# Support for the European Union and the Role of Inequality: A Cross-National Examination and the Case of the Republic of Ireland

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#### **Abstract**

Since the beginning of the economic and financial crisis of 2007/8 nationallevel contextual factors matter in different ways for individuals in EU member states when assessing support for the EU. Individuals hypothesise that EU member states economic affluence and quality of governance creates the salience of issues. This influences the criteria adopted by them when determining attitudinal factors towards the EU. When applied to individuals in less affluent EU member states individuals evaluate the EU on the basis of economic prospects, while in more affluent EU member states individuals rely on political criteria to evaluate the EU. In the least affluent EU member states individuals generalise their perceptions of national and personal economic conditions to the EU level believing that the EU does not represent their economic interests. In the most affluent EU member states individuals are equally critical of the EU but centre their judgements on the comparative quality of national governments and EU institutions. For individuals the assumption remains that further EU expansion implies continued market liberalisation. However since the beginning of the economic and financial crisis what individuals regard as excessive inequality may have little to do with inequality per se but whether the liberal-market economy as a whole provides high living standards and dynamic economic development. Inequality as a macro-political and economic determinant bridges the gap between economic and political systems at the national and EU level. Using data from European Election Study (EES) 2009 and Standard Eurobarometer data from 2009-2013 this inquiry examines individual-level effects on perceptions of inequality and how this plays a significant role when analysing mass public opinion support for the EU. By using a Binary Logit Regression model, Ordinary Least Squares (OLS) Multiple Regression analysis and Hierarchical Linear Modelling (HLM) the analysis

demonstrates two predominant findings. Firstly, individuals believe that the EU has a positive role to play in addressing inequality since the onset of the economic crisis. Secondly, the role to be played by the EU in addressing inequality supersedes that of the EU member states' governments and reinforces support for the European integration project. Overall, this demonstrates that individuals in the EU believe that the EU is best placed to address market-generated inequality since the onset of the economic and financial crisis of 2007/8 and as a result this produces increased support for the EU. These findings demonstrate a strong case for the inclusion of inequality as a determinant of mass public opinion support for the EU since the economic and financial crisis began in 2007/8.

## List of Abbreviations and Acronyms

AIG: American International Group

CAP: Common Agricultural Policy

CSO: Central Statistics Office

ECSC: European Coal and Steel Community

EEC: European Economic Community

EES: European Election Study

EMU: European Monetary Union

EP: European Parliament

ESRI: Economic and Social Research Institute

EU: European Union

**GDP:** Gross Domestic Product

**GNP:** Gross National Product

HLM: Hierarchical Linear Modelling

IMF: International Monetary Fund

JESSICA: Joint European Support for Sustainable Investment in City Areas

JEREMIE: Joint European Resources for Micro to Medium Enterprises

**OLS: Ordinary Least Squares** 

SES: Socio-economic status

SILC-Eurostat: Statistics on Income & Living Conditions-Eurostat

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## **Chapter 1: Introduction**

#### 1.1: Introduction

Since the beginning of the economic and financial crisis of 2007/8 national-level contextual factors matter in different ways for individuals in EU member states when assessing support for the EU. The crisis has demonstrated that there are a larger proportion of individuals in the EU who may not be objectively 'poor' but perceive themselves to be at an increased risk of economic hardship due to the economic problems in both their member state and the EU. This chapter introduces the rationale for selecting the onset of the economic and financial crisis of 2007/8 as the salient moment to examine individuals' perceptions of inequality and how this in turn affects individual-level support for the EU. This chapter outlines the context of the beginning of the economic and financial crisis in 2007/8 and how the crisis is important in selecting inequality as a determinant of mass public opinion support for the EU. The chapter gives a brief introduction to individual-levels of support for the EU as well as theoretically grounding inequality within the debate about mass public opinion and support for the EU. The chapter also highlights the justification for the cross-national and single case study and the methodological contribution of this inquiry.

#### 1.2: Basis and Rationale for this Research

The beginning of the economic and financial crisis of 2007/8 has demonstrated that there are a larger proportion of individuals in the EU who may not be objectively 'poor' but perceive themselves to be at an increased risk of economic hardship due to the economic problems in both their member state and the EU. Therefore, the onset of the economic crisis of 2007/8 is used in this inquiry as the salient moment to activate citizens' concerns about overall economic performance suggesting that there are more individuals if not *actually* doing worse economically,

feeling or perceiving as if they are achieving less economically. This subsequently has an effect toward individual-level support for the EU, as these evaluations are not only economic but also socio-tropic. As a result, it is possible to assess the liberal market economy via the spectrum of inequality highlighting that the market may in fact be too unfair. This makes inequality representative at the individual-level as individuals begin to assess societal opportunities in terms of access and opportunity to the EU in turn creating inequality as a determinant for support for the EU. In this inquiry the analysis of inequality as a determinant of EU support is founded upon a value-based position that reflects individuals' support for democratic institutions to serve as an arbiter of market-generated inequality.

In order to demonstrate that this measure of inequality is not a proxy for other value-based positions and can therefore be independently predictive of support for the EU, an analysis of how inequality is correlated with both ideological and socio-economic positions (i.e. variables that focus upon instrumental self-interest, social and economic status, social location and political institutions and the market) is conducted. The on-going economic and financial crisis of 2007/8 is used as the salient moment to activate individuals' concerns about overall economic performance highlighting that there are an increased number of individuals who may not be actually doing worse economically but perceiving or feeling as if they are achieving less economically. This in turn affects their views on support for the EU.

The majority of research on mass public opinion has resulted in understanding individual-level support for the EU either in terms of personal and aggregate economic growth, which in turn produces higher support for the EU project or how individuals within the EU are becoming more critical of the EU project which produces reduced support for the EU. This inquiry broadens these existing findings of

mass public opinion research to argue that since the onset of the economic and financial crisis of 2007/8 individuals' attitudes towards inequality, and the belief that inequality should be addressed, is a noteworthy and innovative way to examine individual-level support for the EU.

#### 1.3: Why the Beginning of the Economic and Financial Crisis of 2007/8?

The economic and financial crisis of 2007/08 unfolded in three broad stages. The first stage started in the United States in early 2007 when the housing bubble burst resulting in an increase in mortgage defaults in particular by those individuals defaulting on subprime mortgages<sup>1</sup>, which had been extended in vast quantities to creditworthy borrowers. These mortgage defaults increasingly affected the stability of financial institutions as a result of their exposure to these subprime mortgages, as well as financial products that were attached to these mortgages (Helleiner 2011, p. 69).

This in turn produced the second stage in the economic and financial crisis as hedge funds collapsed in the summer of 2007. There were also increasing concerns about the exposure of financial institutions in both the United States and in Europe that had invested substantially in mortgage-related financial products. The crisis deepened in spring 2008 when the US investment bank Bear Sterns received a financial rescue package from the US government. This resulted in a collapse of market confidence, which was evidenced by two mortgage lending agencies Fannie Mae and Freddie Mac being placed into conservatorship. By September 2008 the US investment bank Lehman Brothers was forced into bankruptcy while the world's

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<sup>&</sup>lt;sup>1</sup> Subprime mortgage lending allowed loans to be available to those individuals who had difficulty in maintaining a repayment schedule. The loans were hallmarked by higher interest rates, poor quality collateral and less favourable terms in relation to the mortgage in order to compensate for the higher risk in lending. These subprime loans were backed by mortgage-backed securities, which defaulted and thus contributed to the onset of the economic and financial crisis of 2007/8.

largest insurance company American International Group (AIG) was nationalised by the US government.

This then led to the third stage in the onset of the economic and financial crisis and the most significant for Europe as banks in both the United States and Europe reduced their international loans. This reduction in international loans triggered severe financial problems and debt crises in countries that had been borrowing heavily from abroad (Helleiner 2011, p. 69). Financial contagion was experienced in particular in countries whose financial systems were vulnerable as a result of home-grown housing bubbles combined with large current accounts deficits. Within the EU, the UK, Greece, Ireland and Spain were beginning to experience the risk and insecurity of the liberal market economy coupled with the economic and financial crisis as crossborder financial flows dried up in late 2008 with investors repatriating funds to domestic markets and reassessing their international exposure levels (Milesi-Ferretti & Tille 2011). As a result of this process, the crisis disproportionately affected countries with a significant reliance on external funding, in particular short-term debt markets. Within the Eurozone, the Irish banking system's high reliance on international short-term funding prompted the Irish government to provide an extensive two-year liability to guarantee its banks (i.e. the Irish Bank Guarantee Scheme) in September 2008 (Honohan, 2010; Lane, 2011).

During this period within the EU, the end of the credit boom was particularly troubling for Ireland and Spain, as the construction sectors in these countries had grown rapidly. The decline experienced in the construction sectors in both countries was a significant shock to domestic economic activity while abandoned construction projects and falling property prices indicated significant prospective losses for banks which had conducted too many property-backed loans (Lane, 2012, p. 55). In late

2009, the economic and financial crisis in the EU entered a new phase with fiscal revenues in Ireland and Spain falling much more rapidly than GDP as a consequence of the high sensitivity of tax revenues to declines in construction and asset prices (Lane, 2012, p. 56). In conjunction with this was the scale of the recession and increasing estimates of prospective banking-sector losses on bad loans since investors recognised that a deteriorating banking sector posed increased fiscal risks (Mody & Sandri, 2012).

However, for the EU it was at the end of 2009 when the newly elected Greek government announced a revised budget deficit forecast which sent shockwaves among the member states of the EU. The Greek government announced a budget deficit forecast of 12.7 per cent of GDP, which was more than double the previous estimate of 6 per cent (Gibson, Hall & Tavlas 2012; Lane 2012). As a result of this budget deficit revelation many within the EU placed the blame on Greece's fiscal irresponsibility and indeed on the fiscal irresponsibility of the peripheral member states of the EU (Lane 2012 p. 56). This subsequently shaped the narrative for the economic and financial crisis in the EU.

In order to link the beginning of the economic and financial crisis of 2007/8 and inequality to support for the EU, this research makes a connection between individuals' concerns about inequality to changes in individuals level of support for the EU through the relationship inequality has to both democratic political institutions and the liberal market economy. The perception that there has been an improvement or deterioration in an individual's socio-economic well-being can be an effective determinant of an individual's support for the EU project.

#### 1.4: Mass Public Opinion and Support for the European Union

There is a diverse and substantive literature which aims to explain mass public opinion attitudes and support for the EU. This literature is extensively analysed for both of the cross-national case studies of the twenty-seven member states<sup>2</sup> of the EU and the single case study of the Republic of Ireland in chapter two of this inquiry.

Determinants of support for the EU include social location (Inglehart, 1970; Anderson & Reichert 1995; Weßels, 1995; Inglehart 1997; Gabel 1998a; Hooghe *et al*, 2007), social and economic status (Gabel & Palmer, 1995; Gabel, 1998a & 1998b; Eichenberg & Dalton, 1993; Gabel & Whitten, 1997), national versus European identities (Moravcsik, 1993; Franklin & Wlezien, 1997; de Winter & Swyngedouw, 1999; Scheuer, 1999; Schmitt & Thomassen, 1999; Cederman, 2001; Carey 2002; McClaren, 2002; Kritzinger, 2003; De Vreese & Boomgaarden, 2005; Schmitt, 2005; De Vries & Van Kersbergen, 2007; Loveless & Rohrschneider, 2008) and evaluations of institutional performance (Janssen, 1991; Franklin, Van der Eijk & Marsh, 1995; Anderson, 1998; Majone, 1998; Norris, 1999; Schmitt & Thommassen, 1999; Sanchez-Cuenca, 2000; Moravcsik, 2002; Rohrschneider, 2002; Crombez, 2003; Ray, 2003a; Rohrschneider & Loveless, 2010).

Mass public opinion support for the EU has also been examined through the lens of political intermediaries such as elites (Dalton 1985; Franklin, Marsh, & McClaren, 1995; Weβels, 1995; Thomassen & Schmitt, 1997; Anderson 1998; Gabel 1998a, Schmitt & Thomassen, 1999; Schmitt & Thomassen, 2000; Carrubba, 2001; De Vreese, 2002; Hooghe, 2003), political parties (Mair 1990; Katz & Mair, 1994;

<sup>&</sup>lt;sup>2</sup> On 1<sup>st</sup> July 2013, Croatia joined the EU and there are now 28 Member States. For the purpose of this analysis, 27 EU Member States were examined: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, (Republic of) Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.

Franklin, Marsh & McClaren, 1994; Van der Eijk & Franklin, 1996; Taggart, 1998; Van der Brug & Van der Eijk, 1999; Marks & Wilson, 2000; Marks, Wilson & Ray, 2002; Hooghe, Marks & Wilson, 2003; Ray 2003a & 2003b; Hooghe & Marks, 2005; Hooghe & Marks 2006; Marks, Hooghe, Nelson & Edwards, 2006) and mass media (Meyer 1999; Anderson & McLeod 2004; De Vreese *et al* 2006; De Vreese & Boomgaarden 2006).

The initial individual-level models on mass public opinion support for the EU were constructed according to a utilitarian approach, which hypothesised that individuals assess EU membership based on their social position, assessment of their own economic experience and expectations of their member states' market economy. As a consequence of this utilitarianism there are 'winners' and 'losers' of European integration (Gabel 1995; 1997; 1998a & 1998b). The 'winners' and 'losers' thesis demonstrates that individuals with high socio-economic status and low socio-economic status regard the EU in a different manner. The 'winners' consider the EU as the expansion of the liberal market economy and thus as a source of opportunities, while the 'losers' view the EU in terms of diminishing welfare as a result of declining patterns of national-level redistribution within the expanded liberal market economy (Gabel, 1998a & 1998b; Brinegar & Jolly, 2005).

Given the findings of the 'winners' and 'losers' thesis and by using the beginning of the economic and financial crisis of 2007/8 as the salient moment to contextualise and activate citizens' concerns about overall economic performance, this inquiry expects resurgence in Gabel's (1995, 1997; 1998a & 1998b) 'winners' and 'losers' thesis. Overall, the inquiry posits that the beginning of the economic and financial crisis of 2007/8, and continuing economic recession in Europe has created a new group of 'losers' in the EU project. This new group of 'losers' continues to be

socio-economically secure but it now includes those individuals who *perceive* themselves to be pushed closer to the economic edge of 'losing'. Put simply, there are more individuals in the EU who are, if not actually doing worse economically, then at least feeling or perceiving as if they are achieving less economically. This subsequently has an affect upon support for the EU.

#### 1.5: The Role of Inequality

Individuals' perceptions of feeling as if they are achieving less economically since the onset of the economic and financial crisis of 2007/8 mirrors with the Revisionist School within welfare state research which focuses upon political cleavages based on risk exposure (Baldwin 1990; Iversen & Soskice 2001; Moene & Wallerstein 2001; Swenson 2002; Mares 2003; Cusack, Iverson & Rehm 2006). For the Revisionist School, social insurance programmes are desirable for those individuals with low incomes but also those individuals facing higher economic risks. This creates the basis for cross-group coalitions (i.e. between the 'winners' and the 'losers' of the EU project) in support of social protection as the Revisionist School is utilised as an alternative to arguments which emphasise the primacy of class position (Baldwin 1990, pp.20).

The cross-group coalition between the different socio-economic groups of 'winners' and 'losers' shapes preferences for redistribution and in turn produces a renewed role for the nation state. This renewed role of the nation state creates the expectation that both socio-economic status and social location as an indicator of economic security would preserve or increase its strength as a determinant of support for the EU project. As Gabel (1998a & 1998b) states, the effect of socio-economic status and social location is based upon the fact that the EU is being regarded as a guarantor of economic growth (Rohrschneider & Whitefield 2006; Tucker *et al* 2002;

Loveless 2010) whereby individuals are able to determine what continued European integration means to them as either 'winners' or 'losers' of the EU project.

However, it is fundamental to this inquiry that 'losing' is not necessarily restricted to variations in individual income. It is the distribution of the goods of society which may have placed individuals in a more fragile economic state or has made these individuals feel or perceive that they are in a more precarious economic state. The variations in how individuals benefit from and share in aggregate economic growth or in how those alterations in growth are distributed can be reflected in individuals' concerns about inequality. Individuals may not be 'poor' or 'losers' in a stringent economic definition but they may indeed perceive to be closer to such a position since the beginning of the economic and financial crisis of 2007/8.

The perception that an individual is not apportioned the 'fair' benefits of society are likely to affect how individuals think about the current political and economic status of both the EU and their member state. Therefore inequality in this inquiry is viewed via the distribution of economic growth and the changes in the distribution of economic growth which in turn aids in examining individual-level support for the EU and individuals' actual socio-economic status and social location. The perception that there has been an improvement or deterioration in an individual's socio-economic well-being can be an effective determinant of an individual's support for the EU project.

Individuals' concerns about inequality are being closely examined in the emerging literature on social justice whereby individuals' perceptions of excessive inequality are to some extent driven by normative values of 'fairness' and 'justice' in society (Kreidl 2000; Wegener 2000; Verwiebe & Wegener 2000; Osberg &

Smeeding 2006; Loveless & Whitefield 2011). This scholarly literature on social justice expresses views, which are not strictly egalitarian, thus diminishing Gabel's (1998a; 1998b) thesis of pure 'winners' and 'losers' across the European integration project. It almost approves of the idea that individuals should accept inequality up to a point.

These views are also closely associated with normative notions that democratic institutions in societies have an obligation to achieve fair and just outcomes for individuals. Given the view that democratic institutions are constructed to function in a roughly egalitarian or nominally majoritarian manner (Dahl, 1989), these institutions are the principal mechanism available for individuals to contend with the excessive and inevitable distortions of the liberal market economy (Bollen & Jackman 1985; Szelenyi & Kostello, 1996; Reuveny & Li 2003). These democratic institutions can be considered by individuals to provide protection from inequalities embedded within the liberal market economy as these institutions can function as impartial intermediaries of social insurance programmes, in turn reducing the effects of market-driven inequality in the EU.

In order to relate this to support for the EU, this research makes a connection between individuals' concerns about inequality and changes in individuals' level of support for the EU, through the relationship inequality has to both democratic political institutions and the liberal market economy. It is not posited that EU citizens want an alternative arrangement with political democracy and the liberal market market economy of the EU, but rather that EU citizens want democratic institutions and the liberal market economy to *both* function effectively (Rohrschneider & Whitefield, 2006). If an economy provides high living standards and vigorous economic development, individuals will often accept comparatively high-objective

levels of inequality (Jackman 1975; Bollen & Jackman 1985). This makes the balance between market-generated inequalities and effective democratic institutions a plausible connection to formulate because individuals in the EU will regard EU member states with strong, democratic political institutions as a safeguard against excessive inequalities (Bollen & Jackman 1985; Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2013).

With regards to the role of inequality, this inquiry proposes that given the ongoing economic and financial crisis, the EU can be primarily regarded as the guarantor of democracy that can combat market-driven inequalities. This will be apparent in individuals' support for the EU project and its continuation. In addition, individuals will consider the EU as the mechanism to enforce democratic responses to economic woes in the context of rising inequality. It is not unreasonable to make this connection between strong democratic responses and market inequalities. Individuals' perceptions of excessive inequality do not create dislike or distrustfulness of democratic institutions, in fact, it is nearly always the opposite (Kaltenhaler et al. 2008; Whitefield & Loveless 2013), corresponding to a long-standing body of literature in which it is demonstrated that individuals who exhibit dissatisfaction with the functioning of democracy want more, rather than less, democracy (Norris 1999; Dalton 2004). If effective democratic institutions are the remedy for inequality, this inquiry allows an examination of the changes in the level of support for the EU and a re-examination of the question as to whether the EU is regarded more for its democratic character than its liberal market economy character.

#### 1.6: Cross-National Case Study and Single Case Study

As previously highlighted in this chapter the EU is often regarded as the economic instigator of the liberal market economies of Europe with scholarly research

on mass public opinion support for the EU producing findings that emphasise the notion that personal and aggregate economic growth produces higher support for the EU project. The rationale for the cross-national case study of the twenty-seven member states of the EU in order to analyse the role of inequality in determining individual-level support for the EU centres upon the beginning of the economic and financial crisis of 2007/8.

Since the onset of the crisis in 2007/8, individual-level support for the EU now concentrates on a more individualist and egocentric perspective as individuals perceive the notion of inequality through the lens of fairness and justice in society. Individuals' perception of inequality in determining individual-level support for the EU is important for two reasons. Firstly, it suggests that the EU should reflect citizens' preferences for fairness and justice in society via strong and democratic governance. Secondly, it suggests that for individuals the EU has failed to create adequate economic and social opportunities or has provided these prospects in an unequal manner. Whether it is the first, second or a combination of these reasons, the examination of inequality as a determinant of individual-level support for the EU becomes all the more pertinent.

The rationale for selecting the single case study of the Republic of Ireland centres upon the Republic of Ireland's relationship with the EU and the beginning of the economic and financial crisis of 2007/8. The Republic of Ireland has been an active participant in European integration since its accession to the EU in 1973 (Laffan & Tonra 2005). From a utilitarian perspective, the Irish economy has experienced many highs and lows since accession to the EU: significant periods of growth (1970s, 1990-2007), as well as periods of stagnation and significant expenditure reduction (1980s, 2008 to the present). It was during the 1990s and 2000s

that Ireland experienced an unparalleled period of economic growth, rising living standards, job creation and export performance that repositioned it away from the southern periphery of the EU with which it had long been associated. The Celtic Tiger became a global role model and precipitated considerable, extensive and rapid changes, in both Irish society and Irish politics.

The economic crisis of 2007-8 revised Ireland's relationship with the EU as a result of the economic downturn and the widening of individual economic disparities. The focus of support for the EU in Ireland now concentrates on a more individualist and egocentric perspective as individuals perceive the notion of inequality through the lens of fairness and justice in society. The theoretical mechanism that connects EU citizens to the debate on support for the EU is embedded within the perception of costs and benefits accruing from European integration in light of domestic capitalist institutions (Brinegar, Jolly & Kitschelt 2004, pp. 64). It is aimed through the single case study of the Republic of Ireland to establish the link (by using inequality as an independent variable) between Irish respondents perceptions of the costs and benefits of European integration and the patterns of redistribution in order to gauge individuals' evaluations of inequality and support for the EU.

#### 1.7: Methodological Contribution

This research is interested in the influence of inequality on individual-level support for the EU and is an examination into the understanding of the relationship between inequality and support for the EU through two cross national case studies of the twenty-seven member states of the EU and a single case study of the Republic of Ireland. In the following chapters this research will determine the influence of inequality on individual-level support for the EU allowing generalizable findings to

be concluded toward the theoretical claim that inequality is an innovative and noteworthy determinant of individual-level support for the EU.

As individuals in the EU have struggled to make sense of the complex social, economic and political changes that have taken place since the economic and financial crisis began in 2007/8, the need for inequality to be addressed (i.e. the central independent variable in this analysis) is well placed as the solution to the unjust and unfair ways of the liberal market economy individuals contend with. In addition, because differing effects emerge from inequality individuals who believe that inequality needs to be addressed also helps us gauge support for the EU.

Using inequality as a determinant to understand individuals' orientation towards politics is not innovative with regards to research in which perceptions of economic performance including inequality drive specific policy demands (Corneo & Gruner 2002; Kenworthy & McCall 2008; Rehm 2009; Finseraas 2012). However, this research is an examination of how individual-level support toward the supranational project of the EU shifts and is an assessment of individual-level normative preferences for the EU project itself rather than a preference for specific policy outcomes. The testing of the central independent variable of inequality makes no reference to EU member state, political party or specific policy.

#### 1.8: This Inquiry

How individuals in the EU orient themselves to the new political, economic and social realties since the onset of the economic and financial crisis of 2007/8 is fundamental to this research, as it explains the effect of individuals' perceptions towards inequality in the EU and the impact inequality has on individual-level support for the EU. This study asserts that the role of inequality is an overlooked part of

gauging individual-level support for the EU, in particular since the beginning of the economic and financial crisis of 2007/8. In doing so, this study contributes to our understanding of inequality as a determinant of EU support and how this affects support for the EU since the onset of the economic and financial crisis of 2007/8.

The question of how individuals' perceptions of inequality affect support for the EU has received little scholarly attention. Scholarly research has examined perceptions of economic performance including inequality with regards to specific policy demands, but this has not been translated to normative notions of inequality and mass public opinion research at the supranational level or the national level. By using both European Election Studies 2009 data and Standard Eurobarometer data from 2009-2013 this inquiry examines individuals perceptions of inequality and the economic insecurity they may experience as a result of their perception of inequality from the beginning of and continuing economic and financial crisis in order to address support for the EU. In particular empirical social science methods and quantitative methods are used to inform my analysis on three key questions:

- 1. What is the effect of perceptions of inequality on individual-level support for the EU?
- 2. Do individuals' believe the EU is best placed to take effective action against the economic and financial crisis?
- 3. Do the observed effects correlate with the cross-national case studies and single case study in the same way?

To address the first question the inquiry seeks correlations that prove clues to causation. Do individuals' perceptions of inequality correlate in the ways expected? If this is the case, then *why do they* correlate with inequality in this way? If this is not the case, then *why do they not* correlate with inequality in this way? This part of the

analysis addresses a more important question by capturing individual's specific attitudes towards inequality in the form of individuals' political behaviour as to who wants inequality to be addressed (or perhaps not addressed) and how this affects support for the EU since the onset of the economic and financial crisis of 2007/8.

To address the second question, once again the inquiry seeks correlations that prove clues to causation. Do individuals' perceptions of their own economic insecurity correlate in the ways expected? If this is the case, then *why do they* correlate in this way? If this is not the case, then *why do they not* correlate in this way? The answers to these questions establish that while individuals may perceive personal economic insecurity via inequality, individuals' *perceptions* of inequality are not correlated to inequality *per se*. This distinction will have an effect on individuals' support for the EU and the future of the EU project since the onset of the economic crisis of 2007/8.

Finally in order to address the third question the inquiry correlates the findings from the cross-national case study of the twenty-seven member states of the EU and the single case study of the Republic of Ireland to determine if the extent of individuals' desire for inequality to be addressed is indicative of individual-level support for the EU since the onset of the economic and financial crisis of 2007/8. Essentially, do individuals' attitudes towards inequality translate in political behaviours that shape individual-level support for the EU?

#### 1.9: Conclusion

The proceeding chapter, Chapter Two, addresses the state of the literature regarding mass public opinion specifically examining attitudes towards European integration, national versus European identities, political intermediaries, institutions

and institutional performance and social and economic status and social location. Chapter Three theoretically grounds the analysis within the larger inequality and political behaviour literature through an examination of literature on instrumental self-interest, social and economic status, social location, democratic political institutions and the market, inequality and the effects and perceptions of inequality. Chapter Four defines the methodological guideline of this research, including the selected case studies of the twenty-seven member states of the EU and the Republic of Ireland, the European Election Study 2009 data and Standard Eurobarometer data 2009-2103 to be used, operationalization of indicators, analytical techniques and test implications that will support the hypotheses.

Chapter Five examines two facets with regards to individuals concerns about inequality and support for the EU. Firstly, the analysis highlights the importance individuals place on addressing inequality. Secondly, it shows that the importance individuals place on addressing inequality is positively correlated with support for further European integration but not for the EU as it is currently constituted. Chapter Six focuses upon the effect of individual's perceptions towards inequality in Ireland and the impact this has on support for the EU. Once again, this question is posed in the context of the onset of the economic and financial crisis of 2007/8. The chapter examines two features with regards to Irish individuals concerns about inequality and support for the EU. Firstly, the analysis will demonstrate the importance individuals place on addressing inequality. Secondly, it will show that the importance Irish individuals place on addressing inequality is positively correlated with both support for further European integration, echoing findings in Chapter Five, and Irish individuals beliefs that the EU is in the interest of Ireland. Chapter Seven draws upon the findings of the cross-national case study of the twenty-seven member states of the

EU in Chapter Five and the single case study of the Republic of Ireland Chapter Six. Chapter Seven examines the opaque findings from both of these chapters as to whether the role to be played by the EU in order to address inequality supersedes the EU member state or whether the EU's role is one that reinforces the European project. The findings demonstrate that it is the EU and not the EU member state which is best placed to take effective action against the economic and financial crisis therefore increasing individual-level mass public opinion support for the EU. Finally Chapter Eight concludes the research and demonstrates that selecting the economic and financial crisis of 2007/8 as the salient moment to examine individual's perceptions of inequality was accurate and appropriate as inequality used as a determinant of mass public opinion support does in fact affect support for the EU.

### **Chapter 2: Literature Review**

#### 2.1: Introduction

This chapter reviews the contextual rationale for this research, surveying and evaluating previous explanations for the mass public opinion support for the EU literature. It outlines the theoretical contributions of determinants such as national versus European identity, political intermediaries for example elites, political parties and mass media and social location and socio-economic status all of which have played a role in shaping our understanding of support for the EU.

This chapter also examines the most pertinent gap in the literature: the lack of understanding of the influence of inequality as a determinant of support for the EU. While inequality has been used as a predictor of support for the EU in Central and Eastern European states<sup>3</sup>, it has seldom been applied to Western Europe or the then 27 member states of the EU<sup>4</sup>. As an extension of research, this analysis contributes to the broader understanding of how individuals perceive the normative notion of inequality and the manner in which these normative notions affect support for the EU.

#### 2.2: Attitudes towards European Integration

From the onset, the EU project has experienced what has been termed, as a 'permissive consensus' among its citizens. Permissive consensus is based upon the notion that the reduction of both physical and financial barriers between European states and an adherence to the principles of liberal market economies would promote a

<sup>&</sup>lt;sup>3</sup> For analysis on inequality in Central and Eastern Europe please consult Duke & Grime (1997); Orkeny & Szkelyi (2000); Kelley & Zagorski (2004); Loveless (2010); Loveless & Whitefield (2011); Karakoc (2012) & Whitefield & Loveless (2013)

<sup>&</sup>lt;sup>4</sup> For analysis on inequality in Western Europe please consult Beckfield (2006); Kaltenhaler, Ceccoli & Gelleny (2008)

<sup>&</sup>lt;sup>5</sup> Permissive Consensus was a term first coined by Lindberg & Scheingold (1970) and has been built upon by Inglehart (1971), Shepherd (1975), Inglehart & Klingemann (1976), Hooghe (2003) & Hooghe & Marks (2005)

mutually prosperous economic community. By the 1990s, the focus of integration shifted towards political and social responsibilities of the EU which in turn led to the formation of supranational governance, challenging EU citizens' views on attitudes and orientations toward the EU. This also challenged the EU itself as it has come to rely on the continued positive support of EU citizens for the legitimacy of the EU project. As the EU has expanded beyond its original economic remit, questions have continuously been asked about whether popular consent is aligned with the EU's implicit or explicit guiding principles, whether the EU's institutional structures are regarded as sufficient in order to deliver these objectives, and whether the EU's institutions are able to provide these goals and objectives in a fair, transparent and effective manner.

As the EU now exerts an influence upon the political and social realities of EU citizens in the 27 EU member states, questions on enlargement and continued integration continue to be pursued. Supporters of the EU are using these political and social realities as a model of supranational institutional possibilities, which in turn rely upon the popular support from EU citizens. Rather than being a duplicate of national-level institutions with enforcement and accountability mechanisms (Mair & Thommassen 2010), the EU is in fact functionally weak and is empowered at the individual-level by second order European Parliamentary elections (van der Eijk & Franklin 1996), therefore forcing the EU to depend on the popular support of EU citizens for its continued existence. If EU citizens consider EU institutions to lack transparency and inadequately represent their interests, the EU project will be undermined. With a shift from the economic principles and policies of the EU to political and social responsibilities in the EU the project analyses of national and

European identities have been examined in order to derive a possible new determinant in gauging individual-level support for the EU.

#### 2.3: National versus European Identities

National identities have increasingly become the focus of analyses of support for the EU. When viewing identity through the lens of EU legitimacy, it is the apparent absence of a European *demos* that restricts EU citizens in thinking of themselves as Europeans. EU citizens regard themselves as "the people of Europe" not "the European People" (Schmitt & Thomassen, 1999, p. 256). However, if EU legitimacy refers to the belief that the existing political order is correct, then mass support for the EU is a question of value compatibility. Put simply, for individuals it is necessary to recognise the EU as the institution that, is both essential and representative of the collective will of the people of Europe. This premise also assumes the existence of a collective will of the European people therefore placing a robust demand on individuals to define themselves in terms of a European identity and in turn defining the function and scope of the EU (Cederman 2001).

When attempting to define European identity the difficulty lies in addressing the ambiguity of representation and accountability at the EU level. The *sui-generis* nature of the EU as a supranational institution can weaken the correspondence between EU representatives and EU citizens. The EU has continued to enlarge the number of EU member states as well as increasing involvement at the nation-state level. European publics have responded to what they perceive to be an increase in the number of policy areas for which the EU is now partially or completely responsible (Schmitt 2005, p. 654) as well as an increase in the volume of EU legislation (Franklin & Wlezien, 1997). These increases have not gone unnoticed by EU citizens with many individuals believing the EU is encroaching on state sovereignty, thus

producing a negative effect on individuals' support for the EU. Meanwhile attempts have been made to address individuals' concerns, in particular through the principle of subsidiarity<sup>6</sup> however scholars such as Moravcsik (1993) have argued that the principle of subsidiarity has revived debates on national sovereignty and highlighted both national-level competences and economic abilities of EU member states. While de Winter & Swyngedouw (1999) argue that disagreements over the principle of subsidiarity have changed the focus of EU governance making it a more salient issue at the individual-level and therefore embedding it in the larger debate surrounding support for the EU.

In contrast to the Moravcsik (1993) and de Winter & Swyngedouw (1999) framework, "European identity is not merely a public's general and ambiguous feeling about Europe, but more importantly it is a constellation of attitudes regarding the role and nature of the EU and the strength of their [individual] attachments to state sovereignty" (Loveless & Rohrschneider 2008 pp. 11). This can be approached in two ways.

Firstly, national identity may be regarded as important to individuals' choice either to support or endorse the EU. This form of national identification derives from perceived cultural threats and hostility towards other cultures. Carey (2002) analysed three alternative conceptualizations of national identity: feelings towards one's country, the level of attachment to the nation and other territorial entities and the fear of other identities and cultures encroaching on the dominant national culture. Carey's

<sup>&</sup>lt;sup>6</sup> The principle of subsidiarity aims to explicitly address disputes between the EU and member states by aspiring to take decisions as closely to EU citizens as possible. As a result, the EU will only take action on matters for which the EU is solely responsible, unless the EU action is more effective than the action taken at the national, regional or local level in member states.

(2002) findings confirmed that stronger feelings of national identity do in fact lead to lower levels of support for the EU. Kritzinger (2003) built upon this and demonstrated further that feelings of national attachment are borne out of perceived threats to the nation state. Perceived cultural threats were further analysed by De Vreese and Boomgaarden (2005) who examined specifically a fear of immigration and anti-immigration sentiments. Their findings were consistent with previous analyses that anti-immigration sentiment is a strong predictor of attitudinal support for the EU.

All of this can be applied to earlier examinations of Euroscepticism. In early analyses, Taggart (1998) argued that Euroscepticism was derived from identity politics and that the nation state is the point of reference for identity. However, the continuance of the EU project undermines this conceptualisation. As a result, Weβels (2007) distinguished between Eurosceptics (i.e. individuals who are sceptical of the European integration project) who insist upon an EU that performs better versus those who aim to limit or curtail EU enlargement and those individuals who would like to ensure that EU enlargement is stopped entirely. Weβels (2007) argues that by not distinguishing between Eurosceptics who want a better performing EU and those who want a reduced form of EU enlargement and the end of EU enlargement produces conflicting consequences for the understanding of European integration and support for the EU.

The second approach to the issue of identity is the competing self-identification of EU citizens as nationals or as Europeans. Scheuer (1999) argues that in the place of nationalism replaces the identification of Europeans as citizens of the EU. Put simply, rather than identifying with nationalism *per se*, a sense of nationalism is formed by individuals through membership of the political community of the EU,

which fosters a sense of mutual trust between member states and the inclusion of new member states. McClaren (2002) considers this and examines perceived threats. She argues that people are hostile toward the EU project because of perceived threats posed by other cultures. McClaren's (2002) findings support the main contention that perceived cultural threat is an important determinant in explaining support for the EU. Interestingly, McClaren's (2002) findings are not exclusive to perceived cultural threats from third-country nationals but also extend to other EU member states through the mechanism of EU expansion. McClaren's (2004) later work posits that while there is a prevalent fear of loss of national identity and culture among citizens', it is not pivotal to citizens' opposition to continued EU enlargement. De Vries and Van Kersbergen (2007) take the notion of perceived cultural threats a step further and apply it at the individual level, drawing upon the concept of a 'double allegiance' between utilitarian self-interest and national identity. This 'double allegiance' does not only explain security (i.e. economic and social-psychological) issues but through multi-level modelling also provides a single framework to understand support for European integration as a determinant of support for the EU.

Overall, the limitation of using national versus European identity as a determinant of EU support is that the literature on European identity has focused upon the notion that both national identity and European identity are competing with one another, resulting in a conflict of interests between the national and the EU level. This literature has also highlighted the need for EU citizens to think in terms of a shared sense of ownership of the EU, which results in a broader call for a collective European thinking. This shared European thinking on the part of EU citizens in order to connect with the EU project demands a realignment of both political identity and political representation for EU citizens. As a result of the inadequacies of national and

European identities to be a determinant of EU support, scholars have turned their attention to political intermediaries such as elites, political parties and the mass media as potential new determinants of support for the EU.

# 2.4: Political intermediaries: elites, political parties and mass media

Elites

Support for the EU has also been understood as a function of the influence of political intermediaries such as elites, political parties and mass media. There are three processes into which research has been conducted in terms of elite/mass attitudinal congruence and support for the EU. The first are top-down elite-driven processes whereby elites adopt an issue position and mass publics position themselves according to their own ideological orientations, issue salience and attitudes. The second process is that political parties position themselves in harmony with mass public opinion in order to encapsulate a larger constituency and therefore be more competitive electorally (Carrubba, 2001). In a test of three theories of representation permissive consensus, policy-mood theory and cue-taking theory, Carrubba (2001) finds that "public disinterest is a sign that political elites are hewing close enough to public preferences... [and] suggests that EU politics may be less sui generis and more 'politics as usual' than people typically believe" (Carrubba 2001, pp. 141 & 156). The third process is a combination of both of the above processes whereby mass public opinions with regards to the EU have been coined as a function of elite and/or political party positions.

As Dalton (1985) has indicated, the level of convergence between mass publics' and elites' views on a wide variety of issue dimensions is crucial to individuals' perceptions of appropriate representation. EU citizens' perceptions about

the legitimacy of the EU have included individuals' institutional evaluations and media exposure (De Vreese 2002) while elites have exhibited a preference for both continued European integration and for the EU project as well as being referred to as opinion leaders. Weβels (1995) has argued that as a result of the complexity of the EU project and the detached proximity of the EU from the daily lives of individual EU citizens, the role of intermediaries is essential to models of EU support. Weβels' (1995) findings demonstrate that evaluations of national political elites directed many to deduce that support for continued European integration is indeed an elite driven process.

However, there is a distinction between national and EU elites. Thomassen and Schmitt's (1997) analysis demonstrates that the majority of elites support European integration more than mass publics of the EU. Later research by Schmitt & Thomassen (2000) builds upon this argument and finds that "political representation of EU preferences works rather well regarding the grand directions of policy making and that party elites behave responsively in view of changing EU preferences among their voters" (Schmitt & Thomassen 2000, p. 318).

In general attitudes with regards to support for the EU are arbitrated through the attitudes of both national and European elites (Anderson 1998; Franklin, Marsh, & McClaren, 1994). In older member states of the EU where national institutions function well, national elites can affect how mass publics evaluate the EU. In their analysis of EU referendums Franklin, Van der Eijk and Marsh (1995) argue that support for the EU "becomes tied to the popularity of the government in power even if the ostensible subject of the referendum has little to do with the reasons for government popularity" (Franklin, Van der Eijk and Marsh 1995, p. 101). Weβels'

(1995) analysis, meanwhile, finds that the development of support for the EU is all the more congruent between elites and highly attentive publics than between elites and the less attentive strata of society. In addition, he states that "successful mobilization by parties to change the orientations of their supporters must, then, be seen as contributory factor to the process of European integration... because support and legitimacy are necessary, elites and political actors have to work to secure them" (Weβels 1995, p. 162).

However, this may be less pertinent as national political party elites have ignored EU policy implementation in national political debates and have generated resistance to European integration. As Franklin, Marsh and McClaren's (1994) findings demonstrate "the natural distrust of the EC and the European project by voters has been exacerbated by the behaviour of political parties... [and] Europe is poorly served by national parties and politicians whose local interests often lead them to resort to obfuscation about European matters" (Franklin, Marsh & McClaren 1994, pp. 470-71).

Recent analyses have attained a more nuanced understanding of the elite/mass public opinion divide. Hooghe (2003) compares policy preferences among national and European elites and mass public opinion and argues that overall elites are more willing to relinquish national authority in areas which encroach upon sovereignty, while, mass publics are more approving of EU social policies. Hooghe (2003) further argues that "elites and public preferences are similar in that both are least enthusiastic about Europeanising high spending policies [as]... shifting authority could destabilize vested interests" (Hooghe 2003, p. 281). It is the public that seeks to contain the distributional risk through selectively Europeanising market-flanking policies while "elite preferences are consistent with a functional rationale that conceives European

integration as an optimal solution for internalising externalities beyond the state" (Hooghe 2003, p. 281). In sum, elites regard the EU and the EU project as a means to develop a successful and integrated economic market that allows the EU to be a more unified and international political actor. Meanwhile, mass publics in the EU are more concerned about social policies that impact individuals directly. These views highlight the gap between the levels of support for the EU between elites and mass publics. The differences between elites and mass publics are a result of the underlying concerns about what the EU project can provide and what policy areas should be pursued for the benefit of individuals in the EU. One the one hand, national elites aim to employ national competencies within European issues while on the other hand, mass publics are apprehensive about the ability of the EU to deliver the goods of society.

The disparity between elites and mass publics is highlighted by the decreasing congruence between policy positions of EU citizens and elite representatives. In their analysis on issue congruence, Schmitt and Thomassen (1999) demonstrate that elite and mass public opinion on specific EU policies is weak, as "contemporary voters determine how much leeway to give the leaders that march ahead. It is the irony of the situation described... [...] that voters in general seem unaware how far ahead the leaders are. Even worse... [...] is that the political elite does not know either" (Schmitt and Thomassen 1999, pp. 207). This elite and mass public opinion discrepancy with regards to policy positions emphasises popular perceptions of the EU by promoting it as a solely elite driven project set apart from the EU assembled by individual EU citizens.

The limitation of using elites as a determinant of EU support derives from the competing means by which the process of elite and mass attitudinal congruence is

understood. On the one hand, elites adopt an issue position and mass publics align themselves in relation to their ideological orientation, issue salience and political attitudes. On the other hand, elites situate themselves in accordance with mass public opinion in order to attain a larger electoral constituency and subsequently improve electoral competitiveness. It is the former theoretical method emphasising mass public opinion support for the EU which has resonated the most in debate about the EU being an elite-driven project.

While a distinction has been made between national elites and EU elites (Thommassen & Schmitt 1997), this has been contested with the inclusion of the left-right ideological dimension and the pro-anti European integration positions in the elite/mass public opinion debate. In addition, more nuanced analyses of the elite/mass public divide have demonstrated that national elites aim to exercise national competencies on international issues, while mass publics are much more concerned by the ability of the EU to deliver the goods of society (Hooghe 2003). There is an increasing disparity between elites and mass publics-which cannot be analysed on the basis of elites as a political intermediary alone. Consequently, the nuanced result in the elite/mass public debate has pushed scholars to turn their attention to political parties as an additional intermediary and potential determinant of support for the EU.

## Political Parties

The place for political parties in the EU project depends on whether EU institutions adopt the form of inter-governmentalism centred upon vigorous participation from EU member states and their national parliaments, or whether EU institutions embrace a European parliamentary model, which utilises the European Parliament as a supranational parliament. Mass political parties have been

traditionally understood in terms of representation, coherent policy positions and informational connections between governments and citizens. Recently, however, political parties have demonstrated a declining role in national politics, providing limited cues and ideological investigations to constituents.

In analyses of the European party system and political party organisation, scholars such as Mair (1990) and Katz and Mair (1994) have argued that rather than a decline in political parties, national political parties are encountering a modernization process in response to the supranational politics national parties have been exposed to as a result of EU membership. However, Van der Eijk and Franklin (1996) demonstrate that national political parties have focused European Parliamentary elections on national issues rather than European issues. Van der Eijk and Franklin (1996) argue that rather than having national politics as a combatant opposite to European politics, national political parties have the ability to improve EU legitimacy by coercing European policymaking to be more transparent and accountable.

Scholars such as Franklin, Marsh and McClaren (1994), Gabel (1998a), Ray (2003) and Hooghe and Marks (2005) have argued that partisanship is pertinent at the national level because when individuals support national political parties that are pro-EU, those individuals are pro-EU independent of their own personal characteristics. Franklin, Marsh and McClaren (1994) state that political parties act as "gatekeepers' to EC policy-making: taking credit for developments that would be popular with voters, like grants or bigger markets, and playing down or even blaming the EC for less popular ones, like the pressure to reduce public sector debt" (Franklin, Marsh and McClaren 1994, p. 460). They also demonstrate that the "European project is still bound up with national politics. Parties hesitate to speak clearly on European

questions because most of them are split between pro-European and anti-European factions" (Franklin, Marsh and McClaren 1994, p. 469).

Meanwhile Gabel's (1998a) individual-level analysis of economic integration and mass politics demonstrates that the intra-occupational variation in support for EU membership is relevant in aiming to understand party politics in the European Parliament. Gabel's (1998a) findings show that "with strengthening of the European Parliament's legislative power, European Parliament elections are now consequential for EU policy and this should increase the relevance of issues in European Parliament elections. In turn, this should promote am electoral connection between mass attitudes towards EU policy and the organization of party politics" (Gabel 1998a, p. 951).

Ray (2003a) reiterates the issue of partisanship at the national level further and challenges the notion that supporters of incumbent political parties are more pro-European than supporters of opposition political parties. Ray (2003a) states that the relationship between incumbent support and pro-EU attitudes is a conditional one and finds that overall "there is a weak positive relationship between incumbent support and support for the current EU, but a negative support for further unification" (Ray 2003a, p. 259). This suggests that advocates of incumbent political parties are not natural advocates of support for the EU.

