Today's Challenges for the Modern Welfare State: A European Perspective

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Chapter 1

Introduction

> "You cannot simultaneously have free
> immigration and a welfare state."
>
> Milton Friedman (1999)

In my cumulative dissertation, I investigate how identity and migration shape solidarity as the central condition under which modern welfare states remain resilient. It ties in with a long-standing concern—encapsulated in Friedman's well-known assertion above—that generous social protection may become unsustainable in the presence of large-scale immigration. Although originally referring to, selective migration and fiscal externalities in the United States, this claim has acquired broader attention in general comparative political economy. It is frequently invoked by policymakers and scholars alike to argue that welfare states depend on a bounded community of mutual obligation, and that expanding this community through immigration may strain the solidarity on which redistribution is believed to ultimately rest—a proposition that has received mixed empirical support so far.

The question of whether Milton Friedman is right or wrong in regard to Europe will be significant for evaluating the modern European welfare state, as it has direct implications for its policy design. At its core lies the question of whether citizens are willing to support redistribution when a lot of beneficiaries differ from them in ethnicity, social background, or national belonging.

The rising ethnic diversity across Europe caused by immigration has brought forward concerns that thereby increased heterogeneity erodes solidarity. On top of this, the European Union has expanded its role as a potential future protagonist of redistributive policy, raising the question of whether solidarity can extend across borders and under which conditions this may take place. Alesina et al. (2001) argued that the United States have comparatively limited redistribution

because of their high levels of ethnic diversity, whereas European countries have historically been characterized by greater ethnic homogeneity alongside more extensive welfare states. Building on this observation, Goodhart (2004) introduced the label of "The Progressive's Dilemma", which shall capture the concern that increasing ethnic heterogeneity may be associated with weaker public support for redistribution, thereby potentially constraining the political sustainability of generous welfare states in diverse societies.

The questions raised by welfare chauvinism and the Progressive's Dilemma have since been widely debated in the literature, producing a substantial interdisciplinary body of work (Crepaz, 2022). Nearly two decades later, also Alesina et al. (2021) present further evidence consistent with this perspective, showing that native respondents in Europe tend to express lower support for redistribution in regions with higher immigration rates.

Recent developments in Europe—including increased cross-national mobility made possible by free movement within the European Union, as well as periods of strong asylum and labor migration—have heightened the relevance of the Progressive's Dilemma. These developments necessitate closer examination of whether, and under what conditions, ethnic diversity and migration are associated with variation in solidarity and with that support for redistribution in current European welfare states. This dissertation investigates these questions in three empirical papers drawing on data from the European Social Survey (ESS), an extension test of Rueda's (2018) study, a difference-in-differences design to identify causal effects of the Progressive's Dilemma, and regression analyses of support for a cross-national EU welfare benefit scheme.

Therefore, it combines three stand-alone papers studying redistribution attitudes in the European context, each focusing on a distinct aspect of the "Progressive's Dilemma". The key finding is that redistribution attitudes arise not only from material self-interest, but also from how they are conditioned by ethnic diversity—captured through immigration stocks and migration shocks—and by national identity in the context of cross-national welfare redistribution. All essays start with the classical political economy expectation that material self-interest shapes attitudes towards redistribution. This expectation is based on the Romer–Meltzer–Richard framework (Romer, 1975; Meltzer and Richard, 1981), which models redistributive preferences as a function of individuals' positions in the income distribution. In this view, voters below the mean income should favor higher levels of redistribution, while those above the mean should oppose it, so greater inequality should, in principle, generate stronger demands for redistribution. Individuals with lower relative incomes are more supportive of taxation and welfare transfers than

those with higher incomes. Yet self-interest alone does not fully account for variation in individuals' redistribution preferences. Heterogeneity—in the form of ethnic, national, or cultural differences—has been hypothesized to weaken solidarity, either by reducing reciprocity or by activating out-of-group boundaries.

The scope of redistribution further matters as national welfare states enjoy long-established legitimacy, while cross-border redistributions (e.g. at the European level) raise new concerns about their interactions and consequences for national social policies.

Overview of the Contributions

Understanding redistribution preferences in diverse societies is central to current debates on the European welfare state, yet empirical evidence remains incomplete. This dissertation contributes new evidence towards closing this gap.

All three papers build on the, large-scale comparative dataset of the ESS. It provides repeated cross-sections of individuals' attitudes, socio-economic status, and political values across European countries since 2002. In the first two papers OECD and Eurostat statistics are used to measure immigration. In addition asylum inflows are tracked by means of data from the European Observation Network for Territorial Development and Cohesion (ESPON) in the second paper. In the third paper detailed household income information from the European Union Statistics on Income and Living Conditions (EU-SILC) is used to enable a microsimulation of transfers required to eliminate poverty under a EU-wide Social Benefit Scheme. Combined, these data allow for both the replication of earlier findings (as in the first paper) and the development of new identification strategies (as in the second and third papers). Across the three studies, three consistent findings emerge. First, material self-interest remains stable over the three research papers: higher income is in general associated with less support for redistribution. Second, the Progressive's Dilemma is not robust across time or space as the effect of heterogeneity is context-sensitive. Thus, short-run refugee inflows do not automatically undermine solidarity. In contrast, support for redistribution declines in regions less exposed to refugee inflows after 2015, while remaining largely unchanged in regions hosting large numbers of refugees, a robust pattern that runs counter to the Progressive's Dilemma hypothesis.

Third, when redistribution is scaled to the European level, support depends crucially on inci-

dence: individuals in net payer countries, and those who fear lower domestic benefits from EU social policies, are less supportive.

Generally, these results suggest that while self-interest is a stable driver, diversity and ethnic heterogeneity are far more complex and indeed context-dependent. This dissertation contributes to the literature in three ways. First, it demonstrates the importance of replication and extension tests that vary along temporal, spatial, and measurement dimensions. The current literature should consider how its empirical basis evolves over time and space. Also, the second paper provides new causal evidence on how asylum inflows shape redistribution preferences by exploiting the so-called "asylum crisis" as a natural experiment that generated exogenous variation in regional ethnic heterogeneity rates. Third, it highlights the role of fiscal incidence in shaping support for cross-national redistribution schemes. Taken together, these contributions advance our understanding of how solidarity, self-interest, and ethnic heterogeneity interact in modern European welfare states.

The first paper features an *extension test* of David Rueda's (2018) study *"Food Comes First, Then Morals: Redistribution Preferences, Parochial Altruism, and Immigration in Western Europe"*. It analyzes how household size, an extended time horizon, and the inclusion of Eastern European countries affect the original findings. Building on these results, the second essay—joint work with Jakob Schäuble and Jörg Althammer—exploits the European refugee crisis of 2015/16 as a quasi-natural experiment to study the causal effects of increased ethnic heterogeneity on natives' willingness to support welfare programs. The third essay analyzes how support for a European-wide minimum income scheme differs between individuals living in net payer versus net recipient countries. For an overview of the structure of this dissertation, see Table 1.

The following summary provides a brief overview of the research questions, methodologies, and main findings of each essay. All essays are based on stand-alone research papers that are included below in their current form.

Table 1.1: Technical details on the three essays. This table names authors, individual contributions, presentations at conferences presented by Martin Mehl, and a project timeline for each essay.

Title	**'Food Comes First, Then Morals' Revisited**	**Forced Migration and the Welfare State**	**Public Support for a European Union-wide Social Benefit Scheme**
Authors	**Martin Mehl**	**Jakob Schäuble** **Martin Mehl** **Jörg Althammer**	**Martin Mehl**
Conferences presented by Martin Mehl		SOLIOS 2022 in Ingolstadt, ESPAnet 2021 at KU Leuven (Online)	ESPAnet 2024 in Tampere, the European Social Citizenship Conference in Amsterdam 2024, and the FRIBIS Annual Conference 2023 in Freiburg
Contribution	Single-authored.	It is joint work with Jakob Schäuble and Jörg Althammer. Jakob Schäuble designed the original idea, which was then jointly developed and pre-tested with Martin Mehl. To date, Martin Mehl performed the main data work and analysis. Jakob Schäuble and Martin Mehl wrote a first draft. The interpretation of results and final draft was written in equal parts by all three authors.	Single-authored.
Project timeline	First pre-tests started in Autumn 2021. The first draft of the paper was completed in August 2025.	The first draft of the paper was finished in August 2022. It is currently under review in the *European Journal of Political Economy* in a updated version.	The project began in the summer of 2023 and was completed in the spring of 2025 during a visiting scholarship with Caroline de la Porte at Copenhagen Business School (CBS).

Summary of the Contributions

Paper I — 'Food Comes First, Then Morals' Revisited

The first paper revisits David Rueda's claim that income conditions redistribution preferences depending on foreign-born presence. While replicating his original analysis, I also extend it in three respects. (I) Using equivalized household income position instead of raw income position, (II) The inclusion of later waves of the European Social Survey up to 2018, and (III) Extending coverage to Central and Eastern European countries.

Following Rueda, the dependent variable measures support for government-led income redistribution and is based on the ESS question asking whether the government should take measures to reduce differences in income levels.[1]. As in Rueda, I conduct logit models with country-level random intercepts using maximum likelihood and report the results as odds ratios. The replication shows that the main interaction effect between income and the foreign-born population is robust when using equivalized household income, but loses statistical significance when ESS waves from 2014 to 2018 are included.

When Central and Eastern European countries as well as the additional ESS waves are included, the interaction effect between equivalized income distance and the foreign-born population reverses sign and exhibits a small but statistically significant positive effect on redistribution preferences. The key takeaway is that the relationship identified by Rueda is not stable over time. While the interaction between income and the foreign-born population is robust in ESS waves up to 2012, it weakens and changes sign thereafter. A plausible interpretation is that the composition of the foreign-born population changed after 2012: whereas earlier variation primarily reflected labor migration, later waves incorporate a substantial and largely unanticipated increase in asylum-related migration. This shift may have altered the meaning of the foreign-born share as a proxy for ethnic heterogeneity, thereby changing its relationship with redistribution preferences.

[1] Respondents indicate whether they strongly agree, agree, neither agree nor disagree, disagree, or strongly disagree with the statement: "The government should take measures to reduce differences in income levels."

Paper II — Forced Migration and the Welfare State

This paper examines the impact of asylum-related migration on support for redistributive policies using a difference-in-differences approach. The analysis combines redistribution preferences with regional information on asylum inflows, yielding a novel dataset.
By providing this new empirical evidence, this study contributes directly to ongoing migration debates central to the research around the Progressive's Dilemma. It constructs regional exposure to asylum inflows using Eurostat and ESPON data which enables us to differentiate between regions that hosted a vast number of refugees from those largely unaffected by the asylum crisis. The Progressive's Dilemma general view is that increased ethnic heterogeneity lowers the willingness to support redistributive policies, thus undermining the foundations for an advanced welfare state (Alesina and Tabellini, 2024). Contrary to expectations, our results show a decline in the preferences for redistribution in the control group, whereas preferences in the treatment group were largely unaffected by immigration. This result, which proves to be robust with respect to various modifications, runs counter to the argument of the Progressive's Dilemma and sheds new light on the migration/solidarity linkage.

Paper III — Public Support for a European Union-wide Social Benefit Scheme: A European Comparison

The third paper turns to the supranational level by analyzing EU citizens' attitudes toward a European-wide Social Benefit Scheme, which implies redistribution from richer to poorer EU member states. Combining survey data from the European Social Survey with EU-SILC microsimulations, the paper identifies which countries would be net payers or net recipients under a poverty-gap-closing redistribution programme. The analysis shows that individuals in net payer countries as well as those expecting EU-level policymaking to reduce national benefits, are significantly less supportive of such a scheme. These findings highlight the central role of perceived incidence in shaping support for transnational redistribution.

Abstracts

Paper I — 'Food Comes First, Then Morals' Revisited.

This paper replicates and extends Rueda's work on redistribution preferences, altruism, and immigration. (I) I show that his results are robust while accounting for household size through equivalized income. And (II) that extending the analysis from 2012 to 2018 removes the significance of the interaction effect between income and the share of foreign-born residents in Western Europe. Including Eastern European countries further reverses the sign of this interaction: richer individuals in more diverse societies become even more likely to support redistribution, which contrasts Rueda's original finding. The negative effect of income on redistribution preferences (Romer–Meltzer–Richard logic) remains stable across all specifications. These results suggest that the conditional role of parochial altruism also depends on the countries and their zeitgeist, at least when considering foreign-born population rates as an indicator of heterogeneity.

JEL classification: J15, R20, I38

Keywords: Redistribution preferences, Ethnic heterogeneity, Welfare state chauvinism, Parochial altruism, Replication study

Paper II — Forced Migration and the Welfare State

The impact of ethnic heterogeneity on distributive preferences is still a contested issue, both on theoretical and empirical levels. This paper sheds new light on this problem by analyzing the causality between immigration from countries with a different cultural heritage and the native population's preference for redistribution using a difference-in-difference approach. We use the so-called European refugee crisis of the years 2015/2016 as a natural experiment to analyze whether the strong influx of asylum seekers weakened natives' support for distributive measures. We use the fact that European regions are exposed to different degrees of migration inflows. Our results show that individuals living in regions that attracted many asylum seekers maintained their initial preference for redistribution, whereas those affected to a lesser degree by migration reduced their willingness to support public measures. This result is stable for different specifications. Contrary to the Progressive's Dilemma hypothesis, we conclude that ethnic heterogeneity per se does not put the European-style welfare state into question.

JEL Codes: J15, R23, I38

Keywords: Redistribution preferences, Ethnic heterogeneity, Welfare state chauvinism, Solidarity, European asylum crisis

Paper III — Public Support for a European Union-wide Social Benefit Scheme: A European Comparison

Who supports European Social Policies? This paper critically evaluates the public attitude of establishing a European Union-wide Social Benefit Scheme. The first part centers around the analysis of the 2016 European Social Survey (ESS), which includes the question for supportiveness for a European welfare mechanism. This mechanism is set out to guarantee a minimum standard of living in the EU financed by transfer payments of its member states. The second part then combines these findings with microsimulations of EU-SILC data to estimate the level of funding needed for implementing such a scheme. I identify the financially most vulnerable households within the EU as well as countries becoming net contributor or net recipient under such a European welfare mechanism. This paper provides nuanced insights into the complex interplay between individual household characteristics, their support for a EU-wide Social Benefit Scheme, their expectations of national contributions, and the actual national contributions of the household's home country. I test this model empirically by applying multiple regressions that show living in a net contributor nation comes with (1) a weaker support for European transfers and (2) the expectation that a European welfare state would lead to a lower social benefit level in their home country. Individual household characteristics such as income, gender, age, marital status, having children, life satisfaction, and economical satisfaction as well as education go as expected. Therefore, this study investigates public perceptions surrounding a common European welfare state. By examining both survey data and microsimulations, we offer nuanced insights into individual and national factors influencing support for such a policy, providing valuable perspectives for the understanding of public sentiment in the European context.

JEL Codes: J18, H53, I38

Keywords: European social policy, Redistribution preferences, Public opinion, Cross-national transfers, Welfare state support

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Chapter 2

'Food Comes First, Then Morals' Revisited

2.1 Introduction

Understanding the determinants of redistribution preferences is a longstanding concern in welfare attitude research. In a highly regarded study, Rueda concludes that income levels and the presence of foreign-born individuals in one's environment jointly shape attitudes toward redistribution. Specifically, Rueda suggests that higher-income individuals exhibit stronger opposition to redistribution and that they do so even more when they reside in areas with a higher proportion of foreign-borns. His study underscores the role of parochial altruism - a combination of in-group favoritism and out-group hostility - as a key mechanism for shaping these preferences and highlights the importance of considering identity-based dynamics in economic policy attitudes.

However, the underlying driver of heterogeneity as the crucial factor for limiting the support for redistribution remains controversial. In 2022, Breznau et al. coordinated 73 research teams testing the hypothesis "that immigration reduces support for social policies among the public" (2022, p.2). Although all 73 research teams worked with the same set of data from the International Social Survey Program (ISSP) their results were very ambiguous as 25.4% of the 1,253 combined models used across the teams showed negative marginal effects, 16.9% positive and 57.7% no effect at all. This large variability in study results underscores the importance of further research in this field. The authors refer to the different methodological decisions made within their research process as an explanation. David Rueda published a comprehensive replication code and dataset of his paper, which help trace back his individual decision points on which model and variables he used. In an additional appendix file, he provided 17 additional models

for further robustness that add several control variables and also confirm his main effects.

Following Clemens (2017), I further examine the robustness of Rueda's results by conducting an *extension test* that applies the same methodological framework and type of survey data. Specifically, I modify the income variable to account for household size, reassess his findings by using more recent data, and broaden the sample to include Eastern European countries that were not part of his original study. The careful evaluation and transparent communication of research reliability are fundamental components of the scientific process. Replication studies play a central role in assessing the robustness and credibility of empirical results. With the increasing availability of longitudinal survey data, it becomes essential to test whether earlier findings persist over extended periods and under alternative methodological specifications.

In detail, I refine the measurement of economic well-being **(I)** by incorporating household size into the calculation of equivalized income, thereby yielding a more accurate indicator of households' economic position than the non-equivalized measure used in the original study. While Rueda's study was restricted to the period from 2002 (Round 1) to 2012 (Round 6) I extend the temporal scope of the analysis **(II)** by incorporating the data of the European Social Survey (ESS) up to 2018 (Round 9), the last round completed prior to the COVID-19 pandemic. Finally, I broaden the country sample **(III)** to include Eastern European states, which Rueda excluded from his analysis. He argued that the legacy of the Iron Curtain and the relatively young welfare states in Eastern Europe rendered them historically and institutionally incomparable to their Western European counterparts. Yet, nearly thirty-five years after the collapse of the Eastern Bloc and more than two decades of EU membership for Eastern European countries, their inclusion appears both feasible and analytically warranted, provided that relevant survey data is available.

Our findings based on later data and an extended country sample do not confirm the strong interaction effect emphasized by Rueda—namely, that altruism among the rich is conditioned by the perceived homogeneity of the recipients of redistribution. While his results remain robust when household size is accounted for, the main interaction between income distance and the share of the foreign-born population loses significance with the inclusion of ESS Rounds 7, 8, and 9. Moreover, when both Eastern European countries and the more recent waves are added, the correlation turns from negative to significantly positive. These findings underscore the importance of replication and robustness testing: they show that Rueda's conclusions remain solid for the original period and scope of analysis, but their generalizability is rather limited . As of

yet I do not know why the pattern fails to hold in later years, but I will return to this issue in the discussion section. In the following sections I will first review the current state of the literature on the relationship between heterogeneity and redistribution and outline Rueda's work as a key theoretical contribution to this debate. I will then explain how our data and methodological approach further develop Rueda's framework, present the empirical results, and discuss their implications for the broader discussion on the heterogeneity–redistribution nexus. Our aim is not only to reassess the robustness of Rueda's influential contribution but also to strengthen the cumulative knowledge base on how economic inequality and the migration context shape preferences for redistribution.

2.2 Heterogeneity and Redistribution

Over the past decades rising levels of immigration and growing cultural diversity in Western democracies have made the relationship between heterogeneity and redistribution an intensively debated topic in comparative political economy.

The central question is whether ethnic and cultural diversity erodes support for redistribution and thus limits the size and generosity of modern welfare states. According to Alesina and Glaeser, differences in racial and ethnic diversity help explain why the United States has developed a comparatively limited welfare state, while Western European states have maintained more encompassing systems (Alesina, Glaeser, and Sacerdote, 2001; Alesina and Glaeser, 2004). Their argument, often described as the *Progressive's Dilemma* (Goodhart, 2004), emphasizes that redistribution preferences (as a proxy of the willingness to share) depend on solidarity or altruism, which in turn conflicts with more heterogeneous societies. Rueda is referring to this with the terms of "in-group solidarity" or "parochial altruism". When a society becomes more diverse, individuals may perceive welfare recipients not as fellow citizens but as recipients that belong to an out-group, which reduces their general willingness to support redistributive policies. In this framework, heterogeneity erodes solidarity as the foundation of redistribution. Subsequent research has produced a wide range of empirical evidence on this relationship. Dahlberg et al. (2012), using exogenous refugee placement across Swedish municipalities, find that increased immigrant shares reduce support for redistribution, particularly among high-income respondents. Finseraas (2008) also reports results in line with the Progressive's Dilemma, but emphasizes a different mechanism: immigration may increase individuals' perceived risk of income loss, especially due to more pressure in the labor market. At the same time, other contributions find weaker or even opposite patterns: Brady and Finnigan (2014), for example, show that immigration can, under certain conditions, even increase support for social policies.[1]

Rueda (2018) contributes to this debate by linking material self-interest and altruism in explaining redistribution preferences, showing empirically that altruism is conditional on ethnic homogeneity. First, he argues that material self-interest (Romer–Meltzer–Richard logic) remains fundamental: even after accounting for other factors, the (relatively) poor show the highest likelihood of supporting redistribution (77%). But climbing up on the income ladder would "dramatically" decrease support for redistribution (at the 99th percentile its only 56% who support

[1] For a comprehensive review on this topic, see (Crepaz, 2022)

redistribution). However, the interaction with population heterogeneity gives a more nuanced picture. Higher levels of population heterogeneity are linked to less support for redistribution among both low- and high-income earners. However, the gap between high and low heterogeneity contexts widens with income. This pattern indicates that the effect of heterogeneity is primarily driven by the attitudes of the rich.

