has the relationship between socioeconomic status and voting participation in effect been shaped*

by the economic transition? More specifically, has the participation gap between high and low socioeconomic status voters widened as their economic positions diverged?

Post-communist Eastern Europe provides an excellent set of cases for examining this question because of the speed of changes in income inequality. Detangling income inequality from other processes which could influence political inequality is quite difficult because both change very slowly in most countries. If income inequality changes slowly in the sample of countries considered, then most of the variation in income inequality will be cross-sectional. Therefore any associations found between income inequality and turnout inequality can just as well be caused by some other conditions particular to these countries which can be linked to both inequality and turnout. For example, corruption is known affect turnout and be linked to income inequality. Without much variation in income inequality levels within countries as well as between them, the risk of mistaking spurious relationships between income inequality and turnout for causal relationships is much greater. Eastern European countries provide a superb set of cases because they have almost as much within country variation in income inequality as between each other.

The theoretical approaches discussed above suggest a complex interaction between income, wealth, unemployment, socioeconomic status, perceptions of relative power, political participation and voting behaviour. This thesis will attempt to eliminate much of the complexity by focusing on one form of economic inequality (income inequality) and one form of political inequality (turnout inequality) and applying statistical models to examine the relationship between the two. The next sections will define turnout inequality and discuss the relevance of income inequality more rigorously.

1.1 Defining Turnout Inequality

In studying the effect of income inequality on political representation, this thesis will focus on one aspect of unequal representation that is referred to as "turnout inequality" or "unequal turnout" (Lijphart 1997; Gallego 2010). These terms describe unequal voting participation across socioeconomic groups, and specifically refers to the pattern whereby more advantaged citizens (in terms of education, income, or social class) are more likely to vote than the disadvantaged. As Gallego (2007/8) points out, unlike the general concept of political inequality which encompasses the legal exclusion of certain groups in the society, the more specific term "unequal turnout" refers to the phenomenon where in theory all citizens legally have an equal right to vote, but in practice not all social groups participate equally.

Unequal participation presents a major dilemma for democratic politics – it means that the interests of all citizens are not represented equally. In short, turnout inequality undermines the capacity of democratically elected governments to represent the interests of all citizens equally. Inevitably, when wealthier and educated citizens are more likely to vote than others, the political system will skewed towards their interests. A consistent bias towards the better off citizens raises serious questions about a political system's ability to address the interests of poorer and vulnerable citizens. If only the well-off vote who will make sure that politicians maintain the welfare systems, access to education, and healthcare for those who most depend on these programs? In the absence of compulsory voting, it is inevitable that the interests of all citizens will not be weighed equally. To gage the representation capacity of any democratic system, turnout inequality must be considered. Perhaps even prior to even studying voters' choice of parties we need to examine why people show up to vote in the first place –after all if

only some citizens show up at the polls then examining only their party choices gives us just part of the picture.

Turnout inequality is an important empirical feature of electoral democracies in general and it is present both in established democracies and the new post-communist states. Turnout inequality has appeared with particular regularity in the United States and recent studies show that this pattern holds in other established democracies as well (Gallego 2007/8, 2010). Post-communist new democracies are no exception: a look at the percentages of voters participating in elections by income quartiles, education levels, and social class, confirms the presence of turnout inequality (see Figure 1.3).[2] We can see that whichever measure of socioeconomic status is used, people with higher socioeconomic status are more likely to vote than people with lower socioeconomic status. This pattern reinforces the salience of the motivating puzzle for this thesis: if returns to education in wages increase, and the pay gap between low-skilled and highly-skilled occupations increases, will the gap in turnout increase accordingly?

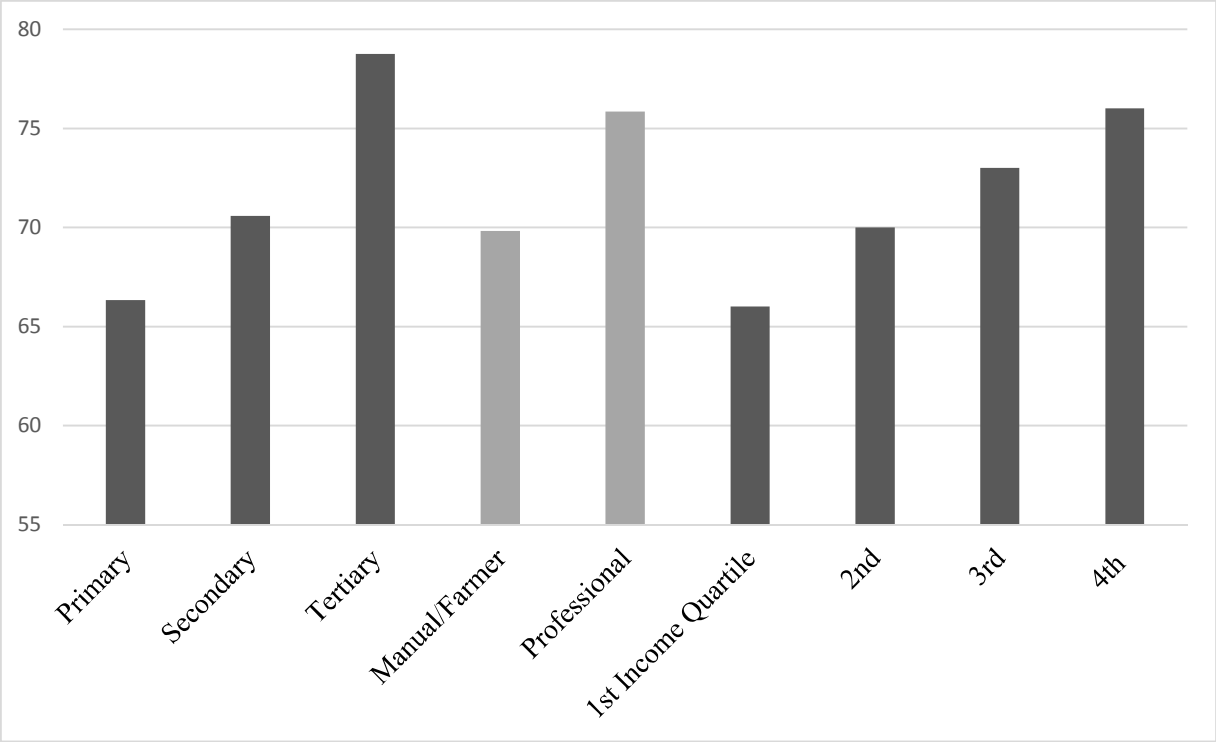
More generally, we know very little about turnout inequality in post-communist countries. We do not know which macro-level contextual variables, such as ballot complexity, have an effect. While we know a bit about which demographic groups are more or less likely to vote, we have little knowledge how turnout has changed over time within different demographic groups. In short we know very little about over time changes in turnout beyond the aggregate level (Kostadinova and Power 2007; Pacek *et al.* 2009).

[2] The figure shows the percentage of voters among those eligible to vote. As in these figures, throughout the thesis, turnout as well as political engagement is only considered for those with the right to vote. In some Baltic countries, in particular Estonia, a significant fraction of the population consists of Russian citizens who do not have the right to vote; they are excluded from the sample. The purpose of the analysis is to understand why people may choose not vote to despite being given the right to do so, and why the disadvantaged may be more likely to decide not to participate.

Turnout inequality is particularly important in the context of Eastern European democracies, because the newly elected governments had to fundamentally reshape not only the welfare system but also create and amend constitutions. As a result of unequal turnout, the preferences of many voters and social groups on these fundamental issues may not have been considered when these momentous political changes were being made.

Furthermore, looking at turnout inequality over time is very important not only for understanding how the nature of electorate itself is changing, but to make better sense of post-communist societies as new democracies which are in the process of transformation. When studying new democracies, we cannot assume that a cross-sectional study is enough, because we may not know if these political systems have reached a state of equilibrium. If they are still in the process of changing, then we have to be very cautious about conclusions derived from cross-sectional analyses. To address both concerns, I will examine turnout inequality not only from a cross-sectional but a longitudinal perspective. By understanding the changing nature of the electorate, hopefully we can also better understand the reinforcing relationship in the development of political behaviour and the political institutions such as political parties over time in Eastern Europe.

Figure 1.3: Turnout Inequality by Three Measures of Socioeconomic Status[3]



This thesis will focus on inequality in voting among eligible voters. Much of this is an attempt to avoid the complexity in the concept of political representation which encompasses such issues as the rights of citizens and legal discrimination against certain groups such as limitation on citizenship eligibility. The goal of the thesis is to understand what motivates people to vote, so the assumption that voting is voluntary is necessary and must be valid for this reason, people who are ineligible to vote by virtue of their citizenship are excluded from the analysis.

The decision to focus on voting and exclude other forms of political participation is justified because voting is arguably the most common and basic form of democratic political

[3] Based on 'mega-dataset' described in Chapter 3. Proportions based on total sample from all 12 countries for all the available election years.

participation. While a single vote may not have much influence, by collectively voting citizens are able to demonstrate political preferences and choose leaders. Schumpeter even narrows the definition of democracy to a process by which leaders get themselves elected, thus highlighting the central role of voting to democracy. Secondly, voting is the most essentially democratic form of political participation. As Sidney Verba points out, among all forms of political participation, the vote is the only form through which the maximal input is equalized among all political actors (Verba *et al.* 1995). Each citizen can only vote once. Finally, voting is the most accessible form of political participation as it requires the least amount of resources and motivation.

Turnout inequality can be measured with respect to various individual characteristics such as socioeconomic status (measured by income, education, or social class/occupation), ethnicity, age and gender. While inequalities in voting participation in post-communist countries exist across all these dimensions and these dimensions can overlap, this thesis will specifically focus on the socioeconomic dimension –measured by income, education, and occupation – depending on the required theoretical emphasis. As will be explained in later sections, income from wages is the most direct measure of a person's success in the post-communist market economies. Income will capture the economic competitiveness of an individual including the effects of the person's education and skill set. So when examining the impact of income inequality on turnout inequality, I will use income as the measure of socioeconomic status. Once I establish the absence of a link between income inequality and turnout through individual level income and I shift the emphasis to political socialization as the link between socioeconomic status and voter turnout, I will use education as a measure of socioeconomic status. The following discussion (Section 1.3) will clarify why education is the

best proxy for the variation in the character of political socialization experienced by different socioeconomics groups.

As a final note, any conclusions of this thesis with regards to voting cannot be generalized to other forms of political participation such as campaign donations or protesting. Voting is unique among acts of political participation in terms of its determinants (Verba *et al.* 1995: 24). More than any other form of political participation, voting is determined by 'psychological orientations' such as efficacy and interest in politics rather than hard resources such as time, money, or civic skills. As Andre Blais (2000) points out, voting is difficult to explain within the rational choice framework. Arguably, voting is in large part an irrational action –more of an expression of moral duty than of a rational calculation to maximize personal benefits. Therefore the conclusions this thesis arrives at regarding income inequality and inequality in turnout cannot be automatically assumed to apply to other forms of political participation.

1.2 Winners and losers in the transition to market economies: unequal returns

Most critically for examining the link between income inequality and turnout inequality, socioeconomic status (clearly associated with the inclination to vote) also coincides closely with individual economic success. The overlap between socioeconomic status and the ability to compete in the new market economies raises the question of causality. Is turnout inequality the consequence of economic disengagement among people such as manual workers and farmers

who are unable to compete for jobs in a new market economy or is turnout inequality independent of the relative economic position of socioeconomic groups?

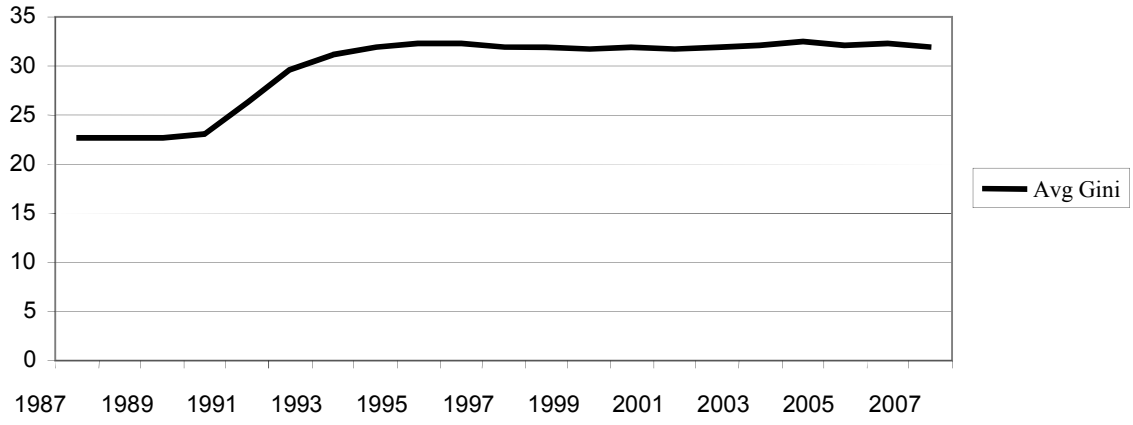
Economic analyses of the 1990s transitions in post-communist countries clearly show that higher status groups, as measured by education and occupation, benefited disproportionately from the transitions. The sustained levels of unemployment following the collapse of communism reflect the reality that certain groups lost out in the economic transition when certain sectors of the economy shed workers who have not been rehired (Rainnie *et al.*2002: 28). As Figure 1.1 shows, unemployment went up from an average low of about 3 percent to a high of 10 percent. While a level of 10 percent unemployment may not seem high for Europe where such levels are common, the increase in unemployment would have had quite a dramatic effect on post-communist societies accustomed to policies of full employment. Most significantly in terms of its social effect, the increase in unemployment was not a temporary effect of the restructuring, but had a relatively sustained nature (Rainnie *et al.* 2002).

The unequal distribution of benefits under the new market economy is also visible in the increasing returns in earnings to years of education (Rutkowski 1996a; Orazem and Vodopivec 1994). For example in Poland, in 1988 a person with a university education earned on average 37 per cent more than a person with a primary education, but by 1993 this difference increased to 90 percent in the private sector (Rutkowski 1996b: 97).

The unequal distribution of benefits under the new market economy is also visible across occupational classes. Under communism, the wage structure was compressed and biased towards industrial production and blue-collar workers (Atkinson and Micklewright, 1992; Lorenz and Wagner 1990; Redor 1992) Under communism, the ratio of wages of white-collar workers relative to blue-collar workers was quite low with white-collar workers earning 11 per

cent to 20 per cent more than blue collar workers; a few years into the transition, white-collar workers started earning twice or three times more than blue collar workers (Rutkowski 1996b:95). The most substantial increases in returns to skills were among white-collar professions such as legal services and finance (Rutkowski 1996b:95). The unequal chances of success in the new market economies are most clearly shown by the overall rise in income inequality in most post-communist countries. Figure 1.2 illustrates the significant jump in average income inequality across post-communist Eastern Europe.

Figure 1.2: Income Inequality Averaged for 12 Post-communist Countries[1]



Income inequality is the most direct overall measure of unequal returns during the economic transition. Income inequality captures the trend towards an increasing disparity between wages of different occupational classes as well as increasing returns to education in earnings (Mitra and Yemtsov 2006). Income inequality also captures the effects of unemployment on earnings. Because there is a lot of overlap between education, occupational class, and unemployment (unemployment tended to be concentrated among people in low occupational classes and with little education), income inequality can capture the disparities along these different dimension with a single measure. While income inequality is not a perfect

measure, it is a readily accessible and comparable measure of economic disparities between socioeconomic groups. Wealth inequality would also be relevant; however, there is very little data on the distribution of wealth in post-communist countries (Heyns 2005).

1.3 Socioeconomic status and participation: economic resources versus socialization

The goal of this section is to clarify the causal links between socioeconomic status and voting participation. This requires explaining a complex web of linking mechanisms because socioeconomic status has three components (income, education, social class/occupation) each of which can be linked to voting participation by one or more mechanisms. I consider all the ways in which the literatures on voting and political participation link the components of socioeconomic status to voting. I first show how turnout inequality can be understood either as the product of income inequality or as the product of political socialization and country-level factors such as voter registration rules and trade union activity. I then proceed to construct a formal model of turnout inequality which is derived from the utility function of voting and provides predictions of voting behaviour based on the interaction between socioeconomic status and the macro-level context.

The starting point of our discussion is the question that motivates this thesis – how income inequality affects turnout inequality. Immediately we encounter the problem that income is in part a proxy for other relevant dimensions of socioeconomic status, such as upbringing and education. Therefore, I first examine how income affects voting independent of other socioeconomic factors, using the concepts of absolute and relative income. Then I

introduce the concept of political socialization, and examine how social class and education affect voting, independent of income. Finally, I show how these factors together determine a "base-line" level of turnout inequality that is subject to country-specific contextual factors, which together determine the actual rates of turnout inequality.

When thinking about the effects of income on political participation, it is important to maintain a clear distinction between voting and other forms of engagement. Though, for example, income may be very relevant as a resource for campaign donations and may predict general levels of political participation in some models (Verba *et al.*1995: 352), income should not be assumed to be relevant for voting alone. In fact, Verba and his colleagues find that income is a very weak predictor of voting in a comprehensive empirical study of the possible determinants of each form of political participation (Verba *et al.*1995: 363; Brady *et al.*1995: 284). Several empirical models do find income to be statistically significant for voting, although these models are rarely able to systematically include all the possible determinants of voting in order to distinguish voting from other forms of political participation. Thus in examining the role of income for voting, voting must be treated as distinct from other forms of political participation.

Socioeconomic status models which imply a relationship between economic resources and voting do not distinguish between overall economic development of a society and the distribution of resources. Economic development relates most closely to the role of income in the absolute sense, and the distribution of resources to income in the relative sense. Therefore in examining the role of income in voting, firstly a distinction must be made between absolute income and relative income, and analogously between poverty and inequality. As the following

discussion will show, income in the relative and absolute sense has different implications for voting.

Absolute income is best understood in terms of purchasing power e.g. how many goods a person is able to buy or material welfare. The link between absolute income and political participation is reflected by the extensive literature that finds a positive correlation between economic development and democratization, beginning with Seymour Martin Lipset's (Lipset 1959) argument that modernization causes democratization (Bollen and Jackman 1985; Burkhart and Lewis-Beck 1994; Gasiorowski 1995; Barro 1996; Przeworski *et al.* 2000). These large-N studies have suggested various mechanisms linking economic development and democracy, such as education (Barro 1996). At the individual level, the resource models of political participation have shown how various resources in absolute terms such as a wide vocabulary, income, leisure time, and public-speaking skills determine individuals' abilities to participate in politics (Brady *et al.* 1995).

The relationship between voting and increasing well-being resulting from economic development is most clearly visible in the context of education and literacy. As a society develops economically and education and literacy become more widespread, people should find voting easier. Literacy simplifies gathering information about voter registration and candidates. In India where literacy rates are relatively low, political parties have to rely on a system of logos so voters can identify the parties listed on the ballots. In developed countries where literacy rates are already quite high, the expansion of access to higher education has not lead to an increase in turnout (Burden 2009). In terms of literacy and education, post-communist Eastern European countries definitely fall in to the category of developed countries given their extremely high literacy rates with no more than two percent of the population illiterate. Thus in

the context of post-communist countries examined in this thesis, the issue of economic development in relation to literacy and voting is not very relevant.

Income in the absolute sense is not relevant for voting and especially not in relatively developed Eastern European countries. Unlike other forms of political participation, voting is limited to one unit of political action per citizen. While a person with more money can make more campaign donations, more money does not mean a person can vote more than once. The thorough empirical models done by Verba and his colleagues confirm that once measures of political engagement (such as interest in politics) which are often correlated with income are accounted for, money on its own does not predict voting.

Relative income is an individual's position in the income distribution. An individual's relative income can described in relation to the median or as being in a certain quartile or decile according to income. Relative income is independent of the overall level of income inequality. As an illustration, a certain society might change from being quite equal to being unequal. Individual A is in the top quartile by income and individual B is in the bottom quartile. The ratio of individual A's income to individual B's is 2 to 1 when inequality is low and changes to 10 to 1 when inequality is high, however individual A remains in the top quartile and individual B remains in the bottom quartile. So both maintain their relative positions; only the ratios change between their incomes.

Relative income is most pertinent to the question of how income inequality affects turnout inequality; relative income provides the micro-level link between income inequality and turnout inequality. Income inequality increases relative disparities in income. In an equal society, relative income has little meaning because the differences between individuals are very small. If relative income matters for political participation, then income inequality intensifies the

impact of relative income. Relative income is relevant for political participation in two ways: in terms of the distribution of monetary resources which defines relative ability to influence politics and by shaping perceptions of relative power.

When it comes to campaign donations and the ability to lobby the government, relative resources and money are undeniably relevant. Arguably, citizens are far more unequally endowed in monetary resources than other politically relevant resources such as time and civic skills. Even if the poorest citizens manage to make some small donation to a campaign, their donations will never match those of the wealthiest citizens. In terms of political clout, the relative size of donations is more important than whether a donation was made. A politician is far more likely to pay attention to a billionaire donor who can bank-roll a television campaign. The greater the disparity in relative incomes as a result of income inequality, the greater the potential inequality in campaign donations.[4] *However relative income does not obviously determine the capacity to vote.* As money cannot buy the ability to have more votes (at least not legally, and most likely not for oneself to use), *from the perspective of resources for voting, income inequality should not have a direct effect on turnout inequality.*

While voting itself does not require monetary resources, relative income may shape perceptions of relative power differentials (Goodin and Dryzek 1983; Solt 2008, 2010) and those assessments may affect people's decisions whether or not to vote. For example, poorer people may feel that the power of their vote is outweighed by the influence wielded by the wealthy through means such as campaign donations and lobbying which do require monetary resources. The idea that elites can use their relative preponderance of resources to reshape the

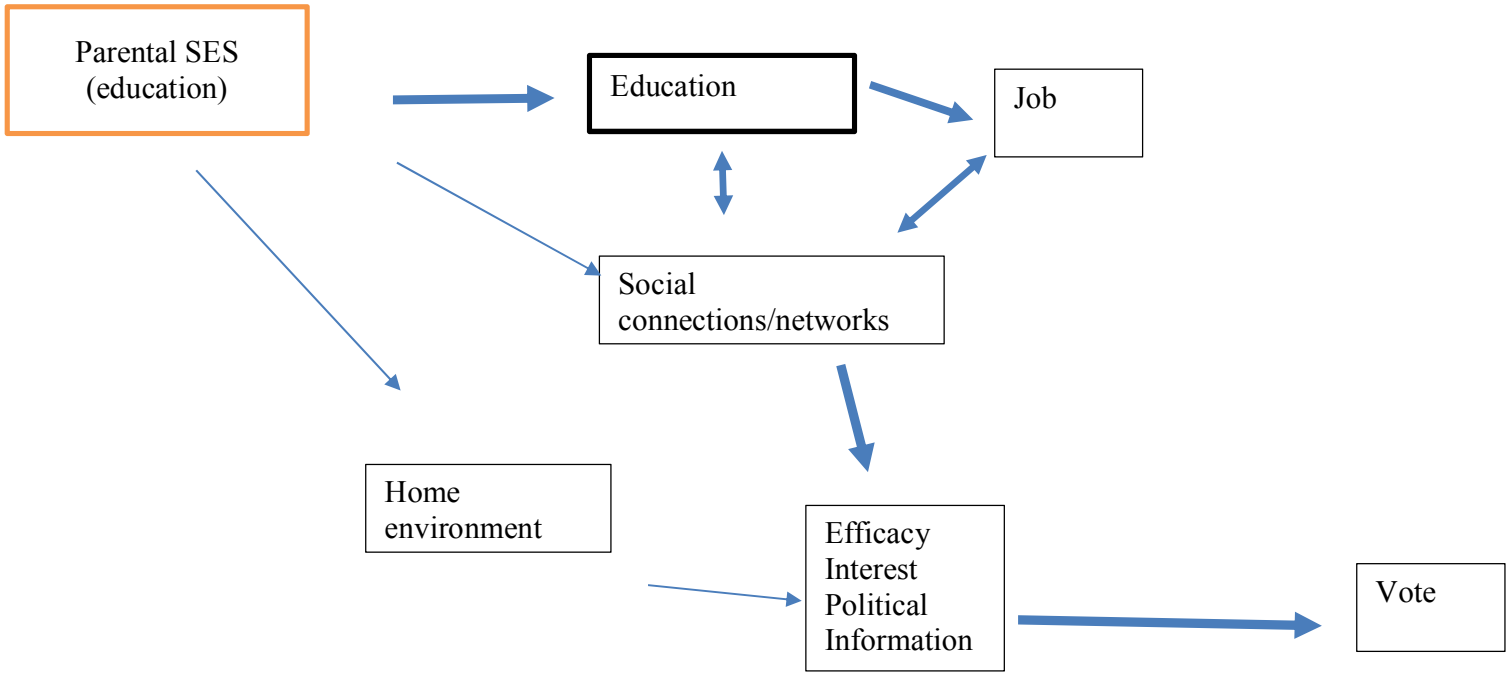
[4] The relevance of donations to political campaigns may be more relevant in post-c countries were programmatic party competition is stronger as in these countries electoral campaigns will carry more weight in determining which party wins.

political environment in a way that renders voting impotent appears in the political power literature (Schattschneider 1960; Bachrach and Baratz 1962; Lukes 2005). In contrast to Goodin and Dryzek's explanation that implies that voters are conscious of relative power differentials, the political power literature (especially Lukes 2005) tends towards the view that poorer voters are not even conscious of how elites use their power to restructure the political sphere. As elites dominate the political dialogue, the issues relevant to the poor are not even considered. If the poor are not given the option of voting on issues that are relevant to them, then the poor have no incentive to vote. Setting aside the question of the extent to which voters are consciously responding to implications of relative power, *the key point is that overall inequality in resources can influence voting even though voting itself is not dependent on monetary resources.*

Finally, income may be related to voting not in the direct sense as a resource but indirectly as a result of political socialization in early adulthood with income being a proxy for socioeconomic status. We can understand political socialization as a social process involving four components, which are shared across various definitions of the concept (Greenstein, 1965: 12-15; Hess and Torney 1967: 6; Langton 1969: 5 ; Hyman 1959: 25; Almond and Verba 1963: 324): "political socialization is (1) a learning process through which (2) the individual (3) learns political attitudes and behaviour from generation through generation, (4) influenced by political socialization agents" (Quintelier 2013). The socialization literature identifies various agents of socialization such as the family, peer groups, schools, adult organizations, and the media among others. The power of the family, however, as one of the main agents of intergenerational transmission of political attitudes, if not the key agent, has been noted by many scholars (Jennings and Niemi 1968, 1981; Dalton 1980; Jennings *et al.* 2009). The political attitudes formed by political socialization are the key determinants of voting.

As Verba and his colleagues note, people participate in politics not only because they can but also because they want to (Verba *et al.* 1995: 3). Voting compared to other forms of political participation is far more determined by motivation than other factors such as resources (Verba *et al.*1995: 358; Brady *et al.*1995). The motivation to vote and other attitudes conducive to political participation are gained through socialization in early adulthood both in the home and educational environments (see Chapter 7 in Verba *et al.* 2012). Furthermore, socialization environments in early adulthood vary by socioeconomic status and in particular by the education levels of parents; better educated parents tend to be more interested in politics and they bring up children who are also equally educated and politically engaged. Verba and his colleagues propose two 'pathways' of intergenerational transmission of socioeconomic bias in political participation: (a) the home environment and (b) through the transmission of the parents' position in the social hierarchy to the children (Verba *et al.*2012: Chapter 7; Verba, Burns, and Schlozman 2003; Verba, Schlozman, and Burns 2005). To guide the reader, the two pathways are outlined in the flow chart in Figure 1.3.

Figure 1.3 Pathways of intergenerational transmission of socioeconomic bias in voting participation: Parental influence in the home environment and through the transfer of socioeconomic status.



The home environment is the first pathway of intergenerational transmission of political attitudes. In the home, parents serve as role models for their children, demonstrating the importance of being active citizens. Also presumably, parents who create politically rich surroundings by filling the home with newspapers and by frequently discussing politics, inspire in their children an interest in politics and a desire to acquire political information. Indeed the level of political discussion experienced in the parents' home and the presence of a politically active parent predict adult political activity (Verba *et al.*2012: 184). The starting level of political interest in early adulthood is best predicted by the parents' level of political interest (Neundorf *et al.* 2013). The home environment's role in shaping political attitudes is further underscored by the 'impressionable years' hypothesis according to which political experiences in late teenage years leave particularly strong life-long effects (Sears 1981); thus the home environment experienced by young adults right before leaving for university is crucial to their life-long political development.

The parents' level of education is key to the role of the home environment as a mechanism for the transmission of *socioeconomic bias* in political participation. The strength of the home environment in forming the next generation's political engagement is strongly associated with the parents' education level (Verba *et al.*2003; Verba *et al.* 2005; Verba *et al.* 2012: 182). Therefore, by providing a politically rich home environment, educated parents perpetuate the association between socioeconomic status, particularly in terms of education, and political engagement.

Interestingly, however, the transmission of parental socioeconomic status to children is the more powerful determinant of differences in the level of political activity between socioeconomic groups despite being a less 'political' process than socialization in the home

(Verba *et al.* 2005; Verba *et al.* 2012). Children of parents with a high socioeconomic status, marked by a university education and prestigious well-paid jobs, tend to gain the same level of education, join similar social networks, and gain jobs with a similar level of prestige as those of their parents. The 'primary vehicle' of intergenerational transmission of socioeconomic bias is education. Education of course has direct, although surprisingly limited, effects on voting as a resource particularly through building the knowledge of vocabulary (Verba *et al.*1995: 358; Brady *et al.*1995); a wide vocabulary presumably makes gathering political information easier. However, the far greater effect of education is indirect. Education acts as a social sorting mechanism bringing together like minded people; through the education system children of politically active parents create social connections with one another and in doing so they form politically active networks. These networks help people within them maintain their levels of political engagement and these networks serve as source of political recruitment (Verba *et al.*1995 particularly Chapter 15). Meredith Rolfe (2012) goes so far as to argue that the creation of social networks is the primary result of education and the cause of the strong association between education and voter turnout. By leaving home for universities, people enter new and larger social networks, increasing the odds that their network will include politically active people who can inspire an interest in politics.

What we know about the role of education as a sorting mechanism is primarily based on studies of established democracies, so can we assume that education acted as sorting mechanism in communism societies as well? *The answer would seem to be in the affirmative*. In countries such as Russia that began as primarily agrarian societies before communism, the introduction of a general education system most definitely increased the role of education as a sorting mechanism. Even in Poland, the proportion of people going through the education system

increased dramatically after the imposition of communism. The next question, then is whether the education system under communism would have the same effect of sorting people into groups of like-minded people who share similar levels of political interest. This question relates to the more general question of equality of access to education and the link between education and social class under communism. Under communism access to tertiary education was not open and it was quite competitive. As an ever greater proportion of people completed secondary education with time, university places were in ever greater demand. From about the 1960s onwards, a university education became more sought after and prestigious as demand rose relative to the supply of places (see Mateju *et al.* 2003 for example). We can therefore presume that ambitious people would try to get into higher education, and those who already have well-educated and socially connected parents would be at an advantage. Indeed, in the post-communist countries in which intergeneration transmission of education levels has been studied, the degree of the association between the level of education attained by the parents and the children was at least as high if not higher in some communist countries than in Western industrialized countries; even countries in the former Soviet Union display a high association between the educational attainment of parents and their children (Ganzeboom and Nieuwbeerta 1999; Veraschagina 2012). Although party membership has weak positive modifying effect, the parents' 'cultural resources' (participation in cultural events, holding important positions in academia and the arts, interest in reading widely) had a very strong positive effect on the children's education attainment (Ganzeboom and Nieuwbeerta 1999). To conclude the education system under communism would have a similar role in sorting people as in democracies. We can therefore expect that after communism similar patterns turnout inequality will appear among people socialized under communism as in democratic societies.

The mechanisms of intergenerational transmission of socioeconomic bias in political participation proposed by Sidney Verba and his colleagues raise interesting implications in light of the debate on *persistence* (Campbell *et al.* 1960) and *life-long openness* (Franklin 1984) in the political socialization literature. The *home environment* pathway fits well with the 'impressionable years' argument according to which values are shaped in early adulthood and remain stable throughout life. From the point of view of the 'impressionable years' argument the power of the family in shaping political attitudes lies in the fact that it is one of the key agents of political socialization experienced by young adults in their 'impressionable years' which fall in the time before they head off to university; so one could say the power of the family lies partly in the timing of its influence.

How the second mechanism based around the *transmission of socioeconomic status* fits in with the two socialization approaches is more complex. In their discussion of how education influences the development of 'participatory factors' including political engagement, Verba and his colleagues identify several pathways (see Chapter 15 in Verba *et al.* 1995). High schools and universities provide opportunities for participation in student government and other social activities. Children of educated parents tend to take up these opportunities for student activities, and the level of participation in student politics predicts political activity and levels of political interest later in life. The education system also helps people join political recruitment networks both directly through networks formed at school and indirectly through jobs later acquired with the help of a university education. In so far as most people finish their education by their mid-twenties, the effect of the education system will still fall within the 'impressionable years.' Studies of panel data show that levels of political interest continue to change up to the age of twenty-five and thereafter they stabilize (Neundorf *et al.*2013).

Chapter 1 - Introduction

Understanding how the arguments about the intergenerational transmission of socioeconomic bias in political participation relate to the *persistence* versus *life-long change* debate in the socialization literature helps clarify how changes in a person's income during their adulthood might or might not affect a person's inclination to vote. If socioeconomic status is relevant for voting primarily because of political socialization in early adulthood, then changes in a person's income both in the relative and absolute sense should not make a difference. Recent studies that use panel data, show that political interest, which is one of the main predictors of voting participation (Verba *et al.*1995:358), is remarkably stable over throughout adult life (Prior 2010; Neundorf *et al.*2013) giving greater credence towards the 'persistence' model. As a result of the process of political socialization, voting becomes an ingrained habit (Gerber *et al.* 2003; Plutzer 2002). Sudden life changes such as unemployment may temporarily disrupt voting, but individuals rebound quickly to their former level of participation (Plutzer 2002). In so far as early adulthood socialization can explain why more advantaged people are more likely to vote than the disadvantaged, changes in income inequality should not have an effect on turnout inequality.

If attitudes towards politics, such as political interest, are stable throughout life, then what factors can explain variation in turnout inequality? From the political socialization perspective just discussed, turnout inequality is the product of the interaction between two factors: (1) the political resources and motivation that individuals gain through socialization within family and education environments and (2) the macro-level context (institutional and political factors). The home environment and education determine the different levels of motivation and resources across socioeconomic groups – we know that people from educated backgrounds will tend to have more politically relevant resources (i.e. social networks) and

more motivation to vote than people from poorly educated backgrounds. We can call the resulting difference in the propensity to vote between socioeconomic groups the 'base-line' level of turnout inequality. Contextual factors modify this 'base-line' level of turnout inequality. In this thesis, the 'base-line' level of turnout is not explained empirically; rather it is treated as a starting assumption. The focus of the thesis is on investigating which contextual factors modify the 'base-line' of turnout inequality. In principle, if all possible contextual factors were accounted for, we would be left with the 'base-line' level of turnout inequality.

Contextual factors that mobilize low socioeconomic status people to vote and reduce barriers to voting also appear to reduce overall turnout inequality. In countries where voting registration is easier, poor people are more likely to vote and over turnout inequality is smaller (Gallego 2010). Organizations such as left parties (Anderson and Beramendi 2012) or trade unions that specifically mobilize low socioeconomic status voters also reduce turnout inequality. That said, the presence of left parties and trade unions does not always reduce turnout inequality. The presence of left parties in itself is not enough to reduce turnout inequality as they may not necessarily focus their mobilization efforts on poor voters (Gallego 2010). If there is strong competition among left parties, left parties are then more likely to focus on mobilizing poor voters (Anderson and Beramendi 2012). Likewise, trade unions can also be of variable importance in reducing turnout inequality. In the United States trade unions were traditionally associated with blue-collar workers, but more recently have shifted their focus to white-collar workers, thus no longer suppressing turnout inequality (Leighley and Nagler 2007; Gallego 2010). It is possible that voting registration procedures, left party competition, and trade unions among others, may explain some of the cross-national variation in turnout inequality between post-communist countries.

Also uniquely to new democracies, what is often referred to as the "euphoria"[5] surrounding the founding elections can play a similar role to the above-mentioned political and institutional factors in suppressing turnout inequality. As O'Donnell and Schmitter (1986) explain, the first elections following the collapse of a regime are characterized by an unusual level of mobilization among the electorate. People are excited by the prospect of participation in democratic elections, and also the first few elections are high stakes elections as they often determine the future rules of the game as the winning parties write the new constitutions. Once the new political order is in place and the novelty of elections wears off, overall turnout declines (Kostadinova 2003; Kostadinova and Power 2007). However, not all social groups lose interest at the same pace. As voting patterns move towards normality, low socioeconomic status voters are the ones who lose interest increasing overall turnout inequality as shown in Chapter 3.

To further clarify the interactions between individuals' political resources and motivation and the macro-level context, I build a formal model of voting as a kind of theoretical 'map' to guide the reader. The model is based on a voting utility function and clarifies the distinctions between individual characteristics which remain fixed over time and the elements that can vary depending on variation in the macro-level context.

[5] The word euphoria implies an irrationality that has not been established empirically. In so far as voters were mobilized in founding elections because they understood that these elections were important (i.e. they would determine the form of the new constitution, the nature of major welfare reforms etc), their behaviour was not irrational. Therefore the word 'euphoria' is admittedly not a perfect label for the phenomenon surrounding the collapse of the communist regimes and the founding elections. The difficulty of defining the effect itself is reflected by the plethora of labels and words used to describe this effect: "founding elections effect" (Kostadinova 2003, Kostadinova and Power 2007), "el descant"/disillusion (Huntington 1993: 254; Inglehart and Catterberg 2002; Kostadinova and Power 2007), "moment of great drama" (O'Donnell and Schmitter 1986), excitement (Kostadinova and Power 2007; Inglehart and Catterberg 2002), disenchantment (Hughes and Guerro 2009; Pacek *et al*. 2009). These other labels also have drawbacks. The term "founding elections effect" for example implies an effect limited to the first democratic election excluding the role of mass mobilization leading up to the regime collapse as well as the possibility that the effect in question may take time to dissipate.

The standard and familiar voting utility function provides that base (Downs 1957; Riker and Ordeshook 1968):

$$u(v) = pB - C + D \quad (1)$$

In this function, p is the probability that a vote will matter, B is the perceived benefit of one party winning over another, C are the costs of voting, and D represents the more general perceived psychological rewards of voting. While the debate on the precise nature of these terms and on how well voter utility functions reflect reality continues (Blais 2000; Dowding 2005; Fedderson 2004; Geys 2006), in this thesis the voter utility function serves simply as a guide for the reader rather than any attempt to join this debate.

Next, rather than assuming that an individual's political resources (R_i) and level of motivation (M_i) are already factored into the costs (C) creating a cost specific to the individual, the two elements are separated to emphasize that costs of voting are understood as the product of macro-level institutions (voter registration rules, ballot types etc.) and are the same across individuals. The costs of voting are assumed to be greater than or equal to zero. Resources (R_i) and motivation (M_i) are understood to be the product of political socialization in the home and education environment during early adulthood (as discussed earlier). Resources (for example social networks, cognitive abilities) and motivation allow an individual to more easily gather political information. Both resources and motivation vary across socioeconomic groups (particularly defined by education; designated by subscript *i* in model) and are assumed to be fixed over an individual's life-time.

On the other hand, costs (C) and the overall benefits of voting (pB +D) are changeable as they both are both determined by institutional and political contextual factors. For example, if ballot complexity increases, and voters have to use more time and thought when voting, the

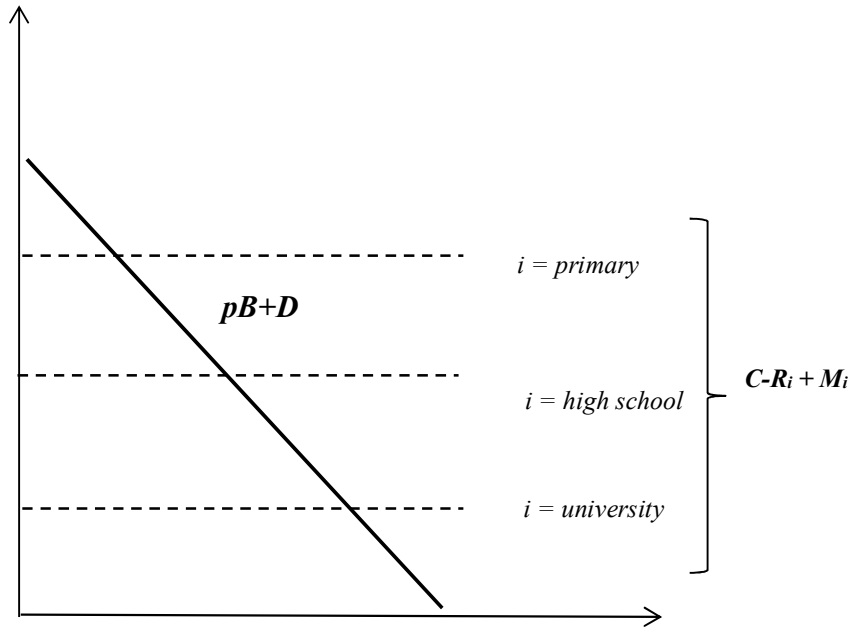


Figure 1.4 Idealized Interaction Between Levels of Perceived Benefits of Voting and Group -specific (Education) Costs of Voting

costs (C) of voting are higher. Other factors, such as founding elections euphoria, can raise the perceived overall benefits (pB + D) of voting (see Chapter 3). We assume that people vote if:

$$pB + D - C + R_i + M_i > 0 \,. \qquad (2)$$

So any factors that increase or decrease the perceived benefits of voting will change the term for overall benefits (pB+ D); and any factors which make voting harder or easier will change the cost term (C).

Changes in the benefits and costs of voting alter the level of turnout inequality, because individuals have different thresholds at which the utility of voting becomes zero depending on the individual level of resources. By extension, if we consider the effect of changes in the benefits of voting, a person will vote if:

$$pB+D>C-(R_i+M_i). \qquad (3)$$

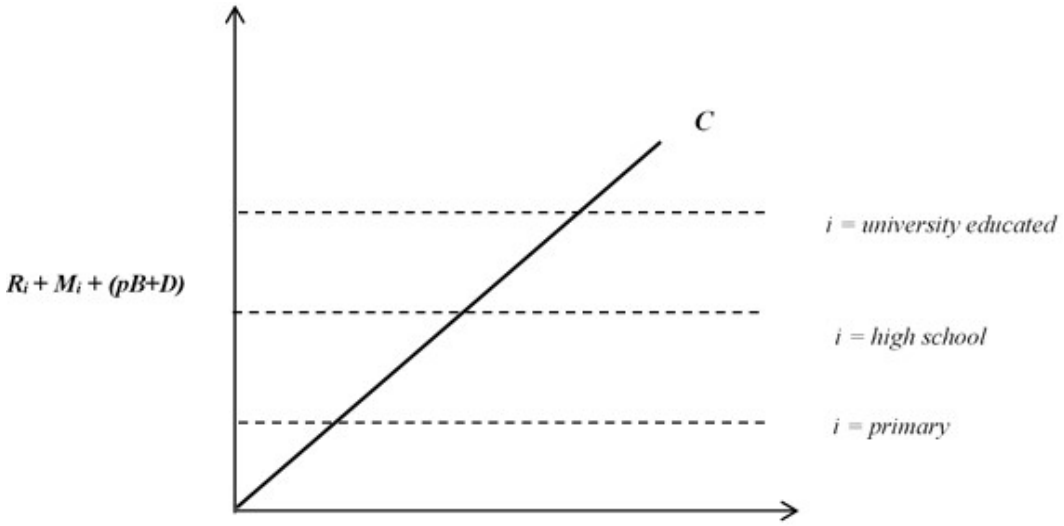
A person from a highly educated background will have greater resources and motivation than someone with just a high school or diploma or no education, therefore:

$$R_{university}, M_{university} > R_{high\ school}, M_{high\ school} > R_{primary}, M_{primary} \geq 0 \quad (4)$$

The costs of voting for a university educated person will be offset by resources and motivation to a greater extent than for an uneducated person; thus the highly educated voter will still vote even if the perceived benefits are so small that they hardly outweigh the costs. As the perceived benefits of voting decline, the threshold beyond which an uneducated person will not vote is reached first as illustrated in Figure 1.4. Therefore as the benefits of voting decline, for example as the excitement of the founding elections wears off, the uneducated are the first to drop out of the electorate, thereby increasing turnout inequality.

A similar interaction between individual benefit thresholds ($pB + D + R_i + M_i$) and overall costs (C) shows how uneducated people with low levels of political resources and motivation are the first to drop out as voting becomes more difficult, as illustrated by Figure 1.8.

Figure 1.5 Idealized Interaction between Costs of Voting and Group-specific (by Education) Benefits of Voting



We can describe the inequality in the probability of voting across socioeconomic groups as a function of the individual utility of voting. The probability of voting can be defined as a function of the group/individual utility function of voting:

$$P_i(\text{vote}) = f(U_i(\text{vote})). \quad (5)$$

If we combine Equations 2 and 4,

$$pB + D - C + R_{\text{university}} + M_{\text{university}} > pB + D - C + R_{\text{high school}} + M_{\text{high school}} > pB + D - C + R_{\text{primary}} + M_{\text{primary}}$$

or,

$$U_{university}(\text{Vote}) > U_{high\ school}(\text{vote}) > U_{primary}(\text{Vote})$$

Therefore to express the unequal probabilities of turnout among different education groups,

$$P_{university}(\text{vote}) > P_{high\ school}(\text{vote}) > P_{primary}(\text{vote}).$$

In this section, the theoretical overview identified two ways in which a person's relative income can be linked to the propensity to vote: through relative power perceptions or through the intergenerational transmission of socioeconomic bias by political socialization in the home

and educational environments. On the one hand, the income distribution can represent the distribution of political power. People lower down in the distribution will sense their relative powerlessness and will make a rational decision not to vote when the odds are stacked against them in the political game. From this perspective, high levels of income inequality are detrimental to political participation among lower socioeconomic status people, so when income inequality is high, turnout inequality should be high as well. On the other hand, a person's position in the income distribution can be a proxy for and a manifestation of a much broader phenomenon - i.e. variation in early life political socialization across socioeconomic groups. From this perspective, a person's propensity to vote is the product of the environment in which that person has grown up and continues to live. Generally once people are socialized to be politically active, they will continue to be active through habit even if external circumstances change. From the political socialization perspective, changes in income inequality should not change ingrained political habits, so turnout inequality should remain unchanged, at least in the shorter term.

1.4 Case selection and Data

Although the post-communist region consists of about twenty-seven countries, only twelve of these countries will be considered in this dissertation.[6] Case selection is based on a combination of precedent and the availability of high-quality data. Like previous studies on turnout in post-communist countries, I exclude those countries where elections are dominated by fraud and

[6] Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, and Ukraine.

have generally little or no influence on political outcomes, as well as countries that have experienced high levels of conflict (for example Tucker 2006 and Pacek *et al.* 2009). The excluded countries include most of the Central Asian republics and several countries in former Yugoslavia. Several studies use Freedom House scores as a guide for case selection and have excluded countries – such as Russian and Ukraine - which are classified as partially free or not free (for example Neundorf 2010). I however choose to include Russia, since I agree with Joshua Tucker's argument in *Regional Economic Voting* that we have much to learn by comparing Russia with Eastern European countries (Tucker 2006). Excluding Russia on the basis that it is not a democracy is hard to fully justify as the boundary between democracy and authoritarianism is quite fluid, and Russia can fall into either category depending on the criteria used (for an enlightening examination of the difficulties in classifying Russia, see Zimmerman 2007). In addition to Russia, I include Ukraine and Moldova for the same reasons. Robustness checks can ensure that results are not biased by the inclusion of these countries. An additional reason for including these countries in the study is that relevant previous studies on voting participation in post-communist countries have included them (Kostadinova and Power 2007; Kostadinova 2003; Pacek *et al.* 2009), and maintaining the same set of cases will make the results more comparable.

Case selection was also influenced by the availability of solid data. Several countries that have been included in aggregate-level studies on voting participation in post-communist countries were omitted from this thesis, because they were not covered by individual level surveys of post-communist countries such as the European Social Survey, the Comparative Study of Electoral Systems and others. Also, Slovenia was excluded because several of the

chapters required reliable income data, and the surveys with such data did not include the country.

The data on the twelve countries included as cases in this thesis is pooled from a combination of different surveys. In the first empirical chapter, I will use the EurEqual Survey and the World Values surveys. In the second empirical chapter I will pool data from the EurEqual Survey, European Social Survey, the Comparative Study of Electoral Systems, and the Consolidation of Democracy in Central Europe study. In the third empirical chapter, I just use the EurEqual survey, and in the fourth chapter, I again use the pooled surveys from the second chapter. All the surveys are introduced and discussed in more detail in the data sections of the respective chapters.

1.5 Overview of thesis

The overarching goal of this thesis is to explain turnout inequality (namely why wealthy and privileged citizens vote more frequently and in greater numbers) in post-communist countries from the macro-level perspective. Two approaches to explaining turnout inequality are considered. According to the first proposed approach, social groups which failed to benefit from the economic transition are discouraged from voting by feelings of political powerlessness inspired by increased income inequality. The second approach proposed in this thesis is that turnout inequality is the product of an interaction between individuals' political resources and motivation, which are acquired through political socialization, and the macro-level context which includes country specific political and institutional factors such as ballot complexity. The first approach implies that individual-level attributes (particularly motivation) are liable to

change as a result of changes in the macro-level context; whereas the second implies stability at the individual level and that the effects of context are modified by individual level characteristics. To put it more simply, the first approach implies that turnout inequality is the result of the character of individual voters, whereas the second implies that turnout inequality is determined by the character of the elections. This thesis weighs the empirical evidence supporting these two approaches and finds that the interaction between individual level characteristics and the macro-level context, rather than income inequality (in the sense described by the relative power approach), is the best approach to understanding turnout inequality in post-communist Eastern Europe. This section provides an overview of the results obtained in Chapter Two through Five and a brief discussion of conclusions that can by synthesized from the findings.

This thesis shows that, firstly, the 'normal' pattern of unequal turnout formed by political socialization (primarily through the role of education as a sorting mechanism) is becoming increasingly visible in post-communist countries over time. The most likely explanation for increase in turnout inequality is the fading of the founding elections euphoria; this explanation for the turnout decline in Eastern Europe is the most prominent in the literature. However, as I discuss in Chapter 3, the effects of abolishment of the de-facto compulsory voting under communism may have also contributed. Unfortunately the available evidence cannot definitively resolve this ambiguity.

From the cross-sectional perspective, political and institutional factors, such as simple ballots and trade unions, which counteract the tendency of the disadvantaged to be disengaged, suppress the effects of socialization and explain the cross-national variation in turnout inequality. The effect of ballot complexity on turnout inequality in Eastern Europe is a feature in common

with established democracies where electoral institutions (compulsory voting and ballot type) are the main determinants of turnout inequality.

With regards to income inequality, this thesis finds that income inequality does not increase turnout inequality by reinforcing relative powerlessness among the poor as in established democracies. The conditions which allow for the relative power mechanism to work, namely that parties and political elites compete on policy issues and are able to influence who turns out to vote by restricting which political issues are discussed, presuppose highly programmatic party competition, which of course is lacking in many post-Communist countries (Kitschelt *et al.*1999). Rather, income inequality appears be reinforce the conditions that make elections seem pointless particularly to educated and discerning voters in the most unequal post-Communist countries such as Russia and Ukraine. And perhaps surprisingly for some, income inequality does not affect discerning voters through perceptions of inequality, as suggested earlier in the introduction in the discussion of income inequality's role as a 'social fact'; instead income inequality appears to serve as a 'primary' cause which reinforces the conditions which make elections less appealing to voters: these include corruption, poor governance, low social trust, and perhaps most importantly the dominance of non-programmatic (e.g. clientelistic and paternalistic parties). Further investigations of how the nature of party competition serves as a linking mechanism between income inequality and low voter turnout is definitely an area for future research.

Chapter Two directly addresses the motivating question by analysing how the relative economic position of socioeconomic groups affects their willingness to vote. In addition to looking at voting itself, I consider key psychological orientations that motivate voting (interest in politics and political efficacy) to see if income inequality depresses turnout or political

engagement among the poor; I do so to maximize the chance of finding any evidence supporting the relative power argument. I find that while turnout and political engagement are stratified by income, income inequality does not increase the degree of stratification of either. These findings clearly indicate that the relative power explanation does not help explain turnout inequality in the post-communist context. The findings strongly suggest that income inequality does not change the characteristics of individuals which are relevant to political participation. This chapter underscores the importance of persistence in political behaviour and attitudes for understanding why changes in income inequality do not explain the tendency of the rich to be more engaged and more likely to vote than the poor.[7] Furthermore this chapter lays the ground for the thesis' focus on the macro-level contextual determinants of turnout. As the later chapters show, variation in turnout inequality in the post-Communist context is best understood as the product of changes in the character of elections rather than individuals. We begin to see that income inequality affects voters' behaviour not by changing them as individuals but by influencing the quality of elections and the meaningfulness of the electoral choices offered to the voters. The voters then react to the changes in the context depending on their own characteristics.

[7] I intentionally apply persistence to the broader category encompassing political attitudes and motivations rather than habit of voting. The question of how people had formed the habit of voting in the post-communist context is a question yet to be addressed. Of course, the answer is much clearer for voters who came of age after the collapse of communism. But for voters who came of age under communism the answer is more difficult. There are all sorts of questions which need to be addressed about the role of forced voting under communism. Did people socialized under communism form a habit of voting that would hold under democratic conditions if they voted obediently in a few consecutive communist elections? Some the cohort analysis in Chapter 3 would suggest that is not necessarily the case. What about the most politically active people who refused to vote under communism? Does the habit explanation not apply to them? More specifically, cold they refuse to vote under communism, and then start avidly voting under democracy? It is easier to assume that fixed levels of political engagement which predispose people to vote could form under communism and continue have an influence under democracy. For now I stick to assuming fixed levels of resources and motivation rather than the habit of voting itself.

