

KAMILA FIALOVÁ
Institute of Sociology
Czech Academy of Sciences

Low Pay and Political Attitudes in Europe: Is There an East-West Divide?

Abstract: Employing 2018 European Social Survey data in a multilevel framework, the paper aims to estimate the effect of working for low pay on a wide range of political attitudes and to explain the attitudinal differences between the Central and Eastern European (CEE) and Western European regions based on their differing socio-economic and political background. The results suggest that it is mainly the lower living standard of inhabitants together with widespread wage inequality and not the specific legacy of the communist regimes that undermine the individual's perception of influence on politics, political confidence and satisfaction with democracy in CEE. The results also indicate that working for low pay has a significant positive effect on the individual's trust in politicians, but the relationship is moderated by the country's economic development and is only significant in rich countries.

Keywords: Low-wage employment, low pay, ESS data, political attitudes, CEE countries

Introduction

Low pay has been a growing concern within the political agendas of many countries. Most industrialized countries of the world have witnessed growing inequality in income and wage distribution for several decades (OECD 2015; Atkinson 2008; Brady 2009). This trend was also recorded in the post-communist countries of Central and Eastern Europe (CEE) (Loveless and Whitefield 2011; Večerník 2012). In this context, the large share of employees working for low wages has become a matter of increasing importance, representing a significant aspect of the larger issue of income inequality.

The prevalence of low pay is generally higher in countries with a wider wage distribution and, thus, higher wage inequality (OECD 2011). Lucifora et al. (2005) explain that countries with lower wage inequality generally tend to have lower inequality at the bottom of the wage ladder than at the top, and countries with a narrower wage distribution at the bottom have a lower share of employees working for low wages. Low-wage employment, most frequently measured by the share of employees paid below two-thirds of the median wage, is, therefore, a clear indicator of wage inequality (McKnight et al. 2016). Since pay from work is the primary source of income for most working-age individuals, the low-pay perspective enables a contextualized view of income as a position within a stratified social hierarchy.¹

¹ Wage inequality is also one of the main drivers of overall income inequality in modern European societies (Dreger et al. 2015).

In recent decades, CEE countries have gone through a process of economic and social transformation towards market economies and liberal democracies, which is reflected in the gradual convergence of their economic levels towards their Western European (WE) neighbours.² After the fall of their respective communist regimes, CEE countries witnessed a steady improvement in their economic performance, manifested particularly through growth in their gross domestic product (GDP), with convergence in wage levels lagging behind (Myant 2018). The ratio of the average GDPs³ in CEE and WE stood at 64% in 2018, whereas a similar ratio of average wages⁴ reached only 57%. Furthermore, CEE countries recorded generally higher wage inequality compared to WE states: all decile ratios of gross earnings were, on average, higher in CEE, with the largest difference recorded for ratios having the first wage decile as denominator, indicating a larger distance between the lowest and highest earnings.⁵

The incidence of low pay in CEE has, over the long term, exceeded the average in WE despite some narrowing of the difference. Between 2006 and 2018, the average share of low-paid workers in WE was around 12%, whereas a decline from 23% to 18.6% was registered in CEE.⁶ These figures indicate that growing economic prosperity has brought different economic gains to different social groups (Josifidis et al. 2018). The issue of low pay and its consequences has been recently even magnified by the impact of technological progress, raising concerns about the sustainability of employment as a guarantee of decent living conditions (OECD 2015). Low-paid labor has also been greatly affected by the COVID-19 pandemic (ILO 2020), rising energy prices and high inflation starting in 2021, all of which have increased social inequalities.

Large income inequalities imply that a substantial share of the populace may not feel they receive ‘fair’ benefits from social and economic development, which may shape their perception of their economic and political status (Kreidl 2000) and, in turn, their political attitudes (Simpson and Loveless 2017). As a result, the risks of social and political tensions may increase substantially and may represent a serious threat to social cohesion and political stability (van de Werfhorst et al. 2012; Nolan et al. 2013).

Empirical literature outlined in the second section of this paper generally confirms the existence of a link between income inequality and satisfaction with democracy and political attitudes (Schäfer 2013; Solt 2008; Andersen 2012, among others). It also describes how economic and political contexts shape these individual perceptions (Neckerman and Torche 2007; Andersen and Fetner 2008; Xu and Garand 2010, among others). While the phenomenon has already been studied extensively in developed countries, it has been examined rather scarcely in the CEE region. However, the specific character of the

² The choice of countries covered in my analysis was determined by data availability and differences in cultural and socio-historical backgrounds. Therefore, I considered the following 15 WE countries: EU member states Austria, Belgium, Denmark, Finland, France, Germany, Spain, Ireland, Italy, the Netherlands, Portugal, Sweden and, former member, the United Kingdom. I also included non-members Norway and Switzerland to gain more data. The CEE group included the following eight countries: Czechia, Hungary, Poland, Slovakia, Estonia, Latvia, Lithuania and Slovenia.

³ In purchasing power standards (PPS) per capita. Source: Eurostat, dataset [NAMA_10_PC].

⁴ In USD PPP. Source: OECD, Average wages (indicator).

⁵ The ratio of the 9th to the 1st wage decile reached 2.95 in WE and 3.55 in CEE. The ratio of the 5th to the 1st decile reached 1.57 in WE and 1.79 in CEE in 2018.

⁶ Source: Eurostat, Structure of Earning Survey (SES). The figures refer to the share of workers earning less than two-thirds of the national median gross hourly earnings.

relationship between income inequality and political attitudes in post-communist countries has been discussed in previous literature (Andersen 2012; Loveless and Whitefield 2011; van de Werfhorst et al. 2012). Furthermore, concerns have been raised regarding democracy erosion and political culture deterioration in many CEE countries (Vlachová 2019) where anti-democratic leaders often attack democratic institutions, assault judicial independence and threaten civil society as well as independent media (Freedom House 2020). While a shift in political attitudes may not be as obvious, it may have important consequences for the development of society.

The paper adds to the limited research on inequality's effect on political attitudes in post-transition CEE countries. In it, I examine how low pay affects one's political attitudes—low-pay status is determined based on the individual's position in the national wage distribution, with the aggregate proportion of workers earning low wages also considered. Furthermore, I aim to assess how the overall economic level of the country influences individual political perceptions, both on its own and in interaction with individual low-pay status. Lastly, I analyze the effect of the specific context of the CEE region on individual political opinions.

