

## Project Description – Emmy-Noether Programme

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### Varieties of Egalitarianism. Mapping the Politics of Inequality with Online Crowdcoding

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#### Project Description

##### 1 State of the art and preliminary work

Political scientists agree that rising economic inequality is one of the key challenges for modern democracies (e.g., Levitsky and Ziblatt 2018). While modern democracy is based on the idea of relative political equity, high economic inequality leads to a disproportionate influence of affluent groups (Solt 2008) that is hard to reconcile with this democratic norm (Kocka und Merkel 2015). The goal of the proposed project is to study the impact of parties and party politics on economic inequality. Its point of departure is a strong imbalance in the existing research. While we know ever more about inequality trends and while there has been a “spectacular rise” in research on the redistributive preferences of citizens and voters (Wulfgramm and Starke 2017: 1), we still know nothing about how political parties conceive of (in-)equality and if and how that affects economic inequality. This is a startling omission. Considering the many studies that emphasize the political, economic, and societal consequences of rising inequality as well as the key role that most political science theories assign to parties in representative democracies, it seems remarkable that we do not know what parties have to say regarding equality and inequality.

Equality is not something of which parties simply want more or less, that they favour or oppose. Rather, there are different concepts of equality (Sen 1979, Sen 1998) – or as I call it: *Varieties of Egalitarianism* (VoE). Being in favour of equal outcomes means something entirely different from being in favour of equal opportunities or from focusing on antidiscrimination. To illustrate that the question “equality of what” is more instructive than the question “how much equality”, let us consider some examples. The Greens in Germany certainly speak a lot about equality, but their emphasis on equality is mostly – and increasingly so – related to antidiscrimination and equal rights, rather than to equal chances and/or equal economic outcomes (Horn et. al 2017).

Consider, as a contrast to the Greens, the populist Danish People’s Party, currently a de facto part of the Danish government coalition. Despite having its roots in an anti-tax party devoted to the fight against redistribution, it is increasingly warming to outcome equality, but also exhibits a ever growing hostility towards equal rights (Horn 2019: 36-41). Even in the same party family, equality trajectories vary considerably. For instance, unlike their comrades in the German SPD, the Danish Social Democrats have moved towards a communitarian version of equality. This means they have de-emphasized and moderated their views on equal rights of minorities, but are staunch supporters of outcome equality. Without factoring in this convergence of equality concepts across the political blocs, it is hard to understand policies and policy proposals that compromise equal rights in the name of equal opportunity and economic cohesion; or the flirt between Social Democrats and Danish People’s Party that may result in a cross-bloc coalition.

Thinking about the equality concepts of parties illustrates that there are several dimensions of equality; that they are not necessarily positively correlated; and that these dimensions matter – so the idea that parties advocate for more or less equality seems too simplistic. Moreover, as the case of the Danish and the German Social Democrats shows, using left-right measures or historically grounded party family as measures for egalitarianism (Pontusson and Rueda 2010, Huber and Stephens 2014) is fraught with problems not just because egalitarianism comes in different varieties, but also because parties change their dominant equality concepts over time.

In order to disentangle the different equality concepts and their implications and consequences, the proposed project is organized along the lines of three questions: What concepts of equality do parties favour? How have these concepts changed? How do the concepts affect inequality? These questions could be subsumed under what Sen famously called the “Equality of What”-question (Sen 1979). As I will demonstrate, the empirical answer to this question lies in mapping “Varieties of Egalitarianism” – based on an innovative application of the wisdom of the crowd.

To gather comparable information on parties’ concepts of equality in 10 countries since 1980, I draw on online crowdcoding to make use of the growing number of digitized texts from parties. I will combine the contextual knowledge of experts (Horn et al. 2017) with the efficiency of the crowd (Benoit et al. 2016, Horn 2018). Automated text analysis is not yet suited for semantically complex categorization tasks (Hopkins and King 2010, Benoit et al. 2016) and the sheer volume of political text to be coded in the project would occupy an (expensive) expert for years. The coding of a single party program by an expert may take a day or more – leaving aside questions of replicability such as intra- or inter-coder reliability. The crowd can finish the same task in minutes in a replicable way, at low costs, and with results that match the results of experts – even for complex tasks (Horn 2018). To avoid miscodings, multiple judgements for each unit are conducted by paid non-expert coders and combined with trust scores that coders earn during the coding. It is this pooling of independent judgments for the same decision and the use of uncertainty measures that distinguishes real crowdcoding from the mere outsourcing of coding.

The project thus aims at a contribution that goes beyond the mapping of Varieties of Egalitarianism and the assessment of their consequences for inequality. Rather, the project will also show how the wisdom of the crowd can help us to overcome limitations of existing “off-the-shelf”-data. Finally, since publicly funded research should result in publicly available goods, the projects most visible deliverable will be a public VoE-database and a corresponding web-tool. At a time when heated debates about inequality and the role of parties in it – in particular the Left – abound, it is critical to find out what parties have to say about equality and if and how it matters.

The project starts from the assumption that the role of political parties is more complex than thus far acknowledged. In particular, approaches based on parties’ core constituencies and power resources or the position of the median voter reduce parties to the role of mediators of group preferences. By contrast, I expect to find specific combinations between conceptions of equality, policy profiles, and economic inequality – both in terms of short-term changes and long-term effects – that go beyond the effects we would expect based on party family and the economic position of the core constituency or of the median voter. To trace the political roots of variations in economic inequality, we must challenge these established explanations and take the concepts of equality as advocated by the parties themselves into consideration. This is not to say that the dominant approaches are wrong. Yet, they do not allow for the possibility of more “independent” parties. Without VoE, the assumption of parties as mediators remains untested.

In what follows, I am presenting an overview of work on the impact of politics and parties on inequality, followed by a discussion of the gaps that the proposed project seeks to address by way of gathering a “Varieties of Egalitarianism” dataset on parties’ conceptions of (in-)equality. The review starts with a discussion of the research on the politics of inequality and continues with a summary of what we know about the effect of parties on (allegedly equality-enhancing) policies and the actual effects of these policies on different kinds of economic equality. This means that I start with the “big picture” and then “zoom in” on the stages of the causal chain.

The reason for also considering policy profiles – and not just inequality – is twofold. First, if we had no indication for the capacity of governments to steer policies, this would beg the question why we expect party politics to have a discernible impact on inequality. Second, if it turns out that equality concepts systematically affect inequality, we still need to disentangle if and how policy profiles and political choices explain this linkage. These arguments resemble calls for an integration of the politics matter and the policies matter question into what has been called a common “governments matter” framework (see Castles 2013) or an “enhanced perspective” (Busemeyer et al. 2013). I agree that a holistic perspective is preferable to the isolated analyses

of the determinants of policy outputs or outcomes that still prevail in the literature (exceptions are Rueda 2008 and Busemeyer 2015). If we would exclude policy from the study of the politics of inequality or exclude outcomes, we would leave open why and how politics affects inequality.