Rueda and Stegmueller further develop this argument in their monograph "Who wants What?" (2019), where they extend the core claims advanced in Rueda (2018) and emphasize that their basic intuition about redistribution preferences—namely, that they are primarily shaped by whether individuals are rich or poor—must be complemented by additional factors. They confirm Rueda's central result that altruism among higher-income groups is conditional on ethnic homogeneity, while also examining the mechanism under different externalities of inequality, incorporating expectations about future incomes, and drawing on additional datasets. According to their work, altruism operates conditionally, exerting the greatest influence among higher-income groups. Since solidarity is grounded in ethnic homogeneity, such altruism is inherently parochial rather than universal—hence the notion that "food comes first, then morals."

Using ESS data from 2002 to 2012 Rueda shows that the interaction between income distance and the share of foreign-born residents significantly shapes redistribution preferences, providing evidence that altruism is bounded by ethnic homogeneity. His study thus links the Progressive's Dilemma to a more refined mechanism in which altruistic concerns complement but do not replace material self-interest.

The relevance of this argument has only increased in recent years. European societies have experienced further increases in immigration and ethnic diversity. Given these developments, it is essential to revisit Rueda's claims with newer data and a broader scope. As earlier discussed, Breznau et al. (2022) showed how important the replication and extension of studies remains. They are crucial not only to test robustness but also to advance our understanding of how heterogeneity and redistribution interact in modern European welfare states.

2.3 Data and Methodology

Data

As in Rueda (2018), I use the European Social Survey (ESS) as our primary data source. The ESS delivers a high quality quasi-panel and one of the largest cross-country samples over time for European countries. I employ ESS data up to the 2018 wave, the last round conducted before the COVID-19 pandemic. The ESS has maintained stable wording for the redistribution-preference item and its associated covariates in all waves from 2012 onward. This consistency makes it possible to extend the original analysis to more recent data. I therefore use the redistribution item as the dependent variable and keep the standard controls—age, gender, education, religion, union membership, and employment class. Following Rueda, I restricted the sample to respondents who are not foreign-born and were more than 18 years old at the date of questioning.

Household income

Rueda decided to use ESS data over ISSP because they include "reliable" information on household income. When adding later ESS rounds, I updated the income variable and complemented it for the additional countries. Following Rueda (2018), I calculate income distance as the absolute difference between a respondent's household income and the mean household income of their country-year. In the ESS, household income is not reported as a continuous value but in ordered income categories: in waves 2002–2006 these correspond to twelve income categories, whereas from 2008 onwards they represent ten country- and wave-specific income deciles. To approximate a continuous income measure for each respondent, I follow Rueda and assign to every income category the midpoint of its interval in the respective country-year[2]. This midpoint is used as an estimate of the respondent's household income, from which I compute income distance as its deviation from the country-year mean income. A positive value indicates that a respondent's estimated income lies above the national mean, whereas a negative value reflects an income position below the mean. Rueda transformed these income values in PPP-adjusted 2010

[2]The treatment of the open-ended top income category follows the procedure described in Rueda (2018). Because this category has no upper bound and cannot be assigned a conventional midpoint, Rueda extrapolates a midpoint based on the midpoint of the next-to-last category and the relative frequencies of the top two categories, using the method proposed by Hout (2004). I adopt the same approach here.

US dollars using the 2010 Consumer Price Index (CPI) to ensure cross-national comparability. I updated the reference year to PPP-adjusted 2017 US dollars and applied the 2015 Consumer Price Index (CPI) instead of the 2010 CPI. This adjustment made the income values of more recent years included in our study comparable with Rueda's set of data.

Another methodological difference from Rueda (2018) concerns the treatment of household income. Whereas Rueda used unadjusted household income, I compute an equivalized measure that adjusts for household size using the OECD-modified equivalence scale. This adjustment accounts for economies of scale in household consumption as well as age-related differences in consumption needs, thereby improving the comparability of living standards across households and countries. To ensure an exact replication, I employ unadjusted income only for the period covered in Rueda (2018) (2002–2012). For all subsequent analyses, I rely on equivalized income to capture household-level economic well-being more accurately and to test whether accounting for household size affects the correlation between income, heterogeneity, and redistribution preferences. Notably, the original study by Rueda (2018) did not implement this adjustment, despite the availability of household size data in the ESS. This omission might limit the comparability and precision in Rueda's results, particularly when comparing across countries with varying household compositions. To assess the impact of household-size adjustments, I begin with a full replication of Rueda (2018) based on unadjusted income in Model (I) (Table A1) and subsequently re-run the models using equivalized income from Model IIa on A2. This comparison allows us to identify potential differences in results attributable to the equivalization of income positions.

Central and Eastern Europe

Theoretically, Rueda argues that redistribution operates in fundamentally different ways in Western and Eastern Europe. Drawing on Ferge (2001), he maintains that the "essence" of the European welfare model is largely absent in postcommunist systems, while Whitefield (2002) highlights higher electoral volatility and weaker partisan attachments in the region—factors that might complicate the link between redistribution preferences, immigration, and voting behavior. These concerns were reasonable in the immediate post-transition period and reflected the theoretical expectations at the time. Rueda (2018) excludes Eastern European countries on empirical and theoretical grounds. Empirically, comprehensive ESS and OECD data for Central and Eastern Europe were not available for the period he analyzed (2002–2012), which limited

the construction of key macro-level variables. Theoretically, Rueda argues that redistribution in Western and Eastern Europe is "quite distinct," drawing on Ferge (2001), which contends that the "essence" of the European welfare model is absent in postcommunist systems, and on Whitefield (2002), highlighting the greater electoral volatility and weaker partisan attachments in Eastern Europe. These concerns reflected real challenges in the immediate post-transition period, but in this paper I argue that their relevance has declined over time. Moreover Ferge used the term "ill-fare states" primarily to describe Russia, Armenia, Belarus, and Albania, but presents a much more nuanced picture for the later EU member states of Central and Eastern Europe (CEE), even three years before the EU's eastward enlargement in 2004. Fenger (2007) characterizes Central and Eastern European (CEE) welfare states as marked by comparatively lower levels of social trust, weaker welfare programes, and an overall less favorable social situation than in their Western counterparts. At the same time, he also stresses that their continued analysis is essential, since institutional convergence may bring them closer to traditional Western welfare states sooner than expected.

In her earlier work, Kuitto (2016) conceptualized the CEE welfare model as an "emergency welfare state," identifying it as a distinct regime type typical of middle-income countries (pp. 183–184). This characterization reflected the structural constraints of welfare development in the immediate post-transition period. However, in a more recent study, Kuitto (2018) used indicators of welfare state generosity—such as unemployment benefits, sickness insurance, standard old-age pensions, and minimum pensions—and found that the overall generosity of income-replacing schemes in CEE countries is no longer substantially lower than in other OECD countries (p. 221). This temporal shift underscores that welfare regimes in the region have evolved substantially, challenging earlier views that portrayed them as fundamentally distinct from Western models. Both Fenger's call for continuous analysis and Kuitto's findings on convergence suggest that treating them as entirely separate from Western welfare states risks underestimating their increasing comparability. In addition to the theoretical arguments, recent advances in data availability (e.g., macro control variables for social spending and the foreign-born rate) have also substantially reduced the empirical obstacles that previously justified their exclusion. In short, both of Rueda's original reasons—the theoretical distinctiveness of postcommunist welfare systems and the empirical limitations of data—were convincing at the time, but have since eroded. Given the substantial institutional convergence of CEE welfare states and the improved empirical foundations, the inclusion of Eastern Europe in comparative analyses of welfare states and

redistribution preferences becomes both possible and analytically necessary. I therefore include Central and Eastern European countries in my analysis to account for this broader empirical scope. To ensure comparability with Rueda (2018), I first replicate his study using only Western European countries and subsequently extend the sample to include Eastern Europe. This stepwise approach allows us to evaluate whether the inclusion of these countries alters the main results.

Country selection and choice of time frame

Consistent with Rueda's focus on within-country temporal change, I adopt the same proportional criterion he applied. Rueda required countries to appear in at least two of the six waves he analyzed (i.e., one-third of the available waves). Applying the identical one-third rule to my extended dataset of nine waves, I therefore restrict the sample to countries with data in at least three waves. Since our analysis extends the dataset to nine waves rather than six, I am able to broaden the empirical scope from Rueda's original 14 countries (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, the Netherlands, Norway, Portugal, Spain, Sweden, and the United Kingdom) to 22 countries by additionally including the CEE[3] countries, Italy and Iceland. Therefore, besides the Eastern European countries, I am also able to consider Italy and Iceland. I do not limit our country selection to European Union members. However, all countries included in the analysis are part of the European Economic Area (EEA).[4]

Macroeconomic Variables

In addition to the ESS microdata, Rueda (2018) incorporated two macro-level variables in his analysis. The first is total social spending as a share of GDP, used to account for the existing level of redistribution.[5] The main variable of interest is the foreign-born population rate, which serves as a proxy for population heterogeneity. According to the OECD definition,[6] the foreign-born population comprises all individuals whose country of birth differs from their country of current residence, regardless of their citizenship status. This includes persons born abroad who

[3] namely Czech Republic, Estonia, Hungary, Lithuania, Poland and Slovenia

[4] Since Brexit occurred in 2020 and our analysis covers the period up to 2018, the United Kingdom is considered an EU and with that an EEA member throughout.

[5] See `https://www.oecd.org/en/data/indicators/social-spending.html`.

[6] See `https://data.oecd.org/migration/foreign-born-population.htm`.

are nationals of their country of residence (e.g., by descent). The use of the foreign-born population rate as a proxy for population heterogeneity has been subject to criticism. Steele et al. (2022) summarizes several limitations of this measure. On the one hand, foreign-born population can be a highly imperfect indicator of actual societal diversity, as it fails to account for the cultural proximity or distance between migrants and the native population, especially on a national level. Moreover, this measure does not take migration background into account at all. On the other hand, the numbers alone say little about how immigration is "perceived and experienced" (Steele et al., 2022, p. 55).

Kulin et al. (2016) show that immigration levels alone do not explain anti-immigrant or anti-welfare attitudes. In addition to the foreign-born rate, they also distinguished more precisely between places of birth (e.g., non-EU countries and low-development countries outside Europe) and examined how using measures of migration flows rather than stocks affects the relationship between redistribution and immigration. They conclude that "there is more than one way of understanding the immigration-welfare nexus" and that this is multi-dependent on how immigration is perceived which differs between societies. Alesina, Glaeser, and Sacerdote (2001, p. 29) identified in the U.S. that race is the most significant indicator for group identification, while "national origin and religion appear as much less important". Each of these measures highlights a different dimension of heterogeneity—structural, migratory or attitudinal—but for the sake of strict comparability, I adopt the foreign-born population rate as used by Rueda. While this measure cannot capture all dimensions of immigration and ethnic diversity, it provides a consistent and objective macro-level indicator that is widely available and comparable across countries and years. The primary source of the foreign born rate is OECD, while Eurostat data—based on an equivalent definition—are used to fill occasional gaps in country-year coverage. This approach ensures consistent measurement of population heterogeneity across countries and survey waves, while improving data completeness relative to the original study. In Rueda (2018), missing data on the foreign-born population rate were addressed in two ways: for Portugal, the 2011 value was used to replace the missing observation for 2012, and for Greece, the share of residents with foreign nationality was used as a proxy because information by country of birth was unavailable. Our combined OECD–Eurostat dataset provides broader coverage across countries and years, thereby improving comparability in later survey waves. Nonetheless, some gaps remain: data on the foreign-born rate are unavailable for Poland and the Czech Republic between 2002 and 2010

and for Estonia between 2004 and 2008.[7]

The levels of foreign-born population are indeed very different between European countries, especially since the so-called refugee crisis in 2015. While Rueda (2018, p. 232) reported that foreign-born populations increased "dramatically" in Spain and Ireland between 2002 and 2012, he also spoke from "much more muted growth in Germany".[8]

The so-called European asylum crisis subsequently altered this dynamic in 2015. In the following scatter plot, I show this dynamic with the difference for our sample between 2014 and 2018. This visual comparison highlights how the meaning of "high foreign-born shares" evolved—from reflecting primarily labor migration in the early 2000s (e.g. Spain) to encompassing substantial asylum inflows in the wake of the 2015 refugee crisis (e.g. Germany, Sweden). This may also affect how the foreign-born rate influences redistribution preferences and underscores the importance of extending the analysis over a longer time period to capture these evolving dynamics between labor and asylum. Although Figure 2.1 suggests a slight upward tendency, formal tests show no statistical association between the initial foreign-born share and the subsequent increases. The bivariate correlation is positive but weak and not statistically significant ($r = 0.30$, $p = 0.17$). A simple linear regression confirms this: the estimated coefficient is small and nonsignificant ($\beta = 0.08$, SE $= 0.05$, $p = 0.17$; $R^2 = 0.09$). Using robust standard errors yields a similar result ($p = 0.09$). Thus, countries with higher initial immigrant shares did not systematically experience larger subsequent increases (e.g., Ireland compared with Austria).

[7] For the Czech Republic (2006) and Estonia (2002), no ESS data were available either. Consequently, for the period prior to 2010 (ESS 1–4), I have only data for Hungary and Slovakia among the CEE countries.

[8] Rueda illustrated this pattern with a bar plot of foreign-born rates for his entire sample (see Rueda's Figure 4). Replicating such an overview would overextend a bar plot in my case due to the additional waves and countries included. Both Spain (see Izquierdo et al. (2016)) and Ireland (see Nolan (2012)) experienced substantial immigration inflows up to the 2007 financial crisis; Following this weakening of their labor markets, their foreign-born shares remained relatively stable at around 12% in Spain and 17% in Ireland. For comparison: In 2002, the foreign-born rates stood at 6.2% in Spain and 9.1% in Ireland, underscoring the "dramatic" increases of nearly 100% during the 2000s.

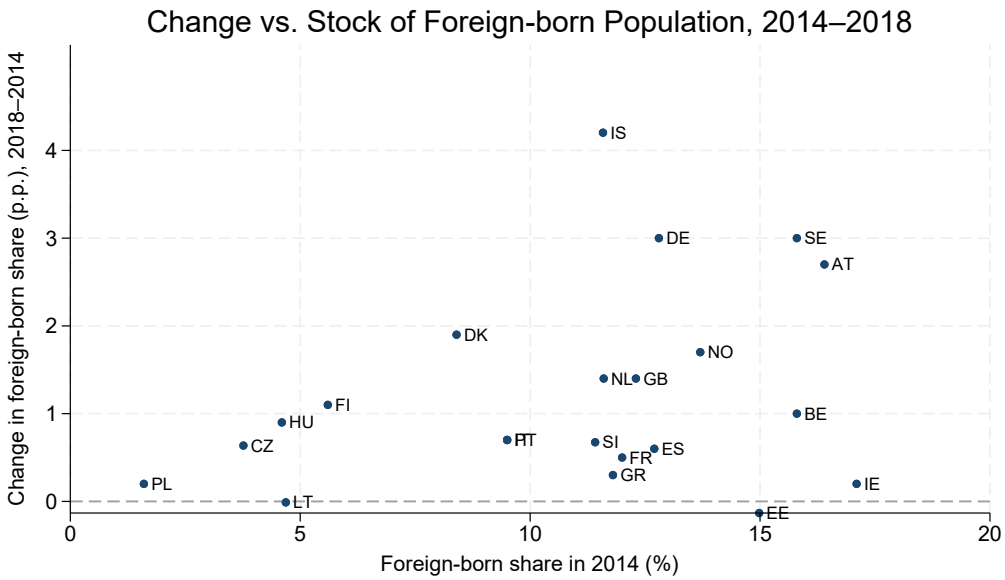


Figure 2.1: Change in the foreign-born share after 2012

Notes: Change in the foreign-born population share, calculated as the difference between the 2018 and 2014 values (2018 – 2014), plotted against the initial 2014 level. Each point represents a country included in the analysis, and the dashed line marks zero change. Countries with higher initial immigrant shares did not necessarily experience larger subsequent increases (e.g., Ireland compared with Austria).

Methodology

For the empirical analysis, I closely follow the methodological framework established by Rueda (2018), adapting it whenever appropriate to account for updated data coverage and additional variables. Our *extension test* replicates and expands the core findings reported in Table 1 of Rueda's study (p. 233). Rueda estimated three multilevel mixed models that progressively increased in complexity. Model 1 includes a limited set of controls and no country fixed effects, while Model 3 incorporates the full set of controls together with country fixed effects. In line with my research objective and to maintain clarity, I focus in the main text on Model 3, the most comprehensive specification capturing both within- and between-country variation. The baseline replication (Model 1) is presented in the Appendix for reference. Model 2, which lies between these two specifications, is not discussed further here, as its results do not materially differ from those of the full model. Although the final part of Rueda links redistribution preferences to political voting behavior, this dimension is beyond the scope of our extension test. I deliberately refrain from replicating or extending this part of the analysis, as the electoral landscape has undergone substantial transformations since Rueda's original study. Shifts in party systems, ideological platforms, and voter alignments across European countries make a direct comparison unreliable. Including such outcomes could therefore lead to misleading inferences about the relationship between immigration, redistribution, and electoral choice. Our analysis thus remains focused on redistribution preferences and the interaction between individual income and national shares of the foreign-born population—the core mechanisms underlying Rueda's theoretical framework.

I begin by employing Rueda's original Stata code to perform a direct recalculation, using the ESS dataset and macro-level variables as provided in his study. This step ensures that our implementation accurately reproduces his results. After validating the replication with Rueda's data, I update the dataset by incorporating the most recent release of the ESS, which retrospectively corrects for coding inconsistencies, data entry errors, and harmonization issues across survey rounds. In addition, I update the foreign-born population rate where available, and complement it with Eurostat data to extend the series. However, in this first step I use the same ESS rounds between 2002 and 2012. This constitutes **Model I**, which fully confirms Rueda's findings while yielding a slightly larger number of observations. Building on this, **Model II** introduces equivalized income to account for household size and the age of household members. Model IIa

replicates the analysis for the original time span (2002–2012) with equivalized income, while Model IIb extends the coverage to 2018 using the updated ESS data with equivalized income. Finally, **Model III** expands the analysis to include Eastern European countries, where the findings diverge from those of Rueda. Again Model IIIa employs the original time span (2002–2012), while Model IIIb extends the analysis until 2018.

2.4 Empirical results

Model (I): Rueda Recalculation

Before incorporating the updated ESS and macroeconomic data, I reanalyzed Rueda's originally published dataset using StataSE 18. This reestimation fully reproduces the results reported in Rueda's Table 1 "The Determinants of Redistribution Preferences" (Rueda, 2018, p. 233), thereby confirming that the statistical models yield identical outcomes across software versions. The following table 2.1 presents our replication of Rueda's model 3. The only modification concerns the updated ESS and OECD data source, as described above. As Rueda I report odds ratios, and, owing to the updated data sources, I am able to include 100,565 observations compared to 98,751 in the original analysis, while retaining the same model specifications in terms of timeframe and country coverage. The central finding relates to income distance and its interaction with the share of the foreign-born population. Our estimates are highly consistent with those reported in the original study: the odds ratio for income distance is 0.95 (versus 0.942 in the original). Likewise, the interaction term is estimated at 0.997 (compared to 0.998 in the original), with the estimates for the control variables in Model (3) likewise closely matching those reported by Rueda (see full table in Appendix A1). Combined, this updated replication demonstrates strong consistency with Rueda's published findings. The analysis indicates that our replication, using updated ESS data and revised PPP and CPI reference points, preserves the robustness of the original results. All coefficients, effect directions, and significance levels remain stable, providing a solid benchmark for the extensions and modifications introduced in the following sections.

Table 2.1: Model I: Recalculation with updated data

	Original	Recalculation
Main variables:		
Income distance	0.942**	0.950**
Foreign-born population	0.919**	0.929**
Income distance × Foreign-born population	0.998**	0.997**
Model summary:		
Observations	98,751	100,565
Countries	14	14
ESS rounds included	1–6	1–6

Note: Logit estimates reported as odds ratios. All models include country, year fixed effects and other control variables. See text for details and Appendix Table A1 for the full set of coefficients.

* Statistically significant at 95% level of confidence.

** Statistically significant at 99% level (two-tailed tests).

Model (II): Equivalized Income with New Data

Rueda's original models did not adjust income for household size and age structure. I address this by employing equivalized income (Model IIa) and then extend the analysis to ESS Rounds 7–9 (up to 2018) in Model IIb, while keeping the focus on the same 14 Western European countries. Accounting for household size strengthens the negative effect of income distance on redistribution preferences. The odds ratio falls from 0.942** in Rueda's specification to 0.928** as reported in Table 2.2, a difference of –1.4 percentage points. The estimated effect of the foreign-born share decreases slightly (from 0.919** to 0.930**). The interaction effect remains negative and statistically significant, with an odds ratio of 0.997**.

When income is adjusted for household size, the pattern remains: individuals with higher relative incomes express less support for redistribution, as do those residing in countries with a larger share of foreign-born populations. The evidence in Table 2.2 further confirms that the effect of income is conditional on population heterogeneity. These results remain as long as only data up to ESS Round 6 (2012) are used.

Updating the analysis to ESS Round 9 (2018) in Model IIb), and thereby increasing the sample size by around 50%, yields a more nuanced picture. The main effects of income distance (0.890**) and the foreign-born share (0.962**) remain statistically significant. However, the interaction term loses significance, despite being similar in magnitude to earlier estimates. This indicates that Rueda's key conditional effect cannot be generalized to include the post-2012 period. Intriguingly, the interaction effect central to Rueda's parochial altruism hypothesis—where the negative impact of income on redistribution preferences intensifies with higher levels of foreign-born population—fails to remain robust in data beyond 2012. This change may be linked to a broader transformation in migration patterns after 2015, as the foreign-born measure increasingly captured asylum-related inflows rather than labor migration, a dynamic I examine further in the following model that includes Iceland, Italy and CEE countries.