For this purpose, the 2018 European Social Survey (ESS) dataset is utilized, taking into account a wide range of political attitudes. The data and methodology are summarized in the third section of the paper. I apply a transition divide to split the sample into subsamples of CEE and WE countries and analyze a possible connection between working for low pay and political attitudes in Europe, with a focus on differences between the two regions. For the sake of brevity, I refer to the two groups of countries hereafter as regions. I assume that both of these regions exhibit a certain level of social, economic and cultural homogeneity that can be analyzed on an aggregate level (this assumption is common in this line of research—see also Sirovátka et al. 2019 or Loveless and Whitefield 2011). The two regions differ substantially in their social and economic milieu. Post-communist CEE countries were affected by similar factors that may have had a long-lasting effect—leading those are the legacies of dictatorial communist regimes followed by the transition towards a market economy and democratic society. Moreover, dividing European countries into two relatively homogeneous groups is consistent with the modernization classification of nations proposed by Inglehart and Baker (2000).

My results, described in the fourth section of this paper, suggest it is mainly the combination of a lower living standard and widespread wage inequality that undermine individuals' perceptions of their political confidence, satisfaction with democracy and influence on politics in CEE—not the specific legacy of the communist regimes. The results also indicate that working for low pay has a significant positive effect on an individual's trust in politicians, but the relationship is moderated by the country's economic development and is only significant in richer countries. The findings are relevant for policy considerations regarding the fight against in-work poverty as well as the support of social cohesion and democracy.

Literature Review

The effect of income and income inequality on psychosocial outcomes, including political attitudes, may be theoretically based either on a psychosocial argument, stressing the

differences in status and their consequences for social relationships, or on a resource argument, accenting the differences in the levels and distribution of resources in society (for a broader discussion, see [van de Werfhorst et al. 2012](#)).

In the first case, disparities in income distribution impair social interaction and cooperation. The greater the inequalities, the greater the distances between people, which may magnify feelings of relative deprivation among those with lower incomes ([Neckerman and Torche 2007](#)) and undermine social trust. As a result, disadvantaged social groups may opt out of social and civic engagement ([Uslaner 2002](#)). In the latter case, differences in income are supposed to be manifested mainly through the disposition of resources on several levels, including individual, household and contextual. A lack of resources may bring a variety of undesirable consequences to social, civic and political activities as well as the attitudes of people ([Lynch et al. 2000](#)). Furthermore, the effect of the general environment and context may play an important role ([Xu and Garand 2010](#)). A positive relationship between a country's level of economic development and support for democracy is implied by modernization theory (for a discussion of recent empirical results, see [Wucherpfennig et al. 2009](#)).

The empirical relation between income—in particular, income inequality—and political attitudes has been examined extensively in the literature. On a national level, economic inequality may affect a huge array of political attitudes and behaviours vital to the functioning of democracy, such as social tolerance and trust ([Andersen and Fetner 2008](#); [Uslaner 2002](#)). Wilkinson and Pickett (2009) stress the significant relationship of income inequalities on a national level to many undesirable social outcomes, including lower social cohesion, social trust and political involvement. A higher income, both on individual and country levels, leads to a greater level of democratic satisfaction while a rising income inequality has the opposite effect ([Schäfer 2013](#)). A larger extent of economic inequality in a country may depress political interest and participation in elections among all but the wealthiest citizens, leading to an underrepresentation of those with low income and higher political inequality ([Solt 2008](#)). Furthermore, income inequality from a cross-national perspective negatively affects political engagement in terms of voter turnout ([Anderson and Beramendi 2008](#); [Lister 2007](#)). Another important implication of income inequality is its negative effect on institutional trust, the perception of political legitimacy ([Loveless 2013](#); [Zmerli and Castillo 2015](#)) and political efficacy in the sense of 'individuals' abilities to conceive of and act in their own benefit; in other words, the expectation that their actions are meaningful' ([Loveless 2013](#): 473). On an individual level, income, by itself, often influences political attitudes ([Andersen 2012](#); [Gorman et al. 2019](#); [Nissanov 2019](#)) and the propensity to vote ([Anderson and Beramendi 2008](#)). Moreover, low-income individuals generally tend to demonstrate a lower level of support for democracy ([Andersen 2012](#)), regardless of the national context.

The economic context may significantly translate into relationships between individual economic circumstances and attitudinal orientations ([Neckerman and Torche 2007](#)). According to Andersen's (2012) results, support for democracy is negatively affected by the income inequality prevalent in a country and is positively related to household income at the individual level, with the effect being stronger for lower levels of income inequality in a country. Similarly, Gorman et al. (2019) conclude that the income of an individual

is a significant determinant of their support for democracy. How income status affects the individual, however, is mediated by the level of economic development of a country. Xu and Garand (2010) conclude that state income inequality may shape an individual's inequality perceptions more for those with lower incomes as compared to those from higher income tiers. Similarly, Andersen and Fetner (2008) discuss how the economic status of an individual largely affects the relationship between economic development and political attitudes.

The character of the relationship between income, income inequality and political attitudes may be specific in post-communist countries (Andersen 2012; van de Werfhorst et al. 2012) due to the political context (Rohrschneider 2002). Loveless and Whitefield (2011) stress that the perception of inequality in CEE countries may differ from that held in WE countries because of the CEE's communist legacy. Therefore, the link between the social location and the perception of income inequality may be weaker than or even opposite the traditional relationship in WE, where individuals in higher social groups have generally more support for economic inequality. The specific character of the inequalities observed under communist rule may have led to a different perception of inequalities under the market economy that may even be considered of greater legitimacy. Andersen (2012) concludes that people from post-communist countries tend to have lower support for democracy compared to individuals from well-established democracies even after controlling for the effect of economic conditions. Empirical research into the attitudinal consequences of income inequality in the CEE region is limited, however, in comparison to the large amount of literature on WE. This article aims to contribute to the literature by focusing on one particular aspect of inequality—low-paid work.

