

DEPARTMENT OF POLITICAL SCIENCE

# A EUROPEAN UNION WIDE WELFARE SCHEME

Explanations of attitudes towards a welfare scheme at EU-level

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## Abstract

In recent time, the social dimension has gained attention at the agenda of the European Union, since the new Commission lead by Ursula von der Leyen put forward her political priorities, where one of them is to create a more social Europe. This thesis analyses the various explanations there are for the attitudes that the European electorate have towards a common European welfare scheme. It does so by analysing data from the European social survey, round 8, in a multilevel regression. The results of the thesis indicate that the best explanation to the attitudes towards a European welfare scheme is that those who are in favour of European integration, are also more in favour of a European Union wide social benefit scheme. Other explanations towards the welfare is that those that define themselves as ideologically to the right, are also opposed to a European welfare scheme, as well as those that have a high salary. This in turn indicates that the attitudes that voters have towards a welfare policies.

Keywords: Welfare, Euroscepticism, benchmarking, ideology, multilevel

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## **1. Introduction**

The aim of this thesis is to investigate European voters' attitudes towards a European Union benefit scheme. The debate on the social dimension has been around for a long time but it has recently become more relevant on the European agenda with the new Commission's political goals.

This thesis will be devoted to investigating possible explanations for the attitudes towards a European welfare scheme. The results of the thesis will be a good hint both to the research field and also to the policy makers in the EU, if it is possible to construct a supranational welfare state, without the mandate of the electorate?

Furthermore, the results of the thesis will provide a good hint to the question if the construction of a welfare scheme at an EU-level is seen by the European electorate, as a welfare project with a new level of state intervention, or if it seen as another integration project at EU-level.

The research gap that this thesis will aim to address is the lack of research that has been done in the field of European welfare attitudes. There is a vast field of literature that has been done concerning European integration attitudes, but there is no recent study that has examined attitudes towards a European welfare scheme, in which several EU-countries are included. This is the research gap that this thesis will fill.

The background that makes this field of research relevant is that at the 17<sup>th</sup> November 2017, at the EU high level meeting in Gothenburg when the EU-leaders committed to the "European pillar of social rights". The pillar consists of three chapters and covers 20 principles of access to the labour market, equal working condition and social inclusion. The third principle in the pillar of social rights proclaims that all European workers shall have the right appropriate wages and that a minimum wage shall be ensured. The social pillar itself is not a legislative document, but rather it is a commitment from the European leaders. This commitment however will most likely result in legislative proposals from the EU-Commission in the form of directives and regulations that will set up minimum lower boundaries within these principles that the member states have to follow. (https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles en.)

## 2. Research question

The research question of this thesis will be to analyse what attitudes European citizens have towards welfare at a European level. The social dimension has grown over the years and has shifted focus during the years. For that reason, this thesis will be devoted to shift focus, from European integration attitudes, to European welfare attitudes. Even though the European Commission has no electorate mandate, it still needs to have the support of the people, in order to be legitimate. The Commission proposes legislations, but the European parliament and the Council of Ministers approves them. With that said, the Commission must have support for their legislation, if they don't want a Parliament that is dominated by Eurosceptic parties and anti-EU governments at the negotiation table at the Council of ministers.

The result of this thesis could be a hint to see what factors that are forming the attitudes and opinions that the European electorate have in the domains of welfare and social policy. It could be a hint to see if such a smart move by the Commission to gain more power of that same policy domain. The research question of this thesis is therefore: **What are the explanations to the attitudes that European voters have towards a European social benefit scheme?** 

## **3. Disposition**

The disposition of this thesis will be a first chapter with the background of EU and the social dimension of the European Union. Thereafter there will be a chapter containing the previous research, including the theoretical framework that the thesis is built up around. The chapter ends with a conclusion of the previous research and various hypothesises that can be drawn from it. Chapter 6 goes through the method that is used to answer the research question. This chapter includes reasoning about the choice of the method, presentation of the data and the operationalisation of the variables. Furthermore, the chapter ends with a section that goes through the analytical strategy of the method. The result chapter is devoted to show the results of the thesis and confirm or reject the hypothesises. The analysis chapter will connect the results to the research question and relate them to the previous research. The thesis ends with the conclusion chapter.

## 4. Background

In July 2019, the European Commission's president elect at the time, Ursula von der Leyen, published her political guidelines for her Commission for the period 2019 – 2024. Her political priorities consist of six pillars and the second pillar is called "An economy that works for people". In this pillar she proposes several policies to set up welfare schemes at a European Union level. Von der Leyen wrote that her Commission will propose an Action plan to fully implement the European pillar of social rights. In the first hundred days of her Commission she will propose legislative measures that will provide every worker in the EU with a decent minimum wage. Furthermore, she states that the Commission will put forward a European unemployment benefit reinsurance scheme. The new Commission will seek to make the member states to fully implement the Work-life balance directive with the aim that both parents shall share the care taking responsibility for their infants. These initiatives will be supported with investments from the new fund European social fund.

## (https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-nextcommission\_en.pdf. Pp. 8 - 10)

The European Union in its constitution is a mix of a supranational and intergovernmental structure. The European Commission, which is the institution with the sole right to propose legislature, is not an elected body. Rather, it is composed by the nomination of one commissioner from each member state, and the responsibilities is proposed by the prospected head of the Commission, and finally it has to be approved by the European Parliament and the European Council. Even though that the Commission has no direct electorate mandate, it is still vital to include the opinion of the electorate. The European Parliament, which is elected by the people from the member states, which is one of the two legislative bodies, is also the institution that approves and controls the Commission. A Commission that does not have the mandate of the voters', will soon lose its mandate from the parliament.

The evolution of the European Union has changed radically over the years, and also which institution that does what. The predecessor to the European Union was the European coal and steel community (ECSC) that was initiated by the original six countries: Belgium, the Netherlands, Luxembourg, France, Italy and West Germany. According to Linda Hantrais who wrote the book *Social policy in the European Union* says that the road to wealth was meant to be through free trade and the free movement of people, capital, services and goods would make the countries in the community rich. The reason that social policy and social security was not

emphasised in the initiation of the community was because the six countries already had a somewhat similar economy. What happened during the following years was that the European Community as it was called after 1958 following the Rome treaty, faced a series of enlargements and the countries that joined during the 70s and the 80s were countries that did not have the same wealthy economy as the original six. In the 80s the social dimension of the European community started to form. (Hantrais, 1995, Pp. 1 - 2, 6 - 8)

The social dimension has since the 1980s been demonstrated through the European Union's cohesion policy. The cohesion policy has had the objective of converging the union's welfare and economic performance in order to avoid social dumping and make sure that every region benefits from taking part in the EU. Even though the program period of 2014 - 2020 is coming to an end but it is important to start there to see what the cohesion policy and the social dimension is really about. For the mentioned period, the cohesion policy has a budget of 351.8 billion EUR which is almost a third of the total EU expenditure during the same period. The cohesion policy during this period was divided through three main funds; The European Regional Development Fund (ERDF) which is a fund for supporting growth, the Cohesion Fund which is for supporting green growth in regions where there are few incentives for such investments and finally the European Social Fund (ESF) which is allocated for regions with lower economic and wealth performance than others. The cohesion policy for the period 2014 – 2020 is divided into 11 thematic goals. Goal 8 – 11 aim at supporting social inclusion, employability, education and efficient public administration.

# (<u>https://ec.europa.eu/regional\_policy/sources/docgener/informat/basic/basic\_2014\_en.pdf</u>, Pp. 3 – 4)

As mentioned above the new Commission under Ursula von der Leyen has big ambitions in creating a more social Europe. To make that happen there are two main instruments, one is to legislate common European welfare standards by directives and regulations or by creating European welfare schemes at an EU level. The latter will demand resources from the budget. The issue during the fall of 2019 and before that has been that the new budget proposal from the Commission has been 1,14% of the EU-27:s common GNI, which in turn is an increase of expenditures for countries like Sweden and Germany. The latest meeting in the European council did not reach an agreement even though the Finnish presidency had proposed a revised budget proposition where the budget only represented 1,07 of the common EU-27 GNI. (https://cpmr.org/wpdm-package/cpmr-analysis-of-the-mff-negotiating-box-december-2019/?wpdmdl=23869&refresh=5e660ab5269171583745717&ind=1575469332697, Pp. 2)

With that said and the controversy that goes around the EU-spending and the ambitions to create a more social dimension on EU-level, this thesis's aim is to investigates the public attitudes toward the social dimension of the European Union in the meaning, the attitudes toward a common European welfare scheme.