Table 2.2: Model IIa and IIb: Recalculation with Equivalent Income Specifications

	Original	Equivalized Income	
		a) ESS 1–6	b) ESS 1–9
Main variables:			
Income distance	0.942**	0.928**	0.890**
Foreign-born population	0.919**	0.930**	0.962**
Income distance × Foreign-born population	0.998**	0.997**	0.998
Model summary:			
Observations	98,751	100,565	151,962
Countries	14	14	14
ESS rounds included	1–6	1–6	1–9

Note: Logit estimates reported as odds ratios. The original model from Rueda, 2018 is based on *non-equivalized* household income. Recalculated models use *equivalized* household income. All models include country, year fixed effects and other control variables. See Appendix Table A2 for the full set of coefficients.
* $p < 0.05$, ** $p < 0.01$ (two-tailed tests).

Model (III): Eastern Europe

Finally, I broaden the country coverage to include eight additional countries: the Czech Republic, Estonia, Hungary, Italy, Lithuania, Poland, Slovenia, and Iceland. This increases the sample to 22 countries and about one third more observations (118,061 compared to 100,565 in Model IIa). Most of those new countries in the sample started to deliver data at ESS wave 5 (2010). Before that, the only fully available CEE countries were Slovenia and Hungary.
Restricting the analysis to ESS Rounds 1–6, the inclusion of Eastern Europe does not materially affect the results: the main effects of income distance and the foreign-born share remain negative, and the interaction term retains the same direction as in Rueda's Western European sample.

Table 2.3: Model III: Recalculation including CEE countries

	Original	Equivalized Income	
		a) ESS 1–6	b) ESS 1–9
Main variables:			
Income distance	0.942**	0.917**	0.830**
Foreign-born population	0.919**	0.938**	1.001
Income distance × Foreign-born population	0.998**	0.996**	1.007**
Model summary:			
Observations	98,751	118,061	191,588
Countries	14	22	22
ESS rounds included	1–6	1–6	1–9

Note: Logit estimates reported as odds ratios. The original model from Rueda, 2018 is based on *non-equivalized* household income. Recalculated models use *equivalized* income. All models include country, year fixed effects and other control variables. The last two columns expand the sample to CEE countries. See Appendix Table A3 for the full set of coefficients.

* $p < 0.05$, ** $p < 0.01$ (two-tailed tests).

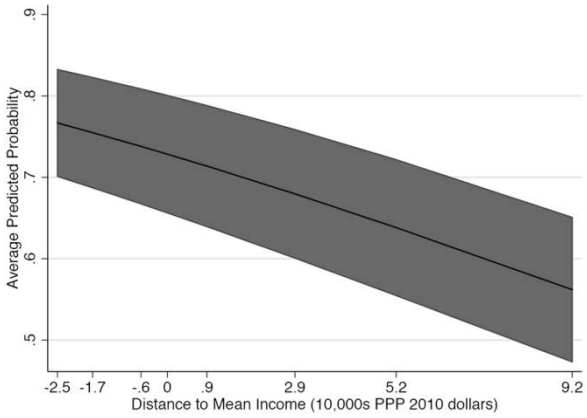
However, before 2012, only a few of these countries were consistently represented in the ESS, which is reflected in the comparatively modest rise in total observations (around 20%). The inclusion of CEE countries therefore primarily affects the later survey rounds, expanding the temporal and regional coverage of the analysis rather than substantially altering the early-period sample. When restricted to ESS Rounds 1–6 (2002–2012), the results remain closely aligned with Rueda's original findings: both income distance and the foreign-born share show negative associations with support for redistribution, and their interaction remains negative and significant. By contrast, extending the analysis to ESS Rounds 7–9 (2002–2018) reveals a clear change in this relationship. The interaction between income and the foreign-born population becomes positive and statistically significant, indicating that in more recent years—and once CEE countries are incorporated—higher-income individuals in more diverse societies are *more*, rather than less, likely to support redistribution. At the same time, the direct effect of the foreign-born share loses significance only after the inclusion of CEE countries. Importantly, the underlying measure of the foreign-born population remains conceptually identical and objectively defined throughout; what appears to have changed is its broader societal meaning. In earlier ESS rounds, the "foreign-born" population might have largely reflected intra-European labor migration, whereas in later years the same measure may have been perceived differently in light of changing migration patterns and public discourse. These contextual shifts could have altered how foreign-born population rates influence redistribution preferences. This helps explain the changing sign and significance of the interaction effect over time. Across all specifications, the effect of equivalized income remains robustly negative, reaffirming that material self-interest continues to be a stable determinant of redistributive preferences.

In total, the results of Model III show that Rueda's conditional altruism mechanism holds for the 2000s to early 2010s, strengthens once household size is accounted for, but ultimately reverses in the later 2010s sample. The shift implies that the relationship between heterogeneity and redistribution preferences is historically contingent: as European societies diversified after 2012, the perception of population heterogeneity evolved, and the rich's opposition to redistribution in heterogeneous settings diminished or even turned into moderate support.

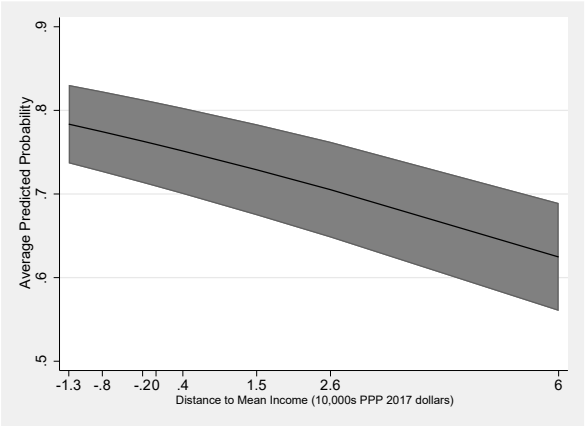
Average Predicted Probability

Rueda illustrates the effects of relative income by calculating the "average predicted probability that an individual with a particular income has preferences in favor of redistribution" (Rueda,

2018, p. 234). He distinguishes between two types of predicted probabilities. The first are simple predicted probabilities, which are obtained by fixing the variable of interest (e.g., income group such as rich or poor) while holding all other variables constant at a single observed value, typically the mean. The second, and the type used here, are average predicted probabilities. These are calculated by setting the variable of interest to specific values (e.g., different levels of income) while holding all other variables at their actual observed values across individuals in the dataset. In the following graphs, the x-axis displays selected points along the relative income distribution (the 10th, 25th, 50th [median], mean [0], 75th, 90th, 95th, and 99th percentiles), while the y-axis shows the corresponding average predicted probabilities of supporting redistribution, as described above.



Rueda's original 5: *Income distance effects (p. 234) for Western Europe and 2002–2012*

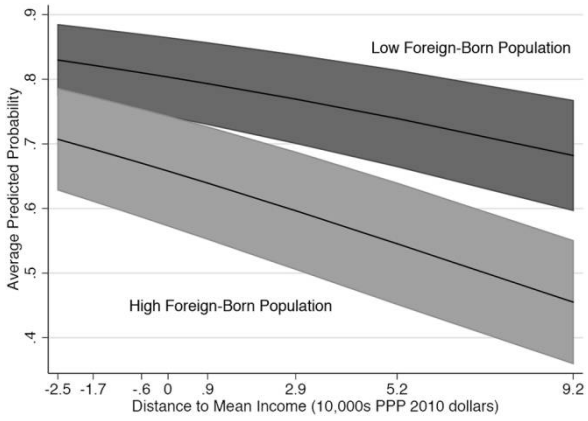


Own figure: *Updated with model IIIb) including CEE and 2002–2018*

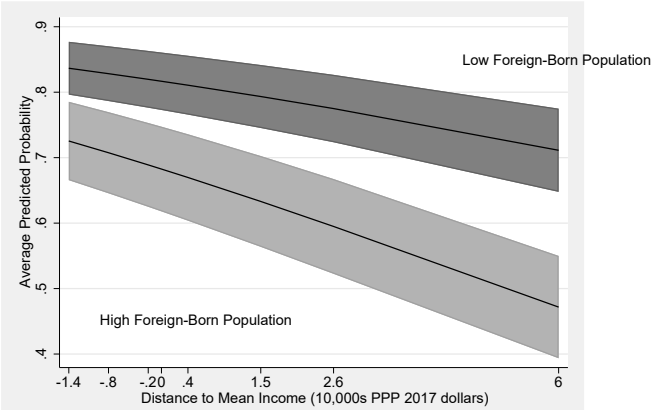
Figure 2.2: Comparison of Rueda's original figure with updated Model IIIb results.

Rueda's figure on the left (fig. 2.2) illustrates his central claim that material self-interest, consistent with the Romer– Meltzer–Richard framework, remains fundamental. The relatively poor exhibit the highest probability of supporting redistribution, while support declines steadily with higher income. Following this method, I recalculated probabilities using our most advanced model IIIb) (including CEE countries) for incomes ranging from about $13,000 below the mean (10th percentile) to $60,000 above the mean (99th percentile, in equivalized 2017 PPP-corrected dollars). The results confirm the expected pattern: support for redistribution is highest among low-income individuals (approximately 77% at the 10th percentile), declines to 73% at the mean, 64% at $52,000 above the mean, and 56% at the very top of the distribution. As in Rueda's find-

ings, these results strongly support the Romer–Meltzer–Richard model of material self-interest as a powerful determinant of redistributive preferences. However, equivalizing household income narrowed the spread of relative income positions, particularly at the extremes of the distribution. Rueda further argued that the effects of relative income are shaped by altruism, which in turn depends on in-group identity. To address this, I follow his extension and replicate the conditional probabilities reported in his figure 6 (see fig. 2.3), varying both relative income and population heterogeneity. Specifically, I compare contexts with low (3.8%) and high (15.94%) shares of



Rueda's original fig. 6: *Income distance effects (high and low heterogeneity) for Westen Europe and 2002–2012*



Own figure: *Updated with model IIIa) including CEE and 2002–2012)*

Figure 2.3: Comparison of Rueda's original figure with updated Model IIIa results.

foreign-born residents (the 10th and 90th percentiles of the sample), corresponding roughly to Finland in 2008 (low) and Sweden in 2014 (high). In line with Rueda's results, our recalculations show until 2012 that higher levels of heterogeneity reduce support for redistribution across all income groups. Both poor and affluent individuals are more likely to favor redistribution in low-heterogeneity contexts, while the differences between income groups become more pronounced as heterogeneity increases.

Extending the analysis to ESS rounds 1–9 (fig. 2.4) alters the substantive pattern of results. In Rueda's original analysis, high levels of foreign-born population widened the income gap by reducing support for redistribution among higher-income groups. In contrast, the extended dataset shows that the gap widens in the opposite direction: in contexts with higher foreign-born shares, upper-income groups display **greater** support for redistribution compared to low-heterogeneity settings. The poor, by contrast, continue to express consistently high levels of support regardless of heterogeneity. Thus, while population heterogeneity still interacts with income, its moderating effect is reversed: rather than eroding support among the well-off, higher heterogeneity appears to strengthen it. This suggests that the role of heterogeneity is very sensitive to temporal extensions.

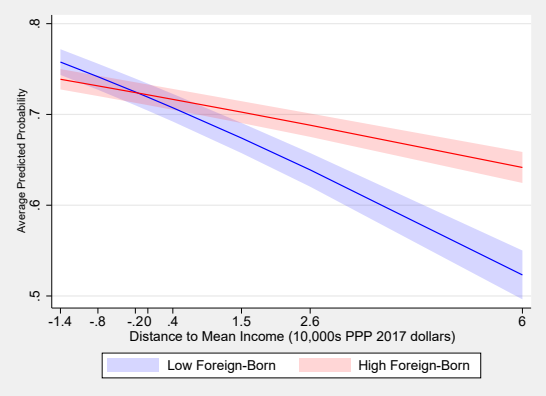


Figure 2.4: *Income distance effects (high and low heterogeneity):* Updated with model IIIb) including CEE and 2002–2018

2.5 Discussion

Our replication analysis reveals that Rueda's argument—that redistribution preferences are structured by a hierarchy of motives in which the poor are guided by material self-interest and the rich by parochial altruism—is robust to equivalizing household income but more fragile when extended across time and country selection. Equivalizing income does not substantially affect the results. I do see that the effect got even stronger when adjusting for household size and age structure. By contrast, extending the period to 2018 fails to reach statistical significance on the conditional effect of group homogeneity in Western Europe, and including Eastern Europe even reverses the sign of the interaction term. There could be multiple reasons for this change over time. The so-called European refugee crisis in 2015 may have been a critical juncture, reshaping

the meaning of the "foreign-born share" as a contextual variable. Before this massive influx of asylum seekers, the foreign-born rate itself was driven mainly by regular migration within Europe (especially from CEE to Western Europe) and due to general labor migration (e.g., bilateral labor recruitment agreements, (Kahanec and Zimmermann, 2015)).

I already illustrated in Figure 2.1 how European countries were differently affected during the European asylum crisis, which affected the foreign-born rate substantially. This might have altered how heterogeneity is perceived in different countries. Besides the numbers alone, immigration debates are not uniform across Europe. There are massive misperceptions about immigrants and immigration in general (Alesina and Tabellini, 2024). And as migration became more visible, "natives' misperceptions might have grown larger" (Alesina and Tabellini, 2024, p. 30). I assume, that the high numbers of asylum seekers in media and TV made the general topic of migration and asylum a more salient issue than in the years before. This may explain why, in our extended models, the interaction term changes sign: where immigration levels were traditionally low, even small increases may have been interpreted as disruptive, prompting the better-off to withdraw support for redistribution. Importantly, this does not mean the asylum crisis alone drove our findings. Rather, it suggests that the meaning of "group homogeneity" varies across contexts and time periods, mediated by national debates and political framing. Finally, the sign change of the interaction effect can be interpreted through the lens of contact theory. Rueda's analysis suggested that higher levels of population heterogeneity intensified the role of income distance: in countries with larger foreign-born shares, richer individuals were particularly unlikely to support redistribution, widening the income gap. Our extended results, by contrast, show the opposite pattern: while higher income still predicts lower support for redistribution, this decline is steeper in countries with a lower foreign-born rate. In contexts with larger foreign-born populations, the income gradient is flatter, as higher-income groups are less opposed to redistribution. This finding resonates with Allport's (1954) argument of the contact theory. The contact hypothesis suggests that sustained interaction between groups can reduce prejudice and weaken stereotypes. The presence of larger immigrant communities may diminish threat perceptions and foster more cooperative attitudes. In this perspective, redistribution may come to be seen less as a zero-sum transfer to outsiders and more as a collective good that reinforces social cohesion. Thus, rather than amplifying income-based divides, higher heterogeneity can temper them, producing the flatter slope observed in our replication. Material self-interest continues to anchor preferences—food comes first—but cultural mechanisms rooted in contact can reshape

how higher-income groups evaluate redistribution in increasingly diverse societies. In summary, our findings suggest that while Rueda's framework captures important dynamics of redistribution preferences, its conditional mechanism of parochial altruism is highly sensitive to shifts in political, economic, and regional contexts over time. The disappearance (Model IIb)—or even reversal (Model IIIb)—of the interaction effect after 2012 underscores that preferences for redistribution are not timeless constants but historically contingent. As Rueda reminded us with Brecht's words, "Food first, then morality"—yet what counts as morality may shift over time.

2.6 Conclusion

This study revisits Rueda's (2018) central claim that redistribution preferences reflect a hierarchy of motives: for the poor, material self-interest dominates; for the rich, in-group solidarity was the relevant factor for them to still support redistribution. Rueda linked the activation of altruism to group homogeneity.

Empirically, he operationalizes this conditionality by interacting individual income distance with a country-year measure of heterogeneity (the foreign-born share): as heterogeneity rises, parochial altruism among the rich is expected to decline; when heterogeneity is low, it tends to be stronger. Using Western European ESS data from 2002–2012, Rueda reports exactly this pattern: a robust main effect of income distance and a significant interaction consistent with altruism among the rich being amplified by homogeneity (and muted by heterogeneity), while the poor's preferences track material stakes with little conditioning by identity context.

Our replication engages these claims along measurement, time, and countries. On measurement, I reconstruct income distance to account for household size and age structure (equivalized rather than unequivalized). This refinement leaves the baseline relationships unchanged. The negative association between income distance and support for redistribution even increased, and the original conditioning logic does not hinge on how income is scaled within households. In short, Rueda's core evidence is not an artefact of non-equivalizing income.

On time, I updated the data with three more ESS rounds and extended thereby the Western European sample through 2018. In this updated model (IIb)), the interaction between income distance and the foreign-born share is no longer statistically significant. The main effect of income distance remains negative—consistent with the logic of material self-interest—but the contextual trigger for parochial altruism among higher-income groups, for which Rueda identi-

fied significant results for 2002–2012, appears to have vanished once the later 2010s are included. This attenuation suggests that the meaning of "homogeneity" in Western Europe changed across the 2010s in ways that dampened its ability to mobilize in-group altruism among higher-income respondents.

Lastly, I also included Eastern European countries in Model III. Over the extended period to 2018, the significance of the interaction term not only re-emerges but flips sign and becomes positive, while the foreign-born share loses its own direct significant level, the income distance itself remains significantly negative. The sign change indicates that the conditioning role of heterogeneity in the 2010s Eastern-and-Western combined sample differs from the earlier Western-only experience: rather than homogeneity magnifying the rich's altruism, the later data associate greater heterogeneity with a relative increase in support among the better-off.

Crucially, this is a temporal effect, not merely a regional one. When I restrict the Eastern European sample to Rueda's original 2002–2012 horizon, I recover the earlier Western European pattern, consistent with his framework. Yet, extending the analysis into the mid-2010s fundamentally changes this picture. The years surrounding the so-called asylum crisis appear to have reshaped the nexus between population heterogeneity and redistributive preferences, weakening the contextual mechanism of parochial altruism that Rueda identified.

In light of these shifts, future research should examine more closely how the *composition* and *nature* of migration—rather than the mere share of the foreign-born—affect the interaction between income and attitudes toward redistribution. This includes testing alternative contextual indicators of "in-group similarity," exploring how large-scale heterogeneity shocks transform the moral and material dimensions of redistribution politics over time, and, where possible, leveraging **natural experiments** to identify causal effects of migration-related change.

In this sense, our results echo and extend Rueda's concluding insight: population heterogeneity has become central to the political economy of advanced democracies, particularly in periods of economic uncertainty. Ultimately, the lesson is that material incentives ("food") continue to structure redistributive preferences in a stable way, whereas identity-based dimensions ("morals") are context-dependent and changed over time.

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Appendix A: Additional Information on *'Food Comes First, Then Morals' Revisited*

Table A1: Model (I): Rueda recalculation

	ESS 1–6	
	(1)	(3)
Individual-level variables:		
Income distance	.921**	.950**
Age		1.01**
Gender		1.346**
Education		.979**
Attends religious services		.945*
Union member		1.388**
Class:		
Lower manager		1.386**
Intermediate occupations		1.470**
Small employer (nonagr)		1.274**
Small employer (agr)		1.397**
Lower supervisor		1.770**
Lower sales		1.773**
Lower tech		2.042**
Routine		2.028**
Macro variables:		
Foreign-born population	.942**	.929**
Social spending		1.011
Micro-macro interaction:		
Income distance# foreign-born population	.997**	.997**
Observations	108,398	100,565
Countries	14	14
Year fixed effects	yes	yes
Country fixed effects	no	yes
Included ESS rounds	1–6	1–6

Note: Logit results. Numbers are odds ratios. See text for details.
* Statistically significant at 95% level of confidence.
** Statistically significant at 99% level (two-tailed tests).

