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Homeownership and political efficacy: how housing wealth shapes whether people feel heard

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ABSTRACT
Why do some citizens feel that political institutions are responsive to people like them, while others do not? Existing research highlights the role of education and income in shaping external political efficacy, but little is known about the role of wealth. This article argues that homeownership serves as a key marker of economic and social success, shaping perceptions of political inclusion, particularly later in life. While younger renters may still aspire to homeownership, older renters are more likely to confront the realisation that they will never make it onto the property ladder, undermining their efficacy. This argument is examined using original survey data from over 10,000 adults in the United Kingdom. The findings show that homeownership is positively associated with external political efficacy, particularly among older individuals. These results emphasise housing wealth as a critical driver of political inclusion and highlight its broader implications for democratic legitimacy in unequal societies.

KEYWORDS Housing; wealth; homeownership; political efficacy; inequality

Why do some citizens feel that political institutions are responsive to people like them, while others feel ignored or excluded? This perception, which is widely referred to as external political efficacy, is a powerful predictor of political behaviour, shaping outcomes from electoral participation to support for populist parties (Emmenegger *et al.* 2015; Geurkink *et al.* 2020; Spruyt *et al.* 2016). While prior research has emphasised the role of education and income in shaping external efficacy (Oser *et al.* 2023; Rasmussen and Nørgaard 2018; Shore 2020), less attention has been paid to the role of wealth. This is a significant oversight, given mounting

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evidence that wealth, net of other socioeconomic indicators, influences a wide range of life outcomes (Pfeffer and Waitkus 2021). In this article, we argue that one particularly important, yet overlooked, source of wealth that may shape political efficacy is housing. Given that homeownership is both the most common vehicle for wealth accumulation and a major symbol of social and economic inclusion, understanding its relationship to political efficacy is essential for grasping the roots of political trust and engagement in contemporary democracies.

Our central claim is that homeownership is positively associated with external political efficacy, and that this relationship is stronger later in life. We theorise that housing tenure serves not only as a material resource but also as a psychological marker of success, security, and belonging within the socioeconomic system. Crucially, we argue that the political implications of housing tenure emerge most clearly in later life. While many younger renters aspire to homeownership and may therefore retain a sense of future inclusion in the system, older renters – particularly those approaching or in retirement – are more likely to confront the realisation that they will never become homeowners. Since housing equity is the main source of wealth for most households (OECD Tax Policy Studies 2021), this realisation may reinforce a sense of economic and political exclusion, lowering perceptions of government responsiveness. In contrast, older homeowners – especially those who have paid off their mortgage or accumulated significant equity – are more likely to feel that the system has worked for them.

We test this argument using data from three original surveys conducted in the United Kingdom by YouGov in 2021 and 2022, which provide detailed information about the housing situation, socioeconomic background, and political attitudes of over 10,000 individuals. This rich dataset allows us to assess how different aspects of homeownership are associated with external political efficacy across the life course. The focus on housing is especially valuable given that housing wealth can be reliably measured and accounts for the bulk of wealth inequality in most countries (Pfeffer and Waitkus 2021; Zucman 2019).

Our analysis shows a robust positive association between homeownership and external political efficacy, even after controlling for education, income, and other individual-level factors. As theoretically expected, this relationship is strongest among older individuals, suggesting that the sense of economic and societal success that homeownership provides is most clearly manifested later in life when it is apparent to people whether they 'made it' or not. People who did not make it onto the property ladder to build a financial cushion and accumulate wealth are more likely to feel they did not succeed in life, elevating feelings that the political system is not responsive to people like them.

The article contributes to two growing literatures: one on the determinants of political efficacy, which has largely overlooked the role of wealth (Oser *et al.* 2023; Shore 2020), and another on the political consequences of housing, which has primarily focused on policy preferences and populist sentiments (Adler and Ansell 2020; Ansell 2014; Ansell *et al.* 2022; Gingrich and Ansell 2014; Hadziabdic and Kohl 2022). To the best of our knowledge, we are the first to systematically examine how homeownership shapes external political efficacy and how this relationship differs across the life course.

The remainder of the article proceeds as follows. The next two sections situate our argument in the literature and develop testable hypotheses. We then introduce the data and measurement strategies, after which we present the empirical results. The final section concludes with a discussion of the implications for democratic inclusion and stability and proposes avenues for future research.

What do we know about external political efficacy?

Political efficacy was originally defined as 'the feeling that individual political action does have, or can have, an impact upon the political process' (Campbell *et al.* 1954: 187). Later research proposed to differentiate between internal and external political efficacy, with internal efficacy describing 'the individual's belief that means of influence are available to him' and external efficacy 'the belief that the authorities or regime are responsive to influence attempts' (Balch 1974: 24). The key conceptual difference between internal and external efficacy is thus that the former describes the feeling that the individual possesses the knowledge and competencies to engage effectively in politics, whereas the latter refers to 'perceptions of institutional receptiveness to individual demands' (Geurkink *et al.* 2020: 251) and whether people feel the political system works for them. It is also important to note that although external efficacy appears closely related to political trust, these are two distinct concepts, since a person who believes that she has little influence on the political process can still trust that political institutions advance the common good (Geurkink *et al.* 2020).