Given the specificity of the CEE region in terms of its prevailing lower level of economic development and political context, this paper analyses the impact of both one's position within a country's wage distribution (individual low-pay status) and differences in relative wage distributions across European countries (the aggregate incidence of low-paid work) on individual political attitudes. It assesses the relative importance of individual socio-economic conditions and the effect of a country's economic conditions and political context. Moreover, it aims to uncover whether there is a specific effect related to the communist legacy and whether the CEE region significantly differs in political attitudes even after the differences in individual characteristics and economic and political contexts are controlled for.

Data and Methodology

Data and Sample

I used data from the 2018 ESS Round 9, which includes a module providing information on the political interests, trust and socio-political orientations of individuals. The full dataset covers twenty-nine countries, but I limited my analysis to twenty-three countries for which data on the relevant variables were available. The sample was restricted to individuals between 16 and 64 years of age who (1) had worked as employees (or were

Table 1
Sample sizes, dependent and country-level variables per country, 2018

	No Obs.	Share in Full ESS Dataset (%)*	No Missing Values on Individual Income**	Low-wage Employment (%)**	GDP (PPS per Capita)	Efficacy 1 (Influence on Government Agenda)	Efficacy 2 (Influence on Politics)	Trust in Parliament	Trust in Politicians	Satisfaction with Democracy
Austria	519	20.8	480	14.8	39420	2.5	2.4	5.6	4.1	6.5
Belgium	469	26.5	164	13.7	36340	2.2	2.2	4.9	4.1	5.3
Czechia	841	35.1	144	15.1	28470	2.4	2.2	4.3	3.8	5.6
Denmark	628	39.9	48	8.7	39760	2.8	3.1	6.2	5.3	7.5
Estonia	583	30.6	227	22.0	25130	2.3	2.2	4.9	3.9	5.4
Finland	658	37.5	31	5.0	34290	2.4	2.7	5.9	4.8	6.4
France	533	26.5	211	8.6	32080	2.2	2.1	4.1	3.4	4.4
Germany	759	32.2	188	20.7	38210	2.6	2.6	5.0	3.9	5.9
Hungary	376	22.6	399	11.6	22080	2.1	2.1	4.3	4.0	4.3
Ireland	382	17.2	201	19.8	58570	2.5	2.5	4.8	4.1	5.9
Italy	280	10.2	404	8.5	30040	1.8	1.9	4.6	3.4	5.2
Latvia	205	22.3	49	23.5	21370	2.1	1.8	3.0	2.5	4.1
Lithuania	362	19.7	204	22.3	25160	2.3	2.1	3.4	3.2	5.0
Netherlands	424	25.3	129	18.2	40000	2.7	2.7	6.2	5.5	6.5
Norway	641	45.6	41	8.7	48290	2.9	3.0	6.6	5.1	7.1
Poland	325	21.7	220	21.9	21850	2.4	2.2	3.8	3.1	5.4
Portugal	245	23.2	104	4.0	24160	2.3	2.1	4.2	2.8	5.0
Slovakia	205	18.9	151	16.0	21600	2.2	2.0	3.9	3.8	4.7
Slovenia	371	28.1	165	16.5	26980	2.0	1.9	3.5	2.4	4.2
Spain	406	24.3	190	14.3	28190	2.2	2.1	4.3	2.6	4.6
Sweden	585	38.0	68	3.6	37020	2.7	2.9	6.3	5.0	6.5
Switzerland	403	26.1	178	9.5	49570	3.2	3.0	6.6	5.5	7.7
United Kingdom	568	25.8	138	17.0	32580	2.5	2.4	4.5	3.4	5.2
CEE average	421	24.9	195	18.6	24080	2.3	2.2	3.9	3.4	5.2
WE average	508	28.0	172	11.7	37901	2.4	2.4	4.9	3.7	5.5

Source: ESS, Eurostat and author's calculations.

Note: * 'Share in Full ESS Dataset' relates the number of observations in the country to the size of the full original ESS dataset per particular country. ** Indicates the number of cases with missing information on income variables if the sample was limited by age and employment relationship only (as described in the text). *** Low-wage earners are defined as those employees (excluding apprentices) earning two-thirds or less of the sample median gross hourly earnings in a particular country (the data from the SES survey). Dependent variables defined in the text.

away temporarily) within the last seven days before the interview, (2) worked more than 30 hours a week and (3) reported information about their usual gross pay and its frequency.⁷ Large reductions in sample sizes per country arose especially from restrictions on age and employment status; furthermore, information on usual gross pay was missing for a significant share of respondents. Information on the number of observations per country and summary statistics of country-level and dependent variables are provided in [Table 1](#). The table also presents information on the ratio of the number of observations in my sample to the size of the original ESS data sample for each country. In addition, it portrays the number of missing values on individual gross pay. On average, my data samples account for 27% of original country data samples, with the lower values (below 20%) being from Ireland, Lithuania and Slovakia and the lowest (at 10%) from Italy. The highest numbers of missing values on usual individual gross pay were recorded in Austria, Hungary and Italy because respondents either did not know their gross pay or refused to answer.

I omitted observations with missing data on relevant variables. Summary statistics on the individual-level characteristics and missing values are presented in [Table 2](#). The final sample averages 470 participants per country (7,500 observations in the WE subsample and 3,270 observations in the CEE subsample). To control for differences in sampling design across countries, observations were weighted according to the ESS manual ([Kaminska 2020](#)).⁸

Table 2
Variables' descriptive statistics in the sample

	WE		CEE		No Missing Values
	Mean	St. Dev.	Mean	St. Dev.	
Male	0.579	0.494	0.532	0.499	0
Age	41.713	11.830	41.601	11.346	0
Married	0.513	0.500	0.560	0.496	42
Secondary education	0.635	0.481	0.707	0.455	0
Tertiary education	0.324	0.468	0.292	0.455	0
City	0.319	0.466	0.326	0.469	1
Satisfaction with the economy	5.495	2.334	5.568	2.127	73
Household income difficulties	0.121	0.326	0.174	0.379	24

Source: ESS, author's calculations.

Note: Variables were defined in the text. For numbers of cases with missing information on income variables if the sample was limited by age and employment relationship only (as described in the text), see [table 1](#).

