PUBLIC SUPPORT FOR AN EU- WIDE SOCIAL BENEFIT SCHEME: EVIDENCE FROM ROUND 8 OF THE EUROPEAN SOCIAL SURVEY (ESS)

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1. Introduction

An important aspect of most democratic societies is a welfare state with government funded services that offer financial protection to its citizens, paid for by taxes. This can encompass a whole set of services including healthcare provision, unemployment benefits, housing costs and pensions.

In the past decades, the European Union has gradually assumed a more active role in social policymaking (Falkner, 2016), but the extended European-style welfare state became substantially challenged due to a number of major economic, social and political developments.

Furthermore, longer-term challenges have been exacerbated by the shock of the banking crisis in 2008, which was quickly followed by an economic recession in 2009, and a longer-lasting fiscal and debt crisis in many European states.

In many welfare states, the challenges posed by the nearly universal trends of growing inequality, migration, ageing, globalisation and digitalization of work have been further aggravated by the recent economic crisis. At the same time, these trends put the sustainability of social policies under pressure and thus bring back to the political agenda discussions about policy reforms (Bonoli, 2005).

Many countries have experienced government-imposed austerity measures since the initial shadow of the 2008 economic crisis, and many areas of public expenditure have been stagnant, scaled back or cut completely.

This raises the question whether European respondents support this evolution, or whether they see the development of a Social Europe as a threat to their national welfare arrangements in order to assess whether financial restrictions on the welfare state in many countries have changed public attitudes towards it.

Furthermore, there is an ongoing European Union debate, ignited substantially by the unequal degree to which the economic crisis has hit the different countries in Europe. It regards the solidarity between Europeans, addressing the question of whether a redistribution of welfare from richer to poorer Europeans would be

necessary to create cross-European social cohesion, and would be politically and economically feasible.

Thus, the possibility to track, capture and investigate individuals' behaviours, values, beliefs and attitudes over time and across space has become increasingly relevant for the scholarly understanding of a rapidly changing social world.

The ESS Round 8 module "*Welfare Attitudes in a Changing Europe: Solidarities under Pressure*" makes it possible to shed scientific light on these debates.

2. Data and methods

The analysis is carried out using microdata from the quantitative research "*European Social Survey*" (ESS Data, 2016)[1].

The ESS is an academically driven cross-national survey that has been conducted in over thirty countries across Europe since its establishment in 2001.

It collects information on people's attitudes, beliefs and behaviour patterns in many European countries. It does so every two years in order to measure stability or change over time. Subjects covered in the ESS questionnaire include participation in society, religious and political beliefs, and (specific to the eighth round) welfare as well as climate change and energy.

In 2013, the European Social Survey (ESS) became a European Research Infrastructure Consortium (ERIC). The ESS ERIC is hosted by the United Kingdom with its headquarters at City University London. Other institutions that are part of the Core Scientific Team behind the ESS are: Leibniz Institute for the Social Sciences (GESIS, Germany), the University of Leuven (KU Leuven, Belgium), the Norwegian Centre for Research Data (NSD - Norwegian Centre for Research Data, Norway), the Netherlands Institute for Social Research (SCP, The Netherlands), the University of Ljubljana (UL, Slovenia) and the Universitat Pompeu Fabra (UPF, Spain).

The ESS source questionnaire contains a "core" module, which largely remains the same each round[2].

In each round, there are also two short "rotating" modules, which are developed by competitively selected, multinational questionnaire design teams in collaboration with the Core Scientific Team (CST).

In Round 8 these modules focus on:

• Public Attitudes to Climate Change, Energy Security and Energy Preferences, (new).

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[1] For more details: https://www.europeansocialsurvey.org.
[2] For more details: www.europeansocialsurvey.org/methodology/questionnaire.

• Welfare Attitudes in a Changing Europe: Solidarities under Pressure (repeat module with a number of new items).

The ESS Round 8 module "*Welfare Attitudes in a Changing Europe: Solidarities under Pressure*", fielded in 2016/17, only partly repeats the ESS Round 4 Welfare Attitudes module (fielded in 2008/09).

In particular, the core and rotating modules that form the backbone of the ESS questionnaires have addressed multiple topics, including attitudes toward the media, social trust, politics, democracy and citizen involvement; subjective well-being and human values; attitudes towards immigration; family, work and well-being, the timing of life and gender roles; economic morality, welfare attitudes and justice; public attitudes toward climate change.