Table A2: Models (IIa) and (IIb): Recalculation Equivalent Income

	a) ESS 1–6		b) ESS 1–9	
Individual-level variables:				
Eq. Income distance	.880**	.928**	.845**	.890**
Age		1.009**		1.009**
Gender		1.345**		1.316**
Education		.979**		.984**
Attends religious services		.934*		.903**
Union member		1.382**		1.384**
Class:				
Lower manager		1.385**		1.346**
Intermediate occupations		1.472**		1.395**
Small employer (nonagr)		1.266**		1.186**
Small employer (agr)		1.372**		1.241**
Lower supervisor		1.774**		1.777**
Lower sales		1.779**		1.937**
Lower tech		2.054**		1.957**
Routine		2.046**		1.957**
Macro variables:				
Foreign-born population	.943**	.930**	.962**	.962**
Social spending		1.012		0.999
Micro-macro interaction:				
Eq. Income distance# foreign-born population	.995**	.997**	.998	.998
Observations	108,398	100,565	162,187	151,962
Countries	14	14	14	14
Year fixed effects	yes	yes	yes	yes
Country fixed effects	no	yes	no	yes

Note: Logit results. Numbers are odds ratios. See text for details.
* Statistically significant at 95% level of confidence.
** Statistically significant at 99% level (two-tailed tests),

Table A3: Model III: Eastern Europe

	a) ESS 1–6		b) ESS 1–9	
	(1)	(3)	(1)	(3)
Individual-level variables:				
Eq. Income distance	0.863**	0.917**	.765**	.830**
Age		1.009**		1.009**
Gender (female=1)		1.336**		1.309**
Education		.976**		.979**
Attends religious services		.963		.949**
Union member		1.373**		1.372**
Class:				
Lower manager		1.411**		1.389**
Intermediate occupations		1.487**		1.423**
Small employer (nonagr)		1.283**		1.223**
Small employer (agr)		1.419**		1.360**
Lower supervisor		1.826**		1.738**
Lower sales		1.843**		1.883**
Lower tech		2.132**		2.045**
Routine		2.081**		2.066**
Macro variables:				
Foreign-born population	.947**	.938**	.992	1.001
Social spending		1.007		.989**
Micro-macro interaction:				
Income distance # foreign-born population	.996**	.996**	1.010**	1.007**
Observations	127,749	118,061	205,892	191,588
Countries	22	22	22	22
Year fixed effects	yes	yes	yes	yes
Country fixed effects	no	yes	no	yes

Note: Logit results. Numbers are odds ratios. See text for details.
* Statistically significant at 95% level of confidence.
** Statistically significant at 99% level (two-tailed tests),

Chapter 3

Forced Migration and the Welfare State
A new perspective at the Progressive's Dilemma

3.1 Introduction

"Why doesn't the US have a European-style welfare system?". This pointed formulation by Alesina, Glaeser, and Sacerdote (2001) opened an ongoing debate on the cultural reasons for American exceptionalism in terms of welfare provision, and especially the impact of immigration and ethnic fractionalization on the willingness to redistribute from rich to poor. According to estimates by Alesina and Glaeser (2004, p.146), about one-half of the difference in social spending between Europe and the US can be explained by the higher share of ethnic fractionalization in the melting pot that is the US, compared to rather ethnically homogenous European countries. The assumption is that ethnic heterogeneity is assumed to decrease the trust in society and welfare solidarity, especially if immigration takes place from countries with a different cultural heritage. Alesina and Giuliano (2011) summarize the vast literature on this issue. These findings support the widespread perception that generous welfare arrangements are incompatible with open borders (Freeman, 1986), a view that British journalist David Goodhart (2004) labeled the "Progressive's Dilemma." The evidence on this issue is, however, equivocal and highly controversial.

To contribute to this debate, we exploit the 2015/16 European refugee crisis as a natural experiment. This unprecedented inflow of asylum seekers sharply increased ethnic heterogeneity across European societies within a short time frame. Furthermore, since the acceptance rates of refugees differed substantially in Europe, we can identify a treatment and control group to

reexamine the Progressive's Dilemma. The treatment group consists of regions with a significant number of refugees, while those in the control group accommodated only a small number. If the Progressive's Dilemma holds, the European refugee crisis should reduce support for redistribution in the treatment group. In contrast, redistribution preferences should be unchanged in the countries of the control group.

This paper contributes to the literature on migration and welfare state support in three main ways. First, it utilizes the asylum crisis as a unique and underexplored natural experiment to test the effects of sudden ethnic diversification. Second, it leverages an innovative set of regional asylum data to analyze heterogeneity in migrant inflows at a granular level. Third, it employs a difference-in-differences (DiD) strategy to estimate the causal impact of the crisis on natives' preferences for redistribution.

The paper is organized as follows. Section 2 reviews the literature and outlines the inconsistent empirical findings related to the Progressive's Dilemma. Section 3 describes the empirical strategy and the datasets employed. Section 4 presents our main results and robustness tests. Our findings do not support the Progressive's Dilemma. We find that redistribution preferences remained stable in regions with high numbers of asylum seekers, while residents in regions with low exposure to refugees actually showed a decline in support for redistribution. These results are robust across a range of empirical specifications and sensitivity checks, suggesting that ethnic heterogeneity per se does not undermine the foundations of the European-style welfare state. Section 5 concludes.

3.2 Support for Welfare, Solidarity, and Migration: A Survey of the Literature

To be sustainable, the welfare state depends on all its members' long-term support. This requires, above all, the net payer's willingness to finance the safety net so as not to be overstretched by the number of recipients or the social program's generosity. Migration eventually jeopardizes this willingness to support welfare arrangements in several ways.[1] First, due to migration-specific losses in human capital and language barriers, forced migrants are more dependent on welfare assistance than the average member of the native population. Thus, immigration inflates the social budget, taxes, and contribution rates, presumably reducing the overall willingness

[1]For a comprehensive review of recent studies on the topic, see (Crepaz, 2022).

to support public redistribution (Borjas, 1999; Rueda, 2018). This immediate effect of migration on the willingness to support welfare programs is eventually reinforced by various factors summarized under the generic term 'welfare chauvinism' (Careja and Harris, 2022). According to social identity theory, cooperativeness and the willingness to provide mutual assistance are strongest among individuals sharing a common social background, cultural heritage, or ethnic affiliation (Tajfel and Turner, 2004). Since migrants from the global south share neither of these characteristics in their countries of destination, migration deepens the social cleavage and reduces pro-social behavior based on nativism and in-group favoritism. This goes hand in hand with anti-foreigner sentiments of prejudice and discriminatory attitudes framing minorities as a threat to the autochton population's collective identity. Ford (2016) observes a mutually reinforcing effect of racial heterogeneity and migrant status. Thus, a Muslim from the global South "suffers a 'double disadvantage'" (p.630) when migrating to a country of the global North. This is especially true if migrants are perceived as a social group competing for welfare benefits. Besides the mere level of redistribution, the alleged deservingness of the beneficiaries plays a major role in the acceptance of social programs. The willingness to redistribute increases if the net payers can be safe to assume that only people in need will receive public benefits. However, van Oorschot (2006) reports that due to their age, gender, and average health status, migrants are perceived as the least deserving members of society. This lowers the level of generosity towards this particular group even further.

However, these arguments have not gone undisputed and received criticism both from a theoretical and an empirical point of view. As early as the 1950s, Allport (1954) argued that, under favorable conditions, inter-group contact may reduce prejudices between majority group members and minorities, thereby improving inter-group relations and social cohesion (Dirksmeier, 2014). In a survey carried out in 2017, Coninck et al. (2021) report evidence showing that direct inter-group contact (as well as indirect contact via public broadcasting) correlates with positive attitudes towards Muslim refugees. This effect is most pronounced on the local level. Semyonov et al. (2006) find that the increase in anti-foreigner sentiments is largely independent of the actual share of foreign-borns in a society. Concerning xenophobia, what is relevant is not the actual number of foreigners but rather the public perception of migration and the social status of migrants.

Numerous controversies center around problems of measurement. Both ethnicity and cultural affiliation are ambivalent concepts, and the extent of heterogeneity in a society depends largely

on the data used to measure them. Measuring ethnic diversity by citizenship depends largely on a country's nationalization policy. The foreign-born percentage of a population, a common measure of ethnic fractionalization in applied work, is also criticized as being a poor indicator of a society's ethnic diversity as it ignores the cultural proximity between migrants and the native population (Steele et al., 2022). For example, Luxembourg shows a ratio of foreign-borns of nearly 50% but has one of the lowest ratios of non-EU foreigners since most migrants originate from neighboring European countries (Eurostat, 2024). A special problem particularly relevant for Europe arises if the host country has a colonial history. The stricter a nation's rules for maintaining citizenship, the higher ceteris paribus the number of foreigners. For example, migrants from French Overseas Territories (*France d'outre mer*) do not count as foreign-born in France. Using the foreign-born population as the indicator of fractionalization underestimates the true extent of ethnic heterogeneity in this country. Finally, measuring ethnic fractionalization using racial, linguistic, or cultural categories comes with severe problems of its own since ethnicity is generally accepted to be a social rather than a primordial construct (Brown and Langer, 2010). Taking racial, linguistic, and religious cleavages into account, Patsiurko et al. (2011) even question the insinuated higher degree of ethnic fractionalization in the US compared to Europe.

Besides these conceptual issues, a further question concerns the appropriate regional level of analysis. Cross-country studies typically use the national level as their unit of observation. However, since social preferences are shaped through interpersonal contact, it is generally acknowledged that more granular data are required to address this issue (Eger, 2010). In a comparative study for Germany, Auspurg et al. (2019) found a negative impact of the proportion of foreigners on redistribution preferences for Germany as a whole. However, this effect vanishes once heterogeneous trends in East and West Germany are accounted for. To obtain meaningful results, the more recent literature uses the county, or the equivalent as the appropriate regional level of analysis.

There is also an ongoing debate about whether the appropriate explanatory variable is a country's stock of foreign citizens at a specific point in time or rather the influx of migrants in a period. Since the canonical model of the Progressive's Dilemma refers to the long-run socio-psychological impact on nativism-based solidarity, the total number of foreigners seems to be the natural candidate to test this hypothesis. However, empirical research shows that subjective attitudes react most sensitively to short-run fluctuations in immigration, especially if these fluctuations are highly volatile.

Taking these theoretical and empirical considerations into account, it is not surprising that the evidence on the Progressive's Dilemma is mixed and inconsistent. A summary of the literature supporting the dilemma hypothesis can be found in Alesina and Tabellini (2024). Supporting evidence for Europe is reported by Mau and Burkhardt (2009) and Schmidt-Catran and Spies (2016). Contrary to the findings mentioned above, Steele (2016) reports insignificant results for fractionalization measures on redistribution preferences. His findings are supported by Brady and Finnigan (2014) who even report a positive impact of net migration on welfare attitudes. A stunning contribution to this discussion is given by Breznau et al. (2022). The authors coordinated 73 research teams and asked them to analyze the Progressive's Dilemma using an identical data set. A total of 1,253 different model specifications were evaluated and the research process of every team was closely monitored. The results are inconclusive: the reported marginal effects on the impact of immigration on the support of welfare policies range from negative to positive, the majority of the studies reporting insignificant effects. Thus, the Progressive's Dilemma is still open to debate.

3.3 Identification Strategy and Data

3.3.1 Identification Strategy

To assess the impact of increased ethnic fractionalization on welfare attitudes in more detail, we use the massive inflow of asylum seekers in the years 2015/16 to Europe as a natural experiment. As Figure B1 shows, the number of asylum seekers in Europe rose sharply between 2015 to 2016. Contrary to previous research, we analyze not merely the correlation between migration and welfare state support but their causal relationship by using a DiD approach. We consider this event particularly suitable for testing the Progressive's dilemma hypothesis for several reasons. First, the massive inflow of forced migrants was largely unexpected both by the public and political decision-makers. Although migration to Europe had gradually increased since 2010, the sudden peak of asylum seekers in 2015/16 was still largely unforeseen. We thus expect no temporal spillovers or adaptive behavior to be shown in the data. Second, forced migrants from the global South represent a minority in ethnic, linguistic, religious, and cultural terms in the countries of the industrialized West. The inflow of a significant number of migrants with an entirely different cultural heritage noticeably increased the (perceived) ethnic heterogeneity in

the regions of destination (Giesselmann et al., 2024). Furthermore, in the period immediately after their arrival in the host country, asylum seekers typically depend on public assistance. Burgoon and Rooduijn (2021) show that the migrants' poor social status and their dependency on public support strengthen the anti-immigrant attitudes of the native population and reduce their support for redistributive public policy. Thus, asylum seekers combine multiple burdening factors, which we would expect to manifest in a declining willingness to support public assistance programs if the Progressive's Dilemma hypothesis holds. Using forced migrants from the global South as a measure of increased ethnic heterogeneity allows us to avoid controversial indicators of ethnic stratification, such as the percentage of the foreign-born population. Several studies have also leveraged the unexpected massive influx of asylum seekers as a natural experiment in their research designs, primarily at the national level; for example in Germany, where it has been used to examine the effects on employment (Gehrsitz and Ungerer, 2022), crime rates (Lange and Sommerfeld, 2024), and xenophobia (Riaz, 2024). Or in cross-country analysis with Eurobarometer data, that showed how countries that accommodated larger numbers of asylum seekers show a more robust support for EU migration policies than those with limited numbers (Lutz, 2024).

3.3.2 Data

European Social Survey

We use an innovative data set to address the impact of ethnic heterogeneity on distribution preferences. Our main source of information is the European Social Survey (ESS), a biennial survey that provides information on individuals' economic and social status, attitudes, and values. We start in 2010 with wave 5, as this excludes short-run distortions caused by the financial crisis in 2008. We end the study period in 2018, as the 2020 wave is not comparable with previous waves due to the COVID-19 pandemic. While the ESS covers a total of 31 European countries using a repeated cross-section design, we restrict our analysis to 16 countries that participated continuously in all survey waves. This ensures an unbroken data series, as several other countries did not participate in some waves, resulting in incomplete data.

The timing of the fieldwork varies from country to country. In most cases, the interviews take place during the fourth quarter of the first year and the first quarter of the second year of every wave. As Figure B2 (page 70 in the Appendix) shows, the number of refugees peaked in the

second half of 2015 and the first half of 2016 and dropped sharply afterward. The fieldwork for the 7th wave of the European Social Survey began in September 2014 and ended in February 2015, while wave 8 interviews started in September 2016, thus we have two distinct timeframes for interviews covering the periods before and after the refugee crisis. Our panel consists of 16 European countries, most of which belong to the European Union and the Eurozone.[2]. Our dataset thus consists of 143,729 observations. The weighted descriptive statistics are shown in Table B1. All countries followed the Dublin III regulation (EU + Norway).

Asylum data

We take the number of asylum seekers from official statistics by EUROSTAT. As Figure B1 (page 69 in the appendix) shows, the number of refugees increased sharply in the second half of 2015 and the first half of 2016. Furthermore, asylum seekers were not uniformly allocated across European regions but rather accumulated in certain areas. The vast majority of asylum seekers settled in Sweden, Germany, and Hungary (see Figures B1, page 69 and B2 page 70 in the Appendix).

Since Eurostat statistics provide data on the number of asylum seekers only at the national level, we merge this dataset with information on the regional distribution of asylum seekers collected by the *European Observation Network for Territorial Development and Cohesion* (ESPON) in 2016. ESPON's project on the impact of refugee influxes on the territorial development in Europe (MIGRARE) provides disaggregated information on the regional distribution of asylum seekers at the NUTS-2 level (ESPON, 2019). However, this survey was only carried out once in 2016. To approximate the regional asylum rates for the years 2010 to 2015 and for 2017 to 2018, we take the regional distribution of asylum seekers in 2016 and apply this distribution to the remaining time span.

[2]The data set comprises Belgium (BE), Czechia (CZ), Germany (DE), Estonia (EE), Spain (ES), Finland (FI), France (FR), United Kingdom (UK), Hungary (HU), Lithuania (LT), Netherlands (NL), Norway (NO), Poland (PL), Portugal (PT), Sweden (SE) and Slovenia (SI).

Let $A_{n,2016}$ denote the total number of asylum seekers in country n and $A_{r,2016}$ the number of asylum seekers in a specific region r in 2016. Then $\rho_{r,2016}$ is the regional fraction of asylum seekers for region r in this year. We calculate the number of asylum seekers in region r for any year t by

$$A_{r,t} = A_{n,t} \cdot \rho_{r,2016} \tag{3.1}$$

The assumption of holding the regional allocation of asylum seekers ($\rho_{r,2016}$) constant over time is central to our empirical approach and is grounded in several considerations. While asylum seekers' settlement policies vary considerably *between* countries— ranging from unrestricted settlement options (e.g., Sweden until January 2020) to stricter quota systems (e.g., Germany's "Königsteiner Schlüssel") — the allocation of asylum seekers *within* one specific country has remained relatively stable over the study period (Proietti and Veneri, 2021). In countries applying a quota system, the allocation of asylum seekers is predetermined by this specific allocation mechanism. But even in countries with liberal policies, asylum seekers' final settlement is mainly driven by migration network effects and labor market prospects, leading to predictable allocation patterns over time (Edin et al., 2003; Dustmann et al., 2017). To further validate our assumption, we compared our regional asylum rate predictions for 2018 against the official regional data published for Germany and Sweden for the same year. Our results (see Table B2, page 76) show a rather high accuracy, with a maximum deviation of 6% and an average deviation of less than 1.7%. We take this as evidence that our assumption on the regional allocation of forced migrants holds for the time frame under consideration. For Germany, the European Social Survey doesn't provide information on the NUTS-2 level. In these cases, we use NUTS-1 instead (="Bundesländer"). In the rare cases where asylum data is unavailable for a specific region, we imputed the missing information using national asylum rates.[3]

Dependent variable

We use stated subjective redistribution preferences as the dependent variable (see (Kulin et al., 2016; Rehm, 2009; Rueda, 2018)). The question the respondents were asked to answer reads: "Please say to what extent you agree or disagree with [...] the following statement: The government should take measures to reduce differences in income levels." Redistribution preferences

[3]This affects 17 of the 172 regions: CZ (4), FI (2), UK (3), HU (6), and PT (2). As a robustness check, the appendix reports DiD results excluding these regions, using only data for which full information beyond the regional (ESPON) level is available (see Table B10 on page 84).

are reported on a five-point Likert scale (1 = Agree strongly, ... 5 = Disagree strongly). We re-coded the values 7 (Refusal), 8 (Don't know), and 9 (No Answer) to NA and reversed the scale for a more intuitive interpretation of the coefficients. Lower values indicate opposition to redistribution, whereas higher values indicate support.

Control variables

To control for confounding factors, we use a set of individual, regional, and country-specific control variables.

Relative income and perceived income. According to economic theory, the willingness to support welfare schemes depends primarily on the respondent's material well-being. We follow Rueda (2018) and use the individual's income relative to a nation's median income to measure the influence of material self-interest for welfare state support. The idea is that households with a lower (higher) income than the national median income benefit (are burdened) from social policy measures and are thus expected to support (reject) welfare arrangements. Since the European Social Survey does not report absolute household income but merely the income decile to which a household belongs, we use the midpoint of each income category as a proxy for household income. The midpoint for the open-ended top category was calculated using Hout's formula on extrapolation from the "next-to-last category's midpoint using the frequencies of both the next-to-last and open-ended categories" (Hout, 2004, p. 4). Household income is adjusted to household size by using the modified OECD equivalence scale. This is corrected by the OECD consumer price index of 2015 and the purchasing power parity index of 2017 (OECD, 2020). In a final step, we calculate individuals' difference to the mean income in their country which serves as a measure of relative economic well-being. A problem insufficiently addressed in the literature is the high share of non-responses on income in the European Social Survey. More than 16% of the respondents refuse or are unable to provide information on household income. Moreover, the share of non-respondents varies considerably between countries. Therefore, besides stated household income, we run multiple regression models where we replace the relative income variable with the respondent's perceived income as the indicator of economic well-being. Perceived household income is retrieved on a four-point Likert scale. We take households who respond living "comfortably on present income" or to "cope on present income" as the well-off and those who report "difficulties" or severe difficulties on present income as the worse-off in society.

Personal characteristics. We control for the respondent's age, gender, years of education, political attitudes, union membership, and religion. The ESS targets private households with individuals aged 15 or older (regardless of their language, nationality, or legal status). We excluded all underage respondents and those with missing age information. Gender is a binary variable with 1 indicating female gender. Self-assessed political attitudes are measured on a 10-point rating scale with extreme left = 0 and extreme right = 10. By doing so, we consider large-scale political trends in the countries on an individual level and control for its effects. We use probability weights to control for differential selection probabilities within each country (sample design, nonresponse, noncoverage, post-stratification and sampling errors) (ESS, 2021b).

The number of regional asylum applicants enables us to identify those regions that hosted a comparatively high number of refugees in relation to their native population, which serves as the treatment group. The control group consists of regions that hosted a smaller fraction of asylum seekers per native. Figure 3.1 shows the cumulated regional distribution of asylum applicants in the years 2015 and 2016.

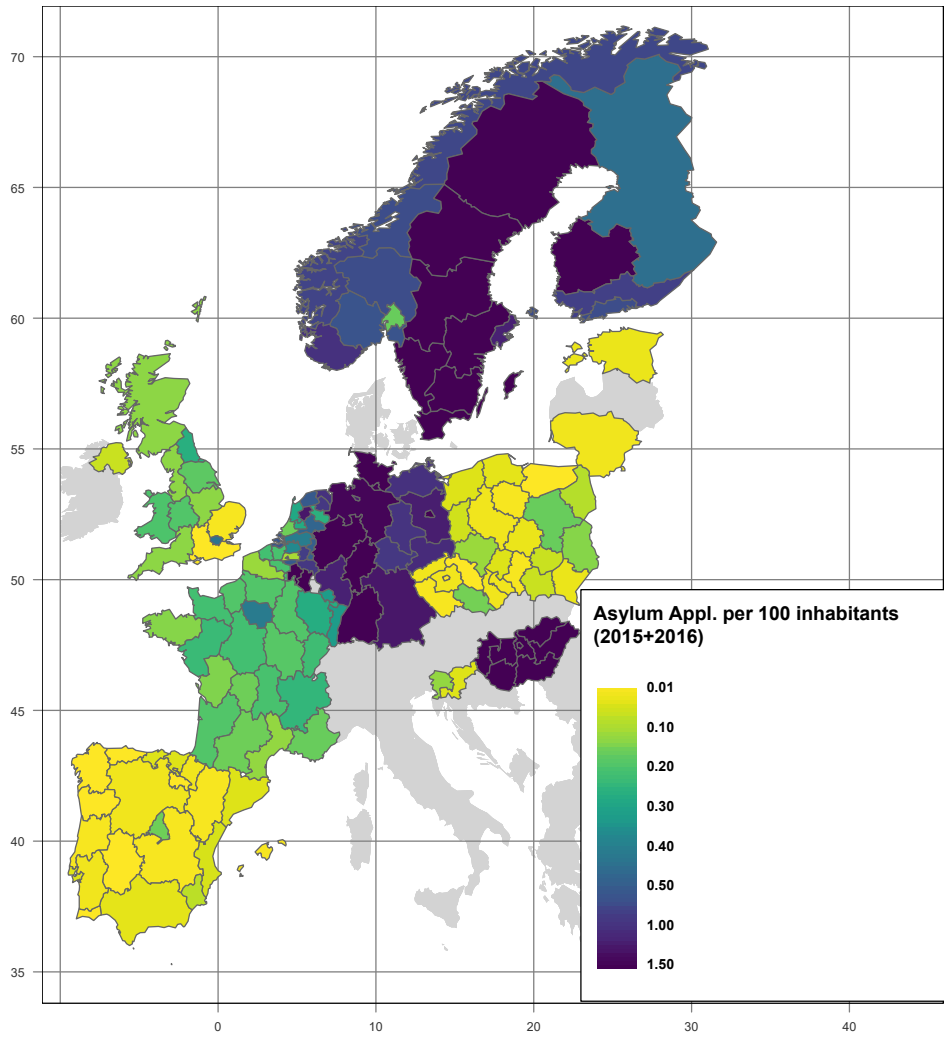


Figure 3.1: Asylum Applicants per 100 inhabitants in 2015+2016.

