Welfare state values in the European Union, 2002-2008

A multilevel investigation of formal institutions and individual attitudes

Ferry Koster and Monika-Ewa Kaminska

ABSTRACT

This paper investigates to what extent EU citizens support three dimensions of welfare state values – developed role of state, equal opportunities, and equal outcomes – and whether national level institutions and social policies can explain cross national variation in these values. Two different mechanisms are distinguished, namely that institutions can have a norm-shaping function and thus are associated with stronger public support or that the public opinion can function as a thermostat if they are dissatisfied with the current institutions. Using data from 150,000 citizens of 25 EU countries between 2002 and 2008 empirical evidence for both the norm-shaping and the thermostat functions are found. Theoretical and practical implications of these findings are discussed.

KEY WORDS: European Social Model (ESM), institutions, multilevel analysis, norm-shaping function, welfare state values, thermostat function

Several empirical studies examine people's attitudes towards government intervention and redistribution within the European Union (e.g. Svallfors, 1997; Lipsmeyer and Nordstrom, 2003; Finseraas, 2009). These international comparative investigations provide valuable insights into how such attitudes relate to welfare state institutions at the national level besides people's socio-economic and ideological position (Jæger, 2006; Larsen, 2006). These inquiries generated two different conceptualization of the relationship between national institutions and individual attitudes. First, institutions can have a *norm-shaping function* meaning that individuals internalize the norms in which these institutions are rooted (Rothstein, 1994). Empirically, this implies that the extent to which people support the welfare state is positively related to the national institutions of the welfare state. Secondly, it is possible that national institutions and social policies are negatively related to individual welfare state support. According to this hypothesis, public opinion can have a *thermostat function* if people are not satisfied with the current situation (Wlezien, 1995). The thermostat function applies to two situations. On the one hand it may result from dissatisfaction with a too extensive welfare state and accompanying institutions, decreasing levels of public support for the welfare state. The other possibility is that demand for social protection is higher in countries with a less extensive welfare state. The norm-shaping function and the thermostat function are two distinct mechanisms referring to two different kinds of individual attitudes, namely satisfaction with the current state (the norm-shaping function) versus a preference for changing the present situation (the thermostat function). Both kinds of attitudes are included in the empirical analyses reported in this study to increase our understanding of the relationship between national institutions and individual values.

Investigating how welfare state institutions relate to individual attitudes requires a framework to classify these institutions. Within the EU, discussions about the welfare state are closely related to the concept of the European Social Model (ESM). From a policy

perspective, the ESM is a construct to guide discussions concerning the social dimension of European integration (European Commission, 1994). Although the ESM is helpful for that purpose, academics have viewed the term with skepticism. Researchers for example debate whether the EU welfare state fundamentally differs from models outside the EU and whether the ESM is driven by national governments or requires EU regulations. And those who are very critical of the ESM argue that it is nothing but a political construction intended to legitimize EU institutions (Jepsen and Serrano Pascual, 2005). As such, there is not an agreed upon definition of what the ESM is and how it relates to EU welfare states. Clearly the ESM may be less developed than is sometimes claimed and it may also be more politicized than sometimes admitted. This does, however, not mean that the ESM construct is completely useless. An important feature of it is that it offers a benchmark against which national institutions can be compared to investigate whether EU member states indeed share certain characteristics such as solidarity and equality. To date, investigations of welfare state models within the EU have concentrated on the national level. For example, prior ESM research focuses on differences within the EU regarding social policies and labor market activation, whether or not there is welfare state convergence within the EU, and the extent to which the European Employment Strategy (EES) and the Open Method of Coordination (OMC) have an impact on domestic institutions (Rhodes, 1995; Greve, 1996; Scharpf, 1997; Leibfried, 2000; Bouget, 2003; Radaelli, 2003; Pollack, 2005; López-Santana, 2006; Alsasua, Bilbao-Ubillos and Olaskoaga, 2007). In these national level studies the tacit assumption is that national policies and institutions reflect the values underlying welfare state systems of EU countries. Nevertheless, whether these values are also shared and supported by the public received little attention to date. Clearly, this is not to argue that there is no knowledge about the opinions and behavior of EU citizens and their relation with European integration available at all (see for example Mau, 2005; Finseraas, 2009; Kumlin, 2009; Koster, 2010), but it is to say that

this information has not explicitly been interpreted as support for values underlying EU welfare states. What is more, the existing literature does not inform us about whether and how these attitudes of EU citizens are related to welfare state institutions at the national level. The present study aims at filling this gap in the literature. It does so by focusing on three of the four ESM value dimensions formulated by Giddens (2007), namely (1) developed role of state; (2) equal opportunities; and (3) equal outcomes (the fourth dimension, namely participation and consultation cannot be investigated due to lack of data) across 25 EU countries. The four rounds of the European Social Survey (ESS) that have been collected between 2002 and 2008 provide data about individual attitudes towards the three welfare state values. The first two – attitudes about the role of the state and those regarding equal opportunities – reflect citizens' satisfaction with the current situation and allow to draw conclusions about the norm-shaping function and the third dimension – equal outcomes – refers to people's preference towards changing the current situation and thus allows for conclusions about the thermostat function. These responses from almost 150,000 EU citizens are related to the corresponding institutions and characteristics of their country, for which data are available through the Eurostat database, and the Quality of Government (QoG) database.

Values underlying EU welfare states

One of the assumptions of the ESM literature is that EU member states share certain core values, which are rooted in normative believes about a just society. These normative believes in turn shape the welfare states of these countries. Certainly, numerous values may be relevant to define EU welfare states. Here the focus is on the following set of values that are distinguished in previous work and that are considered to be the most relevant ones for social policies within the EU (Giddens, 2007):

(1) Protection of the most vulnerable through active social intervention (*developed role of state*). People's risks can be covered through different mechanisms, namely the market, the government, and the community. Markets are based on voluntary insurance, social protection through the government is based on compulsory insurance, and voluntary solidarity is found within communities (Bowles and Gintis, 1996; Koster, 2009). Given that all three options are viable ways to cover risks, the main rationale for government intervention is that it can provide solutions that are more difficult to reach through markets or communities. When markets fail, for instance because of adverse selection and moral hazard, governments can actively try to correct these failures. And, likewise, governments can organize solidarity if it cannot be created through the community.