Variables Description

The set of dependent variables covers a wide range of political attitudes available in the ESS data. Firstly, I used two items that measured the respondents' evaluation of external

⁷ I did not consider part-time workers because their exact number of hours worked is not available in the data. However, the share of part-time employment in CEE countries is low ([Fialová 2020](#)). The threshold of hours worked for classifying part-time employees was set to 30 hours following the International Labour Organization's (ILO) approach ([ILO 2004](#)). Self-employed workers were excluded because their earnings were difficult to consider because of theoretical issues related to their measurement and constitution.

⁸ Analytical weight (ANWEIGHT) corrected for non-response and non-coverage, sampling error, differential selection probabilities within each country and differences in population size ([Kaminska 2020](#)).

political efficacy: (1) ‘How much would you say the political system in your country allows people like you to have a say in what the government does?’, and (2) ‘how much would you say that the political system in your country allows people like you to have an influence on politics?’. Both measures were defined on a scale from 1 (‘not at all’) to 5 (‘a great deal’).

Secondly, I covered two measures of institutional confidence: (1) ‘trust in the country’s parliament’ and (2) ‘trust in politicians’. Both items were coded on a scale from 0 (‘no trust at all’) to 10 (‘complete trust’). Thirdly, I drew a more diffuse item from the ESS, which measured respondents’ general satisfaction with democracy: ‘On the whole, how satisfied are you with the way democracy works in your country?’. Values for this variable ranged from 0 (‘extremely dissatisfied’) to 10 (‘extremely satisfied’).

The independent variable of primary interest is the low-pay variable. The data contains information on respondents’ usual weekly, monthly or annual gross pay. I calculated the respondents’ gross monthly pay and related it to the low-pay threshold to assess the low-pay status of the employee.⁹ The definition of low-wage work is not uniform in the literature (for an overview see, e.g., Grimshaw 2011; OECD 1996). I employed the most frequently used definition of the low-pay threshold through relative wage levels (employed by the Organisation for Economic Co-operation and Development (OECD) or Eurostat), which took into account the fact that relative pay has both social and economic aspects.¹⁰ The variable, *LP*, equals one if the employee’s gross wage is below two-thirds of the sample median in each particular country.

The set of independent variables at the individual level further covered controls for the individual’s sociodemographics: gender, age, marital status and educational attainment. I also controlled for the degree of domicile urbanization by adding a dummy for living in a big city, a suburb or a periphery of a big city. To account for the effect of household structure and potential income pooling within the household, I controlled for subjective feelings of difficulty regarding living on one’s current household income (‘which of the descriptions on this card comes closest to how you feel about your household’s income nowadays?’; the dummy covered those who reported ‘difficult’ and ‘very difficult’).

As Perrella et al. (2016) point out, the link between income (or, generally, the economic situation perceived by the individual) and political attitudes may arise from a response to individual economic conditions (the *egocentric* factor) or external, national economic conditions (the *sociotropic* factor). The actual effect of these two factors depends on how much individuals attribute their economic situation to either the behaviour of the state or their own decisions. To account for the effect of these factors, I added a control variable clarifying the respondent’s satisfaction with the present state of the country’s economy. Values for this variable ranged from 0 (‘extremely dissatisfied’) to 10 (‘extremely satisfied’).

Table 3 presents a matrix of correlations between the dependent variables and the individual-level independent variables. The correlations do not indicate the existence

⁹ The use of net or gross wages is possible, with gross earnings being the most frequently used. Wage may be further measured on an hourly or monthly basis. The use of a monthly (annual/weekly) wage is in line with the concept of estimating a certain financial amount that enables the coverage of basic needs. However, monthly wage depends on hours worked, which may vary between social groups and evolve over time.

¹⁰ Companies make their investment and production decisions based on the relative price of individual production factors, whereas employees care about their relative income as a reflection of their social status.

of multicollinearity between the individual-level independent variables in the sample (Table 3(a)). Furthermore, the figures suggest significant positive relationships between all measures of the respondents' political attitudes (Table 3(b)).

At the country level, I used variables theoretically related to individual-level variation in political attitudes—aggregate measures of wage inequality, political and macroeconomic performance and the specific post-communist legacy. In particular, I included the proportion of low-wage earners in total employment (from the Eurostat SES survey), GDP per capita (measured in PPS and transformed into natural logarithmic form; from the Eurostat database), the World Bank's government effectiveness, regulatory quality and control of corruption measures (Kaufmann et al. 2009), and a dummy variable coded '1' for post-communist CEE countries. GDP per capita served also as a contextual variable to reflect the moderating effect of the economic development level of the country and was employed in interaction with the low-pay status of an individual.

Modelling

Since attitudinal variables are ordinal variables, an ordered response model (e.g., ordered probit) would have been a feasible choice of estimation method. However, as the outcomes of ordered response models are harder to interpret, I utilized an approach proposed by van Praag and Ferrer-i-Carbonell (2006) as an attempt to cardinalize the ordinal data, known as the Probit-OLS (POLS) approach. In POLS, the equidistant responses to attitudinal questions are replaced by transformations that reflect the distribution of the reported levels within the sample.¹¹ The POLS transformation involves calculating the relative frequencies of the different response categories and then obtaining a standard, normally distributed, cardinal-scaled variable by inserting these frequencies into a standard, normal distribution function. The resulting transformed variable could consequently be used as the dependent variable in an OLS regression to uncover the link between political attitudes and the low-paid status of employees. Moreover, the estimated coefficients have the same interpretation as in the ordered probit model.

The data was conceptualized as a multilevel structure with individual observations nested within countries. Multilevel models with random slopes and random intercepts were used for their analyses, which may uncover differences in individual-level relationships between countries. The best-fitting model was chosen based on the Bayesian information criterion (BIC). I do not study the development of the relation between low pay and political attitudes over time (as, for instance, Perrella et al. 2016). Instead, I used a cross-national perspective and analyse the situation in two specific regions in one particular year (similar to Loveless 2013 or Loveless and Whitefield 2011).

Results and Analysis

The political attitudes of respondents from WE and CEE are displayed in Table 1. The two regions differ across the full range of examined attitudinal variables, and the differences are

¹¹ POLS transformation was run on the whole sample, which corresponded with the grand mean centring of the variable—for a discussion of centring, see Enders and Tofghi (2007).

