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# Blaming Europe? Exploring the Variable Impact of National Public Service Dissatisfaction on EU Trust

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## QoG WORKING PAPER SERIES 2009:12

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June 2009

ISSN 1653-8919

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© 2009 by Staffan Kumlin. All rights reserved. Acknowledgement: This paper is a late result of my 2003/4 postdoc year at the Robert Schuman Center for Advanced Study, European University Institute, Florence. As it has been long in the making, many colleagues have commented on various versions. The ones I still remember are Linda Berg, Jonas Edlund, Sverker Gustavsson, Mikael Hjerm, Sören Holmberg, Sylvia Kritzinger, Victor Lapuente, Christian Albrekt Larsen, Henrik Oscarsson, Maria Oskarson, Sven Oskarsson, Maria Pettersson, Johannes Pollack, Jonas Pontusson, Martin Rhodes, Stefan Svallfors, Göran von Sydow, Jonas Tallberg, Jan Teorell, Helen Wallace, and Per Ola Öberg.

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**Abstract:**

European Social Survey data suggest that dissatisfaction with national public services has direct negative effects on EU trust in most EU15 countries, but also that there is significant country variation in their actual magnitude. Two-thirds of this variation can be explained jointly by two macro factors: the effect is stronger in larger welfare states where elites and citizens may perceive EU-induced welfare state obstacles to be larger. Likewise, it is stronger in political systems where the most eurosceptic parties have tended to be the most welfare state-supporting ones. Under such conditions, it is more probable that citizens receive political cues conducive to a negative effect of dissatisfaction on EU trust.

Keywords: EU support, trust, performance dissatisfaction, welfare state, political parties, political science

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European welfare states have become embedded in the multi-level polity of the European Union. But the precise consequences of this development are less than clear. Theoretically, several ways have been suggested in which European integration may influence national welfare states. The alleged effects are often negative and integration is typically seen as one of several destructive forces in motion. However, because actual policy-making remains firmly located at the national level, these are indirect and subtle forms of influence, the actual impact of which is questionable.

Research on the topic can be divided into two broad categories. One group of scholars have for some time examined the interplay between integration and national welfare states (e.g. Leibfried and Pierson 1995; Scharpf 1999; Kvist 2004; de Búrca 2005; Ferrera 2005; O'Connor 2005). Using such studies as a backdrop, a second and smaller research program has begun to explore the integration-welfare nexus from the vantage point of citizens. In particular, a handful of studies have considered how attitudes towards *future* integration are structured by welfare state concerns. We know that citizens in countries with more social expenditure perceive a greater risk that further integration will entail a loss of social benefits (Ray 2004). Likewise, citizens of large welfare states and centralized wage-bargaining systems display more opposition to integration. In such contexts, furthermore, leftist citizens tend to be more opposed than others (Brinegar, Jolly and Kitschelt 2004; see also Hix 2007). Conversely, citizens of less-developed welfare states are more prone to embrace further integration, in particular those on the left. Finally, Europeans in large welfare states are particularly opposed to the future development of social policies at the EU level (Mau 2005a).

These studies suggest that many Europeans have perceptions of how future integration would affect national welfare states, that those perceptions affect integration support, and that the

nature of perceptions varies systematically across countries. Taking these insights on board, I examine the extent to which actual dissatisfaction with the *present performance* of national public services and welfare state arrangements hampers—not only national allegiances—but also trust in EU institutions. To what extent do citizens *already* attribute performance responsibility to the EU in a realm that is formally a national competence? Is there variation across countries in this respect? If so, what institutional and political factors can account for that variation?

I first outline the debate on the impact of European integration on national welfare states. Second, I describe a model of public opinion—the policy appraisal model—which establishes a framework for the prediction that national dissatisfaction directly causes euroscepticism. However, I also consider an alternative model—the domestic shortcuts model—that views such direct effects as unrealistic. Third, I explain how this paper expands on past research on EU performance appraisal among citizens. While many have focused on *economic* outputs and outcomes, I probe whether citizens evaluate integration also in terms of non-economic performance, which is more indirectly linked to European integration (if at all linked). In further contrast to past studies, I also model empirically *political and institutional conditions* facilitating links between national performance dissatisfaction and EU trust.

The empirical part of the paper applies multilevel models to European Social Survey data. The results suggest that dissatisfaction with national public services has direct negative effects on EU trust in several Western European countries, but also that there is much country variation. What is more, two-thirds of that variation can be explained jointly by two macro-contextual variables: the dissatisfaction effect is stronger in larger welfare states (where elites and citizens may perceive EU-induced welfare obstacles to be larger). Likewise, it is stronger

in political systems where the most eurosceptic parties also tend to be the most welfare state-supporting ones. Under such conditions, I theorize, it is more probable that citizens receive elite messages conducive to a negative effect of dissatisfaction on EU trust.