(2) Providing a rich framework of social and economic citizenship rights for the population as a whole (*equal opportunities*). The second dimension of welfare state values refers to extent to which citizens are granted social and economic rights. This dimension includes core values of welfare state systems such as non discrimination and social inclusion. Securing these rights is a precondition for ensuring that every citizen has access equal to public goods such as education and social protection.

(3) Containing the inequalities that might threaten social solidarity (*equal outcomes*). This dimension of welfare state values also refers to the level of equality in society. Nevertheless, instead of the making sure that individuals have equal opportunities, this aspect of the ESM emphasizes the importance of an equal distribution of resources across society. This dimension represents the value of a fair distribution of resources across countries, which may require national policies to arrive at.

National institutions and individual attitudes

National level studies of welfare states in the EU show that the extent to which the national policies reflect the three values outlined above varies between countries. The question asked in this paper is whether this cross national variation is related to the values of EU citizens. It should be noted that it is not the intention to argue that there is a causal arrow running from the domestic policies to individual attitudes. This means that it is not possible to test whether something like a "Europeanization of social policies" is taking place consisting of processes of construction, diffusion and institutionalization of formal and informal rules, procedures, policy paradigms, styles, 'ways of doing things', and shared beliefs and norms which are first defined and consolidated in the EU policy process and then incorporated in the logic of domestic (national and subnational) discourse, identities, political structures, and public policies (Radaelli, 2003). The starting point of the present analysis is somewhat more modest. Most and for all, it aims at investigating the relationship between formal institutions and individual attitudes based on the following argument: if welfare state institutions and their underlying values vary across EU member states and if national social policies influence people's attitudes towards these national institutions, then the cross national variation in institutions can be an explanation of international differences in welfare state attitudes. Therefore, the main question that this article addresses is to what extent the EU citizens endorse the ESM-related welfare state values whether these attitudes are related to national level institutions.

In prior research the relationship between national level policies and individual attitudes has been approached from two different angles. First, as several authors argue, national level institutions such as welfare state systems can have a norm-shaping function (Esping-Andersen, 1990, 1999; Rohstein, 1994; 1998; Svallfors, 1997; Blomberg and Kroll, 1999; Jæger, 2006). The basic premise on which these studies are based is that citizens internalize the norms inhibited by the extensive and generous welfare state (Mau, 2003).

According to this view, welfare state systems are important means for generating public support by influencing individual preferences for extensive social policies. This implies that a close relationship between national welfare state institutions and the attitudes of citizens is expected to exist. If the welfare state is extensive and generous, the level of support will be high and, according to the same logic, support for the welfare state will be lower in countries with less developed welfare state institutions. Considered dynamically, extensive welfare states create increasing support for government intervention and the provision of social support, while less developed welfare states remain undeveloped. Applying this argument to the relationship between formal institutions of a country reflecting the ESM values and individual attitudes leads to the following hypothesis. *"There is a positive relationship between national level welfare state institutions and people's support for the values underlying them"* ***(Hypothesis 1)***. Although the norm-shaping function assumes that national institutions affect individual attitudes, it cannot be excluded that a positive relationship between them results from individual attitudes affecting national institutions. Clearly, this feedback loop is also expected to exist as it is argued that national institutions create welfare state support, thus further legitimizing the present institutions. Nevertheless, it should be noted that the present analysis does not allow claiming that national institutions *cause* support for the welfare state. Instead, the argument is that the values embedded in the national institutions are closely related to the individual attitudes towards them. For the moment it is stated that for the norm-shaping hypothesis to hold, it is at least required that national institutions and individual attitudes are positively related.

A different set of theories also start from the premise that national level institutions and individual attitudes are related, but they emphasize a different relationship between institutions and attitudes. According to this view, public opinion can function as a thermostat (Soroka and Wlezien, 2010). Basically, this function is at work if the public has a preference

for changing the current welfare state institutions of a country. Such a response of the public to existing institutions can be explained by people's dissatisfaction with the performance of the welfare state institutions of their country and disapproval regarding negative welfare state outcomes like the creation of welfare state dependent citizens, but also by a heightened demand for social protection when provisions are lacking (Edlund, 2006; Kumlin, 2007; Gingrich and Ansell, 2009; Hansen and Lofstrom, 2009). With regard to the first two problems from which welfare states may suffer it can be argued that support for government intervention ultimately depends on how well the interventions work in practice. If the majority of the citizens believes that those benefiting from the social provisions available in their country no longer need support or that government intervention provides a disincentive for people to take initiative and care for themselves, it is likely that the overall support for the welfare state declines. As a result, it is possible that the public supports social policies for a certain period of time, but that this support may be temporary and can turn into resistance if it evolves too far in the eyes of the citizens. The tendency to change the current situation can also result in increasing demand for social protection if national welfare state institutions are not developed enough according to the public. This response to national institutions is likely to be a result of an underinvestment in institutions leading citizens to be more in support of government intervention. Following this line of argument, people may be more supportive of social protection in countries with less developed welfare state institutions because they want their government to improve the present situation, which is characterized by a lack of social provisions. With regard to social policies, this implies that public support is higher in countries with generous provisions than in countries with less generous provisions. Applied to the relationship between the welfare state institutions and individual attitudes the following is hypothesized. *"There is a positive relationship between national level welfare state institutions and people's preference for reducing the welfare state"* ***(Hypothesis 2)***.

METHOD

Data

This study investigates the relationship between national institutions and individual attitudes. To that end, data from different sources are combined to test the two hypotheses. The individual level data are available through the European Social Survey (ESS). The ESS aims at investigating the attitudes, beliefs, and behavior of people living in Europe. The first round of this biannual survey was conducted in 2002 and recently the data from the fourth round were released. The ESS questionnaires contain a core module of questions that are asked in every round and a rotating module with questions that are specific to that particular round of the ESS. The items that are investigated in this paper belong to the core module and therefore it is possible to combine data from different rounds. To exploit the potential of the data to the fullest, all four rounds are combined, creating a dataset including information about 149,968 citizens living in 25 EU countries. The number of respondents per countries and ESS round are summarized in Table 1.

[TABLE 1 ABOUT HERE]

These individual level data are merged with data measuring national welfare state institutions and other country characteristics. The Eurostat database and the Quality of Government (QoG) database include data about the economic situation and the income distribution at the national level.

