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How to cite

PONTUSSON, Harry Jonas, RUEDA, David. The Politics of Inequality: Voter Mobilization and Left Parties in Advanced Industrial States. In: Comparative political studies, 2010, vol. 43, n° 6, p. 675–705. doi: 10.1177/0010414009358672

This publication URL: https://archive-ouverte.unige.ch/unige:40998
Publication DOI: 10.1177/0010414009358672

Comparative Political Studies
43(6) 675–705

DOI: 10.1177/0010414009358672
http://cps.sagepub.com
SAGE

The Politics of Inequality: Voter Mobilization and Left Parties in Advanced Industrial States

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Abstract

Why is it that some countries have witnessed significant increases in inequality since the 1960s while at the same time experiencing very little change in the way politics is conducted? And why is it that in other countries, where inequality has increased much less, the Left has become substantially more redistributive? The answer, the authors argue, has to do with the interaction between inequality and political mobilization of low-income voters. The authors make two points in this article. First, high levels of inequality move Left parties to the left. Second, although increasing inequality pushes the core constituencies of Left parties to the left, it also makes some individuals less likely to be involved in politics. The authors argue that Left parties will respond to an increase in inequality only when low-income voters are politically mobilized. They explore these claims through a comparative analysis of Left party programs in 10 Organisation for Economic Co-operation and Development countries over the period 1966 to 2002.

Keywords

industrialized democracies, inequality, voter turnout, electoral politics, ideology, Left parties

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Drawing on data from the Comparative Manifesto Project (CMP), this article explores the consequences of income inequality and voter turnout for the programmatic positions of Left parties in 10 Organisation for Economic Co-operation and Development (OECD) countries over the period 1966 to 2002. We seek to contribute to the literature on party politics as well as the literature on the political economy of redistribution and to build bridges between these two literatures. Recent papers by Adams, Haupt, and Stoll (in press) and by Nelson and Way (2007) similarly seek to explain changes in the positioning of Left parties over this time period and use CMP data to measure party positions. Both of these papers engage arguments about globalization and economic insecurity from the comparative political economy literature, yet neither considers income inequality as a potential determinant of the programmatic positions adopted by Left parties. This seems like a curious omission given that so much of the comparative political economy literature treats redistribution of income as the core issue of contention between parties of the Left and Right.

Virtually all of the recent comparative literature on the political economy of redistribution takes as its point of departure the Meltzer–Richard model, which posits that income inequality promotes redistribution via the preferences of the median voter (Meltzer & Richard, 1981). It is commonplace to observe that, contrary to the Meltzer–Richard model, countries with more unequal distributions of market income typically redistribute less than countries with less unequal distributions of market income. Several recent contributions (e.g., Bradley, Huber, Moller, Nielsen, & Stephens, 2003; Iversen & Soskice, 2009) propose models in which the distribution of market income and redistributive policy are jointly determined by other variables, such as government partisanship, union power, and electoral rules. Relative to this literature, our goal is to rescue the idea that income inequality not only is shaped by politics but also shapes politics.

We avoid some of the more problematic assumptions of the Meltzer–Richard model by focusing on the programmatic positions that parties adopt during election campaigns rather than the policy outputs associated with particular parties being in government. More importantly, we elaborate an alternative model of redistributive politics in which parties respond not only to the redistributive policy preferences of the median voter but also to the preferences of their core constituencies. As shown by Milanovic (2000), the median income earner is rarely a net beneficiary of tax transfer systems in OECD countries. Hence, we should not expect her to respond to rising inequality by demanding more redistribution. However, we should expect core constituencies of Left parties to respond in this manner if it is the case

that their income is significantly lower than the income of the median voter (and there is every reason to expect that this is indeed the case).

As skeptical commentators on earlier drafts of this article have been quick to point out, our claim that inequality generates pressures on Left parties to move to the left seems to fly in the face of recent developments across the OECD world. The conventional view is that Left parties have moved to the right while income inequality has increased in most if not all of the OECD countries since the 1980s. We imagine that "stylized facts" along these lines may be the reason why Adams et al. (in press) and Nelson and Way (2007) do not consider income inequality as a potential determinant of the programmatic positions adopted by Left parties. As Nelson and Way point out, however, the rightward shift of Left parties is far from uniform in terms of timing and extent. Moreover, the tendency for inequality to rise across the OECD world is not as pervasive as commonly supposed.

In short, the empirical facts may be less damning to the argument that inequality moves Left parties to the left than conventional wisdom suggests. More importantly, the theoretical claims that we develop in the following pages qualify the proposition that inequality moves Left parties to the left in two crucial ways. The first qualification is that our argument pertains to the electoral positions of Left parties *relative to Center–Right parties* and recognizes that other forces have moved Left parties, along with other parties, in a rightward direction. Hence, we estimate the effects of income inequality on the programmatic positions of Left parties while controlling for the center of political gravity in any given country at a particular point in time. The second qualification is that the extent to which Left parties move to the left in response to inequality depends on the extent to which low-income voters participate in politics. Empirically, we use aggregate voter turnout as a rough proxy for (relative) political mobilization of low-income voters.

Our theoretical framework thus seeks to explain why rising inequality sometimes moves Left parties to the left but does not always have this effect. Our empirical results can be boiled down to the following important finding: When voter turnout is high (above average), inequality is associated with Left parties adopting positions that are further to the left of the median voter. (Our analysis also demonstrates, and the significance of this point becomes clear below, that there is no association whatsoever between inequality and the center of political gravity.)

The rest of the article is organized into four sections. The first section develops the theoretical framework of our analysis and relates our core arguments to current debates in the literature on inequality and redistribution. The second section describes the data set we have constructed to test the

hypotheses generated by this framework and specifies how our variables are measured. The third section briefly addresses methodological issues and then presents and discusses our empirical results, including the results of supplementary analyses designed to check the robustness of our main results. The fourth section concludes by identifying issues for further inquiry.

The Argument

Our theoretical framework builds on what we consider to be a core insight of the Meltzer–Richard model while seeking to go beyond some of its obvious limitations. To recapitulate very briefly, the Meltzer–Richard model assumes that redistribution takes the form of a universal flat-rate benefit received by all citizens and financed by a linear income tax (Meltzer & Richard, 1981; cf. Romer, 1975). At 100% taxation, all citizens are brought to the mean income. All individuals with market incomes below the mean income would favor 100% taxation if it were not for the fact that taxation entails a disincentive effect that reduces the mean income. As a result of this disincentive effect, there is a group of middle-income earners for whom the deadweight costs of taxation exceed the value of the benefit provided by the government, even though their (market) income is below the mean income. Holding the deadweight costs of taxation constant, the Meltzer–Richard model treats the amount of redistribution preferred by the median voter as a function of the distance between her income and the mean income. Assuming that all income earners are citizens and exercise their right to vote, a mean-preserving increase of inequality makes the median voter more supportive of redistribution. Assuming further that electoral competition produces government policies that conform to the preferences of the median voter yields the prediction that more income inequality will be associated with more redistribution.

