# Income Inequality and Disparities in Civic Participation in the New York City Metro Area

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Manhattan in September 2011 has drawn national attention to the connection between soaring income inequality and political power. Democratic governance requires that citizens must have equal standing before the law, equal voice in the political system, and independence. This means that each must be able to think for himself what constitutes both a good life and the larger public interest. One cannot easily participate if one is not autonomous, and one might not be so autonomous if one is lacking in economic resources. As much as inequality is thought to be a concern to democratic society because of the huge gap in living standards created between the top and the bottom of the wage distribution, it may be harmful for another reason: greater inequality may lead to gaps in rates of civic participation between those at the top and the bottom.

In this paper, I examine data from the U.S. Census Bureau's Current Population Survey to explore the relationship between income inequality and rates of civic participation. Are those with higher incomes more likely to be engaged in civic activities, particularly in the New York City metro area where inequality has historically been the nation's highest? I have argued elsewhere that wage policy furthers the end of democratic society by shoring up the middle class, reducing income inequality, and enhancing individual autonomy. In this paper I take the argument a step further. By using income variables as a proxy for wage policy and civic participation variables as a proxy for personal autonomy, I attempt to make the case, albeit somewhat speculative, that higher income, which would require a wage policy on some level, will lead to greater personal autonomy. Given that much of the literature on democratic theory holds that democratic society requires that citizens be autonomous, we can then infer that wage policy will result in greater democracy as measured by higher levels of civic participation, especially in places where income inequality is even greater.

## Rising Income Inequality

Income inequality in the U.S. has been sharply on the rise for some time now. Those at the top of the distribution have seen their incomes increase while those at the bottom have seen theirs decrease on average, after adjustment for inflation. The effect has been a narrowing of the middle class whose average real wage has stagnated since the 1970s.<sup>2</sup> Inequality and poverty have generally been higher here than in other industrialized nations, but the sharpest increases appear to have occurred first during the early 1980s and then again during the 1990s.<sup>3</sup> Wages for those with the least skills (primarily in the first 10th percentile of the pay

distribution) fell by 5 %, while the wages of the most skilled in the top 90th percentile increased by 40 %.<sup>4</sup>

Although income inequality is often considered to be the purview of – and natural outgrowth of – the market place, it nonetheless has an impact on the political universe and ultimately the meaning of democracy. Unequal distribution in wealth and income might result in unequal access, as individuals do not necessarily enjoy the same standing. More than affecting outcomes, inequality may also affect one's ability to participate. Democracy may not require that all participate, but it does require that there be no barriers to participation. Those lacking in wealth and income do not always enjoy the same access to political and policy officials as those who possess wealth and income do. In the U.S., where politics and money are greatly intertwined, those with lower incomes often tend to experience less responsiveness from members of Congress. Those at the top of the income distribution often enjoy greater advantage in attaining their policy and ideological objectives.<sup>5</sup>

Participation in U.S. civic life is a matter of choice, but the choice to participate in a particular way is a constrained one. It is essentially voluntary activity, which comes in many forms, with voting being the most common and most basic. Democracy rests on the notion of the equal worth of each citizen, but unequal participation has consequences for what is communicated to the government. If political participation is the mechanism by which citizens communicate their concerns to public officials, inequality in activity is then likely to be associated with inequalities in governmental responsiveness.<sup>6</sup>

Democratic theorists take the argument further and maintain that inequality can lead to instability because extreme concentrations of resources effectively limit the ability of the poor to exercise their political rights. Therefore, successful democracy requires lower levels of income inequality.<sup>7</sup> This assumes that poor people are unable and/or unwilling to participate because they have little time and money to spare. Greater equality maintains stability. As inequality increases, the masses seek redistribution, and the greater the redistribution away from the elites, the more likely are the latter to seek any means to counter this. The greater inequality, the more elites may try to destabilize democratic conditions because the burden of democracy on elites increases the gap between them and ordinary citizens.8 This may arguably cause some to turn to more authoritarian regimes. In nominally democratic societies like the U.S., greater inequality will more likely create pressure for redistributive policies, with various interests fighting against such

policies by latching onto more right-wing solutions. In the U.S. these interests are not going to mount an armed coup as much as they will make rhetorical appeals to what they take to be core American values of freedom and individualism. Such appeals may succeed in creating a political backlash against redistribution, but this will not necessarily lead to less inequality. Rather inequality may only mount, thereby leading to greater anomie and to more civic disengagement among the poor.