Notes: The figure shows the cumulated regional distribution of asylum seekers per 100 inhabitants in 2015 + 2016 (e.g. 0.1 stands for one asylum seeker per 1,000 inhabitants). *Source:* Own calculations (see formula 3.1) on basis of (ESPON, 2019; Eurostat, 2021)

Regional level covariates. A possible confounder in any study on immigration and redistribution preferences is the problem that migrants self-select into countries with generous welfare arrangements, less restricted access to public benefits for migrants, and in regions with high per capita income and a low unemployment rate (Alesina, Murard, et al., 2021; Mau and Burkhardt, 2009). This 'welfare magnet' bias is particularly relevant for our study, since after the *de facto* suspension of the Dublin III regulation, asylum seekers were largely free to determine their final country of destination. The data show that in 2016 the vast majority of migrants applied for asylum in Sweden, Germany, and Hungary (see figure B3, page 71). We therefore include the NUTS-2 unemployment rate, the NUTS-2 gross domestic product, and the hospital beds per 1,000 inhabitants on the NUTS-2 level which we take as a proxy for local social spending (Alesina, Murard, et al., 2021). Additionally, we control for regional and time fixed effects in all regressions to address endogeneity issues.

3.4 Results

3.4.1 Descriptive results

The full descriptive statistics can be found in Table B1, page 75. In the following figure, we present the sample's mean of the dependent variable across time.

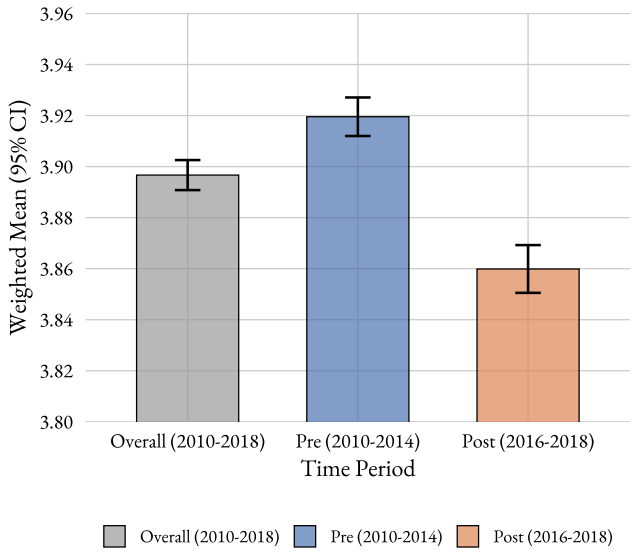


Figure 3.2: Support for redistribution over time.

Notes: The figure illustrates the overall sample mean and confidence intervals alongside the means and confidence intervals for the pre-crisis years (2010–2014) and the post-crisis period (2016–2018). A response of 5 corresponds to "Agreeing strongly" with the statement: "The government should take measures to reduce differences in income levels." *Source:* European Social Survey. Reversed and weighted variable of "gincdif" (ESS, 2021a).

We begin by examining changes in average redistribution preferences over time. The barplot presented in Figure 3.2 provides preliminary evidence of a decline in public support for redistributive policies following the asylum crisis of 2015/2016. On average, individuals reported lower support for government redistribution programs in the post-crisis period, with mean values decreasing from 3.92 to 3.86. For a more nuanced analysis, we apply an OLS regression with two-way fixed effects to control for general confounding factors. This enables us to determine whether the observed change in means persists after accounting for individual characteristics and regional differences. The model is specified as:

$$\begin{aligned} Y_{irt} = \beta_0 + \beta_1 Post_t + \\ \gamma \mathrm{X}_{irt} + \delta \mathrm{Z}_{rt} + \mu_r + \theta_t + \epsilon_{irt}, \end{aligned} \tag{3.2}$$

where Y_{irt} represents the distributive preferences of individual i living in (NUTS-2) region r at time t. The variable $Post_t$ is a dummy variable for the period after the refugee crisis, taking the value 1 for the period after 2016 and 0 otherwise. X_{irt} is a vector of individual-specific characteristics such as age, education, gender, union membership, religion, and political attitude. This vector also includes the income of individual i, measured either as their relative income to the country's median (Model I) or as their perceived income (Model II). Vector Z_{rt} comprises regional-specific control variables such as the regional unemployment rate, regional GDP, and hospital beds per capita. We include regional fixed effects (μ_r) to control for unobserved time-invariant factors on the regional level and year fixed effects (θ_t) to control for unobserved factors affecting all respondents in year t. All standard errors are clustered at the regional level.

The control variables exhibit the expected signs, consistent with the literature. Union membership, a left-wing political orientation, female gender, and a higher regional unemployment rate are associated with greater support for public redistribution. The number of hospital beds, serving as a proxy for the size of the welfare state, correlates positively with attitudes toward the welfare state. We interpret this as evidence that welfare policy responds to voters' preferences. As anticipated, an individual's economic well-being is negatively correlated with support for the welfare state, regardless of whether material prosperity is measured by an individual's deviation from the national median income (Model I) or by their reported subjective income satisfaction (Model II). Our findings suggest that higher education levels are associated with lower preferences for redistribution, likely due to their correlation with (expected) income. The results are presented in Table B4, on page 78.

Table 3.1: Correlation Asylum Crisis (as timedummy) and public support of redistribution

	Model I (1)	Model II (2)
Post Asylum Crisis (=1)	−0.045 (0.053)	−0.096** (0.047)
Control Variables	Yes	Yes
Year fixed effects	Yes	Yes
Regional fixed effects	Yes	Yes
Adj. R^2	0.118	0.129
Observations	78,418	92,698

Note: Two-way Fixed Effects OLS estimation. Dependent variable: Five-point Likert scale. 1 ="Strongly Disagree to the following statement: The government should take measures to reduce differences in income levels." to 5 ="Strongly Agree...". Material well-being is measured by the individual's income distance to a country's median income (Model I) and perceived income (Model II). The covariate of interest is a time dummy for post asylum crisis (ESS round 8 and 9). Other covariates include age, age^2, gender, years of education, political spectrum, religion, union membership, regional hospital beds rate, regional unemployment rate, and regional GDP. The full table with covariates can be found in table B4, page 78 in the appendix. Standard errors clustered at the regional level in parentheses, ***$p < 0.01$,**$p < 0.05$,*$p < 0.1$.
Source: ESS wave 5 to 9.

The regression in Table 3.1 shows a negative coefficient on the post-crisis indicator, which becomes statistically significant in specification II. Taking at face value, this finding suggests that public support for redistribution declined after the refugee crisis, supporting the Progressive's Dilemma hypothesis.

However, these simple correlations do not provide any indication of causal effects. To test causality, we used the fact that not all regions were equally affected by migration inflows. Some areas received a disproportionately large number of asylum seekers, while others remained largely uninvolved. If changes in public attitudes are driven by direct exposure to asylum seekers, we would expect to see diverging trends between regions that are more or less affected. To explore this scenario, we employ a difference-in-differences (DiD) approach that leverages geographic variation in refugee settlement patterns. By comparing trends in redistributive preferences between regions with high and low levels of asylum seeker inflows, we seek to assess whether—and in what manner—exposure to asylum seekers causally influences public attitudes toward redistribution.

3.4.2 Causality Analysis

Event, Treatment and Control Group

As mentioned above, we use the European asylum crisis of 2015/16 as a significant event to study the causal impact of migration inflows on the local population's distributive preferences. We classify a region as belonging to the treatment group whenever the number of asylum applicants allotted to this region exceeds 0.3% of the domestic population (see Figure B4). We use this threshold as it indicates a high level of separation precision. (see Figure B3, page 71). However, as the robustness checks show, the qualitative results of our model are independent of the specific classification rule (see section 3.4.2 and tables B8 and B9, pages 82 and 83). To estimate the causal impact of forced migration on the attitude toward the welfare state, we apply a standard two-way fixed effects DiD approach. The model is specified as:

$$\begin{aligned} Y_{irt} = \beta_0 + \beta_1 Treatment_r + \beta_2 Post_t + \\ \beta_3 (Treatment_r \cdot Post_t) + \\ \gamma \mathrm{X}_{irt} + \delta \mathrm{Z}_{rt} + \mu_r + \theta_t + \epsilon_{irt}, \end{aligned} \tag{3.3}$$

Treatment is a binary variable that equals 1 if the number of asylum seekers per capita exceeds the specified threshold in the years 2015/2016. As above, the variable $Post_t$ is the dummy for the time after the refugee crisis and takes the value 1 for the period after 2016 and 0 else. The DiD coefficient β_3 captures the differential impact of the influx of refugees on the willingness to support public redistribution measures between the treatment and control groups.

The results are shown in Table 3.2. The estimated coefficients imply that in regions with a high influx of asylum applicants, the domestic population's preference for public redistribution is 0.139 points *higher* compared to areas with a limited inflow of forced migrants. Given that the average value of the dependent variable varies between 3.92 and 3.88 during the entire observation period, this difference is also significant from an economic point of view. The coefficients remain robust across various model specifications. Column (1) shows the average treatment effect on the treated (ATT) without control variables. Specification (2) includes individual and regional controls and uses the income distance to measure material well-being, and specification (3) uses subjectively perceived adequacy of household income. Once we control for individual and

Table 3.2: Causal influence of immigration on redistibutive preferences

		Model I	Model II
	(1)	(2)	(3)
ATT	0.139***	0.168***	0.190***
	(0.034)	(0.039)	(0.039)
Control Variables	No	Yes	Yes
Year fixed effects	Yes	Yes	Yes
Regional fixed effects	Yes	Yes	Yes
Adj. R^2	0.082	0.120	0.132
Observations	141,483	78,418	92,698

Notes: DiD estimates of regions that accommodated more than 3 asylum seekers per 1.000 inhabitants. Dependent variable: Likert scale, between 1 (="Strongly Disagree to the following statement: The government should take measures to reduce differences in income levels.") to 5 (="Strongly Agree..."). No individual covariates in specification (1). Individual covariates with Income Distance (specification (2) / Model I) or Perceived Income. The estimation coefficients for further covariates can be found in table B3, page 77 in the appendix. Standard errors clustered at the regional level in parentheses, $^{***}p < 0.01$,$^{**}p < 0.05$,$^{*}p < 0.1$.
Source: ESS wave 5 to 9; Asylum data for treatment classification by EUROSTAT and ESPON MIGRARE.

regional-specific characteristics, the ATT increases from 0.139 to 0.168 or 0.19, respectively. The average treatment effect is highly significant in all specifications. Our findings suggest that the positive treatment effect entirely counterbalances the negative overall effect. This implies that the observed decline in willingness to redistribute is confined to regions that were only marginally affected by migration. In contrast, redistribution preferences have remained largely stable in areas that have experienced high levels of migration. Our results thus strongly contradict the generic hypothesis of the Progressive's Dilemma, which states a *negative* impact of immigration on the domestic population's willingness to support distributive measures.

Event Study

To address the validity of the DiD model in more detail, we perform an event study design. This allows us to determine whether the common trend assumption holds and provides further evidence concerning the reliability of the DiD estimator (Roth et al., 2023).

Figure 3.3 presents the results of the event study using the specifications of Model II, with the treatment occurring in wave 8 (2016). We use wave 7 (2014) as the reference period, i.e. we dropped these observations to avoid multicollinearity. The confidence intervals for the coefficients in the pre-treatment periods (waves 5 and 6) cover the zero value, indicating no statistically

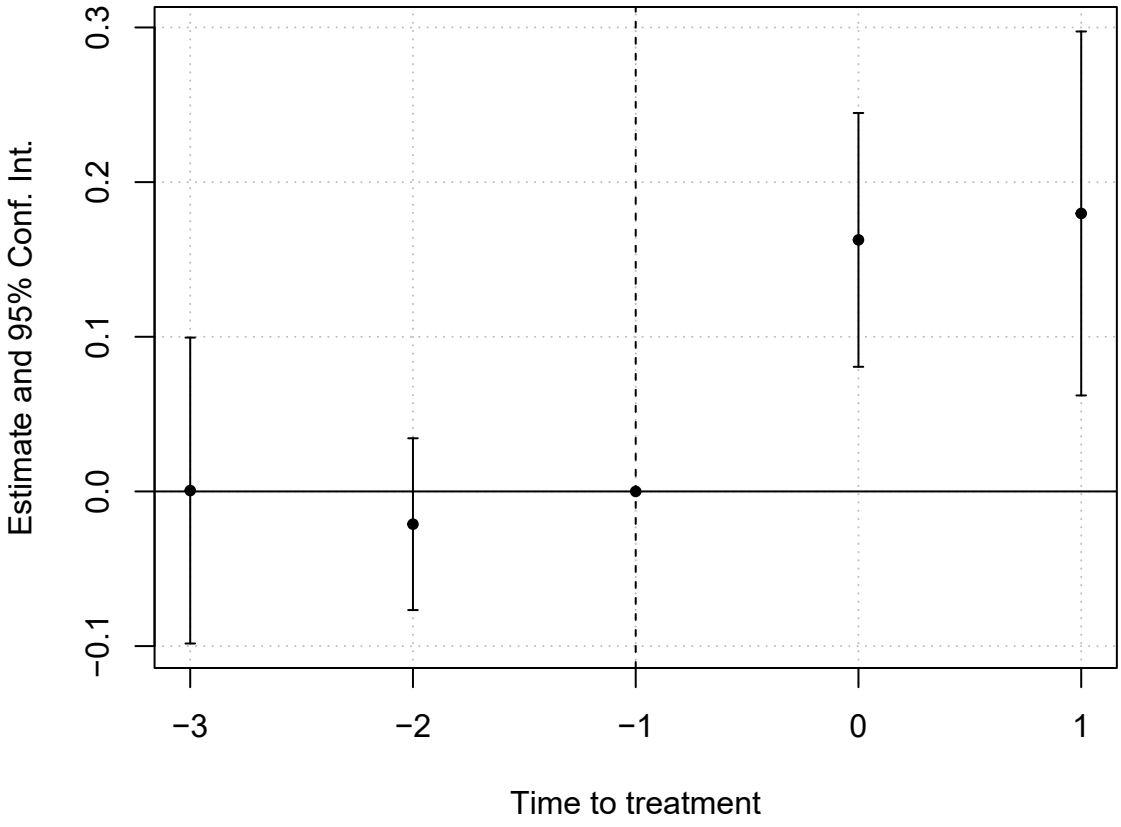


Figure 3.3: Event Study Model II

Note: Event-study estimates and 95% confidence interval from the two-way fixed effects DiD regression (Model II). Standard errors clustered at the regional level. 2014 (wave 7 of ESS) is used as a reference period. The data show no evidence of systematic deviations prior to the asylum crisis in 2016.

Source: ESS wave 5 to 9; Asylum data for treatment classification by EUROSTAT and ESPON MIGRARE.

significant difference between the treatment and control groups during these periods. Thus, prior to treatment, the trends in the dependent variable were not significantly different between the treated and control groups. After the asylum crisis in 2016, the point estimates for the treatment effect turn out to be positive, with confidence intervals ranging from 0.062 to 0.297, indicating a significant treatment effect in both post-treatment waves. The event studies for specification (1) and Model I (2) can be found in Figure B5, page 73 and Figure B6, page 74.

Alternative Hypotheses and Robustness

Increased migration may influence the domestic population's attitude toward public redistribution in several ways, some of which might superimpose and distort the primary effect. For example, domestic net beneficiaries of welfare programs may perceive migrants as additional competitors for scarce welfare benefits, endangering their welfare entitlements and, thus, their social position. This eventually causes a higher demand for public policies by natives with below-average incomes, depending on social benefits, which in turn might countervail a potential solidarity/diversity trade-off. To rule out this possibility, we reran the regressions under two qualifications. First, we restricted our sample to households with an equivalized income above a country's mean, i.e., to the more affluent part of society. Second, we excluded respondents from our sample who stated that they lived mainly on social benefits. The results are shown in tables B5 and B6, pages 79 and 80 in the appendix. Under both specifications, the ATT remains positive and significant. This finding contradicts the welfare competition hypothesis and confirms our previous findings. A further robustness check addresses concerns that the results may be driven by a single large receiving country. We therefore re-estimate the DiD specification excluding all regions in Germany. The estimated ATT remains positive and statistically significant, confirming that our results are not driven by the German case (see Table B7 on page 81 in the appendix).

Another potential source of bias is the assignment of regions to the control and treatment groups, respectively. We separated the treatment and control groups by the number of asylum seekers per capita in a region's domestic population. In the baseline specification, the threshold level was set to 0.3. However, lowering this threshold to 0.2 and raising it to 0.4 does not significantly affect the results (see Table B8 and Table B9, pages 82 and 83 in the appendix). To further validate our results, we estimate a two-way fixed effects OLS regression using the continuous share of asylum seekers at the regional level, thereby avoiding the binary treatment/control distinction altogether. The model is specified as:

$$Y_{irt} = \alpha_0 + \alpha_1 X_{irt} + \alpha_2 Z_{rt} + \alpha_3 Asylum_{rt} + \mu_r + \theta_t + \epsilon_{irt}, \tag{3.4}$$

Table 3.3: Correlation between the number of asylum seekers and public support of redistributive programs

	Model I	Model II
	(1)	(2)
Asylum Seekers	0.101***	0.063*
per capita	(0.025)	(0.038)
Control Variables	Yes	Yes
Year fixed effects	Yes	Yes
Regional fixed effects	Yes	Yes
Adj. R^2	0.120	0.129
Observations	78,418	92,698

Note: Two-way Fixed Effects OLS estimation. Dependent variable: Five-point Likert scale. 1 ="Strongly Disagree to the following statement: The government should take measures to reduce differences in income levels." to 5 ="Strongly Agree...". Material well-being is measured by the individual's income distance to a country's median income (Model I) and perceived income (Model II). The covariate of interest is the number of asylum seekers per capita on the regional level. Other covariates include age, age^2, gender, years of education, political spectrum, religion, union membership, regional hospital beds rate, regional unemployment rate, and regional GDP. The full table with covariates can be found in table B11, page 85 in the appendix. Standard errors clustered at the regional level in parentheses, $^{***}p < 0.01$,$^{**}p < 0.05$,$^{*}p < 0.1$.

Source: ESS wave 5 to 9; Asylum data by EUROSTAT and ESPON MIGRARE.

The results are shown in Table B11, page 85. Again, the inflow of asylum seekers as a percentage of the domestic population is *positively* correlated with support for public redistribution once we control for regional fixed effects. This result reinforces our main finding and contradicts the expectations of the Progressive's Dilemma hypothesis, while supporting recent evidence by Giuliano and Tabellini (2020). The consistency between the binary and continuous treatment approaches strengthens the causal interpretation of our DiD results.[4]

Finally, it is argued that structural differences of immigration and welfare policies are located not

[4]Similar to the DiD specification, we also replace regional fixed effects with country fixed effects as a robustness check. This alteration does not affect the main results (see Table B12 on page 86).

at the regional, but at the national level. To control for country-specific influences, in the DiD we replaced regional fixed effects with country fixed effects. The results are shown in table B13, page 87 in the appendix. Due to the limited number of clusters, we calculate non-clustered standard errors. Again, the results remain robust and reject the Progressive's Dilemma hypothesis.

3.5 Conclusion

The impact of ethnic heterogeneity on solidarity, social cohesion, and welfare expenditure is a highly debated topic in both political discourse and social science. This paper utilizes the European migration crises of 2015/16 as a natural experiment to explore the potential trade-off between solidarity and diversity, a concept extensively discussed in the existing literature. The study leverages the fact that the sudden influx of migrants was largely unforeseen by both policymakers and the public. Additionally, asylum seekers did not disperse uniformly across Europe but rather concentrated in specific regions of the European Union. This variation enables a clear distinction between regions heavily exposed to migration flows and those that remained largely unaffected by the crisis. If nativism were indeed a prerequisite for support for welfare programs, we would expect to observe a marked decline in preferences for redistribution in areas that experienced significant migration inflows.

Contrary to expectations, the correlation between migration inflow and redistribution preference turns out to be positive once we control for regional and time-fixed effects. This finding is further supported by causality analysis. We observe a significant decrease in redistribution preferences in areas with lower immigration rates, while welfare state support remained rather stable in regions exposed to high migration inflows.

We can only conjecture about the causes for this result. One explanation is that in societies with a small number of migrants, the standard view of foreigners is shaped not primarily by their factual impact on natives' welfare and living standards, but rather by the public perception of immigrants. Where there is no direct contact with migrants, these beliefs are grounded in narratives mediated by the media. Frequent interaction across ethnic groups helps to dismantle prejudices and reduce xenophobia. However, further research on this issue is necessary.