Many comparativists have pointed out that the cross-national association between inequality and redistribution among OECD countries is the opposite of what the Meltzer–Richard model predicts. According to Lindert (2004), "history reveals a 'Robin Hood paradox,' in which redistribution from rich to poor is least present when and where it seems to be most needed" (p. 15). It deserves to be noted, however, that the pattern of within-country variation broadly conforms to the core prediction of the Meltzer–Richard model (see Kenworthy & Pontusson, 2005). Controlling for country-specific effects, Milanovic (2000) shows that gross household income inequality is consistently associated with more redistribution through taxes and transfers for 24 democracies over the period 1973 to 1995 (for empirical results in support of the Meltzer–Richard model, see also Mahler, 2008).

Ignoring contradictory evidence, several recent contributions to the literature on the political economy of redistribution focus on exploring the "Robin Hood paradox," that is, explaining why it is that countries with more compressed distributions of market incomes, or at least wages, tend to have larger and more redistributive welfare states. Moene and Wallerstein (2001, 2003) propose that demand for insurance rises with income to turn the Meltzer–Richard model on its head. They argue that a mean-preserving increase of inequality implies a decline in the income of the median voter and, as a result, a decline in her or his demand for social insurance. In a different vein, Bradley et al. (2003) resolve the Robin Hood paradox by arguing that wage compression and redistributive social spending are both caused by strong unions and Left parties. Iversen and Soskice (2009) offer yet another solution, arguing that coordinated market economies and political systems based on proportional representation jointly give rise to compression of wage differentials as well as redistributive welfare states.

Relative to the aforementioned contributions, we want to reaffirm the idea that the distribution of income has important implications for the politics of redistribution. In so doing, we build on Meltzer and Richard's conceptualization of voters' preferences for redistribution as a function of the distance between their income and the mean income (and also their conceptualization of parties as strategic actors responding to voter preferences). However, we depart from the Meltzer–Richard model in a number of other respects. To begin with, we restrict the scope of our theory and empirical analysis by focusing on the role of inequality in determining the programmatic positions adopted by parties. Thus, we bracket the complicated question of the extent to which electoral politics determine government policy, let alone distributive outcomes.

Most importantly, we depart from the Downsian framework of the Meltzer–Richard model by positing that parties have core constituencies and enduring ideological commitments. In making this move, we draw on an extensive literature in comparative political economy that identifies partisan effects on macroeconomic policy and social spending (e.g., Garrett, 1998; Hibbs, 1987).[1] We also draw on the literature on political behavior and electoral competition that conceives parties as organizations with well-developed ties to particular social groups. Summarizing this literature, Powell (1982) argues the existence of a relationship between "strong, continuing expectations about parties and the interests of social groups not only creates easily identifiable choices for citizens, it also makes it easier for parties to seek out their probable supporters and mobilize them at election time" (p. 116).

In our framework, core constituencies are social groups that are privileged by parties. Organizations representing these groups—most notably unions, in

the case of Left parties—often play a critical role in party efforts to mobilize voters and enjoy some form of institutionalized voice in internal party decision making. Such organizations are also a source of party members and activists. We do not mean to suggest that parties are oblivious to the preferences of the median voter. Following Strom (1990), among others, we assume that parties are motivated by winning elections and, at the same time, by serving the interests of their core constituencies. These objectives are inextricably linked, though they may well pull parties in opposite directions at any given juncture. On one hand, parties that never win elections and participate in government are of little use to their core constituencies. On the other hand, the enthusiasm of party activists and the support of interest organizations matter greatly to voter mobilization. As a result, parties are constantly engaged in balancing the preferences of core voters against the preferences of swing voters (cf. Aldrich, 1995).

The empirical analysis presented in this article focuses on Left parties' responses to inequality. Our theoretical framework is meant to apply to parties of the Right as well as the Left, but restricting the analysis to Left parties simplifies matters because a dominant Left party can readily be identified for each of the 10 countries included in our analysis.[2] Moreover, the social bases of these parties are broadly similar. Although some Left parties have succeeded in mobilizing support among relatively well-paid wage earners, it seems reasonable to postulate that the core constituency of Left parties consists primarily of people in the lower half of the income distribution.[3]

Because the majority of core Left voters stand to benefit from any and all broad-based redistribution schemes, we expect them to demand more redistribution in response to rising inequality. As inequality grows, the distance between the income of these voters and the mean income increases and Left parties come under pressure to advocate for more redistribution. However, Left parties must also take into account the ideological position of the median voter in the electorate as a whole, and pressure from core constituencies may well be offset by the center of political gravity moving to the right, for reasons that may or may not have to do with the rise of inequality. To capture this process, we estimate the effects of inequality on the positions of Left parties while controlling for the position of the median voter in a given country at a particular point in time. Our hypothesis is not that inequality is associated with Left parties adopting more leftist positions in an absolute sense but rather that it is associated with Left parties adopting more leftist positions *relative to the center of gravity in electoral politics*.

Our theoretical framework posits further that the extent to which income inequality is associated with political inequality conditions Left party

responses to core voter preferences. The issue of income skew in voter turnout is central to the existing literature on the limitations of the Meltzer–Richard model. As Meltzer and Richard (1981) themselves recognize, their prediction that inequality will be associated with more redistribution rests on the unrealistic assumption that all income earners vote. Under any other circumstance, testing the Meltzer–Richard model requires us to distinguish between the income of the median voter and the median income (Barnes, 2007; Nelson, 1999). In general, political inequality seems to rise with income inequality (cf. Leighley, 1995; Verba, Schlozman, & Brady, 1995). In the language of the Meltzer–Richard model, the effect of increasing income inequality on the distance between the median and the mean income might well be offset by a decline in electoral turnout among low-income citizens.

Because Left parties draw their electoral support disproportionately from the lower half of the income distribution, we expect turnout among low-income citizens to be particularly significant in shaping their programmatic responses to (rising) inequality. Like many other works in comparative political economy, our empirical analysis uses aggregate voter turnout as a proxy for income skew in voting or, in other words, the political mobilization of low-income voters relative to middle- and high-income ones. Needless to say perhaps, differences in voter turnout by income are bound to disappear as aggregate turnout approaches 100%. As Mahler (2008) demonstrates, income skew in voting and aggregate voter turnout are indeed closely correlated on a cross-national basis.[4] Aggregate voter turnout is, of course, only a rough proxy for relative turnout by income, but it has the advantage of being readily available and comparable across countries and elections.

Setting measurement issues aside, we want to emphasize that voter turnout represents but one dimension of (unequal) political participation. For one thing, data on voter turnout fail to take into account that many people at the bottom of the income distribution are immigrants and hence lack the right to vote. The extent to which this is true varies across time as well as across countries.[5] In a somewhat different vein, it is commonplace in the comparative political economy literature to conceive of unionization as a measure of (relative) political mobilization of low-income groups. One version of this argument holds that unions make workers more supportive of redistribution by providing them with more accurate information about the distribution of income. To the extent that this is true, we would expect Left parties to be more responsive to the policy preferences of low-income workers in countries with higher rates of unionization. For the purposes of this article, however, we focus on the role voter turnout plays as a variable that conditions

the association between inequality and the programmatic positions adopted by Left parties.[6]

With the notable exceptions of Mahler (2008), most of the existing empirical literature fails to find significant effects of aggregate voter turnout on direct measures of redistribution or other policy outputs that might be assumed to have redistributive effects. Following Franzese (2002, chap. 2), our analysis departs from the standard setup of this literature by interacting voter turnout with inequality. Related to our theoretical claims, Franzese argues that political participation affects a government's redistributive response to inequality. Our analysis differs from Franzese's in two fundamental respects. First, Franzese, like most other comparative political economists, provides a median voter argument. Using Meltzer–Richard as his starting point, he argues that higher political participation means wealthier median voters relative to the mean income (Franzese, 2002, p. 72). Second, Franzese is interested in explaining policy and does not include a partisan dimension to his conception of how governments react to increasing voter turnout. Our argument, on the other hand, focuses on core constituencies and seeks to explain the programmatic choices of Left parties.