Chapter Three examines the overall pattern of decline in voting participation in post-communist countries starting with the premise that if turnout is declining some social groups must be dropping out of the electorate potentially increasing turnout inequality. Having shown in the previous chapter that changes in an individual's economic circumstances do not influence turnout, I refocus my attention on the "social" dimension of socioeconomic status which I interpret as a better proxy for the effects of group political socialization. Turnout inequality is measured across educational groups, since education levels are the most accurate proxy for variation in political socialization between socioeconomic groups. This chapter finds that the overall decline in voting participation is due to lower social-status groups dropping out of the electorate, which corresponds to the pattern expected with the fading of the founding elections euphoria. The founding elections euphoria refers to the situation in which the excitement of the first democratic elections boosts interest in voting among low-socioeconomic status voters, suppressing the effects of socialization. In this chapter I also consider the possibility that the abolishment of communist compulsory voting could serve as an alternative explanation. The available evidence suggests that both the euphoria and compulsory voting could have contributed. This chapter's findings suggest that the "social" aspect of socioeconomic status is the most important, and that variation in group socialization lies behind turnout inequality. The results highlight the importance of the interplay between socialization of socioeconomic groups and macro-level factors that drive political mobilization such as founding elections. That stratification in voting participation can be attributed to socialization does not, however, mean that income inequality does not influence political participation.

Chapter Four shows that income inequality can in fact affect overall levels of political efficacy even if it fails to account for turnout inequality specifically (in the manner suggested

by the relative power argument). In this chapter, I test whether perceptions of corruption or levels of democratic development can account for the strong relationship between income inequality and overall levels of political efficacy. As neither alternative factor appears to explain away the association; the sum of the evidence suggests that income inequality has in fact driven several post-communist countries towards the "inequality-corruption-low trust trap" undermining political efficacy and potentially turnout. In this chapter I also show that perceptions of inequality do not provide a linking mechanism between actual inequality and political efficacy among individuals. This finding suggests that although income inequality can ultimately cause social divisions and undermine trust in political institutions, people do not have to be aware of income inequality to be aware of the conditions reinforced by it. Therefore these findings cast doubt on the argument that the causal chain starts with perceptions of inequality which in turn spark a normative evaluation about the political system's ability to achieve redistributive justice and result in low turnout.

Finally, in Chapter Five, I test the robustness of the founding elections euphoria effect and I examine what other political and institutional factors influence turnout inequality over time and across different post-communist countries. I consider all the standard explanations of turnout inequality proposed in the existing literature (Gallego 2007/8, 2010) such as ballot complexity, left party competition, voter registration rules, party supply, and trade unions. Firstly, I show that the founding elections euphoria explanation of turnout inequality remains robust when the other possible determinants are considered. I then show that while voting procedures explain some cross-national variation in unequal turnout, turnout inequality is primarily shaped by processes related to the transitions from communism such as normalization of turnout and income inequality. In Eastern Europe as elsewhere, ballot complexity is a key

institutional determinant of turnout inequality: where ballots are simpler, more uneducated people vote and turnout inequality is lower. Voter registration rules and compulsory voting, which are the main explanatory factors among established democracies (Gallego 2010), are not applicable as Eastern European countries have state-initiated voter registration and lack compulsory voting.

We can synthesize several important conclusions from the results obtained in Chapters Two through Five. The most important finding in the thesis is that turnout inequality appears to be determined by the macro-level context whose effect is modified by the individual voters' characteristics acquired through socialization. To put it another way, the character of elections is changeable, and the effect of the character of the election is modified by the relatively fixed characters of the individual voters. The fixed nature of individual voters' characteristics is shown indirectly: the patterns in the interactions between the contextual variables and the measures of socioeconomic status (income and education) are compatible with the expectations leading from the assumption that individuals' political behaviour remains fixed over life. Secondly, we clearly see that in post-Communist countries whatever resources and motivations make people more likely to vote are strongly linked to education. The findings that voters in Eastern Europe behave as if their patterns in political behaviour are fixed and that these characteristics are closely associated with education may seem like an obvious and banal finding. After all we have seen much evidence that patterns of political behaviour particularly voter turnout are fixed early in life (Franklin *et al.* 2004; Hooghe 2004; Plutzer 2002). Whereas the association between the propensity vote and education goes without saying. These findings however lead us to what is may be are the most important conclusions for understanding political behaviour based on the findings of this thesis: (1) that voters in Eastern Europe, despite

many of them being socialized under communism, behave as if they have fixed predispositions to vote just like voters in long standing democracies, and secondly (2) that education played the same role as sorting mechanism under communism as it does in democratic societies. Thus it would seem that political socialization linked to socioeconomic groups still occurred under communism and that the attitudes and predispositions formed as result of these socialization processes are very similar to those formed among citizens of democratic countries. The persistence of political voting patterns and political engagement among different generations in post-Communist most definitely warrants further exploration in future research –ideally with the use of individual-level panel data.

The finding that income inequality is not responsible for discouraging the poor from voting helps reinforce the conclusion that voters in post-communist countries are fixed in their behaviour and that sudden changes in the economic context will not change their individual predispositions to voting. Although the idea that income inequality undermines political equality is compelling in itself, it is also apparent that income in itself is not a resource for voting (Verba *et al*. 1995), and thus it is not entirely surprising that changes in income inequality in post-communist countries have not determined the levels of turnout inequality. 'Exogenous' factors such as education and income make neat predictors of voting participation (Brady *et al.* 1995), however they are primarily proxies for social status (Schlozman *et al.*2012). However much we would like to have direct, neat, and easily measurable predictors for turnout, we cannot ignore the broader and empirically 'messier' effect of early political socialization.

The second important conclusion of this thesis is that income inequality, at least in the post-communist context, seems to discourage discerning voters rather than poor voters. This finding strongly suggests that within the set of post-communist cases considered by this thesis

the mechanisms linking income inequality and voter turnout are different than in established democracies where the relative power argument does seem to work. The findings of the thesis, clearly show income inequality is linked to voter turnout through a complex set of mechanisms but these are yet to be fully and explicitly shown. However, the evidence gathered thus far in this thesis at least points the way towards what may be the most likely linking mechanisms in the post-Communist context. The key empirical finding that helps point us in the right direction is that income inequality can actually reduce turnout inequality by disproportionately discouraging discerning and educated voters as shown in Chapter 5.

The first explanation for this finding that comes to mind is that educated voters are more aware of income inequality and that therefore perceptions of inequality provide the link between actual inequality and voter turnout. This interpretation also appears to fit with the findings of Chapter Four where I show that income inequality depresses political efficacy among all income groups equally; when income is used as the measure of turnout inequality, the effects of a greater awareness of income inequality among discerning voters is not captured because income is less accurate proxy of political knowledge which reinforces awareness of income inequality.[8] According to the 'perception' explanation, income inequality appears to be perceived as a 'social fact,' in other words a characteristic of the society, which can be perceived more or less clearly depending on peoples' awareness; high income inequality seems to be taken as an indication of a flawed society and thus appears to undermine everyone's faith in democratic politics in the most unequal Eastern European countries. This argument parallels Loveless'

[8] In Chapter 4 the interaction between income and income equality is negative but not significant (see Table 4.4). In Chapter 5, the interaction between education and income inequality is negative and significant (see Table 5.1). In all the other models through the thesis, the interaction between any measure of socioeconomic status and income inequality is consistently negative. The consistency in the direction of the interaction effect suggests that if income inequality has any differential effect on socioeconomic groups, it depresses participation and engagement more among high status than low status voters.

(2013) finding that perceptions of social and income inequality are associated with lower political efficacy and social trust as well as political apathy. However, other evidence would suggest that perceptions are unlikely to provide the necessary link: perceptions of income inequality are only weakly associated with actual inequality in Eastern Europe (see analysis in section 4.5; and also see Whitefield and Loveless 2011)[9]. Furthermore a person's level of education is a far weaker predictor of the level of inequality perceived than political and economic experiences (Whitefield and Loveless 2011); education does not seem to reinforce perceptions of inequality.

So if perceptions of inequality do not provide the linking mechanism, what does? This thesis proposes that income inequality reinforces the conditions which prevent voters from making meaningful choices in elections. The most unequal countries where turnout among educated discerning voters is low are the core countries of the Former Soviet Union (Russia, Ukraine, and Moldova). These countries suffer from high levels of corruption and as well as poor governance. Most importantly for voter turnout, party systems in these countries are characterized by non-programmatic party competition (Kitschelt *et al.*1999). The dominant parties (e.g. United Russia) in these countries are clientelistic or paternalistic meaning they win elections not by attracting voters through programmatic appeals but by providing opportunities for rent-seeking behaviour. To quote Kitschelt, "charismatic and clientelistic parties have a tendency to make democratic competition look irrelevant or irrational from the perspective of deliberating voters" (Kitschelt 1995: 450), which is probably why discerning voters in the Former Soviet Union are discouraged from voting.

[9] The studies by Loveless (2013) and Whitefield and Loveless (2011) are particularly useful for further clarifying the results in this thesis as they used the same EurEqual dataset so the results are quite comparable.

It is possible that in the long term, as post-communist societies stabilize and their political systems solidify, feelings of powerlessness among the poor may become ingrained through the socialization of future generations as the poor come to believe that their interests are being ignored by political elites, thus reinforcing turnout inequality. This outcome, however, is only likely if these countries move towards programmatic party competition. The arguments made by Schattschneider (1960) and Lukes (2005) which form the basis of the relative power argument assume that programmatic party competition exists, because otherwise political elites would not rely on defining issues raised in the public discourse in order to discourage poor voters and appeal to wealthier ones.

Some readers at this point may object, saying that these conclusions simply indicate that we should not include 'undemocratic' countries such as Russia and Ukraine in our sample of cases. However, I would counter that making comparisons between the less and more democratic countries in Eastern Europe helps add more definite substance to the crude distinctions between 'democratic' of Central Europe and the Baltics and 'undemocratic' countries of the Former Soviet Union. Also adding more substance to the distinction would help us better understand borderline cases such as Bulgaria, which has a mix of programmatic and non-programmatic parties (Kitschelt *et al.*1999), but is often included in studies as a sufficiently democratic country (see Neundorf 2010 for example) even though it suffers from many problems faced by Russia and Ukraine. Comparisons between more and less democratic countries can help refine theories for both sets of countries. For example, in the instance of the relative power argument, the consideration of the levels of programmatic and non-programmatic party competition might help explain where this theory will and will not work. We can also use these ideas to make sense of the increasingly contradictory findings on the effects of income

inequality on voter turnout; a few very recent studies which take the largest possible sample of countries with elections (Stockemer and Parent 2014; Stockemer and Scruggs 2012) claim to provide evidence against the studies supporting relative power argument which are restricted to established democracies (Solt 2008, 2010).

Another conclusion we can make is that the growth in turnout inequality in post-communist countries is best understood as a progression towards "normalcy." Whether the increase in turnout inequality is more the consequence of the fading of the founding elections euphoria or the fading of the effects of compulsory voting under communism, post-communist countries are most likely moving towards their own individual natural equilibriums. Once the effects of compulsory voting and the founding elections fade, the variation in turnout inequality will take on a primarily cross-sectional character like in established democracies. In other words, once these countries reach equilibrium a large proportion of the variation in turnout inequality will most likely be between countries rather than within. The reason I argue that process the processes of fading of the founding elections euphoria and the effects of communist compulsory voting are progress towards more 'normal' conditions is that these two effects on turnout are rather unusual among electoral democracies. Only the Netherlands and Italy are the other two examples of countries which abolished compulsory voting. Also, the collapse of communism and the first democratic elections are unusual in the sense that never before have so many countries democratized in so concerted and self-reinforcing a manner and in such short time span thus maximizing the levels of excitement during the transitions. Furthermore, unlike in Latin America and Southern Europe where arguably the third wave of democratization was really a process of re-democratization, the first elections in Eastern Europe are as close as we can get to truly 'first' democratic elections during which people are most likely to be optimistic

and unjaded in their expectations. Finally, by using the term 'normalization' and progression towards 'normalcy,' I want to highlight that these processes are not necessarily negative and that they are the product of the fading of the effects of past unusual events and conditions.

Also we can conclude that while Eastern Europe shares some explanatory factors for turnout inequality with established democracies, most notably ballot complexity, several of the 'usual suspects' for explaining turnout inequality operate differently in the post-Communist context. Trade unions are one political factor that affects turnout inequality in Eastern Europe differently than in established democracies. Unlike in established democracies today, trade unions in Eastern Europe play a role in mobilizing low socioeconomic status voters. In established democracies trade unions previously used to mobilize working class voters, however, trade unions have ceased to have that effect as their membership has become more focused on white-collar workers (Leighley and Nagler 2007). In Eastern Europe, on the other hand, trade union membership fosters democratic participation despite its undemocratic past (Letki 2004). The possible positive effect of forced participation in communist elections on turnout in post-communist elections fits well with the effect of trade union membership. Both of these findings suggests that we need to further consider the effects of the legacies of forced participation under communism for democratic participation.

In Eastern Europe, left parties and overall party supply have had no significant effect on turnout inequality. Left parties in post-communist countries have prioritized distancing themselves from communism and pursued anti-welfare policies even at the expense of contradicting their own election campaign manifestos (Tavits and Letki 2009). Thus unsurprisingly left parties in Eastern Europe have not played the anticipated role of mobilizing low socioeconomic status voters who lost out in the economic transition. Similarly overall party

supply has not motivated educated voters (or had a significant effect on turnout inequality) by providing an abundance of electoral choices whether based on large number of electoral parties or a large spread of party positions on the economic spectrum. The highest level of electoral supply was in the early elections in Russia and Ukraine where the party system was by far the weakest. The continuous electoral volatility caused by the high rates of entrance and exit of parties as well as the programmatic weakness of parties undermined the value of the political choices available.

At this point, it is appropriate to return to the question that motivates this thesis – so what are the implications of income inequality for voting participation in post-communist democracies? The following chapters present a framework for thinking about the question which allows for a more refined understanding of the topic and provide parts of the answer. While the relative power explanation is found to be insufficient, I show how income inequality remains relevant to political engagement and by extension for voting participation. I am unable to fully and explicitly show the mechanisms linking income inequality and turnout, but the evidence presented can indicate the path in the right direction. The thoughts of philosophical thinkers of the past such as Aristotle and Madison provide some understanding of the political implications of economic inequality but not a complete explanation it would seem. These classical arguments suggest that economic inequality, if perceived, sends a certain message throughout society about its ability to deliver a just distribution of resources. In so far as a significant proportion of the population can perceive the extent of economic inequality, high levels of economic inequality must create feelings of rancour and division between the haves and have-nots according to this argument. In democratic polities the resulting mistrust and rancour can taint the political system. People will question a political system that claims to be

democratic and to treat all citizens equally, when it consistently rewards the few. Much anecdotal evidence abounds about the perceived economic injustices of the post-communist economic transitions, particularly in Russia where privatization is popularly referred to as *prikhvatizaciia* or *grabitization,* implying that national assets where grabbed unjustly and illegally. There is most definitely some empirical evidence to show that perceptions of inequality undermine political efficacy and cause political apathy in post-communist countries (Loveless 2013). But perceptions themselves are not the end of the story. Income inequality, even without being perceived, appears to reinforce the various problems which undermine the effective functioning of democracy in post-communist countries. Discerning post-communist citizens may not make the causal link back income inequality, but they are much more likely to perceive the pervasiveness of corruption and the futility of voting for non-programmatic parties. Thus to conclude income inequality has an important but rather elusive effect on democracy in Eastern Europe.

2 Income Inequality and Unequal Turnout in the post-communist context

This chapter addresses the relationship between income inequality and turnout inequality directly by examining whether income inequality can explain the gap in voting participation between the rich and poor. As income is the most direct measure of economic rewards in the new market economy, then comparing turnout and political engagement across income groups should capture economic disengagement among the losers in the economic transition. The relationship between income inequality and turnout inequality is examined in light of three models which explain how relative income can affect voting: the resource model, socialization model, and the relative power model. To thoroughly search for any links between income inequality and turnout inequality, I not only look at turnout as the dependent variable, but also psychological orientations (political efficacy and interest in politics) which are said to motivate voting. If income is irrelevant as a resource for voting, but it is relevant for shaping perceptions about the ability and willingness to participate (Brady *et al.* 1995), then looking at the influence of relative income on psychological orientations is key.

In this chapter, the degree of turnout inequality and inequality in political engagement (efficacy and interest in politics) across countries will be described empirically – I will show the size of the gap in engagement and turnout for each country and country survey year. Next, I will test whether income inequality can explain the variation in the degree of turnout inequality and inequality in political engagement.

This chapter sheds light on the crucial question of whether the income inequality that resulted from the economic transition in several post-communist countries shaped voting participation in a systematic manner. The analysis is primarily a test of the relative power explanation, which emphasized the importance of economic resources for political participation,

and the other approaches serve to theoretically interpret a null finding. In this chapter, I find that income inequality does not explain the turnout inequality even though at the individual level income has income has a positive effect on turnout. I conclude that there is no evidence in support of the relative power argument according to which the poor are less likely to vote because of they feel powerless and that income inequality reinforces these feelings of powerlessness. This chapter argues that actually the poor vote less because they tend to grow up in and live in communities which show less interest in politics. Even if the poor become poorer in relation to the rich, their habits and attitudes will not change, so in short, income inequality will not increase turnout inequality.

2.1 Theories on unequal income and unequal turnout

In addressing the question of whether change in income inequality influences turnout inequality the reader may be aided by breaking the overarching question down into two sub-questions. Firstly, how does relative income affect voting? To re-iterate the meaning of relative income as discussed in the introduction relative income is an individual's position in the income distribution. Relative income as a concept is distinct from absolute income, so the focus is not on an individual's absolute well-being, but on the role of having more or less money relative to someone else has. Based on the answer to the first question, we can ask the second: if the relative income position of income groups changes, does their relative ability or motivation to vote change? That is, if the level of inequality between incomes changes, does the gap or inequality in turnout change as well?

The resource explanations of political participation would predict that changes in income inequality have no relevance for turnout inequality. According to the resource explanations, income does not matter strictly for voting as it is not a relevant resource (Brady *et al.* 1995: 284). Although in the broad sense, money is one of the three resources for political participation alongside time and civic skills, it is largely irrelevant for voting specifically. Money is highly relevant to political acts such as campaign donations, but for voting income is not directly useful as one does not have to pay to vote. The amount of money someone has should not directly influence the person's ability to register to vote, gather information about the candidates, and go to the polling station. Rather, resources such as free time to register to vote and go the polling station as well as having good reading skills which can help in gathering information are more useful (Brady *et al.* 1995). Furthermore, each citizen is only allowed to vote once regardless of personal resources. The principle of one citizen-one vote makes voting the most equal form of participation in the legal sense (Verba *et al.*1995). If money has no direct influence on the ability to vote, then the overall distribution of money across income groups should not matter either: a cleaner should be equally able to vote as a bank executive. Therefore income inequality should not have any influence on the level of political inequality across income groups.

Many regression analyses of voting participation find income to be positive and statistically significant (on established democracies see Anderson and Bermendi 2008 or Leighley and Nagler 1992, whereas for post-communist countries see Bernhagen and Marsh 2007), however income effects should disappear if the models are fully specified including measures of political engagement. The resource models show that voting is primarily motivated by interest in politics and political efficacy (Verba *et al.*1995; Brady et 1995). While income

may have an indirect effect on the final decision to vote through a role in political socialization, a fully specified model should show no effects for income. Political engagement should 'explain away' the effects of income.

H1.a: If political engagement is accounted for, wealthier citizens are not more likely to vote than the poor.

H1.b: Income inequality does not increase turnout inequality or inequality in political engagement.

The socialization explanation of political participation would also predict that changes in income inequality should not affect turnout inequality or inequality in political engagement, at least not in the short term. Socialization models explain that higher socioeconomic status individuals vote more because higher status individuals are socialized in an environment that values political activeness (Plutzer 2002; Verba, Schlozman and Burns 2003, 2005; Verba *et al.* 1995). Generally, people from more advantaged backgrounds have a greater motivation to vote. This motivation is based on the home environment in which people have grown up, as well as the people they come into contact with over their lives. Upper status individuals are more likely to grow up in homes that value learning and civic activeness (Verba, Schlozman and Burns 2005), and over the course of their adult lives they continue to be more likely to be surrounded by people who are participating (Verba and Nie 1972: 133).

In so far as voting is an ingrained habit resulting from socialization, sudden changes in income and economic well-being should not change voting habits. In one of the few studies that use panel data to examine the effect role of income on voting participation, Plutzer and Wiefek (2006) find that a loss of income does not decrease voting participation. Overall, people rebound quite quickly to their former voting habits following sudden changes in economic circumstances

(Plutzer 2002). Socialization models could also explain the paradox of voter turnout whereby in developed countries turnout has not increased with education levels and the number of people in salaried jobs (Blais *et al.*2004; Heath 2007).

The socialization explanation would indicate that if income shows a strong association with turnout, it is a proxy for political engagement shaped by socialization.

H2.a Wealthier people report higher levels of political efficacy and interest in politics and therefore are also more likely to vote.

Though stratification of political engagement and turnout should be visible across income groups, changes in income inequality should not change the degree of stratification.

H2.b: Income inequality does not change the gap in turnout and political engagement between the rich and poor.

On the other hand, the relative power explanation would argue that changes in income inequality should have an immediate effect on the degree of inequality in political engagement and turnout. The relative power explanation is a reaction to the resource and earlier socioeconomic status models of political participation which ignore the larger context of the distribution of resources within a society; instead the relative power explanation focuses on how the *relative* lack of resources can serve as disincentive to vote. This explanation as it pertains to political participation is more explicitly laid out by Goodin and Dryzek (1980) who compare the political arena to an auction where actors bid for a fixed number of scarce goods, policy outputs, and whichever player can bring to bear most resources wins. The authors conclude that those with few resources and therefore slim chances of outbidding other players should save their resources for another time –in the case of voting- by abstaining. Therefore the choice to abstain from voting is the result of a rational calculation on the part of poor voters about their

chances of influencing political outcomes. A few recent studies have confirmed the relative power explanation empirically showing that income inequality depressed turnout and engagement particularly among the poor (Solt 2008, 2012).

As an additional theoretical clarification, which strengthens their argument in relation to the other explanations, Goodin and Dryzek consider an individual's utility of participation in politics in general rather than only the utility of voting. This distinction is critical to their argument that overall economic inequalities reduce a poor person's utility of participation: in their model an individual considers all the possible ways of participating and weighs the utility of all means of participation as a whole. While economic resources may not be directly relevant to voting, in Goodin and Dryzek's calculus, a poor voter will understand that wealthier citizens can gain influence through other means such as campaign donations which would in turn reduce the value of the poor person's vote. Thus the relative power explanation takes a far broader view of political power than simply that exercised through the vote. We should expect to see the effects of these relative power considerations not just in patterns in voting participation but also when looking at political engagement. These relative power considerations should be particularly significant in shaping external political efficacy among the poor as external efficacy is a person's perceived ability to influence public officials (Pollock 1983: 402). To take Goodin and Dryzek's logic one step further, in unequal societies the rich also lose some of their incentive to participate, as they can defend their interests with relatively little effort.

In conclusion, as people are said to base their decisions to participate on an overall assessment of their own relative power, the relative power explanation would predict that the rich are more engaged and more likely to vote than the poor, and that this gap should increase with income inequality.

H3.a: Richer people are more engaged, and have higher external efficacy than the poor and are thus more likely to vote.

H3.b: Income inequality should increase turnout inequality and inequality in political engagement between the rich and poor.

H3.c: Income inequality should depress engagement and voting participation overall for both the rich and the poor, but particularly for the poor.

Finally, a discussion of how income inequality can serve as an incentive or disincentive for voting across income groups would be incomplete without considering redistributive conflict. That said, redistributive conflict is not clearly relevant for explaining the size of the voting participation gap between the rich and poor. Redistributive conflict can motivate voting participation as the rich and poor defend their conflicting interests (Oliver 1999), however the impact on turnout inequality is unclear. If redistributive conflict motivates the rich and poor in equal measure, then it should have no impact on turnout inequality. Solt's (2008, 2010) interpretation of redistributive conflict for different income groups would suggest that income inequality should not affect turnout inequality. Referring to Richard-Meltzer (1981) to show how the interests of the rich and poor could drive voting participation, Solt suggests that their interests are opposed – almost mirror images of one another. What the rich lose to tax, the poor gain through redistribution. Solt's logic would fit with Oliver's (1999) finding that a greater homogeneity of interests within a community reduces incentives to participate overall. No empirical studies appear to have been done which would show that redistributive conflict reduced turnout inequality by motivating the poor more than the rich. In the end, as Anderson and Beramendi (2008) point out, the effects of inequality may cancel each other out to some extent at both ends of the income spectrum. Inequality can work as an incentive for the poor to

vote for more redistribution, but feeling of relative powerless may act as a counter balance. For the rich, relative powerlessness would not apply; rather the rich would only participate enough to defend their interests. Interestingly, Anderson and Beramendi (2008) find empirically that inequality has equally negative effects on voters above and below the median leaving turnout inequality unchanged.

To summarize, the more rational choice-based relative power explanation suggests that income inequality in post-communist countries may influence turnout inequality and inequality of political engagement. If voting is examined outside the rational choice framework, and more from the socialization and sociological perspectives then income inequality in post-communist countries, while not being a positive result of the economic transition, should not be the cause of disengagement among the losers.

2.2 Data and Methods

The analysis in this chapter uses data from two surveys. First, I analyse here a collection of cross-sectional national stratified random sample surveys covering the period from 1993 to 2008 conducted as part of the UK Economic and Social Research Council and EU Science Foundation funded projects awarded to Geoffrey Evans and Stephen Whitefield from 1992 to 2009 (hereafter referred to as the EurEqual survey). The second data source is four waves of the World Values Survey and the European Values Survey integrated data (hereafter known as the WVS survey). The four waves covered include 1989-1993, 1994-1999, 1999-2004, and 2005-2006. Tables in Appendix A show the distribution of the observations across countries, survey years, and elections. To avoid any confusion, the reader should note that the two EurEqual and

WVS surveys are not pooled together. The regression models for the different dependent variables are run on separate datasets: thus the models for interest in politics will be run using only the WVS survey, whereas the regressions for efficacy and turnout use the EurEqual data. As noted in the data section of the introductory chapter, the analysis will focus on 12 post-communist countries.

2.3.1 The dependent variables

Voting participation: Voting participation is measured using reported votes for the last national parliamentary election held before the time of the survey. Voting in parliamentary elections is used, since all twelve countries in this analysis hold parliamentary elections, while not all hold presidential elections. The respondents were simply asked to answer "Yes" (1) or "No" (0) to the question whether they had voted in the last national parliamentary election. Individuals who were ineligible to vote because they lacked citizenships of their countries of residence have been excluded from the analysis. Ineligible voters are concentrated in Russia, Moldova, Romania, and especially Estonia where the large number of Russians living in the country have not been granted citizenship. While citizenship status may be correlated with relative income, the focus of the analysis is on how individuals voluntarily chose whether to vote or not. The data covers 12 countries and 23 country-survey years. Table 2.1 shows the overall levels of turnout for eligible voters by survey year. Table A.1 and A.2 in the Appendix show which survey years are included in the regression analysis of turnout, and which elections since the collapse of communism are covered.

Efficacy: Generally political efficacy is a sense of political 'competence' on the part of citizens which is manifested by the perception individuals have about the amount of influence they can exert on political decisions (Almond and Verba 1963: 140; Verba and Nie 1972). To capture this multifaceted concept, this study uses a 5-point Likert scale created from a battery of questions on efficacy in the EurEqual Survey.[10] The distribution of the responses to the questions as shown in Figure 2.1 indicates that overall levels of political efficacy are low in post-communist countries: 70 percent of the respondents believe that have they have no say, 60 percent believe they that politics are too complicated to understand, 70 percent believe that elected officials don't care about their constituents, and 60 percent disagree that the government reflects the wishes of ordinary people. Only with regards to voting are the general views

Table 2.1 Overall turnout, efficacy, and interest in politics by country survey year

Country Survey Year	Turnout	Mean efficacy	Country survey year	Mean Interest
Belarus '93		2.46	Bulgaria (1990)	2.86
Bulgaria '93	0.89	2.54	Bulgaria (1997)	2.32
Czech Rep '94	0.83	2.61	Bulgaria (1999)	2.52
Estonia '93	0.7	2.38	Bulgaria 2006	2.24
Estonia '95	0.72	2.48	Czech republic (1990)	3.73
Hungary '93	0.83	2.48	Czech republic (1991)	2.83
Latvia '96	0.61	2.32	Czech republic (1998)	2.59
Lithuania '93	0.76	2.57	Czech republic (1999)	2.84
Lithuania '97	0.68	2.54	Estonia (1990)	2.66
Moldova '96	0.75	2.25	Estonia (1996)	2.42
Poland '93	0.6	2.33	Hungary (1991)	2.41
Romania '93	0.89	2.72	Latvia (1990)	3.05

[10] **Description of scale: survey questions, coding, and factor analysis results**. The index for overall efficacy consists of five items using the following survey questions: V147: "People like me have no say in what the government does." V148: "Sometimes politics seem so complicated that a person like me cannot really understand what is going on." V150: "Elected officials don't care much what people like me think."V152: "On the whole, what governments do in this country reflects the wishes of ordinary people."V154: "There is no point in voting because the government can't make any difference" The responses to all the questions form a 5-point Likert scale coded from 1-low efficacy to 5-high efficacy. "Don't knows" have been coded to the middle category. Factor analysis shows that all the questions load onto one factor confirming that the scale measures one underlying concept. The alpha for the scale is .53 which does not seem high however it is acceptable given that balanced scales with negatively and positively worded items general yield lower alphas (Evans and Heath 1995).

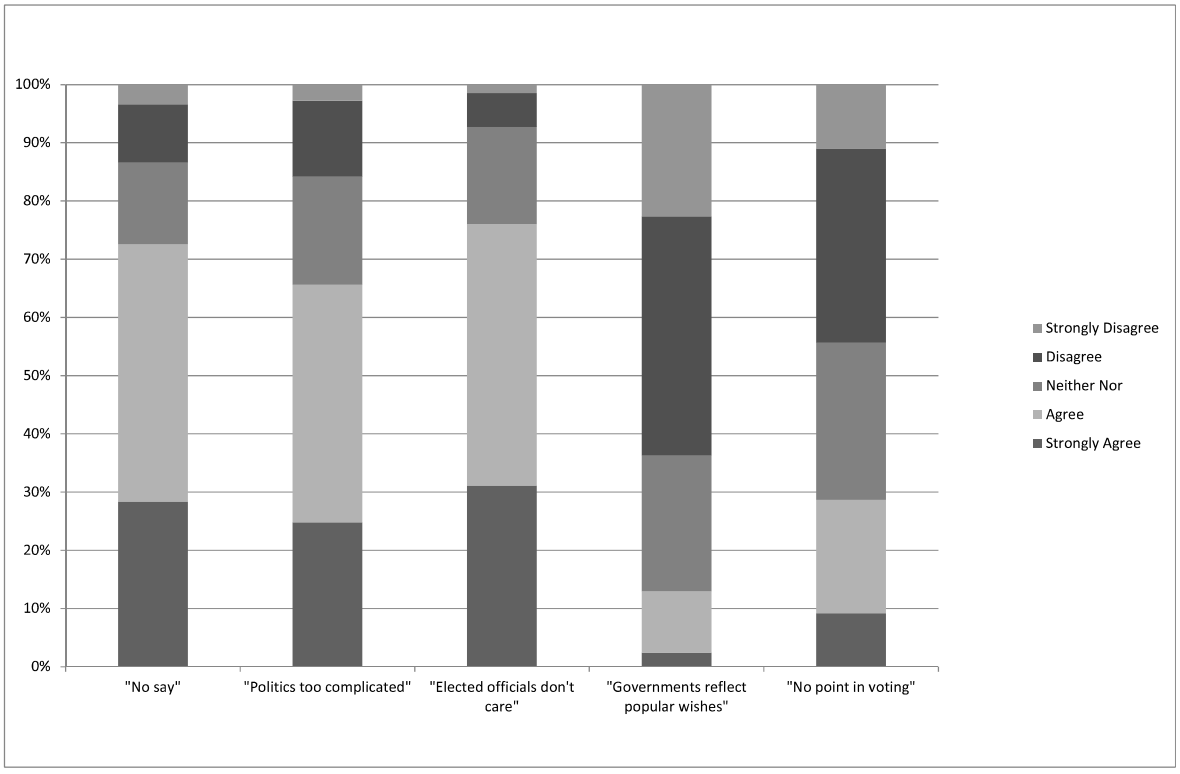
Russia '93		2.38	Latvia (1996)	2.48
Russia '95	0.57	2.31	Lithuania (1990)	2.83
Russia '96	0.72	2.5	Lithuania (1997)	2.35
Russia '98		2.29	Lithuania (1999)	2.54
Russia '01	0.64	2.41	Moldova (1996)	2.25
Slovakia '94	0.87	2.4	Moldova (2002)	2.49
Ukraine '93		2.27	Moldova 2006	2.24
Ukraine '95	0.69	2.08	Poland (1990)	2.39
Ukraine '98	0.79	2.13	Poland (1997)	2.19
Russia '03	0.63	2.41	Poland (1999)	2.23
Belarus '07		2.71	Poland 2005	2.25
Bulgaria '07		2.25	Romania (1993)	1.9
Czech Rep '07	0.7	2.4	Romania (1998)	2.25
Estonia '07	0.67	2.54	Romania 2005	2.04
Hungary '07	0.77	2.42	Russia(1990)	2.55
Latvia '07		2.28	Russia (1995)	2.27
Lithuania '07		2.34	Russia(1999)	2.32
Moldova '07	0.67	2.64	Russia 2006	2.25
Poland '07		2.35	Slovakia (1990)	3.5
Romania '07	0.76	2.41	Slovakia (1991)	2.42
Russia '07		2.34	Slovakia (1998)	2.56
Slovakia '07		2.55	Ukraine (1996)	2.31
Ukraine '07		2.37	Ukraine (1999)	2.36
			Ukraine 2006	2.44
Total	0.73	2.4	Total	2.4

somewhat more positive: the majority disagreed or remained neutral in response to the statement that there is no point in voting. The survey questions used are positively and negatively worded creating a balanced scale that reduces acquiescence bias (Evans and Heath 1995). All the items have been reversed if necessary to create a scale ranging from (1) lowest level of efficacy to (5) the highest level. The factor analysis of the five components of the scale confirms that the scale represents one underlying concept.[11]

[11] Results of factor analysis. See previous footnote for factor analysis of scale for overall efficacy. The basis for creating separate scales measuring external and internal efficacy is theoretical rather than empirical. Factor analysis shows that that strongest scale is the five item scale for overall efficacy. The two separate scales for internal and external efficacy have very low alphas of .47 and .37 respectively, however alphas are generally low

For theoretical reasons, two separate scales are also created for internal and external efficacy – internal efficacy "refers to an individual's confidence in his own abilities regardless of political circumstances and external efficacy which "is the respondent's perceived probability of success at influencing public officials, or, alternatively, the political responsiveness of officials" (Pollock 1983; 402). As discussed earlier according to the logic of the relative power explanation, income inequality should affect external rather than internal efficacy, since changes in relative power differentials do not relate to the inherent abilities of individuals but their ability to influence external circumstances.

Figure 2.1: Distribution of Responses for Survey Items in Efficacy Scale



if few items are included. Internal efficacy is measured using the questions v147 and v148 , and external efficacy is measured using questions v150, v152 and v154.

Interest in politics. Interest in politics is one of the most common measures of political engagement in the literature on political participation (Wolfinger and Rosenstone 1980: 18-19, Verba *et al.*1995). Citizens interested in politics follow politics, care about what happens and about who wins or loses elections. Data on interest in politics is taken from four waves of the World Values Survey covering the period from 1990 to 2007 in twelve countries including a total of 36 country survey years. Respondents were asked a straightforward question "How interested are you in politics?" The responses form a four point, or 'forced choice,' scale ranging from (1) not at all interested, (2) not very interested, (3) somewhat interested to (4) very interested. The levels of interest in politics are quite varied ranging from a high interest score of 3.72 for the Czech Republic in 1990 to a low of 1.89 for Romania in 1993 as shown in Table 2.1. Overall countries in Eastern Europe have higher levels interest in politics than countries of the former Soviet Union.

2.3.2 The Independent Variables

Income inequality. Despite the frequency with which measures of income inequality are used in quantitative political science studies, the measurement of inequality is far from straightforward. Not only are there different measures of income inequality – ratios, gini coefficients, as the distance from the mean or median, each having different underlying assumptions about social welfare (Atkinson 1970) - but also the measures can differ in their definitions of income, reference units, and scope of a country's population covered. While the different measures have various advantages and drawbacks, in this thesis I will use the most commonly known measure of income inequality, the gini coefficient, since it is the most readily available for post-communist countries allowing greater scope across time and space.

The Gini index measures the extent to which the distribution of income among individuals or households within a country deviates from a perfectly normal distribution. A Lorenz curve plots the cumulative percentages of total income received against the cumulative number of recipients, moving up the ranking of individuals or households by income starting with the poorest. The Gini coefficient measures the area between the Lorenz curve and a hypothetical 45 degree straight line of absolute income equality expressed as the percentage of the maximum area under the line. A value of 0 represents perfect equality, a value of 100 perfect inequality. The eleven post-communist countries examined in this thesis show a high degree of variation in Gini coefficients over the period studied (since the collapse of Communism until 2007) ranging from 23 to 41. Overall, as Figures 2. 2 and 2. 3 show, levels of income inequality have remained much lower and steadier in Eastern Europe than the former Soviet Union where income inequality even doubled in some countries during the re-structuralization in the early 1990s. As a point of comparison, in Figure 2.4 income inequality levels in the United States, United Kingdom, and Sweden are shown alongside a few post-communist countries. We see that Central European countries, such as Slovakia, have similar levels of inequality to Sweden, whereas some of the most unequal countries in the former Soviet Union exceed inequality levels in the United States and the United Kingdom. Conveniently for testing the relative power explanation, post-communist countries not only cover a wide range of levels of inequality and but also inequality levels have remained quite stable since the early 1990s allowing for clearer distinctions between unequal and more equal countries. These countries all had initially similar starting points in terms of economic and social structures, and the income distributions changed within a very short period of time presumably leaving longer term patterns of socialization intact.

Figure 2.2: Income Inequality by Year for countries in former Soviet Union (Source SWIID)

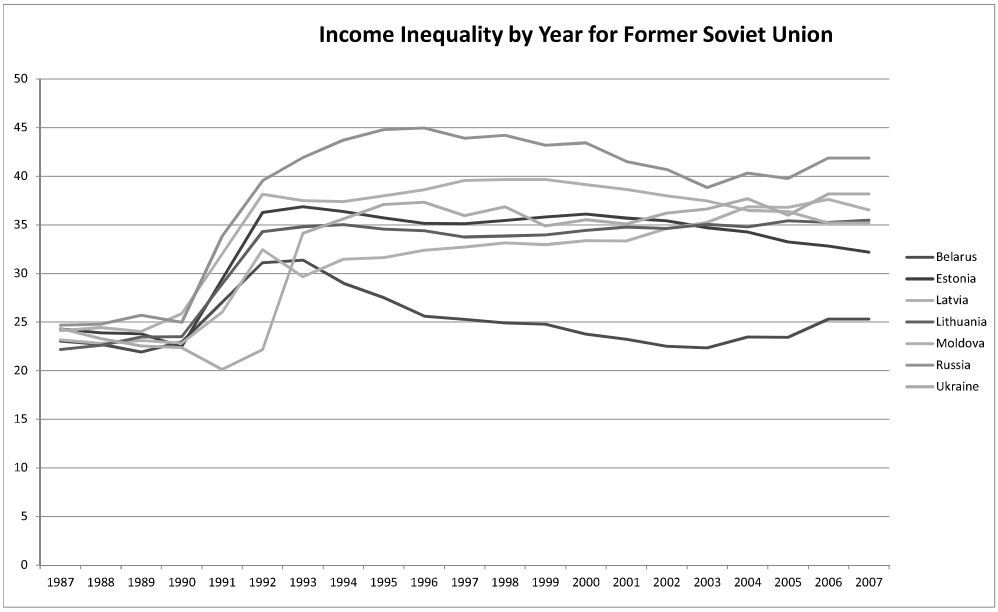


Figure 2.3 Income Inequality by Year for Eastern European Countries (Source SWIID)

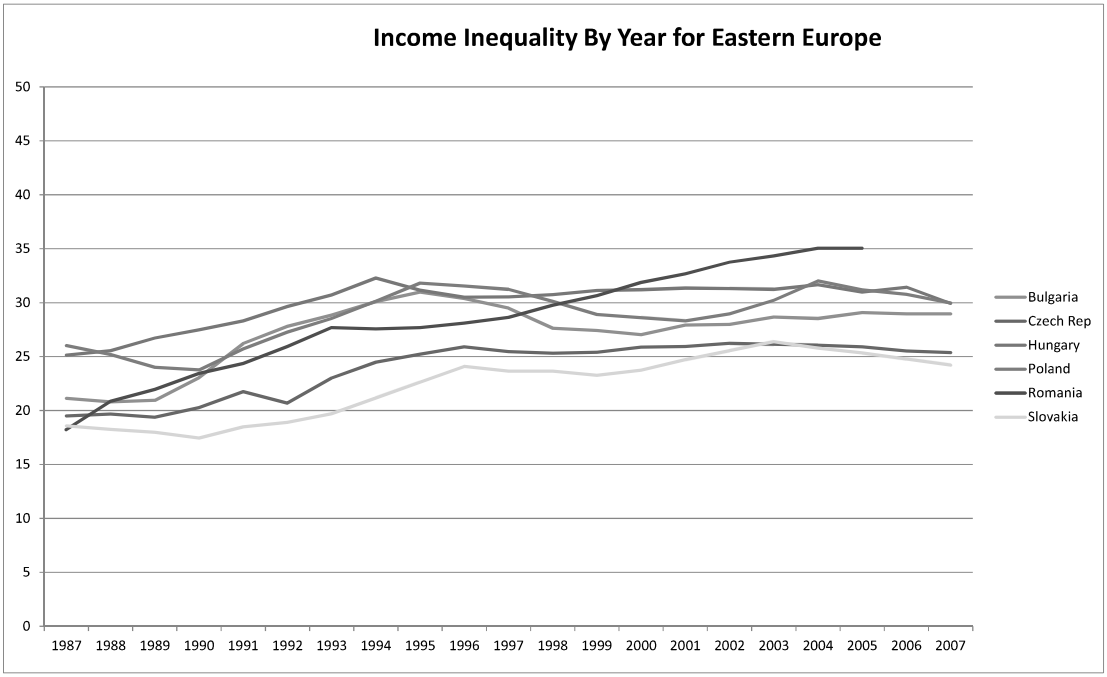
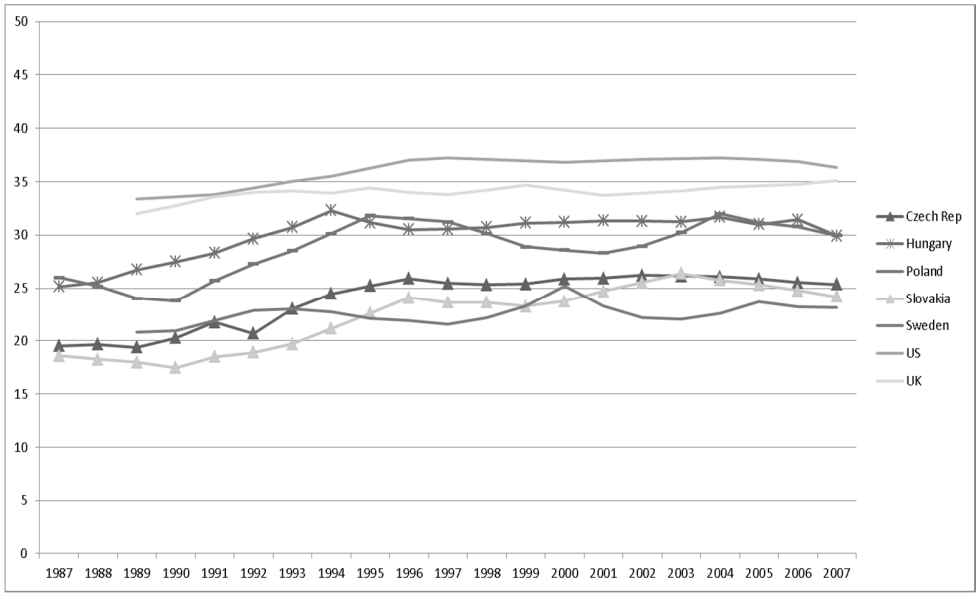


Figure 2.4: Income Inequality compared in East and West (Source: SWIID)



Income inequality is of course the most important variable in this analysis and the most likely to draw criticism of its measurement. Many experts on the measurement of inequality, in particular Atkinson and Brandolini (2001) warn about the dangers of using secondary datasets that mix measures of inequality with different definitions of the underlying components (different definitions of income, reference units, and tax treatment) and data of varied quality. The best way to overcome these problems is to use data from the Luxemburg Income Study (LIS) however LIS covers only a few countries and years. To maximize the number of countries and years, while addressing some of the key measurement issues identified by Atkinson and Brandolini (2001), I use the Standardized World Income Inequality Database (SWIID) created by Frederick Solt (2009). The standardization process used by Solt accounts for the discrepancies caused by differences in reference units and income definitions as well as jumps over time due to measurement error (Solt 2009). The general "smoothness" of the changes in income inequality for post-communist countries in the SWIID data suggests that most

discrepancies have been accounted for. The huge jumps in the early years of the transition were caused by actual underlying structural changes not measurement error.

Finally, in this thesis, income inequality is measured as the inequality in net incomes post-tax and post-transfer. Post-tax and post-transfer income, rather than market income, has the strongest effect on peoples' welfare (Kenworthy 2008). Firstly income is pooled by households, and therefore the total household income is more important in determining its members' standard of living. Post-tax income can better capture marriage penalty relief and child benefits in the tax system. Even more importantly, post-tax income includes all government transfers. Post-tax income, which accounts for the level of redistribution through transfers, is particularly important in the post-communist context, as the countries are quite varied in the extent to which they dismantled welfare state. The extent of welfare retrenchment is one of the main factors explaining the variation in income inequality across post-communist countries (Milanovic 1999; Bandelj and Mahutga 2010).

Relative income which measures an individual's relative position in terms of economic resources is operationalized as the quartile into which a respondent falls by income. The quartiles are coded from (1) though (4) – (1) being the poorest and (4) being the richest. As explained in more detail further on, respondents have been coded into quartiles by first ranking the respondents by income or assets within each particular country-survey-year, and then dividing them into quartiles. By ranking and coding into quartiles within each country survey year independently, the coding is not sensitive to changes in overall well-being over time and country differences.

Income is measured in two ways in this analysis depending on the survey used for the particular regression models: either as household income from wages and other sources or through an asset index measuring the ownership of durable goods. For the regressions on political interest which use data taken from the World Values Survey, relative income is determined based on household income. Unfortunately the World Values survey asks for pre-tax income however it does specify that transfers such as pensions be included.

For the regression on political efficacy and turnout which use the EurEqual survey, the respondent's relative economic position is measured by a more innovative way: according to an index of the number of durable assets owned by the respondent. Reported income itself does not fully capture the extent of all available resources (payments in-kind, undeclared black market earnings). Also as expressed by Friedman's (1957) concept of permanent income, people "smooth" their resources over time –through borrowing in hard times and saving in bad times for example. Asset measures are the principal means of capturing permanent income (Deaton 1992). Another reason for choosing the asset measure is that, while the EurEqual survey does provide a direct measure of income, it is individual rather than household income, and as discussed earlier household income is better indicator of the overall welfare. Finally the asset measure has far fewer missing cases than regular income measures as respondents are far more willing to report ownership of particular goods than state their income.

Table 2.1 Distribution of Assets

Country	Car	Washing Machine	Land	Shares	Dacha	TV	Phone
Belarus	33.3	80.6	59.8	5	22.3	74.9	66.5
Bulgaria	43.8	80.9	45.7	2.8	16.9	85.2	69.6
Czech	62.9	96.8	45.2	47.9	19.5	75.9	40.8
Estonia	47.3	87	34.3	12.3	24.8	89.3	57.2
Hungary	46.9	95.6	28.5	4.7	8.8	89.6	43.2
Latvia	37.9	86.3	45.4	7.1	15.3	85.4	69
Lithuania	51.3	86.8	60.5	36.7	15.2	87	64.3
Moldova	24.1	69.7	72.3	18.1	6.9	74.2	50.4
Poland	54.5	95.7	36.1	5.4	6.4	87.5	49.1
Romania	37.9	77	48.1	17.3	3.8	86.9	53.7
Russia	27.4	84.8	51.3	20.8	23.2	84.1	50.1
Slovakia	57.5	97.2	50.9	42.3	13.4	85.6	51.2
Ukraine	24.1	78.3	65.4	11.8	14.4	84.2	44.9
Total	37.8	84.8	51.6	18	16.5	84.3	53.2

The durable asset measure is created on the basis of a battery of survey questions which asks about the ownership of seven durable assets: a car, a washing machine, land, shares, a second home, a television, and a telephone. Table 2.2 shows the distribution of the assets across countries, which is quite varied. For example 25 percent of Estonians claim to own a second home, while only 3 percent of Bulgarians do so. The cross-national variation across does not, however, undermine the measure, because as mentioned earlier, a respondent's relative economic position is determined within each country-survey-year separately.

The index is created using polychoric principal components analysis which is best suited to binary variables (Kolenikov and Angeles 2009). There are various approaches to creating asset scales ranging from the "naïve" approach which simply sums up the total number of assets, as well as the use of principal components analysis in many development economics publications the most notable being Filmer and Pritchett (2001). Principal components analysis has become a popular method for creating asset scales since it allows each asset to be weighted

differently – for example, the ownership of a telephone would not be weighted equally to the ownership of a second home. In recent years, however, the use of principal components analysis has been criticized as the method is not really suited to dealing with binary and categorical variables (Kolenikov and Angeles 2009). Kolenikov suggests using polychoric principal components analysis that is adapted to binary variables, which is the method used in this analysis.

The asset index is created using the factor loadings from the first factor produced by the polychoric principal components analysis. Using the first factor to create the asset scale as a measure of socioeconomic status is customary in the economics literature based on the assumption that the dominant factor captures socioeconomic status (Houwelling *et al.*2003). The first factor explains 24 percent of the variance. The results of the polychoric PCA with the factor loadings are shown in Table 2.3, and the coefficients indicate that the ownership of shares or a second home is associated with high socioeconomic status whereas the lack of a washing machine is associated lowest socioeconomic status.

Table 2.2 Results of Polychoric PCA for Asset Index

Asset	Coeff. 1	Coeff. 2	Coeff. 3
Car			
0	-0.293748	0.159153	0.203435
1	0.423417	-0.229408	-0.293238
Washing Machine			
0	-0.726954	0.394004	-0.160009
1	0.124337	-0.067390	0.027368
Land			
0	-0.203965	-0.589845	0.317566
1	0.167113	0.483273	-0.260189
Shares			
0	-0.138571	-0.137709	-0.127646
1	0.504953	0.501812	0.465141
Dacha			
0	-0.145510	-0.055143	0.122139
1	0.595089	0.225516	-0.499509
TV			
0	-0.513542	-0.137871	-1.105212
1	0.090945	0.024416	0.195725
Phone			
0	-0.288889	0.450170	0.105200
1	0.232656	-0.362544	-0.084723

The response rate for battery of questions on assets is quite high: 96 percent of the respondents answered all the questions. For the remaining 4 percent, the answers are imputed based on a polychoric analysis of the complete answers as long as no more than one out of the seven questions was missing. The polychoric analyses of the different combinations of complete answers give very similar weights to the items. After imputing, only 1 percent of the asset variable is missing.

Finally, to confirm the validity of the asset index, the correlations between the asset index, individual income, and education level, are examined by each country survey year. The correlation between the asset index and education ranges from .17 in the Russia 1993 survey to .38 in the Hungary 1993 survey, with an overall correlation of .26 between education and the asset index. This correlation is quite close to the overall .29 correlation between education and individual income. Given these correlations, the asset index appears to be a valid indicator of socioeconomic status.

Control variables. In determining which control variables to include the primary goal was to 'isolate' the effect of relative income rather than to identify every determinant of voting, thus only the controls that are most closely related to relative income were included in order to reduce omitted variable bias which would lead to an overestimation of the coefficient for relative income. As the socioeconomic status literature on political participation shows, the components making up socioeconomic status are all consistently correlated with political participation and each of the individual components are strongly correlated with one another. Therefore education being the most powerful covariate of relative income is included. As education systems vary across countries, education is standardized to a three category variable: (1) primary, (2) secondary and (3) tertiary. Status measured by occupation is too closely related to income and is likely to cause the underestimation of the income effect so it is not included.

Several other demographic variables have been shown to be strong predictors of participation and are related to income. Age is a consistent predictor of voting across many countries (Almond and Verba 1963; Wolfinger and Rosenstone 1980) including post-communist countries (Colton 2001, Bernhagen and Marsh 2007). The effect of age is attributed to life cycle effects increasing social responsibilities, which are positively correlated with participation (Verba, Nie and Kim 1974; Anderson and Bermendi 2008: 288). Age is a relevant control as income generally increases until retirement age. To control for curvilinear effects, age squared is also included. Controls for marital status and gender are also included. Several studies show that married people are more likely to be engaged in politics (Campbell *et al.*.. 1960; Wolfinger and Rosenstone 1980) Again married couples generally have higher household incomes. In addition, the literature shows women are less likely to vote then men (Almond and

Verba 1963 and others), and gender is correlated with income as men tend to earn more than women.