## EUROPEAN INTEGRATION AND WELFARE STATES

A frequent starting point is Scharpf's (1999; 2002) thesis that the institutional construction of the EU carries "a neo-liberal bias" (see also Leibfried and Pierson 1995; Gustavsson, Oxelheim and Wahl 2004). While the union has achieved much in terms of economic integration and removal of obstacles for free trade (so-called negative integration), issues related to spending, taxation and social policy (positive integration) reside at the national level. This division of labour, coupled with the fact that EU legislation takes precedence over national legislation, has created a constitutional imbalance: whereas the legitimacy of national politics typically rests on a non-hierarchical mix of market-promoting and market-correcting policies, such a mix becomes difficult to maintain when one domain is constitutionally superior to the other.

One problem is said to emanate from the single market (see Scharpf 1999; 2002; Rhodes 2003). Because of this market, member states can no longer use state-protected domestic companies as macroeconomic policy instruments to combat unemployment and thereby protect welfare state institutions from massive cost increases. Also, the free mobility of capital and labour may create a competitive downward pressure on labour costs and taxes, especially as tax bases become mobile. Similarly, "social tourism" on the single market is sometimes said to produce incentives not to offer generous benefits and services. Such fears have been bolstered by EU enlargement and high-profile ECJ rulings easing access to benefits and

services in other member states (Kvist 2004; Ferrera 2005). Yet other effects of integration are said to emanate from the stability and growth pact of the monetary union (EMU) (Palier 2003). The EMU has removed macroeconomic policy instruments related to exchange rates and interest rates from the national level. Its emphasis on budget discipline arguably makes the short-term risk of unemployment larger, as member states find it harder to increase public spending in recessions.

Most of these arguments are contested. Some point to signs that the EU has begun to play a more active role in social policy. Positive integration increasingly supplements negative integration. Not least “the open method of co-ordination” (OMC) has been launched as a context in which member states can establish common policy goals and benchmarks to facilitate improvements (e.g. Atkinson 2002; de la Porte and Pochet 2002; O’Connor 2005). So far the OMC has, with varying degrees of scope and success, been applied to areas such as employment, pensions, and social exclusion.

But also the more indirect negative effects of integration are disputed. Some argue that any such consequences are dwarfed by other internal and external forces including demographic changes and post-industrialization (Pierson 2001; Moravcsik and Sangiovanni 2003).

Similarly, Rhodes (2003) argues that there is little evidence of “social dumping,” whereby firms create a downward pressure on taxes, benefits, and labour market protection. Decisions of both investors and political actors are affected by a multitude of factors, each of which is notoriously hard to calculate. Such arguments are buttressed by comparative public policy studies failing to find radical welfare retrenchment. One case in point is that low-cost member states hesitate to exploit their advantages: in several southern European countries, welfare state policies have been significantly improved at the same time as the single market and the

EMU have developed. On a more general level, comparative analyses suggest that even though non-negligible retrenchment has occurred (Korpi and Palme 2003; Allan and Scruggs 2004), more radical system change usually fails to attract sufficient support (Svallfors and Taylor-Gooby 1999; Kuhnle 2000; Pierson 2001; Swank 2002).

## POLICY APPRAISAL OR DOMESTIC SHORTCUTS? TWO MODELS OF EU SUPPORT

The analyses in this paper are an application, but also expansion, of *the policy appraisal model*. While its core assumptions have been examined in several studies (i.e. Jenssen, Gilljam and Pesonen 1998; Marsh 1999; Mau 2005b; Hix 2007), it has been most rigorously formulated and tested by Gabel (1998). His model has three building blocks. First, it makes a distinction between *utilitarian* and *affective* types of support (cf. Easton 1975). The former is instrumental and cognitive in character: it is dependent on short-term results, and on benefits and burdens induced by the political system. In contrast, affective support is more stable and emotionally strong and is created by slow socialization processes, rather than by swift interest- and output-based revision. Further, the two types of support are thought to be inversely related. As one increases it suppresses the other. Hence, individuals who hold strong affective system support are not much influenced by short-term benefits and outputs of the system.

This leads to the second building block of the model: Exactly because few Europeans hold strong emotional attachments to the European political level, support for integration becomes highly dependent on short-term outputs and benefits. Moreover, these are assumed to be *economic* in nature, as European integration has to a large degree been focused on economic integration: “European integration has been primarily an economic enterprise, focusing on the

implementation of policies that create and maintain a single market [...] In evaluating the performance and perceived benefits from EU membership, I expect citizens to focus on the consequences of these economic policies.” (Gabel 1998:37)

The third building block concerns the process by which citizens connect their orientations to interests derived from integration. Empirical research has found the average citizen to be uninterested and uninformed about European integration (see Anderson 1998). It is therefore not reasonable to assume that citizens themselves calculate costs and benefits emanating from integration. Rather, they need help by more informed agents. People follow ready-made cues as to how their interests are affected, as interpreted by political elite actors such as trusted parties, politicians, interest organizations, and experts. In this way, the model assumes that EU interests are articulated and politicized which explains how “EU citizens form these utilitarian appraisals without a sophisticated understanding of the economics and politics of European integration.” (Gabel 1998:12).

