

# **Political Trust and Job Insecurity in 18 European Polities**

Journal:	Journal of Trust Research
Manuscript ID:	JTR-2013-0022.R1
Manuscript Type:	Original Article
Keywords:	Political Trust, Job Insecurity, Economy, Psychological Contract Theory, European Social Survey Data

SCHOLARONE™ Manuscripts

#### Political Trust and Job Insecurity in 18 European Polities

Abstract: Several decades of trust research has confirmed that difficult national economic conditions help explain citizens' low levels of political trust. But research points to a much less important role for personal economic factors. The latter finding, it is argued, is a result of flawed survey questions and model misspecification. We actually know very little about the precise economic concerns that may generate low levels of trust and about the mechanisms via which they do so, resulting in a rather thin causal story. This paper seeks to address this lacuna, focusing on an issue of increasing importance in advanced economies: job insecurity.

Using individual-level data from 18 European polities at two different time points, the paper finds that job insecurity generates lower levels of trust in politicians, political parties and political institutions and lower levels of satisfaction with democratic performance. Importantly, job insecurity's effect does not diminish as one moves from specific to more diffuse objects of political trust, as previous research suggests it should. The paper also finds that the effect of job insecurity is exacerbated if citizens have negative perceptions of the performance of the wider economy. Finally, and drawing on the occupational psychology literature, the paper proposes a novel causal mechanism to link job insecurity to political trust. The intuition is that job insecurity violates a 'psychological-democratic' trust contract between workers and the state. The mechanism is consistent with the observed results. The paper thus contributes to both the empirical and theoretical debates on the linkages between political trust and economic performance.

### Political Trust and Job Insecurity in 18 European Polities

Survey data suggest strongly that the relationship between citizens and government is fraught. Only 38 percent of the 30,000 citizens surveyed in 25 countries in Edelman's 2012 Trust Barometer said they trusted government to do what is right, an 11-point decline on the previous year. Forty six percent reported that they do not trust government leaders to tell the truth at all. In an even larger study by Gallup in 2005, only 13 percent of the 50,000 respondents across 68 countries said they trusted politicians. Political distrust is a worldwide phenomenon, found in mature democracies, emerging democracies and non-democracies alike. It is also a phenomenon that holds across genders, generations, races, religions and socioeconomic groups (Edelman 2012; Gallup polls 2006-07; Hibbing and Theiss-Morse 2001; Norris 1999; Nye, Zelikow and King 1997; Pharr and Putnam 2000).

One of the key hypotheses posited by researchers to explain citizens' distrust of politicians, government and the state apparatus is that it is driven by the poor performance of political institutions, including legislatures (Feldman 1983; Hibbing and Theiss-Morse 1995; Keele 2007), executives (Citrin and Green 1986; Hetherington 1998; Keele 2005) and political parties (Dionne 1991; King 1997; Miller 1974a and b).

A related but narrower hypothesis is that low trust is driven by *economic* underperformance. This can be theorized and measured as actual, objective performance and/or perceptions of performance. While objective performance and perceptions both matter, the research base demonstrates that perceptions of economic performance are generally more important than objective performance criteria when seeking to explain differing levels of political trust across individuals (Dalton 2004:

64-5, 75, 114-16; Lawrence 1997: 112-13; McAllister 1999). One reason why perceptions may matter more is that they are very sensitive to minor shifts in aggregate indicators such as growth rates and inflation and personal ones such as changes in income (Dalton 2004: 115-16).

Performance can also be theorized and measured on narrow, personal or egotistical criteria and/or on more general, national or sociotropic criteria. Previous research again demonstrates that both matter, but not equally. Negative egotistical and sociotropic economic evaluations both generate lower levels of political trust (Citrin and Green 1986; Hetherington 1998; Mishler and Rose 2001), but perceptions of the performance of the national economy are generally regarded as more important than perceptions of one's personal financial situation (Dalton 2004: 116-18; Mishler and Rose 2001).

One problem with the conclusion that personal economic factors are, at best, only moderately important predictors of political trust is that it based in large part on a survey question long known to be a poor measure of individuals' changing economic situation. Rosenstone and colleagues convincingly demonstrated that 'pinpointing the connection between economic circumstance and political preference' by asking respondents whether they and their families are 'financially...better off or worse off than you were a year ago' is a 'perilous enterprise' because the question constraints the response variance (1986: 177). The discipline's reliance on this and similar questions should encourage scepticism about the robustness of empirical results that downplay personal economic factors.

A second problem regards the theoretical linkages between trust and personal economic factors. Even if we could be confident that personal economic factors do, at least to some extent, predict political trust, we do not know what factors people

prioritize or even what criteria they employ when assessing their financial situation in response to a prompt by a survey question. Do they think about their level of income, changes in income, or income versus expenditure? Perhaps they think about the cost of living, or houses they couldn't afford to buy, or changes at work that put their employment and income at risk. We simply do not know. And because we don't, we are left with a rather thin and unsatisfying theoretical understanding of the relationship between the economy and trust. The discipline's broad survey questions make it difficult to identify and test the mechanisms linking the two phenomena, which are critical to developing a rich causal theory (Hedstrom 2008).

Third, and most importantly, the failure of personal factors to do much heavy lifting in our trust equations may simply be a consequence of model misspecification. In other words, analysts may not have included in their models the financial and economic factors that are of greatest concern to citizens. In the context of the ongoing effects of the global financial crisis, Hacker and his colleagues (2012, 2013) have made a persuasive call for researchers to reconsider the roll of personal economic experiences and attitudes, and particularly economic insecurity, in shaping political behaviour. They show that these experiences and attitudes, when properly conceptualised and measured, play a significant role in determining citizens' attitudes towards the role of government.

Other research, albeit limited in volume, supports Hacker's findings on the importance of insecurity. We know, for example, that in some cases the rise of populist political parties, especially on the right, is in part underpinned by increasing job insecurity. Populist political parties critique mainstream parties for ignoring workers' concerns about the deleterious effects of international economic integration, and the insecure respond by giving these parties their electoral support (Mughan,

Bean and McAllister 2004; Mughan and Lacy 2002). Insecurity is also associated with the size of, and support for, the welfare state. Countries that are most exposed to international trade have bigger governments, probably because citizens demand increased social insurance in response to the increased risk posed by economic integration (Rodrik 1998). Most studies show that this holds at the individual level, with citizens most exposed to insecurity most supportive of the welfare state (Hacker et al 2013; Rehm 2009, 2010; Rehm, Hacker and Schlesinger 2012; but see Mughan 2007). Insecurity may even be one of the factors determining the changing pattern of partisan attachment in the United States and in turn be responsible for the polarization of American politics (Rehm 2010).

In sum, the research base, although quite limited in volume, demonstrates that economic insecurity, and particularly job insecurity, plays an important, and perhaps increasingly important, role in structuring political attitudes and behaviour across a range of polities. Scholarship also points to an important relationship between economic underperformance and low levels of political trust. However, little extant work has linked these two research agendas and explored the association between job insecurity and political trust, despite important micro and macro economic developments that have diminished workers' security (Iversen and Cusack 2000; Rehm 2010; Rodrik 1998; Scheve and Slaughter 2001; Standing 2011) and evidence that insecurity is at the forefront of employees' minds (OECD 1997: 129-160; Pennycook et al 2013). The present paper seeks to address this omission. It tests the proposition that job insecurity is associated with low levels of political trust, and finds a statistically significant relationship. In a challenge to our existing understanding of the economy-trust relationship, the empirical analysis further demonstrates that the effect of insecurity on trust does not diminish as the objects of trust become less

specific and more diffuse (Norris 1999). A final finding is that insecurity's effect is exacerbated if citizens also have negative perceptions of the performance of the wider economy. Building on the work of occupational psychologists, it also proposes a novel causal mechanism to link job insecurity and political trust. The basic idea is that insecurity violates a psychological-democratic contract in which workers trust political actors and institutions and support the democratic process and in return expect security in employment. The mechanism is consistent with the observed results. The paper thus contributes to the empirical and theoretical debates on the linkages between political trust and economic performance.

The paper proceeds in the following stages. First, it set outs what is meant by job insecurity and political trust and introduces the causal mechanism linking the two. It then discusses the data and methods that will be employed, before presenting the results of the data analysis. It concludes with a discussion of the implications and limitations of the main findings.

### **Defining Political Trust**

Political trust has been defined and measured in many different ways (Citrin and Muste 1999; Cook and Gronke 2005; see Hardin 2013 and Mollering 2013 for a recent controversy and Levi and Stoker 2000 for a review). One influential definition conceives political trust as 'the degree to which people perceive that government is producing outcomes consistent with their expectations' (Hetherington 2005: 9), but survey respondents may have something else in mind when asked about the extent to which they trust a particular political actor (Levi and Stoker 2000: 498-499).