Macro-level controls have been chosen by a two-step process: firstly by determining all the possible macro-level determinants of turnout in post-communist countries based on a review of seminal studies on cross-national variation in turnout (Lijphart 1984; Jackman 1987; Powell 1986) and the most comprehensive comparative study of turnout in post-communist countries (Kostadinova and Power 2007). The following factors have been identified as the most robust determinants of political engagement and thus turnout in post-communist countries: the number of years elapsed since collapse of Communism, unicameralism, multipartyism as well as economic development and growth.

Next the latter list of factors was regressed individually on each of the dependent variables, and those that did not show an association with the dependent variable would be eliminated. As a results of this process each dependent variable has its own set of most powerful determinants to use as controls alongside income inequality. As the number of cases at the country-year level is relatively small, the inclusion of all the mentioned controls simultaneously would lead to the underestimation of the effect of inequality.

The measures of the institutional and economic determinants of political engagement have been compiled from several datasets. Most of the measures of institutional determinants were kindly supplied by Kostadinova and Power (2007) and are supplemented by the Database of Political Institutions as well as by a dataset of election indices created by Michael Gallagher (Gallagher and Mitchell 2003). The measures for economic development and growth come from the United Nations Statistics Division.

2.3 The Models

Three separate sets of models are used to estimate the effects of income, income inequality, and the interaction between the two: individual models, aggregate models, and multilevel models respectively. To fully understand how income affects turnout and political engagement, and how income inequality modifies the latter relationship, the effects of income and income inequality have to be assessed separately first before interacting the two. As Braumoeller (2004) warns, full models with interactions are not good at testing the relationship between dependent and independent variables when the independent variables are included in interactions, potentially leading to erroneous conclusions if based on the statistical significance of the constitutive terms. To avoid these dangers, the analysis begins by estimating individual models with income, and aggregate models with income inequality, and only then the results of the multilevel model with an interaction between the two can be interpreted.

In the individual level model, income quartiles measuring relative income are treated as dummy variables to assess whether the effect of income is positive and monotonic. The extent to which income has a positive and monotonic relationship determines the overall level of turnout and political engagement inequality along income lines. The individual level models partially pool country survey years, so to account for country and survey year effects, random intercepts for country survey years are included.[12]

The aggregate models test the effect of income inequality on overall levels of political engagement and turnout. As explained in the theoretical section, the relative power explanation

[12] There is some debate over whether these models should have fixed or random intercepts (Snijders and Bosker 1999: 43-45): a random coefficient model assumes that the higher level cases constitute a sample from a population whereas a fixed effects model assumes that the higher level cases form entirely distinct categories such as religious denominations. Country survey years do not fit entirely in either category. Both a fixed and random effects model yields the same results in the substantive sense, so for the purposes of this analysis the model choice seems adequate.

implies that not only does inequality increase political inequality, but it does so by discouraging the poor in particular. For the latter to be the case we need to see a positive interaction between income and income equality, and a negative main effect for income inequality. Therefore for a full test of the relative power explanation, we need to consider not only the impact of income inequality on turnout inequality but also the main effects of income inequality.

Finally, the multilevel models test whether the level of inequality in political engagement and turnout depends on levels of income inequality. These multilevel models have two or three levels: the individual level, the country year level, and the country level.[13] The multilevel models have random intercepts at both higher levels. A random slope for relative income is included at the country-year level in order to model a cross-level interaction between income inequality at the country-year level and relative income at the individual level. Relative income is treated as a linear variable to simplify forming an interaction. The model is shown below in its reduced form with the models for random intercepts and slopes substituted into the individual level.

$$
\begin{aligned}
&\boldsymbol{PoliticalEngagement_{ij}} \\
&\quad = \gamma_{000} + \gamma_{10\mathrm{k}}\boldsymbol{Income_{ijk}} + \gamma_{11\mathrm{k}}\boldsymbol{Inequality_{jk}Income_{ijk}} + \gamma_{01\mathrm{k}}\boldsymbol{Inequality_{jk}} \\
&\quad + \gamma_{02\mathrm{k}}\boldsymbol{GDP/capitagrowth_{jk}} + \gamma_{02\mathrm{k}}\boldsymbol{GDP/capita_{jk}} \\
&\quad + \gamma_{04\mathrm{k}}\boldsymbol{Multipartyism_{jk}} + \gamma_{05\mathrm{k}}\boldsymbol{Unicameralism_{jk}} + \gamma_{2jk}\boldsymbol{Age_{ijk}} \\
&\quad + \gamma_{3jk}\boldsymbol{Age^2_{ijk}} + \gamma_{4jk}\boldsymbol{EducPrimary_{ijk}} + \gamma_{5jk}\boldsymbol{EducSecondar_{ijk}} \\
&\quad + \gamma_{6jk}\boldsymbol{EducTertiary_{ijk}} + \gamma_{7jk}\boldsymbol{Female_{ijk}} + \gamma_{8jk}\boldsymbol{Married_{ijk}} + \boldsymbol{U_{00k}} \\
&\quad + \boldsymbol{U_{0jk}} + \boldsymbol{U_{1jk}Income_{ijk}} + \boldsymbol{r_{ijk}}
\end{aligned}
\tag{1}
$$

The slope of relative income can be interpreted as the degree of turnout inequality: the greater the coefficient the greater the gap in engagement and turnout between income quartiles.

[13] An ANOVA of the three levels shows that variance at the third and highest level (country) is statistically significant only for interest in politics so random intercepts for countries were included for interest in politics. For the other dependent variables, random intercepts were included only at the survey level.

The interaction term between income and income inequality can be interpreted as the marginal effect of income inequality on the effect of income, or more simply the marginal effect of income inequality on turnout inequality. If the relative power explanation is correct, than the interaction term should be positive indicating that as income inequality increases, so does the level of inequality in turnout and political engagement.

2.4 Results

The raw data on political engagement and turnout by quartile across the country-survey-years reveals the cross-national variation in political inequality, and they also show that overall income appears to be most closely linked to efficacy. Looking at the raw percentages by quartile, income has a stronger positive and more monotonic relationship with efficacy than turnout or interest in politics as shown in Figures 2.5, 2.6, and 2.7. While the total average levels of turnout, efficacy and interest by quartile (last set of columns in each figure) show a positive and monotonic relationship with relative income, the individual country survey years show that income has a slightly different relationship with turnout and interest than efficacy. Figure 2.5 with turnout inequality shows that in at least 9 country survey years, income has a curvilinear or even negative relationship (Moldova 2007) with turnout. 12 out of the 36 country survey years show a curvilinear relationship between income and interest in politics. These patterns run counter to the general assumption based on the concept of turnout inequality (Lipjhart 1997; Gallego 2010) that income is one of the proxy measures for socioeconomic status and therefore higher income people must be more likely to vote and show more political engagement.

Efficacy on the other hand is clearly positively associated with relative income. With the exception of Moldova in 2007 which displays a negative effect of income, in all the other

instances richer people clearly have higher levels of efficacy than the poor. The consistency of the positive association between income and efficacy suggests that possibly the ability to earn reinforces a person's general sense of being capable not only as a worker but as a citizen who can influence politics. The variation in levels of peoples' political engagement and turnout in relation to their income is compatible with the resource explanation for political participation.

Figure 2.5 Turnout inequality by asset index (polychoric PCA)

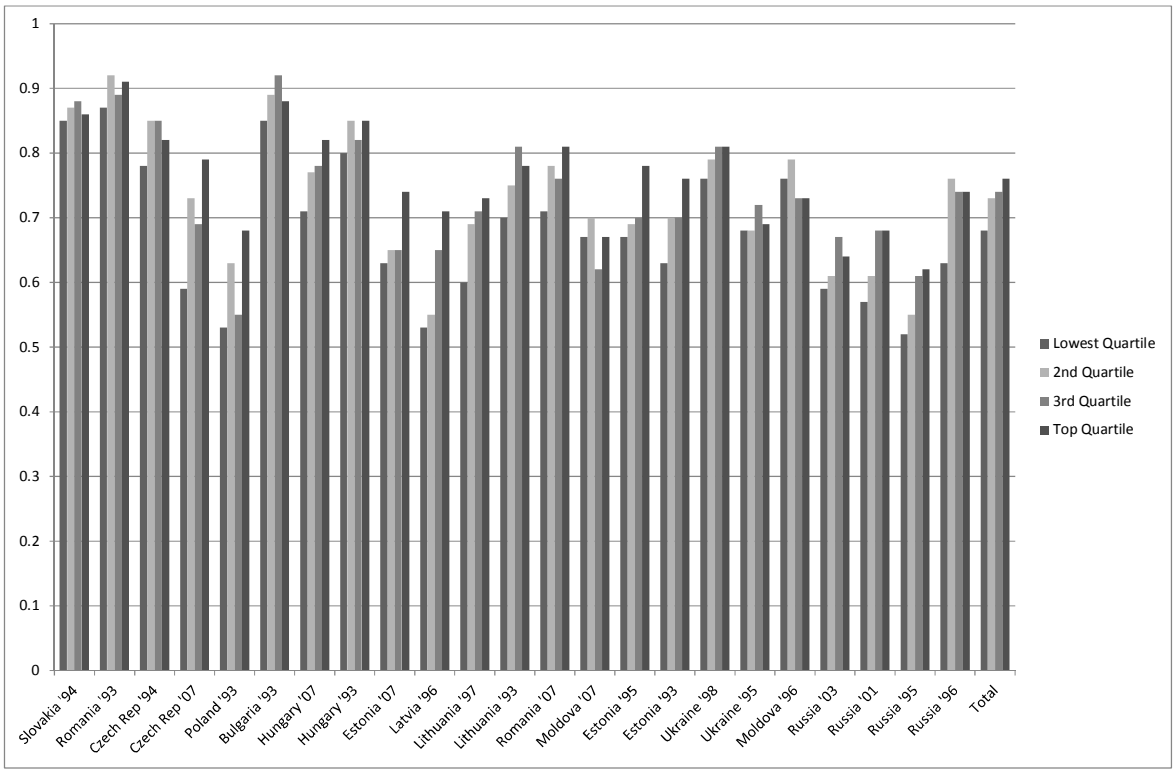


Figure 2.6 Efficacy inequality by asset index

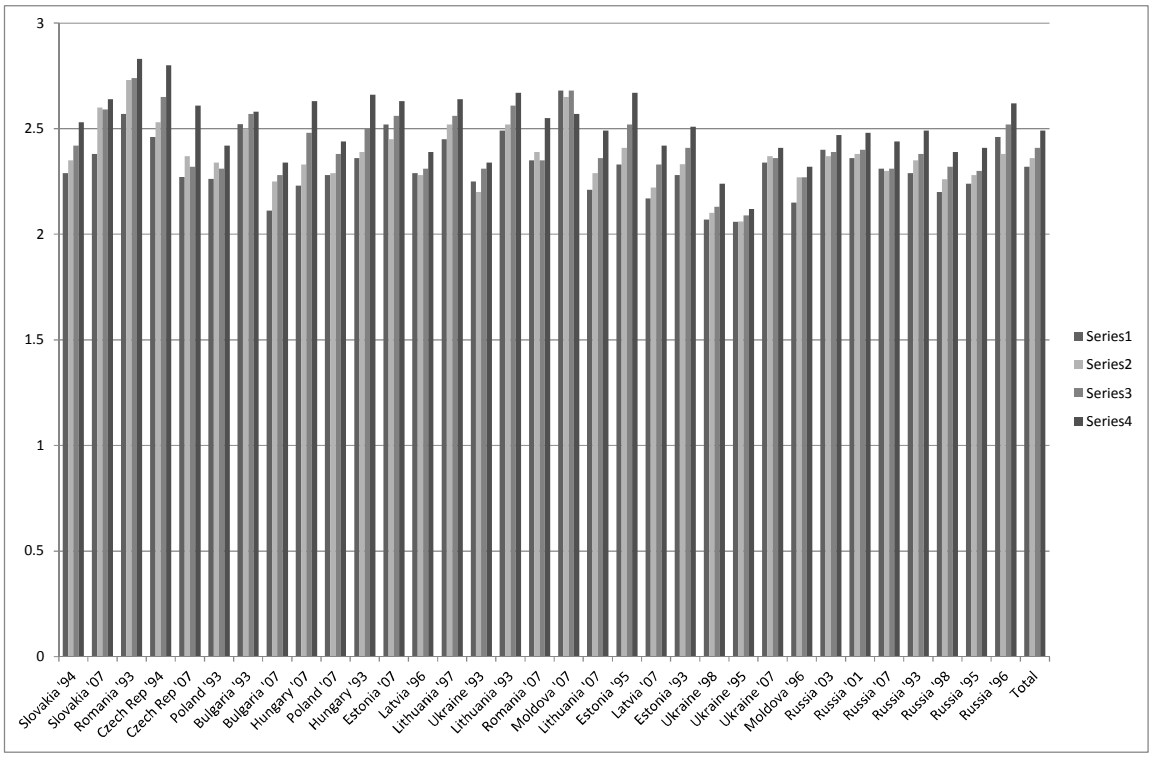
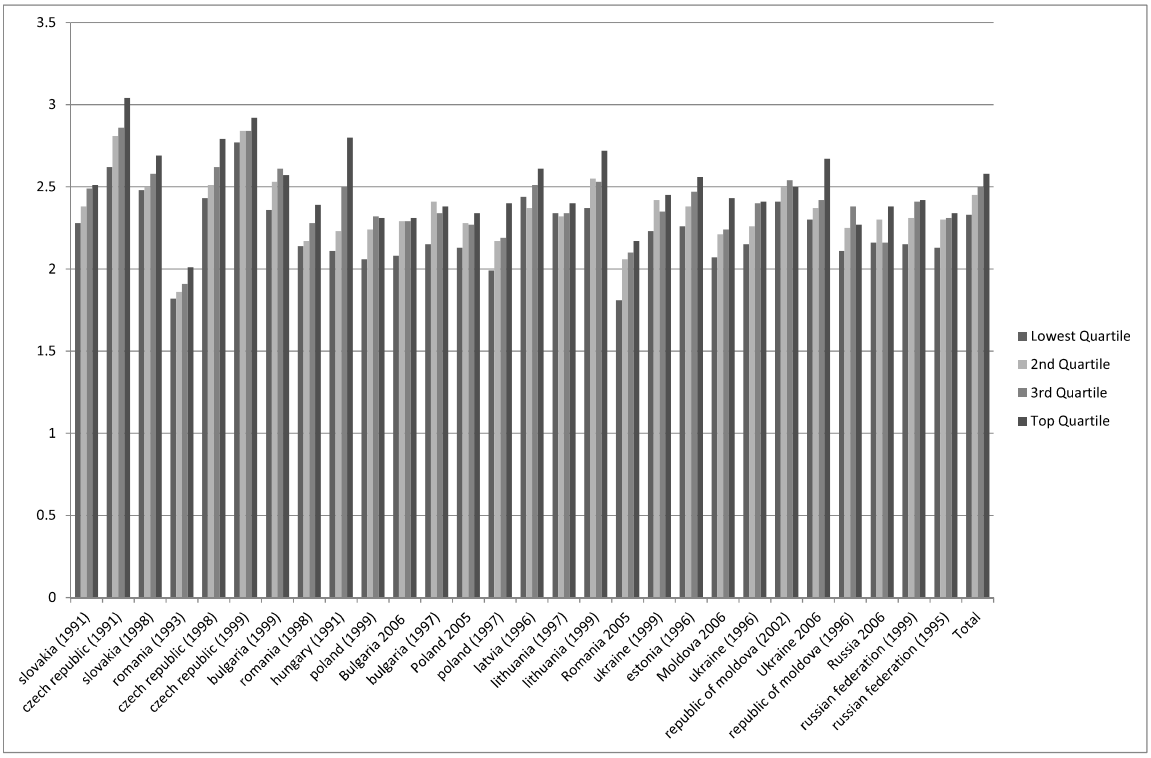


Figure 2.7 Interest inequality by asset index



If income is not a resource for voting, and income only has an indirect effect on turnout through shaping political orientations than it is perhaps unsurprising that the relationship between income and voting is irregular, whereas the relationship with efficacy is far more consistent. Income having an indirect relationship on turnout by shaping efficacy fits well with the socialization explanation. Verba *et al.* (1995) argue that people in responsible high status jobs develop civic skills and the confidence to participate in politics. Income can be understood as a proxy for a high status job that provides an environment conducive to political participation.

Finally, the country survey years in the Figures are sorted from lowest level of income inequality on the left to highest levels in income inequality on the right. In accordance with the relative power explanation, overall levels of political engagement and turnout are lower in more unequal countries: the bars in the graphs are generally taller on the left than on the right. When looking at the levels of turnout inequality, however, the overall pattern in relation to level of income inequality is less clear. The highest levels of inequality in turnout and political engagement seem to be Baltic countries, especially Estonia, as well as the Czech Republic and Hungary.[14] Whereas in the former Soviet Union, turnout and political engagement inequality seems slightly lower which runs counter to the prediction of the relative power explanation. Before the relative power explanation is rejected though, the effect of income has to be isolated from its covariates such as education and other determinants of turnout.

[14] Ineligible voters, such as Russian citizens living in Estonia, are taken out of the sample.

Table 2.3 Effects of Individual Level Income on Turnout

	Interest	Overall Efficacy	External Efficacy	Internal Efficacy	Vote
Quartile	-	-	-	-	-
2nd	0.065***	0.017*	0.020*	0.011	0.194***
	(0.011)	(0.007)	(0.008)	(0.010)	(0.035)
3rd	0.087***	0.042***	0.052***	0.025*	0.258***
	(0.012)	(0.007)	(0.008)	(0.011)	(0.036)
4th	0.134***	0.097***	0.098***	0.096***	0.316***
	(0.012)	(0.008)	(0.009)	(0.011)	(0.037)
Age	0.027***	-0.006***	-0.009***	-0.002	0.116***
	(0.001)	(0.001)	(0.001)	(0.001)	(0.004)
Age^2	-0.000***	0.000***	0.000***	-0.000	-0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Education	-	-	-	-	-
2	0.352***	0.089***	0.060***	0.135***	0.173***
	(0.014)	(0.006)	(0.007)	(0.009)	(0.031)
3	0.630***	0.269***	0.184***	0.398***	0.497***
	(0.016)	(0.008)	(0.009)	(0.011)	(0.041)
Female	-0.266***	-0.117***	-0.049***	-0.219***	0.048
	(0.008)	(0.005)	(0.006)	(0.007)	(0.025)
Married	0.062***	-0.007	0.001	-0.021*	0.301***
	(0.009)	(0.006)	(0.007)	(0.008)	(0.028)
Constant	1.429***	2.492***	2.618***	2.301***	-2.514***
	(0.081)	(0.033)	(0.042)	(0.037)	(0.144)
Random coeff. For survey year	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
Random coeff for country	*Yes*				
R-squared					
N	40784	52184	52175	52173	36602
BIC	98160.74	92250.59	103319.5	127548.2	39118.16

Notes: * p<0.05, ** p<0.01, *** p<0.001 The first four models are estimates using multilevel ordinary least squares regressions (OLS). Efficacy is measured using Likert scales combining several survey items. The last model for the vote is estimated using a logit regression (LR). Instead of dummy variables for country, country effects are accounted for using random intercepts at the country-year level. Analysis using ANOVA models shows that variance at the country (third level) is so small that is not statistically significant, so country controls are not required except for interest in politics.

The individual level regression analysis confirms that income has a positive and monotonic effect on efficacy, interest, and turnout, even when covariates of income are controlled for. Table 2.4 shows the results of the individual level regression analysis. Income quartiles are treated as dummy variables in the models to determine whether the effect is monotonic. The coefficients for income quartiles indicate that indeed the effect is monotonic:

an increase in relative income results in an increase in political engagement or turnout. No curvilinear effects are visible. Calculating predicted levels of political engagement and turnout across income quartiles shows that moving from the lowest income quartile to the highest quartile would increase interest in politics by .15 on a four point scale, overall efficacy by .09 on a 5 point scale, and the probability of voting would increase by .06 from .72 to .78. Assessing the substantive size of these effects is difficult as the other covariates are not on comparable scales, however the gaps in turnout and political engagement between the poorest and wealthiest are much smaller than between the least and most educated people. The gap in interest in politics between a primary school educated person and a university educated person is .33, which is twice the size of the gap between a person in the lowest and highest income quartile. Likewise the gap in efficacy between the least and most educated people is more than twice the size at .25. Only the gap in turnout is marginally greater between education groups than income groups at .09. Overall the individual level regression results confirm that relative income has a main effect. The positive effect of relative income on political engagement and turnout at the individual level fits with the relative power explanation, however, these patterns are also compatible with the resource and socialization explanations. The crucial test of the relative power explanation will be whether income inequality increases the gap between income groups.

Table 2.4 Aggregate Analysis Results: effect of income inequality on political engagement and turnout

	Model 1 Interest	Model 2 Efficacy	Model 3 Ext. Efficacy	Model 4 Int. Efficacy	Model 5 Vote
Inequality	-0.009	-0.008*	-0.018***	0.007	-0.009*
	(0.006)	(0.004)	(0.004)	(0.004)	(0.004)
Constant	2.660***	2.682***	3.138***	2.001***	1.009***
	(0.181)	(0.129)	(0.151)	(0.134)	(0.120)
R-squared	0.062	0.107	0.342	0.065	0.208
N	29	33	33	33	23
BIC	-9.510747	-34.68623	-24.18664	-32.10591	-34.68698
	Model 6 Interest	Model 7 Efficacy	Model 8 Ext. Efficacy	Model 9 Int. Efficacy	Model 10 Vote
Inequality	-0.005	-0.006	-0.016**	0.004	-0.008*
	(0.006)	(0.004)	(0.005)	(0.005)	(0.004)
Growth GDP/capita	-0.005	0.002	0.001		
	(0.002)	(0.001)	(0.002)		
Unicameralism	0.043			-0.020	
	(0.025)			(0.017)	
Yrs from 1st election	0.004				
	(0.009)				
Multipartyism			-0.012		-0.012
			(0.018)		(0.015)
Constant	2.374***	2.566***	3.099***	2.162***	1.024***
	(0.212)	(0.144)	(0.182)	(0.192)	(0.122)
R-squared	0.251	0.153	0.323	0.075	0.197
N	29	33	33	33	23
BIC	-9.366178	-34.03151	-18.43054	-30.06011	-32.35944

The simple aggregate level models in Table 2.5 show that income inequality has a negative association with all dependent variables except internal efficacy. To test the strength of the associations, controls for other macro-level determinants of political engagement and turnout are included. The controls were chosen for each dependent variable according to

whether the controls were correlated with the variable at a statistically significant level which implies their strength as a determinant. Interest in politics is most strongly associated with unicameralism and economic growth more so than with income inequality. Several studies find that the more a political system approximates a unicameral model, the higher its perceived effectiveness encouraging people to vote (Lijphart 1984; Jackman 1987). Economic growth also is a stronger determinant of interest than income inequality confirming findings of the literature linking economic growth and turnout (for a review see Radcliff 1992). With a larger number of cases, income inequality could achieve a statistically significant association with the overall level of interest in politics, however these results show that effect is not very powerful.

Income inequality appears to primarily affect levels of external efficacy. Despite controls for economic growth and multipartyism, income inequality strongly depresses overall levels external efficacy. The strong association between inequality and external efficacy supports the relative power explanation according to which people judge their ability to influence external political environment based on their relative income position (Goodin and Dryzek 1981, Solt 2008). Faith in one's ability to influence politics in one's surroundings reflects the essence of the concept of external efficacy. Income inequality also appears to depress overall levels of turnout though far more weakly than external efficacy. The negative effect of income inequality on turnout holds up despite a control for the multipartyism. That turnout is lower in more unequal post-communist countries could be the result of an indirect effect of income inequality through external efficacy: people in more unequal countries have lower external efficacy and thus are less likely to vote. Of course the relationship would have to be tested formally, however, the consistency in this pattern of results can be noted. To sum up, the aggregate level results along with the individual level results so far seem to be

compatible with the relative power explanation. At the individual level we have seen that rich citizens are more engaged in politics and more likely to vote than the poor. We also see that with the exception of internal efficacy, people are overall less engaged and less likely to vote in more unequal countries. It only remains to be seen if the two patterns fit together in the manner predicted by the relative power explanation?

In the previous analysis, we have found that at the individual level evidence of inequality in political engagement and turnout: richer people in post-communist countries are more engaged in politics and more likely to vote than the poor. At the aggregate level, we see that people are less likely to vote and have lower external efficacy in more unequal post-communist countries. These findings lead us to the final and most crucial question in this analysis: is external efficacy and turnout lower in more unequal countries because the poor who are have been the least rewarded by the new market economies have become disengaged? In short is inequality in external efficacy and turnout higher in more unequal post-communist countries.

The multilevel regression results in Table 2. 6 show that income inequality even slightly reduces inequality in political efficacy contradicting the relative power explanation. According to the relative power explanation, political engagement and turnout among the poor should decline as income inequality increases (H3.c), therefore the interaction term should be positive. On the contrary interaction between income inequality and relative income is negative and statistically significant for efficacy, and while it is not statistically significant for interest in politics and turnout it is consistently negative. The negative interaction term indicates that in more unequal countries such as Russia, Moldova and Ukraine, the gap in political efficacy between the rich and the poor is very slightly lower. Figure 2.8 illustrates how the marginal effects of relative income on overall efficacy become smaller as income inequality increases.

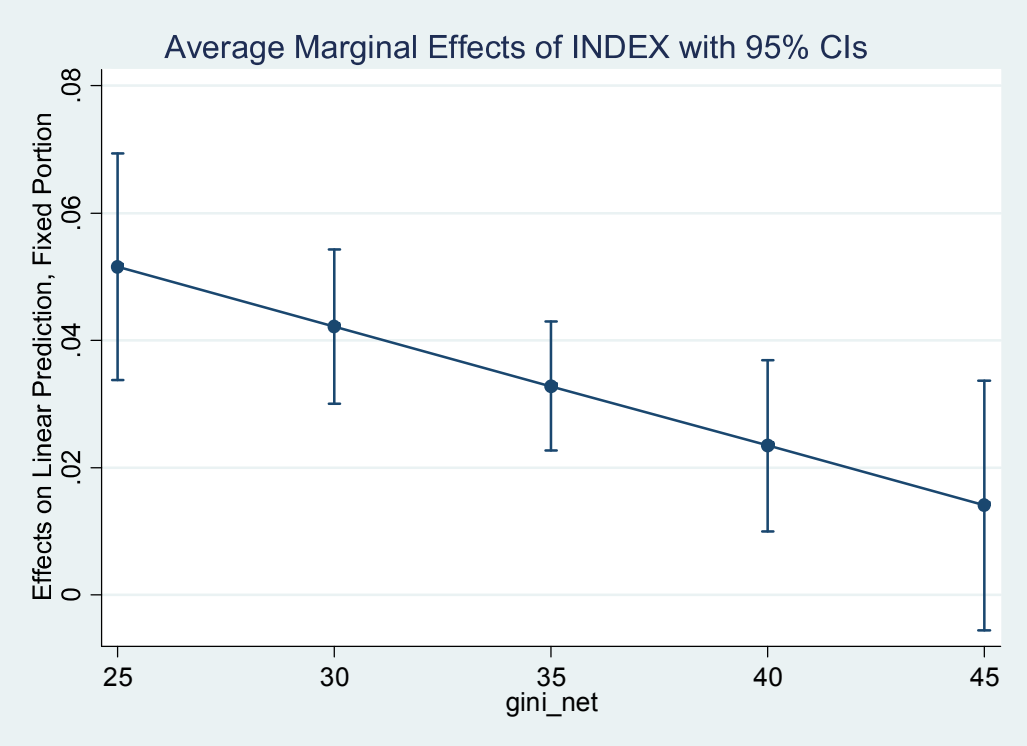
At lowest levels of income inequality, moving up one income quartile would increase overall efficacy levels by .05, whereas at the highest level of inequality moving up one income quartile has only an effect of .02.

Table 2.5 Effects of Income Inequality on Turnout Inequality (by income), Efficacy, and Interest

	(1) Interest OLS	(2) Overall Efficacy OLS	(3) Ext. Efficacy OLS	(4) Int. Efficacy OLS	(5) Vote Logit
Income	0.104**	0.098***	0.082***	0.120**	0.143
	(0.037)	(0.028)	(0.024)	(0.037)	(0.119)
Inequality	0.003	-0.002	-0.012*	0.009	-0.050*
	(0.007)	(0.004)	(0.005)	(0.005)	(0.020)
Income*Inequality	-0.002	-0.002*	-0.001*	-0.003*	-0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.003)
Age	0.028***	-0.006***	-0.009***	-0.002	0.117***
	(0.002)	(0.001)	(0.001)	(0.001)	(0.004)
Age2	-0.000***	0.000***	0.000***	-0.000	-0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Primary education (ref)	-	-	-	-	-
Secondary	0.360***	0.087***	0.058***	0.132***	0.181***
	(0.015)	(0.006)	(0.007)	(0.009)	(0.031)
Tertiary	0.645***	0.270***	0.185***	0.398***	0.508***
	(0.018)	(0.008)	(0.009)	(0.011)	(0.041)
Female	-0.277***	-0.117***	-0.049***	-0.220***	0.050*
	(0.009)	(0.005)	(0.006)	(0.007)	(0.025)
Married	0.068***	-0.008	0.001	-0.022**	0.299***
	(0.010)	(0.006)	(0.007)	(0.008)	(0.028)
Country Year Controls					
Growth GDP/capita	-0.003	0.002	0.001		
	(0.002)	(0.001)	(0.002)		
Unicameralism	0.056			-0.017	
	(0.029)			(0.017)	
Years from 1st election	0.007				
	(0.007)				
Multipartyism			-0.023		0.008
			(0.017)		(0.054)
Constant	0.911***	2.471***	3.069***	1.981***	-0.950
	(0.260)	(0.155)	(0.179)	(0.212)	(0.684)
Random part					
Country/L 3					
Intercept Variance	.011				
	(.007)				
Country Year/L 2					
Variance Slope Income	.001***	.001***	.000**	.001***	.007**
	(.000)	(.000)	(.000)	(.000)	(.003)
Variance Intercept	.021***	.018***	.022***	.024***	.318***
	(.008)	(.005)	(.006)	(.007)	(.103)
Covariance	-.003	-.001	.000	-.003***	-.038**
	(.002)	(.001)	(.000)	(.001)	(.016)
Residual Variance/L 1	.670***	.340***	.421***	.670***	-
	(.005)	(.002)	(.003)	(.004)	
Countries	12				
Country Survey Year	28	33	33	33	28
N	34159	52184	52175	52173	36602
BIC	83534.16	92211.38	103315.4	127532.7	39111.39

Standard errors in parentheses *p<0.05 **p<0.01 ***p<0.001 Note: Level 3 country intercept included for interest since level 3 variance significant. Level 3 variance was not significant for efficacy and vote measures. OLS is used for efficacy models since efficacy is a Likert scale made of several survey items and values are not integers. OLS is used as well for interest for technical reasons: the gllamm command has difficulty with coping with a ordered logit with 3 levels and a random slope.

Figure 2.4 Marginal Effects of Income on Efficacy by Income Inequality



The substantive implications of the reduction in efficacy inequality are less clear. On one hand, the size of the gap in levels of efficacy between the rich and poor is halved if one compares the most equal to least equal country. At a gini level of 25 people in the lowest income quartile report external efficacy at about 2.37 whereas those in the highest quartile 2.52 with a difference of about .15. At a gini level of 45, the people in poorest quartile report external efficacy at 2.33 whereas those in the top quartile reported levels of 2.40 amounting to a gap of .07. If the effect of relative income can at all be considered meaningful, then a reduction of that effect by half is quite significant. On the other hand, looking at the confidence intervals for marginal effects of income on overall efficacy for the lowest and highest levels of income inequality we can see that they just about overlap.

Based on the evidence from the multilevel regression analysis, we can conclude reasonably that income inequality in post-communist countries does not increase inequality in

turnout or political engagement contrary to the relative power explanation. Feelings of relative powerlessness appear to have not caused the poor to become politically disengaged in countries where the benefits of the new market economies were most unequally distributed –which is especially true in the former Soviet Union. We can be quite confident that income inequality does not increase inequality in turnout and political engagement given the consistency of the results across dependent variables and surveys. The interaction term is consistently negative for all forms of efficacy and turnout which are measured through the EurEqual survey, and the interaction is also negative for the interest in politics which uses data from the World Values Surveys. The results for turnout are also the same whether income inequality is measured at the time of the survey or the election. Thus we can definitely reject the relative power explanation: income inequality does not increase turnout inequality and it does not appear to depress turnout primarily among the poor (see Hypotheses 3.b and 3.c).

As mentioned earlier, income inequality even appears to slightly *reduce* inequality in political efficacy which means that the advantaged citizens become more disengaged by income inequality than the poor. To be certain that this is the case, we need to see that the main effect of income inequality is also negative. If income inequality is really causing some social group, whether it be the poor or the well-off, to become disengaged to meaningful extent, the overall effect of income inequality should be negative. The aggregate analysis has shown that this is the case only for external political efficacy. Thus only for external efficacy does income inequality have an effect on both the overall levels and the level of inequality in external efficacy. Table 2.7 shows the effect of income inequality on external efficacy for people in each income quartile. Calculating predicted levels of external efficacy shows that as income inequality increases from the levels in the most equal country to those of the most unequal country, external

efficacy among people in the top quartile drops by .30 whereas among the people in the poorest quartile it drops by .21. Despite the resources at their disposal, the economic winners in the most unequal post-communist countries appear to have less faith in their abilities to influence politics than their counterparts in more equal countries all else equal.

Table 2.6 Regressions showing effects income inequality on external efficacy for each income quartile

	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
Inequality	-0.014**	-0.017***	-0.019***	-0.020***
	(0.005)	(0.005)	(0.005)	(0.005)
Constant	3.085***	3.224***	3.317***	3.357***
	(0.188)	(0.185)	(0.196)	(0.203)
Random coeff. for country survey year	*Yes*	*Yes*	*Yes*	*Yes*
Country Survey Years	33	33	33	33
N	12866	13019	13069	13221
BIC	25491.89	25957.11	25974.78	26337.41

Controls for Education, Age, Age2, Gender, Marital Status, Growth in GDP/capita included but coefficients not shown. OLS used as external efficacy is Likert scale combining several survey items and values are not whole integers.

2.5 Discussion and Conclusions

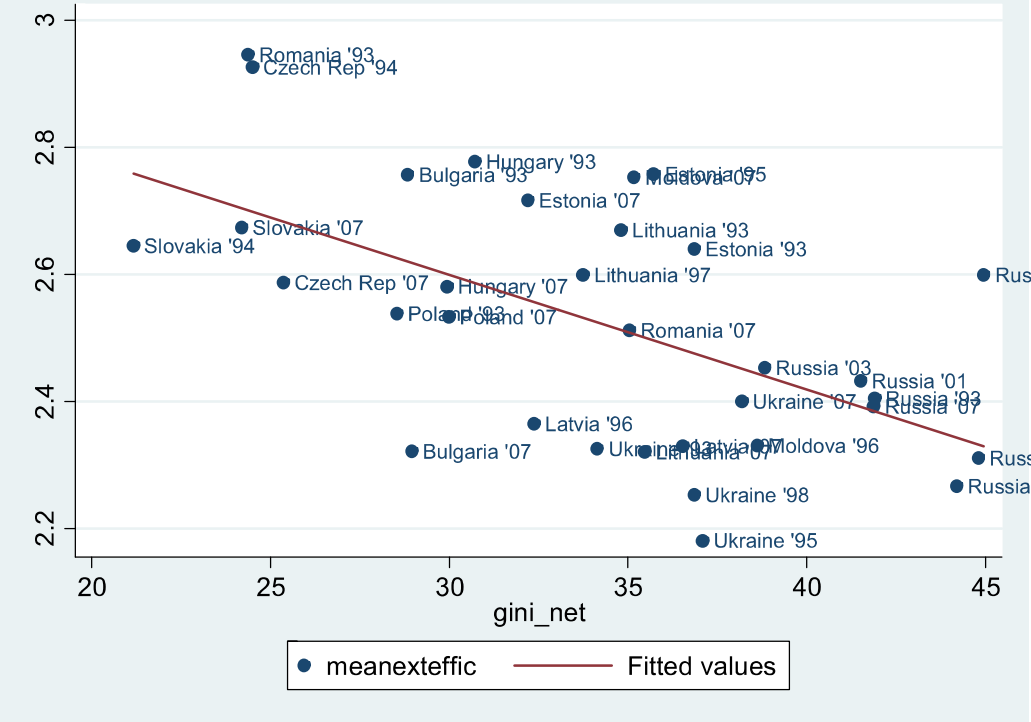
The findings of this chapter are most consistent with the resource and socialization explanations, and no evidence has been found that relative powerlessness has led to systematic economic disengagement among the poor in post-communist countries. As the socialization explanation would predict, people with higher incomes are more interested in politics and more efficacious than the poor. Moreover, as the resource explanation would suggest (Brady *et al.* 1995, Verba *et al.* 1995), relative income has a stronger association with the psychological orientations than voting participation itself. A cross-national comparison of turnout by relative income shows a high degree of variation, whereas income is systematically associated with external efficacy.

Finally, and most importantly for the main research question, income inequality does not explain turnout inequality nor the gap in political engagement between the rich and poor in the manner expected. The rich are clearly more interested in politics and feel more efficacious than the poor: however, this gap does not increase as the economic gains of the rich outpace those of the poor during the economic transition. Higher income inequality in some post-communist countries has not consistently depressed participation and engagement among the poor. Overall the findings of this chapter suggest that turnout inequality in post-communist countries is largely the result of socialization. Wealthier, better educated people are more engaged in politics because they have been politically socialized in an environment surrounded by people who are more interested in politics. These effects of socialization are not easily reshaped by a change in the income distribution as the relative power explanation would suggest.

However, lest we conclude that income inequality is completely irrelevant, income inequality appears to not only reduce inequality in external efficacy and turnout inequality slightly, but it also appears to depress overall levels of political efficacy and turnout. Despite accounting for macro-level economic and institutional determinants of efficacy, overall political efficacy seems to be lower in more unequal post-communist countries in particular those in the former Soviet Union. Furthermore it would seem that the levels of external efficacy are lower in part because the advantaged citizens have less faith in their ability to influence politics than their counterparts in more equal countries. This same pattern is reflected, albeit weakly, in turnout and all other dependent variables though weakly. The seeming disengagement of advantaged citizens in unequal post-communist countries creates a new puzzle. These patterns could suggest that contrary to the relative power explanation, the advantaged citizens are the ones who most keenly react to higher inequality.

Caution must be taken, though, in concluding that income inequality has a causal effect. The association between income inequality and external efficacy has a strongly geographic component: the more equal countries with higher levels of external efficacy are concentrated in the more democratic region of Central Europe, while the more unequal countries are all part of the Former Soviet Union (see Figure 2.8). Given that the countries within these two groups share many characteristics besides similar levels of income inequality, the correlation between income inequality and efficacy may be spurious. Disengagement caused by perceptions of corruption, for example, is a powerful alternative explanation. Perceptions of rampant corruption do appear to depress political engagement in Eastern Europe (Kostadinova 2009; Birch 2010). The most unequal post-communist countries, mainly countries of the former Soviet Union, which have the lowest levels of external efficacy, are also the ones with the highest levels of corruption according to various measures such as the World Bank Good Governance Indicators. On the other hand, as discussed in the introduction, Ulsaner and Rothstein (2005; Rothstein 2011) have argued that countries fall into an "inequality-corruption-low trust" trap, which would suggest that all these factors are interconnected. Even if corruption is added to the explanation, income inequality may still be relevant. This puzzle will be investigated further in Chapter 4.

Figure 2.5 Political Efficacy over Income Inequality



The findings of this chapter are sure to raise the question of why income inequality appears to increase political inequality in established democracies in Western Europe and the United States by causing disengagement among the poor (Solt 2008, 2010) but not in post-communist Eastern Europe. There are a few possible reasons come to mind. Firstly, the analyses of established democracies may be capturing relative powerlessness among the disadvantaged which have become entrenched over longer periods of relative social stability. After all despite various social and economic changes, most established democracies since World War II arguably have not undergone quite such a dramatic as the collapse of the communism. While the variation in political inequality observed in Solt's (2008) analysis appears to be associated with levels of inequality, it is not certain inequality is the cause. Both income inequality and political inequality may be the products of one cause. The study by Solt (2008) is primarily cross-sectional; a longitudinal analysis may be more effective in determining whether trends in

income inequality over time match trends in turnout inequality and inequality in political engagement. One such longitudinal study fails to find that turnout inequality increases with income inequality in the United States (Leighley and Nagler 1992). In so far as turnout inequality is a product of socialization, we would expect these patterns to evolve slowly and remain relatively stable in the face of sudden social and economic changes. Cross-sectional analyses of turnout inequality may be capturing variation in equilibriums of socialization processes in different societies. If post-communist countries are in the process of converging with established democracies in economic, political and social terms, then it may be that an association will become apparent between inequality and political inequality in the future. Even so, income inequality may not necessarily be the cause of political inequality even in the long term.

Moreover, in comparing the implications of income inequality for turnout inequality between established democracies and post-communist new democracies, we must consider the patterns in income inequality trends between these two groups of countries. The first question that comes to mind is whether there is some defined difference in the trends between the two groups that could potentially explain the different associations with turnout inequality. Income inequality levels in Western Europe as well as Canada and the United States have not remained stable. Several have pointed to the u-shaped pattern in inequality levels between World War II and the 2000s (Atkinson 1999; Gottschalk and Smeeding 2000). The United Kingdom experienced quite a dramatic rise in income inequality of about 30 percent between 1975 and 1991 (Gottschalk and Smeeding 2000: 293; Anderson and Bermendi 2008: 42). Thus we are unable to argue that in established democracies stable levels of inequality allowed for the entrenchment of varying levels of relative powerlessness.

On the other hand, the growth in inequality of the last few decades in established democracies has not quite matched that of post-communist countries. Though the upsurge in the United Kingdom was quite dramatic it still occurred over the space of 15 years; several post-communist countries experienced similar or greater increases in just three years. Secondly, all the post-communist countries started off at extremely low levels of inequality that had been in place for decades. Except for the youngest generation, most people were socialized in very equal societies, so the sudden growth in income inequality following the collapse of communism would have been a great shock. A more comparable scenario perhaps would be if Sweden suddenly, after years of relative inequality in post-tax incomes, switched to US levels of income inequality within the space of a few years. In the long run, the poor in most unequal post-communist countries may develop a sense of relative powerlessness: however, the changes in income inequality have occurred too quickly for these patterns to set in. Several decades may go by before people internalize the implications of the new more unequal societies into their political behaviour.

In addition, the political context can mediate the effects of income inequality for example through the availability of parties that would appeal to poor voters (Anderson and Beramendi 2012). Post-communist democracies are new, which means political party elites may not have solidified their focus on certain constituencies to the exclusion of others such as poor voters. Moreover, the legacy of the communist past with its commitment to equality and welfare may push political parties to appeal to the left-leaning anti-market sentiments of voters, and thus potentially boosting turnout among the disadvantaged. The implications of communist legacies for political parties and voter cleavages, however, are much debated (Whitefield 2002). The role

of political parties in shaping turnout inequality in post-communist countries will be further investigated in Chapter 5.

Finally, as discussed in the introduction, voting participation is primarily the result of political orientations. While political engagement is the result of a socialization process that is linked to socioeconomic status, the purely 'economic' aspect of social status such as income may not be the defining factor forming attitudes towards political participation. Education rather than income may be a stronger marker of social status in post-communist countries. In conclusion, while this chapter's analysis has not conclusively rejected the relevance of income inequality for political participation and has not been able to address the possibility that in the long run income inequality may have implications for turnout inequality, the analysis has shown that at least in the short term, income inequality does not appear to be associated with cross-national variation in turnout inequality among post-communist countries. This chapter has also opened up new puzzles: if income inequality cannot explain turnout inequality in post-communist countries, what does? In the next chapters, I will show that the patterns in turnout inequality are most compatible with an interaction between macro-level factors, which alter the perceived costs and benefits of voting, and the political resources and motivation of socioeconomic groups. The next chapters will further elaborate on this theme. Does income inequality in post-communist countries have no consequence for voting participation or, as some of the results in this chapter suggest, does income inequality influence voting participation differently than the relative power explanation would suggest?

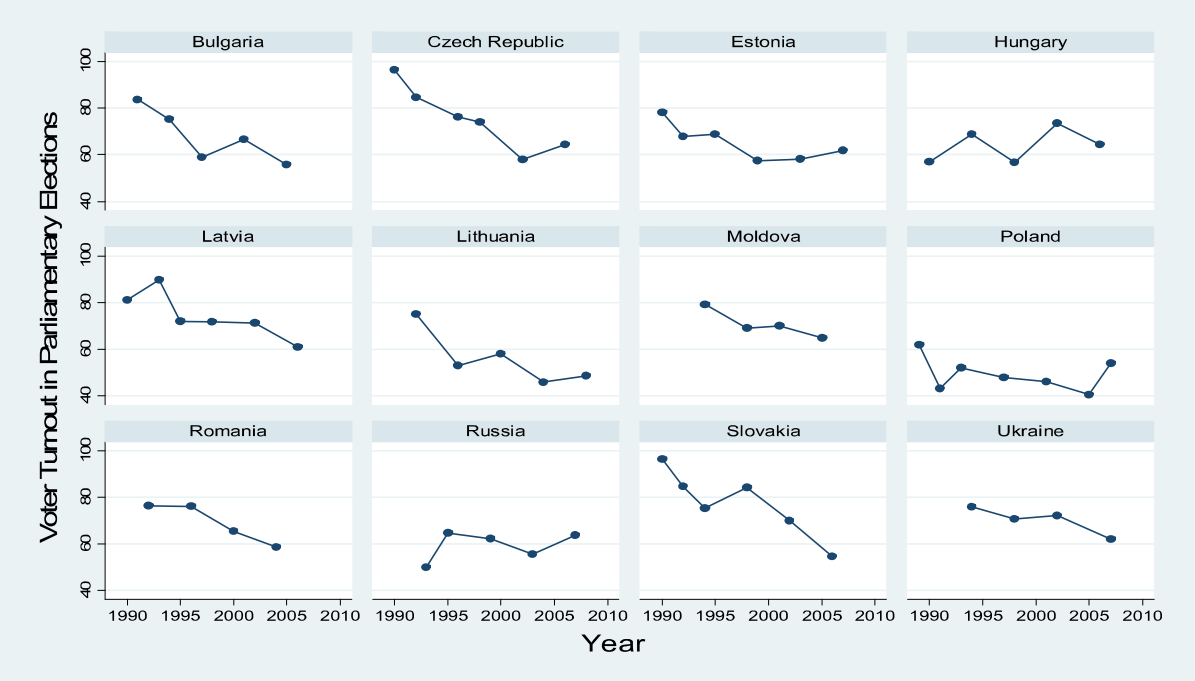
3 Increasing turnout inequality in post-communist Eastern Europe: economic disengagement or a progression to normalcy?

Over the decade and a half since the collapse of communism, voter turnout in post-communist countries has declined dramatically and steadily (Bernhagen and Marsh 2007; Kostadinova 2003; Kostadinova and Power 2007; Pacek *et al.* 2009) as illustrated by Figure 3.1. Falling turnout has been widely noted as a phenomenon occurring across established democracies (Blais *et al.* 2004; Franklin 2004; Gray and Caul 2000; Heath 2007; Dalton and Wattenberg 2000, Wattenberg 2002), however the turnout decline experienced by post-communist countries is quite different in size and speed. The turnout decline observed by Franklin (2004) across 22 established democracies was a decline of about 7 percent stretched over three decades; post-communist countries, on the other hand, experienced a decline double in size (14 percent) in just over a decade. These differences in speed and degree strongly suggest that the causes of the turnout decline in post-communist countries are quite distinct from those identified for established democracies such as partisan de-alignment, the weakening of party identification (Dalton and Wattenberg 2000, 2002; Dalton 2002), (decreased) mobilization by political parties (Rosenstone and Hansen 1993), and generational replacement (Franklin 2004).[15]

A handful of studies examine the turnout decline in post-communist countries, arguing that participation declined as voters learned to distinguish between more and less important elections (Pacek *et al.* 2009) and in particular as the initial euphoria of the founding elections waned

[15]The partisan de-alignment and weakening of party mobilization explanations are unlikely to hold in post-communist countries with nascent party systems. The generational replacement explanation would appear more plausible. I have tested this explanation in the post-communist context, and I find that it has partially contributed to the decline. Even though the focus of the analysis is on turnout inequality between socioeconomic groups I will briefly discuss the findings of simple analysis of trends in turnout by cohorts as changes in turnout across generations provide a better understanding of the euphoria effect as well as the scope for finding other factors which could have contributed to the decline in turnout.

Figure 3.1 Turnout Decline in Post-communist Countries



(Kostadinova 2003; Kostadinova and Power 2007). Kostadinova's (2003) main conclusion is that post-communist countries experienced a dramatic drop in voting participation after the unusually high levels of voter mobilization during the founding elections. Kostadinova and Power (2007) build on the latter study and compare electoral patterns in new democracies in Eastern Europe and Latin America, confirming Kostadinova's findings (2003). Their conclusion is substantiated by the strong negative correlation between election sequence and turnout, even when numerous institutional, political and economic factors are controlled for. These studies, however, all use aggregate data, and thus cannot examine micro-level patterns. To conclude, as Kostadinova notes at the end of her paper 'Voter turnout dynamics in post-communist Europe,' we still do not know which social groups have withdrawn from voting, so we do not know if the micro-level longitudinal dynamics in voting patterns support the founding

elections explanation favoured by the existing studies. Secondly, we do not know if any of the other explanations considered by existing studies, such as economic disillusionment[16], contributed to the decline.

If the people who have lost interest in voting were from the same socioeconomic group, then most likely turnout inequality has also changed over time. At first, I thought that turnout inequality would only increase as a result of economic disengagement among the losers of the economic transition, and that the analysis in the previous chapter failed to properly capture relative powerlessness. On further reflection, however, I came to realize that the passing of the founding elections euphoria that Kostadinova describes at the aggregate level actually should interact with socialization of socioeconomic groups in a way that would increase turnout inequality with time. As the next theoretical sections will explain in greater detail, the passing of the founding election euphoria coincides with a normalization of voting participation patterns. With time, turnout inequality in post-communist countries has started to resemble that in established democracies where the advantaged are far more likely to vote than the disadvantaged. In the founding elections, turnout inequality was low because the euphoria of the new democratic elections helped suppress the effects of socialization as even the disadvantaged were motivated to vote. The realization that the passing of the founding elections euphoria leads to higher turnout inequality reinforced the importance of distinguishing between the effect of personal economic success and effect of political socialization based on social background.

[16] I use the term economic disillusionment to distinguish a form of political disengagement that has its origins in negative economic experiences including unemployment and real wage decline from political disengagement originating from political causes such as the perception of politicians and the general political system as being fundamentally corrupt.

Chapter 3

This chapter seeks to further explore the founding elections explanation from the micro-level perspective. Thus far, the fading of the founding election euphoria has been conceptualized at the macro-level, so this chapter develops the theoretical implications of the fading of the founding elections euphoria for micro-level turnout patterns. I show how the effect of fading of the founding elections euphoria on voter turnout is modified by socioeconomic status, which is a proxy for political resources and motivation gained through early political socialization in the family and school environment during early adulthood (Schlozman, Verba and Brady 2012, especially Ch. 7). This chapter argues that the founding elections euphoria in the first few democratic elections boosted turnout most among the uneducated and those in low status occupations, as these people are ones with the least political resources and motivation, and as the initial euphoria dissipated, turnout declines most among these voters.

Using repeated cross-sectional individual-level data from 12 post-communist countries covering 47 elections in the period between 1991 and 2008, this chapter examines the extent to which the empirical micro-level turnout patterns among different socioeconomic groups, identified by education and class, match the theoretical expectations based on the euphoria explanation, and this chapter explores the alternative economic disengagement explanation. My findings confirm that indeed the micro-level patterns, in particular the growing inequality in turnout between education groups and social classes, best match the theoretical expectations based on the euphoria explanation. I also consider the potential role of generational replacement in the decline in turnout and how it may relate to the findings supporting the euphoria explanation. The analysis of turnout across cohorts introduces some ambiguity into the support for the euphoria argument. On the one hand, the cohort analysis suggests that the decline in turnout was not only due to a change in the behaviour of the older cohorts but also partly due to

generational replacement by the youngest post-transition cohort. The youngest cohort could either be reflecting its elders' disillusionment with elections or another factor such as the end of compulsory voting under communism. On the other hand, a comparison of turnout trends among the older cohorts, including those socialized after voting ceased to be enforced by the communist regimes, suggests only weak support for the argument that turnout declined in Eastern Europe simply because voting was no longer compulsory.

3.1 Explaining turnout decline in post-communist countries.

The waning of the founding elections euphoria

The two main studies which examine the decline in turnout in post-communist countries attribute the decline to the waning of the excitement associated with voting in the first democratic elections (Kostadinova 2003; Kostadinova and Power 2007). The idea of the unique nature of the founding elections was most notably put forward by O'Donnell and Schmitter (1986) who noted, based on several case studies of regime change in Latin America, that the first post-authoritarian elections are a time of euphoria and unusually high levels of interest in politics during which people believe they can shape political outcomes; however, once the new political rules are in place, the excitement wears off.