# **Declining Civic Participation**

Civic engagement is often thought of in terms of social capital. Underlying social capital is the notion that civic virtue is most powerful when it is embedded in a dense network of social relations. One of the defining features of American civil society has been associative life, whereby Americans belong to voluntary organizations and through these organizations participate in the civic affairs of their communities. Families are known to play an important role in the transmission of civic-mindedness, with married people tending to volunteer more than unmarried people, and women (especially if religious) more so than men.<sup>9</sup> And yet, civic engagement has nonetheless been on the decline. This decline is most evident in the voting booth.

A staple of the political participation literature has been the traditional socioeconomic status thesis. The central tenet of the model is: that people of higher socioeconomic status (SES) – those with higher education, higher income, and higher status jobs – are more likely to participate in public affairs, especially voting. <sup>10</sup> More recently, the Civic Voluntarism Model (CVM) has been offered as an extension of the SES thesis and it rests on the same assumptions. Political participation is the result of political engagement and resources. The Civic Voluntarism Model, then, holds that those with the resources to participate and the desire to do so by virtue of their engagement with politics are likely to be more active in politics. <sup>11</sup>

Participation has also been driven by the organizations that people join. Those in religious organizations and labor unions, for instance, have also tended to be involved in civic organizations. Active church members, for instance, are likely to be exposed to religious teachings about loving their neighbor and being responsible citizens, and are more likely to have social capital that manifests itself in ties to fellow congregants, which in turn can be used to mobilize their efforts. But they are also more likely to be aware of the needs and opportunities in their communities. 12 Houses of worship have been particularly important incubators for civic skills, civic norms, community interests, and civic recruitment. Work-related organizations like unions and professional societies have also been an important locus of social solidarity because they have served as mechanism for mutual assistance and shared expertise. For many years, labor unions provided the most common organizational affiliation among American working people.<sup>13</sup> Labor unions in America also served to get their members out to vote.<sup>14</sup> But these organizations, which have been critical to middle-class participation, have been in decline.

Still, it is well established that political participation increases with income. Citizens in the top income quintile are roughly five times as likely as those at the bottom to participate. There again tends to be a linear relationship between social positions and group membership.<sup>15</sup> Adults in households with income of less than \$30,000 have been found to be only half as likely as the highestincome Americans earning over \$75,000 to go online and are also much less likely to have high-speed Internet. The affluent are more highly engaged in public affairs because they have more at stake in a variety of policy areas. And higher income individuals are more frequently recruited to political activity. In Europe, lower income groups are more likely to be mobilized by powerful socialist parties and labor unions. Labor unions in the U.S. are today relatively weak and large numbers of low-income Americans are less likely to be mobilized to political activity. Another reason for the affluent to be more likely to participate is that income increases their sense of their stakes in the system. Higher income people tend to have a greater stake in many policy areas than do lower income people. For most participatory activity, income operates in the same manner for senior citizens: affluent seniors are also more politically active. At the same time, there have been instances when lower income stakeholders became much more involved, such as seniors concerned over recent Social Security reform proposals or beneficiaries of the GI Bill following World War II. The main point, however, is that awareness of their interests was heightened largely due to their membership in organizations. With the decline of organizations, their involvement has typically declined as well.

# **Testing Civic Participation**

The general theme of the social capital literature would appear to be that with the decline of traditional social capital in religion, labor unions, and other voluntary associations, the CVM model has only become prominent. And as these institutions declined, income inequality increased and civic participation decreased, especially among lower income groups. In the remainder of the paper, I test whether those with higher socioeconomic status are more likely to be engaged, and whether their engagement is likely to be even greater in New York than in the rest of the country. Data for this analysis is drawn from the U.S. Census Bureau's Current Population Survey November 2008 file on Civic Engagement. The Civic Engagement File builds on the general demographic data found in the CPS by adding variables to measure civic engagement. In this paper, I only focus on six of the civic engagement variables: whether individuals discuss politics and how much; whether they read the newspaper and how much; whether they attend political meetings; whether they attend marches, protests and rallies; whether they show support for candidates; and whether they participate in civic organizations.