It is also important to recognize that trust is a multi-dimensional concept, which can be helpfully disaggregated into its component parts, such as trust in

politicians, political parties and various political institutions. Other aspects include satisfaction with democratic performance and support for democratic principles. These various 'objects of trust' can then be arrayed on a dimension from the specific to the diffuse (Easton 1965, 1975; Norris 1999). Previous work suggests that the effects of economic factors—and, by implication, job insecurity—on political trust atrophies as the object of support becomes more diffuse (Dalton 2004: 117-19). This may be because the more specific measures tap how things are going now, which citizens evaluate via the prism of economic performance generally (Cook and Gronke 2005: 795-6).

Distinguishing between the different objects of trust and support is also important for the 'so what?' question (Citrin and Luks 2001). Generally speaking, trust in politicians, political parties and institutions is low in most western democracies, but support for regime principles and the political community is considerably higher. Scholars have suggested that low levels of political trust in politicians can be viewed with some degree of sanguinity, because voters can always 'throw the rascals out' (Citrin 1974; Citrin and Green 1986). Low levels of support for regime performance and principles, in contrast, would be a cause of greater concern because it may threaten the foundations of democratic societies. Yet throwing the rascals out has done little to increase trust in politicians, institutions or democratic performance, and Miller's (1974a and b) argument that distrust is more systemic and worrisome looks increasingly pertinent.

#### **Defining Job Insecurity**

As with political trust, there are many different definitions and measures of job security. Most have been developed by occupational psychologists who have

documented its effects on workers' well-being (for overviews and definitional discussions, see De Witte 1999, 2005 and Sverke et al 2002, 2006). But, at its core, job insecurity refers to the threat of losing one's job (De Witte 2005: 1). It is not the same as actual job loss, which is immediate and concrete. Most scholars regard it as a subjective and perceptual phenomenon because different people may interpret the same objective level of insecurity differently (Sverke et al 2006: 7). Some researchers also incorporate affective, involuntary and qualitative aspects of job loss in their definitions, but doing so poses problems of measurement operationalization (see Ashford et al 1989 for an example).

Instead, we follow Davy et al (1997: 323) and define job insecurity simply as 'one's expectations about continuity in a job situation' (see also De Witte 1999; Heaney et al 1994; Mohr 2000; and Roskies et al 1993). This captures the cognitive and subjective experience of the perceived insecurity of one's job—and it can thus be theorized as an egocentric judgement—but note that it does not encompass the extent to which people fear the prospect of losing their job or the extent of concern about future employment prospects. Ideally, the definition and measurement of job insecurity would tap such affective concerns, because insecurity is likely to have more significant behavioural consequences when fear and concern are high, ceteris paribus. However, and again, the available data do not facilitate the operationalization of these aspects of insecurity.

#### **Linking Job Insecurity and Political Trust**

However job insecurity is defined and operationalized, research clearly demonstrates that it matters. Some political consequences of job insecurity were noted in the introduction, but it has also been shown to have important consequences for workers

and firms. It causes stress inside and outside the workplace and has important negative effects on workers' job satisfaction, physical and mental health, general wellbeing and life satisfaction (De Witte 2005; Sverke et al 2002; Sverke et al 2006). It has important behavioural consequences for organizations, with insecure workers performing worse and more likely to leave. Attitudinal consequences include lower levels of commitment to, and trust in, employers (Sverke et al 2002). Ashford et al (1989: table 3) identified a correlation of .5 (p<.01) between workers' job insecurity and trust in their employer. Sverke et al's meta-analysis identified a similar sized effect for job insecurity on workers' trust in their firm and its managers (2002: tables 2 and 3). Indeed, job insecurity's effect on organizational trust was larger than on all seven other identified outcomes.<sup>2</sup>

This effect is particularly intriguing for the present study. Occupational psychologists have suggested that job insecurity generates distrust in the firm because it breaches the psychological contract between employee and employer. Psychological contract theory identifies employees' perceptions of what they owe their employers and what their employers in turn are perceived to owe them (Robinson 1996: 574; Rousseau 1989). A key aspect in this perceived mutual obligation is that workers offer firms their loyalty and expect to receive job security in return. Job insecurity thus

<sup>&</sup>lt;sup>1</sup> Trust in the 'employing organization' was measured using a two-item scale, based on responses to the following two questions: 'I trust this organization to look out for my best interests' and 'I believe in the top management of this organization' (Ashford et al 1989: 813).

<sup>&</sup>lt;sup>2</sup> They examined job security's effect on job satisfaction, job involvement, organizational commitment, physical health, mental health, performance and turnover intention, in addition to trust.

violates the psychological contract, and workers respond by reducing their loyalty and commitment to, and trust in, the firm (De Witte 2005: 3-4).

It is possible that a similar mechanism operates when workers think about political affairs. Our intuition is that (at least some) workers perceive a 'psychological-democratic contract' between themselves and the state, one aspect of which is that they trust political actors and institutions and support democratic values and expect job security in return. In this thinking, job insecurity violates the psychological-democratic contract, and workers respond by reducing their political trust. There are other types of insecurity (Hacker 2008), but job insecurity may be particularly important to the psychological-democratic contract because work is central to individuals' perception of their self and their place and role in society.

Of course, the idea of contract between citizen and state is not new, and can be traced back through Rawls, Kant, Rousseau, Locke and Hobbes, among others. But discussion of the 'social contract' among political philosophers has focused largely on questions of consent and obligation, and very little on the content of the contract, especially as perceived by individual citizens. The social contract broadly defined lacks analytical purchase when seeking to explain political trust, above and beyond the idea that citizens are morally entitled to have certain expectations of the state and have some obligations in return. The psychological-democratic contract, in contrast, identifies one aspect of citizens' expectations (security) and what happens when the state is perceived to have failed (distrust). The psychological-democratic contract is breached when citizens perceive their jobs to be insecure and perceive the state to be at fault. The argument as to whether the state is actually able in a globalized economy to protect citizens' job security is to some extent moot; what matters is citizens' expectations of the state, not the state's capacity to fulfil them.

Psychological contract theory is additionally appealing because it can be mapped onto existing broad-brush theoretical insights into the economy-trust nexus to render a more fine-grained explanation. Previously, the main mechanism posited in the literature between economics and political trust has been based on the following logic: Democratic theory requires citizens to hold governments to account for their performance, and economic management is a key performance criterion. At the individual-level, economically-challenged citizens should have lower levels of political trust because they blame government and other political authorities and institutions for their (perceived) predicament. And at the aggregate level, political trust will be low and/or decline when economic performance is poor (Clarke, Dutt and Kornberg 1993: 1001; Keele 2007: 242). The additional insight of psychological contract theory, or psychological-democratic contract theory as proposed here for the first time, is that it grounds the breach of the democratic contract specifically in workers' perceptions of their insecurity.

One important detail, though, is left hanging. It is pertinent to ask what part of the state will citizens blame if they feel their job is at risk? A priori, one intuition is that it will differ across individuals and political systems. Management theorists and occupational psychologists recognize that big firms are very complex organizations with many divisions and layers of management, some crossing national boundaries and even continents. Different employees may construct different micro psychological contracts with different parts of the firm while striking a meta contract with the whole (Anderson and Schalk 1998; Cullinane and Dundon 2006). A similar contract structure may operate at the level of the political system. Within a single system—a federal presidential system, say—some insecure citizens may blame the legislature and others the executive, while other may blame state-level institutions. Parliamentary

systems may encourage a different division of blame. And there will likely be differences even across parliamentary systems, as party systems, voting rules and political cultures influence the attribution of blame for perceived contract breaches.

Additional empirical work is required to address these questions, but extant research at least suggests that perceived job insecurity, because it is an egotistical assessment of one aspect of a citizen's financial situation, would likely have a larger effect on the more specific political objects, such as trust in politicians and political parties (Clarke and Kornberg 1989; Cook and Gronke 2005; Dalton 2004; McAllister 1999; Norris 1999). In this thinking, insecure workers should blame political incumbents, their parties and possibly the political institutions they staff for their predicament. Their insecurity should not, though, lead them to question their support for the operation of democracy or other more diffuse objects of political support. On the other hand, we know from the work of Kahneman and Tversky (1979) that humans are loss averse; insecurity thus poses a significant threat to the basic human instinct to preserve the status quo A breach of the psychological-democratic contract may therefore be regarded by some citizens as so serious as to merit system-level consequences. If so, there are, then, good theoretical reasons to suppose that job insecurity's effect will not atrophy as the object of political support moves from the specific to the diffuse. This effect would, if observed, challenge our traditional understanding of the economy-trust relationship.