Finally, Hooghe and Marks (2005) build upon this and reinsert the European versus national identity debate into the discussion on political parties and support for the EU. Hooghe and Marks (2005) posit that economic calculus and communal identity are influential in gauging support for the EU as "the more national elites are divided, the more citizens are cued to oppose European integration" (Hooghe & Marks 2005, p. 419). Their multi-level model fuses economic, identity and cue theory

together and explains a quarter of the variation at the individual-level and the majority of the variation at national level and political party level.

However, Taggart (1998) has argued that political parties play a reduced role in the emergence of Euroscepticism when compared to domestic contextual factors due to a deficiency in discourse about EU politics. Taggart's (1998) findings suggests that "Euroscepticism is mainly limited to parties on the periphery of their party system and are often used as an issue that differentiates those parties from the more established parties which are only likely to express Euroscepticism through factions" (Taggart 1998, pp. 363). Therefore, political party-based Euroscepticism is valuable in gauging domestic political patterns.

Perhaps the most robust research for the reinsertion of party politics into the debate surrounding mass public opinion and support for the EU has been made by Marks and Wilson (2000), Marks, Wilson and Ray (2002), Hooghe, Marks and Wilson (2003), Hooghe and Marks (2005 see above), and Marks, Hooghe, Nelson and Edwards (2006). The reinsertion of party politics into the debate surrounding support for the EU begins with Marks and Wilson (2000) and their analysis on positions adopted by national political parties on the issue of European integration. Marks and Wilson (2000) base their theory of political party systems on the Lipset and Rokkan (1967) cleavage theory of political party alignment. Their findings demonstrate that "the cleavage approach to party politics provides us with a powerful set of conceptual and theoretical tools for understanding the positions of national political parties on European integration" Marks and Wilson (2000, p. 433). Building upon this analysis, Marks, Wilson and Ray (2002) examine how political parties position themselves on the issue of the EU. They find that the ideological location of a political party in a party family is a robust predictor of a political party's position on EU issue salience.

They conclude, "party family is a stronger influence than strategic competition, national location, participation in government or the position of a party's supporters... [and] ... that political parties have bounded rationalities that shape how they process incentives in competitive party systems" (Marks, Wilson and Ray 2002, p. 585).

In their analysis on party positions on European integration Hooghe, Marks & Wilson (2003) analyse how European integration is structured among political parties competing in the member states of the EU. They demonstrate that there is "a strong relationship between the Left/Right dimension that chiefly structures party competition in European societies and European integration" (Hooghe, Marks & Wilson 2003, p. 966). In addition, by inserting a new politics dimension, which ranges from Green/Alternative/Libertarian to Traditional/Authoritarian/Nationalist, they find that "this dimension is the most general and powerful predictor of party positioning on the issues that arise from European integration" (*ibid*, pp. 966).

Finally, building upon all of these findings, Marks, Hooghe, Nelson and Edwards (2006) analyse the ideological profile of political parties in both Eastern and Western Europe and whether this affects support for the EU. Their findings suggest that the "structures of party competition in the East and West are fundamentally and explicably different and that although the positions that parties in the East and West take on European integration are substantively different they share a single underlying causality" (Marks, Hooghe, Nelson and Edwards 2006, p. 155).

The arguments outlined by Marks and Wilson (2000), Marks, Wilson and Ray (2002), Hooghe, Marks and Wilson (2003), Hooghe and Marks (2005), and Marks, Hooghe, Nelson and Edwards (2006) overall argue that political parties do not take cues from their respective electorates on issues in relation to the EU as individuals do

not have adequately structured orientations towards the EU. This directly contradicts Gabel's (1998a & 1998b) instrumentalist thesis of 'winners and losers' of the EU: that individuals determine what continued European integration means to them. As national political parties amalgamate concerns over EU integration into both contemporary and historical established positions this reinserts the question of domestic politics into the support for the EU debate. National politics, and more pertinently national political parties, replicate the existing debate on European integration rather than extending debates over national politics into the EU political realm.

However, research by Ray (2003b) and Hooghe and Marks (2006) demonstrates that individuals' partisanship has moved with individuals' support for European integration. Ray (2003b) demonstrated that if individuals are fervent partisans these individuals are more likely to be influenced by political party stances on the EU. Ray's (2003b) findings suggest, "party positions do influence electorate opinion, but this effect varies with levels of disagreement among parties, party unity, issue salience, and party attachment" (Ray 2003b, p. 978). Overall his analysis reflects the proxy argument by demonstrating that national political parties provide individuals with a cue with regards to the EU allowing individuals to evaluate the EU through the outcomes produced by domestic politics. Given the additional facets of party politics in the debate surrounding mass public opinion and support for the EU it is also important to highlight the intra-party consensus on European integration outlined by Hooghe and Marks (2006). In an analysis of national political party manifestos, they find that "the salience of European integration for political parties has increased since the early 1980's... [and that ]...a second development that influences European integration is populism" (Hooghe and Marks 2006, p. 248). All

of this indirectly reinserts the pertinence of national political contests over the perceived lower saliency of second-order European elections.

In conjunction with domestic constraints, pro-EU and anti-EU political parties have been oriented along two dimensions. The first dimension focuses upon the normative notion of the EU project, along a spectrum where social democracy stands at one end and market liberalism at the other. The second dimension is the competition between sovereignty of the nation state in the wake of continuing European integration and supra-nationalism. Scholars such as Franklin, Van der Eijk, & Marsh (1995) have connected EU support with satisfaction with the incumbent government while other scholars such as Ray (2003a) have demonstrated that support for incumbent political parties is linked to pro-EU stances whereas support for opposition parties is anti-EU.

The discussion of political parties is important to the understanding of mass public opinion and perceptions of the EU because the deficiency in electoral competition across political parties in the EU does little to promote debate among individuals. Therefore debates on the EU centre upon the national level as opposed to the European level. This results in a fragmented European public, which exhibits ideology as a weak explanatory variable when analysing support for the EU. In order to examine the cognitive basis of voting, Van der Brug and Van der Eijk (1999) address the disparity between mass publics' and elites' perception of the EU and to analyse whether elections are an effective means of communication of mass publics political preferences. Van der Brug and Van der Eijk (1999) demonstrate that "voters are aware of the differences between the programmes of different political parties... [and that] elections are more likely to function as a meaningful vehicle for mass-elite communication" (Van der Brug & Van der Eijk 1999, p. 129). These findings

undermine individuals' use of ideology as a significant determinant when examining the dimensions of political parties and support for the EU, which contributes to the disconnection between individuals and democratic representation.

The limitation of using political parties as a determinant of EU support is twofold. Firstly, when framed within the democratic deficit debate the absence of a party government within the European Parliament hinders political parties' electoral competition and does little to encourage individuals to engage in a Europe-wide political debate. As we have seen from analyses above, this subsequently leads to (minimal) debate at the national-level rather than the EU-level. Secondly and in conjunction with the absence of a party government is the inability of European party groupings to successfully and efficiently represent EU citizens. This limits the left/right ideology with which individuals identify and therefore the understanding of EU policy positions. Overall, the deficiency in discourse about the EU by national political parties fails to provide individuals with meaningful and informed positions on the EU and therefore limits political parties being used as an effective determinant in examining support for the EU.

## Mass Media

Mass media has also been analysed as a determinant in order to examine individuals' comprehension and orientation towards the EU. De Vreese *et al* (2006) analyse the news coverage of the 2004 European Parliamentary elections in all twenty-five member states of the EU. Their research provides a pan-European overview of the campaign coverage based on analysis of three national newspapers and two television broadcasts in the two weeks preceding the European Parliament elections. Their findings demonstrate that the European Parliament elections "were

more visible in the ten new member states than in the old fifteen member states<sup>7</sup>... [and that overall] the news in the old EU fifteen was generally negative towards the EU, whereas in the new countries a mixed pattern was found" (De Vreese et al 2006, p. 477). De Vreese et al (2006) posit that mass media is an effective intermediary of European politics as a result of the second-order nature of the European election process and the detachment from the EU project which individuals perceive. De Vreese and Boomgaarden (2006) build upon this earlier research by analysing the differential effects of news media exposure on both political knowledge and political participation. Their findings demonstrate that "the positive effects of news media exposure outweigh the negative effects and that the effects are conditional upon actual content" (De Vreese & Boomgaarden 2006, p. 317). These findings suggest that exposure to news outlets with high levels of political content directly contributes to individuals' knowledge about the EU and in turn increases the likelihood that these individuals will vote in European Parliament elections. In contrast, De Vreese and Boomgaarden (2006) find that individuals' exposure to news outlets with less political content has either no effect or a marginally positive effect on individuals' knowledge of the EU depending on the type of content. Overall, the effect of news media on individuals' knowledge and participation in European parliament elections is positive.

The examination of mass media and support for the EU has on the whole relied upon case studies. Meyer (1999) and Anderson and McLeod (2004) have highlighted the role of mass media as a contributor to weakening EU legitimacy via the debate on the communication deficit. Meyer's (1999) analysis of the

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<sup>&</sup>lt;sup>7</sup> The 2004 Big Bang enlargement was the largest single expansion of the EU. The ten new member states were: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. The old member states are: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and the United Kingdom.

communication deficit centres upon the role of political communication in legitimating governance in the EU. In particular Meyer (1999, p. 617) examines "the Commission's media communication and places it in the context of the EU's broader institutional set-up and decision making procedures". His findings demonstrate that the European Commission is positioned within a "system of governance which depoliticises conflict and obfuscates political accountability" (ibid, p. 617) and this has been adopted by EU member states in order to avoid public scrutiny and convey public dissatisfaction with the EU. Building upon this, Anderson and McLeod (2004) analyse the communication deficit in the European Parliament. Their findings suggest that the European Parliaments' "press and information service contains a mixture of highly competent and less able personnel and is handicapped severely by being led by senior officials who have no professional background in press and public relations matters" (Anderson & McLeod 2004, p. 915). In addition, Anderson and McLeod (2004) state that the European Parliament's communication performance "has seriously failed in recent years. But it should be remembered that a heavy responsibility also falls on member states' governments and on the various national pro-European party machines to promote vigorously the role of the Parliament within their own territories" (ibid, p. 916).

Overall, analyses of the communication deficit have highlighted the failed attempts to connect EU citizens to the European integration project. When this is combined with negative or opaque messages about the EU project, it contributes to the inability of the EU to prevail over the widespread challenge to the legitimacy of the EU. The absence of a transnational or EU press corps is likely to continue to weaken the ability of national media to exhibit a clear, concise and consistent role on

EU affairs as a result of a media milieu in which regional, national and transnational media are competing with one another.

Research on mass media as a determinant for EU support has advanced in a fragmented manner, relying upon case studies and an adjustable set of dependent variables. The limitation of mass media as an effective determinant of EU support is a result of it being employed as a contributor to debates on the perceived communication deficit within the EU. The notion of the communication deficit derives from the perception that the EU has failed to connect EU citizens to the EU project and mass media is a function of this deficit. When this is combined with the belief that national and European media outlets have created a media environment in which regional, national and trans-national media are competing with one another the opaque and multi-layered nature of mass media as a determinant of EU support is further highlighted. Mass medias' weakness in determining support for the EU is a result of the theoretical and conceptual difficulties in examining large-N crossnational research in general. The theoretical deficit between the conceptualisation and comparability of mass media across audience members, new media technologies and context in the EU makes it all the more difficult to determine the correct effect that mass media has on support for the EU.

# 2.5: Institutions and Institutional Performance

From the onset of the EU project the popular perception by EU citizens has ben that EU institutions are largely insulated from direct public access (Loveless & Rohrschneider, 2008, p. 12). The conduit for linking EU representatives and EU citizens is through the European Parliament (EP), the only directly elected institution of the EU. However, EP elections are often considered as 'second order' as citizens' participation is much lower given that citizens perceive there to be much less at risk.

This gives rise to the popular perception that the EU is an institution that inadequately reflects the opinions of EU citizens.

Assessments of institutional performance contain both an input and output element. The input element is designated through EU citizens voting in EP elections making EU institutions satisfactory organisations as a result of the democratic process in which they were founded and composed. The output element centres upon the EU institutions' ability to produce robust policy and enforcement. However, Schmitt and Thommassen (1999, p. 3) state that despite the fact that the EU's supranational ability has increased there is a perception that an "effective system of political representation is missing". In conjunction with this is the continuing debate over representation at the EU level. The democratic deficit focuses upon the inability of EP elections to deduce the election results into a logical distribution of power. The European Parliament, as the only directly elected institution of the EU, is not the most powerful institution<sup>8</sup> in the EU and the processes by which EU policy is conducted and implemented fail to make the connection between MEPs and their constituents. The notion of the democratic deficit is emphasised further by unelected EU institutions such as the European Commission, the Council of Ministers and the European Council, and the inability of these institutions to create policies that are harmonious with EU citizens' preferences<sup>9</sup>.

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<sup>&</sup>lt;sup>8</sup> The EP is becoming more powerful as a result of the Lisbon Treaty (1 Dec 2009), which increased the EP's legislative power. The EP now has equal rights with the Council of Ministers on deciding over forty new areas (including agriculture, energy security, immigration, justice and home affairs and health and structural funds) within the Ordinary Legislative Procedure. Along with the Council of Ministers, the EP will also decide on the entire EU budget.

<sup>&</sup>lt;sup>9</sup> The European Parliament 2014 elections assured voters that the 2014 election would be different from previous years as a result of the Lisbon Treaty. Under the Lisbon Treaty a vote in the 2014 European Parliament election was also a vote for the President of the European Commission with each political groups in the European Parliament nominating a lead candidate or Spitzenkandidat for the post. However the presidential candidates did not play a significant role in the election campaigns with the exception of Belgium, Germany and Luxembourg and had limited impact on voter participation and

However, scholars such as Majone (1998), Schmitt and Thommassen (1999), Moravcsik (2002) and Crombez (2003) have argued that the notion of the democratic deficit is unfounded and that the EU is as democratic as it needs to be. Moravcsik (2002, p. 603) argues that concerns about the EU's democratic deficit are misplaced and that "its institutions are tightly constrained by constitutional checks and balances: narrow mandates, fiscal limits, super-majoritarian and concurrent voting requirements and separation of powers... [and]... on balance, the EU redresses rather than creates biases in political representation, deliberation and output". In conjunction with Moravcsik (2002) Crombez (2003, p. 101) demonstrates that "the institutional setup of the EU does not lead to policies that are fundamentally undemocratic and that the composition of its institutions is not inherently less democratic than that of the US political institutions". In addition, he states that the democratic deficit in the EU is "owing to a lack of transparency and an excess of delegation on the legislative process" (ibid). With indecision surrounding the impact of the democratic deficit, attention has turned to the role national-level variables play in shaping popular perceptions of the EU. Scholars such as Norris (1999), Sanchez-Cuenca (2000) and Rohrschneider (2002) have demonstrated in their analyses that popular perceptions of the EU are oriented by national institutional factors. The most fruitful strand of this argument has focused upon the notion that an individual's evaluation of the EU is subject to nation-state performance.

Early research in this area converged upon Janssen (1991) and Anderson's (1998) analyses of the legitimacy and the efficacy of the nation state. Using cognitive approaches to measure individuals' awareness and knowledge about European

voter choices. See Hobolt, S. B. (2014) 'A Vote for the President? The role of Spitzenkandidaten in the 2014 European Parliament elections", *Journal of European Public Policy*, Vol. 21, No. 10, pp. 1528-1540

integration, Janssen (1991) and Anderson (1998) demonstrate that the majority of individuals are uninformed about the essential and rudimentary aspects of the European integration process, which highlights individuals' inability to use proxies as a means to derive an opinion on the EU.

Janssen (1991) explicitly analyses both post-materialism and cognitive mobilization through Inglehart's 'Silent Revolution' theory, in order to examine support for the EU. His findings demonstrate that "post-materialism appears to be unrelated to attitudes towards European integration while the concept of cognitive mobilization makes sense only at the individual level" (Janssen 1991, p. 443) indicating that Inglehart's cognitive mobilization theory is of little use in explaining attitudes toward support for the EU. As a result, and building upon Janssen's analysis, Anderson (1998) develops a model of mass public opinion towards the EU based on individuals' attitudes towards the political system, the incumbent government and establishment parties. His findings demonstrate that "system and establishment party support are the most powerful determinants of support for membership of the European Union... [This also suggests that] the relationship between economic factors and support previously reported in research on public opinion toward European integration is likely to be mediated by domestic political attitudes" (Anderson 1998, pp. 569). As a consequence of the findings outlined above, scholars such as Franklin, Van der Eijk & Marsh (1995) and Ray (2003a) have focused their research on national governments and have demonstrated that satisfaction with the performance of the EU has been understood in terms of satisfaction with the incumbent government and positive evaluations of national government.

However, the institutional proxy argument does have its limits. Sanchez-Cuenca's (2000) analysis highlighted that the proxy argument functions as a conflicting mechanism producing an inverted perception between both national and supranational institutions. Sanchez-Cuenca (2000, p. 147) argued that rather than considering national and EU institutions as a singular set of political institutions "the higher citizens' opinion of the functioning of supranational institutions and the lower that of national institutions, the greater their support for integration". This in turn allows for better democratic governance as individuals support for the EU is perceived as being not only a transfer of sovereignty to the EU but also the opportunity to eradicate corruption at the nation state level. Rohrschneider (2002) builds upon these findings stating that arbitrary institutions such as judiciaries and bureaucracies shape individuals' perceptions of how governments are in representing the interests of citizens. These are the institutions with which individuals will be the most familiar with and to which they will have the most exposure and it is from the interactions with these institutions that individuals base their positioning towards the EU.

Both Sanchez-Cuenca (2000) and Rohrschneider (2002) demonstrate that evaluations of EU institutions derive from evaluations of the quality of national institutions. However, their analysis contradicts previous research on proxy evaluations. Sanchez-Cuenca's (2000) analysis uses the speed of European integration as the dependent variable, which in turn explains varying levels in individuals' perceptions of national level corruption and social protection. This allows an examination of EU institutions as a means of comparison, as opposed to regarding EU institutions as an extension of national level institutions. Rohrschneider (2002), meanwhile, makes the connection between individuals' perception of the lack of representation at the EU level and finds that individuals' support for the EU decreased regardless of individuals' economic perceptions. When placing Rohrschneider's

(2002) findings against the proxy argument, individuals' decreased support for the EU is more pronounced in EU member states with well-functioning institutions which suggests that it is necessary to undertake an arbitrated assessment of the function and quality of democratic institutions at both the national and supranational level.

Contributing to the growing body of literature that uses multi-level studies (Anderson 1998; Gabel 1998a & 1998b; Sancez-Cuenca 2000, Rohrschneider 2002, Whitefield 2006), Rohrschneider and Loveless (2010) modelled EU member state characteristics as mechanisms to understand mass opinion attitudes towards support for the EU. Their macro-salience model demonstrates that previous models used to predict individuals' perceptions of the democratic deficit are contradictory, insofar as variables measuring economic and political performance are highly correlated across the EU. Rohrschneider and Loveless (2010) find that models using prospective economic prosperity at either the individual or national level and models of national political performance advocate conflicting expectations at the individual level when aiming to predict support for the EU in the same EU member states. Rohrschneider and Loveless (2010) argue that a EU member state's affluence and quality of governance establish the salience of issues and subsequently influenc the criteria that citizens use when evaluating the EU on an attitudinal basis. Their results demonstrate that citizens in less affluent member states evaluate the EU on the basis of economic prospects whereas in more affluent member states, citizens rely on political criteria to evaluate the EU's democratic deficit.

The limitation of institutions and institutional performance as a determinant of EU support is a result of the increasing evidence at the national level as outlined above of the national level in the variation in the quality of democratic institutions in determining support for the EU. The variation in the quality of this institutional

support for the EU can derive from alternative institutions, either in the form of a subnational or supranational context, as well as cross-national and non-governmental organisations. Overall, institutions and institutional performance is not an inadequate determinant of EU support, however it needs to be reconfigured to address the changing demands of both national political structures and the demands of EU citizens in the broader context of the EU project. EU citizens need to consider further integration of the nation state into pan-European institutional governance, particularly in light of the financial crisis of 2007/8. In doing so, EU citizens will be coerced into addressing the role of the nation state in the emerging supra-national organisation of the EU project.

### 2.6: Social and Economic Status and Social Location

Social and Economic Status (SES)

Social and economic status (SES) has been used to create structural differences by offering access to information or attitudes that provide a preference for specific political consumption options. SES effects originate from the economic models of EU support by Gabel (1998a & 1998b), Eichenberg and Dalton (1993) and Gabel and Whitten (1997), which incorporated the broad model of individuals' support for the EU in terms of a cost/benefit analysis.

The utilitarian, cost/benefit approach surmises that as material gains within a nation state increase, in particular through market liberalization as part of the EU, support for the EU will increase. This was indeed true for those who are positioned to take advantage of European integration, distinguished by socio-economic status (Gabel & Palmer 1995; Gabel & Whitten; 1997, Gabel 1998a & 1998b). Gabel and Palmer (1995) initiated the idea of utilising mass public opinion in determining

support for European integration and their individual-level results demonstrate that individuals' support for the EU is positively related to the "personal potential to benefit from liberalised markets for goods, labour and money" (Gabel & Palmer, p. 3). Building upon these earlier findings Gabel and Whitten (1997) analyse economic conditions and support for the EU at the individual-level by investigating how subjective economic evaluations influence attitudes towards European integration. Their findings support their hypothesis that it is the "subjective economy as perceived by EU citizens, rather than the objective economy as measured by economic indicators that influences support for integration" (Gabel & Whitten, 1997; p. 92) reiterating that the determinant of socio-economic status is a predictor of mass public opinion support towards the EU. Finally, Gabel (1998a and 1998b) applies these findings to occupation-based economic interests at the individual-level (Gabel 1998a) and to five prominent theories of European integration: cognitive mobilization, political values, utilitarianism, class partisanship and support for government (Gabel 1998b). In the former, Gabel (1998a) finds that support for the EU is "positively related to intra-occupational differences in economic benefits of EU membership" (Gabel 1998a, p. 936), while in the latter he finds that "the partisan context of integrative reforms and the utilitarian consequences of integrative policy provide robust explanations for variation in support" (Gabel 1998b, pp. 333) while political values and cognitive mobilization exert only a small, yet substantive impact on support for the EU.

All in all, this instrumental approach estimates that higher income earners benefit from continued European integration as it creates investment opportunities. Lower income earners meanwhile are subjected to diminishing welfare as a result of increased capital liberalization. Gabel (1998a and 1998b) demonstrated that

individuals with high SES and low SES saw the EU differently. Those individuals with high SES regard the EU as the expansion of the market therefore as something that brings opportunities. Conversely those individuals with low SES consider the EU in relation to weakening welfare as a result of deteriorating patterns of national redistribution within the enlarged, liberalised economy of the EU.

Overall, this SES approach has focused upon the distributional consequences of economic integration for individuals in the EU. It demonstrates that both winners and losers can be identified and that they both differ in their support for the EU (Gabel & Palmer 1995; Gabel & Whitten; 1997, Gabel 1998a & 1998b). This explains both differentiated support for the EU as well as the process individuals employ in assessing the personal impact of European integration.

# Social Location

In addition to instrumental self-interest, SES and broad utilitarian approaches outlined above, recent analyses include socio-economic perceptions and combine them with social location variables which allowing for a more complex and robust assessment of how economic evaluations affect individuals' attitudes and support for the EU.

Post-materialist theory argued that an increase in an individual's political sophistication created a value system of appreciation for the democratic system of which those individuals were a part of. In his analysis of cognitive mobilization Inglehart (1970) hypothesizes that rising levels of formal education tend to favour European integration. Inglehart's (1970) findings confirm this hypothesis yet more interesting is his finding that the views expressed by the mass public of a given member state may vary when reacting to current events, and that individuals who are

most exposed to political sophistication are more supportive of European integration. Inglehart (1997) extended his thesis to encompass support for the EU, which resulted in a more refined rejection of materialist considerations. However, the process of individuals' political sophistication was centred upon the notion that individuals' cognitive mobilization increased political awareness, which in turn reduced the risks of European integration. In this instance, cognitive mobilization was operationalized in terms of high levels of political awareness and sophistication and it was based on the assumption that high levels of cognitive skills are needed in order to understand the complex and abstract nature of the EU. More information acquired by individuals with regards to the EU project will therefore encourage increased support for the EU.

Overall, however, scholars have demonstrated that post-materialism is a weak determinant of EU support (Anderson & Reichert 1995; Gabel 1998a). Anderson & Reichert (1995) analysis of economic benefits and support for membership of the EU concludes that "post-materialists are significantly and consistently more supportive of their country's EU membership than materialists among citizens of the original six member states, the reverse is true among citizens of new member states" (Anderson & Reichert 1995, pp. 245-6). This means that the material aspects of European integration dominate value judgements of EU citizens from new member states, while more idealistic notions dominate public perceptions of the EU among citizens of the original six member states. The implications this has for cognitive mobilization, increases in political sophistication and interest as well as the ability to obtain and process accessible information with regards to the EU, have resulted in a more comprehensive approach.

The weakness of the socio-political and the socio-economic approaches to support for the EU in terms of either SES or social location is that while they focus

upon individual-level characteristics in the variation of support for the EU at the national level, they ignore the supranational character of the EU. The over emphasis on materialist and post-materialist explanations for support for the EU during the 1990s obscured contemporary political issues such as the social policies of European integration. In addition, an overreliance on the purely utilitarian approach in explaining individual-level support for the EU is also limited, as it is based explicitly on the notion that the EU has the capacity to deliver the goods. Overall, while this instrumentalist approach may have provided a robust examination for support for the EU during the 1990s it has failed to incorporate and analyse continued integration beyond economic policy, which has had a vigorous effect on individual-level support for the EU.

Scholarly research has moved from purely economic and utilitarian determinants to analysis of identity, political intermediaries, institutional performance, SES and social location all with an appeal to normative values.

# 2.7: Why Inequality?

In order to address support for the EU scholarly research has moved from purely economic and utilitarian determinants to the analysis of identity, political intermediaries, institutional performance, SES and social location. While these determinants are not bad predictors of EU support, their inadequacies highlight the need to expand their ability to further address individuals' normative notions and values in support for the EU. Since the onset of the economic and financial crisis of 2007/8, EU citizens have been forced to address the role of the nation state in the *sui generis* and supranational EU, which has highlighted the relative strength of each member state's governing structure and national institutional robustness. This has indirectly led to debates on equality/inequality, fairness, and justice in society

between member states of the EU, which has filtered down to the individual level. The individual level debate on inequality has been analysed through the lens of the liberal market economy of the EU. This has emphasised the need for inequality to be addressed and thus used as an effective determinant in examining support for the EU.

Liberal market economies unavoidably produce inequalities and diverging levels of growth. When this fact is coupled with the economic and financial crisis of 2007/8, it becomes politically problematic for the stability and the legitimacy of the liberal market economy and democratic political institutions. Therefore, inequality becomes problematic when EU citizens perceive it to be excessive and when these perceptions are transferred to valuations of the liberal market economy and democratic political institutions. Inequality needs to be addressed at the individual level, with individuals in a given EU member state and society differing in how they perceive inequality depending on SES, social location and normative values. By addressing inequality at the individual level through normative notions of fairness and justice in society, inequality can be identified as an effective determinant in gauging support for the EU.

Concerns about inequality are closely related to the emerging literature on social justice, in which individuals' perceptions of excessive inequality are driven by normative evaluations of 'fairness' and 'justice' in society. In their analysis on social inequality and the perceived income-justice gap Verwiebe and Wegener (2000, p. 123) examine "whether justice evaluations of income inequality in a society are determined more by country differences or by the social position an observer occupies". Their findings demonstrate that individuals' social positions are significant in shaping justice evaluations and that the variation in the perception of income justice must be attributed to the positional differences of individuals. Verwiebe and

Wegener (*ibid*, p. 123) conclude, "the characteristics of the transformation processes decrease in importance for determining public views about social justice". Building upon this, Osberg and Smeeding's (2006, p. 450) analysis of fair inequality "compares attitudes in different countries toward what individuals in specific occupations 'do earn' and what they 'should earn' and to distinguish value preferences for more egalitarian outcomes from other confounding attitudes and perceptions". Their findings demonstrate that: (1) there is less awareness with regards to the extent of inequality at the top of the income distribution, (2) that attitudes are more polarised among individuals and (3) there is much less concern for reducing income differentials at the bottom of the distribution. These findings suggest that individuals' value-based attitudes towards inequality are affected by individuals' personal cognitive estimates of the extent of inequality.

Beckfield (2006) builds upon these findings and applies the debate surrounding inequality to European integration. He argues that regional integration, or the construction of an international economy and polity within negotiated regions should matter for inequality, as "regional economic integration should raise income inequality as workers are exposed to international competition and labour unions are weakened" (Beckfield 2006, p. 964). Beckfield (2006) hypothesises that political integration should drive a reduction in welfare state expenditure in market-oriented regional polities as states adopt liberal policies in a context of fiscal austerity. His findings support these claims and the results demonstrate that "regional integration

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<sup>&</sup>lt;sup>10</sup> Inequality can be interpreted in terms of income ratios or income shares. Individuals' value-based attitudes towards inequality (put simply, how much inequality individuals believe to be 'fair') is conditioned on an individuals personal cognitive estimates of the extent of inequality (again put simply, how much inequality individuals believe actually exists).

explains nearly half of the increase in income inequality in the Western European countries analysed" (*ibid*, p. 964).

Solt (2008), meanwhile applies the principle of inequality to individuals' democratic political engagement. Solt (2008, p. 48) "tests the theory that greater inequality increases the relative power of the wealthy to shape politics in their own favour against rival arguments that focus on the effects of inequality on citizens' objective interests or the resources they have available for political engagement". His findings demonstrate that increased levels of inequality reduce political interest, the frequency of political discussion and participation in elections among all but the most affluent citizens.

Building upon Solt's (2008) examination of inequality and political engagement, Loveless (2011), Loveless and Whitefield (2011) and Karakoc (2012) analyse the role inequality plays in terms of both political significance and civic engagement in the new democracies of Central and Eastern Europe, which subsequently influences support for the EU. Loveless (2011) builds upon Gabel's (1998a; 1998b) arguments that utilitarianism is an extension of individuals' social location and that the perceptions individuals display with regards to their own economic experience and expectations in their respective market economies will influence support for the EU. Loveless (2011) argues that individuals' perception of inequality is established on the inability of market reform to produce social mobility and increased opportunities, which in turn has highlighted and emphasised inequalities via the institutions of the EU. He posits that in order to assess individuals' economic perceptions it is essential to evaluate individuals' perceptions of the opportunities available as a result of EU membership, "rather than assuming that having an unsatisfactory (or satisfactory) income determines the lack (or wealth) of

their opportunities." (Loveless 2011, p. 1090). Loveless is explicit in stating that the perception of inequality "is thus linked to support for the EU by assessing the actual experiences of integration, that is, how it is 'felt' regardless of an overall preference for market economies" (ibid, p. 1090). His findings demonstrate that there is in fact an increasingly nuanced economic criterion at the individual level, yet nevertheless the perception of inequality both strongly and independently influence support for the EU. Simultaneously, Loveless and Whitefield (2011) aim to analyse the connection between perceptions of inequality and citizens' views of new markets and democracy. Loveless and Whitefield (2011) state that market economies inevitably generate social inequalities and their results demonstrate that perceptions of inequality are driven by individual-level assessments of market and democratic performance but not by the market or democratic ideals. Put simply, while member state's of the EU should display concerns about improving citizens' perceptions of their nation state economic and political performance, member states should not be concerned that citizens who realise that there is in fact too much inequality are not opponents of both democracy and the liberal market economy. Finally, Karakoc (2012) examines the effects of inequality on participation in civil society. His findings demonstrate that "inequality has a drastically demobilizing effect on associational participation in countries with lower income inequality; meanwhile high inequality has a slightly weak mobilizing effect on associational participation" (Karakoc 2012, p. 1).

All of these views are not strictly egalitarian, which therefore diminishes Gabel's argument of pure 'winners and losers' across the European integration project and almost permits individuals to accept inequality to a point. More importantly, these views closely correspond to normative notions that, in societies, democratic institutions have an obligation to attain fair and just outcomes, emphasising the need

for inequality to be used as an effective determinant when examining support for the EU.

### 2.8: Conclusion

The understanding of support for the EU has increasingly encroached upon mass public opinion support and in particular upon individual level support for the EU. Overall this survey of the literature has highlighted that perhaps the demand for analyses on popular support for the EU is perhaps a result of EU citizens becoming more sophisticated in their demands of the EU as it comes to affect aspects of their daily lives. Scholars have therefore moved away from analyses on purely economic and utilitarian evaluations of the EU to examine potential new determinants of EU support such as national and European identity, the role of political intermediaries: elites, political parties and mass media, institutions and institutional performance.

What has not been considered sufficiently is the prospect of inequality as a determinant for EU support. Since the onset of the economic and financial crisis of 2007/8 EU citizens have been forced to address the role of the nation state in the *sui generis* EU which has highlighted the relative strength of each member state's governing structure and national institutional robustness. This has indirectly led to normative debates on inequality, including fairness and justice in society between member states of the EU, which has filtered down to the individual level. An individual-level analysis of inequality is necessary for two reasons. Firstly, in order to address how individuals in a given EU member state differ in how they perceive inequality depending on social and economic status, social location and normative values and secondly, to examine how individuals perceive themselves to be 'winners' or 'losers' of the EU project. In doing so, inequality will be an effective determinant of individual-level support for the EU.

The following chapter introduces the basis for individual-level effects on perceptions of inequality and how this can play a significant role when analysing mass public opinion support for the EU. The chapter also outline the approach used to produce individual-level effects on perceptions of inequality in the complex social setting of the post-economic crisis period of 2007-8 by examining the important role the determinant of inequality can play when analysing support for the EU.

# **Chapter 3: Theory**

# 3.1: Introduction

This chapter introduces the basis for individual-level effects on perceptions of inequality and how this can play a significant role when analysing mass public opinion support for the European Union (EU) in the 27 EU member states<sup>11</sup>. I develop a set of hypotheses that provide the basis for empirical analysis in the following chapters. This chapter outlines the approach used to produce individual-level effects on perceptions of inequality in the complex social setting of the economic and financial crisis period of 2007-8, by discussing the important role the variable inequality can play when analysing support for the EU. This chapter theoretically grounds this analysis within the larger inequality, political behaviour and EU mass public opinion literature, which was outlined in Chapter Two.

The principal function of the EU has been to create widespread and relatively equitable economic growth in Europe for the sake of continental stability, which over time has also come to include both social and political integration (Lindberg & Scheingold 1970; Inglehart 1971: Shepherd 1975; Inglehart & Klingemann 1976; Inglehart, Rabier & Reif 1991; Hooghe 2003; & Hooghe & Marks 2005). Overall, economic growth and political stability in Europe has been achieved with EU citizens understanding of support for the EU in terms of personal and aggregate economic growth which in turn produces higher support for the EU project (Anderson & Reichert 1995; Gabel & Whitten 1997; Gabel 1998a & 1998b; McLaren 2002;

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<sup>&</sup>lt;sup>11</sup> Data used in the analysis in Chapter five and Chapter six is the European Election Studies 2009 (EES 2009) dataset, which collected data from all 27 EU member states following the 2009 European Parliament elections. Data used in the analysis in Chapter seven is Standard Eurobarometer data (72.4, 74.2, 76.3, 78.1 and 80.1) 2009-2013, which collected data from all 27 EU member states in autumn of year stated. From 1<sup>st</sup> July 2013 Croatia joined the EU. Croatia is omitted from this analysis due to data unavailability in both European Election Study 2009 and Standard Eurobarometer 2009-2013.

Loveless 2010). However, recent trends suggest that the EU citizenry is becoming more critical of the EU. Since the beginning of the economic and financial crisis of 2007-8 there is a greater percentage of people who may not be objectively 'poor' but feel themselves to be at a heightened risk of economic adversity due to rising inequality and economic problems both in their respective countries and the EU (See Chapter seven). These individuals are likely to be more supportive of income redistribution as a means to minimize their own economic insecurity.

This chapter will build upon previous explanations of individual-level support for the EU (outlined in chapter two) such as national versus European identity, political intermediaries and institutional performance. In doing so this chapter will analyse how theoretical determinants such as instrumental self-interest, SES, social location, democratic political institutions and the liberal market economy play a fundamental role in determining how inequality can be identified as the central independent variable in this inquiry of how individuals in the EU perceive both the notion of inequality and the way in which individuals' normative notions of inequality affect support for the EU.

## 3.2: Instrumental Self-Interest

The economic considerations of EU citizens have long been the most thoroughly examined approaches when analysing mass public support for the EU. Attitudes regarding support for the EU have been explained initially by personal economic considerations (Gabel 1998a, 1998b). In his analysis on economic integration and mass politics, Gabel (1998a) assesses how domestic politics influence international economic policy and how this may differ in the treatment of mass public opinion. Central to this argument is the question of whether individuals form attitudes about international economics that reflect their own economic interests. Gabel

(1998a) examines this premise using international economic theory to identify the variation in economic interests regarding international economic policy, hypothesising that as EU citizens form attitudes towards the EU, an institution based upon an international economic policy, these attitudes are consistent with individuals' occupation-based economic interests. Gabel (1998a, p. 936) finds that positive evaluations of support for the EU are positively related to "intra-occupational differences in economic benefits from EU membership". In order to make this conclusion (Gabel 1998a) identifies how the occupation-based benefits of the liberal market economy are distributed among skilled and unskilled workers. He finds that the economic benefits of an internal market for an unskilled and skilled worker depends on how well he/she can compete with workers in his/her occupation throughout the market and not with other factors of production in his/her nation (Gabel 1998a, p. 939).

Building upon these findings, Gabel (1998b) aims to explain the variation in mass public opinion towards the EU. He empirically examines five prominent theories of support for European integration: cognitive mobilization, political values, utilitarianism, class partisanship and support for government and demonstrates that the partisan context of integrative reforms and the utilitarian consequences of integrative policy provide robust explanations for in variations in individual support for the EU. However, the findings for two other prominent theories-cognitive mobilization and political values-produce a small, substantive impact on support for the EU and are only valid in a limited context as a "citizen's support for integration is based on personal political characteristics that are generally immutable throughout adulthood" (Gabel 1998b, p. 352). Meanwhile, the remaining theories of utilitarianism, class partisanship and support for government demonstrate that EU

citizens may change their support for the EU depending on specific factors such as how integrative policy affects their welfare (utilitarianism), how their political party portrays European integration (class partisanship) and their support for the governing political party (support for government). These results indicate that across all member states of the EU and across time it is the latter group of theories, which account for greater variance in support for the EU. Put simply, EU citizens differ in their support for the EU as a result of factors that may change over time.

In conjunction with individual-level analysis of economic considerations as an indicator of EU support, analyses of individuals' perceptions of their own economic wellbeing and national economic performance have also been investigated (Eichenberg & Dalton 1993 & 2007; Gabel & Whitten 1997). In their analysis of the dynamics of public support for European integration, Eichenberg & Dalton (1993) conceptualise public opinion as a function of both domestic and international conditions, in simple terms an individual's economic and political surroundings. They argue that if the EU "is to deal forcefully with issues such as monetary union, social policy, foreign policy and constitutional reform, it will require active public support for political change" (Eichenberg & Dalton 1993, p. 508). Their findings suggest that European integration has both a direct and indirect impact on individuals' attitudes. The direct impact derives from both market integration and from extensive publicity and positive evaluations that result from policy activity as reforms at the EU level unfold. The indirect impact comes in the form of policy measures such as European Monetary Union (EMU), which contributes to citizens' support. All in all, "continued integration is not the problem - it may very well be the solution" (Eichenberg & Dalton 1993, p. 531).

Gabel and Whitten (1997) build their argument on Eichenberg & Dalton's (1993) investigation of how objective national economic conditions and national net return from the EU budget relate to national-level variation in support for European integration. Gabel and Whitten (1997, p. 82) believe that Eichenberg & Dalton (1993, pp. 522 & 527) produce limited empirical evidence that objective conditions influence support for the EU with only inflation (when analysing macroeconomic factors such as GDP, inflation and unemployment) having a statistically significant relationship with national-level variation in support for the EU. Gabel and Whitten (1997, p. 82) believe that one reason for these findings may be that Eichenberg & Dalton (1993) over-specified the link between economic conditions and support for the EU. While citizens may be sensitive to economic conditions in forming attitudes toward integration, objective measures of the national economy may be weak proxies for citizens' economic sensitivities. They argue that objective measures of national economic conditions do not always capture the often large and sub-national variation in economic conditions to which EU citizens may attach greater importance. Therefore "citizens' perceptions of the economy may be inconsistent with the objective economic reality (local or national)" (Gabel & Whitten 1997, p. 82). In order to correct these potential sources of misspecification Gabel and Whitten (1997, p. 82) analyse the effects of both subjective evaluations of national and personal economic fortunes and objective regional and national economic conditions on support for European integration at the individual-level. Their findings indicate that it is the subjective economy as perceived by EU citizens, rather than the objective economy as measured by economic indicators, that influences support for the EU. This in turn has several implications for individual-level support for the EU: (1) as citizens' economic perceptions change their support for the EU will ultimately vary,

(2) support for the EU will also vary with perceptions of the economy and (3) the level of support for future reforms will depend on citizens' perceptions of their national and personal welfare.

Building upon their existing findings (Eichenberg & Dalton 1993), Eichenberg and Dalton (2007) analyse the transformation of aggregate citizen support towards European integration from 1973-2004. Their findings produce three predominant results for instrumental self-interest in evaluating support for the EU: (1) there has been considerable cross-national convergence in citizen support for the EU, (2) while economic factors indeed influence individuals support for the EU the impact of the cost/benefit approach is weaker, (3) the effect of inflation and trade concerns virtually disappeared following the Maastricht Treaty and (4) individuals' support for specific policy areas suggests that a decline in support for the EU started in 1991 with budgetary implications outlined by EMU. Overall Eichenberg and Dalton (2007, p. 128) "argue that the politics of European integration are now animated by distributive concerns as well as by evaluations of absolute economic performance"

The analyses of both personal economic situations and individuals' perceptions of their own economic well-being and national economic performance suggests a broader classification of EU citizens into 'winners and losers' of the European integration process. These explanations centre upon the notion that support for the EU comes from an implicit cost/benefit analysis by individuals assessing whether they are likely to benefit (i.e. be a 'winner') or lose (i.e. be a 'loser') from the European integration process, and this in turn has created a more specific form of egocentric utilitarianism.

### 3.3: Social & Economic Status

SES variables provide robust cues to an individual's position in the social structure (for example, education and income) and individual characteristics that shape their behaviour (for example, age). SES has been used to create structural differences by providing access to information or attitudes that provide a preference for specific political consumption choices. SES effects derive from the economic models of EU support by Gabel (1998a), Eichenberg and Dalton (1993) and Gabel and Whitten (1997), which incorporated the broad model of individuals' support for the EU in terms of cost/benefit analysis.

The utilitarian, cost/benefit approach implies that as material gains within a nation state increase, in particular through market liberalization as part of the EU, support for the EU will increase. This indeed proved true for those who are positioned to take advantage of European integration because, distinguished by SES (Gabel & Palmer 1995; Gabel & Whitten; 1997, Gabel 1998a & 1998b). This instrumental approach estimates that higher income earners benefit from continued European integration as it creates investment opportunities. Lower income earners, meanwhile, are subjected to diminishing welfare as a result of increased capital liberalization. Gabel (1998a and 1998b) demonstrated that individuals with high SES and low SES saw the EU differently. Those individuals with high SES regard the EU as the expansion of the market and therefore that brings opportunities, while those individuals with low SES regard the EU in terms of diminishing welfare due to declining patterns of national redistribution within the expanded, liberalized economy of the EU (Brinegar & Jolly 2005).

In conjunction with the utilitarian approach, individuals' social and economic status in terms of occupation and working sector (public or private) will play a role,

with younger European citizens being more likely to benefit from integration, as they are more cosmopolitan, mobile and flexible. In their assessment of public opinion in relation to economic uncertainty, Inglehart and Rabier (1978) find a positive correlation between support for the EU and a member state's level of industrial production as well as the occurrence of post-materialist values. Overall, this SES approach has focused upon the distributional consequences of economic integration for individuals in the EU; it demonstrates that both winners and losers can be identified and that they both differ in their support for the EU (Gabel & Palmer 1995; Gabel & Whitten; 1997, Gabel 1998a & 1998b). This explains both differentiated support for the EU and the process individuals employ in assessing the personal impact of European integration.

In relation to specific socio-economic status variables, education is perhaps the most salient socio-economic variable that has been examined in mass public opinion support. Higher education teaches one to think in a more conceptual manner (Almond & Verba, 1963). Converse (1964) builds upon Almond & Verba's (1964) thesis by stating that individuals who are better educated should be more likely to pay attention to political information because politics is a complex subject that requires a particular level of interest, ability and motivation which would be displayed in further or higher political sophistication. More recent work by Zaller (1992) continued on the lines of education as a SES but suggested that the *most informed* individuals about public affairs are more likely to absorb and therefore *interpret* new information. Income has consistently been a strong intervening variable for mass public opinion support. This variable is subject to much less variation and serves as a semi-permanent feature in models of public opinion support. Age is a valuable theoretical distinction that relates to the long-standing arguments of socialisation (Inglehart

1978). Given different generations' different socialisation experiences in the political world, we would expect younger generations to be more in favour of new political orientations such as the EU.

## 3.4: Social Location

In addition to the instrumental self-interest, SES and broad utilitarian approaches outlined above, recent analyses include socio-economic perceptions and combine them with social location variables allowing for a more complex and robust assessment of how economic evaluations affect individuals' attitudes and support for the EU.

From the outset, post-materialist theory argued that an increase in an individual's political sophistication created a value system of appreciation for the democratic system of which those individuals were a part. In his analysis of cognitive mobilization, Inglehart (1970) hypothesizes that rising levels of formal education tend to favour European integration. Inglehart's (1970) findings confirm this hypothesis however, perhaps more interesting is his finding that "the opinions expressed by the public of a given nation may fluctuate distinctively in response to current events" (Inglehart 1970, p. 69) and that individuals who are most exposed to political sophistication are more supportive of European integration. He argues that, while this pattern is linked to differences in social class, it cannot be explained through differences in political party preference or perceptions of economic benefits (Inglehart 1970, p. 70). Rather, mass public support for European integration can be explained through individuals' rising levels of income, education and support for the supranational institutions of the EU. His findings of 1970 are replicated by Inglehart & Rabier (1978), with their results suggesting that long-term influences continue to

dominate the effects of the immediate economic context through cognitive mobilization.

