

# Unemployment and political apathy. Evidence from a panel survey in Spain (2010-12)

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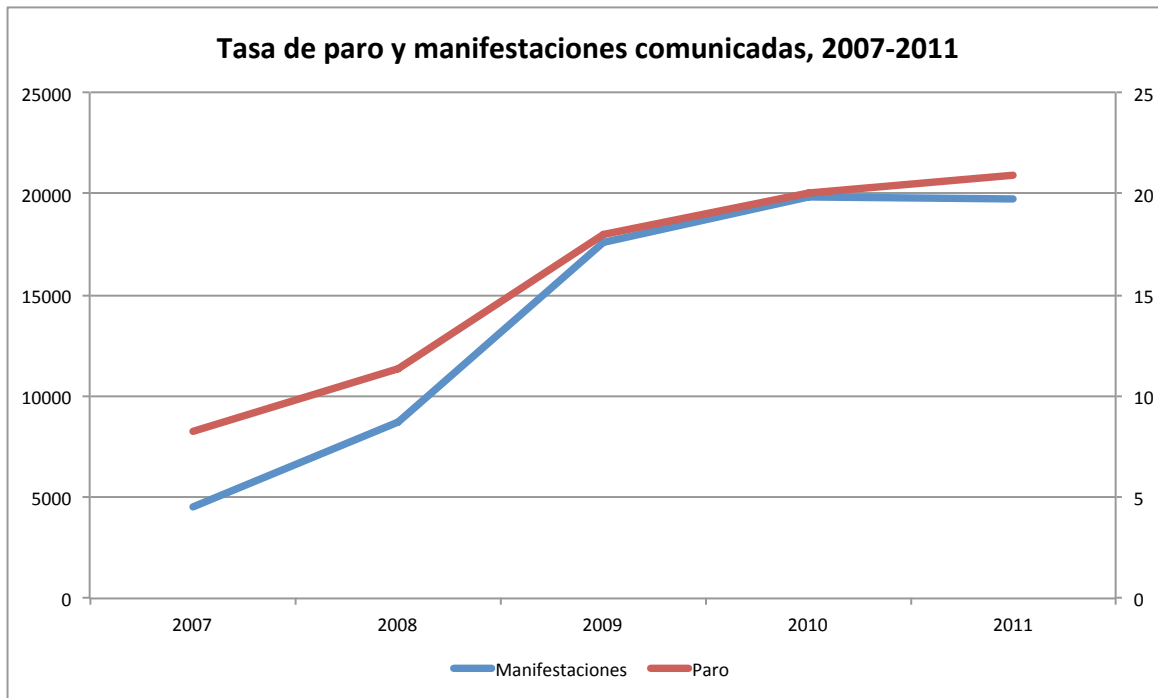
## Abstract

This paper addresses the question of the causal effect of unemployment on political involvement. Using a longitudinal research design, it overcomes the limitations of previous analyses and estimated the effect of job loss and long-term unemployment on the intra-individual change in political involvement. Results indicate how interest in politics and political participation decrease after some time unemployed. The paper also investigates the causal effects that might mediate this relationship: loss of resources, and psychological effects of unemployment. Data come from a panel survey conducted in Spain during the economic crisis that started in 2008.

## 1. Introduction

Unemployment in Spain has sharply risen since the beginning of the economic crisis in 2008. From an 8,26% in 2007 to a record high of 26% at the end of 2012. During the same period Spain has witnessed an intense growth of the protest activity, both by the trade unions and social movements. Figure 1 shows how both trends –unemployment and protest- seem to follow parallel paths.

It might be, apparently, easy to establish a causal link between unemployment and protest, especially if we take into account the fact that most demonstrations since the onset of the recession have been related to the economic crisis and the austerity policies. However this parallel evolution of protest and unemployment does not say anything about the individual-level relationship between both things. The parallel trends displayed in figure 1 could be related to the fact that those citizens that have lost their job have started protesting more or, on the contrary, because those that keep their jobs have demonstrated more intensely, perhaps out of fear of losing their job.



Therefore, we need a different approach if we want to learn about the impact of unemployment on individual citizens' political involvement. This is precisely the question this paper seeks to address: what are the consequences of job loss and unemployment on the relationship that citizens establish with politics? Does unemployment contribute to radicalize citizens' attitudes and foster protest activities or, on the contrary, it increases political apathy and acquiescence?