Still, there are limitations to this particular data set. To get a general sense of the extent to which there is income inequality it is necessary to juxtapose this data set with the 2008 income data reported in the CPS 2009 March Annual Supplement. Also, there are no political variables, so we cannot get a sense of where individuals' ideological positions might tend to be and whether they may be factors in civic engagement. Similarly, there are no variables indicating religious affiliation; so to the extent that they affect civic engagement, we

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cannot know from this data. At best, this data set is only able to provide a clue as to what general demographic, and more specifically labor market variables may be positively correlated with civic participation and which in fact may predispose people to be more engaged.

My general hypothesis is that the higher one's socioeconomic status is as measured by income levels, the more one is likely to be engaged as measured by these variables. To the extent that it is true, it would support the proposition that a wage policy that broadly boosts incomes might similarly have the effect of increasing public participation, which in turn would enhance democracy. But my other hypothesis is that where inequality is greater, there are bound to be higher levels of civic engagement among those at the top of the income distribution relative to others. In part, this will be a function of those at the lower end of the distribution becoming even less civically engaged.

# Demographics of Civic Participation

90/10

24.6

To place the issues in context, the New York City metro area had the most extreme income inequality in the country in 2008. Measured by the ratio between the mean household incomes of the top and bottom quintiles of income recipients, the magnitude of the differences between national and local inequality levels can be seen in Table 1. The mean income of the bottom fifth (\$24,395) was only 0.3 % more in New York than in the U.S. as a whole (\$24,332), while the mean income of the top fifth in New York (\$242,395) was 20.7 % more than the U.S. as a whole (\$200,854) (This is no trivial

20.7 % more than the U.S. as a whole (\$200,854). (This is no trivial Table 1 Income Inequality in U.S. v. New York City Metro Area Ratio of Mean Household Incomes of Top Fifth to Bottom Fifth of Households Mean Income Bottom Top Fifth Ratio Fifth \$24,332 \$200,854 U.S. 8.3 \$24,395 \$242,395 New York 10.5 10-50-90 Ratios: Mean Income Ratios 50/10 90/50 90/10 10th 50th 90th U.S. \$25,300 \$73,547 \$163375 2.9 2.2 6.5 \$25,000 \$78,600 New York \$201,626 3.1 2.6 8.1 Percentage Differences between U.S. and New York Inequality Ratios: Top-to-bottom Ouintiles 26.5 Source – Table 1: 50/10 6.9 Estimates in this and other tables based on US Census Bureau's 2008 CPS data. 90/50 18.2

matter considering that the cost of living is higher in the New York City metro than in other parts of the U.S.) The ratios of the top quintile's income to the lowest quintile's income was 10.5-to-1 in New York, compared to 8.3-to-1 nationwide. That is, by this measure household income inequality was 2.2 percentage points, or 26.5% (=  $[2.2/8.3] \times 100$ ), higher in the New York City metro area than in the U.S.

It is also worth noting that the CPS data understates the extent to which there is income inequality because the census bureau top-codes the income variable at around \$1,000,000 a year. In the New York City metro where there may be traders and investment bankers, as well as other CEOs, making tens of millions of dollars, the fact that the dataset artificially records their income as no more than \$1 million probably biases downward our inequality measure far more for New York than elsewhere. So the true gap between the top and the bottom if we had precise incomes for the super-rich would likely be even wider in New York, which has generally tended to have higher levels of income inequality.

A look at income inequality on the basis of the 90th percentile to 10th percentile ratio also reveals a wide gap of 24.6 between New York and the national figure. And yet, the ratio between the 50th and 10th percentiles is only 6.9 % greater in the New York City metro area than in the U.S. as a whole. But the 90th to 50th percentile ratio is 18.2 % greater in New York than nationwide. The 10-50-90 ratios, then, only confirm the top-to-bottom quintile ratios. When it comes to civic participation, however, as Table 2 shows, there were some striking differences