Inglehart extended his thesis to encompass support for the EU (Inglehart 1997), which resulted in a more refined rejection of materialist considerations. However, the process of individuals' political sophistication was centred upon the notion that individuals' cognitive mobilization increased political awareness, which in turn reduced the risks of European integration. In this instance, cognitive mobilization was operationalized in terms of high levels of political awareness and sophistication, and it was based on the assumption that high levels of cognitive skills are needed in order to understand the complex and abstract nature of the EU. More information acquired by individuals with regards to the EU project will therefore encourage increased support for the EU.

However, post-materialism as a determinant of EU support has demonstrated to be a weak relationship (Anderson & Reichert 1995; Gabel 1998a). While Anderson & Reichert's (1995) analysis of economic benefits and support for membership in the EU concludes that "post-materialists are significantly and consistently more supportive of their country's EU membership than materialists among citizens of the original six member states, the reverse is true among citizens of new member states" (Anderson & Reichert 1995, p. 245-6). This means that the material aspects of European integration dominate value judgements of EU citizens from new member states, while more idealistic notions dominate public perceptions of the EU among citizens of the original six member states. The implications this has for cognitive mobilization, increases in political sophistication and interest as well as the ability to obtain and process accessible information with regards to the EU, has resulted in a more comprehensive approach. As individuals develop a more cosmopolitan outlook,

their apprehension towards the EU project decreases. Janssen (1991) further tests the theory of cognitive mobilization and post-materialism. While he is critical of the links between post-materialism, cognitive mobilization and support for the EU (stating that from his analysis on cross-national differences in support for the EU his findings demonstrate that post-materialism is unrelated to attitudes towards European integration, and that the concept of cognitive mobilization is only applicable at the individual-level), his findings produce a positive correlation between political involvement and knowledge and support for the EU.

The analysis above forms part of the social basis in which political sophistication and skills develop. Variables such as age, income, occupation and political values are not control variables but have become independent variables that contribute to an individuals' cognitive development and their understanding of the EU project (Inglehart, Rabier & Reif 1991). Through his analysis of whether support for European integration is driven by elite opinion or mass public opinion, Weβels (1995) established that variables such as education, age gender and individuals' SES are significant contributors to an individual's support for the EU. Gabel (1998a) has also supported the insertion of an individual's social location as an indicator of support for the EU highlighting specifically socio-demographic characteristics and political and ideological preferences, in particular centre versus left/right cleavages, while Anderson and Reichert (1995) have focused upon an individual's ideological positions.

The limitation of both socio-political and socio-economic approaches when assessing support for the EU in terms of either SES or social location is that while they link individual-level characteristics to changes in support for the EU at the nation state level, they ignore the supranational character and nature of the EU. The

overemphasis on materialist and post-materialist explanations for support for the EU during the 1990s obscured new political issues such as social aspects and social policies of European integration. The cost/benefit analysis is the most cross-temporally robust when analysing support for the EU at both the individual-level and the nation state-level as it is the EU which has made the most vigorous impact in terms of economic outcomes and economic considerations. However, the purely utilitarian approach is limited, as it is based explicitly on the notion that the EU has the capacity to deliver the goods of society. This instrumentalist approach may have provided a robust analysis for EU support during the 1990's but the EU has continued to integrate beyond economic policy, which has in turn had an effect on individual-level support for the EU.

## 3.5: Democratic Political Institutions & the Market

Several scholarly works have presented evidence that popular perceptions of the EU are contextualized by national institutional factors (Easton 1975; Anderson 1998; Klingemann 1999; Norris 1999; Sancez-Cuenca 2000; Rohrschneider 2002; Kritzinger 2003; Dalton 2005; Loveless 2010). Anderson (1998) argues that citizens employ proxies embedded in attitudes about domestic politics when responding to questions about the European integration process. He then develops a model of mass public opinion support toward European integration based on attitudes towards the political system, the incumbent government and the establishment of political parties. Anderson's (1998) results demonstrate that the political system and the establishment of political party support are the most powerful determinants of support for the EU. In addition, the results highlight that the relationship between economic factors and support for the EU are likely to be mediated by domestic political attitudes.

Sanchez-Cuenca (2000) builds upon Anderson's (1998) thesis and believes that previous research on mass public opinion support for the EU assumes that support is a function of economic calculations. He challenges this by proposing a model that demonstrates that support for the EU is the consequence of the interplay between supranational politics and national politics. In simple terms, the higher a citizen's opinion of the functioning of supranational institutions and the lower a citizen's opinion of national institutions, the greater an individual's support for the EU. In conjunction with this hypothesis, it may be postulated that the worse an individual's opinion of the national system is the lower the opportunity cost of transferring sovereignty to the EU. In his analysis, Sanchez-Cuenca (2000) shows that levels of national support for the EU at the individual level are higher in those countries that suffer greater corruption and have less-developed welfare states.

Finally, Rohrschneider (2002) suggests that the representation deficit in the EU undermines mass support for the EU, especially when national institutions are functioning well. In his analysis, Rohrschneider (2002) finds that when citizens perceive that they are unrepresented, their support for the EU is reduced, independent of economic perceptions, with this reduction being particularly pertinent in nations with well-functioning political institutions.

Building upon the national institutional factors that determine mass public opinion support toward the EU, the standard model of support for the EU now relies heavily on national-level variables that play a role in shaping popular perceptions of the EU. Kritzinger (2003) seeks to explain variations in mass public opinion support towards the EU, arguing that national factors are believed to be more important than European ones as a result of the lack of knowledge about the EU and the direct influence of the nation state on citizens. She states that the evaluation of the EU

depends on the performance of the nation state, as citizens' perceptions of the nation state are used as a proxy for the formulation of attitudes towards the EU. Her findings confirm that support for the EU reflects national attitudes and that the EU is the institution citizens look towards to manage surmounting national problems.

It is argued that when individuals display dissatisfaction with democracy, they want more democracy, not less democracy. In his analysis, Dalton (2005) highlights this and demonstrates that public dissatisfaction about politics and government are in fact spreading across advanced industrial democracies. Dalton (2005, p. 149) analyses social correlates to illustrate individuals dissatisfaction with democracy and produces findings that demonstrate that support for democracy "is decreasing most among groups that have benefited most from the progress of democratic governments during the late twentieth century" while Klingemann (1999, pp. 42 & 46) has suggested that we are witnessing a new pattern of 'dissatisfied democrats' or 'critical citizens' who are committed to democratic ideals, but critical of how contemporary democracies fulfill their own ideals. In addition, Norris (1999) states that democratic institutions are a better indicator of public dissatisfaction with democracy, as they are the basic pillars of society. Norris's (1999) thesis is an extension of Easton's (1975) reassessment of the concept of political support, which analyses political community, regime and authorities. Norris (1999) draws a line between the political community, regime principles, regime performance, regime institutions and political actors and demonstrates that, in order to confront citizens' dissatisfaction with democracy, and in tandem with Klingemann (1999) and Dalton (2005), there are demands from both elites and the mass public to reform the institutions of democratic governance.

When examining the interplay between the three facets of (1) satisfaction with democracy, (2) the liberal market economy and (3) inequality in order to assess

individual-level support for the EU, it is the liberal market economy which distorts the distribution of goods of society. Put simply, the distribution of the goods of society is represented by income and attendant socio-economic supports to income, such as social welfare benefits, pensions and the ability to spend disposable income and access to complementary aspects of income such as health and education. It is from the distribution of the goods of society that individuals will evaluate whether there is in fact *more* inequality or *perceive* that there is more inequality since the onset of the economic crisis of 2007-8. As Dalton (2005), Klingemann (1999) and Norris (1999) state, institutional involvement and more democracy not less democracy, is favoured among the mass public. This allows an examination in the changes in individual-level support for the EU and a re-examination as to whether the *sui generis* EU is valued more for its democratic (i.e. institutions, social issues, politics) character rather than its liberal market (i.e. economic) character when addressing inequality.

Since the onset of the economic crisis of 2007-8, national level contextual factors matter in differing ways. As countries move from lower levels of economic and political performance, citizens move from economic to political criteria. Rohrschneider and Loveless (2010)<sup>12</sup> argue that analyses of contextual effects do not explain how EU citizens evaluate conflicting information arising from national contexts. They hypothesize that an EU nation state's affluence and quality of governance creates the salience of issues which in turn influences the criteria that EU citizens use when evaluating attitudinal factors to determine support for the EU. When this is applied to EU citizens in less affluent nation states these individuals evaluate the EU on the basis of economic prospects. However, in more affluent

<sup>&</sup>lt;sup>12</sup> Like other scholars: (for example, Anderson and Reichert 1996; Gabel 1998; Carrubba 2001) Rohrschneider and Loveless (2010) included whether a nation state is a beneficiary of the net transfers from the EU to the national level.

nations mass publics rely on political criteria to evaluate the EU. The findings by Rohrschneider and Loveless (2010) strongly support this hypothesis. In the least affluent EU member states, individuals generalise their perceptions of national and personal economic conditions to the EU level. Since these conditions are generally unfavourable, individuals believe that the EU does not represent their economic interests. In contrast, in the most affluent EU member states individuals are equally critical of the EU but base their judgements on the comparative quality of national governments and EU institutions. The underlying assumption remains that further EU expansion implies continued market liberalization. However, since the economic and financial crisis began in 2007/8, what the EU citizenry may regard as excessive inequality may have little to do with inequality per se but depend on whether the economy as a whole provides high living standards and dynamic economic development.

## 3.6: Inequality

Concerns about inequality are more closely related to the emerging literature on social justice, in which individuals' perceptions of excessive inequality are to some degree driven by normative values such as 'fairness' and 'justice' in society. In their analysis on fair inequality<sup>13</sup>, Osberg and Smeeding (2006, pp. 451) compare attitudes toward what individuals in specific occupations "do earn" and what they "should earn" in order to distinguish between value preferences for more egalitarian outcomes from attitudes and perceptions. Their findings suggest that individuals' value-based

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<sup>&</sup>lt;sup>13</sup> By distinguishing between what individuals 'do earn' and 'should earn' Osberg & Smeeding (2006) offer a focused way of distinguishing between individuals value preferences for more egalitarian outcomes and other confounding attitudes and perceptions. This is necessary because inequality as a term amalgamates the perceptions of income differences between the top and the middle of the income distribution, attitudes toward the gap in the middle classes and poor and preferences for general redistribution of wealth. In order to determine whether inequality is a noteworthy determinant of EU support it is necessary to consider the normative notion embedded within inequality as a concept and note what individuals believe to be acceptable and 'fair'.

attitudes toward inequality (i.e. how much inequality respondents think would be 'fair') are also influenced by individuals' personal cognitive estimates of the extent of inequality (i.e. how much inequality individuals believe actually exists). Overall, Osberg and Smeeding<sup>14</sup> (2006) find that there is less awareness concerning the extent of inequality at the top of the income distribution, there is less concern for reducing differentials at the bottom of the income distribution and there is a polarization of attitudes among individuals. Kreidl<sup>15</sup> (2000) builds upon the thesis of Osberg and Smeeding (2006) and applies merited, unmerited and fatalistic types of poverty and wealth. Kreidl's (2000) findings demonstrate that preferences for each type of poverty and wealth centre upon stratification-related experiences and the social position of each individual. Verwiebe and Wegener<sup>16</sup> (2000) also analyse whether social justice evaluations of income inequality in a society are determined by national level country differences or by the social position of the individual. In their inquiry, Verwiebe and Wegener (2000) find that most of the variation in the deviation in the perception of income justice must be attributed to the positional differences of individuals. They conclude that the characteristics of the transformation processes decline in importance when determining public opinion about social justice. Finally, in Central and Eastern Europe specifically, Loveless and Whitefield (2011) state that market economies inevitably generate social inequalities, and they aim to make a connection between perceptions of social inequality and citizens views of new markets and democracy. Their findings also suggest that perceptions of social inequality are driven by

<sup>&</sup>lt;sup>14</sup> Osberg & Smeeding (2006) use the International Social Survey Program (ISSP) micro data from 1999, which compares the United States with other industrialised nations. EU member states included in this study are: Bulgaria, Cyprus, Czech Republic, France, Germany (East and West), Great Britain, Hungary, Latvia, Northern Ireland, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden.

<sup>&</sup>lt;sup>15</sup> Kreidl (2000) uses International Social Justice Project (ISJP) data from 1991 and 1996. EU member states included in this study are: West Germany, the Netherlands and Czech Republic.

<sup>&</sup>lt;sup>16</sup> Verwiebe & Wegener (2000) use International Social Justice Project (ISJP) data from 1991 and 1996. EU member states included in this study are: Czech Republic, Hungary, Bulgaria, East Germany and West Germany.

individual-level assessments of market and democratic performance but less so by the market or democratic ideals. While EU member states should display concerns about improving citizens' perceptions of their nation state and economic performance, member states should not be concerned that citizens realise that there is in fact too much inequality and are not opponents of both democracy and the liberal market economy.

All of these views (Kreidl 2000; Verwiebe & Wegener 2000; Osberg & Smeeding 2006; Loveless & Whitefield 2011) are not strictly egalitarian, therefore diminishing Gabel's argument of pure 'winners and losers' of the European integration project and almost permitting individuals to accept inequality to a point. In Europe, Kaltenhaler *et al.* (2008, p. 218) contend that individuals' orientation to income inequality is "largely a product of the ideas that they hold about politics and society and not solely a product of their economic self-interest", incorporating views of equality and fairness versus strict egalitarianism. More importantly, these views closely correspond to normative notions that in societies, democratic institutions have an obligation to attain fair and just outcomes (Rohrschneider 2005)

The market and democracy are mutually reinforcing mechanisms, such that markets can produce better economic outcomes for a greater number of EU citizens. This is achieved in conjunction with strong and efficient democratic institutions. If an economy, or EU member state, has high living standards and dynamic economic development, individuals will accept higher or perhaps objective levels of inequality. Major theoretical arguments that link political democracy with economic inequality have argued that, "by reducing inequalities in the distribution of political power, democracy in turn helps to reduce inequalities of wealth and status" as well as

exploring the view that "extreme inequalities in wealth undermine political structures" (Bollen & Jackman 1985, p. 438).

Discussions on the effect of democracy on inequality have been refined in the works of Key (1949), Lipset (1960) and Lenski (1966). For Key (1949) democratic institutions are important because they give rise to organised political competition. He concludes that the lack of sustained competition between two clearly defined political groups makes governments more susceptible to individual pressures and favouritism and argues that "single party politics has a status quo bias that benefits the 'haves' at the expense of the 'have not's'" (Key, 1949 p. 307). Lipset's (1960) analysis extends Key's argument by arguing that democratic political structures lead to elections that serve as the expression of the democratic class struggle. Lipset (1960) suggests that citizens vote for parties that appeal to either working-class or middle-class interests with elections serving as the expression of the democratic class struggle as political parties have come to reflect class interests. Lipset (1960) concludes that without democratic political institutions the role of elections is unlikely to be fulfilled, hence the importance of democracy. Finally, Lenski's (1966 p. 317) theory of social stratification parallels Lipset's (1960) argument. For Lenski, the "new democratic ideology" (*ibid*, p. 317) is significant because it legitimates a major redistribution of political power in favour of the disadvantaged elements of society. This increased political equality has led to more social equality because the predominant electoral demand made on modern political elites has been made for a more egalitarian distribution of material goods.

The effect of *inequality on democracy* centres upon the fact that economic inequality inhibits the emergence or performance of democratic political structures.

Dahl (1971, Chapter 6) suggests that extreme inequalities in the distribution of

material goods produce hegemonic regimes for two reasons. Firstly, economic resources can be translated into political resources allowing the 'haves' to prevent political reforms that extend rights and liberties for those who are at a disadvantage in society. Secondly, economic inequalities may undermine democracies through the resentment and frustrations they generate. Dahl (1971) suggests that political democracies are particularly vulnerable because extreme disparities reduce the sense of community and legitimacy upon which democracy is based. In simple terms, the effect of inequality on democracy is anticipated because concentrated economic rewards lead to concentrated political resources, undermining political equality. In addition, economic inequality generates frustrations that undermine allegiance to democratic procedures.

Individuals' perceptions of excessive inequality do not necessarily drive dislike or distrustfulness of democratic institutions. Kaltenhaler *et al* (2008) seek to understand why attitudes vary among individuals regarding the issue of income distribution in EU member states<sup>17</sup>. They hypothesize that the issue of income inequality is a significant political cleavage that can influence European politics and focus their research on the national context as well as individual-level characteristics such as political attitudes, economic self-interest and general attitude toward society, in order to gauge how EU citizens view income inequality in their respective member states. Their findings suggest that the way in which EU citizens think about income inequality in their societies is a product of the ideas they embrace about politics and society and not solely economic self-interest.

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<sup>&</sup>lt;sup>17</sup> Due to data limitations in the World Value Survey and the European Values Survey respondents from Cyprus and Portugal are omitted by Kaltenhaler *et al* (2008) in their analysis.

In Central and Eastern Europe specifically, Whitefield and Loveless (2013) provide an assessment of how EU citizens link inequality to both democracy and to the market and whether this generates social conflict. They control for ideological and experiential indicators and by country conditions such as the level of income inequality as well as economic and democratic development. Whitefield and Loveless (2013) demonstrate that there is indeed a link between individuals' perceptions of social inequality and expectations of market generated inequality, but not social conflict generated by democratic institutions.

As outlined above, much of the comparative analysis on inequality has focused upon Central and Eastern European member states of the EU. In order to examine how inequality affects individual-level support for the EU cross-nationally analysis needs to be expanded to include all twenty-seven member states of the EU. In doing so, individual-level effects on the perceptions of inequality in the complex social setting of the economic crisis period of 2007/8 can be established in turn identifying the significant role inequality can play when analysing support for the EU.

## 3.7: The Effects of Inequality: Broad Hypotheses

This section outlines the broad hypotheses while the following empirical chapters will specifically address the effect of inequality as it pertains to support for the EU.

Dahl's (1989) in-depth analysis in *Democracy and its Critics* focuses upon the notion that democratic institutions are designed to perform in an egalitarian, or at least a modestly majoritarian manner. Following on from this thesis, scholars such as Bollen & Jackman (1985), Szelenyi & Kostello (1996) and Reuveny & Li (2003) have concluded in their analyses of the interplay between democracy and inequality

that individuals regard democratic institutions as the fundamental mechanism in addressing both excessive and inevitable distortions within the liberal market economy. If the attributes of democracy are regarded to be impartial and fair, then citizens having obtained what they want or what they do not want from the principles of democracy will be inclined to accept the outcome, in turn producing democratic legitimacy. Rohrschneider's (2005) analysis of institutional quality and representation in advanced industrial democracies supports this notion with his results inferring that "when national administrative and judicial institutions work well, citizens are also more likely to believe that parliaments and governments account for their interests, net of economic factors" (Rohrschneider 2005, pp. 850). Put simply, democratic institutions can be regarded to deliver some security from inherent, or perceived, inequalities of the liberal market economy, as it is the role of democratic institutions to serve as unbiased intermediaries of universal social welfare for citizens. It is also the role of democratic institutions, in the eyes of citizens, to reduce the effects of market-driven inequality.

In order to link this to individual-level support for the EU, I make a connection between individuals' concerns about inequality and the changes in their level of support for the EU through the relationship inequality has both to democratic political institutions and the liberal market economy. Drawing upon the findings of Rohrschneider and Whitefield (2006), I argue that EU citizens want democratic institutions and the liberal market economy to work effectively at both the national level and the EU level, as both democracy and the market are intertwined with one another and are therefore mutually reinforcing mechanisms. This in turn allows liberal market economies to produce enhanced economic outcomes for a larger number of individuals in conjunction with robust and effective democratic institutions.

In a previous analysis Bollen and Jackman (1985) argued that, if an economy provides high living standards and dynamic economic development individuals are often willing to accept relatively high, objective levels of inequality. The balance between effective democratic institutions and market-generated inequalities is credible in EU member states with robust democratic political institutions as individuals regard these institutions as the mechanism, which will safeguard them from excessive inequality (Bollen & Jackman 1985; Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2013).

I propose that in the wake of the onset of the economic and financial crisis of 2007/8, the EU can be regarded as both the guarantor of democracy and the institution best placed to combat and address market-driven inequalities. One the one hand, the belief of EU citizens that the EU is the mechanism best placed to address marketgenerated inequality is based upon individual citizens' support for the EU project and its continuation. One the other hand, individuals' lack of support for the EU and disappointment with the EU's performance since the onset of the economic crisis may also highlight the EU's inability to address inequality and enforce democratic responses to individuals economic fragility. It is not irrational to make the connection between strong democratic responses by institutions and market-generated inequalities. As previous analysis has demonstrated (Kaltenhaler et al. 2008; Whitefield & Loveless 2013) individuals' perceptions of excessive inequality do not produce dislike or distrustfulness of democratic institutions. In fact, analyses by Dalton (2004) and Norris (1999), as outlined previously in this chapter, demonstrate that individuals who display dissatisfaction with the functioning of democracy want more, not less, democracy.

Therefore, broad hypotheses in this analysis include:

**H1a:** Individuals' belief that the EU is the mechanism best placed to address market-generated inequality is positively correlated with individuals' support for the EU project.

**H1b:** Individuals' belief that the EU is the mechanism best placed to address market-generated inequality is negatively correlated with individuals' lack of support for the EU.

**H2a:** Individuals' belief that the EU is the mechanism best placed to address market-generated inequality is negatively correlated with individuals' dissatisfaction with the EU's performance since the onset of the financial crisis in addressing inequality.

**H2b:** Individuals' belief that the EU is the mechanism best placed to address market-generated inequality is negatively correlated with individuals' disappointment with its performance since the onset of the financial crisis in enforcing democratic responses to economic fragility.

When the liberal market economy alters the distribution of the goods of society, democratic institutional remedies need to be available to address market-generated inequalities, if indeed democratic institutions, including the EU, are the mechanism individuals expect to address inequality. This analysis allows an examination of the changes in individual-level support for the EU as well as a re-examination of whether the EU is regarded more for its democratic character than its market character.

In my analysis, I expect to find that individuals perceive that market-generated inequality is insufficiently addressed by their nation states and, as a result, individuals

now believe that the EU is the mechanism or institution best placed to deal with market-generated inequality. This will have a positive effect on EU support and increase support for the EU. It also implies that individuals regard the EU as the enforcer of democratic political institutions, and that these institutions are aiming to obtain more social justice (i.e. a demand for increased fairness and justice in society) for individuals. The negative effect on individual-level support for the EU, particularly among citizens sceptical about its ability to address inequality may work in conjunction with the notion of the perceived 'democratic deficit' and worries of the efficacy of the EU. Or, the negative effect for EU support by individuals may be a preference by individuals to have their nation state play a more significant role in addressing inequality, and therefore it is the nation state, not the EU, that is the mechanism and source of action to address inequality. In either of these instances, individuals' concerns about inequality will decrease support for the EU, as individuals believe that the EU is either an institution inadequate to the task of addressing inequality, or simply that it is the role of the nation state to address inequality.

When combining this, the theory that connects individuals' concerns about addressing inequality to both support for the EU and national governance focuses upon the notion that individuals pursue robust democratic politics to act as a safeguard against market-generated inequalities (Szelenyi and Kostello 1996; Reuveny and Li 2003; Whitefield and Loveless 2013). This entails the following broad hypothesis:

**H3:** As individuals' desire for inequality to be addressed increases, individuals are more likely to support the EU and continuation of the EU project.

## 3.8: Perceptions of Inequality: Direct Effects

The emphasis in this section focuses on inequality and how it affects support for the EU both directly and indirectly at the individual-level. In my analysis the examination of inequality as a determinant of EU support is founded upon a valuebased position that reflects individual's support for democratic institutions to serve as an arbiter of market-generated inequality. In order to demonstrate that this measure of inequality is not a proxy for other value-based positions and can therefore be independently predictive of support for the EU, I analyse how inequality is both correlated with ideological and socio-economic positions (i.e. variables that centre upon instrumental self-interest, SES, social location and political institutions and the market). I use the on-going financial crisis of 2007/8 as a salient moment to activate citizens' concerns about overall economic performance suggesting that there are more individuals if not actually doing worse economically, then at least feeling or perceiving as if they are achieving less economically. As these evaluations are not only economic but also socio-tropic, it is possible to assess the liberal market economy via the spectrum of inequality highlighting that the market may in fact be too unfair. This makes inequality representative at the individual-level as individuals begin to assess societal opportunities in terms of access to and opportunity within the EU in turn making inequality a determinant for support for the EU.

For individuals, the perception of inequality is centred upon "the failure of market reform to produce social mobility and increased opportunities" (Loveless 2010, p. 1089). The simplest form of relationship is that "inequality produces perceptions of inequality" (Loveless & Whitefield 2011, p. 241) and this relationship can be studied in two ways. Firstly, given empirical evidence by Marmot (2001) and Alesina *et al* (2004) in their analyses of life chances and happiness, individuals may

be more likely to perceive inequality in countries where absolute levels of inequality are objectively higher. Secondly, perceptions of inequality may be determined by changes in absolute levels of inequality in a nation state. A high level of inequality may in fact be constant and perceived by individuals as normal and is therefore unseen by citizens. As Kreidl (2000) infers, these objective measures of inequality may only shape an individuals perceptions when citizens notice a significant change in the extent of inequality from previous 'normal' levels. Both of these notions of individuals' perceptions of inequality will have a direct effect on support for the EU.

The notion of normative commitments refers to individuals' stances on how the economy, welfare state and political system should operate. Normative values reflect and reply to SES and social locations in an important way. However as Almond and Verba (1963) deduced, normative values are difficult to pinpoint and only alter slowly over time. Individuals who are normatively opposed to liberal markets per se, or individuals who have robust, state-centred and welfare state orientated views of liberal market regulations, are more likely to view levels of inequality to be excessive. When these normative beliefs about the perceptions of inequality are combined with individuals' instrumental self-interest, SES, social location and views on democratic political institutions, these normative values will have a direct effect on support for the EU.

# 3.9: Addressing Inequality, Economic Insecurity, Perceptions of Insecurity & Normative Preferences

The theorised relationship between inequality, individual's perceptions of inequality, economic insecurity and a normative preference that redistribution is addressed centres firstly on the distribution of the goods of society. It is the distribution of the goods of society, that is to say income and attendant socio-

economic supports to income such as social welfare benefits, pensions and the ability to spend disposable income and access to complementary aspects of income such as health and education, that allows individuals to evaluate whether there is either more or that they perceive more inequality since the onset of the economic and financial crisis of 2007/8. It is the unfair distribution of the goods of society which forms the basis of the theorised relationship tested in this inquiry-that it is either the unfair distribution of the goods of society which has placed more individuals in a more fragile socio-economic state, or it has made these individuals feel or perceive themselves to be in a more precarious socio-economic state. The variations in how individuals in the EU benefit from and share in aggregate economic growth or in how those alterations in economic growth are distributed are revealed in individuals concerns about inequality. As the findings in Chapter Five and Chapter Six suggest, 'losers' of European integration are not only 'losers' with regards to European integration but they are also 'losers' as a consequence of EU member states' reducing their own public sector capacity and political willingness to continue fundamental elements of the welfare state for individuals. This demonstrates that while many individuals may not be de facto 'poor' or 'losers' of the EU project in a stringent economic definition according to their individual income many individuals perceive themselves to be closer to this position since the onset of the economic and financial crisis of 2007/8.

As a result, theoretically intertwined within this is individual's economic insecurity. The findings in Chapter Five and Chapter Six of this inquiry demonstrate that increased support for the EU and the continuation of the EU project suggests that individuals regard the EU as the enforcer of democratic political institutions, that is the enforcers of fairness, justice and transparency. Put simply, individuals believe that

the EU is the mechanism best placed to address market-driven inequality, which in turn increases support for the EU. The theoretical rationale for individual's economic insecurity and increased support for the EU is highlighted in Chapter Seven when an examination of whether the EU is primarily responsible for the stabilisation of financial markets and domestic and international economics in order to address market-generated inequality. This determines whether individual's economic insecurity and therefore their expectation on either the EU or EU member states government to address their economic insecurity as a consequence of market-generated inequality.

The theoretical relationship between inequality, perceptions of inequality and economic insecurity is tested in each of the empirical chapters in this inquiry (in Chapter Five, Chapter Six and Chapter Seven) and highlights the theoretical rationale for individuals' normative preferences for redistribution. Throughout this inquiry the theoretical mechanism has examined whether the liberal market economy is too unequal and whether individuals' economic insecurity via their perceptions of inequality as a result of the imbalanced distribution of the goods of society has an effect on individual-level support for the EU. When tested empirically, the theoretical mechanism is robust in all three analyses when controlling for all other existing explanations and demonstrates that individual-level support for the EU since the beginning of the economic and financial crisis of 2007/8 has in fact increased. All three empirical analyses demonstrate that there is a preference for the EU to take effective action against the economic and financial crisis and in turn address inequality from those individuals who feel or perceive themselves to be economically insecure. It is evident in all three empirical chapters that individuals in the EU want more, not less, action from the EU demonstrating that the EU is the institutionaldriving force best placed to address individuals' economic insecurity as a result of market-generated inequality since the onset of the economic and financial crisis of 2007/8. Overall, the normative preferences for redistribution highlight that the EU is widely presumed to be the remedy against the economic and financial crisis and that economic insecurity as a result of market-generated inequality which individuals are feeling, or indeed perceiving in their daily lives, needs to be addressed by the EU.

The theorised relationship between individuals' preferences for redistribution by governmental institutions and support for the EU focuses upon the mutually reinforcing mechanisms of the market and democracy. These mutually reinforcing mechanisms demonstrate how the liberal market economy can produce better outcomes for a greater number of EU citizens, which is achieved in conjunction with strong and efficient democratic institutions. If a EU member states' economy has high living standards and dynamic economic development, individuals will accept higher or objective levels of inequality. This theorised relationship derives from scholarly work on the effect of *democracy on inequality* (Key 1949; Lipset 1960; Lenski 1966) which demonstrates that democratic institutions are important because they give rise to organised political competition and the effect of *inequality on democracy* (Dahl 1971) which highlights that economic inequality inhibits the emergence and performance of democratic political structures.

In the case of support for the EU since the onset of the economic and financial crisis of 2007/8 individual's perceptions of inequality do not drive dislike or distrustfulness of institutions. Inequality is a significant political cleavage, especially since the onset of the crisis and influences European politics and the national context. As a consequence, it is the interplay between democracy and inequality which shows that individuals regard democratic institutions as the fundamental mechanism in

addressing both excessive and inevitable market-generated inequality. Democratic institutions are regarded to deliver security from actual or perceived inequalities of the liberal market economy as it is the role of democratic institutions to serve as unbiased intermediaries to reduce the effects of market-driven inequality. Individuals' preference for redistribution leads to a preference for greater democratic institutions by theoretically linking individual-level support for the EU to individuals' concerns about inequality and the changes in their level of support for the EU through the relationship inequality has to both democratic political institutions and the liberal market economy. Individuals in the EU want democratic institutions and the liberal market economy to work effectively at both the national level and the EU level as both democracy and the liberal market economy are intertwined with one another and are mutually reinforcing mechanisms. Since the onset of the economic and financial crisis of 2007/8 the EU is regarded as both the guarantor of democracy and the institution best placed to address market-generated inequality with individuals displaying increased support for the EU. When the liberal market economy alters the distribution of the goods of society democratic institutional remedies need to be available in order to address market-generated inequalities. As a result of this, the theory in this inquiry tests how the theoretical determinants of instrumental selfinterest, SES, social location, political institutions and the liberal market economy determine how inequality can be identified as the central independent variable of how individuals perceive the notion of inequality and how the normative notions of inequality affect support for the EU. In conjunction with this, the theory also tests the premise that individuals' believe that the EU is the institution best placed to address market-generated inequality since the onset of the economic and financial crisis of 2007/8 and as result this leads to positive support for the EU.

### 3.10: Conclusion

This chapter has introduced the basis for individual-level effects on perceptions of inequality and how inequality can play a significant role when examining mass public opinion support for the EU since the onset of the economic crisis of 2007/8. As demonstrated in this chapter and Chapter 2 through analysis of the current literature on inequality, political behaviour and EU public opinion, the economic crisis of 2007/8 has highlighted that there is a greater proportion of individuals in the EU who may not be objectively 'poor' but who perceive themselves to be at an increased risk of economic adversity due to rising inequality and economic fragility in their EU member states and the EU as a whole. As a consequence of this economic adversity, risk and fragility, these individuals are more supportive of income redistribution (i.e. the need to address inequality) as a means to minimize their own economic insecurity. The following chapter will outline the methodological guideline necessary in order to examine the relationship between inequality and support for the EU through a cross-national and single case study. The methodological techniques employed in this inquiry will determine the influence of inequality on individuals' support for the EU and establish a theoretical claim on the influence of inequality as a determinant of individual-level support for the EU.

**Chapter 4: Methodology** 

4.1: Introduction

This chapter defines the methodological guideline of this research, including

the selected case studies, data to be used and operationalization of indicators,

analytical techniques and test implications that will support hypotheses. This research

is interested in the influence of inequality on individuals' support for the EU and is an

examination into the understanding of the relationship between inequality and support

for the EU through a cross-national and single case study analysis. Statistical

significance will demonstrate support for the hypothesised relationships under

examination, which will be endorsed by theory to emphasise causality. This analysis

will determine the influence of inequality on individuals' support for the EU and

conclude by producing generalizable findings toward a theoretical claim of the

influence of inequality as a determinant of individual level EU support.

4.2: Case Selection

Cross-National Case Study: EU 27

The EU is often regarded as the economic instigator of the liberal market

economies of Europe with scholarly research on mass public opinion support for the

EU producing findings that emphasise the notion that personal and aggregate

economic growth produces higher support for the EU project. However, these

findings neglect the facets of both social and political integration, which have also

been adopted within the EU project.

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While inequality has been used as a predictor of support for the EU in Central and Eastern European states<sup>18</sup>, it has seldom been applied to Western Europe or all the twenty-seven EU member states 19. The rationale for the cross-national case study of all EU twenty-seven member states and the critical juncture for the EU and individuals' perception of inequality, derives from the economic crisis of 2007-8. From the beginning of the economic crisis of 2007-8, support for the EU has concentrated on a more individualist and egocentric perspective, as individuals perceive the notion of inequality through the lens of fairness and justice in society. Individuals' perception of inequality is important, as it suggests that the EU should reflect citizens' preferences for fairness and justice in society via strong and democratic governance. In addition, if the EU is perceived by individuals to have failed to create adequate economic and social opportunities or to have provided these prospects in an unequal manner, the examination of inequality as a determinant of EU support becomes all the more pertinent.

Single Case Study: Republic of Ireland

The Republic of Ireland has been an active participant in European integration since its accession to the EU in 1973, with membership of the EU providing Ireland "with a framework within which it could mediate the forces of growing interdependence" (Laffan & Tonra 2005,pp. 459). From a utilitarian perspective, the Irish economy has experienced many highs and lows since accession to the EU: significant periods of growth (1970s, 1990-2007), as well as periods of stagnation and significant expenditure reduction (1980s, 2008 to the present). It was during the 1990s

<sup>&</sup>lt;sup>18</sup> For analysis of inequality in Central and Eastern Europe please consult Duke & Grime (1997); Orkeny & Szkelyi (2000); Kelley & Zagorski (2004); Loveless (2010); Loveless & Whitefield (2011); Karakoc (2012) & Whitefield & Loveless (2013)

<sup>&</sup>lt;sup>19</sup> For analysis on inequality in Western Europe please consult Beckfield (2006); Kaltenhaler, Ceccoli & Gelleny (2008)

and 2000s that Ireland experienced an unparalleled period of economic growth, rising living standards, job creation and export performance that repositioned it away from the southern periphery of the EU with which it had long been associated. The Celtic Tiger became a global role model and evoked considerable, extensive and rapid changes, in both Irish society and Irish politics.

The critical juncture in Ireland's relationship with the EU, and the rationale for a single case study analysis, focuses upon the economic crisis of 2007/8. The economic crisis of 2007/8 revised Ireland's relationship with the EU as a result of the economic downturn and the widening of individual economic disparities. The focus of support for the EU now concentrates on a more individualist and egocentric perspective, as individuals perceive the notion of inequality through the lens of fairness and justice in society. The theoretical mechanism that connects EU citizens to the debate on support for the EU is embedded within the perception of costs and benefits accruing from European integration in light of domestic capitalist institutions (Brinegar, Jolly & Kitschelt 2004, p. 64). Put simply, since the onset of the economic crisis of 2007/8, individuals are adopting normative notions towards inequality in order to assess whether they are a 'winner' or a 'loser' of the EU project. It is aimed through the single case study of the Republic of Ireland, to establish the link (by using inequality as an independent variable) between Irish respondents' perceptions of the costs and benefits of European integration and the patterns of redistribution, in order to gauge individuals' evaluations of inequality and support for the EU.

Membership of the EU has been central to Ireland's economic and political interests since accession to the EU in 1973. Ireland has been regarded by many as the shining example of how EU membership can benefit a small, peripheral and economically underdeveloped country and has successfully integrated the economy,

the currency and many aspects of Irish individuals' daily lives with its partners in the EU. Successive Irish governments have signed up to and participated in the continuing evolution of European integration through the Single European Act, the Treaty on the EU, the Treaties of Amsterdam, Nice and Lisbon and the Fiscal Treaty. Membership of the EU has had a significant impact on Ireland in economic, social and political terms with the Irish economy benefiting significantly from membership of the Single European Market and additional developments within it.

Overall, the Irish electorate has shown positive support for the EU (see Figure 1 'Membership of the EU is a good thing' and Figure 2 'Ireland has benefited from EU membership') however in 2001 and 2008 Ireland's relationship with the EU entered a new and uncertain phase with rejection of the Nice (2001) and Lisbon (2008) treaties. The Irish electorate's commitment to the European project can no longer be taken for granted. Intertwined within this latter rejection of a EU-related referendum is the onset of the economic and financial crisis of 2007/8, which has brought economic disorder to the EU. Ireland has not been exempt from this economic and financial turmoil as the collapse of the banking system along with the construction and property sectors and the subsequent EU/IMF demonstrated that individuals in Ireland were not protected from the uncertainty and risk of the liberalmarket economy. As a consequence of the changing relationship with the EU and the financial and economic uncertainty experienced from 2007/8 onwards Ireland provides an important case study in examining how national-level contextual factors matter for individuals in EU member states when assessing support for the EU. Individuals hypothesise that EU member states' economic affluence and quality of governance creates the salience of issues. Since the beginning of the economic and financial crisis of 2007/8 what individuals regard as excessive inequality may have

little to do with inequality *per se* but whether the liberal market economy provides high living standards and dynamic economic development. Inequality as a macropolitical and economic determinant bridges the gap between economic and political systems at both the national and EU-level. Ireland therefore lends itself as an influential case study to examine if in fact economic insecurity, perceptions of inequality and normative concerns for democratic institutions ameliorate market-generated inequality thus subsequently leading to increased support for the EU in two ways.

Firstly, when assessing the economic and financial crisis, citizens consider its impact on their country's economy, which also has an affect on support for the EU. Indicators of macro-economic growth, inflation and unemployment have an affect on aggregate support for the EU. As Ireland is a net beneficiary of EU transfers it is plausible that individuals in Ireland base their support for the EU based upon the implications for the national economy. Secondly, individuals in Ireland recognised the heightened risk of economic adversity due to the specific economic problems they are experiencing at the national level therefore making these individuals more likely to be supportive of income distribution as a means to minimise their own economic insecurity. For individuals in Ireland experiencing the on-going economic and financial crisis, the EU can be regarded as the guarantor of democracy that can combat market-driven inequalities.

Previous analyses by Brinegar & Jolly 2005; Brinegar, Jolly & Kitschelt 2004; Ray 2003a & 2003b have argued that one would not expect a 'direct' relationship between a normative position from individuals who are either pro or anti wealth redistribution, or any other relationships located on a similar economic left-right spectrum, and attitudes towards the EU. The findings from these studies argue that

support for the EU would be expected to depend on the context of each individual EU member state. Ireland can be described as an economic free market with pro-equality citizens tending to be pro-EU given the belief by individuals in Ireland that the EU is a more equal political project than free market Ireland allowing the overall political and economic right-wing context of Ireland to be favourable to pro-equality views that would correlate with pro-EU views. However, this inquiry aims to tease out explicitly the empirical relationship between inequality and individual-level economic insecurity since the onset of the economic and financial crisis in Ireland and highlight the relationship between individuals in Ireland who are pro-equality and pro-EU.

## 4.3: Data

European Election Study (EES)

The evidence to be used in testing the hypotheses is the European Election Studies (EES) data from 2009. The EES has examined electoral processes, including voting, candidates, media, manifesto and contextual data studies at the EP elections since 1979. These studies have focused upon the evolution of the EU political community and a European public sphere. The EES also emphasises the central processes of political representation at the time of the EP elections with regards to EU citizens' perceptions and preferences for the EU political regime and the evaluations of EU political performance.

The 2009 EES survey was the first time a centrally coordinated research project covering all relevant aspects of the electoral process was conducted for all twenty-seven EU member states at the EP elections. The scientific objectives of the voter survey were to conduct a survey among representative samples of enfranchised citizens in all twenty-seven member states of the EU (N=approximately 1,000 realised

interviews per country) immediately after the European Parliament elections in June 2009. The final selection includes questions on electoral behaviour including questions on party choices, past voting behaviour, voting behaviour at the national level, party preferences and propensity to support particular political parties. General political attitudes and behaviour are assessed through questions on: interest in politics, campaign, most important problems, attitudes regarding the EU, left/right placement, and placement of political parties. Background characteristics including age, gender, religion and media consumption were also analysed in the voter survey. The questionnaires for the study were identical in the various member states, apart from unavoidable differences generated by variances in political party names and country specific institutions. The sample size is approximately 1,000 interviews in each EU member state with the data being collected by computer assisted telephone interviewing (CATI). In seven member states (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia) representative telephone sampling was not feasible. In these countries, 70 per cent of interviews were conducted face-to-face while the remaining 30 per cent were conducted by phone. The total sample is approximately 27,000 (N=27,000).

The rationale for selecting the EES data of 2009 for my research is twofold. Firstly, the EES is the most recent data available<sup>20</sup> and it captures the evolution of the political community of the EU and the European public sphere at both the individual-level and the national-level. Consequentially, the EES data will inform both the crossnational and single case study in my analysis. Secondly, the data captures the attitudes

<sup>&</sup>lt;sup>20</sup> The European Parliament elections took place on Thursday 4<sup>th</sup> June 2009 with data being released for analysis on 16<sup>th</sup> April 2010 online. Available at: <a href="www.piredeu.eu">www.piredeu.eu</a>. The most recent European Parliament elections took place on Thursday 22<sup>nd</sup> May 2014. Data is expected to be released the following year, 2015.

and opinions at the individual-level and the national-level at the onset of the economic crisis of 2007/8. The economic crisis of 2007/8 is the critical juncture and theoretical basis in my research for using perceptions of inequality as a determinant of EU support.

#### Standard Eurobarometer

The Standard Eurobarometer was established in 1973 and is the longest running regular cross-national and cross-temporal opinion poll program. The Standard Eurobarometer regularly monitors mass public opinion in EU member states with each survey consisting of approximately 1,000 face-to-face interviews in each of the twenty-seven member states of the EU with reports published twice a year (Spring and Autumn) based on new samples but with a repeated cross-section design. The standard modules ask for attitudes towards European unification, institutions and policies, in conjunction with measurements for socio-political orientations, as well as respondent and household demographics. Intermittently, Standard Eurobarometer extensively addresses Special Topics such as environment technology, health or family issues and social or ethnic exclusion. In Autumn 2009, Standard Eurobarometer 72.4 introduced a battery of questions (ten questions in total) on the financial and economic crisis. This Special Topic was included in Standard Eurobarometer 74.2 (Autumn 2010), Standard Eurobarometer 76.3 (Autumn 2011), Standard Eurobarometer 78.1 (Autumn 2012) and Standard Eurobarometer 80.1  $(Autumn 2013)^{21}$ .

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<sup>&</sup>lt;sup>21</sup> The Standard Eurobarometer data used in this analysis (Eurobarometer 72.4, 74.2, 76.3, 78.1 and 80.1) are available to download at <a href="www.gesis.org">www.gesis.org</a>. Main results are regularly published by the European Commission available at: <a href="http://ec.europa.eu/public\_opinion/archives/eb">http://ec.europa.eu/public\_opinion/archives/eb</a> arch en.htm

For each Standard Eurobarometer survey, new and independent samples are drawn with the basic sampling design in all EU member states based on a multi-stage, probability sampling design. The sampling is based on a random selection of sampling points after stratification by the distribution of the national, resident population in terms of metropolitan, urban and rural areas, thus making the sample proportional to both population size and density. These primary sampling units are selected from each administrative region in every EU member state. A cluster of addresses is then selected from the primary sampling unit with addresses selected systematically using standard route procedures. In Great Britain, the Republic of Ireland and Luxembourg respondents' addresses were selected from electoral registers. For the Eurobarometer questionnaire, basic bilingual questionnaires in English and French are developed and translated into other relevant languages. The interviews are conducted face-to-face in respondents' homes with TNS Opinion and Social coordinating and running the interviews at the request of the Directorate-General for Communication at the European Commission.

The rationale for selecting the Standard Eurobarometer data from 2009-2013 for my research is twofold. Firstly, by asking specific questions on the economic and financial crisis, the Standard Eurobarometer data is the most recent data available, and it captures the evolution of European mass public opinion at both the individual-level and the national-level. In addition, it compliments the European Election Study 2009 data used in Chapter Five and Chapter Six and emphasises the findings from these two empirical chapters as well as individual-level support for the EU. Secondly, similar to the EES data, the Standard Eurobarometer data captures the attitudes and opinions at the individual-level and the national-level at the onset of the economic crisis of 2007/8 as well as tracing these attitudes cross-temporally from 2009-2013.

The economic crisis of 2007/8 is the critical juncture and theoretical basis in my research. In extending the analysis from 2009 to 2013 I am able to add specificity to individual-level support for the EU.

#### 4.4: Dependent Variables

This study includes the political and economic attitudinal variables at the individual-level and provides analysis of support for EU membership, satisfaction with democracy in the EU, attitudes toward European unification, EU enlargement and satisfaction with member states democracy. These five dependent variables capture the multi-faceted nature of new political attitudes that are both theoretically and substantively important when examining individual level support for the EU from the EES data. In addition, one independent variable from the Standard Eurobarometer data (2009-2013) will capture individual-level support for the EU. This section will operationalize the common dependent variables from the EES voter survey of 2009 and the dependent variable from the Standard Eurobarometer voter survey from 2009-2013 and present the indicators.