## **5.** Previous research and theory

The following chapter goes through the previous research and the theoretical framework of European attitudes towards welfare and European integration. The sections containing the previous research is important to get an overlapping picture of the factors that are forming the attitudes toward a European welfare scheme. The view of a welfare scheme at EU-level is somewhat two folded. Either it can be seen as purely a question of welfare measures, or it can be seen as another European integration project. The previous research disentangles the possible explanations and what we do and do not know about welfare attitudes, self-interest, ideology and Euroscepticism.

#### 5.1. Research concerning attitudes to EU welfare policies

This field of research is important in order to understand the possible explanation of welfare attitudes and how they might be determinant for the opinions towards a European welfare scheme.

When it comes to attitudes towards European integration, one author that has contributed is Ignacio Sanchez-Cuenca, who wrote an article in in 2000 where he found that people who have low confidence in their national institutions will in turn have more confidence for EU and European integration, if they also have high confidence in the EU-institutions. (Sanchez-Cuenca, 2000, Pp. 148 – 156). When considering different welfare regimes, Brian Burgoon found in his study from 2009 that when the attitudes are measured from a country perspective, those citizens from countries with a generous welfare only at a modest level are opposed to a European Union welfare scheme (Burgoon, 2009, Pp. 435, 450 - 451).

A study that contradicts these two was made by Laurie Beaudonnet in 2015, in which she concluded that those citizens that are from a country with a generous welfare are indeed more opposed toward a European welfare scheme and the reason is mainly due to the fact that in a multilevel system, those who are from countries with generous welfare systems will feel like their national system is threatened by EU. There is also the blaming aspect in which the perceived welfare is relevant. Beaudonnet says that those who perceive their welfare as bad will in turn be more opposed to European integration. (Beaudonnet, 2015, Pp. 468 – 469). Adam William Chalmers and Lisa Maria Dellmuth found in their study from 2015 that there indeed is a great difference between countries in the EU, but that the relationship is conditioned by education, those who have more education are more positive towards European integration. (Chalmers and Dellmuth, 2015, Pp. 25 – 26)

When it comes to blaming the EU for the national performance, Staffan Kumlin found in his article from 2009 that voters who have low confidence in their national welfare also have lower trust in the EU. (Kumlin, 2009, Pp 417 – 418). This relationship was also found in a study from 2019 where the Belgian electorate and their attitudes toward Social Europe was investigated. It was found that those with low trust in the national welfare also are opposed social Europe. Interestingly they found that pensioners and students are more in favour of Social Europe than blue collar workers. (Baute, Meuleman and Abts, 2019, Pp. 16)

The theory of having the national welfare as a reference is called benchmarking. According to the authors Arrowsmith, Sisson and Marginson, the concept of benchmarking reached European politics in the mid-90s when the Commission came up with the communication Benchmarking the competitiveness of the European industry. (Arrowsmith, Sisson and Marginson, 2004, Pp. 315)

Catherine de Vries develops the concept when she analyses the roots of Euroscepticism and says that the European electorate benchmark EU:s performance in various aspects and the reference that they measure it against is their own national performance. When people perceive the benefits for their own country, meaning that the membership in the European Union creates an added value, the support for the membership is high, but in turn, when the perception is that the there is a loss in some way for their member states, the support for remaining a member decreases. (de Vries, 2018, Pp. 35 - 43)

When it comes to electoral attitudes, one important aspect to include is economic voting. One author who have contributed much in this field of research is Michel S. Lewis-beck. According to him, the economic vote means a great deal in the electoral outcomes in terms of reward or punishment. The incumbent party is rewarded when the economy is doing good and likewise punished when the economy is doing bad. (Lewis-Beck and Costa Lobo, 2019, Pp. 14). (Lewis – Beck, Nadeau and Belanger, 2012, Pp. 564 – 565).

When looking deeper into economic voting, Lewis – Beck together with Mary Stegmeier wrote a study in which they wanted to see in what way and how strong the economic factors of the voting turn out is. They found, when looking at different countries that voters in general judge their national economic performance based on different variables, they can for example be unemployment, growth or inflation for example (Lewis – Beck and Stegmeier, 2000, 211 - 213) Lewis Beck also found support that the electorate do judge the economic in a correct way, when they judge the economy. (Lewis – Beck, 2006, Pp. 210 - 211)

Can there be drawn any conclusions from economic voting at a European level? The issue is that voters in general as previous research have shown, have a good perception of the country's economy but taking it to an EU-level, the domains of different policies are somewhat blurry. It is not obvious to many people what the domains of the EU-institutions actually are and the authors Monika Bartowska and Guido Tiemann wanted to examine just that: What happens to the perspective of economic voting at an EU-level. They found that the theory of reward – punishment still stood strong even in a European election, but with the difference that the electorate use their vote and benchmark against the economic situation in their own country. Since voters vote for national parties in the European parliament election, they also reward and punish their national parties in those elections. If the incumbent party in one country where the perception of the economy is bad, they will in turn be punished in the election to the European parliament, and vice versa. (Bartowska and Tiemann, 2015, Pp. 214 – 215)

Taking this field of research together, there are reasons to believe that those that are satisfied with their national welfare, will most likely be less positive to a welfare scheme at an EU-level.

#### 5.2. Previous research concerning personal resources towards European integration

This field of research is important to understand since it will be important to see if self-interest has a strong relationship with the attitudes concerning a common European welfare scheme.

The egocentric-utilitarian field of research is more concerned with how individuals feel that they have gained or lost from being members in the EU. What previous researchers like Matthew Gabe and Harvey D. Palmer have concluded is that people in general think more about individual costs and benefits when they are forming their opinions and attitudes towards EU. They say that even though the country as a whole might benefit from the EU, people that are unprivileged in terms of education, income and employment will consider EU as an elite project and for that reason be more sceptic towards further integration. (Gabel and Palmer, 1995, Pp. 4, 12 - 13) Matthew Gabel further explored the utilitarianist aspect in a study from 1998 where he tested several explanations for attitudes towards European integration, in which he concluded that the utilitarian explanation is strongest. Those who do not directly benefit from the EU will be less positive towards further integration. (Gabel, 1995, Pp. 351 – 352)

Lauren MacLaren further explores the relationship with the utilitarian explanation for Euroscepticism. She supports the findings of the previous authors and says that there indeed is a very strong relationship between the egocentric utilitarian variables and the attitudes toward European integration. (MacLaren, 2005, Pp. 7 – 8) Another article from the same time, written

by Marcel Lubbers and Peer Scheepers support the same these as MacLaren and the previous authors in which they conclude the people who perceive that the costs of EU membership is greater than the wins, will be more opposed towards European integration. They however add another feature in the meaning that they investigate what people perceive in terms of costs and benefits for their country, and not just for themselves. (Lubbers and Scheepers, 2005, Pp. 227, 228)

This previous research makes it reasonable to believe that there is a relationship between selfinterest and the attitudes towards a common European welfare scheme. It is reasonable to believe that those who are well off, in terms of education, income and employment will be more positive towards a common European welfare scheme.

#### 5.3. Research concerning Euroscepticism

This field of research is relevant since much of the previous deals with European integration as a dependent variable, and therefore it is important to see if Euroscepticism is determinant for the attitudes towards a common European welfare scheme.