Participation does appear to rise as income levels increase, and it appears to increase even more so in the New York City metro area. When it comes to discussing politics, there is a drastic drop in the percentage (-75.9%) that does not discuss it at all from 40.3 % among those in households earning less than \$30,000 per year to 9.7 % among those earning more than \$100,000 in the U.S. In New York that drop is only 52.2 %. But in terms of discussing politics every day, there is a significant difference between those earning more than \$100,000 and those earning less than \$30,000. Whereas the percentage of those earning over \$100,000 was 21.5% higher in the U.S., it was 177.8 % higher in New York. Similarly, those who do not read newspapers at all also drops (-70.3%) from 38.7 % among those earning less than \$30,000 to 11.5:% among those earning more than \$100,000 in the U.S., but the drop in New York is only 44. 8 %. Again, as with discussing politics, the difference between the top and the bottom when it comes to reading newspapers every day is only 13.5 %, but it is 148.1 % in New York. For those who indicated "yes" to the other questions, with the exception of attending political meetings, the percentage increases for those attending marches, protests and rallies; those showing support for candidates; and those participating in civic organizations from less than \$30,000 a year to more than \$100,000 a year were: 36.4%, 80.9% and 57.7% respectively in the U.S. In New York, however, the differences were: 189.9 % when it came to attending political meetings; 863.8 % when it came

Table 2
Civic Participation by Income Groups In U.S. v. NY Metro Area (Percentage)

(i ercentage)								
Discuss Politics								
	Every day	Few times per week	Few Times per month	Once/ month	Not at all			
U.S.								
Less than \$30,000	20.5	21.7	23.1	28.8	40.3			
\$30,000 to 59,999	28.5	29.1	30.6	31.2	32.3			
\$60,000 to 99,999	26.2	23.0	26.0	23.8	17.7			
\$100,000+	24.9	25.8	20.2	16.2	9.7			
NYC Metro								
Less than \$30,000	14.4	17.0	17.6	24.2	38.3			
\$30,000 to 59,999	19.9	23.5	22.7	19.7	22.2			
\$60,000 to 99,999	25.7	22.8	26.3	26.5	21.1			
\$100,000+	40.0	36.8	33.4	29.6	18.3			
	Re	ead Newspap	er					
	Every day	Few times per week	Few Times per month	Once/ month	Not at all			
U.S.								
Less than \$30,000	20.8	27.4	31.3	32.4	38.7			
\$30,000 to 59,999	29.2	30.8	31.1	31.8	31.8			
\$60,000 to 99,999	26.4	24.3	22.2	22.0	23.9			
\$100,000+	23.6	17.5	15.3	13.9	11.5			
NYC Metro								
Less than \$30,000	15.8	25.3	29.0	30.4	33.7			
\$30,000 to 59,999	20.9	23.3	18.2	19.6	24.9			

24.2

27.1

\$60,000 to 99,999

\$100,000+

24.1

39.2

	Attend Political Meetings					Support Ididates	Participate in Civic Organizations	
U.S.	Yes	No*	Yes	No	Yes	No	Yes	No
Less than \$30,000	46.0	28.5	18.4	27.2	16.2	29.0	16.8	27.9
\$30,000 to 59,999	26.1	30.9	29.1	30.3	27.0	31.0	28.0	30.5
\$60,000 to 99,999	28.0	23.3	27.3	23.8	27.5	23.2	28.7	23.4
\$100,000+	30.0	17.3	25.1	18.7	29.3	16.8	26.5	18.2
NYC Metro	Yes	No*	Yes	No	Yes	No	Yes	No
Less than \$30,000	15.8	22.3	4.7	22.2	8.9	23.4	11.2	22.2
\$30,000 to 59,999	15.3	22.5	23.4	21.7	16.3	22.5	14.0	22.2
\$60,000 to 99,999	23.2	24.4	26.6	24.2	26.5	24.0	28.0	24.1
\$100,000+	45.8	30.9	45.3	31.9	48.2	30.0	46.7	31.5

25.0

27.8

21.7

28.3

22.8

18.6

to attending marches, protests, and rallies; 441.6 % when it came to showing support for candidates; and 317 %when it came to participating in civic organizations.

In the U.S. as a whole some of the most dramatic increases in participation occur from less than \$30,000 per year to \$30,000-\$59,999 per year. Consider that on these variables, there was an increase of 58.2 % for those who indicated that they attended marches; an increase of 66.7 % for those who indicated that they showed support for candidates, and an increase of 66.7 % for those participating in civic organizations. This too is important, because the impact of a wage policy is bound to be felt more by those whom we would classify as "middle income." In New York, however, the percentage increases from less than \$30,000 were significant, but they were not nearly as significant relative to the U.S. as a whole. For attending political meetings, there is actually a decrease of 3.2 %. On attending marches, protests and rallies; showing support for candidates; and participating in civic organizations, the increase was 397.9 %; 83.1 %; and 25 % respectively. Nevertheless, what stands out in Table 2 is that while participation does increase in the U.S. as a whole, it increases more dramatically in New York. The differences between New York and the U.S. are staggering, especially when considering that average household income is greater in New York.