In order to address these questions, I focus on the 2010-12 period in Spain, to see to what extent we find a positive or negative effect of job loss and unemployment on political engagement, understood as being composed by an attitudinal dimension (interest in politics) and a behavioral one (political participation). This question is empirically addressed using a panel survey with around 2000 respondents between 16 and 45 years of age, surveyed four times between December 2010 and May 2012.

In the next section I present an overview of the literature that has analyzed the relationship between unemployment and political engagement, from the classical studies to the more recent contributions. I will specifically discuss the question of the causal nature of the link, and show the limits of the most common research designs to determine it. I will also discuss the causal mechanisms that might mediate the relationship. The third section presents the data used and the empirical strategy to

estimate the causal effect of unemployment, as well as the mediating role of the relevant causal mechanisms. Finally, I present the results and conclude with a discussion of their implications.

## **2. Theory: Unemployment and political engagement**

The research question I address in this paper is, by no means, new. Indeed, it has been a concern of the sociological literature at least since the 1930s. Despite of that, the available evidence is not especially robust. Probably the first systematic study of the consequences of unemployment is the famous *Marienthal Study* (Lazarsfeld, Johoda and Zeizel 1932). There, we already find the bases of the main hypothesis on the effect of unemployment: the disengagement hypothesis. In the Austrian village of Marienthal, the authors observed a decrease of the affiliation and political activity rates with the rise of unemployment, and assessed lower levels of interest and political engagement among the unemployed. The authors already pointed to the loss of efficacy as one of the main mechanisms driving the link between unemployment and political alienation.

Other works have stressed a completely different attitudinal effect of unemployment: political radicalization. This line of inquiry points to the possibility that unemployment leads to more extreme political opinions and a stronger preference for nonconventional forms of participation (Bagguley 1992, Richards 2002, Clark 1985, De Witte 1992).

However, the more recent research that has addressed the question tends to confirm the Marienthal hypotheses, and does so in remarkably different settings, using varied methodological approaches. Scholzman and Verba (1979) analyzed various indicators of political engagement, comparing the unemployed to the employed in a nation-wide survey conducted in the US. They found systematically lower levels of involvement among the former. Later on, Marshall et al. (1988) reached the exact same conclusion analyzing the British case: the unemployed displayed more political quiescence, but the differences were attributed to their particular socioeconomic composition. Anderson (2001) brought Scholzman and Verba's analysis to the comparative perspective, and showed how the observed relationship between unemployment and apathy is robust across contexts, but there are still sharp differences across countries in the magnitude of the engagement gap between the employed and the unemployed. More recent studies, such as Gallego (2007), Polavieja (1999), Marx and Picot (2011) or Giugni and Lorenzini (2011) consistently find lower levels of political participation, interest and/or efficacy among the unemployed.

a. *Correlation or causation? On the nature of the relationship*

Most of the existing studies, therefore, do find an association between unemployment and political apathy: the basic finding seems robust, as it has been identified in different countries, moments and using diverse methodological approaches. However, there are powerful reasons to doubt of the causal nature of the link: does unemployment really depress political engagement among those that suffer it or, on the contrary, both things co-occur but are the effect of other factors? Indeed, many of the aforementioned works point to the spurious nature of the relationship. The unemployed and the employed workers are two groups with many more differences beyond their work situation, so a direct comparison between them does not seem enough to identify the causal link between unemployment and apathy.

Scholzman and Verba (1979) already pointed on that direction, showing how, after controlling for standard socioeconomic factors, the unemployment effect disappeared. Therefore, the authors attributed the effect purely to compositional differences between the groups, rather than an independent causal effect of unemployment. Scott and Acock (1979) or, more recently, Gallego (2007) or Guigni and Lorenzini (2011) reached the same conclusion, while other studies contend that, event after controlling for selection effects (Schur 2003) or potential confounders (Marx and Picot 2011), the fact of being employed keeps a positive effect on participation and political engagement.

