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Abstract

Previous scholarship has suggested that rising inequality in democracies suppresses trust in institutions. However, it remains unclear if and why this is the case. In this paper, we investigate the proposition that income inequality leads to increased democratic distrust by depressing perceptions of external efficacy. Based on European Social Survey data, we find that rising income inequality depresses trust in democratic institutions, as well as external efficacy. Mediation analysis shows that inequality to a large part affects trust through lower efficacy. Our findings also indicate that the political orientation of citizens plays a role in this mechanism, as left-leaning respondents' trust in political institutions is more sensitive to objective inequality. However, the indirect effect of income inequality on trust via efficacy holds in the general population and does not differ by ideology. Our findings therefore indicate that objective inequality affects democratic attitudes even when citizens do not perceive the level of inequality correctly or believe it to be problematic.

Keywords

Political trust, external efficacy, income distribution, income inequality, cross-nationally comparative research, survey data, multilevel modeling, mediation analysis

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1 Introduction

A broad range of literature has recently catered to the idea of a "democratic malaise" (e.g., Foa *et al.*, 2020), mirrored in gloomy titles such as "The People vs. Democracy" (Mounk, 2018), "How Democracies Die" (Ziblatt and Levitsky, 2018) or "How Democracy Ends" (Runciman, 2018). This malaise is said to show in a longstanding decline in support of democratic institutions (Dalton, 1998; Foa *et al.*, 2020; Hetherington, 1998). This is important, as democratic systems hinge on the trust and support of their citizens (Easton, 1975; Lipset, 1963). While some doubt the idea of a steady decline and observe merely "trendless fluctuation" (Norris, 1999), others have begun investigating the causes of declining trust. In this line of research, rising income inequality has become one of the primary suspects. As we have witnessed a significant increase in inequality over the last decades in most advanced democracies (Piketty, 2017), the question of whether and how inequality affects trust in democratic institutions becomes more salient. Several scholars have stated a negative relationship between economic inequality and political trust for a wide range of different countries: Anderson and Singer (2008) find a detrimental effect of inequality on trust in politics in 20 European democracies, Andersen (2012) comes to a similar conclusion using data from the World Values Survey, and Zmerli and Castillo (2015) find the same for Latin America. If inequality and trust move together (albeit in opposite directions), an overall increase in inequality should entail an overall decline of trust. However, the empirical findings on the inequality-trust relationship remain inconclusive (Norris, 1999; van Beek, Fuchs and Klingemann, 2019). So how can we reconcile the seemingly contradicting findings on trends in political trust?

One aspect to consider is diverging preferences. Groundbreaking research has shown that left wing respondents are much more sensitive to the effects of inequality (Anderson and Singer, 2008). The theoretical argument entails that leftists are more sensitive to questions of equality and become increasingly dissatisfied when the political system is unresponsive to these demands. Could it be that contextual (i.e. economic) inequality harms democratic attitudes exclusively among those who care about it, leaving aggregate measures of trust mostly unaffected? Criticism of Anderson and Singer's work argued that the evidence for the mechanism via preferences for egalitarianism was imperfect, because right wing respondents' democratic satisfaction was also affected by inequality (van der Meer and Hakhverdian, 2017). In this article, we aim to address both this critique as well as the 'emerging consensus' (Weisstanner and Armingeon, 2021) on the irrelevance of objective economic inequality. According to our

argument, increasing economic disparity between citizens has the potential to increase the distance between citizens and the state, but it is only when we take a closer look at the underlying mechanisms that we can reconcile diverging findings on the effects of inequality on political trust.

A second aspect to consider is thus how the effects of macro-economic inequality on democratic attitudes are mediated. We agree that there are diverging preferences for equality that lead to heterogeneous effects of income inequality on political trust, but extend this argument in that inequality *indirectly* decreases trust *also* among citizens who are farther removed from egalitarian ideology. We propose external efficacy as a previously underexplored mechanism by which inequality exerts its effect on trust. External efficacy can be understood as "the potential responsiveness of officials" (Balch, 1974, p. 24) or "the belief that government officials and institutions are responsive to the demands of its citizens" (Norris, 2015, p. 791). Even among those who do not value equality for itself or as political goal, rising inequality has the potential to depress citizens' sense of efficacy if it leads to unequal political responsiveness. Empirical research has shown for various liberal democracies that politics is more responsive towards the better-off parts of society (Elsässer, Hense and Schäfer, 2021; Gilens, 2012; Schakel, 2019). With a growth in inequality and the rich and the poor drifting further apart, the feeling that the political system is rigged in favor of the rich should resonate with ever larger parts of society (Hacker and Pierson, 2010; cf. Stiglitz, 2012). Indeed, previous research has shown that inequality has a strong negative effect on external efficacy (Norris, 2015). And because efficacy is an important determinant of democratic trust (Craig, Niemi and Silver, 1990), we argue that, indirectly, inequality also affects the 'impervious right' (Anderson and Singer, 2008).

Although this causal chain seems plausible in light of longstanding findings in political science, to the best of our knowledge, no study has thoroughly investigated it so far. With this article, we aim to fill this lacuna and show not only *that and how* inequality depresses trust, but also how its effects differ depending on political ideology. We do so by applying hierarchical mixed effects models and causal mediation analysis to data from the European Social Survey (ESS) on 22 European countries, covering a period from 2014 to 2018.

Our results show that rising income inequality depresses both trust in institutions and external efficacy. In addition, about 50% of the total effect of income inequality on trust is transmitted through external efficacy. In line with earlier findings (Anderson and Singer, 2008), we also

see a moderating effect of political ideology. Left-wing respondents' trust is more sensitive to changes in inequality due to their egalitarian preferences. However, inequality shows a detrimental effect on trust for all citizens, regardless of ideology, by eroding their sense of external efficacy.

Our findings expand the existing literature on the relation between inequality and trust as we employ a longitudinal design whereas most other studies used cross-sectional data. Diverging levels of trust can hence not only be explained by different *levels* of inequality in different contexts but by *changes within* the same context. Furthermore, we present evidence to answer the question why and how inequality erodes trust. Rising inequality entails lower levels of external efficacy, leading to less trust, but it also has a direct effect on trust. We also show that there is not only a mediation of external efficacy at work but also a moderation through political ideology. Hence, if we want to understand in which way inequality erodes trust, we have to take into account that the mechanisms at work here might vary between different groups in society.

The article is structured as follows: The next section summarizes findings from previous research on the different pathways of our model, namely the links between inequality and trust, between inequality and external efficacy, and between external efficacy and political trust. We also substantiate the idea that political ideology serves as a moderator of these relations. Section 3 describes our data and the empirical strategy, before we move to presenting our results (section 4). The final section concludes and reflects on our findings.