While this modified version of psychological contract theory posits an intuitive connection between low political trust and job insecurity, it is impossible given the existing data to observe and test the mechanism directly, and this paper does not purport to do so. The aim here is, rather, to sketch out the mechanism and to offer a plausible causal story, which future research may seek to develop theoretically and

test empirically. The best we can do is test whether the mechanism is compatible with the results generated by the analysis. The next section turns its attention to the empirical correlation between job insecurity and political trust.

### **Insecurity and Trust: Explaining Individual-Level Differences**

To recap, we have two key hypotheses. The first is that job insecurity reduces individuals' political trust. We test this across a range of objects of political trust. The second, which is based on the proposed psychological-democratic contract mechanism and poses a challenge to the conventional wisdom, is that the effect of insecurity will not diminish as the object of political trust becomes more diffuse.

### Data and Variables

This study's data sources are Round 2 (2004) and Round 5 (2010) of the multinational European Social Survey. The two data sets contain information about respondents' job security and political trust. To facilitate comparisons between the two time points, the data analysis is restricted to countries that appear in both ESS rounds, yielding a total of eighteen nations: Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, the Netherlands, Norway, Poland, Slovakia, Slovenia, Spain, Sweden, Switzerland and the United Kingdom.<sup>3</sup>

The countries range from the economically advanced old democracies of north western Europe, through the relatively new Mediterranean democracies to very new democracies of the old Eastern bloc. Some are geographically small while others are vast. Some have tiny populations and others large ones. Many are very wealthy but

<sup>&</sup>lt;sup>3</sup> Estonia and Portugal featured in both rounds but were excluded from the analysis because of missing data.

some are struggling. Some have been relatively sheltered against recent economic upheavals in Europe while others are desperately exposed. Some have extensive welfare safety nets while others provide only the most basic protections against want, disease, ignorance, squalor and idleness, as Beveridge famously described the 'giant evils' of modern society. The wide cross-national focus and the two time points allow us to make broad and robust generalizations about individual-level relationships.

These results are not sui generis, specific to one or a few nations, but reveal important individual-level relationships that operate across different economies, cultures and political systems over time.

Because political trust is a multi-dimensional phenomenon, we follow Norris (1999) and utilize five separate dependent variables to measure citizens' trust. From the specific to the diffuse, the five are trust in politicians, political parties, parliament and the legal system, and satisfaction with the way democracy works. Unfortunately, the ESS surveys do not include questions about Norris's two most diffuse objects of political support—regime principles (such as support for the democratic values) and the political community (pride in nation and national identity)—but the variables included here can nonetheless be distinguished by the extent of their diffuseness and permit the two hypotheses to be tested.

All the dependent variables are scored on 11-point scales with 0 representing no trust at all or extremely dissatisfied and 10 meaning complete trust or extremely satisfied. <sup>4</sup> The equations were estimated with both OLS and ordinal regressions, but for ease of interpretation and presentation only the former are reported here. <sup>5</sup>

<sup>&</sup>lt;sup>4</sup> 'Please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means that you have complete trust: the [country's] parliament; the legal system; politicians; political parties.' 'And on the whole, how satisfied are you with the way democracy

Job insecurity, defined above as 'one's expectations about continuity in a job situation' (Davy et al 1997: 323), is measured using a question that asks respondents whether the statement that 'my job is secure' is not at all true, a little bit true, quite true or very true. The variable is scored on a four-point scale, with low scores representing lower levels of job security. This simple, single-item operationalization of job insecurity draws on previous work in psychology (De Witte 1999; Mohr 2000; Roskies et al 1993; Wanous et al 1997) and political science (Mughan 2007; Mughan, Bean and McAllister 2004: 628-9; Mughan and Lacy 2002; Scheve and Slaughter 2004). It is worth noting, however, that single-item measures are less likely to deliver strong correlations than multi-item scales (Sverke et al 2002: 247, 257), but it is not possible to construct a comprehensive multi-item measure using ESS data.

Operationalizing job security using a single-item measure is inherently conservative, at risk of a type II rather than type I error, but in consequence we can be more confident that the forthcoming analysis will not generate false positives.

The analysis also includes a number of control variables. While some trust scholars play down the effect of income on political trust (Dalton 2004: 64-5, 75, 114-

works in [your country]?' where 0 means extremely dissatisfied and 10 extremely satisfied.

<sup>&</sup>lt;sup>5</sup> Formally, as the dependent variable is ordinal rather than cardinal, an ordinal regression procedure such as ordered probit is more appropriate than OLS. We thus compared the base model (with no interactions) from an OLS and from an ordered probit and found, first, that the relative size and significance of all coefficients was similar in both models and, second and more importantly, the estimated thresholds were spaced equally, suggesting any inconsistencies with OLS would be very small. We thus decided to retain the OLS model as this facilitates the easy use and interpretation of interaction terms, which are problematic to operationalize in non-linear models.

6; McAllister 1999), it is necessary to include it here because income is likely to moderate the effect of insecurity on trust, with higher earners more secure in their employment and better insulated against the negative consequences of job loss than lower earners (Rehm 2009, 2010; Rehm, Hacker and Schlesinger 2012; Sverke et al 2006: 10). The model includes a measure of each household's total net income (after tax and compulsory deductions) from all sources. To address the problem of differing income levels across nations, the variable divides each household's income into one of ten country-specific deciles. The poorest ten percent in Slovakia are coded the same as the poorest ten percent in Norway and Germany, even though their objective income levels differ dramatically.

It is common when modelling determinants of political support to control for education, and it is particularly important in this case because skill levels rise with years of education, and skills, ceteris paribus, offer protection against and opportunities in the internationalized economy (Walter 2010; Sverke et al 2006: 10). The better educated should face lower levels of job insecurity, and will thus have higher levels of political trust than those with less education. Moreover, it is important to control for education to guard against a spurious relationship between trust and insecurity, because education is likely to have independent direct effects on both political support and job insecurity. Education is measured by years of full-time education completed.

The model also includes a variable that measures respondents' perceptions of the wider economy, which are statistically significant in most existing trust research. And, of course, it is important to include sociotropic evaluations as a control to avoid the job insecurity variable being contaminated by concerns about the perceived performance of the wider economy. The variable measures the extent to which

respondents are satisfied with the present state of the economy in their country on an 11-point scale, with low scores representing dissatisfaction.

While income, education and sociotropic economic evaluations are included as controls, it was suggested above that the effect of job insecurity may be conditional on the level of each of these variables. The consequences of losing one's job are likely to be more severe for the poorly educated and the poor and when the wider economy is performing poorly. The ill-educated and the indigent are particularly exposed to the vagaries of the modern, internationalized labour market, because many of their jobs have been outsourced or are in some way threatened, while a poorly performing national economy makes it more difficult to find a good new job. To accommodate these possible conditional effects, the model is rerun with three additional variables that explore the potential interactions between job insecurity and income, education and the wider economy. The details are set out below.

Controls for age and gender are also included in the models. The data are weighted to ensure that each country's sample is a true representative sample of its wider population. The data are also weighted to account for population size. This is important when analyzing multiple countries simultaneously. Failing to weight for size would result in skewed estimates, with smaller countries over-represented.<sup>6</sup>

The unweighted sample sizes for each country in 2004 are: Belgium 1,778; Czech Republic 3,026; Demark 1,487; Finland 2,022; France 1,806; Germany 2,870; Greece 2,406; Hungary 1,498; Ireland 2,286; Netherlands 1,881; Norway 1,760; Poland 1,716; Slovakia 1,512; Slovenia 1,442; Spain 1,663; Sweden 1,948; Switzerland 2,141; and United Kingdom 1,897. And for 2010: Belgium 1,704; Czech Republic 2,386; Demark 1,576; Finland 1,878; France 1,728; Germany 3,032; Greece 2,715; Hungary 1,561; Ireland 2,576; Netherlands 1,829; Norway 1,549; Poland 1,751; Slovakia 1,856; Slovenia 1,403; Spain 1,885; Sweden 1,497; Switzerland 1,506; and United Kingdom 2,422.

## <u>Analysis</u>

### a. Descriptive Statistics

Before proceeding to the multivariate analysis, it is instructive to examine the mean levels of political support for each of the five dependent variables by country and collectively. Table 1 reports the relevant statistics for 2004 and 2010. Reflecting Norris's (1999) findings, the weighted averages in the last rows show that political trust generally increases as one moves from specific to more diffuse objects.

Politicians and political parties, the most political of Norris's regime institutions, are the least trusted. Parliaments are more highly trusted. Legal systems, the least political of Norris's regime institutions, are the most trusted. Finally, more people than not are satisfied with the operation of democracy across the 18 nations at both time points.