Table 3
Correlations between variables

	Low pay	Male	Age	Married	Secondary Education	Tertiary Education	City	Satisfaction with Economy
Male	-0.2441*	1						
Age	-0.0923*	-0.0207*	1					
Married	-0.1911*	0.0524*	0.3276*	1				
Secondary education	0.3525*	0.1408*	0.0204*	-0.0742*	1			
Tertiary education	-0.4088*	-0.1558*	-0.0315*	0.0760*	-1.0000*	1		
City	-0.0904*	-0.0365*	-0.0320*	-0.0941*	-0.2518*	0.2568*	1	
Satisfaction with economy	-0.0778*	0.0821*	-0.0018	0.0766*	-0.0982*	0.1173*	0.0518*	1
Household income difficulties	0.3401*	-0.0609*	0.0032	-0.1504*	0.3077*	-0.3569*	-0.0413*	-0.2021*

	Satisfaction with Democracy	Efficacy 1	Efficacy 2	Trust in Politicians
Efficacy 1 (influence government agenda)	0.4154*	1		
Efficacy 2 (influence on politics)	0.4184*	0.6435*	1	
Trust in politicians	0.5313*	0.4413*	0.4502*	1
Trust in parliament	0.5686*	0.4535*	0.4609*	0.7333*

(a) Individual-level independent variables

(b) Dependent variables

Source: ESS, author's calculations.

Note: Pearson's correlation coefficients used for two continuous variables (POLS-transformed dependent variables and Satisfaction with economy, Age), tetrachoric correlations for two binary variables (variables Low pay, Male, Married, Secondary education, Tertiary education, City) and point biserial correlations for correlating a dichotomous variable with a continuous variable.

all significant at a 5% significance level. Respondents in WE were generally more likely to show democracy-supportive attitudes and also trust their politicians and parliament more than respondents in the CEE region. Similarly, respondents in CEE generally scored lower in both measures of efficacy: their perception of having influence both on politics and government actions was significantly lower than what WE participants expressed. These preliminary outcomes suggest that political context may have an effect on individual attitudes. A multivariate framework was nevertheless used to account for other factors of influence.

The results of a multilevel analysis for the whole set of attitudinal variables are presented in [Table 4](#). Individual-level variables were first employed on their own, and, consequently, socio-economic and political, country-level variables and a cross-level interaction were added.¹² Some of both the country-level and individual-level determinants exerted a significant influence on the political attitudes of the respondent sample. However, the low-pay status of an individual was not one of these as it was not statistically significant in explaining the differences in attitudinal variables in any of the models, except two (cols. 8 and 11) that employed cross-level interactions (see later). In contrast, the prevalence of low-paid employment on the country level had a significant negative effect in all models but the first (cols. 1–3 explaining how respondents perceived their influence on government agenda). Therefore, while the low-pay status of an individual did not affect the political attitudes of respondents per se (including their perception of influence on politics, their trust in politicians and parliament, and their general satisfaction with democracy), the degree of inequality in the country did play an important role in shaping political attitudes. A lower prevalence of low-paid employment in a country generally implies a higher level of trust, satisfaction with democracy and perception of efficacy.

Another country-level variable that has a significant, positive influence on all attitudinal variables (except the perception of one's ability to influence government agenda) was GDP per capita. The more economically developed a country was, the higher the individual respondents' scores on political attitudes were. The effect of socio-historical background of communist legacy represented by the CEE variable was insignificant in all models, indicating that differences in individual political attitudes between the CEE and WE regions were mostly due to other factors and not CEE's post-communist heritage.¹³ Furthermore, the effects of the three political governance indicators accounting for government effectiveness, regulatory quality and control of corruption were insignificant and did not contribute to a better fit of the model in terms of BIC value in every models but one explaining political efficacy (col. 3).¹⁴ Here, the level of regulatory quality in the country was positively related to respondents' perceptions of their ability to influence the government agenda.

On the individual level, satisfaction with the economy had a significant positive effect in all models. Therefore, both the overall economic development of a country and people's

¹² I have estimated the cross-level interactions with individual low-pay status for all the country-level variables utilized in the model, but the interactions with low-paid employment country average, with the CEE dummy and with all the political contextual variables were not significant and have not contributed to a better fit of the model in terms of BIC value. Therefore, only one interaction, that between low-pay status and GDP p.c., was employed in the final model.

¹³ Nevertheless, the lack of statistical effect of the CEE variable may be as well partly related to the collinearity between variables CEE and GPD.

¹⁴ The estimation results on all the models with insignificant variables were not reported in [Table 4](#) for the sake of brevity and are available from the author upon request.

Table 4
Political attitudes and low pay: results of multilevel model estimations

	Influence on Government Agenda			Influence on Politics			Trust in Parliament			Trust in Politicians			Satisfaction with Democracy	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
<i>Individual-level variables</i>														
Low-pay individual status	0.023	0.023	0.022	0.004	0.004	0.021	0.026	-1.766*	0.031	0.033	-4.671***	0.029	0.029	
Male	0.065**	0.064**	0.065**	0.066***	0.066***	0.032	0.032	0.032	-0.026	-0.026	-0.026	0.023	0.023	
Age	-0.003**	-0.003**	-0.004**	-0.002***	-0.002***	0.000	0.000	0.000	0.000	0.000	0.000	-0.001	-0.001	
Married	0.013	0.014	0.014	-0.006	-0.005	0.083***	0.083***	0.083***	0.098***	0.098***	0.098***	0.056	0.057	
Secondary education	0.260***	0.258***	0.257***	0.204**	0.205**	0.275*	0.280*	0.280*	0.049	0.05	0.047	0.083	0.084	
Tertiary education	0.559***	0.558***	0.556***	0.534***	0.534***	0.558***	0.563***	0.563***	0.252***	0.253***	0.250***	0.204***	0.205***	
City	0.099***	0.100***	0.099***	0.047*	0.047*	0.127***	0.127***	0.127***	0.100***	0.100***	0.099***	0.088**	0.088**	
Satisfaction economy	0.265***	0.264***	0.263***	0.221***	0.220***	0.420***	0.419***	0.419***	0.406***	0.405***	0.405***	0.513***	0.512***	
Household income difficulties	-0.090*	-0.089*	-0.089*	-0.084*	-0.083*	0.023	0.024	0.025	0.025	0.026	0.028	0.008	0.009	
<i>Country-level variables</i>														
CEE		0.062	0.065		0.091		-0.089	-0.089		0.211	0.207		0.03	
lnGDP		0.432*	0.043		0.705***		0.350**	0.328**		0.562**	0.510**		0.460***	
Low pay country average		-0.004	-0.006		-0.015**		-0.023***	-0.023***		-0.022***	-0.021**		-0.014***	
Government Effectiveness			0.202											
Regulatory Quality			0.357**											
Control of Corruption			-0.161											
<i>Cross-level interaction</i>														
Low pay ind. st. x lnGDP								0.173*						
Constant	-0.290*	-4.734*	-1.197	-0.318**	-7.444***	-0.501***	-3.788**	-3.558**	-0.207**	-5.799**	-5.268**	-0.196**	-4.783***	
Observations	10,799	10,799	10,799	10,802	10,802	10,820	10,820	10,820	10,832	10,832	10,832	10,785	10,785	
Wald χ^2	483.6	530.1	1926	1179	1297	3072	6095	8079	759.6	1315	2151	1557	1797	