Given our interest in examining whether people feel heard, our focus in this article is on external political efficacy, which is what we refer to when using shorthand, such as 'political efficacy' or simply 'efficacy'.[1]

External political efficacy is firmly established as an important determinant of political behaviour. One prominent strand of research consistently finds that individuals with low external efficacy are less likely to turn out in elections or otherwise show civic or political engagement (Abramson and Aldrich 1982; Campbell *et al.* 1954; Clarke and Acock

1989; Magni 2017; Pattie and Johnston 1998; Putnam 2000). More recently, researchers have focused on the connection between external efficacy and populism. This research indicates that low efficacy reflects frustration with the political system and that it tends to be associated with voting for populist parties (Geurkink *et al.* 2020; Spruyt *et al.* 2016). Other research confirms the association between (lack of) efficacy and populist voting while highlighting the moderating role of factors such as anger (Magni 2017), labour market disadvantage (Emmenegger *et al.* 2015), and the degree to which populist parties are already established (Krause and Wagner 2021).

While the existing literature establishes external political efficacy as an important determinant of political behaviour, scholars have paid less attention to explaining what determines political efficacy in the first place. As Shore (2020: 2) remarks, political efficacy is 'often discussed as a necessary condition for many forms of political participation', but is 'far less frequently studied directly as a political outcome in and of itself'. Yet, by 'studying political efficacy we can gain further insights into why and how socio-economic factors … matter for political participation'.

Existing research on the drivers of external efficacy consistently highlights the roles of education and income. Education is linked to higher earnings potential and socioeconomic status. This eases access to political decision-makers and thereby boosts external efficacy, which entails an implicit comparison with other citizens (Shore 2020). The most comprehensive evidence comes from Oser *et al.* (2023), who show that education and income are robustly associated with external efficacy in a sample spanning 46 countries and the 1996–2016 time period. Rasmussen and Nørgaard (2018) elaborate on the relationship between education and political efficacy using data from two surveys in the US and Denmark. They show, similar to Shore (2020), that the effect operates by improving relative access to resources which can then be used to garner the attention of policymakers. Rennwald and Pontusson (2022) find substantial class gaps in political efficacy, with working-class individuals, who tend to be less educated and earn less, experiencing the lowest levels of efficacy. While individual contributions additionally highlight the roles of the rural-urban divide (García Del Horno *et al.* 2024), election campaigns (Hansen and Pedersen 2014), and the media in general (Bene 2020), education and income are key determinants of external efficacy in all these studies.[2]

We do not dispute that education, income, and socioeconomic status more broadly are important drivers of external political efficacy, but we believe the previous literature has missed a crucial dimension of external efficacy related to housing. In recent years, research has established housing as key to various political outcomes ranging from tax and redistributive attitudes (André and Dewilde 2016; Ansell 2014; Elkjær *et al.* 2025; Haslberger *et al.* 2025) to voting for populist parties (Adler and Ansell 2020; Ansell *et al.* 2022), yet the literature on political efficacy has so far not considered the potential role of housing in shaping efficacy beliefs. In the next section, we develop an argument about how housing affects whether people feel heard by the political system.

How homeownership affects external political efficacy

Our central claim is that homeownership is associated with higher levels of external political efficacy, particularly later in life. There are two core reasons for this, one material and one social. Materially, the economic security that comes with owning a home increases the sense of economic success among homeowners, boosting the belief that the system works for them. Socially, homeownership is a marker of status and belonging, which may also enhance external efficacy beliefs. Both aspects are likely to be more important later in life, as people's economic and social position tends to crystallise with age.

The family home is typically people's most valuable economic asset (OECD Tax Policy Studies 2021; Pfeffer 2018). Owning a home provides security in the face of negative economic shocks, since housing wealth constitutes a form of self-insurance (Ansell 2014; Wiedemann 2021). For example, people can use housing wealth to obtain additional liquidity through home equity loans, allowing them to smooth consumption during periods of unemployment (Sodini *et al.* 2023; Wiedemann 2021). Accordingly, Ansell (2014: 384) conceptualises housing wealth as 'a store of permanent, as opposed to transitory, income and as a hedge against labour market risk'. He shows that housing wealth, by providing private insurance, crowds out demand for social insurance (see also Kemeny 1981). There is thus ample evidence that housing wealth significantly contributes to homeowners' material security, allowing them to smooth consumption across various life circumstances. And even if a shock never materialises, wealth provides reassurance: it does not need to be consumed to be an effective resource (Hällsten and Pfeffer 2017).