### [Table 1 about here]

The mean of the means columns provide an easy way to compare political trust across countries and are used to rank each nation. The Nordic countries of Denmark, Finland, Norway and Sweden generally top the trust league in 2004 and 2010. The other old democracies of north western Europe (Belgium, France, Germany, Ireland, the Netherlands, Switzerland and the United Kingdom) are in the middle of the league, although Switzerland stands out as a high trusting country within this group. The Mediterranean polities of Spain and Greece, both suffering economic privation and themselves not long out of dictatorship, join the former Eastern bloc countries (Czech Republic, Hungary, Poland, Slovakia and Slovenia) at the bottom.

Comparing the two time points, political trust has on average fallen slightly on four of the five dimensions (and increased only in legal systems), although this

conceals some notable increases in support in Poland, Sweden, Norway and the Netherlands, and some substantial falls in Greece, Spain and Ireland (see final column in the 2010 results in table 1 for change in mean scores over time). Unsurprisingly, given the economic and political turmoil wrought by its sovereign debt crisis and the austerity that followed, the collapse in political trust in Greece is particularly steep, declining by 50 percent from 4.67 points to 2.31 points (on an 11-point scale) and catapulting it from a mid-table position to last in the league.

#### b. Multivariate Base Model

Table 2 reports the results of the initial multivariate analysis on the 2004 and 2010 data. The model includes job insecurity and five control variables. It is run ten times, once for each of the five measures of political trust at both time points. The coding of these variables is described above and summarized in the table. The model is a fixed effects model and includes 17 dummy variables, one for each of the countries included in the analysis, with Germany excluded as the reference. The dummies control for unobserved country-specific factors—such as macroeconomic conditions and political culture—that may be correlated with the variables in regression. The coefficients and statistics for job security and the control variables thus measure individual-level within-country variation and not differences between countries. For

Multilevel modelling is neither necessary nor appropriate in this case. It is not necessary because the fixed effects model generates robust estimates for reasons stated in the main text and accompanying footnotes. It is not appropriate because econometric analysis suggests strongly that at least 50 level 2 (country) observations are required (Maas and Hox 2005; Clarke et al 2010 provide an excellent discussion of the relative merits and demerits of fixed effects and multilevel approaches), and also because the analysis seeks to control cross-national heterogeneity, not explain it.

<sup>&</sup>lt;sup>8</sup> The fixed effects model is also robust to the issue that unobserved factors may be correlated strongly within countries. Failure to control for this potential correlation

presentational reasons, the country dummies' coefficients and statistics are not included in the tables, but are available on request. As noted above, the equations were estimated using both OLS and ordinal regression, but for ease of interpretation and presentational clarity only the OLS results are reported and discussed here.

## [Table 2 about here]

The results confirm the first hypothesis. Job insecurity is statistically significant in all five 2004 equations, and the coefficients are correctly signed. Individuals with higher levels of perceived job security are more trusting of politicians, political parties, parliament and the legal system and more satisfied with the operation of democracy than individuals who think their job is at risk. Job insecurity is also statistically significant and correctly signed in four of the five 2010 equations. It is correctly signed in the trust in parliament equation but falls outside generally recognized bounds of significance.

But what of the size of job insecurity's effect across the different objects political trust? Contrary to expectations generated by previous research, but confirming the second hypothesis, its effect does not diminish as one moves from specific to more diffuse support. Indeed, in 2004 its effect is largest on trust in legal systems, theorized here as the least political regime institution. And in 2010 its effect is largest on satisfaction with the operation of democracy, our most diffuse object of support. This finding offers tentative support for the idea that job insecurity violates a psychological-democratic contract in which workers trust political actors and institutions and have faith in the democratic system so long as they deliver adequate security in return.

could bias the estimates of the standard errors, even if these unobserved factors are uncorrelated with any of the regressors.

More broadly, the size of job insecurity's effect does not change markedly across the different measures and objects of political trust and both time points, hovering around .05 on average. In other words, a one unit increase on the four-point job insecurity scale would produce a .05 unit increase on the eleven point political trust scales.

Education and sociotropic economic evaluations are statistically significant (at p=<.001) and correctly signed in all ten equations across the two time points, with better educated individuals and those more positive about the wider economy having higher levels of political trust. Income is correctly signed and statistically significant in three of the 2004 equations and four of the 2010 equations. When it comes to the size of the effects, most notable is the contribution of perceptions of the wider economy to political trust. Because both sociotropic evaluations and political support are scored on 11-point scales, the unstandardized B coefficients are easily interpretable. If everyone in the 18 countries moved from being completely dissatisfied with their nation's economic performance to completely satisfied in 2010, trust in politicians would have been 41 percentage points higher and satisfaction with democratic performance 47 points higher, averaging across the range of the other variables. Sociotropic evaluations are by far the most important factor determining political trust in this model.

Still, the importance of the sociotropic evaluations does not undermine the fact that job insecurity is also statistically significant. Across a wide range of political systems and cultures and two time points, citizens who perceive their jobs to be insecure exhibit lower levels of political trust than those who are more confident about their job security. Moreover, the effect of insecurity does not diminish as one moves from specific to more diffuse trust objects.

#### c. Base Model plus Interaction Terms

The coefficients and statistics for job insecurity in the multivariate base model represent its average effect across the average levels of the other independent variables. However, job insecurity's effect may vary across the levels of the other variables. As discussed above, there is good reason to suppose that it may be conditional on citizens' level of income, education and sociotropic economic evaluations. Job insecurity is likely to hit the lower paid and less educated harder than the better paid and educated, and those who are pessimistic about the wider economy's performance may worry about job security more than those who are positive about the economy. The base model was thus rerun with three interaction terms to capture the extent to which income, education and the wider economy condition the effect of job insecurity on political trust.

### [Table 3 about here]

The relevant statistics for the interaction model are recorded in table 3. The data analysis returns 30 interaction coefficients across the three variables, five equations, and two time points. Only one coefficient (job security x education in the democracy equation) is statistically significant (p=.034) in the 2004 data. In this case, the slope of political support on job security will decrease by .011 for every additional year in education. In other words, job insecurity is less important as a predictor of

<sup>&</sup>lt;sup>9</sup> The three interaction terms were constructed using mean-centred variables. The coefficients represent simple conditional effects, not main or average effects as per the base model. See Brambor, Clark and Golder (2005) and Jaccard and Turrisi (2003) for discussions about variable coding and coefficient interpretation in interaction models. The base model above was run separately to the interaction term model in order to first facilitate a clear interpretation of job insecurity's average effects, before proceeding to explore the product terms' effects.

political support when education is high and more important when it is low. The inference is that education helps guard against the risks associated with job insecurity.

In the 2010 data, education significantly moderates the effect of job insecurity in the parties equation and income is a statistically significant moderator in the democracy equation, but these moderators are otherwise insignificant. A much clearer pattern emerges with sociotropic economic evaluations. The job security x economic evaluations interaction term is statistically significant in the politicians, parties, parliament and democracy equations. The negative signs on the coefficients reveal that perceptions of job insecurity increase in importance as a predictor of political trust as evaluations of the wider economy worsen. And the coefficients themselves estimate the change in the slope of political trust on job insecurity given a unit increase in evaluations of the wider economy. For example, the slopes of both trust in parliament and satisfaction with the operation of democracy on job insecurity are estimated to decrease by .029 when sociotropic economic evaluations increase by one unit.

## [Figure 1 about here]

However, it is important to note that this effect pertains only when economic evaluations and the other control variables are at their means. To calculate the change in the slope of political trust on job insecurity at other levels of economic evaluations, the regression equation is rerun with evaluations centred at appropriate levels of interest—here at the maximum and minimum values and at one standard deviation above and below the mean (see Jaccard and Turrisi 2003: 31-32). Figure 1 displays the marginal effects of job insecurity on political trust at different levels of economic evaluations. The regression lines are positive (and statistically significant—see appendix for details) when people are dissatisfied with the wider economy but flatten

out as economic perceptions improve and, relatedly, the vertical distance between the regression lines is narrower at higher levels of job security and wider at lower levels. This means that job insecurity matters more as a predictor of political trust when people are both insecure about their employment and simultaneously feel negatively about the wider economy.

#### Discussion

At a time of great economic transition, scholars are only just beginning to scratch the surface of the political effects of job insecurity. This paper is one of the first to explore one aspect of this relationship—that is, job insecurity's effects on political trust—in an empirical manner and comparative perspective. It has tested the effect of job insecurity across different objects of political trust, two time points and eighteen countries. That job insecurity was significant across all objects of trust and time points in the aggregated country analysis suggests that the causal connection is pretty robust. We can say with some confidence that job insecurity causes individuals to be less trusting of politicians, political parties, parliament and the legal system across a wide variety of polities.

