

# Who Wants to Level the Field?

## Autocracy, Democracy, and Redistribution\*

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### Abstract

To date, the literature on autocracy and democracy has focused primarily on macro level distinctions between the two regime types and rarely tested whether institutional differences influence individual preferences at the micro level. This study seeks to provide an entry point into exploring micro level distinctions between regimes types by examining whether there are inter-regime differences in demand for state involvement in redistribution in 26 Eastern European and Central Asia countries. I first show that Eastern European determinants for redistribution across the entire sample of 28 Eastern European and Central Asian states roughly follows the predictions of the existing literature on demand for state redistribution, although they do differ on some points from the OECD states that are the main focus of the literature. I argue that the lack of contestation in autocracies means that state elites are more easily able to expropriate from those with no connections to the regime. Coupled with the incentive such elites face to adopt more expropriative policies than their democratic counterparts. I test hypotheses stemming from two implications of this. First, those with more income and more marketable skills should *ceteris paribus* be less in favor of a strong state role in redistribution. Second, elites with connections should also be more in favor of redistribution, since redistribution serves to stabilize conflicts in regimes and these elites can use their connections to pass the costs onto others. I find that mobility of profession is only a significant determinant of wealth in democracy, although the effects of other measures are stronger in autocracies. I also find weak support for the proposition that those with marketable skills and connections to the state are more in favor of more redistribution in democracies.

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Recent empirical study has shed a great deal of light on institutional differences between autocracy and democracy when it comes to redistributive outcomes and the supply of transfers from the rich to the poor.<sup>1</sup> Although little empirical work has been done to elucidate the micro-foundations of the theories that underlay these findings formal modeling has suggested that autocracies will tend to make transfers only within a tight knit group of regime supporters (Bueno de Musquita et al. 2003). Nonetheless, these studies approach redistribution from the standpoint of the incentives of ruling elites and broad undifferentiated masses of citizens, causing differences in individual level demands for redistribution to be poorly explored.

Part of the problem is that major studies of demand for redistribution to date have been geographically circumspect. Most studies to date have focused on explaining the determinants for demand for redistribution in OECD countries, thus leaving the question of who demands redistribution in autocratic settings largely unexplored. Major hypotheses from this literature includes predictions based on income, mobility (education and skill level of employment), life hardships, and ethnicity<sup>2</sup>. The lack of connection between this literature and that on regime types is problematic, however, because a large class of models link under-fulfillment of demand for redistribution with revolutionary sentiment and regime instability. In these models, autocrats are forced to provide transfers and redistribution to one of two types of social groups: members of their coalitions and/or credible threats to the regime. The greater the

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<sup>1</sup> Haggard and Kaufman (2008: 38-46, 362-363), for example, argue that the greater accountability and the ease of forging cross-class coalitions in democracies mean that they should be more likely to promote and maintain equitable redistribution than autocracies, although these effects are historically contingent.

<sup>2</sup> For an excellent and exhaustive review of the findings on the US and Europe, see Alesina et al., 2001 and Alesina and Giuliano, 2009.

threat posed to the regime and the larger the portion of society that it encompasses, the larger the magnitude of redistribution and the wider its spread must be in order for the regime to remain stable and avoid revolution.<sup>3</sup> In this framework, the supply of redistribution institutionally disconnected from demand in autocracies. Nevertheless, understanding the latent demand of society for redistribution is crucial to understanding how supply changes based on shifting regime threats. Furthermore, the comparison to democracy may help to illuminate key institutional differences in the two that effect individual level preferences for redistribution and, through these, willingness to launch a revolution.

In acknowledging this disconnect, I take to heart Cusack, Iversen, and Rehm's (2006: 366) warning that political institutions and interests mediate between supply and demand for redistribution. This is even more true in autocratic settings, where the lack of contestation and accountability by the ruling elite means that those who are wealthy and unconnected to the state may have more difficulty defending themselves from redistributive policies that target them for expropriation. As a consequence, I argue in this paper that those with more to tax should *ceteris paribus* be even less in favor of a strong state role in redistribution in autocracy than in democracy, where they have no influence on institutions that mediate between supply and demand. I also expect that groups with marketable skills, elites, who are connected to the regime and have influence over supply of redistribution should feel quite differently, because the logic of authoritarianism allows them to pass the costs of redistribution onto those unconnected to the regime. Moreover, they reap a positive benefit in that redistribution

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<sup>3</sup> For more on the effects of threat on the magnitude and spread of redistribution, see Jennifer Ghandi and Adam Przeworski. 2006. "Cooperation, Cooptation and Rebellion Under Dictatorships", *Economics and Politics* and Carles Boix and Milan Svolik (2008), "The Foundations of Limited Authoritarian Government: Institutions and Power-sharing in Dictatorships", working paper, 4.

stabilizes the status quo by mitigating pressure for reform and revolution, a situation which benefits such connected elites.

The contribution of this paper is twofold. I first form a baseline for understanding preferences toward redistribution in Eastern Europe by testing various hypotheses developed within the context of the US and Western Europe. I focus primarily on measures of consumption (income), skill, hardship, and self-perceptions about social mobility vis-à-vis one's parents. I then look at demand for redistribution in a subsample of all the Eastern European autocracies, on the one hand, and democracies, on the other. I compare the two and show that there are distinct differences in preferences for state involvement among those with high incomes and marketable skills across regimes. I also show that those with marketable skills and connections to the state only significantly favor redistribution in autocracies. I also attempt to form predictions about semi-competitive authoritarian regimes, which comprise a category of countries distinct from either the autocracies or democracies but which have received little empirical attention.

In the next section I shall discuss the pre-existing findings on redistribution and how they relate to Eastern Europe. In section three, I discuss how demand for redistribution differs across regime type and tentatively suggest how the lack of contestation mechanisms in autocracies, as well as their expropriative logic and narrow winning coalitions, can be expected to condition this study's findings. Section four presents the data and explains how the dependent and independent variables used in this paper are operationalized. Section three will

discuss the empirical model used. Section four presents the preliminary results. Section five concludes.

### **Eastern Europe In Perspective**

In dealing with potential differences between demand for redistribution in democracy and autocracy it is important first to characterize expectations on the general nature of demand in the region. The determinants of demand for redistribution in democracy have been extensively studied and many hypotheses as to how preferences for distributive outcomes come into existence have been advanced. Indeed, there is almost an embarrassment of riches upon which to begin thinking about variation in demand across regime types, although there is little work on Eastern Europe specifically. Nevertheless, I argue that patterns in demand for redistribution across the pooled sample of Eastern European countries should look very much such patterns in other regions, with the possible exception of the effects of age and of education. There is no reason to expect Eastern Europe to be exceptional. In this section, I review the literature and establish baseline theoretical priors for the region. Readers familiar with the literature on demand for redistribution may find this redundant and may wish to refer instead to table 1, which summarizes the priors with respect to the independent variables used in this study.

Most studies of demand for redistribution focus on objective, material conditions for demand for redistribution tied to income and social mobility. On the one hand, the most common result in the literature is the unsurprising fact that demand for redistribution falls in income, likely because redistribution imposes a higher marginal tax burden as the wealth of the

rich is transferred to the poor (Alesina and Guiliano, 2009: 14; Cusack, Iverson and Rehm, 2006: 371-372). There is no reason to suspect things operate differently in Eastern Europe.

A related measure, Education has a less straightforward relationship to redistributive sentiment. For example, studying education is complicated by the fact that is positively correlated with income and serves as a potential proxy measure for both social mobility and ideology (Iverson and Soskice, 2001). Studies in the US and Europe tend to privilege the former explanation and expect a negative relationships between support for redistribution and education (Alesina and Giuliano, 2009: 14). Correlating education to social mobility in Eastern Europe is tricky, however. If respondents were educated under communist regimes, it is questionable whether the skills learned were still useful outside the context of state owned enterprises after the transition to market economies and the introduction of competition onto labor markets. Similar arguments are made with respect to age- a proxy for accumulated experience- as an independent variable<sup>4</sup>.

Despite potential concerns that education might means something quite different in Eastern Europe than in other regions, I argue that the relationship between education and demand will be negative. Even in Eastern Europe the better educated will have opportunities through connections that may not be available to others with less schooling whether their education was acquired under communism or not. Similarly age should behave as it does in most other regions and have a non-linear relationship with demand for redistribution. Those in their prime working years can expect to bear the burden of taxation, while those nearing

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<sup>4</sup> I am grateful to Timothy Frye for pointing out this important distinction between Eastern Europe and other regions.

retirement are more likely to be ill, infirm, or retired and therefore eligible for redistribution (Cusack, Iverson, and Rehm, 2006: 372).