### *The Politics of Inequality: The Big Picture*

There are four bundles of explanations for variations in economic inequality. First, there are structural explanations that focus on economic developments and technological changes. In these accounts, economic and technological changes are regarded as exogenous to politics. Piketty's book *Capital in the 21<sup>st</sup> Century* (2014) has outlined one such structural explanation for the increase of inequality that has reinvigorated the policy debate. If the (after tax) returns on capital are higher than economic growth, inequality rises. While Piketty's book has spurred a public debate, it was a debate to which political scientists had little to counter or to contribute (Hopkin 2014) and one in which genuinely political determinants of inequality were not pivotal. By contrast, explanations by political economists and comparative welfare state researchers do emphasize the role of politics. They fall in one of three factions: They emphasize redistributive preferences of the median voter, they focus on parties as representatives of classes and core constituencies, or they highlight the importance of broad "political-institutional configurations". As the following discussion will show, these three streams of literature can not explain changes in inequality and lack a theoretical and empirical understanding of parties' equality preferences.

The first faction focuses on citizens' attitudes and preferences regarding (re-)distribution. The most influential approach is the *Median Voter Theorem* (Meltzer and Richard 1981). It rests on simple yet very controversial assumptions: The political process is biased in favour of the median voter. If he demands more redistribution, governments deliver it. The further the median voter's income lies below the mean income, the more the median voter gains from redistribution and thus demands more of it. This would suggest a positive relationship between inequality and redistribution. More inequality should eventually lead to more redistribution. However, whether such a positive relationship exists is highly controversial. If we compare countries, redistribution is least pronounced where it is most needed (Lindert 2004: 15). This is referred to as a "Robin Hood Paradox" in the literature. Within countries, the evidence for the prediction of the Median Voter Theorem that economic inequality in democracy should be self-correcting is also at best mixed. Several studies show inequality is in fact self-reinforcing since it politically demobilizes low income groups (Solt 2008). In other words, "when economic inequality is high (or low), it is likely to produce even higher (or lower) future levels of inequality (Kelly and Enns 2010: 856).

This is not the only line of argument that poses a problem for the Median Voter Theorem. To what extent governments can (and do) respond to differences in voter preferences and to what extent voters are actually guided by their interests and information is questioned (Achen and Bartels 2016 reject the idea that governments respond to rational interests as "folk theory" of democracy). There is evidence that lower and middle class voters do not act on their economic interests, as they do not punish governments for increased income concentration at the very top (Hicks et al. 2016), creating in-egalitarian incentives for parties. One potential explanation is that differences in redistributive preferences found in surveys are not really meaningful, but caused by the sequence and the wording of questions (Pedersen and Mutz 2018). Another plausible explanation is that voters find it as difficult as social scientists to keep track of recent changes, not to mention the challenge to assign political responsibility for the changes to certain parties.

Another way of explaining differences in inequality and equality-enhancing policies comes from the *Power Resources Approach*. Its main assumption is that parties and interest groups are affiliated with and represent the interests of different core constituencies. Power resources are "characteristics which provide actors – individuals or collectives – with the possibility to punish or reward other actors" (Korpi 1983: 15). While so called *societal* power resources depend on the organizational strength of labor unions vis-à-vis business organizations, the seat shares of bourgeois and left parties in parliament and government indicate the political balance of power. Both kinds of power resources exert different influence on different manifestations of inequality. Inequality of market incomes is affected by the strength of labour unions and wage legislation.

Household income inequality is determined by taxation and social transfers and is thus under the influence of elected governments. Studies in support of the relevance of power resources emphasize the equality-enhancing effects of left power resources such as unionization and the share of left parties in cabinets (Bradley et al. 2003, Huber and Stephens 2014, Swank 2017).

Several problems arise when applying power resources explanations to the study of inequality. First, the alignments between economic groups and party families as stipulated in the classic power resources literature have been largely undermined by long-term processes of electoral de-alignment and re-alignment (Häusermann et. al 2013, Häusermann and Gingrich 2015). The ideological transformations of parties – in particular the programmatic moderation of European Social Democrats – renders classic assumptions about a clear division between an egalitarian and solidaristic left and an in-egalitarian pro-business right problematic (Ross 2000, Horn 2017a). The Left has moved to the centre, away from politics *against* markets (Horn 2017a); and unions and social democrats frequently pursue policies in favour of labour market insiders (Rueda 2007). Second, and related, the hypotheses about how left power resources affect equality-enhancing policies and inequality are often only an extension – or even a by-product – of the discussion about the determinants of social rights and the evolution of the welfare state. The underlying reason for this primary focus on the welfare state is that influential scholars saw the welfare state itself as a key power resource in the “democratic class struggle” (Korpi 1983).

Finally, even if parties make a difference in terms of policies, this does not mean that policies matter with regard to equality outcomes. This depends on the institutional scope conditions. In particular, the “political-institutional features of the different kinds of democratic capitalist systems and their matching welfare states go a long way towards explaining [...] huge cross-national variation[s] in the level of inequality” and why they are so persistent (Jensen and van Kersbergen 2017: 7), even though these features are themselves influenced by the historical distribution of power resources. Few scholars dispute the role of institutional complementarities and institutional feedback effects. For instance, we have learned that universal welfare state programs feed back into a high middle class support for redistribution and generous welfare programs, whereas means testing – to target the poor – leads to low and more fragmented solidarity, and results in residual welfare states (Larsen 2008). However, institutional arguments are rather static. It is thus difficult to use them to explain inequality changes within countries over time or divergent inequality trajectories within institutionally homogenous country clusters. For instance, why is inequality on the rise in Sweden, but remains extremely low in Denmark?

Although some of the proponents of the Power Resources Approach “eschew” median voter explanations because the lack of empirical support would not warrant the “disproportionate attention” (Brady et al. 2016: 135), there are two key similarities between both approaches: First, both imply political limits to the rise of inequality in democracies. Increasing inequality should be “self-correcting”, and not self-reinforcing. Either because the median voter falls too far behind the average income; or because of the growing economic deprivation of the shrinking core constituency of the Left. For Power Resources, however, the rise of inequality can partially be explained with the decline in left power resources since the 1970s and party re-alignment. Second, and equally important for the project, both approaches conceive of parties primarily as intermediaries. From a power resources perspective, parties represent the interest of economic groups. From a median voter perspective, parties act in line with the distributional preference of the median income earner. Both perspectives do thus not assign independent agency to parties. In that sense, one could say that the lack of data on preferences fits the theoretical dominance of perspectives that see these preferences as derivatives of class or median voter preferences.

