The Political Consequences of Weakening Organized Labor

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February 2, 2026
PRELIMINARY DRAFT - DO NOT CIRCULATE

Abstract

Labor unions have historically solved a collective action problem for working-class citizens, who remain underrepresented in legislatures across advanced democracies. This paper investigates whether labor unions serve as intermediary organizations facilitating working-class political careers. To identify the causal effect of union strength on descriptive representation, I exploit the exogenous shock to British trade unionism delivered by Margaret Thatcher's 1980 Employment Act, which required 80% secret ballot approval for closed shop agreements. Using novel data on candidates' occupational backgrounds and a continuous difference-in-differences design comparing constituencies by pre-reform exposure to closed shops, I find that more exposed constituencies experienced significant declines in working-class candidacies and victories after 1980. Event-study specifications confirm parallel pre-trends and treatment effects emerging post-reform. These findings demonstrate that weakening intermediary organizations reduces descriptive representation, with implications for understanding how policy choices reshape democratic institutions' class composition.

*Department of Government, London School of Economics. Thanks to Valentino Larcinese and Stephane Wolton for invaluable guidance and support. Thanks to Jennifer Hudson for sharing the data on parliamentary candidates, and to Len Metson, Peter Wyckoff, Luis Bosshart, Jeremiah Dittmar, Lorenzo Vicari, Tarsha Vasu, and participants at the Government PhD WiP seminar for helpful suggestions and comments.

1 Introduction

The political representation of socio-economic groups shapes the character and responsiveness of democratic governance. Among these groups, the working class — broadly defined as individuals engaged in manual, service, or clerical occupations — has historically played a central role in left-wing parties and social democratic coalitions (Benedetto et al., 2020). Yet, substantial evidence demonstrates systematic patterns of unequal representation that favor wealthier segments of society across diverse democracies (Cagé, 2024).

Among the most striking manifestations of this inequality is the severe underrepresentation of working-class citizens in national legislatures. While blue-collar workers comprise substantial portions of the electorate, they hold disproportionately small shares of legislative seats across advanced democracies (Carnes et al., 2025). This representational gap has profound implications for democratic congruence, as politicians from different occupational backgrounds bring distinct policy preferences and priorities to legislative decision-making (Lowande et al., 2019; O'Grady, 2019).

The decline in working-class political representation has been particularly pronounced in recent decades. From the post-war period through the 1970s, roughly one in five Members of Parliament in many advanced democracies came from manual labor, clerical, or service occupations. By the 2010s, this figure had fallen below five percent in countries such as the United Kingdom. This transformation represents one of the most dramatic changes in legislative composition documented in the comparative literature, yet its institutional drivers remain poorly understood.

This paper investigates whether the decline of trade unions contributed to the disappearance of working-class politicians from national legislatures. Trade unions have historically served as more than economic interest groups, functioning as political intermediaries that recruit candidates, provide campaign resources, and mobilize voters (Ahlquist, 2017; Kaplan and Naidu, 2025). As union density has fallen dramatically across advanced democracies since the 1980s, working-class citizens may have lost a crucial institutional pathway to political office.

I exploit regulatory changes introduced by the 1980 Employment Act in the United Kingdom, which imposed stringent ballot requirements for maintaining Closed Shop Agreements, as a quasi-experimental shock to union strength. The Act mandated that at least 80 percent of workers approve such arrangements through secret ballots, effectively dismantling many existing closed shops and weakening union security across British industry. I construct a constituency-level measure of exposure to this reform using pre-determined industry employment shares and industry-level adoption of pre-entry closed shops. Using a continuous difference-in-differences and an event-study design, I show that constituencies more exposed to the legal weakening of unions experience a persistent decline in working-class candidacies and MPs.

These findings advance our understanding of the institutional foundations of descriptive representation. Most existing research on working-class political exclusion focuses on individual-level barriers or voter preferences, while this paper highlights the importance of meso-level organizations in sustaining occupational diversity in elected office. While structural forces such as deindustrialization and educational expansion undoubtedly contributed to declining working-class representation, this paper demonstrates that deliberate policy choices that weakened intermediary institutions also played a crucial role.

The research makes several specific contributions to existing literature streams. It provides novel causal evidence linking institutional change to descriptive representation outcomes using a credible identification strategy that exploits policy-induced variation. It demonstrates the political functions of trade unions beyond their well-documented economic effects on wages and working conditions (Jäger et al., 2024). It shows how neoliberal labor market reforms had consequences extending beyond immediate economic effects to reshape democratic congruence and responsiveness. The findings have important implications for understanding political inequality in advanced democracies (Lupu and Pontusson, 2023). They suggest that the systematic exclusion of working-class voices from elected office partly reflects institutional changes that weakened traditional pathways to political participation. Understanding these mechanisms becomes increasingly crucial as democracies grapple with declining trust in established institutions and the rise of populist movements that claim to represent marginalized groups.

The paper proceeds as follows. Section 2 develops a theoretical framework linking union strength to working-class representation. Section 3 provides historical context about British labor relations and the 1980 Employment Act. Section 4 describes data sources and measurement approaches. Section 5 outlines the identification strategy. Section 6 presents empirical results and discusses robustness and interpretation. Section 7 concludes with potential implications for research and policy.

2 Theoretical framework

One of the channels through which some citizens may affect the political process more than others is through the identity of the politicians they vote for, which refers to the concept of *descriptive representation*. Descriptive representation focuses on the extent to which a representative resembles those they represent (Pitkin, 1967).

It matters not only instrumentally but also a goal in itself. Particularly under conditions of mistrust and low political participation (Mansbridge, 1999), having representatives who share their background fosters trust, enhances legitimacy, and can increase political engagement (Piketty and Cagé, 2023; Poertner, 2023).

This paper contributes to the descriptive representation literature, besides emphasizing occupational diversity, by highlighting the crucial role of broader civil society and intermediary actors in facilitating inclusive descriptive representation and promoting *their* candidates. I show that, with their weakening, they are no longer able to solve the coordination problem of their members and to push them into political office.

The role of the working-class While comprising just a few portion of the population, national legislatures have become increasingly comprised of richer representatives, reaching the 2014 US Congress, where most of the MCs were millionaires (Parker, 2014). Rich people tend to have quite different preferences on the economic dimension, voting more conservative, while being significantly more liberal on the cultural dimension (Carnes and Lupu, 2023a; Lupu and Warner, 2022). As predicted by the classic citizen-candidate model (Besley and Coate, 1997), the identity of the representative matters if such preferences are heterogeneous as just described, with direct consequences for substantive representation (Lowande et al., 2019; Eggers and Klasnja, 2019; O'Grady, 2019) [1]. Hence, social class matters.

Following Carnes and Lupu (2023b), Folke and Rickne (2024) on class gaps, I define working-class identity on an occupational basis, using the last occupation before entering politics – in particular, a blue-collar occupation (manual labor, service industry, or clerical jobs). Occupation is a clear, observable, and consistently reported measure. It appears in biographies, resumes, and official records, making it reliable and comparable across individuals and time periods, especially crucial when analyzing historical data or constructing large datasets. Occupational background is directly relevant, affecting the exposure to certain policy problems (e.g., job insecurity, labor rights), social networks and political recruitment opportunities, and worldviews about government, inequality, and the economy (Carnes and Lupu, 2023b). Yet, this definition may miss a working class identity based on parental origins, which studies of political selection usually solve using admin data from Scandinavian countries (Dal Bó et al., 2017). I refer the reader to Section 4 for more detail about the operationalization of such measure in this paper.