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Appendix B: Additional Information on *Forced Migration and the Welfare State*

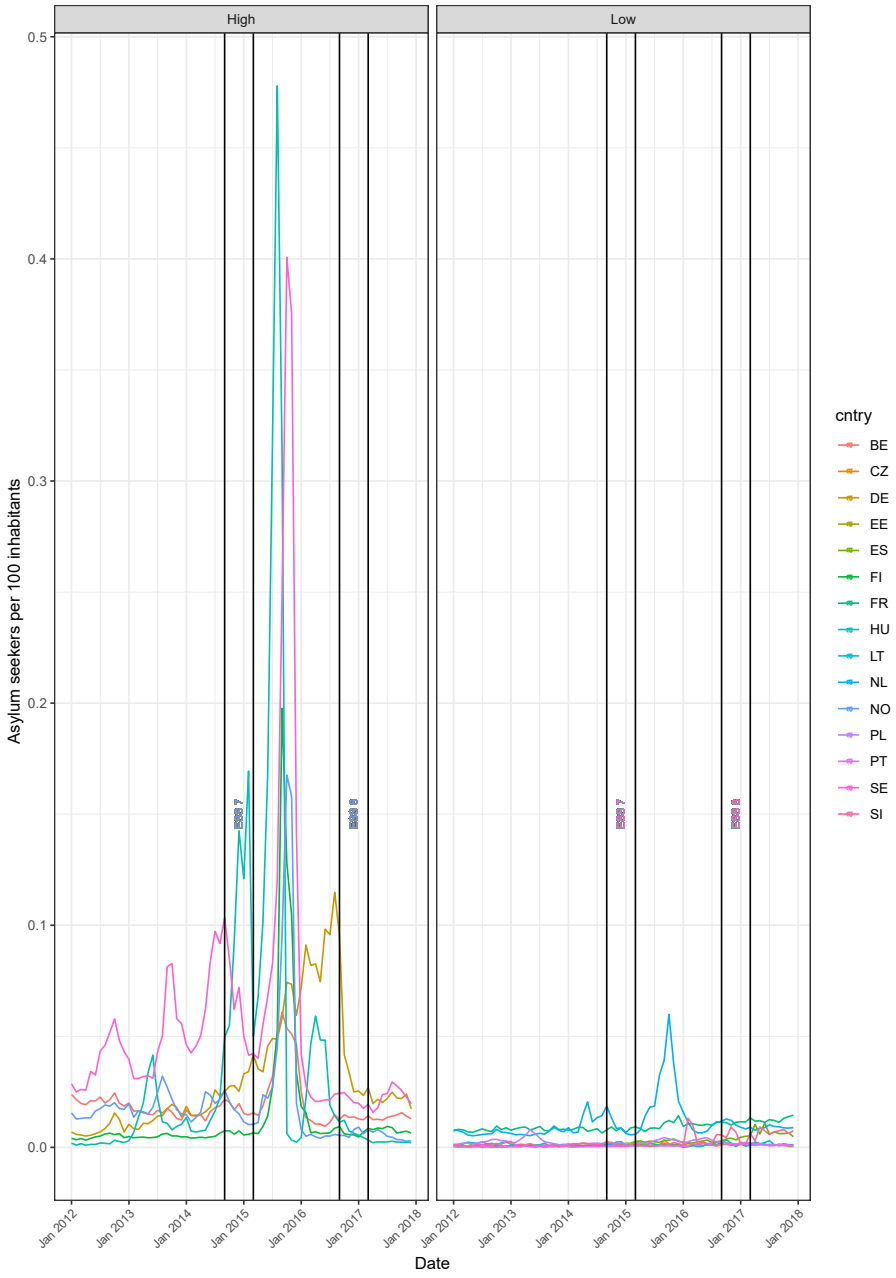


Figure B1: Asylum seekers per 100 inhabitants (Eurostat, 2023).

Note: The figure plots monthly asylum applicants on the national level. Additionally the time of field-work of ESS wave 7 and 8 is plotted with vertical lines (The ESS field work of wave 7 took from October 2014 until March 2015). The high influx started in the autumn of 2015 and the EU-Turkey asylum deal of March 2016 reduced the incoming numbers of asylum seekers sharply. This figure underlines that the time of field work did not overlap with the critical phase of the asylum crisis in 2015/16. The classification in high and low does not represent the control- and treatment classification of the DiD, since the monthly number of asylum seekers is not published on the regional level.
Source: Time of field-work by ESS. National Asylum data by Eurostat (2023).

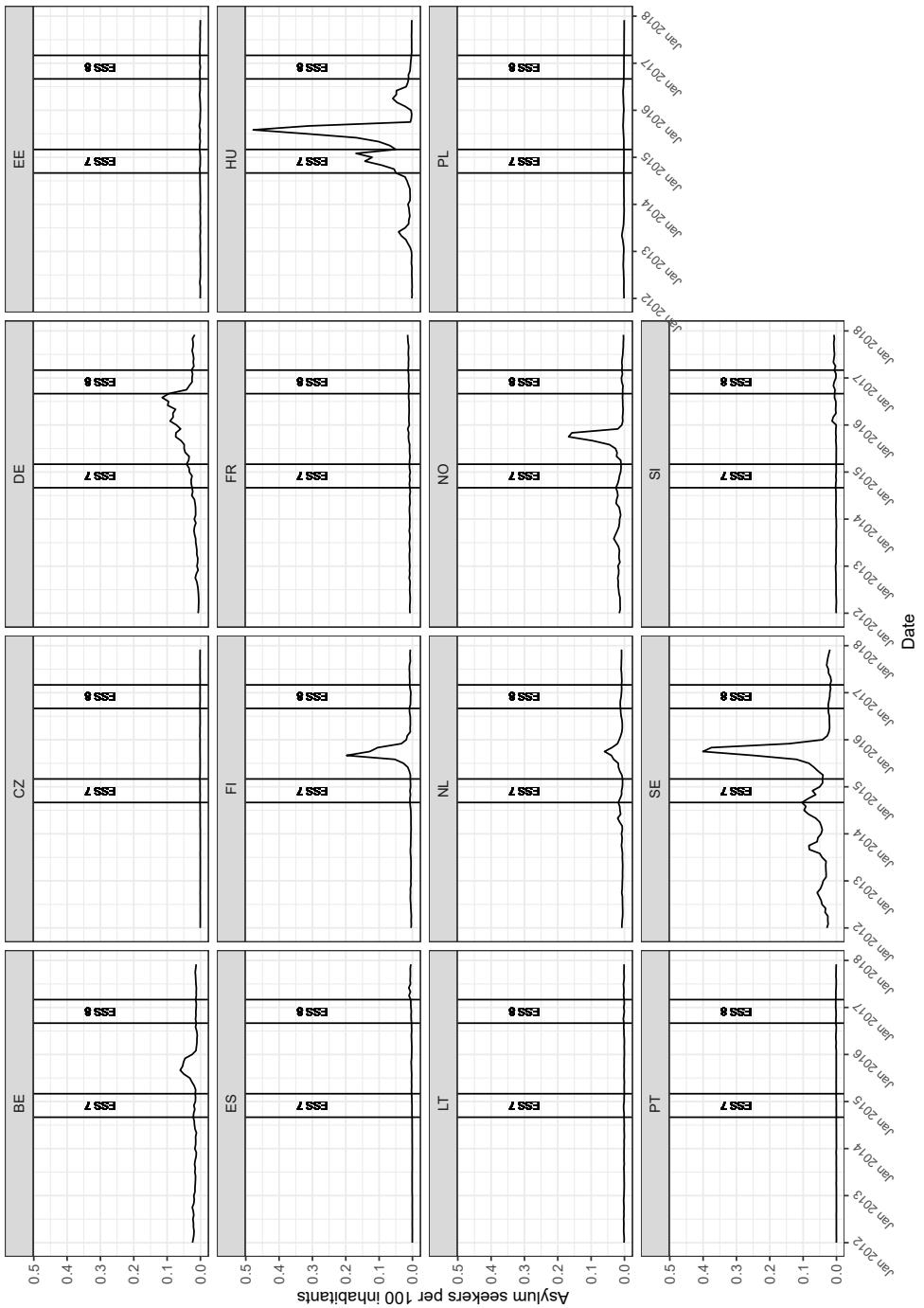


Figure B2: Total number of asylum seekers per 100 inhabitants. Time of ESS fieldwork ESS7 and 8 (Eurostat, 2023).

Note: The figure plots monthly asylum applicants, seperately for every nation stated in chapter data. Additionally the time of field-work of ESS wave 7 and 8 is plotted with vertical lines. The ESS field work of wave 7 took from October 2014 until March 2015). The high influx started in the autumn of 2015 and the EU-Turkey asylum deal of March 2016 reduced the incoming numbers of asylum seekers sharply. This figure underlines that the time of field work did not overlap with the critical phase of the asylum crisis 2015/16.
Source: Time of fiel work by ESS. National Asylum data by (Eurostat, 2023).

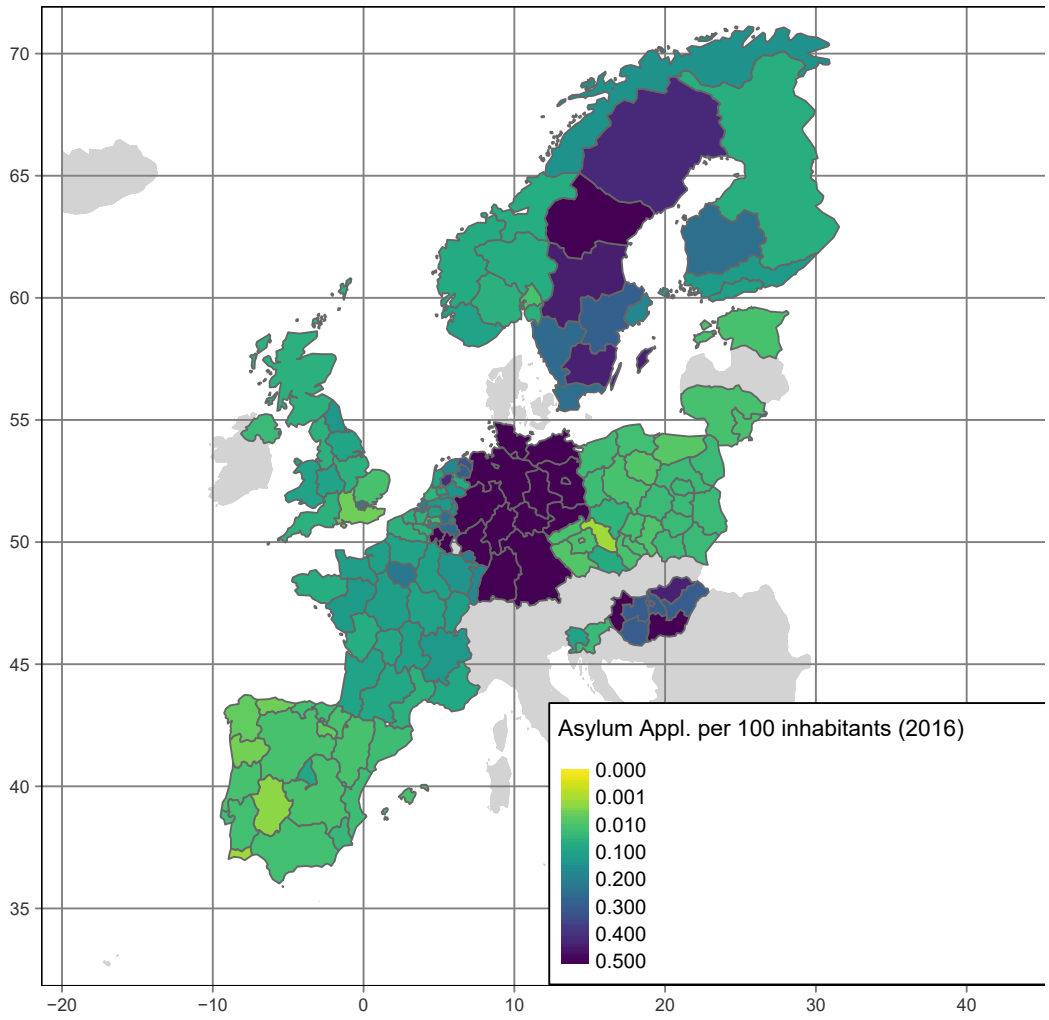


Figure B3: Asylum Applicants per 100 inhabitants in 2016.

Notes: The figure shows the regional distribution of asylum seekers per 100 inhabitants (e.g. 0.1 stands for one asylum seeker per 1,000 inhabitants) as raw data as reported by ESPON's MIGRARE project for the year of 2016 only. The treatment classification took place on both years 2015 (calculated) and 2016 as shown in Figure 3.1 (page 53). *Source:* (ESPON, 2019)

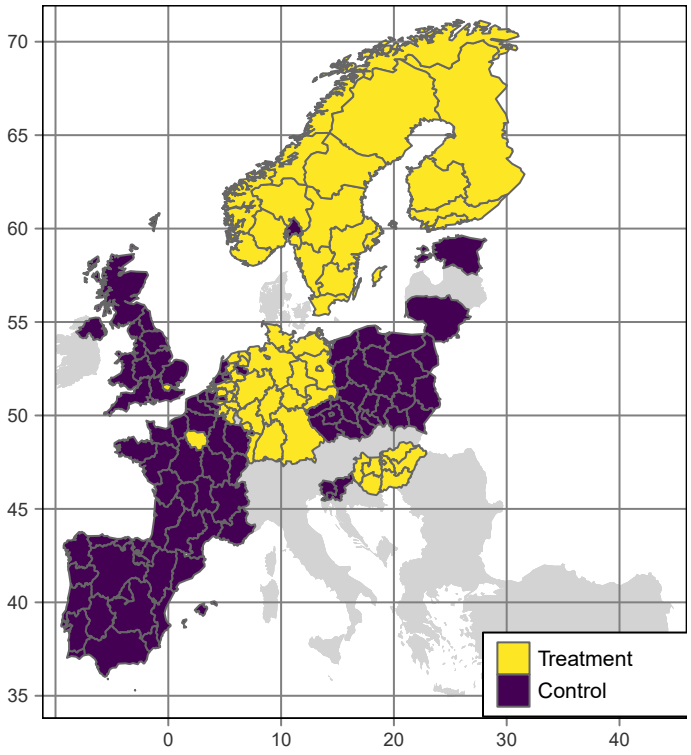


Figure B4: Control and Treatment Group

Note: Figure shows the treatment classification of regions. A region is stated as treatment if it accommodated more than 0.3 asylum seekers per 100 inhabitants in the years 2015 and 2016. *Source:* (ESPON, 2019) and (Eurostat, 2021).

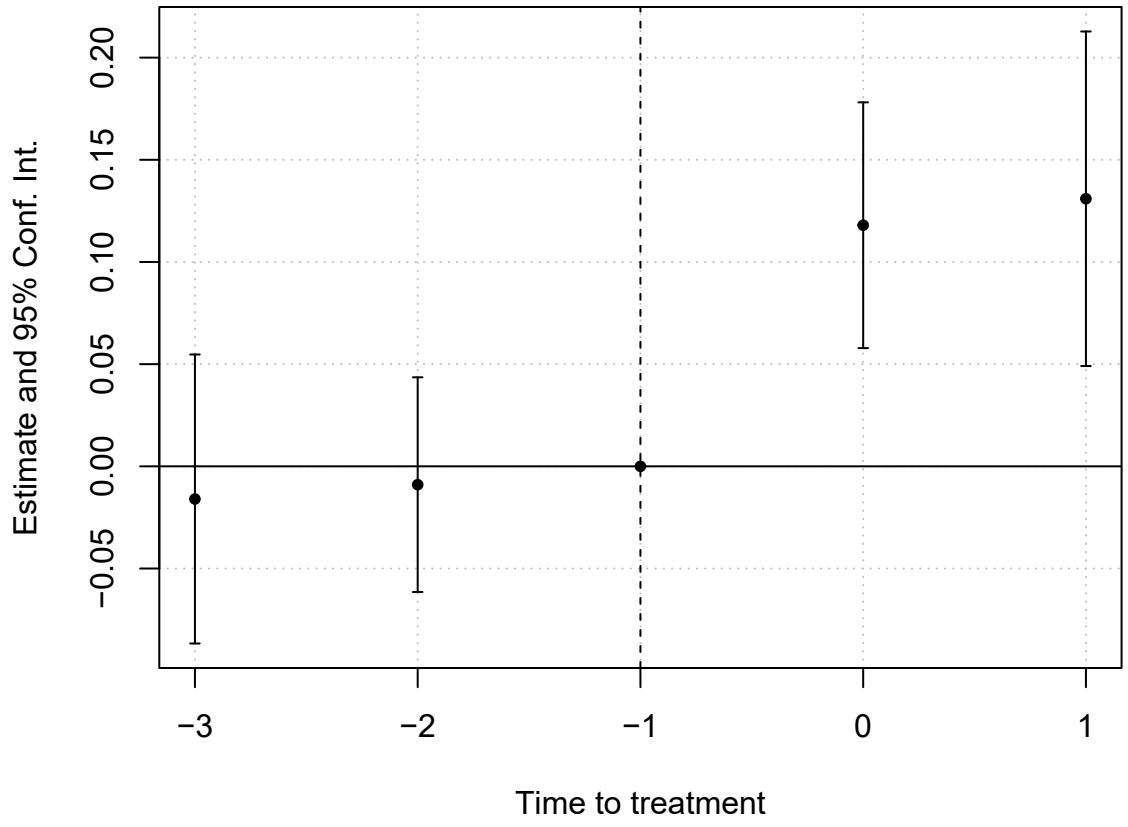


Figure B5: Event Study Specification (1)

Note: The figure plots event-study estimates and 95% confidence interval from the two-way fixed effects DiD regression (specifications as in (1) of Table 3.2). This supports the common pre-trend assumption before the treatment occurred in 0, when the asylum crisis of 2015/16 took place (wave 8). Standard errors clustered at the regional level. Wave 7 is used as a reference period (i.e., dropped from the analysis to avoid multicollinearity).
Source: ESS wave 5 to 9; Asylum data for treatment classification by Eurostat and ESPON as described earlier.

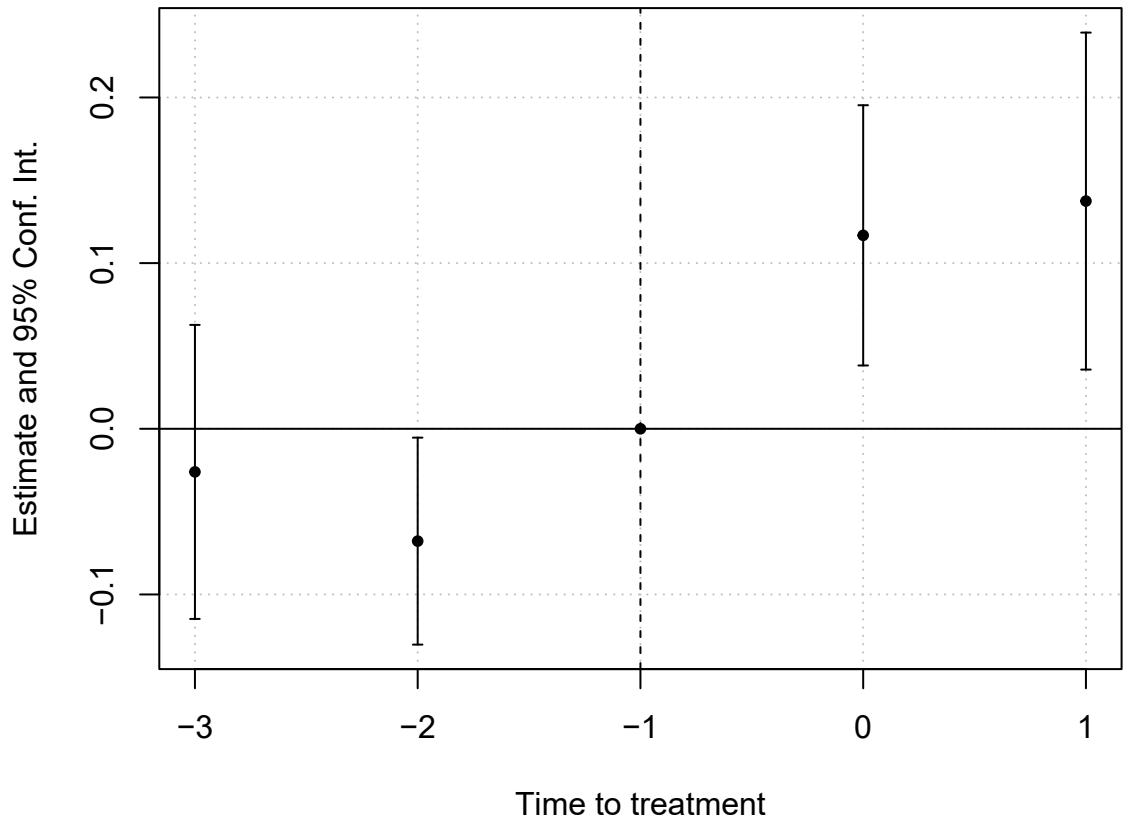


Figure B6: Event Study Model I

Note: The figure plots event-study estimates and 95% confidence interval from the two-way fixed effects DiD regression (specifications as in Model I of Table 3.2). This supports the common pre-trend assumption before the treatment occurred in 0, when the asylum crisis of 2015/16 took place (wave 8). Standard errors clustered at the regional level. Wave 7 is used as a reference period (i.e., dropped from the analysis to avoid multicollinearity).
Source: ESS wave 5 to 9; Asylum data for treatment classification by Eurostat and ESPON as described earlier.