Like the policy appraisal model, *the domestic shortcuts model* assumes low levels of EU-related knowledge, information, and motivation. However, whereas the policy appraisal model relies on elite cuing to make interest-based attitudes realistic, the domestic shortcuts model views them as altogether improbable. Instead, it claims that citizens—knowing and caring little about the EU—fall back on more developed domestic orientations so as to take “shortcuts” to EU opinions (see Anderson 1998).

For example, uninformed citizens tend to use the position of the preferred party as a reference point (Campbell et al. 1960; Zaller 1992). In a related vein, it has been shown that domestic government parties play a crucial role. Several studies conclude that EU-related referendums

have come to partly resemble confidence votes on the incumbent government, which represents the member state in the Council, and usually pushes the integration-friendly alternative. Therefore, government sympathizers are more likely than others to endorse that alternative (Franklin, Marsh and McLaren 1994; Jenssen, Gilljam and Pesonen 1998).

A second domestic shortcut is national political trust, where citizens who generally trust national politicians and are satisfied with the functioning of domestic democracy are more likely to support integration. Under the shortcut model, this is because European integration is an elite-driven project (c.f., Wessels 1995; Schmitt and Thomassen 1999). Uninformed but trusting citizens may be willing to give political elites the benefit of the doubt, while uninformed citizens who are generally sceptical about elites will be less easily persuaded.

Anderson (1998) provided a forceful test of the domestic shortcuts model (see also Fuchs 2002; Kritzinger 2003). His starting point was the impact of macroeconomic conditions and perceptions on EU support that had previously been found. Against this backdrop, Anderson (1998:573) asked a pertinent question: “Given that virtually all measures of knowledge, awareness, and information about European integration indicate that people have fairly little systematic information about even the most basic aspects of the integration project [...] how can mass publics be simultaneously ignorant about integration and act in a self-interested fashion when it comes to economic benefits to be secured from the integration process?”

Consistent with previous studies, Anderson found that Europeans who evaluate national economic conditions favorably tend to be more pro-European. Of course, this may be perfectly consistent with the policy appraisal model, to the extent that people perceive that “Europe improves the national economy.” In contrast, under the domestic shortcuts model the

correlation rather reflects a process in which positive economic perceptions first have a positive impact on national orientations such as government support and national political trust. In turn, it is these domestic orientations that affect European orientations. In support of this latter idea, Anderson found no evidence of a direct effect of national economic evaluations on EU attitudes, once domestic orientations were controlled.

In sum, the domestic shortcuts model and the policy appraisal model provide conflicting explanations of why national dissatisfaction may be related to euroscepticism. If the former is correct, there is no reason to expect a direct impact once appropriate domestic orientations are taken into account. In contrast, one should find such direct effects if the policy appraisal is right about elite-aided interest calculation being realistic.

Previous research has focused on appraisal of immediate economic interests and evaluations of macroeconomic performance. This has been sensible as European integration was initially focused on economic integration and market liberalization. However, it is becoming increasingly possible that citizens evaluate integration not just in terms of effects on economic interests and outcomes. The suspicion was raised by Marsh (1999:106) who found that while a “largely economically-driven model accounted quite well for the national levels of policy satisfaction between 1983 and 1996, it was nonetheless evident that it performed less well in the second half of the period. [...] It could be that citizens are evaluating the impact of the EU across a wider range of issues, not tapped in this model.”

The welfare state/public service domain is interesting in this respect. Welfare state issues are almost universally high on the public agenda and national welfare state institutions typically enjoy stable and widespread support (e.g. Svallfors and Taylor-Gooby 1999). Furthermore,

we have noted the debate over negative implications of European integration for national welfare states. To the extent that elements of such theories have spread to the wider public, dissatisfaction with welfare state services may generate mistrust, not only at the national level (Huseby 2000; Kumlin 2007), but also at the EU level.

## TAKING ACCOUNT OF CONTEXT: THE ROLE OF PARTIES AND WELFARE STATE INSTITUTIONS

Scholars often note that “many [...] elites perceive the EU as being inimical to social welfare provision, and have made this aspect of integration a matter for public controversy” (Moravcsik and Sangiovanni 2003:130; see also Kvist 2004). Beyond such general observations, however, we have little systematic knowledge—let alone available cross-country data—on how welfare-EU links are politicized in different contexts. Certainly, such cues are likely to vary in nature and intensity, not least due to the lack of consensus on the effects of European integration, and because EU- and welfare state issues play different roles in different countries.