2 Theory and previous literature

Inequality and trust

While economic inequality has clearly been showing an upward trend in western democracies over the last decades (Piketty, 2017), a decline in political trust is not unequivocally identified (Norris, 1999; van Beek, Fuchs and Klingemann, 2019). Still, there are good reasons to believe that inequality and trust correlate as trust in institutions is higher in richer and more equal countries (Anderson and Singer, 2008; Zmerli and Castillo, 2015). However, studies that find a negative correlation between inequality and trust are usually cross-sectional in design but not longitudinal. We can thus not tell from them whether a change in inequality in a given country entails a decline in trust in the same country. In contrast, equal countries may also have a longstanding tradition of democratic culture and egalitarianism that leads to higher trust in institutions, independent of the current level or recent changes of income inequality.

Existing longitudinal studies corroborate the idea that inequality leads to lower trust, but the effect does not seem to last long. Political trust dipped during the financial crisis in Europe — a time when inequality increased in many European countries — but it soon went back to its original level after the crisis was overcome (Gangl and Giustozzi, 2021; Hooghe and Okolikj, 2020). An increase in income differences correlates with a decrease in trust, especially among the poor (Gallego, 2016) or among people with a clear aversion against large income differentials (Gustavsson and Jordahl, 2008). The effect of inequality on trust hence seems to vary between individuals.

Inequality and external efficacy

Why should economic inequality affect trust anyway? We argue that perceptions play an important role here, above all the perception whether a democratic system is open towards the opinion and the participation of its citizens. In his study on US states, Norris (2015) shows that inequality is the strongest predictor of declining external efficacy across a broad range of model specifications. So the more unequal a society is, the more citizens feel that politics does not listen to them or care about them.

This perception is backed by findings from researchers of political responsiveness. It has been shown for different contexts that the higher ranks of society find their policy preferences more often mirrored by political decisions than their fellow citizens from modest backgrounds (Elsässer, Hense and Schäfer, 2021; Gilens, 2012; Schakel, 2019). In “winner-take-all politics”

(Hacker and Pierson, 2010), those with more economic resources are able to promote policies in their interest and inhibit those policy proposals that would primarily benefit the middle and lower classes. Consequently, the average citizen may feel increasingly like their interests are not heard, and rightly so. This will have consequences for the way citizens think about political institutions.

The responsiveness-trust link

A basic level of trust can ensure that citizens accept collective decisions that do not reflect their individual opinion, preventing them from challenging the system's legitimacy on these grounds. However, this "reservoir of goodwill" (Easton, 1975) is exhaustible. As Hanna Pitkin puts it,

> *"For in a representative government the governed must be capable of action and judgment, capable of initiating government activity, so that the government may be conceived as responding to them. […] [I]t is incompatible with the idea of representation for the government to frustrate or resist the people's will without good reason, to frustrate or resist it systematically or over a longer period of time."* (Pitkin, 1967, 232f.)

If people conceive the government to be irresponsive to them over a longer time, their trust in politics will ultimately erode (cf. Torcal, 2014; Werner, 2016). If the growth in inequality we witnessed for the last decades in many Western democracies has led to more unequal responsiveness (and to more people *perceiving* politics as being less responsive), this could explain the negative correlation between inequality and political trust.

In light of the findings reported above, it seems plausible that there is a negative effect of income inequality on external efficacy and that this feeling of the government being less responsive translates into lower trust. However, few existing studies empirically investigate the links between income inequality, external political efficacy, and trust in institutions. To the best of our knowledge, only one study so far tried to examine the whole chain of correlations we propose here but with a different design. Goubin (2020) finds a moderating effect of inequality on the correlation between efficacy and trust. In countries with higher levels of income inequality, the positive effect of perceived responsiveness is smaller, compared to countries with lower levels of inequality. It remains unclear from this study's cross-sectional design if the same relation holds when we examine changes in inequality over time. Moreover, Goubin

treats inequality as a moderator, whereas our model departs from inequality and assumes the relation between it and trust to be mediated by responsiveness perceptions (cf. Figure 1 below for a graphic account of our theoretical model).

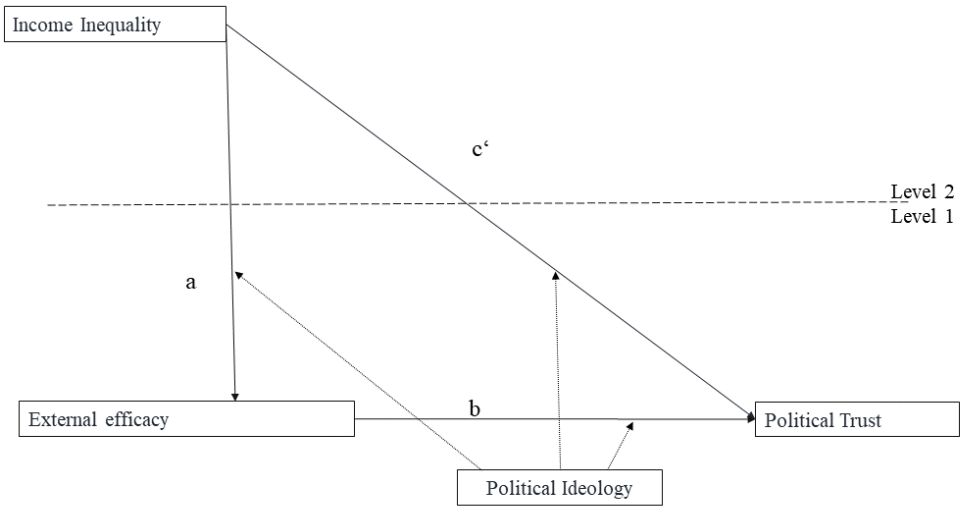
Political ideology as a moderator

Drawing on earlier findings from the literature, we expect the effect of inequality to vary between citizens of different political ideologies. First, left-wing citizens have been shown to have lower levels of trust in institutions in the first place (Holmberg, Lindberg and Svensson, 2017; Torcal, 2014). Second, the trust-as-evaluation approach holds that political trust is a function of citizens' evaluation of the outputs of the political system against their expectations (van der Meer, 2018). Left-leaning citizens can be expected to put a high value on equality. It should negatively affect their trust in institutions if this goal is not met. In line with this reasoning, Anderson and Singer (2008) find that inequality has a detrimental effect on trust for all citizens but that that the effect is much more pronounced among left-wingers. They argue that left voters are more sensitive to inequality and, as there is no interaction with income, that this is not a matter of pocket-book reasoning but rather of fairness perceptions. As equality is a desirable political outcome and an important value for these voters, they tend to be particularly discontent when inequality increases (cf. Alesina, Di Tella and MacCulloch, 2004).

Consequently, the detrimental (direct) effect of rising inequality on trust should be less pronounced for citizens who regard inequality as less problematic (i.e. right-leaning citizens). However, if objective inequality leads to unequal responsiveness and depresses external efficacy, respondents who are less sensitive to questions of income inequality may lose trust nonetheless. Norris (2015) finds that inequality is a strong depressor of external efficacy in the general population. In consequence, inequality may indirectly erode trust even among those for whom an equal distribution of incomes is not a political goal in itself. Based on these considerations, we expect the immediate effect of inequality on trust to be stronger among left-wing citizens, while its effect via external efficacy should be the same for the general population. In the last step of our empirical analyses, we therefore investigate whether the effect of inequality on trust is moderated by political ideology.