To summarize, our partisan alternative to the Meltzer–Richard model incorporates inequality of political participation and avoids the assumption that voting alone determines government policy. Our emphasis on partisanship and core constituencies also relates to another limitation of the Meltzer–Richard model, namely, the assumption that the net benefits of redistribution fall incrementally with income across the entire distribution of market income. In the real world, redistribution appears to be lumpier or, in other words, more targeted. According to Milanovic (2000), income-earners in the 50th percentile of the gross income distribution are rarely net beneficiaries of existing tax-and-transfers systems. The income of voters who can be expected to respond to rising inequality by demanding more redistribution is likely to be significantly below the median income. Our argument about voter turnout is essentially an argument about the conditions under which Left parties have an incentive to cater to these voters.

Variables, Measurements, and Data

Party Positions

The main results presented below are based on estimating various models with mainstream Left parties' programmatic positioning on the Left–Right dimension as the dependent variable. The CMP provides data on party platforms in

Western democracies from the late 1940s through the early 2000s, but the availability of other data restricts our analysis to 10 countries over the period 1966 to 2002. Our unit of analysis is "country election years."[7]

The CMP identifies 54 policy areas and reports the percentage of "quasi sentences" of election manifestos that fall into each of these areas. Ranging between –100 (extreme Left) and +100 (extreme Right), the Left–Right index in our analysis was developed by Laver and Budge (1992) and has been employed by numerous authors (e.g., Budge, Klingemann, Volkens, Bara, & Tanenbaum, 2001; Klingemann, Volkens, & Bara, 2006). Laver and Budge use factor analysis to identify two groups of 13 categories that load at the opposite ends of an underlying dimension and calculate Left–Right scores for individual parties by summing across the percentages of manifesto statements that fall into each of the opposing groups and subtracting the percentage of Left statements from the percentage of Right statements.[8] Higher Left–Right scores mean that Left parties hold more "rightist" positions.

It is commonly alleged that the CMP data tell us more about the salience of particular issues than about party positions on these issues. As Benoit and Laver (2009) point out, however, virtually all of the CMP coding categories are in fact explicitly or implicitly positional (cf. McDonald & Mendes, 2001). For Benoit and Laver, the more important limitations of CMP-derived Left–Right scores have to do with the absence of any estimates of measurement error and the fact that they fail to capture variation in the meaning of the Left–Right divide across countries and over time. With regard to the latter issue, Benoit and Laver emphasize that the Left–Right dimension was inductively derived from an analysis of party manifestos between 1945 and 1985 (and therefore does not include, for example, party positions on environmental issues).

This article's analysis depends on being able to track changes in party positions over time. The expert surveys that Benoit and Laver favor as an alternative to the CMP approach provide, at best, two observations of party positions per country. The absence of any estimates of measurement error in the CMP data is simply a price that we must pay to obtain a more time-sensitive set of Left–Right scores. As for the meaning of the Left–Right divide in politics changing over time, this is arguably not such a serious problem because our theoretical framework pertains to the representation of voter preferences for redistribution. For us, the problem with the CMP Left–Right dimension is that it contains too many policy items rather than too few. A Left–Right index focusing more strictly on policies with a redistributive impact would be desirable, but the so-called "welfare dimension" in the CMP data set clearly does not fit the bill. There are many political forces in Europe, most notably

Christian Democrats, that favor social protection without favoring redistribution (Esping-Andersen, 1990).

Several studies (e.g., Powell, 2000) have shown that the standard CMP Left–Right scores provide a reasonably good summary of what parties stand for in elections and that the Left–Right dimension is in fact meaningful to voters. Other studies show that these scores can be used to predict what parties actually do when they come to power (e.g., Budge & Hofferbert, 1990). Finally, it deserves to be noted that the CMP's Left–Right index correlates reasonably well with various party classification schemes based on expert surveys (see Gabel & Huber, 2000; McDonald & Kim, n.d.).

The fact that the Left–Right dimension, as measured here, encompasses issues that do not directly pertain to redistribution militates against finding effects of inequality on party positions. There is certainly no reason to believe that measuring the positions of Left parties in this manner biases the exercise in favor of our theoretical expectations. It should also be noted that there is a great deal of election-to-election volatility in Left–Right scores (for the same party) in the CMP data. This volatility reflects not only measurement error but also, we believe, strategic signaling by parties. For instance, a Left party that has decided to move to the center may rhetorically exaggerate the extent of its move to offset its reputation. Smoothing party scores over several elections might yield more accurate measures of party positions (McDonald & Mendes, 2001), but it would also introduce an obvious endogeneity problem into our analysis. To avoid invoking inequality in year t as an explanation of party positions in some previous year, we stick with single-year (current) observations of party positions. Again, this choice militates against finding statistically significant effects of inequality.

Although Left party positions change from one election to the next, the parties to which our dependent variable refers do not change over time. In 9 of our 10 countries, the same party won the largest share of the "Left vote" in all the elections included in our analysis. The exception is France, where the Communist Party was the largest Left party before 1978 (three elections in our sample). Specifically, the term *Left parties* here refers to the labor parties of Australia, Britain, the Netherlands, and Norway, the social democratic parties of Germany and Sweden, the socialist parties of France and Japan, the Liberals in Canada, and the American Democratic Party.[9]

The Median Voter

By all accounts, the center of gravity in party politics varies across countries and over time. For instance, the position of the most right-wing of the five

main parties contesting the Dutch general election of 1998 was, according to the CMP, more leftist than the position of Bill Clinton in the presidential election campaign of 1996. Although the Netherlands is more egalitarian than the United States, we do not believe that contemporary differences in the distribution of income explain why the center of gravity in Dutch politics is farther to the left than the center of gravity in American politics. If there is a causal relationship between income distribution and the center of political gravity, it is at least as likely to run in the opposite direction.

Our theoretical framework generates predictions about the effects of inequality on relative party positions. To estimate these effects, we need to control for the center of political gravity. We do this by including a measure of the position of the median voter developed by Kim and Fording (1998, 2003) on the right-hand side of our regression equations. Using CMP data, Kim and Fording identify the midpoints between parties that have been ranked on the Left–Right dimension and assume that the policy preferences of those who voted for a particular party are evenly distributed across the interval between the two midpoints that separate this party from the parties to its immediate Right and immediate Left. Based on this assumption, they estimate the median ideological position of the electorate.

We have rescaled Kim and Fording's measure so that it conforms to the standard CMP measure of party positions, ranging from –100 to +100, with higher numbers representing more rightist positions. Linearly interpolating values for nonelection years, Figure 1 tracks the average position of the median voter in our 10 countries from 1965 to 2000. The figure clearly confirms the conventional view that the political spectrum has shifted to the right in most OECD countries since the early 1970s.