Research on EU attitudes is increasingly highlighting the interplay between parties and public opinion (e.g. Hooghe and Marks 2005; Hooghe 2007; Steenbergen, Edwards and de Vries 2007; Gabel and Scheve 2007). However, we still know rather little about the specific impact of party cues on retrospective policy appraisal processes, not least in the welfare state domain. By example, Gabel’s extensive study (1998) demonstrated how benefits of economic integration structure EU support. But it did not consider empirically the assumed political preconditions for interest-based appraisal. This study aims to help filling this particular gap. If

evaluations of national welfare state outputs affect EU attitudes, one wants to know which political actors and contexts are conducive to such mental links.

First, drawing on the policy appraisal model, the nature of *party conflict* may play a role. However, as detailed data on party messages in this respect are not readily available I present a more indirect way of tapping variation in how parties cue citizens. The hypothesis to be tested is that dissatisfaction will breed more EU mistrust in countries where the most eurosceptic parties tend to be the most welfare state-positive ones. The underlying assumption is that there are two ideological preconditions for parties to argue that integration hampers welfare states. One is that negative EU-welfare state cues should obviously be more frequently expressed by eurosceptic parties. Similarly, welfare state-supporting parties should be more likely to do so. However, it will hardly suffice that only one of these preconditions is fulfilled. The likelihood of such cues may only be really high among parties that are *simultaneously* EU-sceptic and welfare state-supporting. These are the parties that are likely to find such arguments particularly appealing, not just from an ideological standpoint, but also because their politicization sharpen the party's profile. By letting the public know that the party is concerned about negative effects of integration on national welfare states, it is increasing citizens' awareness of positions in two seemingly separate policy domains. This is advantageous as citizens, other things equal, are more likely to vote for a party whose positions they feel certain about (Alvarez 1997). Conversely, parties that are only either eurosceptic or welfare state supporting should be considerably less likely to provide negative EU-welfare state cues, as such cues would cast doubt on its position on either the welfare state or on integration.

The second contextual factor is related to the institutional nature of the welfare state. Specifically, citizens in welfare states with larger tax-financed benefit systems and public service sectors may perceive integration as a threat (see Gustavsson, Oxelheim and Wahl 2004; Ray 2004). At least three types of reasoning might produce this pattern. First, to the extent that tax competition pressures certain types of taxation downwards this may be perceived as a greater problem in large welfare states with above-average taxation and expenditure. Second, social tourism may be perceived as a potentially greater problem in welfare states with more generous social protection conditions. Third, the perceived impact of the stability and growth pact may well be greater where social spending comprises a larger share of state budgets. In particular, more generous social protection may generate greater fiscal fears in recessions and times of high unemployment.

## DATA, MEASUREMENT AND METHODOLOGY

The data come from the 2002 wave of the European Social Survey (ESS). It was conducted in 24 countries in and around Europe, 14 of which are analyzed here.<sup>1</sup> This data set fits our purposes better than other reasonably recent comparative surveys. Most crucially, it simultaneously contains a measure of EU trust *and* evaluations of welfare state- and public service-related performance. Specifically, the survey included two questions on how the respondent evaluated “the state of health services in [COUNTRY]” and the “state of education in [COUNTRY]” respectively, along scales ranging from 0 (extremely bad) to 10 (extremely good). These two variables are combined into an additive welfare state/public service dissatisfaction index, varying between 0 and 10 with higher values indicating more dissatisfaction.

This index is meant to tap a more general evaluation of how public services and welfare arrangements tend to perform generally in the national context, rather than using them as specific indicators of the quality in only these two types of services. The underlying assumption is that citizens tend to evaluate the public sector and the welfare state as an overarching phenomenon, and that they generally do not keep meticulous track of specific areas. Incoming information about the public sector tends to be incorporated into an overall “running tally” (Lodge and Stroh 1993) of how public schemes and programs generally tend to work.<sup>2</sup> One implication is that output evaluations of different policies tend to correlate. This is indeed the case for evaluations of education and health care ( $r=.51$ ). In further support of the index, a previous study investigated the association between the same measure and national-level attitudes and behaviour in Western Europe (Kumlin 2007). Its relationships with incumbent government support and welfare state attitudes vary across countries in expected ways depending on contexts and institutions. This suggests the dissatisfaction index has some criterion validity in a cross-country setting.

This study will focus on institutional trust as the dependent variable. Whether referring to “formal” or “informal” aspects of institutions, institutional trust is a key component in theories of regime performance and legitimacy, and is widely believed to matter for the survival and quality of democracy (e.g. Easton 1975; Norris 1999; Fuchs 2007). Empirically, past West European research suggests that national-level institutional trust is affected by policy appraisal evaluations in the macroeconomic (e.g. Huseby 2000) as well as in the welfare state domain (e.g. Kumlin 2007). In contrast, we know somewhat less about this particular relationship at the EU-level.