Other, more unambiguous, measures of social mobility are also prevalent in the literature. Picketty (1995: 553-554, 570-571), for example motivates his formal model of demand for redistribution with an intergenerational learning mechanism. In his conception, demand for redistribution depends on one's current perceptions of how important individual effort is in wealth acquisition. One forms these notions from both personal experience and from observing one's parents. Alesina and Giuliano (2009: 14-15) provide empirical support this view of mobility by showing that demand for redistribution increases as one's father's job becomes more prestigious relative to one's own, although they also find that differences in educational attainment between father and child are insignificant. Cusack, Iverson, and Rehm (2006) more explicitly tie social mobility to risk, showing that increases in the ratio of specialization to education required for jobs (e.g. the more specialized one must be at the same level of education) the more redistribution is favored. Here, redistribution becomes both a means of diminishing inequality and a form of social insurance that hedges against overinvestment in firm specific skills (Mares, 2003). So long as workers view redistribution as insurance, they may therefore favor it.

Sectoral level variables overlap with other concerns, though, so one must be careful in using them to explain demand for redistribution. Cusack, Iverson, and Rehm (2006: 372) isolate the effects of being in specific sectors by using a measure of skill specificity which captures the underlying relationships between belonging to particular sectors and demand for

redistribution- risk and the ability to use skills learned in that sector outside of it. Even so, some sectors are more dependent on redistribution than others, even controlling for risk and skill specificity. Cusack, Iversen, and Rehm are careful to isolate students, public sector officials, and retirees, because they are groups with higher structural dependence on state redistribution and can be expected to unconditionally support it. Likewise, they separate out entrepreneurs and the self-employed from their equation because such groups depend on flexible, low-paid labour markets, which disappears under heavily redistributive systems. There is no reason to suspect that these results don't hold in Eastern Europe.

Finally, gender, ethnic fractionalization, and life history can also be expected to operate the same way in Eastern Europe as they do throughout the rest of the world. In general, women are more likely to favor redistribution, because they tend to be primary caregivers and so face increased labour market risks (Cuskack, Iversen, and Rehm, 2006: 373). Second, ethnic fractionalization in Eastern Europe should also reflect the same sorts of racial pressures on distribution as the US. Alesina and Glaeser (2004) argue that this stems from a common observation that one is generally more generous towards those of one's own ethnic group (Alesina and Giuliano, 2009: 17-22). As a consequence, redistribution is not favored by majority populations in highly fractionalized states largely because the majority of the redistribution may wind up in the hands of minority groups, who at least in the US are disproportionately represented amongst the poor. Because Eastern Europe is more akin to the US than the ethnically homogenous western European states, I argue that similar dynamics will abound in Eastern Europe. Finally, Alesina and Giuliano (2009:18-19) find that one's life history- traumas

such as divorce or unemployment- are also good predictors of demand for redistribution. They show that negative events increase one's probability of favoring redistribution.

### *Demand and Regime Type*

Having established a baseline of theoretical priors in Eastern Europe in the previous section, I now seek to characterize the logic of redistribution in autocracies and democracies in order to form priors on individual level differences in demand for redistribution between the two. Table 1 summarizes my expectations. I argue that the key difference between autocracy and democracy lies in the incentives that the contestation mechanism of the latter offer to democratic elites. The lack of contestation has very real impacts on the incentives of ruling elites in autocracies and through them to those who are well connected in the regime. I argue that the major difference between autocracy and democracy will be in the incentives faced by the winning coalitions and those whose market-oriented skills enable them to best take advantage of connections to this group. Because these groups benefit from stability in the regime and/or can pass the costs of redistribution onto others, they should favor redistribution. Although the survey instrument I use in this study does not allow me to directly test inferences about the winning coalition, I can nonetheless test inferences about groups with market oriented skills that are connected to them.

Classical definitions of democracy focus on two key components that differentiate it from autocratic regimes- contestation and participation- both of which straightforwardly imply

that democracies should have more inclusive policymaking than autocracies<sup>5</sup>. Contestation, in particular, is key, since it enables the electorate to induce politicians to initially promise and then credibly commit to carrying out the electorate's desired policies so long as it can coordinate (Barro, 1973; Weingast 1997). Failure to promise sufficient benefits or deliver the goods after the elections signals to the electorate that it should hold the politician to account and remove her from office in favor of someone who *will* provide the desired policies. The level of redistribution that is sufficient is in turn largely dictated by the median voter, whose support is crucial to winning elections. Combining this result with the famous Meltzer-Richard (1981) in turn implies that if the median voter's income is below the mean income in society, she will favor redistribution up to the point where her benefit is raised her income to the median or is outweighed by the efficiency cost of taxation.<sup>6</sup> Under this interpretation of contestation, democracy therefore facilitates redistribution.

Acemoglu and Robinson (2006) make use of this expectation in order to motivate their model of transitions between autocracy and democracy. In their model, the poor demand redistribution from the rich and can threaten to revolt and impose democracy if their demands are not met. As the level of threat posed by the poor (e.g. their probability of successful revolt) increases, the wealthy are forced to make ever larger payments in order to prevent revolution. Because of the lack of contestation in autocracy, however, the promises of the rich to make transfers in the future are not always credible. If the poor fear their power may lessen over

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<sup>5</sup> For the classical definition and discussion of democracy as a function of contestation and participation, see Dahl 1971, 2-5; The most minimalist definitions are based on Schumpeter's classic formulation, which focuses solely on contestation, see Schumpeter 1947, 269 and Przeworski et al. 2000, 15-16.

<sup>6</sup> Note that these results also hold if one uses a more modern formulation of the Meltzer-Richard model such as that presented by Persson and Tabellini (2000: 120-123).

time, perhaps due to the costs of continuous collective action or because their strength is predicated on a temporary exogenous shock, they demand democracy as a way of institutionalizing the promises of the wealthy and preventing future unilateral changes to the redistributive bargain. Thus for Acemoglu and Robinson, democracy, and more specifically the contestation mechanism it entails, helps to resolve commitment problems between classes and reduce revolutionary pressure. The framework implies a crucial endogeneity problem, though. The wealthy in autocracy initially established the autocracy and oppose democratization precisely because income is sufficiently unequal that they fear increased redistribution. Thus the micro foundations of regime selection rest on expectations of transfers. Indeed, countries where wealth is more equally distributed may be empirically predisposed to democracy (Engerman and Sokoloff, 2002).<sup>7</sup>

In so far as Acemoglu and Robinson depend on a simple median voter framework, however, it is unclear that the model is a useful description of democratic politics. In reality, redistribution rarely leads to a convergence in the median voters income with the mean income. The median voter model assumes that all actors have equal influence and can effect electoral outcomes to a similar degree; however, this need not be true. Intuitively, the wealthy should have more resources to devote to interest and pressure group activities, which in turn should provide them more political clout than the numerically superior poor in democratic settings. Here pluralism is a boon because it allows for interest groups to form and substantially impact the political process. Furthermore, there is every reason to suspect that the poor lower

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<sup>7</sup> In future versions of the paper, I test for this outcome directly by including inequality in my multilevel model. Preliminary results indicates that institutional differences persist even with such controls.

classes suffer from more severe coordination problems than the wealthy purely by virtue of their vast numbers. If this is the case, then one can expect that in general the wealthy, as a group, are better able to defend themselves against undue taxation and expropriation in democracy absent a direct connection to government. This in turn implies that rent sources for democratic ruling elites should look quite different and be much smaller than those of their autocratic counterparts, because the ability of the wealthy to defend themselves from expropriation in the former regime type implies that it is harder to generate rents through naked expropriation. Although rents in the form of favored taxation structures, government contracts, etc. might still serve as rewards and rents for members of the winning coalition in democracies, the contestation mechanism should hold the magnitude of such rents down.