Taken together, our hypotheses are the following:

Figure 1: Multilevel Path Model of Political Trust



H1: Income inequality negatively affects political trust (c-path, total effect)

H2: Income inequality has a negative effect on external efficacy (a path).

H3: External efficacy has a positive effect on political trust (b path)

H4: External efficacy mediates the negative effect of income inequality on political trust (ab path, indirect effect).

H5: While political ideology moderates the relationship between inequality and trust, the overall mediation holds in the general population.

3 Data & Methods

We use individual-level survey data from rounds 7 to 9 of the ESS in combination with macroeconomic data from different sources (see below). The ESS runs every two years with newly selected probability samples of the population of participating countries. By combining three rounds of the ESS, we obtain a repeated cross-section of 22 countries that participated at least twice in the period under investigation (see Table A1 in the Appendix for the analytical sample

sizes by country and wave). In combination with the two-way fixed effects estimator, this allows us to perform a longitudinal analysis of how changes in inequality affect changes in political trust.

Operationalization

Dependent variable

The ESS asks respondents to indicate how much trust they have in a number of institutions, measured on an 11-point scale (0= no trust at all, 10 = complete trust). We construct a political trust index for each respondent based on the sum of their scores for trust in parliament, trust in politicians, and trust in parties, divided by the number of valid responses (Cronbach's α=.91). As a robustness check, we also perform our analysis with the trust in parliament item only.

Independent variables

External efficacy is measured by two questions that ask respondents "How much would you say the political system in [country] allows people like you to have a say in what the government does?" and "And how much would you say that the political system in [country] allows people like you to have an influence on politics?". These are very similar to the items Craig, Niemi and Silver (1990) have shown to be valid and distinct measures of external efficacy. In 2014, answers were recorded on an 11-point scale. From 2016 onward, answer categories include 1="Not at all," 2="Very little," 3="Some,"4="A lot,"5="A great deal." We harmonize these variables by normalizing them to range from 0 to 10. The respondents' average score on the two questions provides us with a continuous measure of their level of efficacy, ranging from 0 to 10.

As for income inequality, we derive the S80/S20 income share ratio from Eurostat that builds on EU-SILC and ECHP surveys (Eurostat, 2022). The measure indicates the ratio of the percent of total income accruing to the top 20% of the income distribution to that accruing to the bottom 20%. It is therefore a measure that better captures the development of higher incomes than, for example, the widely used Gini coefficient. Scholars of economic inequality have repeatedly shown that recent changes in income inequality are marked by a rapid growth in income at the top of the distribution and less so by a dispersion of the distribution as a whole. In addition, Gustavsson and Jordahl (2008) show that such income ratios are a better predictor of trust than the Gini. As a robustness test, however, we also perform the analyses with the Gini coefficient of disposable income from the Standardized World Inequality Database (Solt, 2020).

For the moderator variable political ideology, we follow Anderson and Singer (2008) and dichotomize the 11-point left-right scale to distinguish left-wing respondents (0-2) from center/right wing respondents (3-10).

Control variables

To isolate the contextual effect of inequality on trust and responsiveness perceptions from compositional effects, we control for educational level, household income, social class, as well as gender and age at the individual level. We use a 5-category measure distinguishing between respondents who completed less than secondary education (0), lower secondary (1), upper secondary (2), post-secondary non-tertiary education (3), and tertiary education (4). We also include a relative measure of household income (country-specific income quintiles + "Missing"). Social class is measured with the 5-class scheme by Daniel Oesch, distinguishing unskilled workers, skilled workers, small business owners, lower service class and upper service class (cf. Oesch, 2006; Tawfik and Oesch, n. d.).

We further control for gender and age. We also account for the macro-economic development of the sampled countries by including the Economic Performance Index (EPI) proposed by Khramov and Lee (2013). The EPI summarizes information on economic growth, inflation, unemployment (all derived from the World Bank's World Development Indicators) and the budget deficit (from the International Monetary Fund). Descriptive statistics for all variables are included in Table A2 in the Appendix**.**

Analytical Strategy

The structure of the pooled ESS data consists of three hierarchical levels, with individual respondents nested in country-years and countries. Hierarchical mixed effects regression models allow us to take this dependency into account: Throughout our models, we include a random intercept at the country-year level, as well as country and wave fixed effects. Employing fixed effects serves to properly isolate the longitudinal effect while simultaneously controlling for any observed or unobserved time-constant confounders. At the same time, controlling for individual-level covariates enables the estimation of the contextual effect of income inequality, net of compositional effects. Hence, the two-way fixed effects design allows us to estimate the effect of *changes* in inequality within a country.

Our analytical strategy is then two-fold: We first show a series of regression models in order to evaluate each hypothesized path of our theoretical model. In a second step, we test the mediation effect by applying a causal mediation analysis using the *mediate* package in *R* (Imai,

Keele and Tingley, 2010; Tingley *et al.*, 2009-2014). Specifically, we simulate the model parameters (the direct effect of inequality on trust and responsiveness) from the regression models for the outcome and mediator based on their sampling distribution. In total, we obtain a sample of 1000 of these parameters. For each of these draws and for each unit in the dataset, we simulate the potential mediator values and the potential outcomes (based on the simulated mediator values) and calculate the average causal mediation effect across the predictions for all respondents. This estimate is one of 1000 Monte Carlo draws, so that we obtain a distribution of 1000 mediation effects from which we then calculate point estimates and confidence intervals (the mean and percentiles of that distribution) of the mediation effect (see Imai, Keele and Tingley, 2010, p. 328 for details on the algorithm).

As described above, we employ a two-way fixed effects design to account for time-constant characteristics at the country-level as well as period-specific effects. We further control for time-varying confounders such as economic circumstances and the socio-demographic composition of a country. With the observational data at hand, we believe this is the optimal design to approximate the causal effect of income inequality on external efficacy and trust, given that manipulation is unfeasible. Nonetheless, certain assumptions of causal mediation analysis cannot be met (Cunningham, 2021; Imai, Keele and Tingley, 2010). To give a causal interpretation, we must assume that there are no time-varying unobserved confounders and that simultaneity (or reverse causality) is absent. With respect to the former assumption, we believe that the economic performance index captures the most important time-varying confounders. With respect to the latter, we must bear in mind that the cross-sectional data implies that we cannot formally test whether inequality precedes trust and efficacy, and efficacy precedes trust. Therefore, we must base this assumption on theoretical reasoning and prior findings. While it is theoretically possible that the level of trust affects inequality (the 'treatment') at a later time-point, as trust has been argued to be a pre-condition for extensive redistributive policies, this seems unlikely given our short time-span.