Source: ESS, author's calculations.

Note: Multilevel models with random slopes for 'low-pay individual status' and random intercepts were utilised. Variables were defined in the text. ***/**/* statistically significant at 1%/5%/10% levels respectively. The data was weighted by analytical weights. Intraclass correlations for an empty model were equal to 0.1004 ('Influence on government agenda'), 0.1573 ('Influence on Politics'), 0.1005 ('Trust in Parliament'), 0.1237 ('Trust in Politicians'), 0.1681 ('Satisfaction with Democracy').

perceptions of their country's economic performance were significant, which confirms the validity of sociotropic influence. The more positively respondents perceived the state of their nation's economy, the higher their trust in politicians and parliament, general satisfaction with democracy and perception of their influence on politics. Furthermore, all political attitudinal variables are generally positively related to respondents' tertiary (and partially also secondary) education and location of residence (living in a city or suburb). In models explaining the perception of efficacy only, male gender had a significant positive influence, while age negatively affected both measures of efficacy. Men generally rated their perceived influence on politics and government agenda higher than women did. However, the perceptions respondents held of their ability to influence decreased with the rising age of respondents. In the case of both measures of efficacy, subjectively perceived difficulties of living on household income had a significant negative impact.

Lastly, the results of the models covering cross-level interactions suggest that the level of a country's economic development may extend to the effect that low-pay status has on an individual's political confidence: both the coefficient on individual low-pay status and the interaction term with GDP per capita are significant in models explaining trust in parliament and politicians (cols. 8 and 11). **Figure 1** plots the average marginal effects of lowpay status among individuals and GDP per capita together with confidence intervals. The marginal effect of low-pay status on trust in parliament is, however, insignificant for values of GDP per capita that were empirically observed in the sample of countries (panel (i)). Moreover, the plot shows no evidence of appreciable interaction between these two variables. Nonetheless, the marginal effect of GDP per capita on trust in parliament is significant and positive (panel (ii)).

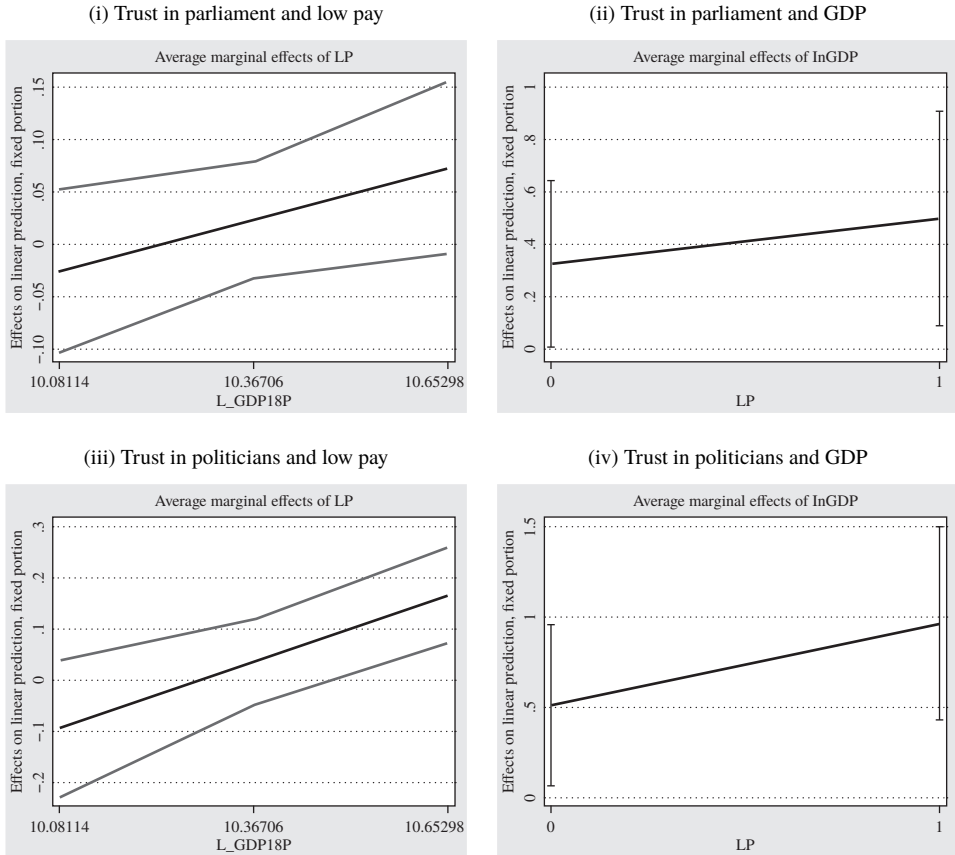
As regards trust in politicians, the figure indicates the existence of an interaction. The effect of individual low-pay status on trust in politicians is insignificant for lower values of GDP per capita, but it becomes significant and positive moving to countries with higher GDP per capita—above the mean of the countries' sample (panel (iii)). As in the previous case, the effect of GDP per capita on trust in politicians is significant and positive, but this time it is of a greater magnitude for low-paid individuals (panel (iv)). In rich countries, low-paid workers tend to show more political confidence compared to those who are not low-paid, and the positive effect of economic development proxied by GDP per capita is stronger for those who are working for low pay compared to individuals with higher wages. Nevertheless, the differences between low-paid and non-low-paid workers are rather small. The interaction terms in the models explaining perceptions of political efficacy, trust in parliament and satisfaction with democracy are not statistically significant.