More in details, the inclusion of the Welfare Attitudes in Europe module during Round 8 of the ESS, first of all allowed attitudes towards these services to be assessed in 23 countries, but also it addresses new solidarity questions fielded for the first time, most notably items assessing the introduction of a universal basic income (UBI) scheme and the implementation of a European Union-wide social benefit scheme.

Round 8 of the ESS (about 44,000 individuals aged 15 or older) was fielded in 23 countries: Austria, Belgium, Czech Republic, Estonia, Finland, France, Germany, Hungary, Iceland, Ireland, Israel, Italy[3], Lithuania, Norway, the Netherlands, Poland, Portugal, Russia, Slovenia, Spain, Sweden, Switzerland and the United Kingdom.
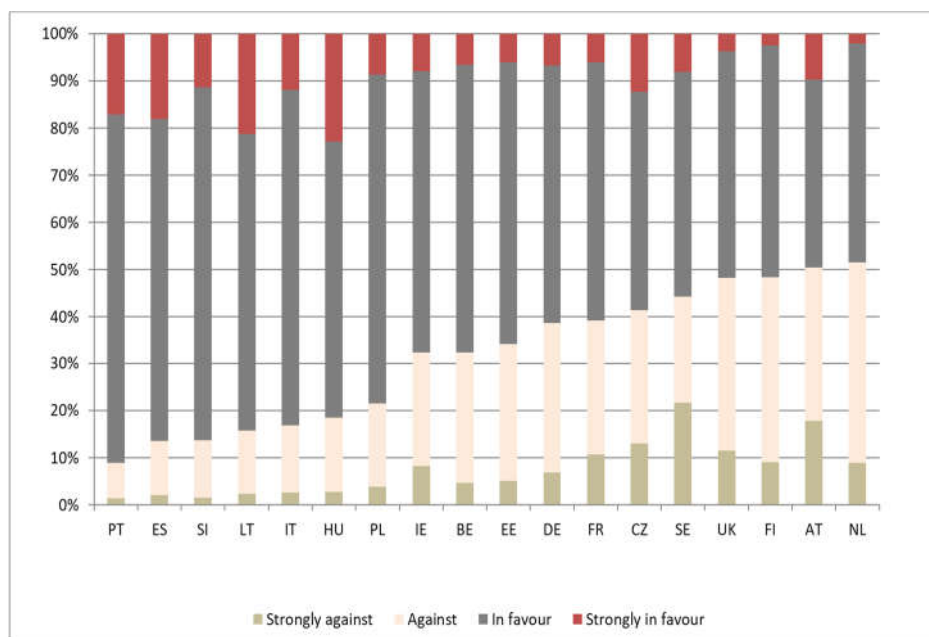
3. Results

The Welfare Attitudes module evaluates whether respondents think *the level of social benefits and services in their country would become higher or lower if more decisions were made by the European Union rather than by national governments* (item E37).

In general, 67,1% of Europeans express their support for an EU-wide social benefit scheme that would guarantee a minimum standard of living for the poor (in favour 58,2% and strongly in favour 8,9%)[4].

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[3] Italy has participated in the ESS on four occasions: in rounds 1, 2, 6 and in the recent round 8, collected between 2016 and 2017 and released in May 2018. In 2017, thanks to Inapp to carry out the survey, Italy returns to the ESS ERIC with the status of "full member". INAPP is National Institute for Public Policy Analysis, former ISFOL (National Research Institute for Vocational Education and Training Employment), that changed its company name in INAPP (Istituto Nazionale per l'Analisi delle Politiche Pubbliche – Public Policy Innovation) on December 1st 2016 (www.inapp.org).

[4] Please note that five extra-EU countries (Iceland, Israel, Norway, Russian Federation and Switzerland) are obviously excluded from this item.

Figure 1 – *Public support for an EU-wide social benefit scheme (% values).*

As shown in figure 1, Portugal is the most European country clearly in favour of a public support for an EU-wide social benefit scheme (individuals "in favour" and "strongly in favour" are more than 90%) followed by Spain, Slovenia, Lithuania, Italy and Hungary with a percentage between 80 and 90%. On the other side, the Netherlands are the most opposed country with less than 50% in favour (Cardone *et al*., 2019). This is why we have chosen this country as reference category in the logistic model shown below.