The founding elections euphoria effect can be understood as comprised of two components: high salience of the first election and trust in the new regime (Hughes and Guerrero 2009). Firstly, the founding elections themselves are characterized by extremely high salience (Fornos *et al.*2004); arguably the first elections are the most salient elections possible as they determine the constitutions and institutions of a new democratic regime. Numerous studies

show that voters become mobilized when they perceive the electoral stakes to be high and that individual votes make a difference (Pacek *et al.* 2009). Secondly, the founding elections as well as subsequent elections for some time are characterized by high hopes for what the new democratic regime can deliver in terms of policy; with each passing election voters learn that democracy is not a panacea for all problems and they adjust their expectations accordingly and become less engaged (Hutcheson 2004; Mason 2004; Ingelhart and Cattelberg 2002). Thus founding elections in new democracies are characterized by unusually high turnout which then declines over time with each subsequent election (Roussias 2012).[17]

Ideally we would look at trends in the interest in politics before and after the transition to map the euphoria effect, but in the absence of such evidence, the level and penetration of the excitement leading up to the collapse of the communist regimes is best illustrated by the relative size of the notable instances of protest and collective action across Eastern Europe and the Baltics. In some cases, such as during the November 1989 general strike in Czechoslovakia, three quarters of the population participated suggesting an incredible level of interest and political mobilization in the general population. As far as I am aware there is no single comprehensive systematic comparative study of the number of protest events and participation, but descriptive analyses and country-specific analyses show a peak in protest activity around 1989 and then a subsiding, which would correspond to the idea of euphoria or heightened interest and hope for political change at the time of regime change following by disillusionment and loss of interest that was described above (Ekiert and Kubik 1998; Rucht 2003). The number

[17] While most studies find that founding elections have high turnout and are followed by a decline (Roussias 2012; Kostadinova 2003; Fornos *et al.* 2004; Kostadinova and Power 2007), Turner (1993) argues that turnout levels are not unusually high in founding elections; however Turner examines only European cases which are better understood as examples of 're-democratization' where the memory of democracy and the habit of voting was not completely stamped out. As Turner himself admits, only Spain and Portugal cases resemble the Eastern Europe. A broader sample of cases shows that founding elections are indeed characterized by higher turnout (Kostadinova and Power 2007; Roussias 2012).

of protest events and participants at the peak of the protest cycles, however, seem to vary considerably by country indicating different levels popular mobilization. Furthermore, in several countries, particularly where the communist regimes were most repressive, opposition movements were weak to non-existent right up to the time of the collapse of communist regimes; in these countries the first democratic election would have probably served as the main trigger and focal point of the popular interest in politics. The following paragraphs give a very brief description of the protest events and levels across the communist countries in Eastern Europe and those in the Former Soviet Union which are considered in this thesis.

Although East Germany is not considered in the analysis in this thesis, it displays maybe the most clearly documented protest cycle with a clear peak and fall in mobilization; it serves as model illustrative case against which to judge the other countries. Starting with the summer of 1989 in the German Democratic Republic, protests mounted with an ever accelerating pace peaking with the collapse of the Berlin Wall (Mueller 1999). This series of protests known as the 'Peaceful Revolution' was the largest display of visible popular opposition since the uprising of 1953 in East Germany (apart from people leaving East Germany at a rate of 10,000 a day by the end of the eighties, if one includes emigration as a form of protest). The largest single protest at Aleksanderplatz in East Berlin on November 4th 1989 drew 500,000 to possibly one million protesters in a single day. The available longitudinal data on the number of participants in the protests shows a clear and dramatic peak in 1989 of over three million participants over the course of the year which then rapidly dropped to one million the next year and continued dropping with each passing year (Rucht 2003).

The Baltic countries experienced ongoing nationalist protests starting from 1987 forming what came to be known as the 'Singing Revolution.' Notable protest events include the

series of spontaneous night-time mass singing demonstrations in Tallinn, Estonia, but the most spectacular was the 'Baltic Way' or 'Chain of Freedom' which was chain of people holding hands formed of over two million people and spanning over 600 kilometres across the three Baltic Soviet Republics (Ulferder 2004; also covered by newspaper sources). The participants in the human chain accounted for at least a third of the populations of the three countries (Alanen 2004). Protest data collected by Ulferder (2004) shows a dramatic peak around 1989 in number of protest events in all three Baltic countries.

The protest movement during the 'Velvet Revolution' in Czechoslovakia developed very rapidly over the month of November 1989 after the suppression of student protests and it culminated in the November 27 general strike. The general strike of November 27 involved millions of participants possibly three-quarters of the population (Glenn 2003), suggesting an incredible level of political mobilization in the population even compared to the other Eastern European countries at the time. Unsurprisingly the Czech Republic and Slovakia had the highest level of turnout in the first democratic elections (see Figure 3.1).

In Poland and Hungary unlike in the other Eastern European countries the level of opposition and protest activity was much more sustained over the space of more than a decade, thus the evidence of single peak in mobilization and interest around the time of the collapse of the regime in 1989 is less evident. The opening up of the regime began much earlier, and during the eighties the communist regimes already accepted the presence of an opposition. The level of protest activity in Poland seems to have occurred in what can be approximated as two peaks: the first being the series of strikes leading to creation of the Solidarity movement prior to the imposition of martial law in 1981 and then the second wave starting in 1988. The drawn out nature of the opposition movement in Poland may account for the surprisingly low turnout (62

percent) for the national legislative election in June 1989 despite it being the first partially free democratic election and the effective the end of the communist regimes official control when the Solidarity won the majority of the seats. In Hungary, the collapse of communism occurred through an even more drawn out evolutionary process starting even as far back as 1969. While mass protests occurred between 1988 and 1989, these again like in Poland were the product of a much longer sustained mobilization process. Like in Poland, the first free election in Hungary was characterized by relatively low turnout (65 percent) (Nohlen and Stover 2010). However, as I will discuss later in Section 3.4, one could make the alternative argument that turnout in these countries simply started declining much earlier in the early 1980s when compulsory voting was effectively abolished in the early 1980s, because the communist governments in both countries reformed the electoral law to allow official recognition of the political opposition.

Bulgaria and Romania both experienced much sharper and more compact transitions because the regimes maintained control until the very last moment, and only gave way when the Berlin Wall already collapsed in East Germany. In both countries, protest events included a much smaller percentage of the population than in the other Warsaw Pact countries, however there still were specific events which could spread political excitement throughout a majority of the population. The transition in Bulgaria involved relatively few mass protests, so the focus of the transition was very much on the first free democratic election, which could serve as a trigger and focal point for general political interest. In Romania, the 'revolution' against the communist regime started in December 1989 with protests in Timișoara when the other communist regimes were already in a state of collapse. The protests during the Romanian revolution did not include participation of nearly as great a proportion of the population as in some of the other countries such as Czechoslovakia or the Baltics reflective of the weaker

mobilization in the opposition movement. However, when judging the potential level excitement in the general population accompanying the regime change we need to consider that approximately three-quarters of the population would have seen Ceaucescu's last public speech on December 21, 1989, during which the crowds clearly turned against him, so the majority of Romania's population would have been well aware that political change was underway. Thus while Bulgaria and Romania lacked the mass bottom-up political mobilization seen in other Warsaw Pact countries, particular political events such as the resignation of the Communist party leadership and the democratic first election in Bulgaria and the televised public disapproval during Ceauceascu's speech on December 21 would have served to alert the majority of the population that regime change was underway.

The core republics of the Soviet Union, namely those which had communist regimes predating World War II (Russia, Ukraine, and Moldova), the regime change was a much more of a top-down process; although, Ukraine and Moldova both had nationalist protests. In Russia, in particular, the protests were weak, so the first few elections would be the main trigger and focal point for mass interest in politics. Ukraine, on the other hand, experienced a series of primarily nationalist protests leading up to the dissolution of the Soviet Union; the most sizable were protests on September 17, 1989, in Lviv demanding the legalization of the Ukrainian Catholic Church (approximately 200,000 people participated) and then the 300 mile-long human chain organized by Ruhk (the People's Movement of Ukraine) on January 21, 1990. The figures for the number of participants in the human chain vary widely but most likely a few hundred thousand participated. Moldovan nationalist protests were organized starting in 1988 by the Moldavian Democratic movement (later transformed into the Popular Front) under the inspiration of the nationalist movements in the Baltics. The largest protests appeared have

occurred in August 1989 when crowds of up to half a million (accounting for about 10 percent of the population) demanded that Moldovan be made the national language (Kaufman 1996).

The core theoretical principle underlying the founding elections explanation is the idea that voting behaviour progresses towards more "normal" patterns as democracy becomes routine. As shown already by several studies, aggregate turnout has declined in post-communist new democracies in keeping with the founding elections explanation (Kostadinova 2003; Kostadinova and Power 2007; Roussias 2012); while it may still be early to see, aggregate turnout should plateau at levels appropriate to the institutions in given countries. Empirically, the founding elections euphoria 'effect' at the aggregate level can be defined as a longitudinal decline in turnout that is unaccounted for by institutional changes. At the micro-level, we expect the normalization of turnout to be characterized by a turnout decline concentrated among people who have the least motivation and resources to vote and are thus most sensitive to the costs of voting and any decline in perceived benefits of voting; as the founding elections effect dissipates, the perceived benefits of voting decline relative to the costs of voting resulting in an increasing turnout gap between high and low status voters.

The elements of socioeconomic status (income, education, and social class) serve as proxies for political resources and engagement, which are gained through political socialization in the family and school environment in early adulthood. Verba *et al.* (1995: 358) find that income and education do not directly contribute to voting, except for when education helps expand knowledge of vocabulary. Rather than representing direct political resources, Verba and his colleagues find that socioeconomic status shapes the 'civic orientations or 'psychological engagement in politics' such as interest, political efficacy, and civic skills (Verba and Nie 1972; Verba, Schlozman, and Brady 1995). These 'civic orientations,' which predispose people to

vote, are acquired through political socialization in early adulthood both directly from the parents, who serve as role models, as well as through the inherited educational and social status (Verba, Schlozman, and Burns 2012). Better educated parents tend to provide a more intellectually vibrant home environment and thus they encourage their children to develop an interest in politics. Also better educated parents tend to value education and professional ambition, so they inspire their children to acquire university educations and prestigious jobs. Throughout their lives by virtue of their education and job environments, higher socioeconomic status individuals vote more because they are more likely to be socialized among individuals who are interested in politics and to remain imbedded in politically active social networks (Abrams, Iversen and Soskice 2010; Rolfe 2012). Education appears to be most closely associated with these mechanisms as it serves as a sorting mechanism that allows people to join politically active social networks, and it is through education that the next generation of voters become like their parents. Verba *et al.* (1995: 358) find that accounting for 'psychological engagement' in politics in a regression model with the determinants of voting effectively eliminates any effects of socioeconomic status. Political engagement as well as the social environment of politically engaged people allow for the easier acquisition of political information and help reduce sensitivity to the costs of voting. Several studies argue that the political engagement acquired through political socialization in early adulthood remains relatively fixed over the life time of an individual (Prior 2010; Neundorf, Smets, and Garcia-Albacete 2013), thus any contextual changes (i.e. in electoral system institutions) modify but do not fundamentally alter the attitudes and resources a person gained through early adulthood socialization

Socioeconomic bias, or a gap in voting participation between high and low socioeconomic groups, characterizes "normal" voting participation patterns in both established and new democracies with the exception of countries with compulsory voting (Gallego 2007/8; Gallego 2010). That individuals with a higher social status, measured by education, class, and income, participate more in politics than the disadvantaged is one of the most consistent research findings (Verba and Nie 1972; Verba, Nie, and Kim 1978; Brady *et al.* 1995; Wolfinger and Rosenstone 1980). Socioeconomic bias in political participation has been found to be especially strong in the United States; for a long time many have argued that in established democracies in Western Europe socioeconomic bias in voting participation is far weaker or even non-existent (Verba and Nie 1972: 340; Norris 2002; Topf 1995; See Gallego 2007/8 and 2010 for reviews of this literature), although recently, studies have found that socioeconomic bias in voting participation is not unique to the United States (Gallego 2007/8).

Cross-national and longitudinal comparisons show how certain political institutions which influence the ease of voting modify the 'base-line' level of turnout inequality determined by political socialization thereby explaining some variation in overall turnout and turnout inequality. Cross-nationally, turnout is high and socioeconomic bias among voters is smaller where voting is easier, specifically where voting is compulsory, ballots are simpler, voter registration is state-initiated, and fewer parties compete (Gallego 2010); basically where voting is easier, even uneducated and unmotivated voters vote. Electoral institutions, however, cannot explain much longitudinal variation as they rarely change. Several longitudinal studies on established democracies have found that a decline in mechanisms that foster an interest in politics such as party identification (Wattenberg 2002; Dalton and Wattenberg 2000) and efforts by parties to mobilize voters (Rosenstone and Hansen 1993) have been paired with increasing

socioeconomic bias in voting participation (Lyons and Alexander 2000; Dalton and Wattenberg 2000, 2002; Blais *et al.* 2004). These observations suggest that a weakening of mobilization mechanisms matters most for people with low socioeconomic status who are less likely to become interested in politics on their own. One would expect that the waning of the founding elections euphoria in post-communist new democracies would cause a similar increase in socioeconomic bias in turnout.

During the extraordinary times of the founding elections when populations are unusually mobilized, "normal" variation in voting participation along the lines of socioeconomic status should be suppressed. Individuals who normally would not be interested in politics, primarily the uneducated, will be mobilized to a similar degree as those voters who normally maintain an interest in politics. The high salience of the founding elections as well as the high hopes and expectations for the new democratic regime raise the perceived benefits and gratification of voting thus counteracting the costs of voting for low socioeconomic status voters. As the initial euphoria of the founding elections wanes, levels of interest in politics should return to more normal levels: high status individuals who under normal conditions are politically engaged will maintain their interest in politics and will continue to vote even if the perceived benefits of voting decline, but interest in politics and voting participation among the disadvantaged should drop with time to more "normal" levels.

A formal utility of voting function helps clarify the interaction between fading of the founding elections euphoria and political engagement across socioeconomic groups by emphasizing which elements of the utility function change over time and which remain fixed. The standard and familiar voting utility function provides the base (Downs 1957; Riker and Ordeshook 1968):

$$U(v) = pB - C + D \quad (1)$$

In this function, p is the probability that voting will matter, B is the perceived benefit of one party winning over another, C are the costs of voting, and D represents the more general perceived psychological rewards of voting. While the debate on the precise nature of these terms and on how well voter utility functions capture reality continues (Blais 2000; Dowding 2005; Fedderson 2004; Geys 2006), in this chapter the voter utility function serves simply as guide for the reader rather than any attempt to join this debate.

Next, rather than assuming that an individual's political resources (R_i) and level of motivation (M_i) are already factored into the costs (C) creating a cost specific to the individual (C_i), the two elements are separated to emphasize that costs of voting are understood as the product of macro-level institutions (voter registration rules, ballot type etc.) and are the same across individuals. The costs of voting are assumed to be greater than or equal to zero. Resources (R_i) and motivation (M_i) are understood to be the product of political socialization in early adulthood. These resources (especially cognitive resources) and motivation allow an individual to more easily gather political information. As the resource model of voting (Brady *et al.* 1995) indicates, these resources vary across socioeconomic groups (particularly defined by education) and are assumed to remain fixed over an individual's life time.

The euphoria effect (E) is understood as a function of time or experience of elections (t). With each passing election, voters re-adjust their expectations and learn that a democratic regime is not ideal. Initially over the first few elections people sustain their faith and trust in the political regime giving the new regime the benefit of the doubt but then the voters lose their trust and faith. To capture this delayed effect, euphoria is expressed as a downward sloping logistic function with an extra term for the delay (d):

$$E=1/(1+e^{(t-d)}) \quad (2)$$

The euphoria effect is assumed to primarily affect the perceived benefits and gratification of voting, whereas the costs of voting, which are determined by static institutions as well as the individual voter's inherent resources and motivation remain unaffected:

$$u(v) = E*(pB+D) + (R_i + M_i) - C \quad (3)$$

As the euphoria effect fades, the perceived benefits of voting decline relative to both the costs of voting and the individual voters' resources and motivation. We assume that the better educated a voter is, the higher the voter's resources and motivation, therefore the resources and motivation for university educated voters are greater than for those who finished high school, and the resources and motivation for high school graduates are greater than for people with little or no education. The difference between an individual's resources, motivation and costs of voting (R_i+M_i-C) represents a threshold at which point a person will stop voting if the benefits and gratification decline far enough because of the fading euphoria. People will only vote if u(v) is greater than zero so by extension, people will vote only if $E*(pB+D) > C-(R_i+M_i)$. The threshold for the uneducated is reached earlier than for the university educated, so as the founding election euphoria fades, uneducated voters drop out first.

Therefore if the founding elections explanation holds in post-communist countries, the following micro-level patterns will be apparent empirically:

H1*: The voting participation gap between socioeconomic groups increases with every passing election as turnout among the uneducated declines at a faster rate than among those with university degrees.*

Economic disillusionment

One of the difficulties in establishing whether the founding elections explanation holds is that the increasing socioeconomic bias in voting participation may not only be the result of the waning of the founding elections euphoria. The decline in voter turnout could in part be the result of disillusionment among the 'losers' in the economic transition. The same low socioeconomic status people who are most likely to lose interest in voting as the euphoria of the founding elections wanes, such as those with little education, farmers, and manual workers from heavy industries, were also the least prepared to compete in the new market economy and therefore most likely to experience disillusionment with the new political and economic system. Milanovic (1996, 1998) finds that in the first few years of the economic transition in Eastern Europe real per capita income for farmers declined, whereas those people possessing skills in demand in a service economy (accountancy, finance, foreign languages, computing) as well as entrepreneurs were successful. Bantelj and Mahutga (2010) find that sector dualism - the contraction of the agricultural sector relative to other parts of the economy - is the best predictor of income inequality in post-communist countries, reflecting growth in inequality between farmers and other workers across the region. Thus said, education rather than occupation is the by far strongest predictor of poverty in most post-communist countries: Milanovic (1996) finds that there are almost no poor among university graduates. Several studies find that since the collapse of communism the returns to education have significantly increased thus expanding the wage gap between university educated and those with only a secondary or primary education (Orazem and Vodopivec 1994; Rutkowski 1996b; Heyns 2005).

Based on the findings of the economic studies, we would expect that the characteristics of the economic 'winners' and 'losers' as identified above will be reflected by these groups' economic assessments:

> ***H2a:*** *People with university educations and in service or non-manual occupations should hold more positive assessments of the national and their own financial situations than the uneducated, manual workers and farmers.*

When it comes to determining the impact of economic factors on voting turnout, the general turnout literature is contradictory and fails to arrive at firm conclusions. Some studies find evidence that economic hardship encourages people to become politically involved to rectify the situation (Aguilar and Pacek 2000; Radcliff 1992; Schlozman and Verba 1979). Others suggest that poor economic conditions cause people to become disengaged (Caldeira, Patterson, and Markko 1985; Jesuit 2003; Radcliff 1992; Rosenstone 1982). Others yet argue that economic conditions have no effect on turnout (Arcelus and Meltzer 1975; Blais and Dobrzynska 1998 ; Fiorina 1978). Radcliff (1992) finds that the effect of economic conditions depends on the level of economic development and the extent of the welfare system: in developing countries where people are not protected from economic downturns, economic hardship has a mobilizing effect, whereas in developed countries with strong welfare systems, people can afford to withdraw from politics during difficult economic times. Predicting the direction of the effects of economic hardship in post-communist countries is further complicated given that these countries are middle income countries so they cannot be clearly classified as either developed or developing: Pacek *et al.* (2009) predict that poor economic conditions should depress turnout like in developed countries, whereas Kostadinova (2003) predicted the opposite.

The question of whether poor economic conditions during the transition have contributed to the decline in voting turnout in post-communist countries is still largely unanswered, and the existing literature on the topic is rather scant (Pacek *et al.* 2009: 475). White and McAllister (2004) show that, in Russia, labor force participation is the strongest predictor of civic engagement and voting participation: the unemployed are less likely to vote. Pacek (1994), also, concludes that the effect of economic adversity on turnout is withdrawal based on an analysis of aggregate interregional data for four countries (Bulgaria, the Czech Republic, Slovakia, and Poland). However, Kostadinova (2003) and Pacek *et al.* (2009) both use aggregate data and are unable to find any clear relationship between economic indicators and turnout.

While the voting literature is inconsistent on determining the effect of economic conditions on turnout, the literature on attitudes towards democracy in post-communist countries suggests that negative economic experiences could potentially depress turnout. Kleugel and Mason (2004) find that economic evaluations and perceptions of distributional fairness shape trust in the government and satisfaction with the political system. Neundorf (2010) finds that economic evaluations are positively linked to satisfaction with democracy especially among the Cold War generation. Finally Evans and Whitefield (1995) find a strong connection between support for the market economy and democracy implying that those who have done well in the market economy will also be more supportive of democratic elections. In so far as attitudes towards democracy can influence the decision whether to vote or not, it is likely that economic experiences do have an influence on turnout.

If economic disillusionment explains, even if only partially, the decline in voting participation in post-communist countries, we would expect to the see that some of the decline in turnout among people with low socioeconomic status is due to their experiences of economic hardship. In a more technical sense, negative economic experiences should explain some of the growing socioeconomic bias in turnout. Therefore:

> ***H2b**: Negative economic experiences among low socioeconomic status groups, which are least able to compete in the new market economy, should explain some of the increasing socioeconomic bias. In other words controlling for economic assessments should reduce the turnout gap between the least and most educated as well as the highest and lowest social classes.*

3.2 Data and Variable Measurement

The dataset used in this empirical analysis was created by pooling four different data sources: a collection of cross-sectional national stratified random sample surveys covering the period from 1991 to 2008 conducted as part of UK ESRC and EU Science Foundation funded projects awarded to Geoffrey Evans and Stephen Whitefield 1992-2009 (hereafter referred to as the EurEqual survey), the European Social Survey Rounds 1 through 4 (ESS), the Comparative Study of Electoral Systems Module 1 (CSES), and Waves 1 and 2 of the study "Consolidation of Democracy in Central and Eastern Europe" (CDCEE). The dataset covers 47 elections across 12 post-communist countries with at least 2 elections covered in each.[18] For each election in

[18] The database consists of the following legislative elections: Bulgaria (1991, 1997, 2005) Czech Republic (1992, 1996, 1998, 2002, 2006) Estonia (1992, 1995, 1999, 2003) Hungary (1998, 2002, 2006) Latvia (1995, 2006) Lithuania (1992, 1996, 2000, 2008) Moldova (1994, 2005) Poland (1993, 1997, 2001, 2005) Romania

each of the 12 countries at least 1,000 individuals were surveyed, so in total the entire dataset includes a sample size of 105,812 individuals (for a table with further information on data see Appendix A).

By merging several datasets, this study is able to cover micro-level trends in voting participation over several elections in each country. The analysis includes elections that occurred once the democratization process was underway.[19] Turnout is measured through reported participation in the last parliamentary election prior to any given survey. As the surveys are not actual election surveys, the gap between the actual election and the survey can extend up to 3 years, so a control variable for the time lag is included in the analysis to account for variation in levels of vote reporting. Finally to allow for cross-national comparability all the data is clustered according to election sequence. For example, all the first founding elections would be coded 1 regardless of the actual year of occurrence (i.e. Poland 1989 and Russia 1990). The dataset covers most of the elections between the second and sixth elections since the collapse of communism for all the countries in the study.[20] Also all the surveys for each country that occur in the same electoral cycle (i.e. all surveys done between the 1995 and 2001 elections for the Russian Duma used to cover the 1995 election) are clustered together as covering the previous election.

The key independent variables for the analysis are education level and social class. These measures capture two aspects of socioeconomic status that are crucial in this analysis: the effects of political socialization within socioeconomic groups and the ability to compete in

(1992, 1996, 2004, 2008) Russia (1995, 2001, 2003, 2007) Slovakia (1994, 1998, 2002, 2006) Ukraine (1994, 1998, 2002, 2006, 2007)

[19] I use past studies on turnout in post-communist countries as the standard in choosing which elections to classify as the first founding elections (Kostadinova and Power 2007; Pacek *et al*. 2009).

[20] Unfortunately owing to the lack of a sufficient number of countries being covered, I have been unable to include the first founding elections in the analysis.

the market economy based on education level and occupational skills. While income and education are key components of socioeconomic status they are not direct resources for voting participation (Verba *et al.* 1995); the power of socioeconomic status as a correlate of voting participation should really be attributed to psychological orientations[21] associated with class and social status (Verba and Nie 1972: 133-135; Verba *et al.* 1995). As the drastic structural economic changes in post-communist countries altered income distributions and the status of various professions as well as the returns on education (Milanovic 1998; Heyns 2005), the psychological orientations associated with class and education levels that shape voting participation should remain stable as they are the result of past socialization. Ideally in the analysis we would include all three measures of socioeconomic status(i.e. income, social class, and education level), however given the poor quality of the income data, only the latter two measures are included.[22] Education is measured as a three category variable: 1 –Primary 2 – Secondary and 3 –Tertiary, and social class is measured as a binary variable 1-Non-Manual/Service and 0 -Manual workers and farmers.[23] Other determinants of turnout such as marital status, gender, party identification and so forth are not included in the analysis so as to not disaggregate the full extent of the socioeconomic bias in voting participation.

The education and class measures also designate the particular social groups that won or lost in the economic transitions. The winners may include professionals (lawyers, accountants and entrepreneurs), while the losers may include manual workers, farmers and individuals with low education levels (Milanovic 1998). As Tucker *et al.* (2002) note, identifying the winners

[21] The psychological orientations that Verba identifies are: interest in politics, political efficacy, information about politics and a sense of contribution to the community (Verba and Nie 1972)
[22] In several of the surveys used to create the dataset, the income measure has a high number missing cases.
[23] The social class variable only contains two categories since it was not possible to create a more detailed measure of social class that would be consistent across all the different surveys included in the dataset.

and losers simply by their social characteristics is unlikely to be accurate therefore economic assessments[24] are a sounder measure of winner/loser status. The regression analysis includes both social characteristics and economic assessments in order to differentiate between general psychological orientations towards voting participation associated with socio-economic status and disengagement fuelled specifically by winner/loser status in the economic transition.

In addition to the socioeconomic status, measures for cohorts and age are included to account for generation and life-cycle effects in voting participation.[25] Following Neundorf (2010), in Eastern Europe respondents are classified into three generations: the pre-Cold War (born in 1930 or earlier), Cold War (born in 1931 to 1974) and the post-Cold War (born 1975 or later). For the three founding republics of the Former Soviet Union, I use Mishler and Rose's (2007) coding: the pre-Cold War generation (born before 1945), the Cold War generation (born between 1945 and 1965), and the post-Cold War generation (born 1965 onwards). Age is measured through reported age. Generally as people age they participate more in politics.

[24] Economic assessments are measured as a three point scale: 1- economic conditions are worse, 2 the same, and 3 –better, though for easier interpretation of results, the three point scale has been recoded to a binary variable for negative economic experiences (1 –the economic situation is worse and 0 –the same or better). The three point scale combines both retrospective and prospective *sociotropic* assessments and both retrospective and prospective *pocketbook* assessments. The four surveys combined in the dataset do not all include all of the four combinations of economic assessments (see Table A.1 in Appendix). However factor analysis conducted within each survey suggests that sociotropic and pocketbook assessments in both prospective and retrospective variants can be combined. The EurEqual survey contains all four variants, all of which load on to one factor suggesting that the four types of economic assessments indeed capture one latent variable. The alpha for the combined measure in the EurEqual surveys is .73 which is perfectly acceptable. The CDCEE survey also contains all four variants and again all four items load onto one factor with an alpha of .78. The ESS survey only contains sociotropic and pocketbook assessments in the present, and the two items likewise load onto one factor with an alpha of .40. The CSES only includes sociotropic assessments which load onto one factor with an alpha of .68. Finally factor analysis for the three surveys that include sociotropic and pocketbook assessments shows that both load onto one factor and have a high alpha of .71. Neundorf (2010) also uses a measure of economic assessments that combines all four variants of economic assessments and finds the combined measure to be robust.

[25] To estimate separate generation and life cycle effects the three essential elements are included in the models: age, cohort and period effects (represented by the election sequence variable). To avoid the problem of collinearity (Glenn 2005; Neundorf 2010), cohorts are treated as dummy variables whereas age is treated as linear. Including all three elements allows for separation of life-cycle and generational effects from each other. By pooling several surveys and thus being able to cover several elections within each country, I am able include all three effects.

In order to estimate the longitudinal patterns in voting participation among various socioeconomic groups, I use a logit model with election sequence effects and interactions between the measures of socioeconomic status and election sequence. The basic model with the interactions is shown below:

$$Y_{Turnout} = \beta_0 + \beta_1 X_{Election} + \beta_2 X_{SES} + \beta_3 X_{Election} * X_{SES} + \beta_4 X_{Age} + \beta_5 X_{PreColdWar} + \beta_6 X_{PostColdWar} + \beta_7 X_{SurveyDummies} + \beta_8 X_{CountryDummies}$$

If indeed the low socioeconomic status groups are dropping out of the electorate at a faster rate than the advantaged voters as the founding elections hypothesis predicts, the socioeconomic bias in voting participation should increase with time. Therefore, I would expect the coefficient for the interaction term between socioeconomic status and election sequence to be positive and statistically significant. When testing for the increase in socioeconomic bias, I test separately for increasing class and education bias and I do not include the both socioeconomic status measures in the same model as they are treated as interchangeable measures of socioeconomic status.[26] Verba and Nie (1972: 125) also consider the different measures of socioeconomic status as interchangeable in so far as they all serve as indicators of overall social status. Differentiating between the two measures is more important when examining the specific resources for various political acts, but not so much for identifying the effects of socialization across socioeconomic groups (see Verba *et al.* 1995 and Brady *et al.* 1995 for further explanations).

[26] Model testing for increasing education bias: $Y_{Turnout} = \beta_0 + \beta_1 X_{Election} + \beta_2 X_{Education} + \beta_3 X_{Election} * X_{Education} + \beta_4 X_{Age} + \beta_5 X_{PreColdWar} + \beta_6 X_{POstColdWar} + \beta_7 X_{SurveyDummies} + \beta_8 X_{CountryDummies}$
Model testing for increasing class bias: $Y_{Turnout} = \beta_0 + \beta_1 X_{Election} + \beta_2 X_{Class} + \beta_3 X_{Election} * X_{Class} + \beta_4 X_{Age} + \beta_5 X_{PreColdWar} + \beta_6 X_{POstColdWar} + \beta_7 X_{SurveyDummies} + \beta_8 X_{CountryDummies}$

To test for the presence of economic disillusionment, a three-way interaction between election sequence, socioeconomic status and economic assessments is introduced. The three-way interaction is also accompanied by interactions between all the constitutive terms in order to avoid omitted variable bias through the under-specification of the model.[27]The following illustrates the model structure with the three-way interaction:

$$Y_{Turnout} = \beta_0 + \beta_1 X_{Election} + \beta_2 X_{SES} + \beta_3 X_{EconomicAssess} + \beta_4 X_{Election} * X_{SES} * X_{EconomicAssess}$$

$$+ \beta_5 X_{Election} * X_{SES} + \beta_6 X_{Election} * X_{EconomicAssess} + \beta_7 X_{SES} * X_{EconomicAssess} + \beta_8 X_{Age}$$

$$+ \beta_9 X_{PreColdWar} + \beta_{10} X_{PostColdWar} + \beta_{11} X_{SurveyDummies} + \beta_{12} X_{CountryDummies}$$

The ability of economic assessments to explain the growing gap in voting participation between advantaged and disadvantaged citizens, will be assessed by comparing marginal effects of socioeconomic status over time as explained in the next section.

Finally, it is important to note that the individual level data is clustered within countries and surveys. While the focus on this chapter is on micro-level dynamics, turnout varies across countries and also, different surveys may vary in their estimation of turnout. To account for the cross-national variation in turnout, I include country fixed effects in the form of country dummies. I include fixed rather than random effects since for the purposes of this chapter it is not necessary to distinguish between the different macro-level determinants of turnout, so all the non-dynamic factors which account for the cross-national variation are captured by the country fixed effects. The survey effects are treated in the same way.

[27] For full discussion of the need to include interactions between all constitutive terms see Brambor *et al.* (2006).

3.3 Results

Before looking at the findings of the multivariate analysis, it is useful to the look at the data descriptively. A glance at Figures 2 and 3 with the raw percentages of respondents who have reported that they voted in the last parliamentary election clearly shows that voting participation declined across all social groups though most so among the uneducated, manual workers, and farmers. The figures show that even university educated, service and non-manual workers, who are the most active politically, lost interest in voting after the initial excitement of the first democratic elections. In the second election, 84 percent of the university educated voted, but by the sixth election only 74 percent did. While voting participation of 74 percent is still high, the size of the drop in voting participation since the second election would indicate that one in eight active and educated voters dropped out of the electorate. Figure 4 shows that professionals and non-manual workers lost interest in voting to a similar degree.

The loss of interest in voting among the uneducated, manual workers, and farmers was far more dramatic. In the second election, uneducated people participated in the elections with almost as much eagerness as the university educated at 81 percent turnout, however by the sixth election, only 58 percent of the uneducated voted, which means that almost a third of uneducated voters dropped out of the electorate by the sixth election. The decline in turnout among the manual workers and farmers was greater than among the professionals, a 16 percent decline among the former compared to a 13 percent decline among the latter, however the difference between the classes is not as marked probably owing to the crudeness of the measure for social class. The uneven rate of decline in voting participation across socioeconomic groups means that by the sixth election the different socioeconomic groups were quite unequally represented in the electorate. In the second election, the least educated even exceeded people with secondary

educations in their voting participation; the difference in turnout between the uneducated and the university educated was an almost negligible 3 percent, however by the sixth election this gap has grown to 16 percent. Again, probably because of measurement error, the growth in turnout inequality between social classes is smaller: in the second election the difference in turnout between the classes was 4 percent and in the sixth election is increased to 6 percent. The greater decline in turnout among the uneducated, manual workers and farmers relative to the more advantaged resulting in turnout inequality across these social groups fits well with the founding elections hypothesis. As the euphoria of the first democratic elections waned, the initial interest in the opportunity to vote ebbed across all citizens, but particularly among the uneducated and lower social classes which in established democracies generally show a lower level of interest in politics. The reported turnout across education groups and classes quite clearly shows a progression towards the more "normal" patterns of voting participation seen in established democracies, which are characterized by turnout inequality whereby the advantaged citizens are far more likely to vote than the disadvantaged (Gallego 2007, 2010).

Figure 3.2 : Reported Turnout by Social Class from 2nd to 6th Election (Percentage of All Respondents)

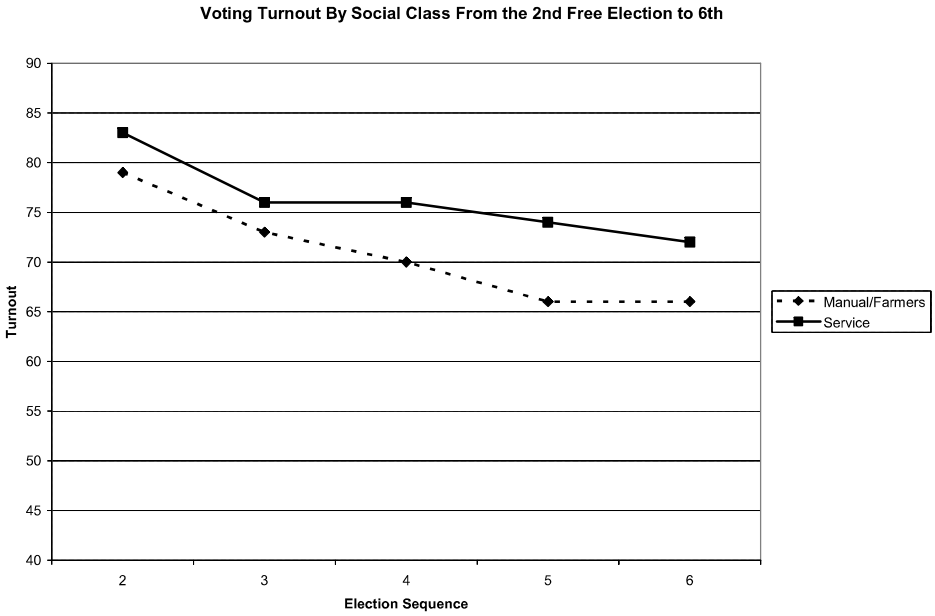
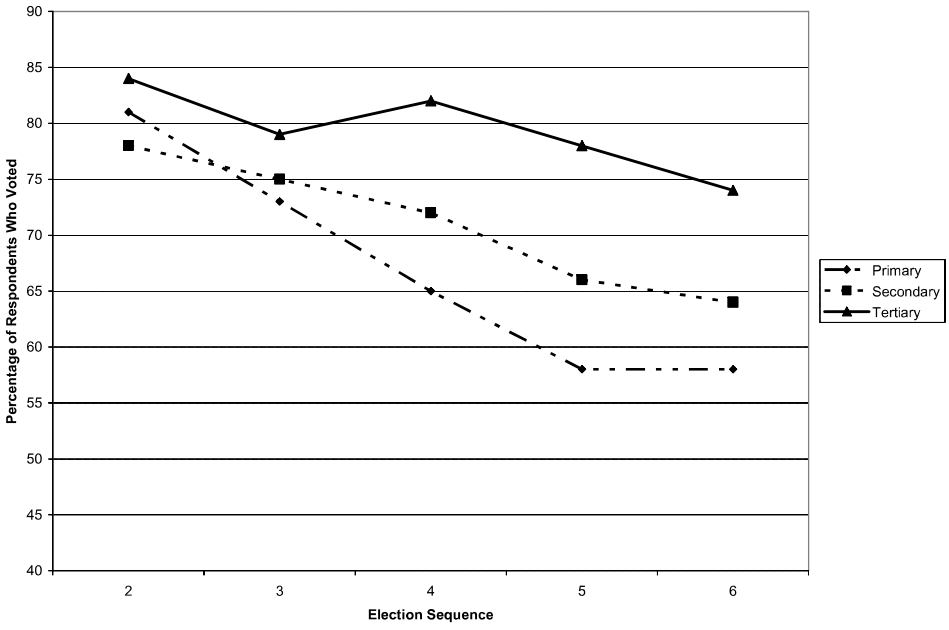


Figure 3.3 Reported Turnout by Education from 2nd to 6th Election



Though the patterns of increasing turnout inequality predicted by the founding elections hypothesis are quite clearly shown in the raw percentages of reported turnout, we still need to

confirm that the pattern seen in the descriptive statistics will hold even if variation across countries and several different surveys is accounted for. As I will show in the following discussion of the multiple regression analysis, turnout has declined to a greater degree among the disadvantaged than advantaged citizens, and as a result, turnout inequality between the two has significantly increased. In order to test the hypotheses I estimate a logit model which predicts the probability of having voted in the last parliamentary election while accounting for country and survey effects as well as the ages and generations of the respondents. To simplify the models, the relationship between turnout and election sequence is assumed to be linear, so the election sequence is represented by a single variable rather than dummies for each election. The base model, shown first in Table 1, confirms that the overall decline in turnout following the founding elections is sufficiently strong to hold even when country and survey effects are controlled for: the coefficient for election sequence is negative and strongly statistically significant. Models 2 and 5 provide an initial test of *the founding elections hypothesis (H1a and H1b)* by examining whether a pattern of growing turnout inequality seen in the descriptive statistics holds even when country and survey effects are accounted for. As explained in the previous section of the chapter, an interaction term between election sequence and each of the measures for socioeconomic status is included in the model in order to test whether the gap in voting participation between advantaged and disadvantaged citizens has increased. The multivariate results shown in the table clearly support the founding elections hypothesis: the interaction terms between election sequence and education and social class are positive and statistically significant indicating that with each passing election the participation gap has grown as the disadvantaged lost interest voting at a faster rate than their more advantaged peers. To illustrate, Figures 3.4 and 3.5 show the predicted probabilities of voting for each education

group and social class over the election sequence. The divergence in voting participation between the socioeconomic groups is clearly visible. In the second election, the university educated were only 5 percent more likely to vote than those with a primary school education, but in the sixth election, this gap grew to 26 percent. When using social class as a measure of socioeconomic status, the gap between professionals and manual workers and farmers grew from 2 percent to 8 percent. Furthermore a comparison of the Bayesian Information Criterions shows that the strength of the models is greatly improved with the addition of the interaction term that accounts for the growing turnout inequality between socioeconomic groups.[28] The strong model fit further confirms the substantive significance of the faster rate of political disengagement among the disadvantaged relative to the advantaged groups in the electorate in post-communist new democracies.

[28] The addition of the interaction term between the measures of socioeconomic status and election sequence reduces Bayesian Information Criterion (BIC) by 157 for Model 3 with education and by 38 for Model 6 with class. The guidelines for assessing model fit using the BIC given in Long (1997: 112) indicate that a reduction of 10 points or more in the BIC indicates very strong improvement in model fit.

Table 3.1 Turnout inequality across socioeconomic (Education and class) groups

	Education as Measure of Socioeconomic Status				Class as Measure of Socioeconomic Status		
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Election	-0.184***	-0.378***	-0.392***	-0.418***	-0.224***	-0.242***	-0.253***
	(0.009)	(0.017)	(0.017)	(0.027)	(0.010)	(0.011)	(0.015)
Socioeconomic status		-0.008	-0.026	0.002	0.121*	0.085	0.003
		(0.036)	(0.036)	(0.059)	(0.049)	(0.050)	(0.083)
SESXElection		0.104***	0.104***	0.113***	0.074***	0.079***	0.100***
		(0.008)	(0.008)	(0.013)	(0.011)	(0.011)	(0.019)
Age	0.023***	0.026***	0.026***	0.026***	0.019***	0.020***	0.020***
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Post-Cold War	-0.594***	-0.545***	-0.538***	-0.536***	-0.454***	-0.450***	-0.450***
	(0.025)	(0.025)	(0.026)	(0.026)	(0.027)	(0.027)	(0.027)
Pre-Cold War	-0.572***	-0.489***	-0.483***	-0.483***	-0.376***	-0.376***	-0.376***
	(0.029)	(0.029)	(0.030)	(0.030)	(0.030)	(0.031)	(0.031)
Years from last election	0.020**	0.018*	0.018*	0.019*	0.034***	0.035***	0.035***
	(0.007)	(0.007)	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)
Negative Economic Assessments			-0.223***	-0.182		-0.250***	-0.298***
			(0.016)	(0.146)		(0.017)	(0.072)
NegEconAssesXElection				0.037			0.015
				(0.033)			(0.016)
NegEconEvalXSES				-0.059			0.112
				(0.074)			(0.104)
SESXElectionXNegEconAssess				-0.012			-0.033
				(0.016)			(0.023)
Country Dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Survey Dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Constant	1.029***	0.965***	1.138***	1.120***	1.216***	1.379***	1.413***
	(0.055)	(0.087)	(0.089)	(0.129)	(0.062)	(0.064)	(0.080)
N	101936	101683	99416	99416	93327	91578	91578
BIC	114302.8	112269.2	109216.2	109225.8	102509.4	99970.08	100001.5

Though the results of the initial multivariate analysis show support for *the founding elections hypothesis*, the possibility exists that the uneducated, non-manual workers, and farmers dropped out of the electorate at a faster rate not because they were less inclined to be interested in politics in the absence of some mobilizing factor such as the founding elections euphoria, but because their economic vulnerability caused them to be disillusioned not only with the new market economy, but also with democratic elections. As explained in the earlier discussion of *the economic disillusionment hypothesis*, economic studies have shown that people lacking a university or professional education as well as farmers or low level industrial workers were at a significant disadvantage in the new market economy both in terms of earning power and the ability to find employment (Milanovic 1995, 1998; Bandelj and Mahutga 2010; Orazem and Vopopivec 1994; Rutkowski 1996c; Heyns 2005). We would therefore expect these groups to be more pessimistic about their own and the national economic situation (see *Hypothesis H2a*). Figures 3.6 and 3.7 shows the proportions of respondents across education groups and social class over time who expressed negative economic assessments. As expected, a greater proportion of uneducated people expressed negative assessments than of people with secondary or university educations. Though the proportion of economic pessimists across all education levels rose since the fourth election, people without university education have been consistently more pessimistic across the entire time period considered in the analysis reflecting their difficulty in competing for well paid jobs in the new economy. A similar pattern is visible in economic assessments across social classes: manual workers and farmers have been consistently more pessimistic than professionals and other highly skilled workers. Therefore, the descriptive analysis shows that economic assessments across social groups are consistent with the findings of economic studies on the relative success of these groups in the new market economy.

Figure 3.4 Predicted probability of voting by education level from 2nd to 6th election

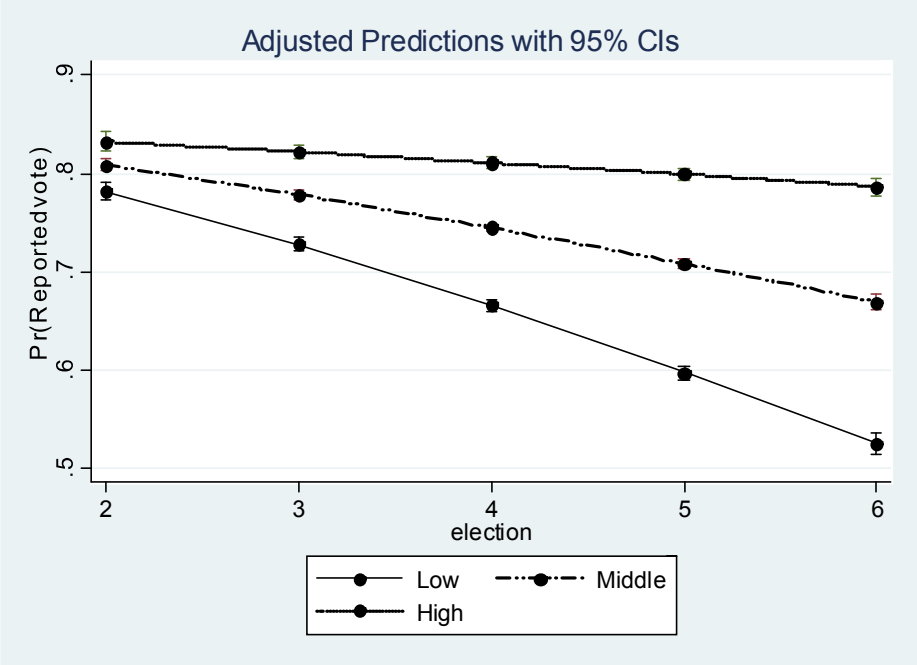
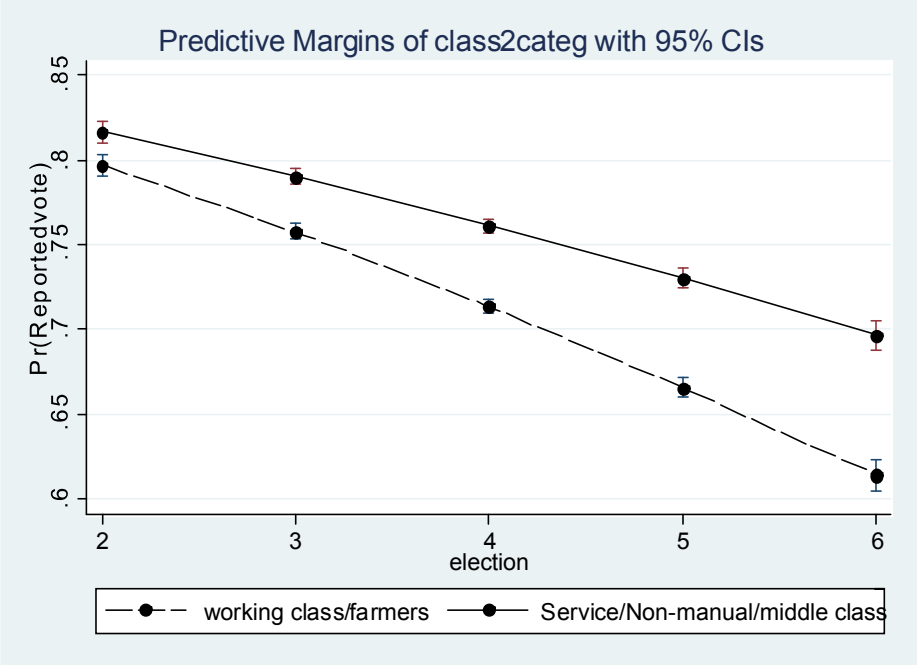


Figure 3.5 Predicted probability of voting by social class



If the *economic disillusionment model* is correct, then we would expect that economic pessimism can explain at least partially the faster rate of political disengagement among the

uneducated and lower social classes (see *Hypothesis H2b*). In order to test this hypothesis, one first needs to see how economic assessments affect the probability of voting. As discussed earlier, the existing literature has not come to a firm conclusion on whether the perception of economic malaise should have a mobilizing or disengaging effect on voters (Radcliff 1992). Therefore we first want to determine the direction of the main effect for negative economic assessments by adding them in Models 3 and 6, and indeed economic pessimism discourages voting as the negative sign on the coefficient indicates. Overall, people who believed that the economic situation had gotten worse were 4 percent less likely to vote than people who believed that the economic situation remained the same or improved.[29]

Next, in order to determine whether negative economic assessments explain the faster rate of disengagement among the uneducated, manual workers, and farmers, I create a triple interaction between election sequence, each of the measures of socioeconomic status, and negative economic assessments in Models 4 and 7. If economic pessimism can explain some of the increasing disengagement among low socioeconomic status groups, we would expect the growth in turnout inequality to be reduced once negative economic evaluations are accounted for. To put it another way, if the greater proportion of economic losers among uneducated, manual workers and farmers, is accounted for, we would expect the growth in the participation gap between the advantaged and disadvantaged to be much smaller. To facilitate the interpretation of the triple interaction, the simplest approach is to examine marginal effects of education and class across time while accounting for economic assessments. We can treat the marginal effects of education or class as a measure of turnout inequality between education groups and social classes respectively. Marginal effects are the derivative of education or class, which means they show

[29] Estimate based on predicted probabilities calculated from Models 3 and 6. All the covariates were held at the mean, with only economic assessments varying.

how much the dependent variable, the probability of voting, changes if the independent variables, in this case education or class, change by one unit. Therefore, looking at Figure 8, a one unit change in education, in other words a person with a secondary education compared to someone with just a primary school education, would be about 2 percent more likely to vote in the second election. In the sixth election, on the other hand, a person with a secondary school education would be 14% more likely to vote than the least educated person. So we can see how marginal effects are a way of measuring turnout inequality.

Figure 3.6 Percentage of economics losers across education groups

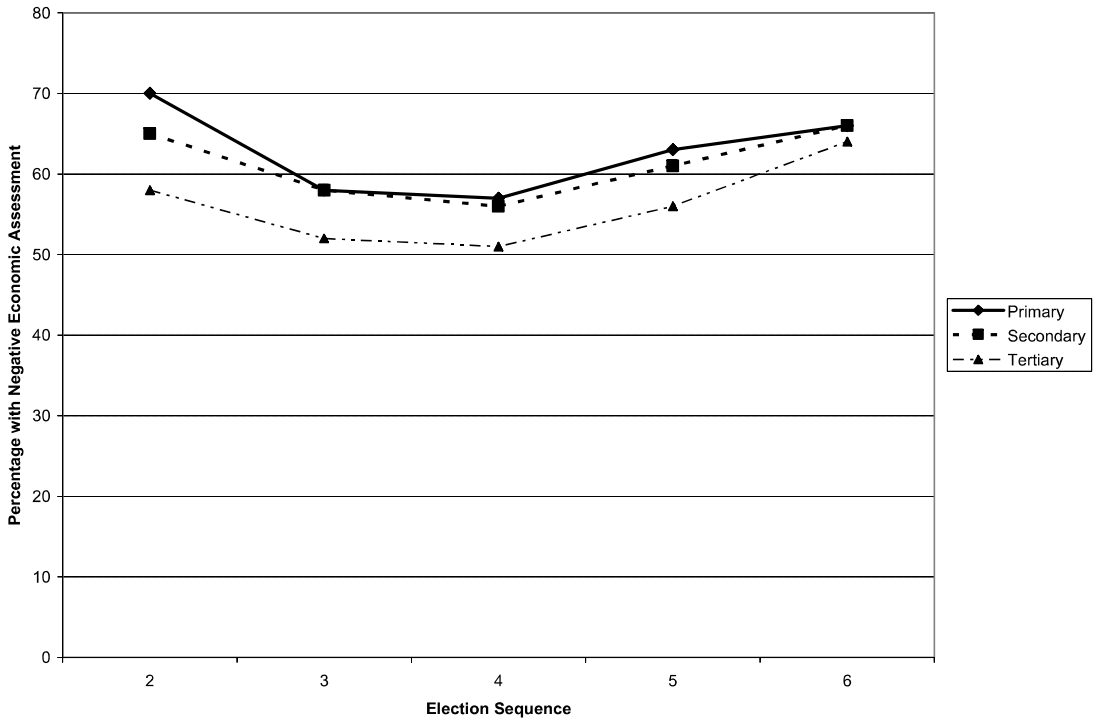
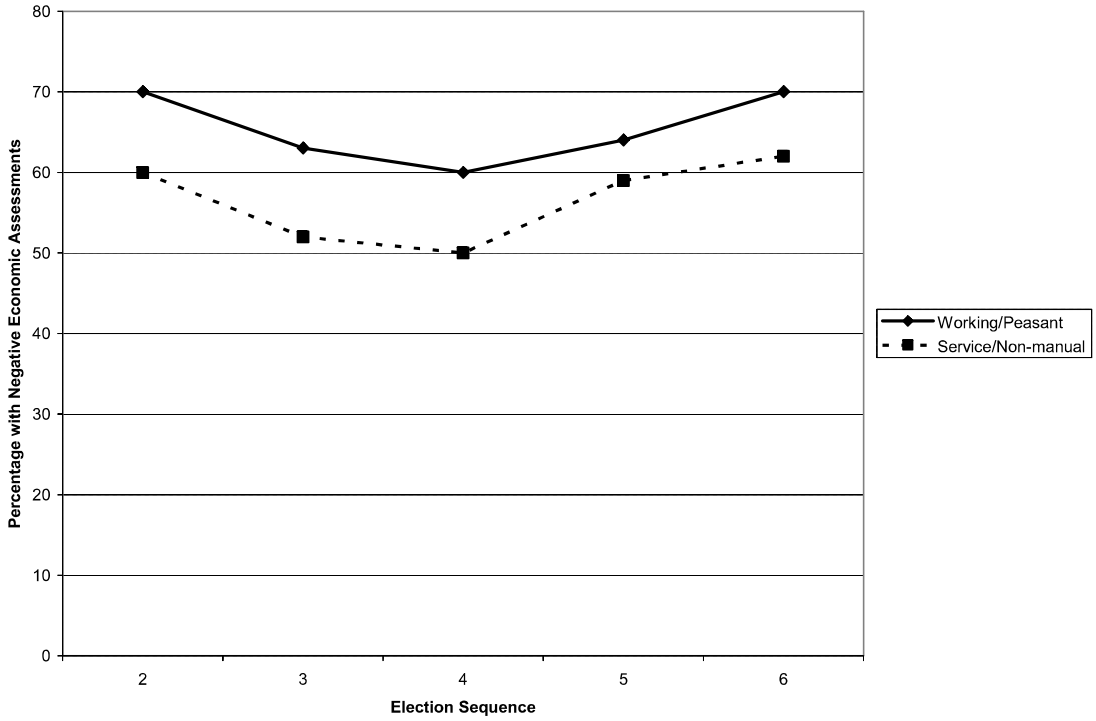


Figure 3.7 Economic losers across social classes



If *the economic disillusionment model* is correct, then we would expect marginal effects of education and class, in other words turnout inequality, to be smaller among the economic winners than among the economic losers. Figures 8 and 9 compare extent of the growth in marginal effects of education and class across economic losers and winners. Contrary to the predications of the economic disengagement model, the figures show that marginal effects are actually minimally smaller among respondents with pessimistic economic evaluations than those with positive or neutral economic evaluations. If economic disillusionment did explain part of the gap in voting participation between the advantaged, then we would have expected the voting participation gap to be much smaller for those who believed the economic situation had remained the same or improved. The key point though is that the rate of political disengagement among the uneducated, manual workers, and farmers does not depend on economic assessments. The rate of

turnout decline is 24 percent for the uneducated and about 18 percent for manual workers and farmers and these rates are the same for economic winners and losers within these groups.[30] Not only are the marginal effects for economic winners very slightly greater than for the losers, contradicting the economic disillusionment model, but also the confidence intervals of the marginal effects overlap indicating that the difference in marginal effects between economic winners and losers is negligible. To further emphasize the inability of economic assessments to account for the patterns in voting participation, the model fit does not improve significantly by the addition of the measure for economic assessments and the triple interaction as a comparison of the Bayesian Information Criterions shows. To summarize, the findings show that the relative economic success of socioeconomic groups does not explain the inequality in turnout, disconfirming *the economic disillusionment model*. These findings serve to emphasize the importance of the interaction between different socializations of socioeconomic groups and political processes such as the euphoria of the founding elections that can counteract the natural tendency of the disadvantaged to lack in interest voting.