The existing comparative political economy literature points to a number of plausible explanations for the rightward shift shown in Figure 1. One line of argument holds that this shift reflects the "growth to limits" of redistributive welfare states. In the context of an OECD-wide deceleration of economic growth, tax fatigue became a prevalent feature of electoral dynamics starting in the 1970s. Many voters as well as politicians apparently became convinced that redistributive policies had reached a point of diminishing returns. In a different vein, the rightward shift of party politics might be attributed to the erosion of the social foundations of traditional Left politics: the decline(s) of the industrial working class, unions, and class voting. Finally, it also seems quite plausible to attribute this rightward shift to pressures associated with "globalization," that is, the international integration of financial markets and the intensification of international competition in product markets.

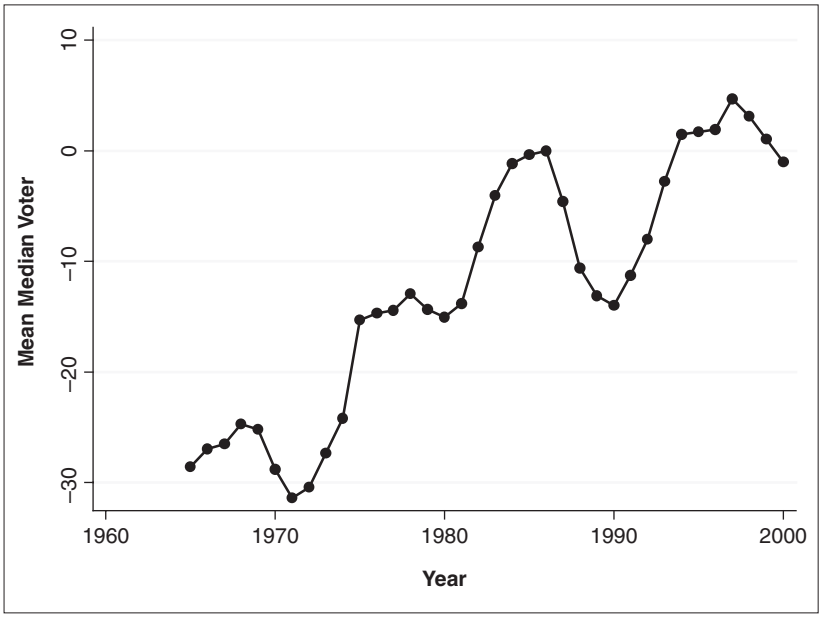

Figure 1. Cross-national average for median voter position, 1965–2000

Our goal in this article is not to explain the rightward shift shown in Figure 1 but rather to explore the effects of inequality on Left party positions while controlling for this shift. For our purposes, it is sufficient to establish (as we do below) that the rightward shift of the median voter is unrelated to changes in income inequality.

The measure for the position of the median voter that we use in estimating our regression models is the average value for the election year in question and the preceding 4 years. Following Kim and Fording, our 5-year averages are based on linearly interpolated values for nonelection years. This setup captures the idea that shifts in the center of political gravity are not simply an unanticipated outcome of elections. We assume that parties observe shifts in voter opinions and the policy positions of their competitors between elections and take such shifts into account when they prepare their election programs. At the same time, we expect that it takes parties some time to respond to changes in the position of the median voter (and in any of the other explanatory variables included in our models).

For our purposes, using the Kim–Fording measure to control for the shifts in the center of political gravity generates a potential endogeneity problem.

After all, our dependent variable is the position of the main Left party in the present election, and the Kim–Fording measure derives the position of the median voter, in part, from the position of the main Left party. To avoid this potential problem, we eliminate the contemporaneous influence of the main Left party from our measure of the position of the median voter. The actual variable included in our regression models is a 5-year average in which the measure of the position of the median voter in the present election is based on the (vote-weighted) positions of all parties other than the main Left party whereas the values for the preceding 4 years take account of the position of the main Left party in the previous election (or, in a few cases, the two previous elections).[10]

Inequality

Most of the comparative literature on the political economy of redistribution in advanced industrial states relies on measures of income inequality that are derived from either the Luxembourg Income Study (LIS) or the OECD data set on relative earnings among full-time employees. Thanks to a collaborative project organized by Atkinson and Piketty (2007), a new data set with annual observations of "top income shares," based on tax returns, has recently become available. In previous work (Pontusson & Rueda, 2008), we have used Gini coefficients for disposable household income from LIS and 90–10 wage ratios from the OECD data set to test some of our arguments about the consequences of income inequality for partisan politics. In this article, we instead use the new data on top income shares. Specifically, our measure of income inequality is the share of total (pretax) income accounted for by the top 1% of income earners.

Needless to say, perhaps, top income shares constitute a less comprehensive measure of income inequality than Gini coefficients or 90–10 earnings ratios, and underreporting of income represents a potential problem with the data assembled by the Atkinson–Piketty team. Atkinson and Piketty (2007) nonetheless make a convincing case that these data capture general trends in the evolution of income inequality within countries as well as across nations. Regarding our specific measure of inequality, the top 1% income share, Leigh (2007) demonstrates that it is closely correlated with various other measures of income inequality, including wage inequality (also see Scheve & Stasavage, 2009).

The great advantage of using top income shares as the measure of inequality is that it allows us to cover a longer time period in our analysis. For 7 countries, publications associated with the Atkinson–Piketty project

Table 1. Elections Years Included and Inequality Statistics by Country

		Inequality		
	Election years	Most recent observation	Change since earliest observation (%)	Change since min/max observation (%)
Australia	66, 69, 72, 74, 75, 77, 80, 83, 84, 87, 90, 93, 96, 98, 01	8.366	+21	+78
Britain	66, 70, 74, 79, 83, 87, 92, 97	11.136	+33	+88
Canada	68, 72, 74, 79, 80, 84, 88, 93, 97, 00	12.1	+33	+54
France	67, 68, 73, 78, 81, 86, 88, 93, 97	7.67	−19	+7
Germany	69, 72, 76, 80, 83, 87, 90, 94, 98	10.06667	−13	+3
Japan	67, 69, 72, 76, 79, 80, 83, 86, 90, 93, 96, 00	7.65	−4	+10
Netherlands	67, 71, 72, 77, 81, 82, 86, 89, 94, 98	5.368	−45	−45
Norway	69, 73, 77, 81, 85, 89, 93, 97, 01	8.658	+45	+94
Sweden	68, 70, 73, 76, 79, 82, 85, 88, 91, 94, 98, 02	5.894	−9	+51
United States	68, 72, 76, 80, 84, 88, 92, 96, 00	15.388	+87	+95

Note: The figures are based on averaging observations for 5 years (as described in the text). The last column reports the (percentage) change from the minimum to the most recent observation unless the most recent observation is also the minimum observation; in the latter case, change is measured as the change from the maximum observation to the most recent observation.

provide annual observations of top income shares over the period 1960 to 2002. For Germany, observations are available only in 3-year intervals, and this is also the case for the Netherlands from 1967 to 1989. Also, one year (1980) is missing from the British time series. In these three cases, we have interpolated missing observations linearly. In constructing our own data set, we then averaged the levels of inequality for the election year in question and the previous 4 years. As shown in Table 1, the upshot of these procedures is a data set that includes 10 countries, for a total of 103 country–election-year observations. The smallest number of observations per

country is 8, for Britain.[11] At the other end of the spectrum, the data set includes 15 observations for Australia. On average, we have 10.3 observations per country.