This, of course, raises some interesting questions. If the mean income of the top fifth of the distribution in New York is slightly less than the mean income of the top fifth in the U.S., why is participation so much greater at the higher income variables in New York? It is worth noting that, among those in households earning less than \$30,000, participation on all measures is

even lower in New York. Consider the following differences in Table 3. Compared to the U.S. as a whole, participation in New York on all measures is less for those in income groups up to \$99,999, but for those in households with incomes over \$100,000 participation on all measures is considerably greater in New York than in the national sample.

This would seem to imply that only those

who are affluent at a minimum, and more likely the super-rich, really are civically engaged. Again, we can speculate that those who are comfortable financially are bound to participate because they perhaps have the luxury of time to do so. Or freed up from the burdens of having to make a living for just mere subsistence, they have the luxury to be engaged. To the extent that this is true, it would imply something else with regards to the effects of inequality, which is that inequality not only raises the specter of instability by widening the gap between the top and bottom and effectively inching out the middle class. But it also threatens the foundations upon which democracy rests. Democracy requires autonomous individuals to participate on an equal basis in public affairs. But if only those at the top are participating, then it becomes a foregone conclusion that policy will be skewed to their interests, which would in turn suggest that those below the \$100,000 threshold are less equal.

# Regression Analysis

\$60,000 to \$99,999

\$100,000+

27.5

29.3

26.5

48.2

Although participation does appear to increase as household income goes up, there still could be other variables that affect whether one is more likely to participate in civic activity. To test their independent effects, I conducted a logistical regression analysis. I collapsed the six variables into three, which reflect three levels of participation: low, medium and high. Low-level participation is proxied by involvement in just two activities: discussing politics and reading newspapers. Medium-level participation indicates a level of interest that goes beyond reading and discussion, but involves attending

meetings, rallies, and showing support for candidates. And high-level participation involves active participation in a civic organization. The first set tests for the effects of basic demographics on these three levels of participation. The second tests for the effects of labor market variables on these three levels of participation. Tables 4 shows regression results for the U.S. and the New York City metro area respectively.

Those with high educational attainment have high probabilities of engaging in low levels of participation (discussing politics and reading newspapers), both nationwide and in New York alone. They also have high probabilities of engaging in medium levels of participation in both the U.S. and New York. Those who are married have strong probabilities of being engaged in both low levels of participation and high levels of participation in the U.S. and New York, although their probability of being engaged in high levels of participation appears to be stronger in New York. And those who are older than 65 appear to be likely to be engaged in low levels of participation in both the U.S. and New York. They do have a stronger probability of being engaged in high levels of participation in the U.S., but in New York this was not statistically significant.

Compared to those older than 65, the probability of being civically engaged appears to be less among those ages 18-24, although in the U.S. those 18-24 appear to be more likely to be engaged in medium levels of participation (attending rallies, marches, and showing support for candidates. Younger people, however, have a negative

probability of high levels of participation nationally, and in New York this was again not statistically significant. But in the New York City metro area this youth variable does have a positive effect for low-level participation which is statistically significant. What also stand out are the negative effects of low educational attainment for low and high levels of participation in the U.S. And yet, when it came to medium levels of participation in the U.S. and all levels of participation in New York, this variable was not statistically significant. Similarly, being in a lowincome industry also appears to have small positive effects on both low and high levels of participation in the U.S., but it is not statistically significant on medium level participation in the U.S. or any level of participation in New York. Overall, the regression coefficients would appear to give credence to the general premise that socioeconomic status. which includes both income and education, does result in increased participation. But more than income,