Additional assumptions are made for mediation analysis. In order to give the mediation effect a causal interpretation, we must assume that the control variables used in our study sufficiently adjust for the differences between subjects in high and low inequality contexts. Whereas we believe to adjust for the most important confounders, regarding the inequality-context as randomly assigned remains contestable. Secondly, we must make the untestable assumption that there are no omitted variables in the relationship between efficacy and trust, other than the individual and country-level characteristics we control for. Hence, while we believe that we

chose the optimal design for our research question given the data at hand, we use the term "mediation" in the sense of "indirect effect" (Kline, 2015), not in the sense of a causal effect.

4 Results

We begin the analysis with a series of models to obtain estimates of the individual path coefficients in our hypothesized mediation (Table 1). We do so first with a standard random effects (i.e. multilevel, RE) specification in Models 1 to 3 to provide a baseline, which we then compare to the more rigid fixed effects (FE) specification in Models 4 to 6. Given that the individual-level controls are unaffected by the inclusion of fixed effects, it is useful to briefly discuss these before presenting the mediation-relevant coefficients in more detail.

With respect to age, the models indicate that among older respondents, political trust is higher (Models 1,2,4,5) and external efficacy lower (Models 3 and 6). Regarding gender, it appears that females have lower levels of external efficacy (Models 3 and 6), which also explains why the initially negative effect of gender on trust turns positive as soon as efficacy is controlled for (Models 2 and 5). In line with previous findings, we find that left wing respondents have lower levels of political trust (Models 1 and 4). This effect becomes slightly smaller when external efficacy is included (Models 2 and 5). The results further indicate that left wing respondents have lower levels of external efficacy (Models 3 and 6), even though this effect is much smaller than the effect on trust. We also find a positive effect of the socio-economic status indicators (class, income, education) on both political trust and responsiveness perceptions. A comparison of the models including (Models 2 and 5) and excluding (Models 1 and 4) external efficacy as a predictor of trust also indicates that the divergent levels of trust between SES groups are to some extent explained by differences in external efficacy.

Turning to the coefficients that are relevant to our mediation analysis, Model 1 shows that the estimated total effect of income inequality on trust is *-0.325* ($p = 0.001$). Model 2 includes external efficacy in the model of trust, which yields an estimate of the indirect effect of inequality on trust ($\beta = -0.208$, $p = 0.007$). The results also show that efficacy has a strong positive effect on trust ($\beta = 0.478$, $p < 0.001$). The regression of external efficacy on income inequality (Model 3) indicates a negative and significant effect of income inequality ($\beta = -0.284$, $p = 0.003$). In sum, the multilevel models presented so far support the hypotheses that inequality negatively affects external efficacy and trust, and that efficacy has a positive effect on political trust. It is important to note that these estimates are net of the demographic and socio-

economic control variables included. That is, compositional differences are accounted for and the effects of inequality can be considered contextual effects. Particularly relevant is that the effect of inequality exists independent of an individual's position in a country's income distribution. Nonetheless, the estimates of the contextual effects obtained through this random effects specification are a mixture of *within* and *between* effects (Fairbrother, 2014). As such, it remains unclear whether the effect of inequality is due mainly to different *levels* of inequality between countries, or to *changes* in inequality over time. The next step in our analysis therefore requires properly isolating the longitudinal component, or the effect of inequality, by including country and wave fixed effects. The two-way fixed effects estimator yields pure within-effects by removing period-specific effects as well as observed and unobserved between-country variation. Consequently, we obtain an estimate of the average effect of a change in inequality within a country over time on political trust.

As shown in Models 4 to 6 in Table 1, the fixed effects models confirm the results of the random effects specification. As the estimates are now based on variation within countries over time only, the contextual effects are considerably smaller. The effect of the economic performance index, for example, is reduced from *-0.011* (p *=0.482*) in Model 2 to *-0.002* (p *= 0.914)* in Model 5. The total effect of inequality on trust (Model 4) is also smaller, but still substantial and statistically significant (β *=-0.259*, p *= 0.032*). As an illustration of the substantive meaning of this effect, it is useful to engage with the hypothetical situation in which the level of inequality in *Lithuania* (S80/20=*7.09*), the most unequal in our sample, shifts to the level of the most equal country (*Iceland*, S80/20=*3.21*). According to this model, political trust would increase by *1* point on the 10-point trust index.

When external efficacy is included in Model 5, the direct effect turns insignificant (β *=-0.136*, p *= 0.169*). The effect of efficacy on trust is positive (β *=0.477*, $p < 0.001$). In Model 6, we regress external efficacy on income inequality and find a negative and significant effect (β *=-0.256*, p *= 0.026*). Considering that these estimates are based on a rigid model specification and on within-variation in a relatively short period of time (2014-2018), the results so far provide robust support for our theoretical expectations: There is a negative effect of inequality on trust and external efficacy, as well as a positive effect of efficacy on trust. Moreover, the estimate for the direct effect of income inequality on trust is almost half that of the total effect, thus indicating that external efficacy provides a channel through which some of the inequality effect is transmitted. In order to formally estimate and test this indirect effect, we now turn to the mediation analysis based on the fixed effects models.

Table 1: Regression results

		RE-Models			FE-Models	
	M1	M2	M3	M4	M5	M6
DV	Trust	Trust	Efficacy	Trust	Trust	Efficacy
S80/20	-0.325 ***	-0.208 **	-0.284 **	-0.259 *	-0.136	-0.256 *
	(0.096)	(0.074)	(0.090)	(0.116)	(0.097)	(0.110)
External Efficacy		0.478 ***			0.477 ***	
		(0.003)			(0.003)	
Female	-0.020	0.054 ***	-0.154 ***	-0.020	0.054 ***	-0.154 ***
	(0.013)	(0.011)	(0.013)	(0.013)	(0.011)	(0.013)
Age	0.001 ***	0.006 ***	-0.010 ***	0.001 ***	0.006 ***	-0.010 ***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Education						
ISCED 2	0.106 ***	0.091 ***	0.032	0.106 ***	0.091 ***	0.032
	(0.030)	(0.026)	(0.029)	(0.030)	(0.026)	(0.029)
ISCED 3	0.153 ***	0.052 *	0.213 ***	0.153 ***	0.051 *	0.213 ***
	(0.028)	(0.025)	(0.028)	(0.028)	(0.025)	(0.028)
ISCED 4	0.192 ***	0.061	0.275 ***	0.192 ***	0.061	0.275 ***
	(0.036)	(0.032)	(0.035)	(0.036)	(0.032)	(0.035)
ISCED 5-6	0.492 ***	0.169 ***	0.676 ***	0.492 ***	0.169 ***	0.676 ***
	(0.030)	(0.027)	(0.030)	(0.030)	(0.027)	(0.030)
Income						
2nd Quintile	0.115 ***	0.052 **	0.131 ***	0.115 ***	0.053 **	0.131 ***
	(0.022)	(0.020)	(0.022)	(0.022)	(0.020)	(0.022)
3rd Quintile	0.233 ***	0.109 ***	0.261 ***	0.233 ***	0.109 ***	0.261 ***
	(0.022)	(0.020)	(0.022)	(0.022)	(0.020)	(0.022)
4th Quintile	0.309 ***	0.151 ***	0.330 ***	0.309 ***	0.151 ***	0.330 ***
	(0.023)	(0.020)	(0.023)	(0.023)	(0.020)	(0.023)
5th Quintile	0.451 ***	0.202 ***	0.522 ***	0.451 ***	0.202 ***	0.522 ***
	(0.025)	(0.022)	(0.025)	(0.025)	(0.022)	(0.025)
Missing Income	0.130 ***	0.053 *	0.161 ***	0.130 ***	0.053 *	0.161 ***
	(0.024)	(0.021)	(0.024)	(0.024)	(0.021)	(0.024)
Class						
Skilled Workers	0.077 ***	0.048 **	0.061 **	0.077 ***	0.048 **	0.061 **
	(0.019)	(0.017)	(0.019)	(0.019)	(0.017)	(0.019)
Small Business	0.059 *	-0.014	0.153 ***	0.059 *	-0.014	0.153 ***
	(0.025)	(0.022)	(0.025)	(0.025)	(0.022)	(0.025)
Lower Service	0.199 ***	0.078 ***	0.253 ***	0.199 ***	0.078 ***	0.253 ***