Despite still being a substantial amount of the labour force nowadays, blue-collar workers [2] are severely under-represented in national legislatures (Figure 1), ending up in median gap of around 20%.

[1] O'Grady (2019) examines how the occupational backgrounds of British Labour MPs influence their positions on recent welfare reform, finding that working-class MPs are significantly more likely to oppose welfare retrenchment. The study, although with a different focus and different historical period than this paper, shows that personal experience and class identity shape policy preferences.
Lowande et al. (2019) shows that identity-based characteristics, including social background, systematically shape how legislators respond to constituent inquiries and choose which issues to champion. Similarly, Eggers and Klasnja (2019) provides evidence from the US Congress that personal wealth and background affect fundraising patterns and voting behavior.

[2] note that I will use blue-collar and working class interchangeably for the rest of the manuscript

This share is even lower by historical standards, as shown in Figure 4a. Particularly in the period between WWII and the end of the 1970s, European countries tended to feature much more economically diverse legislatures, thanks to the role of trade unions, among other factors. This share started to fall dramatically from the 1980s onwards, resulting to less than 5% working-class MPs since 2020 in the UK House of Commons. Structural changes in OECD countries over the last decades have significantly modified their political economies, with the rise of mass education, the globalization shock, and the associated decline in manufacturing and union membership.[3]. If any of these trends may partially explain the declining trend, they cannot explain the stylized fact documented in Figure 1 – even compared to their share in the workforce, blue-collar workers are still underrepresented.

Beyond descriptive concerns, the underrepresentation of working-class voters is linked to broader political realignments, including the rise of far-right populism and the electoral shifts in left-wing parties (Gethin et al., 2022). Understanding these dynamics requires examining the institutional and structural barriers to working-class political participation and representation.

2.1 The barriers to working-class representation

To better understand why so few blue-collar citizens run for office and are elected in national legislatures, we can resort mainly to three sources of explanation (Carnes and Lupu, 2023b).

Micro-level Citizens may hold implicit or explicit preferences against candidates from working-class backgrounds, manifesting as perceived lack of competence, stereotypes about intelligence, and a tendency to prefer candidates with elite markers. This theory implies that even if working-class individuals run for office, they are less likely to win because voters penalize them at the ballot box. However, the available evidence suggests little voters' taste for elite politicians – if anything, they prefer grassroots candidates (Carnes and Lupu, 2016).

Working-class individuals may be less politically ambitious or simply less interested in running for office. However, this hypothesis does not survive empirical scrutiny [4]. The real barrier is not a lack of ambition but limited access to recruitment channels, which are discussed at the meso level.

On an individual level, money and time are significant barriers. Campaigning is costly, and many working-class people cannot afford to leave their jobs or families for unpaid political internships or local campaigns; they lack the financial safety nets that allow wealthier individuals to enter low-paying or risky political careers. Resource constraints are critical, but are more symptomatic

[3]Parties have also been featuring significantly more career politicians, with a greater politicization of the political profession (O'Grady, 2019)

[4]In survey data across the Americas, working-class individuals report political aspirations at similar rates to middle- and upper-class respondents (Carnes and Lupu, 2023a).

of meso and macro-level systems.

Meso-level Intermediary institutions like political parties, interest groups, and recruitment pipelines are crucial in filtering who gets considered and supported for candidacy.

Parties are risk-averse organizations, hence biased towards pushing socio-demographically conventional candidates in the belief that these will be more likely to win elections (Norris and Lovenduski, 1995).

Folke and Rickne (2024) provides strong causal and comparative evidence that meso-level barriers—especially party structures and elite preferences—play a central role in filtering out working-class candidates as they move up the political hierarchy. It underscores that even in relatively egalitarian systems like Sweden, class-based filtering persists, reinforcing the need to reform intra-party processes, not just recruitment or voter outreach.[5]

Trade unions have historically played a critical role in facilitating political representation for the working class. Beyond their function as economic interest groups, unions have served as political intermediaries—recruiting candidates, mobilizing voters, and shaping party platforms. This dual role as both economic and political actors is particularly salient in parliamentary democracies where labor movements were historically embedded in party systems, such as the UK. I will return to their role in the next subsection.

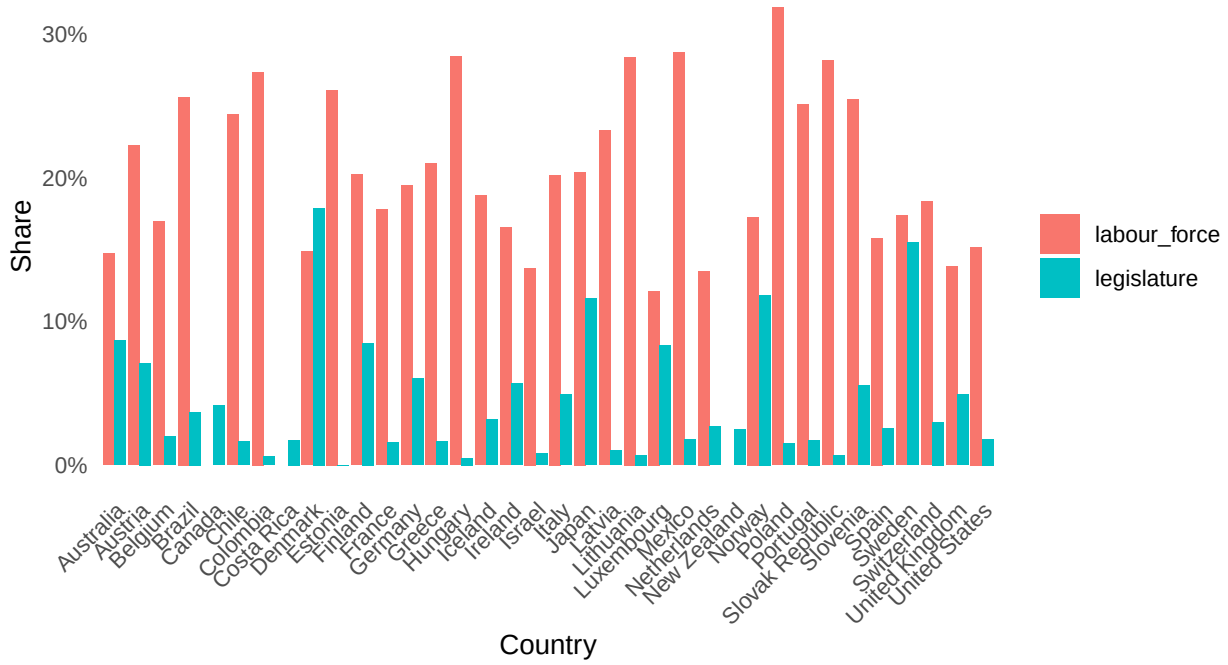
This paper builds on these insights by empirically testing how union strength affects the electoral success of working-class candidates in the UK, focusing on the period of profound institutional transformation triggered by Thatcher-era reforms.

Macro-level Proportional representation systems may systematically help have more diverse legislatures, either mechanically by greater district magnitudes, or by distributing the mobilization efforts. However, they are usually much harder to test with within-country variation, with the exception of Ray (2023).

Campaign-finance laws may create systemic advantages for elites. Unlike professionals or business elites, working-class citizens often lack personal wealth, high-income networks, or access to elite donors. Campaign finance systems structure who can afford to run, even before formal nominations, what kinds of political careers are viable, especially in systems lacking public financing or reimbursement, and how much informal power donors hold, indirectly filtering candidate pools long before voters make choices (Cagé and Dewitte, 2025; Fouirnaies, 2021).