On average, three in ten Europeans (30,5%: people who is higher 27,2% and much higher 3,3%) believe that increased EU involvement would lead to higher or much higher levels of social protection (item E38). By contrast, 69,5% expect benefit levels to stay the same or become lower as a result of more European decision-making.

Despite these relatively widespread concerns about Social Europe, as explained previously, 67,1% of Europeans express their support for an *EU-wide social benefit scheme that would guarantee a minimum standard of living for the poor* (item E37).

Both attitudes are neatly aligned: in countries with strong expectations that Europeanisation will increase benefit levels, public support for an EU-level benefit scheme is comparatively strong as well (Figure 2).

Figure 2 – *Public support for an EU-wide social benefit scheme and expectations that Europeanisation will increase benefit levels (% values).*
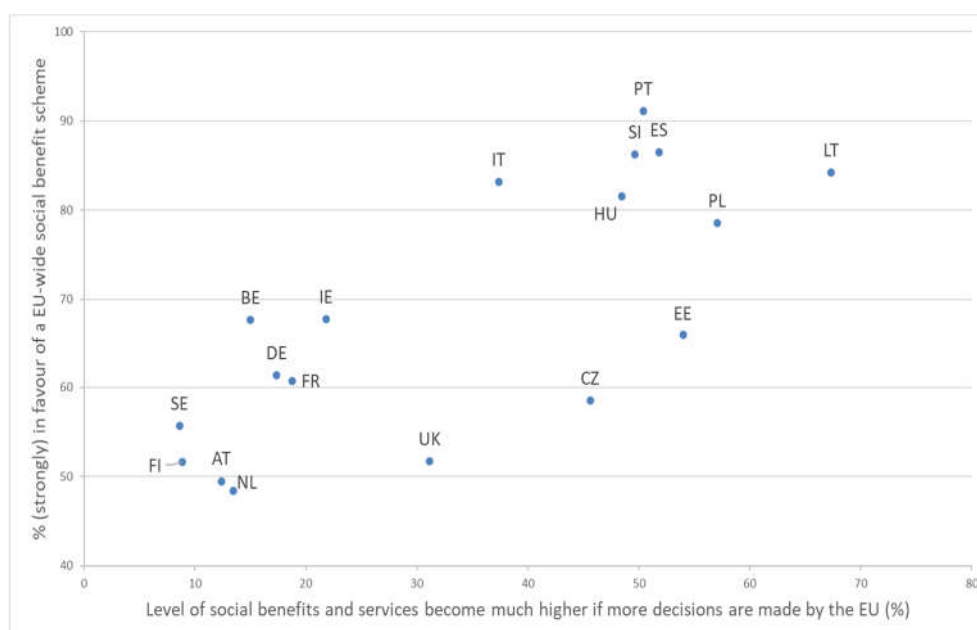
Source: own elaboration on ESS data Round 8.
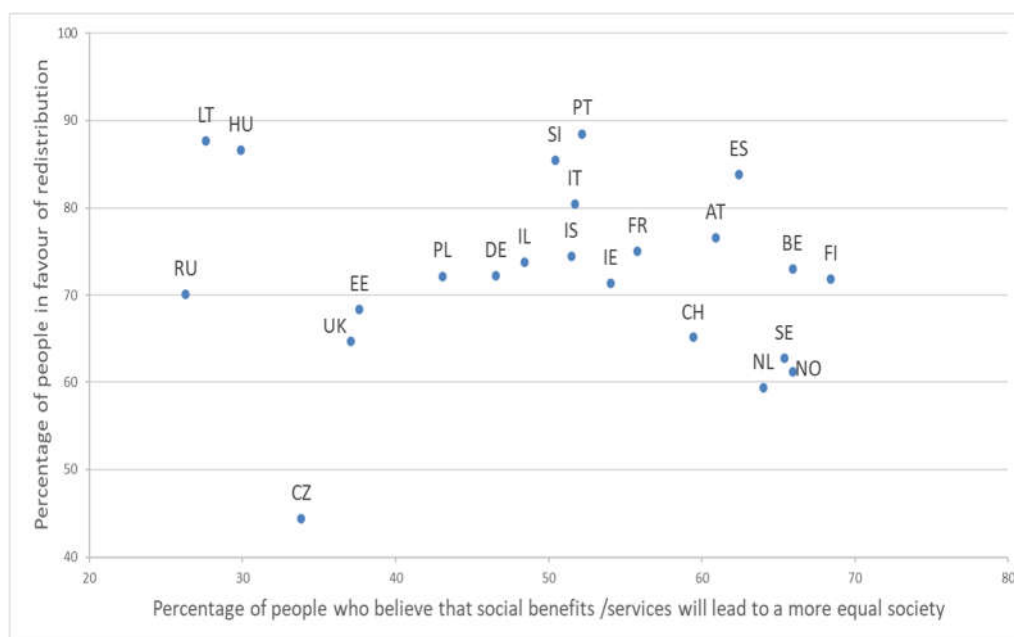*Note: Results are weighted for age, gender and education (pspweight).*
N (item E38) = 31.764. "*More decisions made by EU: level of benefits in [country] become higher or lower*". Question was answered on a 5-point scale: 'much higher', 'higher', 'neither higher nor lower', 'lower' or 'much lower'. The numbers refer to the percentage of people who is much higher or higher with the respective statement.
N (item E37) = 32.587. "*Against or in favour of European Union-wide social benefit scheme*". Question was answered on a 4-point scale: 'strongly in favour', 'in favour', 'against', 'strongly against'. The numbers refer to the percentage of people who is strongly in favour or in favour with the respective statement.