#### *Party Effects on Policies and Policy Effects on Inequality*

When it comes to the effect of parties on equality-enhancing policies – may it be in social policy, public policy, or economic policy – a *politics matter* consensus has emerged. From the 1970s on, the post-war prominence of functionalist explanations (e.g., Wilensky and LeBeaux 1958) was replaced by an increasing focus on the power resources of economic groups (Stephens 1979, Korpi 1983, Schmidt 1983). An important qualification of this “politics matter” view is that it

depends on the institutional opportunity structure whether parties make a difference (Immergut 1992, Schmidt 1996). In the 1990s, the influence of parties on policy was questioned on more fundamental grounds. External constraints resulting from economic globalization (Scharpf 2000) and a paralysis of party politics between electoral pressure and fiscal and economic pressure – caused by a trend towards lower growth rates in service sector economies – (Pierson 1996, 1998) were regarded as causes for the marginalization of parties. Yet, eventually, the idea that party politics makes less and less of a difference for policy outputs due to these constraints was contested by a new wave of scholarship that used new data, longer time series, and a clearer conceptualization of policy change (Korpi and Palme 2003, Allan and Scruggs 2004, Starke 2008, Obinger et al. 2014, Zohlnhöfer et al. 2018). However, some of these studies show that parties exert effects on policies in far more complex ways than the traditional Power Resources Approach would suggest. The extent to which parties matter depends also on the economic context (Amable et al. 2006), party ideology (Horn 2017a), and varies by policy field (Jensen 2014). Parties still matter, but their ideological transformations since the 1980s have reduced the explanatory power of traditional party family affiliations or labels such as left or right.

Of great importance to the VoE project are the aforementioned discussions over the appropriate conceptualization and measurement of policy change (Green-Pedersen 2007, Knill et al. 2010). As a result of this debate, it is by now clear that it is necessary to differentiate between policy outputs (e.g. laws) and policy results or social outcomes; meaning phenomena only partially under the control of politicians (e.g., economic inequality, which may be more susceptible to influences beyond government decisions and non-decisions). Reviews in the area of social policy (e.g., Horn 2017a) show that outputs, or aspects that directly reflect outputs, are much more susceptible to (party-) political steering than outcomes. As has been criticized (e.g., Busemeyer 2015), the output-outcome differentiation is still often disregarded in research on the politics on inequality. This stands in stark contrast to the developments in much of comparative welfare research. The key lesson with regard to the project is that it is crucial to distinguish equality enhancing policies (outputs) from inequality changes (outcomes) while still trying to integrate the analysis of the causes of policies and inequality in a common framework.

We currently still lack systematic analyses that trace the effects parties have on policies all the way to inequality. Worse still, the literature on policy effects regarding inequality is disintegrated and divided into largely isolated streams of research, each devoted to different policy areas. However, surveying recent studies on equality-enhancing policies (e.g., Brückner et al. 2014, Wang et al. 2014, Atkinson 2015, Brady et al. 2016), it is possible to compile a list of policies that are widely believed to be equality-enhancing. Here, and for the analytical frame of the project, I summarize them under the three headers pre-distribution, redistribution, and social investment. First, pre-distribution means policies that reduce market income inequality *ex ante*. This applies to legislation regarding wages (such as minimum wages or income caps) or state-intervention more generally (i.e., the regulation versus liberalization of sectors such as housing, communication, finance). Then there are policies that reduce inequality of household incomes compared to the primary- or market distribution. The two most consequential levellers in this regard are tax rules (progressive taxation, high top income tax, tax break for lowest income tax bracket) and transfers (especially if the generosity is high and the conditionality relatively low).

More controversially, policies that aim at broad investment in skills and the reconciliation of work and family can contribute to increased economic upward mobility. This is discussed under the header social investment. Its positive mobility effects should be most pronounced in countries that aim at social investment for *all* societal groups (or, as Horn and van Kersbergen 2019 call it, in countries with strong universalist rather than targeted social investment policies). Yet, while social investment policies might contribute to mobility or even to more equal market incomes in the long-term, such a focus could mean less equal household incomes in the short run – e.g., if the social investment focus comes at the cost of less social transfers or lower tax-free minima.

In the end, the extent to which these policy profiles and policies really deserve the label *equality-enhancing* is an open empirical question. The main challenge for the proposed project will be to find combinations of parties' equality concepts, policy (profile) choices, and inequality changes.

### Own contributions

The project addresses two gaps: the lack of data on how parties conceive of equality and the lack of studies that combine a *politics matter* and a *policies matter* framework into a common framework. To address both, the project is inspired by – and builds on – work on the effect that parties have on policies, inequality preferences of citizens, and crowdcoding of party positions:

#### Macro-evidence:

- The project continues my work on the autonomy of democratic politics vis-à-vis economic constraints. The guiding question of this line of work was how the views and perceptions of parties interact with problem pressure(s) in shaping policy responses. My doctoral research, in particular the research monograph (Horn 2017a, Horn 2017b, Horn and Kevins 2018), comprehensively addresses the limitations of explanations for policies that focus on group representation and problem pressure(s) alone. The book criticizes a widespread insufficient conceptualization of what partisanship is and why it should affect parties' policy responses. On a theoretical level, it criticizes the neglect of parties' problem perceptions in combination with a too strong emphasis on economic constraints and group interests as drivers behind political decisions. In terms of measurement, it criticizes that partisanship is accounted for only via party family (e.g., social democratic) or left-centre-right categories. While historically meaningful, these approaches can not account for ideological changes of parties or the rise of new issues. In addition, even dynamic left-right positions (e.g., the RILE by Volkens et al. 2018) conflate the economic and social views of parties more than they help to clarify them.
- Drawing on approaches that emphasize the role of perception and ideas in policy making and using specific and time-variant measures for party preferences (*market ideology* and *welfare ideology*), I have combined interaction analyses and case studies to understand the interplay of interest representation, ideology, and economic pressure as drivers of policy. A key finding is that neither representation of group interest nor problem pressure per se can account for policy differences. Rather, parties perceive interests and problems through the lens of "their" (economic) worldviews. While the book has been praised as a "must-read for researchers interested in the partisan politics of the welfare state" (Bandau 2018: 198), it only looks at social policy and neglects economic inequality and has not produced new data on party preferences, but only made new use of existing data. As a final qualification, my new research on the historical origins of social policy programs (Horn and Kevins 2018) reminds us that taking perceptions of problems more seriously should not be equated with denying that pressures exist and that they – if ignored too long – have real consequences.