The best indicator of institutional trust in the ESS is an 11-point scale tapping “trust in the European parliament.” While the item is concerned with only one particular institution, we are interested in it by virtue of also tapping more general trust towards all major EU institutions. Fortunately, empirical validation using Eurobarometer data suggests this assumption is valid.<sup>3</sup> Trust in the European parliament correlates very strongly with trust in other salient EU institutions and should therefore function as an acceptable, rather than optimal, proxy for more generalized EU trust.<sup>4</sup>

It is important to note that trust in the current institutional order should not be automatically equated with all other forms of EU support. For example, expressing trust in the current institutional order is not necessarily the same thing as wanting more future integration, thinking that your country has benefited from past integration, or thinking that the EU membership is a generally good thing. Of course, EU trust and such other types of support are likely to be causally related: if one trusts EU institutions one may well become more likely to accept that one’s country is a member or that the EU’s competencies/geographical area should be enlarged. Eurobarometer data are well in line with such an assumption, but it is also clear that EU trust and other types of support do not overlap perfectly.<sup>5</sup> Hence, the findings of this study with respect to institutional trust should not be automatically generalized across all forms of EU support.

A crucial feature of the data is that individuals are clustered within countries. Individuals from the same country naturally share experiences that make them similar to each other, but different from other citizenries, both in terms of the dependent variable, and in terms of effects of independent variables. Multilevel models capture such context variation by letting the intercept and b-coefficients vary at the country-level. Specifically, one can obtain

estimates of country-level error terms allowing for country-specific deviations in the dependent variable and in b-coefficients of individual-level variables. Also, the method estimates how the dependent variable, and b-coefficients of individual-level variables, are in turn affected by country-level contextual variables such as the nature of the welfare state or party conflict (see Hox 2002; Steenbergen and Jones 2002).<sup>6</sup>

For several reasons, multilevel modelling is more suitable than standard regression for analyzing context-clustered data. A technical case in point is that standard regression tends to give biased standard errors for clustered data. Even more importantly, multilevel modelling simultaneously accommodates systematic contextual main effects and interactions, *together* with random error at the country level. Thus, the procedure gives a fuller and arguably more realistic account of contextual effects, and in turn less biased estimates.

## THE VARIABLE IMPACT OF PUBLIC SERVICE DISSATISFACTION

Table 1 shows results from two multilevel models of trust in the European parliament. The first model displays the impact of public service dissatisfaction together with a number of control variables. The most important observation here is in line with the policy appraisal model: even taking the control variables into account, discontent with national public service institutions is associated with less EU trust. More exactly, model 1 predicts that a leap from total satisfaction (0) to total dissatisfaction (10) reduces European trust by .90 along the 11-point dependent variable. With a standard deviation of about 2.4, it seems fair to say that the effect is rather decently-sized. This impression is sustained when comparing with coefficients for other independent variables that have been emphasized in the literature, such as education, government approval, and satisfaction with democracy.

[TABLE 1]

The second model controls for three “domestic shortcuts” of the type proposed by Anderson (1998). The first two of these are measured by 11-point survey items showing that approval of the national government (.03), as well as more positive views on the functioning of democracy in one’s country (.07), are positively associated with European trust. The third domestic variable measures the position taken on European integration by the party the respondent voted for in the last national election. The information comes from the 2002 Chapel Hill expert survey (Steenbergen and Marks 2007). It was provided by country experts, using a 7-point scale where 1 means the party leadership is strongly opposed to European integration and 7 that integration is strongly favored.<sup>7</sup> As expected, a more positive party position is associated with more EU trust on the part of the respondent (.09).

Model 2 also tests whether the association between dissatisfaction and EU trust is direct or indirect. Interestingly, most of the total impact in model 1 remains when approval of the national government, satisfaction with national democracy, and party positions are held constant. This supports the policy appraisal model, which claims that citizens link policy outcomes to the European level in a direct manner, independent of domestic shortcuts

However, the domestic shortcuts model is better at explaining the (rather weak) impact of economic evaluations. The effect of national economic evaluations in model 1 is entirely mediated by the three domestic variables. This means the data confirm Anderson’s (1998) conclusions in the economic realm. At the same time they suggest that a more direct (and stronger) impact of national-level evaluations is present in the public service domain.

The random parts of these multilevel models yield some interesting observations. As expected, there is significant country variation in intercepts; that is, countries differ in the level of European trust (standard deviation .93). Furthermore, there is significant country variation in welfare state dissatisfaction effects (standard deviation just over .03). Later analyses will test if this variation is due to the size of welfare states and the nature of party conflict.

A random intercepts-random coefficients model not only provides estimates of the overall variation in intercepts and regression coefficients. It also provides context-specific estimates of those parameters. Specifically, Table 2 shows estimates of the effect of dissatisfaction in the different countries.

[TABLE 2]

An impact of some substantive importance is found in most member states (model 1). Looking at model 2, one sees that this is true also controlling for domestic shortcuts. Thus, in most countries the main portion of the dissatisfaction effect is direct and is not reduced much when domestic political orientations are entered. Now, while there are significant effects in most countries it is equally important to note the large country differences. In countries such as the Netherlands, Luxemburg, Sweden, Finland and Belgium the predicted regression coefficients hover above -.10, effects that are clearly stronger than respected explanations for EU attitudes such as the positions or approval of the national government. In contrast, the predicted effects in Greece and Ireland are virtually zero. Other countries are found somewhere in between. This variation constitutes the challenge to which I now turn.