Job insecurity also leads people to be less satisfied with the operation of the democracy. This finding challenges previous work (Clarke and Kornberg 1989; Cook and Gronke 2005; Dalton 2004; McAllister 1999; Norris 1999) that suggests that the effects of personal economic dislocation should dissipate as the object of political trust becomes more diffuse and less obviously political.

The paper provides some first tentative support to the idea that (at least some) workers enter into a psychological contract not just with their employers (De Witte 2005: 3-4; Robinson 1996: 574) but with the state, in which the state is expected to

provide job security and is rewarded with political trust. When the state is perceived to have reneged on that contract, trust declines. While the empirical results are consistent with this interpretation of the mechanism linking perceived insecurity to political trust, this process could not be observed directly. Of course, this is not unusual in the social sciences, wherein causal mechanisms are frequently theorised but rarely observed (Hedstrom 2008). Future work could perhaps utilize experimental methods as a way to reveal some of the undoubtedly complex causal processes linking job insecurity and other likely predictors to low levels of political trust, thus enriching our understanding of these important relationships.

That job insecurity has a significant effect on workers' evaluations of the operation of democracy should prick the ears of politicians and political scientists. Absent any serious efforts to protect workers and their families—perhaps in the form of expanded welfare safety nets, greater protection against arbitrary dismissal or concerted attempts to up-skill vulnerable workers—the early years of the twenty-first century could witness a further decline in political support, not just in trust in politicians and political and non-political institutions but also in satisfaction with the way democracy functions. It raises the spectre that a contemporary downturn in job security could possibly threaten the democratic foundations of post-industrial societies. Consider again the results of the interaction model. The interaction of job insecurity and perceptions of the wider economy was not statistically significant in any of the five 2004 models, a time when most European economies were performing quite well. In 2010, as these same economies struggled with sovereign debt crises, stagnant or shrinking economies, high unemployment and austerity policies, the same product term was statistically significant across four objects of political trust, including the operation of democracy.

To be sure, the analysis could not test the impact of insecurity on Norris's most diffuse objects of political support. The requisite data are not available. Further efforts at data collection may wish to address this, because the potential consequences are important. We now know that job insecurity is having a negative effect on citizens' evaluations of politicians and institutions and how well democracy is working, but it could possibly also threaten their commitment to democratic values and the wider political community.

Further globalization, deindustrialization, technological change and deunionization will all likely increase the labour market insecurity of some individuals (Iversen and Cusack 2000; Rehm 2010; Rodrik 1998; Scheve and Slaughter 2001; Standing 2011) and therefore lead directly to a further decline in aggregate levels of political trust. And the effects of job insecurity will likely be even greater in poorly performing economies because of the interaction between insecurity and perceptions of the health of the national economy. <sup>10</sup> Until now, it is possible that the negative effects of job insecurity on political trust may have been mitigated to some extent by global economic growth, with insecurity traded off against increased wealth. But that equilibrium may no longer hold. Political trust is at the mercy of job insecurity, economic performance and their interaction. Exhibit A is of course Greece, but similar trends can be observed in Spain and Ireland (see table 1), and possibly

<sup>&</sup>lt;sup>10</sup> According to ESS data, job security declined between 2004 and 2010 by 23 percentage points in Ireland and, from a lower base, 18 points in Greece and Portugal. But it is likely that job insecurity has grown and political trust fallen since the ESS collected its data in 2010. The Eurozone crisis peaked in mid 2012. The huge IMF and ECB loans taken on by Greece, Spain, Portugal, Ireland, Italy and others and the accompanying austerity programs have exacerbated already difficult economic conditions (Peston 2013).

Portugal, Italy and elsewhere, where economic retrenchment continues and even worsens in response to the global financial crisis.

One question left hanging in the present paper is whether job insecurity can help explain fluctuations in political trust over time. The empirical analysis found that individual-level differences in insecurity translate into different levels of political trust across individuals, but could the increase in insecurity that many analysts argue has accompanied the global integration of national economies be responsible for the decline in political trust that appears to have affected most democratic polities? The trust literature has demonstrated that subjective perceptions—and objective indicators to a lesser extent—of personal and general economic performance are statistically significant predictors of over-time trends in trust. However, the size of the effects were often found to be modest. In part, this is because the economy has an asymmetrical relation to trust. When economic times are bad, trust takes a big hit, but it does not recover when times are good (Clarke and Kornberg 1989: 262-3; Hetherington and Rudolph 2008). Following this logic, increasing job insecurity, especially if accompanied by worsening sociotropic economic conditions, may drive political trust down, but improving job security and economic conditions may not help trust recover. However, it is very difficult to test such a proposition. It is outside of the remit of this short paper and future research may be constrained by the lack of good data. Cross-sectional surveys frequently provide a wide range of variables to enable analysts to explore individual-level differences in detail, but the same variables are rarely available over a longer time period. It is even rarer that the same people are asked the same questions over time, even though such panel studies are one of the best ways to explore change over time and to make robust causal inferences. And it is



#### References

Anderson, Neil, and Rene Schalk, 1998, "The Psychological Contract in Retrospect and Prospect," *Journal of Organizational Behavior*, Vol. 19, pp. 637-647

Ashford, Susan J., Cynthia Lee, and Philip Bobko, 1989, "Content, Causes, and Consequences of Job Insecurity: a Theory-Based Measure and Substantive Test," *Academy of Management Journal*, Vol. 32, No. 4, pp. 803-829

Brambor, Thomas, William Roberts Clark, and Matt Golder, (2006), "Understanding Interaction Models: Improving Empirical Analyses," *Political Analysis*, Vol. 14, pp. 63-82

Citrin, Jack, 1974, "Comment: The Political Relevance of Trust in Government," *American Political Science Review*, Vol. 68, No. 3, pp. 973-88

Citrin, Jack, and Donald Philip Green, 1986, "Presidential Leadership and the Resurgence of Trust in Government," *British Journal of Political Science*, Vol. 16, pp. 431-53

Citrin, Jack, and Samantha Luks, 2001, "Political Trust Revisited: Déjà Vu All Over Again," in *What is it About Government that Americans Dislike?* (New York, Cambridge University Press), pp. 9-27

Citrin, Jack, and Christopher Muste, 1999, "Trust in Government," in John P. Robinson, Phillip R. Shaver, and Lawrence S. Wrightsman (eds.), *Measures of Political Attitudes* (New York, Academic Press), pp. 462-532

Clarke, Harold D, Nitish Dutt, and Allan Kornberg, 1993, "The Political Economy of Attitudes toward Polity and Society in Western European Democracies," *The Journal of Politics*, Vol. 55, pp. 998-1021

Clarke, Harold D., and Allan Kornberg, 1989, 'Public Reactions to Economic Performance and Political Support in Contemporary Liberal Democracies: The Case of Canada' in Clarke et al, *Economic Decline and Political Change* 

Clarke, Harold D., Marianne C. Stewart, and Gary Zuk, 1989, *Economic Decline and Political Change: Canada, Great Britain, the United States* (Pittsburgh, University of Pittsburgh Press)

Clarke, Paul, Claire Crawford, Fiona Steele and Anna Vignoles, 2010, "The Choice Between Fixed and Random Effects Models: Some Considerations for Educational Research," DoQSS Working Paper 10/240

Cook, Timothy E., and Paul Gronke, 2005, "The Skeptical American: Revisiting the Meanings of Trust in Government and Confidence in Institutions," *The Journal of Politics*, Vol. 67, No. 3, pp. 784-803

Cullinane, Niall, and Tony Dundon, 2006, "The Psychological Contract: A Critical Review," *International Journal of Management Reviews*, Vol. 8, No. 2, pp. 113-129

Dalton, Russell J., 2004, Democratic Challenges, Democratic Choices: The Erosion of Political Support in Advanced Industrial Democracies (Oxford, Oxford University Press)

Davy, Jeanette A., Angelo J. Kinicki, and Christine L. Scheck, 1997, "A Test of Job Security's Direct and Mediated Effects on Withdrawal Cognitions," *Journal of Organizational Behavior*, Vol. 18, pp. 323-349

De Witte, Hans, 1999, "Job Insecurity and Psychological Well-Being: Review of the Literature and Exploration of Some Unresolved Issues," *European Journal of Work and Organizational Psychology*, Vol. 8, No. 2, pp. 155-77

De Witte, Hans, 2005, "Job Insecurity: Review of the International Literature on Definitions, Prevalence, Antecedents and Consequences," *SA Journal of Industrial Psychology*, Vol. 31, No. 4, pp. 1-6

Dionne, E. J., 1991, *Why Americans Hate Politics* (New York, Simon and Schuster)

Easton, David, 1965, *A Framework for Political Analysis* (Englewood Cliffs, NJ, Prentice-Hall)

Easton, David, 1975, "A Reassessment of the Concept of Political Support," British Journal of Political Science, Vol. 5, pp. 435-457

Edelman Trust Barometer Annual Global Study, 2012, *Executive Summary* (available at <a href="http://trust.edelman.com/trust-download/global-results/">http://trust.edelman.com/trust-download/global-results/</a>)

ESS Round 2: European Social Survey Round 2 Data (2004). Data file edition 3.2. Norwegian Social Science Data Services, Norway – Data Archive and distributor of ESS data.