[5]This finding is not unique to this context – see Carnes and Lupu (2023b) on similar evidence from the US.

Figure 1: Share of blue-collar workers in the labour force and national legislatures in OECD countries.



Source: International Labor Organization (ILO), Carnes et al. (2025). Data refers to the closest election in 2014 or prior. Legislator's background refers to the last occupation held before entering politics.

2.2 Trade unions as political intermediaries

While the literature in labor economics and sociology has extensively documented unions' capacity to secure wage premiums, compress wage distributions, and improve workplace conditions (Jäger et al., 2024 and references therein), their political role in reducing inequality has been equally significant (Acemoglu and Robinson, 2013; Ahlquist, 2017).

Classic accounts emphasize that the organizational capacity of unions lowers the barriers to political entry for working-class citizens. In Europe, the growth of social democratic parties was deeply intertwined with the rise of organized labor, which provided resources, organizational infrastructure, and a platform for advancing workers' political demands (Mor and Boix, 2024). In the United Kingdom, these dynamics were formalized through the Labour Party's institutionalized links to trade unions, encompassing candidate recruitment, political training, and substantial financial support (Fouirnaies, 2024).

The following subsections outline three main channels through which trade unions can affect working-class representation: candidate selection, electoral mobilization, and post-electoral influence.

Candidate Selection. Trade unions can function as recruitment pipelines for political office, particularly for candidates from working-class backgrounds. Through formal and informal networks, unions identify promising activists, provide political training, and facilitate their inclusion on party lists or in winnable constituencies. In the UK, Labour's historical "union sponsorship" system exemplifies this mechanism, ensuring that individuals with occupational backgrounds in manual or service work could access parliamentary careers. By lowering the informational, financial, and organizational costs of candidacy, unions directly enhance the descriptive representation of the working class. Conversely, the weakening of union structures—whether through legislative reforms, employer resistance, or membership decline—reduces these recruitment pathways, leading to a narrower pool of occupationally diverse candidates (Feigenbaum et al., 2018).

Electoral Mobilization. Beyond candidate recruitment, unions possess substantial mobilizational capacity. Through workplace-based organizing (Matzat and Schmeißer, 2022), communication networks, and established channels of political endorsement (Fouirnaies, 2024), unions can increase turnout among supportive constituencies and channel electoral support toward working-class candidates. Empirical work shows that the erosion of union strength, such as through U.S. "right-to-work" laws, has reduced political engagement among low-income citizens (Feigenbaum et al., 2018), suggesting that de-unionization may disproportionately demobilize working-class voters, indirectly lowering the electoral prospects of occupationally similar candidates.

Post-Electoral Influence. Finally, unions shape political representation through post-electoral channels. Elected officials with union ties may be more responsive to organized labor's policy preferences, whether through legislative advocacy, voting behavior, or agenda-setting. Unions also exert influence via campaign contributions, policy consultations, and coalition-building within parties (Becher and Stegmueller, 2023, 2025; Becher et al., 2018; Becher and Stegmueller, 2021). The decline of union membership and collective bargaining coverage weakens this leverage, diminishing the capacity of unions to sustain pro-worker policy agendas and protect the substantive representation of working-class interests.

Last but not least, trade unions also influence the political attitudes of their members (Frymer and Grumbach, 2021; Yan, 2024; Kaplan and Naidu, 2025). While still debated, these attitudes also include racial ones, making it even more important as an explanatory factor for the rise of the far-right.

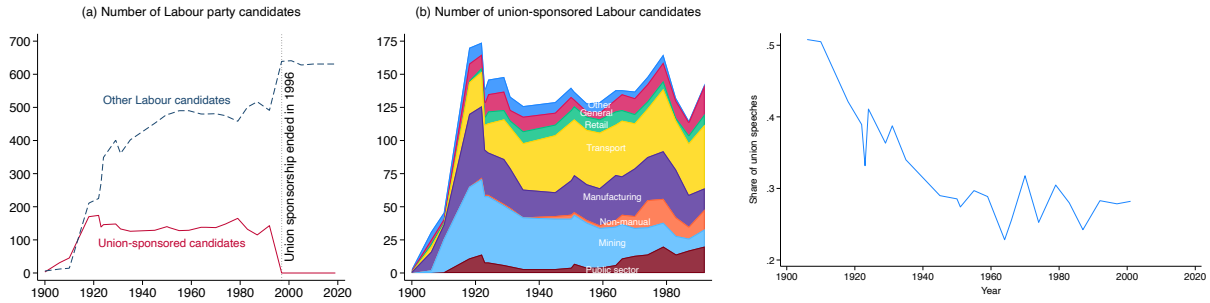
Taken together, these mechanisms underscore that union strength is not an immutable economic byproduct but a politically contingent variable. While structural forces such as automation and globalization contribute to union decline (Agnolin et al., 2025; Balcázar, 2023), deliberate political

reforms—such as the neoliberal legislative changes in the UK after 1980—have played a decisive role in reshaping the political opportunity structure for unions. Understanding unions as political intermediaries therefore requires attention to how institutional change alters their capacity to recruit candidates, mobilize voters, and influence policy once in office.

Figure 2: The political role of trade unions over time.

(a) Trade unions' sponsoring of candidates over time.

(b) Share of speeches devoted to trade unions.



Source: author's replication on Fouirnaies (2024)'s data.

2.3 A formal model (Becher and Stegmueller, 2023)

2.3.1 Players and Setup

- Organized group G (labor union or business interest)
- Policymaker P (legislator or legislative body)
- Binary policy choice: $x \in \{A, B\}$ with $U(A) > U(B)$
- Legislator types: $t \in \{L, R\}$ where group prefers L types

<2>

2.3.2 Stage 1: Electoral Stage

Group chooses mobilization effort $e \in \{e_{low}, e_{high}\}$:

$$\Pr(t = L|e_{high}) = (1 + \beta) \Pr(t = L|e_{low})$$

where $\beta = f(x) \geq 0$ is group strength

2.3.3 Stage 2: Post-Electoral Stage

Group chooses lobbying effort $\ell \geq 0$

$$\Pr(x = A|\ell, t) = f(\beta, \ell, h_t)$$
$$\text{where } h_L < h_R \text{ (hurdle factors)}$$

2.3.4 Optimization

Group maximizes:

$$\max_{\ell} \quad f(\beta, \ell, h_t)U(A) + [1 - f(\beta, \ell, h_t)]\, U(B) - \ell$$

3 Historical Background

3.1 Origins of the English working class

The United Kingdom offers a uniquely compelling context for studying the underrepresentation of the working class in democratic politics. First, the salience and clarity of class divisions in British society—cemented historically through occupational identity, trade unionism, and political alignment—make the definition of "working class" both meaningful and empirically tractable.

From the late nineteenth century through much of the twentieth, trade unions constituted a central pillar of working-class political influence, particularly within the Labour Party. Yet, by the late twentieth century, this link had been fundamentally altered. The neoliberal transformation initiated under Margaret Thatcher in the 1980s—combined with the ideological and organizational repositioning of Labour under Tony Blair in the 1990s—significantly reduced the extent to which blue-collar candidates advanced within party structures. While rhetorically inclusive, the party increasingly selected middle-class professionals over blue-collar candidates.

3.2 The Decline of Trade Unions

Union density in the UK followed a distinct trajectory in the post-war period. During the 1970s, membership grew steadily, making Britain the most heavily unionized large OECD economy. The 1980s, however, brought an unprecedented reversal: density fell by approximately 1.4 percentage points per year, a decline sharper than in other rapidly de-unionizing economies such as the United States and Japan.