In 1996, Christopher J Anderson and M. Shawn Reichert wrote an article in which they wanted to investigate the support of European integration with a cost/benefit analysis. They had two types of benefit definitions, direct and indirect benefits. The definition of indirect benefits was an assumption that they used from looking at trade liberties and assumed that a more liberal market would provide benefits to those with already high income, high education and a well payed off job would be the ones that would benefit from EU trade liberalizations. They find that there are great similarities within the measured countries. They find that the indirect benefits have a far stronger relationship in determining the support for further integration, while the direct benefits do not appear to have a strong relationship. They also say that this is a complement to what is already known that national politics have a huge impact on how citizens see the project of European integration. (Anderson and Shawn Reichert, 1996, Pp. 238 – 239, 244 - 247)

Lisbet Hooghe and Gary Marks wrote an article in 2005 where they investigated the different explanations for Euroscepticism. In their articles they started by summarizing previous research and one of their hypotheses was that people or citizens from countries that are net contributors would be less in favour of further European integration than citizens from countries that net receivers. Furthermore, they discuss the integration from the aspect of the political prerequisites. Like previous writers have concluded, Hooghe and Marks find it reasonable to

believe that the perception of the domestic political situation will have an effect on how they see further European integration. They say that the left – right dimension could be taken into account and they mean since the EU is a multilevel system of governance, they benchmark the EU, based on the domestic national economic situation. For example they say that citizens from countries with a social democratic economic regime will probably be opposed to further European integration, since it for them will mean a competitor of governance and a risk to their economic system, and likewise, those that are from countries and who do not have a high confidence in the national economic institutions will be more positive towards European integration. (Hooghe and Marks, 2005, Pp. 421, 427, 431, 436 – 438) Hooghe and Marks also say that the type of Euroscepticism in the meaning that the EU is perceived as a cultural threat is a rather new phenomenon. (Hooghe, Lisbet., Marks, Gary., (2007), Acta Politica, Pp. 119 – 122)

In a research review written by Matthew Loveless and Robert Rohrschneider they go through some of the arguments that previously had been put forward. In the section about economic factors as determinants for Euroscepticism they discuss the work that has been done by Lewis Beck in the 90s and 80s. He concluded that there was a weak relationship between objective economic factors such as GPD, unemployment and information and European integration. Rather there is a strong relationship between subjective economic and demographic factors and European integration, such as income, education, unemployed. This in turn gave birth to the term economic self-interests and egocentric utilitarianism. (Loveless and Rohrschneider, 2011, Pp. 9 – 10)

The author Cécile Laconte makes which is important to understand the term Euroscepticism is that is not a term with a red thread, in the meaning that is not an ideology or a political philosophy. She relates the term with another similarly problematic term, populism, which is not an ideology or a set of ideas presenting a comprehensive worldview. Euroscepticism is rather a term of being sceptic toward something or anti something. For that reason, it is important to further look at the term scepticism, which Leconte describes in the book. The term scepticism is originated from the ancient Greece and the core of the philosophy is that it does not accept an opinion or a worldview without first freely and critically examining it. With that said Euroscepticism as we know it today has developed to be two things: against EU as a political project and critical toward further European integration. The opposition towards EU and European integration is referred to as "hard Euroscepticism" and the opinion to reform the EU and being critical to further European integration is referred to "soft Euroscepticism". The conclusion is that Euroscepticism is not necessary against EU, but rather critical towards EU. (Leconte, 2010, Pp. 5-6)

They say that the *soft Euroscepticism*, meaning being willing to reform the union has been around for the longest. Since the EU has moved to be Ideology will a more political project rather than just an economic project, the *hard Euroscepticism*, manifested in the fact that the EU is perceived as a cultural threat is a rather new phenomenon. (Hooghe, Lisbet., Marks, Gary., (2007) Acta Politica, Pp. 119 – 122)

The conclusion of this chapter is that those that are Eurosceptic will also be negative towards a common European welfare scheme.

#### 5.4. Research concerning ideology

Ideology is one aspect that is important for this thesis. The purpose of this section is to see if ideology is determinant for the opinions towards welfare attitudes.

Stefan Svallfors has made contribution to the field of research in terms welfare attitudes in different countries depending on the type of welfare regime that the country belongs to. The liberal welfare regime has a very individualistic approach, where the welfare system is not very generous. Welfare subsidies are supposed support only those that are in need of subsistence. The social democratic welfare regime has a very generous welfare redistribution and the continental regime has a well built out welfare system but is redistributed through collectives and not individuals. In the article, Svallfors wants to examine how class is determinant for the attitudes towards the welfare state, in Sweden. Svallfors compares Sweden to its very similar neighbour Norway and his conclusion is that Norway does not have the same class cleavages as Sweden, probably due to the fact that the Norwegian right wing has not been as straightforward as in Sweden. (Svallfors, 2004, 131-132)

In an article from 2003, Svallfors made a study on eight different countries, which belong to different welfare regimes. He confirmed the findings that he made in the Swedish case, where he once again compares Sweden and Norway. He found that class cleavages are very strong in Sweden, as they also are countries like the United Kingdom and United States. In these latter countries, with a very market based, or liberal approach to welfare, the cleavages of class is rather an effect of actual living conditions. Sweden on the other hand, with a very generous welfare is a result of what he describe as ideological articulation, meaning that organisations,

political parties and other interest groups have had ideological agenda when creating the welfare state, as have the political opposition, the right wing, in Sweden. (Svallfors, 2003, 515 - 516)

The conclusion of this section is that those that define themselves as ideologically right, will be negative towards a European welfare scheme.

## 5.5. Conclusion and hypothesises

The previous research has gone through four main explanations for explaining the attitudes towards a European social benefit scheme. Even though there are not that much research that has been made on the attitudes towards a European social benefit scheme, the previous research has rather focused on European integration.

From the previous research and the theories, there will be four hypothesis that will be investigated in this thesis. The conclusions that can be drawn from the previous research and the theories is that those that are satisfied with their national welfare will also be more negative towards a common European welfare scheme.

Another conclusion that can be drawn, at least when looking at the previous research is that personal resources will be a strong factor. Personal resources in this case means egocentric utilitarianism, and according to the research that has been made on European integration, is that those with high education, high salary and that have job, will be more positive towards European integration. It is therefore reasonable to believe that they will also be more positive towards a European welfare scheme.

Another conclusion that can be drawn from the previous research is that there will be great variance among different countries, concerning the attitudes towards a European Union welfare scheme.

From the previous research about European integration and Euroscepticism, it is reasonable to believe that those that have Eurosceptic opinions will be negative towards a European welfare scheme.

As Stefan Svallfors has shown in his previous research, those that define themselves as ideologically right will be negative towards a common European welfare scheme, since being politically right is associated with less support for welfare and state interventions.

**Hypothesis 1:** There will be a negative relationship with having a good perception of the national welfare and being in favour of a European social benefit scheme.

**Hypothesis 2:** There will be a positive relationship with scoring high on certain demographic variables and being in favour of a European welfare scheme, in the meaning that those that have a high salary, high education and that are working will be more in favour of a European welfare scheme.

**Hypothesis 3:** There will be a negative relationship between being ideologically to the right and being in favour of a European welfare scheme.

**Hypothesis 4:** There will be a positive relationship with being in favour of European integration being in favour of a **European welfare scheme**.

## 6. Method

The method that will be used for this thesis is a multilevel regression design. The aim of the thesis is to analyse different explanations for the European voters' attitudes towards a common European welfare scheme. Since there is a large number of observations that are going to be included, a quantitative regression method is the most suitable.

The four hypothesises that will be tested in this thesis are; If those that are satisfied with their national welfare are also less in favour of a common European welfare scheme, if those that have high education, high salary and have a job, are in favour of a common European welfare scheme, if those with Eurosceptic opinions are less in favour of a common European welfare scheme and last, if those that place themselves on the right side of the ideology left – right scale are less in favour of a common European welfare scheme.

The dataset that is going to be used to answer the research question is the European social survey round 8, from 2016. The European social survey is an academically driven cross-national survey, that every second year collects data in several areas. The ESS has been going since 2001, and the data is collected by face-to-face interviews.

#### 6.1. Data and variables

When using ESS, the data should be weighted. There are two types of weights that should be included when working with ESS. The two weights takes into consideration that each individual have not had the same opportunity to answer the question due to different opportunities for different countries and the second weight takes into consideration that there are different number of respondents from different countries. (Mehmetoglu and Jakobsen, (2017), Pp. 221 – 222)

The 16 countries that will be included in this this thesis are the ones that are members in the European Union except Estonia. The countries are as follows: Austria, Belgium, The Netherlands, France, Germany, Portugal, Spain, Poland, Hungary, Lithuania, Czechia, Finland, Slovenia, Sweden, Italy and Ireland. The countries that have been recoded away are: Switzerland, Estonia, United Kingdom, Israel, Iceland, Norway and Russia.

The dependent variable for this thesis is a variable that asks people if they are in favour of a common European welfare scheme. The variable and the prerequisites are as follows: The dependent variable for this thesis is a question that asks if the respondent is in favour or not in favour of a European social benefit scheme. The prerequisite for the question is as follows:

"It has been proposed that there should be a European Union-wide social benefit scheme for all poor people. In a moment I will ask you to tell me whether you are against or in favour of this scheme. First, look at the highlighted box at the top of this card, which shows the main features of the scheme. A European Union-wide social benefit scheme includes all of the following: ...READ OUT...