The generosity of national welfare systems is a crucial driver of the sizeable crossnational differences in attitudes towards Social Europe.

In the strongly developed Nordic welfare states, few respondents expect improvement from Europeanisation of social policy, and support for EU-level benefits is relatively low. In the Eastern and Southern European countries, where social expenditure is considerably lower, respondents more often see the EU as an agent that could improve social protection.

Solidarity with poor people, measured as the agreement with the statement "*the government should take measures to reduce income inequality"*, receives strong support all over Europe.

Figure 3 – *Average support for redistribution vs. the percentage of people who believe that social benefits/services lead to a more equal society (% values).*

Source: own elaboration on ESS data Round 8.
Note: Results are weighted for age, gender and education (pspweight).
N (item E11) = 42.894. The belief in the effectiveness of the social benefits system is measured by the agreement with the statement: "*Social benefits and services in [country] lead to a more equal society*".
N (item B33) = 43.715. The preference for redistribution is measured by the agreement with the statement: "*The government should take measures to reduce differences in income levels*".
Both questions were answered on a 5-point scale: 'agree strongly', 'agree', 'neither agree nor disagree', 'disagree' or 'disagree strongly'. The numbers refer to the percentage of people who agree or strongly agree with the respective statement.

In all countries except for the Czech Republic, more than 60 per cent of the population are in favour of redistribution (Figure 3).

If we look at how people perceive the effectiveness of the social benefits system in their country (i.e., whether they believe that social benefits will lead to more equality) we again find regional patterns, but not a strong overall relationship. People support the idea that the government is responsible for reducing income inequality (item B33) independently of whether they think the government's social services

will be successful (item E11). People in the Nordic countries are quite confident that social benefits will lead to more equality, whereas people in the Eastern European countries are at the other end of the scale.

In other words, Russians and Eastern Europeans are less confident that social benefits lead to more equality. In particular Russia stands out as a distinctive case, with only a quarter of the population (26,3%) believing in the equalising effects of their welfare state, which may also contribute to Russians not being as favourable of the idea of income redistribution as one would expect (only 70,1%), given the high level of inequality (the highest Gini Index) in this country (Ochsner *et al.*, 2018).

Using multivariate analysis (logistic regression models with Stata software) it was possible to estimate the different attitudes among countries for an EU-wide social benefit scheme more accurately. The model has been developed for EU citizens only and includes, first of all adults' socio-demographic characteristics (age, gender, number people living in the household, citizenship, domicile, education level, voted or not), secondly, economic and work-related (worked or not, total household income).

In order to achieve this goal, the dependent variable of this study is the "*social benefit scheme*" (equal to 1 if the individual is in favour, otherwise against).