Early analyses of this trend typically advanced two broad explanations. One emphasized structural change (Disney, 1990), attributing membership decline to shifts in product and labor markets,

including rising trade exposure, technological automation, and the replacement of heavily unionized industries by sectors lacking union traditions. The other framed the decline as primarily political (Freeman and Pelletier, 1989), highlighting the fact that market liberalization and increased trade exposure were themselves politically driven. Across advanced democracies, the late 1970s and 1980s saw a decisive policy turn toward so-called "neoliberalism", accompanied by an explicit view of unions as impediments to economic flexibility and growth.

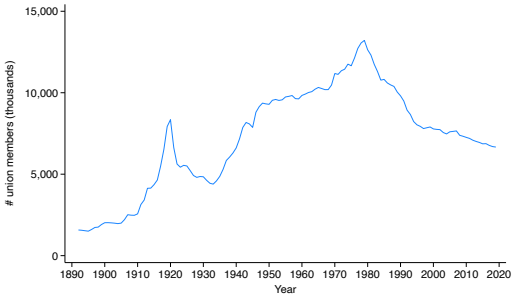
In the UK, this political realignment was crystallized by the election of Margaret Thatcher in 1979. The Conservative Party's campaign slogan, "Labour isn't working," captured the prevailing narrative that organized labor was a drag on national prosperity. Over four consecutive electoral victories, Thatcher's governments implemented a suite of reforms—five Employment Acts between 1980 and 1990—that systematically curtailed union power.

Employment Act 1980 Margaret Thatcher's Conservative government (1979-1990) pursued a systematic neoliberal restructuring of the British economy centered on privatization and labor market deregulation designed to restore market flexibility and reduce trade union power. The Employment Act 1980 represented the opening salvo in this campaign, strategically targeting the institutional foundations of union strength through two key mechanisms: the prohibition of secondary picketing (solidarity strikes by workers not directly involved in a dispute) and the introduction of mandatory secret ballots requiring 80% approval to maintain closed shop agreements where all workers were required to join unions. These provisions were explicitly designed to fracture the solidarity networks that had enabled unions to exercise industrial power beyond their immediate membership, while simultaneously undermining the closed shop arrangements that guaranteed union security and collective bargaining coverage across entire sectors. By restricting lawful picketing "strictly to those who were themselves party to the dispute and who were picketing at the premises of their own employer," the Act dismantled the cross-industry coordination mechanisms that had characterized British industrial relations since the early 20th century, thereby inaugurating a process of deliberate deunionization that would fundamentally weaken working-class representation and facilitate the creation of more flexible, employer-favorable labor markets essential to Thatcher's broader project of economic liberalization.

The political ramifications were substantial. Prior to 1979, Labour MPs frequently emerged from union-sponsored candidacies and maintained strong organizational ties to the labor movement. By the 1990s and 2000s, the party's parliamentary intake had become more professionalized, with fewer candidates rooted in industrial labor. While some unions retained political influence, the broader trend was toward a diminished role for organized labor in candidate recruitment and selection, contributing to the underrepresentation of working-class voices in Parliament.

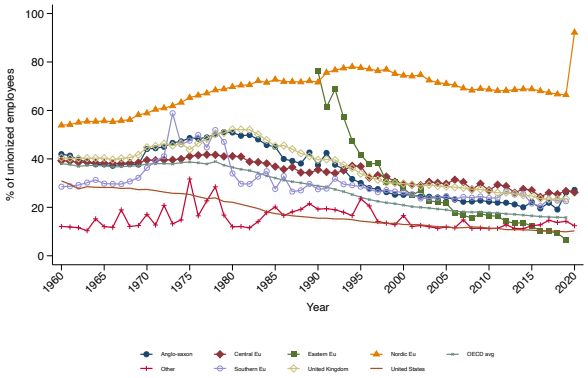
Figure 3: The decline of union membership over time.

(a) UK trade union membership over time, 1892-2020.



Source: Office of National Statistics.

(b) Trade union density over time in selected OECD countries, 1960-2020.



4 Data

The analysis combines two main data sources.

4.1 Candidates' Data

Candidate Occupational Background The primary outcome—whether a candidate has a working-class background—is drawn from data collected by Lamprinakou et al. (2017), which covers all candidates for the House of Commons from 1950 to 2017. I focus on elections from 1979 to 1997, spanning the onset and consolidation of the Thatcher-era reforms.

Occupations are classified following Carnes and Lupu (2023b), defining the working class as manual laborers, clerks, and service-sector workers, in contrast to managers, professionals, and business owners; this is consistent with the evidence that individual experiences at the workplace do play a fundamental role in determining voters' political behaviour (Kitschelt and Rehm, 2014). Candidate occupations are extracted from biographical entries using a large language model (Anthropic), prompted to detect International Standard Classification of Occupations (ISCO) codes 6–9.

There is a possibility of false negatives stemming from this operationalization, i.e., candidates that are categorized as not having a working-class identity or background despite growing up in a working-class family. However, this is most likely to decrease the size of the estimate tho be found, or make it noisier.

Union Sponsorship Data To measure direct organizational ties between unions and candidates, I use Fouirnaies (2024), which records parliamentary candidate sponsorship by individual unions from 1900 to 2019. These data identify both the year and the sponsoring union, enabling a candidate-level dataset of union linkages. In the identification strategy, this measure allows me to assess whether declines in industry-level union strength translate into reduced sponsorship of working-class candidates.

Candidate Campaign Expenditure Candidate spending data from Fouirnaies (2021) and Cagé and Dewitte (2025) provide itemized campaign expenditures, turnout, and vote share. Information on campaign resources is particularly important since it allows addressing whether the decline in working-class candidates is potentially due to reduced union resources, which previous work has shown as fundamental, both for union-sponsored candidates and for the UK Labour Party more generally.

Parliamentary Speeches To trace the substantive representation channel, I analyze House of Commons floor speeches from 1950 to 2003, drawn from the Hansard archive, which have been made available for the period of interest by Goet (2019) with key information of interest, such as speakers' names. Given the Westminster system's strong party discipline, speeches offer a more sensitive measure of individual legislators' policy priorities than roll-call votes, where it would be difficult to observe such variation.

I construct:

- *Topic allocation:* Using probabilistic topic models (Roberts et al., 2013), BERTopic, and current-day LLMs, I classify speeches into key issue areas (e.g., welfare, labor rights, housing, defense), to be validated using a comparative dataset, such as the Comparative Agenda Project (CAP).
- *Effort indicators:* Speech volume, issue diversity, and committee interventions proxy for legislative engagement.

These measures are used to assess whether MPs from constituencies more exposed to union decline shift their issue emphasis and ideological positioning, thereby linking the treatment to substantive representation.

4.2 Treatment: Closed Shops Agreements

Industry shares The key treatment variable is constituency-level exposure to heavily unionized industries, constructed from the 1981 Census—the closest digitized pre-treatment year to the onset

of sharp membership decline (Figure 3b). I calculate the share of the employed workforce by industry in each one-digit UK SIC code within a constituency.

This exposure measure serves as the basis for a shift-share design, as they provide information on the industry specialization of a constituency.

Workplace Industrial Relations Survey To capture industry-level heterogeneity in exposure to the legal reforms, I use the 1980 Workplace Industrial Relations Survey (WIRS), which contains information on the *Exposure to Closed Shop Agreements (CSA)*, i.e., the share of establishments in an industry requiring union membership as a condition of employment. These measures identify industries most directly affected by the Employment Acts' restrictions on closed shops. In the empirical design, they interact with constituency industry composition to generate plausibly exogenous variation in post-reform declines in union power.