Attitudes towards the European Union (European Election Study)

This dependent variable consists of ordered categorical responses to question 79 in the EES 2009 voter survey. The question asks respondents 'Generally speaking, do you think that [your country's] membership of the European Union is a good thing, a bad thing, or neither good nor bad?' In its original form the variable is coded 1 for a 'good thing', 2 for a 'bad thing' and 3 for 'neither good nor bad'. The ordinal variable has been renamed for the purpose of this analysis to EU Membership: Good or Bad and has been reverse coded: 1 for a 'bad thing', 2 for 'neither good nor bad', and 3 for a 'good thing' to make findings intuitive. Those respondents who 'refused'

(7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

Satisfaction with Democracy in the European Union (European Election Study)

This dependent variable also comprises categorical responses to question 85 in the EES 2009 voter survey. Respondents were asked 'How satisfied are you, on the whole, with the way democracy works in the European Union?' This ordinal level variable is coded as 1 for 'very satisfied', 2 for 'fairly satisfied', 3 for 'not very satisfied, and 4 for 'not at all satisfied'. The variable has been renamed for the purpose of my analysis to 'Satisfaction with Democracy in the EU'. Respondents who 'refused (7=refused) to answer the question or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

Attitudes towards European Unification (European Election Study)

This dependent variable uses a ten-point scale to examine attitudes towards European unification. Question 80 in the EES 2009 voter survey asks respondents: 'Some say European unification should be pushed further. Others say it already has gone too far. What is your opinion? Please indicate your views using a 10-point-scale. On this scale, 1 means unification 'has already gone too far' and 10 means it 'should be pushed further'. What number on this scale best describes your position?' For the purpose of my analysis this variable has been renamed 'Attitudes towards European Unification'. Respondents who 'refused' (77=refused) to answer the question, or 'did not know' (88=don't know) the answer to the question, are recoded to 'missing'.

### Attitudes towards EU Enlargement (European Election Study)

This dependent variable comprises categorical responses to question 83 in the EES 2009 voter survey. Respondents to the survey were asked 'In general, do you think that enlargement of the European Union would be a good thing, a bad thing, neither good nor bad?' This ordinal level variable is originally coded as 1 is a 'good thing', 2 is a 'bad thing', 3 is 'neither good nor bad'. The variable has been renamed for the purpose of this analysis to 'EU Enlargement: Good or Bad' and has been reverse coded: 1 for a 'bad thing', 2 for 'neither good nor bad' and 3 for a 'good thing' to make findings intuitive. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

### EU is in Nation States Interest (European Election Study)

This dependent variable comprises categorical responses to question 91 in the EES 2009 voter survey. Respondents were asked 'How much confidence do you have that decisions made by the European Union will be in the interest of [respondent's country]? The variable was originally coded 1 for 'a great deal of confidence', 2 for 'a fair amount', 3 for 'not very much' and 4 for 'no confidence at all'. For the purpose of my analysis, this variable has been renamed to EU in our Interest and has been reverse recoded so that 1 for 'no confidence at all', 2 for 'not very much', 3 for 'a fair amount' and 4 for 'a great deal of confidence'. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

This dependent variable comprises categorical responses to question QC3 in Standard Eurobarometer 72.4 and 74.2 and responses to question QC3a in Standard Eurobarometer 76.3, 78.1 and 80.1. Respondents were asked 'In your opinion, which of the following is best to take effective actions against the effects of the financial and economic crisis?' The variable was originally coded 1 for 'the [Nationality] government', 2 for 'the EU', 3 for 'the United States', 4 for 'the G20', 5 for the 'International Monetary Fund (IMF)', 6 for 'other', 7 for 'none' and 8 for 'don't know'. For the purpose of my analysis this variable has been renamed EU Effective Action and has been recoded to 0 for 'nation state' and 1 for 'the EU' and turned into a dichotomous variable. Those respondents who responded to the question with the United States (3=United States), the G20 (4=the G20), the International Monetary Fund (IMF) (5=IMF), 'other' (6=other) 'none' (7=none), or 'did not know' (8=don't know), the answer to the question, are recoded to 'missing'.

In order to demonstrate the multifaceted nature of EU support empirically this inquiry includes both political and economic attitudinal variables at the individual-level, which encompass issues of EU support. These political and economic attitudinal variables examine support for EU membership, satisfaction with democracy in the EU, attitudes towards European unification, attitudes towards EU enlargement and satisfaction with democracy in EU member states. The rationale for using a disaggregated measure of EU support, rather than constructing a continuous measure in this inquiry, centres primarily upon the Hierarchical Linear Modelling (HLM) and OLS Multiple Regression analysis used in Chapter Five and Chapter Six. The political attitudinal variables 'support for EU membership' and 'attitudes towards European uniffication' have been used in much of the previous work on EU support

(see Janssen 1991; Gabel & Palmer 1995; Gabel & Whitten 1997; Gabel 1998a & 1998b; Wessels 1995).

However, by using only two measures of EU support (support for membership and European unification) these analyses of EU support have only examined individual-level political attitudes towards EU support resulting in one-dimensional results for EU support. Put simply, previous analyses find that individuals either display attitudes that are pro or anti-EU and that these individuals are either in favour or against further European unification. By using a disaggregated measure of EU support, it was possible to examine how specific subgroups, in this inquiry (1) support for the EU status quo/as it is and (2) EU enlargement/deepening, perform. When individual-level opinions about the EU are disaggregated into these two subgroups it is possible to determine individuals' distinctive opinions on support for the EU as a whole and whether this support for the EU in addressing inequality is for the EU status quo/as it is currently constructed or for the EU as an institution which will enlarge/deepen further in the future.

By disaggregating the measures of EU support the analysis is able to highlight the critical problems and issues that individuals believe to be important. In this inquiry that is that individuals believe that since the onset of the economic and financial crisis of 2007/8 the EU is the best institution to address market-generated inequality and that this can be achieved by a stronger EU presence. In other words, further EU enlargement via widening and deepening of European integration in EU member states results in positive support for the EU.

Overall, these political and economic attitudinal dependent variables capture individuals' attitudes towards support for the EU. When these dependent variables are

combined with the central independent variable of inequality, along with independent variables from the standard model of EU support such as communication, identity, institutional performance, economic insecurity and socio-demographic variables (see section below). I develop a statistical model which highlights the necessity to address market-driven inequality since the onset of the economic crisis and financial crisis of 2007/8 in order to gauge mass public opinion support for the EU. In addition, a statistical model will also give specificity to individual-level support for the EU since the beginning of the economic and financial crisis of 2007/8 up until the present.

## 4.5: Independent Variables

The standard model of support for the EU contains a wide variety of independent variables. When used as an independent variable, communication incorporates an analysis of social communication, watching mass media, and interest in politics (Meyer 1999; Anderson & McLeod 2004; De Vreese et al 2006; De Vreese & Boomgaarden 2006). Identity as an independent variable has focused upon feelings about being described as European and fear of immigrants (Carey 2002; Kritzinger 2003; McClaren 2002 & 2004; De Vreese & Boomgaarden 2005; De Vries & Van Kersbergen 2007). Independent variables which have captured ideological congruence and institutional performance include analyses of both retrospective and prospective socio-tropic economic evaluation, normative preferences for the market and satisfaction with democracy (Janssen 1991; Franklin, Van der Eijk & Marsh 1995; Anderson 1998; Majone 1998; Norris 1999; Schmitt & Thommassen 1999; Sancez-Cuenca 2000; Moravcsik 2002; Rohrschneider 2002; Crombez 2003; Ray 2003; Loveless & Rohrschneider 2008; Rohrschneider & Loveless 2010). While sociodemographic variables are comprised of self-reported social class, subjective standard of living, age, gender, ideology, and education (Boomgaarden et al. 2011). Also

included are variables that analyse individual-level economic insecurity. The economic insecurity variables build upon the central independent variable of inequality operationalizing the understanding of governance and whether this is supranational or national (Orkeny & Szekelyi 2000; Rehm 2009; Rehm, Hacker & Schlesinger 2012).

The central independent variable for my analysis is inequality. In order to operationalize inequality as an independent variable, respondents are asked how they consider the importance of addressing inequality. From a theoretical standpoint, which has been outlined in Chapter 3, inequality is regarded as a value position that reflects respondents' support for democratic institutions. Individuals regard these democratic institutions as the mechanism to address market-generated inequality since the beginning of the economic crisis in 2007/8. In order to demonstrate that this measure of inequality is not a proxy for other value positions and can be independently predictive of support for the EU, I examine how inequality correlates with ideological and socio-economic positions.

#### Central Independent Variable: Inequality (European Election Study)

The central independent variable of inequality comprises of categorical responses to question 63 in the EES 2009 voter survey. Respondents were asked whether or not 'Income and wealth should be redistributed towards ordinary people'. This ordinal level variable is originally coded as 1 for 'strongly agree', 2 for 'agree', 3 for 'neither agree nor disagree', 4 for 'disagree', 5 for 'strongly disagree'. For the purpose of my analysis the variable has been renamed to Address Inequality and has been reverse coded: 1 for 'strongly disagree', 2 for 'disagree', 3 for 'neither', 4 for 'agree' and 5 for 'strongly agree'. This is to make findings intuitive. Those

respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'neither'.

#### Communication (European Election Study)

Communication is examined in the model by two separate independent variables. The first independent variable, which examines social communication, is comprised of responses to question 18 in the EES 2009 voter survey. Respondents were asked: 'How often did you talk to friends or family about the election?' Respondents were asked to respond to this question in the context of four weeks before the EP election of 2009. The variable is originally coded as 1 for 'often', 2 for 'sometimes', and 3 for 'never'. For the purpose of my analysis, the variable has been renamed 'Social Communication' and has been reverse coded 1 for 'never', 2 for 'sometimes' and 3 for 'often'. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

The second independent variable which analyses mass media is comprised of responses to question 16, question 17 and question 20 in the EES voter survey. All of the questions asked respondents to answer the question in the context of four weeks before the EP election. Question 16 asked respondents: 'How often did you watch a program about the election of television?' Question 17 asked respondents: 'How often did you read about the election in a newspaper?' Finally, question 20 asked respondents: 'How often did you look into a website concerned with the election?' All three of these questions were originally coded as 1 for 'often', 2 for 'sometimes' and 3 for 'never'. All three questions have been combined and renamed as the independent variable 'Mass Media'. All three questions have been reverse recoded: 1

for 'never, 2 for 'sometimes' and 3 for 'often'. This is to make findings intuitive. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'. Simple arithmetic has been carried out to get the sum of all three questions and produce a single independent variable that examines these three forms of mass media: television, newspapers and internet.

#### Political Interest (European Election Study)

This independent variable consists of responses to question 78 in the EES voter survey. Respondents were asked 'To what extent would you say you are interested in politics?' The variable is originally coded as 1 for 'very', 2 for 'somewhat', 3 for 'a little', 4 for 'not at all'. For the purpose of my research, the variable has been renamed 'Interest in Politics' and has been reverse coded: 1 for 'not at all', 2 for 'a little', 3 for 'somewhat' and 4 for 'very'. This is to make findings intuitive. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

#### *Identity (European Election Study)*

Identity as an independent variable is examined by two separate independent variables. The first independent variable examines European identity and is comprised of responses to question 82 in the EES voter survey. Respondents were asked 'Do you see yourself as 1 'Nationality only', 2 'Nationality and European', 3 'European and nationality' or 4 'European only'. The variable has been renamed European Identity for the purpose of my analysis and has been reverse recoded: 1 for 'European only', 2 for 'European and Nationality', 3 for 'Nationality and European' and 4 for 'Nationality only' to make findings intuitive. Those respondents who 'refused'

(7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

The second independent variable that examines identity focuses upon immigration and is comprised of responses to question 67 in the EES voter survey. Respondents were asked whether or not 'Immigration to [country] should be decreased significantly?' The variable was originally coded as 1 for 'strongly agree', 2 for 'agree', 3 for 'agree nor disagree', 4 'for disagree' and 5 for 'strongly disagree'. For the purpose of my analysis the variable has been renamed 'Cultural Fear' and has been reverse recoded: 1 for 'strongly disagree', 2 for 'disagree', 3 for 'agree nor disagree', 4 for 'agree' and 5 for 'strongly agree'. This is to make findings intuitive. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'neither'.

#### Economic Insecurity (Standard Eurobarometer)

Economic insecurity as an independent variable is examined by two separate variables. The first independent variable examines economic insecurity in relation to individuals' economic and financial situation within their household and is comprised of responses to question QC2 in Standard Eurobarometer 72.4 74.2, 76.3, 78.1 and 80.1. Respondents were asked 'Which of the following statements best reflects your household situation?' The variable was originally coded as 1 for 'Your current situation does not allow you to make any plan for the future. You live day to day', 2 for 'You know what you will be doing in the next six months' and 3 for 'You have a long term perspective of what your household will be in the next 1 or 2 years'. For the purpose of my analysis the variable has been renamed 'Economic Insecurity: Household' and the original coding has been retained, as findings are intuitive.

However, those respondents who answered the question as 'other' (4=other), or 'did not know' (5=don't know) the answer to the question, are recoded to 'missing'.

The second independent variable examines economic insecurity in relation to individuals' perception of the impact of the economic and financial crisis on the job market and is comprised of responses to question QC1 in Standard Eurobarometer 72.4 74.2, 76.3, 78.1 and 80.1. Respondents were asked: 'Some analysts say that the impact of the economic crisis on the job market has already reached its peak and things will recover little by little. Others, on the contrary, say that the worst is still to come. Which of the two statements is closer to your opinion?' The variable was originally coded as 1 for 'the impact of the crisis on jobs has already reached its peak' and 2 for 'The worst is still to come'. For the purpose of my analysis the variable has been renamed 'Economic Insecurity: Impact of Crisis' and the original coding has been retained, as findings are intuitive. However, those respondents who 'did not know' (3=don't know) the answer to the question, are recoded to 'missing'.

Ideological Congruence and Institutional Performance (European Election Study and Standard Eurobarometer)

The independent variables in the EES 2009 data, which examine ideological congruence and institutional performance, are analysed by four different independent variables, including individual-level retrospective and prospective socio-tropic economic evaluations, market preference and satisfaction with national-level democracy. The first independent variable examines retrospective socio-tropic economic evaluations and is comprised of individuals' responses to question 48 in the EES voter survey. Respondents were asked 'What do you think about the economy? Compared to 12 months ago, do you think that the general economic situation in

[respondent's country] is 1 'a lot better', 2 'a little better', 3 'stayed the same', 4 'a little worse' and 5 'a lot worse'. For the purpose of my research, the variable has been renamed Retrospective Socio-tropic Economic Evaluation and has been reverse recoded: 1 for 'a lot worse', 2 for 'a little worse', 3 for 'stayed the same', 4 for 'a little better' and 5 for 'a lot better' to make findings intuitive. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

The second independent variable examines individuals' prospective sociotropic economic evaluations and is comprised of responses to question 49 in the European Election Studies survey. Respondents were asked: "Over the next 12 months, how do you think the general economic situation in [your country] will be?' The variable is originally coded as 1 for 'get a lot better', 2 for 'a little better', 3 for 'stay the same', 4 for 'a little worse' and 5 for 'get a lot worse'. For the purpose of my research, the variable has been renamed Prospective Socio-tropic Economic Evaluation and has been reverse coded so that 1 is 'get a lot worse', 2 is 'a little worse', 3 is 'stay the same', 4 is 'a little better' and 5 is 'get a lot better'. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

The third independent variable addresses individuals' market preference for how to solve economic problems of the nation state, and is comprised of responses to question 57 in the EES voter survey. Respondents were asked whether or not 'Private enterprise is the best way to solve [country's] economic problems?' The question is originally coded as 1 for 'strongly agree', 2 for 'agree', 3 for 'neither agree nor disagree', 4 for 'disagree' and 5 for 'strongly disagree'. The variable has been renamed 'Market Preference' for the purpose of my analysis and has been reverse

recoded: 1 for 'strongly disagree', 2 for 'disagree', 3 for 'neither agree nor disagree', 4 for 'agree' and 5 for 'strongly agree'. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'neither'.

Finally the fourth independent variable, which captures individuals' ideological congruence and institutional performance, is comprised of responses to question 84 in the EES voter survey. Respondents were asked: 'How satisfied are you, on the whole, with the way democracy works in [your country]?' The question is originally coded as 1 for 'very satisfied', 2 for 'fairly satisfied', 3 for 'not very satisfied' and 4 for 'not at all satisfied'. For the purpose of my analysis the variable has been renamed 'Satisfaction with Democracy' and has been reverse recoded: 1 for 'not at all satisfied', 2 for 'not very satisfied', 3 for 'fairly satisfied' and 4 for 'very satisfied'. This is to make findings intuitive. Those respondents who 'refused' (7=refused) to answer the question, or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'.

The independent variables in the Standard Eurobarometer data 2009-2013 which examine ideological congruence and institutional performance are analysed by two different independent variables, including prospective socio-economic evaluation and satisfaction with democracy. The first independent variable which examines prospective socio-economic evaluation is comprised of responses to question QA4a\_2 in Standard Eurobarometer 72.4 and Standard Eurobarometer 74.2, QA5a\_2 in Standard Eurobarometer 76.3 and Standard Eurobarometer 78.1 and question QA3a\_2 in Standard Eurobarometer 80.1. Respondents were asked: 'What are your expectations for the next twelve months: will the next twelve months be better, worse or the same when it comes to the economic situation in [your country]?' For the

purpose of my research the variable has been renamed 'Prospective Socio-Economic Evaluation' and has been reverse recoded: 1 for 'same', 2 for 'worse', 3 for 'better'. This is to make findings intuitive. Those respondents who 'did not know' (4=don't know) the answer to the question are recoded to 'missing'.

The second independent variable which examines satisfaction with democracy, is comprised of responses to QA18a in Standard Eurobarometer 72.4, Standard Eurobarometer 76.3 and Standard Eurobarometer 80.1, and, question QA19a in Standard Eurobarometer 78.1<sup>22</sup>. Respondents were asked the question 'On the whole, are you very satisfied, fairly satisfied, not very satisfied or not at all satisfied with the way democracy works in [your country]?' For the purpose of my research the variable has been named 'Satisfaction with Democracy' and has been reverse recoded to make findings intuitive: 1 for 'not at all satisfied', 2 for 'not very satisfied', 3 for 'fairly satisfied' and 4 for 'very satisfied'. Those respondents who 'did not know' (5=don't know) the answer to the question are recoded to 'missing'.

Socio-Demographic Variables (European Election Study and Standard Eurobarometer)

The socio-demographic independent variables are analysed by six different independent variables in the European Election Study, which include age, gender, left/right self-placement, education, social class and subjective standard of living. The first independent variable examines age and is comprised of individuals' responses to question 103 in the EES voter survey. Respondents were asked: 'What year were you born?' This raw data has been transformed and a new variable entitled 'Age' has been created for the purpose of my analysis. The variable was created by subtracting

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 $<sup>^{\</sup>rm 22}$  Please note that this question was not asked in Standard Eurobarometer 74.2

respondents' age from 2009 to generate 'Age'. Those respondents who 'refused' (7777=refused) to answer the question are recoded to 'missing'.

The second independent variable examines gender and is comprised of individual responses to question 102 in the EES Survey. Respondents were as asked: 'Are you... 1, 'male' or 2, 'female'? This variable has been renamed Gender for the purpose of this analysis and has been recoded to 0 for 'females' and 1 for 'males'. Those respondents who 'refused' (7=refused) to answer the question are recoded to 'missing'.

The third socio-demographic independent variable examines individuals' self-placement on the political spectrum and is comprised of responses to question 46 in the EES voter survey. Respondents were asked 'In political matters people talk of "the left" and "the right". What is your position?' This variable uses a scale from 0 to 10, where 0 means 'left' and 10 means 'right'. The variable has been renamed 'Left-Right Self-Placement' for the purpose of my analysis and has been recoded into dummy variables so that the 'Left' is represented by 0, 1, 2 and 3, the 'Centre' is represented by 4, 5 and 6 and the 'Right' is represented by 7, 8, 9 and 10.

The fourth independent variable examines individuals' education and is comprised of responses to question 101 and 101b in the EES voter survey. Question 101 and 101b provide detailed information on education, notably the highest level completed, through member state specific answer options. V200 provides a cross-country comparative indicator of education level based on the International Standard Classification of Education<sup>23</sup> (ISCED). For the purpose of my analysis the variable

<sup>&</sup>lt;sup>23</sup> The International Standard Classification of Education (ISCED) is a statistical framework for organizing education, which is maintained by the United Nations Education, Scientific and Cultural

has been renamed 'Education' and has been recoded to reflect the ISCED classification, 0 for Pre-primary level of education, 1 for Primary level of education, 2 for Lower secondary level of education, 3 for Upper secondary level of education, 4 for Post-secondary, non-tertiary level of education, 5 for First stage tertiary education, 6 for Second stage of tertiary education (leading to an advanced research qualification)'.

The fifth socio-demographic independent variable examines individuals' social class and is comprised of responses to question 114 in the EES voter survey. Respondents were asked 'If you were asked to choose one of these five names for your social class, which would you say you belong to?' The variable has been recoded: 1 for 'working class, 2 for 'lower middle class', 3 for 'middle class', 4 for 'upper middle class', and 5 for 'upper class'. Those respondents who answered 'other' (6=other), 'refused' (7=refused) or 'did not know' (8=don't know) the answer to the question, are recoded to 'missing'. For the purpose of my analysis the variable has been renamed 'Social Class'.

Finally, the sixth socio-demographic independent variable examines EU citizens' standard of living and is comprised of responses to question 120 in the EES voter survey. Respondents were asked: 'Taking everything into account, at about what level is your family's standard of living? If you think of a scale from 1 to 7, where 1 means a poor family, 7 a rich family and the other numbers are for the positions in between, about where would you place your family?' For the purpose of my analysis the variable has been renamed Subjective Standard of Living and has been recoded so

that 1 is a 'poor family' and 7 is a 'rich family' with those respondents who 'refused' (77=refused) or 'did not know' (88=don't know) the answer to the question recoded to 'missing'.

The socio-demographic independent variables are analysed by five different independent variables in the Standard Eurobarometer data 2009-2013, which include age, gender, education, left/right ideology self placement and self-reported social class. The first independent variable examines age and is comprised of individuals' responses to question D11 in the Standard Eurobarometer 72.4, 74.2, 76.3 78.1 and 80.1. Respondents were asked: 'How old are you?' This raw data has been transformed and a new variable entitled 'Age\_7 categories' has been created for the purpose of my analysis: 18-24, 25-34, 35-44, 45-54, 55-64, 95-74 and 75+. Those respondents who 'did not know' the answer to the question are recoded to 'missing' (99=don't know).

The second independent variable examines gender and is comprised of individuals' responses to question D10 in the Standard Eurobarometer 72.4, 74.2, 76.3 78.1 and 80.1 data. Respondents were as asked the question 'Are you... 1, 'male' or 2, 'female'? This variable has been renamed 'Gender' for the purpose of my analysis and has been recoded to 0 for 'females' and 1 for 'males'. Those respondents who 'refused' to answer the question are recoded to 'missing' (99=don't know).

The third independent variable examines individuals' education and is comprised of responses to question D8 in the Standard Eurobarometer 72.4, 74.2, 76.3 78.1 and 80.1 voter survey. Respondents were asked: 'How old were you when you stopped full-time education?' This raw data has been transformed into a new variable entitled 'Education' and has been recoded to that 1 for 'no full time education', 2 for

'less than 15 years old', 3 for '16-19 years old', 4 for '20 years old +' and 5 for 'still studying'. Those respondents who 'refused' or 'didn't know' the to answer the question are recoded to 'missing' (0=refuse, 99=don't know).

The fourth socio-demographic independent variable examines individuals' self reported social class and is comprised of responses to question D61 in the Standard Eurobarometer 72.4, 74.2, 76.3, 78.1 and 80.1 voter survey. Respondents were asked: 'On the following scale, step 1 corresponds to the "lowest level in society", step 10 corresponds to the "highest level in society". Could you tell me on which step you would place yourself?' The variable has been recoded so that 1 is 'lowest level in society', 2 is 'middle level in society' and 3 is 'highest level in society'. Those respondents who 'refused' (97=refused) to answer the question are recoded to 'missing'. For the purpose of my analysis the variable has been renamed 'Self-Reported Social Class'.

The fifth and final socio-demographic independent variable examines individuals' self-placement on the political spectrum and is comprised of responses to question D1 in the Standard Eurobarometer voter survey 72.4 and 74.2 <sup>24</sup>. Respondents were asked: 'In political matters people talk of "the left" and "the right". How would you place your views on this scale?' This variable uses a scale from 1 to 10 where 1 means 'left' and 10 means 'right'. The variable has been renamed 'Left-Right Self-Placement' for the purpose of my analysis and has been recoded so that the 'Left' is represented by 0, 1, 2 and 3, the 'Centre' is represented by 4, 5 and 6 and the 'Right' is represented by 7, 8, 9 and 10.

<sup>&</sup>lt;sup>24</sup> Please note that this question was not asked in Standard Eurobarometer surveys 76.3, 78.1 and 80.1. The question closest to political ideology is question D61, which captures an individuals' level in society. This variable is used to gauge individuals' self-reported social class. Therefore it cannot be duplicated or replicated in the analysis to encapsulate anther variable.

#### 4.6: Empirical Methodology

There are three types of statistical methods which will be used in the proceeding empirical chapters. Ordinary Least Squares (OLS) Multiple Regression analysis will be used when examining the effects of inequality in addressing support for the EU in the Republic of Ireland. A Binary Logistic Regression model will be used when investigating individual-level preferences for addressing economic insecurity in a cross-national study of the twenty-seven member states of the EU. Hierarchical Linear Modelling (HLM) will be used when analysing the effects of inequality and support in the twenty-seven EU member states of the EU. All analyses will incorporate a combination of dependent variables and all independent variables, which have been outlined above.

#### Ordinary Least Squares (OLS) Multiple Regression

Multiple regression analysis is used in order to isolate the effect of one independent variable on the dependent variable while controlling for all other effects of other independent variables. Multiple regression produces a partial regression coefficient for each independent variable. A partial regression coefficient estimates the mean change in the dependent variable for each one-unit change in the independent variable, all the while continuing to control for all other variables in the model. Thus, a multiple regression models take the general form of:

$$y = \alpha + \beta_1 x_1 + \beta_2 x_2 + \ldots + \beta_n x_n + \varepsilon.$$

In my analysis on support for the EU in the Republic of Ireland, a multiple regression model which uses inequality (central independent variable) and satisfaction with democracy (one of the ideological congruence and institutional performance

independent variables) as independent variables will report two partial regression coefficients: one that estimates the effect of inequality, controlling for satisfaction with democracy, and one that estimates the effect of satisfaction with democracy, controlling for inequality.

When interpreting multiple regression analysis both *R/R-Squared* and *Adjusted R-Squared* play a significant role. Firstly, *R* represents the total correlation between the independent variables and the dependent variable. *R-Squared* is *R* which has been squared. The square of a correlation is the same as a proportion of variance and the same can be said of *R-Squared*: it represents the total amount of variance, it is very unlikely that the correlation between that independent variable and the dependent variable will be exactly zero, even if it is zero in the population. *Adjusted R-Squared* will almost always fluctuate around zero due to sampling error. As a result, *Adjusted R-Squared* will always increase when another independent variable is added. *Adjusted R-Squared* is altered downwards in order to compensate for the increase in *R-Squared*. Therefore there are two things to note: firstly, the larger the number of independent variables, the greater downward adjustment in *R-Squared* will occur secondly, the smaller the sample size the greater the random variation from zero will be, and thus a larger downward adjustment in *R-Squared* is required.

When interpreting multiple regression one of the predominant limitations is the possible effect of multicollinearity. Multicollinearity occurs when the independent variables are related so strongly that it becomes difficult to estimate the partial effect of each independent variable on the dependent variable in the model. In the attempt to statistically control for one independent variable so that it can estimate the partial effect of the other independent variable, regression runs into the problem that there are too few cases. It is acceptable that the independent variables are related: the

principle aim of multiple regression is its ability to partial out shared variance of the independent variables and arrive at estimates of the regression coefficients. The problem in terms of multicollinearity is the degree to which the independent variables are related. If the magnitude of the correlation coefficient between the independent variables is less than .8, then multiple regression will operate normally. However, if the correlation coefficient is .8 or higher, multiple regression will not return good estimates.

#### Binary Logistic Regression

Logistic regression is used to analyse the relationship between an intervallevel independent variable- or in this inquiry several independent variables- and a binary dependent variable. A binary variable can only assume two values. When the dependent variable is expressed simply in two values (e.g. Yes/No, Nation State/EU) it is difficult to make a prediction about how an individual will respond to it therefore it cannot be conceptualised that the relationship between the dependent variable and the independent variable(s) is positive or that the relationship is linear. However, it can be posited that a linear relationship between the independent variable and the *logged odds* of the dependent variable. Therefore, a logistic regression model takes the general form of:

Logged odds (dependent variable) = a + b1 (independent variable) + b2 (independent variable) +b3 (independent variable)...

The logistic regression model is similar in appearance to OLS regression. In logitistic regression, the constant, or intercept, (a) estimates the dependent variable, (in my research, the logged odds of EU effective action) when the central independent variable, (in my inquiry, the economic insecurity variable) is equal to 0. The logistic

regression coefficient, (b), will estimate the change in the logged odds of the dependent variable for each unit increase in the independent variable. The analysis will also produce a standard error for (b), allowing me to test the null hypothesis. Logistic regression will also provide *R-Square* measures providing an indication of the strength of the relationship.

Logistic regression is more difficult to interpret that OLS results. In logistic regression, the coefficients of interest are expressed in terms of logged odds of the dependent variable. The constant (a) will provide the logged odds of the dependent variable when the central independent variable is 0. The logistic regression coefficient (b) will estimate the change in the logged odds for each unit change in the independent variable. Unfortunately, logged odds have no intuitive appeal and therefore it is necessary to transform the logged odds into predicted probabilities.

Logistic regression assumes that all of the independent variables in the model have an *additive effect on the logged odds* of the dependent variable (i.e. 'EU: effective action'.) However, logistic regression also assumes that the independent variables in the model have an *interactive effect on the probability* of the dependent variable. Therefore, the effect of any independent variable will vary depending on the level of the dependent variable (i.e. EU: effective action) being analysed. In order to summarise these interaction effects, I use the Sample Averages Method, to compare probabilities across groups. By using the Sample Averages Method, I examine the effects of each independent variable in the model while holding all other independent variables constant at their sample means. This allows an analysis to take place in order to determine the effect of each variable on individuals who are 'average' on all the other variables being studied.

The following equation converts the logged odds of 'EU: effective action' into a predicted probability:

Equation: Probability of EU: Effective action = Exp (Logged odds of EU: Effective action)/1 + Exp (Logged odds of EU: Effective Action))

According to this equation, I retrieve the probability of 'EU: effective action' by first raising the natural log base (*e*) to the power of the logged odds of 'EU: effective action'. We then divide this number by the quantity one plus *e* raised to the power of the logged odds of 'EU: effective action'.

### Hierarchical Linear Modelling (HLM)

Hierarchical Linear Modelling is a flexible approach that is applied in my research to evaluate individual's perceptions of inequality in assessing support for the EU in the twenty-seven member states of the EU. HLM is hierarchical because it allows modelling within and between individual variations. At level-1, each individual's data is fitted to a regression line. Level-1 coefficients are empirical Bayesian estimates, which are optimal estimates based on data from both the individual and the entire population. Individual data are weighted by the number of data points and the reliability of the regression analysis. This approach then shrinks the individuals' coefficients toward the population means; the degree of shrinkage is inversely proportional to the reliability of the individual data (Raudenbush & Bryk 2002). At level-2, the dependent variables are the level-1 regression coefficients, and the independent variables are the characteristics of level-2 units, i.e. the individuals. At level-2 individual difference variables are used to explain between subject variation in both the intercept and the linear slope.

In my analysis of individual's perception of inequality and support for the EU in the twenty-seven EU member states, a random intercept, random slope hierarchical linear model (HLM) focuses on the regression coefficient between individuals' perception of inequality and their level of support for the EU. In the equation (1) and (2) below, the intercept is allowed to vary across groups, in this case, cross-nationally among the twenty-seven EU member states. While the level of support for the EU is likely to be different (e.g. support for the EU status quo and support for the EU in terms of 'deepening'), we are less interested in explaining the level of support for the EU per se (i.e. the dependent variable) than we are in explaining the *change* in the *strength* of the relationship between individuals' perceptions of inequality and support for the EU, i.e.  $\beta_{1i}$ . Therefore,

$$Y_{ij} = \beta_{0i} + \beta_{1i} x_{1i} + \sum \beta_{ij} x_{ij} + R_{ij}$$
(1)

$$\beta_{0j} = \gamma_{00} + U_{0j} \tag{2}$$

$$\beta_{1j} = \gamma_{10} + \gamma_{11}z_j + U_{1j} \tag{3}$$

Here,  $z_j$  is the variable that explains group differences (in this case, support for the EU status quo and support for the EU in terms of 'deepening'). The symbol  $\gamma_{11}$  is the coefficient of the relationship between the grouping variables and the individual-level variation (i.e. inequality). To model this process simultaneously, substitution of equation 2 (random intercept) and 3 (random slope) into (1) produces the following equation:

$$Y_{ij} = \gamma_{00} + +\gamma_{10}x_{ij} + \gamma_{11}z_{j}x_{ij} + \sum \beta_{ij}x_{ij} + U_{oj} + U_{ij}x_{ij} + R_{ij}$$
(4)

When  $V_{11}Z_{j}X_{ij}$  is the cross-level interaction term that highlights a significant relationship between the strength of inequality and support for the EU, it also varies by the *types* of support for the EU (i.e. status quo or deepening). The model also includes the theoretically important socio-economic controls (i.e.  $\sum_{j} \beta_{ij} X_{ij}$ ) as outlined above in the section on independent variables.

One strength of HLM is that the methodology is suited to examining 'cross-level moderator effects'. In my analysis, this means that models where support for the EU (i.e. group level) is expected to have an impact on the task significance (i.e. the inequality slope). A second strength of HLM is that the method allows both the identification and partition of different sources of variance in outcome variables. The magnitude of between group variance in the dependent variable can be estimated using HLM (Hofmann 1997, pp. 732-733). However, a weakness of HLM is that the variance in independent variables and in moderators cannot be partitioned and evaluated. This prevents a robust examination of where the variance in the independent variables and or the moderator variables truly lies (i.e. between groups, within groups, both between and within groups, or neither between nor within groups).

There are two predominant limitations with using HLM. First, is the assumption of multivariate normality that is involved in the use of maximum likelihood estimation. This assumption is problematic when interactions are present as they are likely to violate the normality assumption. In my analysis of support for the

EU in the twenty-seven EU member states, there are no interaction terms. Nevertheless, in conjunction with the debate on multivariate normality, HLM treats independent variables as random variables. This raises the possibility that independent variables can be correlated with their associated residuals, and it violates the assumption of multivariate normality. The second limitation of HLM is that it restricts the dependent variable to being operationalized at the lowest level of analysis. The weakness associated with this requirement is that it limits the applicability of HLM to theories that hypothesise the dependent variable at a lower level of analysis.

#### 4.7: Conclusion

The outline of my inquiry focuses upon the following questions: How do individuals perceive inequality? What effect do individuals' perceptions of inequality have on support for the EU? Do individuals' perceptions of inequality differ cross-nationally among the twenty-seven EU member states when examining EU support? What is the effect of individual's perceptions of inequality in the Republic of Ireland when analysing support for the EU? Finally, do individuals believe the EU or the national governments of EU member states are best placed to take effective action against the economic and financial crisis? To answer these questions in the proceeding chapters, I take the following approach:

I pose the simple question: have individuals' perceptions of inequality had an effect on mass public opinion support for the EU? I ask this question in the context of the 2007/8 economic crisis, allowing the crisis to act as the salient moment in which individuals will focus more on the perceptions of inequality as a result of the economic downturn. The first empirical chapter addresses individuals' concerns about inequality and support for the twenty-seven EU member states of the EU. Following the 2007/8 economic crisis, the subsequent economic downturn and the widening of

economic disparities among individuals it would be expected to find lower support for the EU among individuals across all 27 member states of the EU. This reduced support for the EU would be strongest among those individuals poised to lose the most, which draws upon the 'winners and losers' theory outlined in chapter 3. These claims seek correlations that prove clues to causation. Do individuals' perceptions of inequality correlate in the ways expected? If this is the case, then why do they correlate in this way? If this is not the case, then why do they not correlate in this way? The answers to these questions establish that while individuals may perceive inequality, individuals' perceptions of inequality are not correlated to inequality per se. This distinction will have an effect on individuals' concerns about inequality (and perceptions of inequality), support for the EU and the future of the EU project since the onset of the economic crisis of 2007/8.

The second empirical chapter focuses upon the question: what is the effect of individuals perceptions of inequality in the Republic of Ireland upon support for the EU? Once again, this question is posed in the context of the beginning of the economic crisis of 2007/8, as the crisis can be regarded as a critical juncture in Ireland's relationship with the EU, as a result of the widening economic disparities individuals have experienced. Ireland is a critical case in examining support for the EU because since its accession to the EU in 1973, it has often been considered as an exemplar of what the EU could offer small member states with a strongly prointegrationist mass public. However, in the wake of national political responses to austerity in Ireland and individuals' perceptions of inequality, I would expect to find reduced support for the EU in Ireland. Once more, this decreased support for the EU in Ireland would be expected to be among those individuals in an economic position to lose the most, again drawing upon the 'winners and losers' theory outlined in

chapter 3. These claims seek correlations that prove clues to causation. Do individuals' perceptions of inequality correlate in Ireland as they do in the analysis of the twenty-seven EU member states? If individuals' perceptions of inequality correlate in the same way as the twenty-seven EU member states then *why do they* correlate in this way? If they do not correlate in this way, then *why do they not* correlate? The answers to these claims will emphasise that individuals' concerns about inequality in Ireland have a wide-ranging effect that not only addresses, and indeed revises, the principle of the 'winners and losers' theory but also highlights the robust individual-level support for the EU in Ireland. Findings suggest it is the EU which becomes the institutional driving force to address market-generated inequality in the eyes of individuals in Ireland.

Finally, the third empirical chapter centres upon the question: do individuals believe that it is the EU or the national governments of EU member states which are the mechanisms best placed to take effective action against the economic and financial crisis? Again, I pose this question in the context of the beginning of the 2007/8 economic crisis, allowing the crisis to act as the salient moment in which individuals will focus more on their own support for the EU as a result of the economic downturn. In addition, through the use of Standard Eurobarometer data these individual-level attitudes towards support for the EU are traced cross-temporally from the onset of the economic and financial crisis up until 2013.

The third empirical chapter addresses individuals' concerns about inequality via their own economic insecurity, which in turn influences individual-level support for the twenty-seven member states of the EU. Since the beginning of the economic and financial crisis of 2007/8, the subsequent economic downturn and the widening of economic disparities among individuals, I would expect to find lower support for the

EU among individuals across all twenty-seven member states of the EU. It would be expected that individuals believe that their EU member state is best placed to take effective action against the economic crisis, thus reducing individual-level support for the EU. This reduced support for the EU would be strongest among those individuals who feel or perceive themselves to be economically insecure and poised to lose the most, which draws upon the 'winners and losers' theory outlined in chapter 3. These claims seek correlations that prove clues to causation. Do individuals' perceptions of their own economic insecurity correlate in the ways expected? If this is the case, then why do they correlate in this way? If this is not the case, then why do they not correlate in this way? The answers to these questions establish that while individuals may perceive personal economic insecurity via inequality, individuals' perceptions of inequality are not correlated to inequality per se. This distinction will have an effect on individuals' support for the EU and the future of the EU project since the onset of the economic crisis of 2007/8.

# **Tables**

Table 1 Dependent Variables from the European Election Study 2009 data

Dependent Variable	Survey Question
EU Membership: Good or bad	<eu bad="" good="" or=""> Generally speaking do you think that {country's] membership of the European Union is a good thing, a bad thing or neither a good or bad thing?</eu>
Satisfaction with Democracy in EU	<sat dem="" eu="" in="" the="" w=""> How satisfied are you, on the whole, with the way democracy works in the European Union?</sat>
Attitude to European Unification	<more unification=""> Some say European unification should be pushed further. Others say it has already gone too far. What is your opinion?</more>
EU Enlargement is good or bad	<eu bad="" enlarged="" good="" or=""> In general, do you think that enlargement of the European Union would be a good thing, a bad thing, neither good nor bad?</eu>
EU in our Interest	<eu in="" interest="" our="">How much confidence do you have that decisions made by the European Union will be in the interest of [respondent's country]?</eu>

Table 2: Independent Variables from the European Election Study 2009 data

Independent Variable	Survey Question
Inequality	<a href="#"><address inequality=""> Income and wealth should be redistributed towards ordinary people</address></a>
Communication	<social communication=""> How often did you talk to friends or family about the election?</social>
	<mass media="">How often watch program about election on TV? + Read about election in newspaper?+ Look into website concerned with election? Often, Sometimes, Never</mass>
Political Interest	<interest in="" politics="">To what extent would you say you are interested in politics?</interest>
Identity	<european identity="">Do you feel not only [country] citizen, but also a European citizen?</european>
	<immigration fear="">Immigration to [country] should be decreased significantly</immigration>
Ideological Congruence and Institutional Performance	<retro econ="" eval="" soc="">What do you think about the economy? Compared to 12 months ago, do you think that the general economic situation in [respondent's country] is a lot better, a little better, stayed the same, a little worse, a lot worse</retro>
	<pros econ="" eval="" soc=""> Over the next 12 months, how do you think the general economic situation in [your country] will be? get a lot better, a little better, stay the same, a little worse, get a lot worse</pros>
	<market preference=""> Private enterprise is the best way to solve [country's] economic problems?</market>
	<satisfaction democracy="" with=""> How satisfied are you, on the whole, with the way democracy works in [your country]?</satisfaction>
Socio-demographic Variables	<age> What year were you born?</age>
	<pre><gender> Are you Male? Female?</gender></pre>
	<left ideology=""> In political matters people talk of "the left" and "the right". What is your position?</left>
	<right ideology=""> In political matters people talk of "the left" and "the right". What is your position?</right>
	<education isced=""> What is the highest level of education you have completed?</education>
	<sr class="" social=""> If you were asked to choose one of these five names for your social class, which would you say you belong to?</sr>
	<subjec living="" of="" stand="">Taking everything into account, at about what level is your family's standard of living?</subjec>

Table 3: Dependent Variable & Independent Variables from the Standard Eurobarometer Data 2009-2013

Dependent Variable	Survey Question
Effective action against financial & economic crisis	<effective action="" against="" crisis=""> In your opinion, which of the following is best able to take effective actions against the effects of the financial &amp; economic crisis?</effective>

wing
ets y e nents
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# Chapter 5: Individuals' Concerns about Inequality & Support for the European Union

#### 5.1: Introduction

The origin of the EU was as an economic instigator to free markets in Europe and traces its origins back to the European Coal and Steel Community (ECSC) 1952-1957 with the creation of the European Economic Community (EEC) in 1957 under the Treaty of Rome. Since the Maastricht Treaty of 1993, the EU has come to include both political and social integration with the aim of creating widespread and equitable economic growth in order to preserve stability and tranquillity in Europe. Individuals' support for the EU has echoed this with both personal and aggregate economic growth producing support for the EU project.

However, recent trends suggest that EU citizens are becoming more critical of the EU (Franklin, Van der Eijk & Marsh 1995; Anderson & Reichert 1995; Norris 1999; Bringear & Jolly 2005; De Vreese & Boomgaarden 2005; Eichenberg & Dalton 2007; Loveless 2010; Rohrschneider & Loveless 2010; Kuhn & Stoeckel 2014). This criticism of the EU has been exemplified further by the economic and financial crisis which began in 2007/8, which has demonstrated that there are a larger proportion of individuals who may not be objectively 'poor' but perceive themselves to be at an increased risk of economic hardship due to intensifying inequality and economic problems in both their member state and the EU. These individuals are more likely to be supportive of income redistribution as a method through which to reduce their own economic insecurity. While these preferences for increased economic security may not be unanticipated, what this would create in terms of variation in support for the EU is uncertain. Do individuals regard the EU as the institutional mechanism for economic security? Or do individuals consider the EU to be an extension of both the

political and economic decisions that have created substantial economic difficulties for a majority of the EU population?

This chapter will examine two facets with regards to individuals' concerns about inequality and support for the EU. Firstly, the analysis will highlight the importance individuals place on addressing inequality. Secondly, it will show that the importance individuals place on addressing inequality is positively correlated with support for further European integration but not for the EU as it is currently constituted. These findings indicate that current levels of individual support for the EU may be in a precarious state but they can be reaffirmed.

This is a provocative outcome suggesting that there are two predominant issues emerging in the understanding of popular support for the EU at the individual-level. Firstly, views about the political responsibility to address inequality are autonomous and predictive. Secondly, there is little evidence to suggest that this effect is related to the economic 'winners and losers' of European integration thesis via the lens of individuals' SES and social location. Instead of a new group of economic 'losers' whose support for the EU is reduced, individuals' concern for both inequality and the role of the EU in the present and in the future is much more extensive.

This is vital for the understanding of individuals' changing support for the EU. In conjunction with emerging literature on social justice, the extensive nature of individuals' support for the EU suggests that the EU should reflect EU citizens' preferences for fairness and justice in society via strong and effective democratic institutions. These institutions will then act and function in order to diminish excessive market distortions. It appears that, following the onset of the economic and

financial crisis of 2007/8, if the EU is regarded by individuals to have failed to create adequate economic and social opportunities, or has provided these prospects in an unequal manner, membership of the EU may still represent assurance for individuals that both economic *and* political institutions can and will work effectively in order to address inequality.

As previously stated, the EU is an economic project combined with a democratic normative framework. This suggests that support for the EU can shift with a desire for politics-in this instance democratic politics-to play a robust role in stabilising the economy. As a consequence, it would appear that rising economic difficulties and the need to address inequality have prompted individuals in the EU towards the preference for a stronger state role and one that corresponds to a stronger affinity for the EU.

#### 5.2: Attitudes towards the European Union

As outlined in Chapter Two there is a substantive and diverse literature which aims to explain individuals' attitudes toward support for the EU. The determinants of EU support have included social location (Inglehart 1970; Anderson & Reichert 1995; Weßels 1995; Inglehart 1997; Gabel 1998a; Hooghe *et al.* 2007), social and economic status (Gabel & Palmer 1995; Gabel 1998a & 1998b; Eichenberg & Dalton 1993; Gabel & Whitten 1997), national versus European identities (Moravcsik 1993; Franklin & Wlezien, 1997; de Winter & Swyngedouw 1999; Scheuer 1999; Schmitt & Thomassen, 1999; Cederman 2001; Carey 2002; McClaren 2002; Kritzinger 2003; De Vreese & Boomgaarden 2005; Schmitt 2005; De Vries & Van Kersbergen 2007; Loveless & Rohrschneider 2008) and evaluations of institutional performance (Janssen 1991; Franklin, Van der Eijk & Marsh 1995; Anderson 1998; Majone 1998;

Norris 1999; Schmitt & Thommassen 1999; Sanchez-Cuenca 2000; Moravcsik 2002; Rohrschneider 2002; Crombez 2003; Ray 2003a; Rohrschneider & Loveless 2010).