• The purpose is to guarantee a minimum standard of living for all poor people in the European Union.

• The level of social benefit people receive will be adjusted to reflect the cost of living in their country.

• The scheme would require richer European Union countries to pay more into such a scheme than poorer European Union countries."

This variable is an ordinal scale variable and it has four possible answers: Strongly against, against, in favour and strongly in favour. In the ESS dataset, the variable is coded "eusclbf" and design of this thesis it will be labelled "EU-benefit scheme" in the (https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8 source questionnaire s.pdf, Pp. 49)

#### 6.1.1. Hypothesis 1. Welfare index

To test the hypothesis that those who are satisfied with their national welfare are also more negative towards a common European welfare scheme, there will be an index that measures how satisfied people are with their national welfare. The index is constructed by five variables, which are: "please say what you think overall about the state of education in [country] nowadays?" (stfedu), "what do you think overall about the standard of living of pensioners?" (slvpens), "What do you think overall about the standard of living of people who are unemployed?" (slvuemp), "please say what you think overall about the state of health services in [country] nowadays?" (stfhth) and "On the whole how satisfied are you with the present state of the economy in [country]?" (stfeco). These variables are interval scale variables that ranges from 0 to 10. 0 is equal to "not satisfied at all" and 10 is equal to "very satisfied". The index that is going to be used will have a range from 1 to 10, where 1 will be equal to "not satisfied at all" and 10 will be equal to "very satisfied". The answers coded as zero will be coded away, to make the index symmetric. Since the index ranges from 1 – 50, it will be recoded

so that 1-5 = 1, 6-10 = 2, 11-15 = 3, 16-20 = 4, 21-25 = 5, 26-30 = 6, 31-35 = 7, 36 - 40 = 8, 41-45 = 9 and 46-50 = 10.

(https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8 source questionnaires.pdf. Pp. 12, 13, 39)

To confirm if the index measures what it is supposed to, namely the satisfaction with the national welfare, the correlation is tested to see if they are related. Furthermore, the cronbachs alpha is used when doing a multivariate correlation test. The cronbachs alpha value is supposed to be 0,7 or above. The value that is obtained when correlating these five variables is 0,74, which indicates that the variables are related, and the construction of the index is appropriate.

#### 6.1.2. Hypothesis 2. Personal resources/ egocentric utilitarianism

The second hypothesis is that those with high education, high salary and those that have a job, will be more in favour of a common European welfare scheme. This hypothesis is made with regard to the previous research, which show clearly that those factors that was just mentioned, make people more in favour of European integration.

The variables that are going to be used for this hypothesis are: Education, income and unemployment. In this thesis, these variables and this factor will be called personal resources, which is a term, used by previous researchers when discussing the same variables.

The first variable in this cluster is education. In the ESS-dataset, education is coded into seven categories, which range from *less than lower secondary education* to *higher tertiary education*. For the purpose of this thesis, these seven categories will be recoded into a dummy variable, with three categories that is supposed to catch *low education, medium education* and *high education*. The variable is coded *eisced* in the ESS-dataset. The variable *lower education* includes the categories *less than lower secondary education* and *lower secondary education*. The variable *medium education* includes *lower tier upper secondary education, upper tier secondary education* and *advanced vocational sub-d education* and the variable *high education* includes *lower tertiary education* and *higher tertiary education*. In the ESS-dataset, the question of the education variable is: "What is the highest level of education you have successfully completed?"

(<u>https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8\_source\_questionnaires.pdf</u>. Pp.57)

The second variable in this cluster is income. Income in this dataset is measured in deciles, ranging from 0 to 10. In the dataset, the variable is coded *hinctnta*. The question in the ESS is:

"Which letter describes your household's total income, after tax and compulsory deductions, from all sources?"

(<u>https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8\_source\_questionnaires.pdf</u>. Pp.66)

The third variable is unemployment. The question in the ESS is: "which of these descriptions applies to what you have been doing for the last 7 days?" In the dataset, this variable is already prepared and those to factors that are going to be used are those who are unemployed and actively looking for a job, and those that are unemployed and not actively looking for a job. In this thesis, the variable will be a dichotomous variable, where 0 is equal to employed and 1 is equal to unemployed. The two variables that measure two different forms of unemployment will be merged into one.

(https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8 source questionnaires.pdf. Pp. 66)

#### 6.1.3. Hypothesis 3. Ideology

The third hypothesis is that those who identify themselves as right on the pollical left -right scale, will be more negative towards a common European welfare scheme. In ESS, the question is as follows: "In politics people sometimes talk of "left" and "right". Using this card, where would you place yourself on this scale" This variable ranges from 0 to 10, where 0 is left and 10 is right. To make this variable more operationalizable, it will be recoded into a dummy variable, consisted of the categories left, middle and right. The dummy variable *ideologically left* consists of the answers between 0 - 3 and is coded as 1. The dummy variable *ideologically middle* consists of the answers between 4 - 6 and is coded as 2. The dummy variable *ideologically night* consists of the answers between 7 - 10 and is coded as 3.

(https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8\_source\_questionnaires.pdf. Pp.
11)

#### 6.1.4. Hypothesis 4. European integration

The fourth hypothesis is that those who are in favour of European integration will also be in favour of a common European welfare scheme. There is one variable that measure the attitudes towards European integration. The question is as follows: "Now thinking about the European Union, some say European unification should go further. Others say it has already gone too far." This variable ranges from 0 to 10, where 0 is equal to the opinion that European unification

has already gone too far and 10 is equal to having the opinion that European unification should go further.

(https://www.europeansocialsurvey.org/docs/round8/fieldwork/source/ESS8 source questionnaires.pdf. Pp. 14)

#### 6.1.5. Control variables

The control variables that will be included in this thesis are gender age. Gender is a dichotomous variable and age is a continuous variable.

All of the variables will be coded so that the answers "refusal", "don't know" and "nonanswers" will be recoded away.

#### 6.2. Validity

It is important to discuss the validity of the variables. Starting with the variables that were recoded into the welfare index it can be said that the validity overall is good. The five variables measured the satisfaction with health care, education, standard for the unemployed and the pensioners and the state of the economy. These five variables measure in a broad way, most of the aspect that are related to the welfare, which is also the purpose. However, one obvious problem with these variables which measure satisfaction is that the welfare and the state of the economy is not static. These variables tell us how satisfied people were with these policy areas in the year of 2016. If there would have been a financial crash in 2017, which in turn put pressure on the government to impose austerity in the public sectors, like in Greece and Latvia, the answers would probably not have been the same in 2020 as they were in 2016. This however is rather a problem with reliability. The validity for these variables is they measure what they are supposed to, for the purpose of this thesis.

Turning to the variables that measure egocentric utilitarianism, or self-interest, the validity of the variables is good. They measure in a good way the level of education and the level of income. The variable that measure unemployment is however somewhat problematic. The issue here is that we do not know what type of employment those that have one have. Do they have a part time job, hours-contract, full time monthly contract?

Turning to the variable that measure ideology. This variables validity is somewhat problematic. What do the questioner and the respondent actually mean with left or right. Are they talking about the economic dimension or the value dimension? The validity of the Euroscepticism variables is both good and bad. The dichotomous variables that measure if the respondent would want their country to secede from the EU has good validity, it measures what it intends to measure. The variable that asks the respondent about what they think about European unification is some what problematic. What is meant by "unification" Does it mean economic unification or political unification?

#### 6.3. Analytical strategy

The strategy is to test these hypothesises will be to test each hypothesis individually, and then have a model where all variables for the hypothesises are tested all together. Each model will first be tested without and then with control variables.

The method of this thesis is to do a multilevel regression. The purpose of the design is that there are reasons to believe that the answers are nested at level 2. Level 2 is countries. Level 1 is the individual observations. In other words, there reasons to believe that the answers depend on which country that the respondents are from.