Measures

Dependent variables. This study investigates three dependent variables measured at the individual level. Two of these dependent variables – developed role of state and equal opportunities – allow to investigate the norm-shaping function of institutions and the third dependent variable – equal outcomes – aims at investigating the thermostat function of individual attitudes as it provides information about people's preference towards changing the present situation. The variable indicating people's attitude towards the welfare state value *developed role of state* is measured with an item asking respondents to rate how important they think it is to live in a country with a strong government. The ESS contains a number of questions in which a hypothetical person is described and respondents are asked to indicate how much they are similar to that person, based on Schwartz (1992) theory of human values. Two of these human values, namely the security and the universalism dimension, are of interest here as they reflect two ESM dimensions. One of the items is worded as follows: "It is important to him/her that the government ensures his/her safety against all threats. (S)he wants the state to be strong so it can defend its citizens.". The original answer categories run from (1) "very much like me" to (6) "not like me at all" and are reversed. A higher score indicates that a person is more in favor of a strong state. The attitude towards the welfare state value *equal opportunities* is measured in a similar way as the developed role of state item. Again, respondents are asked how close they are to an imaginary person described in the ESS. The item is formulated as follows: "(S)he thinks it is important that every person in the world should be treated equally. (S)he believes everyone should have equal opportunities in life.". The original answer categories (1) "very much like me" to (6) "not like me at all" are reversed. A higher score indicates that a person is more in favor of equal opportunities. The third welfare state value, *equal outcomes*, is measured with an item asking respondents to indicate on a five-points scale from 1 (agree strongly) to 5 (disagree strongly) whether they agree with the statement that "The government should take measures to reduce differences in

income levels". The item is reverse coded. A higher score indicates that people are more in favor of changing the existing level of income inequality in their country.

Independent variables. The indicators measuring the welfare state values at the individual level are related to their institutional counterparts at the national level. At the national level the following variables are included in the analyses. The welfare state value *developed role of state* is measured with the level of social spending per GDP of a country. The gender pay gap is used as an indicator of the *equal opportunities* value at the national level. The welfare state value *equal outcomes* is measured with the gini coefficient, indicating the level of income inequality within a country.

It is possible that the different welfare state values are closely related and they may even form a single normative dimension. Computing correlations between the indicators is a first check to investigate whether the three welfare state values belong to a single dimension or not. The scores of the individual attitudes are aggregated to the national level. Support for a strong state is positively but not significantly related to support for equal opportunities (r = 0.26, n.s.) and is positively and significantly related to support for government redistribution (r = 0.66, $p < 0.01$). The welfare state values regarding support for equal opportunities and support for government redistribution are positively but not significantly related to each other (r = 0.29, n.s.). With regard to the welfare state indicators it turns out that social spending and the gender pay gap are negatively but not significantly related to each other (r = -0.04, n.s.) and positively and significantly related to the gini coefficient (r = -0.56; $p < 0.01$). The gender pay gap and the gini coefficient are negatively but not significantly related (r = -0.16, n.s.).

From this analysis it is concluded that the welfare state values *developed role of state* and *equal outcomes* are related. This holds for the attitudes of citizens as well as the national institutions of the welfare state. However, at both levels measures of the welfare state value *equal opportunities* are not related to the other two values. Furthermore, the individual level

measures developed role of state and equal outcomes are intended to measure two different aspects of the relationship between institutions and attitudes, namely the norm-shaping and the thermostat function. Therefore, the different dimensions are not integrated into one single measure of welfare state values and in the remainder of the analyses the welfare state values are investigated separately.

Control variables. Several control variables are included in the analyses to account for national and individual characteristics that may have an impact on the different dependent variables measuring the welfare state values. A common feature of the countries in the sample is that they belong to the EU, but apart from that they may vary according to several characteristics. The level of economic wealth may be among the major country level variables affecting people's attitude towards different dimensions of the welfare state. To control for that possible influence the national level variable *GDP per capita* is included in the analyses. At the individual level, control variables are included measuring the respondent's *gender* (0 = male; 1 = female), *age* (in years), because people's value may not just be linearly related to age, the squared term of age (age^2) is also included, *educational level* (years of schooling), and *political interest*. Political interest in measured on a four-point scale, ranging from (1) not at all interested to (4) very interested. The variable is reversed and a higher score thus indicates a higher level of political interest. Table 2 provides an overview of the descriptive statistics of the independent variables and the control variables.

[TABLE 2 ABOUT HERE]

Analysis

The analyses performed here relate national level indicators to individual level outcomes. Such a nested structure of the data cannot be investigated using ordinary least squares (OLS)

regression analysis as it requires single level data. Multilevel regression analysis is applied to deal with the fact that the data are measured at different levels of analysis. Furthermore, the analysis technique allows to control for developments through time. Since countries are measured at different points in time, it is necessary to take into account that the data from the different rounds are not completely independent from each other. Therefore, a three level model is investigated, distinguishing between the individual level (Level 1), the country level (Level 2), and the time trend (Level 3). The resulting model allows to investigate the explained variation at each of these levels. A full random intercept and slopes model is estimated, allowing for complex variation at these different levels (Rasbash, Steele, Browne and Prosser, 2005).

The analyses are performed with four distinct models, each investigating one of the four ESM dimensions. The four models are examined in three subsequent steps. First an empty model is computed (Model a). This model informs us about the variance components at the different levels of analysis (individual, country and ESS round) and provides the initial log likelihood statistic that serves as a base model to evaluate the fit of the consecutive models. In de second step (Model b) the control variables are added to the model. The third model (Model c) investigates the relationship between the national level institution and the individual outcome variable. The models examining strong state, solidarity, and cohesion are analyzed using a linear model. Since the variable political action is a categorical variable, this variable is analyzed using a logistic multilevel model. Changes in the fit of the model are assessed by computing the deviance using full information maximum likelihood (Snijders and Bosker, 1999). The parameters in these models are estimated by the maximum likelihood method (Goldstein, 2003) and the regression coefficients are tested by Wald tests (Snijders, 2003).

RESULTS

Descriptive results

First some descriptive results are presented to provide more insight in the extent to which and how the values of EU citizens towards the three welfare state values vary across countries and the extent to which they relate to the corresponding institutions at the national level. These descriptive analyses are based on the mean scores of the three welfare state values per country.