#### Micro-evidence:

- Together with van Kersbergen, Jensen, and Kevins (Kevins et al. 2018a, Kevins et al. 2018b, Horn et al. 2018), I have gathered and analysed survey data to study the drivers of support for redistribution and social policy as well as the appeals of parties to groups. This joint work within the project *Universalism and the Welfare State* (UNIWEL) shows three things: First, it is not clear that class and income differences in preferences exert enough influence to assume that parties act on them when they implement policies. Second, it is hard to generalize attitudes about inequality, often we find weak or non-effects of class markers. Third, we analysed how parties target specific social groups. In line with the survey findings, we found little evidence that parties clearly target classes or social groups in their policy appeals and group appeals. Rather, what we found is that parties appeal to people as part of groups that share certain life-course characteristics (students, families, the sick, families, the old). This also applies when we zoom in on specific policy fields relevant for this project; such as social investment policies (Horn and van Kersbergen 2019). When combined, the evidence on individual preferences and party appeals to groups gathered in UNIWEL shows that the idea of parties as agents of group interests should be questioned.

#### Data-gathering:

- The coding scheme was developed and tested with expert judgments of statements from German- and US manifestos (Horn et al. 2017). A feasibility study on online crowdcoding of parties' conceptions of equality was published (Horn 2018) in the *European Journal of*

Political Research and has received several prizes. This paper shows that the crowd is able to match the results of experts (as in Horn et al. 2017, with van Kersbergen and Horn as expert coders). Moreover, looking at the influence of the coder's geographical location, coder's expertise, and task complexity, the article spells out conditions for achieving a sufficient "crowd-expert match". Importantly, the paper shows that – when tests are used to deselect careless coders – it is possible to use the crowd to "scale" even complex coding schemes to a large N. In short, this research on coding and content validity shows that judgments of experts can be combined with crowdcoding to blend the validity of expert codings (used as a yardstick) with the speed, affordability and replicability of the crowd.

To sum up, the point of departure for the project is that both the micro- and the macro evidence suggest caution regarding class and group-interest based explanations. This is in line with the sceptical findings discussed earlier (e.g., Achen and Bartels 2016). Yet, any attempts to assess parties as independent actors face the problem that good data on their equality preferences does – in contrast to data on individual preferences – not exist. To address this gap, I have developed and successfully tested a procedure to crowdcode how parties conceive of equality. In the remainder of the proposal, I will describe in detail how I want to use this new technique to analyze how parties' concepts of equality, policy choices, and inequality outcomes are linked.

## 1.1 Project-related publications

### 1.1.1 Articles published by outlets with scientific quality assurance, book publications, and works accepted for publication but not yet published.

- Horn, Alexander. 2017a. *Government Ideology, Economic Pressure, and Risk Privatization. How Economic Worldviews Shape Social Policy in Times of Crisis*. Amsterdam University Press.
- Horn, Alexander; Carsten Jensen. 2017. When and Why Politicians do not keep their Welfare Promises. *European Journal of Political Research* 56(2): 381-400.
- Horn, Alexander; Anthony Kevins; Carsten Jensen; Kees van Kersbergen. 2017. Peeping at the Corpus. What is Really Going on behind the Equality and Welfare Items of the Manifesto Project? *Journal of European Social Policy* 27(5): 403-416.
- Horn, Alexander. 2017b. Conditional Solidarity: A Comparative Analysis of Government Egalitarianism and Benefit Conditionalization in Boom and Bust. *Journal of Comparative Policy Analysis*. 20(5): 451-468.
- Horn, Alexander; Anthony Kevins. 2018. Problem Pressure and Social Policy Innovation: Lessons from 19th-Century Germany. *Social Science History* 42(3): 495-515.
- Horn, Alexander. 2018. Can the Online-Crowd match Real Expert Judgments? How Task Complexity and Coder Location Affect the Validity of Crowd-Coded Data. *European Journal of Political Research*. Online first 15.4.2018.
- Kevins, Anthony; Alexander Horn; Carsten Jensen; Kees van Kersbergen. 2018a. Yardsticks of Inequality: Preferences for Redistribution in Advanced Democracies. *Journal of European Social Policy* 28(4): 402-418.
- Kevins, Anthony; Alexander Horn; Carsten Jensen; Kees van Kersbergen. 2018b. The Illusion of Class in Welfare State Politics? *Journal of Social Policy*. Online first 26.4.2018.
- Horn, Alexander; Kees van Kersbergen. 2019. The Politics of Social Investment in Scandinavia. In: *The World Politics of Social Investment, Volume II: The Politics of Varying Social Investment Strategies*, eds. Julian Garritzmann, Silja Häusermann, Bruno Palier. Oxford University Press.

### 1.1.2 Other publications

- Horn, Alexander; Anthony Kevins; Carsten Jensen; Kees van Kersbergen. 2018. How Parties (Do Not) Appeal to Social Groups. Under Review (R&R *European Political Science Review*).

## 2 Objectives and work programme

### 2.1 Anticipated total duration of the project

6 years.

### 2.2 Objectives

Against the background of the shortcomings identified in the discussion of the state of research, the project has two main objectives: The first is to map empirically how politicians conceive of equality and how these concepts vary over time, across countries, and between parties. The second objective is to assess how the equality concepts affect economic inequality and to do so in an analytical framework that also incorporates policy choices and their effects on inequality.

Political parties across the world increasingly acknowledge and talk about high inequality as a political problem. Yet, they provide very different answers to what Nobel Laureate Amartya Sen famously called the 'Equality of What?'-question (1979, 1995). As Sen made it clear, to speak of equality per se is not very instructive – most people favour equality in *some* regard or capacity. The project's point of departure is that the same can plausibly be said for political parties. Some parties conceive of equality as a problem of economic (re)-distribution, other parties focus on the equal allocation of life chances and try to boost social mobility, yet others aim for the absence of discrimination and equal rights. Then there are parties that focus on idiosyncratic notions of inequality (such as digital equality). Discussions about gender and racial equality and the alleged shift of left parties from economic equality to emancipation illustrate that concepts of equality do not only vary across countries and party families, but can also change over time.