[30] Estimates of decline based on predicted probabilities calculated using Models 4 and 7. For those with a primary education who expressed negative economic assessments the probability of voting was: .75 in the second election and .52 in the sixth. For people with a primary school education, and positive or neutral economic assessments, the probability of voting in the second election was .78 and .54 in the sixth. For manual workers and farmers with negative economic assessments the probability of voting in the second election was .77 and .58 in the sixth. For the same group but with positive or neutral economic assessments, the probability of voting in the second election was .81 and .63 in the sixth election. All other covariates were held at the mean.

Figure 3.8 Marginal effects of education on the probability of voting for economic winners and losers (with 95% confidence intervals)

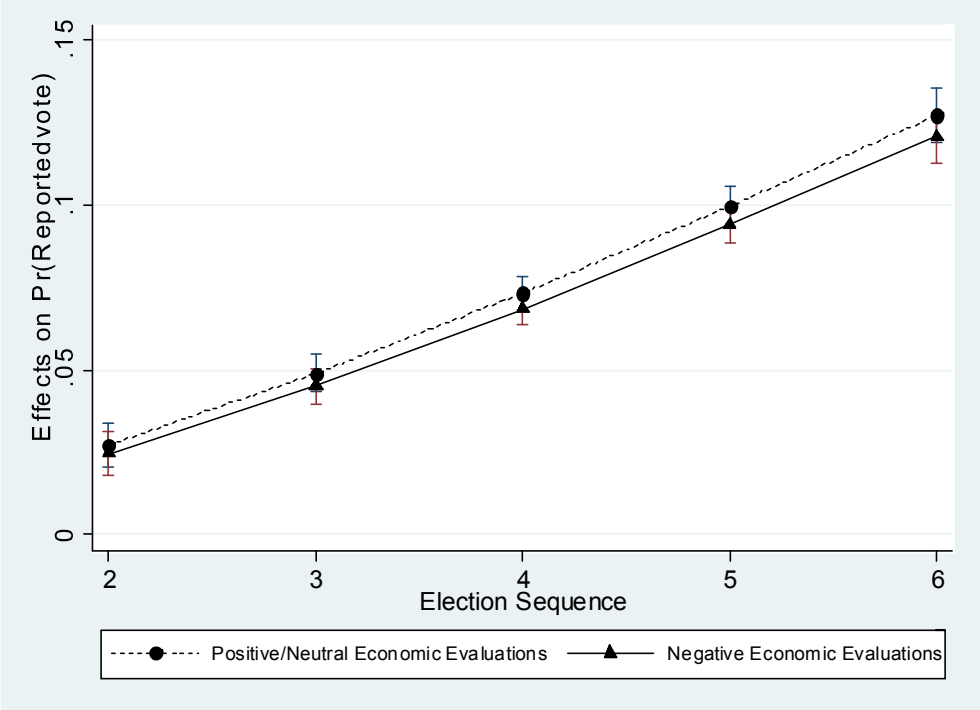
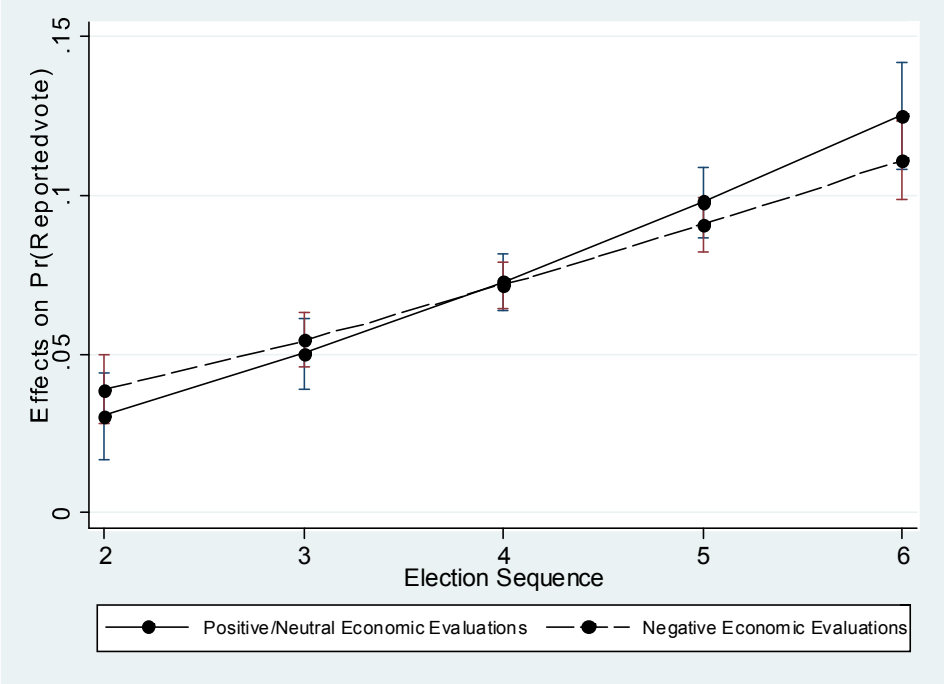


Figure 3.9 Marginal effect of social class on the probability of voting for economic winners and losers (with 95% confidence intervals)

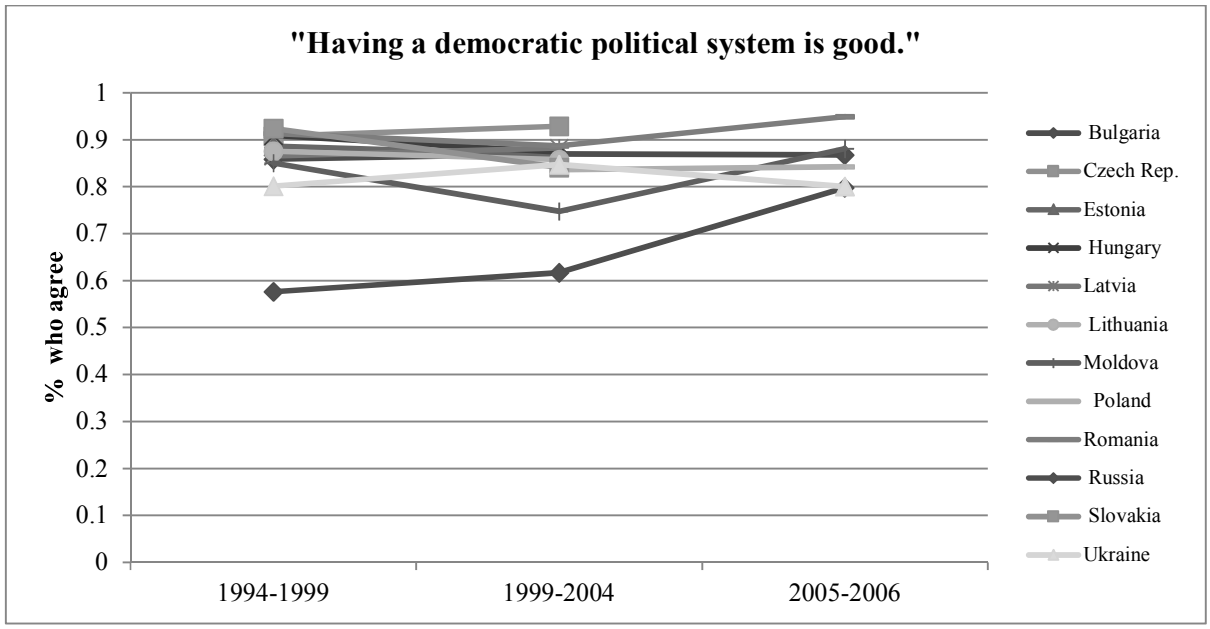


3.4 The political attitudes underlying euphoria

Thus far I have inferred the logic lying behind the patterns in voter turnout. So how does the inference that people stopped voting because of a loss of interest in politics and decline in the perceived benefits of voting match the survey evidence on political attitudes in Eastern Europe? What changes in people's attitudes may lie behind their ever declining willingness to vote? Unfortunately there is a dearth of useful survey data preceding 1989, but after 1989 it is possible to trace trends in political attitudes.[31] Overall, and perhaps surprisingly given the decline in turnout, support for democracy has remained high and steady, however there does appear to be a loss of interest in politics and disillusionment with the mechanisms of political representation. The World Values Survey provides the best consistent overtime coverage of political attitudes. Support for democracy has remained very high and steady from the early 1990s until the mid-2000s: in all the countries with the exception of Russia the vast majority of the population (more than 70 percent) agree that a democratic political system is good as show in Figure 3.10. Even in Russia were only 60 percent agreed with this statement, support for democracy has gone up.

[31] I have selected the variables which have most coverage over time (preferably at least three time points) in order to best judge trends.

Figure 3.10: Support for democracy over time in twelve Eastern European countries[32]

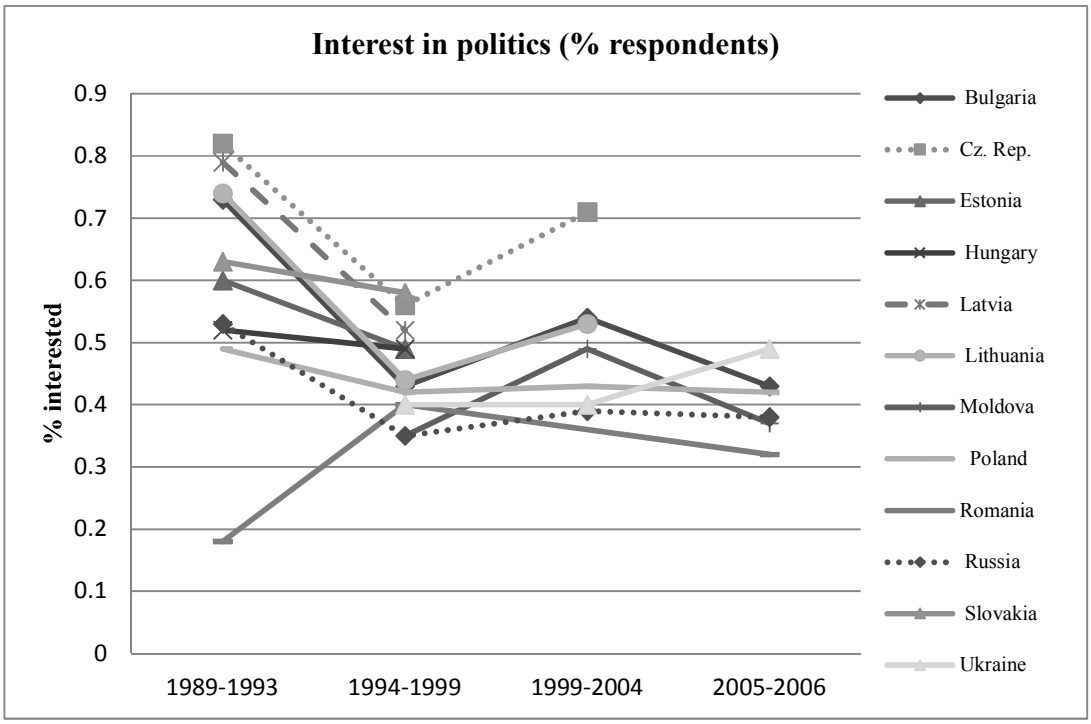


Despite the positive support for democracy, there is a very clear loss of interest in politics and growing disillusionment with the system of representation. In the majority of the Eastern European countries interest in politics has declined steadily since the first democratic election as shown in Figure 3.11. The decline in interest in politics fits well with the euphoria explanation, which suggests that as elections become normal and routine, they cease to be viewed as

[32] Simple percentages of respondents in three waves of the World Values Survey who responded positively to the question "I'm going to describe various types of political systems and ask what you think about each as a way of governing this country. For each one, would you say it is a very good, fairly good, fairly bad or very bad way of governing this country? (E117)" Answers on scale from 1 (very bad) to 4 (very good). Percentages shown in figure are respondents who answered "Good (3)" or "Very Good (4)."

particularly exciting events and an opportunity to shape political outcomes in an as significant manner.

Figure 3.11: Interest in politics in Eastern Europe over time[33]

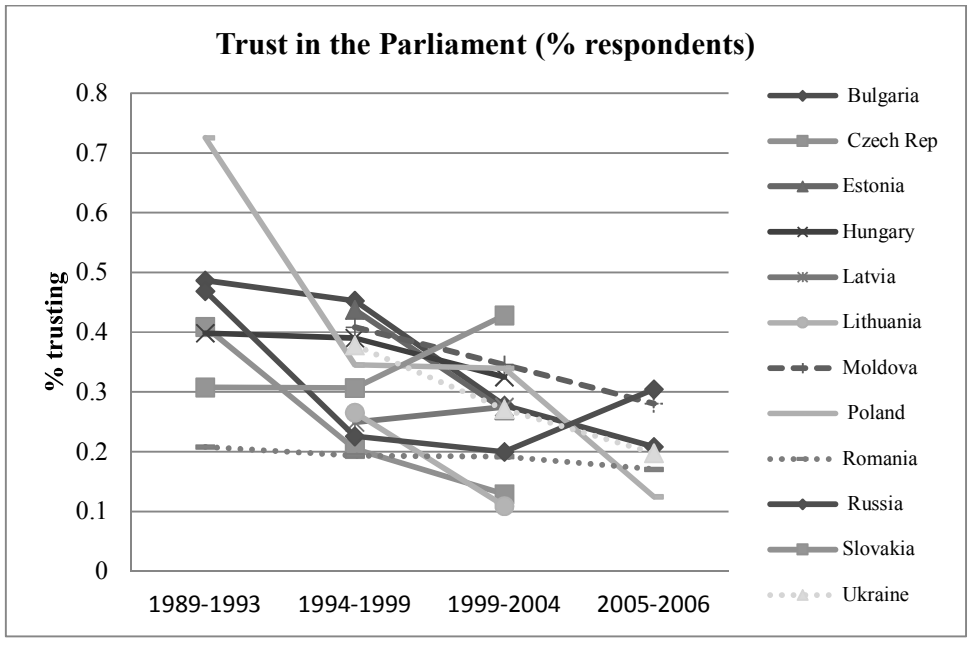


However, the decline in turnout may be linked to more than just a loss in interest. As Catterberg and Moreno (2006) have noted, trust in legislatures in Eastern Europe has steadily and quite sharply declined (see Figure 3.12). Other forms of political trust, such as trust in the civil service, have also declined (Catterberg and Moreno 2006). The initially high levels of political trust could be interpreted as reflecting the high, and possibly naïve, hopes people had for the new democratic regimes; as time went by people learned that the new institutions of representation are not as effective as people hoped. If compared to established democracies, people in post-

[33] The figure shows the percentage of respondents who answered positively ("very interested" or "somewhat interested") to the question "How interested would you say you are in politics?" Answers are on a scale from 1 to 4.

Communist new democracies in the early 1990s, particularly in the former Soviet Union, had much higher trust in the parliament. In several Eastern European counties, the percentage of people trusting their parliament exceeded 70 percent, whereas on average in established democracies less than half of the people would trust their parliament. Also, in established democracies levels of trust in the parliaments remained very stable, unlike in post-Communist countries drops to half of the initial levels (Catterberg and Moreno 2006). If we considered, the levels of political trust in established democracies to be 'normal' for democracies, then clearly in the first few years following the collapse of communism, people in Eastern Europe had some overly optimistic and 'abnormal' levels of political trust. According this interpretation, the decline in political trust in Eastern Europe was not a necessarily negative process but a progression to more normal expectations of democratic political representation.

Figure 3.12: Trust in the parliament in Eastern Europe over time[34]



[34] The figure shows the percentage of respondents who answered positively ("Have a great deal" or "quite a lot") to the question "I am going to name a number of organisations. For each one, could you tell me how much confidence you have in them: is it a great deal of confidence, quite a lot of confidence, not very much confidence or none at all?" Answers are on a scale of 1 to 4.

3.5 Euphoria or just the effects of end of compulsory voting?

The euphoria explanation for the decline in turnout in post-Communist Eastern Europe is the main explanation supported by the literature on the topic (Kostadinova 2003; Kostadinova and Power 2007), however there may be a far simpler explanation for the decline in turnout in these countries: the end of the de-facto compulsory voting requirement under communism.[35] An analysis of turnout trends across cohorts in Eastern Europe lends some support to both explanations, although on balance more so towards the euphoria explanation. We do see some evidence that the people socialized when the communist regimes pressured everyone to vote do have slightly higher turnout than the other cohorts. On the other hand in support of the euphoria explanation, the largest gap in turnout is between the post-transition cohort and all the older cohorts rather than between those cohorts which did and did not experience compulsory voting, and secondly, turnout declines within cohorts as well indicating that some factor has changed the behaviour even of the older voters. Most likely in truth both the euphoria and compulsory voting effects have contributed to the decline in turnout – in other words the higher turnout that we see among older cohorts probably combines the effects of the excitement and mobilization surrounding the regime changes and the founding elections as well as the effect of compulsory voting. Furthermore, the analysis in this section (see Figure 3.13) seems to suggest that much of the turnout decline occurred through the mechanism of generational replacement (not just through

[35] I use the qualification "de-facto" as not all the communist countries had an explicitly stated legal requirement to vote. Rather people understood that they are expected to vote; they were targeted by a very powerful voter mobilization campaign (in several countries one 'agitator' was assigned for every 15-20 people and this agitator was then required to record each person's vote), and finally people were aware of the variety of informal sanctions which could be used against non-voters (Zaslavsky and Brym 1978).

behavioural change among older cohorts). Although, again, this conclusion is not definitive as the relative size of the cohorts has not been taken into consideration.[36] In conclusion, the analysis in this section does not give a definitive answer in favour of either explanation, so we have to accept that there is some ambiguity about the euphoria explanation.

For simplicity, I call voting under communism compulsory, however the reality was a bit more complex. Voting under communism regimes was not required according to any explicit legal stated requirement unlike in democracies with compulsory voting where some law explicitly states that citizens must vote and may explicitly specify legal sanctions for non-voting (Birch 2009; Furtak 1990). Voting under communism had a specific and rather important function: the legitimation of the communist regime (Sakwa 2012: 138) or, counter-intuitively as some argue, the demonstration of the mass acceptance of the regime as it actually is (e.g. a fictitious democracy) (Zaslavsky and Brym 1978). Either way, to fulfil these functions, voting had to have the semblance of a voluntary action or, even more likely, of a submission to the system. The communist regimes achieved the incredible turnout figures generally not through outright falsification but thanks to the incredibly powerful mobilization campaigns (Furtak 1990: 36-38; Zaslavsky and Brym 1978; Birch 2009). The regimes would nominate 'agitators' who were responsible for cajoling voters into showing up to vote; in the Soviet Union there was one agitator

[36] Some rough analysis I have done would suggest that actually the youngest post-transition cohort may not have contributed as much as expected to the turnout decline through generational replacement; so turnout decline may have occurred both through the mechanisms of behavioural change and generational replacement. If I estimate the decline in turnout for all the cohorts between the second and sixth elections in 10 countries (excluding Russia and Ukraine) the decline is 19% (81% in the second election - 62% in the sixth). Now if I remove the youngest post-transition cohorts, the decline is only very slightly smaller: 17% (82% in the second election - 65% in the sixth). These are just rough estimates based on the mean turnout in the dataset - not predicted through regression analysis. To reach a more concrete answer, various other factors have to be taken into account such as survey effects. Also, a more conclusive answer would be reached by expanding the dataset to include the first founding elections as well as the time period beyond 2007. Enough time has elapsed since I have assembled the dataset used in the analysis that now surveys have been released covering elections held between 2008 and 2014. By covering a longer time period, we would be able to see more clearly any stabilization in turnout patterns among the different cohorts particularly the post-transition cohort. Therefore the jury is still out on the relative contribution of generational replacement and behavioural change.

for every 15-20 voters (Karklins 1986; Furtak 1990). These agitators themselves would face sanctions if their designated voters did not vote. If someone did not turn up at the electoral station, the agitators would come and knock on the person's door. Every effort was made to make voting easy; ballot boxes would be brought to the homes of elderly or ill persons (Furtak 1990). Whereas those who did not vote would face a variety of sanctions usually the denial of professional promotions or expulsion from university (Birch 2009; Zaslavsky and Brym 1978). Electoral avoidance would have taken far more effort than simply voting. The reasons behind the majority of electoral avoidance are disputed, some arguing that it was a form of political dissent (Karklins 1986 and others argue that the main reason was to have a peaceful Sunday afternoon (Furtak 1990), but either way it would have been relatively low.[37] Outside the Soviet Union, the methods and sanctions would have been milder, but would still follow the same principles.

In two countries however, Poland and Hungary, the communist regimes gave up their emphasis on achieving full voter turnout in the early 1980s. In Poland in particular, starting from around 1980, the regime accepted the existence of a political opposition; candidates with official Catholic affiliations were even allowed to win (Kolankiewicz and Lewis 1988: 85). By the mid-1980s, having failed to crush the Solidarity movement and achieved a stalemate, the communist regime's priority was to not provoke a re-mobilization of the opposition, for this reason the regime softened repressive actions. Most likely as a part of this softening in stance and the general stalemate, the regime gave up on voter mobilization. In Hungary, in the 1980s the regime loosened the restrictions on candidates who could run in elections; in 1983 multiple candidates

[37] Consideration also has to be given to what in truth classifies as electoral avoidance and non-voting for the purposes of establishing whether the turnout figures indeed reflect high turnout among all eligible voters. Zaslavsky and Brym (1978) among others point the high proportion (possibly 25%) of people getting certificates of absence enabling voting elsewhere (*otkrepitel'nyi talon*). Of course many people would not use the certificate to vote in a different place, and the people receiving the certificates would not be included for the purposes of calculating the official turnout of 99 %. If Zaslavsky and Brym are correct, then in reality the turnout including all eligible voters would have been much lower than 99%.

were allowed to run against each other (Furtak 1990). Turnout slightly declined in the 1980s, however people still feared sanctions as shown by the failure of opposition's call for a boycott of 1985 elections (Koppany RFE-RL 1985).

To investigate whether the abolishment of compulsory voting had an effect on turnout, I examine trends in turnout by cohorts which are designated so as to capture both the effects of being socialized under communism when voting was required and being socialized during the exciting times of communism's collapse. I subdivide the respondents into five cohorts:

- *The post-transition cohort.* These are people who were aged 14 and younger at the time of communism's collapse in 1989.[38] These people would have come of age after the initial excitement of the first democratic elections has died down, and they would most certainly not experienced the pressure to vote under communism.
- *The transition cohort*. These would be people who were 15 to 18 years old in 1989. With the exception of Poland and Hungary, these would be the first people in their impressionable years[39] to experience the excitement of the transition and to not be forced to vote in communism elections. This cohort will capture both the effects of the end of compulsory voting and the euphoria effect. If the compulsory voting were the only explanatory factor, we should see a big difference between this cohort and *all* the older cohorts that came of age when voting was compulsory (the exception might be the pre-Cold War cohort in countries which became communist after World War II).
- *The immediate pre-transition cohort.* People in this cohort would be aged 19 to 25 in 1989. These people would have been in their impressionable years at the height of the popular mobilization leading up to collapse of communism. In countries other than Poland and

[38] Years of birth: 1975+
[39] I designate the impressionable years as being between the ages of 15 and 25. While the upper age cut off for impressionable years varies in the socialization literature, panel data analyses suggest that by the age of 25, political behaviour and attitudes stabilize (Neundorf *et al.* 2012).

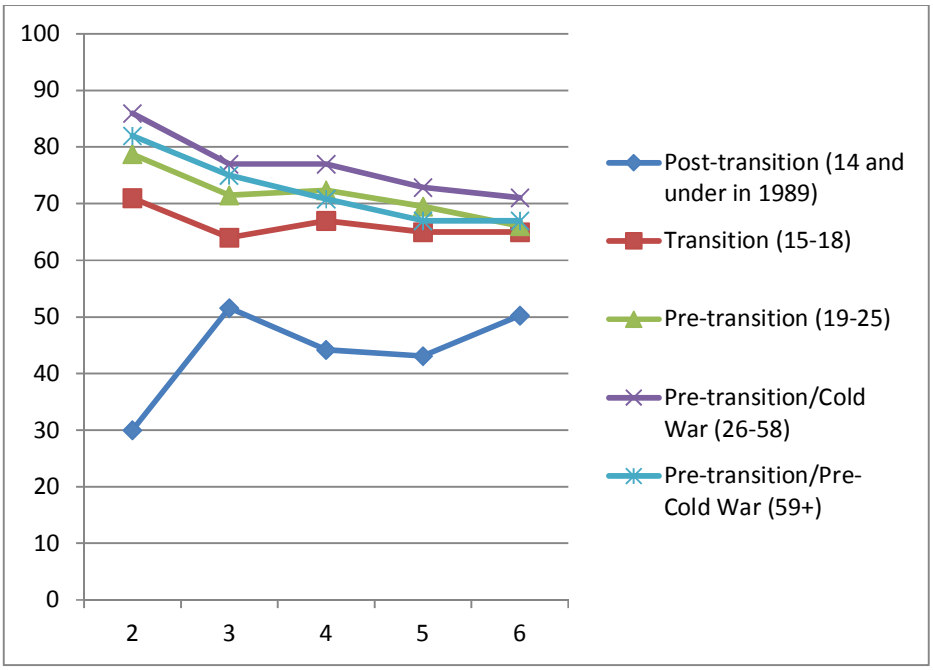
Hungary, these people would have still been required to vote. In Poland and Hungary, we would expect this cohort to already show lower levels of turnout similar to the transition cohort.

- *The Cold War cohort.* These people would have been aged 26 to 58 years old in 1989. They would have been socialized at the height of the Cold War when the communist regimes maximized pressure on people to vote.
- *The pre-Cold War cohort.* These people would have been aged 59 and over in 1989. In Eastern Europe and the Baltics these people would have come of age before communism was imposed, as a result, they would have memories of the pre-war democracies and they would have been socialized before the compulsory voting under communism.

A general analysis of the trends in turnout by cohort does show slight evidence that turnout is higher among the Cold War cohorts which came of age when the communist regimes pressurized everyone to vote. Figure 3.13 shows turnout by cohorts for all the countries where communism was imposed at the end of the Second World War, and Figure 3.14 shows the turnout patterns for the core countries of the Soviet Union (Ukraine and Russia). The groups are separated to allow a comparison between the pre-Cold War cohorts in the Soviet Union and the Warsaw Pact countries. If compulsory voting did have an effect we would expect to see the pre-Cold War cohorts in Eastern Europe and the Baltics to have lower turnout than the Cold War cohorts in those countries, whereas in Russia and Ukraine we would expect to see similar turnout levels among both older cohorts. The figures provide some confirmation of these expectations: in Eastern Europe and the Baltics, as shown in Figure 3.13, the pre-Cold War cohort does have slightly lower turnout than the Cold War cohort, whereas in Russia and Ukraine both older cohorts have similar average levels of turnout. This evidence is compatible with the findings in the regression analysis shown in

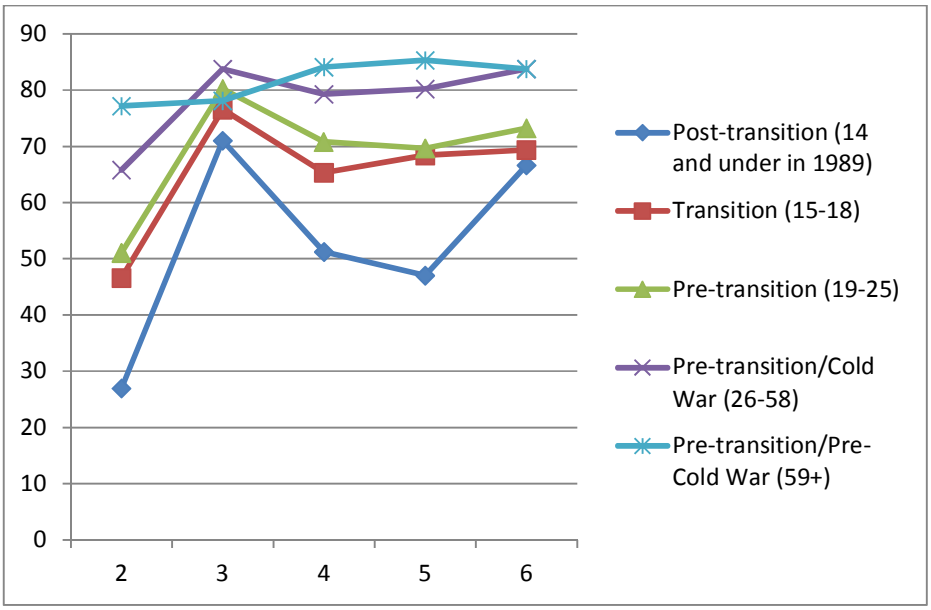
Table 3.1. While the definition of the cohorts in the regression analysis is much cruder, we do see that the pre-Cold War and post-Cold War cohorts both had lower average levels of turnout that than the Cold War cohorts.

Figure 3.13 Turnout trends by cohort in ECE and the Baltics from the 2nd to 6th election (excluding Russia and Ukraine)[40]



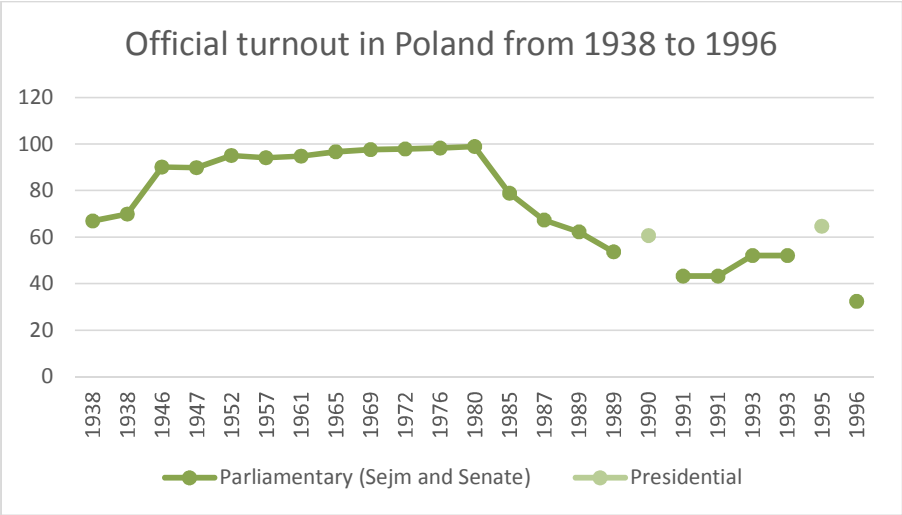
[40] Percentages of respondents who reported to have voted in the last parliamentary election based on the 'mega-dataset' described in this chapter. This figure is based on turnout in 10 countries that is excluding Russia and Ukraine.

Figure 3.14 Turnout trends by cohort in Russia and Ukraine from the 2nd to the 6th election



The cases of Poland and Hungary provide more mixed support for both explanations. In Poland the officially reported overall turnout figures a decline in turnout starting from 1980 just as we would expect given that Polish communist regime gave up on voter mobilization in the 1980s.

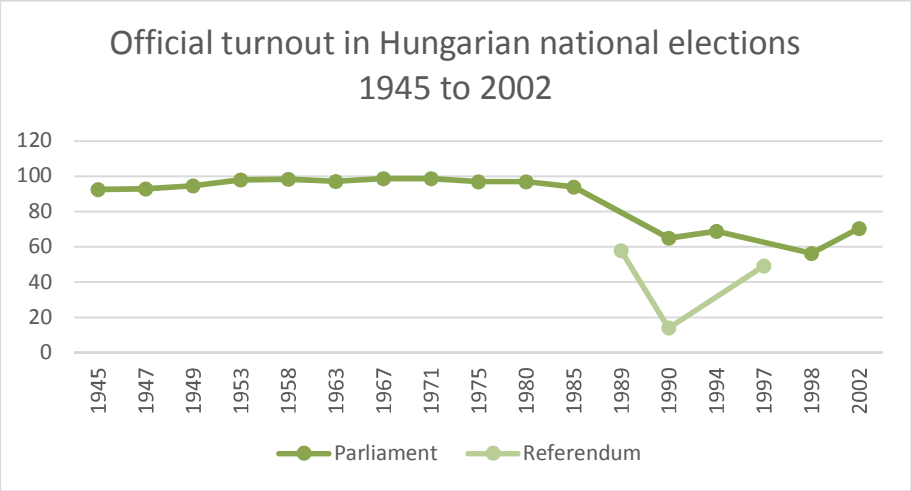
Figure 3.15 Official turnout in all Polish national elections from 1938 to 1996[41]



[41] Source: Nohlen and Stöver 2010.

In Hungary, there is only a very slight decline in turnout between the 1980 and 1985 elections (97 percent turnout fell to 94 percent), and the much lower levels of turnout are apparent only after the collapse of communism. These trends would fit with Koppany's (1985) observations that Hungarians still fears sanctions for not voting in 1980s despite the liberalization of the communist regime.

Figure 3.16 Official Turnout in Hungarian national elections[42]

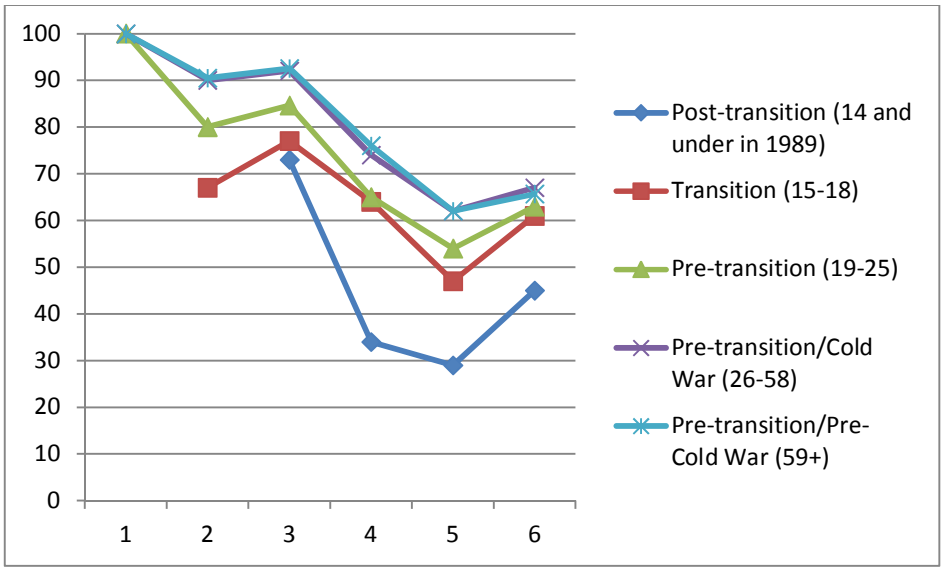


However, the cohort trends in turnout also show evidence compatible with the euphoria explanation: firstly, turnout did decline among older cohorts after 1989 suggesting that the older generations changed their attitudes towards voting, and secondly, the post-transition cohorts shows dramatically lower turnout that all the older generations suggesting whatever factor accounts for the higher turnout among the older generations ceased to have an effect only in the mid-1990s. The considerably lower turnout among the post-transition cohort could be the consequence of the youngest post-communist citizens absorbing the disillusionment of their elders. To better determine the cause of the lower turnout among the youngest cohorts, we could examine the cohort trends in the political attitudes described in Section 3.4. Whatever the cause

[42] Source: Nohlen and Stöver 2010

of the lower turnout among the post-transition cohort, generation replacement clearly contributed to decline in turnout. However, generational replacement does not explain all the turnout decline in post-Communist Eastern Europe. The turnout decline somewhat among the older cohorts in Eastern Europe and Baltics as shown in Figure 3.13. In some countries most notably the Czech Republic the decline among the older cohorts was quite dramatic as shown in Figure 3.16 posing an interesting puzzle from the point of view of the persistence arguments. The dramatic decline among older cohorts in the Czech Republic suggests that voters were not acting according prior habits and were not so set in their ways that they could not update their behaviour. The evidence that older cohorts in Eastern Europe did change their behaviour suggests that long-term changes in turnout may come about in in ways other than just generational replacement; such a possibility would contradict much of what we know about long-term changes in turnout in established democracies and this possibility most definitely needs further investigation in future research.

Figure 3.17 Turnout trends by cohorts in the Czech Republic from the 1st to the 6th election



Of course far more data is needed and more analysis must be done to full adjudicate between the euphoria and compulsory voting explanations. This introductory analysis does,

however, show that despite the euphoria explanation being well-established in the literature on turnout in post-communist countries, the validity of the argument that the fading of excitement with the first democratic elections is the only explanation for the decline in turnout in post-communist countries is still to be established fully. We must also note that the abolishment of compulsory voting would also contribute to an increase in turnout inequality. Setting aside the question of whether the abolishment of compulsory voting has led to turnout decline as a result of change in the behaviour of older cohorts or just through generational replacement, we can still expect that turnout would drop primarily among less motivated voters who would not bother voting once the threat of sanction is removed. In other words, if the threat of sanctions for non-voting are removed, we should expect to see an increase in turnout inequality both among the older cohorts and the new cohorts entering the electorate.

To conclude the discussion for this section, even if on balance we see quite a lot of evidence in support of the euphoria explanation and the analysis in the other chapters is compatible with the expectations derived from the euphoria explanation, we must remember that there still is some ambiguity about the cause of the decline in turnout in Eastern Europe. As the focus of the thesis is on turnout inequality not so much the decline in turnout, I will leave adjudicating between the two explanations for turnout decline for future research.

3.6 Conclusions

Since the first democratic elections following the collapse of communism, turnout in Eastern Europe has steadily declined inspiring several studies on the subject. Most of these studies have concluded that the main dynamic factor underlying this pattern has been the fading of the initial excitement with democratic elections. As these studies, however, have relied on aggregate turnout

data, they have been unable to confirm whether the founding elections explanation is reflected in the micro-level patterns. My aim has been to further probe and determine the strength of the founding elections explanation by examining micro-level voting patterns over time using cross-sectional data which would cover several elections in each post-communist country.

My examination of the micro-level causes of the decline in turnout in post-communist countries supports the founding elections explanation that has been put forward by the several studies on post-communist turnout dynamics (Kostadinova 2003; Kostadinova and Power 2007). During the founding elections, following the collapse of communism, the entire electorate, regardless of social status, was in an unusual state of euphoria and mobilization. As the new democratic political system fell into place, the excitement wore off, and the electorate moved towards more normal patterns of turnout. With each passing election, turnout declined most markedly among the social groups that are usually make apathetic voters in established democracies, namely low socioeconomic status groups such as the uneducated, manual workers and farmers. This trend is reflected by the increasing turnout inequality along socioeconomic lines in the post-communist electorate. In this chapter, the theory behind this pattern has been elaborated arguing that the 'euphoria effect' modified the perceived benefits of voting, and as the euphoria faded, thus decreasing the perceived benefits of voting, the voters with the least political resources and motivation were the first to drop out, as their threshold at which point the benefits and costs are equal was reached first.

The evidence in support of the euphoria explanations is not unambiguous however; we see some evidence that the abolishment of communist compulsory voting may have contributed to the turnout decline. On the one hand, we see clear descriptive evidence of intense popular mobilization across Eastern Europe and the Baltic in the years leading up to the collapse of the

communist regimes in 1989. We also see that largest negative difference in turnout is between all older cohorts, both those socialized when voting was compulsory and those socialized during the transition, and the youngest cohort socialized after the excitement of the transition died down and disillusionment set in. Furthermore contrary to expectations based on much of the socialization literature, the older cohorts have not been set in their ways and their propensity to vote has declined. The decline in turnout among the older cohorts suggests that these older voters changed their minds somehow about the value of voting under the new democratic regimes. On the other hand, we see some evidence that the Cold War cohorts, which were socialized when voting was compulsory, display slightly higher average levels in turnout that the younger cohorts and the pre-Cold War cohorts in Eastern Europe came of age before communism was imposed after World War II.

This chapter finds that economic explanations for the declining turnout frequently considered in the literature on post-communist countries do not explain the comparatively rapid decline in voting participation in post-communist new democracies. Although economic evaluations clearly have an effect on turnout – people with more positive economic evaluations are more likely to vote - there appears to be no evidence for widespread and systematic disengagement caused by disillusionment with the new market economy. Even though the low socioeconomic status individuals who dropped out of the electorate most rapidly are also the ones who had the most negative economic evaluations, reflecting their weaker abilities to compete in the new market economies, economic experiences do not explain the decline in their propensity to vote.

The findings of this chapter have implications for our understanding of voting participation and its links to economic conditions not just in Eastern Europe. The findings of this

chapter suggest that negative economic experiences like unemployment, declines in real wages, and declines in a person's relative economic position, which can provide the basis for negative economic perceptions, do not affect voting behaviour quickly. Rather the findings of this chapter reinforce the conclusions of Sidney Verba and his colleagues who argue that the association between socioeconomic status and political participation is the product of a lengthy process of political socialization within different socioeconomic groups (Verba and Nie 1972; Verba *et al.* 1995b). Verba explains that higher status individuals are more likely to be members of organizations and to be surrounded by other people who participate in politics (Verba and Nie 1972: 133). The environment determined by socioeconomic status in turn fosters "civic orientations," such as an interest in politics, a sense of political efficacy, and civic skills, which characterize a politically active citizen (Verba and Nie 1972). Although these "civic orientations" may not be immutable, a sudden change in economic circumstances, such as unemployment experienced by so many in post-communist countries, is unlikely to immediately change the effects of prior politicization and discourage voting. To summarize, this chapter suggests that the "social" aspect of socioeconomic status matters more for voting participation than the purely "economic" aspect.

The findings of this chapter indicate that a political phenomenon such as the occurrence of founding elections has a stronger ability to modify the standard relationship between socioeconomic status and voting participation than a sudden change in the relative economic success of socioeconomic groups. At first this finding may be surprising and it would appear to contradict the fundamental importance of socioeconomic status itself in fostering political participation. One would think that a change in the relative economic position, income and employability of socioeconomic groups would have a corresponding effect on their relative

voting participation levels. That this chapter finds support to the contrary is actually not so surprising, if one instead accepts that socioeconomic status is simply a proxy for variation in the character of the political socialization experienced by different socioeconomic groups, and that turnout inequality is the result of (a) changes in overall costs and benefits of voting as determined by macro-level contextual factors (b) modified by individuals' level of political resources and motivations. This understanding of turnout inequality becomes clearer if one notes the parallels between the effect of founding elections and partisan affiliation in mobilizing low socioeconomic status groups and how both modify the disparity in participation between upper and lower-status groups. Verba and Nie (1972) find that the Democratic Party in the United States, which draws support more heavily from among low socioeconomic status groups, has a strong mobilizing effect on these normally apathetic citizens. Indeed several studies which examine the turnout decline in several established democracies attribute the decline in turnout to a weakening of party identification (Dalton and Wattenberg 2000; Wattenberg 2002; Heath 2007). Also several studies looking at turnout decline noted that contrary to expectations increasing educational attainment has not countered the overall downward trend in turnout (Blais *et al.* 2004; Lyons and Alexander 2000; Heath 2007). Although these studies have not explicitly addressed the connection between partisan affiliation and socioeconomic status that Sidney Verba and his colleagues have made, their observations give support to the idea that as partisanship declines, the participation gap between education groups widens, because citizens with little education drop out of the electorate even if overall levels of educational attainment increase. The link between socioeconomic bias and the decline in partisanship in established democracies is a subject that warrants further research.

In conclusion, the progression towards a 'normal' voting pattern that is more similar to that seen in established democracies, which is characterized by a strong socioeconomic bias, suggests that voters in post-communist countries are not inherently different from those in established democracies. The same differentiation in politicization across social levels that Verba and his colleagues have noted in established democracies appears to have occurred in post-communist societies. Given that a large part of the electorate was born and came of age before the collapse of communism suggests that the communist societies had similar patterns of socialization based along socioeconomic lines. The legacies of communism may in fact not be quite as unique as one could suppose in shaping voting behaviour in post-communist Eastern Europe.

4 Understanding the Consequences of Inequality in Post-Communist countries: Efficacy, Corruption, and Democracy

Following the collapse of communism, Eastern European countries were simultaneously faced with creating new democratic systems and with a complete re-structuring of the economy, which allowed prices and wages to be determined by the market. The re-structuralization did not benefit everyone equally; people working in some sectors of the economy benefited far more than others resulting in sudden growth income inequality (Milanovic 1998; Orazem and Vodopivec 1994; Rutkowski 1996; Heyns 2005). Countries particularly in the former Soviet Union, where were private enterprise was totally eliminated under communism, experienced the greatest increases in income inequality. In contrast, several countries in Central Europe experienced much less and more gradual growth in income inequality as illustrated by Figures 4.1 and 4.2.

Figure 4.1 Trends in Income Inequality for the FSU

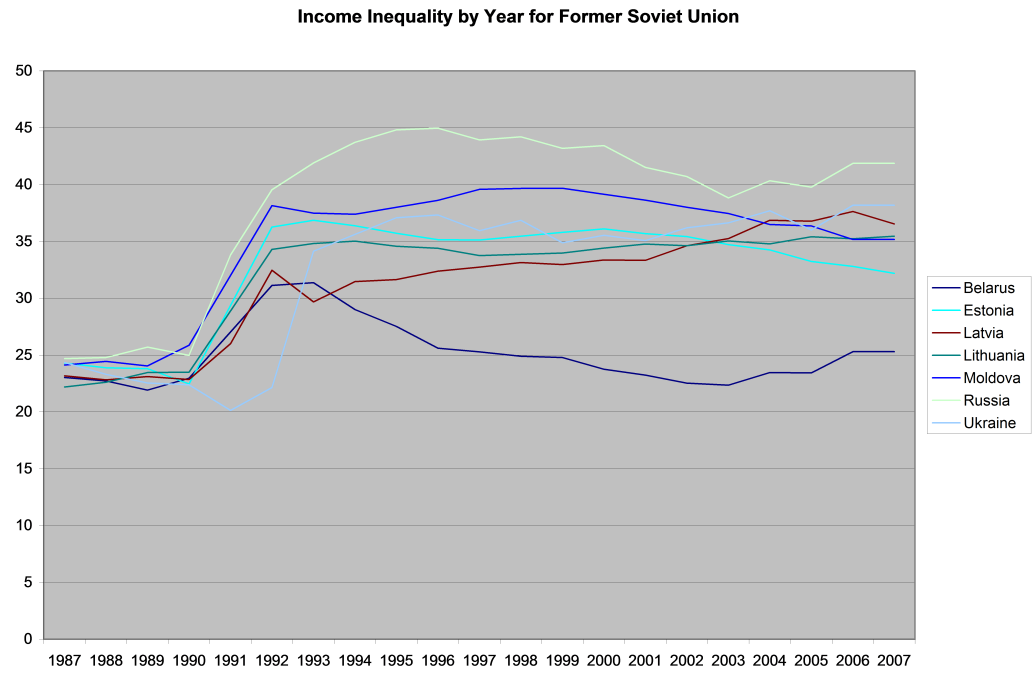
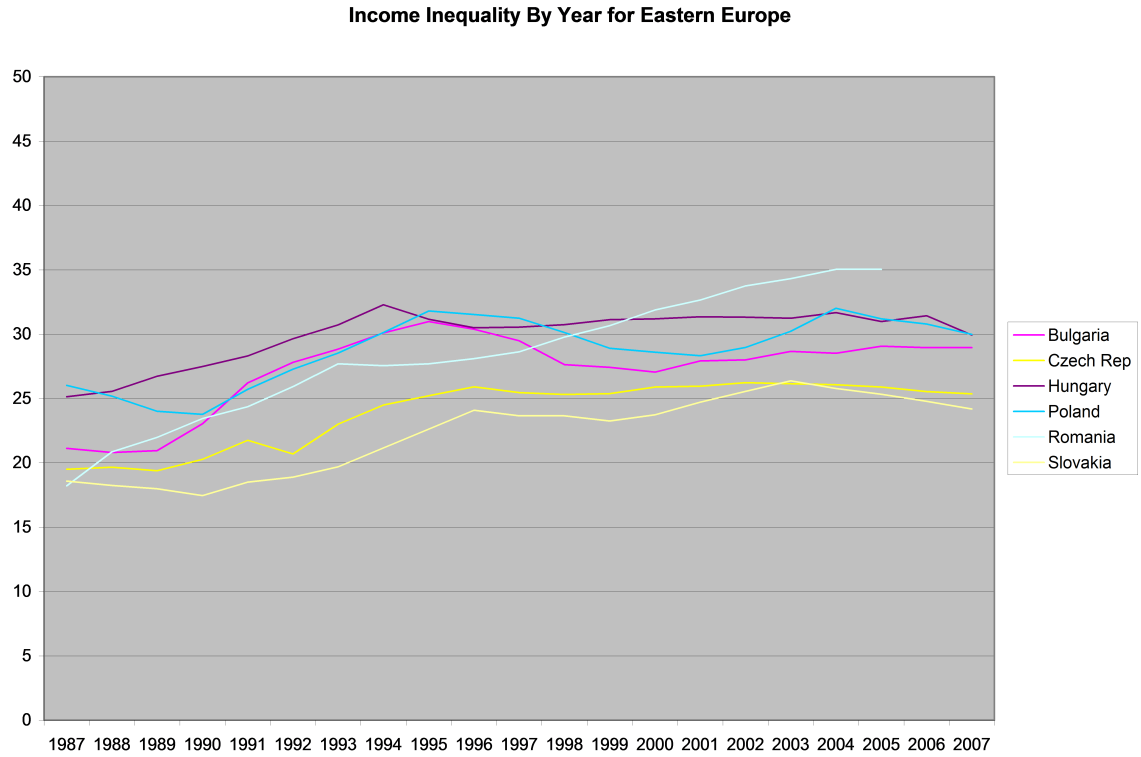


Figure 4.2 Trends in Income Inequality for Eastern Europe



Numerous studies have shown that income inequality has wide and varied negative consequences for societies, such as political instability, low turnout, and even regime collapse, undermining the ability of democratic systems to function properly (Dahl 1971, Muller 1988; Goodin and Dryzek 1985; Boix 2003; Brady 2004; Rothstein and Uslaner 2005; Rothstein 2011:145-163; Solt 2008, 2010; Anderson and Beramendi 2008, 2012). On a most fundamental level, all these studies find an incompatibility between the political equality implicit in a democratic system and a high degree of inequality in economic resources between citizens. Given the negative consequences of income inequality, we would expect that in those post-communist countries where the benefits of the new economic systems were most unequally distributed across society, the resulting social divisions may have undermined the sense of community and faith in the political system's ability to represent varied interests in the society.

The literature, however, presents contending explanations of the specific mechanisms by which macro-level income inequality depresses political engagement and voting among individuals: on the one hand, one recent set of studies argues that income inequality depresses political engagement and voting participation primarily among the economic losers while the economic winners manage to insulate themselves from the negative consequences of inequality leaving their willingness to participate in politics generally intact (Solt 2008, 2010; Anderson and Bermanedi 2012). The implication of the relative power argument is that income inequality changes the inherent level of political motivation among the poor; this implication seems to contradict the idea of persistence in political attitudes in the political socialization approach. Another set of studies with a more general scope would suggest that the effects of income inequality are far more pervasive affecting everyone in unequal societies, both the winners and losers (Rothstein and Uslaner 2005; Rothstein 2011; Loveless 2013). As Rothstein (and Uslaner 2005, 2011) explains, unequal societies fall into a 'low trust-corruption-inequality trap.' High levels of economic inequality mean that the rich and poor live largely separate lives and have high in-group levels of trust rather than the generalized trust that is so necessary for a well-functioning democracy and for creating universal welfare policies that can address inequality. Without generalized trust and a sense of social solidarity, people are less likely to have a positive view of democratic institutions and of their abilities to influence public policies, and are thus less likely to participate in politics (Rothstein and Uslaner 2005). Lacking faith in the ability of the democratic institutions to address various problems, people are more likely to turn to corruption, and the poor are more likely to believe that the rich have an unfair advantage. In short, in unequal societies, a certain malaise pervades the entire society.