The data summarized in Table 1 suggest that the common idea of rising income inequality as a pervasive trend across OECD countries needs to be qualified. Whether we measure change from the earliest to the most recent observation or from the minimum to the most recent observation, we observe significant increases in inequality in Australia, Canada, Britain, Norway, and the United States, but a more ambiguous picture emerges for the other five countries. In France, Germany, and Japan, there was a decrease in inequality from the earliest to the most recent observation, and the increase from the minimum is quite limited. In the Netherlands, there was a significant decrease in inequality from the earliest to the most recent observation. Sweden, finally, is a case for which we observe a slight decrease in inequality when comparing the most recent observation to the earliest observation and a significant increase when comparing it to the minimum observation in the sample.

Voter Turnout

To reiterate, our theoretical framework stipulates that the political mobilization of low-income workers conditions Left party responses to inequality. We use aggregate voter turnout as a proxy for this variable on the assumption that higher aggregate turnout signifies smaller differences in voter turnout by income. As with our other independent variables, we lag aggregate voter turnout by averaging observations over 5 years, including the election year in question. (For nonelection years, our source on voter turnout records the turnout figure for the previous election.)

Table 2 summarizes our data on voter turnout from 1960 to 2000, recording the average voter turnout for the entire period as well as the figures for 1960, 1980, and 1990. The ranking of countries based on voter turnout turns out to be quite different from standard rankings by "working-class mobilization" in the existing comparative political economy literature (typically based on unionization rates). With compulsory voting, Australia has the highest turnout rates of the countries included in our analysis. With the mean for all countries being 78.68%, voter turnout in Sweden and Germany was also consistently above average over the time period covered by our analysis. At the other end of the spectrum, the United States stands out as the country with the lowest turnout by far.[12] With respect to change over time, we observe significant declines of aggregate voter turnout and therefore increases in the income skew of voter turnout in all but two countries (Australia and Norway). The

Table 2. Voter Turnout, 1960–2000

	Average	1960	1980	2000
Australia	95.1	95.5	94.4	95
Sweden	87.7	85.9	90.7	81.4
Germany	85.8	87.8	88.6	82.2
Netherlands	85.4	95.6	88.0	73.3
Norway	81.4	78.3	82.9	78.3
Britain	75.0	78.7	76.3	71.6
France	73.8	77.2	83.2	68
Canada	73.5	80.6	69.3	60.5
Japan	69.9	73.5	74.6	62.5
United States	46.6	61.0	50.0	50.0

Source: Armingeon, Gerber, Leimgruber, and Beyeler (2006).
Note: For the United States, the average includes midterm congressional elections, whereas 1960, 1980, and 2000 figures refer to presidential elections.

decline of voter turnout has been particularly dramatic in the Netherlands, Canada, Japan, and the United States.

Control Variables

All the regression models that we estimate include union density as an explanatory variable. Based on existing literature inspired by power resources theory, our expectation is that high levels of union density will pull Left parties toward the left, relative to the center of political gravity. As with the explanatory variables of primary theoretical interest, we measure union density as a 5-year average.

In addition, we seek to incorporate key features of electoral competition by including in our models either the effective number of parties or a dummy for the existence of left-wing competitors to main Left parties. Because they pertain to the dynamics of the election campaign in question, we rely on contemporaneous measures of these variables (rather than 5-year averages).

We measure the effective number of parties in the manner proposed by Laakso and Taagepera (1979). The conventional view in the literature on party-system dynamics is that political polarization increases with the number of parties (e.g., Cox, 1990). Following this logic, we expect the effective number of parties to be associated with Left parties holding more leftist positions.

The Left competition variable is a dummy that takes the value of 1 if the election in question was contested by at least one party with a platform to the left of the main Left party.[13] We believe that this is a potentially important

variable, but we do not have strong theoretical expectations concerning the direction of its influence. It seems plausible to suppose that left-wing competitors will pull main Left parties to the left, but they might also "crowd out" the ideological space to the left of the main Left party and thereby push the latter in the opposite direction.

Empirical Results

Methodological Issues

As indicated above, our data set combines time-series and cross-sectional variation. The results presented below are based on estimating the following basic model,

$$Y_{it} = \beta_0 + \beta_1 X_{1it} + \ldots + \beta_n X_{nit} + N_i + \varepsilon_{it},$$

where β_0 represents a general intercept, X_1 to X_n are the explanatory variables, β_1 to β_n are the slopes of the explanatory variables, N_i are country fixed effects, and ε_{it} denotes the errors.

Using fixed effects to deal with country-specific omitted variables requires some justification. In our case, as in most comparative political economy, there are bound to be country-specific factors that matter to the outcomes of interest but cannot be introduced into the model (specific historical circumstances, hard-to-measure institutional features, etc). In our view, the question is not whether we need to control for the influence of such factors but rather how we should do so. Relying on country dummies, fixed-effects specifications end up focusing on the within-unit share of the variance in the data (i.e., over-time patterns of association among the variables in the model). Random effects consider the within- and the between-unit components of the variance at once, but they assume, somewhat implausibly for our analysis, independence between the error terms of the units and other independent variables. In other words, a fixed-effects specification seems the best of our available options.

A modified Wald test for panel-specific heteroscedasticity revealed a significant amount of heteroscedasticity in our data. All our results therefore report robust variance estimates that adjust for within-country correlation (the Huber/White/sandwich estimate of variance).[14]

Main Results

Table 3 reports the results of estimating several alternative models. The first model contains the estimates for our main explanatory variables: inequality,

Table 3. Determinants of Left Party Positions

	(1)	(2)	(3)	(4)	(5)	(6)
Constant	−0.487	−46.800	−60.350	−80.757	−116.210	−114.015
	(24.631)	(26.818)	(27.303)	(33.578)	(45.412)	(23.762)
	.985	*.115*	*.054*	*.040*	*.031*	*.001*
Median voter	0.378	0.374	0.367	0.339	0.299	0.289
	(0.082)	(0.078)	(0.076)	(0.070)	(0.065)	(0.069)
	.001	*.001*	*.001*	*.001*	*.001*	*.002*
Inequality	−0.642	3.882	4.326	5.046	6.625	6.370
	(0.949)	(0.812)	(0.905)	(1.211)	(2.023)	(1.073)
	.516	*.001*	*.001*	*.002*	*.010*	*.000*
Voter turnout	0.335	0.997	1.146	1.331	2.089	1.876
	(0.257)	(0.367)	(0.384)	(0.478)	(0.653)	(0.399)
	.226	*.024*	*.015*	*.021*	*.011*	*.001*
Inequality × turnout	—	−0.067	−0.077	−0.085	−0.115	−0.104
		(0.013)	(0.019)	(0.020)	(0.038)	(0.021)
		.001	*.003*	*.002*	*.014*	*.001*
Union density	−0.975	−1.003	−1.037	−0.895	−1.426	−1.124
	(0.392)	(0.394)	(0.387)	(0.371)	(0.271)	(0.238)
	.035	*.031*	*.025*	*.039*	*.001*	*.001*
Effective number of parties	—	—	1.577	—	1.545	—
			(1.310)		(1.402)	
			.260		*.299*	
Left competition	—	—	—	8.711	—	9.473
				(3.869)		(3.884)
				.051		*.037*
R^2	.102	.128	.109	.176	.263	.320
N	103	103	103	103	93	95

Note: All results are ordinary least squares and estimate country fixed effects. Numbers are estimated coefficients; numbers in parentheses are robust variance standard errors that adjust for within-country correlation; numbers in italics are *p* values from two-tailed *t* tests. Country dummy estimates are available from the authors.

voter turnout, the position of the median voter, and union density. In the second model, we include the interaction between inequality and voter turnout. In the next two models, we add variables pertaining to the electoral competition faced by Left parties: the effective number of parties in Model 3 and the dummy for the presence of left-wing competitors in Model 4. (For the time being, let us ignore the last two columns of Table 3, which report the results of reestimating Models 3 and 4 after we have dropped outliers from our sample.)