5 Identification Strategy

I construct a constituency-level exposure measure as follows. For each industry, I compute the share of closed shop agreements. I then weight these industry-level caps by constituency employment shares from the 1981 Census. This measure is fixed prior to the reform and varies only due to pre-existing industrial composition.

I estimate a continuous difference-in-differences model, leveraging the exposure to Closed Shops in 1980:

$$\text{Y}_{ct} = \alpha_c + \gamma_t + \beta \cdot \text{Closed Shop}_{c,1980} \times \text{Post}_t + \epsilon_{ct} \tag{1}$$

Where Y_{ct} denotes a working-class candidate and/or winning in constituency c at election year t. α_c are constituency fixed effects, and γ_t are election-year fixed effects. I also estimate an event-study design:

$$\text{Y}_{ct} = \alpha_c + \gamma_t + \sum_{s \neq 1979} \beta_s \cdot \text{Closed Shop}_{c,1980} \times \mathbb{1}\{Year = s\}_t + \epsilon_{ct} \tag{2}$$

This design allows for flexible dynamics and provides a direct test for differential pre-trends. Earlier reforms affecting unions are absorbed by year fixed effects unless they generate constituency-specific trends correlated with exposure, which are explicitly tested in the pre-period.

The key identifying assumption is that, absent the legislative reform, changes in working-class

candidacy and electoral outcomes would have evolved similarly across constituencies with different pre-reform exposure to closed shops. Formally, conditional on constituency and year fixed effects, the exposure to closed shops in 1980 is exogenous to other constituency-level shocks affecting working-class representation. This requires that the industrial composition driving exposure is not itself responding to anticipatory political dynamics or other constituency-specific trends correlated with working-class candidacy.

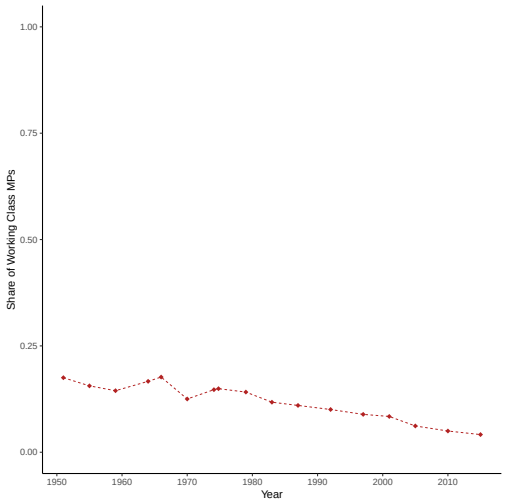
Because the exposure measure reflects only pre-existing industrial composition and closed shop prevalence, it provides a source of plausibly exogenous variation in union influence across constituencies. The interaction of this predetermined exposure with the post-reform period isolates the causal effect of the reform: it captures how constituencies with stronger union presence prior to the law are differentially affected in terms of working-class political representation. Under this assumption, β can be interpreted as the causal effect of pre-reform closed shop prevalence on the post-reform evolution of working-class political representation.

6 Results

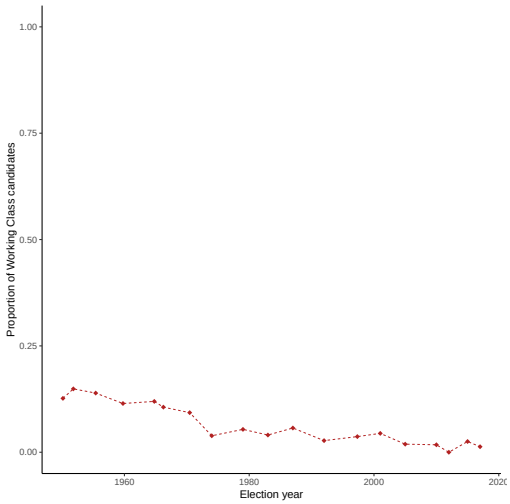
Trends in working-class descriptive representation As previously suggested by cross-country comparisons at the level of national legislatures (Cagé, 2024), Figure 4 confirms this pattern, and this forms one of the contributions of this paper. The share of working-class candidates mirrors very closely, both in levels and in its time trend, the share of working-class MPs in the House of Commons. While starting from its highest between 1950 and 1970 around 20%, it starts declining after the 1979 election. In the most recent election available in the data, i.e., 2017, less than 5% candidates are from the working-class. The share of votes cast for working-class candidates mirrors this pattern quite closely as well, suggesting that the decreasing number of blue-collar candidates do not tend to get an increasing number of votes. On the other hand, however, the probability of winning an election for working-class candidates declines until the 1997 election, while it spikes again afterwards.

Continuous DiD Table 1 presents the results of the continuous difference-in-differences specification. Column (1) shows that constituencies with higher pre-reform exposure to closed shops experienced a statistically and economically significant increase in the number of working-class candidates after the reform, with an estimated effect of 2.48 (SE = 0.88, $p < 0.01$). Column (2) shows a smaller but still significant effect on working-class electoral success, with an increase of 2.17 (SE = 0.84, $p < 0.05$). These results are robust to constituency and year fixed effects, indicating that the differential post-reform outcomes are not driven by time-invariant constituency characteristics or common shocks across elections. In substantive terms, the estimates suggest that industrial

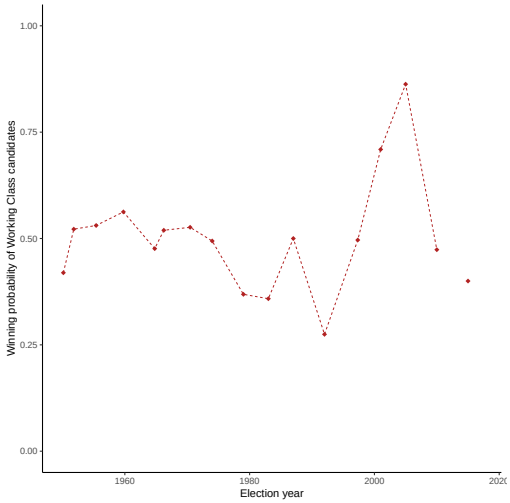
Figure 4: Working-class descriptive representation over time.



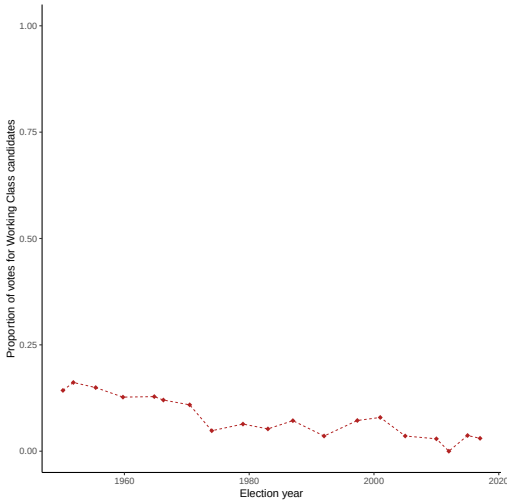
(a) Share of working-class MPs over time (House of Commons library).



(b) Proportion of working-class candidates over time.



(c) Winning probability of working-class candidates over time.



(d) Share of votes cast for working-class candidates over time.

Source: author's calculation on Eggers and Hainmueller (2009); Lamprinakou et al. (2017)'s data. Working-class identity is defined as having a blue-collar job prior to running for office.

constituencies with stronger pre-existing union presence saw a meaningful rise in working-class representation, both in terms of candidacy and, to a slightly lesser extent, electoral wins.