This is not to imply that there is no defense against appropriation in autocracy, only that such mechanisms are much weaker and typically require extra-systemic actions. As mentioned above, autocrats in the Buena de Musquita et al. (2003) selectorate model have a strong incentive to redistribute to the narrowest winning coalition, here interpreted as ruling elites and their supporters, that will insure their continued rule and to do so by expropriating from an excluded majority. Elites are able to protect themselves and their friends by virtue of controlling tax structures. For excluded majorities, however, the only limit on elite's ability to expropriate are self-imposed constraints designed to maximize future rents. Thus, if a situation arises that requires new sources of spending, there is little stopping the ruling elites from passing the costs of responding to the new situation on to excluded majorities. Only where social groups within and excluded majority pose a credible threat to regime survival can they independently defend themselves from predation by the ruling elites and force the rulers to

make transfers or policy concessions in order to stave off revolution (Gandhi and Przeworski, 2006).

There are two problems with this prediction, however. First, it is unclear whether it is in fact the case that members of the ruling elite are forced to pay the costs of redistribution themselves. All of the models reviewed above tend to assume a simple two player, zero sum game where the opposition represents some unified segment of the populace playing against an autocratic regime. Autocratic societies should not always be expected to be so unified, however. In the n player game, where only identifiable segments of the population- the masses, wealthy elites excluded from the winning coalition, intellectuals, or the military- pose a threat the one equilibrium outcome is that the threatening group is paid off through heavy taxation of the rest of society. Within the context of redistribution, this might imply that the cost of appeasing society through redistributive transfers might be borne by wealthy elites outside the regime. Second, this framework also assumes that the benefits to ruling elites of regime stability do not necessarily outweigh the costs of redistribution. As such, it is possible that members of the ruling elite may favor redistribution in autocracy either because it is either costless or has sufficient stability benefits to be worthwhile.

One clearly observable implication of my argument is that the expropriative logic of authoritarianism should make those with highly marketable skills and lots of human capital less willing to apply the full extent of their skills. In this view, democratic institutions serve as compliments to those with marketable skills and provides institutional incentives to work harder and fully utilize their talents, secure in the knowledge that expropriation is constrained

(Frye et al. 2009). Although Cusack, Iverson, and Rehm (2006) show that those with high levels of skill never support redistribution, we would expect this effect to be even more significant in autocracies because these regime offer even less of an opportunity to defend against expropriation. I therefore expect *ceteris paribus* the substantive effects of skill, education, income, and self-employment in autocracies to be of higher magnitude than in the democratic sample. The logic of the winning coalition above implies, however, that elites who are connected to the regime may be able to use these connections to defend themselves from expropriation. This could be because wealthy, highly skilled elites with connections to the state are more likely than others to be members of the winning coalition. It might also be that connections imply that this group can take advantage of autocratic institutions in order to evade the costs of redistribution or is able to profit so much from the regime that any stability benefits from redistribution are well worth the cost (on tax evasion for those with connections c.f. Gehlbach 2008). Regardless, I expect those who have connections to the regime and are highly skilled to be in favor of increased state involvement in redistribution in autocracies, where such connections net them positive utility, than in democracies, where accountability implies that connections are harder to systematically utilize.

The above analysis does not have implications for the hardship variables, therefore I expect them to have similar magnitudes across regime type. Table 1 summarizes the theoretical priors for differences in regime types discussed above.

*Introducing Semi-Authoritarianism*

A final theoretical point to take into consideration in a study such as this one is whether or not there may be distinctions between types of autocracy. Diamond (2002) and Levitsky and Way (2002: 52-53) argue that traditional dichotomization schemes such as that of Przeworski et al. (2000) fail to make an important distinction between more traditional types of authoritarianism and those that are “competitive” in that they have democratic forms but feature elections that are not free, fair, and open. By this I mean that elections matter, but that one or more of the following criteria are violated: parties may not be summarily excluded from elections (free); criticisms of the government can be made and media attention given to the opposition (fair); voter fraud, where present, is neither endemic or systemic (fair); and citizenship and voting rights are not narrowly defined to exclude a major bloc of voters on the grounds of ethnicity or gender (open). Although some authors treat these regimes as autocracies (Brownlee, 2007), Levitsky and Way argue that elections matter in these regimes and that their competitive dynamic, however limited, implies that even if incumbents can “stack the deck” in their own favor, the opposition poses an electoral threat to the regime and cannot be fully removed (2007: 53-54). By implication, this means that these regimes should be at once less stable than full autocracies and more willing to engage in bargaining.

Although Epstein et al. (2006) show that semi-competitive authoritarian regimes vary from their counterparts with respect to outcomes such as stability, few studies have been conducted to systematically study policy differences between these regimes and autocracy or democracy. This makes it difficult to form priors. I argue, however, that higher levels of contestation in semi-authoritarianism imply that there is a greater threat to the regime from society and opposition and therefore a stronger imperative to buy off one group or the other

through programs such as redistribution (Gandhi and Przeworski 2006). As such, I argue that these systems will behave much more like democracies than autocracies, because elites will be accustomed to having to forgo rents in order to preserve stability. Furthermore, the competitive aspects of such regimes also imply that the wealthy might better be able to defend themselves from expropriation. This in turn implies that the nature of rents in semi-competitive authoritarianism should look more like it does in democracy. Therefore, although I take Epstein et al.'s warning quite seriously, I predict there will be little difference between semi-competitive regimes and democracies in this study.

## Data

### *Measuring Support for Redistribution*

In order to test the hypotheses summarized above and in table 1, I make use of the Life in Transition Survey (LiTS) 2006 conducted by the European Bank for Reconstruction and Development, which interviewed a randomly selected sample of 1000 respondents from Turkey and each of the 28 former Communist states and their successors with the exception of Turkmenistan.<sup>8</sup> Households were randomly selected in a two stage process, which first identified 50 primary sampling units (PSUs) in each country and then selected 20 households from within each PSU.<sup>9</sup> Within each household, the nominal head of household was asked questions about wellbeing, assets, and economic satisfaction. Afterwards, a randomly selected household member over 18 was then asked a series of attitudinal and life history questions.

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<sup>8</sup> For more information on the methodology of the survey, including information on PSU selection, selection of random respondents from selected households, and interviewing techniques, see Synovate 2006. LiTS 2006 covers Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Former Yugoslav Republic of Macedonia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, Moldova, Montenegro, Mongolia, Poland, Romania, Russia, Serbia, Slovak Republic, Slovenia, Tajikistan, Turkey, Ukraine, Uzbekistan.

<sup>9</sup> Maps of the Selected PSUs may be found in Synovate (2006).

One key difficulty in studying demand for redistribution is often selecting survey elements that adequately convey how the redistribution is to be carried out. Intuitively, few would disagree that poverty gaps may be closed, but opinions begin to diverge when one posits that the state should be responsible for such actions. Moreover, there is a fundamental problem in most survey instruments because they do not account for the costs and tradeoffs inherent in increased redistribution. As such it is left to the respondent to think about costs. I exploit this to some extent with my hypotheses on differences in demand for redistribution across regime types. Whereas elites in democracies may view costs as defuse but likely to be imposed on the wealthy, members of autocratic winning coalitions and those with marketable skills who are connected to the state know that they will likely be able to pass these costs on to other groups.

As such, I use as a dependent variable the following question from LiTS 2006, which captures attitudes towards the state as a mechanism for redistribution:

Q3.05.738: Do you think the state should be involved in the following- Reducing the gap

between the rich and the poor.

- (1) Not Involved
- (2) Moderately involved
- (3) Strongly involved

Figure one summarizes responses. The overwhelming majority of respondents- 68.72%- believe in strong state involvement in redistribution, whereas 26.67% believe in moderate state involvement and only 4.61% of respondents believe the state should not redistribute at all. When one examines members of the most skilled groups in society that also happen to either currently work for the state or have at some time in the past, however, one notes that there is a wide disconnect between levels of support in these strata for government involvement between autocracy and democracy (see Figure 2). As the above discussion implies, those with marketable skills and connections to the public sector favor moderate state involvement by 9.91% more than their democratic counterparts in autocracies. On the other hand, their democratic counterparts are more likely by 12.64% to favor strong levels of government involvement in redistribution

**-Figure 1-**

**-Figure 2-**

*Grappling with the Literature: Controlling for Income, Social Mobility, Ideology and Life History*

In addition to standard demographic controls such as age, gender, household size, whether the household is rural, urban, or metropolitan, and whether the respondent is a member of an ethnic minority group, LiTS 2006 has several instruments useful for testing the theories discussed above. I test theories of social mobility by using a six point scale of educational attainment which ranges from no education to post graduate degree.<sup>10</sup> Subtracting