In order to find out if multilevel as a design fits the purpose best, the first thing that will be tested is the variance, to see if the answers are nested at a country level. According to Mehmetoglu and Jacobsen, the limit of the variance, the so called *variance partition coefficient* that tests the variance and to what degree the variables are nested at a country level. If the *variance partition coefficient* is higher than 5%, then it is appropriate to move on with a multilevel regression, otherwise a OLS-regression with the level two clustered should be used, since there is still reasonable to believe that the variables are nested at level two. (Mehmetoglu and Jakobsen, 2017, Pp. 203)

The variance partition coefficient Is calculated with the following formula: Level 2 / (level 2 + level 1). These two variances can be found by doing a multilevel intercept only model, meaning a model with only the dependent variable. In this thesis, the level 2 variance is 0.066941 and the level 1 variance is 0.5196628. Adding them together we get a variance of 0.066941 + 0.5196628 = 0.5866038 and the VPC then is 0.066941/0.586628 = 0.1141114983. The VPC we get when running an intercept only model is 11,4%, and for that reason this thesis will continue with a multilevel regression. Both the simple OLS and the OLS where the country variable is clustered will be presented in the appendix.

After having found out that multilevel is a better design than an ordinary least squares with the countries clustered, the methodology will be as follows: First there will be an ordinary least

squares design, both with and without the countries clustered. In this design all the variables (which I will present in the next section) will be included. The full model will be: *mixed eusclbf index edudum2 edudum3 hinctnta unemployed lrdum3 member2 euftf gender2 agea age2 // country:, ml variance.* Doing the full model from the beginning will let me know how many individuals that will be excluded, since the same respondents have to be present in every variable.

## 7. Results

The research question of this thesis is to investigate and analyse different explanations that European voters' have towards a common European welfare scheme. The table below shows the result from the multilevel regression, where each hypothesis is tested individually. The first hypothesis was there is a negative relationship with being in favour of a European Union benefit scheme and also being satisfied with the national welfare. The second hypothesis is that those with high education, high salary and that have a job, will be more positive towards a welfare scheme. The third hypothesis is that those who are more positive towards European integration are also positive towards a European social benefit scheme and the fourth and last hypothesis is that those who place themselves to the right at the ideological scale, are more negative towards a European welfare scheme. The results are presented in table 1. This table shows the results of the four hypothesises when they are tested independently, along with the last model, which tests the variables all together.

Table 1. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from a multilevel OLS regression.

Multilevel Regress	ion with the	four hypothes	ises, tested	independently a	and all toge	ether				
EU social benefit scheme										
	Welfare in	dex	Egocentrie	c utilitarianism	Left - right		Euroscepticism		Full model	
	M. 1	M. 2	M. 1	M. 2	M. 1	M. 2	M. 1	M. 2	M. 1	
Index	006 (.008)	007 (.008)							017 (.009)	
Medium education			010 (.02)	009 (.02)					018 (.019)	
High education			013 (.032)	013 (.030)					055* (.027)	
Income			011* (.005)	011* (.004)					011* (.005)	
Unemployment			.06* (.029)	.056* (.028)					.052 (.031)	
Ideologically right					- .160** * (.036)	159*** (.036)			137*** (.034)	
EU-member							.117*** (.028)	.114*** (.028)	.135*** (.024)	

European							.032**	.032**	.033**
unification							(.01)	(.01)	(.01)
Gender		.032		.029*		.025		.03	.017
		(.017)		(.014)		(.015)		(.015)	(.013)
<b>A</b>		0.07*		005		0.07*		004	000
Age		007*		005		007"		004	003
		(.003)		(.003)		(.003)		(.002)	(.003)
Age Squared		.000*		.000		.000*		.000	.000
		(.000)		(.000)		(.000)		(.000)	(.000)
Intercept	2.769***	2.921***	2.808***	2.924***	2.779*	2.92***	2.475***	2.563***	2.732***
	(.091)	(.097)	(.058)	(.065)	**	(.073)	(.111)	(.117)	(.103)
					(.06)				
N. Observations	18 762	18 762	18 762	18 762	18 762	18 762	18 762	18 762	18 762
N. Countries	16	16	16	16	16	16	16	16	16

*Comment:* ESS8, 2016. Significance levels\*<0.05 \*\*< 0.01 \*\*\*<0.001. The standard error is in parenthesis. The data is weighted, and the countries are clustered into a multilevel model, with regard to the fact that the answers is nested at level-2 (country level). The reference country in this table is Austria.

Starting with the welfare index. The welfare index was constructed as an index that measures how satisfied people are with the *state of health services, state of education, the standard of pensioners, standard for the unemployed and the state of the economy*. Those variables measure each individual's attitudes to its own country's welfare. Now, looking at the index we can see that it has a very small negative effect, and insignificant. For that reason, there are no conclusions that can be drawn from that single model. The result stays the same when including the three control variables.

Moving on to the variable cluster of personal resources. In this thesis, these three variables are included together. From the two models we can see that the two dummy variables for mediumand high education show a low effect and also an insignificant result. Looking at the income variable, in model 3 and 4, the variable shows an effect of -0.011, respectively. This effect is significant, which means that the higher income you have, the less positive you are towards a European welfare scheme. This effect is not changed when it is included in the large model with the other variables (-0.011). Now moving on to the last variable in the egocentric utilitarianist cluster, unemployment, which has a modest effect (0.06). this effect is modest since it is a dichotomous variable, and still shows such a low effect, which indicate that there is a connection, though not a strong one, between being unemployed and being positive towards a EU welfare scheme.

Moving on to the ideology variable, it can be seen that there is a very strong negative effect with being ideologically to the right and the attitudes towards a European social benefit scheme

(-0.160). This supports the hypothesis that there is a negative relationship with being ideologically right wing and in favour of a European social benefit scheme.

Now moving on the Eurosceptic variables. Starting with the dichotomous variable that measure if the respondent would want their country to remain or leave the European Union. This variable in model 5, has the effect of 0.117 and is significant. This indicate that those that want their country to remain in the union are also positive towards a European Union welfare scheme, than those who want to leave. This is not very surprising, and this connection is confirmed by the next variable that asks the respondent if the European unification has gone too far or if it should go further. This variable has an effect of 0.032 and it is significant. This effect may not look as much, but it should also be taken into account that the dependent variable only has four steps. This effect is rather stable and is only changed to a slightly increase in the last model (0.033). What we can say about these two variables is that they have a large effect on especially the welfare index.

#### 7.1. Hypothesis 1. Welfare index

The first hypothesis was that there would be a negative relationship between having the perception that the national welfare is doing good and being in favour of a European welfare state. With regard to the previous research, the hypothesis was two folded. The theory of benchmarking means that the national welfare would serve as a reference for people when they form their opinion about the European Union. The higher the bar, or the better the reference, the harder it will be for EU to compete in the same domains. But, still the hypothesis landed in that, with regard to benchmarking and the previous research concerning welfare and attitudes towards European integration, that those with a high perception of their national welfare would be more or less negative towards a common welfare scheme at a European level. Due to the insignificant result, there cannot be drawn any conclusion regarding the effect of the welfare index on the attitudes toward a European Union welfare scheme.

#### 7.2. Hypothesis 2. Personal resources/ egocentric utilitarianism

The second hypothesis was that there would be a positive relationship of scoring high on the demographic variables that constitutes egocentric utilitarianism, personal resources. One thing that need to be cleared out is that the dichotomous variable "unemployed" have the reversed code with reference to the other two variables "education" and "income", which means that scoring high on education and income means that you have more education and a higher income, whereas scoring "high" or 1 instead of 0 on the unemployed variable means that you

are unemployed. With that said we can see that the hypothesis turned out to be wrong, at least regarding the income variable. First of all, the variable "medium education" in uninterpretable since it is not significant in any of the models, not when tested by itself and nor when tested when controlled for European integration. The same can be said for high education. This means that it cannot be drawn any conclusions on the effects of education. Turning to income, the effect is negative, meaning that the higher income you have (classified into the deciles) the more negative you are towards a welfare scheme. The effect is small but significant. The small effect could be an effect of the fact that the dependent variable has only four steps. As gone through in the theory section, European integration have historically been two folded. The old definition that has been along for the longest period, is mainly economic integration. With that said, it makes sense that those that have high education and high income and have a job are not genuinely positive to welfare. But the hypothesis is based on the vast literature about European integration. Looking at the last variable "unemployment", the effect is rather small and positive. Since this variable is reversed from the others, could be the explanation to why it is positive. If you are unemployed you need the welfare state and therefore it makes sense that you are also positive towards welfare at a European. When testing this variable on its own, together with "education" and "income" the effect is significant, meaning that we can draw a conclusion that being unemployed meaning that you are in favour of a European welfare scheme.