	RE-Models			FE-Models		
	M1	M2	M3	M4	M5	M6
	(0.023)	(0.020)	(0.023)	(0.023)	(0.020)	(0.023)
Upper Service	0.342 ***	0.102 ***	0.502 ***	0.342 ***	0.102 ***	0.502 ***
	(0.025)	(0.022)	(0.025)	(0.025)	(0.022)	(0.025)
Left	-0.310 ***	-0.270 ***	-0.084 ***	-0.310 ***	-0.270 ***	-0.084 ***
	(0.020)	(0.018)	(0.020)	(0.020)	(0.018)	(0.020)
EPI	-0.010	-0.011	-0.005	0.001	-0.002	0.006
	(0.018)	(0.015)	(0.017)	(0.020)	(0.017)	(0.019)
Country & Year Fixed Effects	**No**	**No**	**No**	**Yes**	**Yes**	**Yes**
AIC	419142.616	394415.963	415861.988	419128.926	394419.267	415851.744
BIC	419380.256	394663.109	416099.629	419556.679	394856.526	416279.497
Log Likelihood	-209546.308	-197181.981	-207905.994	-209519.463	-197163.634	-207880.872
Num. obs.	99272	99272	99272	99272	99272	99272
Num. groups: cyear	63	63	63	63	63	63
Num. groups: cntry	22	22	22	-	-	-
Var: cyear (Intercept)	0.040	0.028	0.036	0.040	0.028	0.036
Var: cntry (Intercept)	0.618	0.268	0.528	-	-	-
Var: Residual	3.975	3.099	3.846	3.975	3.099	3.846

Table 2 shows the results from the causal mediation analysis based on 1000 simulations. As in Table 1 before, the total effect is negative and significant, although the simulation-based results differ minimally. The estimated mediation or indirect effect is β= -0.119 (p=0.028), corresponding to about 44 percent of the effect of inequality on political trust being attributable to external efficacy. Accordingly, the estimated direct effect of inequality on trust is reduced to β= -0.144, turning it insignificant (p=0.122). To investigate whether political ideology moderates the relationship between inequality, trust and efficacy, we fit the same set of models separately for leftist and non-left respondents.

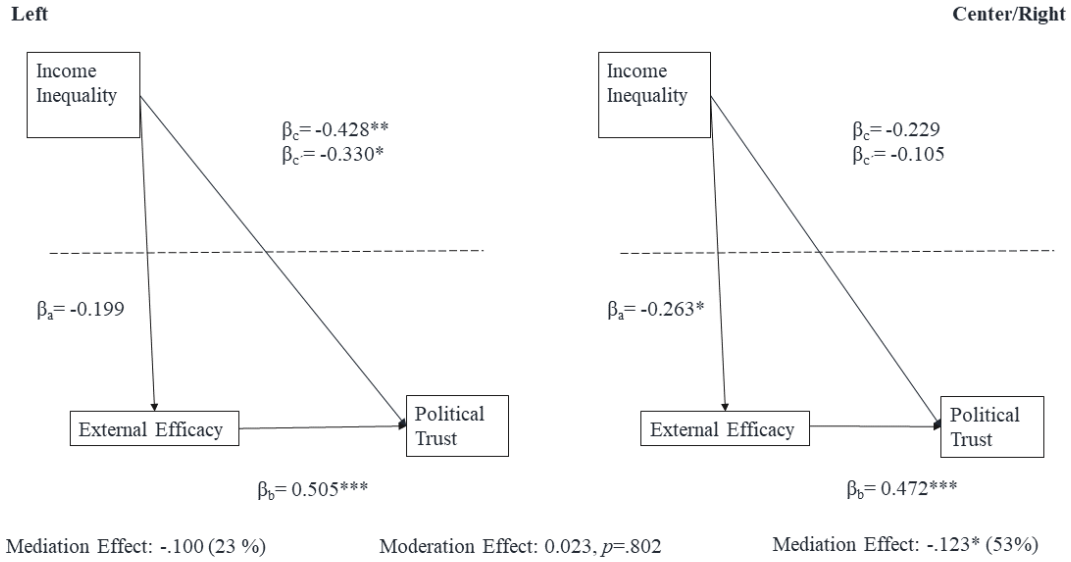
Table 2: Causal Mediation Analysis with 1000 simulations

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.263	-0.475	-0.052	0.018
Direct Effect	-0.144	-0.322	0.047	0.122
Indirect Effect	-0.119	-0.221	-0.010	0.028
% Mediated	0.435	0.033	1.341	0.038

Figure 2 summarizes the main results of the fixed effects models through path coefficients (complete results shown in Table A3). Among respondents who identify as left (left panel), the total effect of income inequality is -0.428 (p=0.008). Accounting for external efficacy reduces this effect to -0.33 (p=0.012). Again, we find that external efficacy also strongly affects political trust (β=0.505, p<.001). The effect of income inequality on efficacy is, however, not significant (β= -0.199, p=0.178). As such, the mediation analysis indicates that the indirect effect of inequality on political trust among left wing respondents is not significant (β= -0.1, p= 0.16).

Among non-left respondents, the results are somewhat different: First, only the total effect of inequality is significant, and only at the 10% level (β=-0.229; p= 0.069). The direct effect is estimated to be -0.105 (p= 0.303). By contrast, inequality does significantly affect external efficacy (β= -0.256, p= 0.026). The indirect effect among center and right-wing respondents is estimated to be -0.123 (p= 0.018), with about 53 percent of the effect of inequality on trust being mediated through external efficacy. In sum, while a much larger proportion of the effect of income inequality on trust is mediated by external efficacy among center and right-wing respondents, the estimates of the indirect effects are rather similar among the two groups.