Concretely, in the study analyzed variables are:
- *Gender*. Categorical. Dummy variable: Female, Male (reference cat.).
- *Country*. Categorical. Eighteen countries. Netherlands (reference cat.), Portugal, Spain, Slovenia, Lithuania, Italy, Hungary, Poland, Ireland, Belgium, Estonia, Germany, France, Czech Republic, Sweden, United Kingdom, Finland, Austria.
- *Domicile*. Categorical. Four levels. A big city/Suburbs or outskirts of big city (reference cat.); Town or small city; Country village; Farm or home in countryside.
- *Work*. Categorical. Dummy variable: Yes, No (reference cat.).
- *Income*. Categorical. Ten levels: 1st decile (reference cat.), 2nd decile, 3rd decile, 4th decile, 5th decile, 6th decile, 7th decile, 8th decile, 9th decile, 10th decile.
- *Household*. Categorical. Five levels: 1 individual (reference cat.), 2 ind., 3 ind., 4 ind., 5 ind. or more.
- *Vote*. Voted in the last election. Categorical. Dummy variable: No, Yes (reference cat.).
- *ISCED*. Categorical. Three levels: Low (Isced 0-1-2), Medium (Isced 3-4), High (Isced 5-6, reference cat.).
- *Age group*. Categorical. Three intervals. From 15 to 40; 40 to 60; over 60 (reference cat.).

First of all, we test the goodness-of-fit using a postestimation tool, the Hosmer-Lemeshow statistic. This test follows a chi-square distribution with the degrees of freedom equal to the number of groups minus 2. A not significant *p* value indicates that the model fits the data well since there is no significant difference between the observed and expected data (Liu, 2016). In this case, the Hosmer-Lemeshow chi-square test has a value of 8,06 with the degrees of freedom equal to 8. The associated *p* value is 0,4272 which is not significant. Therefore, the model fits the data well.

Logistic model for "*social benefit scheme*", <u>goodness-of-fit test</u>:
Number of observations = 32.042
Number of groups = 10
Hosmer-Lemeshow chi2(8) = 8,06
Prob > chi2 = 0,4272

Table 1 shows odds ratios of logistic model. The coefficients (*Beta*, not showed) can be expressed in odds by getting rid of the natural log. This is done by taking the exponential for both sides of the equation, because there is a direct relationship between the coefficients produced by logit and the odds ratios produced by logistic: a logit is defined as the natural log (base *e*) of the odds.

This fitted model says that, holding covariates at a fixed value, the odds of being in favour of a public support for an EU-wide social benefit scheme for female over the odds of being in favour of a public support for an EU-wide social benefit scheme for male (reference category) is 1,10. In terms of percent change, we can say that the odds for female are 10% higher than the odds for male. In other words, the hazard to be in favour of a public support for an EU-wide social benefit scheme is higher for female rather than male.

Regarding the citizenship, the odds of being in favour of a public support for an EU-wide social benefit scheme for all countries over the odds of being in favour of a public support for an EU-wide social benefit scheme for The Netherlands (reference category) is getting higher except for Austria (OR=0,89). Please note that the odds for Finland and United Kingdom are not significant (*p* value > 0,05).

The choice of the reference category is always for the extreme one since moving away from these categories, the risk increases (country, age, Isced, vote and household) or decreases (income and domicile).

Table 1 - *Logistic regression model.*

Variables		ODDS	Sign.
• Gender (Male=base)	Female	1,10	0,000
• Country (NL=base)	AT	0,89	0,050
	BE	2,03	0,000
	CZ	1,47	0,000
	DE	1,60	0,000
	ES	6,23	0,000
	FI	1,06	0,429
	FR	1,44	0,000
	UK	0,97	0,711
	HU	4,39	0,000
	IE	2,11	0,000
	IT	4,92	0,000
	LT	5,05	0,000
	PL	3,63	0,000
	PT	10,97	0,000
	SE	1,24	0,003
	SI	6,23	0,000
• Domicile (A big city/Suburbs=base)	Town or small city	0,90	0,001
	Country village	0,89	0,000
	Farm or home in countryside	0,81	0,000
• Work (No=base)	Yes	0,87	0,000
• Income (J - 1st decile =base)	R - 2nd decile	0,93	0,252
	C - 3rd decile	0,90	0,094
	M - 4th decile	0,88	0,041
	F - 5th decile	0,78	0,000
	S - 6th decile	0,83	0,006
	K - 7th decile	0,83	0,007
	P - 8th decile	0,70	0,000
	D - 9th decile	0,72	0,000
	H - 10th decile	0,70	0,000
• Household (Single person / lone parent=base)	2	1,12	0,002
	3	1,11	0,016
	4	1,08	0,088
	5 or more	1,12	0,056
• Vote (Yes=base)	No	1,09	0,014
	Not eligible to vote	1,29	0,000
• ISCED (High=base)	Low	1,17	0,000
	Medium	1,04	0,176
• Age group (Over 60=base)	15 – 40	1,14	0,001
	40 – 60	1,15	0,000
	cons.	1,06	0,443