Table 3 Differences in Participation Rates between New York and U.S. by Income Levels								
	Discuss Politics Every Day			Read Newspaper Every Day				
	U.S.	NY	Diff	U.S.	NY	Diff		
Less than \$30,000	20.5	14.4	<42.4%	20.8	15.8	<31.6%		
\$30,000 to \$59,999	28.8	19.9	<44.7%	29.2	20.9	<39.7%		
\$60,000 to \$99,999	26.2	25.7	< 1.9%	26.4	24.1	<9.5%		
\$100,000+	24.9	40.0	>60.6%	23.6	39.2	>66.1%		
	Attend Political Meetings			Attend Marches, Protests, Rallies				
	U.S.	NY	Diff	U.S.	NY	Diff		
Less than \$30	46.0	15.8	< 144%	18.4	4.7	<291.5%		
\$30,000 to \$59,999	26.1	15.3	<70.6%	29.1	23.4	<23.4%		
\$60,000 to \$99,999	28.0	23.2	<20.7%	27.3	26.6	< 2.6%		
\$100,000+	30.0	45.8	>52.7%	25.1	45.3	>80.5%		
Show Support for Candidates Participate in Civic Organizations								
	U.S.	NY	Diff	U.S.	NY	Diff		
Less than \$30,000	16.2	8.9	<82.0%	16.8	11.2	<41.1%		
\$30,000 to \$59,999	27.0	16.3	<65.6%	28.0	14.0	<100%		

< 3.8%

>64.5%

28.7

26.5

26

28.0

46.7

< 2.5%

>76.2%

Table 4 Regression Coefficients								
	U.S			New York				
	Low Participation	Medium Participation	High Participation	Low Participation	Medium Participation	High Participation		
Explanatory Vars :								
Female	017	.164*	182	028	.367	394*		
Terriale	(.271)	(.010)	(.000.)	(.693)	(.401)	(.037)		
High Income	.218*	440	.153	.266	-12.849	.653		
Occupation	(.000)	(.220)	(.110)	(.391)	(.994)	(.290)		
High Household	.291*	.344*	.357*	.423*	1.660*	.960*		
Income	(.000)	(.000.)	(.000.)	(.000)	(.004)	(.000)		
High Educational	.822*	1.618*	.641*	.812	1.313*	.447*		
Attainment	(.000)	(.000.)	(.000.)	(.000)	(.016)	(.031)		
Low Income	.210*	.110	.140*	.197	.681	140		
Industry	(.000.)	(.250)	(.001)	(.068)	(.229)	(.656)		
Low Household	.096*	132	064	.099	-12.548	.235		
Income	(.000.)	(.193)	(.116)	(.371)	(.980)	(.491)		
Low Educational	366*	239	339*	179	.924	105		
Attainment	(.000)	(.088)	(000.)	(.150)	(.275)	(.768)		
Earn less than	167	1.137	595	-17.948	-12.734	-15.549		
Minimum Wage	(.661)	(.261)	(.556)	**(000.)	**(000.)	(.000)**		
Married	.687*	241*	.639*	.576*	.730	1.220*		
Iviamed	(.000)	(.001)	(000.)	(.000)	(.172)	(.000)		
18-24 Age Group	.275*	.544*	358	.279*	.579*	.558*		
10-24 Age Group	(.000.)	(000.)	(000.)	(.034)	(.489)	(.125)		
Older than 65	.396*	051	.901*	.302*	.051	.474		
Older than 63	(.000.)	(.621)	(000.)	(.004)	(.946)	(.065)		
Constant	2.228	5.581	3.728	2.310	7.932	5.075		
Constant	(.000)	(.000.)	(.000.)	(.000.)	(.000)	(.000)		
Pseudo R-Square								
Cox and Snell	.056	.006	.021	.054	.007	.017		
Nagelkerke	.092	.064	.069	.089	.136	.092		
McFadden	.062	.062	.059	.060	.133	.084		
*Estimates tha	*Estimates that are statistically significant. **Standard error; not a measure of statistical significance							

it is higher educational attainment that appears to have the greatest impact, especially when it comes to medium level participation, although perhaps a little less so in New York.

We can also get a picture from simply looking at the labor market variables of occupational income level, industry income level, household income level, earning less than the minimum wage, and union coverage. These effects can be seen in Table 5. In the entire U.S., being in a high-income occupation, has a positive, statistically significant effect for low level participation, but negative effects for

medium level participation. In the New York City metro area, this variable has no statistical significance. Being from a high-income household has positive effects for all levels of participation in both the U.S. and New York, but it is particularly strong in New York on medium and high levels of participation. Being from a low-income industry also has positive effects that are statistically significant for low-level participation, but it has no statistical significance on the other levels in the U.S. or on any levels of participation in New York. Being from a low-income household, however, has negative effects for all levels of participation in the U.S., but it is not