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<sup>10</sup>Categories are (1) no degree/education (2) compulsory school Education (3) Secondary Education (4) Professional, Vocational school/training (5) Higher Professional Degree (6) post graduate degree.

the education from a variable measuring one's father's level of education using the same six point scale yields a test of social mobility with respect to one's parents. I also employ a question that asks respondents whether they agree that their life is better with respect to their parents using a five point scale ranging from (1) strongly disagree to (5) strongly agree.<sup>11</sup> One's skill set is also important to social mobility. I check whether respondents with marketable skills vary important by including a measure of the years the respondent was self-employed and a dummy variable indicating whether the respondent is amongst the most skilled professionals in the LITS sample and has highly marketable skills. Respondents in this category are those who report being entrepreneurs, business owners, or those such as doctors and lawyers whose skills are highly marketable.<sup>12</sup> I also include a dummy variable indicating whether or not the respondent has ever worked in the public sector (e.g. for the state) and an interaction variable between this and the dummy variable indicating the respondent is highly skilled. This interaction term can be interpreted as describing those with highly marketable skills and connections to the government. Another dummy variable is included which indicates whether the respondent has ever worked as an unskilled laborer. Finally, income is proxied by using a index of consumption constructed by the LITS survey team and converted into equivalized consumption using OECD scales.<sup>13</sup>

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<sup>11</sup> Categories are (1) strongly disagree (2) Disagree (3) Neither disagree nor agree (4) agree (5) strongly agree

<sup>12</sup> I create this category using the LITS variable for current occupation. Those who have worked as a legislator, senior government official, enterprise manager, director/chief executive, business owner, physicist, engineer, mathematician, architect, computing professional, medical doctor, dentist, pharmacist, teacher, lawyer, accountant, author, professional, religious or similar profession for wages since 1989 are included in this category.

<sup>13</sup> Results are substantially the same if I instead substitute a self-reported income variable which asks respondents to rank themselves on an imaginary 10 step ladder from poorest to richest.

A major comparative advantage of the LiTS survey over other instruments is that it includes a section that examines the life history of respondents from the initial transitions away from Communism until 2006. This allows for a deeper explanation of the Alesina and Guiliano (2009) finding that hardships influence the propensity for supporting redistribution. In particular I include variables that sum the number of years respondents collected unemployment, were forced to make cuts in food consumption, and were forced to accept wages cuts or arrears, and the number of years the respondent worked for wages since 1989. I also include a dummy variable that records whether the respondent is currently receiving unemployment or social benefits aside from pensions and another that denotes respondents who are officially retired.<sup>14</sup>

Appendix table A1 provides more details on how each of the independent variables was measured and Table A2 provides summary statistics.

### *Defining Regime Type*

Having determined broad patterns in individual level demand for redistribution in the sample, I then examine institutional differences across regime type. As a first cut approach, I stratify the sample by regime type and compare results across them. In order to determine regime type, I use average Polity IV scores since 1998 to divide the regime types taking a negative score to indicate that regimes are autocratic and a positive score to indicate that it is democratic. Table 2 shows that using Freedom House scores to code regime type instead yields nearly the same set of democratic and autocratic countries, with the exception of Serbia, so

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<sup>14</sup> The nature of these social benefits varies by country but might include benefits in kind and various subsidies to specific groups such as electrical or metro subsidies.

long as regimes in the “partially free” category are assumed to be democratic. Table 2 also shows that an alternate coding scheme which is less optimistic- assuming partially free regimes are in fact autocracies- yields substantial differences.<sup>15</sup>

**-Table 2 here-**

In order to observe whether semi-competitive regimes are similar to or different from autocracies and democracies, I conduct another set of probit analyses where I trichotomize regime type. I follow Epstein et al. (2006)’s coding scheme whereby regimes with an average Polity IV score of 7 or higher are coded as democracies, regimes with scores between 0 and 7 are considered semi-competitive authoritarian regimes, and regimes with negative scores are considered autocracies. Table 3 lists the regimes in each category.

**-Table 3 Here-**

### **Empirical Methodology**

I run two tests. First, I characterize demand in Eastern Europe by looking at the determinants of demand for state redistribution noted above. Second, I then run a similar analysis on a subsample of each of three regime types- autocracy, democracy, and semi-competitive authoritarianism- and compare the results to characterize inter-regime

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<sup>15</sup> This suggests that the partially free regimes might be categorized best as a separate type of regime. Future versions of this paper will adopt a framework for coding these regimes similar to that adopted in Epstein et al. (2006), which codes them based on Polity Score and will use Lucan and Way’s classification scheme as a check.

differences.<sup>16</sup> In both cases, I test my models by estimating a standard ordered probit model with country level fixed effects dummies of the form:

$$D_i = \alpha + \sum \gamma_j X_i + \varphi_c + \epsilon_i$$

Where  $D$  is the variable of demand for state redistribution as described in the previous section,  $X$  is the vector of individual level variables of interest discussed above and  $\varphi$  represents the country fixed effects dummy variables. Because of concerns about smaller sample size in the autocratic subsample, when I compare differences across regime type, I use a more circumspect list of variables. In particular, I am concerned that several of the measures of social mobility might be capturing similar effects, leading to inefficiency in the estimates and biasing point estimates downward. To account for this, I drop the variables measuring health, level of success with respect to one's parent, and the unskilled dummy when I run the analysis by regime type. Because I am also concerned that several of the hardship variables may likewise capture similar phenomenon, I also drop the variable summing the number of years in which the respondent had to cut back on food consumption. Individuals are indexed by  $i$  and countries by  $c$ . All of the analyses use cluster adjusted errors to account for potential heteroskedasticity in the error term at PSU level.

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<sup>16</sup> Future versions of this paper will move beyond this first cut approach by running a Generalized Linear Latent and Mixed Model (GLLMM) multilevel model which will allow for a more fine grained test on how changes in democracy scores influence demand for redistribution by introducing country level explanatory variables and controls. Especially interesting will be introducing the Kaufman, Kraay, and Mastruzzi (2006) voice and accountability measure and disaggregated Polity IV variables, which will allow for a more fine grained analysis of what aspects of democracy may be driving differences in demand. I shall also fit a two-step model which looks at individual level predictors and then uses coefficients on the constants and individual level variables as dependent variables in a second stage which uses national level variables, one at a time, as predictors as described in Huber et al. (2005). This second method has fewer distributional assumptions than GLLMM and serves as a robustness check.

## Results

Because there is very little work exploring demand for redistribution in Eastern Europe, I begin by testing a model which includes many of the variables credited with driving redistribution in the prior literature on demand against the full sample of LiTS 2006 countries (with the exception of Turkey). Using this as a baseline for discussion, I then produce a first cut comparison using similar models run independently on the sample of autocracies and the sample of democracies.

### *Characterizing Demand*

Table 4 gives the results of the ordered probit analysis described above which tests the full range of variables noted above against respondent's demands for redistribution, as well as the  $y$  standardized marginal effects of a unit increase in each variable.<sup>17</sup> The demographic results were rather surprising in light of previous studies, since age and its square are not significant predictors of attitudes towards. The direction of the signs associated with these two coefficients is also unexpected and indicates both that the desire for redistribution diminishes

#### **-Table 4-**

with age and, because the coefficient on the square age term is indistinguishable from zero, that this relationship is relatively linear. There is a high possibility that the effect is somehow spurious, although the result may also reflect a lack of trust in the state by older respondents due to the turbulent experiences many experienced in the period preceding transition and the

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<sup>17</sup> These can be interpreted as the change in standard deviations of  $y$  for each unit increases in  $x$ . State redistribution here has a standard deviation of 0.5675.

endemic corruption of the communist era. Gender, however, was significant and negative, indicating that men are less likely to favor redistribution than women in comportment with the literature. Finally, the variable for minorities was insignificant, which indicates that Eastern Europe is more like Western Europe than the US in this regard, despite its high level of ethnic fragmentation.

Interestingly, all of the non-sectoral variables of social mobility- sum of years self-employed, education, difference in respondent and father's level of education, respondent's perceptions of success with respect to parents, and- were solidly significant and have signs similar to the predictions made in Table 1 as did the measure of consumption. Higher levels of education, income, self-employment, and levels of success with respect to one's parents all have a negative relationship with supporting higher levels of state involvement in redistribution. What is interesting about this result is that it lends support to the notion that attitudes towards redistribution come from a number of observed sources, along with self-assessment on one's stock of human capital. Strikingly, these observations indicate that the characteristics individuals use to assess their own prospects reflect both their own ability (self-employment) as well as observed outcomes with respect to other individuals who serve as reference points (success vis one's parents). This adds a psychological element to social mobility which is in keeping with and provides empirical support for formal models such as Picketty's (1995) model of perceptions of social mobility generated in an intergenerational game based on judging received wisdom against the previous generation's outcomes.