Figure 1 shows the results for the value *developed role of state*. Figure 1 shows that there is more support for a strong state in countries such as Greece, Cyprus, and Italy, whereas the citizens of Sweden, Denmark, and the Netherlands report a considerable lower score on this variable. Secondly, the lowest level of social spending is found in Latvia, Estonia, and Romania and Sweden, France and Denmark have the highest level of social spending. Third, regarding the relationship between these two variables measuring the welfare state value developed role of state, Figure 1 shows that there is a negative relationship between the level of social spending and the mean level of support for a strong state.

[FIGURE 1 ABOUT HERE]

In Figure 2 the mean scores of the value *equal opportunities* are reported. The citizens of Greece, France, and Spain are most strongly in favor of equal opportunities and those living in Denmark, Latvia, and Estonia report the lowest level of support for this welfare state value. Furthermore, the gender pay gap turns out to vary considerably across the EU. The gap is low in Italy and the highest gap is found in Estonia. The size of the gender pay gap is slightly negatively related to the national level mean of people's attitude towards the welfare state value equal opportunities.

[FIGURE 2 ABOUT HERE]

The two indicators measuring the value *equal outcomes* are presented in Figure 3. Support for a reduction of income inequality by the government is high in Greece and Hungary. People living in the Netherlands and Denmark are far less in favor of reducing the level of income inequality. The actual level of income inequality, measured with the gini coefficient, is high in Portugal and Romania and low in Slovenia and Denmark. The two indicators turn out to be positively related at the national level: the mean level of support for income redistribution is higher as the distribution of income is more unequal.

[FIGURE 3 ABOUT HERE]

Multilevel regression results

The bivariate results reported in Figures 1 through 3 show how welfare state institutions and citizen's attitudes are related at the national level, the additional multilevel analyses take into account that individual responses vary within countries. Furthermore, it allows to account for the effects of individual and national level control variables and the possibility of a time trend affecting the outcomes. The results of the 3 multilevel regression models are reported in Tables 4, 5, and 6.

The models include the same control variables. The results for the control variables are as follows. At the national level, GDP per capita is positively related to individual support for equal opportunities but not to the other two welfare state values. This finding indicates that there is a weak positive relationship between the economic prosperity of a nation and support

for welfare state values. Nevertheless, it is also clear that the wealth of a country is not the only factor explaining individual attitudes towards the three welfare state values.

At the individual level, the following results are found. Women are more in favor of a strong state, equal opportunities, and government redistribution than men. Age is positively related to the developed role of state and equal outcomes, and negatively related to equal opportunities. There is a positive curvilinear relationship between age and developed role of state and equal opportunities indicating that both younger people and older people are more in favor of these ESM dimensions than persons belonging to the middle age group. The educational level of respondents is positively related to equal opportunities and negatively related to developed role of state and equal outcomes. Political interest is positively related to developed role of state and equal opportunities and negatively related to the welfare state value equal outcomes. These outcomes show that individual characteristics are related to people's attitudes regarding the welfare state values. However, the effects of the individual level variables are far from consistent for all dimensions. In sum, the individual level results suggest that the different welfare state values are not explained by the same individual level characteristics.

The final models reported in Tables 3, 4, and 5 (Models 1c to 3c) investigate the relationship between the individual attitude towards the three welfare state values and the corresponding national level institutions. With regard to the dimension *developed role of state* (Table 3), it turns out that the level of social spending is negatively related to support for a strong state (Model 1c). The dimension *equal opportunities* is investigated in Table 4. Model 2c shows that the gender wage gap is negatively related to support for equal opportunities; the wider the gap, the less support there is for this welfare state value. The relationship between the income inequality and support for government redistribution is examined in Model 3c of

Table 5. With regard to the value *equal outcomes* the table shows that support for government redistribution is higher if the income distribution is more unequal.

[TABLE 3 ABOUT HERE]

[TABLE 4 ABOUT HERE]

[TABLE 5 ABOUT HERE]

The final models provide insight into the research hypotheses. With regard to the norm-shaping function, the empirical results show that the welfare state value *equal opportunities* is in accordance with this function while this mechanism does not apply to the dimension *developed role of state*. To some extent, this can result from the way in which the survey questions are formulated in the ESS. The item measuring developed role of state emphasizes a strong role of the state in providing an overall level of security within a country, while the equal opportunities item refers to a more general statement about equality. It is possible to criticize the security value on grounds that it is not specifically about welfare state values. However, this measure does follow the ESM dimension concerning the importance of having a strong state. Moreover, other work that explicitly relates the size of the welfare state with welfare state support also reports a negative relationship (Koster, 2009), indicating that taking a different dependent variable does not have to lead to other results. Still, there is the possibility that the outcomes would be different if a more inclusive national level indicator of a strong state were included in the analyses. For the moment, the conclusion is that the norm-shaping function receives mixed empirical support. With regard to the thermostat function, the results show that more income inequality is associated with a stronger preference for

income redistribution through the state. As such, this finding supports the hypothesis about the thermostat function of national institutions as citizens indicate that they prefer a change of the actual level of income inequality. However, it should also be noted that this involves more support for government intervention rather that a reduction of welfare state institutions. In particular, the finding shows that citizens are more in favor of income redistribution by the government as the level of income inequality is higher. This does support hypothesis that there is a thermostat reaction, however, in the opposite direction as expected.

DISCUSSION AND CONCLUSION

It is often claimed that the welfare states in the EU are based on a distinct set of values concerning the role of the state, social cohesion, and solidarity. To date, a large share of the empirical investigations of EU welfare states focused on national level characteristics such as welfare state regimes and active labor market policies. Therefore, what these prior studies investigate are the values as they are transformed into formal institutions and social policies. Nevertheless, this state of affairs means that the values of the public are only indirectly taken into account, namely through the democratic process of national elections. Clearly, the result of this is important for understanding changes in social policies within the EU and the question in what direction these formal institutions move, but as it is not clear how they are related to the attitudes of EU citizens it is not possible to say anything about the legitimacy of welfare state institutions in the EU, the sustainability of these policies in the longer run, and how the relationship between formal institutions and individual attitudes can be explained. In this paper, two mechanisms are distinguished and empirically investigated, namely the norm-shaping function of institutions and the thermostat function of individual attitudes. According to the first mechanism, institutions affect individual preferences and can create their own support and the second mechanism focuses on the possibility that institutions may undermine

support as they create dissatisfaction and a preference for change. The outcomes of the empirical analyses, in which the three welfare state values developed role of state, equal opportunities, and equal outcomes are investigated, show that both mechanisms are at work to some extent. The findings of this study have a number of theoretical and practical implications and also raise new questions for future research.