Further evidence of homeownership's security-enhancing function comes from research linking housing wealth to risk-taking in domains as diverse as educational choices, family formation, entrepreneurship, and financial investments. Research from the US shows that an exogenous increase in housing wealth leads to sizeable increases in college enrolment and total fertility, by allowing people to borrow against the value of their home and relaxing credit constraints, especially for those with fewer resources (Lovenheim 2011; Lovenheim and Mumford 2013). This suggests that homeowners feel sufficiently secure to undertake economically risky decisions, such as temporarily foregoing income to pursue education or starting a family. Other research notes the importance of housing for entrepreneurship. Schmalz *et al.* (2017) use individual-level data to show that an increase in collateral value increases the probability of becoming an entrepreneur in France, while Adelino *et al.* (2015) find a strong effect of house price growth on small business employment at the county-level in the US. Finally, Sodini *et al.* (2023) show that wealthier homeowners invest a greater share of their financial wealth into risky assets. All this aligns with experimental research in psychology which finds that the expectation of future wealth incentivises greater risk-taking in the present (Greenberg 2013).

These varied material benefits of homeownership give homeowners increased agency over their lives. They have a private safety net that can cushion negative economic shocks and a resource they can wield to take calculated risks to further improve their position. In addition, expectations of rising house prices, which will increase their equity and net wealth, are likely to further boost their sense of economic success. This sense of economic success, in turn, is likely to make homeowners feel that the system is working for them, strengthening external efficacy beliefs.

More concretely, we define external political efficacy as individuals' beliefs about whether the political system is responsive to people like them; that is, whether their interests, preferences, and input make a difference in political decision-making. This conceptualisation is consistent with existing definitions of efficacy, as discussed above (see, e.g. Geurkink *et al.* 2020), and is distinct from notions such as political trust or legitimacy, which refer to broader beliefs about whether political parties, governments, or the system as a whole can be trusted to advance the public good. However, we depart from a narrow conception of external efficacy as limited to perceptions of whether policymakers are directly responsive to concrete political demands. Instead, we argue that efficacy beliefs also emerge from individuals' broader interpretations of political responsiveness, shaped by long-term outcomes like homeownership.

Homeownership remains a widely shared aspiration and a politically salient goal. Governments play a crucial role in facilitating or constraining access to homeownership *via* housing policy, credit and mortgage regulations, taxation, and labour market structures. As such, individuals' efforts to become homeowners are embedded in political systems, even if demands for support are expressed only implicitly or indirectly. When individuals succeed in becoming homeowners, they may interpret this success not only as personal achievement but as evidence that the system represents the interests and preferences of people like them, reinforcing external political efficacy. By contrast, those who remain excluded despite aspiring to own may come to view the political system as unresponsive, contributing to diminished efficacy.

This perspective implies that external efficacy may be shaped not only by evaluations of present-day political responsiveness but also by retrospective assessments of how the system has served people over the course of their lives. Especially in later life, efficacy beliefs may reflect the accumulation of past experiences – whether individuals feel included or excluded from key opportunities like homeownership – rather than only current policy responsiveness. This perspective adds nuance to existing models of external efficacy by highlighting how cumulative life experiences like housing attainment shape perceptions of whether the political system has served people like oneself.

This matters all the more because housing is not a mere commodity. Homeownership is a positional good – an important marker of social status and belonging (Foye *et al.* 2018; Zavisca and Gerber 2016). Accordingly, homeowners generally report higher life satisfaction and social status. Miao and Wu (2023), for example, study the effects of a subsidised homeownership programme in Hong Kong and find causal evidence that homeownership improves life satisfaction and makes people view themselves as belonging to a higher social class. The robust positive association between homeownership and life satisfaction has also been documented in other longitudinal studies, for example from Germany (Zumbro 2014) and Korea (Park *et al.* 2022). Since homeownership is a marker of economic and societal success, it is likely to strengthen feelings of social inclusion and raise people's perceived social status. In turn, such perceptions of having 'made it' in life increase the perceived responsiveness of the political system to one's interests, preferences, and input, boosting homeowners' efficacy.

In summary, we argue that for both material and social reasons homeowners are more likely to feel that they have 'made it' in life. They are likely to experience greater agency over their lives due to increased financial security and enjoy higher perceived social status and life satisfaction than renters. These experiences, in turn, translate into beliefs that the system works for them, increasing the political efficacy of homeowners. Thus, our first hypothesis is:

H1: Homeownership is associated with higher external political efficacy.

Considering that our argument links homeownership with perceptions of having 'made it' within the socioeconomic system, it appears unlikely that the effect of homeownership on political efficacy is uniform across the life course. More concretely, we believe there are reasons to expect that homeownership matters most for older individuals, as younger people are yet to find their station in life and may still have aspirations of buying a home.

Although renters may experience housing precarity and feel excluded from a key avenue of wealth accumulation, younger adults, including those in their twenties, thirties, and perhaps even their forties, may view renting as a temporary stage and maintain aspirations of future homeownership. Specifically, at points in life when there are no strong expectations of homeownership, being a renter is unlikely to trigger negative sentiments about whether the system works for oneself. In many cases, it is simply too early to tell whether one will be able to break into the ranks of homeowners, dampening the effect of homeownership on external efficacy. By contrast, as individuals approach retirement age, those who remain outside the ranks of homeowners may come to the realisation that they are unlikely to ever acquire property or accumulate substantial housing wealth. Since housing equity represents the largest source of wealth for most households (OECD Tax Policy Studies 2021), especially in later life, this recognition can translate into broader feelings of exclusion from the economic and political mainstream. Indeed, homeownership is often explicitly framed around security in retirement – the home as a 'nest-egg' (Wiedemann 2021). In short, as earnings potential declines, failure to 'make it' into the ranks of the homeowners may loom increasingly large, causing feelings among renters that the political system has not served their interests.