Support for the EU has also been examined through the lens of political intermediaries such as elites (Dalton 1985; Franklin, Marsh, & McClaren, 1995; Weβels 1995; Thomassen & Schmitt 1997; Anderson 1998; Gabel 1998a, Schmitt & Thomassen 1999; Schmitt & Thomassen 2000; Carrubba, 2001; De Vreese 2002; Hooghe 2003), political parties (Mair 1990; Katz & Mair 1994; Franklin, Marsh & McClaren 1994; Van der Eijk & Franklin 1996; Taggart 1998; Van der Brug & Van der Eijk 1999; Marks & Wilson 2000; Marks, Wilson & Ray 2002; Hooghe, Marks & Wilson 2003; Ray 2003a & 2003b; Hooghe & Marks 2005; Hooghe & Marks 2006; Marks, Hooghe, Nelson & Edwards 2006) and mass media (Meyer 1999; Anderson & McLeod 2004; De Vreese *et al* 2006; De Vreese & Boomgaarden 2006).

The initial individual-level models of support for the EU were constructed on a utilitarian approach, which hypothesised that individuals assess EU membership based on their social position, assessment of their own economic experience and expectations of their member states' market economy. Under this principle of utilitarianism there are 'winners' and 'losers' of European integration (Gabel 1998a, 1998b). These groups which are defined by individuals social position, for example economic positions, education, occupational skills and proximity to borders, distinguishes between those who would either benefit or lose from further European integration (see also Gabel & Whitten 1997).

The 'winners' and 'losers' thesis demonstrates that individuals with high SES and low socio-economic status regarded the EU in different manners. The 'winners' regard the EU as the expansion of the liberal market economy and thus a source of

opportunities, a perspective which is pronounced among cosmopolitan, mobile and flexible individuals. Conversely, the 'losers' view the EU in terms of diminishing welfare as a result of declining patterns of national-level redistribution within the expanded liberal market economy (Gabel 1998a & 1998b; Brinegar & Jolly, 2005).

In the context of the economic crisis of 2007/8 one would expect to find resurgence in Gabel's (1995; 1997; 1998a & 1998b) 'winners' and 'losers' thesis. This resurgence derives from the onset of the economic and financial crisis of 2007/8 and continuing economic recession in Europe, which has created a new group of 'losers' in the EU project. This new group of 'losers' continues to be socioeconomically secure but it includes those individuals who *perceive* themselves to be pushed closer to the economic edge of 'losing'. Put simply, following the 2007/8 economic crisis there is a greater percentage of people who may not be objectively 'poor' but who nevertheless feel themselves to be at a heightened risk of economic adversity due to rising inequality and economic problems both in their respective member states and the EU as a whole. These individuals are likely to be more supportive of income redistribution as a means to minimize their own economic insecurity.

# 5.3: Inequality in the European Union

As outlined in Chapter Three, the examination of inequality as a determinant of EU support is founded upon a value-based position that reflects individuals' support for the idea that democratic institutions should serve as an arbiter of market-generated inequality. In order to demonstrate that this measure of inequality is not a proxy for other value-based positions and can therefore be independently predictive of support for the EU, I analyse how inequality is correlated with both ideological and socio-economic positions (i.e. variables that focus upon instrumental self-interest,

SES, social location, and political institutions and the market). The on-going economic crisis of 2007/8 is used as the salient moment to activate individuals' concerns about overall economic performance, which will highlight that there are more individuals if not *actually* doing worse, then at least *feeling* or *perceiving* as if they are achieving less economically.

Individuals perceptions of feeling as if they are achieving less economically since the onset of the economic crisis of 2007/8 comports with the Revisionist School within welfare state research which focuses upon political cleavages based on risk exposure. Revisionists argue that the fundamental basis for the welfare state is not redistribution but demand for social insurance that cuts across class lines (Baldwin 1990; Iversen & Soskice 2001; Moene & Wallerstein 2001; Swenson 2002; Mares 2003; Cusack, Iverson & Rehm 2006). These scholars demonstrate that major welfare state programs represent social insurance that protects individuals from economic risks. Exxamples of social insurance include health insurance, unemployment benefits and retirement pensions (i.e. the goods of society). Although social insurance is redistributive, its principal goal is to guard people from major economic dislocations provoked by interruptions to income or volatile non-discretionary expenditure.

For the Revisionist School, social insurance programmes are not only desirable for those individuals with low incomes but also those individuals facing higher economic risks. This creates the basis for cross group coalitions (i.e. between the 'winners' and the 'losers' of the EU project) in support of social protection. The Revisionist scholarship is used as an alternative to traditional arguments that emphasise the primacy of class position. As Baldwin (Baldwin 1990, p. 20 & 28) highlights, "risk and fortune have bound some groups together... [and] split others apart" (Baldwin 1990, pp. 20 & 28). The inter-relationship between different socio-

economic groups (i.e. the 'winners' and 'losers') shapes preferences for redistribution and thus a renewed role of the nation state. This renewed role of the nation state produces the expectation that SES and social location (i.e. income) as an indicator of economic security would preserve or increase its strength as a predictor of support for the EU project. As Gabel (1998a & 1998b) posits, the effect of SES and social location is based upon the EU being regarded as a guarantor of economic growth<sup>25</sup> whereby individuals are able to determine what continued European integration means to them as either 'winners' or 'losers' of the EU project.

It must be noted, however, that 'losing' may not be restricted to variations in individual income. It is the *distribution* of the goods of society that may have put more individuals in a more fragile socio-economic state, or made those individuals feel that they are in a more precarious socio-economic state. Variations in how individuals benefit from and share in aggregate economic growth, or in how those alterations in growth are distributed, can be reflected in individuals' concerns about inequality. Put simply, while many individuals may not be *de facto* 'poor' or 'losers' in a stringent economic definition (i.e. income), many individuals may *feel* closer to such a position since the onset of the economic crisis of 2007/8.

The perception that an individual is not apportioned the 'fair' benefits of society is likely to affect how individuals think about the current political and economic status of both the EU and their respective member states. Inequality is therefore viewed through the lens of the distribution of economic growth and/or the changes in the distribution of economic growth. This in turn plays a role in gauging support for the EU along with individuals' *actual* SES and social location. The

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<sup>&</sup>lt;sup>25</sup> For related analysis in Central and Eastern Europe see Tucker *et al* 2002; Rohrschneider & Whitefield 2006 and Loveless 2010.

perceived improvement or perceived deterioration in an individual's socio-economic well-being can be an effective determinant of an individual's support for continued European integration. It can also be used as an evaluation of how to assess support for the EU as it is currently constituted (i.e. status quo).

Concerns about inequality are more closely related to the emerging literature on social justice in which individuals' perceptions of excessive inequality are to some degree driven by normative values such as 'fairness' and 'justice' in society (Kreidl 2000; Wegener 2000; Verwiebe & Wegener 2000; Osberg & Smeeding 2006; Loveless & Whitefield 2011). All of these views are not strictly egalitarian, which therefore diminishes Gabel's (1998a; 1998b) argument of pure 'winners' and 'losers' of the European integration project and almost permits individuals to accept inequality to a point. In Europe, Kaltenhaler *et al.* (2008, p. 218) contend that individuals' orientation to income inequality is "...largely a product of the ideas that they hold about politics and society and not solely a product of their economic self-interest", incorporating views of equality and fairness versus strict egalitarianism. More importantly, these views closely correspond to normative notions that posit that, in societies, democratic institutions have an obligation to attain fair and just outcomes.

Given the notion that democratic institutions are designed to function in a roughly egalitarian or nominally majoritarian manner (Dahl, 1989), these institutions are the principal mechanism available for individuals to contend with excessive and inevitable distortions of the liberal market economy (Bollen & Jackman 1985; Szelenyi & Kostello, 1996; Reuveny & Li 2003). If the process of democracy is regarded as impartial and fair, individuals are inclined to accept the outcome whether they have received what they wanted from these democratic institutions or not which

in turn produces legitimacy for the democratic process (Rohrschneider, 2005). As a result, democratic institutions *can* be considered to provide protection from the perceived inequalities of the liberal market economy by functioning as impartial intermediaries of social welfare and reducing the effects of market-driven inequality in the EU.

In order to relate this to individuals' support for the EU, I make a connection between individuals' concerns about inequality and changes in individuals level of support for the EU through the relationship inequality has to both democratic political institutions and the liberal market economy. I do not posit that EU citizens want an alternative arrangement with political democracy and the free market economy of the EU, but rather that EU citizens want democratic institutions and the liberal market economy to *both* function effectively (Rohrschneider & Whitefield, 2006). It is much more productive to consider the market and democracy as mutually reinforcing mechanisms, so that the liberal market economy can produce improved economic outcomes for a larger proportion of individuals in the EU in conjunction with robust and efficient democratic institutions.

For example, if an economy provides high living standards and vigorous economic development, individuals will often accept comparatively high, objective levels of inequality (Jackman 1975; Bollen & Jackman 1985). This makes the balance between market-generated inequalities and effective democratic institutions a plausible connection to formulate because EU citizens will regard EU member states with strong, democratic political institutions as a safeguard against excessive inequalities (Bollen & Jackman 1985; Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2013).

I propose that, in the wake of the on-going crisis, the EU can be seen primarily as the guarantor of democracy that can combat market-driven inequalities. This expressed desire is apparent in citizens' support for the EU project and its continuation. In addition, perhaps individuals regard the EU as the mechanism to enforce democratic responses to economic woes in the context of rising inequality. It is not unreasonable to make this connection between strong democratic responses and market inequalities. Individuals' perceptions of excessive inequality do not drive dislike or distrustfulness of democratic institutions: in fact, it is nearly always the opposite (for Europe as a whole see Kaltenhaler *et al.* 2008; for Central and Eastern Europe, see Whitefield & Loveless 2013) corresponding to long-standing academic enquiries which demonstrate individuals who exhibit dissatisfaction with the functioning of democracy want more, rather than less, democracy (Norris 1999; Dalton 2004).

Thus, when the market distorts the distribution of goods in society, (democratic) institutional remedies need to be available. That is to say, if effective democratic institutions are the presumed remedy for inequality, this inquiry allows us to not only to examine changes in the level of support for the EU, but also to reexamine a longstanding question of whether the EU may be valued more for its democratic character than its market character. Given earlier findings which demonstrated that perceptions of excessive inequality lowered individuals' support for the EU (for Central and Eastern Europe, Loveless 2010); I expect to find that individuals' perceptions that market-driven inequality is insufficiently addressed are likely to increase support for the EU.

When the liberal market economy distorts the distribution of the goods of society, democratic institutional solutions need to be available. Put simply, if effective

democratic institutions are the remedy for inequality, this inquiry allows an examination of the changes in the level of support for the EU, but also a reexamination of the question as to whether the EU is regarded more for its democratic character than its liberal market economy character. Given earlier findings which demonstrate that perceptions of excessive inequality lowered individuals' support for the EU in Central and Eastern Europe (Loveless, 2010) I expect to find that individuals' perceptions that market-driven inequality is inadequately addressed is likely to *increase* support for the EU in the 27 member states of the EU in this study.

# **5.4: Methods: Operationalization**

Increased support for the EU and the continuation of the EU project suggests that individuals regard the EU as the enforcer of democratic political institutions, which appeal to justice, fairness and transparency. Decreased support for the EU is considered in conjunction with increased concerns among individuals that the EU is ill equipped to address inequality. This is suggestive of the on-going battle with the perceived democratic deficit of the EU, concerns about the efficacy of the EU, and a preference for member-state governments to be the basis of effective action against inequality. In any of these latter cases, individuals' concerns with inequality depress support for the EU.

The theory that combines individuals' concern about addressing inequality with support for the EU and national governance rests on the notion that citizens seek strong democratic politics to serve as a safeguard against market-generated inequalities (Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2012). As broadly outlined in chapter three (see hypothesis H1a) his leads to the hypothesis that:

H1: Individuals' belief that the EU is the mechanism best placed to address market-generated inequality is positively correlated with individuals support for the EU project.

To operationalize this I use the EES 2009 data to examine support for the EU. A limitation to the study of support for the EU is the variety of determinants for support (See Chapter Two). In order to test the robustness of the inquiry I include four determinants of EU support:

- (1) EU membership is good or bad
- (2) Satisfaction with democracy in the EU
- (3) EU enlargement is good or bad
- (4) Support for more or less European unification

By including these four determinants of EU support it is possible to group the first two determinants ('EU membership is good or bad' and 'Satisfaction with democracy in the EU') in order to capture individual respondents' orientation to the EU as it is in its current form (i.e. status quo). Simultaneously, I group the latter two determinants ('EU enlargement good or bad' and 'Support for more or less European unification') in order to capture individual respondents' positioning on the deepening or intensifying of EU membership. Put simply, the latter two determinants are grouped together to report individuals' support for the EU as it moves towards its goal of continued European integration.

Table 4 demonstrates the co-variation of these dependent variables. Each dependent variable varies from one another yet none of the four variables are substantively correlated with one another. In addition, two conceptual groups can be shaped: 'the EU status quo' and 'EU enlargement'. However, I do not formally

impose this conceptualisation on either the EES 2009 data or the theory to be tested other than to highlight the possible distinctiveness of the variables between the EU status quo (i.e. in its current form) and deepening or intensifying of EU membership.

### <<Table 4 about here>>

As outlined in Chapter Two, there are numerous approaches to the understanding of EU support. The standard model of EU support includes communication (social communication, watching mass media, and interest in politics), identity (feeling about being described as European, and fear of immigrants), ideological congruence and institutional performance (including retrospective and prospective socio-tropic economic evaluations, as well as normative preferences for the liberal market economy and satisfaction with democracy), socio-demographic variables (including self-reported social class, subjective standard of living, age, gender, ideology, and education).

The central independent concerning inequality is asked in the context of the post-economic crisis, therefore founding the conceptual basis for inequality on the principle that inequality is generated by liberal market economies, and institutions are expected to disperse political power (Bartels 2008; Kaltenhaler, Ceccoli, & Gelleny 2008). Put simply, I base my understanding on individuals' existing normative attitudes that the liberal market economy should be fair versus purely equal, and that democracy should function in a roughly egalitarian or minimally majoritarian manner in order to prevent inevitable market distortions.

To operationalize this rationale, individual respondents were asked how important they deem the principle of addressing inequality to be using the question

"income and wealth should be redistributed towards ordinary people". As outlined theoretically above (see Chapter Three for a comprehensive outline of the theory to be tested) I take this to be a value position that demonstrates individual respondents' support for the idea that democratic institutions should serve as the arbiter of liberal market-generated inequality. In order to show that this measure of inequality is not a proxy for other value positions and can be independently predictive of support for the EU, I analyse how the variable of inequality correlates with both ideological and socio-economic positions.

Individuals with left-leaning ideological positions often consider support for intervention by a nation state in the liberal market economy while individuals with right-leaning ideological positions are often associated with conservative ideological positions. Using individuals' left-right ideological self-placement it is demonstrated that there is little correlation between individuals' concerns with addressing inequality of r=-0.13 ( $p\le0.001$ , N=23,647).

Using a direct measure of individuals' non-normative preferences for the role of an EU member state which asks respondents whether "politics should abstain from intervening in the economy" I find an even lower correlation with individuals' concerns about addressing inequality of r=0.07 (p $\le$ 0.001, N=27,069). It may be intuitive to consider 'address inequality' to be related to attitudes regarding the liberal market economy. However, the correlation between 'address inequality' and 'market preference' is r=-0.05 (p $\le$ 0.001 N=25,130) suggesting that these two variables do not move together. This demonstrates that individuals' support for addressing inequality is neither a proxy for ideology nor a preference for markets to address inequality.

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<sup>&</sup>lt;sup>26</sup> All models were tested for multi-collinearity with no significant problems.

Using individuals' self reported standard of living, the preliminary evidence suggests that as individuals move toward a more precarious economic position, the concern for addressing inequality is in fact more pronounced among those individuals who are economically affluent (r=-0.13, p≤0.001, N=26,567). Therefore, while the standard of living may capture existing economic vulnerability, it does not demonstrate results about what to expect with regards to individuals' views about addressing inequality. This is not surprising given findings from previous research, which highlight that the distribution of skills, pre-existing non-economic cleavages (for example, ethnicity and religious orientation) and subjective attitudes toward welfare and social justice distort the direct connection between policy preferences and economic interests (Benabou 2000; Benabou & Tirole 2006; Osberg & Smeeding 2006).

The direct test of the effect of individuals' attitudes toward addressing inequality is to first run the models as pooled regressions controlling for cross-national differences using country dummies. For the three dependent variables 'EU membership is good or bad', 'Satisfaction with democracy the EU' and 'EU enlargement is good or bad', I use ordered Logit. For the fourth dependent variable, 'Support for more or less European unification', I use OLS regression.

#### <<Table 5 about here>>

Interpretation of Theoretically Relevant Independent Variables in HLM Model

Across all four dependent variables ('EU membership is good or bad', 'Satisfaction with Democracy in the EU', 'EU enlargement is good or bad' and 'More Unification, see Table 5) the main theoretically relevant variables of inequality and

ideological congruence and institutional performance perform well. The central independent variable of 'Address inequality' is positively correlated with both 'EU enlargement' and 'More unification' and is statistically significant at the 99% level, P < 0.01 respectively. For both of these models for every one unit increase in the need to address inequality both models predict that 'EU enlargement' and 'More Unification will increase by 0.0773 and 0.101 units respectively holding all other independent variables constant. This means that in these two models individuals in the EU believe that further enlargement of the EU and more European unification are factors, which increase the need to address market-generated inequality and as a consequence this increases mass public opinion support for the EU. However, in the models 'EU membership is good or bad' and 'Satisfaction with Democracy in the EU' the central independent variable of 'Address inequality' is negatively correlated yet statistically significant at the 99% level P < 0.01 and 95% level P <0.05 respectively. Thus, for every one unit decrease in the need to address inequality the model predicts that 'EU Membership good or bad' and 'Satisfaction with Democracy in the EU' will decrease by -0.0426 and -0.0267 units holding all other independent variables constant. This infers that those individuals who believe that membership of the EU is neither a good or bad thing and those who are dissatisfied with democracy in the EU decreases support for inequality to be addressed and therefore decreases support for the EU.

However, given the concern of individuals in the EU about the issue of inequality and its apparent and differential effect on support for the EU since the onset of the economic and financial crisis of 2007/8 it is evident that inequality is a meaningful political, rather than merely economic, issue and one that needs substantive consideration. For individuals in the EU, evaluations of support for the

EU are not only economic but socio-tropic with many people believing that the liberal market system functions in an unfair and unjust manner as they assess societal differences based upon both access and opportunity to the EU. This is reiterated theoretically by the ideological and institutional performance variables as they are uniformly positive and theoretically as expected as outlined in this inquiry.

In testing the robustness of the theoretical design in this inquiry, prospective socioeconomic evaluation and satisfaction with democracy are the best performing ideological congruence and institutional performance variables. Prospective socioeconomic evaluation and satisfaction with democracy is positively correlated and statistically significant at the 99.9% level, P < 0.001 across all three models. The correlation coefficients reflect the theoretical strength of this inquiry with prospective socioeconomic evaluation reporting coefficients across all three models of 0.204, 0.0876, 0.0991 and 0.113 respectively and satisfaction with democracy reporting coefficients across all three models of 0.530, 1.608, 0.367 and 0.366. This is to say that for every one-unit increase in individuals' prospective socioeconomic evaluation and satisfaction with democracy all models predict that overall support for the EU will increase holding all other independent variables constant. This further demonstrates theoretically that individuals' evaluations of support for the EU are not only economic but socio-tropic with many individuals in the EU believing that the liberal market system functions in an unfair and unjust manner as they assess societal differences based upon both access and opportunity to the EU.

Market preference is also a theoretically relevant independent variable that performs well among the institutional performance and ideological congruence variables. It is uniformly positive across all four models and is statistically significant at the 99.9% level, P < 0.001 for 'EU Membership is good or bad' and 'Satisfaction

with Democracy in the EU' (i.e. the EU status quo) and statistically significant at the 99% level, P < 0.01 with 'More unification' (i.e. further EU enlargement/deepening). This theoretically demonstrates that for every one unit increase in the need for the liberal market economy to address the economic problems in the EU three of the models ('EU Membership good or bad', 'Satisfaction with Democracy in the EU', and 'More Unification') predicts that support for the EU will increase by 0.0624, 0.0511 and 0.0517 units respectively holding all other independent variables constant. Thus substantively, in conjunction with some of the most long-standing theories on EU support, it can be posited that the positive and predictive findings from prospective socio-tropic economic evaluations are consistent with the notion that individuals in the EU regard it as the institutional driving force to address market generated inequality and therefore improve individuals socio-tropic economic evaluations following the economic crisis of 2007/8.

Similar conclusions can be drawn from retrospective socio-tropic economic evaluations which is also uniformly positive across all four models and is statistically significant at the 99.9% level, P < 0.001 for 'EU Enlargement is good or bad' and statistically significant at the 99% level, P < 0.01 with 'Satisfaction with Democracy' and 'More unification'. This illustrates that for every one-unit increase in individuals' retrospective socio-tropic economic evaluation in the EU three model predicts that 'Satisfaction with Democracy', 'EU Enlargement good or bad' and 'More unification' will increase by 0.0462, 0.0866 and 0.0698 units respectively holding all other independent variables constant thus increasing support for the EU.

Overall, the analysis demonstrates that individuals in the EU are concerned about inequality and its apparent and differential effect on support for the EU since the onset of the economic and financial crisis of 2007/8. As a consequence of this

concern, it is evident that inequality is a meaningful political, rather than merely economic, issue and one that needs substantive consideration. For individuals in the EU, evaluations of support for the EU are not only economic but socio-tropic with many people believing that the liberal market system functions in an unfair and unjust manner as they assess societal differences based upon both access and opportunity to the EU. This is reiterated theoretically by the ideological and institutional performance variables, which are uniformly positive, have strong correlation coefficients and in the expected theoretical direction.

# Interpretation of all Independent Variables in HLM Model

Across all four dependent variables (see Table 5) the communication variables produce varied correlation and statistical significance. Social communication is negatively correlated with the support for the EU variables (EU good or bad and satisfaction with democracy in the EU) and positively correlated with the EU enlargement variables (EU enlargement good or bad and support for more or less unification). Social communication is not statistically significant across all four dependent variables. Mass media is positively correlated across three dependent variables and is statistically significant at the 95% level (P < 0.05) for support for the EU (EU good or bad) and statistically significant at the 99.9% level (P < 0.001) for EU enlargement/deepening (EU enlargement good or bad and support for more or less unification). Individuals' interest in politics is statistically significant and positively correlated at the 99.9% level (P < 0.001) with 'EU membership is good or bad' and is also statistically significant and positively correlated at the 95% level (P < 0.05) with 'Support for more or less unification'. In congruence with some of the most long-standing theories of support for the EU, both prospective socio-tropic economic

evaluations and satisfaction with (national) democracy are consistently, positively and statistically predictive at the 99.9% level (P < 0.001) of support for both EU membership and enlargement. The same can almost be said of for retrospective sociotropic evaluations, which only fail to reach statistical significance for 'EU membership good or bad'. Similarly, preferences for market economies which fail to reach statistical significance for support for EU enlargement. Therefore, the ideological congruence and institutional performance variables are nearly uniformly positive and as expected. Overall, the identity variables ('Feel European' and 'Fear of Immigration') are the most consistent predictor of support for the EU and EU enlargement. 'Feel European' is positively correlated and statistically significant at the 99.9% level (P < 0.001) across all four dependent variables. While 'Immigration fear' is negatively correlated across all four dependent variables and is statistically significant at the 99.9% level (P < 0.001) for 'EU membership good or bad', 'EU enlargement good or bad' and 'more or less unification' and statistically significant at the 99% (P < 0.01) level for 'Satisfaction with democracy'. These variables are in the directions expected.

For the socio-demographic variables, I note that the reliance on Gabel's (Gabel 1998a & 1998b) 'winners and losers' thesis on static demographic variables may be deteriorating. The richer, younger, more educated males no longer appear to regard the EU and further European integration as a net positive. There is only a slight gender effect for 'EU membership is good or bad' (statistically significant at the 95% level, P < 0.05), education is only positively correlated with the attitude that the EU is good (rather than bad) and statistically significant at the 99.9% level (P < 0.001), for age only in the case of 'EU membership good or bad' are younger respondents more supportive of EU membership with age being positively correlated and

statistically significant at the 99.9% level (P < 0.001) with 'EU membership good or bad'. For 'Satisfaction with democracy in the EU' and 'Support for EU enlargement' older respondents are more supportive as age is negatively correlated but statistically significant at the 99.9% level (P < 0.001) and 95% (P < 0.05) level respectively with 'Satisfaction with democracy win the EU' and 'EU enlargement good or bad'. Social class is predominant in both 'EU membership is good or bad' (positively correlated and statistically significant at the 99.9% level, P < 0.001) and 'Support for EU enlargement' (positively correlated and statistically significant at the 95% level, P < 0.05). Self-reported 'standard of living' is positively correlated and statistically significant at the 99.9% level, P < 0.001 across all three dependent variables with the exception of 'EU enlargement good or bad'.

Ideology produces little consistency other than those who subscribe to left ideological positions are less likely to support the EU as it is and more likely to support enlargement (although not more unification) as 'left ideology' is negatively correlated with 'EU membership good or bad' and 'Satisfaction with democracy' and statistically significant at the 99.9% level, P < 0.001 and positively correlated and statistically significant at the 99.9% level, P < 0.001 with 'EU enlargement good or bad'. At the same time, those individuals who self-identify at the farthest right positions are also supportive of further unification and in contrast to those on the left, of the EU as it is. Right ideology is positively correlated across all three dependent variables with the exception of 'EU enlargement good or bad' and is statistically significant at the 99% level P < 0.01 with 'EU membership good or bad', 95% level P < 0.05 with 'Satisfaction with democracy' and at the 99.9% level P < 0.001 with 'more or less unification'. These are the least clear of the findings although it may be posited that the negative support from the left and support from the right for the EU

status quo is indicative of a clear market position given the string positive effects of individuals' market preference and prospective socio-tropic economic evaluations. Thus it may be considered that the left and the right may both support expansion: the left would prefer to see more democracy while the right would prefer a continuation of the EU's market profile.

This conclusion is not warranted given the individual-level findings for the inequality variable. As individuals agree with the notion that income and wealth should be redistributed towards ordinary people, support for the EU as it is declines yet support for further integration increases ('Addressing inequality' is negatively correlated with 'EU membership good or bad' and 'Satisfaction with democracy' and statistically significant at the 99% level, P < 0.01 and 95% level, P < 0.05 respectively. While, 'Addressing inequality' is positively correlated and statistically significant at the 99.9% level, P < 0.001 with 'EU enlargement good or bad' and 'More unification'). This is consistent with the theoretical expectation. Individuals' attitudes toward addressing inequality increases support for the EU, therefore lending support to the theoretical notion that EU citizens regard the EU as a means to reinforce substantive democratic governance (at both the national level and within the EU itself), namely as a means to combat excessive inequality.

While they are not presented in Table 5 for space considerations, nearly all of the EU member states' dummy variables are statistically significant, which suggests cross-national variation in support for the EU and EU enlargement/deepening. In order to verify this claim, I examine the intra-class correlation coefficient in order to determine whether there is a higher within-study correlation (i.e. random effects), which would therefore suggest EU member state-level effects. Each of the intra-class correlation coefficients in the empty models reach higher than 10%, which indicates a

low level of cross-national variation. However, the proportional reduction of variance in models which include all of the individual-level variables for both 'EU membership is good or bad' and 'Satisfaction with democracy in the EU' are 17.1% and 30.4% respectively, which suggests significant cross-national differences<sup>27</sup>.

This is understandable as the standard model of EU support greatly relies on national-level variables that play a role in shaping popular perceptions of the EU (Kritzinger, 2003). Several scholarly works have presented evidence that popular perceptions of the EU are contextualized by national institutional factors (Anderson 1998; Norris 1999; Sanchez-Cuenca 2000; Rohrschneider 2002). Furthermore individuals' evaluation of the EU depends on nation-state performance (Anderson 1998; Janssen 1991). As of recently, however, national-level contextual factors matter differently. As EU member states move from lower levels of economic and political performance, citizens move from economic to political criteria (Anderson & Reichert 1996; Gabel 1998; Carrubba 2001; Rohrschneider & Loveless 2010). The underlying assumption remains that further EU expansion implies continued market liberalisation. Yet what individuals may regard as excessive inequality may have little to do with inequality per se but may depend rather on whether the economy as a whole provides high living standards and dynamic economic development.

Economic development adjusts the social structure, social relationships and individuals' the possibilities of social advancement afforded to individuals (Lipset 1959; Jackman 1975). When individuals are prosperous in comparison to individuals in other EU member states, or are successful relative to their previous economic

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<sup>&</sup>lt;sup>27</sup> Intra-class correlations indicate the tendency for potential clustering at level 1. *For* 'EU membership: good or bad': 9.9%; 'Satisfaction with democracy in EU': 4.3%; 'EU enlargement: good or bad': 8.5%; and 'Attitude to European unification': 6.0%. For 'EU enlargement: good or bad' and 'Attitude to European unification', the proportional reductions of variance in full models are 6.9% and 9.1% respectively. These are reasonable motivations to examine multi-level processes.

situation, individuals disregard objective levels of inequality because the predominant

priority is their absolute economic situation. Put simply, individuals will perceive

inequality created in EU member states with either a relatively wealthy economy or a

high rate of economic growth as legitimate and acceptable. In this instance,

individuals' perceptions of inequality are autonomous of the objective levels of

inequality when considered in conjunction with robust democratic political

institutions (Jackman 1985).

As a result, I include macro-level predictors that are theoretically linked to

individual-level variation in support for the EU and macro-economic and political

performance. I include GDP per capita (2009), the World Bank's Government

Effectiveness measure (2009), and the Gini Index of income inequality (2009)<sup>28</sup>. This

analyses the role of national-level effects on support for the EU and European

integration as well as serving as a robustness test of individual-level findings.

The second set of models are run as multi-level, fixed effect models that allow

for random variation on the intercept as the mean level of support controlling for the

individual-level effects by macro-indicator (i.e. EU member state). In Table 6, the

substantive results of using OLS regression were the same as ordered Logit (as in

Table 5) therefore I present the OLS regression output in order to facilitate the

interpretation of results.

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<sup>28</sup> Macro-level Indicators are:

GDP per capita (current US\$): Source: http://data.worldbank.org/

Gini Index: Measure of income inequality. Source: EUROSTAT

http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc\_di12&lang=en

Government Effectiveness: Reflects perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies. Daniel Kaufmann, Aart Kraay and Massimo Mastruzzi (2009). "Governance Matters VIII:

Governance Indicators for 1996-2008". World Bank Policy Research June 2009

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In Table 6, self-reported class, standard of living, left and right ideology, and education are the same as in the previous models (see Table 5). That is to say selfreported social class is positively correlated with 'EU membership good or bad' and is statistically significant at the 99.9% level, P < 0.001 and 'EU enlargement good or bad' with statistical significance at the 95% level, P < 0.05. Standard of living is positively correlated and statically significant at the 99.9% level, P < 0.001 across all three dependent variables with the exception of 'EU enlargement good or bad'. Left ideology is negatively correlated with both variables of EU support yet statistically significant at the 99.9% level P < 0.001 with 'EU membership good or bad' and the 99% level P < 0.01 with 'Satisfaction with democracy'. Left ideology is positively correlated and statistically significant at the 99.9% level, P < 0.001 with 'EU enlargement good or bad'. Right ideology is positively correlated with both 'EU membership good or bad' and 'More unification' and is statistically significant at the 95% level, P < 0.05, and 99.9% level, P < 0.001 respectively. Education is only correlated in a positive direction with 'EU membership good or bad' and is statistically significant at the 99.9% level, P < 0.001.

In addition to lower support for EU Enlargement and 'Satisfaction with democracy in the EU', youth can further be counted on to prefer European unification as it is negatively correlated with both EU enlargement dependent variables and 'satisfaction with democracy', positively correlated with 'EU membership good or bad' and statistically significant at the 99.9% level, P < 0.001 with both support for the EU dependent variables and statistically significant at the 95% level, P < 0.05

with both EU enlargement dependent variables. The effect of gender is now completely missing as it is neither correlated nor statistically significant across all four models.

Ideological congruence and institutional performance variables are the same and continue to remain strong predictors with retrospective socioeconomic evaluations positively correlated across all four models with the exception of 'EU membership good or bad' and statistically significant at the 95% level, P < 0.05 for 'EU enlargement good or bad' and 99% level, P < 0.01 for 'Satisfaction with democracy' and 'more unification'. Prospective socioeconomic evaluation being positively correlated and statistically significant at the 99.9% level, P < 0.001 across all four models. The identity variables are positively correlated and statistically significant at the 99.9% level, P < 0.001 across all four models while two of the communication variables 'Mass media' and 'interested in politics' are positively correlated across all models with the exception of 'satisfaction with democracy' and 'EU enlargement good or bad'. 'Mass media' is statistically significant at the 99.9% level, P < 0.001 with both EU enlargement variables and at the 95% level, P < 0.05with 'EU membership good or bad'. 'Interested in politics' is statistically significant at the 99.9% level, P < 0.001 with 'EU membership good or bad' and at the 95% level, P < 0.05 with 'more unification'.

Controlling for cross-national effects, I find that in every case that as 'Government Effectiveness' increases across EU member states the mean level of support for the EU and EU enlargement/deepening decreases. For EU support, this corresponds to existing research in which the quality of EU member state-level democracy inversely affects support for the EU (Rohrschneider & Loveless 2010).

For further European integration, this challenges the competencies argument that presents the conundrum of the EU versus EU member states' governments' abilities to manage emerging economic challenges.

Simultaneously, the changes in the level of aggregate income inequality (i.e. Gini index of income inequality) only reduce support for EU enlargement. At the individual-level, individuals' concern about addressing inequality are similar to the previous analyses being statistically significant for 'Support for the EU' and 'Support for EU Enlargement/Deepening' (see Table 5) with the exception that the negative coefficient for 'Satisfaction with democracy in the EU' has disappeared. However, it must be noted that it is only one hundredth of a per cent away from statistical significance (p<0.06). Put simply, when controlling for cross-national differences in economic performance, democratic institutional performance, and national levels of income inequality, the findings here are nearly unchanged. This indicates an empirically robust finding at the individual-level offering clear generalizability. What this suggests theoretically is that individuals may prefer a stronger EU presence (i.e. 'unification,' 'enlargement') that does not exist status quo.

#### 5.5: Discussion

The economic crisis has had an extensive and considerable effect on the economic welfare of individuals in the EU since it began in 2007/8. If the EU is primarily a promoter of the liberal market economy via integration of EU member state economies, it is reasonable to expect that those individuals who are pushed or *perceive* themselves or others to be pushed toward a more fragile personal economic situation to exhibit reduced support for the EU and on going European integration. Kriesi *et al* (2008) argue that economic competition which is guided by changes in the American economy, cultural diversity, competition between national governments

and the perceived encroachment of supranational politics have driven European societies in the theorized directions of Gabel's (1998a & 1998b) initial contribution of 'winners and losers' of European integration. The 2012 Eurofound Report reiterates this and demonstrates that:

"A combined review of indicators from the European Quality of Life Survey and those obtained from the Eurobarometer (for 2009 and 2010) highlights the fact that, on the whole, the economic and financial crisis has led to a decline in quality of life [in Europe]. This is more apparent for those living in countries most affected by the crisis. Vulnerable groups such as the unemployed, the elderly and the retired, as well as people suffering financial difficulties, have experienced a considerable drop in their well-being following the crisis." (Eurofound, 2012).

In conjunction with the Eurofound quote, it appears that 'losers' are not only 'losers' with regards to continued European integration but they are also 'losers' in the reduction of EU member states' public sector capacity and political willingness to continue the welfare state. The findings of my research agree with this plausible understanding in three predominant ways.

Firstly, those individuals who want inequality to be addressed appear to be receptive to further European integration and are dissatisfied with the current performance of the EU in this context. Individuals' concerns with inequality depress support for the EU, suggesting that the perceived 'democratic deficit' does continue to reinforce previous concerns about European governance (Rohrschneider, 2002). However, popular dissatisfaction with the functioning of democracy tends to produce a desire for more, rather than less, democracy (Norris 1999; Dalton 2004). The

findings here demonstrate that support for European integration via individuals' concerns about addressing inequality suggests a resilient connection between the strong democratic enforcement that the EU could potentially offer. It may be posited that individuals have disapproved of the EU's response to the economic crisis so far. However, the EES 2009 data (and the Standard Eurobarometer 2009-2013 data in Chapter Seven) shows that individuals believe that the EU has a positive possible role to play in addressing inequality since the onset of the economic crisis of 2007/8. Whether the role to be played by the EU in addressing inequality supersedes the EU member state, or whether the EU's role is one that reinforces the European project is opaque, ambiguous and difficult to discern. It may be conceived that the EU is being called upon in order to address inequality in a substantive manner in addition to EU member state action or *inaction*.

There is no direct way to assess the findings of whether it is either the EU or the national governments of EU member states which are primarily responsible for the stabilisation of the financial markets and both domestic and international economics. However, recent Eurobarometer data asked respondents: "In your opinion, which of the following is best able to take effective actions against the effects of the financial and economic crisis?" The responses can be seen in Table 7.

<<Table 7 about here>>

<sup>&</sup>lt;sup>29</sup> Question QC3a in the Eurobarometer 72, 73, 74, 75, 76, 77, 78, 79 & 80 (Autumn 2009-Autumn 2013). Available at: EUROPA Public Opinion Analysis - Standard Eurobarometer Archives - European Commission: http://ec.europa.eu/public opinion/archives/eb arch en.htm

Individuals' responses are notable because the EU and national governments fare equally. By including previous Eurobarometer (Eurobarometer No. 72, 73, 74, 75, 76, 77, 78, 79 & 80 Autumn 2009 - Autumn 2013) for comparison, the EU and EU member state governments fare equally with little variation from the previous period. It may be suggested that, in the minds of individuals in the EU, this question may not yet have a definitive answer. As a result, both the EU and EU member state governments may have another chance to prove to the EU citizenry their willingness and ability to contend with increasing levels of inequality. This would afford legitimacy to the responsible institution either nationally or supra-nationally. However, the absence of a principal contender able to address inequality, at least as it is perceived among EU citizens, emphasises ambivalence as both the EU and EU member state national governments are followed closely by individual preferences for 'the G20' and 'the International Monetary Fund (IMF)' and the aggregated 'other', 'none', and 'don't know' categories.

These findings proceed to the second understanding in explaining inequality as a determinant of EU support. Despite the Eurofound quotation above, it is not merely those individuals that find themselves in a more precarious economic position whose concern about inequality affects their support for the EU project. It also appears that individuals' evaluations of EU support are not solely economic but also socio-tropic (Rohrschneider & Loveless 2010). It is apparent from the finding demonstrated here that the economic crisis of 2007/8 has affected individual-level support for the EU and the continuation of the EU project. However, instead of a new group of concerned economic 'losers' who are more resistant to the EU project (Gabel 1998a & 1998b), there is a more extensive concern about inequality and the role of

the EU (i.e. lower support for the EU *as it is*) as well as optimism for the EU project (support for the on going project) following the economic crisis of 2007/8.

These widespread concerns about addressing inequality guides these findings to the third and final way in which we might understand support for the EU. By linking higher levels of individuals' concerns for addressing inequality with lower support for the EU as it is and higher support for further European integration, it is not unreasonable to draw a preliminary conclusion that the EU is perceived as a meaningful enforcer of democratic capacity for both the EU and EU member states to deal with excessive liberal market distortions (Rohrschneider & Whitefield 2006). In addition, and in conjunction with the social justice literature that points to values of fairness and justice in society *via* strong and effective democratic institutions and processes that drive perceptions of inequality in societies, EU membership may represent more than mere economic integration in the minds of many EU citizens. For individuals, EU membership may represent assurance that both economic *and* political institutions function effectively.

Using inequality as a determinant to understand individuals' orientation to politics is not innovative. However, in contrast to research in which perceptions of economic performance (including inequality) drive specific policy demands (Corneo & Gruner 2002; Kenworthy & McCall 2008; Rehm 2009; Finseraas 2012) this inquiry is not an assessment of how individuals perceive and advocate politically for or against specific national policies. This analysis is an examination of how individual support toward the supra-national project of the EU may shift. This manifests as a

normative preference for the EU project itself rather than a preference for specific policy outcomes.<sup>30</sup>

#### **5.6: Conclusion**

Overall, the findings here are suggestive of the fact that individual attitudes and orientations toward the EU are undergoing a predominant shift and that there is an inadequacy in the understanding of support for the EU in a period of dramatic and demanding economic change. The results demonstrate that individuals' support for the EU as a mechanism to address inequality is independently and strongly correlated with negative support for the EU as it is and positive support toward a deepening of European integration. This finding is seldom dependent on individuals' socioeconomic location, making it a common explanation of support for the EU as well as normatively supportive of stronger democratic institutional performance. This in turn allows an examination of the varying role of the EU in the eyes of EU citizens given the new economic realities for many individuals in the EU since the onset of the economic and financial crisis of 2007/8.

Inequality not only intensifies individual-level concerns about economic stability, but also increases demands in democratic politics (Whitefield & Loveless 2013). In the context of increasing GDP and rising inequality, which describes many EU member states the vast majority of these member states want to share economic growth. Those EU member states which do not want to share economic growth, support the notion that democratic political institutions should *address* inequality. This is turn increases support for democratic regimes (i.e. the EU) and reinforces

<sup>&</sup>lt;sup>30</sup> Note: the question on 'Addressing Inequality' asks respondents whether "Income and wealth *should* be redistributed towards ordinary people". This question makes no reference to country, party, or specific policy.

substantive democratic national governance (i.e. a substantial role for democratic institutions). In addition, increasing demands by individuals for re-distributional fairness and justice via EU regime legitimacy, whether perceived or actual, may be a means to address market-generated inequality in the EU since the onset of the economic and financial crisis of 2007/8.

The following empirical chapter will focus upon the effect of individual's perceptions towards inequality in the Republic of Ireland and support for the EU. Once again, this question is posed in the context of the economic and financial crisis of 2007/8, since the crisis can be regarded as a critical juncture in Ireland's relationship with the EU, as a result of widening economic disparities individuals' have experienced. The proceeding chapter will emphasise that individuals' concerns about inequality in Ireland have a wide-ranging effect that not only addresses, and indeed revises, the principle of the 'winners and losers' theory but also highlights the robust individual-level support for the EU in Ireland. The findings suggest that individuals in Ireland believe that it is the EU, which becomes the institutional driving force to address market-generated inequality.