Discussion and Conclusions

This paper examined the issue of low-paid employment as an aspect of economic inequality, with a focus on differences between the countries of Central and Eastern Europe (CEE) and Western Europe (WE) based on their differing socio-economic and political background. It aimed to determine whether there is any meaningful association between low-paid employment, both at the individual and country level, and the range of political attitudes and to explain the differences in political attitudes between CEE and WE regions.

Figure 1

Average marginal effects of low pay and GDP per capita in models of political confidence with 95% confidence intervals.



Source: ESS, author's calculations.

Note: Data weighted by analytical weights. LP stands for low pay variable (defined in the text). Estimated coefficients displayed in Table 3, cols. (8) and (11).

The results of the multilevel model estimations indicate that the relationship between individual low-pay status and political attitudes is only significant for trust in politicians, where it is mediated by the economic context. Therefore, it differs in countries with lower and higher levels of economic development. Low-paid workers in richer countries express higher levels of political confidence than those who are not low-paid. However, in countries with lower levels of GDP per capita, the effect of individual low-pay status on trust in politicians is not significant. Furthermore, the prevalence of low-paid employment in a country exerts a significant negative effect on individuals' perceptions of their political influence, political confidence and satisfaction with democracy.

Overall, the economic development of a country proxied by GDP per capita positively affected respondents' scores on the whole spectrum of examined political attitudes.

Moreover, the way that people perceived the economic performance of the country is also important: higher levels of satisfaction with a country's current economic state generally indicated a stronger sense of political influence, a greater trust in politicians and parliament, and a higher level of general satisfaction with democracy among individuals.

The results also revealed that variance in the political attitudes between the two regions was mostly due to individual differences and country-level economic factors, not CEE's post-communist heritage. Therefore, it is mainly the combination of a lower living standard with widespread wage inequality that may undermine the legitimacy of democratic governance and long-term democratic stability in the CEE region.

In general, my findings suggest that a distribution of the gains from increasing economic prosperity among different social groups is important to ensure the preservation of democratic principles in the region. In this case, specific social and redistributive policies may play a major role. Furthermore, concerning political attitudes, my outcomes revealed that not only the level of a country's economic development played a role but also individuals' perceptions of the present state of the economy and their subjective difficulties in coping with household income. This leaves space for the possible effects of macroeconomic and structural policies.

The main limitations of my research concerned the utilized data. Although the relationship between low pay and political attitudes may develop over the long term, I utilized a comparative perspective and focus on one particular period. Furthermore, linking subjective attitudinal variables with objective variables (e.g., wages) in datasets from surveys on opinions and perceptions is often challenging because detailed income information is missing. Moreover, the gross pay variable I utilized has a significant share of missing values, especially in some countries, which may bias the results to a certain extent—pooling the data across the two regions may minimize this potential bias. Finally, the size of the national samples in surveys of opinions and perceptions such as the ESS is limited in comparison to larger statistical surveys conducted by Eurostat, where income information is more detailed and more reliable. This makes using income variables in ESS data vulnerable to various biases. All these caveats should lead to more caution when considering and interpreting my findings.

Funding

This research was funded by the Ministry of Education, Youth and Sports of the Czech Republic under project no. LM2018139 and LTT20011 „Výzkum na ESS Round 9 a ESS Round 10”.¹⁵

References

- Andersen, R. 2012. Support for Democracy in Cross-national Perspective: The Detrimental Effect of Economic Inequality, *Research in Social Stratification and Mobility* 30: 389–402.
- Andersen, R., and Fetner, T. 2008. Economic inequality and intolerance: Attitudes toward homosexuality in 35 democracies, *American Journal of Political Science* 52(4): 942–958.

¹⁵ Data publicly available: European Social Survey European Research Infrastructure (ESS ERIC). (2021). ESS9—integrated file, edition 3.1 [Data set]. Sikt—Norwegian Agency for Shared Services in Education and Research. https://doi.org/10.21338/ESS9E03_1 (accessed on 17 February 2021).