In all four of our main models, we observe a very strong association between the median voter and the programmatic position of Left parties. This should not come as a surprise. Our results suggest, quite intuitively, that Left parties move to the right when other parties move to the right and when more right-leaning parties gain electoral support.[15] As for our other control variables, we obtain several interesting results. First, union density is a significant determinant of the positions of main Left parties. In all four models, higher levels of union density make main Left parties more leftist. Electoral competition, however, does not seem to affect the electoral positions taken by main Left parties. Measured as the effective number of parties, electoral competition is statistically insignificant. Multiparty competition and the potential for party system polarization do not affect the programmatic positions adopted by Left parties. In Model 4, the effect of Left competition is almost significant at the 95% confidence level and the coefficient is positive. Moving to the right appears to be the dominant response of main Left parties to the presence of left-wing competitors.[16]

Turning now to the variables of theoretical interest, inequality and voter turnout are insignificant determinants of Left party positions in Model 1. This model, however, does not take into consideration the interaction between inequality and low-income voter mobilization. When we do this in Models 2 to 4, a very different picture is revealed. The direct effects of inequality and voter turnout become statistically significant and their interaction is strongly significant as well. To clarify the effects of inequality and voter turnout, Table 4 reports the conditional effects of inequality at different levels of voter turnout. (Again, this table includes robust results, which we will ignore for the time being.)

Two important findings emerge clearly from the first three columns of Table 4. First, inequality is not a significant determinant of Left party positions when voter turnout falls below the sample mean. Second, inequality becomes more statistically significant and more negative as voter turnout rises above the sample mean. In other words, higher levels of inequality are associated with Left parties holding more leftist positions at higher than average voter turnout. This relationship is significant at better than the 95% level of confidence.

To reiterate, our explanation of the findings presented in Tables 3 and 4 is premised on two claims: First, higher inequality makes low-income workers want more redistribution, and, second, higher voter turnout means that political participation is more equal across the income distribution. We argue further that as low-income workers participate more in politics, the incentives

Table 4. Effects of Income Inequality on Left Party Positions Conditional on Voter Turnout

Turnout	(2)	(3)	(4)	(5)	(6)
95%	–2.476	–3.023	–3.018	–4.322	–3.553
	(0.804)	(1.183)	(0.939)	(1.718)	(0.997)
	.013	*.031*	*.011*	*.033*	*.006*
90%	–2.141	–2.636	–2.594	–3.746	–3.031
	(0.757)	(1.098)	(0.859)	(1.536)	(0.899)
	.020	*.040*	*.015*	*.037*	*.008*
78.68%	–1.372	–1.746	–1.618	–2.420	–1.829
(sample	(0.660)	(0.910)	(0.695)	(1.127)	(0.681)
mean)	*.067*	*.087*	*.045*	*.060*	*.025*
65%	–0.468	–0.702	–0.472	–0.865	–0.419
	(0.574)	(0.712)	(0.560)	(0.696)	(0.451)
	.436	*.350*	*.422*	*.245*	*.377*
45%	0.870	0.845	1.226	1.440	1.670
	(0.532)	(0.525)	(0.567)	(0.538)	(0.328)
	.136	*.142*	*.059*	*.025*	*.001*

Note: See notes to Table 3.

for Left parties to cater to their policy preferences increase. The results presented in Tables 3 and 4 are certainly supportive of this argument.

What is the substantive significance of the results reported in Tables 3 and 4? For illustrative purposes, let us consider three scenarios. First, what happens when there is a big increase in inequality in a country with high voter turnout? This is the scenario that is most favorable to the testing of our argument because it combines high levels of both our interacted factors. Suppose that our measure of inequality increases by 10 units, which is roughly the equivalent of moving from the level of Sweden in 2002 (5.894% share of income held by the richest 1% of the population) to the level of the United States in 2000 (15.388% share of income held by the richest 1% of the population). Let us further assume that voter turnout is 90% (a high but not extreme value in our sample). According to our second model, a 10-unit increase in inequality would, all else being equal, move the main Left party to the left by 21 points in the Left–Right index under these conditions.[17] This number is all the more meaningful when we consider that the average position of main Left parties in our sample is –17.77. Moving to the left by 21 points would take the position of the average Left party to –38.77, similar to the very leftist position of the Norwegian Labor Party in 1973.

As a second scenario, let us consider what happens if there is a small one-unit increase in inequality in a country with high turnout. Such an increase of

inequality is the equivalent of moving from the level of Japan in 2000 (7.65% share of income held by the richest 1% of the population) to the level of Norway in 2001 (8.658% share of income held by the richest 1% of the population). Once again we assume 90% voter turnout. Our results suggest that, all else being equal, this very minimal increase in inequality would still move the main Left party to the left by 2 points in the Left–Right index. Exemplified by the U.S. experience of the last two or three decades, our final scenario is one in which a big increase in inequality coincides with low levels of voter turnout. According to our results, even a very big increase in inequality has no effect on the position of Left parties when low-income mobilization is limited.

Robustness Checks

An obvious concern is that our results might be heavily influenced by a few dominant observations or, more specifically, by the idiosyncrasies of Left politics in some of the country–election-years included in our analysis. To address this issue, we reestimate the models that include electoral competition variables (Models 3 and 4) after eliminating a number of outliers. The results are presented as Models 5 and 6 in Tables 3 and 4. In both cases, we first identify the outliers as those observations whose standardized residuals are more than 1.75 standard deviations away from the mean. For Model 3, which includes the effective number of parties as the measure for electoral competition, the outliers are the Swedish elections of 1973, 1976, 1991, 1994, 1998, and 2002 and the French elections of 1968, 1973, 1978, and 1981. Eliminating these 10 observations reduces the *N* of Model 5 to 93, but the results are substantially the same as those in Model 3.

For Model 4, which includes the dummy variable for left-wing competitors rather than the effective number of parties, the Swedish elections of 1973, 1991, 1994, and 1998 and the French elections of 1967, 1968, 1978, and 1981 proved to be outliers by the aforementioned criterion. Again, Table 4 shows that the effects of inequality conditional on levels of voter turnout are substantially the same once these outliers are eliminated.[18] In other words, our results are not vulnerable to the inclusion of a few influential observations.

Determinants of the Median Voter Position

Our argument is that inequality moves Left parties to the left by changing the preferences of their core constituencies when low-income workers are politically mobilized. The results presented above support this argument, but they might also be consistent with the Meltzer–Richard model. It could be the case that higher levels of inequality make the median voter want more

redistribution, which in turn might move Left parties to the left. As we have seen, the center of political gravity actually shifted to the right in many countries over the period covered by our analysis, but proponents of the median-voter thesis might get around this problem by arguing that voter turnout conditions the effects of inequality on the median voter in the same manner that it affects the preferences of Left core constituencies in our model.