Table B1: Summary Statistics of Key Variables

	Overall (ESS5-9)	**Overall Pre (ESS5-7)**	**Overall Post (ESS8-9)**	**Control (ESS5-9)**	**Treatment (ESS5-9)**
Redistribution Preference	3.90 (1.02)	3.92 (1.02)	3.86 (1.01)	3.92 (1.02)	3.86 (1.00)
Income Distance (AE)	-0.02 (1.16)	-0.01 (1.07)	-0.02 (1.27)	-0.01 (1.09)	-0.02 (1.24)
Perceived Income	3.01 (0.82)	2.96 (0.84)	3.09 (0.79)	2.92 (0.82)	3.14 (0.80)
Age	49.21 (17.78)	48.90 (17.77)	49.69 (17.79)	48.97 (17.68)	49.56 (17.92)
Age^2	27.37 (18.27)	27.07 (18.23)	27.86 (18.36)	27.12 (18.14)	27.77 (18.48)
Gender	0.52 (0.50)	0.52 (0.50)	0.52 (0.50)	0.53 (0.50)	0.51 (0.50)
Years of Education	12.89 (4.03)	12.70 (4.06)	13.20 (3.98)	12.66 (4.15)	13.25 (3.83)
Polit. Spectrum (10=Right)	5.11 (2.18)	5.12 (2.18)	5.10 (2.20)	5.08 (2.22)	5.16 (2.15)
Religion	4.28 (3.09)	4.33 (3.06)	4.21 (3.15)	4.31 (3.13)	4.23 (3.05)
Union Membership (1=yes)	0.41 (0.49)	0.41 (0.49)	0.40 (0.49)	0.34 (0.75)	0.51 (0.50)
Beds NUTS-2	0.55 (0.20)	0.56 (0.20)	0.53 (0.20)	0.53 (0.17)	0.57 (0.23)
Unempoyment NUTS-2	8.49 (5.13)	9.54 (5.30)	6.67 (4.26)	9.62 (5.90)	6.79 (2.99)
GDP Regional	2.71 (1.38)	2.58 (1.35)	2.91 (1.42)	2.09 (0.99)	3.51 (1.41)
Observations	143,729	59,505	84,224	87,817	55,912

Note: The table presents means and standard deviations for key variables across the full sample (ESS5-9), pre-treatment (ESS5-7), post-treatment (ESS8-9), and by control and treatment groups. Redistribution preference remains stable, with a slight decline post-treatment (3.86 vs. 3.92 pre-treatment) and slightly lower values in the treatment group (3.86) compared to controls (3.92). Descriptive statistics show that treatment regions having a higher GDP (3.51 vs. 2.09) and lower unemployment (6.79% vs. 9.62%). The sample comprises 143,729 observations, split into 59,505 pre-treatment and 84,224 post-treatment, with 87,817 in the control group and 55,912 in the treatment group. We use probability weights to control for differential selection probabilities within each country (sample design, nonresponse, noncoverage, post-stratification and sampling errors) (ESS, 2021).

Source: ESS

Table B2: Comparison of Calculated and Official Regional Asylum Data for Germany and Sweden (2018).

Region	Calculated Applications	Calculated Share	Official Applications	Official Share	Deviation (%)
Baden-Württemberg	24,392	13.24%	16,062	9.93%	-3.32
North Rhine-Westphalia	51,095	27.74%	39,579	24.46%	-3.28
Lower Saxony	17,283	9.38%	16,848	10.41%	1.03
Bavaria	24,264	13.17%	21,911	13.54%	0.37
Berlin	8,961	4.87%	8,216	5.08%	0.21
Saarland	478	0.26%	2,685	1.66%	1.40
Saxony-Anhalt	3,196	1.74%	4,283	2.65%	0.91
Hesse	16,330	8.87%	12,865	7.95%	-0.92
Schleswig-Holstein	8,258	4.48%	6,475	4.00%	-0.48
Bremen	1,233	0.67%	1,880	1.16%	0.49
Brandenburg	4,428	2.40%	4,679	2.89%	0.49
Hamburg	5,247	2.85%	4,139	2.56%	-0.29
Mecklenburg-Vorpommern	2,407	1.31%	2,828	1.75%	0.44
Saxony	6,424	3.49%	7,561	4.67%	1.19
Thuringia	3,025	1.64%	4,169	2.58%	0.93
Rhineland-Palatinate	7,151	3.88%	7,622	4.71%	0.83
Total	184,180	100%	161,802	100%	–
Stockholm	3,845	13.29%	6,851	18.78%	5.49
Östra Mellansverige	4,719	16.31%	6,972	19.11%	2.80
Småland och öarna	3,647	12.60%	4,842	13.27%	1.03
Sydsverige	3,648	12.61%	5,753	15.77%	3.16
Västsverige	5,198	17.96%	5,900	16.17%	-1.79
Norra Mellansverige	3,724	12.87%	3,154	8.64%	-4.23
Mellersta Norrland	2,014	6.96%	1,396	3.83%	-3.13
Övre Norrland	2,140	7.40%	1,620	4.44%	-2.96
Total	28,935	100%	36,488	100%	–

Note: This table shows the calculated regional asylum distributions for 2018/19 based on the reference year of 2016. The discrepancy between the predicted regional asylum seekers and the reported ones by Germany and Sweden show only minimal deviations of less than 6% and an average deviation of under 1.7%. Germany and Sweden are two of the few countries that published regional asylum data at all (besides the ESPON project). The regional distribution factor multiplies the 2018 national numbers delivered by Eurostat. The total numbers differ because of inconsistent classifications of asylum seekers between Eurostat (Eurostat, 2021) and the national asylum agencies of Germany and Sweden (First time asylum seekers vs. asylum seekers). However, we assume that the classification of asylum seekers does not influence the regional distribution.

Source: (BAMF, 2018; Migrationsverket, 2019)

Table B3: Results DiD

	(1)	(2)	(3)
Income Distance (AE)		-0.065^{***}	
		(0.007)	
Perceived Income			-0.153^{***}
			(0.008)
Average Treatment Effect	0.139^{***}	0.168^{***}	0.190^{***}
	(0.034)	(0.039)	(0.039)
Age		0.008^{***}	0.004^{**}
		(0.002)	(0.002)
Age^2		-0.005^{***}	-0.002
		(0.002)	(0.002)
Gender (1=Female)		0.119^{***}	0.111^{***}
		(0.009)	(0.008)
Years of Education		-0.022^{***}	-0.019^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.086^{***}	-0.081^{***}
		(0.007)	(0.007)
Religion		-0.002	-0.002
		(0.002)	(0.002)
Union Membership (1=yes)		0.105^{***}	0.106^{***}
		(0.009)	(0.009)
Beds NUTS-2 (1.000)		0.880^{***}	0.775^{***}
		(0.227)	(0.192)
Unemployment NUTS-2		0.012^{**}	0.003
		(0.006)	(0.006)
GDP Regional (10.000)		0.143^{**}	0.141^{**}
		(0.057)	(0.059)
R^2	0.082	0.120	0.132
R^2 Adj.	0.081	0.119	0.131
Num Obs.	141,843	78,418	92,698

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B4: Descriptive Results Pre/Post Crisis
(2-way FE OLS with Region Fixed Effects)

	Model I	Model II
	(1)	(2)
Income Distance (AE)	-0.065***	
	(0.007)	
Perceived Income		-0.153***
		(0.008)
Post Asylum	-0.045	-0.096**
Crisis (=1)	(0.053)	(0.047)
Age	0.008***	0.004**
	(0.002)	(0.002)
Age^2	-0.005**	-0.002
	(0.002)	(0.002)
Gender (1=Female)	0.119***	0.111***
	(0.009)	(0.008)
Years of Education	-0.022***	-0.019***
	(0.002)	(0.002)
Polit. Spectrum (10=Right)	-0.086***	-0.081***
	(0.007)	(0.007)
Religiosity	-0.002	-0.002
	(0.002)	(0.002)
Union Membership (1=yes)	0.105***	0.106***
	(0.009)	(0.009)
Beds NUTS-2 (1.000)	0.713**	0.528**
	(0.279)	(0.232)
Regional Unemployment	0.022***	0.011**
	(0.005)	(0.005)
Regional GDP	0.200***	0.221***
	(0.066)	(0.069)
Observations	78,418	92,698
R^2	0.119	0.131
Adjusted R^2	0.118	0.129

Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B5: Results DiD with restricted data: Only if household income > Country Median Income

	(1)	(2)	(3)
Income Distance (AE)		-0.044^{***}	
		(0.009)	
Perceived Income			-0.177^{***}
			(0.012)
Average Treatment Effect	0.140^{***}	0.183^{***}	0.184^{***}
	(0.049)	(0.048)	(0.049)
Age		-0.003	-0.005^{*}
		(0.003)	(0.003)
Age^2		0.005^{**}	0.007^{***}
		(0.003)	(0.003)
Gender (1=Female)		0.127^{***}	0.129^{***}
		(0.012)	(0.012)
Years of Education		-0.028^{***}	-0.024^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.113^{***}	-0.111^{***}
		(0.008)	(0.008)
Religion		0.003	0.002
		(0.003)	(0.003)
Union Membership (1=yes)		0.128^{***}	0.124^{***}
		(0.012)	(0.012)
Beds NUTS-2 (1.000)		0.997^{***}	0.946^{***}
		(0.287)	(0.279)
Unemployment NUTS-2		0.013^{**}	0.008
		(0.006)	(0.006)
GDP Regional (10.000)		0.136^{*}	0.122
		(0.080)	(0.084)
R^2	0.083	0.137	0.144
R^2 Adj.	0.081	0.134	0.141
Num Obs.	56,594	39,245	39,202

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B6: Results DiD with restricted data: Only if main source of household income is not from social benefits ($hincsrca \neq 5 \mid 6$)

	(1)	(2)	(3)
Income Distance (AE)		-0.064^{***}	
		(0.007)	
Perceived Income			-0.154^{***}
			(0.008)
Average Treatment Effect	0.136^{***}	0.172^{***}	0.189^{***}
	(0.034)	(0.039)	(0.040)
Age		-0.006	-0.003^{*}
		(0.002)	(0.002)
Age^2		-0.004^{**}	-0.001
		(0.002)	(0.002)
Gender (1=Female)		0.117^{***}	0.111^{***}
		(0.009)	(0.008)
Years of Education		-0.022^{***}	-0.019^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.086^{***}	-0.081^{***}
		(0.007)	(0.007)
Religion		-0.001	-0.001
		(0.002)	(0.002)
Union Membership (1=yes)		0.109^{***}	0.109^{***}
		(0.009)	(0.009)
Beds NUTS-2 (1.000)		0.887^{***}	0.749^{***}
		(0.219)	(0.176)
Unemployment NUTS-2		0.011^{*}	0.002
		(0.006)	(0.006)
GDP Regional (10.000)		0.133^{**}	0.140^{**}
		(0.059)	(0.061)
R^2	0.086	0.122	0.134
R^2 Adj.	0.086	0.122	0.134
Num Obs.	132,427	74,365	87,738

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B7: Results DiD: Without Germany

	(1)	(2)	(3)
Income Distance (AE)		-0.064^{***}	
		(0.009)	
Perceived Income			-0.149^{***}
			(0.009)
Average Treatment Effect	0.125^{***}	0.158^{***}	0.174^{***}
	(0.036)	(0.045)	(0.044)
Age		0.009^{***}	0.006^{***}
		(0.002)	(0.002)
Age^2		-0.006^{***}	-0.003
		(0.002)	(0.002)
Gender (1=Female)		0.124^{***}	0.113^{***}
		(0.010)	(0.009)
Years of Education		-0.023^{***}	-0.019^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.087^{***}	-0.082^{***}
		(0.008)	(0.007)
Religion		-0.0001	0.00004
		(0.003)	(0.002)
Union Membership (1=yes)		0.102^{***}	0.104^{***}
		(0.010)	(0.010)
Beds NUTS-2 (1.000)		0.839^{***}	0.700^{***}
		(0.244)	(0.206)
Unemployment NUTS-2		0.013^{*}	0.004
		(0.007)	(0.007)
GDP Regional (10.000)		0.141^{**}	0.122^{*}
		(0.063)	(0.063)
R^2	0.087	0.128	0.140
R^2 Adj.	0.086	0.126	0.138
Num Obs.	128,504	67,013	79,968

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B8: Results DiD: Treatment if 0.2% asylum p.c.

	(1)	(2)	(3)
Income Distance (AE)		-0.065^{***}	
		(0.007)	
Perceived Income			-0.153^{***}
			(0.008)
Average Treatment Effect	0.161^{***}	0.193^{***}	0.209^{***}
	(0.034)	(0.040)	(0.038)
Age		0.008^{***}	0.004^{**}
		(0.002)	(0.002)
Age^2		-0.005^{***}	-0.002
		(0.002)	(0.002)
Gender (1=Female)		0.119^{***}	0.111^{***}
		(0.009)	(0.008)
Years of Education		-0.022^{***}	-0.019^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.086^{***}	-0.081^{***}
		(0.007)	(0.007)
Religion		-0.002	-0.002
		(0.002)	(0.002)
Union Membership (1=yes)		0.105^{***}	0.106^{***}
		(0.009)	(0.009)
Beds NUTS-2 (1.000)		0.845^{***}	0.748^{***}
		(0.217)	(0.187)
Unemployment NUTS-2		0.009	0.001
		(0.006)	(0.006)
GDP Regional (10.000)		0.128^{**}	0.124^{**}
		(0.055)	(0.057)
R^2	0.083	0.121	0.133
R^2 Adj.	0.081	0.119	0.131
Num Obs.	141,843	78,418	92,698

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B9: Results DiD: Treatment if 0.4% asylum p.c.

	(1)	(2)	(3)
Income Distance (AE)		-0.065^{***}	
		(0.007)	
Perceived Income			-0.153^{***}
			(0.008)
Average Treatment Effect	0.138^{***}	0.163^{***}	0.185^{***}
	(0.033)	(0.038)	(0.038)
Age		0.008^{***}	0.004^{**}
		(0.002)	(0.002)
Age^2		-0.005^{***}	-0.002
		(0.002)	(0.002)
Gender (1=Female)		0.119^{***}	0.111^{***}
		(0.009)	(0.008)
Years of Education		-0.022^{***}	-0.019^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.086^{***}	-0.081^{***}
		(0.007)	(0.007)
Religion		-0.002	-0.002
		(0.002)	(0.002)
Union Membership (1=yes)		0.105^{***}	0.106^{***}
		(0.009)	(0.009)
Beds NUTS-2 (1.000)		0.908^{***}	0.801^{***}
		(0.234)	(0.197)
Unemployment NUTS-2		0.013^{**}	0.004
		(0.006)	(0.006)
GDP Regional (10.000)		0.157^{***}	0.157^{***}
		(0.059)	(0.060)
R^2	0.082	0.120	0.132
R^2 Adj.	0.081	0.119	0.131
Num Obs.	141,843	78,418	92,698

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B10: Results DiD: Using only data where ESPON is available (n=116,043)

	(1)	(2)	(3)
Income Distance (AE)		-0.071^{***}	
		(0.005)	
Perceived Income			-0.148^{***}
			(0.008)
Average Treatment Effect	0.144^{***}	0.151^{***}	0.186^{***}
	(0.038)	(0.039)	(0.041)
Age		0.008^{***}	0.004^{**}
		(0.002)	(0.002)
Age^2		-0.005^{**}	-0.001
		(0.002)	(0.002)
Gender (1=Female)		0.117^{***}	0.113^{***}
		(0.008)	(0.008)
Years of Education		-0.020^{***}	-0.017^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.084^{***}	-0.080^{***}
		(0.007)	(0.007)
Religion		-0.004	-0.003
		(0.002)	(0.002)
Union Membership (1=yes)		0.113^{***}	0.115^{***}
		(0.009)	(0.009)
Beds NUTS-2 (1.000)		0.762^{***}	0.663^{***}
		(0.198)	(0.155)
Unemployment NUTS-2		0.010^{*}	-0.0001
		(0.005)	(0.005)
GDP Regional (10.000)		0.106^{*}	0.104^{*}
		(0.062)	(0.063)
R^2	0.071	0.113	0.122
R^2 Adj.	0.069	0.111	0.120
Num Obs.	114,544	68,684	80,740

Note: *p<0.1; **p<0.05; ***p<0.01.
Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B11: Descriptive Results
(2-way FE OLS with Region Fixed Effects)

	Model I	Model II	Model I	Model II
	(1)	(2)	(3)	(4)
Income Distance (AE)	-0.065***		-0.065***	
	(0.007)		(0.007)	
Perceived Income		-0.153***		-0.153***
		(0.008)		(0.008)
Asylum Seekers	0.101***	0.063*		
per capita	(0.025)	(0.038)		
Asylum Seekers			0.084***	0.087***
cumulated (2010-2018)			(0.022)	(0.026)
Age	0.008***	0.004**	0.008***	0.004**
	(0.002)	(0.002)	(0.002)	(0.002)
Age^2	-0.005***	-0.002	-0.005***	-0.002
	(0.002)	(0.002)	(0.002)	(0.002)
Gender (1=Female)	0.119***	0.111***	0.119***	0.111***
	(0.009)	(0.008)	(0.009)	(0.008)
Years of Education	-0.022***	-0.019***	-0.022***	-0.019***
	(0.002)	(0.002)	(0.002)	(0.002)
Polit. Spectrum (10=Right)	-0.086***	-0.081***	-0.086***	-0.081***
	(0.007)	(0.007)	(0.007)	(0.007)
Religiosity	-0.002	-0.002	-0.002	-0.002
	(0.002)	(0.002)	(0.002)	(0.002)
Union Membership (1=yes)	0.105***	0.106***	0.105***	0.107***
	(0.009)	(0.009)	(0.009)	(0.009)
Beds NUTS-2 (1.000)	0.675***	0.498**	0.522**	0.358*
	(0.257)	(0.220)	(0.244)	(0.207)
Regional Unemployment	0.023***	0.012**	0.018***	0.009
	(0.005)	(0.006)	(0.005)	(0.006)
Regional GDP	0.167***	0.200***	0.158***	0.166***
	(0.063)	(0.067)	(0.059)	(0.063)
Observations	78,418	92,698	78,418	92,698
R^2	0.120	0.131	0.120	0.131
Adjusted R^2	0.118	0.129	0.118	0.130

Regional and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B12: Descriptive Results
(2-way FE OLS with Country Fixed Effects)

	Model I (1)	Model II (2)	Model I (3)	Model II (4)
Income Distance (AE)	-0.068***		-0.068***	
	(0.007)		(0.007)	
Perceived Income		-0.155***		-0.155***
		(0.008)		(0.008)
Asylum p.C. (regional)	0.104***	0.068**		
	(0.022)	(0.033)		
Asylum p.C			0.057***	0.049***
Cumulated(regional)			(0.012)	(0.015)
Age	0.008***	0.004**	0.008***	0.004**
	(0.002)	(0.002)	(0.002)	(0.002)
Age^2	-0.005**	-0.002	-0.005**	-0.002
	(0.002)	(0.002)	(0.002)	(0.002)
Gender (1=Female)	0.119***	0.111***	0.119***	0.111***
	(0.009)	(0.008)	(0.009)	(0.008)
Years of Education	-0.022***	-0.019***	-0.022***	-0.019***
	(0.002)	(0.002)	(0.002)	(0.002)
Polit. Spectrum (10=Right)	-0.086***	-0.081***	-0.086***	-0.081***
	(0.007)	(0.007)	(0.007)	(0.007)
Religion	-0.003	-0.003	-0.003	-0.003
	(0.002)	(0.002)	(0.002)	(0.002)
Union Membership (1=yes)	0.109***	0.111***	0.109***	0.111***
	(0.009)	(0.009)	(0.009)	(0.009)
Beds NUTS-2 (1.000)	0.122*	0.165**	0.123*	0.168**
	(0.074)	(0.076)	(0.074)	(0.077)
Unemployment NUTS-2	0.012***	0.006**	0.012***	0.006**
	(0.003)	(0.003)	(0.003)	(0.003)
GDP Regional	-0.036***	-0.038***	-0.035***	-0.038***
	(0.008)	(0.008)	(0.008)	(0.008)

Country and Time Fixed Effects; Clustered-Standard Errors on regional level.

Table B13: Results DiD Country FE

	(1)	(2)	(3)
Income Distance (AE)		-0.067^{***}	
		(0.007)	
Perceived Income			-0.156^{***}
			(0.008)
Average Treatment Effect	0.117^{***}	0.125^{***}	0.148^{***}
	(0.031)	(0.032)	(0.032)
Age		0.008^{***}	0.004^{**}
		(0.002)	(0.002)
Age^2		-0.005^{***}	-0.002
		(0.002)	(0.002)
Gender (1=Female)		0.118^{***}	0.110^{***}
		(0.009)	(0.008)
Years of Education		-0.022^{***}	-0.018^{***}
		(0.002)	(0.002)
Polit. Spectrum (10=Right)		-0.086^{***}	-0.081^{***}
		(0.007)	(0.007)
Religion		-0.003	-0.003
		(0.002)	(0.002)
Union Membership (1=yes)		0.107^{***}	0.110^{***}
		(0.009)	(0.009)
Beds NUTS-2 (1.000)		0.142^{*}	0.196^{***}
		(0.075)	(0.075)
Unemployment NUTS-2		0.009^{***}	0.003
		(0.003)	(0.003)
GDP Regional (10.000)		-0.045^{***}	-0.048^{***}
		(0.010)	(0.009)
R^2	0.073	0.113	0.125
R^2 Adj.	0.073	0.113	0.125
Num Obs.	141,843	78,418	92,698

Note: *p<0.1; **p<0.05; ***p<0.01.
Country and Time Fixed Effects; Clustered-Standard Errors on regional level.