However, cross-sectional comparisons between the employed and the jobless are a limited empirical strategy if we aim at identifying the causal link. Even if the effect remains different from zero after controlling for a handful of observed variables, the possibility that the result is driven by unobserved heterogeneity seems highly plausible in this case: we could easily think of certain personality traits, or more general active or passive ‘moods’ or orientations that make both groups hardly comparable. Only Schur (2003) goes beyond the mere statistical control and introduces a selection model, although recognizing the limits of the approach.

Moreover, beyond the unobserved heterogeneity problem, there is an additional one: usually surveys measure the job status of the respondent at the moment of the interview, while often participation comes from a retrospective question in which respondents are asked to report their political activities in the last few months or the last year. Therefore, in this design the order of the factors is exactly the reverse to the theoretical causal path (Adman 2008). Finally, most of the

existing studies treat unemployment just as a dichotomous variable, disregarding potential different effects conditional on the duration of the unemployment situation. It might be reasonable to expect the disengagement effect to emerge, not immediately but after a period in unemployment.

Therefore, it is important to take into account the temporal dimension when analyzing the effect of unemployment.

These are the reasons why in this paper I adopt a different approach and, instead of relying on a comparison between employed and unemployed, I adopt a longitudinal perspective and try to estimate the effect of job loss and unemployment situation on the intra-individual evolution of political engagement.

#### *b. Causal mechanisms*

Beyond the observed empirical association, why should we expect a causal link between unemployment and political apathy? What are the causal mechanisms that mediate in the relationship? The specification and the empirical assessment of the causal mechanisms are crucial to establish the causal nature of the relationship. Building on the existing literature, we can think of, at least, four different mechanisms: resources, the psychological effects of unemployment, social capital and political discontent.

In the first place, the availability of resources is a factor usually considered in the political participation literature. The well-known theoretical model of Verba et al. (1995) considers resource availability, in terms of time, money or civic abilities as key variables to explain the different levels of participation. It is obvious that, in the majority of the cases, the loss of a job implies a substantial loss of economic resources. The effect on time availability is more ambiguous: while, on one hand, the unemployment situation ‘frees’ a large amount of time, on the other hand the economic hardship drives the unemployed to prioritize the job search and other activities that can generate some resources. Rosenstone put it in these terms: ‘when a person experiences economic adversity his scarce resources are spent on holding body and soul together -surviving- not on remote concerns like politics’ (Rosenstone 1982: 26).

With regards to civic abilities, that are basically communicational and organizational abilities, some authors have pointed to the workplace as a source of this type of resource (Brady, Verba and Schlozman 1995, Schur 2003). Therefore, at work one would acquire abilities that are relevant for

political participation. Indeed, there is even a line of research that argues that democracy and participation at the workplace are important to develop more participatory orientations in the political sphere (Pateman 1970, Schur 2003). Following this reasoning, the job loss would lead, in the long run, to the loss of these abilities and, therefore, to lower levels of participation. Moreover, many studies have shown how the unemployed often fall into a process of social exclusion and weakening of social links: the friendship circles become narrower, the social activities are less common (Giugni and Lorenzini 2011). It is a process of social capital loss (Putnam 1970) that, in turn, is a good predictor of political involvement (Maloney y Van Deth 2010).

Beyond the loss of economic resources, time, and civic abilities, unemployment has also psychological effects that might weaken the willingness of becoming involved in politics. Insecurity and job loss often bring negative emotions such as stress, anxiety or annoyance (Greenglass and Burke 2001), the loss of self-esteem and of personal sense of efficacy (Johoda, Lazarsfeld and Zeizel 1972, Polavieja 1999, Schur 2003). Developing negative sentiments towards politics, or loosing the sense of self-efficacy might also lead to lower political involvement.

We can, therefore, summarize the hypotheses to be tested as follows:

H1. Unemployment will have a causal, negative effect on political engagement (interest and participation)

H2. The mechanisms of the causal relationship will be:

- a. The loss of resources (income, civic abilities) associated with the situation of unemployment
- b. The psychological effects of unemployment (loss of self-efficacy, anxiety and anger)

### **3. Empirics: Panel data analysis**

Since the main goal of this paper is estimating the causal effect of unemployment on political apathy, we adopt an empirical strategy able to correctly identify it and overcome the problems of the existing literature. To that end, I use data from a panel survey conducted in four waves between 2010 and 2012. The longitudinal design allows me to test whether the job loss, or the long-term unemployment situation cause a change on the levels of political involvement displayed by the affected. The focus, therefore, is placed on intraindividual change rather than the comparison of involvement levels between the employed and the unemployed. This is what should allow me to identify the causal effect.