One of the outcomes of this study is that different kinds of welfare state values can be distinguished. The welfare state values developed role of state and equal outcomes seem to be related to each other, even though the first refers to the norm-shaping function and the second to the thermostat function, and that both differ from the equal opportunities dimension. A simple correlation analyses already shows these differences, which were confirmed when attitudes towards these welfare state values were related to individual characteristics of the respondents. As a result, it can be argued that the welfare state consists of different underlying welfare state values. Each of these values may be supported by different groups, as was found in the multilevel analyses. As a consequence, the analyses show that it may be more sensible to regard EU welfare states as a combination of different values rather than as a single model. Future studies may further elaborate on the question which relevant welfare state dimensions can be distinguished.

That both the norm-shaping and the thermostat function partly explain the relationship between welfare state institutions and individual attitudes is relevant for policymakers and researchers alike. From the point of view of national policies, this study offers the conclusion that citizens in extensive welfare states dislike a strong state and those who live in a country with large income differences like their government to redistribute financial resources. A negative interpretation of this finding is that governments will never be able to do the right thing according to their citizens. On the positive side, it means that governments may have the means to increase people's satisfaction by monitoring institutional developments and

correcting them using policy instruments. This does apply to the situation within a single country. If there are signs that the welfare state is not functioning properly, it is likely that it loses its support from the public and actions may be taken to align national institutions and individual attitudes. And, if income differences become too large, it may be time to take measures reducing these differences. From a research perspective this also means that the norm-shaping function and the thermostat function are not mutually exclusive and may be present at the same time. Future studies may be geared towards understanding how these two functions work out dynamically. The second contribution concerns the interpretation of welfare state attitudes. So far, in many studies welfare state attitudes are interpreted as *support* for the welfare state. The thermostat function found in this study may thus be viewed as declining public support in developed welfare states. Although this may be true, it should be noted that it is also possible to interpret the findings in terms of welfare state *demand*. Following that second interpretation focuses much more on the less developed welfare states in which people want their government to improve social protection. Certainly, both support and demand may be at work at the same time. Future research may focus on the question which of these forces affects national welfare state institutions the most and how they function in well-developed and less-developed welfare states. Such studies will benefit from extending the norm-shaping and thermostat reactions investigated here using absolute and relative measures of individual preferences. Finally, it should be noted that the present analysis is static in nature, relating national institutions and individual welfare state investigating data from a cross section of EU countries. As more rounds of the ESS are collected, the possibilities of extending the analyses of this study and applying a more dynamic framework increase, which should enable researchers to investigate the mutual influence of national welfare state institutions and individual attitudes in even greater detail.

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NOTES

Ferry Koster is associate professor at the Sociology department of Erasmus University Rotterdam, the Netherlands and is a researcher at Leiden University and the Amsterdam Institute for Advanced Labour Studies (AIAS), the Netherlands.

Monika-Ewa Kaminska is a researcher at the Center for Global Health and Inequality, Faculty of Social and Behavioral Sciences, University of Amsterdam, the Netherlands.

CORRESPONDENCE

Ferry Koster

Department of Sociology, Erasmus University Rotterdam

Burgemeester Oudlaan 50, PO Box 1738, 3000 DR Rotterdam, The Netherlands

Tel: +31(0)10-408 2231

E-mail: koster@fsw.eur.nl

Website: www.ferrykoster.nl

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TABLES

Table 1. Number of respondents per wave and per country

	Round 1	Round 2	Round 3	Round 4	Total
Austria	2,257	2,256	2,405		6,918
Belgium	1,899	1,778	1,798	1,760	7,235
Bulgaria				2,230	2,230
Cyprus				1,215	1,215
Czech Republic	2,040	3,026		2,018	7,084
Denmark	1,506	1,487	1,505	1,610	6,108
Estonia		1,989	1,517	1,661	5,167
Finland	2,000	2,022	1,896	2,195	8,113
France	1,503	1,806	1,986	2,073	7,368
Germany	2,919	2,870	2,916	2,751	11,456
Greece	2,566	2,406		2,072	7,044
Hungary	1,685	1,498	1,518	1,544	6,245
Ireland	2,046	2,286	1,800		6,132
Italy	1,207	1,529			2,736
Latvia				1,980	1,980
Luxembourg	1,552	1,635			3,187
Netherlands	2,364	1,881	1,889	1,778	7,912
Poland	2,110	1,716	1,721	1,619	7,166
Portugal	1,511	2,052	2,222	2,367	8,152
Romania				2,146	2,146
Slovakia		1,512	1,766	1,810	5,088
Slovenia	1,519	1,442	1,476	1,286	5,723
Spain	1,729	1,663	1,876	2,576	7,844
Sweden	1,999	1,948	1,927	1,830	7,704
United Kingdom	2,052	1,897	2,394	2,352	8,695
Total	**35,784**	**40,699**	**32,612**	**40,873**	**149,968**

Source: ESS

Table 2. Descriptive statistics for independent variables

Variable	Source	Range	Mean	Standard Deviation
Individual level				
Gender	ESS	0/1	0.54	
Age	ESS	14 - 96	46.89	18.47
Educational level	ESS	0 - 30	11.89	4.07
Political interest	ESS	1 - 4	2.36	0.90
National level				
GDP per capita (*1000)	Eurostat	94 - 547	230.99	78.89
Social spending (*1000)	Eurostat	11 - 32	23.95	5.44
Gender pay gap	Eurostat	4.40 - 30.90	17.67	6.65
Gini	Eurostat / QoG	22 - 38	28.80	4.43