Recent evidence supports this conjecture. For example, a study of individuals aged 50 years and older from 15 advanced economies found that homeowners were much more likely than renters to say that they expect their living standard to improve over the next five years – particularly if they owned a high-value property or lived in a big city (Garten *et al.* 2025). A longitudinal study from Korea likewise found that homeownership – especially owner-occupancy – was associated with higher life satisfaction and lower incidence of depressive symptoms, especially among older men (Park *et al.* 2022). Consequently, there is good reason to expect that the positive association between homeownership and external political efficacy is stronger later in life, as the gap in material security and social status between homeowners and lifelong renters is more salient. Our second hypothesis is therefore:

H2: The positive association between homeownership and external political efficacy is stronger later in life.

Our argument that the effect of homeownership on political efficacy is stronger later in life may appear to contrast with common assumptions that early to mid-adulthood is the key period for housing-related aspirations, as individuals seek to establish families, careers, and financial stability. Indeed, one might expect the link between homeownership and efficacy to be strongest during this stage, when most individuals aim to settle down.

While we acknowledge that housing access is a major political issue for young adults and linked to trends such as later family formation (Lee *et al.* 2022), we suggest that its effect on efficacy may intensify with age, as individuals come to terms with whether they have succeeded or failed to accumulate housing wealth. In early to mid-adulthood, renters often still hold plausible aspirations for future ownership, and many first-time homeowners face high mortgage burdens, limited equity, and uncertain long-term returns. Moreover, career-related considerations may have a greater relative impact on efficacy perceptions at this stage of life. These factors may blunt the political effects of homeownership. By contrast, in later life, homeownership provides more tangible material security in the form of private insurance in the case of illness, unemployment, and perhaps especially old-age poverty, and clearer retrospective meaning: for owners, confirmation of economic and social inclusion; for renters, a painful reminder that they failed to attain a key marker of economic and social inclusion. While it is difficult to theoretically pinpoint the precise moment when the effect of homeownership on efficacy becomes politically salient, our argument implies stronger effects later in life, when the long-term benefits of homeownership have fully materialised. The alternative hypothesis, by contrast, would expect stronger effects in early to mid-adulthood, when people are building families and seeking to enter the housing market. Ultimately, this is an empirical question that our analysis seeks to address.

Data

In order to evaluate our hypotheses, we pool data from three original large-scale surveys conducted for us by YouGov in the United Kingdom in 2021 and 2022. All samples are representative of the respective populations on the dimensions of age, gender, income, region, and other demographics, and combined, the surveys contain information on housing and efficacy beliefs of more than 10,000 respondents.[3] The surveys followed a similar structure, where in the first part respondents were asked about their housing situation (housing status, estimated value of their house, and so on) and other sociodemographic characteristics. In the second part, we surveyed respondents' efficacy beliefs and their political attitudes towards different economic policies.[4]

Key variables

Following the standard approach in the literature, we operationalise external political efficacy as the average agreement with two statements originally introduced in the American National Election Study (ANES) in the 1950s: 'People like me don't have any say about what the government does' and 'Public officials don't care much what people like me think'. This operationalisation continues to be used by the ANES and is widely accepted by scholars (Chamberlain 2012; Norris 2015). Both items are measured on a 5-point scale: from 1 = 'strongly agree' to 5 = 'strongly disagree', where agreement with the statements indicates low efficacy. We calculate the mean of the two variables to obtain our external efficacy index. Cronbach's α ranges between 0.74 and 0.77 in the three surveys.

Figure 1 shows the distribution of self-reported external efficacy in our dataset. The majority of respondents report low or very low levels of external efficacy; only a small minority believe that they have a say about what the government does and that public officials care about what people like them think. Given the timing of our surveys in relation to different stages of the Covid-19 pandemic, it is noteworthy that differences between the surveys are minor (see Figure A1 in the Online Appendix), suggesting that the overall pattern of low efficacy does not simply reflect disaffection with the UK government's Covid response.

In order to assess the effect of homeownership, we use a dichotomous variable capturing whether someone is a homeowner or not. In different models, we also assess the impact of the value of one's home and whether one has significant equity in one's house. To measure these characteristics, we asked homeowners to estimate the value of their house (top-coded at £1.5 million), and whether they own their house outright or whether they still hold a mortgage.[5] Figure 2 summarises the distributions of housing wealth and housing situation in our sample. Around 45% of our sample do not own a home, while homeowners make up approximately 55% of