To explore this alternative interpretation, we estimate models that replicate those presented in Tables 3 and 4 except that the median voter position is now the dependent variable.[19] Presented in Tables 5 and 6, the results are clear-cut: There is no significant association between income inequality and the position of the median voter at any level of voter turnout.[20] We also do not find any consistent association between voter turnout and the median voter. Indeed, none of the variables included in these models seem to be associated with the rightward shift partisan politics over the period covered by our analysis. This is an interesting finding in need of further research. But for our present purposes, the important point about the results presented in Tables 5 and 6 is that they lend a significant amount of credibility to our claim that inequality matters more to the redistributive preferences of core Left voters than to the median voter (also see Pontusson & Rueda, 2008).

Conclusion

Our analysis demonstrates that the political mobilization of low-income citizens conditions whether or not income inequality affects the programmatic positions of Left parties. We consider this observation to be an important corrective to recent contributions that seem to downplay the political consequences of income inequality on the grounds that the Meltzer–Richard model does not account for cross-national variation in the extent of redistribution. In our view, it is also an observation that invites further theoretical discussion and empirical research. By way of conclusion, let us briefly identify some of the issues that we wish to pursue further.

As emphasized throughout the preceding discussion, aggregate voter turnout is only a rough proxy for the (relative) mobilization of low-income citizens. In future work, we hope to be able to directly measure income skew in voter turnout. We also want to explore other facets of political mobilization that might affect the responsiveness of the political system, and of Left parties in particular, to the policy preferences of low-income citizens. As noted above, unionization is surely relevant in this context, but we have every reason to believe that the distribution of union members across income categories varies considerably across countries. Further data collection is imperative to pursue this problematic.

Table 5. Determinants of Median Voter Position

	(1)	(2)	(3)	(4)	(5)	(6)
Constant	65.319	52.943	20.620	12.154	−28.643	−37.328
	(34.347)	(48.149)	(52.405)	(57.625)	(62.919)	(50.242)
	.090	*.300*	*.703*	*.838*	*.660*	*.476*
Inequality	0.615	1.813	2.785	2.998	5.977	6.267
	(1.143)	(3.254)	(3.153)	(3.230)	(3.441)	(3.166)
	.603	*.591*	*.400*	*.378*	*.116*	*.079*
Voter turnout	−1.122	−0.945	−0.579	−0.518	0.013	−0.257
	(0.717)	(0.823)	(0.869)	(0.758)	(0.898)	(0.758)
	.152	*.281*	*.522*	*.512*	*.989*	*.743*
Inequality × turnout	—	−0.018	−0.041	−0.037	−0.094	−0.086
		(0.046)	(0.046)	(0.045)	(0.063)	(0.052)
		.706	*.390*	*.434*	*.166*	*.133*
Union density	0.178	0.170	0.081	0.266	0.268	0.958
	(1.046)	(1.058)	(1.026)	(1.071)	(0.602)	(0.823)
	.869	*.876*	*.939*	*.809*	*.667*	*.274*
Effective number of parties	—	—	3.650	—	3.394	—
			(3.008)		(2.500)	
			.256		*.208*	
Left competition	—	—	—	9.870	—	11.696
				(8.717)		(7.528)
				.287		*0.155*
R^2	.005	.005	.000	.003	.009	.019
N	103	103	103	103	94	94

Note: All results are ordinary least squares and estimate country fixed effects. Numbers are estimated coefficients; numbers in parentheses are robust variance standard errors that adjust for within-country correlation; numbers in italics are *p* values from two-tailed *t* tests. Country dummy estimates are available from the authors.

Another research agenda item that emerges from the preceding discussion concerns individual preferences for redistribution. Holding voter turnout constant (at a medium to high level), our core argument assumes that the effects of income inequality on the programmatic positions of Left parties operate through changes in the redistributive policy preferences of their core constituencies. It is hardly necessary to point out that this assumption can and should be tested empirically.[21] In this context, it may prove quite important to take account of norms about legitimate income differentials. It seems highly plausible to suppose that the same increase in income inequality would trigger a larger shift in voter preferences in countries where inequality is less accepted by the public.

The idea that core constituencies matter invites more attention to the structure of income inequality. Like most of the existing literature on this topic, our

Table 6. Effects of Inequality on Median Voter Positions Conditional on Voter Turnout

Turnout	(2)	(3)	(4)	(5)	(6)
95%	0.127	–1.154	–0.525	–3.000	–1.907
	(1.674)	(1.789)	(1.743)	(2.692)	(2.235)
	.941	*.535*	*.770*	*.294*	*.416*
90%	0.216	–0.947	–0.340	–2.528	–1.477
	(1.509)	(1.615)	(1.583)	(2.392)	(2.010)
	.890	*.572*	*.835*	*.318*	*.481*
78.68%	0.420	–0.470	0.086	–1.441	–0.487
(sample	(1.208)	(1.282)	(1.292)	(1.719)	(1.536)
mean)	*.736*	*.723*	*.948*	*.424*	*.758*
65%	0.659	0.090	0.587	–0.165	0.674
	(1.097)	(1.107)	(1.175)	(1.016)	(1.141)
	.563	*.937*	*.629*	*.874*	*.569*
45%	1.014	0.919	1.329	1.725	2.395
	(1.489)	(1.419)	(1.524)	(0.905)	(1.244)
	.513	*.533*	*.406*	*.089*	*.086*

Note: See notes to Table 5.

discussion in this article has been framed entirely in terms of levels of inequality or, in other words, the political consequences of more inequality. Yet it is obviously the case that overall inequality might increase in a number of different ways, with different implications for the core constituencies of Left parties (and other parties as well). For instance, a drop in the relative income of the bottom quintile of the income distribution is likely to have different implications for the preferences of core Left party voters than an increase in the relative income of the very affluent. It is also the case that differences across low-income groups affect their influence on Left parties. As shown by Rueda (2007), inequality affecting low-income insiders may be more relevant to the Left than inequality affecting low-income outsiders. To explore these topics further, alternative measures of inequality need to be included in the same analysis (cf. Lupu & Pontusson, 2009; Pontusson & Rueda, 2008).

In future work, we also want to tackle the question of the extent to which the programmatic positions adopted by Left parties are themselves a causal determinant of the (relative) mobilization of low-income citizens. It is possible to look at our findings with a certain sense of pessimism. As shown above, many OECD countries have experienced declines in voter turnout since the early 1970s. Our argument implies that increasing levels of inequality are bound to affect Left parties less and less under these conditions. In this

sense, low-income workers seem to be caught in a vicious circle. Increasing inequality makes their preferences for redistribution stronger, but decreasing mobilization makes their demands less relevant to Left parties, which in turn makes these parties less redistributive when they get to power, and so inequality grows further. A more optimistic perspective is possible. As suggested by Anderson and Beramendi (2007), among others, low-income mobilization is not entirely exogenous to the behavior of Left parties. It is up to Left politicians, after all, to dedicate resources to increasing the political participation of low-income voters. Although the effectiveness of efforts by Left parties to mobilize low-income workers is far from automatic, increasing political participation surely is a way to escape the vicious circle described above. It is therefore in the hands of Left parties, at least partly, to promote the participation of those most vulnerable to increases in inequality and, in the process, to make politics more responsive to their demands.

Appendix 1

Data Sources and Specifications

Left party positions: Data from Klingemann, Volkens, and Bara (2006); see text for an explanation.