Table 3. Multilevel regression results of developed role of state

	(1a)		(1b)		(1c)	
Variables	**Coeff.**	**SE**	**Coeff.**	**SE**	**Coeff.**	**SE**
Intercept	4.715 ***	0.073	4.676 ***	0.073	4.646 ***	0.062
Individual level						
Female			0.059 ***	0.006	0.059 ***	0.006
Age			0.115 ***	0.003	0.115 ***	0.003
Age^2			0.011 ***	0.003	0.011 ***	0.003
Educational level			-0.097 ***	0.004	-0.097 ***	0.004
Political interest			0.037 ***	0.003	0.037 ***	0.003
National level						
GDP per capita			-0.007	0.029	-0.016	0.029
Social spending					-0.099 **	0.043
Variance components						
ESS Round	0.004 ***	0.001	0.004 ***	0.001	0.005 ***	0.001
Country	0.132 ***	0.038	0.132 ***	0.039	0.090 ***	0.030
Individual	1.321 ***	0.005	1.292 ***	0.005	1.292 ***	0.005
Model fit						
-2 Log likelihood	427,095.861		423,984.628		423,981.453	
Deviance			3,111.233***		3.175***	

Sources: ESS, Eurostat
N = 149,968 in 25 countries
* p < .10
** p < .05
***p < .01

Table 4. Multilevel regression results of equal opportunities

	(2a)		(2b)		(2c)	
Variables	**Coeff.**	**SE**	**Coeff.**	**SE**	**Coeff.**	**SE**
Intercept	4.922 ***	0.038	4.838 ***	0.038	4.829 ***	0.038
Individual level						
Female			0.156 ***	0.006	0.156 ***	0.006
Age			-0.005 **	0.003	-0.005 **	0.003
Age^2			0.004 *	0.003	0.004 *	0.003
Educational level			0.035 ***	0.003	0.035 ***	0.003
Political interest			0.072 ***	0.003	0.072 ***	0.003
National level						
GDP per capita			0.037 **	0.022	0.038 **	0.022
Gender wage gap					-0.069 ***	0.026
Variance components						
ESS Round	0.004 ***	0.001	0.004 ***	0.001	0.003 ***	0.001
Country	0.034 ***	0.010	0.034 ***	0.010	0.033 ***	0.010
Individual	1.027 ***	0.004	1.015 ***	0.004	1.015 ***	0.004
Model fit						
-2 Log likelihood	396,106.818		394,589.285		394,582.510	
Deviance			1,517.533***		6.775***	

Sources: ESS, Eurostat
N = 149,968 in 25 countries
* p < .10
** p < .05
***p < .01

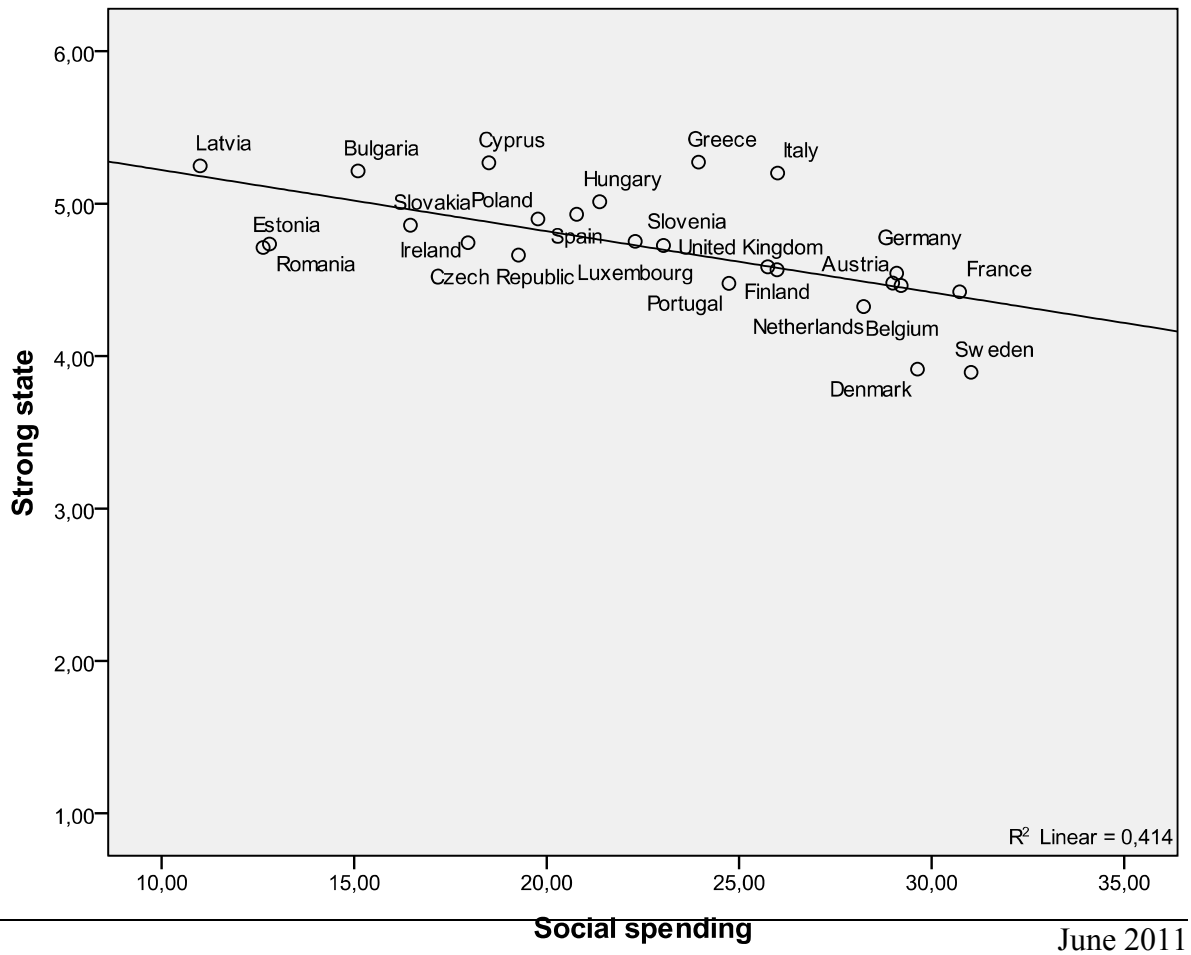
Table 5. Multilevel regression results of equal outcomes