Such a framework is not particularly helpful in understanding the one anomalous result amongst the measures of social mobility, however: difference in levels of education between the respondent and the respondent's father. The coefficient indicates a positive relationship between greater levels of education vis one's father and support for state redistribution, whereas if this variable were a proxy for social mobility one might expect it to be negative. This result bears further study but might be the result of some sort of ideological effect of upbringing, which conditions the effect of education somewhat. It might also reflect the expectation that as one grows more successful vis-à-vis one's parent one will have to spend more taking care of them. The closer an individual's parents' income is to hers the less assistance one can be expected to have to give them. In this sense, redistribution means that highly successful respondents with poor parents won't need to give them as much.

Finally, the results with respect to skills were also largely as expected. Having a highly marketable skill set- professionals, entrepreneurs, or government officials- implies one does not favor redistribution as much as someone who is not a member of this group. Although those working in the public sector do support redistribution more and this is a significant determinant of demand, the interaction between being in the public sector and being having marketable skills is negative (although this result is not significant at conventional levels). These relationships hold despite controlling for income, which lends confidence that this is not the result of a spurious correlation.

The hardship controls get at the question of whether respondents are viewing redistribution as mainly a form of insurance or as a means of smoothing inequality somewhat,

but results are mixed. While the number of years in which food consumption had to be cut and, at a lesser level of confidence, the number of years one had to accept wage cuts or arrears are statistically and positively associated with attitudes towards state redistribution, the number of years where wages were earned, currently receiving unemployment, and the number of years one was on unemployment insurance have no statistically significant effects. More explicit measures are needed to explore the question of whether redistribution here is being viewed as transfers or insurance, although there is some evidence that this is the case. Using fewer variables that capture hardship dynamics might also clarify results somewhat, as using multiple, somewhat overlapping measures in this case might have biased results.

#### *Determinants of Demand across Regime Types*

Tables 5 provides the results of the first cut ordered probit analysis of the trichotomous regime type analysis.<sup>18</sup> The most obvious contrasts to be drawn from the results are those between the democratic and autocratic sub-samples. One of the most striking results is the large number of variables that were significant in Table 4 and continue to be significant in the democratic subsample, but are not significant predictors in the autocratic sample. In particular, it is troubling that a number of key demographic factors- gender, level of education, and differences in respondent and parents' education level- are no longer significant. The sum of years self-employed is also not significant in the autocratic sample. This, coupled with the small

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<sup>18</sup> As mentioned above, concern that several of the mobility measures are capturing similar effects causes me to drop them in this comparative analysis. Results are largely the same with their inclusion, although point estimates on the coefficients are smaller and less efficient.

number of countries that comprise the autocratic sample and warnings given in the LiTS report about many of them, implies that results for the subset must be taken with caution.<sup>19</sup>

**-Table 5 Here-**

If these effects are not the result of data problems, however, it indicates that income, skills, and connections to the public sector are much more important than demographics in autocratic regimes. One interpretation of this is that follows from Gandhi and Przeworski's (2006) is that redistribution in autocracies is targeted in ways that are not predictable based on these demographics in response to threats from specific groups. Whereas recipients are uncertain is that those with high income outside the ruling elite will be taxed to pay for it. Unfortunately untangling the cause of this finding requires a more comprehensive study of who receives taxation in autocracies.

What is puzzling, however, is that education has a significant negative effect in democracy, but not autocracy. This could be construed as support for the notion that those with high levels of mobility are less able to defend themselves from expropriation in autocracy and therefore support it less in these regimes. The effects of the measure of consumption and of skill in both regimes is roughly comparable, however. Figures 3 and 4 show the first differences in consumption and marketable skills, respectively, between the minimum and maximum values of each variable for autocracies and democracies and their 95% confidence intervals. Not only are the point estimates roughly comparable, but the confidence intervals also overlap. As a consequence, the education result is puzzling from a theoretical perspective.

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<sup>19</sup> See Synnovate 2006, 24-28

More puzzling, the sum of years self-employed is only a significant predictor of attitudes towards redistribution in the democratic sample, where it has a negative co-efficient. This is in contradiction to the argument I advance in this paper, as it implies that those who are self-employed in democracies disfavor redistribution more than their autocratic counterparts. Given the mixed results, therefore, it is not clear that skills and income have, *ceteris paribus*, different effects in different regimes.

**-Figure 3 here-**

**-Figure 4 here-**

Another interesting distinction between autocracy and democracies is that public sector connections and the interaction between marketable skills and connections to the public sector are only significant in the autocratic sample. The later result is in line with one of the central hypotheses of this paper- elites with connections and marketable skills are more likely to support redistribution. Moreover, and somewhat counter-intuitively, public sector connections are a significant predictor of less support for state involvement in redistribution. Figure 5 shows that even accounting for the negative effect of having marketable skills and in the public sector, the interaction term lends a modest net increase in probability of supporting strong state involvement in redistribution. The result is somewhat weakened by the large size of the 95% confidence interval relative to the point estimate, however. Again, the low statistical power of the autocratic sample may be to blame. One interpretation of this is that connections to the state alone do not matter. One must either be able to take advantage of them or one must have sufficiently valuable skills to the regime itself to reap benefits from these connections.

This result might also reflect the high levels of state sector employment in some of the autocratic samples, where privatization has generally been slow. As a consequence, there may be nothing special about being a state level employee at the lowest levels and it might be quite common. Unfortunately, the present survey instrument does little to help select between interpretations and therefore the interpretation of this co-efficient must rest on speculation for the moment.

**-Figure 5 here-**

Turning to the semi-competitive authoritarian subset, the analysis shows that there is little to differentiate it from democracy. Signs and marginal effects for both regimes are almost uniformly the same, even accounting for the slightly lower standard deviation of the semi-authoritarian subset. The only exceptions appear to be for education and difference in level of education vis-à-vis one's father. The simulations in Figure 5 show that first differences between minimum and maximum values of both of these variables, holding all other variables constant at their medians, shows that they have similar effects on probabilities of being in any given category of the dependent variable. Furthermore, the only variables that are significant in the democratic sample but not in the semi-authoritarian sample are location (urban, rural, or metropolitan), mobility, and the use of redistribution. It is not theoretically clear why any of these are the case. Furthermore, the fact that mobility only fails to achieve significance in the semi-authoritarian sample may simply indicate problems with the data rather than an underlying relationship. These results are cause for further study, but do tentatively suggest

that, at least with respect to policy articulation, there may not be much difference between semi-authoritarian regimes and democracy.

### **Discussion and Conclusions**

This paper has made two contributions to the literature on the demand for redistribution. First, it has shown that many of the theories developed to explain demand for redistribution in the OECD countries apply to it. In particular, the behavior of income, measures of human capital, measures of social mobility with respect to one's parents, and hardship all performed as expected by the literature thus providing more evidence for the external validity of many of the received theories discussed in the second section of this paper. This understanding is also helpful, because in so far as demand for redistribution in Eastern Europe is similar to demand in the OECD, we can be more confident in the assumptions of voter behavior that many models of the political determinants of demand for redistribution make on the basis of these theories. Because there is nothing abnormal about the determinants for Eastern European demand for redistribution, differences in the level of supply should therefore rest on political, rather than social, factors. This study therefore suggests, following Cusack, Iverson, and Rehm (2006) that the burgeoning literature on cross-regional differences in the supply of redistribution would do well to focus on institutional and political factors, rather than social and ideological ones.

In addition, to characterizing general Eastern European demand, this study has also offered a rough first cut attempt at characterizing differences in the demand for redistribution across regime type, an exercise absent in the literature on demand. Although the methods used

are extremely rough and the autocratic sample results have little statistical power, this study has two interesting findings. First, it indicates that that demographic factors may not be significant predictors of attitudes towards state redistribution in autocracies, although they are in democracies. Gender and education are less useful predictors than having public connections and marketable skills. Second, although the confidence intervals belie the uncertainty of the predicted effects, it would appear that elites with marketable skills and connections to the state are more in favor of a strong state role in redistribution than their counterparts without connections or who don't have marketable skills. As this effect is only present in democracies, it supports the notion that good institutions, or the connections to be able to mitigate bad ones, are complimentary to marketable skills. Where democracy prevails, it is easier and more profitable to use one's skills to the fullest extent.