Chapter 4

Rather trying to explain how inequality affects the act of voting which is the end point of a complex causal chain, this chapter will focus on external political efficacy which 'is the respondent's perceived probability of success at influencing public officials, or, alternatively, the political responsiveness of officials" (Pollock 1983: 402). As will be explained in more detail later, examining external efficacy is the most direct way to measures people's perceptions of their own ability to influence policy which is at the heart of the debate about how citizens in democratic systems react to income inequality. While looking at political efficacy cannot fully answer the question of how inequality influences voting, it does allow a closer examination of some of the most prominent explanations in the literature.

This chapter begins by re-interpreting the main substantive finding from Chapter 2 namely that income inequality appears to lower political efficacy equally among the rich and the poor. I juxtapose the relative power argument with Rothstein and Uslaner's 'low trust-corruption-inequality trap' argument. I argue that the negative effect of income inequality which is unmodified by an individual's income is best interpreted in light of Rothstein and Uslaner's argument according to which income inequality has pervasive effects on an entire society. This finding suggests that income inequality in post-communist countries not only causes the poor but also the rich to give up on participating in politics.

Next, I show that the negative effect of income inequality on efficacy cannot be explained away by levels of democracy or perceptions of corruption. The most unequal of Eastern European countries particularly those which constitute the former Soviet Union are also the countries which tend to have high levels of corruption as well as weak democratic institutions. Perceptions of corruption depress political efficacy in Eastern Europe (Kostadinova 2009), and perceptions of political institutions' performance also influence democratic support; thus both factors have to be

considered as alternative explanations. The finding that income inequality depresses political efficacy validates the worries expressed by observers in the early years of the transition about the compatibility of dual economic and political transitions. While the new democracies managed to survive the dual transition without suffering any of the most drastic consequences of inequality such as severe political instability or regime collapse, their nascent democratic societies have not managed to escape unscathed.

4.1 Income inequality and political engagement: loss of efficacy among the poor or everyone?

The recent literature that deals specifically with income inequality and political engagement and voting participation (Solt 2008, 2010; Anderson and Beramendi 2012; Lancee and Werfhorst 2012) indicates that ill effects of income inequality are far more confined, affecting mainly the poor, than is indicated by some of the literature with a far more general scope which considers the inter-linkage between inequality and the general state of society in particular in terms of social trust , corruption, and the quality of government. The first set of literature focuses on the relative power explanation according to which the poor assess their own ability to influence policy by comparing themselves to the rich in terms of their economic resources. This explanation suggests that overall levels of political engagement, or voting, in a given society are primarily dependent on the behaviour of the poor. The second set of literature is far less specific but it suggests causal mechanisms that can explain the behaviour of both rich and poor in the context of high inequality and it suggests that, faced with the social division and distrust that accompany inequality, both the rich and the poor lose their sense of political efficacy and hence their desire to vote. The idea

that everyone in an unequal society is affected by the general sense of social division and mistrust is supported by findings from other research areas such medicine and criminology.

The relative power explanation

A few recent studies have gone beyond simply looking at aggregate level data to find empirical evidence for the previously inferred micro-level mechanisms which link income inequality and political engagement and voting among different income groups, and these studies all support the relative power explanation (Solt 2008, 2010; Anderson and Beramendi 2008, 2012). According to the relative power explanation less well-off citizens refrain from participating in politics because, having fewer resources, they have a smaller chance of influencing political outcomes, and as inequality in resources between the two groups grows, the less well-off are increasingly less likely to participate. The idea of relative power as it pertains to political participation is most explicitly laid out by Goodin and Dryzek (1980). Goodin and Dryzek argue that the unequal distribution of economic resources and other resources relevant to political participation begets an unequal distribution of power: the wealthy, who are richer relative to other individuals, will also become more politically powerful relative to those poorer individuals. Goodin and Dryzek's relative power model is a reaction against the social psychological model of political participation proposed by Verba and Nie (1972) according to which people who are more rewarded by the system are psychologically disposed to feel better about themselves and about the general system that rewarded them (Goodin and Dryzek 1980: 275). Goodin and Dryzek criticize Verba and Nie's model for emphasizing absolute rather than relative income, and they argue that the absolute amount of resources does not matter as much as the relative influence of different actors. The authors compare the political arena to an auction where actors bid for a fixed number of

scarce goods, policy outputs, and whichever player can bring to bear the most resources wins. Goodin and Dryzek conclude that "in political markets just as in economic ones, relative resources decide the outcome…those with relatively few political resources and little hope of outbidding likely opponents should, if they are rational, save their resources for another time or another market in which they might bring better returns" (278). Following from this explanation of the logic behind the choices made by the less well-off about whether to participate or not, we should expect to see that the disadvantaged will be less politically engaged than the advantaged.

H1: The poor have less political efficacy than the rich.

The central premise of the relative power explanation is that the participation gap between the rich and poor depends on the relative distribution of economic resources. If the rich and poor become more unequal in terms of resources, they will also become more unequal in terms of their sense of political efficacy and political participation. The relative power explanation indicates that as income inequality increases, political efficacy and voting among the disadvantaged decline relative to the rich, and as a consequence of the lowered sense of engagement among the poor, the overall level of engagement in a given society declines. Therefore in post-communist Eastern Europe, in countries with higher income inequality where price and wage deregulation significantly favoured professionals and the university educated over farmers, manual workers, and the uneducated, we would expect the disadvantaged to have less efficacy in comparison to their more advantaged peers.

H2: In more unequal post-communist countries, the gap in political efficacy between the rich and poor should be greater in unequal countries than in equal ones, because inequality depresses political efficacy among the poor more than among the rich.

The low trust-inequality-corruption trap

Across several studies, Bo Rothstein and Eric Uslaner propose a more general explanation for the mechanism linking income inequality and low political efficacy: namely that certain societies fall into a vicious cycle which Rothstein and Uslaner call the "inequality-low trust-corruption trap" (Rothstein 2011; Uslaner and Rothstein 2005). While Rothstein and Uslaner emphasize the self-reinforcing feedback mechanisms between inequality, social trust, and corruption, two pathways linking inequality and political efficacy can be derived from Rothstein and Uslaner's ideas. Firstly, inequality causes social divisions, which undermine the generalized social trust that Uslaner and Rothstein argue allows for the sense of optimism about social relations that is essential to faith in a political system. Secondly, inequality reinforces corruption which in turn destroys trust in people in general as well as trust that government officials will fulfil their duties. In comparison to the relative power explanation, Rothstein and Uslaner's argument describes mechanisms linking income inequality and political efficacy which apply not only to the poor but the rich as well, and ultimately show how income inequality undermines the political efficacy of both groups in society.

In the context of the first pathway, Uslaner's emphasis on the link between generalized trust and faith in the political system is key. In *The Moral Foundations of Trust*, Uslaner argues that people with high levels of generalized trust are able to be more optimistic about their abilities to control their lives and to influence politics, and also their ability to trust in people in general allows them to trust that government officials will fulfil their duties (Uslaner 2002: 242-245). This idea is hardly new; Almond and Verba (1963: 285) expressed the same idea: "Belief in the benignity of one's fellow citizen is directly related to one's propensity to join with others in

political activity." Several empirical studies in social capital literature show a positive association between trust and willingness to participate in politics (Putnam 1993, 2000; Stolle, 1998; Uslaner and Brown 2005).

Income inequality appears to lie at the beginning of the causal chain as general social solidarity depends on equality (Rothstein 2011: 154-156; Uslaner 2002; Uslaner and Brown 2005). As Rothstein and Uslaner argue, in an unequal society, the rich and poor live largely separate lives and have little contact with each another. The rich live in gated communities and send their children to private schools, and in many countries such as Russia, the rich rely on private drivers so they do not use public transportation and rarely walk in the streets. The rich have access to superior health services and other services and infrastructure that the poor cannot afford. In such unequal societies, it is difficult for the rich and poor to have a sense of shared fate reinforcing in-group rather than generalized trust. When contrasting Rothstein and Uslaner's explanation with the relative power explanation, the most important point is that the social divisions driven by income inequality reduce generalized trust among the poor as well as the rich. Although in an unequal society, the rich have more resources and better access to various services and hence are able to escape many of the consequences of inequality, they are not likely to feel that they have common interests with the rest of society. Demands for redistribution and redressing of inequality by the rest of society are only more likely to cause unease among the wealthy. Several studies have also shown that unequal societies generally have higher rates of violence (Elgar and Aitken 2010; Kennedy *et al.* 1998; Picket *et al.* 2005; Kawachi *et al.* 1999). Perceptions of prevalent violence are also likely to create fear and distrust among both the poor and rich: among the poor because the poor know they cannot afford much protection, and among the rich because they will fear being a target because of their wealth.

The second pathway linking inequality and political efficacy is through corruption. The in-group or particularized trust prevalent in unequal societies favors corruption Rothstein 2011; Uslaner 2002). Furthermore perceptions of inequality seem to be linked to the sense that the well-off have prospered through corrupt means (Miller, Grodeland, and Koshechkina 2001). While the precise causal links between inequality and corruption are complex, perceptions of corruption clearly undermine generalized social trust. An experiment with Swedish and Romanian students has shown direct experiences of corruption strongly reduce trust in strangers and authorities (Rothstein 2011). Perceptions of corruption undermine faith in the political system and in the ability of government officials to carry out policies impartially thus undermining peoples' sense that they can effectively influence policy outcomes. Therefore,

H3: As income inequality increases, we expect everyone both rich and poor to lose their sense of political efficacy.

H4: Corruption serves as a mediating factor between inequality and efficacy.

Corruption is a particularly important factor to take into consideration when examining political efficacy in the post-communist context. Several studies show that in post-communist countries perceptions of corruption are quite strong, and compared to Western Europe, people are far more likely to attribute success to corruption rather than hard work (Stoyanov *et al.* 2000, Kleugel and Mason 2000). Most relevantly for this chapter, perceptions of corruption in post-communist countries appear to undermine political efficacy (Kostadinova 2009). While corruption may be an intermediary variable linking income inequality and political efficacy, in the post-communist context especially, one has to account for the possibility of a strong effect running from mainly from perceptions of corruption to low efficacy and that perceptions of

corruption may not be linked to inequality. Perceptions of corruption appear to be quite high across all post-communist countries despite the variation in levels of income inequality (Rose-Ackerman 2001).

An assessment of the available empirical evidence finds support for both the relative power and the 'inequality-trust-corruption' explanations. The overwhelming majority of empirical studies indicate that inequality has a negative effect on political engagement and participation (Solt 2004, 2008, 2010; La Ferrara 2002; Lister 2007; Mahler 2002; Anderson and Beramendi 2008, 2012; Lancee and Werfhorst 2012. Only a handful of studies provide evidence to the contrary either showing that inequality has a mobilizing effect (Oliver 2001) or that inequality has no effect (Stockemer and Scruggs 2012). This chapter assumes that a positive or null effect is unlikely, and thus focuses on explaining the mechanisms behind the negative effect of inequality.

While they are generally in agreement about the overall negative effects of inequality, empirical studies give contradictory conclusions about whether income inequality has varied effects on different income groups. For example, a few studies show that inequality primarily affects the poor (Solt 2008, 2010; Lancee and Werfhorst 2012), others that inequality effects everyone equally (Anderson and Beramendi 2008), and yet others show that the rich are most likely to become disengaged (La Ferrara 2002). These studies are difficult to compare however. Several only use aggregate data thus, although they hypothesize that income inequality has differential effects, they cannot show them explicitly (Boix 2003; Goodin and Dryzek 1980; Solt 2004; Mahler 2004). Others which do use individual level data empirically show undifferentiated effects but hypothesize about different mechanisms for the rich and poor (Anderson and Beramendi 2008). Also the studies vary in their dependent variables: Solt's studies (2008, 2012)

look at interest in politics, discussion of politics, and reported voting, Anderson and Beramendi (2008, 2012) use voting intention or contacting, La Ferrara looks at group membership, and finally others look at aggregate turnout. So while the empirical evidence gathered so far on balance suggests that income inequality has negative effects on political engagement and various forms of political participation, it does not clearly indicate whether income inequality affects all income groups equally.

With the exception of a few studies that explicitly examine the interactions between macro and micro levels (Solt 2008, Solt 2010; La Ferrara 2002; Lancee and Werfhorst 2012), most studies do not *empirically disconfirm* the possibility that income inequality would depress political engagement among all income groups equally (Anderson and Beramendi 2008; Goodin and Dryzek 1980; Boix 2003) even if they make theoretical arguments for differential effects. Most of the studies use aggregate turnout data, so they cannot explicitly show whether indeed the effects of income inequality are differentiated or undifferentiated. Anderson and Beramendi (2008) alone show cross-level empirical evidence that suggests all income groups are equally affected by inequality.

Medical studies, which examine the effects of income inequality on health indicators across socioeconomic groups, show empirical evidence that both the rich and poor suffer in unequal societies (Wilkinson and Pickett 2008,2009; Banks *et al.* 2006; Subramania and Kawachi 2006; Wolfson *et al.* 1999; Leon, Vagero and Olausson 1992; Babones 2008). These studies show that, while within each society the more advantaged are healthier than the disadvantaged, everyone benefits almost equally from greater equality. For example, Bank *et al.* (2006) compare health among middle-aged non-Hispanic white men in the USA and England dividing them by education and income categories. The study finds that rates of diabetes, lung cancer, hypertension,

and heart disease are higher in the US than England across all socioeconomic levels. These medical studies suggest that income inequality causes unhealthy and stressful conditions for everyone, and clearly the rich are unable to escape unscathed. The empirical evidence of the medical studies further strengthens Rothstein and Uslaner's argument that inequality produces divided societies where everyone lives in fear and mistrust of each another. To summarize, the empirical evidence from social science studies and the medical studies shows support for both the relative power and Rothstein's explanations.

Levels of democracy

To motivate the ensuing analysis, a scatter-plot of aggregate levels of political efficacy and income inequality is shown illustrating the clear negative correlation between efficacy and inequality (see Figure 3). The scatter-plot also reveals a strong geographical pattern in the association. Eastern and Central European countries dominate the left-hand side of graph; these are countries with high efficacy and low income inequality. These countries not only are more equal but also are more democratic. The unequal countries with low efficacy are concentrated in the former Soviet Union. The countries on both ends of the spectrum share not only levels of income inequality, but also they have similar levels of corruption and democracy.

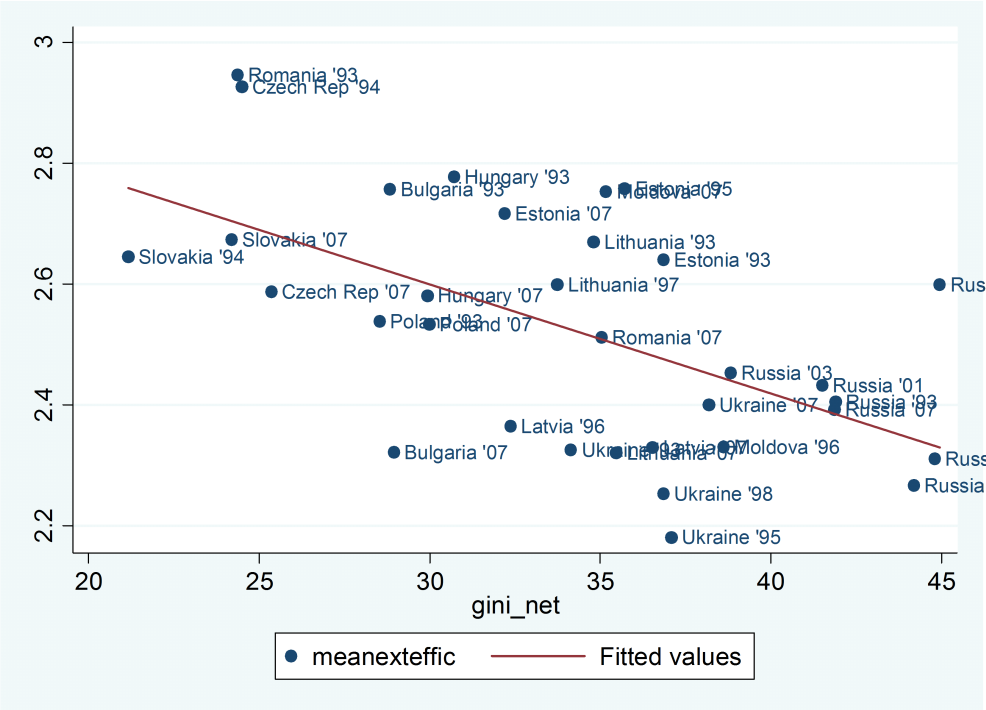


Figure 4.3 External Efficacy by Income Inequality

The strong geographical pattern visible in the scatter-plot indicates that levels of democracy and corruption must be considered as alternative explanations, as it is possible that the relationship between inequality and external efficacy is spurious. The findings of the existing literature on post-communist countries indicate that corruption and levels of democracy are both plausible explanations for aggregate levels political efficacy. In post-communist countries, perceptions of corruption appear to depress political efficacy, and thus indirectly corruption discourages people from voting (Kostadinova 2009; Birch 2010). Alternatively, people's sense of political efficacy in post-communist countries may be undermined by perceptions of the political system as being flawed in a more general way than through corruption. Corruption, as discussed earlier, refers to the partiality in a government official's administration of policies for personal gain (Kurer 2005; Rothstein 2010). Corruption is only one of the numerous ways in which a would-be democratic

system can malfunction; a weak political party system, electoral fraud, an overbearing executive power, a weak legal system all can undermine the effectiveness of the democratic system in representing citizens' interests. Several of post-communist new democracies particularly those of former Soviet Union suffer from these defects. As Rothstein points out a political system may be corrupt, but it may still be viewed as legitimate and democratic, so the cognizance of the more generally flawed nature of some post-communist political systems may determine people's political efficacy. Indeed, the performance of democratic institutions in Eastern Europe influences the level of generalized social trust that Rothstein argues is so essential to encouraging democratic participation (Letki and Evans 2005). Letki and Evans emphasize the top-down process of how institutional performance shapes social trust rather than vice-versa. Also perceptions of the effectiveness of political institutions influence general support for democracy in Eastern Europe (Evans and Whitefield 1995). Therefore, given the strong geographical pattern in the association between political efficacy and inequality, corruption and levels of democracy have to be both considered as possible alternative explanations for political efficacy.

4.2 Data and Measures

The analysis in this chapter uses a collection of cross-sectional national stratified random sample surveys covering the period from 1993 to 2007. The surveys between 1993 and 1996 were conducted as part of the UK Economic and Social Research Council and EU Science Foundation funded projects awarded to Geoffrey Evans and Stephen Whitefield, whereas the 2007 surveys are from the EurEqual EU Framework VI project. The surveys were conducted with sampling frames designed to ensure representativeness for each country, and the response rates are

acceptable, with most of the non-response resulting from non-contacts. Table A.1 in the Appendix shows the distribution of observations by country and survey year.

The dependent variable is external political efficacy. Generally political efficacy is a sense of political 'competence' on the part of citizens which is manifested by individuals' perception of the amount of influence they can exert on political decisions (Almond and Verba 1963: 140; Verba and Nie 1972). However, to more exactly measure the consequences of income inequality, I narrow the general concept of political efficacy to external efficacy "which is an individual's perceived probability of success at influencing public officials, or, alternatively, the political responsiveness of officials" (Pollock 1983: 402). Internal efficacy, on the other hand, "refers to an individual's confidence in his own abilities regardless of political circumstances." According to the logic of the relative power explanation, income inequality should affect external rather than internal efficacy, since changes in relative power differentials do not relate to the inherent abilities of individuals but their ability to influence external circumstances.

External political efficacy is measured on a 5-point Likert scale (where 1 indicates the lowest levels of efficacy and 5 indicates the highest levels of efficacy). The scale is created using three survey questions: "Elected officials don't care much what people like me think," "On the whole, what governments do in this country reflects the wishes of ordinary people," and "There is no point in voting because the government can't make any difference." Factor analysis shows the three items load onto one factor but the alpha is quite low (.37), but alphas are quite low if few items included and alphas are lower if balanced scales are used (Evans and Heath 1995).

Income inequality is measured using the gini coefficient which ranges from 0 to 100. Income inequality is of course the most important variable in this analysis and the most likely to draw criticism as to its measurement. Many experts on the measurement of inequality, in

particular Atkinson and Brandolini (2001), warn about the dangers of using secondary datasets that mix measures of inequality with different definitions of the underlying components (different definitions of income, reference units, and tax treatment) and data of varied quality. The best way to overcome these problems is to use data from the Luxemburg Income Study (LIS), however LIS covers only a few countries and years. To maximize the number of countries and years while addressing some of the key measurement issues identified by Atkinson and Brandolini (2001), I use the Standardized World Income Inequality Database (SWIID) created by Frederick Solt (2009). The standardization process used by Solt accounts for the discrepancies caused by differences in reference units and income definitions as well as jumps over time due to measurement error (Solt 2009). The general "smoothness" of the changes in income inequality for post-communist countries in the SWIID data suggests that most discrepancies have been accounted for. The huge jumps in the early years of the transition were caused by actual underlying structural changes not measurement error.

Income inequality is measured as the inequality in net incomes, post-tax and post-transfer. Post-tax and post-transfer income, rather than market income, has the strongest effect on people's welfare (Kenworthy 2008). Post-tax income, which accounts for the levels of redistribution through transfers, is particularly important in the post-communist context, as the welfare state has been dismantled to varying extents in different countries. The degree of welfare retrenchment is one of the main factors explaining the variation in income inequality across post-communist countries (Milanovic 1998; Bandelj and Mahutga 2010).

The respondent's relative income is measured using an index of the number of durable assets owned by the respondent coded into quartiles ranging from 1 the lowest to 4 the highest. Capturing relative lack of economic resources/economic influence is central to the analysis

especially for testing the relative power explanation, and the asset index is best suited for this purpose. Reported income itself does not fully capture the extent of all the available resources (payments in-kind, undeclared black market earnings). Also as expressed by Friedman's (1957) concept of permanent income, people "smooth" their resources over time through borrowing in hard times and saving during the good times. Asset measures are the principal means of capturing permanent income (Deaton 1992). The EurEqual Survey does provide a direct measure of income, however, it is individual rather than household income, and as mentioned earlier household income is a better indicator of overall welfare. Finally the asset measure has far fewer missing cases than regular income measures as respondents are far more willing to report ownership of particular goods than to state their income.

The durable asset measure is created on the basis of a battery of survey questions which ask about the ownership of seven durable assets: a car, a washing machine, land, shares, a second home, a television, and a telephone. The distribution of assets within the different countries is quite varied (as shown in Table A.2 in the Appendix), but the cross-national variation does not undermine the measure, since the respondents' relative economic position is determined within each country-survey-year separately.

The index is created using a polychoric principal components analysis which is best suited to binary variables (Kolenikov and Angeles 2009). The loadings from the first factor produced by the PCA are used to create the asset scale (as is customary in the economics literature) which assumes that the dominant factor captures socioeconomic status (Houwelling *et al.* 2003). The factor analysis shows that high socioeconomic status is most closely associated with the ownership of a second home, whereas the lack of a washing machine is most closely related with low socioeconomic status. The results of the polychoric PCA are shown in the Appendix. The

strong correlations between the asset index, individual income, and education confirm the index's validity as a measure of socioeconomic status. Finally, individuals are ranked within each country survey year according to their values on the index, and then they are split into quartiles (the bottom 25 percent being assigned to the lowest quartile, the second 25 percent to the second quartile and so forth). Ranking within each country survey year ensures that the relative position of individuals is not affected by cross-national and over-time variation in overall wealth.

Control Variables

The overall goal in picking the macro-level controls is to identify any factors apart from inequality that could explain cross-national variation in external political efficacy. Political efficacy has not received very much attention in the political behavior literature especially not at the aggregate level, so we use literature of the macro-level determinants of turnout to identify potential predictors of political efficacy. The macro-level controls have been chosen through a two-step process: firstly by identifying all the possible macro-level determinants of turnout based on a review of the seminal studies on cross-national variation in turnout (Lijphart 1984; Jackman 1987; Powell 1986) as well the more comprehensive studies of turnout specially focusing on post-communist countries (Kostadinova 2003; Kostadinova and Power 2007; Pacek *et al.* 2009). The following factors have been identified as the most robust determinants of turnout in post-communist countries: the number of years elapsed since the collapse of communism; unicameralism; effective number of parties; economic development; and growth. Next, the correlations between the latter list of factors and political efficacy were examined and those that did not show an association with the dependent variable were eliminated leaving the effective

number of parties as the sole determinant with a close to significant association with political efficacy (r=-.28, p=.12).

As discussed in the theory section we also want to account for levels of democracy and corruption. The combined polity score (Polity IV) is used to measure levels of democracy. The polity score combines measures of autocracy and democracy, and it ranges from -10 for the most autocratic regime to +10 for the most democratic. The scores are made up of measures of the competitiveness and openness of executive recruitment; constraints on the chief executive; and the regulation and competitiveness of participation.

Corruption is measured through perceptions of corruption on a 5-point Likert scale ranging from 1 for lowest perceived corruption to 5 for highest levels of perceived corruption. Levels of corruption could be measured using an 'objective' measure such as the Transparency International measure to more fully exogenize the measure; however, these measures are not available for all the years since the collapse of communism. Also the various available corruption indicators are hardly perfect measures of corruption (Knack 2007). Instead we use the survey question asking "Bribery, corruption, and 'knowing the right people' are not important phenomena" with answers on a 5 point scales ranging from 1 as strongly disagree to 5 as strongly agree. The individual level measure is aggregated in order to capture overall perceptions of corruption within each country survey year. At the individual level perceptions of corruption are, unsurprisingly, negatively associated with political efficacy. We would expect to find some individuals who perceived corruption to be present even in the best functioning societies such as Sweden, and we would expect that these individuals to have little faith in the political system. Thus aggregated perceptions are a better measure of overall corruption.

4.3 The models

Three separate sets of models are used to estimate the effects of income, income inequality, and the interaction between the two: individual models, aggregate models, and multilevel models respectively. To fully understand how income affects turnout and political engagement, and how income inequality modifies the latter relationship, the effects of income and income inequality have to be assessed separately first before interacting the two. As Braumoeller (2004) warns, full models with interactions are not good at testing the relationship between dependent and independent variables when the independent variables are included in interactions, potentially leading to erroneous conclusions if based on the statistical significant of the constitutive terms. To avoid these dangers, the analysis begins by estimating individual models with income, and aggregate models with income inequality, and only then estimating a full multilevel model with an interaction between the two can be interpreted.

In the individual level model, income quartiles measuring relative income are treated as dummy variables to assess whether the effect of income is positive and monotonic. The extent to which income has a positive and monotonic relationship determines the overall size of the gap in political efficacy between the rich and the poor. The individual level models partially pool country survey years, so to account for country and survey year effects, random intercepts for country survey years and countries are included creating a three-level model.

The aggregate models test the effect of income inequality on overall levels of external political efficacy. Both the relative power and "inequality-low trust-corruption trap" explanations imply that political efficacy should be lower in unequal countries. In order for either explanation to be validated, inequality needs to have a clear negative main effect.

As explained in the theoretical section, the relative power explanation implies that inequality increases the gap in efficacy between the rich and poor by discouraging the poor in particular. The multilevel model tests whether the efficacy gap between the rich and poor depends on levels of income inequality. For the latter to be the case we need to see a positive interaction between income and income equality, and a negative main effect for income inequality.

The multilevel model has three levels: the individual level, the country year level, and the country level. The multilevel model has random intercepts at both higher levels. A random slope for relative income is included at the country-year level in order to model a cross-level interaction between income inequality at the country-year level and relative income at the individual level. Relative income is treated as a linear variable to simplify forming an interaction. The model is shown below in its reduced form with the models for random intercepts and slope substituted into the individual level.

$$
\begin{aligned}
&Efficacy_{ijk} \\
&\quad = \gamma_{000} + \gamma_{100} RelativeIncome_{ijk} \\
&\quad - \gamma_{110} Inequality_{jk} RelativeIncome_{ijk} \\
&\quad - \gamma_{010} Inequality_{jk} + \gamma_{200} Age_{ijk} + \gamma_{300} Age^2_{ijk} \\
&\quad - \gamma_{400} EducPrimary_{ijk} + \gamma_{500} EducSecondary_{ijk} \\
&\quad - \beta_{600} EducTertiary_{ijk} + \gamma_{700} Female_{ijk} \\
&\quad - \gamma_{800} Married_{ijk} - \gamma_{020} Democracy_{jk} \\
&\quad - \gamma_{030} Corruption_{jk} - V_{00k} \\
&\quad - U_{0jk} + U_{1jk} RelativeIncome_{ijk} + r_{ijk}
\end{aligned}
\qquad (1)
$$

The slope of relative income can be interpreted as the extent of the efficacy gap between the rich and the poor: the greater the coefficient the greater the gap in efficacy between income quartiles. The interaction term between income and income inequality can be interpreted as the marginal effect of income inequality on the effect of income, or more simply the marginal effect of income inequality on the efficacy gap. If the relative power explanation is correct, then the interaction term should be positive indicating that as income inequality increases, so does the gap in efficacy.

4.4 Analysis and Results

I start with an aggregate level regression analysis to examine the effects of the macro-level factors on overall external political efficacy, and the results attest to the importance of income inequality in determining overall political efficacy. As shown in Table 1, income inequality has a strong negative influence on external political efficacy; the coefficients for inequality retain statistical significance even if all the possible controls are included. Contrary to earlier expressed suspicions the effect of inequality does not appear to be spurious. If the association between inequality and efficacy was indeed spurious, we would expect either perceptions of corruption or levels of democracy to 'explain away' the association between inequality and efficacy, but this is not the case. Levels of democracy on their own do not predict political efficacy as shown in Model 8, and even more surprisingly neither do levels of democracy explain away the effect of inequality as shown in Model 7. Adding levels of democracy to the model in fact reduces model fit: the Bayesian Information Criterion increases in size when levels of democracy are added to the model. Though the performance of political institutions in post-communist countries may influence support for democracy (Evans and Whitefield 1995), it does not appear to determine peoples' faith in being able to influence government officials and public policy. This finding is particularly surprising as the range in levels of democracy among post-communist countries as measured by the Polity IV score is quite wide and wide enough to show the impact of the quality of political systems on popular perceptions.

Table 4.2 Effects of Inequality on Aggregate Levels of External Political Efficacy (with Romania 1993)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Inequality		-0.019***			-0.018***	-0.021***	-0.021***		-0.020***
		(0.005)			(0.005)	(0.005)	(0.006)		(0.005)
Corruption			-0.337*			-0.301**			-0.311*
			(0.152)			(0.115)			(0.124)
ENEP				-0.026	-0.016				
				(0.019)	(0.016)				
Democracy							-0.016	0.025	0.005
							(0.023)	(0.024)	(0.023)
Constant	2.533***	3.163***	3.856***	2.641***	3.197***	4.390***	3.361***	2.319***	4.363***
	(0.041)	(0.165)	(0.597)	(0.087)	(0.167)	(0.490)	(0.326)	(0.201)	(0.496)
L2	12	12	12	12	12	12	12	12	12
L1	33	33	33	33	33	33	33	33	33
BIC	-9.381	-17.755	-10.002	-7.723	-15.217	-20.436	-14.736	-6.506	-16.994

Notes: *$p < .05$. **$p < .01$. ***$p < .001$; Ordinary least squares estimates using multilevel regression. Country survey years clustered by country. Standard errors in parentheses. Dependent variable: external efficacy (Likert scale ranging from 1 to 5); Level 1(L1) units are countries, and level 2 (L2) unites are country-survey years.

Inequality also is not explained away by perceptions of corruption. Even though several of the unequal post-communist regimes have high levels of corruption according to cross-national indicators, perceptions of corruption do not explain away the lower levels of political efficacy in these countries. Aggregate perceptions of corruption have a very slight effect on political efficacy as shown in Model 3, however they do not reduce the size of the coefficient for inequality in Model 6 despite increasing model fit. Thus we can conclude that the effect of income inequality on political efficacy is not simply capturing the effects of levels of democracy or perceptions of corruption.

Perceptions of corruption also do not have the expected mediating effect that Rothstein argues for, but perceptions of corruption do contribute to explaining political efficacy. According to the "low trust-inequality-corruption trap" argument inequality should reduce political efficacy indirectly through corruption. The results show no evidence that inequality has an indirect effect through corruption. Perceptions of corruption do not explain away the effect of inequality as

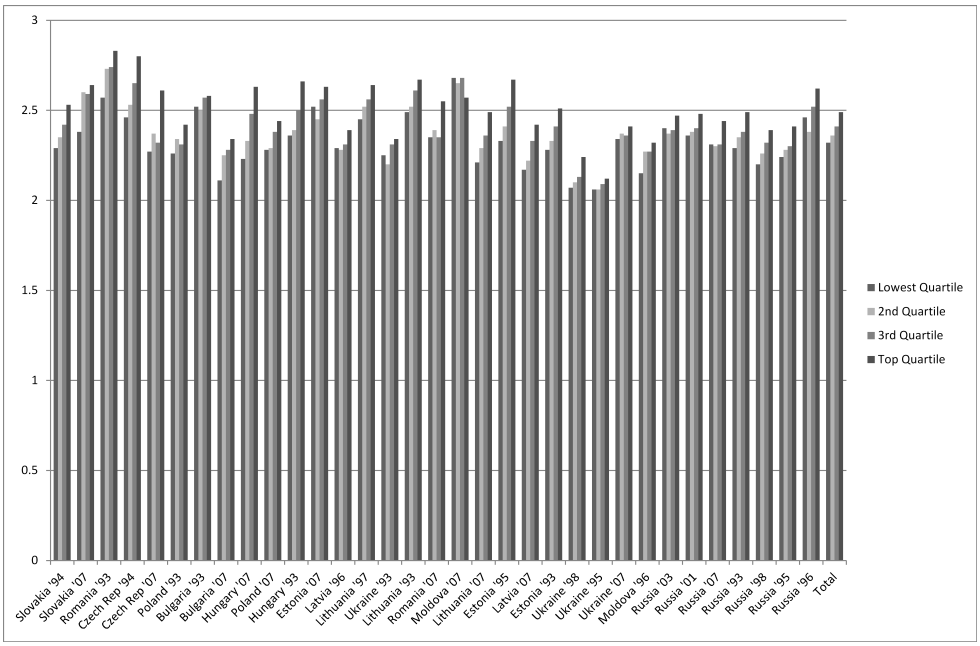
expected completely (see Model 6), although they do help explain some cross-national variation in political efficacy when taken into consideration along with inequality. When countries with equal levels of inequality are compared, people will have lower levels of political efficacy where perceptions of corruption are higher. A comparison of the Bayesian Information Criterions (BIC) for the models indicates that Model 6 by far has the best model fit (the lowest BIC indicating the best fit). Income inequality is far more closely associated with political efficacy than corruption; however, corruption does significantly contribute to determining levels of political efficacy.

The aggregate analysis has shown that the association between inequality and political efficacy is not spurious, so we can conclude that inequality does depress political efficacy. The aggregate analysis cannot, however, show by what micro-level mechanism inequality depresses political efficacy. Inequality can either lower political efficacy by fostering feelings of relative powerlessness among the poor as the relative power explanation suggests, or inequality can undermine faith in political system among by the rich and the poor by destroying social cohesiveness as Rothstein would argue. The aggregate analysis cannot compare the two explanations as they focus on micro-level mechanisms; thus to compare the explanations, we must examine what is happening at the individual level.

The raw data on external political efficacy by income quartile across post-communist countries shows that the rich have more efficacy than the poor, however the degree of the efficacy gap between the rich and poor does not appear to depend on income inequality. Figure 4 shows levels of external political efficacy by income group, and country survey years are sorted by levels of income inequality from left to right. We can see that overall levels of efficacy are slightly higher in more equal countries. With the exception of Moldova, where rich people seem to have lower levels of efficacy than the poor, in all the other countries better material circumstances are

generally associated with higher levels of political efficacy. Overall income has a positive and monotonic relationship with political efficacy, which fits with the relative power explanation according to which the rich should be more efficacious than the poor (Hypothesis 1), however the positive effect of income does not tip the balance in favour of the relative power explanation. Thus far the evidence contradicts neither Rothstein's argument nor the relative power explanation. Both explanations suggest that political efficacy should be lower in unequal countries, and the aggregate analysis has shown this is the case. As to the individual level effects of income, Rothstein does not address them, rather he focuses on the contextual effect of the overall income distribution.

Figure 4.4 Levels of Mean Political Efficacy by Income Quartile



The crucial test of Rothstein's and the relative power explanations is whether inequality depresses efficacy specifically among the poor or for everyone. In order to effectively test the relative power theory, I create an interaction between income and income inequality, and to simplify the creation of the interaction, income is treated as a linear variable. Model 2 in Table 2 shows that treating

Table 4.4 Income Inequality, Income, and External Efficacy in 12 post-communist countries

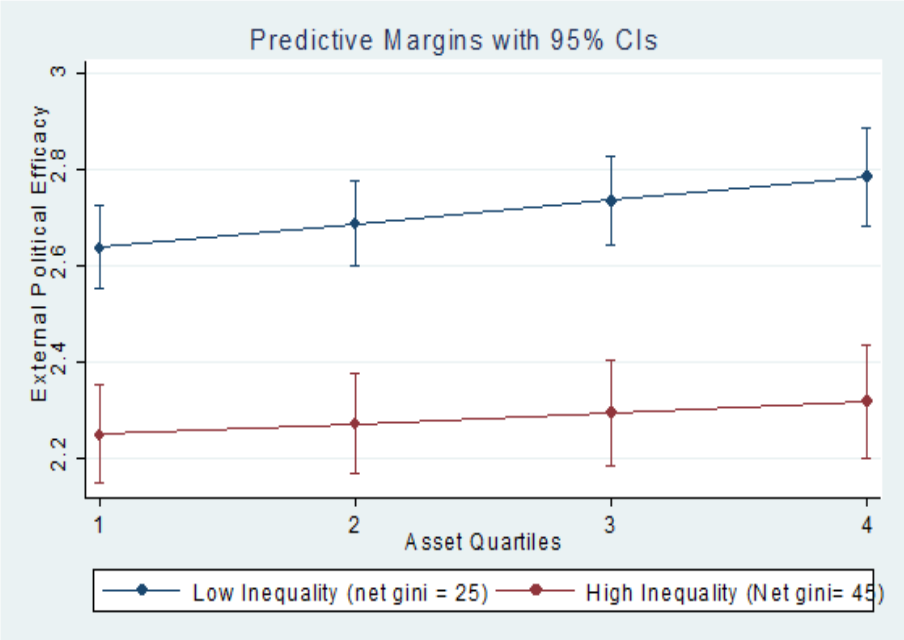
	(1)	(2)	(3)	(1)	(2)	(3)
	With Romania 1993			Without Romania 1993		
Income Inequality			-0.018***			-0.016***
			(0.004)			(0.004)
Income Inequality X Assets			-0.001			-0.001
			(0.001)			(0.001)
Assets			0.081**			0.081**
			(0.026)			(0.028)
Lowest Asset Quartile (ref.)		-			-	
2nd Quartile		0.021**			0.018*	
		(0.008)			(0.008)	
3rd Quartile		0.057***			0.054***	
		(0.008)			(0.008)	
4th Quartile		0.105***			0.104***	
		(0.008)			(0.008)	
Age		-0.010***	-0.010***		-0.010***	-0.010***
		(0.001)	(0.001)		(0.001)	(0.001)
Age squared		0.000***	0.000***		0.000***	0.000***
		(0.000)	(0.000)		(0.000)	(0.000)
Primary Education (ref.)		-	-		-	-
Secondary		0.056***	0.054***		0.054***	0.052***
		(0.007)	(0.007)		(0.007)	(0.007)
Tertiary		0.175***	0.176***		0.173***	0.174***
		(0.009)	(0.009)		(0.009)	(0.009)
Female		-0.048***	-0.048***		-0.048***	-0.048***
		(0.006)	(0.006)		(0.006)	(0.006)
Married		-0.004	-0.004		-0.004	-0.004
		(0.006)	(0.006)		(0.006)	(0.006)
Corruption			-0.356**			-0.329**
			(0.109)			(0.109)
Constant	2.536***	2.653***	4.599***	2.520***	2.649***	4.436***
	(0.042)	(0.048)	(0.466)	(0.039)	(0.046)	(0.476)
Country	12	12	12	12	12	12
Country Survey Years	33	33	33	32	32	32
Individuals	55322	54783	54783	53705	53233	53233
BIC	110679.7	108872.4	108833.7	107566.7	105891.8	105859.5

income as linear is justified as income quartiles have a positive and monotonic effect on external political efficacy: the coefficients for the income quartiles are increasingly positive relative to the lowest quartile which is the reference category.

The results of the multilevel regression analysis contradict the relative power explanation: inequality seems to depress political efficacy among the rich and poor equally. Model 3 in Table

2 contains the interaction between individual income, measured using the asset index, and inequality. According to the relative power theory the gap in political efficacy between the rich and the poor should increase as income inequality intensifies feelings of relative powerlessness among the poor, so the interaction term should be positive. The results of Model 3 show that the interaction term is negative and not significant: thus clearly, contrary to the predictions of the relative power explanation, the political efficacy gap between the rich and poor in unequal countries is not greater. The rich in the most unequal countries of the former Soviet Union are not any more efficacious relative to the poor within the same country than the rich in Central European countries. As Figure 4.3 illustrates, in the most unequal post-communist countries everyone has lower efficacy. Thus the empirical evidence strongly favours 'undifferentiated' effects of income inequality supporting Rothstein's "low trust-corruption-inequality" explanation (Hypothesis 3).

Figure 4.5 Predicted Inequality in Efficacy Across Income Groups When Income Inequality is High and Low



The findings indicate that both the rich and poor in unequal post-communist countries feel they are less able to influence public policy than their counterparts in more equal Central European countries. Within the more unequal countries wealthy people still have higher levels of efficacy than the poor; economic success reinforces efficacy regardless of inequality. However, winners in a more equal country will have higher efficacy than winners in unequal post-communist countries. The 'rich' respondents captured by surveys may be well-off materially and quite successful but they will not be the oligarchs. The people in the top income quartile in the most unequal countries may have derived benefits from the economic system, but in terms of the power they can use to protect themselves from corruption and poor public policy they are still weak compared to oligarchs. Thus a highly paid professional or business owner in Russia or Ukraine may feel more efficacious than a poor manual worker in the same country but will still be far more cynical about the political system than a professional in Poland or the Czech Republic. The well-off in unequal countries may not only suffer from generalized mistrust that undermines their faith in political system as Rothstein and Uslaner would argue, but also they may be concerned with general questions of economic fairness (Kleugel and Mason 2004). Again, though people in the top income quartile in the countries of the former Soviet Union may be doing quite well compared to the poor within the same country, these people may still compare their own fate to that of the super-rich oligarchs. In so far as the well-off in unequal countries view the economic transition as a property redistribution towards people tied with the former *nomenklatura*, they will view the new political regime with skepticism just like the poor.

Robustness and the Romanian case

The aggregate models, with inequality and corruption, explain a lot of variance and have strong predictive power; however robustness tests show that the Romania 1993 survey year is an outlier adding a lot of strength to the results. The robustness tests show that Romania in 1993 presents a distinct case in terms of economic and political liberalization compared to the other countries. However, the results remain unchanged though weaker when Romania is removed from the analysis: inequality still has a negative though slightly weaker overall effect on political efficacy, and inequality depresses efficacy equally among the poor and the rich.

The robustness tests show that Romania in 1993 had both large leverage and influence, and thus is an influential outlier. Leverage is determined by how far a data point falls from the mean on the explanatory factors. Romania in 1993 lies far from the mean on both income inequality, having both very low levels of inequality and democracy. Romania also shows unusually high levels of overall political efficacy falling far from the mean on the dependent variable. The Czech Republic in 1994 has similar levels of income inequality and political efficacy as Romania in 1993 but the Czech Republic is not an influential outlier since it also had relatively high levels of democracy.

Romania in 1993 is a distinctive case in economic and political terms when compared to other post-communist countries at similar points in time; Romania's distinctiveness in 1993 lies in the country lagging behind the others in terms of both the transitions to democracy and the market economy. Sultanistic rule left Romania with 'flattened political landscape' and fewer independent political associations than several countries that were part of the Soviet Union (Linz and Stepan 1996). The lack of any viable political contenders who were independent of the old

regime allowed the neo-Communists under Illiescu to capture the transition and win the first two elections. Even in 1995, Romania was the furthest from being a consolidated democracy of all the post-communist countries according to Linz and Stepan (1996: 364). Despite the neo-Communists' rather halting progression towards democratization, Romanians were extremely positive about the new regime according to opinion polls, as Ceausescu's regime continued to be their reference point (Linz and Stepan 1996; Rose and Haerpfer 1993), thus the unusually high levels of political efficacy that we see in Romania are not empirical 'noise'.

The economic transition also progressed at far slower rate than in other Warsaw Pact countries, retaining many of the elements of communist command economy until 1996, which meant that inequality levels were very low. The economic transition in Romania progressed in two stages, the first being under the Communist-led government up until 1996. While state enterprises were officially privatized in this period, in practice the government retained majority stakes in most companies (Earle and Telegdy 1998). The government influence on the state companies prevented growth in unemployment (Skoufias 2003; Allison and Ringold 1996), which was one of the major contributing factors to income inequality in other post-communist countries. The slow process of privatization also meant that, while real wages declined, returns on education did not grow as much as in other post-communist countries (Skoufias 2003; Andren, Earle and Sapatru 2005). The incomplete political transition slowed the marketization of Romania's economy, thus preventing the rise in income inequality in the shorter term.

Despite not being very democratic, Romania in 1993 is still compatible with Rothstein's argument. First, levels of democracy are not very relevant to Rothstein's argument. Rothstein presupposes that low inequality levels are linked with better governance, but he does not equate good governance with levels of democracy. Rather perceptions of corruption better capture

Rothstein's concept of good governance: impartiality in the administration of government policies (Rothstein 2011). At least in terms of perceptions of corruption, Romania 1993 is pretty average among post-communist countries. Whereas, in terms of the other causal pathway linking inequality and efficacy through levels of social division Romania 1993 fits quite well. Hypothetically, low inequality levels may have contributed to Illeiscu's popularity and satisfaction with the new political regime by preventing social divisions. We can well imagine if Illeiscu's government forged ahead with marketization, his government would have rapidly lost popularity. Ironically, in Romania low income inequality may have helped stabilize a partially democratic regime. In the longer term Romania also fits Rothstein's argument; though democracy consolidated in Romania by 2007, inequality levels had increased and political efficacy declined. To conclude, the Romania 1993 survey year should be noted as an outlier since it adds strength to the association between inequality and efficacy, however it should not be excluded from the analysis. Rather it is a case illustrating that inequality may undermine the legitimacy of any regime whether it is democratic or not.

Table 4.5 Aggregate Regression: Effect of Inequality on Overall Political Efficacy (without Romania 1993)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Inequality		-0.016***			-0.015**	-0.018***	-0.015*		-0.013*
		(0.005)			(0.005)	(0.005)	(0.006)		(0.006)
Corruption			-0.427**			-0.285*			-0.340**
			(0.141)			(0.114)			(0.119)
ENEP				-0.029	-0.021				
				(0.017)	(0.016)				
Democracy							0.008	0.048*	0.033
							(0.026)	(0.021)	(0.025)
Constant	2.517***	3.059***	4.192***	2.639***	3.093***	4.229***	2.946***	2.113***	4.005***
	(0.039)	(0.167)	(0.554)	(0.079)	(0.165)	(0.496)	(0.393)	(0.173)	(0.510)
L2	12	12	12	12	12	12	12	12	12
L1	32	32	32	32	32	32	32	32	32
BIC	-14.294	-19.220	-16.346	-13.750	-17.469	-21.131	-15.855	-14.346	-19.360

Notes: *$p < .05$. **$p < .01$. ***$p < .001$; Ordinary least squares estimates using multilevel regression. Country survey years clustered by country. Standard errors in parentheses. Dependent variable: aggregated external efficacy (Likert scale ranging from 1 to 5); Level 2 (L2) units are countries, and level 1 (L1) units are country survey years.

Even with the Romania 1993 survey removed, income inequality continues to be the strongest predictor of political efficacy, and the effects of inequality continue to be 'undifferentiated.' Excluding the Romania 1993 survey year slightly reduces the slope of the coefficient for income inequality from -0.021 ($p<0.001$) to -.018 ($p<0.001$). Also, with Romania 1993 included, the coefficient for inequality is strongly statistically significant even with controls for levels of democracy (see Model 9 in Table 1), but with the survey year removed the coefficient is much weaker (see Model 9 in Table 3). However, overall even without the Romania 1993 survey year income inequality continues to be the single strongest predictor of political efficacy. The coefficient for inequality remains negative and statistically significant in all the models as shown in Table 3. The models which contain income inequality have the best fit. Income inequality explains 5% of the variance at the country-survey years which may not seem like much but levels of democracy explain practically no variance. At the individual level, the effects of income inequality remain 'undifferentiated.' Even with Romanian case removed, the rich and

poor remain equally affected by income inequality. As Model 3 (with Romania 1993 removed) shows in Table 3, the coefficient for the interaction between inequality and income is still not statistically significant. The conclusion still stands that the relative power explanation cannot explain why political efficacy is lower in unequal post-communist countries.

This analysis is fundamentally cross-sectional and therefore somewhat limited in its ability to show causality between inequality and efficacy. Ideally, the association between inequality and political efficacy should be shown to hold over time as associated trends: when inequality goes up, efficacy should go down within a country. While the analysis has been unable to examine longitudinal trends, it has been able to show that firstly the relative power explanation does not account for why efficacy is lower in unequal post-communist countries. Overall levels of external efficacy are lower in unequal post-communist countries not because the poor feel powerless, but because everyone, both the rich and poor, has less faith in the political system. Secondly, the analysis has been able to show that perceptions of corruption and institutional and representative quality of democracy cannot explain away the effect of inequality. In countries where overall perceptions of corruption are stronger, people are unsurprising more sceptical of the political system, however efficacy is not lower in unequal post-communist countries simply because perceptions of corruption are stronger. Finally, even though some studies have argued that the performance of political institutions shapes faith in the post-communist political regimes and generally support for democracy (Evans and Whitefield 1995), this chapter's findings reinforce the importance of the economic context particularly re-distributional fairness (Kleugel and Mason 2004) for the new political regimes' legitimacy.

4.5 Perceptions of Inequality as the Link?

Thus far the results showing that the effect of inequality is quite robust and that it equally affects both rich and the poor fits with Rothstein and Uslaner's argument about how unequal societies fall into a "low trust-corruption-inequality" trap. Their arguments make clear the self-reinforcing connections between these factors, but they are less clear about whether people actually *perceive* inequality itself. Perceptions of corruption and the poor performance of political institutions is explicitly shown to lower turnout (Kostadinova 2009) and lower generalized social trust (Rothstein 2010; Letki and Evans 2005) in Eastern Europe. Also in Eastern Europe, perceptions of social inequality seem to increase perceptions of social conflict (Whitefield and Loveless 2013). All these empirical findings fit well the Rothstein and Uslaner's argument, but we are still less clear about the links between actual income inequality itself and individual people's behaviour. Income inequality may be the 'primary' cause reinforcing corruption and poor institutional performance, but are people aware that income inequality can have bad consequences? In other words do perceptions of inequality provide on important linking mechanism between actual income inequality and individual behaviour, such as voter turnout, at the end point of the causal chain?

Perceptions of inequality in post-Communist Eastern Europe do lower political efficacy and increase political apathy (Loveless 2013). The later study's findings are particularly significant in further explaining the results in this chapter as the study also uses the EurEqual dataset making the results highly compatible. However, another study using the same data shows that in Eastern Europe perceptions of income inequality are weakly if at all associated with actual income inequality (Loveless and Whitefield 2011). The later findings reinforce the importance of corruption and experiences of the performance of political institutions in shaping perceptions

of income inequality. Therefore it would seem that perceptions of inequality cannot help in making the link in causal chain between actual income inequality and the perceptions and behaviour of individual people in Eastern Europe.

To confirm these suspicions, I re-analyse these relationships particularly as the Loveless and Whitefield (2011) used difference sources for the measures of actual income inequality. Figure 4.7 shows a scatterplot with mean levels of external political efficacy plotted over actual levels of income inequality. The plot shows illustrates that there is no clearly defined relationship between perceived and actual inequality. Despite the actual level of income inequality, in all the Eastern European countries people on average agree that income inequality is too high (on scale from 1 strongly disagree to 5 strongly agree). The correlation coefficient between actual and perceived income inequality indeed is not at all significant as shown in Table 4.6.

Figure 4.6 Aggregate external political efficacy by income inequality

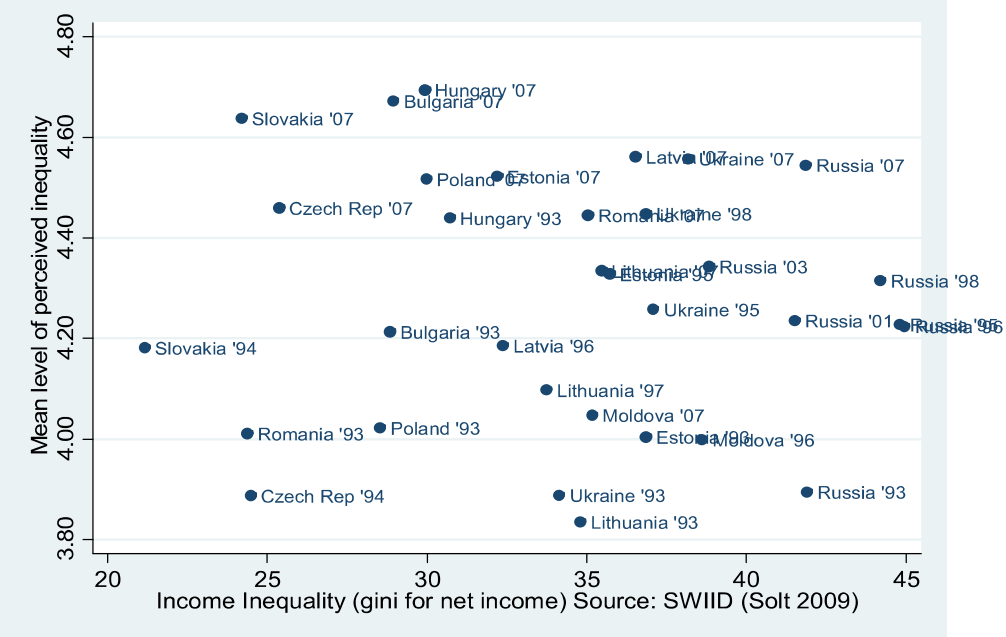


Table 4.6 Correlation between actual and perceived income inequality

	Actual Inequality
'Too much income inequality'	-0.0598
p-value	0.7410
N	33

Finally to determine whether perceptions of income inequality can provide a significant linking mechanism between actual income inequality and external efficacy, I redo the aggregate regression analysis adding aggregated perceptions of inequality. If perceptions of income inequality can provide a link in the causal chain, we would expect perceptions to explain away some of the negative effect of income inequality. Unsurprisingly perceptions of inequality depress external political efficacy; this effect fits with the Loveless' (2013) finding that perceptions of inequality depress efficacy at the individual level. However, perceptions of income inequality fail to explain away much of the negative income inequality as shown in Table 4.7. We can make two conclusions based on these findings. Firstly, perceptions of income inequality are not the main linking mechanism between actual income inequality and individual level attitudes and behaviour; perceptions are clearly not associated with actual income inequality, and they do not explain away the negative main effect of income inequality of external efficacy. The second overall conclusion we can make based on the additional analysis on perceptions is that the finding that perceptions of corruption, levels of democracy, and perceptions of corruption all cannot explain away the negative effect of actual inequality suggests that income inequality works indirectly through other mechanisms and that people do not have to perceive actual income inequality for it to have an effect. In the conclusions to this chapter and the thesis, I theorize about possible alternative mechanisms.