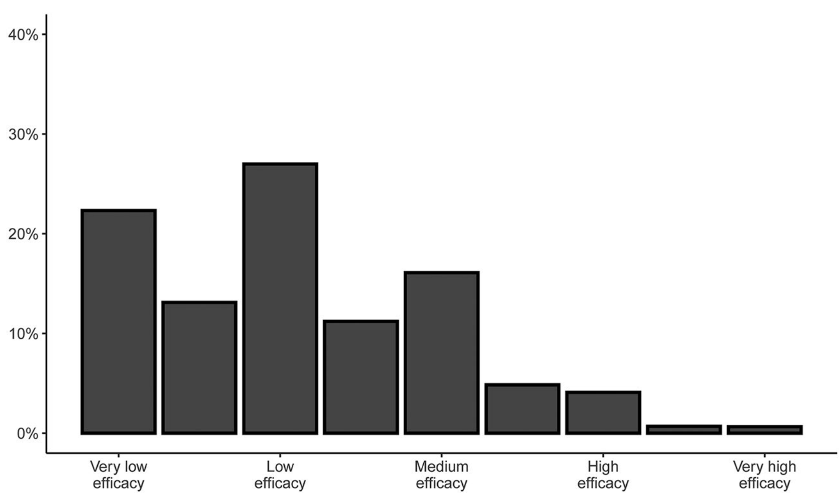

Figure 1. Distribution of external political efficacy.
Note: Distributions by survey in Figure A1 (Online Appendix).

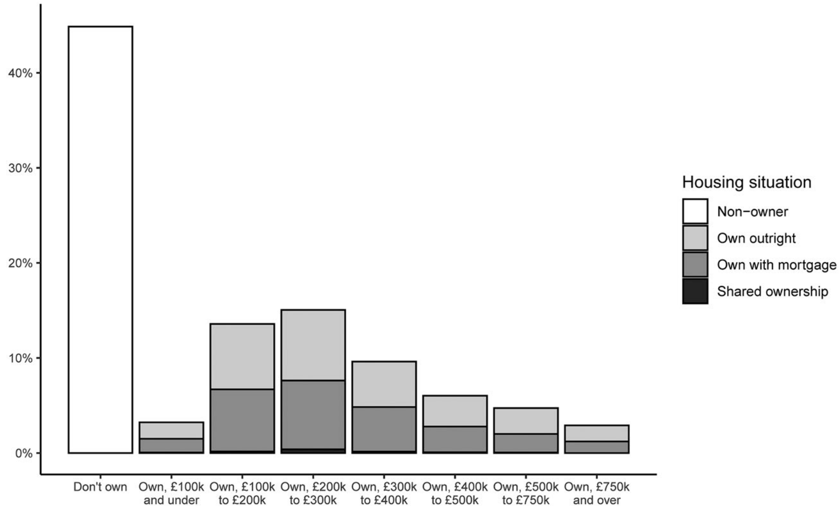

Figure 2. Summary of housing information.
Note: Distribution by survey in Figure A2 (Online Appendix).

the sample. The shares who own their home outright or with a mortgage are similar across the distribution of home values, with outright owners constituting a slim majority in each category. A small group of homeowners are in shared ownership arrangements.

Analytical approach

In order to examine the hypotheses, we estimate linear regression models with ordinary least squares (OLS). The dependent variable in all models is the index of external efficacy beliefs described above. The key independent variables are whether someone is a homeowner or not and the respondent's age.

In the regression models, we include controls for a range of individual sociodemographic characteristics, including sex, marital status (1 = married or living as married), education (1 = has a university degree), full-time employment, unemployment, and household income (15-category ordinal variable). We also include a measure of vote choice in the 2019 general election (Conservative, Labour, other, did not vote/NA). This accounts for the expectation that people who voted against the incumbent Conservative Party feel less able to influence government policy and less well represented by public officials. In light of the vast regional inequalities in the UK, we further include dummies for the twelve administrative regions. Finally, we add survey dummies and apply the survey weights provided by YouGov. Summary statistics can be found in Table A1 in the Online Appendix.

Table 1. The effect of homeownership on external political efficacy.

	(1)	(2)	(3)
Homeowner (ref.: Don't own)	0.081**		
	(0.025)		
House value		0.030***	
		(0.005)	
Shared ownership			0.0001
			(0.092)
Own with mortgage			0.051
			(0.028)
Own outright			0.126***
			(0.030)
Uni degree	0.118***	0.125***	0.117***
	(0.022)	(0.023)	(0.022)
Income	0.021***	0.016***	0.021***
	(0.003)	(0.004)	(0.003)
Other controls	Yes	Yes	Yes
Constant	1.930***	1.951***	1.948***
	(0.060)	(0.063)	(0.060)
Observations	7,604	7,197	7,604
R^2	0.042	0.050	0.043

Note: Full output with control variables in Table B1 (Online Appendix). All models include region and survey dummies.
*$p < 0.05$.
**$p < 0.01$.
***$p < 0.001$.

Results

We begin the analysis by assessing hypothesis H1 that homeownership is associated with higher levels of external political efficacy. Model (1) of Table 1 reports the estimated difference in external efficacy between homeowners and non-owners. Consistent with hypothesis H1, the estimated coefficient of homeownership indicates that, net of vote choice, income, education, and other sociodemographic factors, being a homeowner is associated with 0.081 points higher levels of political efficacy. Although this effect size may initially appear small, we note that it amounts to 69% of the effect of having a university degree, which is one of the most prominent predictors of efficacy in the existing literature (Oser *et al.* 2023; Shore 2020). In Table C3 in the Online Appendix, we assess the robustness of this result to including dummy variables for the local authority in which the respondent lives. This accounts for more fine-grained local-level differences than the region dummies included in the main specification. In the local authority specification, the impact of homeownership increases and is equivalent to fully 95% of the effect of having a university degree. We consequently consider the effect of homeownership to be substantively important.