#### 7.3. Hypothesis 3. Ideology

The third hypothesis was to test if being ideologically right had a negative effect on being in favour of a European welfare scheme. The variable was recoded the variable from an interval scale where 0 is equal to left and 10 is equal to right, into a dummy variable with the categories left, middle and right. The variable was significant and the conclusion that can be drawn is that there is a very strong relationship with being ideologically right wing and also negative towards a European Union wide welfare scheme, which means that hypothesis 3 was correct.

#### 7.4. Hypothesis 4. European integration

Turning to the third hypothesis. This hypothesis was that there would be a positive relationship with being in favour of European integration and be in favour of a European welfare scheme. These variables are very related, obviously. The variables that measure European integration are one dichotomous variable that simply asks if people would want their country to remain or secede from the EU. 0 is secede and 1 is remain. The second variable ranges from 0 - 10, where 0 is equal to not in favour of further European integration and 10 is equal to wanting European

integration should go further. Both these variables are positive (especially the dichotomous EUmembership variable) and they also turn out to have a strong effect on the other two variable clusters, in the first design where these to serve as control variables. They make the welfare satisfaction index and the demographic variable turn significant. This hypothesis is supported by a large marginal.

#### 7.5. Model 9

Now looking at the full model, where all variables are included. Something that turned out is that the dummy variable for high education increases largely and turns significant (-0.054). Another thing that can be observed is that the unemployment variable turns insignificant, though the effect changes very little. The ideology variable decreases a little (-0.137) but stays significant, which gives support to the hypothesis. The two Euroscepticism variables do not change to a large extent and both of them stays significant.

When running the full model in an ordinary least squares regression, with the countries clustered, it can be observed that the r-square of the full model is 0.0716, 7,16%. This indicates that 7,16% of the variance can be explained by the model.

#### 7.6. Interaction term

As could be observed as has been mentioned several times in the thesis is that the explanation of Euroscepticism seems to have a very strong effect on the other variables in the other three models. To investigate the relationship and see if European unification has a moderation effect on the relationship between satisfaction of the welfare and being in favour or against a European welfare scheme. For that matter, the index and the 10-step scale variable that measure the attitudes towards European unification has been remade into an interaction variable. In the full model where European Unification is controlling the index variable, the coefficient for the index shows the increase when the other variables are equal to zero. The coefficient for European Unification term shows the increase of the coefficient of the index as a result of one unit increase of the variable of European unification.

The results are presented in table 2. This table shows the results of the interaction term together with the welfare index and the European unification variable, along with the last model, which tests the variables all together, including the interaction term.

Table 2. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from a multilevel OLS regression with an interaction term of the welfare index and European unification.

Multilevel regression, Index, Eu	ropean Unification and the interaction term	
European Union welfare schem	e	_
	Model 1	Full model
Index	059*** (.016)	058*** (.016)
Medium education		016 (.019)
High education		055* (.027)
Income		011* (.005)
Unemployment		.051 (.03)
Ideologically right		138*** (.034)
European Union member		.140*** (.025)
European Unification	.001 (.019)	009 (.019)
Interaction term	.007** (.003)	.008** (.002)
Gender	.029 (.016)	.017 (.013)
Age	005* (.002)	003 (.003)
Age squared	.000* (.000)	.000 (.000)
Intercept	2.950*** (.137)	2.935*** (.122)
N. Observation	18,762	18,762
N. Countries	16	16

*Comment: ESS8, 2016. Significance levels \*<0.05 \*\*< 0.01 \*\*\*<0.001.. The standard error is in parenthesis. The data is weighted, and the countries are clustered into a multilevel model, with regard to the fact that the*  answers is nested at level-2 (country level). The interaction term "indexunification" is made out of the welfare index and the variables that measures European unification.

As can be observed in the table above, the interaction variable proved to have a strong effect on the index as could be suspected in the original table. In the original table, the variable of the index turned much stronger and also became significant. With this interaction variable, the effect of the index turned even stronger. What is interesting is that the variable that measure European unification, itself turned very weak and insignificant. The interaction term itself also turned out to have a weak effect. The conclusion that can be drawn here is that the strong effect of the European unification variable seems to be false, though both variables proved the hypothesis. But what is observed here is that it mainly has had a moderation effect in satisfaction with the index.

## 7.8. Relationship between the models

The following table explore the relationship with the different models. In the first table, each hypothesis was tested individually, both with and without the three control variables gender, age and country. The following tables will explore the variables by controlling the independent variables by using the variables from the other hypothesises as control variables. Each table will include the control variables gender and age.

#### 7.9. Welfare index

The following results are presented in table 3. This table shows the results of the welfare index when it is controlled by the variables that measure European integration.

Table 3. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from a multilevel OLS regression.

Multilevel Regression – Index, controlled by Euroscepticism								
EU social benefit scheme								
	Model 1	Model 2	Model 3	Model 4				
Index	006	018* ( 008)	025** ( 008)	026** ( 008)				
	()	(.000)	(.000)	(.000)				

EU-membership		.206*** (.036)	.13*** (.028)	.127*** (.028)
European Unification			.034** (.010)	.034** (.010)
Gender				.025 (.016)
Age				005* (.002)
Age squared				.000* (.000)
Intercept	2.769*** (.091)	2.665*** (.094)	2.592*** (.103)	2.705*** (.112)
N. Observations	18,762	18,762	18,762	18,762
N.countries	16	16	16	16

*Comment: ESS8, 2016. Significance levels:* \*<0.05 \*\*< 0.01 \*\*\*<0.001. *The standard error is in parenthesis. The data is weighted, and the countries are clustered into a multilevel model, with regard to the fact that the answers is nested at level-2 (country level).* 

To further explore the relationship between the welfare index, which to repeat, is an index consisting of five variables that measures how satisfied the respondent is with its nation's welfare, including satisfaction with the state of the economy. This table above investigates the index without the variables that measure egocentric utilitarianism, in order to see if there is any difference. Looking at the first model, it can be seen that the effect for the index is the same as for the two previous models (0.006). The effect is also insignificant. With this said, no conclusions can be drawn about satisfaction with the national welfare, without controlling for European integration. When introducing the first variable that measure European Union membership, we see a strong increase in the negative effect of the index variable, and that it turns significant. This effect is almost the same in the first as in this third design (0.014/0.018), the difference can be said to be because of the absence of the egocentric utilitarianism variables. The effect increases even more when introducing the variable that measure European unification and show a very small increase when introducing the two last control variable, gender and age.

#### 7.10. Personal resources/ Egocentric utilitarianism

The following results are presented in table 4. This table shows the results of the self-interest variables when controlled by the welfare index and the European integration variables.

Table 4. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from a multilevel OLS regression.

Multilevel Regression - Egocentric utilitarianism, controlled for by the index, Euroscepticism, age and									
EU social benefit scheme									
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6			
Medium education	010 (.02)	010 (.02)	009 (.02)	017 (.019)	015 (.018)	017 (.020)			
High education	013 (.032)	012 (.032)	013 (.031)	037 (.030)	050 (.029)	054* (.027)			
Income	011* (.005)	011* (.005)	011* (.005)	013** (.005)	013** (.005)	013** (.005)			
Unemployement	.06* (.029)	.059* (.028)	.055* (.027)	.065* (.032)	.063 (.033)	.058 (.032)			
Index		003 (.009)	004 (.009)						
EU-membership				.21*** (.036)	.132*** (.026)	.130*** (.026)			
European Unification					.033**	.033** (.01)			
Gender			.029 (.015)			.026 (.014)			
Age			005 (.003)			002 (.003)			
Age squared			.000 (.000)			.000 (.000)			
Intercept	2.808** (.058)	2.821*** (.077)	2.947*** (.087)	2.659*** (.074)	2.552*** (.094)	2.600*** (.107)			
N. Observations	18,762	18,762	18,762	18,762	18,762	18,762			
N.countries	16	16	16	16	16	16			

Comment: ESS8, 2016. Significance levels: \*<0.05 \*\*< 0.01 \*\*\*<0.001. The standard error is in parenthesis. The data is weighted, and the countries are clustered into a multilevel model, with regard to the fact that the answers is nested at level-2 (country level).