ESS Round 5: European Social Survey Round 5 Data (2010). Data file edition 2.0. Norwegian Social Science Data Services, Norway – Data Archive and distributor of ESS data.

Feldman, Stanley, 1983, "The Measurement and Meaning of Trust in Government," *Political Methodology*, Vol. 9, pp. 341-354

Hacker, Jacob S., 2008, *The Great Risk Shift: The New Economic Insecurity* and the Decline of the American Dream (New York, Oxford University Press)

Hacker, Jacob S., Gregory Huber, Austin Nichols, Phillipp Rehm, Mark Schlesinger, Robert G. Valletta, and Stuart Craig, 2012, "The Economic Security Index: A New Measure for Research and Policy Analysis," Federal Reserve Bank of San Francisco Working Paper Series, Working Paper 2012-21

Hacker, Jacob S., Phillipp Rehm, and Mark Schlesinger, 2013, "The Insecure American: Economic Experiences, Financial Worries, and Policy Attitudes," *Perspectives on Politics*, Vol. 11, No. 1, pp. 23-49

Hardin, Russell, 2013, "Government Without Trust," *Journal of Trust Research*, Vol. 3, No. 1, pp. 32-52

Heaney, Catherine A., Barbara A. Israel, and James S. House, 1994, "Chronic Job Insecurity Among Automobile Workers: Effects on Job Satisfaction and Health," *Social Science and Medicine*, Vol. 38, pp. 1431-1437

Hedstrom, Peter, 2008, "Studying Mechanisms to Strengthen Causal Inferences in Quantitative Research" in David Collier, Henry E. Brady, and Janet M. Box-Steffensmeier (eds.), *The Oxford Handbook of Political Methodology* (Oxford: Oxford University Press)

Hetherington, Marc J., 1998, "The Political Relevance of Political Trust," American Political Science Review, Vol. 92, pp. 791-808

Hetherington, Marc J., 2005, Why Trust Matters: Declining Political Trust and the Demise of American Liberalism (Princeton: Princeton University Press)

Hethertington, Marc J., and Thomas J. Rudolph, 2008, "Priming, Performance, and the Dynamics of Political Trust," *Journal of Politics*, Vol. 70, pp. 498-512

Hibbing, John R., and Elizabeth Theiss-Morse, 1995, *Congress as Public Enemy: Public Attitudes toward American Political Institutions* (Cambridge: Cambridge University Press)

Hibbing, John R., and Elizabeth Theiss-Morse, 2001, *What is it About Government that Americans Dislike?* (Cambridge: Cambridge University Press)

Iversen, Torben, and Thomas R. Cusack, 2000, "The Causes of Welfare State

Expansion: Deindustrialisation or Globalization?" *World Politics*, Vol. 52, pp. 313-49

Jaccard, James, and Robert Turrisi, 2003, *Interaction Effects in Multiply Regression*, 2<sup>nd</sup> edition (Thousand Oaks, CA: Sage Publications Inc.)

Kahneman, Daniel, and Amos Tversky, 1979, "Prospect Theory: An Analysis of Decision Under Risk," *Econometrica*, Vol. 47, No. 2, pp. 263-291

Keele, Luke, 2005, "The Authorities Really Do Matter: Party Control and

Trust in Government," Journal of Politics, Vol. 67, pp. 873-886

Keele, Luke, 2007, "Social Capital and the Dynamics of Trust in

Government," American Journal of Political Science, Vol. 51, pp. 241-254

King, David C., 1997, 'The Polarization of American Parties and the Mistrust

of Government' in Nye et al, Why People Don't Trust Government

Lawrence, Robert Z., 1997, "Is it Really the Economy, Stupid?" in Nye,

Zelikow and King, Why People Don't Trust Government

Levi, Margaret, and Laura Stoker, 2000, "Political Trust and Trustworthiness,"

Annual Review of Political Science, Vol. 3, pp. 475-507

Maas, Cora J. M. and Joop J. Hox, 2005, "Sufficient Sample Sizes for

Multilevel Modeling," Methodology, Vol. 1, No. 3, pp. 86-92

McAllister, Ian, 1999, "The Economic Performance of Governments," in Norris, *Critical Citizens* 

Miller, Arthur H., 1974a, "Political Issues and Trust in Government: 1964-70," *American Political Science Review*, Vol. 68, No. 3, pp. 951-72

Miller, Arthur H., 1974b, "Rejoinder to 'Comment' by Jack Citrin: Political Discontent or Ritualism?" *American Political Science Review*, Vol. 68, No. 3, pp. 989-1001

513-533

Mishler, William, and Richard Rose, 2001, "What are the Origins of Political Trust? Testing Institutional and Cultural Theories in Post-Communist Societies," *Comparative Political Studies*, Vol. 34, pp. 30-62

Mohr, Gisela B., 2000, "The Changing Significance of Different Stressors

After the Announcement of Bankruptcy: a Longitudinal Investigation With Special

Emphasis on Job Insecurity," *Journal of Organizational Behavior*, Vol. 21, pp. 337-

Mollering, Guido, 2013, "Trust Without Knowledge? Comment on Hardin,
'Government without Trust," *Journal of Trust Research*, Vol. 3, No. 1, pp. 53-58

Mughan, Anthony, 2007, "Economic Insecurity and Welfare Preferences: A

Micro-Level Analysis," *Comparative Politics*, Vol. 39, pp. 293-310

Mughan, A., C. Bean and I. McAllister, 2004, "Economic Globalization, Job

Insecurity and the Populist Reaction," *Electoral Studies*, Vol. 22, pp. 617-633

Mughan, Anthony, and Dean Lacy, 2002, "Economic Performance, Job

Insecurity and Electoral Choice," *British Journal of Political Science*, Vol. 32, pp.

Norris, Pippa (ed.), 1999, *Critical Citizens: Global Support for Democratic Governance* (New York, Oxford University Press)

Nye, Joseph S., Philip D. Zelikow, and David C. King, 1997, Why People

Don't Trust Government (Cambridge, MA, Harvard University Press)

OECD, 1997, OECD Employment Outlook, Organization for Economic Cooperation and Development

Pennycook, Matthew, Giselle Cory, and Vidhya Alakeson, 2013, "A Matter of Time: The Rise of Zero-Hours Contracts," (London, The Resolution Foundation)

Peston, Robert, 2013, How Do We Fix This Mess? The Economic Price of

Having It All and the Route to Lasting Prosperity (London, Hodder & Stoughton)

Pharr, Susan J., and Robert D. Putnam (eds.), 2000, Disaffected Democracies:

What's Troubling the Trilateral Countries? (NJ, Princeton University Press)

Rehm, Philipp, 2009, "Risks and Redistribution: An Individual-Level

Analysis," Comparative Political Studies, Vol. 42, pp. 855-881

Rehm, Philipp, 2010, "Risk Inequality and the Polarized American

Electorate," British Journal of Political Science, Vol. 41, pp. 363-387

Rehm, Philipp, Jacob S. Hacker, and Mark Schlesinger, 2012, "Insecure

Alliances: Risk, Inequality, and Support for the Welfare State," American Political

*Science Review*, Vol. 106, pp. 386-406

Robinson, Sandra L., 1996, "Trust and Breach of the Psychological Contract,"

Administrative Science Quarterly, Vol. 41, pp. 574-99

Rodrik, Dani, 1998, "Why Do More Open Economies Have Bigger

Governments?" Journal of Political Economy, Vol. 106, pp. 997-1032

Rosenstone, Steven J., John Mark Hansen, and Donald R. Kinder, 1986,

"Measuring Change in Personal Well-Being," *The Public Opinion Quarterly*, Vol. 50,

No. 2, pp. 176-192

Roskies, Ethel, Christiane Louis-Guerin, and Claudette Fournier, 1993,

"Coping with Job Insecurity: How Does Personality Make a Difference?" Journal of

Organizational Behavior, Vol. 14, pp. 617-630

Rousseau, Denise M., "Psychological and Implied Contracts in

Organizations," Employee Responsibilities and Rights Journal, Vol. 2, No. 2, pp. 121-

Scheve, Kenneth F., and Matthew J. Slaughter, 2001, *Globalization and the Perceptions of American Workers* (Washington DC: Institute for International Economics)

