



Analysis

Linkages between Inequality, Exclusion, and the Occurrence of Elections with Protest Activity Against Governments

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About the Author

Paul von Chamier is a Research Officer working on the Grand Challenge on Inequality and Exclusion as part of the Pathfinders for Peaceful, Just and Inclusive Societies program, which includes the development of a coalition of organizations and initiatives involved in combating inequality and exclusion and building evidence on solutions. Paul also engages with CIC's peace and security work, which provides data-driven analysis of UN peace operations.

Paul previously worked at the World Bank in Indonesia and at the Center for International Development in Saudi Arabia, dealing with macroeconomic subjects. He also has experience working in the private sector as an operations manager. He specializes in using data-driven methods in international development to create lasting impact.

Paul holds a Master's degree in public administration in international development from Harvard University, a Master's degree in quantitative economics from the Warsaw School of Economics, and a Master's degree in international law from the University of Warsaw.

About the Grand Challenge

Inequality and exclusion are among the most pressing political issues of our age. They are on the rise and the anger felt by citizens towards elites perceived to be out-of-touch constitutes a potent political force. Policymakers and the public are clamouring for a set of policy options that can arrest and reverse this trend. The Grand Challenge on Inequality and Exclusion seeks to identify practical and politically viable solutions to meet the targets on equitable and inclusive societies in the Sustainable Development Goals. Our goal is for national governments, intergovernmental bodies, multilateral organizations, and civil society groups to increase commitments and adopt solutions for equality and inclusion.

The Grand Challenge is an initiative of the Pathfinders, a multi-stakeholder partnership that brings together 36 member states, international organizations, civil society, and the private sector to accelerate delivery of the SDG targets for peace, justice and inclusion. Pathfinders is hosted at New York University's Center on International Cooperation.



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Pathfinders for Peaceful, Just and Inclusive Societies, Linkages between inequality, exclusion, and the occurrence of elections with protest activity against governments. (New York: Center on International Cooperation, 2021), available at <https://www.sdg16.plus/>

Protest in San Antonio, Chile. Photo Credit: Flickr User [Vivian Morales C.](https://www.flickr.com/photos/felisvivis/49057182573/) Retrived from <https://www.flickr.com/photos/felisvivis/49057182573/>, (CC BY-NC-2.0).



An analysis of protest activity across 24 countries reveals that worsening metrics of inequality and exclusion are linked with higher rates of anti-government protests

There is ample research on the correlation between inequality and exclusion on one side and conflict on the other. For instance, the connection between inequities and violence is one of the underpinnings of the concept of fragile situations, utilized frequently by the World Bank and showcased in publications such as the [World Development Report 2011](#) or [Pathways for Peace 2018](#). It is therefore tempting to draw a logical conclusion that escalating inequality and exclusion can be influenced by both violent conflicts and events such as civilian disorder and political volatility. It also makes sense at an intuitive level as [humans are wired to spot unfairness when it affects them](#), which fits into this hypothesis. The linkage has been in fact proposed since at least the antiquity. For example, in 4th century BCE, Aristotle [warned](#) that accumulation of wealth among few Athenians could lead to toppling of the city government. In more modern times, communist revolutionaries were [predicting](#) a worldwide violent uprising by the impoverished, agitated by economic injustice. A recent [New Yorker article](#) draws the arc between inequities and protests in Latin American countries.

Despite this wide-held conviction, proving a linkage between inequities and political instability is notoriously challenging. Recent scholarship has aimed to pin down the connection using data, with mixed results. This is due to several problems: How to define various types of inequity? How delayed of an impact do they have on political instability? How to isolate the impact of inequality from other factors that also stoke tensions? How to meaningfully define political instability? And how do we collect reliable data on any of that? The last point, access to reliable data, appears to be the biggest problem. A [fivethirtyeight.com](#) article summarized it pithily:

“Inequality data isn’t missing or flawed at random. From other work on political instability, we know that the kinds of countries that are least likely to produce reliable measures of inequality—the poorest or most repressive states—are often the ones most likely to suffer turmoil. Those kinds of countries also happen to be the ones least covered by the international press and the most opaque to foreign scholars. Our ability to observe inequality and instability is often obscured in the most critical cases.”