As an entry point into the exploration of cross regime variations in demand for redistribution, this study attempts to bridge the gap between studies of individual level determinants of policy demand and studies of interest aggregation across regime type. In doing so, it leads back to a very old idea in the literature on regimes: that much of the difference in determinants of policy demand can be found in the institutional incentives that regimes provide for individual actors. Understanding this fact is crucial to emerging studies that seek to characterize the supply of redistribution across regime type by examining how popular demand is aggregated by institutions and modified by politicians into concrete policy. It suggests that more work needs to be done in authoritarian regimes to understand which interests matter and how these are aggregated in a seemingly monolithic system. Nevertheless, and a bit more narrowly, the case proposed in this paper is far from solid. More rigorous methods must be

applied even to the survey instrument used in this paper in order to tease out the nuances of the relationships between regime type and demand for redistribution.

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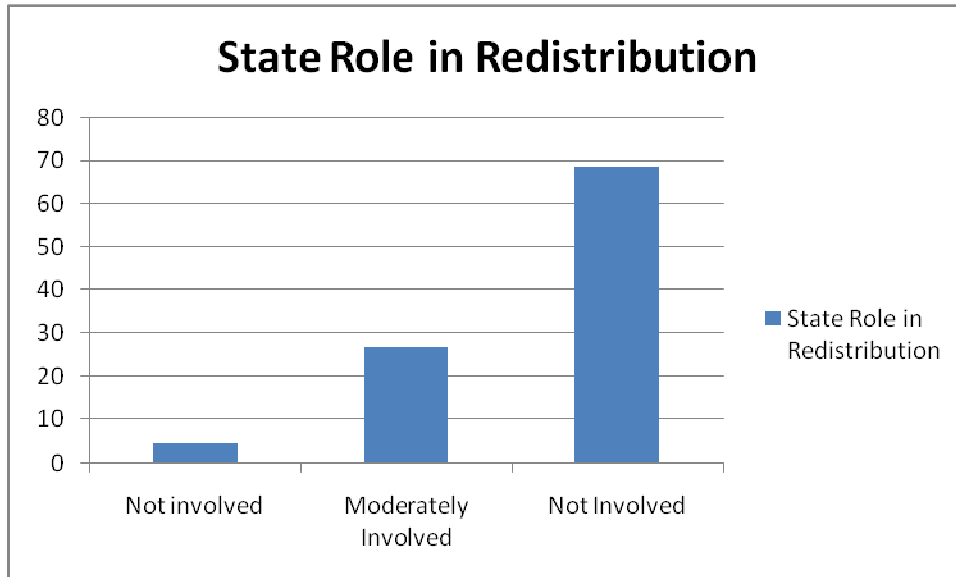
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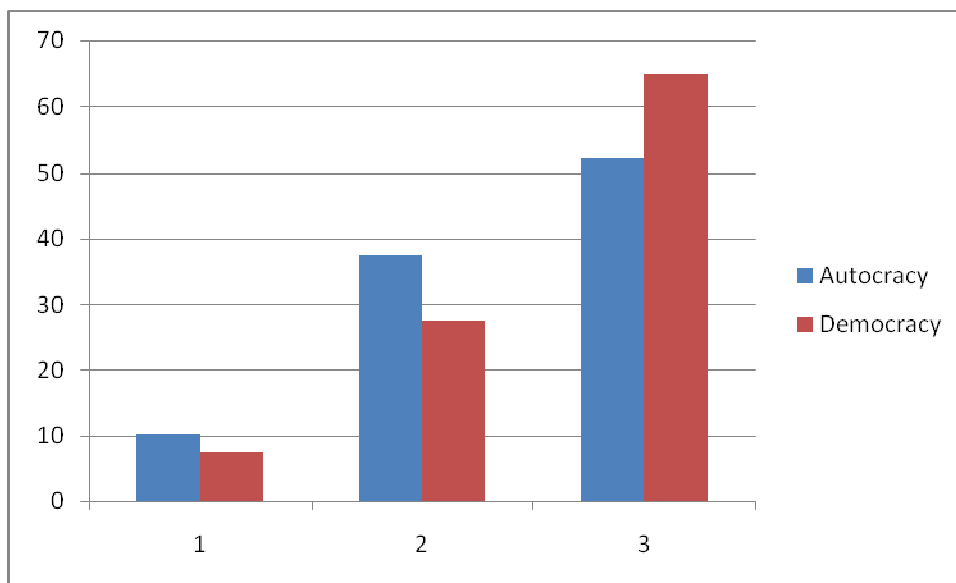
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**Figure 1: How Much of a Role Should the State have in Reducing the Gap Between Rich and Poor**

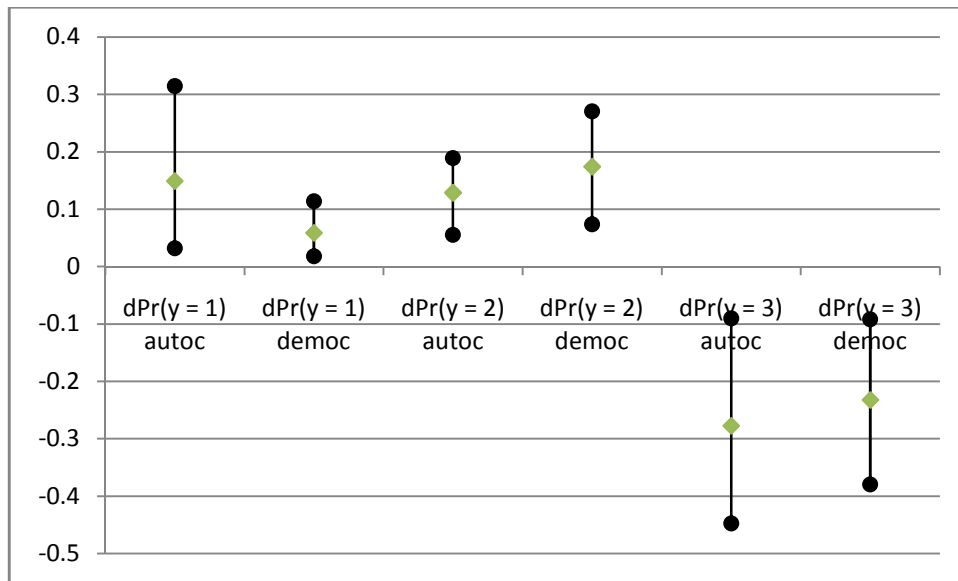


**Figure 2: Opinion on Role of State in Redistribution Amongst Highly Skilled Public Sector members by**

**Regime Type**

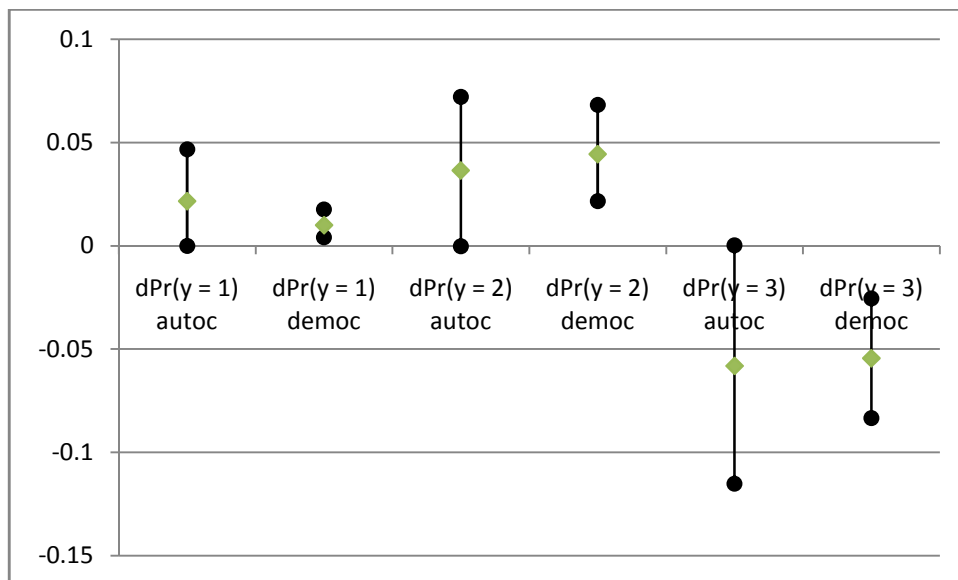


**Figure 3: First Differences Between Minimum and Maximum Levels of Consumption in the Autocratic and Democratic Subsamples**