Median voter: Transformed Kim–Fording measure (see text for an explanation), based on data downloaded from http://garnet.acns.fsu.edu/%7Ehkim/.

Inequality: Share of income held by the richest 1% of the population, derived from tax return data. Data for Norway from Aaberge and Atkinson (2008). Data for Sweden and Japan from Leigh (2007). Data for the rest of countries from Atkinson and Piketty (2007).

Voter turnout: Armingeon, Gerber, Leimgruber, and Beyeler (2006).

Union density: Ebbinghaus and Visser (2000), except for Australia, Japan, the United Kingdom, and the United States: pre-1990 figures for these countries from Visser (1996) and post-1990 figures provided by Ebbinghaus. The following observations were extrapolated: Australia and Norway 2001 and Sweden 2001–2002.

Effective number of parties: Based on measure developed by Laakso and Taagepera (1979), data from Armingeon et al. (2006).

Left competition: Dummy variable for the existence of at least one party with a platform to the left of the main Left party in the Comparative Manifesto Project data set (Klingemann et al., 2006).

Appendix 2

Summary Statistics

Variable	*M*	*SD*	Min	Max
Main Left party position	−17.771	15.833	−49.9	29.26
5-year average inequality	7.547	2.182	3.908	15.388
5-year average voter turnout	78.68	13.284	42.52	95.7
5-year average median voter position	−0.961	25.656	−60.310	56.623
5-year average union density	39.419	17.689	8.9	86.6
Effective number of parties	3.683	1.113	2.02	7.17
Left competition	0.573	0.497	0	1

Acknowledgments

This article has had a very long gestation process, and we have accumulated many helpful comments and suggestions from a large number of people. We want to thank Christopher Anderson, Pablo Beramendi, Nigel Bowles, Matthew Cleary, Lloyd Gruber, Torben Iversen, Stephen Nelson, Kenneth Scheve, David Soskice, David Stasavage, Duane Swank, Christopher Way, three anonymous reviewers, and participants in the 2008 meeting of the International Conference of Europeanists at Chicago, the 2006 annual meeting of the American Political Science Association at Philadelphia, and seminars at the University of Chicago, Harvard University, Princeton University, Syracuse University, Korea University, University of Essex, Cornell University, and the Centre d'Economie de la Sorbonne. We are also grateful to Varvara Lalioti and, especially, Timo Idema for excellent research assistance.

Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the authorship and/or publication of this article.

Financial Disclosure/Funding

The authors disclosed receipt of the following financial support for the research and/or authorship of this article: David Rueda acknowledges the support of a British Academy Research Development Award for part of this research.

Notes

1. Most existing alternatives to the Meltzer–Richard model (e.g., Iversen & Soskice, 2001; Moene & Wallerstein, 2001) share or, at least, do not challenge the assumption that the median voter determines government policy. Lee and Roemer (2005) represent a notable exception, which informs our own discussion.

2. Our approach resembles that of Ezrow (2007) in that we are interested in party responses to dispersion of voter preferences (as well as the preferences of the median voter). In contrast to Ezrow, our theoretical framework incorporates specific claims about the causes of the dispersion of voter preferences. See Pontusson and Rueda (2008) for further theoretical discussion and some empirical analysis of the effects of income inequality on the programmatic positions of mainstream Right parties.
3. See McCarty, Poole, and Rosenthal (2006, chap. 3) on the stratification of party support by income in the United States.
4. Drawing on the Comparative Study of Electoral Systems data set, Mahler (2008) reports Gini coefficients of voting by income decile for 13 Organisation for Economic Co-operation and Development countries in the late 1990s. The correlation between these Gini coefficients and aggregate voter turnout is .81.
5. See McCarty et al. (2006, chap. 4) on variation over time in the American case.
6. We obtain very similar results to those reported below if we instead interact inequality with union density or if we interact wage inequality with a composite index of voter turnout and union density (results available on request; also see Pontusson & Rueda, 2008).
7. The countries included in our analysis are Australia, Britain, Canada, France, Germany, Japan, Netherlands, Norway, Sweden, and the United States. As we explain below, the number of elections included in our analysis varies by country, for reasons that also have to do with data availability. See Appendix 1 for our data sources and Appendix 2 for summary statistics on all the variables included in our analysis.
8. See Armstrong and Bakker (2006) for a review of alternative methods for extracting a Left–Right dimension from Comparative Manifesto Project (CMP) data. As Armstrong and Bakker point out, the measures generated by these techniques are highly correlated with the conventional CMP Left–Right index.
9. For Britain in 1974, we average the position of the main Left party for both elections and count it as one observation.
10. We obtain similar results with an uncorrected measure. This is not surprising because the potential endogeneity we are trying to correct is limited. The position of the main Left party position in the present election is a small part of the uncorrected median voter measure.
11. The two elections in 1974 are counted as one (see Note 9).
12. Our turnout data for the United States include midterm elections. Using 5-year averages eliminates the year-to-year volatility that this entails. The overall effect is to lower U.S. turnout relative to that of other countries. Arguably, this is a more accurate representation of the relative lack of low-income political mobilization in the United States.
13. These Left competitors need to be sufficiently large to be included in the CMP database. Except in three cases (Japan 1967, Japan 1996, and Germany 1990),

the combined vote share of left-wing competitors always exceeds 5% when the Left competition variable takes the value of 1. It should be noted that parties that typically hold positions to the right of the main Left parties sometimes appear as left-wing competitors in the CMP data. This is one reason why we prefer to use a dummy variable rather than the vote share of left-wing competitors.

14. The nature of our data makes it impossible for us to test or correct for contemporaneous correlation and serial autocorrelation in a systematic fashion. We simply have too few observations that coincide in time (because elections take place at different times in different countries) and therefore too unbalanced a set of panels. Because so few of our cross-sectional observations coincide in the same year, however, the existence of contemporaneous correlation is unlikely. A similar logic applies to serial autocorrelation: We have too few observations when lagged residuals coincide with a full set of variables to test or correct for serial autocorrelation.
15. Whether this influence of the median voter is more or less significant for parties of the Left is a question that we cannot address here. Adams, Haupt, and Stoll (in press) argue that Left parties are more beholden to their core constituencies and less responsive to shifts in public opinion than are Center–Right parties. On the other hand, there can be little doubt that the Right had political or ideological momentum in most countries in the 1980s and 1990s, with Left parties having to make significant programmatic adjustments.
16. These results are confirmed in alternative models using the percentage of votes obtained by Left competitors (instead of the dummy). Results are available from the authors.
17. The effect is larger still when we control for electoral competition (Models 3 and 4).
18. For Models 5 and 6, the only difference is that without the outliers, increasing levels of inequality are associated with a significant move to the right by the main Left party when turnout is very low. This is compatible with our argument. Very low turnout means that those with the highest demands for redistribution have exited politics. Without the political participation of the poor, the position of Left parties is vulnerable to the antiredistribution preferences of high-income voters.
19. When analyzing the determinants of the median voter position, we use the measure for the present election (including the main Left party).
20. The outliers eliminated in Models 5 and 6 in Tables 5 and 6 are identified following the same procedure as before. But they are, for obvious reasons, not the same elections as the ones eliminated in Tables 3 and 4.
21. See Rueda and Pontusson (2008) for our first attempt to tackle this question.

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