Even in the countries where data is available—such as OECD member states—the linkage between economic inequality and protests is unclear due to a host of competing drivers of political tension. The extent to which inequities directly drive anti-government activity or amplify it is hard to delineate. Think of anti-war protests in the US or anti-immigrant demonstrations in European countries. They might be connected to the issues of social and economic inequities in a broad sense, but do not always map onto domestic changes in terms of the Gini coefficient or the Top-10% earners’ share of wealth. This makes the linkage vulnerable to being cancelled out by “statistical noise” if the time series used for the assessment are not long enough to isolate it from other factors.

Despite the obstacles, a number of creative approaches have been deployed to capture the relationship between inequality and political instability. Some of the most notable attempts were summarized in an [article by G. Giskemo](#), a list that we expanded on in Figure 1 below. The range of utilized data points reveals the scale of the challenge. Next to predictable measures of inequality such as the Gini Coefficient, we also see average life expectancy or land-holdings concentration. To measure political instability, researchers





Figure 1: Studies Exploring the Linkage Between Inequality and Political Instability

Study	Inequality Measure	Instability Variable
Russett 1964	The Gini Index and relative shares in land holdings	Instability of personnel, internal group violence, internal war, stability of democracy
Sigelman and Simpson 1977	The Gini Index	Hibb's measure of political instability
Weede 1981	Top 20% income share	Armed attacks and deaths from political violence
Muller 1985	Income share of upper quintile	Deaths from domestic political violence (Jodice and Taylor 1983)
Muller and Weede 1990	Average life expectancy	Political violence death rate
Alesina and Perotti 1996	Share of the middle class	Index comprising assassinations; deaths; coups d'etator coup attempts; and authoritarian regime
Posner 1997	Ratio of the income of the poorest 20 percent of households to the income of the richest 20 percent	Presence of events in a country: Copu d'etats, irregular executive transfers, deaths from political violence, protests per capita
Temple 1998	Income share of the middle class	Perotti's sociopolitical instability index (1996) and assassinations statistics
Macculloch 2005	The Gini Index and the 90/10 income percentile ratio	Preference for revolt (survey results)
Østby 2008	Educational inequality between social and ethnic groups; and assets (wealth) inequality between social and ethnic groups; and the Gini Index	Assessment of the risk of civil conflict
Blanco and Grier 2009	The Gini Index	Presence of events in a country: adverse regime change, ethnic war, genocide, revolutionary war
Roe and Siegel 2011	The Gini Index, Ethnic fractionalization index	The Sociopolitical Instability (SPI) index, Political Instability as a Decaying Factor: 30-Year 1% Decay Index, IMD instability measure, World Economic Forum instability measure
Kriekhaus et al 2013	The Gini Index	Surveys on people's support for democracy
Bartusevičius 2014	The Gini Index and the Educational Gini Index	Author's tally of public rebellions where mobilization transcends ethnic boundaries and hostilities involve popular participation
Huber and Mayoral 2014	The Gini Index	Author's tally of occurrences of civil conflict
Luca et al 2015	The Gini Index	Author's tally of any rapidly developing situation that threatens to bring the downfall of the present regime - excluding situations of revolt aimed at such overthrow
Houle 2016	The Gini Index	Number of coups and the risk of a civil war
Houle and Bodea 2017	between-ethnic-group wealth inequality and within-ethnic-group wealth inequality	Occurrence of political coups
Houle 2018	The Gini Index	Surveys on the level of people's agreement with the phrase: "I have the ability to participate in politics."
Houle 2019	Relative social mobility in terms of wealth held (approximate self-assessment) and The Gini Index	Presence of events in a country: riots, demonstrations, strikes, revolutions, guerilla warfare, assassinations