Here, it is crucial to acknowledge the potential and the limitations of a dataset that comes close to providing a basis for assessing and tracking of the equality positions of parties over time. The *Manifesto Project* (Volkens et al. 2018) which has categorized statements in election programs across affluent democracies since 1945 in one of 56 topics, is a remarkable data infrastructure. Thanks to its content analysis, we know for instance that the German Social Democrats in 2013 devoted 271 of 2988 statements in their party manifesto to *equality*, though extremely broadly defined (the category now named equality was also entitled social justice previously). Yet, this tells us nothing about how the Social Democrats conceived of equality and what kind or concept of equality they favoured. The same issue frequency or salience of the topic equality can translate into – or thus conceal – very different positions (Horn et al. 2017). Ergo, if we want to map parties' equality preferences, we should do so using a multidimensional category scheme.

As an illustration, consider the equality concepts emphasized by German parties in 2013. The emphasis on equality by the Greens was almost on par with Die Linke (literally: The Left) – and the Greens put more emphasis on equality than the SPD (Horn et al. 2017: 6). Yet, shown in figure 1 below, the Greens devoted most of these mentions to equal rights, non-discrimination, and inclusion, while Die Linke and SPD stressed economic equality and also de-emphasized equal rights, non-discrimination, and inclusion compared to the previous elections. In light of debates about an alleged representation crisis and the question whether parties have moved away from economic equality and mobility towards emancipation and equal rights, the ability to distinguish a focus on equal rights from demands for economic equality or equal opportunities and mobility seems critical. To sum up: existing data tells us *if* parties speak about equality in a broad sense. I want to know *how* they speak about it. This brings me to the project's first aim.

The **first aim** of VoE is to gather data on how the concepts of equality differ across countries, between parties, party families and over time. To get at the concepts of equality and to capture most of the theoretically relevant variation, I distinguish six categories (though the list could be expanded or refined): The concepts of equality are defined by the extent to which equality is conceived of in economic terms or equality of outcomes, equal chances and social mobility, inclusion and non-discrimination, in other/specific terms (e.g. in terms of equal ecological or digital rights), or not at all. Finally, I include a category for *general* mentions. This choice is



motivated by the observation that parties occasionally refer vaguely to equality without any further explanation. This list of six categories grew out of a close reading of political texts from Germany and the US (Horn et al. 2017). Nonetheless, it may be amended in light of prominent new categories that are captured with the category *other/specific*. This makes sense if the category in question is relevant for a number of parties and countries. To sum up, while this category scheme is exhaustive, it may be expanded later on by disaggregating *other/specific*.

Using the new method of online crowdcoding (details in *work programme*), I aim at creating a unique database on varieties of egalitarianism in 10 countries. At a descriptive level, I will use the database to identify cross-sectional patterns and trace changes in equality concepts over time. This will, for instance, allow me to assess the much-discussed assertion that parties – in particular the social democrats – have abandoned material equality in favour of equal rights and emancipation (exemplary is Eribon's *Returning to Reims*, 2016). Eventually, the publication of the database will help other researchers and stakeholders in the inequality debate (e.g., NGOs, Think Tanks) to disentangle the deeply intertwined economic and political drivers of inequality.

This brings us to the project's **second aim** – to assess if and how the concepts of equality affect economic inequality. Can they explain variations in the levels and dominant types of inequality between countries and within countries over time? How do the effects of a focus on equal chances compare with a focus on equality of outcomes? Does it matter whether we look at the short or the long run? Do parties' conceptions of equality lead to different policies in different economic situations? Is equal-chances rhetoric really a harbinger of social mobility? Is a non-discrimination focus actually associated with lower (gender and racial) pay gaps or not? The overarching question is: What links exist between concepts of equality, the choice of policies, and inequality? How the linkages between the three levels (concepts, policies, inequality) play out empirically remains to be seen. Yet, even if the patterns should turn out to be weak, this would constitute a finding of great political importance, as it would imply that parties and policies exert little influence on one of the key challenges democratic societies face in the 21st century.

What we are ultimately interested in are the determinants of variations in economic inequality – broadly understood. The proliferation of comparable time series data on inequality (Atkinson 2015, Jensen and van Kersbergen 2017) allows us to draw on a broad spectrum of indicators. This is crucial, as different types of – and indicators for – economic inequality exhibit different trajectories (ibid). It also makes a theoretical difference whether we look at the top 1% and their income share, the median-to-mean ratio, or measures of concentration such as the Gini. I will look at Gini coefficients on income inequality, various ratios between different income groups (decile ratios), the share of top earners, social mobility, and gender and racial pay gaps<sup>1</sup>. To assess if and how policy outputs link the equality concepts to inequality, I look at the policy-profiles I discussed in the review section: pre-distribution, redistribution, and social investment.

### 2.3 Work programme incl. proposed research methods

There are two work packages (hereafter WP) that mirror the two aims outlined above. Each work package has several components. The first package consists of the data gathering process (WP 1.1) and the descriptive analysis (WP 1.2). The second work package (WP 2) is devoted to the analysis of the effects of VoE on equality-enhancing policies (WP 2.1), the effects of VoE on economic inequality (WP 2.2), and the combined effects of VoE and policies on inequality (WP 2.3). In the second year of each work package (i.e., year 2 and 5) a workshop with external guests will be organized to discuss the project and cooperation based on the data (see module 4.5 for details). Before I outline the two work packages and the steps necessary to meet the aims 1 and 2, some general considerations regarding the mixed methods research design are discussed. I conclude by discussing the composition of the research group and each members' responsibilities against the background of the time line for the task completion.

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<sup>1</sup> I have considered to include wealth inequality. Yet, limited data availability and the particularly slow-moving nature of wealth inequalities mean that wealth inequalities will not be a main focus.

## Research Design

In terms of research design, the descriptive and the causal analysis will be primarily quantitative. This large-N approach will be complemented with case studies from three country cases (as in Horn 2017a), to avoid some of the known pitfalls and risks associated with purely quantitative analyses (Liebermann 2005) and to add “inferential leverage” and depth via process tracing (Collier 2011). Despite the challenges associated with such a mixed research design (Rohlfing 2007), methodological triangulation or nested analysis allows for a more nuanced understanding in the descriptive and in the causal analysis. More specifically, to complement the large-N part with more case-sensitive evidence enables the research group to:

- assess the validity of the generated data on parties’ equality preferences based on a close reading of public and archived texts and statements from parties and on parties (WP 1.1). This, of course, also includes documents not used as text corpi for the online crowd coding
- contextualize developments regarding equality concepts, policies, and inequality (WP 1.2)
- gain a better understanding of the mechanisms that link equality concepts, policy choices and changes in economic inequality and how they are affected by scope conditions (WP 2)
- discern potentially omitted variables and thereby reduce the risk of wrong inferences (WP 2)

The three countries could be Denmark, Germany, and the US, as they represent contrasting types of market economies (hybrid, coordinated, and liberal according to Hall and Soskice 2001) and worlds of welfare capitalism (universal, conservative, liberal, based on Esping Andersen 1990). Denmark and the US also occupy the opposite extremes on the so called *Great Gatsby curve*, which shows the inverse relationship between income inequality and social mobility. While Denmark combines low inequality and high mobility, the US has high inequality and low mobility. Germany – with medium-high inequality and mobility – typifies the middle way.