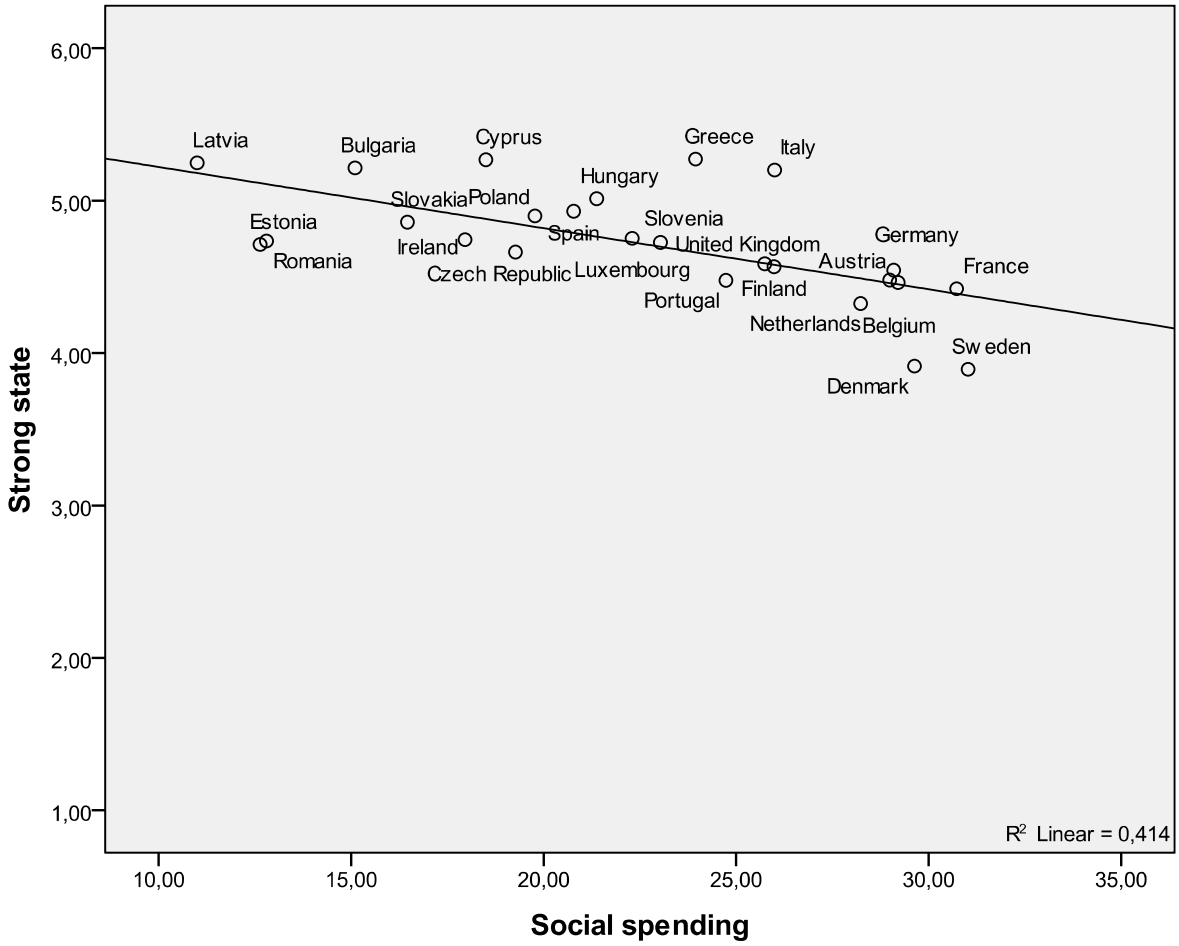
	(3a)		(3b)		(3c)	
Variables	**Coeff.**	**SE**	**Coeff.**	**SE**	**Coeff.**	**SE**
Intercept	3.874 ***	0.061	3.847 ***	0.057	3.836 ***	0.052
Individual level						
Female			0.120 ***	0.005	0.120 ***	0.005
Age			0.051 ***	0.003	0.051 ***	0.003
Age^2			-0.037 ***	0.003	-0.037 ***	0.003
Educational level			-0.120 ***	0.003	-0.119 ***	0.003
Political interest			-0.027 ***	0.003	-0.027 ***	0.003
National level						
GDP per capita			0.000	0.028	0.000	0.026
Gini					0.100 ***	0.024
Variance components						
ESS Round	0.005 ***	0.001	0.005 ***	0.001	0.004 ***	0.001
Country	0.092 ***	0.027	0.078 ***	0.025	0.065 ***	0.020
Individual	0.982 ***	0.004	0.958 ***	0.004	0.958 ***	0.004
Model fit						
-2 Log likelihood	404,986.592		401,431.332		401,416.348	
Deviance			3,555.260***		14.984***	

Sources: ESS, Eurostat, QoG
N = 149,968 in 25 countries
* p < .10
** p < .05
***p < .01

FIGURES

Figure 1. Developed role of state




Strong state
Social spending
6,00
5,00
4,00
3,00
2,00
1,00
10,00
15,00
20,00
25,00
30,00
35,00
Latvia
Bulgaria
Cyprus
Greece
Italy
Hungary
Slovakia
Poland
Estonia
Slovenia
Spain
Ireland
United Kingdom
Germany
Romania
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France
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Netherlands
Belgium
Sweden
Denmark
R² Linear = 0,414

