

Austerity and Young People's Political Attitudes in the United Kingdom

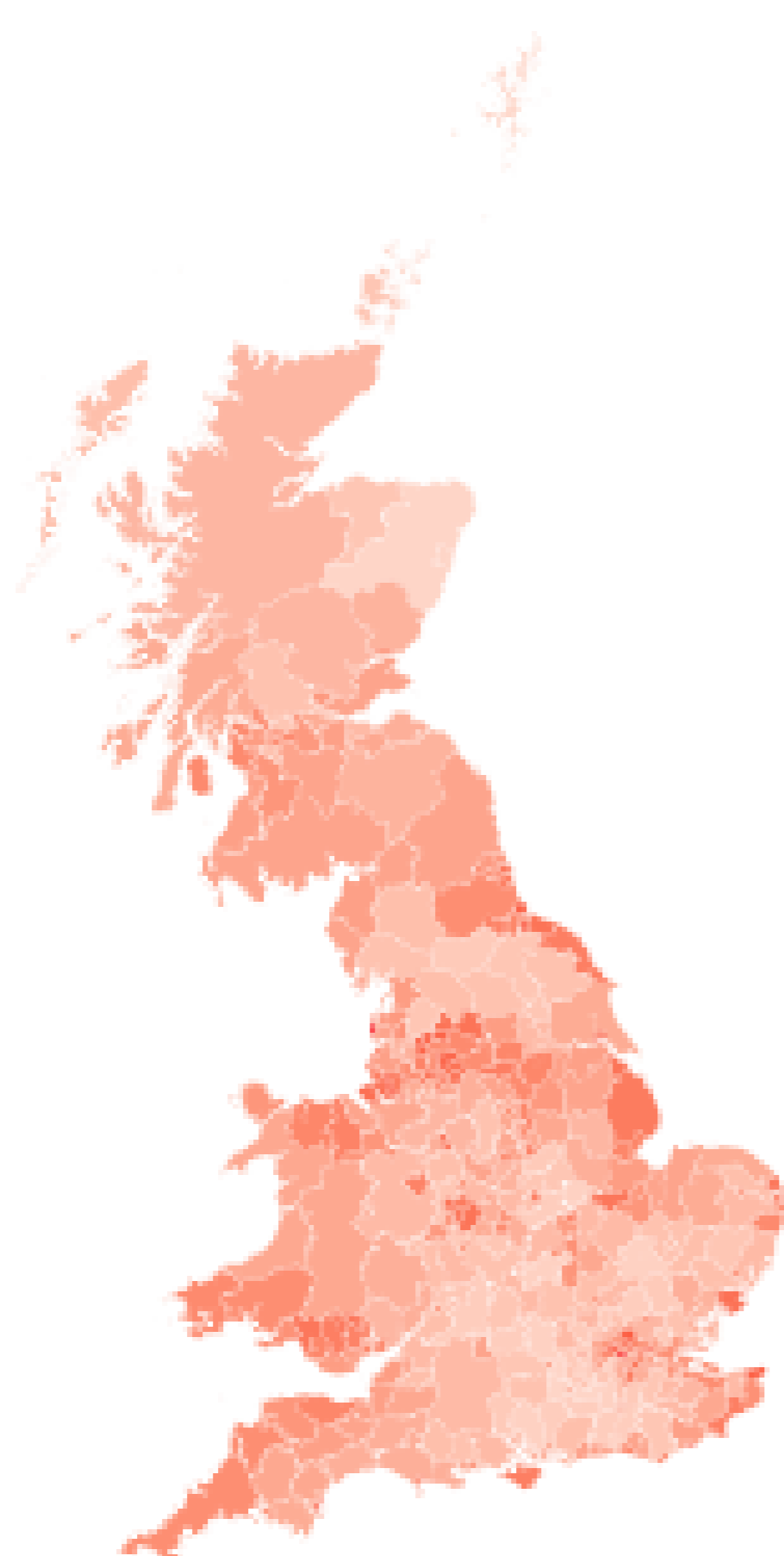
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- ◇ This paper uses a triple diff-in-diff to study the impact of the 2012 British austerity policies on youth political attitudes.
- ◇ It shows the British youth were at risk of higher political disenfranchisement following the implementation of the austerity measures.
- ◇ The welfare cuts led to (i) a decrease in young people's interest in politics, (ii) in the sense of satisfaction they get from voting, (iii) in their perceived political influence, and (iv) an increase in their likelihood to believe they have no say in what the government does.