## WHY COUNTRY DIFFERENCES? THE ROLE OF INSTITUTIONS AND PARTY CONFLICT

Table 3 reports an extended multilevel model that introduces two macro variables at the country level. Crucially for our purposes, the model not only estimates the main impact of macro variables, but also lets them interact with the impact of public service dissatisfaction. I continue to control for the individual-level variables found in Table 1, including those measuring “domestic shortcuts.” Thus, what is explained here is country-variation in the *direct* impact of dissatisfaction on EU trust.

Looking first at the main effects of the macro variables, one notices a significant impact of social spending (-.16). This is consistent with past research suggesting that EU support is lower in larger welfare states. Here, an additional 10 percent of social spending/GDP is predicted to reduce EU trust by another 1.6 along the 11-point trust scale. Moreover, the social spending variable does a decent job in explaining the initial country variation in EU support (.56 here compared to around .90 in Table 1).

Moving to the cross-level interactions, one should first note that the estimated remaining standard deviation in dissatisfaction effects has now sunk from .036 in model 2 to a .012 here. In other words, two-thirds of the initial variation can be jointly accounted for by the two macro variables. In fact, it is no longer significant once the interactions are included. Specifically, the impact of welfare state dissatisfaction depends partly on the size of social spending (-.006). This coefficient means that an additional 10 percent of social spending/GDP is predicted to increase the negative effect of dissatisfaction on EU trust by another -.06.

Consistent with the hypothesis, then, dissatisfied citizens in larger welfare states appear to blame Europe to a larger extent.

[TABLE 3]

The second interaction term lets the impact of dissatisfaction vary depending on the nature of party conflict. For this measure, I used data from the Manifesto Research Project, which provides information on how much emphasis parties put on various policy areas in their election manifestoes (see Klingemann et al. 2006). Two measures were used that tap party welfare state positivism and EU-positivism respectively.<sup>8</sup> The correlation between these two measures was then calculated within each member state for the period 1992-2002 (Maastricht treaty until the year of the survey). In the calculation, manifestos were weighted according to election results, on the assumption that larger parties are more effective in communicating cues to the public. Univariate results for the two measures can be observed in table 4.

[Table 4]

The relationship between parties' EU positions and welfare state positions varies tremendously. However, in a majority of countries such as Sweden, Spain, Germany, and others, there is a tendency for more welfare state-positive parties to also to be more eurosceptic. In contrast, the pattern is reversed in Austria and the UK where more welfare state-positive parties have tended to be more euro-positive.

With this variation in mind, let us go back to table 3 and look at the coefficient of the second cross-level interaction term (.06). It shows that the more positive the correlation between

welfare state and EU support in a party system, the weaker the impact of dissatisfaction. Conversely, the tendency to blame Europe becomes stronger where the most welfare state-supporting parties were more eurosceptic. By example, a dissatisfaction effect of about .06 is predicted to vanish entirely when we move from, say, Swedish or Spanish party conflict to the UK situation. This finding, then, suggests the importance of how elite actors have interpreted integration. Even holding the institutional environment constant, the nature of party conflict appears to matter for EU-level effects of national dissatisfaction.

## CONCLUSIONS AND FUTURE CHALLENGES

Research on welfare state attitudes and EU attitudes respectively has usually been conducted separately from each other. Perhaps exactly for this reason, we do not yet have an optimal data set for testing the hypotheses outlined here. Thus, this study has been forced to use survey measures that are either proxies (i.e. the dependent variable) or cover a limited part of the conceptually interesting universe (i.e. public service/welfare state dissatisfaction). Of course, I have presented conceptual and empirical arguments for why these measures are nevertheless interesting. In addition, the fact that hypotheses are clearly supported lends some credibility—not only to hypotheses—but also to operationalisations. Nevertheless, there is room for future studies using other designs and measurement procedures.

Bearing such caveats in mind, the results suggest that dissatisfaction with public service performance fuels EU mistrust in many Western European countries. Moreover, unlike the claims of the domestic shortcut model, this effect does not seem to be an indirect by-product of dissatisfaction affecting domestic orientations, which in turn affect EU trust. Rather,

consistent with the policy appraisal model, dissatisfaction effects may be interpreted as evidence of more direct and conscious reasoning.

These findings—especially if confirmed in future studies—offer a step forward in the study of EU attitudes. Previous tests of the policy appraisal model have focused on more obvious *economic* implications of European integration. In contrast, these findings expand the relevance of the model in that Europeans—despite being notoriously uninformed on EU matters—seem to appraise also non-obvious, indirect, and disputed repercussions of integration. In fact, the results suggest that public service evaluations are more consequential *and* have more direct effects on EU trust, compared to economic evaluations.