Whether the US can be studied with the proposed sources – given the weak institutionalization of parties – is a question I address during a stay at CES in Harvard, where I will be a Kennedy Memorial Fellow in 2019. If the identification of authoritative political texts as sources for the coding of party’s equality concepts proves problematic, the UK is an alternative case (liberal market economy and welfare regime, high inequality with low mobility) that “resembles” the US.

### Work package 1

While the crowdcoding could be extended to pictures and posters as sources, I stick to texts to ensure high functional equivalence across sources. I use texts that are available in digital form to measure different ideas of equality across parties, elections, and countries. If texts are not yet available in digital form, a student assistant will digitize them. Examples for relevant sources are digitized party manifestos, principle programs, speeches, leaflets, and social media postings. Of course, political texts are rarely pure and sincere reflections of parties’ stances, but also reflect different degrees of strategic and programmatic aspects – depending on the audience. To address this possibility of audience specificity, I plan on contrasting two different types of sources. Primarily, I will rely on programmatic and party-oriented sources such as manifestos and principle programs. However, I will compare the results from this approach with more strategic and more voter-oriented sources such as web-crawled social media outputs. Due to the brevity of most political communication of parties and politicians on social media channels such as facebook and twitter, the additional costs for this complementary source will be modest. The primary source, however, will be manifestos and programs – as these texts are by far the best available representations – or at least approximations – of the views of a party *as a whole*.

Importantly, the expert judgments are only the yardstick to calibrate the process of crowdcoding. Crowdcoding means that multiple online coders categorize statements, using the statements I have coded before as benchmark and test statements. Without a carefully calibrated yardstick, the content validity will be modest. So while the online crowd will code 95% of all the party statements, the first step is to code 5% of the statements and conduct inter-coder reliability tests (Horn 2018). These 5% are coded by me and the postdoctoral researcher and then used in an

“entry quiz” and as screening questions during the actual coding to produce a *trust score* used to deselect spammers (those who do not follow the instructions but are only after the money). In other words, I scale up the 5% expert judgements by using them as a benchmark for the crowd.

We know that we need at least five trusted coders per statement for the crowd to make collective decisions that result in valid data. In order to decide who is trustworthy, coders must pass the aforementioned “quiz” and categorize 70% of the secret screening statements during the actual coding correctly. The quiz, the screening statements during the actual coding, and the fact that at least five persons independently code the same statement until an *agreement threshold* is reached, lead to valid and intersubjective results. Turning to the actual process, I will provide the coders with a short on-screen description of each category along with examples, as shown in the Info-Box 1. On this basis, the statements are coded. A few examples may help to illustrate this. The phrase “the people on Main Street must also benefit when Wall Street gets richer” refers primarily to economic equality, whereas “the American Dream is a dream of equal opportunity for all” refers positively to equal chances and social mobility, and “we are the party of inclusion and reject any discrimination” signals a focus on equal rights and antidiscrimination.

*Info-Box 1: Template to brief coders (shortened)*

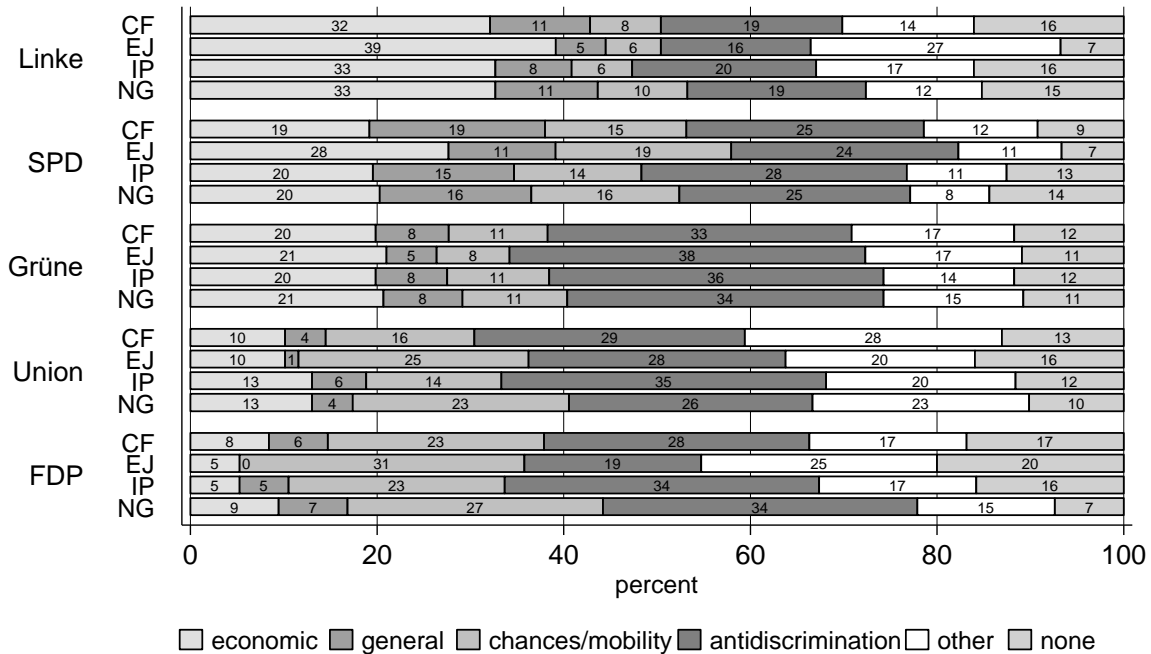
Does the following statement from a party program exert a positive reference to equality or equal treatment of all people? If YES, which of the categories 1 to 5 fits best? If NO, please select category 6. Please read all the 6 category descriptions carefully! If you are of the opinion that more than one category may apply, please decide which category is emphasized the most.