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Table 5 Labor Market Regression Coefficients							
	U.S				New York		
	Low Participation	Medium Participation	High Participation	Low Participation	Medium Participation	High Participation	
Explanatory Vars :							
High Income	.176*	872	.127	.187	-14.481	.826	
Occupation	(.001)	(.014)	(.174)	(.539)	(.996)	(.171)	
High Household	.495*	.651*	.468*	.623*	1.954*	1.154*	
Income	(.000.)	(.000)	(.000)	(.000.)	(.004)	(.000)	
Low Income	.151*	.110*	065*	.186	.643	147*	
Industry	(.000.)	(.240)	(.121)	(.075)	(.248)	(.632)	
Low Household	.157*	.352*	.276*	.111	-13.956	002	
Income	(.000.)	(.000)	(.000)	(.305)	(.988)	(.996)	
Earn less than Minimum Wage	.420	758	973	-18.125	-14.090	-15.457	
	(.268)	(.453)	(.335)	(.000)**	(.000)**	**(000.)	
Covered by Union	561*	477	366	2.046*	-13.675	-15.655	
	(.000.)	(.634)	(.205)	(.150)	(.999)	(.998)	
Canatant	1.688	5.028	3.148	1.795	6.690	4.368	
Constant	(.000.)	(.000.)	(.000)	(.000.)	(.000.)	(.000)	
Pseudo R-Square							
Cox and Snell	.010	.001	.003	.016	.005	.007	
Nagelkerke	.016	.013	.011	.027	.094	.038	
McFadden	.011	.013	.009	.018	.092	.035	

statistically significant in the New York City metro area. What is interesting, however, is the effect of union coverage for low-level participation, which appears to be incredibly strong in New York. Union coverage, however, is not statistically significant for medium- or high-level participation in either the U.S. or New York. Still, the main difference between the New York City metro area and the nation as a whole is that coming from high income households appears to have stronger effects for all levels of participation, especially medium and high levels. This would only appear to strengthen the observation in Table 3 that there is substantially greater civic engagement among those with incomes over \$100,000 in New York City than in the rest of the country.

### Conclusions

What, then, are we to make of all this? On one level, the data only bears out what we already know from the literature on socioeconomic status and participation. But on another level, it is suggestive that a wage policy that has the effect of raising families from below the poverty level to even the level of the near-poor could increase civic engagement dramatically, and that this will have an impact on democracy. A wage policy, even if nothing more than raising the minimum wage, will benefit the middle class. New research covering more than forty years of data has shown that, in

years when minimum wages increased, the median wages in 10 wage contours above the statutory minimum also increased. Conversely, in those years when the minimum wage was not increased, median wages remained constant. Since those 10 contours accounted for close to 70% of wageearners, this would suggest that the minimum wage appeared to have more benefit for the middle class than is commonly supposed.

As we noted at the beginning, democratic theorists have long argued that the maintenance of a middle class is critical to the maintenance of democratic society, based on the assumption that a narrower gap between the top and the bottom will result in lower political instability. But the data on civic engagement, as limited as it is, suggests that a middle class is also fundamental to democracy because citizens are more likely to be engaged in civic activities. Wage policy would have the effect of reducing income inequality, which would in effect mean a broader middle class, and it is this broad middle class that is critical to democratic governance. Wage policy, however, is not just a matter of achieving a more equitable wage distribution, but also of enhancing personal autonomy. Workers who see their wages rising rather than eroding will have their morale boosted, and will in turn become more productive, increasing economic efficiency. But they are also less likely to

become dependent, which means that they will have achieved greater personal autonomy – a fundamental prerequisite to participating in democratic society.

In New York, with the nation's most unequal incomes, civic participation among lower income individuals was even less. This would appear to be an unhealthy confluence of trends for the fate of democracy. That participation is less where inequality is greater would appear to give credence to the arguments that healthy democracy cannot survive where there are extreme gaps between the top and bottom of the income distribution. This might also suggest that the benefits of a wage policy would be even greater in New York. The more general implication is that wage policy is even more critical in cities and/or metropolitan areas like New York where wage inequality is even greater. At a minimum, it would imply the need for a living wage that has traditionally been the province of local government. Living wages, however, are limited in their reach because they only cover those who work for firms with municipal contracts to provide services. Still, the concept represents a step in the direction of more general wage policy. Cities seeking, for instance, to pass more encompassing minimum wage laws might use the concept of a living wage to not only determine what wage level is necessary for basic subsistence, but what wage level is necessary to enable individuals the requisite comfort level to be civically engaged.

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