I hasten to add, however, that there is great country variation in the actual strength of effects. What is more, both the nature of the welfare state as well as the pattern of party conflict seem to contribute to this variation. As for the former, effects are stronger in countries with more social spending. This may be explained by citizens in larger welfare states perceiving a downward pressure on taxes and spending as involving more radical change. In addition, citizens of generous welfare states may be more afraid of “social tourism” on the single market, and may perceive the stability and growth pact as a larger problem.

Political parties also appear to be instrumental in creating or disarming the dissatisfaction effect. Specifically, this paper has presented an early attempt to capture empirically the elite cues that are so fundamental to the policy appraisal model. Whereas previous studies have mainly *assumed* the existence of cues, our models have—with some success—included a proxy of country variation in cues. Specifically, the results support the assumption that

negative EU-welfare state cues are more likely to be spread by parties that are simultaneously pro-welfare state *and* eurosceptic.

While the results strengthen the suspicion that parties can shape EU appraisals, it tells us little about the *nature* of party cues themselves. Several interesting research tasks await here. For instance, do cues tend to touch on the common market, tax competition, the stability and growth pact, or “social tourism”? How does the balance between these topics vary across countries, actors, and time? A related avenue for future studies would be to consider how elaborated and well-founded elite cues are in different contexts.

Similarly, we need studies of the role played by knowledge and information in EU policy appraisal processes. As pointed out, citizens display poor levels of knowledge and interest on EU issues. At the same time they are apparently evaluating the EU on complex issues where social scientists are deeply divided. How does this combination of poor information and complexity affect the tendency to blame Europe for poor performance?

Here, a thought-provoking argument is made by Moravcsik and Sangiovanni (2003:130) who ask: “Is the European polity biased against the provision of social welfare, as Scharpf argues? There is no question, of course, that the constitutional order of the EU contains more explicit provisions and more permissive procedures for liberalization and deregulation than it does for common social welfare legislation or for the recognition of national social welfare systems.” However, the authors claim that a close examination shows that blaming European integration for unsatisfactory national performance is either plain wrong or, at the very least, that any pressure emanating from integration is redundant in view of exogenous constraints. But according to Moravcsik and Sangiovanni (2003:133), this is unlikely to be discovered by

citizens. Rather, “public attitudes may be based on questionable information or assumptions about cause and effect.” Here lies a formidable challenge for future research. Do highly informed Europeans react differently to perceived deficiencies in national welfare states? Would highly informed Europeans really blame Europe less for national welfare state performance?



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## TABLES

Table 1 Multilevel regression models of trust in the European parliament  
(unstandardized regression coefficients)

	<b>Model 1: Dissatisfaction + control variables</b>	<b>Model 2: Model 1 + domestic shortcuts</b>	
<b>FIXED PART</b>			
<b>Level 1 variables:</b>			
Public service dissatisfaction (0-10)	-.09***	-.07***	
State of country's economy (0-10)	-.03***	-.003	
Woman	.26***	.26***	
Age	-.01***	-.01***	
Education (1-7)	.01	.01	
Income	.00	.00	
General political trust (0-10)	.66***	.62***	
Approval of national government (0-10)	-	.03***	
Satisfaction with country's democracy (0-10)	-	.07***	
Position on European integration of party respondent voted for (1-7)	-	.09***	
Intercept	1.43***	.86***	
<b>RANDOM PART</b>			
Standard deviation of intercepts at level 2 (SD of $u_{0j}$ )	.93***	.92***	
Standard deviation of public service dissatisfaction slopes at level 2 (SD of $u_{welfare\,diss}$ )	.033***	.036***	
Residual standard deviation at level 1 (SD of $e_{ij}$ )	1.75***	1.75***	
-2loglikelihood	69238.8	69082.1	*p<.1

0 \*\* p<.05 \*\*\* p<.01

*Comment:* 17,453 respondents from 14 countries. Data from the 2002 European Social Survey. The analysis includes respondents from the EU15 countries, except France.

Table 2 The impact of public service dissatisfaction on trust in the European parliament (estimated predicted regression coefficients based on models 1 and 2 in Table 1)

	<b>Model 1:</b> Dissatisfaction + control variables	<b>Model 2:</b> Model 1 + domestic shortcuts
Sweden	-.13	-.11
The Netherlands	-.12	-.09
Luxemburg	-.12	-.10
Finland	-.12	-.10
Denmark	-.11	-.09
Belgium	-.10	-.08
Germany	-.08	-.06
Spain	-.08	-.06
Austria	-.08	-.06
UK	-.08	-.06
Italy	-.06	-.03
Portugal	-.06	-.03
Ireland	-.05	-.02
Greece	-.04	-.01

*Comment:* Data from the 2002 European Social Survey.