- 1) **Economic equality** (for example: we criticize that the little guy is doing so badly; we criticize that economic inequality in our country is on the rise; we must redistribute more from top to bottom; strong shoulders must carry more; the gap between rich and poor is too big [...])
- 2) **Mentioning of equality**, (social) justice, and solidarity – but without getting concrete as to what that might mean (for example: we are the party of equality; we stand for solidarity [...])
- 3) **Equal chances/social mobility**: (for example: education system must be more permissive; more children of workers must make it to university; social background must not decide over the future of children; everyone must have a chance – independent of the parents’ purse [...])
- 4) **Antidiscrimination, equal rights**: (for example: more must be done against discrimination of women, homosexuals, foreigners, disabled people, the old; our party stands for diversity and inclusion; no one must be discriminated; no more gender and/or racial pay gap [...])
- 5) **Other/specific**: there is a link to equality and equal treatment, but the statements fits into none of the four previous categories (for instance: global equality or more north south parity; development aid; equal access to the internet for all; mobility for all; ecological equality [...])
- 6) **No positive reference**: Examples for irrelevant statements concern noise-mitigation [...]

I have successfully tested this category scheme for selected elections in the US and Germany (Horn et al. 2017) and demonstrated that the online crowd can produce the same results as the experts (Horn 2018). Figure 1 shows some of the results of this pilot study, namely the dominant concepts of equality of five German parties in 2013. The four bars for each party reflect the different IP address specifications used as proxy variables for coder expertise and coder bias. This shows that online crowdcoding, if done properly and with test questions (Benoit et al. 2016, Horn 2018), leads to the same results as the very time consuming, expensive, and sometimes hard to reproduce judgments of experts. Based on the described coding procedure and approximately 1,000,000 individual coding decisions, a similar distribution as in Figure 1 for Germany 2013 will be available for every election year in 10 OECD countries. These countries fall in one of three country clusters (Scandinavia, English democracies, continental Europe), defined by persistent differences in the role of the state, institutional settings, and type of market economy. Apart from theoretical considerations, the country selection is also influenced by my language constraints (German, English, French, Swedish, Danish). The time series starts 1980;

a demarcation that is not only due to data limitations. The 2<sup>nd</sup> oil crisis marks the definite end of the post-war *Trente Glorieuses* and its trend to broad middle class societies, the renaissance of economic globalization, and in many, yet not all countries, the beginning of the rise of inequality.

Figure 1. Equality concepts of German parties 2013, based on online crowd (CF) and experts (EJ)



Note: CF = based on crowdcoding via CrowdFlower without German IP restriction; EJ = expert judgments; IP = crowdcoding via CrowdFlower with coders with German IP; NG = crowdcoding via CrowdFlower of coders with non-German IPs. Value labels in the bars are rounded values.

In terms of costs, 1,000,000 individual coding decisions cost max. 50.000 Euro (see 4.2.2.5). This calculation rests on a coder compensation of 0.05 € per decision; which is higher than in other studies and allows coders to reach at least minimum wage levels even in high wage countries. As technical platform, I will use a site like Figure-Eight (previously crowdflower.com).

Once the *Varieties of Egalitarianism* database exists, the descriptive analysis (WP 1.2) is conducted to identify patterns and trends. The unit of analysis can be the party, party family, government, or the entire party system (i.e., the national level). At each of these levels, we assess which equality concept or combination of equality concepts dominates. Related but theoretically distinct from this question after dominant concepts is the question how much consensus there is between the parties. Measures of concentration (such as a coefficient of variation) and central tendency (means and medians) are combined to assess questions of convergence (see Holzinger et al. 2007), cluster analysis is used to find out if there are distinct country groups. The analysis will show if the emphasis on different equality concepts has shifted and how. It will also allow us to find out to what extent it is true that parties have de-emphasized economic equity for other forms of egalitarianism or not. Upon finalising WP 1.2, the new database will be made freely available to the public and promoted with an interactive online-tool.

### Work Package 2

The rationale for an integration of the *politics-* and the *policies matter* question into a common *governments matter* perspective (as envisioned by Castles 2013, Busemeyer et al. 2013) has been outlined at the start of this proposal already. In short, only an enhanced framework makes it possible to search for links between equality concepts, policies, and inequality; and to probe into the key questions *why* and *how* politics does – or does not – matter for economic inequality.

The meta-expectation underlying the project is that particular combinations of equality concepts, policies, and effects on different types of economic inequality exist. It is most plausible that said combinations might look very different across different country groups. A possibility is that these patterns co-vary along the lines of the worlds of welfare capitalism or the varieties of capitalism.

In the causal analysis, the primary unit of analysis we look at is the cabinet, consisting of one or more parties (weighted by number of ministers, as is conventional), and less frequently the opposition or all parties. We test whether and how the equality concepts matter at three stages, based on multivariate time series cross section, controlling for potentially relevant economic developments. First, we assess if and how governments' different conceptions of equality affect equality-enhancing policy outputs (WP 2.1). Second, we look at the direct link between VoE and inequality outcomes (WP 2.2). Third, we assess how the interplay of VoE and policy profiles affects inequality (WP 2.3). WP 2.1 and WP 2.2 can be conducted based on simple country fixed effects regression, in which the dependent variable shifts from policy outputs to inequality outcomes. By contrast, WP 2.3 calls for either a two-stage strategy or an interaction model (see Rueda 2008 or Busemeyer 2015) in which the effect of VoE on inequality conditional on the implementation of policies is analysed (inequality change = VoE  $\times$  policy profile). As the number of governments in the quantitative analysis will be circa 110 and thus moderate, for the most complex models it will be necessary to consider some of the control variables consecutively rather than at once. The models may otherwise lack sufficient statistical *degrees of freedom*.

As explained above, in addition to this large-N quantitative analysis, the project zooms in on three country cases. Process tracing on Danish, German, and US developments will allow us to contextualize the parties' perceptions and positions regarding inequality; and the ideas and motives underlying the policy choices. Thereby, triangulation will give us a better grasp of the implications that different equality concepts have for the different types of economic inequality.

While it is already clear what the equality concepts are, it may be worth repeating the three policy strategies I look at as "pathways" to equality: pre-distribution, redistribution, and social investment. Each strategy entails a number of more concrete policies and instruments that are widely regarded to be equality enhancing. Pre-distribution means policies that reduce market income inequality such as legislation regarding wages (minimum wages, income caps) or state-intervention more broadly (regulation versus liberalization of sectors such as housing, communication, and finance). By redistribution, I mean the levelling of household inequality via taxes (progressive taxation, high top income tax, tax breaks for those in the lowest income tax bracket) and transfers (especially if benefit generosity is high and benefit conditionality is low). Social investment means all political efforts that aim at creating or maintaining human capital. For instance, education, activation, and the provision of care for children and the frail elderly, as they either contribute to skill formation or skill preservation; or support the reconciliation of (full-time) work and family life. Indicators are public spending ratios for education, training and qualification, activation, and the provision of care for different groups, and social investment specific welfare entitlements such as the generosity and the conditionality of student assistance.