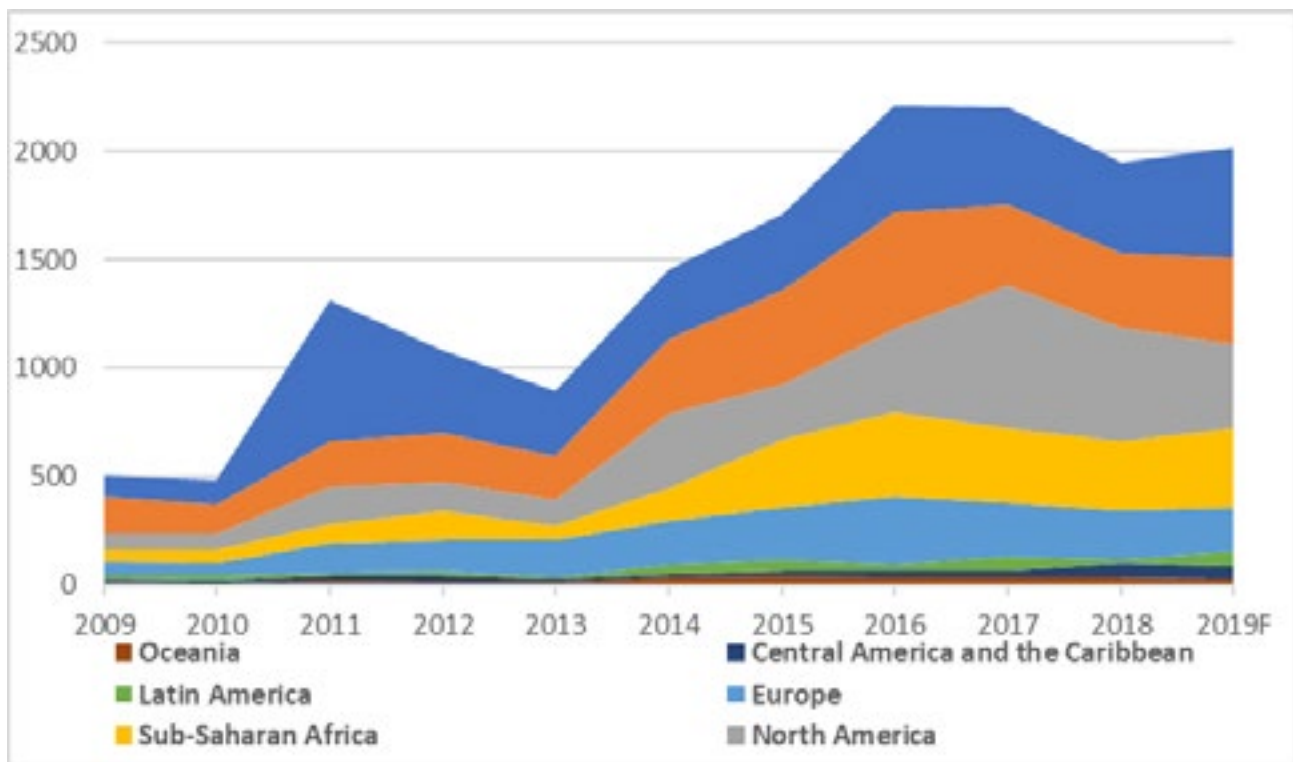
Source: CIC own elaboration, based on Giskemo, Gunhild, "Exploring the relationship between socio-economic inequality, political instability and economic growth: Why do we know so little?" CMI Working Paper, 2012.



reached for variables such as rate of politician assassinations, number of deaths resulting from protests, or a survey directly asking people about their readiness to revolt. [One study from 2007](#) by P. Dutt and D. Mitra compellingly combined various aspects of inequality, including income inequality, ethno-linguistic fractionalization, and the educational gap to tentatively confirm the linkage. Next to cross-country studies, we can also find case studies covering the subject in specific countries (for example the one [on Russia and China](#), and the [one on Thailand](#)).