Now, looking at the variables that measure personal resources (education, income and unemployment). The difference in this design is to have these three variable as independent variables, rather than control variables for the index. Though, the order of the variables will make income and unemployment control variable to education. Though with that said, we can see the dummy variable medium education is still insignificant throughout the design. Interestingly, high education remains insignificant throughout the entire design, except when the control variables gender and age are introduced. It is insignificant even though the European

integration variables are introduced, even though they contribute to increase the effect of both medium and high education. Turning to income. What can be said here is that it is significant, though not very strong in any of the designs. The effect of income in this design is more or less the same as in the previous designs. The same can be said, turning to unemployment. The effect differs between 0.06 and 0.055, when the index is included and controlled for.

## 7.11. Ideology, left – right

The following results are presented in table 6. This table shows the results of the ideology variable when it is controlled for by the welfare index, personal resources variables and the European integration variables.

Table 5. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from a multilevel OLS regression.

Multilevel Regression – Ideology						
EU social benefit scheme						
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Ideologically right	160*** (.037)	158*** (.037)	156*** (.035)	154*** (.034)	150*** (.035)	149*** (.035)
Index	000 (.009)	001 (.009)				
Medium Education			013 (.019)	01 (.019)		
High education			019 (.032)	016 (.030)		
Income			01* (.004)	009* (.004)		
Unemployment			.053 (.029)	.052 (.028)		
EU-member					.114*** (.025)	.111*** (.025)
European unification					.032** (.01)	.031** (.01)
Gender		.025 (.015)		.022 (.013)		.022 (.014)
Age		007* (.003)		005 (.003)		004 (.002)
Age squared		.000* (.000)		.000 (.000)		.000* (.000)
Intercept	2.782*** (.088)	2.929*** (.097)	2.843*** (.054)	2.958*** (.066)	2.521*** (.103)	2.61*** (.112)
N. Observations	18,762	18,762	18,762	18,762	18,762	18,762

N.countries	16	16	16	16	16	16

*Comment: ESS8, 2016. Significance levels:* \*<0.05 \*\*< 0.01 \*\*\*<0.001.. *The standard error is in parenthesis. The data is weighted, and the countries are clustered into a multilevel model, with regard to the fact that the answers is nested at level-2 (country level).* 

## 7.12. European integration

The following results are presented in table 5. This table shows the results of the European integration when it is controlled for by the self-interest variables and the welfare index.

Table 6. Attitudes towards a common European welfare scheme. The dependent variableis the respondent is in favour of a European welfare scheme. Coefficients from a multilevelOLS regression.

Multilevel Regression – European Unification										
EU social benefit scheme										
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6				
EU-membership	.21*** (.036)		.132*** (.026)	.130*** (.026)	.13*** (.028)	.127*** (.028)				
European unification		.040*** (.010)	.033** (.01)	.033** (.01)	.034** (.010)	.034** (.010)				
Medium education	017 (.019)	011 (.02)	015 (.018)	017 (.020)						
High education	037 (.030)	04 (.029)	050 (.029)	054* (.027)						
Income	013** (.005)	012* (.005)	013** (.005)	013** (.005)						
Unemployment	.065* (.032)	.06 (.031)	.063 (.033)	.058 (.032)						
Index					025** (.008)	026** (.008)				
Gender				.026 (.014)		.025 (.016)				
Age				002 (.003)		005* (.002)				
Age squared				.000 (.000)		.000* (.000)				
Intercept	2.659*** (.074)	2.612*** (.094)	2.552*** (.094)	2.600*** (.107)	2.592*** (.103)	2.705*** (.112)				
N. Observations	18,762	18,762	18,762	18,762	18,762	18,762				
N.countries	16	16	16	16	16	16				

*Comment:* ESS8, 2016. Significance levels \*<0.05 \*\*< 0.01 \*\*\*<0.001. The standard error is in parenthesis. The data is weighted, and the countries are clustered into a multilevel model, with regard to the fact that the answers is nested at level-2 (country level).

Now looking at the variables that measure European integration. These variables should be payed attention two since they have proven in the previous designs to be the ones that for one, give the other variables a stronger effect and two, make them turn from insignificant to insignificant. In this design the variables are the ones that are independent. First there is the variable that asks the respondent if they would want their country to remain or secede from the EU and then there is the variable that asks the respondent if they think that European unification has gone too far or should go further. If we first look at the variable that asks if the respondent would want their country to remain or secede from the EU, the effect decreases largely when the variable that measure European unification is introduced. The pattern is the same in this design where education, income, unemployment and the index serve as control variables.

## 8. Analysis

There are some things that can be seen from these results. The research question was to investigate and analyse potential explanations that European voters have towards a common welfare scheme. The reason behind the research problem is the fact that the social dimension has gained land during the years and especially since the pillars of the social rights was signed by the European leaders at the High level meeting in Gothenburg in 2017. The social dimension has gotten attention in the newly elected Commission under the lead of Ursula von der Layen.

In the research overview, it was clear that there was a large amount of research concerning European integration. Many of the authors that have gone through this have used the dataset from the Eurobarometer, from different waves. As been mentioned, there are obvious problems with validity about a variable that only measures European integration. Not much of the previous research has asked the question about attitudes that European voters have towards a European welfare scheme. One of the hypotheses that was to examine this question, was benchmarking. Europe and the EU include many states. Each state has their own welfare regime. Each state has their own way running a public economy and the public finances. This means that when European voters decide what their opinions towards a European welfare will be, they will first look at their national welfare and what they think about it. The hypothesis was that if you are satisfied with your country's domestic welfare, you would be negative towards a European welfare scheme. Why? Because the national welfare constitutes a reference. The better the reference, the harder it will be for a competing welfare scheme. The same logic works in a reversed way. The more negative you are with your country's welfare, the more you would be in favour of a European welfare scheme. The reasons why are several, for example the European welfare scheme could serve as a replacement if the national standards do not live up to your satisfaction. Hypothesis one did not include variables that measures how generous welfare states are and if that could be determinant in forming attitudes towards a European welfare scheme, since it is a completely different aspect. Those that live in states with generous welfare do not necessarily have to be satisfied with what it actually delivers. However, this hypothesis could be directly answered. The five variables that in this thesis constitutes the satisfaction of welfare were put together as an index. The idea with this index was to catch all aspects of the welfare: Unemployment, pensioners, education, health services and economy. This index turned out to be insignificant and therefore it cannot be drawn any conclusions if those that are satisfied with their welfare also are negative towards a European Union welfare scheme. The index turned significant when the two variables that measure Euroscepticism were

introduced, and for that reason the conclusion is that satisfaction is very conditioned by the opinions towards European integration. This relationship was further tested by including an interaction term, where the result showed that the effect of the index was increased and the variable that measure European Unification became insignificant. However, the best explanation, due to the results, was found in the European integration hypothesis. Satisfaction with the national welfare appear to be of less importance, and instead people that are opposed to European integration are also opposed to an EU welfare scheme. Those that are Eurosceptic will be so, even if they are or if they are not satisfied with their national welfare. Another conclusion can also be drawn from the "non-answer" when it comes to measure the satisfaction with the national welfare. This measurement is very broad. Of course, there are much deeper questions to ask, in all five areas. Though this gives a hint, but one would think it would be possible to make indexes for each of the respective five areas of satisfaction, and perhaps get a more precise measurement of satisfaction with national welfare.

To analyse the second hypothesis, the hypothesis was that those who score high on education, income and have a job would also be more positive towards a European welfare scheme. This seems somewhat contradictive since those that are "privileged" would not by first thought to care for welfare. This hypothesis was formed with regard to the previous research. There is much literature about the factors that forms opinions towards European integration. The word of contradiction is "integration" as previously stated, integration has had two meanings throughout the history of the European Union. The first and oldest meaning of the term is economic integration, for example simpler treading rules, common currency and free access to the internal market. However, the second meaning of the word, which has gained importance during the recent years not least, is the meaning of political integration. Political integration where more and more areas of policy is put at the European Commission, so as the social policy area, which have been, and is still a matter of national competence for the most part. With that said, the previous research guided the hypothesis and it proved to be wrong. Education was tested by making a variable that captured low education, medium education and high education. As the results showed, the variables of both medium and high education were insignificant and therefore there cannot be drawn any conclusions is education has an effect of the attitudes towards a common European welfare scheme. Income however had a negative effect and proved significant even without controlling for Euroscepticism. This indicates that those with high income are not in favour of a common welfare scheme at an EU level. As mentioned, it is not surprising to see the reason to that since those with high income are not the ones to be likely to be in need of the welfare, even though the hypothesis said otherwise. The variable that measure unemployment turned out to be significant and turned insignificant when the Euroscepticism variables were included. This indicates that the those who are unemployed are more in favour of a European welfare scheme, which also contradicts the hypothesis, that said that those who are well off are the ones that are most in favour of a common welfare scheme.