*a. Data and variables*

The data used here come from the panel study ‘Change in political attitudes’ (CIS-UAB). The study comprises four waves of interviews held from November 2010 until May 2012. It is a sample collected from a commercial on-line pool of respondents. Respondents are recruited by invitation among the registered users of the main, most massive commercial websites. Self-registering is not allowed, so the problems of self-selection are more limited. The sample was collected using gender, age, education and size of habitat quotas. However, it is not a probabilistic sample and neither quotas neither post-stratification weights can solve the biases of these type of samples. We know that on-line samples tend to over represent the younger, highly educated and intense Internet users. To limit these problems, the universe of the panel survey was restricted to the Spanish population between 16 and 45 years of age, since in this age group the use of Internet is very widely diffused. However, as long as my focus is the estimation of intraindividual change, the problems of the sample are less stringent than they would be if I were aiming to estimate the population values of some parameters of interest.

My dependent variable of interest is political involvement. I will deal both with its attitudinal (interest in politics) and behavioral (participation) implications. Interest is measured with the traditional item ranging from 1 ‘not at all interested’ to 5 ‘very interested’. Political participation is measured using a composite index of several forms of participation: signing a petition, buying or boycotting products for political reasons, donating or raising funds for a political cause or demonstrating. I exclude the strikes from the index because they are associated to the employment situation. This index adds up a set of different types of participation that are often treated separately in the literature. However, considering the short time span and the dichotomous measures used, in order to capture intraindividual variation in involvement we need to merge them in one single index. In table X I show the evolution of the average levels of interest and participation across the four panel waves. Essentially, we see no clear trend. However, this apparent lack of a trend might be obscuring underlying dynamics that we aim at uncovering here.

Table X: Descriptives DV

Wave	Participation	Political interest
1	1,43	2,48
2	1,39	2,34
3	1,36	2,36
4	1,43	2,40

The main explanatory variable is a dynamic measure of the job situation of the respondent, that traces its evolution between two consecutive panel waves. We divide the sample between those that have lost their job (worked in t-1 and are unemployed in t), those that have found a job (were unemployed in t-1 and have a job in t), those that have not found a job (unemployed in t and t-1) and, finally, those that work in t and t-1.<sup>1</sup> Inactive population is excluded from the analysis.

Table X shows the descriptive statistics for the dynamic employment variable across waves 2-4. We can see a growth of those losing their job and not finding a new one over the period under analysis, that tends to mirror the growth in unemployment, and long-term unemployment witnessed by Spain during these years.

Table X: Descriptives IV

	Wave 2	Wave 3	Wave 4	Total
Kept job	76,03	70,06	69,5	71,77
Found a job	5,71	4,99	5,2	5,28
Not found	13,7	16,83	16,57	15,75
Lost the job	4,57	8,12	8,73	7,19
Total	100	100	100	100

Following the discussion above, I try to estimate as well the mediating effect of some of the causal mechanisms suggested by the literature. The effect of resources will be measured using the declared net income of the respondent. The difference between the reported income in t and t-1 is used to identify situations of income loss. Unfortunately, the intensity of social contacts was only measured once, so we cannot estimate change in that dimension of civic skills.

The psychological effects of unemployment will be measured using an indicator of internal political efficacy ('I have trouble understanding politics') and a set of dummies capturing the feelings towards politics (commitment, interest, indifference, distrust, anxiety and anger).

The control variables included in the models are: socio-economic status (five occupational categories following the Erikson-Golthorpe-Portocarrero scheme), educational level, gender and an

<sup>1</sup> Certainly, the lack on information on the situation between t and t-1 can lead to errors and some respondents classified as long-term unemployed might have worked between the two waves, or some that work in both t and t-1 might have experienced a short period of unemployment. In any case, this bias would tend to dilute the differences among the groups so it runs against our ability to confirm the hypothesis.



indicator of a deeply rooted orientation towards politicization, based on the primary socialization that could limit the effect of unemployment on involvement. It is based on a set of questions on the politicization of the parents during the respondents' childhood: how often they voted, discussed politics at home and attended demonstrations.