The 2012 Welfare Reform Act led to sizeable cuts with considerable variation at the regional level

- ◇ The austerity measures yielded savings of almost £14 billion a year by 2016.
- ◇ Taken as a share of the benefit claimants, this amounts to an average welfare loss of £345 per working-age adult, per annum.
- ◇ The figure below shows the distribution of the austerity shock, per working-age adult per annum, across districts in the U.K. I use this estimate as a proxy for the regional intensity of the austerity measures voted in 2012.

£ per working age adult p.a. 200 400 600



I merge this regional fiscal shock with a measure of political attitudes at the individual level

- ◇ I use longitudinal survey data from *Understanding Society*, which interviews the same representative sample of the British population over time.
- ◇ *Understanding Society* provides the respondents' region of residence. It enables me to merge each individual's responses to its corresponding regional fiscal shock.
- ◇ I focus on five dependent variables of political attitudes:
 - 1. Interest in Politics:** a dummy created from the question "How interested would you say you are in politics?"
 - 2. Public officials don't care:** a dummy created from the question "How far do you agree or disagree with the following statements? Public officials don't care much about what people like me think".

- 3. No say in what government does:** a dummy created from the question "How far do you agree or disagree with the following statements? People like me don't have any say in what the government does".
- 4. Personal benefit from voting:** a dummy created from the question "How far do you agree or disagree with the following statements? I feel a sense of satisfaction when I vote".
- 5. Perceived political influence:** created from the question "On a scale from 0 to 10, how likely is it that your vote will make a difference in terms of which party wins the election in this constituency at the next general election?".

Using a specification similar to a triple DiD, I show that young British's political attitudes have been particularly affected by the welfare cuts

- ◇ I focus on young people, who express a lower sense of political representation than the population's average. I aim to see whether welfare cuts can reinforce their feeling of political marginalization.
- ◇ My specification is similar to a Triple DiD with a continuous treatment variable interacted with a dummy for young people. It takes the following form, where β_2 is the coefficient of interest :

$$y_{i,d,w,t} = \alpha + \beta_1 \times \mathbf{1}(Year \geq 2013) \times Austerity_d + \beta_2 \times \mathbf{1}(Year \geq 2013) \times Young_i \times Austerity_d + \lambda_i + \gamma_t + Young_i \times \gamma_t + \nu_d + \epsilon_{i,d,w,t} \quad (1)$$

	(1) Interest in politics	(2) Public officials don't care	(3) No say in what gov't does	(4) Perso benefit from voting	(5) Perceived pol. influence
Austerity × $\mathbf{1}(Year \geq 2013)$	-0.0000473 (0.0086)	0.0172 (0.0140)	0.0167 (0.0130)	0.0237** (0.0116)	-0.00457 (0.1005)
Austerity × Young × $\mathbf{1}(Year \geq 2013)$	-0.0174* (0.0091)	0.00579 (0.0168)	0.0406** (0.0182)	-0.0368*** (0.0121)	-0.207** (0.0929)
Constant	0.472*** (0.0013)	0.495*** (0.0029)	0.493*** (0.0031)	0.532*** (0.0021)	3.294*** (0.0157)
Individual FE	Yes	Yes	Yes	Yes	Yes
District FE	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
Young × $\mathbf{1}(Year \geq 2013)$	Yes	Yes	Yes	Yes	Yes
Observations	55288	35128	35460	35679	33758

Standardized coefficients. Standard errors in parentheses and clustered at the district and individual level.
* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

- ⇒ **Austerity appears to have led to an increase in political disengagement among the British youth, a population already prone to lower political turnout and lower voting registration**
- ⇒ **These results provide grounds to see the welfare cuts as a factor in the lower engagement of young people in the Brexit referendum.**