The advances in big data analytics allow us to utilize new types of insights to shed light on how political unrest goes hand-in-hand with rising inequities. This is especially valuable as it allows us to gain a fresh perspective on developments in the area following the Great Recession of 2008 and the subsequent uneven recovery. The data on protests was generously shared by Haig et al., who originally prepared it for the article [The Age of Mass Protests: Understanding an Escalating Global Trend](#), published by Center for Strategic & International Studies. Data comes from the [Google – GDELT project](#), which deploys machine learning-based broadcast, print, and web news data harvesting and processing in over 100 languages to detect any kind of social mobilization around the planet in near-real-time. This includes the number of anti-government street protests, which are summarized in Figure 2 below.

Figure 2: Annual Instances of Civilian Anti-Government Protests by World Region



Source: Haig, Christian et al., "The Age of Mass Protests: Understanding an Escalating Global Trend," Center for Strategic and International Studies, March 2, 2020, <https://www.csis.org/analysis/age-mass-protests-understanding-escalating-global-trend>.





The presented insights show clearly that the world has entered a stage of heightened political tensions and frequent anti-government protests. This worrying trend has become a major obstacle on the path toward delivery of important policy goals, including the UN SDG Agenda. UN secretary-general António Guterres stressed in a September 2021 speech during of his report, [Our Common Agenda](#) that “now is the time to renew the social contract,” and underlined that there is a growing disconnect between people and the institutions that serve them. In fact, the fissure of social contract is one of the effects most associated with political instability, a phenomenon closely related to deepening social and economic inequities. [A big part of it is a sense of deepening injustices](#) that agitate citizens who feel left behind. The recent [Pathfinders flagship report, *From Rhetoric to Action: Delivering Equality & Inclusion*](#) found that restoring the social contract, which includes ensuring an equitable economic model, is a key element needed to go against the negative trends.

Based on this dataset, we were able to map changes in a few key variables denoting inequities and onto changes in anti-government protest activity across 24 countries. To that end, we devised an econometric model matching changes in the Gini coefficient, alongside other relevant factors, and the number of protests per 1 million people 3 years later across a sample of 24 high-income countries (country selection was dictated by data availability) over five 3-year periods between 2004- 2019. Its fixed-effects formula was designed to control for country-specific time-invariant aspects such as cultural or geographic considerations. We found that holding other variables constant, every 2-Gini-point increase was associated with 1 more protest per 1 million people, on average across countries during the analyzed period (see Figure 3 in the Annex below). In fact, for a number of countries this linkage was even stronger. For instance, during the twelve years between 2007-2019, the United States experienced an increase in the Gini coefficient of 0.9 (from 40.5 to 41.4). Meanwhile the number of anti-government protests per one million people grew by 1.1, from 0.3 to 1.4 (See Figure 4 in the Annex below). This spike in protest activity also coincided with deepening exclusion between social groups and a divisive election, both factors correlated with more anti-government protests according to the model.

While further research is needed in order to identify other relevant variables and to explore whether a causal link between inequities and political instability can be proven, this analysis suggests that unequal and exclusionary societies might be putting themselves in a vulnerable position in terms of political risks. In this context, an investment in renewal of the social contract can be seen as a tool preventing potential dangerous political disruption in a country. For policy recommendations regarding the ways governments can navigate this delicate process, check out our recently published Pathfinders Grand Challenge on Inequality & Exclusion’s [flagship report](#).