# **Tables**

Table 4: Co-variation of EU Support Variables: EU 27 Member States

	EU is good	Satisfaction with democracy in the EU	EU enlargement is good
	r=0.33		
Satisfaction with democracy in the EU	p≤0.001		
	N=23445		
EU enlargement is good	r=0.41	r=0.26	
	p≤0.001	p≤0.001	
	<i>N</i> =25123	<i>N</i> =22925	
More European unification	r=0.37	r=0.22	r=0.48
	p≤0.001	p≤0.001	p≤0.001
	<i>N</i> =24325	<i>N</i> =22420	<i>N</i> =23814

Table 5: Hierarchical Linear Modelling Analysis: Support for the EU & 'Deepening' of EU 27 Member States

	Support	for the EU	EU Enlargement/Deepening			
	(1) EU good or bad	(2)   Sat w Dem   in the EU	(3) EU Enlarged good or bad			
Inequality:						
Address Inequality	-0.0426** (-2.97)	-0.0267* (-2.02)	0.0773*** (6.24)	0.101*** (5.49)		
Communication:	( 2.37)	( 2.02)	(0.21)	(3.13)		
Social Communication	-0.0231 (-0.90)	-0.0128 (-0.54)	0.0000505	0.0454 (1.37)		
Mass Media	0.0283* (2.08)	0.00970 (0.79)	0.0435*** (3.75)	0.0634***		
Interested in Politics	0.236*** (11.12)	-0.0190 (-0.96)	-0.0163 (-0.88)	0.0585*		
Identity:	(/	( 0.30)	( 0.00)	(= - = - /		
Feel European	0.623*** (23.57)	0.268*** (12.17)	0.383*** (18.13)	0.589*** (19.32)		
Immigration Fear	-0.217*** (-14.61)	-0.0437** (-3.28)	-0.257*** (-20.21)	-0.387*** (-20.96)		
Ideological Congruence ar			,,	,,		
Retro Soc Econ Eval	0.0104 (0.56)	0.0462**	0.0866***	0.0698**		
Pros Soc Econ Eval	0.204***	(2.76) 0.0876*** (6.09)	(5.45) 0.0991*** (7.35)	(3.00) 0.113*** (5.66)		
Market Preference	0.0624*** (4.45)	0.0511***	0.0112 (0.91)	0.0517** (2.83)		
Satisfaction w Democracy		1.608***	0.367*** (19.35)	0.366*** (13.25)		
Socio-Demographic Variabl SR Social Class		0.0211	0.0313*	0.0162		
Subj Stand of Living	(6.20) 0.0686***	(1.24) 0.0596***	(1.96) 0.0240	(0.68) <b>0.115***</b>		
Age	(4.45) 0.00567***	(4.10) -0.00440***	(1.77) -0.00199*	<b>(5.70)</b> -0.00250		
Gender: 1=male	(5.69) 0.0734* (2.29)	(-4.76) -0.0174 (-0.59)	(-2.29) -0.0125 (-0.45)	(-1.93) 0.0205 (0.50)		
Left Ideology	-0.200*** (-4.83)	-0.0993** (-2.58)	0.156***	0.0238		
Right Ideology	0.126**	0.0746* (1.96)	0.0503 (1.40)	0.187***		
Education: ISCED		0.00739	0.0120 (1.03)	0.0202 (1.17)		
Country Dummies (not show	n for space)					
Constant				3.455*** (14.36)		
	1.611*** (9.76)	0.772*** (4.69)	(-4.17)			
Cut2 (Constant)	3.522*** (21.17)	3.355*** (20.23)	0.970*** (6.62)			
Cut3 (Constant)		7.128*** (41.14)				
Adj. R <sup>2</sup> No. of Obs			0.0842 20696			

Table 6: Hierarchical Linear Modelling Analysis: Support for the EU & 'Deepening' Cross-National Variation of EU 27 Member States

	(1)	10)			
	(1) (2)   (3)		(4)		
	EU good	Sat w Dem	EU Enlarged		
	or bad 	in the EU   	good or bad	Unificati	
Inequality:					
ddress Inequality	-0.0116**	-0.00763 <sup>†</sup>	0.0293***	0.100***	
	(-3.17)	(-1.88)	(6.31)	(5.50)	
Macro-level Variables: GDPpc 2009	0.00000355 -	-0.00000185	-0.00000363 -0	.00000605	
DFPC 2009	(1.83)	(-1.42)	(-1.82)	(-0.86)	
GINI 2009	-0.00836	-0.00219	-0.0222*	-0.0534	
	(-0.97)	(-0.38)	(-2.53)	(-1.70)	
GovEff	-0.266***	-0.304***	-0.366***	-1.158***	
	(-3.61)	(-6.11)	(-4.84)	(-4.31)	
Communication:					
Social Communication	-0.00627	-0.00491	-0.00325	0.0440	
Mass Media	(-0.94) <b>0.00728*</b>	(-0.67) 0.00311	(-0.39) <b>0.0144***</b>	(1.33) <b>0.0616***</b>	
ass Media	(2.13)	(0.82)	(3.34)	(3.63)	
Interested in Politics		-0.00550	-0.00710	0.0589*	
	(10.02)	(-0.90)	(-1.02)	(2.14)	
dentity:					
eel European	0.149***	0.0865***	0.141***	0.590***	
	(24.29)	(12.88)	(18.30)	(19.37)	
mmigration Fear	-0.0546***	-0.0147***	-0.0973***	-0.387***	
- 1	(-14.70)	(-3.60)	(-20.77)	(-21.01)	
deological Congruence	0.00611	<i>:</i> 0.0133**	0.0315***	0.0718**	
etro soc Econ Eval	(1.31)	(2.58)	(5.33)	(3.09)	
ros Soc Econ Eval	0.0546***	0.0277***	0.0371***	0.114***	
	(13.62)	(6.24)	(7.31)	(5.68)	
Market Preference	0.0150***	0.0158***	0.00156	0.0515**	
Satisfaction w Democrac	(4.12)	(3.90)	(0.34)	(2.82)	
	_	0.470***	0.133***	0.369***	
	(25.42)	(76.82)	(19.05)	(13.39)	
<i>Socio-Demographic Vari</i> SR Social Class	ables: 0.0319***	0.00745	0.0120*	0.0171	
R SOCIAL CLASS	(6.69)	(1.41)	(1.99)	(0.72)	
Subj Stand of Living	0.0194***	0.0196***	0.00987	0.117***	
	(4.81)	(4.37)	(1.93)	(5.81)	
ige	0.00109***	-0.00139***	-0.000805*	-0.00254*	
	(4.23)	(-4.85)	(-2.46)	<b>(-1.96</b> )	
Gender: 1=male	0.00713	-0.0128	-0.00990	0.0221	
	(0.86)	(-1.40)	(-0.95)	(0.54)	
eft Ideology	-0.0562***	-0.0344**	0.0591***	0.0278	
Right Ideology	(-5.19) 0.0259*	(-2.88) 0.0222	<b>(4.32</b> ) 0.0166	(0.51) <b>0.188***</b>	
ight ideology					
Education: ISCED	0.0357***	(1.89) 0.00294	0.00341	0.0195	
	(10.31)	(0.77)	(0.78)		
Constant	1.915***	1.581***	(0.78) <b>2.819***</b>	5.787***	
	(6.48)	(7.82)	(9.26)	(5.33)	
.ns1_1_1 Constant	-1 955***	-2 369***	-1.936***	-0 671***	
nsig_e					
Constant	-0.535***	-0.468***	-0.311***	1.054***	
	(-110.07)	(-92.85)	(-63.25)	(212.43)	
$Vald \chi^2 (prob.> \chi^2)$					
$(0.001)$ R Test $(\chi^2, \text{ prob.})$	1801.0 (0.00	1) 347.3 (0.00	01) 669.0 (0.001	) 497.3	
0.001) Jo. of Obs	21170	19727	20696	20352	

Table 7: Standard Eurobarometer 78 & 79 Responses for 'Effective action against the Economic Crisis'

	EB72	EB 73	EB 74	EB 75	EB 76	EB 77	EB 78	EB 79	EB 80
		(Spring	(Aut	(Spring	(Aut	(Spring	(Aut	(Spring	(Aut
	(Aut	2010)	2010)	2011)	2011)	2012)	2012)	2013)	2013)
	2009)	2010)	2010)	2011)	2011)	2012)	2012)		
The EU	22%	26%	23%	22%	23%	21%	23%	22%	22%
The									
(NATIONALITY)	19%	19%	20%	20%	20%	21%	20%	21%	22%
Government									
The G20	18%	14%	16%	14%	16%	14%	14%	13%	12%
The International									
Monetary Fund	11%	14%	15%	15%	14%	15%	13%	13%	13%
(IMF)									
The United States	12%	7%	6%	7%	5%	7%	8%	8%	8%
Other/None/DK	18%	20%	20%	22%	22%	22%	22%	23%	23%

# Chapter 6: What to do about Inequality? Mass Public Opinion Support for the European Union in the Republic of Ireland

#### 6.1: Introduction

This chapter will focus upon the effect of individual's perceptions of inequality in Ireland and the impact this has on support for the EU. Once again, this question is posed in the context of the onset of the economic and financial crisis of 2007/8, since the crisis can be regarded as a critical juncture in Ireland's relationship with the EU, as a result of both the economic downturn and a widening of economic disparities individuals have experienced. Ireland is a critical case in examining EU support because since its accession to the EU in 1973, it has often been considered an exemplar of what the EU could offer small member states with a strongly prointegrationist mass public. However, in the wake of rising inequality and national political responses to austerity in Ireland, I would expect to find reduced support for both the EU and continued European integration. More specifically, I would expect to find decreasing support for the EU amongst those individuals in an economic position to lose the most (see section 6.3 and section 6.4 of this chapter).

As previously outlined in Chapter Two, Chapter Three and Chapter Five the EU is an economic project combined with a democratic normative framework. This suggests that support for the EU shifts with a desire for politics, in particular democratic politics, to play a robust role in stabilising the economy. It appears that rising economic difficulties and the need to address inequality have prompted individuals in Ireland toward the preference for a stronger state role and one that corresponds to a stronger affinity for the EU.

Subsequently there are two issues which are relevant to our understanding of Irish respondents' popular support for the EU. First, these views about the political responsibility to address inequality are independently and strongly predictive. Second, there is little evidence that this effect is related to economic 'winning and losing' via individuals' SES. Instead of a new group of economic 'losers' in Ireland amongst whom support for the EU has declined, the concern for inequality and the role of the EU, both present and future, is more widespread. This is important for our understanding of the changing support for the EU project because in conjunction with an emerging literature on social justice (Verwiebe & Wegener 2000; Osberg & Smeeding's 2006; Beckfield 2006) these findings suggests that the EU should reflect citizens' preferences for fairness and justice *via* strong and effective democratic institutions that function to moderate excessive market distortions.

It seems that, following the economic crisis in Ireland, if the EU is seen to have failed to create adequate economic and social opportunities, or has provided these prospects in an unequal manner, EU membership may still continue to represent assurance that both economic *and* political institutions can and indeed will work effectively. Therefore, this inquiry will demonstrate that individuals' concerns about inequality lower support for the EU as it is currently constitute, but increase support for deeper European integration in Ireland. This wide-ranging effect is for the most part unrelated to individuals' SES and social location of 'winning or losing' but is driven by normative values of fairness and justice in society. This suggests that individuals in Ireland regard the EU as an enforcer of democratic competences at both the EU and the nation state level and that it is the EU which is the institutional driving force to address market-generated inequality in Ireland since the onset of the economic crisis of 2007/8.

This chapter will therefore examine two features with regards to Irish individuals' concerns about inequality and support for the EU. Firstly, the analysis will demonstrate the importance that individuals place on addressing inequality. Secondly, it will show that the importance Irish individuals place on addressing inequality is positively correlated with both support for further European integration (echoing part of the findings demonstrated in the cross-national case study in Chapter Five) and Irish individuals' beliefs that the EU is in the interest of Ireland. However, the analysis will also highlight that Irish individuals' attitudes towards EU membership is negatively correlated with addressing inequality. These findings indicate that current individual-levels of support for the EU in Ireland may be in a precarious state, but they can be salvaged.

## 6.2: Irish Attitudes towards the European Union

As stated in Chapter Two, Chapter Three and Chapter Five, recent trends suggest that the EU citizenry is becoming more critical of the EU (Franklin, Van der Eijk & Marsh 1995; Anderson & Reichert 1995; Norris 1999; Bringear & Jolly 2005; De Vreese & Boomgaarden 2005; Eichenberg & Dalton 2007; Loveless 2010; Rohrschneider & Loveless 2010; Kuhn & Stoeckel 2014). Following the 2007-8 economic crisis, there is a greater percentage of individuals who may not be objectively 'poor' but feel themselves to be at a heightened risk of economic adversity as a result of rising inequality and economic problems in both their respective member state and the EU. These individuals are likely to be more supportive of income redistribution as a means to minimize their own economic insecurity. While these preferences for increased economic security may not be unexpected, what this would produce in terms of changes in support for the EU project is unclear.

The mass public of Ireland is often regarded as one of the most enthusiastic supporters of European integration since its accession to the European Economic Community in 1973, as they are often considered 'good Europeans' with a prointegrationist attitude (Sinnott 1995; Sinnott 2002; Gilland 2002; Sinnott 2005; Kennedy & Sinnott, 2006; Kennedy & Sinnott, 2007; Laffan & O'Mahony, 2008; Lyons 2008; Adshead & Tonge, 2009). However, the reality of Irish public opinion is more nuanced with support for the EU in Ireland not a single entity but a complex set of opinions determined by a variety of factors.

Research has shown that since the 1990s knowledge of the EU amongst the Irish public is low (Garry, Marsh & Sinnott 2005; Holmes 2005; Kennedy & Sinnott 2006; Kennedy & Sinnott 2007; Laffan & O'Mahony 2008, pp. 128) with individuals in Ireland more likely to refer to the economic aspects of the EU, such as the freedom of movement, the Euro and economic prosperity. This 'knowledge deficit' acknowledged by Irish individuals is perhaps not surprising as for the first twenty years of EU membership Ireland's self-perception of its status within the EU was that of a small, poor, peripheral member state. Ireland became a net beneficiary of EU funds and successive Irish governments and negotiators prioritised and maximised receipts of EU funding via the Common Agricultural Policy (CAP) or Structural and Cohesion Funds. Ireland was said to be suffering from a 'sponger syndrome' in viewing the EU as a source of additional exchequer funding for a poor EU member state (Laffan & O'Mahony 2008, p. 31) with Irish politicians and officials possessing a 'begging-bowl mentality' (Matthews 1983; Lee 1989; Hussey 1993). During the 1990s scholars perceived that while the Irish government and Irish society were indeed pro-European, support for the European integration process itself was conditional (Scott 1994; McAleese 2000). They reiterated that Ireland's approach was

to ask what Brussels could do for the Irish economy, rather than what the Irish economy could do for Brussels and the EU (McAleese 2000, p. 103).

The pro-EU status of the Irish began to be challenged in the 2000s when Ireland's economic boom led the Irish government into conflict with the EU over its management of the Irish economy. The Irish government was criticised for its refusal to dampen the then successful Celtic Tiger economy and for its substantial tax concessions to foreign investors, which were regarded by the European Commission as breaking the spirit, if not the law, of the European Single Market (Adshead & Tonge 2009, p. 213). The Irish Finance Minister, Charles McCreevy came before the European Parliament's Economic and Monetary Affairs Committee to defend Ireland's budget, which was a result of a reprimand by the European Commission for breaching the 2000 Broad Economic Policy Guidelines. In these guidelines the European Commission specifically stated that, in terms of budgetary policy, Ireland

"...should aim to avoid any overheating in the economy, to restrain the growth in public consumption to the level indicated in the stability programme and to accord priority to developing infrastructures while achieving the stability objectives of fiscal policy" (European Commission, 2000, p. 35).

In order to understand individuals' knowledge of the EU in Ireland and the impact this had on support for the EU, Sinnott (1995) discovered that relatively low levels of knowledge regarding the EU were supplemented by positive perceptions of EU membership. By analysing 1993 Eurobarometer results, Sinnott attached significance to the positive relationship between higher levels of knowledge of EU affairs and a positive attitude towards the EU. Sinnott observed that a favourable attitude to European integration changed from 36 per cent among those with very low

levels of knowledge to 76 per cent among those individuals with very high levels of knowledge (Sinnott 1995, p. 16). Low levels of knowledge of the EU were closely associated with social class and education and thus being a skilled or unskilled manual worker had a significant negative effect on the level of knowledge of European affairs. Sinnott (1995) also demonstrated in his findings that both age and gender played a role in determining support for the EU. Being over the age of 65 meant that individuals were more likely to be less informed and less supportive of the EU, while men were better informed than women with regards to EU affairs. Despite this research being nearly 20 years old, levels of knowledge of the EU in Ireland have not increased dramatically since Sinnott's (1995) original research, with individual attitudes towards the EU in Ireland continuing to be increasingly nuanced (Kennedy & Sinnott 2006). This is demonstrated in Figure 1 (EU Membership is a 'good' thing for Ireland) and Figure 2 (EU Membership has benefited Ireland), which use Standard Eurobarometer data from 1973-2011 (Figure 1) and 1983-2011 (Figure 2) to highlight whether or not individuals in Ireland believe that membership of the EU is a good thing and whether or not Ireland has benefited from membership of the EU. In both Figure 1 and Figure 2, Irish individuals show positive support for both EU membership and the benefits of EU membership for Ireland.

## <<Figure 1 and Figure 2 about here>>

Building upon Sinnott's (1995) findings and Lipset and Rokkan's (1967) investigation into centre-periphery cleavage (1967) and the impact this has on support for the EU in Ireland Kennedy & Sinnott (2006, p. 80) state that

"the Irish have been quite enthusiastic participants in the EU project, with, for the most part, positive attitudes towards the EU. The continued deepening of the process of integration and the introduction of the Euro have met little resistance and have produced sources of identity for many. That said, there remains a proportion of the population who oppose further 'sharing of sovereignty' and are concerned about the impact Ireland's involvement in the EU is having on Irish identity, values and culture".

In order to analyse the nuances of Irish public opinion toward the EU Kennedy and Sinnott (2007) use four perspectives to specifically examine Irish public opinion toward European integration the utilitarian perspective (which regards public opinion in terms of individuals' evaluations of the economic effects of European integration), the identity perspective (which highlights that the EU provides individuals with an alternative or complimentary source of identity), 'the institutional and importance of political knowledge' perspective (which assess individuals attitudes towards both domestic and European institutions) and the 'attitudes to globalisation' perspective (how individual's attitudes toward globalisation and these attitudes have an affect on European integration). From an examination of these perspectives, they find that despite the fact that conventional wisdom suggests Irish individuals are very positive about the EU (Kennedy and Sinnott 2007, p. 61) the reality of Irish public opinion towards the EU is much more nuanced.

In their multivariate analysis <sup>31</sup> Kennedy and Sinnott (2007) find that individuals' support for the EU in Ireland is a consequence of the interaction of a

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<sup>&</sup>lt;sup>31</sup> Kennedy & Sinnott (2007) using Eurobarometer 61 data (fielded between 21 February and March 2004) use EU membership good or bad, Economic and Monetary Union (EMU) and a Constitution for the EU as dependent variables. These three dependent variables differ from affective orientation toward

variety of factors, the mix of which depends on what aspect of the EU project is of concern. For example, Irish individuals' knowledge of the EU does not affect the relationship between opinions of EU support and evaluations of domestic and European institutions (the 'institutional and importance of political knowledge' perspective). Other factors also shape Irish opinion toward the EU but the effects are weaker when compared to individuals' institutional evaluations. There is some support for the utilitarian perspective; however, those individuals who are worst positioned to benefit from the EU-in particular those individuals with the lowest levels of education- are less likely to be supportive of the EU in Ireland. There is also some support for the identity perspective; overall however, Irish individuals who identify exclusively with the Irish nation state (in comparison to those Irish individuals who prompted some sense of being European) are less likely to be supportive of the EU. Finally there is some support for the 'attitudes to globalisation' perspective with those individuals in Ireland who have a positive attitude toward economic interdependence between EU member states more likely than those individuals in Ireland who have a negative attitude toward globalisation to be more supportive of the EU. These results demonstrate that individual-level opinion towards the EU in Ireland are much more complex than portrayed. When it comes to individual-level opinion towards Ireland's membership of the EU and potential developments in the EU project, other factors which are associated with individuals' attitudes towards interdependence between EU member states and questions of group identity play an important role in shaping public opinion towards the EU in Ireland.

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membership of the EU to evaluations of two aspects of European integration; one existing (EMU) and one proposed (EU Constitution).

From this, it can be posited that the EU project in Ireland is not one, which can be encapsulated by a single overarching judgement, but only through the appreciation of many different facets. Lyons (2008 p. 218 & 220) demonstrates that Irish respondents tend to focus on national or intergovernmental aspects of EU membership and representation rather than on the policy-making aspects of EU institutions which produce legislation that has an effect across all EU member states. "The Irish public favours more integration but wants the EU to do less common policy-making. In short, Irish public opinion towards European integration is ambivalent" (Lyons 2008, p. 220).

Between 1972 and 2012, Irish governments have held nine European referendum campaigns (see Table 8), with two broad characteristics emerging from each campaign. Firstly, turnout in EU-related referendums is generally lower than at Irish general elections<sup>32</sup> with the lowest turnout being 34.79% in the first referendum on the Nice Treaty in June 2001. Secondly, EU-related treaties (with the exception of the 1972 Accession Treaty) have gained broad support across the political establishment including the mainstream political parties, trade unions and business organisations (Lyons 2003 & 2008; O'Mahony 2009). Smaller political parties such as Sinn Féin, the Green Party and the Socialist Workers' Party as well as non-party political and civil society groups have all opposed EU-related referendums<sup>33</sup>. Up until the first referendum on the Treaty of Nice, successive Irish governments and pro-European campaigners pointed to the benefits EU membership had brought to Ireland in terms of direct financial transfers and increased opportunities for Irish workers and

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<sup>&</sup>lt;sup>32</sup> Voter turnout in Irish general elections from 1973-2011: 76.61% (1973) 76.31% (1977) 76.22% (1981) 72.86% (1982) 73.33% (1987) 68.51% (1989) 68.49% (1992) 65.92% (1997), 62.57% (2002), 67.03% (2007) and 70.05% (2011). Data available from Central Statistics Office of Ireland (CSO): <a href="https://www.cso.ie">www.cso.ie</a>

www.cso.ie

33 An exception is the Green Party at the time ofthe 2008 Lisbon Treaty referendum campaign, when the party was a junior partner in the Fianna Fáil-led government

Irish industry. Pro-European groups and political parties in Ireland have consistently relied upon the permissive consensus inherent within mass public opinion in Ireland, in particular the fact that individuals in Ireland appreciated the considerable benefits that Ireland derived from EU membership and thus little effort was made to explain the issues at stake for the Irish electorate.

#### << Table 8 about here>>

However, the multifaceted and nuanced nature of Irish public opinion toward the EU was demonstrated with the rejection of the Nice Treaty in May 2001 and the Lisbon Treaty in June 2008 (see Table 8 for percentage of voter turnout and percentage votes for 'Yes' and 'No') highlighting the potential emergence of a new popular scepticism towards the EU in so far as it concerns Irish interests and deeper European integration in Ireland. The emergence of referendums as key forums for debate about the EU in Ireland has resulted in a much greater degree of polarisation of opinions. This polarisation is two-fold firstly, referendums tend to reduce complex issues to a simple 'Yes' or 'No' answer; and secondly, with nine EU related referendums being held thus far in Ireland, this mechanism of direct democracy has fuelled an element of disenchantment among the Irish electorate, with voters questioning why they are continuously being asked to vote on complex EU issues.

Garry, Marsh and Sinnott (2005) and Glencross and Trechsel (2011) demonstrate that voting in EU-related referendums typically distinguishes between 'second-order' effects and the impact of substantive 'issues'. According to the 'issue

voting' approach, voting in EU-related referendums is driven by individuals' substantive EU-related concerns. Put simply, individuals decide to support or not support a treaty based upon the merits of the European project and the specific elements of the respective treaty poses to them (Siune & Svensson 1993; Svensson 1994; Siune, Svensson & Tonsgaard 1994; Svensson 2002). Meanwhile, Reif and Schmitt's (1980) 'second order' approach which was originally used to explain voting in the European Parliament elections posits that the central determinant of vote choice in EU-related referendums is EU member states' national party politics. It is noted that individuals use the referendum in order to express their discontent or satisfaction with the incumbent government. Individuals who are dissatisfied with their nation state government will vote 'no' in a EU-related referendum in order to punish the government for its poor performance (Franklin, Marsh & McLaren 1994; Franklin, Marsh & Van der Eijk 1995; Franklin 2002). In addition, individuals voting in EUrelated referendums may also determine their vote as a result of party cues with individuals voting in accordance with their political party affiliation (Anderson 1998; Hooghe & Marks 2005; Hobolt 2006 & 2007).

As Garry (2013) correctly points out, findings with regards to both 'issue voting' and 'second order' approaches are of significant theoretical importance for the understanding of individual-level political behaviour and normative evaluations of the practicality of using the mechanism of referendums to ratify EU treaties. However, "if citizens merely use EU referendums as a chance to punish the government or to express established political party allegiances, then EU referendums hardly approximate high-quality deliberative processes" (Garry 2012, p. 95). When the Irish electorate voted 'No' to the Nice Treaty in May 2001 and 'No' to the Lisbon Treaty

in June 2008, both the domestic political and economic context played a vital role highlighting elements of the 'issue voting' approach and the 'second-order' approach.

There were three key issues, which were important in the first Nice Treaty referendum in May 2001. These three issues were sovereignty, neutrality and EU enlargement. Individuals in Ireland who were in favour of retaining as much sovereignty as possible in Ireland, wanting Ireland to remain a neutral state and those who expressed concerns over the 'Big Bang' enlargement are those individuals who were likely to have voted 'No' to the treaty. Following the defeat in May 2001, supporters of the Nice Treaty conducted a vigorous campaign around the second referendum on the Nice Treaty emphasising the advantages of the EU. The Irish government also sought two Declarations with its EU partners, which were added to the Nice Treaty at a EU summit in Seville in June 2002 (Garry, Marsh & Sinnott 2005, p. 208) which provided protection for the continuation of Irish neutrality and de-emphasised the issue of neutrality in the lead up to the second Nice Treaty referendum in October 2002. Overall, Irish individuals who were dissatisfied with the Fianna Fáil-led government voted 'no' to the first Nice Treaty referendum in order to punish the government for its poor performance and mismanaged referendum campaign.

In the case of the Lisbon Treaty second-order factors of individual-level voting can be cast aside, as satisfaction with the Irish government declined significantly between Lisbon 1 and Lisbon 2. The change in the political context from the first Lisbon Treaty referendum in June 2008 to the second Lisbon Treaty referendum in October 2009 was a result of the Irish government's attempts to address concerns highlighted by the 'No' campaign. Specifically these issues were in relation to military neutrality, the corporation tax rate, the belief that abortion services

would be widely available, a weakening of workers' rights, and a reduction in Irish influence at the EU-level due to the loss of a permanent Irish EU Commissioner. At an EU summit in June 2009, it was agreed that guarantees on these issues would be added as protocols in the re-run of the Lisbon Treaty referendum in Ireland (Fitzgibbon 2010). The change in the economic context from the first Lisbon Treaty referendum in June 2008 to the second referendum in October 2009 was dramatic, as Ireland plunged into recession after the defeat of the Lisbon Treaty in 2008. It was frequently expressed that, as a result of the onset of the economic and financial crisis Ireland was safer as part of a larger economic community that could potentially offer Ireland protection, and it was noted that any intention or signal to distance Ireland from the other member states of the EU would have serious implications. As a result of the negotiated protocols and the beginning of the economic and financial crisis, it was hoped that individuals would vote 'Yes' to the second Lisbon Treaty.

While both 'issue voting' and the 'second order' approach are important for the wider debate on normative evaluations of the practicality of using the mechanism of referendums to ratify EU treaties, 'issue voting' and the 'second order' approach are opaque and difficult approaches to adopt when examining individual-level mass public opinion attitudes towards the EU in Ireland. As demonstrated above, in taking examples of two unsuccessful EU-related referendums in Ireland, the referendum debate becomes tied up in an abundance of domestic and economic issues, which can be attributed either to 'issue voting' or 'second order' voting. Overall, this deflects from a thorough examination of individual-level normative attitudes towards support for the EU in Ireland.

It is clear from the analysis of the literature outlined in chapter two and the examination of Irish attitudes towards the EU demonstrated in this section that the EU

is an economic project combined with a democratic normative framework. This suggests that support for the EU shifts with a desire for politics, in particular democratic political institutions, to play a robust role in stabilising the economy and therefore addressing inequality in Ireland since the economic crisis began in 2007/8.

# 6.3: Ireland in Context: domestic politics, the economy and the EU

The Irish economy has experienced many highs and lows since accession to the EU with significant periods of growth (1970s, 1990-2007), as well as periods of stagnation and significant expenditure reduction (1980s, 2008 to the present). It was during the 1990s and 2000s that Ireland experienced an unparalleled period of economic growth, rising living standards, job creation and export performance that repositioned it away from the southern periphery of the EU with which it had long been associated. When examining the Irish economic boom, it is important to note the extent to which Ireland between 1994 and the mid-2000s shifted its relative position from being one of the poorest to one of the richest EU member states. The collapse of the Irish economy and the impact of austerity measures to address the national fiscal deficit and the costs of saving the Irish banks have reduced Ireland's relative position in the EU significantly. Figure 3 shows data from the World Bank on the annual percentage growth of GDP in Ireland from 2007-2013. The results demonstrate a dramatic decline in annual percentage growth in GDP in Ireland from 5 per cent in 2007 to -0.3 per cent in 2013.

<<Figure 3 about here>>

The economic and financial crisis of 2007/8 can be therefore regarded as a critical juncture in Ireland's relationship with the EU, as a result of both the economic downturn and a widening of economic disparities individuals have experienced. Consequently, it is important to contextualise Ireland economically and politically during the period of 2007/8 in order to determine individual perceptions of inequality and the influence these have on support for the EU. Research has suggested that individual citizens and labour market participants perceive the costs and benefits of European integration differently depending upon national wage bargaining systems of welfare state policies (Brinegar, Jolly & Kitschelt 2004). In particular "domestic political divides between advocates and opponents of EU integration may play out differently and yield contrasting partisan alignments if polities are embedded in different institutional 'varieties' of capitalism" (Brinegar, Jolly & Kitschelt 2004, p. 62).

The diversity in the 'varieties of capitalism' literature centres upon two facets. Firstly, capitalist institutions affect the proportion of voters in each EU member state who have an incentive to challenge European integration. It is the political economy which shapes the 'grievance level' that may deliver the patterns of domestic contestation (Brinegar, Jolly & Kitschelt 2004, pp. 62). This first facet centres upon individuals socio-tropic evaluations of European integration. Secondly, individuals focus on the potential individual cost and benefits that result from changes in the expected economic benefits created by European integration for national political and economic institutions. This second facet focuses upon individuals' egocentric voting. In addition, this second facet also takes into account whether EU citizens are leaning towards or away from further European integration. Individuals 'preferences for European integration do not simply depend on whether individuals are 'left' or 'right'

in ideological terms, but on whether they are 'left' or 'right' within their national political-economic context. In addition, the 'varieties of capitalism' literature suggests that the economic crisis has been generated primarily in the context of liberal market economies and has affected liberal market economies more severely than coordinated market economies (Chari & Bernhagen, 2011; Bernhagen & Chari, 2011).

When analysing Ireland through the lens of the 'varieties of capitalism' literature, there are two elements that are important to note. First, it is the second facet, which centres upon individuals' preferences to be either 'left' or 'right' in terms of the national political-economic context, which is important in determining individuals' perceptions of addressing inequality and how these influence support for the EU. Secondly, the contextualisation in the 'varieties of capitalism' literature that liberal market economies have been affected much more since the onset of the economic crisis is also important in determining individuals' perceptions of addressing inequality and how these influence support for the EU since the onset of the economic crisis of 2007/8. These two elements combined contextualise Ireland during the onset of the economic crisis of 2007/8.

The irrevocable nail in the coffin for the economic collapse in Ireland was the shift in the international financial markets during 2007 and 2008. By early 2008, it became increasingly difficult for the Irish banks to maintain funding in the international wholesale markets while simultaneously domestic investors were withdrawing capital from the Irish property market. This period culminated in a crisis in September 2008 with commercial funding for the Irish banks shrinking in the wake of the disruption caused in the international credit markets by the collapse of Lehman Brothers. The Irish government's response to the banking crisis was to guarantee, "not only all deposit holders but most bondholders [and] in effect [the Irish

government] socialised the losses of the private sector resulting in an enormous public debt liability" (Dellepiane & Hardiman, 2012, p. 83). As a result, individuals' in Ireland have contended with a triple crisis: a severe decline in economic activity, substantial losses in the banking system and a rapid deterioration in its fiscal position (Lane 2011; Dellepiane & Hardiman 2012). The intervention of the Irish government in the form of the Bank Guarantee Scheme of 2008 did not create greater certainty or stability in financial markets, as initially hoped, and Ireland sought financial assistance from the EU/IMF in November 2010. Individuals in Ireland were not protected from the uncertainty and risk of the liberal market economy and these individuals recognised this.

It is evident that the impact of the economic crisis in Ireland was significant in terms of long-term impact on the future of the country. Hall and Soskice (2001, p. 20) highlight elements of the liberal market economy of Ireland and research conducted by Chari and Bernhagen (2011) on explaining the economic crisis and the demise of the Celtic Tiger in Ireland demonstrates that "institutions do matter" with the institutional distinction being made by individuals in Ireland between the integration of state actors and a financially robust elite (Chari & Bernhagen 20011, pp. 485). Therefore, for Ireland the 'varieties of capitalism' literature produces new hypotheses pertaining to more socio-cultural aspects of Irish individuals ideological dispositions. This provides a way to analyse individuals' attitudes towards addressing inequality and how these influence support for the EU since the economic crisis.

The onset of the 2007/8 economic crisis and the Irish context discussed above highlight the heightened risk of economic adversity for individuals in Ireland as a result of rising economic problems in both Ireland and the EU. These individuals in Ireland are more likely to be more supportive of income distribution as a means to

minimise their own economic insecurity. The focus on European integration is now towards a more individualist egocentric perspective. The theoretical mechanism linking institutions and Irish individuals assessments of EU integration is the "perception of costs and benefits accruing from integration in light of domestic capitalist institutions" (Brinegar, Jolly & Kitschelt 2004, p. 64). It is now necessary to establish a link between Irish citizens' perceptions of the costs and benefits of European integration and patterns of redistribution in order to address inequality and examine support for the EU.

When assessing the economic crisis, citizens consider its impact on their country's economy. Research has shown that this is the case with regards to EU support. An EU member state's status as a net beneficiary of European transfers (Eichenberg & Dalton 1993; Anderson & Reichert 1995; Carrubba 1997) and intra-European trade (Anderson & Reichert 1995) are important determinants of EU support. Indicators of macro-economic growth, inflation and unemployment influence aggregate EU support (Anderson & Kaltenhaler 1996). Since Ireland is a net beneficiary of EU transfers it seems plausible that individuals in Ireland base their opinion of the EU upon the implications for the national economy<sup>34</sup>.

European integration now differs from European integration pre-economic crisis. While European integration has primarily focused upon market liberalization, European economic governance now operates in a different direction by imposing regulation and increased (supranational) oversight on banks and markets (Kuhn &

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<sup>&</sup>lt;sup>34</sup> The National Strategic Reference Framework (NSRF) sets out the policy context within which funding to Ireland under the Regional Competitiveness and Employment Objective from 2007-2013 period through both the European Development Fund (ERDF) and European Social Fund is applied. EU budget transfers under the Regional Competitiveness and Employment objective for Ireland totals €750 million for the period 2007-2013.

The full report "The National Strategic Reference Framework for Ireland 2007-2013" is available at: <a href="http://eustructuralfunds.gov.ie/files/Documents/NationalStrategicReferenceFramework200713.pdf">http://eustructuralfunds.gov.ie/files/Documents/NationalStrategicReferenceFramework200713.pdf</a>

Stoeckel 2014, p. 625). The beginning of the economic crisis of 2007/8 hinges upon this pre- and post- phase of European integration in Ireland and as a result it is expected to lead to resurgence in Gabel's (1995, 1997; 1998a & 1998b) 'winners' and 'losers' thesis. This resurgence derives from the onset of the economic and financial crisis of 2007/8 and continuing economic recession in Europe, which has created a new group of 'losers' in the EU project. This new group of 'losers' continues to be socio-economically secure but it includes those individuals who *perceive* themselves to be pushed closer to the economic edge of 'losing'. Put simply, following the 2007/8 economic crisis there is a greater percentage of people in Ireland who may not be objectively 'poor', but who nevertheless feel themselves to be at a heightened risk of economic adversity due to rising inequality and economic problems in Ireland and the EU. These individuals are likely to be more supportive of income redistribution as a means to minimize their own economic insecurity.

This is vital for the understanding of individuals' changing support for the EU in Ireland. In conjunction with emerging literature on social justice, the extensive nature of individuals' support for the EU in Ireland suggests that the EU should reflect EU citizens' preferences for fairness and justice in society via strong and effective democratic institutions. These institutions will then act and function in order to diminish excessive market distortions. It appears that, following the economic crisis of 2007/8, if the EU is regarded by individuals in Ireland to have failed to create adequate and social opportunities, or has provided these prospects in an unequal manner, membership of the EU may still represent assurance for individuals that both economic *and* political institutions can and will work effectively in order to address inequality.

### 6.4: Inequality in Ireland

As outlined in Chapter Three, the examination of inequality as a determinant of EU support is founded upon a value-based position that reflects individual's support for the principle that democratic institutions should serve as an arbiter of market-generated inequality. In order to demonstrate that this measure of inequality is not a proxy for other value-based positions and can therefore be independently predictive of support for the EU in Ireland, I analyse how inequality is correlated with both ideological and socio-economic positions (i.e. variables that focus upon instrumental self-interest, social and economic status, social location and political institutions and the market). The on-going economic and financial crisis of 2007/8 is used as the salient moment to activate Irish individuals' concerns about overall economic performance which will highlight that there are more individuals in Ireland if not *actually* doing worse, then at least *feeling* or *perceiving* as if they are achieving less economically.

Individuals' perceptions of feeling as if they are achieving less economically since the onset of the economic crisis of 2007/8 comports with the Revisionist School within welfare state research which focuses upon political cleavages based on risk exposure. Revisionists argue that the fundamental basis for the welfare state is not redistribution but demand for social insurance that cuts across class lines (Baldwin 1990; Iversen & Soskice 2001; Moene & Wallerstein 2001; Swenson 2002; Mares 2003; Cusack, Iverson & Rehm 2006). These scholars demonstrate that major welfare state programs represent social insurance that protects individuals from economic risks. Examples of social insurance include health insurance, unemployment benefits and retirement pensions (i.e. the goods of society). Although social insurance is

redistributive, its principal goal is to guard people from major economic dislocations provoked by interruptions to income or volatile non-discretionary expenditure.

Principles of social justice reject the idea that economic growth and development are likely to be undermined by progress in the social sphere, and that economic progress does not necessarily mean social progress. Social Partnership has been a fundamental driver in economic change in Ireland and has come to constitute a system of political economy that has had a profound affect on how the Irish economy has developed, how wealth is produced, and how it is redistributed (O'Reardon 2001, pp. 113). However, Social Partnership and centralised wage bargaining were some of the first casualties of the economic and financial crisis in Ireland. Despite a consensual approach to socio-economic policy since the 1980s, the Irish government's position has been one of a unilateral adjustment rather than a negotiated adjustment. The policy constraints of European Monetary Union (EMU) and the focus on public sector austerity combined with the unprecedented economic and financial crisis has undermined the capacity of Irish state actors (i.e. the Public Services Committee, Irish Business and Employers Confederation, Irish Congress of Trade Unions) and the Irish government to engage in a strategy of Social Partnership (Doherty, 2011).

In order to link individuals desire to see inequality addressed in Ireland and the impact this has upon support for the EU an examination of inequality during the Celtic Tiger period (1995-2007) is necessary. As previously stated in this section inequality in Ireland actually increased during the 1990s and early 2000s (Atkinson, Rainwater & Smeeding 1995; Nolan & Maitre 2000; Cantillon *et al* 2001). This can be attributed to three main reasons. Firstly, the distribution of income between wages and profits shifted markedly towards profit (Lane 1998, p. 225). The share of profits

in the non-government sector of the economy increased from a quarter to one-third from the late 1980s to the mid 1990s and the corresponding share of wages decreased from 75 per cent to 65 per cent (Hardiman, McCashin & Payne 2006, p. 43). Secondly, among employees there was a marked rise in earnings dispersion: the ratio of pay between the highest paid employees and the lowest paid increased significantly from 1987 to 1997 (Barrett, Fitzgerald & Nolan 1999). Thirdly, relative income poverty rose during the 1990s with just under 19 per cent of households under the poverty line in 1994, and almost 26 per cent were under the poverty line in 2001 (Nolan *et al*, 2002, p. 19).

While the Celtic Tiger period (1995-2007) generated increased prosperity for the majority of Irish people, high levels of inequality continued to persist. Figure 1 illustrates the Gini coefficient<sup>35</sup> SILC Eurostat data from 1995-2007 in Ireland, and the Gini coefficient average from the fifteen member states (1995-2004), twenty-five member states (2004-2007) and twenty-seven member states of the EU. Figure 1 shows that income inequality during the boom years of the Celtic Tiger period (1995-2007) was above the EU average affirming findings by Atkinson, Rainwater and Smeeding (1995), Nolan and Maitre (2000), and Cantillion *et al* (2001) that there was an increase in inequality during the 1990s and early 2000s.

<<Figure 4 about here>>

<sup>&</sup>lt;sup>35</sup> The Gini coefficient of equivalised disposable income from EUROSTAT SILC data is defined as the relationship of cumulative shares of the population arranged according to the level of equivalised disposable income, to the cumulative share of the equivalised total disposable income received by them

It must be noted, however, that the increase in inequality during the 1990s and early 2000s is only one aspect of the Celtic Tiger story. While inequality did increase, individuals at all income levels were better off in *absolute* terms too (Hardiman, McCashin & Payne 2006, p. 43). Employment grew at an unprecedented rate and by the end of the 1990s Ireland had achieved full employment. Earned income also increased, thus this growth in earnings, when compounded by reduced taxation, resulted in a substantial rise in disposal incomes at all levels in the income distribution (Hardiman, McCashin & Payne 2006 p. 43).

While the living standards and improved employment opportunities generated by the economic boom years improved the lives of many individuals in Ireland, less attention was attributed to the increases in relative inequality that was a hallmark of the Celtic Tiger period, or indeed to the failures to invest adequately in quality social services (Kirby & Murphy, 2011). There are a number of scholars that argue that Ireland was far from being a model of successful development under globalisation, but was rather a warning of the social costs of economic development (Allen 2000; Kirby 2002 pp. 206; O'Toole 2003). The economic boom years (1995-2007) saw increased levels of income inequality as the top section of the income distribution pulled away from the median and, by 2007, the average levels of income inequality over the Celtic Tiger period (1995-2007) remained stubbornly high (Dellepaine & Hardiman 2012, p. 86). The rapid growth and employment expansion combined with an on going commitment to Social Partnership processes did not contribute to a reduction in domestic social inequalities or to an expansion in the extent of social consumption. The increase in public spending that took place did not keep pace with market-driven living standards and the tax system favoured, rather than contained, the surge in higher-income rewards (Dellepaine & Hardiman 2012, p. 87).

According to the Gini coefficient SILC Eurostat data from 2008-2012, there was a decrease in inequality in Ireland at the beginning of the economic and financial crisis, which has continued, with the exception of 2010, until 2012. However, despite this decrease individuals in Ireland do not *perceive* the reduction in inequality per se (i.e. income). What individuals do perceive is that they have not been apportioned the 'fair' benefits of society and this affects how they think about the current political and economic status of both the EU and Ireland. Since the beginning of the economic and financial crisis, individuals in Ireland have not been *actually* doing worse, but they are *feeling* or *perceiving* as if they are achieving less economically.

## <<Figure 5 about here>>

As a consequence, inequality is therefore viewed through the lens of the distribution of economic growth and/or the changes in the distribution of economic growth. This in turn plays a role in gauging support for the EU, along with individuals' *actual* SES and social location. The perceived improvement or perceived deterioration in an individual's socio-economic well-being in Ireland can be an effective determinant of an individual's support for continued European integration, as well as being used as an evaluation of how to assess support for the EU.

As theorised previously in Chapter Three and Chapter Five and in order to relate this to individuals' support for the EU in Ireland, I make a connection between individuals' concerns about inequality and changes in individuals' level of support for the EU through the relationship inequality has to both democratic political institutions

and the liberal market economy. I do not posit that individuals in Ireland want an alternative arrangement with political democracy and the free market economy of the EU, but rather that individuals in Ireland want democratic institutions and the liberal market economy to *both* function effectively (Rohrschneider & Whitefield, 2006). It is much more productive to consider the market and democracy as mutually reinforcing mechanisms, so that the liberal market economy can produce improved economic outcomes for a larger proportion of individuals in the EU in conjunction with robust and efficient democratic institutions.

For example, if an economy provides high living standards and vigorous economic development, individuals will often accept comparatively high, objective levels of inequality (Jackman 1975; Bollen & Jackman 1985). This makes the balance between market-generated inequalities and effective democratic institutions a plausible connection to formulate because individuals in Ireland will regard EU member states with strong, democratic political institutions as a safeguard against excessive inequalities (Bollen & Jackman 1985; Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2013).

For Ireland, I propose that in the wake of the on-going economic crisis, the EU can be seen primarily as the guarantor of democracy that can combat market-driven inequalities. This expressed desire is apparent in individuals' support for the EU project and its continuation. In addition, perhaps individuals in Ireland consider the EU as the mechanism to enforce democratic responses to economic woes in the context of rising inequality. It is not unreasonable to make this connection between strong democratic responses and market inequalities. Individuals' perceptions of excessive inequality do not drive dislike or distrustfulness of democratic institutions, in fact, it is nearly always the opposite (for Europe, see Kaltenhaler *et al.* 2008; for

Central and Eastern Europe, see Whitefield & Loveless 2013) corresponding to long-standing work in which individuals who exhibit dissatisfaction with the functioning of democracy want more, rather than less, democracy (Norris 1999; Dalton 2004).

Thus, when the market distorts the distribution of goods in society, (democratic) institutional remedies need to be available. That is to say, if effective democratic institutions are the presumed remedy for inequality, this inquiry allows us to not only examine changes in the level of support for the EU in Ireland but also to re-examine a long-standing question of whether the EU may be valued more for its democratic character than its market character. This makes Ireland a critical case study in order to determine how individuals' perception of inequality is a noteworthy determinant for addressing support for the EU, given increasing inequality during the economic boom of the Celtic Tiger (1995-2007) and since the onset of the economic crisis of 2007/8.

### 6.5: Methods: Conceptualization and Operationalization

Increased support for the EU and the continuation of the EU project suggest that individuals in Ireland regard the EU as the enforcer of democratic political institutions which appeal to justice, fairness and transparency. Decreased support for the EU is considered in conjunction with increased concerns by individuals in Ireland of the ability of the EU to address inequality. This is suggestive of the on-going battle with the perceived democratic deficit of the EU, concerns of the efficacy of the EU and a preference for the Irish government to be the basis of effective action against inequality. In any of these latter cases, Irish individuals' concerns with inequality depress support for the EU. The theory that combines Irish individuals' concern about addressing inequality with support for the EU and Irish national governance rests on the notion that citizens in Ireland seek strong democratic politics to serve as a

safeguard against market-generated inequalities (Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2012). This leads to the hypothesis that

H2: In Ireland, as the level of individuals' preferences for inequality to be addressed increases, Irish individuals are more likely to support the EU (EU Status Quo) and continued expansion (EU enlargement)

To operationalize this hypothesis, I use the EES 2009 data to examine support for the EU. A limitation to the study of support for the EU is the variety of determinants for support (see Chapter Two). In addition, Boomgaarden, Schuck, Elenbaas and De Vreese (2011) argue that attitudes towards the EU are multidimensional, making it relevant to assess which generic models explain variation in support or aversion to the different dimensions of EU support. Boomgaarden et al (2011) argue that measures of EU attitudes refer to two clusters of EU attitude orientations. The first cluster relates to specific, utilitarian and output oriented attitudes, while the second relates to diffuse, affective and input oriented attitudes. In this inquiry on Ireland, I also distinguish between attitudes towards the regime and towards the *community* by separating EU support into two categories: the EU status quo and EU enlargement. This builds upon the findings of Boomgaarden et al (2011) that emotional responses (i.e. perceptions), along with the performance of the functioning of the EU, both democratically and economically strengthens utilitarian attitudes towards the EU and reflects support based on agreement with extended decision-making competencies, policy transfer and further European integration.

In order to test the robustness of the inquiry I include three determinants of EU support:

- (1) EU Membership is good or bad
- (2) EU Enlargement is good or bad
- (3) EU is in our [Ireland's] interest

By including these three determinants of EU support, this inquiry operationalizes the approaches to the understanding of EU support. Using Ordinary Least Squares (OLS) Multiple Regression analysis, I run three models of EU support in order to test the theoretical mechanism that individuals in Ireland seek strong democratic politics to serve as a safeguard against market-generated inequalities since the onset of the economic and financial crisis of 2007/8. This necessitates the inclusion of 'addressing inequality' into the mass public opinion model thus examining the performance of all three models in Ireland immediately after the onset of the economic and financial crisis of 2007/8.

Table 9 demonstrates the co-variation of the three dependent variables. Each dependent variable varies from one another yet none of the three variables are substantively correlated with one another. This suggests the importance of operationalization due to the conceptual distinctiveness between the EU as it is currently constituted (i.e. EU Status Quo), and the continued expansion of the EU project (i.e. EU Enlargement).