*b. Empirical strategy: model specification*

To identify the effect of unemployment I use a longitudinal approach focused on the intraindividual change. The goal is to see to what extent losing the job, or being unemployed change the respondents' levels of involvement. I am not worried, thus, about the absolute levels of involvement –that might be affected by multiple additional factors- but about change between waves. Therefore, the model to be estimated is as follows

$$Involvement_{i,t} = \alpha + \beta_i Involvement_{i,t-1} + \gamma Employment_{i,t-(t-1)} + \varphi Controls_i + \phi wave + \varepsilon_i$$

The level of involvement of respondent *i* in time *t* is estimated departing from its involvement in t-1 (this cancels the effect of individual heterogeneity and allows the direct estimation of change)<sup>2</sup>, the evolution of the employment situation between t-1 and t (defined as a vector of dummies with those working in both waves as the reference category). The model includes also a vector of control variables as discussed above. The wave fixed-effects, as well as the robust standard errors, that are clustered by respondent, take into account the panel structure of the dataset (see Margalit 2013 for a similar approach).

*c. Results*

Table X shows the distribution of the two dependent variables (participation and interest) for the groups defined by the evolution of the employment situation:

Table X: Employment and political involvement: Descriptives

	Participation (0-4)	Interest (1-Very/ 4- Not at all)	N
Working	1.44	2.56	2,975
Newly employed	1.41	2.62	219
Job loss	1.42	2.62	298
Not found	1.19	2.79	653

<sup>2</sup> Note that this is equivalent to estimating a model with the first difference as a DV:  $Involvement_{i,t} - Involvement_{i,t-1} = \alpha + \beta_1 Involvement_{i,t-1} + \beta_2 Employment_{i,t-(t-1)} + \varphi Controls_i + \phi wave + \varepsilon_i$

Total	1.40	2.61	4,145
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Descriptive statistics point to a difference mainly between the long-term unemployed and the rest of the groups. The former have lower levels of interest and participation, while the other groups are apparently, similar to each other. However, we cannot conclude about the causal effect of unemployment from these data, given that the groups can differ in many other factors. Therefore, we have to refer to the results of the model described above, that estimates the effect of the job situation net of individual heterogeneity. Table X shows the results of these models.

Political interest is an ordinal variable that takes four values, from 1 (very interested) to 4 (not interested at all). Therefore, I estimate an ordered logit model. Participation is a count variable and therefore I estimate the effects using a Poisson model.

Table X Unemployment and political involvement: main models

	(1) Ologit polintr b/se	(2) Poisson parti b/se
LagDV	2.67*** (0.07)	0.34*** (0.01)
<b>Lost job</b>	<b>0.22*</b> <b>(0.13)</b>	0.01 (0.04)
<b>Not found</b>	<b>-0.25**</b> <b>(0.10)</b>	-0.10*** (0.04)
<b>Newly employed</b>	<b>-0.08</b> <b>(0.18)</b>	-0.08 (0.06)
Ideology (left-right)	-0.05*** (0.02)	-0.05*** (0.01)
SSE2	-0.07 (0.07)	-0.08*** (0.02)
SSE3	0.14 (0.14)	-0.04 (0.05)
SSE4	0.06 (0.10)	-0.03 (0.04)
SSE5	-0.07 (0.13)	-0.11** (0.05)
Secondary education	0.19 (0.18)	0.07 (0.08)
College degree	0.46** (0.19)	0.13* (0.08)
Parents politisation	-0.46*** (0.08)	-0.21*** (0.03)
Gender	-0.35*** (0.06)	-0.01 (0.02)
3 <sup>rd</sup> wave	0.12 (0.09)	0.00 (0.03)
4 <sup>th</sup> wave	0.24*** (0.07)	0.04* (0.02)
Constant		0.33***

		(0.11)
cut1	2.16*** (0.30)	
cut2	5.85*** (0.33)	
cut3	9.36*** (0.37)	
Observations	4242	4242
R2	0.337	.
N_clust	1653	1653

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01

These models clearly show how the job situation of the respondent has a significant effect on levels of political involvement. Essentially, it can be seen how long-term unemployment has a clearly negative effect on interest and participation. Interestingly enough, the job loss has a short-term temporary effect of increasing interest in politics: those respondents that lost their jobs in the six months prior to being surveyed, showed an increase in their level of interest in politics, that vanished after two waves unemployed. This points to the fact that the effect of unemployment on apathy takes some time to materialize, and even the loss of a job might be followed by a temporary surge of political interest. The difference between the effects of job loss on interest (positive) and participation (not different from zero) is especially interesting, as it seems to point to the process through which changes in the job situation have an impact on political involvement.