Figure 2. Equal opportunities

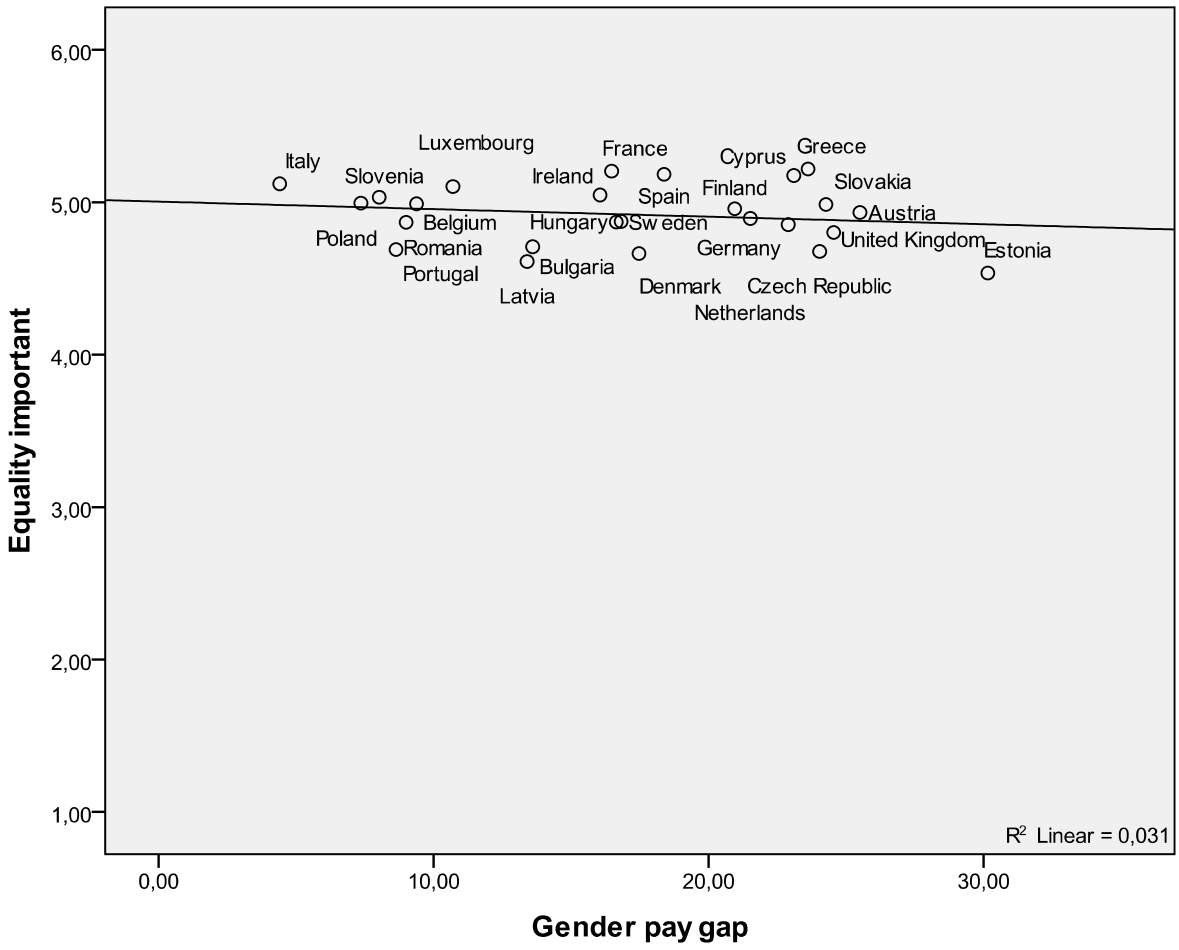
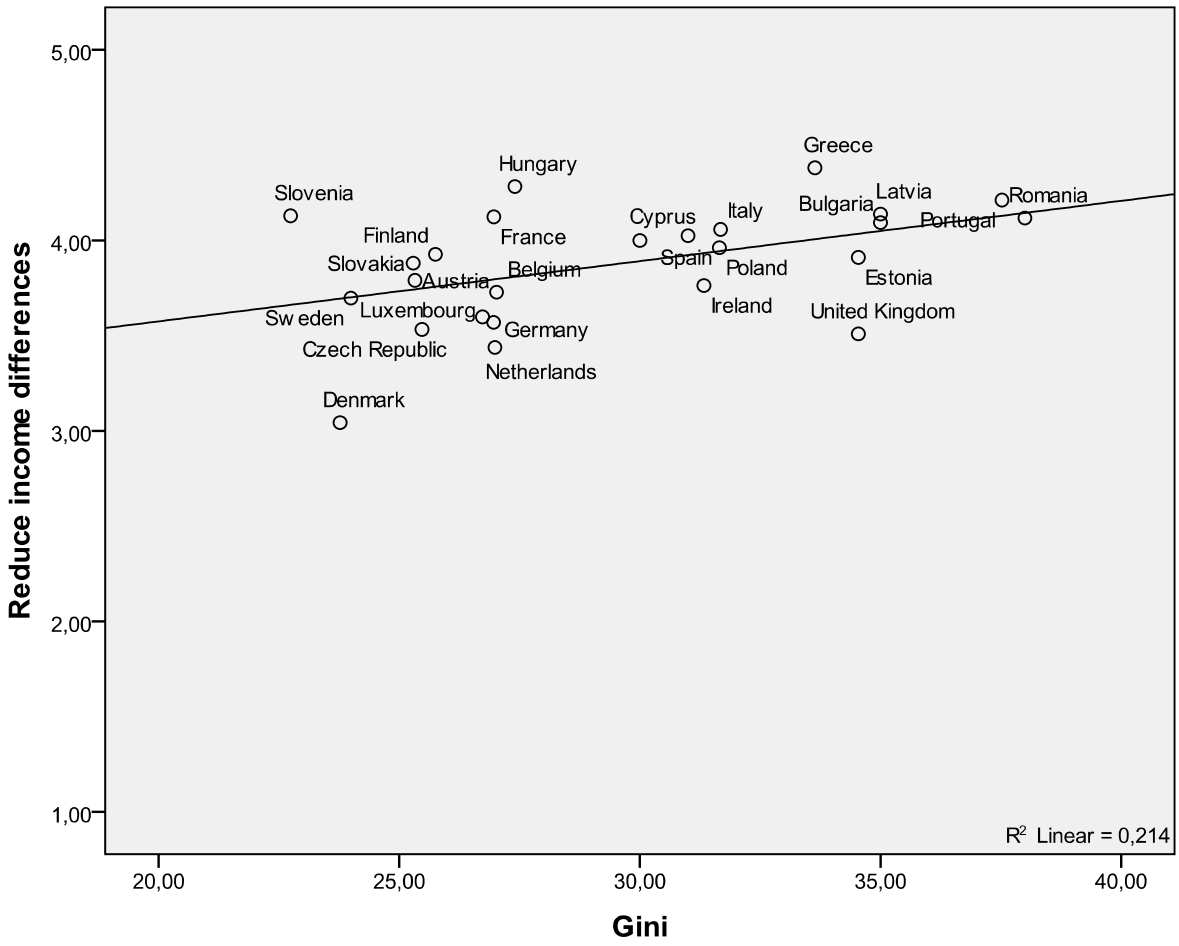
Figure 3. Equal outcomes