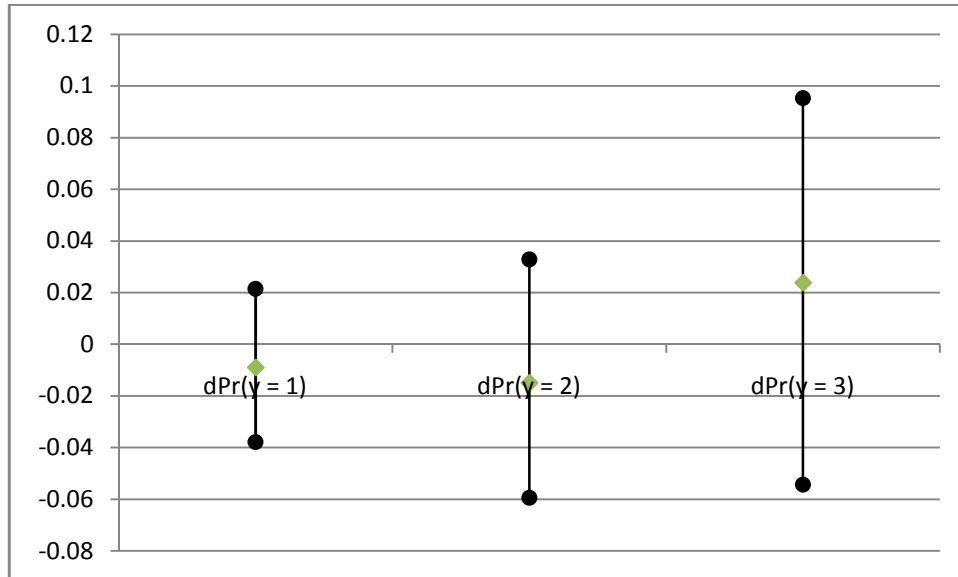
Note: All other variables set to median values

**Figure 4: First Differences Between Respondents with Skill and those without in the Autocratic and Democratic Subsamples**



Note: All other variables set to median values

**Figure 5: First Differences Between Respondents with Marketable Skills and No Marketable Skills**



Note: All variable set to their median values except for Public Sector, which is set to 1

**Table 1: Independent Variables and Theoretical Priors**

Prior	Variables
<b>Full Sample Priors</b>	
Positive Relationship between <i>variable</i> and strong state involvement in redistribution	Health, Household size, location of home (more urban), identification as a minority, unskilled dummy, public sector connections, interaction of public sector connections and mobility, retired, use redistribution, sum of years unemployed, sum of years forced to accept food cuts, sum of years forced to accept wage cuts
Negative Relationship between <i>variable</i> and strong state involvement in redistribution	Consumption index, gender (being Male), sum of years self-employed, Difference in education between father and respondent, success compared to parent, mobility (marketable skills), sum of years respondent earned wages
Curvilinear relationship	Age
<b>Subsample Priors</b>	
Variable has a stronger negative effect in autocracy	Health, consumption, education, difference in father's level of education with respect to respondent, respondent education, mobility (marketable skills), sum of years self-employed, unskilled dummy,
Variable has a stronger positive (or less net negative) effect in autocracy	Interaction between mobility and connections
Variable operates the same regardless of regime type	Gender, retired, sum of years unemployed, sum of years forced to accept wage cuts, sum of years earned wages

**Table 2: Alternative Samples of Autocracies and Democracies Based on Coding Rule**

CountryName	Partially Free as Autocracies	Partially Free as Democracies	Polity IV Index
Albania		X	X
Armenia		X	X
Azerbaijan			
Belarus			
Bulgaria	X	X	X
Croatia	X	X	X
Czech Republic	X	X	X
Estonia	X	X	X
Macedonia		X	X
Georgia		X	X
Hungary	X	X	X
Kazakhstan			
Kyrgyzstan			
Latvia	X	X	X
Lithuania	X	X	X
Moldova		X	X
Mongolia	X	X	X
Poland	X	X	X
Romania	X	X	X
Russia		X	X
Serbia		X	
Slovakia	X	X	X
Slovenia	X	X	X
Tajikistan			
Ukraine		X	X
Uzbekistan			

Note: First two columns taken from, "Freedom in the World Comparative and Historical Data", *Freedom House*, available at: <http://www.freedomhouse.org/template.cfm?page=439>. The first column assumes that the partially free category should be autocratic and the second one democratic.

Polity IV scores taken from, Polity IV Project, Integrated Network for Societal Conflict Research (INSCR) Program, Center for International Development and Conflict Management (CIDCM) University of Maryland, College Park, <http://www.systemicpeace.org/inscr/inscr.htm>. Regimes coded above a 0 on the 21 Point polity scale are considered democracies and those coded below a 0 are considered autocracies.

**Table 4: Summary of Trichotomous Regime Coding**

Democracy	Semi-Competitive Authoritarianism	Autocracy
Bulgaria	Albania	Azerbaijan
Czech Republic	Armenia	Belarus
Hungary	Croatia	Kazakhstan
Latvia	Estonia	Kyrgyzstan
Lithuania	Georgia	Tajikstan
Macedonia	Romania	Uzbekistan
Moldova	Russia	
Mongolia	Serbia	
Poland	Ukraine	
Romania		
Slovakia		
Slovenia		

**Note:** Polity IV scores taken from, Polity IV Project, Integrated Network for Societal Conflict Research (INSCR) Program, Center for International Development and Conflict Management (CIDCM) University of Maryland, College Park, <http://www.systemicpeace.org/inscr/inscr.htm>. Regimes with Polity scores greater than 7 were coded democratic, between 0 and 7 as semi-competitive authoritarianisms, and below a 0 as autocracies.

**Table 5: Results of Ordered Probit Analysis of Demands for State Involvement in Redistribution**

Independent Variable	Coefficient	Marginal Effects (Y standardized)
Age	-0.0010 (0.0038)	-0.0009
age2	0.0000 (0.0000)	0.0000
Health	0.0527 *** (0.0127)	0.0484
Household Size	0.0395 *** (0.0144)	0.0363
Male	-0.0662 *** (0.0173)	-0.0608
Urbrural	0.0208 (0.0182)	0.0191

Minority	0.0161 (0.0425)		0.0148
Education	-0.0533 (0.0127)	***	-0.0490
sum years self-employed	-0.0118 (0.0035)	***	-0.0109
Income	-0.0540 (0.0069)	***	-0.0496
Difference Father's Education	0.0382 (0.0091)	***	0.0351
Level of success compared to parents	-0.0327 (0.0105)	***	-0.0301
Skilled	-0.0633 (0.0265)	**	-0.0582
Unskilled	-0.0171 (0.0299)		-0.0157
Skilled*public sector	-0.0351 (0.0777)		-0.0322
Public Sector	0.0500 (0.0256)	**	0.0459
Using redistribution	0.0186 (0.0390)		0.0171
Retired	0.0871 (0.0276)	***	0.0800
Sum yrs. On Unemployment	-0.0072 (0.0106)		-0.0066
Sum yrs. Food Cut	0.0076 (0.0034)	**	0.0070
Sum yrs. Wages cut	0.0099 (0.0060)	*	0.0091
Sum yrs. Earned wages	0.0003 (0.0019)		0.0003
Number of Observations	23727		
Prob > chi2	0		
R2	0.0714		

Note: Standard Errors in Parenthesis clustered at PSU level. Country Dummies included.

Marginal Effects are reported as y standardized coefficients, with the interpretation that a unit change in x produces a change in standard deviations of y equal to the co-efficient. The standard deviation for state redistribution here is 0.5675.