- Andersen, R., Yang, M., and Heath, A. 2006. Class politics and political context in Britain, 1964–97: Have voters become more individualized?, *European Sociological Review* 22: 125–138.
- Anderson, C.J., and Beramendi, P. 2008. Income, Inequality, and Electoral Participation, in: P. Beramendi and C.J. Anderson (eds.), *Democracy, Inequality, and Representation: A Comparative Perspective*. New York: Russell Sage Foundation, pp. 232–277.
- Atkinson, A.B. 2008. *The Changing Distribution of Earnings in OECD Countries*. Oxford: Oxford University Press.
- Brady, D. 2009. Economic Globalization and Increasing Earnings Inequality in Affluent Democracies, *Research in the Sociology of Work* 18: 149–181.
- Dreger, Ch., López-Bazo, E., Ramos, R., Royuela, V., and Suriñach, J. 2015. *Wage and Income Inequality in the European Union*. Brussels: European Parliament.
- Enders, C.K., and Tofighi, D. 2007. Centering predictor variables in cross-sectional multilevel models: A new look at an old issue, *Psychological Methods* 12(2): 121–138.
- Fialová, K. 2020. Part-Time Employment in Central and Eastern Europe: A Cross-Country Analysis, in: B. Woźniak-Jęchorek, and M. Pilc (eds.), *Labour Market Institutions and Productivity: Labour Utilisation in Central and Eastern Europe*. London: Routledge, pp. 116–140.
- Freedom House. 2020. *Nations in Transit 2020: Dropping the Democratic Facade*. Washington, D.C.: Freedom House.
- Gorman, B., Naqvi, I., and Kurzman, C. 2019. Who Doesn't Want Democracy? A Multilevel Analysis of Elite and Mass Attitudes, *Sociological Perspectives* 62(3): 261–281.
- Grimshaw, D. 2011. What do we know about low wage work and low wage workers? Analysing the definitions, patterns, causes and consequences in international perspective, ILO Working Papers, International Labour Organization.
- ILO. 2004. Part-time Work. Conditions of Work and Employment Programme, Information Sheet No. WT-4, International Labour Organization.
- ILO. 2020. Global Wage Report 2020–21. Wages and minimum wages in the time of COVID-19. Geneva: International Labour Office.
- Inglehart, R., and Baker, W.E. 2000. Modernization, cultural change, and the persistence of traditional values, *American Sociological Review* 65(1): 19–51.
- Josifidis, K., Supic, N., and Glavaski, O. 2018. Institutional Changes and Income Inequality: Some Aspects of Economic Change and Evolution of Values in CEE Countries, *Eastern European Economics* 56(6): 522–540.
- Kaminska, O. 2020. *Guide to Using Weights and Sample Design Indicators with ESS Data*, European Social Survey.
- Kaufmann, D., Kraay, A., and Mastruzzi, M. 2009. Governance matters VIII: governance indicators for 1996–2008, Policy Research Working Paper Series 4978. Washington, DC: The World Bank.
- Kreidl, M. 2000. Perceptions of poverty and wealth in Western and Post-Communist Countries, *Social Justice Research* 13(2): 151–176.
- Lister, M. 2007. Institutions, Inequality and Social Norms: Explaining Variations in Participation, *British Journal of Politics and International Relations* 9(1): 20–35.
- Loveless, M. 2013. The Deterioration of Democratic Political Culture: Consequences of the Perception of Inequality, *Social Justice Research* 26: 471–491.
- Loveless, M., and Whitefield, S. 2011. Being unequal and seeing inequality: explaining the political significance of social inequality in New Market democracies, *European Journal of Political Research* 50: 239–266.
- Lucifora, C., McKnight, A., and Salverda, W. 2005. Low-wage employment in Europe: a review of the evidence, *Socio-Economic Review* 3(2): 259–292.
- Lynch, J.W., Smith, D.G., Kaplan, G.A., and House, J.S. 2000. Income inequality and mortality: importance to health of individual income, psychosocial environment, or material conditions, *British Medical Journal* 320: 1200–1204.
- Mason, G., and Salverda, W. 2010. Low pay, working conditions, and living standards, in: J. Gauthier, and J. Schmitt, (eds.), *Low-Wage Work in the Wealthy World*. New York: Russell Sage Foundation, pp. 35–90.
- McKnight, A., Stewart, K., Himmelweit, S.M., and Palillo, M. 2016. *Low pay and in-work poverty: preventative measures and preventative approaches. Evidence Review*. Luxembourg: European Commission.
- Myant, M. 2018. Why are wages still lower in Eastern and Central Europe? Working Paper No. 2018/01. Brussels: ETUI.

- Neckerman, K.M., and Torche, F. 2007. Inequality: causes and consequences, *Annual Review of Sociology* 33: 335–357.
- Nissanov, Z. 2019. Israeli political attitudes and income in the 2006–2015 elections, *Israel Affairs* 25(4): 740–753.
- Nolan, B., Salverda, W., Checchi, D., Marx, I., McKnight, A., Tóth, I.G., and van de Werfhorst, H. (Eds.) 2013. *Changing Inequalities and Societal Impacts in Rich Countries: Thirty Countries' Experiences*. Oxford: Oxford University Press.
- OECD. 1996. Earnings Inequality, Low-Paid Employment and Earnings Mobility, in: *OECD: Employment Outlook*. Paris: Organisation for Economic Co-operation and Development.
- OECD. 2015. *OECD Employment Outlook 2015*. Paris: Organisation for Economic Co-operation and Development.
- Perrella, A.M.L., Bélanger, E., Nadeau, R., and Foucault, M. 2016. Does a Growing Income Gap Affect Political Attitudes?, *Canadian Public Policy* 42(1): 35–48.
- Rohrshneider, R. 2002. The Democracy Deficit and Mass Support for an EU-Wide Government, *American Journal of Political Science* 46(2): 463–475.
- Schäfer, A. 2013. Affluence, Inequality and Satisfaction with Democracy, in: S.I. Keil, and O.W. Gabriel (eds.), *Society and Democracy in Europe*. London: Routledge, pp. 139–161.
- Simpson, K., and Lovelless, M. 2017. Another chance? Concerns about inequality, support for the European Union and further European integration, *Journal of European Public Policy* 24(7): 1069–1089.
- Solt, F. 2008. Economic Inequality and Democratic Political Engagement, *American Journal of Political Science* 52(1): 48–60.
- Uslaner, E.M. 2002. *The Moral Foundations of Trust*. Cambridge: Cambridge University Press.
- van de Werfhorst, H., Tóth, I.G., Horn, D., Medgyesi, M., Notten, N., Haas, C., and Burg, B. 2012. *Political and Cultural Impacts of Inequality*. GINI Intermediate Report WP 5. Amsterdam: AIAS.
- Van Praag, B.M., and Ferrer-i-Carbonell, A. 2006. An almost integration free approach to ordered response models. Technical Report, Tinbergen Institute, Faculty of Economics and Econometrics, University of Amsterdam.
- Večerník, J. 2012. Earnings disparities and income inequality in CEE countries: an analysis of development and relationships, *Eastern European Economics* 50(3): 27–48.
- Vlachová, K. 2019. Lost in transition, found in recession? Satisfaction with democracy in Central Europe before and after economic crises, *Communist and Post-Communist Studies* 52(3): 227–234.
- Wilkinson, R.G., and Pickett, K.E. 2009. *The Spirit Level. Why More Equal Societies Almost Always do Better*. London: Allen Lane.
- Wucherpfennig, J., and Deutsch, F. 2009. Modernization and Democracy: Theories and Evidence Revisited. Living Reviews in Democracy, *Living Reviews in Democracy*, 1.
- Xu, P., and Garand, C. 2010. Economic Context and Americans' Perceptions of Income Inequality, *Social Science Quarterly* 91(5): 1220–1241.
- Zmerli, S., and Castillo, J.C. 2015. Income inequality, distributive fairness and political trust in Latin America, *Social Science Research* 52: 179–192.

Biographical Note: Kamila Fialová (Ph.D.), is a researcher in the department of Economic Sociology at the Institute of Sociology of the Czech Academy of Sciences. Her main academic interest is the institutional environment of labour market, non-standard employment, wage and income inequality, poverty and well-being.

ORCID iD: [0000-0001-9623-4474](https://orcid.org/0000-0001-9623-4474)

E-mail: kamila.fialova@soc.cas.cz