Scheve, Kenneth, and Matthew J. Slaughter, 2004, "Economic Insecurity and the Globalization of Production," *American Journal of Political Science*, Vol. 48, pp. 662-674

Standing, Guy, 2011, *The Precariat: The New Dangerous Class* (London: Bloomsbury)

Sverke, Magnus, Johnny Hellgren, and Katharina Naswall, 2002, "No Security: A Meta-Analysis and Review of Job Insecurity and Its Consequences," *Journal of Occupational Health Psychology*, Vol. 7, No. 3, pp. 242-64

Sverke, Magnus, Johnny Hellgren, and Katharina Naswall, 2006, *Job Security:*A Literature Review (Stockholm, Sweden: National Institute for Working Life)

Walter, Stefanie, 2010, "Globalization and the Demand-Side of Politics: How Globalization Shapes Individual Perceptions of Labor Market Risk and Policy Preferences." Paper presented to the 2010 IPES Conference, Harvard University, Cambridge, MA, 12-13 November 2010

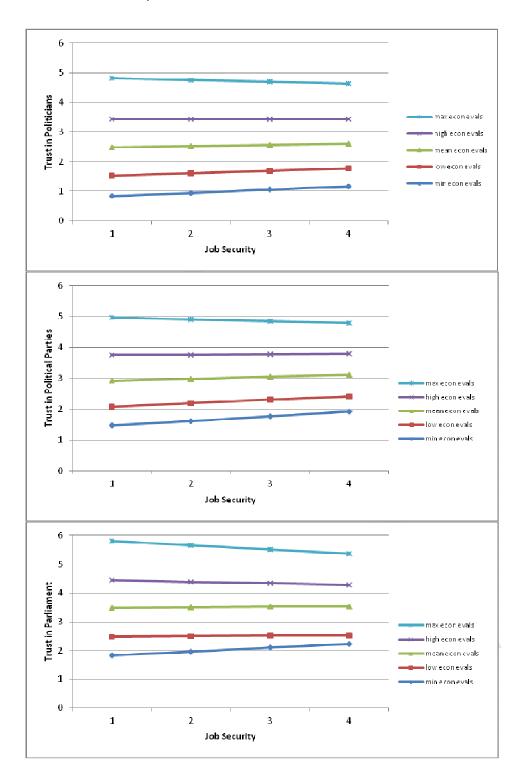
Wanous, John P., Arnon E. Reichers, and Michael J. Hudy, 1997, "Overall Job Satisfaction: How Good are Single-Item Measures?" *Journal of Applied Psychology*, Vol. 82, pp. 247-52

### **Appendix**

Marginal Effects: Job Security on Political Trust at Various Levels of Sociotropic Economic Evaluations

1. Job Security on Tru	st in Politic	cians				
Economic Evaluations	Intercept	B1 Job Security (SE)	Sig.	95% Confidence Interval		
				Lower Bound	Upper Bound	
Minimum	.725	.110 (.034)	.001	.044	.176	
Low (1SD < mean)	1.455	.081 (.024)	.001	.034	.128	
Average (at mean)	2.444	.041 (.019)	.027	.005	.078	
High (1SD > mean)	3.434	.001 (.027)	.959	051	.054	
Maximum	4.868	056 (.048)	244	151	.038	
		(11 (11 (11 1)				
2. Job Security on Tru	st in Politic	cal Parties	ı	1	1	
Economic Evaluations	Intercept	B1 Job Security (SE)	Sig.	95% Confidence	ce Interval	
		• • • • • • • • • • • • • • • • • • • •		Lower Bound	Upper Bound	
Minimum	1.317	.150 (.033)	.000	.084	.215	
Low (1SD < mean)	1.969	.113 (.024)	.000	.066	.160	
Average (at mean)	2.853	.064 (.018)	.001	.027	.100	
High (1SD > mean)	3.737	.014 (.027)	.598	038	.066	
Maximum	5.017	058 (.048)	.226	151	.036	
3. Job Security on Tru	st in Parlia	ment	•			
Economic Evaluations	Intercept	cept B1 Job Security (SE)		95% Confidence Interval		
				Lower Bound	Upper Bound	
Minimum	1.693	.135 (.036)	.000	.064	.205	
Low (1SD < mean)	2.456	.018 (.007)	.014	.003	.032	
Average (at mean)	3.468	.016 (.020)	.417	023	.055	
High (1SD > mean)	4.490	052 (.029)	.069	108	.004	
Maximum	5.971	151 (.051)	.003	252	050	
4. Job Security on Tru	st in Legal					
Economic Evaluations	Intercept	B1 Job Security (SE)	Sig.	95% Confidence Interval		
				Lower Bound		
Minimum	3.759	.078 (.037)	.037	.005	.151	
Low (1SD <mean)< td=""><td>4.407</td><td>.058 (.027)</td><td>.029</td><td>.006</td><td>.111</td></mean)<>	4.407	.058 (.027)	.029	.006	.111	
Average (at mean)	5.286	.031 (.021)	.128	009	.072	
High (1SD >mean)	6.165	.005 (.030)	.874	054	.063	
Maximum	7.438	034 (.053)	.524	139	.071	
5. Job Security on Sati						
Economic Evaluations	Intercept	B1 Job Security (SE)	Sig.	95% Confidence		
				Lower Bound	Upper Bound	
Minimum	2.421	.157 (.036)	.000	.086	.227	
Low (1SD < mean)	3.278	.106 (.026)	.000	.055	.156	
Average (at mean)	4.440	.037 (.020)	.066	002	.076	
High (1SD > mean)	5.603	032 (.029)	.263	089	.024	
Maximum	7.288	132 (.052)	.011	234	031	

Figure 1. Marginal effect of job security on political trust at different levels of sociotropic economic evaluations, 2010 data



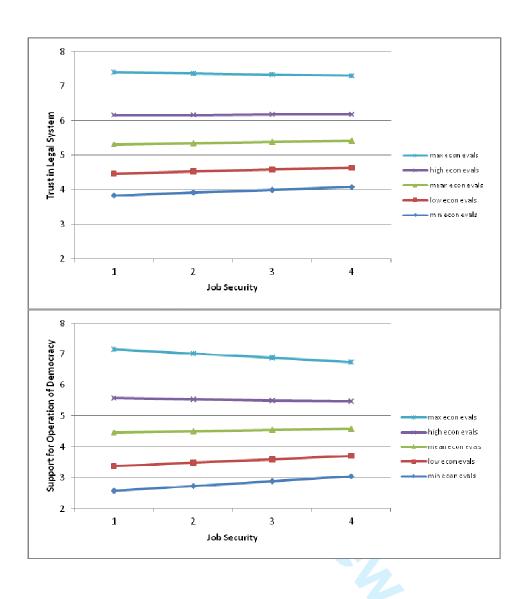


Table 1. Political Trust Mean Scores, 2004 and 2010, Ranked by Mean of the Means

2004	Politicians	Political	Parliament	Legal	Op. of	Mean of the
		Parties		System	Dem.	Means
1. Denmark	5.59	5.65	6.29	7.21	7.31	6.41
2. Finland	4.88	5.00	6.01	6.90	6.70	5.90
3. Switzerland	4.77	4.64	5.52	6.14	6.39	5.49
4. Norway	4.24	4.34	5.42	6.35	6.23	5.32
5. Sweden	4.19	4.40	5.35	5.77	5.91	5.12
6. Netherlands	4.69	4.80	4.67	5.50	5.66	5.06
7. Belgium	4.24	4.29	4.68	4.83	5.56	4.72
8. Ireland	3.92	3.97	4.71	5.21	5.73	4.70
9. Greece	3.59	3.51	4.69	5.38	6.19	4.67
10. Spain	3.68	3.67	5.09	4.72	6.07	4.65
11. UK	3.59	3.68	4.29	5.12	5.14	4.36
12. Germany	3.23	3.18	4.21	5.54	5.28	4.29
13. France	3.51	3.39	4.27	4.76	4.85	4.16
14. Slovenia	3.10	3.21	4.13	3.85	4.54	3.76
15. Hungary	2.68	2.71	3.63	4.43	4.10	3.51
16. Czech Rep.	2.73	2.74	3.19	3.72	4.63	3.40
17. Slovakia	2.53	2.66	3.05	3.58	3.84	3.13
18. Poland	1.92	1.89	2.40	3.01	3.70	2.58
Weighted	3.43	3.43	4.26	4.94	5.20	4.25
Average						