Next, we examine which types of homeowners experience higher levels of external efficacy. In Model (2) of Table 1, we assess whether owning a more valuable home is associated with greater efficacy. In this model, we replace the dichotomous homeownership variable with people's estimate of the value of their home (setting the value to £0 for non-owners). The positive coefficient of 0.03 indicates that a £100k higher house value is associated with 0.03 points higher efficacy. Comparing this effect to that of having a university degree implies that it takes about £400k in house value to make up for not having a university degree. This result suggests that the effect of homeownership on political efficacy is most pronounced among relatively wealthy homeowners who experience the greatest material and social benefits from owning their home, in line with our theoretical argument. In Table C5 in the Online Appendix, we further assess the impact of house value by using a categorical variable, which allows for non-linear effects. The results show that homeowners owning a house worth less than £200k are no different from renters. Those owning a house worth between £200k and £400k feel significantly more efficacious, scoring 0.057 higher than renters. The wealthiest group of homeowners who own a house worth more than £400k score 0.11 higher than renters, feeling even more efficacious than other homeowners owning cheaper houses.

Finally, we assess in Model (3) whether one's mortgage status matters for efficacy. Theoretically, we expect that this distinction is important, since homeowners who own their house outright enjoy the full benefits of increased economic security and social status, while homeowners with a mortgage face repayment pressure and even the risk of negative equity (André *et al.* 2018), which may dampen the effect of homeownership on efficacy. The results suggest that people who own their home outright have 0.126 points higher political efficacy than non-owners, which is roughly equivalent to the effect of having a university degree. For owners with a mortgage the estimate is about half of that and significant only at the 10-percent level. Hence, as expected, owners with a mortgage appear to occupy an intermediate position between non-owners and outright homeowners.[6] Note also that differences in house value are not what drives the difference between outright owners and owners with a mortgage, because, as Figure 2 shows, house prices among these groups follow the same distribution. This further corroborates the interpretation that the security and status conferred by full asset ownership gives rise to stronger feelings of having succeeded within the socioeconomic system, enhancing the efficacy of outright homeowners the most.[7]

The effect of homeownership across the life course

Hypothesis H2 implies that the effect of homeownership is stronger later in life, as one's position in life becomes increasingly clear. To test the hypothesis, we interact the dichotomous homeownership variable with the respondent's age. The results are shown in Table 2. Model (1) includes

Table 2. The effect of homeownership on external political efficacy is conditioned by age.

	(1)	(2)	(3)	(4)
Homeowner	−0.203***	−0.242***	−0.404***	−0.272*
	(0.056)	(0.069)	(0.074)	(0.111)
Age	−0.005***	−0.004***	−0.005***	−0.004***
	(0.001)	(0.001)	(0.001)	(0.001)
Homeowner x Age	0.007***	0.007***	0.008***	0.006***
	(0.001)	(0.001)	(0.001)	(0.001)
House value			0.032***	
			(0.007)	
Housing situation: Own outright				0.053
				(0.095)
Housing situation: Own with mortgage				0.040
				(0.093)
Other controls	No	Yes	Yes	Yes
Constant	2.275***	2.069***	2.094***	2.067***
	(0.048)	(0.066)	(0.068)	(0.066)
Observations	10,310	7,604	7,197	7,604
R^2	0.020	0.045	0.054	0.045

Note: All models include region and survey dummies. Full output in Table B2 (Online Appendix).
*$p < 0.05$.
**$p < 0.01$.
***$p < 0.001$.

the region and survey dummies only, whereas Model (2) includes the full set of controls used in Table 1. The results are essentially identical across the two specifications. Of particular interest is the coefficient on the interaction between age and homeownership, which is positive and statistically significant, indicating that the effect of homeownership on political efficacy is larger later in life. This is in line with hypothesis H2 and our expectation that younger individuals likely see renting as a temporary state while retaining aspirations towards homeownership. Later in life, the salience of homeownership is higher, as individuals think more explicitly about security in retirement. Thus, failure to get on the housing ladder throughout one's working life can create a sense of heightened financial insecurity and reduced social status that manifests itself in reduced political efficacy. Conversely, homeowners enjoy the material and social benefits of owning a home, increasing their efficacy.

Importantly, the interaction between homeownership and age is robust in size and statistical significance to controlling for home value (Model 3) and housing situation (Model 4).[8] The latter is especially crucial, as it dispels concerns that the interaction effect might simply reflect a larger share of older homeowners owning their home outright (Kemeny 1981; Lowe *et al.* 2012). Even accounting for people's mortgage situation, the interaction effect remains strong, bolstering the argument that the economic security and social status associated with homeownership, and the attendant feeling of having 'made it', are particularly salient in older age.