<<Table 9 about here>>

As outlined in Chapter Two, there are numerous approaches to the understanding of EU support. The standard model of EU support includes communication (social communication, watching mass media and interest in politics), identity (feeling about being described as European, and fear of immigrants), ideological congruence and institutional performance (including retrospective and prospective socio-tropic economic evaluations as well as normative preferences for the liberal market economy and satisfaction with democracy), and socio-demographic variables (including self-reported social class, subjective standard of living, age, gender, ideology, and education).

The central independent variable concerning inequality is asked in the context of the post-economic crisis therefore centering the conceptual basis for inequality on the principle that inequality is generated by liberal market economies and institutions are expected to disperse political power (Bartels 2008; Kaltenhaler, Ceccoli, & Gelleny 2008). Put simply, I base my understanding on Irish individuals existing normative attitudes that the liberal market economy should be fair versus purely equal and that democracy should function in a roughly egalitarian or minimally majoritarian manner in order to prevent inevitable market distortions.

To operationalize this rationale, individual respondents in Ireland were asked how they deem the importance of addressing inequality to be using the question "income and wealth should be redistributed towards ordinary people". As outlined theoretically above (see Chapter Three for comprehensive outline of the theory to be tested) I take this to be a value position that demonstrates individual respondents' support for democratic institutions to serve as the arbiter of liberal market generated inequality. In order to show that this measure of inequality is not a proxy for other value positions and can be independently predictive of support for the EU, I analyse

how the variable of inequality correlates with both ideological and socio-economic positions. The hypothesis, meanwhile, relies on the assumption that individuals in Ireland, as EU citizens, regard the EU as a mechanism to reinforce substantive democratic governance at both the national level (i.e. Ireland) and at the supranational level (i.e. the EU). The OLS Multiple Regression analysis demonstrates that an increased number of individuals in Ireland concerned about inequality *lowers* support for the EU as it is currently constituted (i.e. status quo) but *increases* support for deeper European integration. This wide-ranging effect is for the most part unrelated to individuals' SES of 'winning' and 'losing' but is driven by normative values of fairness and justice in society, suggesting that individuals in Ireland believe that the EU is the enforcer of democratic competences, and it is the EU that is the institutional driving force to address market generated inequality in Ireland.

Individuals with left-leaning ideological positions often consider support for intervention by the nation state in the liberal market economy, while individuals with right-leaning ideological positions are often associated with conservative ideological positions. Using Irish individuals' left-right ideological self-placement it is demonstrated that there is a positive correlation between Irish individuals' concerns with addressing inequality of r=0.006 (p=0.0740, N=1,001).

It may also be intuitive to consider 'address inequality' to be related to Irish attitudes regarding the liberal market economy. However, the correlation between 'address inequality' and 'market preference' is r=0.000 (p=-0.0017, N=1,001), suggesting that these two variables are negatively correlated and do not move

together.<sup>36</sup> This demonstrates that Irish individuals' support for addressing inequality is neither a proxy for ideology nor a preference for markets to address inequality.

Using Irish individuals' self reported standard of living, the preliminary evidence suggests that as individuals move toward a more precarious economic position, the concern for addressing inequality is in fact more pronounced among those individuals who are economically affluent (r=0.0123, p=0.1107, *N*=1,001). Therefore, while the standard of living may capture existing economic vulnerability, it does not demonstrate results about what to expect with regards to Irish individuals' views about addressing inequality. This is not surprising when considering research that highlights that the distribution of skills, pre-existing non-economic cleavages (for example, ethnicity and religious orientation) and subjective attitudes toward welfare and social justice distort the direct connection between policy preferences and economic interests (Benabou 2000; Benabou & Tirole 2006; Osberg & Smeeding 2006).

Overall, it can be posited that support for European integration depends on the national political-economic context. Such contexts affect not only the magnitude of personal grievances but also their ideological embeddedness into domestic partisan alignments. The explanatory value of interacting contextual and individual-level variables to account for alignments over European integration highlights the plausibility of a multi-level model of the European polity contextualising the national varieties of capitalism (Brinegar, Jolly & Kitschelt 2004, p. 63) and the need to address inequality.

<<Table 10 about here>>

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<sup>&</sup>lt;sup>36</sup> All models were tested for multicollinearity with no significant problems.

Interpretation of Theoretically Relevant Independent Variables in OLS Multiple Regression Model

Across all three dependent variables ('EU membership is good or bad', 'EU enlargement is good or bad' and 'EU in Ireland's interest', see Table 10) the main theoretically relevant variables of inequality and ideological congruence and institutional performance perform well. The central independent variable of 'Address inequality' is positively correlated with both 'EU enlargement' and 'EU in Ireland's interests and is statistically significant at the 99% level, P < 0.01 and 95% level P < 0.05 respectively. For both of these models for every one unit increase in the need to address inequality both models predict that 'EU enlargement' and 'EU in Ireland's interest' will increase by 0.0712 and 0.0408 units respectively holding all other independent variables constant. This means that in these two models individuals believe that further enlargement of the EU and the fact that decisions made in the EU are in the interest of Ireland are factors, which increase the need to address marketgenerated inequality and as a consequence this increases mass public opinion support for the EU. However, in the model 'EU membership is good or bad' the central independent variable of 'Address inequality' is negatively correlated and is not statistically significant. Thus, for every one unit decrease in the need to address inequality the model predicts that 'EU Membership good or bad' will decrease by -0.00948 units holding all other independent variables constant. This infers that those individuals who believe that membership of the EU is neither a good or bad thing for Ireland decreases support for inequality to be addressed and therefore decreases support for the EU.

However, given the concern of individuals in Ireland about the issue of inequality and its apparent and differential effect on support for the EU since the

onset of the economic and financial crisis of 2007/8 it is evident that inequality is a meaningful political, rather than merely economic, issue and one that needs substantive consideration. For individuals in Ireland, evaluations of support for the EU are not only economic but socio-tropic with many Irish people believing that the liberal market system functions in an unfair and unjust manner as they assess societal differences based upon both access and opportunity to the EU. This is reiterated theoretically by the ideological and institutional performance variables as they are almost uniformly positive and as expected with the exception of a negative correlation with retrospective socioeconomic evaluation and 'EU membership good or bad' (-0.0299 holding all other variables constant) and market preference with 'EU Enlargement' and 'EU in Ireland's interest's (-0.0323 and -0.00999 respectively holding all other variables fixed).

In testing the robustness of the theoretical design in this inquiry, prospective socioeconomic evaluation and satisfaction with democracy are the best performing ideological congruence and institutional performance variables. Prospective socioeconomic evaluation is positively correlated and statistically significant at the 99.9% level, P < 0.001 with 'EU membership good or bad' and satisfaction with democracy positively correlated across all three models and statistically significant at the 99.9% level, P < 0.001 with 'EU enlargement good or bad' and 'EU in Ireland's interests' and 99% level, P < 0.01 with 'EU membership good or bad'. The correlation coefficients reflect the theoretical strength of this inquiry with prospective socioeconomic evaluation reporting coefficients across all three models of 0.0459, 0.0371 and 0.0267 respectively and satisfaction with democracy reporting coefficients across all three models of 0.0560, 0.106 and 0.161 respectively. This further demonstrates theoretically that Irish individuals evaluations of support for the EU are

not only economic but socio-tropic with many individuals in Ireland believing that the liberal market system functions in an unfair and unjust manner as they assess societal differences based upon both access and opportunity to the EU. This is also a noteworthy finding given the intense criticism successive Irish governments have encountered since the economic crisis of 2007/8, with scholars citing a lack of expertise and inadequate governance as contributors to Irish socio-economic inequalities (Kirby & Murphy 2011; Dellepaine & Hardiman 2012).

Market preference fails to reach statistical significance across all three models and is in fact negatively correlated with 'EU Enlargement good or bad' and 'EU in our interest'. This theoretically demonstrates that for every one unit decrease in the need for the liberal market economy to address the economic problems of Ireland the models predicts that further EU Enlargement and the belief that the EU acts in Ireland's interest will decrease by -0.0323 and -0.00999 units respectively holding all other independent variables constant. Thus substantively, in conjunction with some of the most long-standing theories on EU support, it can be posited that the positive and predictive findings from prospective socio-tropic economic evaluations are consistent with the notion that individuals in Ireland regard the EU as the institutional driving force to address market generated inequality and therefore improve Irish individuals socio-tropic economic evaluations following the economic crisis of 2007/8. It can also be posited that this notion is consistent with the socio-tropic method of Ireland being a net beneficiary of net transfers from the EU to the national level, coupled with the principle of utilitarianism (Kennedy & Sinnott 2006 & 2007) for determining EU support in Ireland.

The same conclusions cannot be drawn for retrospective socio-tropic economic evaluations which fails to reach statistical significance across all three

models: 'EU membership is good or bad', 'EU enlargement: good or bad' and 'EU in Ireland's interest' and is negatively correlated with 'EU membership good or bad'. This illustrates that for every one-unit decrease in individuals' retrospective sociotropic economic evaluation in Ireland the model predicts that 'EU membership good or bad' will decrease by -0.0299 units holding all other independent variables constant thus reducing support for the EU. However, individuals retrospective socio-tropic economic evaluations are positively correlated with 'EU enlargement good or bad' and 'EU in Ireland's interests' demonstrating that for every one unit increase in individuals retrospective socio-tropic economic evaluation in Ireland the model predicts that further EU enlargement and the belief that the EU acts in the interests of Ireland's will increase support for the EU by 0.0184 and 0.0208 units holding all other independent variables constant.

Overall, the analysis demonstrates that individuals in Ireland are concerned about inequality and its apparent and differential effect on support for the EU since the onset of the economic and financial crisis of 2007/8. As a consequence of this concern, it is evident that inequality is a meaningful political, rather than merely economic, issue and one that needs substantive consideration. For individuals in Ireland, evaluations of support for the EU are not only economic but socio-tropic with many people believing that the liberal market system functions in an unfair and unjust manner as they assess societal differences based upon both access and opportunity to the EU. This is reiterated theoretically by the ideological and institutional performance variables, which are almost uniformly positive and in the expected direction.

Controlling for all other factors, across all three dependent variables there is no effect on social communication. It is neither positively correlated nor statistically significant across all three models, and across all three models for every one unit decrease in social communication all models predict that 'EU membership good or bad', 'EU enlargement good or bad' and 'EU in Ireland's interest' will decrease by -0.0189, -0.0448 and -0.0202 units respectively holding all other independent variables constant. Only the use of 'Mass media' is positively correlated and statistically significant at the 99% level, P < 0.05 with 'EU enlargement good or bad'. However, across all three models for every one-unit increase in mass media all models predict that membership of the EU, further EU enlargement and the belief by individuals in Ireland that the EU acts in Ireland's interests will increase marginally by 0.00377, 0.631 and 0.0311 units respectively holding all other independent variables constant. Individuals' interest in politics is statistically significant at the 95% level, P < 0.05and positively correlated with 'EU in Ireland's interests' demonstrating that the belief by individuals in Ireland that the EU acts in Ireland's interests will increase marginally by 0.0669 units respectively holding all other independent variables constant.

Overall, the 'identity' variables are perhaps the most consistent predictor of support for the EU in Ireland as 'Feel European' is positively correlated across all three models and statistically significant at the 99.9% level, P < 0.001 with 'EU membership good or bad' and 'EU in Ireland's interest' and at the 95% level, P < 0.05 with 'EU enlargement good or bad'. The coefficients also reflect this as for every one-unit increase in individuals in Ireland feeling European all three model

predicts that support for the EU will increase by 0.0824, 0.0832 and 0.154 units respectively holding all other independent variables constant thus increasing support for the EU. 'Immigration fear' meanwhile is negatively correlated across all three models and is statistically significant at the 95% level, P < 0.05 with 'EU membership good or bad' and 99.9%, P < 0.001 level with 'EU enlargement'. This is to say that for every one-unit increase in individuals' in Ireland fearing immigration all three models predict that support for the EU will decrease by -0.0253, -0.0766 and -0.0211 units respectively holding all other independent variables constant thus decreasing support for the EU. The statistical significance and correlation coefficients across all three dependent variables for 'feel European' and across two dependent variables for 'immigration fear' emphasises the paradox that despite the fact that individuals in Ireland are widely regarded as 'good Europeans with a prointegrationist attitude' there remains a nationalistic sentiment in Ireland. This is concurrent with the notion of perceived cultural threats (McLaren 2002 & 2004) and the inherent and implied ethnic level of Irish identity (Gilland, 2002).

For the socio-demographic variables, I note that similar to findings on support for the EU in the twenty-seven member states, the reliance on Gabel's (Gabel 1998a & 1998b) 'winners and losers' thesis on static demographic variables may be deteriorating. The richer, younger, more educated males in Ireland no longer appear to regard the EU and further European integration as a net positive. There is only a slight gender effect with gender being statistically significant at the 95% level, P < 0.05 with 'EU membership is good or bad'. Despite tending in a positive direction, as expected, education, age, self-reported social class, and subjective standard of living in Ireland are not statistically significant across all three models and are thus not powerful predictors in gauging EU support in Ireland.

Ideology provides limited consistency, as those individuals in Ireland who subscribe to the 'left' of the political spectrum herald ideological positions that are not statistically significant across all three models of EU support: 'EU membership is good or bad', 'EU enlargement is good or bad' and 'EU in our [Ireland's] interest'. Simultaneously, the analysis demonstrates that those individuals in Ireland who self-identity with the 'right' are supportive of the EU, with 'right ideology' positively correlated and statistically significant at the 95% level, P < 0.05 with the 'EU: in our Ireland's interest'. This is suggestive of two important facets.

Firstly, the findings suggest that support for the EU in Ireland from individuals on the 'right' of the political spectrum is indicative of a clear market position, as a result of the positive correlation and statistical significance with 'EU in our Ireland's interest' and the positive correlation and statistical significance of Irish individuals' prospective socio-tropic economic evaluations. Secondly, this finding reiterates the 'right' leaning nature of individuals in Ireland within the literature on national political-economic context in the varieties of capitalism. This 'right' leaning nature of Irish individuals also relates to an individuals' normative view of inequality and support for the EU in Ireland. From this, it can be posited that those individuals on the 'right' support an increase in EU involvement in Irish economic governance as the EU is operating and functioning in the interest of Ireland by improving the liberal market position of Ireland, and therefore Irish individuals' position in the market during the economic crisis. Put simply, individuals acknowledge that the EU is acting as the institutional driving force to address market-generated inequality in Ireland. This conclusion is not unwarranted given the individual-level findings for the inequality variable. As individuals in Ireland agree with the notion that income and wealth should be redistributed towards ordinary people, support for the EU (EU in

Ireland's interest) increases. This is consistent with the theoretical expectation. Individuals' attitudes towards addressing inequality increase support for the EU, therefore lending support to the theoretical notion that EU citizens regard the EU as a means to reinforce substantive democratic governance at both the nation state level in Ireland and within the EU itself, namely as a means to combat excessive inequality.

#### 6.6: Discussion

The findings here are illustrative of both individuals' attitudes and orientations toward the EU in Ireland, as they determine elements of Irish individuals' assessments of liberal market economies, which include the ability to distribute or redistribute the goods of society. In turn, this allows analysis to take place of the evolving nature of the EU in Ireland incorporating new economic realities for individuals in Ireland since the economic crisis of 2007/8. The test of the theoretical mechanism examines whether the liberal market economy in Ireland is too unequal. Put simply, the liberal market economy has either failed to create adequate economic and social opportunities or has provided these economic and social prospects in an unequal manner and individuals in Ireland recognise this. When tested the theoretical mechanism is robust when controlling for all other existing explanations as 'address inequality' is positively correlated and statistically significant in model 2 ('EU enlargement is good or bad') and model 3 ('EU in our [Ireland's] interest'). From these findings, it can be inferred that individuals' attitudes and orientations towards addressing inequality in Ireland increases support for the EU, as Irish respondents regard the EU as the institutional driving force to reinforce substantive democratic governance at both the nation state level and the EU level. For individuals in Ireland it is the EU and not the Irish state which is perceived to be best placed to address inequality in Ireland since the onset of the economic crisis of 2007/8.

Given these findings, there are two predominant questions which need to be addressed. Firstly, do individuals in Ireland regard the EU as a source of economic security? Secondly, do individuals in Ireland regard the EU project as a continuance of economic and political decisions that have produced substantial financial and economic difficulties for the greater part of the population in Ireland?

The economic crisis has had an extensive and considerable effect on the economic welfare of individuals in Ireland since it began in 2007/8. If the EU is primarily the promoter of the liberal market economy via integration of the Irish state's economy into the wider framework of EU member state economies, it is reasonable to expect that those individuals in Ireland who are pushed or *perceive* themselves or others to be pushed towards a more precarious personal economic state may exhibit reduced support for the EU and on going European integration. Kriesi *et al* (2008) argue that competition which is guided by changes in the economy, cultural diversity, competition between national governments, and the perceived encroachment of supranational politics has driven European societies in the theorised directions of Gabel's (1998a & 1998b) initial contribution of 'winners and losers' of European integration.

However, from the multiple regression analysis of Ireland, rather than finding that Irish individuals believe that inequality should be addressed therefore decreasing support for the EU the opposite is the case: Irish individuals' attitudes towards addressing inequality *increases* support for the EU in Ireland, in particular for further European integration. This is an interesting and noteworthy finding in the context of Ireland, and points to the perception that individuals in Ireland believe that the Irish political system has failed the Irish people in reducing and addressing inequality. The intervention by the Irish government in the form of the Bank Guarantee Scheme of

2008 did not create greater certainty or stability in economic markets, as initially hoped, and individuals in Ireland were not protected from the uncertainty and risk of the liberal market economy. In addition, with the Irish economy in deep recession Irish individuals perceived the uncertainty and risk of the liberal market economy in 2012 and voted 'Yes' to the Fiscal Treaty (see Table 8). Irish individuals have recognised this uncertainty and risk of the liberal market economy and have demonstrated a preference for 'more' Europe, not 'less' Europe.

The current and enduring model of EU support fails to discern the salient and timely issue of Irish individuals' perceptions of inequality as a determinant of EU support in Ireland, specifically since the onset of the economic crisis of 2007/8. An analysis of inequality is imperative in order to examine increasingly nuanced and normative evaluations of Irish individuals' economic and political assessments of EU support. When analysed, Irish individuals' evaluations of support for the EU are not only economic but also socio-tropic. This demonstrates that individuals in Ireland believe that since the economic crisis of 2007/8 the liberal market system functions in an unfair and unjust manner. This makes inequality a noteworthy determinant of EU support, as individuals in Ireland are assessing societal differences based on both access to and opportunity within the EU. It is the overlap between an individual's perception of those experiencing material disadvantage and those facing heightened economic risk that contributes to individuals in Ireland regarding the EU, as a result of its capacity to enforce democratic competences, as the institutional driving force to address liberal market generated inequality in Ireland since the economic crisis. The appeal by Irish individuals to address inequality is not surprising, as Kirby and Murphy's (2011) analysis demonstrates that Ireland ranks consistently among the worst in the EU for inequality (Kirby & Murphy 2011, p. 94) which directly contests

the view of researchers at the Economic and Social Research Institute (ESRI) in Ireland that the economic boom years of the Celtic Tiger (1995-2007) represented the 'best of times' for all of Irish society (Fahey, Russell & Whelan 2007, pp. 1-10).

Given the notion that democratic institutions are designed to function in a roughly egalitarian or at least a minimally majoritarian manner (Dahl, 1989) they are the key institutional mechanisms available for individuals to combat excessive and inevitable distortions (Bollen & Jackman 1985; Szelenyi & Kostello, 1996; Reuveny & Li 2003). If the means of democracy are seen to be impartial and fair, individuals in Ireland-having received what they wanted or not-tend to accept the outcome, thus producing legitimacy (Rohrschneider, 2005). Therefore, democracy can be considered to provide protection from the perceived inequalities of the liberal market economy by serving as an impartial arbiter of generic social welfare, reducing the effects of, although perhaps not eliminating, liberal market driven inequality.

In order to link democratic institutions and Irish individuals perception of the unfair and unjust distribution of access and opportunity within the liberal market economy since the economic crisis to the understanding of individual-level support for the EU in Ireland, I draw a connection between Irish individuals' concerns about inequality and changes in individual level support for the EU in Ireland. This inquiry highlights that those individuals in Ireland who want inequality to be addressed appear to be receptive to further European integration and are currently dissatisfied with the EU in this context. Irish individuals' concerns with inequality depress support for the EU, suggesting that the perceived 'democratic deficit' in the EU does continue to reinforce previous concerns about European governance (Rohrschneider, 2002). However, popular dissatisfaction with the functioning of democracy tends to produce a desire for more, rather than less, democracy (Norris 1999; Dalton 2004).

The findings here demonstrate that support for European integration via Irish individual's concerns about addressing inequality suggests a resilient connection between the robust democratic enforcement that the EU could potentially offer. It may be posited that individuals in Ireland have disapproved of the EU's response to the economic crisis so far. Yet despite this, individuals in Ireland believe that the EU has a positive role to play in addressing inequality since the onset of the economic crisis of 2007/8. Whether the role to be played by the EU in addressing inequality supersedes the Irish nation state, or whether the EU's role is one that reinforces the EU project, is opaque, ambiguous and difficult to discern. It may be conceived that the EU is being called upon in order to address inequality in a substantive manner, in addition to the action or *inaction* of the Irish state.

It is difficult to assess whether it is either the EU or the Irish state that is perceived by individuals in Ireland as being primarily responsible for the stabilisation of financial and economic markets and domestic and international economics following the economic crisis. However, recent Eurobarometer data (Eurobarometer 72, Autumn 2009 to Eurobarometer 80, Autumn 2013) asks respondents: "In your opinion, which of the following is best able to take effective actions against the effects of the financial and economic crisis?"<sup>37</sup>. The responses can be seen in Table 11.

<< Table 11 about here>>

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<sup>&</sup>lt;sup>37</sup> Question QC3 in Eurobarometer 72 & 74, Question QB3a in Eurobarometer 73, Question QC3a in Eurobarometer 75, 76, 77, 78, 79 & 80. Please see http://ec.europa.eu/public opinion/archives/eb arch en.htm

The individual-level responses are notable as individuals in Ireland regard the Irish state as much less effective in its action to manage the effects of the economic crisis since Spring 2010<sup>38</sup>. It may be posited that for individuals in Ireland the question of effective action against the economic crisis may not have a clear answer. However, what is clear is that individuals in Ireland want more, not less EU democratic action. This demonstrates that the EU is indeed regarded by individuals in Ireland as the institutional driving force to address perceptions of inequality since the onset of the economic crisis. Here, inequality in the distribution of economic growth and or changes plays a strong role alongside Irish individuals' actual SES and social location acting as a determinant of Irish individuals' support for on going European integration, as well as an evaluative filter through which to assess the EU in its current form. When the liberal market distorts the distribution of goods in society, (democratic) institutional remedies need to be available. If effective democratic institutions are in fact the presumed remedy for inequality, analysis of changes in the level of support for the EU is possible, as well as a re-examination of the longstanding question of whether the EU may be valued more for its democratic character than its market character is possible which is demonstrated by Eurobarometer data (Table 11).

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<sup>&</sup>lt;sup>38</sup> With three exceptions: Autumn 2009, Autumn 2011 and Autumn 2013. Context of Ireland outlined below.

**Autumn 2009 (EB72)** the Irish government had an 8% advantage over the EU. During the autumn of 2009 (October 2009) Ireland held it's second referendum on Lisbon.

**Autumn 2011 (EB76)** The Irish government had a 2% advantage over the EU. During the autumn of 2011 the Occupy Dame Street movement began (October 2011. Ireland's financial bailout was finalised in November 2011) which lasted until March 2012. The 'Occupy' movement witnessed calls for the end public ownership of private debt as a result of the Bank Guarantee Scheme (2008), public protests against austerity (November 2011) and the withdrawal of the EU/IMF/Troika in Ireland.

**Autumn 2013 (EB80)** the Irish government had a 6% advantage over the EU. During the autumn of 2013 two constitutional referendums were held: Thirty-second Amendment Bill propose abolishing Seanad Eireann (rejected) and Thirty-third Amendment establishment of Court of Appeal to sit between High Court and Supreme Court (passed) placing emphasis on domestic politics (October 2013).

The effect of addressing inequality and the effect this has on individual level support for the EU in Ireland is twofold. Firstly, increased support for the EU and its continuation in Ireland suggests that individuals in Ireland regard the EU as an enforcer of democratic political institutions, exemplifying the normative appeal to justice, fairness, and transparency. Secondly, decreased support for the EU, in conjunction with increased concern for addressing inequality in Ireland, is suggestive of either the ongoing struggle with the perceived 'democratic deficit' worries of insufficient efficacy of the EU, or simply a preference for the Irish state to be the source of action. In any of these cases, Irish individuals' concern with inequality depresses support for the EU as it is currently constituted but increases support for further European integration.

## 6.7: Conclusion

Overall the findings here are consistent with those findings in the analysis of the twenty-seven EU member states in Chapter Five and are suggestive that individuals in Ireland acknowledge attitudes and orientations toward the EU, which are undergoing a predominant shift. This alteration in attitudes and orientations towards the EU at the individual-level in Ireland demonstrates that there is an inadequacy in the understanding of support for the EU in a period of dramatic and demanding economic change. In the current context of the on going economic crisis, I argue that a transformation in Irish individuals' thinking, specifically the development of a normative attitude that the liberal market economy should be fair versus purely equal, and a belief that democracy should function in an egalitarian manner in order to reduce market distortions, is not an excessive claim. I find that Irish individuals' desire to address inequality is strongly correlated with negative support for the EU as it is, but positively correlated toward a deepening of EU integration. This finding

depends on both individuals' SES and social location, making it a common explanation of support for the EU, as well as normatively supportive of stronger democratic institutional performance. This in turn allows an analysis of the changing nature of the role of the EU in the eyes of Irish individuals in light of many new economic realities.

European integration and European governance have been centrally important in the economic transformation of Ireland, particularly through the alignment of state strategy with the action of economic and social interests. Given the current economic context, inequality not only heightens individual level concerns about economic stability, but it has also demonstrated that context-especially in the case of Ireland- is important and has directly influenced politics. As well as economic recovery, the majority of individuals in Ireland want an even distribution of growth, and therefore, by addressing inequality, democratic political institutions (i.e. the EU) gain more support from individuals in Ireland, making inequality a noteworthy determinant of EU support in Ireland.

The following empirical chapter will build upon the findings in the preceding empirical chapters (Chapter Five and Chapter Six): that individuals are indeed looking toward the EU to address market-generated inequality in their member state, and that this subsequently has an impact on individual-level support for the EU. The following empirical chapter will aim to address whether the role to be played by the EU in addressing inequality supersedes the EU member state, or whether the EU's role is one that reinforces the European project. It may be conceived that the EU is being called upon to address inequality in a substantive manner in addition to EU member state action or *in*action. Therefore, the following empirical chapter will examine whether is it either the EU or the national governments of EU member states which

are primarily responsible for the stabilisation of the financial markets and both domestic and international economics.

**Tables** 

Table 8: EU-Related Referendums in Ireland 1973-2012

EU-Related Treaty	Date, Month, Year	Turnout		
Accession to the European Community	10 <sup>th</sup> May 1973	Yes 83.09% No 16.91% Turnout 70.88%		
Treaty on Single European Act	26 <sup>th</sup> May 1987	Yes 69.92% No 30.08% Turnout 44.09%		
Treaty of European Union (Maastricht)	11 <sup>th</sup> June 1992	Yes 69.05% No 30.95% Turnout 57.31%		
Treaty of Amsterdam	22 <sup>nd</sup> May 1998	Yes 61.74% No 38.26% Turnout: 56.20%		
Nice Treaty 1	7 <sup>th</sup> June 2001 (Rejected)	Yes 46.13% No 53.87% Turnout: 34.79%		
Nice Treaty 2	19 <sup>th</sup> October 2002	Yes 62.89% No 37.11% Turnout: 49.47%		
Lisbon 1	12 <sup>th</sup> June 2008 (Rejected)	Yes 46.60% No, 53.40% Turnout 53.13%		
Lisbon 2	2 <sup>nd</sup> October 2009	Yes 67.13%, No, 32.87% Turnout 59%		
The Fiscal Treaty	31 <sup>st</sup> May 2012	Yes 60.29%, No 39.71% Turnout 50.60%		

Source: Central Statistics Office (CSO)

Table 9: Co-Variation of EU Support Variables in Republic of Ireland

	EU membership is good	EU enlargement is good	EU is in our interest
EU membership is good			
	r= 0.2330		
EU enlargement is good	p≤ 0.0000		
	<i>N</i> =1001		
	r= 0.2237	r= 0.1445	
EU is in our interest	p≤ 0.0000	p≤ 0.0000	
	<i>N</i> =1001	<i>N</i> =1001	

Table 10: OLS Multiple Regression Analysis: Support for EU in Ireland

	OLS Multiple Regression Analysis: Support for EU in Ireland				
	(1) EU Good or	(2) EU Enlargement	(3) EU in Ireland's		
	Bad	Good or Bad	Interest		
Inequality					
Address Inequality	-0.00948	0.0712**	0.0408*		
. ,	(-0.70)	(3.01)	(2.05)		
Communication					
Social Communication	-0.0189	-0.0448	-0.0202		
SOUM COMMANDAMENT	(-0.74)	(-1.01)	(-0.54)		
Mass Media	0.00377	0.0631**	0.0311		
	(0.29)	(2.78)	(1.62)		
Interested in Politics	0.0326	-0.0386	0.0669*		
	(1.57)	(-1.08)	(2.22)		
Identity					
Feel European	0.0824***	0.0832*	0.154***		
- · · · - · · · · · · · · · · · · · · ·	(3.56)	(2.1)	(4.55)		
Immigration Fear	-0.0253*	-0.0766***	-0.0211		
_	(-2.14)	(-3.73)	(-1.22)		
Ideological Congruence & Institutional Performance					
Retrospective Socioeconomic Evaluation	-0.0299	0.0184	0.0208		
Retrospective Socioeconomic Evaluation	(-1.52)	(0.54)	(0.73)		
Prospective Socioeconomic Evaluation	0.0459***	0.0371	0.0267		
1 rospective Sociocconomic Evaluation	(3.31)	(1.54)	(1.31)		
Market Preference	0.0175	-0.0323	-0.00999		
Warket Flederence	(1.32)	(-1.40)	(-0.52)		
Catinfaction with Dama areasy	0.0560**	0.106***	0.161***		
Satisfaction with Democracy	(3.04)	(3.33)	(5.98)		
Socio-demographic Variables					
C-16 D	0.0282	-0.0346	0.000127		
Self-Reported Social Class	(3.04)	(3.33)	(5.98)		
Calinatine Chandral of Line	0.0173	-0.0185	0.0148		
Subjective Standard of Living	(1.13)	(-0.69)	(0.66)		
A	0.00216	0.000964	0.000425		
Age	(1.96)	(0.50)	(0.26)		
C 1 1 1	0.0675*	0.106	-0.034		
Gender: 1=male	(2.01)	(1.82)	(-0.69)		
T - Q T.J 1	0.0124	0.0156	0.0308		
Left Ideology	(0.27)	(0.19)	(0.45)		
Dight Idealage	0.00936	0.0373	0.127*		
Right Ideology	(0.22)	(0.51)	(2.04)		
El (; IGGED	0.0219	0.00749	-0.0245		
Education: ISCED	(1.75)	(0.35)	(-1.35)		
	2.055***	1.636***	1.441***		
Constant	(13.51)	(6.22)	(6.46)		
Adj. R2	0.0982	0.0614	0.0973		
No. of Observations	825	816	828		

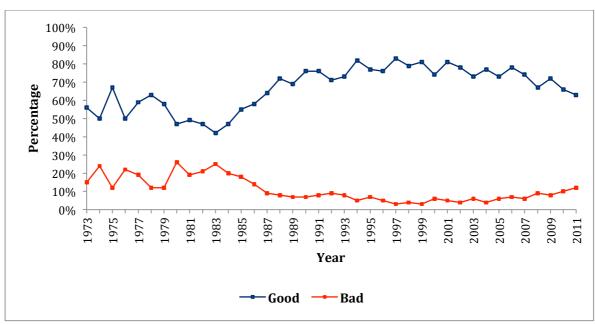
t statistics in parentheses: \*P<0.05 \*\*P<0.01 \*\*\*P<0.001

Table 11: Standard Eurobarometer Responses for 'Effective action against effects of Financial & Economic Crisis' 2009-2013

	EB72	EB73	EB74	EB75	EB76	EB77	EB78	EB79	EB80
	(Autumn 2009)	(Spring 2010)	(Autumn 2010)	(Spring 2011)	(Autumn 2011)	(Spring 2012)	(Autumn 2012)	(Spring 2013)	(Autum n 2013)
The EU	21%	29%	32%	26%	22%	26%	28%	25%	22%
The Irish Government	29%*	24%	13%	21%	24%*	20%	19%	19%	28%*

# **Figures**

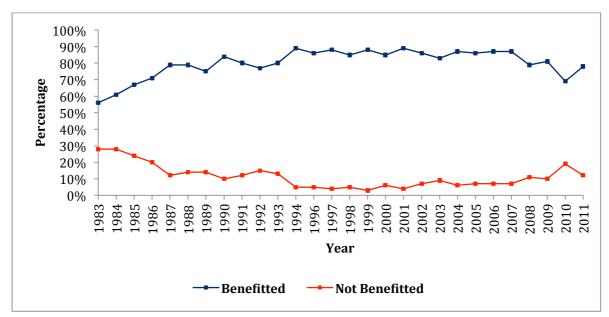
Figure 1: Membership of the EU is a 'good' thing for Ireland 1973-2011. "Generally speaking, do you think that [Ireland's] membership of the Common Market/European Community/EU is?"



Source: Standard Eurobarometer data 1973-2011

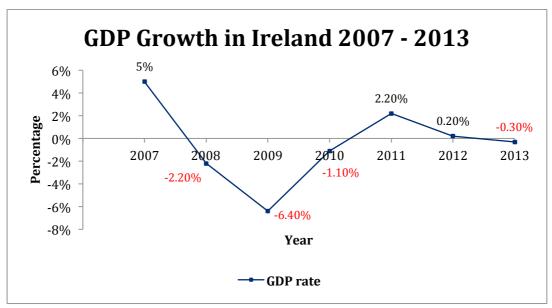
Figure 2: Ireland has benefited from EU Membership. "Taking everything into consideration, would you that [Ireland] has on balance benefited or not from being a member of the Common Market/European Community/EU?" Source:

Standard Eurobarometer Data 1983-2011



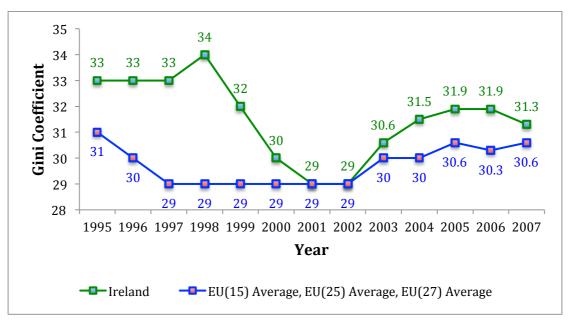
Source: Standard Eurobarometer Data 1983-2011

Figure 3: Annual Percentage Growth in Gross Domestic Product (GDP) in Ireland 2007-2013



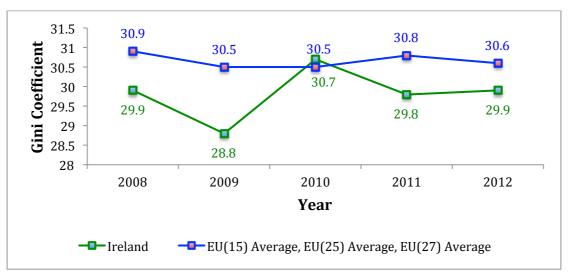
Source: World Bank

Figure 4: Gini Coefficient of Equivalised Disposable Income 1995-2007 in Ireland



Source: Statistics on Income & Living Conditions (SILC) Eurostat

Figure 5: Gini Coefficient of Equivalised Disposable Income 2008-2012 in Ireland



Source: Standards on Income & Living Conditions Eurostat

# Chapter 7: The European Union or the EU Member State? Individuals' Preferences for addressing Economic Insecurity

### 7.1: Introduction

This examination has thus far established an in-depth analysis of individual-level normative attitudes towards addressing inequality in a cross-variation analysis of the twenty-seven EU member states and a single case study of the Republic of Ireland. This inquiry has demonstrated that inequality is correlated with both ideological and socioeconomic status with the on-going economic crisis of 2007/8 used as the salient moment to activate individuals' concerns with regards to overall economic performance. This in turn has highlighted that there are more individuals if not actually doing worse, then at least feeling or perceiving as if they are achieving less economically. This has allowed individuals in the EU to determine what continued European integration means to them as either a 'winner' or a 'loser' of the EU project. It must be noted, however, that being a 'loser' of the EU project may not be restricted to variations in individual income. It is in fact the unfair distribution of the goods of society which may have placed more individuals in a more fragile socio-economic state, or made these individuals feel as if they are in a more precarious socio-economic state. The variations in how individuals benefit from and share in aggregate economic growth, or in how those alterations in economic growth are distributed can be revealed in individuals' concerns about inequality. Therefore, while many individuals may not be de facto 'poor' or 'losers' of the EU project, in a stringent economic definition (i.e. according to income) many individuals may perceive themselves closer to such a position since the onset of the economic crisis of 2007/8.

In Chapter Five and Chapter Six I used a combination of the following dependent variables all of which examine support for the EU, have been used in both

the HLM and OLS Multiple Regression analyses (1) EU Membership is good or bad, (2) Satisfaction with democracy in the EU, (3) EU Enlargement is good or bad, (4) More European Unification and (5) EU in our interest. These dependent variables were used in order to gauge individuals' normative beliefs about whether it is the responsibility of the EU or the responsibility of individual EU member states to address market-generated inequality. The findings in the cross-national case study of the then twenty-seven member states of the EU and the single case study of the Republic of Ireland demonstrate that individuals are in fact looking for the EU to address marketgenerated inequality in their respective member states, and this subsequently has an impact on individual-level support for the EU. What is somewhat of an opaque question to arise from both analyses is whether the role to be played by the EU in addressing inequality supersedes the EU member state, or whether the EU's role is one that reinforces the European project. Put simply, it may be considered that the EU is being called upon to address inequality in a substantive manner, in addition to EU member state action or *in*action. Therefore, is it the EU or the national governments of EU member states that are primarily responsible for the stabilisation of the financial markets and domestic and international economics? By conducting a Binary Logistic regression analysis on Eurobarometer data from 2009-2013, I will be able to determine whether it is the EU or the EU member state which can carry out the most effective action against the economic and financial crisis, thus specifically analysing individual-level support for the EU.

# 7.2: Individuals' Preferences for addressing Economic Insecurity and Market-Generated Inequality

The economic crisis has had a wide-ranging and significant effect on the economic welfare of individuals in the EU since it began in 2007/8. If the EU is

primarily a promoter of the liberal market economy via integration of EU member state economies, it is reasonable to expect that those individuals who are pushed or *perceive* themselves or others to be pushed toward a more fragile personal economic situation will exhibit reduced support for the EU and on going European integration. Kriesi *et al* (2008) argue that economic competition which is directed by changes in the American economy, cultural diversity, competition between national governments, and the perceived encroachment of supranational politics have driven European societies in the theorized directions of Gabel's (1998a & 1998b) initial contribution of 'winners and losers' of European integration. However, as analysis has demonstrated in Chapter Five (cross-national analysis) and Chapter Six (Irish case study) of this inquiry, 'losers' of European integration are not only 'losers' with regards to European integration, but they are also 'losers' as a result of EU member states' reducing their public sector capacity and political willingness to continue fundamental elements of the welfare state for individuals. The findings of my research support this understanding in two ways.

Firstly, those individuals who want inequality to be addressed appear to be receptive to further European integration and are dissatisfied with the current performance of the EU in this context. The findings in Chapter Five and Chapter Six demonstrate that support for European integration via individuals' concerns about addressing inequality suggests a robust connection with the strong democratic enforcement that the EU could potentially offer. It may also be suggested that individuals have disapproved of the EU's response to the economic crisis so far. However, as demonstrated in chapter five and chapter six individuals believe that the EU has a positive possible role to play in addressing inequality since the beginning of the economic crisis of 2007/8. Whether the role to be played by the EU in addressing

inequality supersedes the EU member state, or whether the EU's role is one that reinforces the European project is opaque, ambiguous and difficult to discern. It may be conceived that the EU is being called upon in order to address inequality in a substantive manner, in addition to EU member state action or *inaction*.

There is no direct way to assess the findings of Chapter Five and Chapter Six as to whether it is the EU or the national governments of EU member states which are primarily responsible for the stabilisation of the financial markets and both domestic and international economics. However, recent Eurobarometer data (2009-2013) asked respondents: "In your opinion, which of the following is best able to take effective actions against the effects of the financial and economic crisis?" The initial responses can be seen in Table 7 (Chapter Five) and Table 11 (Chapter Six) with individuals' overall preference being for the EU.

Secondly, it is not merely those individuals who find themselves in a more precarious economic position whose concern about inequality affects their support for the EU project. It also appears that individuals' evaluations of EU support are not solely economic but also socio-tropic (Rohrschneider & Loveless 2010). Put simply, the system can be too unfair, making inequality representative of this as individuals' assess societal differences in both access to and opportunity within the EU, rather than their own individual access. It is apparent from the findings demonstrated in Chapter Five and Chapter Six that the economic crisis, which began in 2007/8 has affected individual-level support for the EU and the continuation of the EU project. However, instead of a new group of concerned economic 'losers' who are more resistant to the EU project (Gabel 1998a & 1998b), there is a more extensive concern

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<sup>&</sup>lt;sup>39</sup> Question QC3 in Eurobarometer 72.4 (2009) and Eurobarometer 74.2 (2010). Question QC3a in Eurobarometer 76.3 (2011), Eurobarometer 78.1 (2012) and Eurobarometer 80.1 (2013)

about inequality and the role of the EU, as well as optimism for the EU project, following the onset of the economic crisis of 2007/8.

In order to tease out the opaque conclusions to be drawn from Chapter Five and Chapter Six as to whether the role to be played by the EU in addressing inequality supersedes the EU member state, or whether the EU's role is one that reinforces the European project the socio-tropic nature of individuals attitudes towards the EU project will be examined in a Binary Logit Regression model using Eurobarometer data from 2009-2013. This is conducted to specifically analyse individual-level support for the EU.

# 7.3: Methods: Conceptualization and Operationalization

As demonstrated in Chapter Five and Chapter Six, increased support for the EU and the continuation of the EU project suggests that individuals regard the EU as an enforcer of democratic political institutions, which appeal to fairness, justice and transparency. The theory that combines individuals' concern about addressing inequality to individual-level support for the EU and national governance rests on the notion that citizens seek strong democratic politics to serve as a safeguard against market-generated inequalities (Szelenyi & Kostello 1996; Reuveny & Li 2003; Whitefield & Loveless 2012). In order to give specificity to whether individuals believe it is the EU or the nation state which is best placed to take effective action against the economic crisis, it is necessary to build upon the findings of Chapter Five and Chapter Six and the theoretical mechanism of this inquiry. Put simply, individuals believe that the EU is the mechanism best placed to address market-driven inequality. This in turn will increase individual-level support for the EU. The hypothesis to be tested is:

H3: The EU is primarily responsible for the stabilisation of the financial markets, and domestic and international economics in order to address market generated inequalities thus influencing individual-level support for the EU

To operationalize this hypothesis I use Eurobarometer 2009-2013 data<sup>40</sup> to examine whether it is the EU or the national governments of EU member states, which individuals believe are best placed to take effective action against the economic and financial crisis. In order to determine individuals' economic insecurity and therefore their reliance on either the EU or the EU member state government to address their economic insecurity as a result of market-generated inequality, I include two determinants of economic insecurity:

- (4) Economic Insecurity: Household
- (5) Economic Insecurity: Impact of Crisis

By including these two determinants of individuals' economic insecurity, this inquiry operationalizes the approaches to the understanding of governance, whether this is supranational or national. Methodologically, Binary Logit Regression is a type of regression analysis where the dependent variable takes one of two values. The response variable, or dependent variable, for this analysis is whether the EU is best placed to take effective action against the economic and financial crisis ('EU: Effective Action'). The explanatory variables are assembled into three groups: economic insecurity, ideological congruence and institutional performance, and sociodemographic variables. Using Binary Logit Regression analysis I run five models of effective action against the economic and financial crisis in order to determine

<sup>&</sup>lt;sup>40</sup> Eurobarometer data used between 2009-2013 for this analysis are: Eurobarometer 72.4 (2009), Eurobarometer 74.2 (2010), Eurobarometer 76.3 (2011), Eurobarometer 78.1 (2012) & Eurobarometer 80.1 (2013)

individual-level support for the EU since the beginning of the economic and financial crisis in 2007/8.

#### <<Table 12 about here>>

The equation for the binary logistic regression model is:

Logged odds (EU: effective action) = a + b1 (economic insecurity: household) + b2 (economic insecurity: impact of crisis) + b3 (prospective socio-economic evaluation) + b4 (satisfaction with democracy) + b5 (age) + b6 (gender) + b7 (education) + b8 (left ideology) + b8 (right ideology) + b9 (self-reported social class)<sup>41</sup>

Beginning with the Economic Insecurity independent variables, the independent variable 'Economic Insecurity: Household' asks respondents whether they live day to day, whether they know what they will be doing in the next six months, and whether they know the long term economic perspective of their household. Using the odds ratio of the Binary Logit regression coefficient, which demonstrates how much the odds of the dependent variable change for each unit change in the independent variable, we can interpret the effect this has on individual-level support for the EU.

In 2009, for each unit increase in economic insecurity (with regards to an individuals' economic circumstances within their household) the odds ratio increased by 1.200 (i.e. individuals feeling or perceiving themselves to be economically

<sup>&</sup>lt;sup>41</sup> All Binary Logit Regression models have been tested for multicollinearity with no reported problems.

insecure with their household finances are 1.200 times more likely to believe that the EU is best placed to take effective action against the economic and financial crisis). This increased the overall belief that the EU is best placed to take effective action against the economic and financial crisis, rather than an individual EU member state, by 20 per cent<sup>42</sup>. This is a positive relationship yet statistically significant at the 99.9 per cent level ( $P \le 0.001$ ). In 2010 for each unit increase in an individuals economic insecurity within their household the odds ratio also increased by 1.077 (i.e. individuals feeling or perceiving economically insecure with their household finances are 1.077 times more *likely* to believe that the EU is best placed to take effective action against the economic and financial crisis). Put simply, every one-unit change increase in an individual's economic insecurity within their household increases the odds of the EU taking effective action against the economic and financial crisis by 7.7 per cent. This indicates that in 2010, individuals believed that the EU was best placed to tackle the economic and financial crisis. This is a positive relationship and displays statistical significance at the 95 per cent level ( $P \le 0.05$ ).