Note: Number of obs = 32.042; LR chi2(44) = 3251,77; Prob > chi2 = 0,0000;
  Log likelihood = -18752,16; Pseudo R2 = 0,0798
Source: own elaboration on ESS data Round 8.

In particular, the hazard to be in favour of a public support for an EU-wide social benefit scheme is higher for young people (younger ones have more confidence than the elderly, "over 60" reference cat.) and for those who have a low education level (Isced 5-6 reference cat.). Moreover, it decreases with household income (1st decile reference cat.), for those who live in a small town/village or farm (big city reference cat.) and for workers (not workers reference cat.). On the contrary, the hazard to be in favour increases for those who do not vote or are not eligible (those who vote reference cat.) and for individuals who belong to families of 2 or more people (single persons/lone parents reference cat.).

4. Conclusions

The literature on the Europeanization of social protection has been mainly focused on labour market policies. In contrast, far less research has been devoted to the developments for an implementation of a European Union-wide social benefit scheme.

Besides the classic schemes of redistribution (i.e., towards the elderly, the unemployed, the sick) new solidaristic relationships are at the center of public debates. European respondents stand widely divided on new policy proposals, such as the implementation of an EU-wide benefit schemes.

The Welfare Attitudes module shows that 67,1% of Europeans express their support for an EU-wide social benefit scheme that would guarantee a minimum standard of living for the poor.

However, striking cross-national differences are present regarding these new proposals that challenge the foundations of the nationally bounded welfare state. In the more developed welfare states of Northern and Western Europe, there appears to be considerable reluctance to replace the existing arrangements. In Eastern and Southern Europe, dissatisfaction with current provisions is more widespread, and new proposals are looked at as an opportunity to improve living conditions. These findings evidence clear feedback effects of current institutional settings on welfare state legitimacy (see figure 2).

With regard to welfare opinions, we also find that countries often cluster in line with geographic regions, reflecting the fact that neighbouring countries tend to have similar levels of economic development and welfare systems (see figure 3).

The Eastern European group is less homogeneous, presumably because in the last 30 years the social policy reforms have rendered these welfare systems more as hybrids of different European regimes, rather than as an idiosyncratic regime type (Hacker, 2009).

These main research findings are also confirmed by the fitted logistic model. Finally, as previously seen, adults' socio-demographic, economic and work-related characteristics play an important role in order to be in favour of a public support for an EU-wide social benefit scheme.

Acknowledgements

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SUMMARY

Public support for an EU-wide social benefit scheme: evidence from Round 8 of the European Social Survey (ESS)

Over the years, European Union has gradually assumed a more active role in social policymaking. This raises the question whether European respondents support this evolution, or whether they see the development of a Social Europe as a threat to their national welfare arrangements. The ESS Round8 module - Welfare Attitudes in a Changing Europe: Solidarities under Pressure - makes it possible to shed scientific light on welfare debates. The inclusion of this module addresses new solidarity questions as this new module also includes some questions fielded for the first time, most notably items assessing the introduction of a universal basic income scheme and the implementation of a European Union-wide social benefit scheme. Using logistic regression model, it is possible to estimate the different attitudes among countries for an EU-wide social benefit scheme more accurately. Striking cross-national differences are present regarding these new proposals that challenge the foundations of the nationally bounded welfare state. In the more developed welfare states of Northern and Western Europe, there appears to be considerable reluctance to replace the existing arrangements. In Eastern and Southern Europe, dissatisfaction with current provisions is more widespread, and new proposals are looked at as an opportunity to improve living conditions.

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