Event-Study Design The event-study analysis sharpens both the identifying assumptions and the interpretation of the magnitude and timing of the effects. Pre-reform coefficients are close to zero and statistically insignificant, providing strong evidence against differential pre-trends or anticipatory responses. Following the reform, the effect on working-class candidacy rises

Table 1: Continuous DiD

Dep. Var.: Working Class	Candidate	Win
Model:	(1)	(2)
Variables		
ClosedShop × Post	2.480***	2.168**
	(0.8836)	(0.8419)
Fixed-effects		
Constituency	Yes	Yes
Election Year	Yes	Yes
Fit statistics		
Observations	2,457	2,456

Clustered (const_id) standard-errors in parentheses

Notes: This table estimates equation 1. The dependent variable is working-class descriptive representation in constituency c at election time t. The treatment is the industry-weighted presence of Closed Shop Agreements (CSA) in 1980. The sample includes years between 1970 and 1997

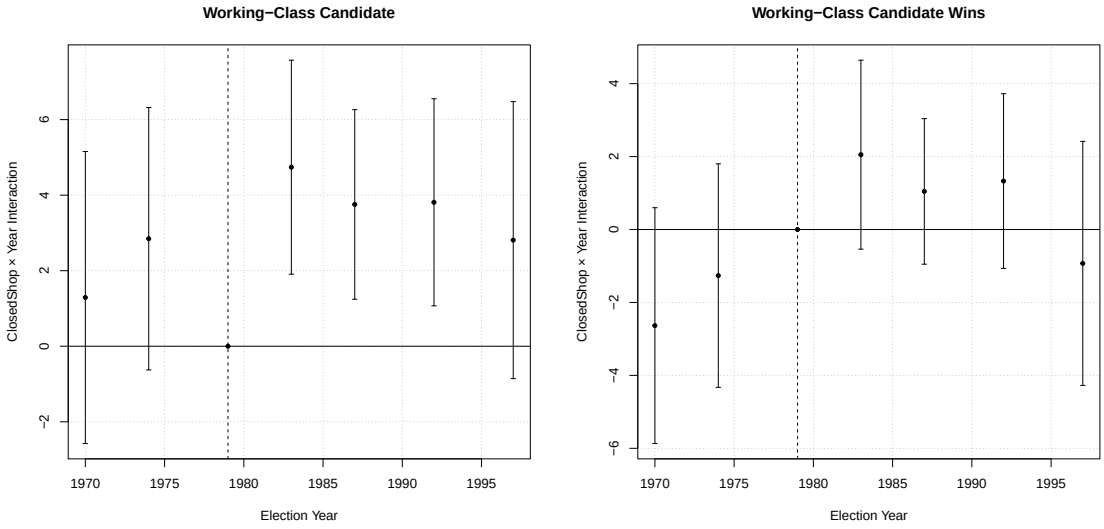
sharply, with coefficients in the range of 4 to 5 in the post-reform elections up to 1992. These magnitudes exceed the average DiD estimates, indicating that the reform generated particularly large short-run responses in highly exposed constituencies. Importantly, these dynamic effects are concentrated in constituencies in the third quartile of the exposure distribution rather than at the median or in the lowest quartile, suggesting that the reform primarily affected areas with substantial—but not extreme—pre-existing closed shop presence.

In contrast, the event-study coefficients for working-class electoral victories remain small and statistically indistinguishable from zero throughout the post-reform period, while it remains borderline significant in the discrete specification with the third quartile.

Robustness Finally, these patterns are robust to broadening the estimation window to elections spanning 1950 to 2003 (Figure A6), indicating that the results do not seem to be sensitive to the choice of baseline period or to, potentially, longer-run secular trends in working-class political representation.

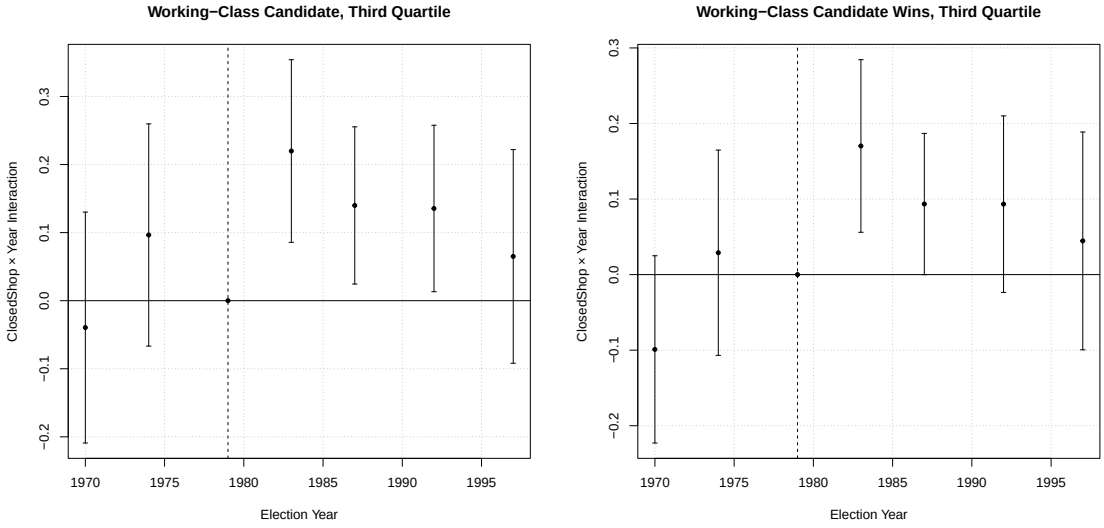
A related concern is that the estimated effects may capture broader features of industrial composition—such as exposure to manufacturing—rather than the institutional role of closed shop arrangements specifically. To explore this possibility, I conduct placebo analyses using constituency-level manufacturing employment shares. When entered on their own – see Figure A4 – manufacturing share is associated with statistically significant coefficients in both the continuous DiD and

Figure 5: Event-study design



Notes: These figures estimate equation 2. The dependent variable is working-class descriptive representation in constituency c at election time t. The treatment is the industry-weighted presence of Closed Shop Agreements (CSA) in 1980 interacted with election years. The sample includes years between 1970 and 1997.

Figure 6: Event-Study Design: Third Quartile



Notes: These figures estimate equation 2. The dependent variable is working-class descriptive representation in constituency c at election time t. The treatment is a dummy for the above-third quartile industry-weighted presence of Closed Shop Agreements (CSA) in 1980 interacted with election years. The sample includes years between 1970 and 1997

event-study specifications, indicating that manufacturing constituencies experienced differential changes in working-class political representation over this period. This pattern is consistent with manufacturing intensity proxying for a broader set of economic and political changes affecting industrial areas.

However, when manufacturing share and closed shop exposure are included jointly in a continuous DiD specification (Table A2), the coefficient on closed shop exposure remains statistically significant and substantially larger in magnitude, while the manufacturing share coefficient is attenuated and no longer statistically distinguishable from zero. In the corresponding event-study specification (Figure A5), neither exposure displays statistically significant dynamic effects, reflecting reduced precision when both highly correlated measures are included simultaneously. Taken together, these results suggest that while industrial composition matters for political outcomes, the institutional dimension of union organization captured by closed shop prevalence retains independent explanatory power in the baseline specifications.