The ideology variable turned out to be strong and significant. The conclusions that can be drawn is that those that define themselves as ideologically right, are negative towards a European welfare scheme.

Looking at the variables that measure Euroscepticism. We can see both the variables showed positive and significant effects. The conclusion is that those that hold Eurosceptic opinions are also opposed to a European social benefit scheme. This is not very surprising, but what need to be said is that these variables contribute to make other variables significant. This is a sign that the hypothesis of Euroscepticism is the main hypothesis that predicts the other ones.

## 9. Conclusion

The goal of this thesis was to analyse attitudes towards a European welfare scheme. Starting in the high-level meeting in Gothenburg, where the leaders of the European Union committed to the document of the Pillar of social rights, a document with 20 principles that involved workers' rights and rights to basic health care services. The social dimension was also one of the six principles of the at the time the nominated leader of the European Commission, Ursula von der Leyen.

The social dimension of the EU has grown in content since the 1980s, very much due to the fact that new member states in the European community entered, states which did not have the same economic prerequisites. The research question for this thesis was to analyse which attitudes European voters have towards a common social benefit scheme. What do these attitudes depend on? If decision and policy makers understand the attitudes in a field of policy, they also understand how to design it and what mandate they have to design policies.

There is a vast field of previous research in this field of research. Much of the research has been done with regard to European integration. Not much research has been done in the field of welfare, and that is where this thesis fills a proper research gap. Yes, there is a study that was done in the 90s about welfare attitudes, and yes there is a study that was made about the Belgian electorate. But there is no study in recent years, in which several European Union countries and their citizens are included. The two major fields of attitudes have been researched are benchmarking and personal resources, as independent variables. Personal resources, which is used in this thesis, is a term that previous researchers have used and describes certain demographic variables. In this thesis, the term personal resources has been manifested in education, income, and unemployment. These three variables have been used in the previous research and therefore they are used in this thesis as well. Ideology was also one aspect that was gone through in the previous research.

*Benchmarking* means that voters use references when they drop their judgement about something. In this case the reference was the national welfare and the object of opinion was a European Union wide welfare scheme. *Egocentric utilitarianism/ personal resources* is basically how well-off people are in terms of education, income and employment.

The previous research and theory resulted in four hypothesises, each investigates the different explanations of the attitudes towards a European welfare scheme. The hypothesises purpose is

to answer the research question of the best explanations to the attitudes towards a European welfare scheme.

The method and design of this thesis has been a multilevel regression. This was decided after making the variance test, to test whether multilevel or cluster the country variable was the better design. The data that has been used is the European social survey round 8. The design of the thesis has been to test each hypothesis independently, and lastly to include all variable in one model. Each variable has been recoded so that the non-answers, don't know answers and refusals have been recoded away. The data has been weighted, with regard to the different size of the populations in the different countries and the different opportunities to take part in the survey between different countries. The logic behind choosing the dataset is that it includes all the relevant variables.

The results of the thesis are that the explanation of Euroscepticism is the best to explain the attitudes to the European welfare scheme. Euroscepticism that in this thesis is manifested with the variables that measures European unification at a 10-step interval scale and also if people would want their country to remain or secede from the EU. These two variables prove to be the strongest explanations since they make the other variables become significant. This in turn indicates that the question of a European welfare scheme is mainly seen as a further integration process and not primarily as a question of welfare.

For future research, more focus needs to be made to these different explanations. The question of European welfare and the social pillar is likely to increase in importance in the coming year. To investigate the theory of benchmarking, there would be a good idea to use data that further explore what people think about their own welfare. This thesis tried to conceptualize what people think of their own welfare, but it is very broad.

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## 11. Appendix

Table 7. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from an ordinary least squares regression.

OLS Regression									
EU social benefit scheme									
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9
Index	066***	065***	063***	063***	063***	073***	078***	078***	078***
	(.004)	(.004)	(.004)	(.004)	(.004)	(.004)	(.004)	(.004)	(.004)
Modium advection		09/***	072***	072***	072***	072***	066***	067***	077***
		(014)	(014)	(014)	(014)	(014)	(014)	(014)	(014)
		(.014)	(.014)	(.014)	(.014)	(.014)	(.014)	(.014)	(.014)
High education		061***	036*	036*	036*	068***	081***	083***	094***
5		(.016)	(.017)	(.017)	(.017)	(.017)	(.017)	(.017)	(.017)
			000***	000**	000*	0.4.0***	044***	044***	0.1.0***
Income			009^^^	008^^	008^	010^^^	011^^^	011^^^	013^^^
			(.002)	(.002)	(.002)	(.002)	(.002)	(.002)	(.002)
Unemployed				.108***	.109***	.115***	.109***	.110***	.093***
				(.023)	(.023)	(.023)	(.023)	(.023)	(.023)
Ideologically middle		Γ			023*	.028*	024*	024*	027*
					(.011)	(.011)	(.011)	(.011)	(.011)
Furopean Union member		1				.329***	.22***	218***	.219***
						(.014)	(.015)	(.015)	(.015)
						. ,	. ,	, ,	. ,
European integration							.045***	.045***	.044331
							(.002)	(.002)	2***
Gondor					-	-	-	025*	(.002)
Gender								.025	.025
								(.011)	(.011)
Age									.001
									(.002)
A no prove and									000
Age squeared									000
									(.000)
Intercept	3.053***	3.105**	3.136***	3.116***	3.127***	2.944***	2.835***	2.819***	2.863***
	(.021)	*	(.023)	(.024)	(.024)	(.025)	(.026)	(.026)	(.049)
		(.022)							
N observation	18,762	18,762	18,762	18,762	18,762	18,762	18,762	18,762	18,762
Adjusted R2	0.0179	0.0197	0.0205	0.0216	0.0218	0.0497	0.0700	0.0702	0.0710

Comment: ESS8, 2016. Significance levels \*<0.05 \*\*< 0.01 \*\*\*<0.001.. The standard error is in parenthesis.

Table 8. Attitudes towards a common European welfare scheme. The dependent variable is if the respondent is in favour of a European welfare scheme. Coefficients from an ordinary least squares regression with the countries clustered.

OLS Regression, countries clustered EU social benefit scheme

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9
Index	066** (.019)	065** (.018)	063** (.019)	063** (.019)	063** (.019)	073** (.017)	078*** (.016)	078*** (.016)	078*** (.016)
Medium education		084 (.041)	072 (.042)	073 (.041)	072 (.041)	073 (.038)	066 (.035)	067 (.035)	077 (.037)
High education		061 (.041)	036 (.036)	036 (.036)	036 (.036)	068 (.033)	081* (.031)	083* (.031)	094** (.032)
Income			009 (.007)	008 (.008)	008 (.008)	010 (.007)	011 (.007)	011 (.007)	013 (.008)
Unemployed				.108** (.035)	.109** (.036)	.115** (.033)	.109** (.032)	.110** (.032)	.093** (.031)
Ideologically middle					023 (.031)	028 (.031)	024 (.029)	024 (.029)	027 (.028)
European Union member						.329*** (.031)	.22*** (.026)	.218*** (.027)	.219*** (.027)
European integration							.045** (.011)	.045** (.011)	.044** (.011)
Gender								.025 (.014)	.025 (.014)
Age									.001 (.003)
Age squeared									000 (.000)
Intercept	3.053*** (.127)	3.105*** (.123)	3.135** * (.112)	3.116*** (.11)	3.127*** (.112)	2.944*** (.102)	2.835*** (.098)	2.819*** (.101)	2.863*** (.107)
N observation	18,762	18,762	18,762	18,762	18,762	18,762	18,762	18,762	18,762
R2	0.0179	0.0198	0.0208	0.0219	0.0221	0.0501	0.0704	0.0706	0.0716

Comment: ESS8, 2016. Significance levels \*<0.05 \*\*< 0.01 \*\*\*<0.001.. The standard error is in parenthesis.

The countries are clustered.