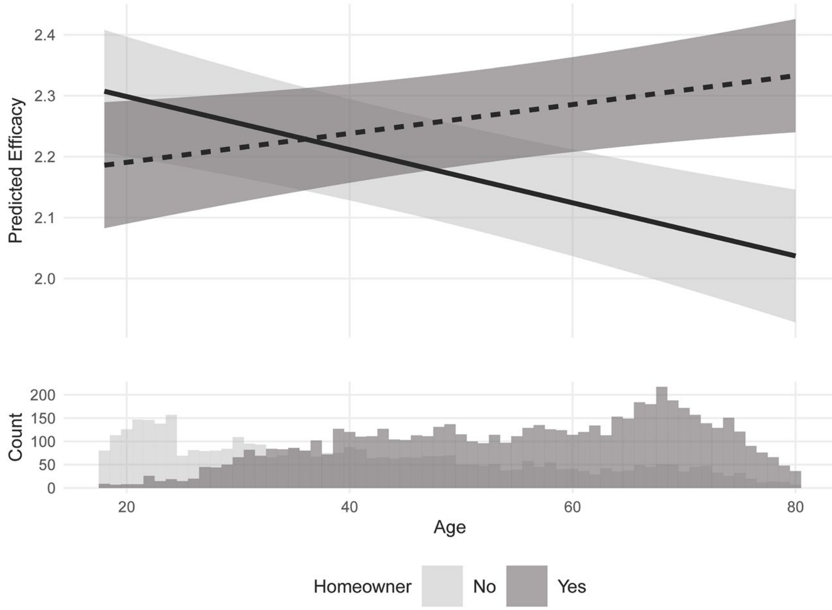

Figure 3. Predicted levels of external efficacy by housing tenure and age.
Note: Predicted efficacy with 95% confidence intervals. Covariates fixed at: Married male Conservative voter without university degree living in Southeast England, full-time employed with average income. Estimation based on Model (2) in Table 2.

To provide a better sense of the substantive importance of homeownership across the life course, we visualise the interactive effect of homeownership and age in Figure 3. Based on Model (2) of Table 2, the top panel of the figure shows the predicted efficacy of homeowners and non-owners across the life course. For young and middle-aged adults, the confidence intervals overlap substantially, indicating that efficacy does not differ based on homeownership. However, starting in people's late thirties, a gulf opens between the political efficacy of homeowners and non-owners, which turns statistically significant at the age of 44. At age 80, the predicted efficacy gap amounts to almost 0.3 points, or more than twice the estimated effect of having a university degree. A split sample analysis in Table C6 in the Online Appendix further substantiates the claim that the effect of homeownership is strongest later in life. The results show no statistically significant difference in political efficacy between homeowners and renters in the 18–29 and 30–49 age groups. However, for individuals aged 50 and over, we find a substantively large and statistically significant effect.

The histogram at the bottom of Figure 3 shows the distribution of homeowners and non-owners. Unsurprisingly, non-owners predominate among the under-30s while respondents aged 40 and over are mostly homeowners. However, both groups are represented at all ages, dispelling concerns regarding out-of-sample predictions.

One limitation of the cross-sectional nature of the data is that we cannot empirically distinguish between age and cohort effects; that is, we cannot tell whether differences in efficacy beliefs become more pronounced with age or whether homeownership matters more for older generations compared to younger generations. This is a clear limitation, and we encourage future research to examine the relative importance of the two types of effects. At the same time, we do not believe that our results are consistent with pure cohort effects. For cohort differences to explain the findings, younger generations would need to care less about homeownership compared to older generations, or norms and aspirations around becoming a homeowner would have to have shifted over time. Otherwise, we would not observe a difference in the effect of homeownership on efficacy across age groups. Although it is true that current younger cohorts face a more liberalised and financialised housing market, where expectations of getting onto the housing ladder may be weaker compared to older generations, homeownership continues to provide material security and remains the main source of wealth accumulation for most people. Homeownership also continues to be a strong marker of success. One could even argue that, as access to homeownership narrows due to rising house prices, its symbolic importance has increased relative to previous decades. Ultimately, distinguishing between age and cohort effects is an empirical question that future research will need to address.

In sum, our analysis shows that homeownership has a positive effect on external political efficacy, which is distinct from those of education or income. This effect is substantively meaningful and robust to a comprehensive set of control variables. Importantly, the effect of homeownership is stronger later in life, consistent with the argument that homeownership functions as a signal of economic and social success that is more salient later in life.

Conclusion

This article argues that homeownership is positively associated with external political efficacy, and that this association is more pronounced among older people. Drawing on large-scale survey data from the United Kingdom, we find that homeowners, especially those with more expensive houses or who own their property outright, are more likely to believe that political institutions are responsive to people like them. This relationship holds even after accounting for income, education, and other key socioeconomic variables, suggesting that housing tenure captures a distinct and powerful dimension of social inequality. Importantly, the effects of homeownership on political efficacy are most visible in later life, when failure to make it onto the property ladder is increasingly likely to be final, just as other potential pathways to economic security and social status slip out of reach.