Table 4.7 Effects of Actual and Perceived Inequality on Aggregate External Efficacy (with Romania 1993)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Income Inequality		-0.019***				-0.019***	-0.018***	-0.021***	-0.021***		-0.018***
		(0.005)				(0.005)	(0.005)	(0.005)	(0.006)		(0.005)
Corruption			-0.337*					-0.301**			-0.300**
			(0.152)					(0.115)			(0.114)
ENEP				-0.027			-0.017				
				(0.018)			(0.016)				
Perceived Inequality					-0.229*	-0.219*					-0.219*
					(0.109)	(0.096)					(0.095)
Democracy									-0.016	0.025	0.025
									(0.023)	(0.024)	(0.023)
Constant	2.533***	3.163***	3.856***	2.644***	3.514***	4.106***	3.199***	4.390***	3.361***	2.319***	5.016***
	(0.041)	(0.165)	(0.597)	(0.087)	(0.470)	(0.440)	(0.166)	(0.490)	(0.326)	(0.201)	(0.542)
Country Random Intercepts	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	Yes	Yes
Countries	12	12	12	12	12	12	12	12	12	12	12
Country Survey Years	33	33	33	33	33	33	33	33	33	33	33
BIC	-9.38	-17.75	-10.00	-7.85	-9.81	-19.11	-15.31	-20.44	-14.74	-6.51	-18.41

4.6 Discussion and Conclusions

This chapter examined whether income inequality in post-communist countries influenced people's faith in new political regimes and in the responsiveness of government officials to the citizens' interests. Several recent studies suggested that inequality does shape faith in the political system (Rothstein 2011; Rothstein and Uslaner 2005), support for democracy (Andersen 2012) as well as people's political behaviour (Lancee and Werfhorst 2012; Solt 2008, 2012; Anderson and Beramendi 2008, 2011). Two concepts underlie most of the arguments about the micro-level causal mechanisms linking inequality and people's attitudes towards the political regimes and their political behaviour: status competition and social homophily (Lancee and Werfhorst 2012). The first concept provides the basis for the argument that under conditions of inequality, the poor feel powerless and thus become disengaged. Although recent empirical evidence suggests its broader relevance (Solt 2008; Anderson and Bermandi 2012; Lancee and Werfhorst 2012), the relative power argument is theoretically based on ideas about political power and how elites restrict political alternatives in the American context (Schattschneider 1960; Lukes 2005; Bachrach and Baratz 1970). The US-centric theoretical focus of the relative power argument raises the question of whether it is applicable in different contexts, particularly in post-communist new democracies, where inequality appeared simultaneously with the formation of a new political system making the two seem inextricably bound.

Overall political efficacy is clearly lower in unequal post-communist countries, but not because of disengagement among the poor as the relative power explanation would suggest. These results are surprising as one would have expected some form of economic disengagement

to be present in post-communist countries. The economic transition did not benefit all social groups equally; the uneducated and manual workers lost disproportionately in the marketized economies (Rutkowski 1996b; Heyns 2005). The economic losers, however, are not the only ones to have lost faith in the new political system, rather everyone, both the winners and losers, has less faith in their ability to influence government officials in unequal post-communist societies. I thought this may be because corruption is higher in more unequal countries or because the overall political system is less democratic, however neither completely accounts for the effect of inequality. The strong negative and undifferentiated effects of inequality on political efficacy *appears* to fit well with Rothstein's argument that in unequal societies social divisions undermine trust between different social groups and consequently faith in political system. Trust in others' benignity underpins people's willingness to participate together in politics (Almond and Verba 1963), and social homogeneity facilitates a feeling of community and willingness to cooperate (McPherson *et al.* 2001). However, we are still left with the problem of concretely establishing the links between actual income inequality and individual level behaviour and attitudes.

This chapter also finds that the strong association between inequality and efficacy among post-communist countries is in part driven by the Romanian case from the early 1990s. Romania in the early years of transition is an outlier in terms of inequality and efficacy, and the inclusion of the Romania 1993 survey year contributes to the strength of the association between inequality and efficacy. If the Romania 1993 survey year is excluded, inequality is still most closely associated with political efficacy, although the effect is weaker.

This analysis has established that the relative power explanation cannot explain the mechanism through which inequality depresses political efficacy, leaving the strong association between inequality and efficacy to interpret. So is inequality the primary cause of political

efficacy in post-communist countries? Inequality is more strongly associated with political efficacy than even levels of democracy, but we cannot say for sure if inequality is the beginning of the causal chain. Rothstein argues that inequality, the quality of governance, and generalized trust are all interconnected and self-reinforcing. In the post-communist context, quality of democracy, understood principally as effective representation, is also very strongly correlated with inequality. The countries of the Former Soviet Union with the most repressive Communist regimes experienced difficulties in several areas including achieving good governance without corruption, effective democratic institutions, and a well-functioning market with an equitable distribution of economic resources. The challenges in all three areas could be attributed to the degree that Communist regimes managed to stamp out both political opposition and private enterprise.

In the search for a causal explanation we could potentially attribute the low levels of political efficacy in unequal post-communist to the nature of the Communist regimes, and we could argue that inequality is one of the factors linking nature of the past regime and current levels of political efficacy. Kitschelt (et al. 1999) argues that weak development of programmatic party competition in the most unequal post-communist countries can be linked back to the nature of the paternalistic communist systems these countries. Non-programmatic parties (clientelistic and paternalistic parties) have become the dominant type of party in these countries after communism. Income inequality may well have reinforced the presence of these parties by increasing the scope for appeals to party supporters by offering rent-seeking opportunities. Voters in these countries, especially the discerning ones, are more likely to be discouraged from voting, since they are likely to be aware that non-programmatic parties are ineffective in representing voters policy preferences.

Chapter 4

The findings of this chapter are sure to raise the question of why income inequality appears to discourage political participation among the poor in the United States and Western Europe (Solt 2008, 2010), but not in post-communist Eastern Europe. Relative powerlessness does not appear to be present among the poor in more unequal post-communist countries. The causes of inequality and political engagement among the poor may be different in established democracies and post-communist countries. In established democracies, particularly in the US, the political system may operate in such a way that issues relevant to the poor are excluded from public discourse discouraging participation among the poor (Solt 2010). Some have argued that in the United States both inequality and disengagement among the poor are the product of a certain "winner-take-all politics" (Hacker and Pierson 2010, 2011) that is not present in the post-communist countries. A key characteristic of winner-take-all politics that distinguishes it from politics in post-communist countries is that while only a certain group of people are rewarded, the political system is still generally viewed as legitimate, and those who have been rewarded by the system, namely the rich, continue to actively participate in politics. Underlying the continued legitimacy of the system in established democracies is the dominance of programmatic party competition. Even if elites intentionally choose to only appeal to wealthy voters, the political elites are still representing the interests of this narrower group of citizens. In the most unequal post-communist countries where the quality of democracy is low, both the winners and losers appear to be disillusioned with the new political system. The dominance of non-programmatic parties and resulting poor linkages between the citizens and their representatives may discourage even those who have benefited in relative terms to their compatriots.

5 Explanations of Unequal Turnout in Post-communist Eastern Europe Compared: Parties, Institutions, Income Inequality, and the Normalization of Voting

Chapter 5

In a democracy every citizen should, ideally, have the right to vote and thus have equal influence. In practice, citizens' influence through elections is hardly equal: wealthier, better educated voters are more likely to vote than the disadvantaged; Lijphart terms this pattern "unequal turnout" (1997). Electoral participation is unequal in the majority of countries (Lijphart 1997; Gallego 2007/8, 2010) and depends at least partly on the national context. For example, it is quite significant in the USA, where onerous registration rules discourage disadvantaged voters, y*et al.* most non-existent in countries with compulsory voting (Gallego 2010).

Unequal turnout has troubling implications for democratic governance and policy-making. In the words of Schattschneider (1960), "the flaw in the pluralist heaven is that the heavenly chorus sings with a strong upper-class accent," which means that the messages politicians receive from the electorate largely represent the interests of the most advantaged citizens. Unequal representation of citizens' interests is particularly worrying in new democracies where the first few democratic elections establish fundamental policies such as constitutional structure and welfare reform. Despite this, thus far we know almost nothing about the extent to which turnout has been unequal in post-communist Eastern Europe.

This chapter seeks, firstly, to complement Aina Gallego's (2010) chapter on unequal turnout in established democracies by extending her analysis to Eastern Europe, and secondly, to explore explanations of unequal turnout that may specifically apply to the new democracies in Eastern Europe. The main factors explaining unequal turnout in established democracies which Gallego (2010) identifies (such as the ease of voting) may have the same effect in post-communist new democracies. These factors, however, are primarily institutional and therefore do not change. A cross-sectional approach, focusing on institutions, may work for established democracies which are in a stable equilibrium (Gray and Caul 2000); however the Eastern European new

democracies have been in a state of flux since the collapse of communism. We already know that turnout in post-communist countries has followed pattern of decline over time (Kostadinova 2003; Kostadinvoa and Power 2007) indicating that strong temporal mechanisms are at work. Thus unequal turnout in post-communist countries must be examined not just cross-sectionally but over time, and particular attention must be paid to how the contextual factors themselves change.

In this chapter I will consider explanations that link the dynamic context with changes in turnout inequality. To this end I will use pooled survey data from four large mass surveys to maximize cross-sectional and temporal coverage. I begin this chapter with an overview of various potential explanations of turnout inequality, both those which apply in established democracies as well as those that may be relevant specifically to the post-communist context. One of the goals of this chapter is to confirm the robustness of the euphoria effect found in Chapter 3. In that chapter, I have also shown that with each passing election, turnout inequality has increased in Eastern Europe as the least motivated voters have dropped out, and in that chapter I have shown that disengagement among the economic losers has not contributed to the decline in turnout among low socioeconomic status voters. However, in Chapter 3, I do not account for other possible institutional and macro-level factors that could have contributed to the increasing turnout inequality over time. Therefore in this chapter, I confirm that the euphoria effect is the main factor explaining increasing turnout inequality *over time*. Overall, in this chapter I argue that while turnout inequality is influenced by two factors, ballot complexity and trade unions, as in established democracies, turnout inequality is also influenced by transitional dynamics such as the fading of the the founding elections euphoria and as a reaction to increasing income inequality. Turnout inequality is best understood as the product of the interaction between individuals' political resources and motivation and macro-level contextual factors which determine the

(perceived) costs and benefits of voting, except in the case of income inequality. An exception to this rule is income inequality, which as shown in Chapter 4, is likely to depress turnout among all citizens, though better educated people more likely to be aware of income inequality levels. Therefore income inequality may decrease turnout inequality by discouraging highly educated voters.

5.1 Founding elections euphoria and normalization of turnout

The two main studies that examine the decline in turnout in post-communist countries attribute the decline to a natural waning of the excitement of the first democratic elections (Kostadinova 2003; Kostadinova and Power 2007). The idea that founding elections are somehow unique was most notably put forward by O'Donnell and Schmitter (1986) who showed in several case studies of regime change in Latin America, that the first post-authoritarian elections are a time of euphoria during which people demonstrate unusually high levels of interest in politics and believe they can shape political outcomes; though once the new political rules are in place, the excitement wears off. Increasing turnout inequality is part of this process of normalization as the disadvantaged voters drop out of the electorate at higher rates because they are more sensitive to the costs of voting.

The founding elections euphoria effect can be understood as having two components: the high salience of the first election (Fornos 2004) and high hopes for democracy (Hughes and Guerrero 2009). Arguably the first elections are the most salient elections possible as they determine the constitutions and institutions of a new democratic regime. Numerous studies show that voters become mobilized when they perceive the electoral stakes to be high and that

individual votes make a difference (Pacek *et al.* 2009). Additionally, the founding elections as well as subsequent elections for some time are characterized by high hopes for what democracy can deliver in terms of policy; with each passing election voters learn that democracy is not a panacea for all problems and they adjust their expectations accordingly, becoming less engaged (Hutcheson 2004; Mason 2004; Ingelhart and Cattelberg 2002). Thus founding elections in new democracies are characterized by unusually high turnout which subsequently declines over time with each subsequent election (Roussias 2012).

The core theoretical principle underlying the founding elections explanation is the idea that voting behavior progresses towards more "normal" patterns as democracy becomes routine. As already shown by several studies, aggregate turnout has declined in post-communist new democracies in a manner consistent with the founding elections explanation (Kostadinova 2003; Kostadinova and Power 2007; Roussias 2012). While it may still be too early to see how aggregate turnout will evolve, it can be expected to plateau at levels appropriate to each country's institutions. Empirically, the founding elections euphoria 'effect' at the aggregate level can be defined as a temporal decline in turnout that is unaccounted for by institutional changes. In this chapter, institutional changes will be taken into account when examining the robustness of the euphoria effect. At the micro-level, we expect the normalization of turnout to be characterized by a turnout decline concentrated among people who are most sensitive to the costs of voting, in particular people with low socioeconomic status; as the founding elections effect dissipates, the perceived benefits of voting decline relative to the costs, resulting in an increasing turnout gap between high and low status voters.

Elements of socioeconomic status (income, education, and social class) can serve as proxies for political engagement and sensitivity to the cost of voting. The various processes of

political socialization such as the home and educational environments that shape the 'civic orientations or 'psychological engagement in politics' (such as interest, political efficacy, and civic skills) vary according to the social background of the voter (Verba and Nie 1972; Verba *et al.* 1995; Schlozman *et al.* 2012). University educated voters are more likely to vote because they possess more cognitive resources which make it easier to navigate voting procedures and make electoral choices. Individuals with higher socioeconomic status individual also vote more often because they are more likely to be socialized among individuals who are interested in politics and remain embedded in politically active social networks (Abrams, Iversen and Soskice 2010; Rolfe 2012). Verba *et al.* (1995: 358) find that when determinants of voting behavior are estimated in a regression model, controlling for 'psychological engagement' in politics eliminates most of the effect of socioeconomic status. Political engagement as well as the social environment of politically engaged people allow for easier acquisition of political information and help reduce sensitivity to costs of voting.

Socioeconomic bias (a gap in voting participation between groups with high and low socioeconomic status) is a "normal" voting patterns in both established and new democracies, except for those with compulsory voting (Gallego 2007/8; Gallego 2010) . The finding that individuals with a higher social status participate more in politics than the disadvantaged is highly consistent across the literature (Verba and Nie 1972; Verba, Nie, and Kim 1978; Brady *et al.* 1995; Wolfinger and Rosenstone 1980). Socioeconomic bias in political participation has been found to be especially strong in the United States; for a long time several have argued that in established democracies in Western Europe socioeconomic bias in voting participation is far weaker or even non-existent (Verba and Nie 1972: 340; Norris 2002; Topf 1995; See Gallego

2007/8 and 2010 for reviews of this literature), although recently studies have found that socioeconomic bias in voting participation is not unique to the United States (Gallego 2007/8).

During the extraordinary times of the founding elections when populations are unusually mobilized, we can expect the "normal" level of socioeconomic bias in voting participation to be suppressed. Individuals who normally would not be interested in politics, such as the poor and the uneducated, will be mobilized to a similar degree to those voters who normally maintain an interest in politics. Furthermore, the high salience of the founding elections, as well as the high hopes and expectations for the new democratic regime raise the perceived benefits of voting relative to costs for poor voters. When the initial euphoria of the founding elections wanes, we can expect this effect to reverse: high status individuals who are less sensitive to voting costs will maintain their interest in politics and will continue to vote in high numbers, while voting participation among the disadvantaged drops to more "normal" levels.

Hypothesis 1: With each passing election, turnout inequality increases.

Thus far, I have focused on analysing the effect of the fading of the founding elections euphoria from the individual level perspective. In Chapter 3, I examined whether economic disengagement, measured through individual level economic assessments, has contributed to the increase in turnout inequality over subsequent elections; in showing that economic disengagement has not contributed, I emphasized the importance of the fading of the founding elections euphoria in explaining the increase in turnout inequality over time. To fully show the robustness of the euphoria effect, however, I need to account for the possibility that some macro-level contextual changes apart from the passage of time have contributed to the increase in turnout inequality. In the next few sections, I will discuss possible alternative explanations to euphoria effect. The macro-level contextual factors that will be considered are the ones that are likely to

have changed over time in parallel with the fading of founding elections euphoria. One set of factors relate to the consolidation of the party system; they include changes in the party supply and the possible change in the strength of left parties. The electoral institutions themselves also have been in flux. As an example, Ukraine started off as a majoritarian system in the early 1990s, and then changed to a mixed system with parallel proportional and single-member districts, and finally to a pure proportional system. Therefore I account for any resulting changes in ballot complexity. A third factor is the mobilizing strength of trade unions, which we would also expect to have declined following the end of compulsory membership under communism.

Last but not least, income inequality must be accounted for as it may be a proxy for disengagement resulting from frustration with growing disparities in wages between the economic winners and losers of the transition. In Chapter 2, analysis of the impact of income inequality on inequality in political engagement and turnout was studied from a cross-sectional point of view with little longitudinal coverage. While in some countries income inequality increased sharply in the early 1990s and then remained steady, in other countries income inequality did gradually grow with time possibly in parallel with the proposed fading of the founding elections euphoria (see Figures 4.1 and 4.2). Secondly, turnout inequality was measured using income rather than education, thus the following analysis will confirm that income inequality does not cause political disengagement among the disadvantaged regardless of how disadvantage is measured.

5.2 Party Supply: Too few or too many choices

For citizens to be able to effectively express their preferences through elections effectively there must be a balanced supply of electoral choices. A sufficient number of electoral choices must be

available for voters to have real alternatives to choose from. In established democracies the convergence of parties towards the political center, or "de-polarization," has contributed to electoral fatigue (Schmitt and Friere 2012). On the other hand, too many choices and choices that are too radically different from another also present problems for the quality of electoral democracy (Sartori 1976).

While party supply in moderation has a positive effect on the quality of democracy, not all voters benefit equally from having more parties to choose from: party supply mobilizes turnout among sophisticated voters but depresses turnout among uninformed and inefficacious voters (Kittilson and Anderson 2012; Jusko and Shiveley 2005; Karp and Banducci 2007, 2008). Kittilson and Anderson (2012) find that highly efficacious voters who believe that their vote matters are far more likely to vote when there are more parties to choose from and the parties are more polarized, representing greater choice on issue dimensions; these voters are easily able to bear the costs of making electoral choices, so the additional complexity of electoral choices does not dissuade them. Disadvantaged voters on the other hand, who are already bearing the costs of voting with difficulty, become discouraged as party supply increases. We expect that party supply will, therefore, influence the degree of turnout inequality. When party supply is high, the gap in turnout between advantaged and disadvantaged voters will be greater.

The implications of party supply for turnout are particularly relevant in the post-communist context where the party systems have been in the process of evolving. The supply of new parties driven by impatient elites has forced voters to constantly switch from party to party (Tavits 2008). The constant supply of new parties in Eastern European elections inhibits the formation of party identification thus making voting costly for disadvantaged voters. On the other

hand, as party systems consolidate in some countries and the party supply declines, ideologically committed voters are likely to lose interest in voting (Roussias 2012).

Hypothesis 2: Party supply increases turnout inequality.

5.3 The strength of the left: organizational mobilization of the poor

The resource explanations of political participation suggest that disadvantaged citizens are less likely to vote than advantaged citizens, since they lack the motivation and interest in the election as well as the cognitive resources needed to navigate the electoral process (Brady et 1995; Verba *et al.* 1995). Mobilization efforts on the part of political and social organizations targeted at low socioeconomic status can counteract turnout inequality, as organizations themselves can serve as a resource for disadvantaged citizens (Gallego 2010, Verba *et al.* 1978).

In established democracies two forms of organizations have been identified as sources of mobilization for low socioeconomic status voters: left parties and trade unions (Gallego 2010). Historically, left parties, such as the socialist, social democratic, and communist parties, provided the backbone of workers' movements in European democracies throughout the 20th century (Lipset and Rokkan 1967). These parties explicitly addressed the concerns of the working class electorate thus providing additional incentives for working class voters to participate in elections.

Trade unions provide the second organizational source of mobilization for low socioeconomic status voters (Nagler and Leighley 2007). Trade unions provide informational support for members as well as wider mobilization of people with similar interests to members through assistance in political campaigns. Unsurprisingly, trade union members tend to be more likely to vote (Delaney, Masters, and Schwochau 1988; Leighley and Nagler 1992a; Radcliff 2000, 2001; Rosenstone and Hansen 1993). The decline in turnout in established democracies

has been attributed to a weakening of the traditional link between trade union movements and left parties (Gray and Caul 2000) and a shift in emphasis by trade unions away from the working class towards the middle class (Nagler and Leighley 2007).

One could object that trade union membership may have a different meaning in post-communist new democracies owing to legacy of compulsory membership under communism. However, this legacy seems to have a lasting socialization effect of actually encouraging organization and political participation (Letki 2004). According to Letki, past membership in non-democratic organizations actually predicts political participation under the new democratic regimes. Trade union membership has the same or even a slightly more positive effect on encouraging voter participation in Eastern Europe compared to Western Europe (Bernhagen and Marsh 2006). Overall, we would expect that strong left parties which receive a considerable share of the vote, and extensive trade union membership, will counteract socioeconomic bias in turnout by encouraging low socioeconomic status people to vote.

Hypothesis 3: Where the left (left parties and trade unions) is strong, turnout inequality is low.

5.4 Income Inequality: economic disengagement among transitions losers

Income inequality appears to reinforce feelings of relative powerlessness among disadvantaged voters, discouraging them from participation in elections (Solt 2008, 2010; Anderson and Beramendi 2008). According the relative power argument, poor voters assess their general ability to influence policy outcomes in relation to wealthier co-citizens, and if the relative power differentials are too great as when income inequality is high, poor voters will deem voting as

ineffectual and pointless (Goodin and Dryzek 1980). Examining the effects of income inequality on turnout among disadvantaged voters in post-communist countries is particularly relevant as several of these countries experienced dramatic increases in income inequality as they transitioned to market economies. The growth in income inequality in these countries is a reflection of differing abilities of socioeconomic groups to compete in market economies, particularly in terms of education; the wages of highly educated people, especially professionals, outpaced those of the less educated in manufacturing and agricultural sectors.

We would expect that unequal success in the new market economies has caused political disillusionment among economic losers resulting in more unequal turnout in countries with high income inequality. In post-communist countries, people are more likely to vote if they are employed (White ad McAllister 2004); and more generally people with positive economic evaluations are more positively disposed to the new democratic regimes in Eastern Europe (Kluegel and Mason 2004, Neundorf 2010, Evans and Whitefield 1995).

Hypothesis 4: Higher income inequality increases turnout inequality.

5.5 Election procedures and costs of voting:

Last but not least, electoral procedures are possibly the main determinants of turnout inequality: to put it simply, turnout inequality is lower where voting is easier. The fine balance between the costs and benefits of voting means that even small changes tip the balance for and against voting (Blais 2000, Tingsten 1937). The more complicated the electoral procedures themselves, the more difficult voting becomes for unmotivated voters with few cognitive resources. Each additional complication, whether it is difficult registration procedures, or complicated choices on the preferential ballots, quickly tips the balance against the benefits of voting. For this reason,

compulsory voting, which raises the costs of not voting by imposing sanctions almost eliminates turnout inequality (Lijphart 1997; Gallego 2010). Also, state-initiated voter registration, in contrast to the onerous voter registration in the US, reduces turnout inequality by reducing the informational costs and effort of getting to the polling booth.

Finally, the complexity of the ballots themselves and how many choices they require the voter to make has an influence on turnout inequality. Simple ballots that present the voter with only one choice such as in majoritarian systems where the voter has to choose only between a handful of candidates or closed list PR systems impose minimal cognitive costs of voting, thus not deterring uninformed voters. On the other complex ballots, which allow voters to choose both the party and the candidate, encourage informed and highly motivated voters by giving the opportunity for sending a more nuanced political message, while confusing and discouraging less informed voters (Anduiza 2002, Gallego 2010).

For post-communist Eastern Europe only ballot type may be relevant in explaining turnout inequality as none of these countries has compulsory voting and all have state-initiated voter registration. Eastern European countries have a variety of electoral systems ranging from simple closed list PR in Moldova, mixed proportional representation and majoritarian systems in Russia until 2005, to open list proportional representation with preferential voting in Latvia. We would expect that turnout inequality will be lower where voting involves fewer choices such as in the countries with simple closed list proportional representation systems, and higher where preferential voting imposes complex choices on the voter.

Hypothesis 5: Turnout inequality increases with ballot complexity.

5.6 Data, Variables, and Method

To maximize temporal and cross-sectional coverage, data is pooled from four different data sources: a collection of cross-sectional national stratified random sample surveys covering the period from 1991 to 2008 conducted as part of UK ESRC and EU Science Foundation funded projects run by Geoffrey Evans and Stephen Whitefield from 1992 to 2009 (hereafter referred to as the EurEqual survey); the European Social Survey Rounds 1 through 4 (ESS); the Comparative Study of Electoral Systems Module 1 (CSES); and Waves 1 and 2 of the study "Consolidation of Democracy in Central and Eastern Europe" (CDCEE). The dataset covers 45 elections across 12 post-communist countries with at least 2 elections covered in each.[43] At least 900 individuals were surveyed for each election, so in total the entire dataset includes a sample size of about 98,000 individuals.

While the models are estimated with turnout as the dependent variable, the quantity of interest is turnout inequality. Here I follow Gallego's (2010) approach in conceptualizing the estimation of turnout inequality. I focus on operationalizing turnout inequality along the dimension of education. While socioeconomic status can be also captured through income and social class, education is arguably causally prior to both of the former. Of the three indicators of socioeconomic status, education appears to be most closely and consistently linked to voter participation (Rosenstone and Hansen 1993, Blais 2000, 2006), and post-communist countries are no exception to strong effects of education on voter turnout (Bernhagen and Marsh 2006).

[43] The database consists of the following legislative elections: Bulgaria (1991, 1997, 2005) Czech Republic (1992, 1996, 1998, 2002, 2006) Estonia (1992, 1995, 1999, 2003) Hungary (1998, 2002, 2006) Latvia (1995, 2006) Lithuania (1992, 1996, 2000, 2008) Moldova (1994, 2005) Poland (1993, 1997, 2001, 2005) Romania (1992, 1996, 2004, 2008) Russia (1993, 1999, 2003, 2007) Slovakia (1994, 1998, 2002, 2006) Ukraine (1994, 1998, 2002, 2006, 2007). I include Russia, Ukraine, and Moldova despite these countries being considered undemocratic, since I agree with Joshua Tucker's argument in Regional Economic Voting (2006) that we have much to learn by comparing these countries with the rest of Eastern Europe.

Finally, as Gallego points out, education is the easiest of the three variables to measure consistently. Education is measured as a three category variable: 1-Primary, 2-Secondary, and 3-Tertiary. The estimated strength of the treatment effect of education on turnout is treated as the measure of turnout inequality.

Trade union membership (member 1, non-member 0) is added at the micro-level as one of the components of left strength. Finally only age and age squared are included as controls at the individual level so as not to further disaggregate the effect of education, particularly as education has indirect effects.

To capture the passing of the founding elections euphoria some measure of time is needed. To allow for cross-national comparability all the data is clustered according to election sequence rather than using the years in which the election occur. For example, all the first founding elections would be coded 1 regardless of the actual year of occurrence (i.e. Poland 1989 and Russia 1990). The dataset covers most of the elections between the second and sixth elections since the collapse of communism for all the countries in the study.[44] Also all the surveys for each country that occur in the same electoral cycle are clustered together to cover the preceding election (i.e. all surveys done between the 1993 and 1995 elections for the Russian Duma are used to cover the 1993 election).

Party supply is measured using two indicators: the effective number of electoral parties and polarization. The effective number of electoral parties, which is calculated using Laakso and Taghepera's index (1979), is taken from the dataset kindly provided by Kostadinova and Power (2007) and is supplemented by the Database of Political Institutions as well as by a dataset of election indices created by Michael Gallagher (Gallagher and Mitchell 2003). Polarization is

[44] Unfortunately owing to the lack of a sufficient number of countries being covered, I have been unable to include the first founding elections in the analysis.

measured using the RILE index of parties left-right positions from the Comparative Manifesto Project (CMP) (Klingemann *et al.* 2006), and is calculated using Dalton's (2008) formula for polarization.[45]

Left party strength is measured as the left parties' share of the total vote. Left parties are identified using a scale measuring party position on the economic dimension based on the CMP analysis of party manifesto positions relating to particular issues related to economic and welfare policy (see Tavits and Letki 2009 for discussion of this measure of party position)).[46] Parties left of the party system center on the economic dimension in each election within each country are classified as left parties. I focus on identifying left parties based on their positions on the economic dimension based on the assumption that parties' stated position on economic and welfare policy is most relevant for mobilizing poor and working-class voters. Furthermore, left parties are identified by their position on the left-right scale rather than party family since the traditional left party families do not capture all the parties that fall left of the center.

Income inequality is measured as inequality in net income, post-tax and post-transfer. The gini coefficient measure of net income inequality is obtained from the Standardized World Income Inequality Database (SWIID) compiled by Frederick Solt (2009).

Finally ballot complexity is measured as a three category variable coded 1 for the simplest electoral systems (closed list PR), 2 for mixed systems, 3 for open list PR.

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[45] PI = SQRT{Σ(party vote share$_i$)*([party L/R score$_i$ – party system average L/R score]/5)2}

[46] Items included from the Comparative Manifesto Project (Klingemann *et al.* 2006) to form economic dimension scale: Party economic left-right score =Right wing(Liberal, Reformist) – Left Wing (Socialist, Anti-reformist) = (per401 Free enterprise positive + per 402 Incentives Positive +per407 Protectionism Negative +per409 Keynesian Demand Management: Positive +per410 Productivity Positive + per505 Welfare state limitation positive + per507 Education limitation positive +per4011 Privatization positive +per4012 Control of economy negative +per4013 Property-restitution positive) – (per403 Market Regulation Positive +per404 Economic Planning positive +per406 Protectionism Positive+ per412 Controlled Economy Positive +per413 Nationalization Positive +per503 Social Justice Positive +per504 Welfare State Expansion Positive +per506 Education Expansion Positive +per4123 Publicly Owned Industry Positive +per4124 Socialist Property Positive + per4131 Property-Restitution Negative +per4132 Privatization Negative)

A multilevel model is used in the regression analysis so as to account for variation across elections within countries as well as country effects. Not accounting for the clustering of the data would violate the assumption of independent standard errors and would underestimate the errors for the contextual effects. The model has three levels: individual, election and country. Random intercepts are included at the two higher levels, but no random slopes as there are too few higher level cases. I have decided that it is more important to account for clustering within countries rather than include random slopes at the second level. Trade union membership is included as an individual level variable. The model is shown below in reduced form:

$$\boldsymbol{Logit}\,(\boldsymbol{Vote}_{ijk}) = \boldsymbol{\gamma}_{000} + \boldsymbol{\gamma}_{10\mathrm{jk}}\boldsymbol{Education}_{ijk} + \boldsymbol{\gamma}_{11\mathrm{k}}\boldsymbol{Context}_{jk}\boldsymbol{Education}_{ijk} + \boldsymbol{\gamma}_{01\mathrm{k}}\boldsymbol{Context}_{jk} + \boldsymbol{\gamma}_{2jk}\boldsymbol{Age}_{ijk} + \boldsymbol{\gamma}_{3jk}\boldsymbol{Age}^{2}_{ijk} + \boldsymbol{\gamma}_{4jk}\boldsymbol{TradeUnion}_{ijk} + \boldsymbol{U}_{00k} + \boldsymbol{U}_{0jk}$$

5.7 Estimating turnout inequality

As discussed earlier, turnout inequality is measured as the size of the coefficient for education. For descriptive purposes, I estimate turnout inequality across country-elections clusters by running logit regressions for each cluster. Sticking with Gallego's (2010) simple model of turnout at the individual level, the regressions are estimated accounting only for age and age squared at the individual level.

While the logit coefficients for education do not show the substantive effects of education on turnout, they show the overall strength of the relationship between education and turnout. Where the coefficients are close to zero turnout inequality would be practically non-existent. The coefficient serves as an approximation of its association with turnout. Education influences turnout indirectly through various mechanisms such as political engagement (Verba *et al.* 1995), so controls for these other factors are not included.

Overall some degree of turnout inequality along the dimension of education exists in all the Eastern European countries included in this study as illustrated by Figure 5.1. Nowhere is the relationship between education and turnout negative, which means that the best educated are more likely to vote than the least educated in all the countries considered. Turnout inequality is weakest in Moldova in the second election and in Ukraine in the third election, but even in these instances education has a slight positive effect. The finding that turnout inequality exists in all these countries a greater or less extent is unsurprising given that none of the Eastern European democracies has compulsory voting. Compulsory voting is by far the strongest institutional determinant of turnout (Blais and Dobrzynska 1998, Jackman 1987, Norris 2002), and it is the primary institutional feature which almost eliminates turnout inequality (Lijphart 1997, Gallego 2010). Also, all post-communist new democracies have state-initiated voter registration, the lack of which is the other main cause of turnout inequality (Lijphart 1997, Gallego 2010; although see Calvert and Gilchrist 1993: 699; Wolfinger and Rosenstone 1980), so although the levels of turnout inequality are quite varied in Eastern Europe, registration procedures do not play as strong a role as they do in a wider pool of cases. In the absence of these two main institutional explanatory factors, we have to cast our nets wider to explain variations in turnout inequality in the post-communist context.

Figure 5.1: Turnout Inequality over Turnout (survey estimated)

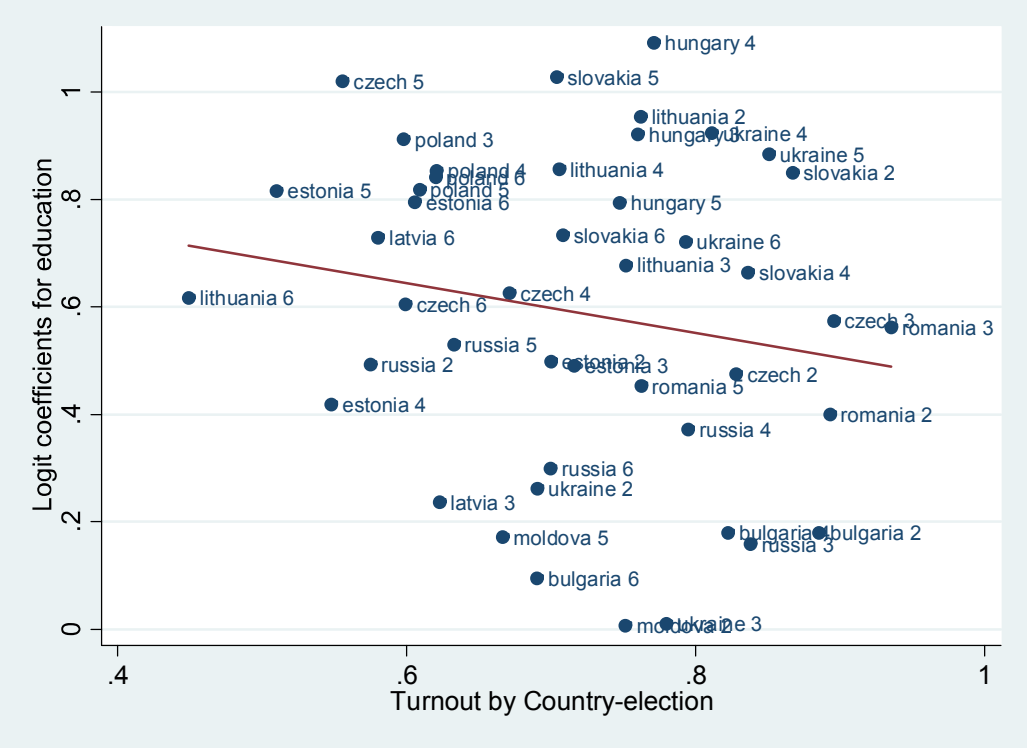
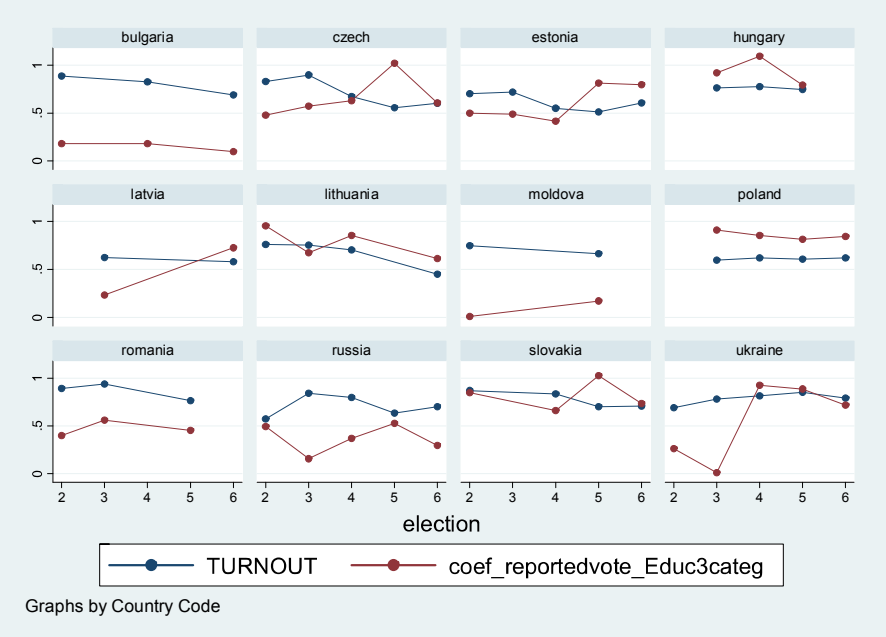


Figure 5.2: Turnout and Turnout Inequality by Election Sequence



The need to consider temporal dynamics is reinforced by the clear variation in turnout inequality over time, particularly the visible upward trend in several countries shown in Figure 2. Figure 2 shows overall turnout and the turnout inequality by election sequence. Turnout

inequality remains relatively stable in only two countries: Poland and Bulgaria. In the remaining countries turnout inequality changes considerably over time. Just over half of the countries reveal a pattern in turnout and turnout inequality that seems to fit the passing of the founding elections euphoria: turnout declines while turnout inequality increases. The pervasive pattern of turnout decline fits with prior studies that argue that voting participation declined in Eastern Europe as the initial excitement with democratic elections faded away (Kostadinova 2003; Kostadinova and Power 2007). The temporal trends in turnout inequality confirm the need to consider the strength of the potential explanations both cross-sectionally and temporally.

5.8 Regression Results

Table 1 shows the results of a hierarchical three-level random slopes logit regression. The second level consists of elections, which in turn are nested within countries at the third level. Covering several elections within countries allows turnout inequality to be examined both across countries and across time. All the explanatory variables, even ballot complexity, have changed over time, so the structure of the data allows us to account for the impact of these changes. Time, which is necessary to measure the fading of the euphoria effect, is accounted for by the election sequence variable.

I have conducted several additional analyses to ensure the stability of the interaction coefficients. I have run individual models for each of the explanatory variables with an interaction with education, as well as one single model with all the explanatory variables and interactions between each of these variables and education included following Gallego's (2010) example (see Appendix D for results of robustness checks). The directions of the interaction effects remain stable across all the different models.

Table 5.1 Determinants of Turnout Inequality Compared

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Election	-0.230**	-0.125	-0.122	-0.121	-0.126	-0.124	-0.142*
	(0.070)	(0.068)	(0.068)	(0.069)	(0.069)	(0.069)	(0.065)
Education	0.171***	0.478***	0.670***	0.280***	1.291***	0.094*	0.441***
	(0.042)	(0.030)	(0.025)	(0.035)	(0.074)	(0.038)	(0.013)
Trade Union	0.309***	0.302***	0.311***	0.303***	0.309***	0.309***	0.488***
	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.077)
Polarization	-0.025	-0.008	-0.027	-0.025	-0.030	-0.027	0.006
	(0.043)	(0.044)	(0.043)	(0.043)	(0.044)	(0.043)	(0.042)
ENEP	-0.023	-0.023	0.045	-0.024	-0.022	-0.022	-0.038
	(0.031)	(0.031)	(0.032)	(0.031)	(0.032)	(0.032)	(0.030)
Left Vote Share	0.036	-0.011	0.026	-0.476	-0.020	-0.016	-0.145
	(0.423)	(0.425)	(0.425)	(0.439)	(0.432)	(0.429)	(0.397)
Ballot	-0.423***	-0.417***	-0.422***	-0.418***	-0.417***	-0.678***	-0.769***
	(0.106)	(0.106)	(0.106)	(0.107)	(0.108)	(0.111)	(0.166)
Income Inequality	-0.013	-0.014	-0.013	-0.014	0.033*	-0.014	-0.023
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.014)
Age	0.130***	0.130***	0.130***	0.131***	0.130***	0.130***	0.130***
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Age^2	-0.001***	-0.001***	-0.001***	-0.001***	-0.001***	-0.001***	-0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
ElectionXEduc.	0.060***						
	(0.009)						
PolarizatonXEduc.		-0.010					
		(0.005)					
ENEPXEduc			-0.037***				
			(0.003)				
LeftVoteXEduc.				0.262***			
				(0.057)			
InequalityXEduc.					-0.026***		
					(0.002)		
BallotXEduc						0.149***	
						(0.016)	
TradeUnionXEduc.							-0.094*
							(0.037)
Constant	-0.619	-1.137*	-1.492**	-0.815	-2.542***	-0.453	-1.321*
	(0.577)	(0.577)	(0.576)	(0.580)	(0.597)	(0.584)	(0.532)
Survey Effects	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
Random Intercept L3	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
Random Intercept L2	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
R-squared							
BIC	103890.2	103929.4	103808.5	103911.5	103790.2	103843.6	103910.5
N third level	12	12	12	12	12	12	12
N second level	44	44	44	44	44	44	44
N individual level	98116	98116	98116	98116	98116	98116	98116

* p<0.01, *** p<0.001

Finally, as the number of higher level cases is relatively small, I conduct a two-stage analysis to allow for the detection of any influential outliers at the second level. I use the estimated

coefficients for education for the second-level units to identify any influential outliers by examining scatterplots of turnout inequality against each of the explanatory factors as well as the leverage of each level two unit. Finally I ran several regressions for the second stage eliminating one country at a time. In the following analysis I discuss how particular higher level cases influence the results.

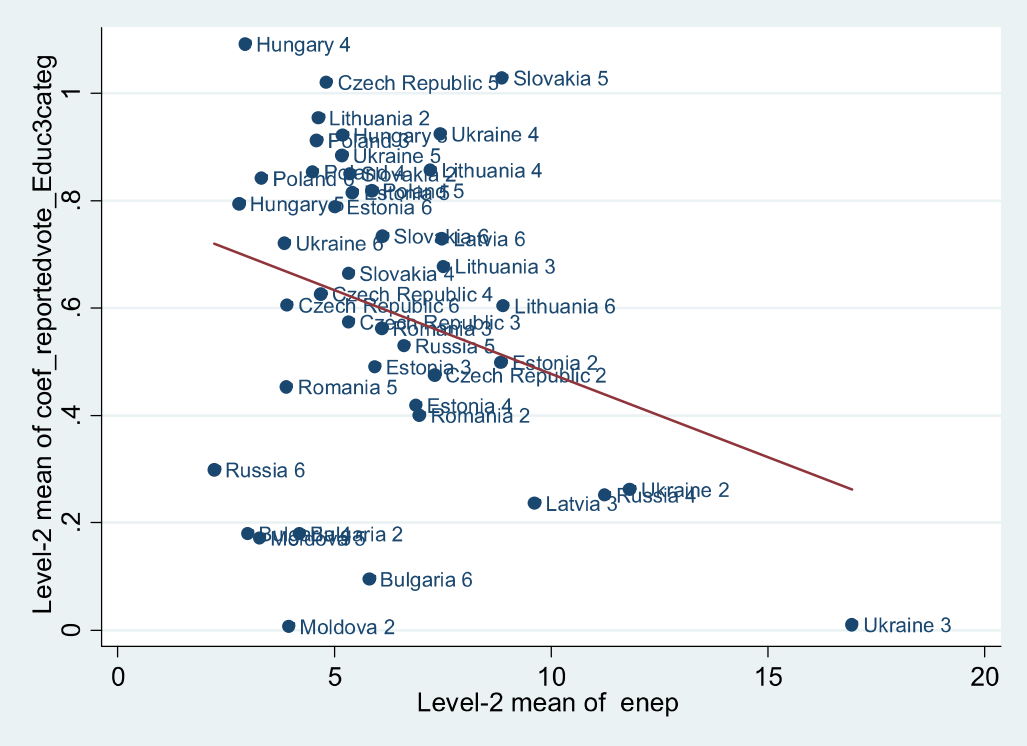
Looking at the directions of the coefficients for the interactions in Table 1, three factors produce the expected results. As expected the interaction between election sequence and education is positive, which would indicate that with time turnout inequality increases. The main effect for election sequence is negative indicating that overall turnout fell with each subsequent democratic election. These effects fit with the founding elections euphoria explanation. The low socioeconomic status voters who are most sensitive to the costs of voting drop out more quickly than the high status voters as the initial excitement with democratic elections fades and no longer counter-balances the costs of voting. The results of Model 1 indicate that the euphoria effect remains robust even when changes in the party system and electoral institutions are accounted for: none of the other contextual factors explain away the coefficient for the interaction between elections sequence and education. In the absence of other explanations, we can infer that the increasing inequality in voter turnout with passing election can be attributed to fading of the founding elections euphoria: as the perceived benefits of voting decline with every subsequent election, the benefits of voting are outweighed by the costs first among the voters with the least political resources and motivation.

Also as hypothesized, trade union membership reduces the impact of education on turnout. Additionally the main effect of trade union membership is positive. The two effects for trade union membership indicate that, as expected, trade union membership boosts turnout among

disadvantaged voters, thus equalizing turnout. Finally, as expected high ballot complexity increases effect of education on voting. In systems with preferential voting, turnout inequality is higher than in the simpler closed list PR or mixed majoritarian-PR systems.

The remaining factors do not exhibit the expected results. Overall party supply seems to have no effect on turnout inequality and it may even encourage voters in Eastern Europe contrary to expectations. Polarization also has no effect on the impact of education on turnout; the dispersion of political parties on the left-right spectrum seems to have no influence on turnout inequality. Polarization encourages voters to rely on ideology to make electoral choices rather than party identification (Dalton and Anderson in Dalton 2010). In new democracies in Eastern Europe where party identification is weak and voter volatility high (Tavits 2008), voters already have to rely on ideology, so for this reason a variety of party positions may not significantly discourage voters.

Figure 5.3 Turnout Inequality and Effective Number of Electoral Parties



The number of parties appears to reduce the effect of education contrary to expectations. The equalizing effect of the number of parties is not robust, however, as it is driven in largely by early elections in Russia and Ukraine. Figure 5.3 shows a scatterplot of the estimated coefficients for education and the effective number of parties. As the third election in Ukraine which took place in 1998 is an extreme outlier in terms of the number of parties, when it is removed from the sample, the effective number of parties has no effect on turnout inequality (see Appendix for results of Model 3 with Ukraine 1998 removed). The early elections in Russia and especially Ukraine were the most chaotic with not only a high number of parties running for office but also numerous independent candidates. The first few parliamentary elections in Ukraine were some of the most extreme cases of party fractionalization among electoral democracies (Moser 1999; Moser and Scheiner 2004). In the 1994 parliamentary election in Ukraine, 40 percent of the

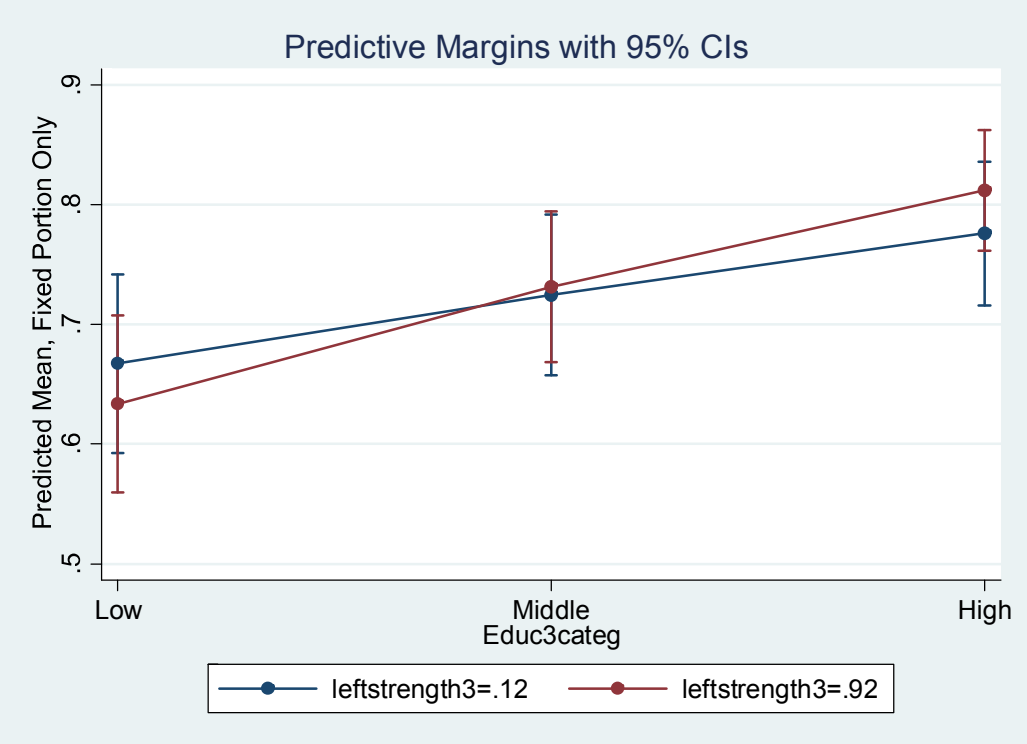
parliamentary seats were won by independents, and in 1998 the proportion of independents declined slightly, but they still made up 25 percent of the parliament (D'Anieri 2007; IPU Parline Database). The high number of independents without party affiliations makes the calculation of a measure of the effective number of parties impossible to do meaningfully. Treating the independents as one block for the purposes of calculating the level of fractionalization, as Moser and Scheiner (2004) do, requires the unrealistic assumption that independents will vote as a block in the parliament; while the more rigorous approach of treating each independent as a separate 'party' results in an extremely high count of 'parties.[47]' The high level of fractionalization in Ukraine is perhaps best considered as an indication of the extreme weakness of party institutionalization rather an abundance of meaningful choices for voters. In conclusion, there is no evidence that the reduction of party supply during the process of party system consolidation has discouraged voters in Eastern Europe as some would suggest (Roussias 2012).

Left party strength does not have the equalizing effect expected: the vote share of left parties appears to increase the effect of education, but a closer examination of the marginal effects of education shows that left party strength has no significant effect on turnout inequality. In post-communist countries, left parties do not necessarily offer the pro-welfare policies that encourage poor voters to vote. During the transition left parties had stronger incentives to pursue austerity and anti-welfare policies than right parties in order to prove their disassociation with socialism

[47]Gallagher and Mitchell (Appendix A, 2005) suggest that if the number of small parties and independents exceed 10 percent, they should not be treated as block. I have calculated the effective number of parties for Ukraine 1998 using the more rigorous approach and achieved as estimate of 16.95 (average of ENEP for PR and SMD parts of the parliament). Moser and Scheiner (2009) as well as Kostadinova and Power (2007) treat the independents as one block and they estimate the effective number of electoral parties to be 7.14 and 6.23 respectively. I have also calculated the effective number of parties for Ukraine 1994 achieving an estimate of 11.82. The estimated ENEP measure may seem quite low given the very high number of independents (who won 40 percent of the seats with 66% of vote), however, because no breakdowns of the vote share of the 217 independent candidates are available, I had to estimate the vote share for each candidate assuming that each received .3 percent of the total votes (66.7/217), which means that each additional candidates 'contribution' to the overall ENEP was minimal. The remainder of the ENEP values are from the datasets described in Section 5.6.

(Tavits and Letki 2009). By pursuing more 'right-wing' policies than right wing parties themselves, the left parties could not play the anticipated role in mobilizing the low socioeconomic status voters who were often 'losers' in the economic transition. While none of the second level country-election units is an influential outlier, the positive effect of left strength on turnout inequality is driven in part by Hungary and Poland. These two countries are considered one of the most successful cases of market reform, and in these countries, left parties were particularly eager to sever associations with communism (Tavits and Letki 2009). In the end, however, I must conclude that left party strength is not a robust explanatory factor for turnout inequality: the marginal effects of education on turnout do not significantly differ depending on whether left strength is low or high as shown in Figure 5.4.