The magnitude of the effect is modest, but if we take into account that we are estimating intraindividual change in a time-span of six months in an attitude such as political interest that is generally regarded as stable (Prior 2009), they seem substantively relevant. In terms of relative-risk ratio, being unemployed at least two consecutive waves (about one year) reduces the rate of participation in a factor of about 0,9 approx. Regarding interest in politics, the cumulative probability of being very or fairly interested drops about 6% when the respondent is in long-term unemployment.

### **Causal mechanisms**

Regarding causal mechanisms, we first test if they are affected by the employment situation, which is the first step to assessing their role as mediators: obviously, if they are not affected by changes in the labor market position, they cannot mediate the main relationship of interest. To estimate the impact of the employment situation on resources (income and political knowledge), psychological orientations (internal efficacy and feelings towards politics) and political discontent (government evaluation and sense of closeness to any party), I basically estimate the same models as before,

predicting change in each of these variables as a function of change in the job situation. In each case I have estimated the model most appropriate for the variable of interest: OLS for income, efficacy and government evaluation (measured as quasi-continuous variables), ordinal logit for knowledge (scales from 0 to 2) and logit for sentiments towards politics and closeness to a party.

Tabla X Unemployment effect on Resources and efficacy

	(1) <b>Income</b> b/se	(3) <b>Efficacy</b> b/se
LagDV	0.58*** (0.02)	0.60*** (0.02)
<b>Lost job</b>	<b>-0.77***</b> <b>(0.09)</b>	<b>-0.25*</b> <b>(0.14)</b>
<b>Not found</b>	<b>-0.82***</b> <b>(0.08)</b>	-0.05 (0.10)
<b>Newly employed</b>	<b>0.42***</b> <b>(0.12)</b>	0.28 (0.18)
SSE2	-0.04 (0.05)	-0.10 (0.07)
SSE3	-0.26** (0.13)	0.03 (0.13)
SSE4	-0.15** (0.07)	-0.12 (0.10)
SSE5	-0.22*** (0.08)	-0.25* (0.13)
Secondary education	-0.09 (0.12)	0.12 (0.16)
College degree	0.25** (0.12)	0.32* (0.16)
Gender	-0.16*** (0.04)	-0.43*** (0.06)
3 <sup>rd</sup> wave	-0.02 (0.05)	-0.11 (0.08)
4 <sup>th</sup> wave	-0.16*** (0.05)	-0.04 (0.07)
Constant	1.85*** (0.17)	2.55*** (0.20)
Observations	4199	4253
R2 / PseudoR2	0.485	0.401
Individuals	1642.000	1655.000

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01

Here we can see how, indeed, the job loss and long term unemployment have strong consequences on the evolution of the respondents' income. They do not have, however, a significant impact on political knowledge. Probably it takes more time to be established, if at all. In any case, we have to reject the hypothesis that being unemployed or losing the job has a negative effect on the levels of knowledge. On the other hand, the job loss does have a statistically significant, and negative effect on internal political efficacy. Interestingly enough, this effect is concentrated in the first wave after

the job loss, which seems to suggest a sequential process of job loss → loss of efficacy → political apathy.