2010	Politicians	Political	Parliament	Legal	Op. of	Mean of	Change
		Parties		System	Dem.	the Means	'04 <b>→</b> '10
1. Denmark	5.04	5.17	5.83	7.35	6.94	6.07	34
2. Sweden	5.04	5.11	6.28	6.53	6.75	5.94	.82
3. Norway	4.94	4.93	6.02	6.85	6.93	5.93	.61
4.Switzerland	5.01	4.81	5.80	6.28	7.07	5.79	.30
5.Netherlands	5.25	5.26	5.37	5.89	6.18	5.59	.53
6. Finland	4.43	4.54	5.38	6.91	6.26	5.50	40
7. Belgium	3.86	3.85	4.46	4.93	5.20	4.46	26
8. Germany	3.37	3.36	4.31	5.68	5.31	4.41	.12
9. UK	3.43	3.52	4.11	5.24	4.97	4.25	11
10. Ireland	3.11	3.07	3.68	5.10	4.94	3.98	72
11. France	3.21	3.09	4.15	4.94	4.24	3.93	23
12. Hungary	3.12	3.15	4.22	4.64	4.42	3.91	.40
13. Spain	2.74	2.71	4.29	4.41	5.10	3.85	80
14. Poland	2.66	2.55	3.44	4.26	5.04	3.59	1.01
15.Czech Rep	2.62	2.69	3.28	4.14	4.85	3.52	.12
16. Slovakia	2.78	2.71	3.20	3.52	4.17	3.28	.15
17. Slovenia	2.25	2.24	2.98	3.08	3.20	2.75	-1.01
18. Greece	1.35	1.37	2.04	3.83	2.98	2.31	-2.36
Weighted	3.33	3.31	4.22	5.11	5.06	4.21	04
Average							

Political trust mean scores scored on 0-10 scale, with zero representing no trust at all (in politicians, political parties, parliament and the legal system) or extremely dissatisfied (with the operation of democracy) and ten representing complete trust or extremely satisfied. Ns vary by country and object of political support

Table 2. Explaining Political Trust Across 18 European Countries, 2004 and 2010

	Politicians		Political Parties		Parliament		Legal System		Operation of Democracy	
	2004	2010	2004	2010	2004	2010	2004	2010	2004	2010
	В	В	В	В	В	В	В	В	В	В
	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)
Constant	.733	.100	1.304	.880	1.074	.599	2.908	2.739	2.467	1.546
	$(.133)^{***}$	(.126)	$(.132)^{***}$	$(.125)^{***}$	$(.142)^{***}$	$(.135)^{***}$	$(.150)^{***}$	$(.140)^{***}$	$(.139)^{***}$	$(.136)^{***}$
Age (in years)	.005	.006	002	001	.010	.005	.003	.001	.001	.002
	$(.002)^{**}$	$(.002)^{***}$	(.002)	(.002)	$(.002)^{***}$	$(.002)^{**}$	(.002)	(.002)	(.002)	(.002)
Gender (Female=1)	.060	.084	.051	.068	083	070	.010	019	005	021
	(.037)	$(.036)^*$	(.037)	(.035)	$(.040)^*$	(.038)	(.042)	(.040)	(.039)	(.038)
Education (in years)	.031	.032	.022	.018	.075	.055	.062	.058	.041	.032
	$(.006)^{***}$	$(005)^{***}$	(.006)***	$(.005)^{***}$	(.006)***	(.006)***	$(.006)^{***}$	(.006)***	(.006)***	$(.006)^{***}$
Household income (low to high in	.019	.016	.009	.004	.033	.057	.037	.028	.037	.050
deciles)	(.010)	$(.008)^*$	(.010)	(.008)	$(.011)^{**}$	(.008)***	$(.012)^{***}$	$(.009)^{***}$	$(.011)^{***}$	(.008)***
Job security (low to high, 4 pt scale)	.069	.044	.057	.061	.050	.023	.074	.045	.050	.064
	$(.018)^{***}$	$(.018)^*$	$(.018)^{***}$	$(.017)^{***}$	$(.019)^{**}$	(.019)	$(.020)^{***}$	$(.019)^*$	$(.019)^{**}$	$(.019)^{***}$
Sociotropic economic evaluations	.422	.414	.394	.369	.429	.427	.364	.367	.521	.485
(dissatisfied to satisfied, 11 pt scale)	$(.010)^{***}$	$(.009)^{***}$	$(.009)^{***}$	$(.009)^{***}$	$(.010)^{***}$	$(.010)^{***}$	$(.011)^{***}$	$(.010)^{***}$	$(.010)^{***}$	$(.010)^{***}$
Adjusted R <sup>2</sup>	.276	.272	.272	.262	.297	.258	.254	.221	.326	.291
N	10,310	11,612	10,268	11,604	10,270	11,575	10,301	11,609	10,260	11,583

\*\*\*p=<.001, \*\*p=<.01, \*p=<.05 (2-tail tests)

B cell entries are unstandardized OLS regression coefficients in a fixed effects model (seventeen country dummies included in model, but not shown, with Germany excluded as reference). Standard errors in parentheses. Dependent variables scored on 0-10 scale with zero representing no trust at all and ten representing complete trust, except for operation of democracy where zero represents extremely dissatisfied and ten represents extremely satisfied. See main text for question wording for all variables

Table 3. Explaining Political Trust Across 18 European Countries, 2004 and 2010, Including Interaction Terms

	Politicians		Politica	l Parties	Parlia	ment	Legal S	System	Operation of Democracy	
	2004	2010	2004	2010	2004	2010	2004	2010	2004	2010
	В	В	В	В	В	В	В	В	В	В
	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)	(St. Err.)
Constant	3.234	2.444	3.488	2.853	4.169	3.468	5.665	5.286	5.570	4.440
	$(.087)^{***}$	(.081)***	(.86)***	(.081)***	$(.092)^{***}$	(.087)***	(.098)***	(.091)***	(.091)***	(.088)***
Age (in years)	.005	.006	002	001	.010	.005	.003	.001	.001	.002
	$(.002)^{**}$	$(.002)^{***}$	(.002)	(.002)	(.002)***	$(.002)^{**}$	(.002)	(.002)	(.002)	(.002)
Gender (Female=1)	.060	.081	.052	.064	082	074	.011	020	005	024
	(.037)	$(.036)^*$	(.037)	(.035)	$(.040)^*$	(.038)	(.042)	(.040)	(.039)	(.038)
Education (in years)	.031	.032	.022	.018	.076	.055	.063	.057	.042	.031
	(.006)***	(005)***	(.006)***	$(.005)^{***}$	(.006)***	(.006)***	(.006)***	(.006)***	(.006)***	(.006)***
Household income (low to high in	.019	.016	.009	.005	.033	.058	.037	.028	.036	.050
deciles)	(.010)	(.008)*	(.010)	(.008)	$(.011)^{**}$	(.008)****	(.012)***	(.009)***	(.011)***	(.008)****
Job security (low to high, 4 pt scale)	.074	.041	.063	.064	.060	.016	.081	.031	.063	.037
	(.019)****	$(.019)^*$	(.019)***	$(.018)^{***}$	$(.020)^{**}$	(.020)	(.022)****	(.021)	$(.020)^{**}$	(.020)
Sociotropic economic evaluations	.422	.414	.394	.370	.429	.428	.363	.368	.520	.487
(dissatisfied to satisfied, 11 pt scale)	(.010)	(.009)***	(.009)***	$(.009)^{***}$	(.010)***	(.010)***	(.011)***	(.010)***	$(.010)^{***}$	(.010)***
Job security x Education	.001	005	.000	011	007	004	003	.005	011	.009
	(.005)	(.005)	(.005)	$(.005)^*$	(.005)	(.005)	(.006)	(.005)	$(.005)^*$	(.005)
Job security x Income	010	.007	009	.009	005	.009	008	.009	002	.018
	(.008)	(.007)	(.008)	(.007)	(.008)	(.007)	(.009)	(.008)	(.008)	$(.008)^*$
Job security x Socio economic	.005	017	.000	021	004	029	010	011	005	029
evaluations	(.008)	$(.007)^*$	(.008)	$(.007)^{**}$	(.009)	(.008)****	(.009)	(.008)	(.008)	(.008)***
Adjusted R <sup>2</sup>	.276	.272	.272	.262	.297	.258	.254	.221	.326	.292
N	10,310	11,612	10,268	11,604	10,270	11,575	10,301	11,609	10,260	11,583

<sup>\*\*\*</sup>p=<.001, \*\*p=<.01, \*p=<.05 (2-tail tests)

B cell entries are unstandardized OLS regression coefficients in a fixed effects model (seventeen country dummies included in model, but not shown, with Germany excluded as reference). Standard errors in parentheses. Dependent variables scored on 0-10 scale with zero representing no trust at all and ten representing complete trust, except for operation of democracy where zero represents extremely dissatisfied and ten represents extremely satisfied. See main text for question wording for all variables. Education, income, job security and sociotropic economic evaluations are mean centered. See main text for question wording for all variables