These findings contribute to an emerging literature on how housing wealth shapes political attitudes and behaviour (see, e.g. Adler and Ansell 2020; Ansell 2014; Hadziabdic and Kohl 2022). While education and income have long been seen as key drivers of political efficacy (see, e.g. Oser *et al.* 2023; Rasmussen and Nørgaard 2018; Shore 2020), our results point to the need for incorporating asset-based factors, such as housing wealth, into theories of political efficacy and inclusion. Homeownership not only provides material security but also functions as a marker of status and success, which may reinforce homeowners' belief that they have 'made it' and that the political system works for people like them. By contrast, for older individuals who never made it onto the property ladder the absence of housing wealth may signal broader socioeconomic exclusion, deepening the sense that the political system is unresponsive.

More broadly, our findings highlight how material inequalities in housing access may translate into psychological and perceived political inequalities later in life. As homeownership becomes increasingly unaffordable in many advanced democracies (Cohen Raviv and Lewin-Epstein 2022; McKee *et al.* 2017), while growing pressure on systems of collective insurance simultaneously increases reliance on asset-based private insurance (Wiedemann 2021), the growing divide between owners and renters may have lasting consequences for political trust and engagement. If external political efficacy is shaped by cumulative life experiences of economic inclusion or marginalisation, then the rising exclusion of young people from the property market may further erode faith in democratic institutions and actors. In light of research linking disappointed status expectations and rental market risk to voting for populist and radical right parties (Abou-Chadi *et al.* 2025; Kurer and Van Staalduinen 2022), our findings suggest that a generation with an increasing share of economically precarious lifelong renters may prove receptive to populist messages later in life. At the same time, stagnating house prices risk provoking backlash from homeowners, as research on the Brexit vote has shown (Adler and Ansell 2020; Ansell *et al.* 2022). This implies that housing policy faces a delicate balancing act between the interests of homeowners and renters, with important ramifications for democratic stability.

It is therefore an important task for future research to further examine the effects of housing on political engagement and sense of inclusion, including whether similar patterns as we have documented in the United Kingdom hold across different housing regimes, welfare states, and institutional contexts. Homeownership rates and social norms surrounding housing vary widely between countries, as does the extent to which welfare states provide insurance against risks such as temporary unemployment. Cross-national research should investigate whether and how such differences affect the link between homeownership and political efficacy. Another important extension of our research would be to assess the relative contributions of material security and social status to the effect of homeownership. This study provides a first step in examining how homeownership affects external political efficacy beliefs, but more research is needed to pinpoint the mechanisms of the association. Additionally, longitudinal evidence will be necessary to demonstrate an effect of *becoming* a homeowner on efficacy, in addition to the evidence provided here for the effect of *being* a homeowner. In time, this will lead to a fuller understanding of how homeownership shapes political efficacy and downstream political behaviour.

Notes

1. In the psychology literature internal efficacy is considered rather trait-like while external efficacy is linked more closely to situational influences (Schneider *et al.* 2014). Hence, housing wealth should shape external efficacy but not internal efficacy.
2. While we focus on individual-level determinants of political efficacy, research has also linked contextual factors such as high levels of inequality to low efficacy (Bienstman *et al.* 2024; Norris 2015). This would be important to account for in cross-national or longitudinal studies.
3. The first survey was conducted in England and Wales in May and June 2021 and included 3,186 respondents, the second was fielded only in England in July and August 2022 and comprised 3,532 individuals, and the third was conducted throughout the United Kingdom in October 2022 and involved 3,592 participants. We obtained ethical clearance from the University of Oxford for this study (approval number R44016 DPIR C1A 22 001). All respondents were informed about the nature and purpose of the study prior to participating in the survey.
4. All surveys included survey experiments, which we do not analyse in this article. In Tables C1 and C2 in the Online Appendix, we show that our findings are robust to limiting the sample to the control groups, which were not exposed to any treatments.
5. Since second homes were not surveyed, the house value estimates refer to people's primary residence only. In Online Appendix D, we assess the quality of the estimated house prices by comparing our survey estimates from the first survey (May/June 2021) to land registry data from the Office of National Statistics (ONS). Although homeowners in our survey are slightly overoptimistic (about £10,000 on average), they match the national distribution of homeowners very well, giving us confidence in our sample of homeowners and in their ability to accurately estimate the current value of their house.
6. Model (2) of Table C5 in the Online Appendix disaggregates the results for different types of renters and allows us to benchmark the homeowner - renter divide against divisions within the heterogeneous group of renters. The model shows that there are no statistically significant differences between different types of renters. Owners with a mortgage have higher effi-

cacy than all types of renters, although the difference is not statistically significant compared to social renters. Outright owners have significantly higher efficacy than all renters and homeowners with a mortgage.

7. In Online Appendix E, we explore whether the effect of homeownership is mediated through political participation. We find only weak mediation effects, suggesting that most of the effect of homeownership goes through other channels, such as through material security and social status as proposed in the theoretical sections.
8. To avoid collinearity, the shared ownership category in Model (4) is merged with non-owners. As Model (3) of Table 1 shows, these groups are very similar when it comes to political efficacy.

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