Table 3 Multilevel regression model of trust in the European parliament

(unstandardized regression coefficients)

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FIXED PART	
<b>Level 1 variables:</b>	
Public service dissatisfaction (0-10)	-.06***
State of country's economy (0-10)	-.004
Woman	.26***
Age	-.01***
Education (1-7)	.01
Income	-.001
General political trust (0-10)	.62***
Approval of national government (0-10)	.03***
Satisfaction with country's democracy (0-10)	.06***
Position on European integration for party that respondent voted for (1-7)	.09***
<b>Level 2 variables:</b>	
Social spending/GDP	-.16***
Correlation between pro-welfare and EU-support in party system (post-Maastricht)	.32
<b>Cross-level-interactions:</b>	
Public service dissatisfaction X Social spending/GDP	-.006***
Public service dissatisfaction X Correlation between pro-welfare and EU-support in party system (post-Maastricht)	.06**
Intercept	.92***
RANDOM PART	
Standard deviation of intercepts at level 2 (SD of $u_{0j}$ )	.56***
Standard deviation of public service dissatisfaction slopes at level 2 (SD of $u_{welfare\,diss}$ )	.012
Residual standard deviation at level 1 (SD of $e_{ij}$ )	1.75***
-2loglikelihood	65064.6

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\*p<.10 \*\* p<.05 \*\*\* p<.01

*Comment:* Data from the 2002 European Social Survey. Entries are unstandardized regression coefficients. The analysis builds on respondents from the EU15 countries, except France. The social spending data come from the OECD, and are country averages over the period 1990-99. See main text for more information about other independent variables.

Table 4 The correlation between support for European integration and the welfare state among parties' election manifestoes (Pearson's r)

Sweden	-.67
Spain	-.66
Germany	-.50
Portugal	-.50
Finland	-.45
Luxemburg	-.38
Ireland	-.24
Italy	-.14
Belgium	-.08
Netherlands	-.07
Denmark	-.03
Greece	.04
Austria	.23
UK	.31

*Comments:* Data come from the Manifesto Research Project data set (Klingemann et al. 2006). Election manifestoes have been weighted according to party size.

## ENDNOTES

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<sup>1</sup> The 2002 wave of ESS is used as this is the most recent year for which manifesto data are available. The analysis includes countries that were EU members at the time (EU15). France was excluded due to problematic deviations in the wording of public service questions.

<sup>2</sup> Two rather different veins of opinion research lend credibility to this assumption. First, studies on welfare state attitudes suggest citizens tend to think about the public sector and the welfare state as overarching phenomena. For instance, attitudes towards spending on health care and education tend to blend in a more general spending dimension (Kaase and Newton 1995). Second, economic voting studies—the one area in which there is plenty of research on performance evaluations—imply that citizens evaluate economic performance as an overarching phenomenon although, in reality, it consists of potentially diverse trends and aspects (see Kumlin 2007).

<sup>3</sup> To test the validity of the assumption, Eurobarometer data from 2002/EU15 were used to correlate trust in the parliament with trust in other salient EU institutions. The results confirmed that at the individual level, trust in the parliament correlates strongly with both trust in the Commission ( $r=.78$ ) and trust in the Council of Ministers ( $r=.69$ ). Similarly, aggregate distributions of these different types of trust variables tend change over time in a more or less identical fashion. The data were drawn from the “Mannheim Eurobarometer trend file” (see Schmitt et al. 2005) as distributed by The Central Archive for Empirical Social Research (ZA) in Cologne.

<sup>4</sup> The question was asked in a question battery with other trust items, for instance on “trust in politicians” and the “national parliament”. Hence, responses to the European parliament item may be coloured by respondents’ sense of general political trust rather

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than specific views on the European institution in question. The solution adopted throughout is to control for general political trust in order to try filtering out the portion of variation in the EUP item coloured by general orientations.

<sup>5</sup> Eurobarometer data from 2002/EU 15 show sizable, but not perfect, correlations between an additive three-item trust index (including Parliament, Commission, and Council of ministers) and classic general EU support items such as “membership good/bad thing” (.45), and “membership has been of benefit to country” (.40).

Interestingly, trust in the Parliament shows slightly stronger correlations with these other items compared to trust in the Commission and the Council of Ministers (although the differences are very small).

<sup>6</sup> The multilevel models were estimated using STATA’s xtmixed command using the “unstructured” variance-covariance matrix option.

<sup>7</sup> Individuals who did not vote, or supported a party for which Chapel Hill provides no data, were assigned the country mean weighted by party size. Analyses that include only those who supported a party for which there is data do not change estimates.

Finally, 1999 Chapel Hill values were imputed in the few cases where 2002 information was not available.

<sup>8</sup> The EU support variable subtracts the proportion of EU negative “quasi-sentences” in the manifestoes from the proportion of EU positive ones. The welfare state support scale adds the proportion of quasi-sentences dealing with “social justice” (i.e. the concept of equality, special protection for underprivileged, removal of class barriers, need for fair distribution of resources, etc.), and the proportion of quasi-sentences addressing “welfare state expansion” (see Klingemann et al. 2006).