Tabla X Unemployment effect on emotions

	(1) interest b/se	(2) indifference b/se	(3) mistrust b/se	(4) anxiety b/se	(5) anger b/se
main					
LagDV	1.94*** (0.18)	2.04*** (0.34)	1.41*** (0.12)	2.68** (1.09)	2.06*** (0.18)
<b>Lost job</b>	-0.38 (0.39)	-0.56 (0.77)	0.17 (0.26)	<b>1.61**</b> (0.69)	0.15 (0.30)
<b>Not found</b>	-0.19 (0.30)	0.32 (0.44)	-0.25 (0.20)	0.25 (0.70)	<b>0.55**</b> (0.23)
<b>Newly employed</b>	-0.48 (0.68)	0.00 (0.80)	-0.07 (0.37)		0.50 (0.38)
SSE2	-0.12 (0.22)	0.51 (0.34)	-0.03 (0.15)	0.31 (0.59)	-0.02 (0.19)
SSE3	0.02 (0.41)	0.49 (0.65)	0.35 (0.30)		-0.74 (0.47)
SSE4	-0.07 (0.32)	-0.79 (0.66)	0.04 (0.22)	0.00 (1.31)	0.15 (0.27)
SSE5	-0.66 (0.44)	-0.05 (0.66)	-0.12 (0.25)	0.32 (0.82)	0.34 (0.30)
Secondary education	0.31 (0.62)	-0.19 (0.65)	-0.46 (0.37)	0.26 (0.57)	0.50 (0.49)
College degree	0.23 (0.63)	-0.83 (0.70)	-0.47 (0.37)		0.66 (0.50)
Gender	-0.05 (0.19)	0.13 (0.30)	0.07 (0.13)	2.76** (1.10)	-0.21 (0.16)
Constant	-2.48*** (0.65)	-3.21*** (0.68)	-0.10 (0.38)	-6.94*** (1.25)	-2.46*** (0.51)
Observations	1212	1212	1212	1082	1212
Individuals	1212.000	1212.000	1212.000	1082.000	1212.000
Pseudo R2	0.122	0.108	0.087	0.154	0.125

Regarding emotions towards politics, our analysis does only reveal a significant effect of job loss on the increase of anxiety, and of long-term unemployment on anger. The other effects, although not statistically significant, tend to point in the expected direction: decreased commitment and interest, increased mistrust and a short-term positive effect on indifferent that turns negative after two waves unemployed. Therefore, the emotional reactions to unemployment that the literature has documented are directed also towards the political sphere, and could easily derive into an increase of political apathy.

However, if we include these variables in the main models of political interest and participation,

results do not seem to show a strong mediating role. Only difference in political efficacy and difference in anger towards politics emerge as predictors of change in participation and interest, the former, and only interest the later. Even when change in the proposed mediators influences change in political involvement, including them in the model does not modify much the effect of job loss and unemployment, so we cannot conclude that they are indeed relevant causal mechanisms of the established link between unemployment and political disengagement.

Table X: Causal mechanisms, Interest

	(1) efi_inter b/se	(2) rec_inter b/se	(3) anx_inter b/se	(4) anger_inter b/se
Lagged DV	2.67*** (0.07)	2.66*** (0.07)	2.79*** (0.12)	2.79*** (0.12)
Difference efficacy	0.03* (0.02)			
Difference resources		-0.02 (0.03)		
Difference anxiety			0.41 (0.47)	
Difference anger				-0.40** (0.16)
<b>Lost job</b>	0.23* (0.13)	0.22* (0.13)	0.26 (0.26)	0.30 (0.26)
<b>Not found</b>	-0.25** (0.10)	-0.23** (0.10)	-0.35* (0.20)	-0.32 (0.20)
<b>Newly employed</b>	-0.10 (0.18)	-0.05 (0.18)	-0.05 (0.35)	-0.06 (0.35)
Left-right	-0.05*** (0.02)	-0.05*** (0.02)	-0.10*** (0.04)	-0.10*** (0.04)
SES	0.00 (0.02)	0.01 (0.03)	-0.04 (0.05)	-0.04 (0.05)
Secondary education	0.19 (0.18)	0.26 (0.18)	0.32 (0.34)	0.36 (0.33)
University degree	0.47** (0.19)	0.56*** (0.19)	0.80** (0.35)	0.83** (0.34)
Parents' politicisation	-0.46*** (0.08)	-0.46*** (0.08)	-0.78*** (0.19)	-0.77*** (0.19)
Gender	-0.37*** (0.06)	-0.38*** (0.06)	-0.43*** (0.13)	-0.43*** (0.13)
Wave 3	0.12 (0.09)	0.12 (0.09)		
Wave 4	0.25*** (0.07)	0.25*** (0.08)		
cut1	2.18*** (0.31)	2.25*** (0.31)	1.61** (0.76)	0.85 (0.62)
cut2	5.87*** (0.33)	5.95*** (0.34)	5.57*** (0.77)	4.81*** (0.63)
cut3	9.39*** (0.37)	9.47*** (0.37)	9.43*** (0.80)	8.69*** (0.67)
Observaciones	4242	4191	1211	1211
R2	0.337	0.337	0.375	0.378