Figure 2: Path models and results for left (left panel) and other citizens (right panel)



To formally test whether the difference in indirect effects between left and non-left respondents is significantly different from zero, we use the percentiles of the simulation-based mediation effect to obtain an estimate of its variance and perform a two-tailed z-test (see Fairchild and MacKinnon, 2009, eq. 9-10). The difference between the indirect effects is not sufficiently large to be statistically distinguishable from zero (β= 0.023, p= 0.802). While the problem of statistical power required to detect a moderated mediation has already been discussed elsewhere (Fairchild and MacKinnon, 2009), we interpret this as an indication that the indirect effect of inequality on trust does not depend on political ideology.

Robustness checks

We replicated the analyses with the Gini coefficient of disposable income from the Standardized World Inequality Database (SWIID, Solt 2008). The effect sizes are slightly smaller but otherwise comparable (see Appendix A4). In the full sample, external efficacy mediates only *29* percent (compared to *44* percent in our main analysis). As a consequence, the indirect effect is only significant among non-left respondents, and only at the 10% level. The mediation effects also differ more between left and non-left respondents (by 0.048, $p = 0.546$). In addition, we conducted the analyses with only the trust in parliament item as dependent variable (instead of the composite index). The estimates were largely the same (Appendix A5). We also tested

whether the categorization of left and non-left respondents influenced our results. The conclusions remained the same also when we defined 4 instead of 2 as a cut-off on the 11 point left-right scale (see Appendix A6). As a final robustness test, we included the annual number of first time asylum applicants per 1 Million inhabitants (standardized) as time-varying control variable. The reason is that from 2015 onward, a number of European countries were subject to a sudden increase in immigration rates, which potentially led to increases in the Gini coefficient and, particularly among non-left citizens, decreased political trust. The robustness of the models also in this specification further indicates that our results are not driven by developments specific to the period under investigation (see Table A7).

5 Discussion and Conclusions

The presumed loss of political trust has inspired a large scholarly debate for decades. Whereas the finding that confidence in democratic institutions declined in many countries has alarmed some scholars, others have qualified these worries and outlined that there is no steep decline overall. However, there has been mounting empirical evidence that inequality correlates with a decline in political trust. In the light of rising inequality in many Western democracies, it is crucial to understand how the potential erosion of trust unfolds exactly in these societies. This article explores one promising pathway to explain the recession in trust and why political trust is lower in unequal countries.

Our proposition was that the negative association between inequality and trust can be explained by the detrimental effect inequality has on citizens' external efficacy. High or growing inequality in a country has the potential to instill in its citizens the notion that politics is stacked against them and that politicians do no longer cater to ordinary citizens' interests. Consequently, they should express lower levels of trust in their political institutions.

We examined the hypothesis that the relation between trust and inequality can be explained by changes in external efficacy with pooled data from ESS rounds 7 to 9. First, we investigated each pathway separately, with hybrid multilevel regression models showing that there is a longitudinal negative effect of inequality on both trust and external efficacy, and that external efficacy is positively correlated with trust. Mediation analyses showed that the indirect effect of inequality on trust, via feelings of external efficacy, is both statistically significant and substantively meaningful. Rising inequality leads to decreasing trust mainly because citizens increasingly feel that politics does not listen to their wants and needs.

We also expected the direct effect of inequality to be weaker for citizens with a center or right-wing ideology than for left-leaning citizens. That is because the latter should place more value on equality and consider it an important goal of politics. When they see political institutions fail to achieve this goal and inequality to increase, their discontent should show in lower trust. Non-left citizens, in contrast, should need the additional factor of a decrease in external efficacy to show lower levels of trust in unequal contexts. However, our separate mediation analyses indicated some differences in the effect sizes, but formal testing led us to conclude that inequality's indirect effect via efficacy does not depend on ideology. This analysis yielded further insights into the mechanism through which income inequality affects democratic attitudes. Overall, income inequality has a negative impact on political trust, and this relation can to a large extent be explained by inequality's negative effect on external efficacy. However, this explanation seems to be slightly less important for citizens who put a greater emphasis on (in-) equality. When inequality has greater issue salience, as proxied by left-wing orientation, increasing economic disparity decreases trust in institutions more immediately and the "detour" via external efficacy becomes less relevant. By contrast, among those located on the center and right of the political spectrum, inequality depresses trust to a larger degree indirectly, as we found neither a total nor a direct effect of income inequality on trust.

These findings contribute to contemporary debates in important ways. First, the results presented corroborate previous findings that inequality depresses trust mainly among left-wing respondents (Anderson and Singer, 2008). These ideological differences could explain the diverging findings in the literature, with some studies being unable to detect an overall effect of economic inequality. Second, and relatedly, our results indicate that even among those farther removed from egalitarian ideology, objective inequality does undermine trust, albeit more indirectly. These findings therefore align with recent criticism on the "emerging consensus" on the superiority of subjective perceptions over objective inequality (Weisstanner and Armingeon, 2021). By contrast, our results show that neither a correct perception of the degree of economic inequality, nor a recognition of inequality as problematic, are strictly necessary for objective inequality to affect democratic attitudes: Because objective economic inequality affects external efficacy, it indirectly affects political trust even among those for whom inequality is, for ideological reasons, not a major concern.

While we believe these contributions to be important, our study faces certain limitations. First, it may be the case that, in contrast to our assumption, trust precedes responsiveness perceptions, for example, when a change in government happens and the party a respondent voted for takes

the lead after having been in opposition before. Citizens may then adapt their feelings of external efficacy to their increased trust in political institutions. Though we hold this causal direction to be the less likely one, we cannot entirely rule out this possibility.

Second, as mentioned before, the difference in indirect effects between the two ideological groups was not statistically different from zero. We cannot establish conclusively whether there really is no difference or whether this finding was due to insufficient power for the moderated mediation. Our two-way fixed effects model can be considered a conservative estimation of the hypothesized relations, so the fact that we did not find significant differences in the sample does not necessarily mean that no such differences exist in reality. Future studies may increase statistical power by adding observations. As we are not aware of any other large comparative survey that contains all information we used in this analysis, the forthcoming waves of the ESS might be of great help here

Another caveat is that salience of (in-)equality plays an important role in our theoretical argumentation but we were only able to operationalize it through left and right political ideology. Including a direct measure of how important equality is to respondents could further substantiate the findings presented here.

Despite these limitations, we believe that this paper makes an important contribution for our understanding of how and, to some extent, *why* inequality and trust are related. Our analyses show that objective economic inequality has the potential to erode democratic support and that external efficacy plays a key role therein. This is important, as the negative impact of rising income inequality may be weakened through interventions that raise perceptions of efficacy. Whereas our findings indicate that inequality has direct negative effects and should therefore be reduced, the difficulty to enact policies that are effective in curbing inequality may lead governments to not address this issue at all. In this case, we show that potentially more feasible interventions addressing efficacy as an important antecedent of trust, for example through deliberative tools (e.g., Dryzek *et al.*, 2019), may help boost political support or, at least, slow down its decline.