7 Conclusion

This paper shows that organized labor plays a central role in sustaining working-class political representation. Exploiting regulatory changes introduced by the 1980 Employment Act as a quasi-experimental shock to union strength in the United Kingdom, the analysis provides evidence that policy reforms weakening unions have persistent political effects that extend beyond labor market outcomes. The results highlight the importance of intermediary institutions in shaping who enters democratic politics, demonstrating that the erosion of trade unions reduces pathways into candidacy for working-class individuals even when formal political rules remain unchanged. More broadly, the findings suggest that institutional changes affecting collective organizations can generate durable shifts in descriptive representation, with implications for political inequality in contemporary democracies (Lupu and Pontusson, 2023).

Preliminary draft. Comments welcome.

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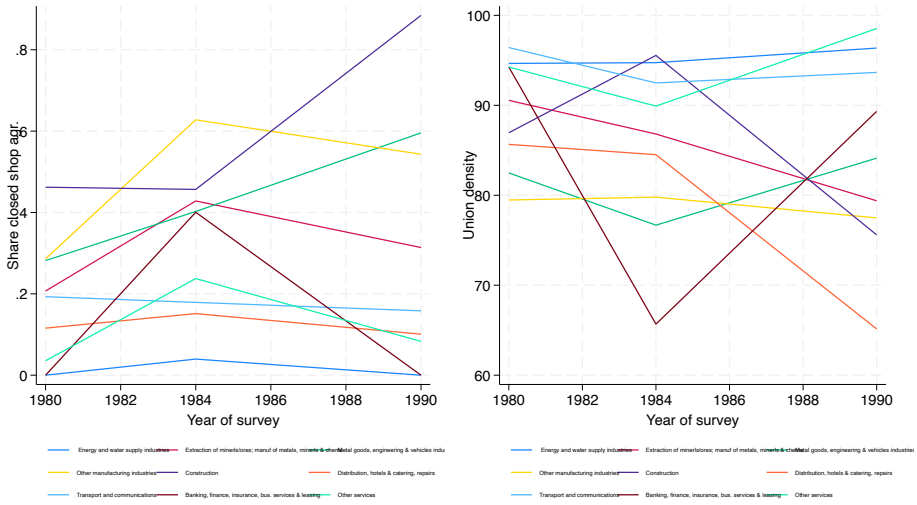
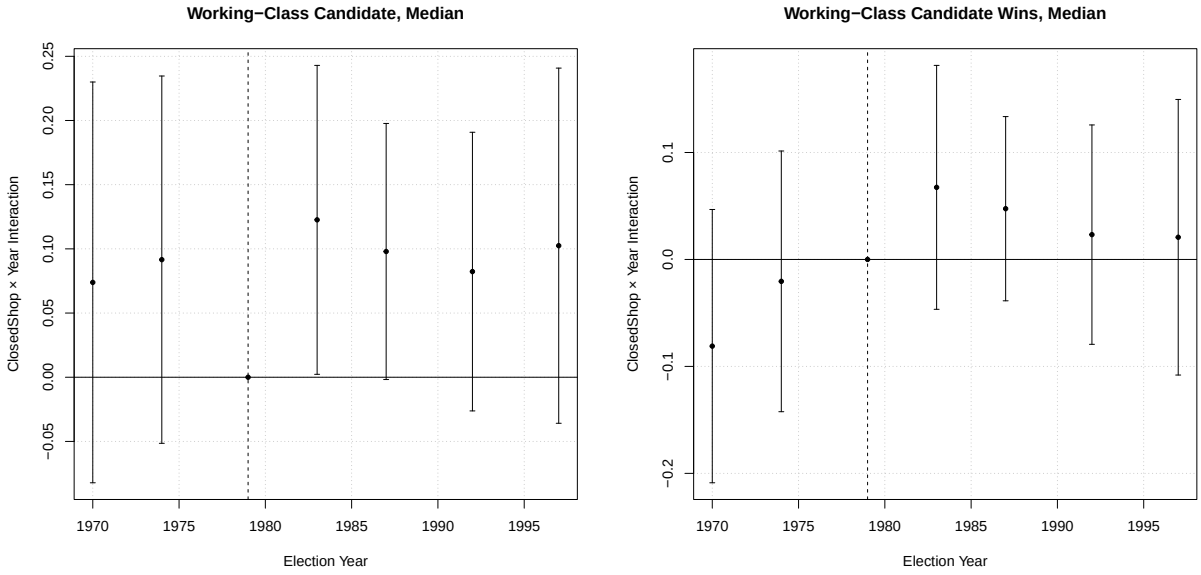
Appendix

Figure A1: Identifying variation of industry-level shocks.



Notes: Source: Workplace Industrial Relations Survey

Figure A2: Event-Study Design - Discrete



Notes: These figures estimate equation 2. The dependent variable is working-class descriptive representation in constituency *c* at election time *t*. The treatment is a dummy for the above-median industry-weighted presence of Closed Shop Agreements (CSA) in 1980 interacted with election years. The sample includes years between 1970 and 1997

Table A1: Continuous Difference-in-Differences with Manufacturing Share

Dep. Var.: Working Class	Candidate	Win
Model:	(1)	(2)
Variables		
Manufacturing × Post	0.4837**	0.3607*
	(0.1932)	(0.1895)
Fixed-effects		
const_id	Yes	Yes
year	Yes	Yes
Fit statistics		
Observations	2,457	2,456
R^2	0.45335	0.55693

Clustered (const_id) standard-errors in parentheses

Notes: This table presents the estimates for $Y_{ct} = \alpha_c + \gamma_t + \delta \cdot (\text{ManufacturingShare}_{c,1980} \times Post_t) + \epsilon_{ct}$. The dependent variable is working-class descriptive representation in constituency *c* at election time *t*. The sample includes years between 1970 and 1997.

Figure A3: Event-Study Design - Discrete

Notes: These figures estimate equation 2. The dependent variable is working-class descriptive representation in constituency *c* at election time *t*. The treatment is a dummy for the above-first quartile industry-weighted presence of Closed Shop Agreements (CSA) in 1980, interacted with election years. The sample includes years between 1970 and 1997.

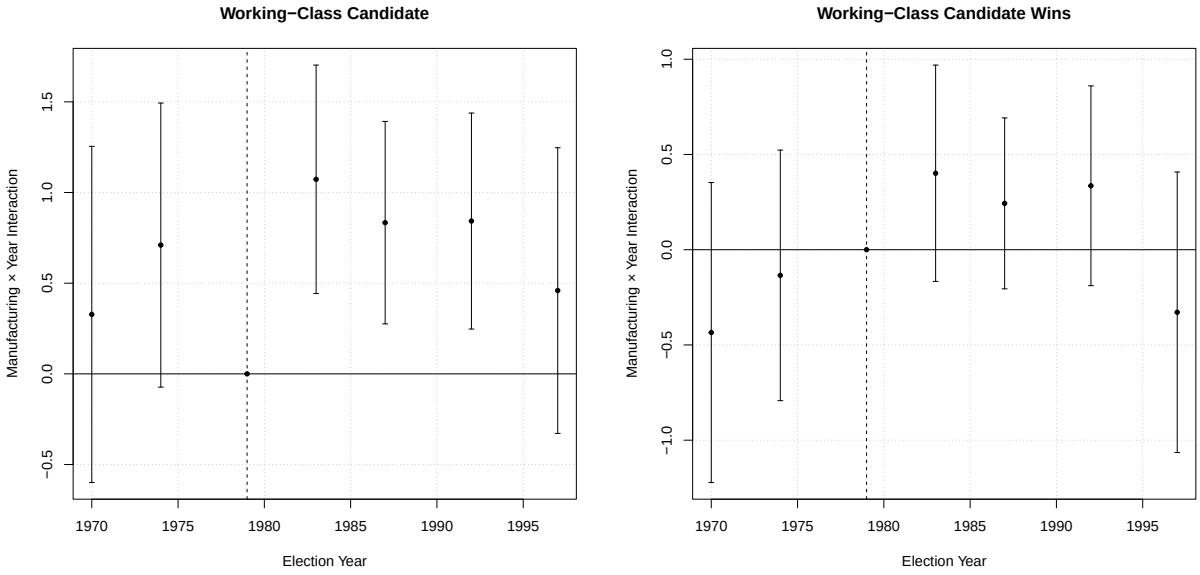
Table A2: Continuous Difference-in-Differences, controlling for Manufacturing Share