\*p>.1 \*\*p>0.05 \*\*\*p>0.01

**Table 6: Results for Ordered Probit Analysis of Demands for State Involvement in Redistribution in  
Subsamples of Democracy and Autocracy**

Variables	Autocracy subsample		Semi-Competitive Authoritarian Subsample		Democracy Subsample	
	Coefficients	Marginal Effects	Coefficients	Marginal Effects	Coefficients	Marginal Effects
Age	-0.00224	-0.0021	0.006236	0.0059	-0.00014	-0.0001
	0.007853		0.0077		0.004829	
age2	5.42E-05	0.0001	-1.8E-05	0	2.76E-05	0
	7.6E-05		7.17E-05		4.54E-05	
Household Size	0.025937	0.0241	-0.01052	-0.0099	-0.00888	-0.0083
	0.02832		0.028949		0.020707	
Male	-0.04442	-0.0413	-0.09506 **	-0.0897	-0.09765 ****	-0.0909
	0.035818		0.041992		0.027635	
Urban, rural, or metropolitan	0.065625	0.061	0.007461	0.007	0.014722 ***	0.0137
	0.067519		0.03575		0.032503	
Minority	0.054095	0.0503	0.027419	0.0259	-0.01197	-0.0111
	0.085555		0.075023		0.061122	
Education	-0.02713	-0.0252	-0.09304 ****	-0.0878	-0.06449 ****	-0.06
	0.038671		0.018709		0.020198	
sum self- employment	-0.00771	-0.0072	-0.01127 **	-0.0106	-0.01784 ****	-0.0166
	0.006321		0.004624		0.004833	
Consumption	-7.2E-05 ***	-0.0001	-2.5E-05 ***	0	-2.4E-05 ****	0
	2.7E-05		9.30E-06		7.31E-06	
Difference Father's Education	-0.0139	-0.0129	0.067322 ****	0.0636	0.051883 ****	0.0483
	0.021821		0.014581		0.012641	
Skilled	-0.15044 **	-0.1398	0.02841	0.0268	-0.17466 ****	-0.1626
	0.07734		0.056717		0.047536	

Skilled*public sector	0.193556	*	0.1798	0.050215	0.0474	0.063825	0.0594
	0.105218			0.085547		0.07266	
Public Sector	-0.12867	*	-0.1195	-0.01483	-0.014	0.055916	0.0521
	0.073243			0.059257		0.046931	
Using redistribution	0.033012		0.0307	0.016101	0.0152	0.115646	** 0.1077
	0.069686			0.066378		0.053549	
Retired	0.128429	**	0.1193	0.099916	* 0.0943	0.098381	*** 0.0916
	0.059682			0.053607		0.035574	
Sum yrs. on unemployment	-0.0433	**	-0.0402	0.01654	0.0156	0.009486	0.0088
	0.020396			0.016602		0.013039	
Sum yrs. Wages cut	0.012711		0.0118	0.024942	** 0.0235	0.012833	0.0119
	0.009757			0.011841		0.010891	
Sum yrs. Earned wages	0.010976	***	0.0102	0.004298	0.0041	-0.00562	** -0.0052
	0.004137			0.003245		0.002705	
Cut Point 1	-1.45589			-1.91328		-2.39662	
	0.307071			0.204861		0.186854	
Cut Point 2	-0.17608			-0.57024		-1.11727	
	0.287711			0.195223		0.187914	
Number of Observations	5479			7463		11143	
Prob > Chi2	0.0000			0.0000		0.0000	
Pseudo R2	0.059			0.0477		0.0617	
Number of Countries	6			8		12	

Note: Standard Errors in Parenthesis clustered at PSU level. Country Dummies included but not reported.

Marginal Effects are reported as  $\gamma$  standardized coefficients, with the interpretation that a unit change in  $x$  produces a change in standard deviations of  $y$  equal to the co-efficient. The standard deviation for state redistribution was 0.5973 for the autocratic and democratic subsets and 0.5180 for the semi-competitive authoritarian subset.

\* $p > .1$  \*\* $P > 0.05$  \*\*\* $P > 0.01$  \*\*\*\* $p > 0.001$

**Table A1: Description of Variables**

Regression label	Measurement
<b>Dependent Variable</b>	
stateredist	Whether the Respondant believes the state should be (1) Not Involved (2) Moderately involved or (3) Strongly Involved in reducing the gap between the rich and the poor.
<b>Demographic Controls</b>	
Age	Respondent Age
Square of age	Square of Respondent Age
Health	Self assessment of Respondents health on a five point scale: (1) very good (2) good (3) medium (4) bad (5) very bad
Household size	Equalized Number of Household members
Respondent's gender	Dummy equal to one if respondent's gender is male
Location of home	Location of respondent's home: (1) urban (2) rural or (3) metropolitan
Minority status	Dummy variable equal to one if respondent self reports as a member of an ethnic minority
<b>Social Mobility</b>	
Sum of years self-employed	Sum of years in which respondent was self employed: 1989-2006
Respondent education	Level of Education of Respondent: (1) no degree/education (2) compulsory school education (3) secondary education (4) professional, vocational school/training (5) higher professional degree (University) (6) Post Graduate Degree
Consumption	Equalized consumption using OECD Scales
Difference in Respondent and Father's Education	Difference between respondent's self-reported level of education and level of education reported for the respondent's father using the education scale explained above
Success compared to parent	Respondent's belief that she had done better in life than parents: (1) strongly disagree (2) disagree (3) neither disagree nor agree (4) agree (5) strongly agree
<b>Skills and Public Sector</b>	
Mobility (marketable skills)	Dummy variable equal to one if respondent has worked as a legislator, senior government official, enterprise manager, director/chief executive, business owner, physicist, engineer, mathematician, architect, computing professional, medical doctor, dentist, pharmacist, teacher, lawyer, accountant, author, professional, religious or similar profession for wages since 1989. Represents the individuals with the most marketable skills in the sample.

Unskilled dummy variable	Dummy variable equal to one if respondent has worked as an unskilled laborer at any point since 1989.
Public Sector connections	Dummy variable equal to one if respondent was working in the public sector in 2006.
Mobility*public sector	Interaction term between mobility and public sector connections variables.
<b>Hardship and Life History Controls</b>	
Retired	Dummy variable equal to one if respondent is retired.
Use redistribution	Dummy variable equal to one if respondent is currently receiving unemployment or social benefits (varies by country, usually includes targeted subsidies and non-pension benefits).
Sum of years unemployment	Sum of the number of years in which respondent received unemployment benefits: 1989-2006.
Sum of years forced to accept foodcuts	Sum of the number of years in which respondent had to cut down on food consumption: 1989-2006.
sum of years forced to accept wagescuts	Sum of the number of years in which respondent had to accept wage cuts or wage arrears: 1989-2006
Sum of years respondent earned wages	Sum of the number of years in which respondent worked for wages: 1989-2006

**Table A2: Summary Statistics of Variables**

	Observations	Mean	Median	Standard Deviation	min	Max
<b>Dependent Variable</b>						
State demand for redistribution	27991	2.6411	3	0.5677	1	3
<b>Demographic Controls</b>						
Age	Age	50.8192	50	15.9843	10	97
Square of age	Square of age	2838.0780	2500	1675.3230	100	9409
Health	Health	2.7186	3	0.9957	1	5
Household size	Household size	2.0122	2	0.7970	1	6.5
Respondent's gender	Respondent's gender	0.5533	1	0.4972	0	1
Location of home	Location of home	1.8428	2	0.7385	1	3
Minority status	Minority status	0.1029	0	0.3038	0	1
Sum of years self-employed	Sum of years self-employed	1.0925	0	3.4028	0	18

Respondent education	Respondent education	3.4335	3	1.1406	1	6
Consumption	Consumption	2510.929	1811.633	5342.024	174	11231.91
Difference in Respondent and Father's Education	Difference in Respondent and Father's Education	0.6300	0	1.3389	-4	5
Success compared to parent	Success compared to parent	3.2611	3	1.1216	1	5
Mobility (marketable skills)	Mobility (marketable skills)	0.1625	0	0.3689	0	1
Unskilled dummy variable	Unskilled dummy variable	0.1275	0	0.3335	0	1
Public Sector connections	Public Sector connections	0.0097	0	0.0983	0	1
Mobility*public sector	Mobility*public sector	0.1877	0	0.3905	0	1
Retired	Retired	0.2268	0	0.4188	0	1
Use redistribution	Use redistribution	0.0794	0	0.2704	0	1
Sum of years unemployment	Sum of years unemployment	0.2009	0	1.0272	0	18
Sum of years forced to accept food cuts	Sum of years forced to accept food cuts	1.7080	0	3.8739	0	18
sum of years forced to accept wage cuts	sum of years forced to accept wage cuts	0.5229	0	1.7758	0	18
Sum of years respondent earned wages	Sum of years respondent earned wages	6.9719	5	6.8988	0	18