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Appendix

Table A1: Sample sizes by country and wave in ESS

	2014	2016	2018	Total
AT	1603	1796	2211	5610
BE	1612	1623	1629	4864
CH	1362	1338	1334	4034
CZ	1853	1996	2127	5976
DE	2807	2623	2172	7602
DK	1377	0	1433	2810
EE	1668	1694	1660	5022
ES	1620	1661	1379	4660
FI	1937	1812	1629	5378
FR	1740	1859	1788	5387
GB	1912	1678	1892	5482
HU	1381	1268	1379	4028
IE	1860	2199	1861	5920
IS	0	792	781	1573
IT	0	1630	1932	3562
LT	1513	1447	1236	4196
NL	1737	1535	1463	4735
NO	1317	1428	1272	4017
PL	1262	1353	1188	3803
PT	1060	1131	917	3108
SE	1648	1433	1441	4522
SI	914	1026	1043	2983
Total	32183	33322	33767	99272

Table A2: Descriptive Statistics ESS

	Min	Max	Median	Mean	Std.Dev	N.Valid
Age	18.000	114.000	51.000	50.903	17.805	99272
Class	1.000	6.000	3.000	3.262	1.458	99272
Education	1.000	5.000	3.000	3.429	1.296	99272
EPI	83.012	101.088	95.121	94.728	3.486	99272
Gender	0.000	1.000	1.000	0.516	0.500	99272
Gini	24.600	36.100	29.200	29.014	3.205	99272
Income	1.000	6.000	3.000	3.439	1.665	99272

	Min	Max	Median	Mean	Std.Dev	N.Valid
Left	1.000	2.000	1.000	1.325	0.468	99272
Political Trust Index	0.000	10.000	4.333	4.148	2.215	99272
Refugees per 1M Inhabitants	42.197	8789.340	883.540	1427.988	1806.071	99272
External Efficacy	0.000	10.000	3.500	3.387	2.189	99272
s80_20	3.210	7.090	4.270	4.604	0.986	99272
Year	2014.000	2018.000	2016.000	2016.032	1.630	99272

Table A3: Full Results of Moderated Mediation

	Left			Non-Left		
	Mc	**Mb**	**Ma**	**Mc**	**Mb**	**Ma**
S80/20	-0.428 **	-0.330 **	-0.199	-0.229	-0.105	-0.263 *
	(0.153)	(0.125)	(0.145)	(0.122)	(0.101)	(0.113)
Perceived Responsiveness		0.505 ***			0.472 ***	
		(0.008)			(0.003)	
Female	-0.060	0.024	-0.167 ***	-0.019	0.055 ***	-0.157 ***
	(0.039)	(0.034)	(0.038)	(0.014)	(0.012)	(0.013)
Age	0.000	0.006 ***	-0.012 ***	0.002 ***	0.006 ***	-0.010 ***
	(0.001)	(0.001)	(0.001)	(0.000)	(0.000)	(0.000)
ISCED 2	0.193 *	0.153 *	0.079	0.099 **	0.084 **	0.031
	(0.087)	(0.075)	(0.085)	(0.031)	(0.028)	(0.031)
ISCED 3	0.323 ***	0.188 **	0.267 ***	0.138 ***	0.037	0.214 ***
	(0.082)	(0.071)	(0.081)	(0.030)	(0.026)	(0.029)
ISCED 4	0.410 ***	0.265 **	0.288 **	0.171 ***	0.040	0.278 ***
	(0.112)	(0.097)	(0.110)	(0.038)	(0.034)	(0.037)
ISCED 5-6	0.664 ***	0.360 ***	0.602 ***	0.473 ***	0.148 ***	0.688 ***
	(0.088)	(0.077)	(0.086)	(0.032)	(0.028)	(0.031)
2nd Quintile	0.246 ***	0.150 **	0.192 **	0.090 ***	0.034	0.118 ***
	(0.062)	(0.054)	(0.061)	(0.024)	(0.021)	(0.023)
3rd Quintile	0.413 ***	0.224 ***	0.376 ***	0.200 ***	0.087 ***	0.239 ***
	(0.064)	(0.055)	(0.062)	(0.024)	(0.021)	(0.024)
4th Quintile	0.504 ***	0.272 ***	0.461 ***	0.276 ***	0.130 ***	0.309 ***

	Left			Non-Left		
	Mc	**Mb**	**Ma**	**Mc**	**Mb**	**Ma**
	(0.067)	(0.059)	(0.066)	(0.025)	(0.022)	(0.024)
5th Quintile	0.741 ***	0.377 ***	0.723 ***	0.415 ***	0.179 ***	0.500 ***
	(0.076)	(0.067)	(0.075)	(0.027)	(0.024)	(0.026)
Missing Income	0.303 ***	0.229 ***	0.152 *	0.101 ***	0.027	0.157 ***
	(0.072)	(0.062)	(0.070)	(0.026)	(0.023)	(0.025)
Skilled Workers	0.034	-0.012	0.092	0.081 ***	0.055 **	0.055 **
	(0.057)	(0.050)	(0.056)	(0.021)	(0.018)	(0.020)
Small Business	0.017	-0.120	0.272 ***	0.057 *	-0.006	0.133 ***
	(0.083)	(0.072)	(0.081)	(0.027)	(0.024)	(0.026)
Lower Service	0.186 **	0.006	0.356 ***	0.196 ***	0.085 ***	0.235 ***
	(0.068)	(0.059)	(0.067)	(0.025)	(0.022)	(0.024)
Upper Service	0.384 ***	0.039	0.684 ***	0.331 ***	0.108 ***	0.474 ***
	(0.074)	(0.065)	(0.073)	(0.026)	(0.024)	(0.026)
EPI	0.002	-0.013	0.030	0.000	-0.000	0.002
	(0.026)	(0.021)	(0.025)	(0.021)	(0.017)	(0.019)
AIC	50115.564	46859.399	49692.319	368854.444	347585.593	366022.857
BIC	50439.448	47190.644	50016.203	369267.211	348007.741	366435.624
Log Likelihood	-25013.782	-23384.700	-24802.160	-184383.222	-173747.797	-182967.429
Num. obs.	11626	11626	11626	87646	87646	87646
Num. groups: cyear	63	63	63	63	63	63
Var: cyear (Intercept)	0.048	0.030	0.041	0.044	0.030	0.038
Var: Residual	4.273	3.225	4.121	3.920	3.075	3.796

Note: Hierarchical Mixed Models including Country and Year Fixed Effects.

