Explaining longitudinal and cross-country changes in support for conditional unemployment benefits

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Motivation and aim of the study

• Welfare state retrenchment and the activation turn in policy making make the issue of public support to conditionality in welfare benefits provision highly relevant (Hemerijck, 2013; Marx and Schumacher, 2016; Pierson, 2001; Van Berkel and Valkenburg, 2007; Eichhorst and Konle-Seidl, 2008; Serrano and Magnusson, 2007)

• Availability of data over a long time span makes it possible to investigate cross-country and longitudinal changes

• We want to test two explanatory mechanisms: deservingness criteria and policy feedback

• RQ: Are there country-level characteristics related to these theoretical approaches that might explain cross-country and longitudinal changes in support for conditional unemployment benefits?
Solidarity, conditionality and welfare state

• **Social solidarity** represents a sharing of welfare responsibilities among the members of a particular community, based on a principle of redistribution (Dougan and Spaventa, 2005)

• Even if people support welfare state institutions because of a moral argument (Mau, 2004) rather than narrow self-interest, it does not imply that their solidarity has to be unconditional (Bowles and Gintis, 2000)

• More often, solidarity is usually conditional on the fulfillment of a few deservingness criteria by people in need
Deservingness criteria

According to the literature (van Oorschot 2000; van Oorschot & Roosma 2017), people use 5 criteria to judge the deservingness of welfare recipients (C.A.R.I.N. criteria):

1. *Control*: people’s responsibility over their neediness
2. *Attitude*: recipients’ attitude or gratefulness towards support
3. *Reciprocity*: the degree of reciprocation shown with current or past behaviour
4. *Identity*: proximity of recipients to the other people (the majority)
5. *Need*: the greater the level of need, the more deserving
The deservingness of the unemployed

• The unemployed find it hard to earn deservingness, despite the negative financial and health consequences of unemployment on them (Bambra and Eikemo, 2009, Bambra and Eikemo, 2015), because:

• Unemployment is often seem as individual fault (voluntary component - control criterion violation)

• Refusing a job that might end the individual’s state of need is viewed as violation of the reciprocity norm (Bowles and Gintis, 2000, Mau, 2004)

• Therefore, public support for unemployment benefits is particularly conditional: take any job or loose benefit
Macro-conditions affecting the operation of deservingness criteria (at micro level)

• The operation of the C.A.R.I.N. criteria can be affected by macro-conditions that influence public opinion on the deservingness of the unemployed. We focus on three conditions/criteria:

• (1) The strictness of the control criterion can be relaxed by the general level of unemployment because widespread joblessness means that unemployed have less control on their state of need (Fraile and Ferrer 2005; Blekesaune and Quadagno 2003; Buss et al 2017) \( \rightarrow \) more unemployment, less conditionality
Macro-conditions affecting the operation of deservingness criteria (at micro level)

• (2) The heterogeneity of the social context may affect the identity criterion by means of ethnic composition (Janmaat and Braun, 2009) and the structure of income inequality (Carriero and Filandri 2018)

• Income inequality can be thought of as a measure of the social distance among individuals (Brown and Langer, 2016). More social distance between the majority and the unemployed, less the identification with them (identity) \(\rightarrow\) more inequality, more conditionality

• (3) GDP is a factor influencing the chance that the unemployed fulfil the need criterion: in richer societies the unemployed may not appear to be really in need \(\rightarrow\) higher GDP, more conditionality
Support for conditional unemployment benefit

MACRO LEVEL

- Income inequality
- Unemployment rate
- GDP

micro level

- Identity
- Control
- Need
- Attitude
- Reciprocity
Macro-level: policy feedback

• A distinct macro-level explanation of SFC is the existence of a policy feedback mechanism (Pierson 1993; Mettler and Soss, 2004; Van Oorschot and Meuleman, 2014)

• According to some scholars, public policies, once in place for some time, not only affect behavior directly by distributing opportunities and incentives, but also indirectly by shaping citizens’ preferences. In other words, policies become normative sources for citizens because they define what is just and desirable.

• In the last 30 years, social policies, particularly those aimed at the unemployed, have undergone substantial changes toward increased emphasis on recipients’ activation and stricter conditionality of entitlements.

• We expect that, if there is a policy feedback effect, SFC should be greater in countries where the conditionality or strictness of policies for the unemployed is higher.
Data

• 4 EVS waves (1990-2017), only countries surveyed at least 2 times, in order to observe longitudinal changes (N = 34 countries)

• Y = unemployed should take any job or loose UBs (10) vs. unemployed have the right to refuse an unwanted job (1)

• Micro-level controls: age, gender, education, employment status, marital status

• Macro-level variables:
  • unemployment rate (source: ILO) \( \rightarrow \) control
  • ln(GDP) (source: Penn World Table) \( \rightarrow \) need
  • reverse skew (Q3/Q1 / Q5/Q3) (source: WIID) \( \rightarrow \) identity
  • strictness index (a measure of eligibility requirements by Immervol & Knotz 2018) and conditionality index (Knots & Nelsons 2019) \( \rightarrow \) policy feedback

• Analysis technique: ML linear regression with 3 levels (country, country-year, individual), random intercept + selected random slopes

• Macro-level variables included as between- and within-country components (Fairbrother 2014)
Trends in 20 countries

Four patterns:

1) *Increase*: Czech Rep., Lithuania
2) *Decline*: Austria, Finland, France, Iceland, Slovenia, Spain, Sweden
3) *Increase & Decline*: Bulgaria, Estonia, Germany, Hungary, Slovak Rep., UK
4) *Mixed-Stable*: Denmark, Italy, Netherlands, Poland, Romania
### Summary of multilevel regression results

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<tr>
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<th>M1</th>
<th>M2</th>
<th>M3</th>
<th>M4</th>
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<tbody>
<tr>
<td><strong>Effects of</strong></td>
<td>Between</td>
<td>Within</td>
<td>Between</td>
<td>Within</td>
</tr>
<tr>
<td>Ln(GDP)</td>
<td>0.78 (***)</td>
<td>0.82 (*)</td>
<td></td>
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<tr>
<td>Income inequality</td>
<td></td>
<td>2.13 (*)</td>
<td>1.03 (*)</td>
<td></td>
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<tr>
<td>Unempl. rate</td>
<td></td>
<td></td>
<td>-0.02 (ns)</td>
<td>0.00 (ns)</td>
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***: p<0.001 **: p<0.01 *: p<0.05 +: p<0.1

3-level model: country (N=34), country-wave (N=107), individual (N=148,823)
Random intercept + selected random slopes
Micro-level controls: age, sex, education, employment status, marital status + 3 dummies for EVS waves
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<tr>
<td>Effects of</td>
<td>Between</td>
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<tr>
<td>Stricness index</td>
<td>-0.13 (ns)</td>
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<tr>
<td>Conditionality index</td>
<td>-0.70 (ns)</td>
<td>-1.58 (ns)</td>
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M5: 2 level model: random intercept + selected random slopes  
M6: 3 level model: random intercept + selected random slopes
Conclusions

• A few macro-level features can affect the operation of deservingness criteria, but the empirical analysis revealed that the drivers of deservingness criteria are GDP (\textit{need}) and the structure of income inequality (\textit{identity}). They explain changes across and within countries, whereas unemployment (\textit{control}) definitely does not.

• Policy feedback is unsupported, but there are few macro-level units. We need more data!

• Relevance of the \textbf{macro-level data} for this kind of analyses: it is important to rely on high-quality data because data points are so few!