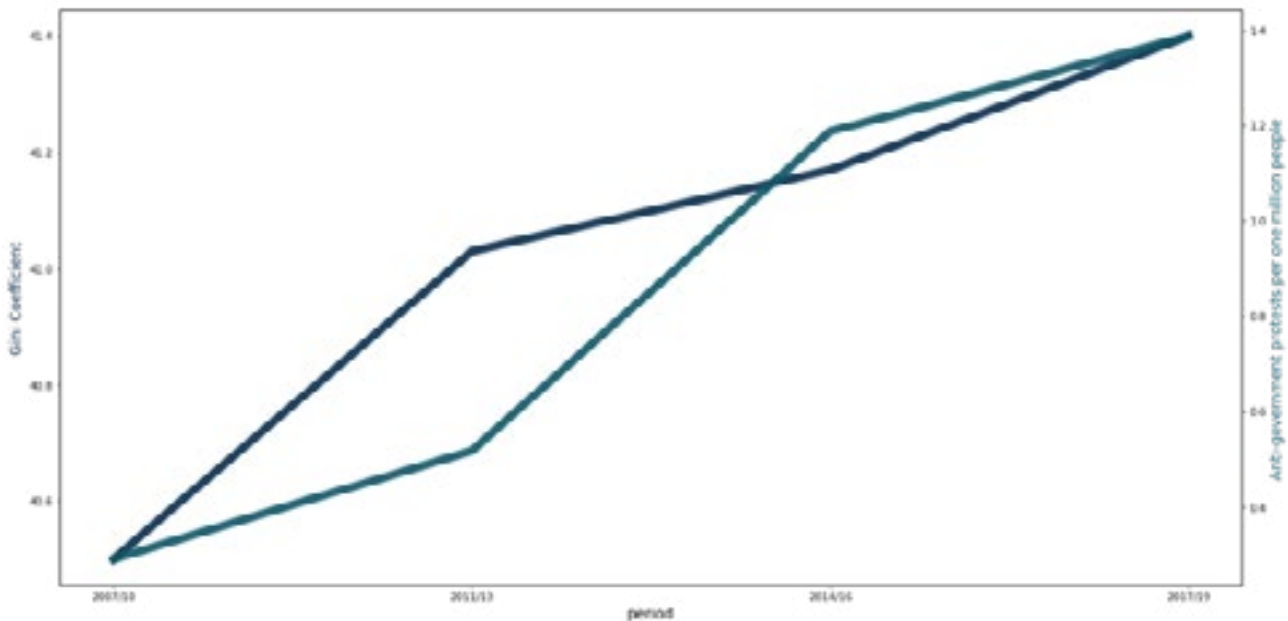
ANNEX

Figure 3: The Fixed-Effects Model Measuring the Correlation Between Included Factors and Anti-Government Protests Per 1 Million People over Five 3-Year Periods Between 2004-2019¹

protest_per_mill_chang	Coef.	St.Err.	t-value	p-value	[95% Conf Interval]	Sig	
L1.prot_per_mill_chan	-.767	.088	-8.73	0.0	-.948	-.585	***
Gini_change	.49	.137	3.57	.002	.207	.774	***
vdem_excl_change	19.514	6.137	3.18	.004	6.848	32.179	***
gov_change	.217	.104	2.09	.047	.003	.432	**
Top10%share_change	8.495	8.851	0.96	.347	-9.772	26.762	
GDP_PC_ppp_change	0	0	1.14	.264	0	0	
Constant	.247	.056	4.44	0	.132	.362	***
Mean dependent var	0.244		SD dependent var		1.673		
R-squared	0.862		Number of countries		24		
F-test	14.821		Prob > F		0.000		
Akaike crit. (AIC)	-17.015		Bayesian crit. (BIC)		-6.589		

*** p<.01, ** p<.05, * p<.1

Figure 4: Changes in the Gini Coefficient and Anti-Government Protests Per One Million People in the United States Between 2007 - 2019



Sources: The World Bank Open Data, Google GDELT, CSIS; adapted by NYU CIC for new research

¹ Fixed Effects model based on 24 countries and the years 2004, 2009, 2014, and 2019; Countries included in the model: Austria, Belgium, Bulgaria, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, United Kingdom