Table A3.1: Results Mediation Analysis: Left Respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.430	-0.729	-0.155	0.002

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Direct Effect	-0.329	-0.575	-0.098	0.006
Indirect Effect	-0.100	-0.247	0.050	0.160
% Mediated	0.230	-0.176	0.585	0.158

Table A3.2: Results Mediation Analysis: Right Respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.228	-0.472	-0.003	0.048
Direct Effect	-0.105	-0.312	0.100	0.310
Indirect Effect	-0.123	-0.227	-0.019	0.018
% Mediated	0.529	0.015	3.508	0.050

Table A4: Robustness Test Gini coefficient

	Mc	Ma	Mb
Gini	-0.226 *	-0.145	-0.156 *
	(0.095)	(0.094)	(0.078)
Perceived Responsiveness			0.477 ***
			(0.003)
Female	-0.020	-0.154 ***	0.054 ***
	(0.013)	(0.013)	(0.011)
Age	0.001 ***	-0.010 ***	0.006 ***
	(0.000)	(0.000)	(0.000)
ISCED 2	0.106 ***	0.032	0.091 ***
	(0.030)	(0.029)	(0.026)
ISCED 3	0.153 ***	0.213 ***	0.051 *
	(0.028)	(0.028)	(0.025)
ISCED 4	0.192 ***	0.276 ***	0.061
	(0.036)	(0.035)	(0.032)
ISCED 5-6	0.492 ***	0.676 ***	0.169 ***
	(0.030)	(0.030)	(0.027)
2nd Quintile	0.115 ***	0.131 ***	0.053 **
	(0.022)	(0.022)	(0.020)
3rd Quintile	0.233 ***	0.261 ***	0.109 ***
	(0.022)	(0.022)	(0.020)
4th Quintile	0.309 ***	0.331 ***	0.151 ***
	(0.023)	(0.023)	(0.020)
5th Quintile	0.451 ***	0.522 ***	0.202 ***
	(0.025)	(0.025)	(0.022)
Missing Income	0.130 ***	0.161 ***	0.053 *
	(0.024)	(0.024)	(0.021)

	Mc	Ma	Mb
Skilled Workers	0.077 ***	0.061 **	0.048 **
	(0.019)	(0.019)	(0.017)
Small Business	0.059 *	0.153 ***	-0.014
	(0.025)	(0.025)	(0.022)
Lower Service	0.199 ***	0.253 ***	0.078 ***
	(0.023)	(0.023)	(0.020)
Upper Service	0.342 ***	0.502 ***	0.102 ***
	(0.025)	(0.025)	(0.022)
Left	-0.310 ***	-0.084 ***	-0.270 ***
	(0.020)	(0.020)	(0.018)
EPI	0.005	0.011	-0.000
	(0.019)	(0.019)	(0.016)
AIC	419128.680	415854.863	394417.753
BIC	419556.432	416282.615	394855.011
Log Likelihood	-209519.340	-207882.431	-197162.876
Num. obs.	99272	99272	99272
Num. groups: cyear	63	63	63
Var: cyear (Intercept)	0.039	0.039	0.026
Var: Residual	3.975	3.846	3.099

Note: Hierarchical Mixed Models including Country and Year Fixed Effects.

Table A4.1 Results Robustness Check Mediation, Full Sample, Gini

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.229	-0.398	-0.057	0.014
Direct Effect	-0.162	-0.309	-0.017	0.032
Indirect Effect	-0.067	-0.158	0.021	0.152
% Mediated	0.289	-0.179	0.756	0.154

Table A4.2 Results Robustness Check Mediation, Left, Gini

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.160	-0.435	0.086	0.220
Direct Effect	-0.135	-0.370	0.071	0.218
Indirect Effect	-0.025	-0.156	0.104	0.710
% Mediated	0.191	-2.099	3.104	0.586

Table A4.3 Results Robustness Check Mediation, Right, Gini

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.229	-0.417	-0.048	0.018
Direct Effect	-0.156	-0.316	0.008	0.066
Indirect Effect	-0.074	-0.161	0.015	0.096

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
% Mediated	0.321	-0.144	1.000	0.102

Table A4.4 Robustness Test Gini - Moderation Z-Test

Estimate	Pooled SE	z	p
-0.022	0.085	0.265	0.791

Appendix A5: Robustness Test Trust in Parliament
Full Sample:

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.311	-0.548	-0.078	0.014
Direct Effect	-0.192	-0.396	0.026	0.072
Indirect Effect	-0.119	-0.224	-0.007	0.038
% Mediated	0.370	0.022	1.064	0.040

Results Robustness-Test Trust in Parliament, CMA, Left respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.522	-0.857	-0.207	0.002
Direct Effect	-0.422	-0.718	-0.130	0.006
Indirect Effect	-0.101	-0.250	0.053	0.174
% Mediated	0.194	-0.145	0.517	0.176

Results Robustness Test Trust in Parliament, CMA, Center/Right respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.266	-0.508	-0.020	0.034
Direct Effect	-0.143	-0.354	0.081	0.208
Indirect Effect	-0.123	-0.229	-0.017	0.014
% Mediated	0.448	0.026	2.343	0.040

Moderation Z-Test - based on subsamples

estimate	se.pooled	z.score	p.val
0.022	0.094	0.238	0.812

Appendix A6: Robustness Test Different Left-Right Categorization
Full Sample:

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.268	-0.481	-0.055	0.016
Direct Effect	-0.148	-0.327	0.044	0.112
Indirect Effect	-0.120	-0.223	-0.011	0.028
% Mediated	0.434	0.040	1.304	0.036

Results Robustness-Test Different Left-Right Categorization, CMA, Left respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.342	-0.566	-0.130	0.002
Direct Effect	-0.227	-0.407	-0.059	0.018
Indirect Effect	-0.114	-0.240	0.013	0.076
% Mediated	0.331	-0.071	0.688	0.078

Results Robustness Test Different Left-Right Categorization, CMA, Center/Right respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.219	-0.467	0.059	0.128
Direct Effect	-0.097	-0.327	0.156	0.410
Indirect Effect	-0.122	-0.237	-0.014	0.040
% Mediated	0.514	-2.599	2.892	0.136

Moderation Z-Test - based on subsamples

estimate	se.pooled	z.score	p.val
0.008	0.086	0.09	0.928

Appendix A7: Robustness Test First Time Asylum Applicants per 1M Inhabitants
Full Sample:

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.254	-0.483	-0.022	0.030
Direct Effect	-0.148	-0.359	0.043	0.144
Indirect Effect	-0.106	-0.218	0.004	0.054
% Mediated	0.409	-0.114	1.422	0.076

Results Robustness Test First Time Asylum Applicants per 1M Inhabitants, CMA, Left respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.376	-0.670	-0.089	0.006
Direct Effect	-0.324	-0.584	-0.072	0.020
Indirect Effect	-0.052	-0.185	0.086	0.482
% Mediated	0.141	-0.493	0.556	0.480

Results Robustness Test First Time Asylum Applicants per 1M Inhabitants, CMA, Center/Right respondents

Parameter	Estimate	2.5 Percentile	97.5 Percentile	p
Total Effect	-0.237	-0.470	-0.004	0.046
Direct Effect	-0.127	-0.336	0.081	0.226
Indirect Effect	-0.110	-0.217	-0.001	0.050
% Mediated	0.450	-0.228	1.905	0.080

Moderation Z-Test - based on subsamples

estimate	se.pooled	z.score	p.val
0.058	0.088	0.653	0.514