The positive relationship and belief that the EU is best placed to take effective action against the economic and financial crisis continued in 2011, 2012 and 2013. In 2011 for each unit increase in economic insecurity (with regards to an individuals' economic circumstances within their household), the odds ratio increased by 1.200. This is a positive, statistically significant (P≤0.001) relationship. Again, this boosted the overall belief that the EU is best placed to take effective action against the economic and financial crisis, rather than an individual EU member state, by 20 per cent. In 2012 and 2013, for each unit increase in economic insecurity with regards to

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<sup>&</sup>lt;sup>42</sup> This percentage is derived by the following formula: Logit Exp (B) coefficient -1 \* 100=percentage increase or decrease in the odds ratio

an individuals' economic circumstances within their household the odds ratio increased by 1.169 and 1.093 respectively. These are both positive relationships and are statistically significant at the 99.9 per cent level (P≤0.001). It also demonstrates that individuals believe that the EU is best placed to take effective action against the economic crisis by 16.9 per cent and 9.3 per cent respectively, indicating increased individual-level support for the EU.

The second economic insecurity variable 'Economic Insecurity: Impact of Crisis' asks respondents whether the impact of the economic crisis on the job market has reached its peak or that the worst is still to come. In 2009 for each unit increase in economic insecurity with regards to the impact of the economic crisis on the job market the odds ratio decreased by 0.821. This indicates that a one-unit change increase in an individual's economic insecurity with regards to the impact of the economic crisis on the job market decreases the odds of the EU taking effective action against the economic and financial crisis by 17.9 per cent. This also demonstrates that the odds of individuals believing that the EU is best placed to take effective action against the economic and financial crisis decreases as the impact of the economic crisis on the job market (Economic Insecurity: Impact of the Crisis) increases. There is a negative relationship between these two variables; however, what is noteworthy is that individuals' views on the impact of the economic crisis on the job market are statistically significant at the 99.9 per cent level (P≤0.001). This pattern continues in 2010, 2011, 2012 and 2013. With each unit increase in economic insecurity with regards to the impact of the economic crisis on the job market, the odds ratio decreased by 0.752, 0.798, 0.774 and 0.646 respectively. This indicates that a oneunit change increase in an individuals' economic insecurity with regards to the impact of the economic crisis on the job market decreases the odds of the EU taking effective

action against the economic and financial crisis by 24.8 per cent in 2010, 24.8 per cent in 2011, 22.6 per cent in 2012 and 35.4 per cent in 2013. The negative relationship between these two variables and the statistical significance at the 99.9 per cent level (P≤0.001) also continues. Overall, from 2009 to 2013 the odds of individuals believing that the EU is best placed to take effective action against the economic and financial crisis decreases as the impact of the economic crisis on the job market decreases. This suggests an overall negative relationship, indicating a decline in individual level support for the EU. However, the consistent statistical significance at the 99.9 per cent level (P≤0.001) in 2009, 2010, 2011, 2012 and 2013 is a noteworthy finding.

For the ideological congruence and institutional performance variables, both 'Prospective socio-economic evaluation' and 'Satisfaction with democracy' provide noteworthy findings. For 'Prospective socio-economic evaluation' each respondent was asked whether the economic situation in their country will be better, worse or the same in the next twelve months. In 2009 and 2010, the odds ratios increased by 1.005 and 1.025 respectively and are both positive relationships. This demonstrates that the odds that individuals believe that the EU is best placed to take effective action against the economic crisis increased by 0.5% in 2009 and 0.25% in 2010. This also indicates increased individual-level support for the EU. For each unit increase in an individuals' prospective socio-economic evaluation, the odds ratio decreased in 2011 (0.999), 2012 (0.967) and 2013 (0.939). This indicates that there is a negative relationship. In addition, there is no statistical significance with the exception of 2013, which is statistically significant at the 95 per cent level (P≤0.05). This demonstrates that a one-unit change increase in an individuals' prospective socio-economic evaluation decreases the odds of the EU taking effective action against the economic

and financial crisis by 0.1 per cent in 2011, 3.3 per cent in 2012 and 6.1 per cent in 2013.

For 'Satisfaction with democracy', each respondent was asked whether on the whole they were very satisfied, fairly satisfied, not very satisfied, or not at all satisfied with the way democracy works in their country (i.e. their EU member state). Unfortunately, the satisfaction with democracy variable was not asked in 2010. However, in 2009, 2011, 2012 and 2013 for each unit increase in an individual's satisfaction with democracy in his or her EU member state the odds ratio increased by 1.083, 1.098, 1.120 and 1.128 respectively. In addition, the relationship between and individuals 'Satisfaction with democracy' in their EU member state and an individuals belief that the EU is best placed to take effective action against the economic and financial crisis is statistically significant at the 99 per cent level (P≤0.01) in 2009 and 2011 and at the 99.9 per cent level in 2012 and 2013 (P≤0.001). Overall, 'Satisfaction with democracy' displays a consistently positive relationship from 2009-2013<sup>43</sup> and demonstrates that the odds that individuals believing that the EU is best placed to take effective action against the economic crisis increased by 8.3 per cent in 2009, 9.8 per cent in 2011, 2 per cent in 2012 and 2.8 per cent in 2013.

For the socio-demographic variables from 2009-2013, 'age' displays a uniformly negative, yet statistically significant relationship at the 99.9 per cent level (P≤0.001). In 2009, for each unit increase in an individuals' age the odds ratio decreased by 0.932. This indicates that a one-unit change increase in an individuals age decreases the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 6.8 per cent. In 2010 for

<sup>&</sup>lt;sup>43</sup> With the exception of 2010 as the Satisfaction with Democracy question was not asked.

each unit increase in an individual's age, the odds ratio decreased by 0.886. This indicates that a one-unit change increase in an individual's age decreases the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 11.4 per cent. In 2011, 2012 and 2013 for each unit increase in an individual's age the odds ratio decreased by 0.920, 0.914 and 0.911 respectively. This indicates that a one-unit change increase in an individuals age decreased the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 8 per cent in 2011, 8.6 per cent in 2012 and 8.9 per cent in 2013.

For 'gender', this is an almost uniformly positive (with the exception of 2010) relationship from 2009-2013, as well as being a statically significant relationship at the 95 per cent level (P≤0.05) in 2010, 99 per cent level (P≤0.01) in 2009 and 2013, and the 99.9 per cent level in 2011 (P≤0.001). In 2009, 2011, 2012 and 2013, for each unit increase in an individual's gender the odds ratio increased by 1.122 (2009), 1.144 (2011), 1.106 (2012) and 1.150 (2013). This indicates that a one-unit change increase in an individuals gender (i.e. whether that individual is male or not) increased the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 2.2 per cent in 2009, 4.2 per cent in 2011, 10.6 per cent in 2012 and 15 per cent in 2013. In 2010, for each unit increase in an individuals' gender the odds ratio decreased by 0.906 which demonstrates that a one-unit change increase in an individual's gender decreases the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 9.4 per cent.

For 'education', each respondent was asked how old he/she was when he/she stopped full-time education. The positive relationship between education and EU

effective action is almost uniformly positive (with the exception of 2010). In 2009, 2011, 2012 and 2013 for each unit increase in an individuals' education the odds ratio increased by 1.045, 1.116, 1.064 and 1.115 respectively (i.e. individuals with a higher level of education are 1.063, 1.111, 1.084 and 1.168 times more likely to believe that the EU is best placed to take effective action against the economic and financial crisis). This boosted the odds and the overall belief that the EU is best placed to take effective action against the economic and financial crisis, rather than an individual EU member state, by 4.5 per cent in 2009, 1.6 per cent in 2011, 6.4 per cent in 2012 and 6.8 per cent in 2013. In 2011, for each unit increase in an individuals' education the odds ratio decreased by 0.826. This indicates that a one-unit change increase in an individual's education decreases the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 17.4 per cent. However, what is also noteworthy about education is that from 2009-2013, whether the relationship is positive or negative education is a statistically significant relationship at the 95 per cent level (P≤0.05) in 2010 and the 99.9 per cent level  $(P \le 0.001)$  in 2011 and 2013.

For 'Left/Right self-placement', respondents were asked in political matters whether their position is of the 'left' or the 'right' on a ten-point scale. From Table 8 we can see that 'Left/Right Self Placement' displays a negative relationship in 2009 and 2010. Left/Right Self Placement also displays a statistically significant relationship at the 99.9% level with P≤0.001) in 2010<sup>44</sup>. In 2009 and 2010 for each unit increase in an individual's 'left/right self-placement' the odds ratio decreased by 0.974 and 0.992 respectively. Put simply, individuals exhibiting a left/right leaning

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<sup>&</sup>lt;sup>44</sup> Please note that Left/Right Self Placement was not asked in Standard Eurobarometer 76.3, 78.1 and 80.1 is omitted from this Binary Logit Regression model.

political ideology are 0.974 and 0.992 times more unlikely to believe that the EU is best placed to take effective action against the economic and financial crisis. This indicates that a one-unit change increase in an individuals right ideology decreases the odds of individuals believing the EU is best placed to take effective action against the economic and financial crisis by 2.6per cent in 2009 and 0.8 per cent in 2010.

Finally, with regards to 'Self-reported social class', respondents were asked whether they regard themselves and their household as belonging to the working class, middle class or upper class of society. In 2009, 2010, 2011, 2012 and 2013 for each unit increase in 'self-reported social class' the odds ratio increased by 1.154, 1.053, 1.114, 1.125 and 1.018 respectively. This is also a positive relationship and statistically significant in 2009 at the 99.9 per cent level (P≤0.001) and 2010, 2011 and 2012 at the 99 per cent level (P≤0.01). This indicates that a one-unit change increase in an individuals 'self reported social class' increases the odds of that individual believing the EU is best placed to take effective action against the economic and financial crisis by 5.4 per cent in 2009, 5.3 per cent in 2010, 1.4 per cent in 2011, 2.5 per cent in 2012 and 1.8 per cent in 2013.

While they are not presented in Table 8 for space considerations, I run twenty-seven dummy variables as multi-level, fixed effect models that allow for random variation on the intercept as the mean level of support controlling for the individual-level (i.e. each EU member state). Nearly all of the EU member states' dummy variables are statistically significant, which suggests cross-national variation in support for the EU.

This is understandable as the standard model of EU support greatly relies on national-level variables that play a role in shaping popular perceptions of the EU (Kritzinger, 2003). Several scholarly works have presented evidence that popular perceptions of the EU are contextualized by national institutional factors (Anderson 1998; Norris 1999; Sanchez-Cuenca 2000; Rohrschneider 2002). Furthermore individuals' evaluation of the EU depends on nation-state performance (Anderson 1998; Janssen 1991). As of recently, however, national-level contextual factors matter differently. As EU member states move from lower levels of economic and political performance, citizens move from economic to political criteria (Anderson & Reichert 1996; Gabel 1998; Carrubba 2001; Rohrschneider & Loveless 2010). The underlying assumption remains that further EU expansion implies continued market liberalisation. Yet what individuals may regard as excessive economic risk and insecurity via their perception of inequality may have little to do with inequality per se but rather on whether the economy as a whole provides high living standards and dynamic economic development.

As demonstrated in Table 12, Logistic regression assumes that all of the independent variables in the model have an *additive effect on the logged odds* of the dependent variable (i.e. 'EU: effective action'.) However, logistic regression also assumes that the independent variables in the model have an *interactive effect on the probability* of the dependent variable. Therefore, the effect of any independent variable will vary depending on the level of the dependent variable (i.e. in this inquiry 'EU: effective action') being analysed. In order to summarise these interaction effects I use the Sample Averages Method to compare probabilities across groups. By using the Sample Averages Method, I examine the effects of each independent variable in the model while holding all other independent variables constant at their sample means. This allows an analysis to take place in order to determine the effect of each variable on individuals who are 'average' on all the other variables being studied.

The following equation converts the logged odds of EU: effective action into a predicted probability:

Equation: Probability of EU: Effective action =  $Exp(Logged \ odds \ of \ EU$ : Effective action)/1 +  $Exp(Logged \ odds \ of \ EU$ : Effective Action))

According to this formula we retrieve the probability of EU: effective action by first raising the natural log base (e) to the power of the logged odds of 'EU: effective action'. We then divide this number by the quantity one plus (e) raised to the power of the logged odds of 'EU: effective action'.

The predictor variables of 'Economic Insecurity: Household' and 'Economic Insecurity: Impact of Crisis' in the Binary Logit regression analysis demonstrate a uniformly statistical significant relationship with 'EU: effective action'. In particular, 'Economic Insecurity: Household' exhibits a positive relationship across all models from 2009-2013. This boosts the overall belief that individuals' who perceive or feel themselves to be economically insecure believe that the EU is the mechanism best placed to take effective action against the economic and financial crisis, rather than an individual EU member state and this subsequently influences individual-level support for the EU. As a consequence of this, in order to calculate the predicted probability of 'EU effective action' for individuals' attitudes towards the level of economic insecurity they perceive or feel themselves to be experiencing, I hold individuals' economic insecurity and the impact of the crisis on the job market constant at the sample mean. By holding 'Economic Insecurity: Impact of Crisis' constant at the sample mean, this allows individuals' economic insecurity within their household to vary, thus establishing the full effect of individuals' household economic insecurity upon their belief as to whether the EU is best placed to take effective action against

the economic and financial crisis. Put simply, the more economically insecure individuals feel or perceive themselves to be within their household, the more it will have an effect on whether individuals believe the EU is best placed to take effective action against the economic and financial crisis. This in turn will demonstrate individual-level support for the EU and the European project.

In 2009, 2010, 2011, 2012 and 2013 those individuals who continue to perceive themselves to be economically insecure within their household but who know what they will be doing (economically) in the next twelve months or have a long term perspective (i.e. one to two years) in relation to their household financial and economic situation also demonstrate an increased probability that the EU is best placed to take effective action against the economic crisis and financial crisis. This highlights individuals' preference for the EU to take effective action against the economic crisis even when they are not experiencing the worst-case scenario of economic insecurity (i.e. living day to day) which in-turn increases individual-level support for the EU.

In 2009, 2010, 2011, 2012 and 2013 the relationship between EU effective action and the economic insecurity an individual perceives within his/her household finds an increase in the ratio of the predicted probabilities between those individuals who are confident in terms of their current household economic situation of what they will be doing economically in the next six months, and those individuals who have a long term perspective of their household economic and financial circumstances by 12.37 in 2009, 22.01 in 2010, 16.30 in 2011, 0.4 in 2012 and 7.09 in 2013. An individuals' decision shifts in favour of the belief that the EU is best placed to take effective action against the economic and financial crisis when individuals who perhaps do not feel or perceive themselves to be as economically insecure in terms of

their household financial and economic situation from a probability of less than 12 to a probability of greater than 12 in 2009, from a probability of less than 22 to a probability of greater than 22 in 2010, from a probability of less than 16 to a probability of greater than 16 in 2011, from a probability of less than 0.4 to a probability of greater than 0.4 in 2012 and from a probability of less than 7 to a probability of greater than 7 in 2013. Thus, those individuals who perceive themselves to be a little more economically *secure* with regards to their economic situation within their household continue to exhibit increased support for the EU.

## 7.4: Discussion

The findings here are evocative of individuals' attitudes and orientations towards the EU, as they determine individual-level assessments of liberal market economies via personal economic insecurity in the twenty-seven member states of the EU. As a result, this has allowed an analysis to take place of the evolving nature of mass public opinion toward the EU, which has incorporated new economic realities since the beginning of the economic and financial crisis of 2007/8 to the present.

Throughout this inquiry, the test of the theoretical mechanism examines whether the liberal market economy is too unequal. Put simply, the liberal market economy has either failed to create adequate economic and social opportunities or it has provided these economic and social prospects in an unequal manner, and individuals in the twenty-seven EU member states recognise this. In this chapter specifically, the theoretical mechanism has continued to be tested but with the addition of an individuals' economic insecurity via their perceptions of inequality as a result of the imbalanced distribution of the goods of society. By analysing individuals' economic insecurity as well as their beliefs about whether it is the national governments of EU member states or the EU itself which is best placed to

take effective action against the economic crisis, this has allowed an examination to take place to specify individual-level support for the EU. When tested, the theoretical mechanism is robust when controlling for all other existing explanations, as 'Economic Insecurity: household' is positively correlated and statistically significant from 2009-2013. While "Economic Insecurity: Impact of Crisis' is negatively correlated, there is some correlation and it is uniformly statistically significant at the 99.9 per cent level (P≤0.001) from 2009-2013. From these findings, it can be inferred that individuals' attitudes and orientations towards economic insecurity in the twenty-seven member states of the EU increases support for the EU, as respondents regard the EU as best placed to take effective action against the economic and financial crisis, which therefore increased individual-level mass public opinion support for the EU from 2009-2013.

This chapter was built upon the findings in Chapter Five and Chapter Six as to whether it was specifically the EU or the national governments of EU member states which are best placed to take effective action against the economic and financial crisis, in light of individuals attitudes towards economic insecurity via, and as a result of, the market-generated inequality individuals experience within the EU since the beginning of the economic and financial crisis of 2007/8. From the Binary Logit Regression analysis, I have demonstrated that individual-level support for the EU since the beginning of the economic and financial crisis of 2007/8 up until 2013 *increases* support for the EU, and not the belief that the national governments of EU member states are best placed to take effective action against the economic and financial crisis. This is an interesting and noteworthy finding as in the cross-national analysis of the EU twenty-seven member states in Chapter Five (see Table 5 and Table 6) individuals responses to whether it is the EU or the national government of

the EU member state fare equally. Meanwhile, in the single case study of Ireland in Chapter Six (see Table 10) individuals' regard the Irish state as being much less effective in its action to manage the effects of the economic and financial crisis and demonstrate a clear preference for the EU to take effective action against the crisis.

Previously, in Chapter Five and Chapter Six it was posited that for individuals in the EU, the question of how to take effective action against the economic and financial crisis did not have a clear answer given the discrepancies between the preferences for effective action against the crisis at the national level and the supranational level (see Table 5, Table 6 and Table 10). However what the analysis in this chapter has achieved is that across the twenty-seven EU member states there is indeed a preference for the EU to take effective action against the economic and financial crisis from those individuals who feel or perceive themselves to be economically insecure. Furthermore, and in conjunction with the findings of Chapter Five and Chapter Six, it is clear that individuals in the EU want more, not less, action from the EU. This demonstrates that the EU is the institutional-driving force best placed to address individuals' economic insecurity as a result of market-generated inequality since the beginning of the economic crisis in 2007/8 and up until the present (2013). The analysis here has demonstrated two findings: firstly, that the EU is widely presumed to be the remedy against the economic and financial crisis; secondly, that economic insecurity as a result of market-generated inequality, which individuals are feeling, or perceiving in their daily lives needs to be addressed by the EU. This in turn has allowed an analysis to take place of the changes in the level of individual support for the EU from 2009-2013. Overall, the findings here demonstrate that, since the beginning of the economic crisis in 2007/8, individuals and mass public opinion within the EU continue to exhibit robust support for the EU.

#### 7.5: Conclusion

The findings here are consistent and work in conjunction with the findings in Chapter Five and Chapter Six that individual-level attitudes and orientations towards the EU are undergoing a predominant shift. The alteration in individuals' attitudes and orientations towards the EU demonstrates that there is an inadequacy in the understanding of individual-level support for the EU during a period of dramatic and demanding economic and financial change (i.e. since the onset of the economic crisis in 2007/8 up until the present).

As previously argued in Chapter Five and Chapter Six, a transformation in individuals' thinking, in particular the development of a normative attitude that the liberal market economy should be fair versus equal and that institutional mechanisms (i.e. the EU or the national governments of EU member states) should function in an egalitarian manner to reduce market distortions is not an excessive claim. In this chapter, the positive correlation between economic insecurity (via market generated inequality) and effective action taken by the EU against the economic and financial crisis specifically demonstrates individual-level support for the EU, as mass public opinion support for the EU is consistently positive and robust up until the present (2013). Individuals are indeed looking for the EU to address economic insecurity and market-generated inequality in their respective EU member states and this subsequently has an impact on individual-level support for the EU. This chapter has drawn upon the findings in Chapter Five and Chapter Six and addressed the proposition that the role to be played by the EU in order to address economic insecurity as a result of market-generated inequality does in fact supersede the EU member state and therefore reinforces individual-level support for the EU project. Individuals are calling upon the EU to address both inequality and economic

insecurity in a substantive manner as a result of EU member state action or *in*action. The findings in Chapter Five, Chapter Six and Chapter Seven demonstrate that, for individuals, the EU is best placed to address market generated inequality and as a consequence of this individuals economic insecurity. These individuals believe that it is the EU which is placed best to tae effective action against the economic crisis. These findings increase individual-level mass public opinion support for the EU in a variety of different ways. However, what is clear is that support for the EU is not declining.

The following chapter will outline the findings and results of this inquiry in further detail and demonstrate that the central independent variable of inequality and the subsequent independent variable of economic insecurity are innovative and noteworthy determinants of individual-level support for the EU since the beginning of the economic and financial crisis of 2007/8.

# **Tables**

Table 12: Odds Ratios of Logit Coefficients: EU best placed to take effective action against economic and financial crisis 2009-2013

Coefficient	Year				
	2009	2010	2011	2012	2013
<b>Economic Insecurity</b>					
Household	1.200***	1.077*	1.200***	1.169***	1.093**
Impact of Crisis	0.821***	0.752***	0.798***	0.774***	0.646***
Ideological Congruence & Institutional Performance					
Prospective Socio-Economic Evaluation	1.005	1.025	0.999	0.967	0.939*
Satisfaction with Democracy	1.083**	N/A	1.098**	1.120***	1.128***
Sociodemographic Variables					
Age	0.932***	0.886***	0.920***	0.914***	0.911***
Gender	1.122**	0.906*	1.144**	1.016	1.150**
Education	1.045	0.826*	1.116***	1.064*	1.115***
Left/Right Self Placement	0.974	0.992***	N/A	N/A	N/A
Self-Reported Social Class	1.154***	1.053**	1.114**	1.125**	1.018
Country Dummies not shown for space considerations					
Constant	7.774***	3.897	14.139***	25.037***	6.985**
No. of Obs (N)	8970	8248	9231	9248	10045

## **Chapter 8: Conclusion**

### 8.1: Introduction

This chapter will conclude this research and demonstrate that selecting the economic and financial crisis of 2007/8 as the salient moment to examine individuals' perceptions of inequality was accurate and appropriate, as inequality used as a determinant of mass public opinion support does in fact affect individual-level support for the EU. The chapter will give a brief overview of the theory of inequality used to determine individual-levels of support for the EU as well as assessing the normative implications inequality has within the debate surrounding mass public opinion and support for the EU. The chapter will also highlight future research directions as a result of the findings demonstrated as part of this inquiry.

# 8.2: A Theory of Inequality, the Role of Inequality and how it affects Support for the European Union

This inquiry has posited that following the onset of the economic and financial crisis of 2007/8 there is a greater percentage of people who may not be objectively 'poor' but nevertheless feel themselves to be at a heightened risk of economic adversity due to rising inequality and economic problems both in their respective member states and the EU. These individuals are likely to be more supportive of income redistribution as a means to minimize their own economic insecurity.

The theoretical rationale for linking inequality and support for the EU has used the beginning of the economic and financial crisis of 2007/8 as the salient moment and has focused upon theoretical determinants such as instrumental self-interest, SES, social location, democratic political institutions, and the liberal market economy. These determinants are examined as to how they play a fundamental role in determining how inequality can be identified as the central independent variable in

this inquiry. In doing so, an analysis has also taken place of how individuals in the EU perceive both the notion of inequality and the way in which individual's normative notions of inequality affect support for the EU.

The role of inequality and how it affects support for the EU focuses upon how inequality has an influence on support for the EU, both directly and indirectly, at the individual-level. As demonstrated in Chapter Three, the examination of inequality as a determinant of EU support is founded upon a value-based position that reflects individual's support for the principle that democratic institutions should serve as an arbiter of market-generated inequality. In order to demonstrate that this measure of inequality is not a proxy for other value-based positions and can therefore be independently predictive of support for the EU, I analyse how inequality is correlated with both ideological and socio-economic positions: put simply, how inequality is correlated with variables that centre upon instrumental self-interest, social and economic status, social location and political institutions and the market. I use the on going financial crisis of 2007/8 as a salient moment to activate citizens' concerns about overall economic performance, suggesting that there are more individuals if not actually doing worse economically, then at least feeling or perceiving as if they are achieving less economically. As these evaluations are not only economic but also socio-tropic, it is possible to assess the liberal market economy via the spectrum of inequality, highlighting that the market may in fact be too unfair. This makes inequality representative at the individual-level as individuals begin to assess societal opportunities in terms of access to and opportunity within the EU, in turn creating inequality as a determinant for support for the EU.

For individuals, the perception of inequality is centred upon the failure of the market to reform and produce both increased social mobility and increased

opportunities (Loveless, 2010). The simplest form of relationship is that inequality produces perceptions of inequality (Loveless & Whitefield 2011, p. 241) with this relationship being studied in two approaches. The first approach draws upon empirical evidence by Marmot (2001) and Alesina *et al* (2004) in their analyses of life chances and happiness. According to this research individuals may be more likely to perceive inequality in countries where absolute levels of inequality are objectively higher. The second approach highlights how perceptions of inequality may be determined by changes in absolute levels of inequality in a nation state. A high level of inequality may in fact be constant and perceived by individuals as 'normal', and is therefore 'unseen' by citizens. Kreidl (2000) posits that these objective measures of inequality may only shape individuals' perceptions when citizens notice a significant change in the extent of inequality from previous 'normal' levels. Both of these approaches of individuals' perceptions of inequality have a direct effect on support for the EU.

The notion of normative commitments refers to individuals' stances on how the economy, welfare state and political system should operate. Normative values reflect and reply to SES and social locations in an important way. Individuals who are normatively opposed to liberal markets per se or individuals who have robust, state centred and welfare state orientated views of liberal market regulations are more likely to review levels of inequality to be excessive. When these normative beliefs about the perceptions of inequality are combined with individuals instrumental self-interest, SES, social location, and views on democratic political institutions, these normative values will have a direct effect on support for the EU.

The findings in Chapter Five, Chapter Six and Chapter Seven reiterate the direct effect and normative notions of inequality. In Chapter Five, the findings from

the cross-national case study of the twenty-seven EU member states demonstrate that individuals' support for the EU as a mechanism to address inequality is independently and strongly correlated with negative support for the EU as it is in its current form and positive support toward a deepening of European integration. This finding is dependent on individuals' socio-economic location, making it a common explanation of support for the EU as well as normatively supportive of stronger democratic institutional performance.

As a consequence of this finding the varying role the EU has played since the onset of the economic crisis of 2007/8 can also be examined. Previous research has demonstrated that inequality not only intensifies individual-level concerns about economic stability, but it also increases demands in democratic politics (Whitefield & Loveless 2013). In the context of increasing GDP and rising inequality- a state of affairs which, given the findings in Chapter Five describes the majority of EU member states-most of these member states want to share economic growth. Those EU member states- which do not want to share economic growth, support the notion that democratic political institutions should *address* inequality. This in turn increases support for democratic regimes (i.e. the EU) and reinforces substantive democratic national governance. In addition, increasing demands from individuals for redistributional fairness and justice via EU regime legitimacy, whether it is perceived or actual, is a means to address market-generated inequality in the EU since the onset of the economic crisis of 2007/8.

In Chapter Six the findings from the single case study of the Republic of Ireland are consistent with the findings in Chapter Five and are overall suggestive that individuals in Ireland acknowledge attitudes and orientations toward the EU which are undergoing a predominant shift. This alteration in attitudes and orientations

towards the EU at the individual-level in Ireland demonstrates that there is an inadequacy in the understanding of support for the EU in a period of dramatic and demanding economic change. The desire among individuals' in Ireland to address inequality is strongly correlated with negative support for the EU as it is, but positively correlated with a deepening of EU integration. This finding is again dependent on individuals' socioeconomic status and social location, making it a common explanation of support for the EU. It also makes it normatively supportive of stronger democratic institutional performance.

Finally the findings in Chapter Seven (a second cross-national case study of the twenty-seven EU member states, using Standard Eurobarometer data from 2009-2013) demonstrates that individual-level support for the EU and mass public opinion support for the EU are consistently positive and robust up until the present (2013). Individuals are indeed looking for the EU to address economic insecurity and market-generated inequality in their EU member state and this subsequently has an impact on individual-level support for the EU. By drawing upon the previous findings of Chapter Five and Chapter Six, the results in Chapter Seven have specified that the role to be played by the EU in addressing economic insecurity as a result of market-generated inequality does in fact supersede the EU member state, and therefore reinforces individual-level support for the EU project.

In Chapter Five and Chapter Six the central independent variable of inequality is asked in the context of the post-economic crisis and therefore roots the conceptual basis for inequality on the principle that inequality is generated by liberal market economies and that it is the responsibility of institutions to disperse political power in order to address inequality (Bartels 2008; Kaltenhaler, Ceccoli & Gelleny 2008). From this, my understanding of individuals' existing normative attitudes is based

upon the belief that the market should be fair versus purely equal and that democracy should function in either a roughly egalitarian or minimally majoritarian manner in order to prevent inevitable market distortions. The empirical Chapters of Five and Six establish an in-depth analysis of individual-level normative attitudes towards addressing inequality in a cross-variation analysis of the twenty-seven member states of the EU and a single case-study of the Republic of Ireland.

The examination of individual-level normative attitudes towards inequality demonstrates that inequality is correlated with both ideological and socio-economic status with the on-going economic and financial crisis used as the salient moment to activate individuals' concerns with regards to overall economic performance of EU member states (Chapter Five) and the Republic of Ireland (Chapter Six). The theoretical findings from the cross-variation analysis of the twenty-seven EU member states and the single case study of the Republic of Ireland have highlighted empirically that there are more individuals in the twenty-seven member states of the EU and the Republic of Ireland who feel or perceive themselves to be achieving less economically.

As a consequence, this has allowed individuals across all twenty-seven member states of the EU and indeed in the Republic of Ireland to determine what continued European integration means to them as either a 'winner' or a 'loser' of the EU project. However, being a 'loser' of the EU project is not restricted to variations in individual income. It is in fact the unfair distribution of the goods of society, which has placed more individuals in a more fragile socio-economic state or made these individuals feel as if they are in a more precarious socio-economic state. The variations in how individuals benefit from and share in aggregate economic growth and how those alterations in economic growth are distributed are revealed in

individuals' concerns about inequality. Therefore the theoretical findings that individuals may not be de fact 'poor' or 'losers' in a strict economic sense, i.e. according to their individual income, many individuals across the twenty-seven member states of the EU and the Republic of Ireland perceive themselves to be closer to a 'loser' of the European project since the onset of the economic crisis.

By using EES 2009 data and conducting a HLM analysis in Chapter Five to examine the cross-variation in the twenty-seven EU member states and a OLS Multiple Regression analysis in Chapter Six to examine the single case study of Ireland the inquiry was able to gauge individuals' normative beliefs about whether it is the responsibility of the EU or the responsibility of individual EU member states to address liberal market-generated inequality. The theoretical findings from the crossnational case study of the twenty-seven member states of the EU and the single case study of the Republic of Ireland demonstrated that individuals are in fact looking towards the EU, and not individual EU member states, to address market-generated inequality. This subsequently has a positive impact on individual-level support for the EU since the onset of the economic and financial crisis of 2007/8.

However, a limitation which arises from the HLM and OLS Multiple Regression analysis in Chapter Five and Chapter Six is whether the role to be played by the EU in addressing inequality supplants the individual EU member state or whether the role to be played by the EU is one that reinforces the European project. It may be considered that the EU is being called upon by individual's to address inequality in a substantive manner as a result of inaction by EU member states. This poses the question as to whether it is the EU or national governments of EU member states, which are primarily responsible for the stabilisation of financial markets and domestic and international economics.

In Chapter Seven by using Eurobarometer data from 2009-2013 and conducting a Binary Logistic regression analysis the theoretical mechanism that the liberal market economy has either failed to create adequate economic and social opportunities or it has provided these economic and social prospects in an unequal manner, continues to be tested but with the addition of individuals' economic insecurity via their perceptions of inequality as a result of the imbalanced distribution of the goods of society. The theoretical findings from this analysis demonstrates empirically that it is the EU and not the national governments of EU member states which are best placed to take effective action against the economic and financial crisis and therefore address individual concerns about their own economic insecurity as a result of the market-generated inequality they have experienced since the onset of the economic and financial crisis in 2007/8 to the present.

In either of these cases, the theoretical findings in Chapter Five and Chapter Six empirically demonstrate that the EU is the institution best placed to address market-generated inequality cross-nationally (EU twenty-seven member states) and nationally (Republic of Ireland) while Chapter Seven empirically reiterates that it is the EU and not the nation state to address individuals economic insecurity as a consequence of market-generated inequality. All of the above theoretical findings indicate positive support for the EU since the onset of the economic and financial crisis.

The thesis has the potential to empirically track the dynamic change in individual-level support for the EU over time by continuing to include inequality in the mass public opinion support for the EU model therefore moving beyond the economic crisis but also examining specifically the impact of the economic and financial crisis of 2007/8. Inequality as a determinant of EU support can continue to

examine individual-level normative notions of support for the EU beyond the economic and financial crisis of 2007/8 and can examine the effect on support for the EU and whether it remains a salient issue. Individual-level concerns about inequality and economic insecurity also have the potential longitudinally to influence policy-making at both the national and EU-level.

## Beyond Economic Crises

Firstly, as demonstrated throughout this inquiry inequality is an innovative and noteworthy determinant of EU support in particular since the onset of the economic and financial crisis and should therefore continue to be used in the model of EU support. In doing so, theoretical determinants of support for the EU such as instrumental self-interest, SES, social location, democratic political institutions and the liberal market economy can continue to be examined in order to determine a) how individuals perceive the notion or concept of inequality and b) how these normative notions of inequality affect support for the EU. From examining the notion of inequality and the normative notion of inequality the insertion/inclusion of it as an independent variable in future models for EU support moves inequality beyond the 2007/8 economic and financial crisis and allows the model of EU support to empirically track socio-economic and socio-political attitudes in relation to inequality and economic beyond the 2007/8 economic and financial crisis.

## Examining the Impact of Economic and Financial Crises

While there are signs of economic recovery in the EU problems continue to persist, which as demonstrated in this inquiry, are having a significant impact on individuals political and social attitudes towards both the EU and the nation state. The economic and financial crisis has made more people more aware of the need to

address inequality. The thesis has demonstrated that since the onset of the economic crisis there is a greater percentage of people who perceive themselves to be at heightened economic crisis and as a consequence of this these individuals are more supportive of income redistribution as a means to minimize their own economic insecurity. By continuing to examine inequality and economic insecurity longitudinally, calls by individuals of the need to address inequality could influence policy-making at both the nation state and EU-level. These calls to address inequality are in relation to the functioning of the liberal-market economy and to the feasibility of current austerity measures both of which will increase support for the EU given empirical findings in this inquiry that the EU is the institution best placed to address market-generated inequality.

Overall, this inquiry demonstrates that individuals are calling upon the EU to address both inequality and economic insecurity in a substantive manner, as a result of EU member state action or *in*action. The findings in Chapter Five, Chapter Six and Chapter Seven demonstrate that for individuals the EU is best placed to address market generated inequality and individuals' economic insecurity.

## **8.3: Normative Implications**

From this inquiry, are we able to conclude that inequality has contributed to individual-level attitudes and behaviour towards the EU since the onset of the economic and financial crisis of 2007/8? Individuals' perceptions of inequality exert an influence not independently but as a consequence of individuals' choices (i.e. whether individuals *perceive* or *feel* inequality). That is so say that since the beginning of the economic and financial crisis in 2007/8, inequality has been regarded by individuals as a re-orientation of their attitudes to the new and challenging political and economic order within the EU and has thus been a means of attitudinal change. In

some aspects this undermines the long-standing tradition within political science of the *causal* rather than the *correlated*. However, I argue that inequality represents a political choice for individuals. Put simply, whether individuals feel or perceive that inequality increases or decreases support for the EU is a political choice which in turn entails observable political consequences. That is the causal argument. Individuals within the EU engage in the political choice of whether they perceive or feel inequality since the onset of the economic and financial crisis and this in turn has an impact on whether they believe that inequality needs to be addressed. If individuals believe that inequality needs to be addressed, they then assess whether it is the responsibility of the EU to address inequality. How individuals perceive, feel and experience inequality enables these choices.

I also pose the normative question of whether individual's attitudes towards inequality are 'good' for support for the EU: that is, whether or not individual's attitudes towards inequality, beyond both the structural constraints and beyond the political attitudes can be 'good' for support for the EU. This appears to be somewhat counter-intuitive, however, the findings from this inquiry demonstrate that it is not entirely unreasonable to make this claim. The findings in Chapter Five and Chapter Six (cross-national case study of the twenty-seven member states of the EU and the single case study of the Republic of Ireland) show that individuals who want inequality to be addressed are receptive to further European integration despite their dissatisfaction with the current performance of the EU in addressing inequality. The findings demonstrate that support for the EU via individual's concerns about addressing inequality suggests a resilient connection between inequality and the strong democratic enforcement that the EU could offer. While individuals have disapproved of the EU's response to the economic and financial crisis so far, the

findings from Chapter Seven (cross-national case study of the EU considering whether or not the EU is best placed to take effective actin against the economic and financial crisis) do confirm that the EU has a positive role to play. The findings in Chapter Five, Chapter Six and Chapter Seven demonstrate that inequality, as a determinant of mass public opinion, is 'good' for individual-level support for the EU. It is this distinction that makes the study of inequality as determinant for support for the EU innovative, provocative and distinct.

### 8.4: Future Research Directions

Throughout this inquiry a mixed methods approach was used in order to examine the role of inequality and support for the EU since the onset of the economic and financial crisis of 2007/8. Firstly, a quantitative study using cross-national data from the EES in 2009 used multi-level modelling, specifically, HLM, to investigate the impact of inequality on mass public opinion support for the EU. This crossnational EES 2009 data was then used to conduct a single case study of the Republic of Ireland using an OLS Multiple Regression model to test this theory. As a consequence of the findings of the cross-national examination and the single case study of Ireland that individuals in both the twenty-seven member states of the EU and the Republic of Ireland believe that inequality should be addressed and that it is the responsibility of the EU and not an EU member state to address inequality therefore increasing support for the EU project, Eurobarometer data from 2009-2013 was used to conduct a Binary Logit Regression model. This examination was conducted to determine the impact individuals economic insecurity had on support for the EU across all twenty-seven EU member states and strengthen the findings of the first empirical analyses of the cross-national examination and single case study of Ireland. The findings from all three empirical chapters demonstrate that individuals'

concerns about inequality, economic insecurity and redistribution will lead to individuals to look toward the EU rather than the nation state for effective action from EU institutions to address inequality and as a consequence individuals support both enlargement and deepening of the EU project. Overall, individuals display robust support for the EU since the onset of the economic and financial crisis of 2007/8.

This mixed methods, quantitative approach, was used because in recent years there has been a surge in research, which aims to integrate what we know about citizens' political behaviour with what we know about macro-level differences across countries. This inquiry aims to understand the macro-level differences across all twenty-seven member states of the EU, as well as the Republic of Ireland, if economic insecurity, perceptions of inequality and normative concerns about democratic institutions to ameliorate market-generated inequality has a positive impact on support for the EU. HLM was selected as a method in the first instance because it is often considered to be superior to OLS because it theoretically produces appropriate error terms that control for potential dependency due to nesting effects while OLS does not. An additional argument favouring the use of HLM is that it is a generalization of OLS which better handles continuous variables that reflect randomized effect designs and therefore HLM produces more accurate error terms. The great advantage of the single case study of Ireland is that by focusing on a single case tit can be extensively examined and can makes an important contribution to the establishment of general propositions and thus to building upon the theory under examination here in this inquiry.

From this research on the role of inequality and how this has had an effect on individual-level political behaviour and attitudes towards the EU since the beginning

of the economic and financial crisis in 2007/8 there are two areas of future research, which I have been identified and should be undertaken.

The first is an extension of the current research and would aim to be a longitudinal study of the existing theoretical mechanism, whereby individuals regard the EU as an enforcer of democratic competencies at both the EU and nation state level, thus allowing the EU to act as the institutional driving force to address marketgenerated inequality in their respective nation states. Using quantitative methods and European Election Studies data from 1979-2009 (including 2014 data once released), and Standard Eurobarometer data from 1973-2014 an examination of how member states of the EU perceive the question of how inequality should be addressed would be tested. Should inequality be addressed at the nation state level, or at the EU level? In addition, because this is a longitudinal study, the inquiry would trace the influence that EU membership has had on the question of addressing inequality and whether the direction of this relationship would be positive or negative as membership of the EU became embedded within the psyche of the nation state. In the first instance, the EES are about electoral participation and voting behaviour in EP elections. However, they are also concerned with the evolution of a EU political community and a European public sphere with citizens' perceptions of and preferences in relation to the EU political regime and with their evaluations of EU political performance. Standard Eurobarometer data regularly monitors mass public opinion in EU member states, with each survey consisting of approximately 1,000 face-to-face interviews in each of the twenty-seven member states of the EU and reports published twice a year (Spring and Autumn) based on new samples but with a repeated cross-section design. The standard modules ask for attitudes towards European unification, institutions and policies, in conjunction with measurements for socio-political orientations, as well as

respondent and household demographics. By using Standard Eurobarometer data snapshots of individual-level attitudes towards inequality and support for the EU would be able to be examined specifically (i.e. individuals attitudes towards inequality and support for the EU in Spring and Autumn of a given year), as well as assessing inequality through the lens of EU membership and the effect this has had on the question of addressing inequality. This would also allow cross-comparison to be made between two sets of longitudinal data: the EES and Standard Eurobarometer.

The second area of future research is a something of a point of departure from current research and focuses upon regionalism in the United Kingdom and the effect this has on mass public opinion towards the EU. In particular it aims to examine *how* mass public opinion towards the EU is determined in Wales, Scotland and Northern Ireland. It would include an evaluation of the impact of devolution on the EU debate, whether or not this can be regarded as a determinant of EU support in all three regions and if this is in fact a causal factor which allows for the differentiation between mass public opinion in all three regions and the Eurosceptic element in British mass public opinion.

In broad terms, Scotland tends to be most in favour of remaining in the EU with positive attitudes to the EU viewed in a utilitarian manner. However, what impact will the referendum on Scottish independence in September 2014 have on mass public opinion in Scotland towards the EU? Will membership of the EU in Scotland continue to be supported following the outcome of the 2014 referendum? Wales is the least supportive region of the EU in the UK, despite being a benefactor of net receipts and/or funds such as European Agricultural Rural Development Fund, Common Agricultural Policy, European Regional Development Fund, European Social Fund, and specific investment programmes such as JESSICA and JEREMIE.

The cost benefit approach of EU membership fails to resonate with Welsh mass public opinion-why? Finally, mass public opinion in Northern Ireland has become more supportive of the EU since UK accession in 1973 and is now one of the least Eurosceptic regions within the UK. The transformation in attitudes is unexpected given the scarce attention the EU receives in national media and from the government in Stormont. This research is in a preliminary stage however to operationalize this research, quantitative methods will be employed and comprehensive analysis of mass public opinion surveys (notably Standard Eurobarometer, European Election Studies, British Election Study and Northern Irish Election Study data in Scotland, Wales and Northern Ireland) will be conducted.

This future research will continue to fill the existing gap in the literature surrounding individual perceptions of inequality as a determinant of EU support, by extending the perception of inequality as a determinant longitudinally and analysing whether individuals' desire for the EU to address inequality is, or is not, exclusive to the post economic and financial crisis period of 2007-8. Secondly, this future research will aim to demonstrate the regional variation (Scotland, Wales and Northern Ireland) of mass public opinion in the UK and establish a determinant for this variation, which can be inserted into the enduring model of mass public opinion of EU support.

### 8.5: Conclusion

This inquiry has been both ontological and etiological. The former relates to the inductive nature of this inquiry. Is inequality a significant determinant in determining individual-level mass public opinion towards the EU since the beginning of the economic and financial crisis of 2007/8? In addition, is there substantive and provocative evidence that individuals have re-oriented themselves to the new political, economic and social realities since the onset of the economic and financial

crisis of 2007/8? Does this belief affect their political attitudes, behaviour and orientations towards the EU?

The latter informs our understanding of individual's perceptions of inequality. Put simply, how has the economic and financial crisis, which began in 2007/8 influenced individuals' attitudes and orientations towards inequality and thus their support for the EU? Combining the answers of both sets of questions, I arrive at the conclusion that individuals' attitudes towards inequality and how inequality should be addressed should be included as a determinant of support for the EU since the onset of the economic and financial crisis of 2007/8.

Overall, the study of inequality is an amalgamation of individual's satisfaction with democracy, the liberal market economy and inequality when assessing individual-level support for the EU. The distribution of the goods of society is represented by income and attendant socio-economic supports to income such as social welfare benefits and pensions, the ability to spend disposable income and access to complementary aspects of income such as health and education. It is from the distribution of the goods of society that individuals will *perceive* that there is more inequality since the onset of the economic crisis of 2007-8.

In order to address inequality or perceptions of inequality, the role of democratic institutions is examined and found to provide solutions to market generated inequality. When this is combined with national-level contextual factors what individuals regard as excessive inequality has little to do with inequality per se but more to do with whether the liberal market economy of the EU as a whole is providing high living standards and dynamic economic development. As a result of individuals' concerns about inequality being closely related to normative values such

as fairness and justice in society (Kreidl 2000; Verwiebe & Wegener 2000; Osberg & Smeeding 2006; Loveless & Whitefield 2011) and the fact that these views are not strictly egalitarian, in this inquiry individual's attitudes and perceptions of inequality in fact diminishes Gabel's (1998a & 1998b) 'winners' and 'losers' of European integration. This inquiry therefore creates a 'new' group of 'winners' or 'losers' thesis when assessing support for the EU in a normative way.

By broadening the comparative analysis on inequality from the Central and Eastern European member states of the EU to a cross-national examination of the twenty-seven member states of the EU, and a single case study of the Republic of Ireland, this inquiry has sought to broaden the scope of the study of inequality by examining hypothesised effects on individual-level support for the EU since the onset of the economic and financial crisis of 2007/8. In doing so, individual-level effects on the perception of inequality in the complex social setting of the beginning of the economic and financial crisis of 2007/8 have been established, which in turn identifies the significant role inequality plays when analysing mass public opinion support for the EU.

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