Local wealth inequality linked to political protests across the Global South

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High spatial economic inequality is increasingly regarded as a political problem worldwide. Inequality in wealth and income shapes policy views and political attitudes, leading to growing affective polarization and potentially sparking protest and unrest. Yet, existing research into the nexus between interpersonal inequality and political conflict has focused predominantly on Western Europe and North America. The limited studies addressing other parts of the world and the Global South have examined armed conflict and civil war. Protests constitute a fundamental means of political expression. Despite high levels of inequality within many countries, however, no studies have systematically considered how spatial inequality precipitates protest around the world.

Relative deprivation theory holds that individuals may experience frustration when comparing their circumstances with those of reference groups. Local wealth inequality may prove an especially important driver of differences, given that experimental and historical evidence suggests comparisons with people in relative proximity carry more meaningful weight than national comparisons. Such frustration can manifest in political action, including protest. Local wealth inequality may also reflect social segregation, which generates between-group tensions. Segregation often goes hand-in-hand with uneven spatial distributions of opportunities, contributing to long-standing disparities in social, health, and behavioral outcomes. Growing up in a deprived area, for example, can have a lasting negative impact on educational attainment and adult earnings. It can even shape values, in ways that breed political conflict. As people become more aware of stark wealth gaps across local areas, they may mobilize in protest to demand greater attention to these inequalities. Therefore, inequality at the local level may be particularly important in driving protest movements.

This paper provides the first comparative subnational analysis of political protest and localized wealth inequality across 88 countries in the Global South, encompassing around one third of the world's population. Drawing on fine-grained wealth data and over 645,000 georeferenced protest events, we show that exposure to local wealth disparities is strongly associated with higher protest activity. Our work offers new empirical evidence on the micro-geographic foundations of political instability, demonstrating that inequality's political effects depend on proximity, local class structure, and institutional context.

Exploiting subnational, within-region variation through Administrative Level 1 (ADM1) fixed effects, we find local wealth inequality is significantly and positively associated with protest incidence, a relationship that survives an array of sensitivity and robustness checks. Moreover, an individual's 'experienced' inequality -- the wealth disparity in their immediate surroundings -- has a strong positive link with protest activity. Notably, this connection weakens as the radius for defining 'local' expands, implying that the most immediate comparisons are the most visible and personally felt. By dissecting local wealth distributions, we find that proximity to the wealthy is the main factor driving the inequality-protest link, while a strong middle class tends to mitigate it. The frequency of protest rises with the ratio of rich (top decile) to middle-class (middle deciles) or poor (bottom decile) residents but falls with the ratio of middle-class to poor residents. When both ratios are included together, the rich-to-poor effect turns negative and the rich-to-middle effect remains positive, suggesting that tensions between the rich and the middle class may be more politically combustible than those between the best off and the very poor.

The relationship between local wealth inequality and protest is highly context-specific. It is strongest in mature democracies and in countries with greater freedom of expression, freedom of association, a free press, or stronger rule of law. At the same time, countries with weak governance -- for example lower control of corruption, poor regulatory quality, or high perceived political instability -- also see a stronger protest response to local inequality. In other words, both high- and low-governance contexts can strengthen the association between inequality and unrest. Similarly, countries with lower national income per capita tend to exhibit a larger inequality effect on protest, as do those with high unemployment among individuals with advanced education.

Beyond governance and economic factors, social divisions and historical legacies also play a role. We find that more socially fractionalized countries generally experience a stronger inequality-protest link, likely because ethnic and religious fractionalization can exacerbate inter-group grievances. Additionally, countries with a Common Law tradition or a history of British colonization show the largest effects, whereas other legal traditions and colonial origins display little to no effect.

To the best of our knowledge, this study provides the first systematic subnational and local-level analysis of the relationship between localized, experienced wealth inequality and protest incidence across a broad set of countries in the Global South. Two features of our study merit consideration. We focus on spatial inequality, or area-level disparities in wealth, rather than interpersonal inequality. This focus carries important policy implications, as area-level disparities in wealth or income more likely reflect institutional, policy-relevant factors than individual-level variation. We also put the emphasis on wealth rather than income: income tends to be highly variable, particularly in the Global South, which may introduce measurement challenges. Wealth, by contrast, arguably captures deeper and more structural forms of inequality as wealth tends to be distributed far more unequally than income, and wealth inequality plays a crucial role in shaping long-term inequalities in opportunity, social power, and individual freedom.