Dep. Var.: Working Class	Candidate	Win
Model:	(1)	(2)
Variables		
ClosedShop × Post	3.650	5.127**
	(2.400)	(2.254)
Manufacturing × Post	-0.2839	-0.7175
	(0.5217)	(0.5062)
Fixed-effects		
const_id	Yes	Yes
year	Yes	Yes
Fit statistics		
Observations	2,457	2,456

Clustered (const_id) standard-errors in parentheses

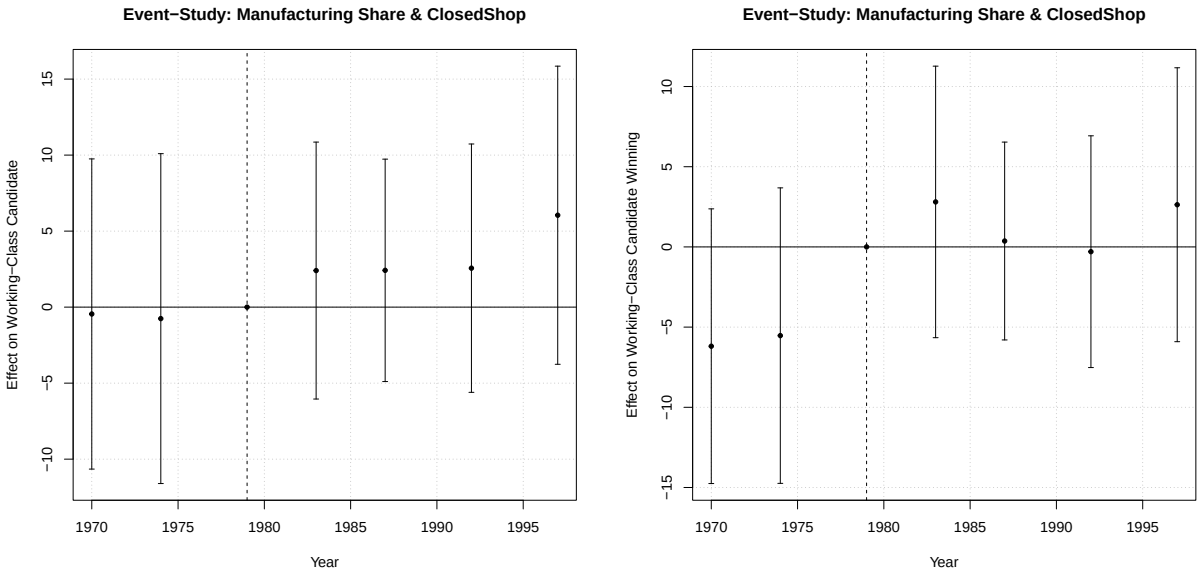
Notes: This table presents the estimates for $Y_{ct} = \alpha_c + \gamma_t + \beta \cdot (\text{Closed Shop}_{c,1980} \times Post_t) + \delta \cdot (\text{ManufacturingShare}_{c,1980} \times Post_t) + \epsilon_{ct}$. The dependent variable is working-class descriptive representation in constituency *c* at election time *t*. The sample includes years between 1970 and 1997.

Figure A4: Event-Study Design with Manufacturing Share



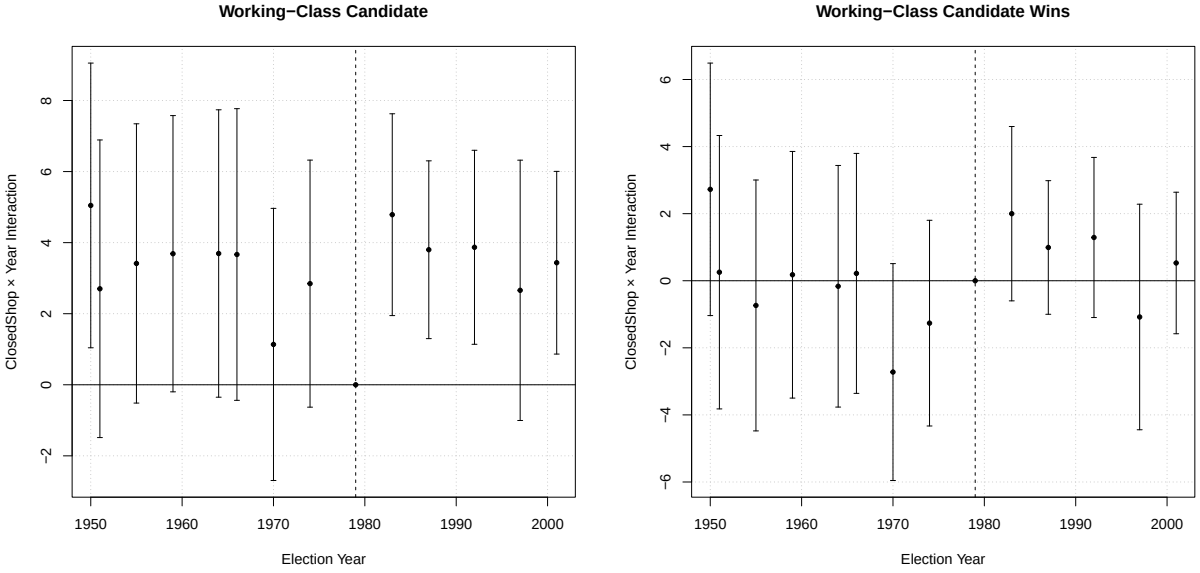
Notes: These figures estimate $\mathrm{Y}_{ct} = \alpha_c + \gamma_t + \sum_{s \neq 1979} \beta_s \cdot \mathrm{ManufacturingShare}_{c,1980} \times \mathbb{1}\{Year = s\}_t + \epsilon_{ct}$. The dependent variable is working-class descriptive representation in constituency *c* at election time *t*. The sample includes years between 1970 and 1997.

Figure A5: Event-Study Design, controlling for Manufacturing Share



Notes: These figures estimate $\mathrm{Y}_{ct} = \alpha_c + \gamma_t + \sum_{s \neq 1979} \beta_s \cdot \text{Closed Shop}_{c,1980} \times \mathbb{1}\{Year = s\}_t + \sum_{s \neq 1979} \delta_s \cdot \text{ManufacturingShare}_{c,1980} \times \mathbb{1}\{Year = s\}_t + \epsilon_{ct}$. The coefficient plots shown are the ones for $\text{Closed Shop}_{c,1980}$. The dependent variable is working-class descriptive representation in constituency *c* at election time *t*. The sample includes years between 1970 and 1997.

Figure A6: Event-Study Design, 1950-2003



Notes: These figures estimate equation 2. The dependent variable is working-class descriptive representation in constituency c at election time t. The treatment is the industry-weighted presence of Closed Shop Agreements (CSA) in 1980 interacted with election years. The sample includes years between 1950 and 2003.