Figure 5.4: Predicted Probabilities of Voting by Education and Left Party Strength



Finally, income inequality reduces the effect of education, also contrary to expectations. In established democracies, income inequality increases turnout inequality by discouraging poor voters who feel powerless to influence politics (Solt 2008, 2012; Anderson and Beramendi 2008). In post-communist new democracies, on the other hand, income inequality appears to reduce turnout particularly among the best informed voters. These results suggest that voters in Eastern Europe perceive the implications of inequality differently; owing to past commitments to egalitarianism under communism, Eastern Europeans are far more disapproving of income inequality than Western Europeans (Corneo and Gruner 2000). Income inequality may be linked to the legitimacy of the new regimes. Inequality is highest in the former Soviet Union where the democratic transitions stalled, and economies suffer from elite capture. The best informed voters will be most aware of the flawed economic and political transitions, and to them inequality may be evidence of the political system's illegitimacy and the futility of voting.

To aid the interpretation of the logit results in substantive terms I show the predicted probabilities of voting by education depending on the different levels of the explanatory variable following Gallego's example (2010) in Figures 5.5 through 5.8. Income inequality has the greatest effect on turnout inequality. The gap in turnout between the best and least educated voters is 20 percent in the most equal countries, while in the most unequal post-communist countries, such as Russia, the gap is only 4 percent. The fading of the founding elections euphoria increased turnout inequality from 10 percent to 20. Ballot complexity increases turnout inequality from about 6 percent to 12.

Figure 5.5: Probability of Voting by Education and Election Sequence

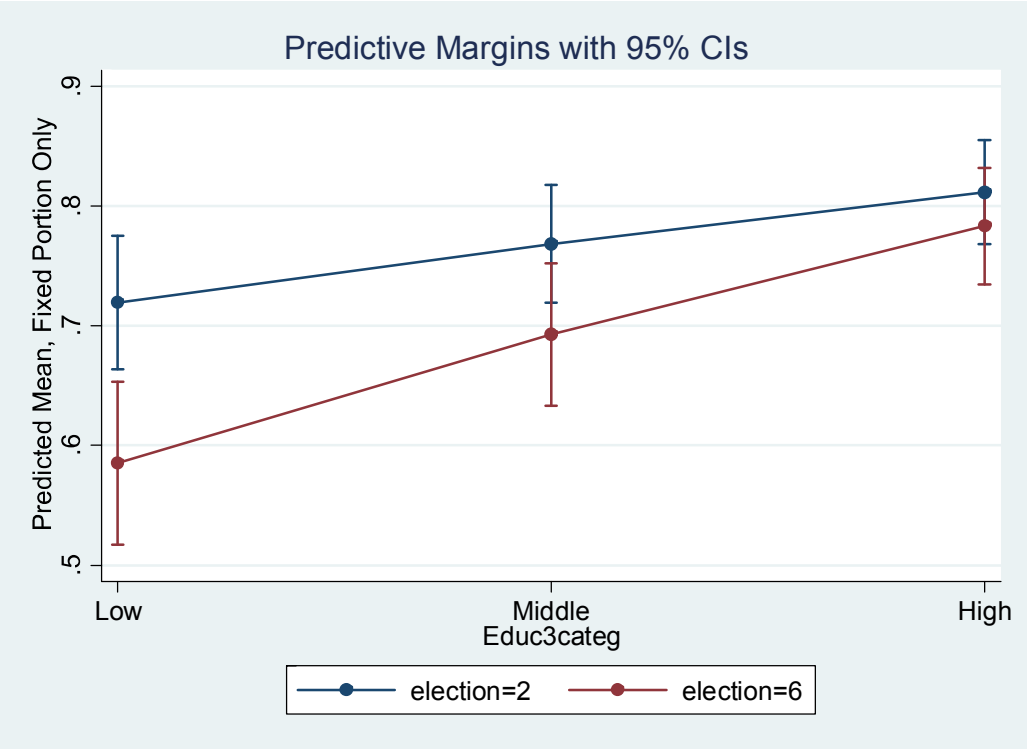


Figure 5.6: Predicted Probability of Voting by Education and Trade union membership

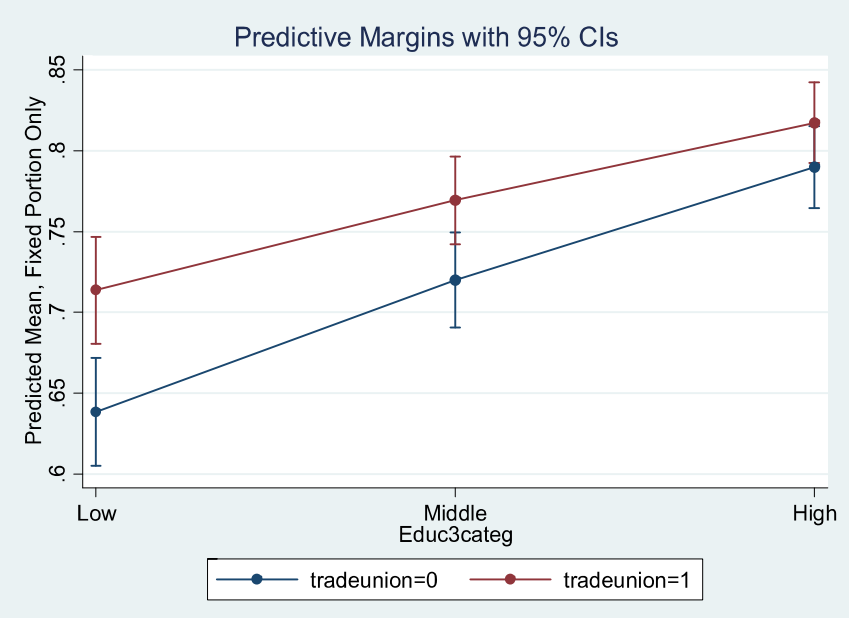


Figure 5.7: Predicted Probability of Voting by Education and Ballot complexity

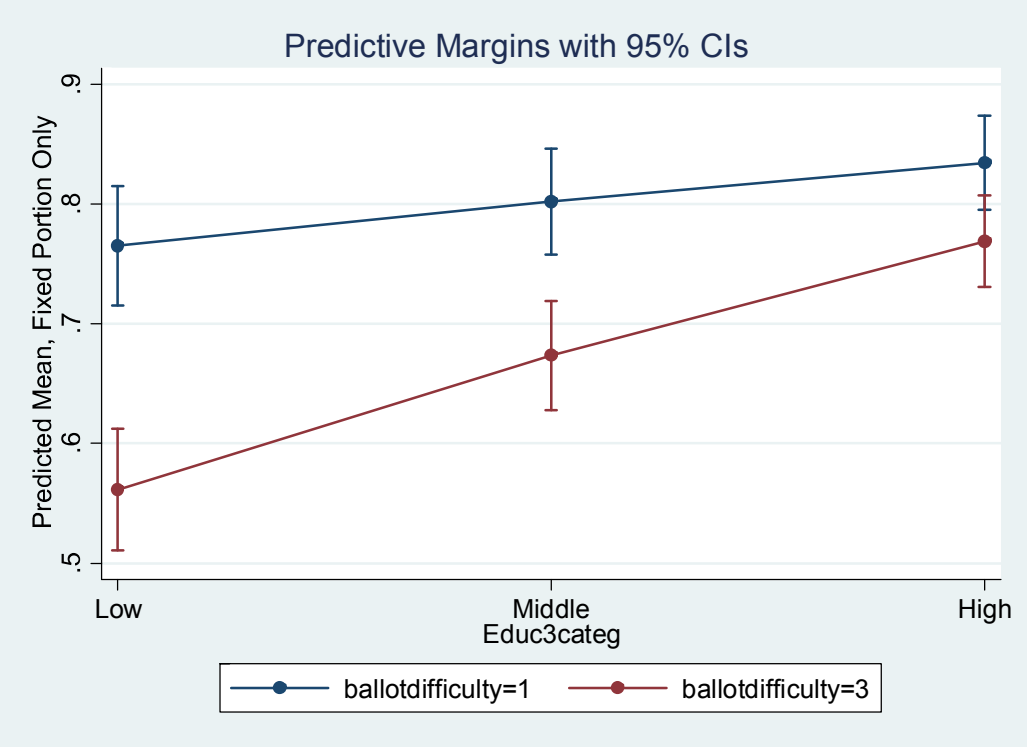
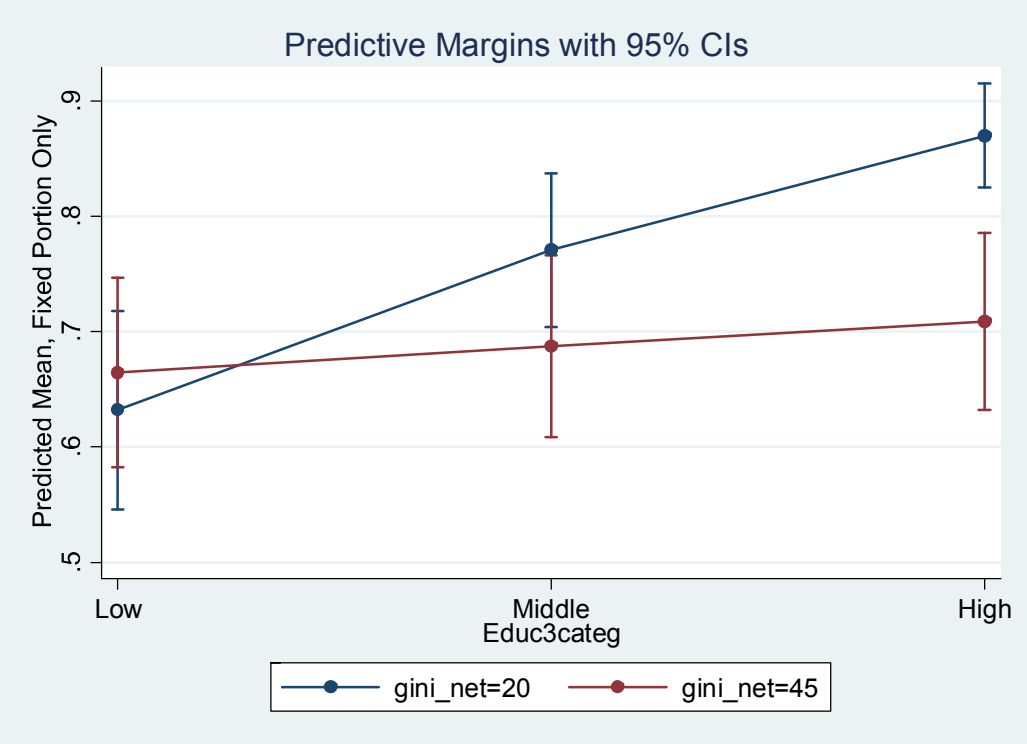


Figure 5.8 Predicted Probability of Voting by Education and Income Inequality



5.9 Conclusions

The results of this study show that although turnout inequality in established democracies and the new Eastern European democracies shares some causes, in Eastern Europe it must be primarily understood from the perspective of transitional dynamics. The findings confirm that in analysing turnout inequality in Eastern European democracies, we cannot assume that these countries are in a stable equilibrium. Therefore turnout inequality cannot be sufficiently explained from a cross-sectional perspective in terms of institutions. Rather it must also be examined from a temporal perspective with the assumption that not only are the relevant institutional factors in flux but also that certain processes specific to democratic transitions play a role.

As in established democracies, ballot complexity increases turnout inequality in Eastern Europe, as less informed voters are dissuaded from voting by the required electoral choices. Perhaps surprisingly for some readers, trade unions also seem to play a role in mobilizing disadvantaged voters in Eastern Europe just as in Western Europe. These findings are consistent with Bernhagen and Marsh's study which shows that trade union membership has similar effects on turnout in both Eastern and Western Europe (2007). Furthermore this conclusion is consistent with Letki's finding that compulsory membership in non-democratic organizations did actually have the lasting effect of encouraging political participation after the collapse of communism (2004).

Left party strength, party supply and income inequality, on the other hand, play a very different role in Eastern Europe with regards to turnout inequality. Left parties in Eastern Europe do not play the traditional role of mobilizing the working-class and thus left parties do not have an equalizing effect on turnout. Left parties in Eastern Europe had strong incentives to pursue austerity and pro-market policies to disprove any associations with the discredited communist

ideology (Tavits and Letki 2009). The pressure to prove their commitment to capitalism and the new democratic system outweighed the benefits of appealing to voters harmed by the economic transition. Unlike in established democracies, an abundance of electoral choices at the very least does not deter disadvantaged voters, and a high number of parties to choose from may even encourage them to vote. Possibly, in the absence of party identities, all voters in Eastern Europe choose parties more by ideology regardless of their cognitive abilities, so they need plenty to choose from. The most likely scenario, however, is that the excitement of the first democratic elections outweighed the confusion caused by the weak party systems in the first few elections, thus despite the lack of programmatic clarity on the part of the parties and candidates, people voted in extraordinarily high numbers in the first few elections.

Consistently with the argument that transitional processes are the main explanation for turnout inequality in Eastern Europe, the fading of the initial excitement with democratic elections clearly increased turnout inequality over subsequent elections. In the first few democratic elections, turnout was very high as people placed great hope in the new democratic system. With each subsequent election, however, the perceived benefits of participating in elections declined as people realized that democracy is not a panacea for all problems (Kostadinova 2003). With the decline in perceived benefits, low socio-economic status people who are most sensitive to the costs of voting have dropped out of the electorate resulting in a growth in turnout inequality over time. The analysis in this chapter has shown that the 'euphoria effect' remains robust even if changes in party system and electoral institutions are accounted for, thus reinforcing the results of Chapter 3. While this process of disillusionment with democracy is unfortunate from the perspective of equal representation of political interests of different socio-

economic groups, it is perhaps an inevitable 'normalization' of voting behavior in new democracies as people develop more realistic expectations of the political system.

The most startling and perhaps troubling finding of this chapter is how Eastern Europeans react to income inequality compared to citizens of established democracies. People in Eastern Europe clearly seem to react differently to income inequality than in established democracies. In established democracies, income inequality appears to reinforce feelings of relative powerlessness among poor voters, discouraging them from participating in the democratic politics (Solt 2008; Anderson and Beramendi 2008). In Eastern Europe, on the other hand, income inequality appears to be most discouraging to socially and economically privileged voters, who were best rewarded in the economic transition. This disillusionment of the privileged voters, who are best informed and most perceptive participants, may signal their awareness of the fundamental flaws in the economic and political transition particularly in how elites were allowed to capture resources. The observation that highly educated voters people are more sensitive income inequality does not contradict the findings of Chapter 4, but rather reinforces the importance of political knowledge. The slight difference in the findings might be because income is cruder proxy for political resources and motivation than education. In Chapter 4, inequality in political efficacy was measured by income and we saw that income inequality had an equally negative effect on political efficacy across all income groups. Classifying people by income may not accurately sort the people according levels of political knowledge which more closely related to education. When we use education as the measure of turnout inequality in this chapter, we see that the influence of political knowledge becomes more apparent: education appears to reinforce the effect of income inequality. Perceiving income inequality accurately is not easy, thus political knowledge and motivation will reinforce the perceptions of it and thus the effects of inequality.

I began this chapter by arguing that the situation where advantaged voters are more likely to vote is questionable from the point of view of democratic values because it precludes equal representation of citizens' interests. In the context of new democracies where the legitimacy of the new regimes is at stake, concerns about equal representation may seem slightly less important at first glance, however the finding that income inequality discourages the best informed citizens suggests that Eastern Europeans may question the very legitimacy of the new political systems and the meaningfulness of voting.

6 Conclusion

Chapter 6 - Conclusion

The collapse of communism, although a surprising peaceful and non-violent event in itself, unleashed a huge process of political, social, and economic transformation. More than two decades have passed since 1989, but even so, several post-communist countries are still transforming or have even stalled at various levels of equilibrium with partially formed democratic and market institutions. The passage of time, however, has opened enough scope to allow us to examine the implications of the transition process itself for the development of the new political systems.

The transition to market economies caused much painful socioeconomic change. The process of economic liberalization, which included privatizing state enterprises and ending price controls, triggered severe inflation and mass layoffs of workers. Living standards plummeted as people lost jobs and their wages and savings became eroded by inflation. The economies rebounded in the countries that carried out the economic reforms more successfully, but across all of post-communist Eastern Europe, large segments of the populations permanently lost out economically. The economic losers of the transition were primarily uneducated people who worked in heavy industries or the agricultural sector. The new 'knowledge-based' market economies provided few opportunities for such people; new employment opportunities were generally in the areas of finance, law and other professions which require university degrees. The unequal distribution of the benefits of the economic reforms is most clearly shown by the growth in income inequality, revealing the divergence in economic prospects between the economic winners and losers.

The transition period after the collapse of communism in Eastern Europe has provided a superb set of cases to examine a very basic puzzle regarding voter turnout: the link between income inequality and turnout inequality. Studies on voting participation, and more generally on

political participation, repeatedly show that individuals with higher socioeconomic status measured by education, income, or occupational status are more likely to be interested in politics and are more likely to engage in all forms of political participation (Verba et 1995; Brady *et al.* 1995; Wolfinger and Rosenstone 1980). Arendt Lijphart termed this pattern (as it pertains to voting) turnout inequality (Lijphart 1997). The close association between socioeconomic status and voter turnout poses a puzzle: if the wealthy and educated are more likely to vote than the poor and uneducated, will the gap in voter participation between the two groups increase the relative economic prospects of these two groups diverge? Put more simply: does income inequality determine the level of turnout inequality? This puzzle has provided the motivation and departing point for this thesis.

Even though turnout inequality is considered to be a ubiquitous phenomenon, it is still relatively unexplained. Until recently, much of the most detailed work on individual level determinants of voter turnout lacked sufficient cross-national breadth to account for both the influence of macro-level factors in the country, such as electoral institutions, and individual level processes such as political socialization (Chapter 7 in Verba *et al.*2012) on turnout inequality. Examining the impact of economic inequality on turnout inequality not only requires cross-sectional coverage but also longitudinal coverage. To make answering the overarching question even more difficult, income inequality in most of the world changes relatively gradually. Detangling income inequality from other processes that could explain turnout inequality is therefore quite difficult. Post-communist countries provide an excellent opportunity to begin detangling income inequality from other processes. Income inequality in several Eastern European countries changed at an unprecedented degree and speed. While income inequality has increased in several Western countries in the past few decades, Eastern European countries

experienced the same increases in the space of less than five years rather than over a period of at least a decade. Furthermore the economic losers in post-communist countries primarily have the same profile as people who tend to be unenthusiastic voters: uneducated, poor, and in low status occupations. The suddenness of the change in income inequality means that the likelihood that individuals' characteristics other than income changed as well is much smaller. Post-communist countries give the opportunity to separate change in relative incomes from other individual and contextual factors.

6.1 Explaining turnout inequality in Eastern Europe

The overarching argument in this thesis is that turnout inequality is primarily a product of the interaction between resources and motivation gained through political socialization and macro-level contextual variables. The macro-level context modifies the overall costs and benefits of voting; however the individual's response to these changes is conditioned by the individual's own level of political resources and motivation. People who have grown up in politically active families and have benefited from a university education tend to be strongly inclined to vote. For such people the costs of voting, whether of going through a complex voter registration process, or filling out a complex ballot, are easy to overcome; and likewise even the most minimal perceived benefits of voting will be enough encourage these very motivated voters. These voters will be minimally affected by changes in the macro-level context which alter the costs and benefits of voting. On the other hand, resource-poor voters who come from politically apathetic backgrounds will be very easily dissuaded from voting if voting takes effort. The key assumption that underlies the argument is that individuals' political resources and motivation are formed during early adulthood and remain relatively fixed later in life.

Chapter 6 – Conclusion

Despite the compelling nature of the relative power argument that income inequality discourages the poor from voting by making them feel powerless relative to wealthy influential citizens (Solt 2008; Goodin and Dryzek 1980), there seems to be no evidence that income inequality in post-communist Eastern Europe causes disengagement among the poor. In Chapter 2, I examined whether income inequality causes an increase in the gap between the rich and poor in voter turnout and political engagement. To maximize the opportunity to capture the slightest evidence of relative powerlessness among the poor in Eastern Europe, I did not limit the analysis to voter turnout, but I also considered various forms of political engagement (interest in politics, internal efficacy, and external political efficacy). I have consistently failed to find evidence that income inequality increases turnout inequality or inequality in political engagement by discouraging poor voters. I do, however, find a strong negative association between external efficacy and income inequality.

There are a few possible reasons why income inequality appears to foster political disengagement among the poor in established democracies (Solt 2008, 2010; Anderson and Beramendi 2008) but not in Eastern Europe. One possible reason is that we have too short a time frame since the collapse of communism for feelings of relative powerlessness to appear among the poor in Eastern Europe. While we have yet to fully understand the micro-level process by which income inequality as the social context is understood and internalized by the poor as the inability to influence the political context, we can guess that feelings of powerlessness and disengagement among the poor are most likely taught in the home and community during early adulthood just as voting and political engagement overall are the product of political socialization in the home and the educational context in which individuals grow-up (Verba *et al.*2012). In so far as relative powerlessness in unequal societies is reinforced through the political socialization

of new generations, sudden changes in income inequality, such as those experienced by Eastern European countries transitioning to market economies, will only be internalized into the consciousness of future generations. In the future, we may see the same patterns appear in Eastern Europe as in older democracies.

There also may be a second, more subtle, reason why we do not see income inequality causing disengagement among the poor. The relative power argument (Goodin and Dryzek 1980; Solt 2008, 2010) has its origin in the literature on political power, most notably Schattschneider's *Semisovereign People (*see also Lukes 2005*),* which implies a certain role played by political elites and parties in excluding certain topics from political discourse. Schattschneider argues that in unequal societies, political elites use their power to exclude topics that would be of interest to the poor (e.g. redistribution) from the political discourse and elections; as a result, the poor become disengaged because politics as they are 'played out' offer no reason for engagement. Such a successful entrenchment of elite interests and strong collusion between social elites and political parties is unlikely in new democracies as it presumably takes time to develop. One could counter this argument by pointing to the strong popular perceptions of corruption among political elites in Eastern Europe. In a new political system, however, voters might still feel able to challenge the entrenchment of elite interests; Kostadinova (2009) notes that perceptions of corruption in Eastern Europe have two contradictory and simultaneous effects on voters: driving them simultaneously towards abstention and rebellion. Until the political systems are fully consolidated in Eastern Europe, competing elites might actually be willing to tap into popular perceptions of corruption to oust rival elites from power. Thus we could say the game for power between economic elites that have benefited most from the transition to market economies and the rest of the society may simply be still going on.

The theme of corruption leads into a third, and perhaps most likely, reason for why income inequality in the post-Communist context not only does not cause disengagement among the poor but also may discourage educated and discerning voters. The post-communist countries which have the highest levels of income inequality, such as Russia, Ukraine, and Moldova, are the same countries which are most likely to lack programmatic party competition (Kitschelt 1995, 1999; Kitschelt and Wilkinson 2007). On closer, inspection the mechanisms linking income inequality and voter turnout described by the relative power argument would simply not work well in party systems without programmatic party competition. According to relative power argument, political elites shape the political discourse and exclude issues of interest to the poor. But if party positions on policy issues are not very important for winning elections as would be the case when clientelistic and paternalistic parties dominate, then strategic issue positioning on the part of political elites with goal of encouraging some voters and discouraging others is unlikely to play a major role. Furthermore, discerning voters will be aware that if non-programmatic parties are dominant, elections lose their function of representing the issue positions of voters. Therefore the effect income inequality in Eastern Europe maybe capturing the effect of the quality of party system competition. Prior studies on the effects income inequality on turnout which do find support for the relative power argument (Solt 2008) focused on established democracies all which have programmatic party competition.

In Chapter Four, I examine possible alternative explanations for the association between external efficacy and income inequality such as perceptions of corruption and levels of democracy. I find that accounting for these factors does not explain away the association, and I find that income inequality is the strongest predictor of political efficacy ahead of levels of democracy and perceptions of corruption. Furthermore as I have already shown in Chapter Two,

people across all income groups, even the wealthy who benefited from the market transitions, seem equally discouraged by income inequality. I suggest that the best possible interpretation of the strong link between efficacy and income inequality is that it reflects the close and self-reinforcing inter-linkage between good governance, income inequality, and social trust. Rothstein and Uslaner (2005, 2011) argue that unequal societies fall into a "low trust-corruption-inequality trap." When economic inequality is high, the rich and poor live largely separate lives and have high in-group levels of trust rather than the generalized trust that is so essential for a well-functioning democracy. Without generalized trust, people are less likely to have a positive view of democratic institutions and of their abilities to influence public policies (Rothstein and Uslaner 2005). Lacking faith in formal institutions, people are more likely to turn to corruption. Furthermore, income inequality is reinforces the conditions favourable for clientelistic and paternalistic political parties (Kitschelt and Wilkinson 2007) further undermining good governance and people's trust in political institutions. Of course it is difficult to establish the precise causal ordering between income inequality, trust and efficacy, and corruption, but we can conclude that there is a mutually self-reinforcing relationship between the factors, explaining why several post-communist countries, particularly in the former Soviet Union, suffer from all three problems.

A closer examination in Chapter Four shows that the strong association between income inequality and efficacy is in large part driven by Romania in the early 1990s; Romania serves as an illustrative example of the argument that inequality and faith in the political system are linked. In the early 1990s, Romanians were unusually enamoured with the new political system other Eastern Europeans, even though political experts would consider Romania in the early 1990s to be the least democratic. The Romanians' positive assessments of their political system stemmed

in large degree from their point of reference, Ceausescu's regime, which was the most restrictive outside of the Soviet Union itself. Thus any progress towards democracy, however small would seem like an improvement. Also, the Communists managed to remain in power well into the 1990s, and to retain their popularity they did not implement market reforms such as the privatization of state enterprises; they also resisted mass layoffs. As a result income inequality remained low, further boosting the Romanians' political optimism. I conclude that although Romania in the early 1990s is an outlier it is a highly illustrative case of the strong association between income inequality and efficacy: the popularity of the newly elected regime run by Iliescu's National Salvation Front in large part rested on the NSF's refusal to fully implement painful market reforms and its policy of keeping unemployment low. Iliescu stressed that his party was only opposed to Ceausescu but not communism. As a result of Iliescu's policies inequality remained low in Romania well into the 1990s. Even if Romania is excluded, income inequality continues to be the strongest predictor of political efficacy ahead of levels of democracy and perceptions of corruption.

So if income inequality does not increase turnout inequality by discouraging the economic losers in Eastern Europe from voting, what other factors can explain turnout inequality in these countries? As described in detail in the Section 1.3, I argue that overall turnout inequality is determined by factors that change the perceived costs and benefits of voting. These factors interact with individuals' political resources and motivation; changes in the costs and benefits of voting primarily influence turnout among the resource poor and unmotivated voters for whom the balance between the costs and benefits of voting is most fine. When costs go up or benefits decline, the resource-poor and unmotivated voters drop out *increasing* turnout inequality. When

costs decline or benefits increase, the resource-poor and unmotivated voters vote in greater numbers *reducing* turnout inequality.

The fading of the founding elections euphoria is the main explanation of the increase in turnout inequality over time in Eastern Europe. As shown in Chapter Three, turnout inequality increased over time in Eastern Europe. I argue that in the first few elections people had a lot faith in the effectiveness of the new democratic regimes and as a result the perceived benefits of voting were high. With each passing election, however, people learned that democracy is not perfect. As the perceived benefits of voting declined, the uneducated and unmotivated voters dropped out increasing overall turnout inequality. The euphoria effect remains robust even when I account for economic disengagement and institutional changes. In Chapter Three, I show that indeed economic assessments were more negative among uneducated voters, who were unequipped to succeed in the new market economies, than among the university educated. However, economic experiences do not explain away the decline in turnout among the uneducated voters. In Chapter Five, I show that the euphoria effect remains robust even when accounting for alternative explanations relating to party system consolidation and electoral institutions.

In Chapter Five, I show that ballot complexity and trade unions also contribute to explaining turnout inequality Eastern Europe. In common with established democracies, ballot complexity increases turnout inequality by making voting more costly in terms of the information and motivation required. When voters have to make more choices on a ballot, for example in open list proportional representation systems where voter have to pick a party and the candidates to represent the party, unmotivated voters who lack cognitive resources get discouraged. Trade union membership, on the other hand, reduces turnout inequality. In established democracies, trade unions have been identified as an organization 'resource' for resource-poor and

unmotivated voters as trade unions reduce the cost of gathering information and compensate for the lack of motivation among these voters through union mobilization efforts (Nagler and Leighley 2007). Despite their undemocratic legacy, trade unions in post-communist countries boost turnout particularly among uneducated voters.

Party supply and left parties, however, do not play the roles anticipated in modifying turnout inequality. Traditionally left parties have been associated with pro-welfare and pro-redistribution policies which would appeal to poor working class workers. In Europe, historically left parties formed the backbone of working-class political mobilization (Lipset and Rokkan 1967). In post-communist Eastern Europe, left parties do not play the anticipated role in mobilizing poor voters. To maintain their credibility, left parties, particularly communist successor parties, sought to show that they had firmly broken with the communist past by advocating austerity and anti-welfare policies (Tavits and Letki 2009). Unsurprisingly, post-communist left parties did not play a particular role in mobilizing uneducated, manual workers and farmers who lost out in the economic transition.

Despite some suggestions that the reduction of party supply accompanying the consolidation of the party systems in Eastern Europe would discourage ideologically committed voters (Roussias 2012), changes in the number of parties and their dispersion on the economic issue dimension has not affected turnout inequality. A greater supply of parties supposedly should encourage educated and motivated voters who tend to be more ideologically committed while discouraging the uneducated voters who struggle to gather political information about large numbers of parties with diverse positions. In post-communist countries, the number of parties does not seem to bear much relation to turnout. The greatest abundance of parties occurred in the first few elections when voters were most excited about the new elections and they would vote

regardless of the supply of parties. Also, the elections with the highest numbers of parties tended to be in Russia and Ukraine where the high number of parties was a symptom of high party fractionalization and party system weakness rather than being indicative of an abundance of meaningful electoral choices. In post-communist countries, the party systems have remained quite volatile even years after the collapse of communism particularly because of high party entry and exit (Powell and Tucker 2013), therefore despite the availability of choices, voters are likely to be unfamiliar with the positions of parties and uncertain about their potential for electoral success.

Finally, I show that income inequality may slightly reduce turnout inequality if it is measured by education. As discussed in Section 1.3, education is the most accurate proxy for political resources including cognitive resources and motivation. While education itself provides some resources, it primarily serves as a sorting mechanism. Highly educated voters are thus not only the best endowed in political resources, but they are also more likely to be discerning and avid voters. So why should motivated and discerning voters be less likely to vote in unequal countries such as Ukraine and Russia? The first answer that comes to mind is that discerning voters are more aware of income inequality and its negative consequences. However, perceptions of inequality in the post-Communist context are weakly if at all related to actual levels of income inequality (Loveless and Whitefield 2011). Furthermore perceptions of income inequality are not affected by people's level of education (Loveless and Whitefield 2011). Thus, although perceptions of inequality are linked to feelings of social division and low efficacy (Whitefield and Loveless 2013; Loveless 2013), there are unlikely to provide the primary linking mechanism between actual income inequality and individual voting behaviour.

There is a second approach to conceptualizing the link between income inequality and low turnout inequality in post-Communist countries. Income inequality may not change the characteristics of individuals (e.g. their perceptions of inequality), but income inequality may indirectly change the character of elections themselves. Income inequality can affect the quality of the elections and their appeal to discerning voters without income inequality being directly perceived. Income inequality can reinforce a variety of factors which adversely affect the quality of elections such as the levels of corruption, the quality of governance, as well as reinforcing irreconcilable ethnic divisions. Income inequality also reinforces the dominance of cleintelistic in post-Communist countries (Kitschelt and Wilkinson 2007: 303) – Russia and Ukraine in particular – and these are the very countries where educated and discerning voters are most discouraged. Kitschelt attributes the rise of non-programmatic parties in large part to income inequality which provides increased opportunity for rent-seeking behaviour. The dominance of clientelistic and paternalistic parties reduces the effectiveness of elections. Societal cleavages are unlikely to be effectively translated into party competition. In countries where non-programmatic parties dominate, the effectiveness of policy based appeals to voters are not what determines which party wins the elections. The dominant parties (e.g. United Russia) use 'administrative resources' and the support of 'client' economic elites to win elections without the needing to develop and appealing party program. Sophisticated and educated voters might be more aware of the futility of voting under such conditions. The dominance of non-programmatic party competition may very well explain why we see much lower levels of turnout inequality in the Former Soviet Union and Bulgaria than in Central Europe and the Baltics even when the overall level of turnout is the same (see Figure 5.1). If the party systems in the core countries of the Former Soviet Union had programmatic competition like Eastern and Central Europe, we would

have expected similar levels of turnout inequality; presumably education had a similar role as a sorting mechanism under communism in all these countries, so all else being equal, we would have expected similar levels of turnout inequality.

6.2 Final Conclusions, Limitations, and Further Areas for Research

To return to the initial starting point of the thesis, my findings have shown that the effects of income inequality on political behaviour are not as straightforward as some of the recent literature would imply (Solt 2008, 2010). The idea that in unequal societies, the poor feel excluded, powerless, and disenfranchised is compelling. This idea is made even more compelling by the pervasiveness of unequal political participation: we repeatedly see across democracies that advantaged people, the wealthy and university educated, are more likely to participate in politics than the poor and uneducated. The ubiquity of unequal turnout encourages are us to think that poverty and the lack of a university education themselves discourage participation in elections. Post-communist Eastern Europe provides an excellent set of cases to test this assumption: in these countries income inequality changed so rapidly that we can be quite confident that longer term processes such as the socialization of political generations have not kept up. As the findings in this thesis imply, the link between an individual's socioeconomic status, particularly in terms of education and income, and voting participation is far from direct. Rather income and education are proxies for political socialization experienced during early adulthood in the home and educational environments. The political resources and interest in politics which people acquire by following their parents' example and by being surrounded similar people by virtue of the

educational system, remain stable throughout adulthood despite changes in personal economic circumstances.

These findings reinforce the complexity of the relationship between income inequality and political behaviour. On the one hand we see that income inequality is not directly related to turnout inequality by discouraging poor voters, but on the other hand we see that income inequality is strongly associated with overall levels of political efficacy. The latter suggests that income inequality is not irrelevant for democratic political participation even in the shorter term. While this thesis has not progressed as far as to explicitly demonstrate the linking mechanisms between actual income inequality and individual voter turnout, it does make strong suggests for the directions of future research. I have shown that perceptions of income inequality are unlikely to provide the key link, and I redirect our attention to such issues as the effect the dominance of non-programmatic parties in the unequal countries of the former Soviet Union can have on voter turnout particularly by limiting the meaningfulness of electoral choices. Future research can further investigate how income inequality can reinforces the dominance of non-programmatic parties and how non-programmatic party competition affects voter turnout.

With regards to turnout inequality, this thesis has shown that turnout inequality appears to be the product of an interaction between macro-level factors which alter the costs and benefits of voting and individuals' political resources and motivation. This finding suggests that communist societies did not eliminate class differences, and that mechanisms of political socialization under communism produced a similar link between education levels and political resources and motivation as in established democracies. A limitation of the analysis in the thesis, is that presence of these mechanisms of political socialization is inferred from the patterns in the interactions between socioeconomic status and macro-level context: I show that sudden changes

in income inequality do not change the turnout inequality between income groups indicating the persistence of individual characteristics, on the other hand the associations between turnout inequality in terms of education and macro-level institutions that affect the costs and benefits of voting attest to the differences in political resources and motivation between education groups. An area for future research would be to examine directly and in detail the social backgrounds of Eastern European voters to determine whether indeed (a) parental influence in the home environment and (b) transmission of parental socioeconomic status through education explain away the association between education level and turnout. An examination of this topic will involve resolving several complexities not the least understanding how parents living in an undemocratic society can socialize children to have civic values that promote democratic participation as well as how the breakdown of the communist social and economic system influenced the transmission of socioeconomic status between generations. If we can show, however, that the basic processes of political socialization worked even under communism, we will go a long way towards a more universal understanding of political participation.

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8 Appendix A

Table 8.1 Countries and survey years in EurEqual dataset

Year	Bulgaria	Czech	Estonia	Hungary	Latvia	Lithuania	Moldova	Poland	Romania	Russia	Slovakia	Ukraine	Total
1993	1,932a	0	2,029a	1,314a	0	2,000a	0	1,729a	1,621a	2,030	0	2,537	15,192
1994	0	1,520a	0	0	0	0	0	0	0	0	1,511a	0	3,031
1995	0	0	1,503a	0	0	0	0	0	0	2,003a	0	2,500a	6,006
1996	0	0	0	0	2,000a	0	2,000a	0	0	2,012a	0	0	6,012
1997	0	0	0	0	0	2,000a	0	0	0	0	0	0	2,000
1998	0	0	0	0	0	0	0	0	0	2,008	0	2,500a	4,508
2001	0	0	0	0	0	0	0	0	0	2,000a	0	0	2,000
2003	0	0	0	0	0	0	0	0	0	2,000a	0	0	2,000
2007	1,000	994a	1,057a	1,030a	1,001	1,002	1,042a	1,498	1,492a	2,000	1,032	1,500	14,648
Total	2,932	2,514	4,589	2,344	3,001	5,002	3,042	3,227	3,113	14,053	2,543	9,037	55,397

Table 8.2 Elections covered by EurEqual survey for voting regression models

Country	Election year				
Bulgaria	1991				
Czech	1992	2006			
Estonia	1992	1995	2007		
Hungary	1990	2006			
Latvia	1995				
Lithuania	1992	1996			
Moldova	1994	2005			
Poland	1991				
Romania	1992	2004			
Russia	1993	1995	1999	2003	
Slovakia	1992				
Ukraine	1994	1998			

Table 8.3 World Values Survey and European Values Survey years covering interest in politics

	Bulgaria	Czech rep	Estonia	Hungary	Latvia	Lithuania	Moldova	Poland	Romania	Russia	Slovakia	Ukraine	Total
1990	960	921	1,005	0	886	964	0	950	0	1,693	465	0	7,844
1991	0	2,025	0	982	0	0	0	0	0	0	1,082	0	4,089
1993	0	0	0	0	0	0	0	0	1,100	0	0	0	1,100
1995	0	0	0	0	0	0	0	0	0	1,926	0	0	1,926
1996	0	0	989	0	1,163	0	959	0	0	0	0	2,275	5,386
1997	895	0	0	0	0	923	0	1,097	0	0	0	0	2,915
1998	0	943	0	0	0	0	0	0	1,229	0	935	0	3,107
1999	943	1,722	884	966	954	848	0	1,069	1,059	2,342	1,232	1,167	13,186
2002	0	0	0	0	0	0	923	0	0	0	0	0	923
2005	0	0	0	0	0	0	0	932	1,603	0	0	0	2,535
2006	934	0	0	0	0	0	1,033	0	0	1,697	0	969	4,633
Total	3,732	5,611	2,878	1,948	3,003	2,735	2,915	4,048	4,991	7,658	3,714	4,411	47,644

9 Appendix B

Table 9.1 Distribution of Observations in Dataset by Country and Election Sequence

Election	Bulgaria	Czech Rep	Estonia	Hungary	Latvia	Lithuania	Moldova
2	1,932[a]	1,520[a]	2,029[a]	0	0	2,000[a]	2,000[a]
3	0	1,229[c]	1,503[a]	2,611[cd]	3,099[ad]	2,000[a]	0
4	1,021[d]	1,004[d]	1,000[d]	3,183[b]	0	1,005[d]	0
5	0	4,314[b]	3,506[b]	4,092[ab]	0	0	1,042[a]
6	2,230[b]	3,084[ab]	2,718[ab]	0	1,980[b]	1,968[b]	0
Total	5,183	11,151	10,756	9,886	5,079	6,973	3,042

a. EurEqual Survey b. European Social Survey c. Comparative Electoral Systems Study d. Consolidation of Democracy in Central and Eastern Europe Study

Table 9.1 continued

Election	Poland	Romania	Russia	Slovakia	Ukraine	Total for Each Election
2	0	1,621[a]	3,512 [ad]	1,511[a]	2,500[a]	18,625
3	1,729[a]	2,383[cd]	0	0	4,848[acd]	19,402
4	3,368[cd]	0	2,000 [a]	1,033[d]	2,031[b]	15,645
5	3,826[b]	3,631[ab]	4,413[ab]	1,512[b]	1,858[b]	28,194
6	1,719[b]	2,146[b]	2,536[b]	3,576[b]	1,989[b]	23,946
Total	10,642	9,781	12,461	7,632	13,226	105,812

Table 9.2 Economic Assessment measure

	Sociotropic/National Economy	
	Retrospective (SR)	Prospective (SP)
EurEqual	V274: Thinking now of the country as a whole, do you think that compared with five years ago, standards of living have fallen a great deal, fallen a little, stayed about the same, risen a little, or risen a lot?	V275: And looking ahead over the next five years, do you think that standards of living will fall a great deal from their current level, fall a little, stay about the same as now, rise a little, or rise a lot from their current level?
European Social Survey	STFECO: How satisfied with the present state of the economy in the [country] (S)	
CSES Module 1	Module 1 A3023 Economy Change (Q10 would you say that the state of the economy over the past 12 months?)	
CSES Module 1	Module 1 A3022: Economy improved in last 12 months (Q9: What do you think about the state of the economy these days in [country]?)	
CDCEE	V186 Country's economic situation during the present government (Wave 1 and 2) (S)	
CDCEE		V188 Country's economic situation next year (Waves 1 and 2) (SP)
	Egocentric/Personal	
	Retrospective (ER)	Prospective (EP)
EurEqual	V272: Compared with five years ago, has your household's standard of living fallen a great deal, fallen a little, stayed about the same, risen a little, or has it risen a lot?	V273: And looking ahead over the next five years, do you think that your household's standard of living will fall a great deal from its current level, fall a little, stay about the same as it is now, rise a little, or rise a lot from its current level?
European Social Survey	HINCFEL: Feeling about household's income nowadays (ESS1, ESS2 variation across countries) (E)	
CDCEE	V183 Personal economic situation during the present government (Wave 2) (E)	
CDCEE		V183 Personal economic situation next year (Wave 2) (EP)

10 Appendix C

Figure 10.1: Countries and Survey Years in EurEqual Dataset

Year	Bulgaria	Czech Rep	Estonia	Hungary	Latvia	Lithuania	Moldova	Poland	Romania	Russia	Slovakia	Ukraine	Total
1993	1,932	0	2,029	1,314	0	2,000	0	1,729	1,621	2,030	0	2,537	15,192
1994	0	1,520	0	0	0	0	0	0	0	0	1,511	0	3,031
1995	0	0	1,503	0	0	0	0	0	0	2,003	0	2,500	6,006
1996	0	0	0	0	2,000	0	2,000	0	0	2,012	0	0	6,012
1997	0	0	0	0	0	2,000	0	0	0	0	0	0	2,000
1998	0	0	0	0	0	0	0	0	0	2,008	0	2,500	4,508
2001	0	0	0	0	0	0	0	0	0	2,000	0	0	2,000
2003	0	0	0	0	0	0	0	0	0	2,000	0	0	2,000
2007	1,000	994	1,057	1,030	1,001	1,002	1,042	1,498	1,492	2,000	1,032	1,500	14,648
Total	2,932	2,514	4,589	2,344	3,001	5,002	3,042	3,227	3,113	14,053	2,543	9,037	55,397

Table 10.2: Distribution of Assets by Country

Country	Car	Washing Machine	Land	Shares	Dacha	TV	Phone
Belarus	33.3	80.6	59.8	5	22.3	74.9	66.5
Bulgaria	43.8	80.9	45.7	2.8	16.9	85.2	69.6
Czech	62.9	96.8	45.2	47.9	19.5	75.9	40.8
Estonia	47.3	87	34.3	12.3	24.8	89.3	57.2
Hungary	46.9	95.6	28.5	4.7	8.8	89.6	43.2
Latvia	37.9	86.3	45.4	7.1	15.3	85.4	69
Lithuania	51.3	86.8	60.5	36.7	15.2	87	64.3
Moldova	24.1	69.7	72.3	18.1	6.9	74.2	50.4
Poland	54.5	95.7	36.1	5.4	6.4	87.5	49.1
Romania	37.9	77	48.1	17.3	3.8	86.9	53.7
Russia	27.4	84.8	51.3	20.8	23.2	84.1	50.1
Slovakia	57.5	97.2	50.9	42.3	13.4	85.6	51.2
Ukraine	24.1	78.3	65.4	11.8	14.4	84.2	44.9
Total	37.8	84.8	51.6	18	16.5	84.3	53.2

Table 10.3: Results of Polychoric PCA for Asset Index

Asset	Coeff. 1	Coeff. 2	Coeff. 3
Car			
0	-0.293748	0.159153	0.203435
1	0.423417	-0.229408	-0.293238
Washing Machine			
0	-0.726954	0.394004	-0.160009
1	0.124337	-0.067390	0.027368
Land			
0	-0.203965	-0.589845	0.317566
1	0.167113	0.483273	-0.260189
Shares			
0	-0.138571	-0.137709	-0.127646
1	0.504953	0.501812	0.465141
Dacha			
0	-0.145510	-0.055143	0.122139
1	0.595089	0.225516	-0.499509
TV			
0	-0.513542	-0.137871	-1.105212
1	0.090945	0.024416	0.195725
Phone			
0	-0.288889	0.450170	0.105200
1	0.232656	-0.362544	-0.084723

11 Appendix D

Table 11.1

Election	Bulgaria	Czech	Estonia	Hungary	Latvia	Lithuania	Moldova	Poland	Romania	Russia	Total
2	1,749	1,503	1,406	0	0	1,988	1,991	0	1,509	0	14,107
3	0	1,224	1,067	2,594	3,081	2,000	0	1,704	2,319	3,467	22,245
4	975	980	1,000	3,150	0	992	0	3,350	0	3,667	17,040
5	0	4,088	3,362	3,823	0	0	872	3,763	3,410	3,575	27,587
6	2,181	2,924	2,564	0	0	0	0	1,704	0	2,461	17,163
Total	4,905	10,719	9,399	9,567	3,081	4,980	2,863	10,521	7,238	13,170	98,142

Election	Slovakia	Ukraine	Total
2	1,487	2,474	14,107
3	0	4,789	22,245
4	986	1,940	17,040
5	2,860	1,834	27,587
6	3,435	1,894	17,163
Total	8,768	12,931	98,142

Table 11.1: Variance Across Three Levels: Empty Model

Constant	.98
	(.11)
Random Effects	
Random Intercept Variance Country/Level 3	.0797
	(.0663)
Random Intercept Variance Country-election/Level 2	.289
	(.0707)
N individual level/ Level 1	106298
N Country-election/ Level 2	46
N Country/ Level 3	12

Level	ICC	Std. Err.
Country/L 3	.021779	.0179062
Country-election/L 2	.1007956	.0204081

The intraclass correlation coefficients suggest 10 percent of the variance in turnout is at the second level (country-election) and only 2 percent of the variance is between countries. The greater the number of observations within the clusters, the greater the chance of a Type 1 error (false positive) (Kreft and de Leeuw 1998:10). Therefore we most definitely must account for the second-level clusters (country-election). Because no more than 5 elections are covered within a country, the number of observations per a third level (country) cluster does not exceed 5 and the probability of a Type 1 error is less than .05. Table 8.4 below shows that results of two level models, and we can see that they are not

substantively different from three level models. In the body of Chapter 5, I use the three level model as it is the one I started with, but either could be used.

Robustness checks:

I have tried various specifications of the models to ensure that the signs on the interactions do not change. The signs retain their direction and significance even:

- For both two and three level MLM models,
- Different specifications of the ballot complexity measure,
- And when individual country-election years are excluded.

In the fuller model the interaction for trade union loses significance but the sign remains the same, indicating that the trade union effect on turnout inequality is quite small.

The substantive results do not change depending on the specification of the ballot variable. Under either specification, a change from the simplest to the most complex ballot causes the turnout gap to double.

When individual country-election years are excluded from the fullest model (Model 13) the direction and significance of the interaction remains about the same (e.g. all the interactions are significant except for the interaction between trade union membership and education).

When entire countries are excluded from the fuller model, the effects of ballot complexity and income inequality remain robust, however the euphoria effect loses significance when either Estonia or Ukraine are excluded.

- When Estonia is excluded the coefficient for the interaction between education and election sequence is .00084 (s.e. .0090) and p-value of 0.347.
- When Ukraine is excluded the coefficient for the interaction between education and election sequence is .0145 (s.e. .00902) with a p-value of 0.107.

Model Fit:

A comparison of the BICs indicates that the three-level MLM with single interaction provides the best fit. The smaller the BIC, the better the model fit. The three-level MLM with single interactions has a fit of approximately 103790 to 103929. The two-level MLM has a fit of 104638 to 104784. The fullest model has a fit of 111939, so much worse than the simpler models.

Table 11.2: Results of Two Level MLM

	(1)	(2)	(3)	(4)	(5)	(7)
Election	-0.213**	-0.132	-0.129	-0.127	-0.059	-0.131
	(0.069)	(0.067)	(0.067)	(0.068)	(0.071)	(0.067)
Education	0.213***	0.460***	0.642***	0.242***	1.287***	0.428***
	(0.041)	(0.030)	(0.025)	(0.035)	(0.074)	(0.013)
Trade Union Membership	0.299***	0.294***	0.303***	0.295***	0.301***	0.492***
	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)	(0.076)
Polarization	-0.024	-0.009	-0.026	-0.023	-0.063	-0.024
	(0.043)	(0.044)	(0.043)	(0.043)	(0.042)	(0.043)
ENEP	-0.021	-0.021	0.044	-0.022	-0.013	-0.021
	(0.031)	(0.031)	(0.032)	(0.031)	(0.030)	(0.031)
leftstrength3	0.040	0.003	0.039	-0.539	-1.356*	0.008
	(0.420)	(0.421)	(0.421)	(0.436)	(0.565)	(0.421)
closeness	-0.003	-0.003	-0.004	-0.003	-0.004	-0.003
	(0.008)	(0.008)	(0.008)	(0.008)	(0.007)	(0.008)
Ballot	-0.405***	-0.400***	-0.405***	-0.401***	-0.461***	-0.402***
	(0.103)	(0.103)	(0.103)	(0.104)	(0.099)	(0.103)
Income Inequality	-0.015	-0.016	-0.015	-0.015	0.043**	-0.015
	(0.015)	(0.016)	(0.016)	(0.016)	(0.016)	(0.015)
Age	0.130***	0.130***	0.130***	0.131***	0.130***	0.130***
	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
Age squared	-0.001***	-0.001***	-0.001***	-0.001***	-0.001***	-0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
ElectionXEducation	0.047***					
	(0.009)					
PolarizationXEducation		-0.009				
		(0.005)				
ENEPXEducation			-0.035***			
			(0.003)			
Left Vote shareXEducation				0.306***		
				(0.057)		
InequalityXEducation					-0.026***	
					(0.002)	
Trade UnionXEducation						-0.099**
						(0.036)
Constant	-0.688	-1.104	-1.443*	-0.749	-1.781**	-1.052
	(0.574)	(0.574)	(0.573)	(0.578)	(0.624)	(0.572)
Survey Effects	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
Random Intercept/Country election/ L2	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
BIC	104759.9	104784.1	104672	104758.1	104638.4	104779.3
N	98632	98632	98632	98632	98632	98632
N country election	44	44	44	44	44	44

* p<0.05, ** p<0.01, *** p<0.001

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	Model 11
Education	0.304***
	(0.016)
Election	-0.143*
	(0.0648)
Trade Union	0.305***
	(0.0243)
Polarization	.00264
	(0.0422)
ENEP	-0.0348
	(0.0301)
Left Vote Share	-0.141
	(0.398)
Income Inequality	-0.0240
	(0.0144)
Ballot	-1.212***
	(0.171)
Ballot X Education	0.258***
	(0.0238)
Age	0.130***
	(0.002)
Age squared	-0.001***
	(0.000)
Survey Effects	*Yes*
Random Intercept /Country Election	*Yes*
N individual level	98632
N country-elections	43
BIC	104653.2
AIC	104501.2

* p<0.05, ** p<0.01, *** p<0.001; Ballot as binary variable

Table 11.3: Two level MLM with single interaction between education and ballot complexity (as three category variable)

	Model 12
Education	0.241***
	(0.026)
Election	-0.144*
	(0.065)
Trade Union	0.305***
	(0.024)
Polarization	0.006
	(0.043)
ENEP	-0.038
	(0.031)
Left Vote Share	-0.177
	(0.412)
Income Inequality	-0.025
	(0.015)
Ballot 1 (ref.)	--
Ballot 2	-0.106
	(0.239)
Ballot 3	-1.293***
	(0.207)
Ballot1XEducation	--
Ballot2XEducation	0.098**
	(0.032)
Ballot3XEducation	0.322***
	(0.032)
Age	0.130***
	(0.002)
Age squared	-0.001***
	(0.000)
Constant	-0.909
	(0.540)
Survey Effects	*Yes*
Random Intercepts for Country Election	*Yes*
N individual	98632
N country	46
BIC	104667
AIC	104496.1

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Table 11.4: Two level MLM Model with Interactions with All Four Significant Explanatory Factors of Turnout Inequality

	Model 13
Election	-0.139*
	(0.056)
Education	0.804***
	(0.091)
ElectionXEducation	0.030***
	(0.008)
BallotXEducation	0.172***
	(0.024)
Trade UnionXEducation	-0.024
	(0.035)
InequalityXEducation	-0.017***
	(0.002)
Trade Union	0.366***
	(0.074)
Ballot	-1.032***
	(0.160)
Inequality	-0.005
	(0.014)
Age	0.128***
	(0.002)
Age squared	-0.001***
	(0.000)
Constant	-2.025***
	(0.498)
Survey Effects	*Yes*
Random Intercepts for Level 2/Country	*Yes*
N individual level	104532
N country level	46
BIC	111939.9
AIC	111787

* p<0.05, ** p<0.01, *** p<0.001; Ballot as two category variable (1 – open list PR; 0 –rest)