The extent to which these three strategies of pre-distribution, redistribution, and social investment are applied and combined constitutes what I call a *policy profile* of a government (or even a country as a whole). While one government (or country) may focus on changes in pre-distribution in combination with universal social investment, others may prioritize redistribution, while yet other governments may combine all of these three strategies. Yet, the project will also aim at singling out and assessing the effects that specific policy instruments have on inequality.

I aim at a broad, multidimensional, way of conceptualising and measuring economic inequality. The following four types of measures are used to capture changes in economic inequality: Market inequality (before tax and transfers) and household inequality (after tax and transfers) can be assessed on the basis of wage ratios (rich vs. middle, rich vs. poor, middle vs. poor), wage shares (for instance, the share of the highest and lowest decile), or the Gini coefficient. I also aim at including racial and gender pay gaps as well as social mobility (usually measured as the reverse of intergenerational income elasticity). While a detailed discussion of the important

pros and cons of different databases and measures (Atkinson 2015, Jensen and van Kersbergen 2017) is not possible here, what matters for this proposal is that valid measures are available in a time series format (for instance from the Luxemburg Income Study, LIS) for most of these variables. This is not to deny exceptions and potential complications: e.g., longer time lags or cumulative effects (country averages over a long period) will be needed for the analysis of the determinants of economic mobility, as it is not plausible to attribute improvements in mobility directly to very recent changes in the partisan structure of government or policy change. Finally, while the focus on these economic inequalities (broadly conceived) has its roots in their political repercussions for democracy and the need to keep the project feasible, I do not mean to belittle non-economic inequality. To the contrary, to use the equality concepts to explain other inequalities later on seems to be a very promising and natural extension of the VoE-framework.

*Composition of the Research Group and Schedule*

The research group will consist of the group leader, a postdoctoral researcher (6 years), and a Ph.D. student (4 years). Each of the core members will be responsible for researching one of the three country case studies. Beyond the core members, a student assistant will support the group with the identification, location, and (if necessary) digitization of political texts. This assistant will also help to launch a website in cooperation with existing infrastructures in Konstanz (such as the methods hub at the Excellence Cluster for the Politics of Inequality). As these tasks will be completed in year 4, the student assistant is needed only in year 1, 2, and 3.

*Table 1. Schedule and Contents for Work Packages*

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	WP 1.1	WP 1.1	WP 1.2	WP 2.1, 2.2	WP 2.2	WP 2.3
Coding of statements	Expert coding	Crowd coding				
Descriptive analysis			Identify trends and clusters	Develop typology		
Causal analysis			Merge VoE dataset with cabinet data	Test effects of VoE on policy output	Test effects of VoE on inequality	Test effects of VoE and policy on inequality
Output goal	Newsletter	Workshop 1: discuss VoE	Website with a VoE database	Papers, book proposal(s)	Workshop 2: discuss results	Finalize book and last papers
Main task core team (see 4.2.1 and above for details)	Locate all the texts, group leader and the postdoc finish expert coding	Test the test questions – via reliability tests offline and online	Compile new dataset that includes VoE and cabinets, data mining	Review and add newest policy and inequality data, start analysis	Analyse new data, assess robustness, finish three case studies	Publication and exchange with stakeholders in the societal inequality debate
Main task assistant	Digitization of texts/sources	Preparation of coding	Finalizing a VoE website			

The postdoc will work closely with the group leader on both work packages and will be responsible for some aspects of the analysis independently. Cooperation between the group leader and the postdoc will be particularly important for the refinement of the coding scheme and the calibration of the test questions – mostly to insure intercoder reliability. The Ph.D. will

work primarily on WP 2.1, 2.2, and 2.3 and will thus be hired *after* the VoE dataset is compiled. He is to be hired in year 3 as one of his main tasks is to help compile a dataset that combines the data on parties' concepts of equality with relevant data on cabinets, policies, and inequality.

The tasks of the group leader apart from coordination and management (see 4.1) involve the development of the theoretical framework and the implementation of the crowdcoding as well as the execution of the quantitative analysis together with the postdoctoral researcher. Emphasizing the team-aspect, the group members will collaborate closely regarding the causal analysis (with its three components 2.1, 2.2., 2.3), though some specialisation for either of the sub-packages is envisioned. At the same time, it is vital with regard to the career prospects of the group's members that each core member has time for (project-related) individual research. Table 1 gives an overview over the work packages, the main tasks involved, and their duration. Please note that the tasks and responsibilities are broken down in greater detail in the budget. To ensure that the project aims can be reached and to meet the most rigorous methodological standards, each core member should attend one or two methods schools/courses (see 4.2.2.5). In addition, the core members will attend several conferences per year to present VoE (4.2.2.2).

## **2.4 Justification for the choice of host institution(s)**

The University of Konstanz and the Department of Politics and Public Administration provide excellent conditions for the junior research group and the project. Of particular importance for this institutional preference was the recent acquisition of the cluster *The Politics of Inequality: Perceptions, Participation and Policies* in the latest round of the German Excellence Initiative. In line with the focus of the VoE project, one of the leitmotifs underlying this cluster is that we still know far too little about actors' perceptions of inequality as well as the legislative and societal consequences of differences in perceptions. Not least due to this inequality cluster, Konstanz will be one of the hubs for innovative research on the politics of inequality in the 6-7 years to come. This will not only provide fertile ground for interdisciplinary collaborations, but also help to attract applications of promising postdoctoral researchers and Ph.D. students. The possibility to integrate the Ph.D. student into existing structured doctoral programs and the close ties of the cluster and the Department to institutions leading in inequality research are further advantages.

The faculty of the department also includes esteemed experts on methods of (digital) social science data collection (e.g., Nils Weidmann or Andreas Jungherr) and the department already hosts large-scale data collection efforts concerned with party preferences (such as the German Agendas Project, directed by Christian Breunig). The department is currently investing in a new methods- and data hub for the inequality cluster that could prove vital in building and promoting the new VoE database. Finally, the Department and Marius Busemeyer (as one of the speakers of the new *Politics of Inequality*-cluster) and the research support staff have enthusiastically and decidedly supported this project application – long before the cluster's success was confirmed.

## **2.5 Data handling**

The new VoE database will be made available at a website upon completion of WP 1.1. This will happen in close cooperation with the (aforementioned) newly founded methods hub. At the heart of this hub lies the ambition to provide a central infrastructure for data relevant for the new *Politics of Inequality*-cluster. A visualisation tool that also allows laypersons to graph VoE over time will be implemented on the VoE website to foster the data dissemination beyond academia. All of this will be done in compliance with the new good practice guidelines on data handling of the University of Konstanz and with the goal in mind to create a publicly available infrastructure.

## **2.6 Other information**

[...]