N clust	1653.000	1641.000	1211.000	1211.000
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\* p<0.1, \*\* p<0.05, \*\*\* p<0.01

Table X: Causal mechanisms, Participation

	(1)	(2)	(3)	(4)
	b/se	b/se	b/se	b/se
Lagged DV	0.35*** (0.01)	0.34*** (0.01)	0.34*** (0.01)	0.34*** (0.01)
Difference efficacy	0.01* (0.01)			
Difference resources		0.00 (0.01)		
Difference anxiety			0.03 (0.15)	
Difference anger				0.01 (0.04)
<b>Lost job</b>	0.01 (0.04)	0.01 (0.04)	-0.10 (0.07)	-0.10 (0.07)
<b>Not found</b>	-0.10*** (0.04)	-0.10*** (0.04)	-0.06 (0.06)	-0.06 (0.06)
<b>Newly employed</b>	-0.08 (0.06)	-0.08 (0.06)	-0.12 (0.12)	-0.12 (0.12)
Left-right	-0.05*** (0.01)	-0.05*** (0.01)	-0.07*** (0.01)	-0.07*** (0.01)
SSE	-0.02** (0.01)	-0.02* (0.01)	-0.01 (0.02)	-0.01 (0.02)
2.estudis	0.06 (0.08)	0.06 (0.08)	0.32** (0.15)	0.32** (0.15)
3.estudis	0.13* (0.08)	0.13 (0.08)	0.41*** (0.15)	0.41*** (0.15)
paesall	-0.20*** (0.03)	-0.21*** (0.03)	-0.25*** (0.05)	-0.25*** (0.05)
2.Eres...	-0.02 (0.02)	-0.03 (0.02)	-0.04 (0.04)	-0.04 (0.04)
3.onada	0.00 (0.03)	0.00 (0.03)		
4.onada	0.04* (0.02)	0.04* (0.02)		
Constante	0.34*** (0.11)	0.36*** (0.11)	0.28 (0.24)	0.30 (0.20)
Observaciones	4242	4191	1211	1211
R2	.	.	.	.
N clust	1653.000	1641.000	1211.000	1211.000

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01

#### 4. Conclusion: democracy in crisis?

This paper has shown how unemployment, and especially long-term unemployment, has a negative causal effect on political involvement. Being unemployed for more than one semester depresses

interest in politics and the frequency of political participation, despite the fact that job loss has a temporary, positive effect on political interest that rapidly vanishes. The panel design represents a substantial advance over previous research and provides compelling evidence of a causal effect beyond the compositional differences between the employed and the unemployed that had been previously claimed to be responsible of the observed differences between both groups. Longitudinal evidence, therefore, supports the disengagement hypothesis with a very important caveat: the effect of unemployment on political involvement is not immediate, and requires some time in order to unfold. This means that a labour market with intense flows of exit and entrance might not produce political alienation, while one in which –as it is the case of Spain- unemployment tends to last in time will have more detrimental effects for the political involvement of its jobless citizens.

I have also shown how job loss and unemployment have a negative effect on income, sense of efficacy and, moreover, increases the sense of anxiety over politics. However, my analysis has failed to identify the mediating role of loss of resources, efficacy and negative emotions on the main relationship that has nonetheless proven robust. Further work remains to be done in order to identify the relevant mediators.

Beyond the theoretical caveats, there are very relevant political implications of our findings. Spain is in the midst of a deep economic crisis, in which unemployment has skyrocketed and long-term unemployment has become a generalized problem. If after two waves we already find a significant negative effect of unemployment on political interest and participation, this means that under the current conditions we might be about to witness a growing divide between those that remain inside the labour market and those that, excluded, become increasingly disengaged from politics and therefore increasingly powerless. Long term unemployment emerges, this, not only as carrying negative economic and social consequences but also with perverse political effects.



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