Chapter 4

Public Support for a European Union-wide Social Benefit Scheme: A European Comparison

4.1 Introduction

One foundational goal of the European Union is "creating an ever closer union among the peoples of Europe" (European Union, 2020). Cohesion policy represents one of the core measurements in creating such a closer union that eventually reduces the (economic) differences between its regions. Approximately one-third of the EU budget is allocated to cohesion policy. For the funding period 2021–2027, around €392 billion EU-budget is available for structural funds across the European Union (European Union, 2021). Despite those efforts, we observe significant income disparities across regions in Europe, with divergence rather than convergence becoming the norm. Maynou et al. do not find "a significant effect of Structual and Cohesion Funds on convergence across countries" at all (Maynou et al., 2016). A economic convergence implies that poorer economies will catch up to richer economies in the long run. So far, this effort's results remain mixed and difficult to evaluate. Lisa Dellmuth identifies one main barrier by the missing ability of poorer regions to attract EU funding, social investment and distributive justice is currently missing in EU Regional Development Policy (Dellmuth, 2021). The institutions of the European Union, designed primarily to support a shared single market through its four basic freedoms—free movement of goods, capital, people, and services—have not effectively addressed these disparities. The liberalization of European markets alone, does not seem to be an adequate solution to social inequalities in Europe. To counteract this trend and "give Europe a soul," new approaches have been proposed to build a Political Union that fosters solidarity among Euro-

peans. Notably, there are calls for mechanisms like the Euro-Dividend, proposed by Philippe van Parijs, which would introduce a Universal Basic Income to all EU citizens. Van Parijs argues that such unprecedented social policies could strengthen the European idea, drawing a historical parallel to Bismarck's introduction of social legislation in Germany (van Parijs, 2013). Other proposals include the 2019 European Commission's suggestions for a European Unemployment Benefit Scheme and a European Minimum Wage. These initiatives aim to address income inequality and build support for the EU with direct transfers to the voters, particularly in light of today's growing political and social challenges. Thereby, those who are out of work (and not in reach of the labor market) must be protected as well to fight poverty on all levels. If the European Union wants to fulfill its poverty reduction goals, it must support the Member States "regarding minimum income protection" (Cantillon et al., 2017).

However, the main prerequisite for any European welfare benefit scheme that might tackle EU-Scepticism is the welfare instrument's supportiveness of the European voters, especially within the Member States. In this paper, I want to analyze EU citizens' attitude towards one specific European welfare policy of introducing a European-wide minimum income scheme (EMI) that states that richer countries might pay for poorer ones. In particular, this includes an economic analysis of living in a country that is either a net payer for such a scheme or a net beneficiary. I do this in two steps: First, I analyze the 2016 European Social Survey (ESS), which includes the question for supportiveness for a European welfare mechanism which guarantees a minimum standard of living in the EU financed by transfer payments of its Member States. Second, I add information from a microsimulation of EU-SILC data to estimate financial requisites for implementing such a scheme. This combination allows concrete conclusions whether voters anticipate living in a country that is a netpayer and how this affects their supportiveness of such a scheme. Before coming to those two empirical steps, I give a brief overview of current literature on how redistribution preferences are shaped and where I tie up to the debate of a 'Social Europe'. In the end, the conclusion summarizes this papers findings and why peoples attitudes is key if Europe wants to overcome welfare Euroscepticism and introduce a first scheme of European Social Policy that not only strengthens European Solidarity but tackles the issue of European income poverty.

4.2 Attitudes of European Redistribution

The political economy literature on individuals' supportiveness towards redistribution through the government and the welfare state is manifold. Distributional issues play a major role in Political Science as well as Economics, Philosophy, Psychology, Sociology, and others. Behind those redistribution preferences lies the assumption that preferences affect political behavior and are transitioned towards party positions. Research by Im showed that currently European left parties' position support European Social Policy most(ly), however the variation in party families remain high (Im, 2024).

This detailed analysis of the individual level might uncover how this variation evolved. In the end, the redistributional preferences influence government policy and are therefore defining the amount and type of welfare benefits in the future (Rueda and Stegmueller, 2019). It is a causal chain that can be analyzed in both ways. Differences between welfare states, especially in their social spending rate and redistribution rate, can explain voters' redistribution preferences and their characteristics. But also changing characteristics and redistribution preferences might determine the social policy of the future. This papers scope is to describe how individual characteristics drive the supportiveness of European redistribution and how those individuals anticipate their contribution. Probably the most important individual characteristic is income (material self-interest). Meltzer and Richard show that the size of government can be mainly explained by redistribution preferences and the individual income position (Meltzer and Richard, 1981). The modern welfare state achieves redistribution by (progressive) tax rates, hence redistribution reduces the individual income of the "rich". Therefore the "rich" show less support for redistribution than the poor (Beramendi and Rehm, 2016). However, income alone is only one part of the answer. It is strongly moderated to expectations of one's own economic position in the future (upward mobility). This is why, similar to this material self-interest the influence of age acts on redistribution preferences. When retirement approaches, support for redistribution increases because elders get more dependent on transfers like pensions that are in most cases (at least in part) dependent on public spending. Since income is strongly linked to occupational status, Guillaud observed in a sample of 33 countries that a manager is 40% more likely in opposing redistribution than an office clerk (Guillaud, 2013). Guillaud argues, that occupation as well as risk aversion contains upward mobility much better than income alone.

Some scholars even suggest to calculate this expected income by considering the interplay of education and increasing labor market experience and by doing so, building a statistical model that describes how "income develops over the life cycle for individuals with different levels of education" (Rueda and Stegmueller, 2019, p.45).

Gender is also moderated by these effects: Experimental research showed how male overconfidence comes with higher expectations of upward mobility, leading to less support of redistribution by men compared to women (Buser et al., 2020; Ranehill and Weber, 2022).

Besides those influence factors, it can be stated that there is not one socio-economic factor that shapes the supportiveness of redistribution. Moreover, a complex interplay of life experiences, individual socio-economic status and background shapes the attitude on social welfare. This is mapped by multiple scholars and works within different disciplines.

However, only little research is done on how these attitudes differ between redistribution preferences on the national level and a supra-national level. Mostly, redistribution preferences are measured by the question whether one support more redistribution by the national government. When it comes to a supra-national level, new arguments come up. Such as the research around socioeconomic status cleavages: Eick argues that a higher socioeconomic class is traditionally a main driver of European Union policies but in particular not when it comes to social policies that lead to redistribution from the rich to the poor as with a means-tested European minimum income (Eick, 2024). This is in line with the material self-interest argument before, though at the same time this means that higher socio-economic classes "may hinder the extension" of a European welfare mechanism. However, this could also benefit "EU's perceived legitimacy among socioeconomic status groups that feel left behind by European integration" (Eick, 2024, p.13).

Another factor is ethnic heterogeneity. There is the debate about whether ethnic heterogeneity might have played a major role on the amount of welfare benefits if comparing different welfare state types like the US and the (Scandinavian) European type (Alesina et al., 2001). They assume, that ethnic heterogeneity diminishes solidarity and therefore the willingness to share. But there is also the question whether increasing ethnic heterogeneity within Europe leads to a less generous welfare state. So far, there is no consistent picture whether this argument of 'welfare chauvinism' is accurate, not to mention how this can be quantified (Kulin et al., 2016). Although the Member States are affected by ethnic heterogeneity very differently, those mixed results of welfare chauvinism and the difficulties to measure and control for heterogeneity lead to no further consideration in this paper's models. Patriotism (accelerated by reciprocity with the

own nation) and consideration of one's country as a net payer or net beneficiary for such welfare mechanisms might play a significant role in redistribution preferences towards a supra-national social policy scheme that goes beyond the national scope. Therefore, beside the other factors this paper considers where individuals are living: In a country that is a net payer or net beneficiary and how this is influencing the response in the survey.

4.3 EU-wide Social Benefit Scheme

In the aftermath of the 2007 financial crisis and the following sovereign debt crisis, the call for a "Social Europe" got louder. However, the member states' commitment to lift at least 20 million people out of the risk of poverty and social exclusion by the end of 2020 was never (convincingly) followed or translated into (national or cross-national) policy schemes. This Europe 2020 strategy, as well as other social policy coordination attempts, lacked financial backup as well as surveillance or enforcement mechanisms by the EU (La Porte and Heins, 2016). Nevertheless, there were multiple attempts to design European welfare mechanisms and European social policies to fulfill those goals (for a historical outline: (Vanhercke et al., 2020)).

In this chapter, I want to discuss three different approaches to "Social Europe" policy schemes. The European Unemployment Insurance Schemes (UI), the temporary Support to mitigate Unemployment Risks in an Emergency (SURE) after COVID-19, and a European-wide minimum income scheme (EMI). One main prerequisite for any transition towards a European Social Policy is a harmonization (and adaption) of national systems. This does not mean that all Member States must completely equalize their respective welfare state benefits. A European welfare state benefit can only form a foundation for national states to build on and expand voluntarily. This entails the long-term risk that the Member States will reduce their respective other efforts and endeavors as the respective social benefits are paid for by the solidarity community of the European Union, which may be linked to net transfer payments ("Moral Hazard"). Social insurance schemes limit those risks since only those workers who contributed to the system are entitled of payments. However, other forms of universal social protection schemes must consider the subsidiarity principle, which further complicates measures to prevent moral hazard. Social insurance schemes limit those risks because only workers who have contributed to the system are entitled to payments. However, other forms of universal social protection schemes must consider the EU's subsidiarity principle, which also limits intervention rights in national policies in case

of mitigating national social welfare efforts. Therefore, "Moral Hazard" is one key objection to any form of European Social Benefit Schemes.

The introduction already mentioned the European Unemployment Benefit Scheme proposal of Mrs. von der Leyen's first term of office as head of the European Commission as one proposal that gained broader public attention. Similar to the EU-wide Social Benefit Scheme discussed in this paper, the insurance was proposed to strengthen economic resilience on a European level and limit local asymmetric economic shocks. This European Unemployment Benefit Scheme has been discussed for many years now, and multiple simulations have been conducted on different design proposals. More advanced suggestions of common European Unemployment Insurance Schemes were simulated for the European Economic and Monetary Union (EMU-UI), highlighting various concerns and challenges towards supra-national social policy schemes (Dolls et al., 2018; Andor et al., 2014). The EMU-UI tried to avoid the discussion of other long-term transfer mechanisms by limiting its benefits (primarily up to 12 months) and designing it to be revenue-neutral. But even with these less severe transfers, no EMU-UI has made it into legislation yet. This is despite the fact that existing literature identifies in general survey majorities in favor of a general strengthening of the social dimensions in the EU (Busemeyer et al., 2023).

Nicoli et al. do find, with experimental data, that besides identifying as a nationalist or pro-European, an EMU-UI finds support if being managed by member states and not involving cross-country redistribution (Nicoli et al., 2020). This new complication of touching the "boundaries of solidarity" is also evident in a survey experiment by Kuhn and Kamm (2019), which demonstrates that in Spain and the Netherlands, solidarity is weaker toward unemployed individuals from other European countries compared to co-nationals. Another survey experiment indicates that when cross-country redistributive issues arise, economic ideology influences attitudes just as much as views on the EU (Kuhn, Nicoli, et al., 2020).

The research around European unemployment insurance schemes shows how the supportiveness of European Social Policies differs if cross-national transfers are involved.

In response to the COVID-19 crisis, the EU introduced a new instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE), which provides low-interest loans of up to €100bn to Member States to finance short-time work schemes (European Commission, 2023). Accordingly, rather than an 'unemployment (re)insurance scheme,' this instrument actually serves as a fiscal relief on public finances during the pandemic. The entitled Member States for those loans were Belgium, Bulgaria, the Czech Republic, Cyprus, Estonia, Greece,

Spain, Croatia, Hungary, Ireland, Italy, Lithuania, Latvia, Malta, Poland, Portugal, Romania, Slovenia and Slovakia. In the long term, this SURE mechanism is financed by Member States contributions of 0.1% of their annual GDP. During unexpected shocks (e.g., COVID-19), the Commission can redistribute this money and further money from the capital market in the form of loans to the Member States to strengthen their resilience on their national unemployment schemes.

For the following analysis of an EMI, we can take away one key learning out of the SURE mechanism. Relative GDP payments as a financing fund might serve as a common ground in financing European social policy schemes. Baute and Meuleman use a two-level structural equation model to examine how individual socioeconomic factors—such as age, gender, education, income, and occupational status —influence the supportiveness of an EMI. They provide information on how these individual characteristics influence support indirectly by altering four key mediators: (1) the expectation that increased EU decision-making enhances social protection, (2) perceptions of the current performance of the national welfare state, (3) the belief that egalitarian values increase support for an EMI, and (4) the extent to which a stronger European identity reinforces support for an EMI. According to them, "Social Europe" schemes are supported if they are expected to increase social protection levels and if the national welfare state suffers trust and generosity (Baute and Meuleman, 2020). They argue that EMI support is driven more by "sociotropic" considerations than by egocentric self-interest. This perspective challenges the assumption that individuals in net contributor countries would oppose an EMI based on financial self-interest alone. Hence, the economic implications and individual support for a specific European-wide minimum income redistribution scheme, in which wealthier countries contribute to supporting poorer ones, matter. An EMI scheme is one that integrates the two major policy approaches associated with 'Social Europe'—minimizing social inequality through fiscal redistribution and defining a common floor in fighting poverty that would eliminate income poverty effectively (Im, 2024). Building on this research, I analyze how the distinction between net contributor and net receiver countries under an EMI scheme influences public support. Specifically, I examine whether residing in a net-payer country reduces support for an EMI.

4.4 Empirical Strategy and Data

A detailed formulation of such a European welfare mechanism is provided by the European Social Survey (ESS), a biennial survey designed to gather information about an individual's economic and social standing, along with their attitudes and values. The ESS targets private households with individuals aged 15 or older (regardless of their language, nationality, or legal status). Currently, there are 10 rounds available covering the years between 2002 and 2020. While most of the questions stay constant over time, there are also rotating modules. In the 8th round of 2016, the ESS questionnaires asked for specific welfare attitudes in the European context which covers the public attitude towards a European Union-wide Social Benefit Scheme, the one of interest as described in the following. The interviews were conducted between August 2016 and December 2017. The ESS survey uses strictly probability-based samples, which means that the data must be weighted.

Furthermore, this paper uses in all calculations ESS's "anweight" variable to consider differential selection probabilities within each selected country (sample design, nonresponse, noncoverage, post-stratification and sampling errors) and an adjustment for population size. While the ESS provides individual information on the income decile of each household, we cannot simulate which household would benefit from a European Union-wide Social Benefit Scheme directly and therefore exactly quantify how high inter-country transfer payments must be to finance such a scheme. For this, I use data from the European Union Statistics on Income and Living Conditions (EU-SILC) dataset from the European Union. EU-SILC provides detailed and representative income data for European countries. I use all available countries that were during the interview part of the European-Union (UK included) and particiapted in ESS and EU-SILC. [1] This leads to 32,693 observations covering 18 of 28 Member States. The full descriptive statistics can be found in Table C1.

[1] Note that not all EU Member States participate in the ESS and are therefore covered in the ESS and the EU-SILC dataset. Covered countries include Austria, Belgium, Czech Republic, Estonia, Finland, France, Germany, Hungary, Italy, Ireland, Lithuania, Netherlands, Poland, Portugal, Spain, Slovenia, Sweden, and the United Kingdom.

4.4.1 Dependent variable

As my main variable, I use the question asking respondents about their ***attitude towards a European Union-wide Social Benefit Scheme***. This question comes along with a detailed description about what to understand as a EU-wide Social Benefit Scheme. Specifically, it states to guarantee a minimum standard of living for all poor people (I), which is adjusted to the cost of living in the specific country (II) and it emphasizes that richer EU countries have to pay more for such a scheme than poorer ones (III). [2] Supportiveness is reported on a Likert scale (1 = Strongly Against, ... 4 = Strongly in favour). So, higher values indicate support towards a European Union-wide Social Benefit Scheme. I re-coded the values 7 (Refusal), and 8 (Don't know) to NA in this and all the following variables. The following map of figure 4.1 with country means' of this support already implies strong differences between European Member States.

[2] See *codebook* in appendix page 110 for the exact wording.

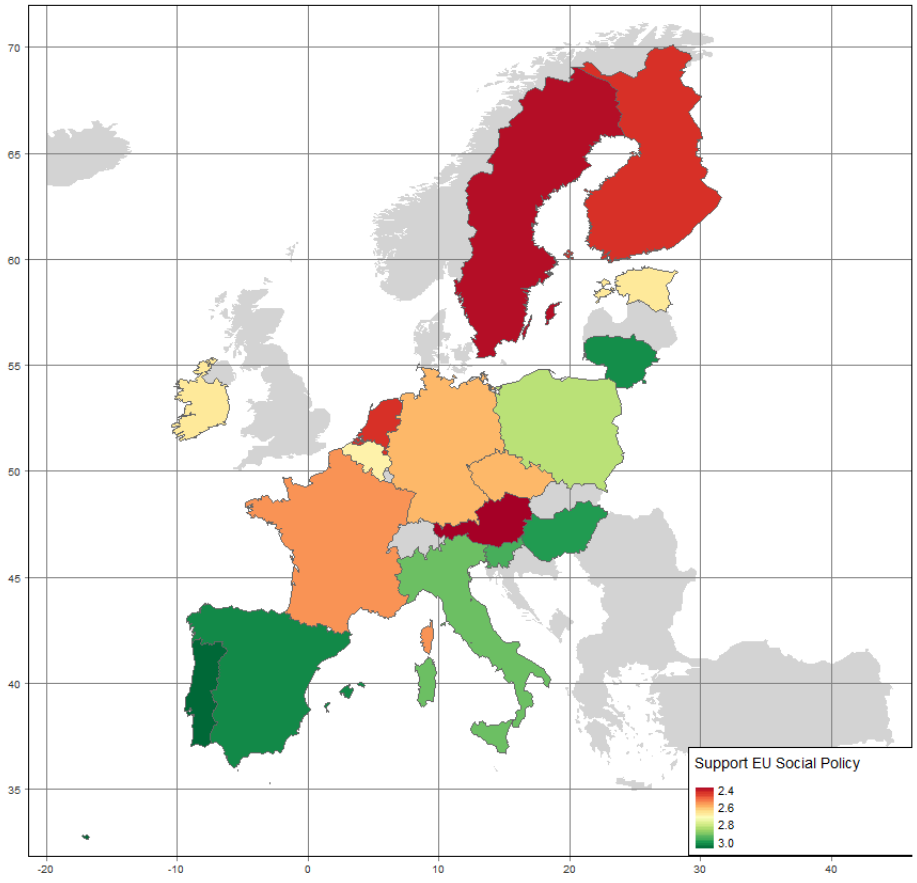


Figure 4.1: Support for a EU-wide Social Benefit Scheme. Data by ESS. Own map.

4.4.2 Control variables

As discussed previously, redistribution preferences and support is strongly mitigated by socio-economic factors. Therefore, I measure the economic situation of the respondent as her perceived income by reversing a four-point Likert scale variable (4 = "Living comfortably on present income" / 1 = "very difficult on present income"). I also control for gender (1=female), age, age squared, years of education, political spectrum, religiosity, and union membership. Additionally, I control for multiple preferences: household size, satisfaction with the present state of the respective economy in the country (10= "extremely satisfied"), being worried about climate change (5 = "extremely worried" / 1 = "not at all worried") as well as tertiary education (1=yes).

4.4.3 Simulating an EU-wide Social Benefit Scheme

Originated from the dependent variable of my model, I simulated the transfers between Member States under such a EU-wide Social Benefit Scheme utilizing EU-SILC.

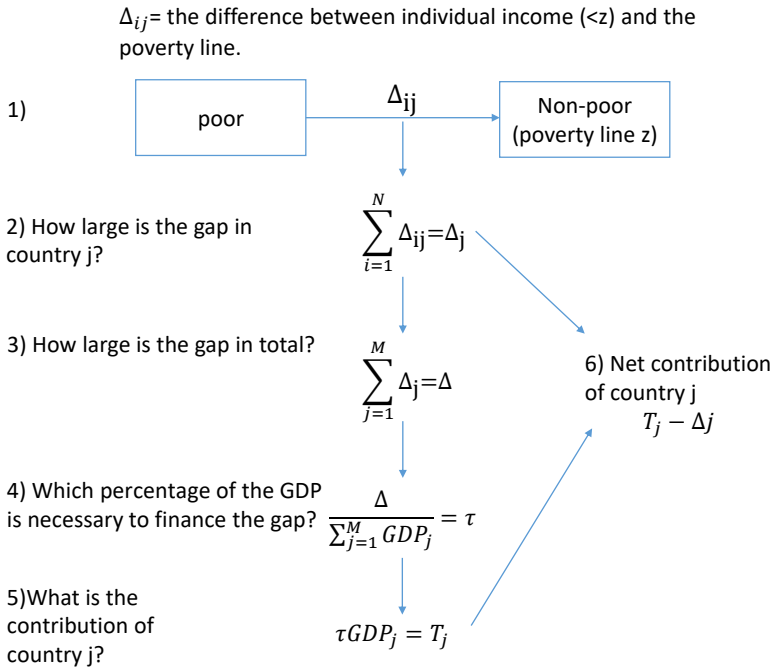


Figure 4.2: Methodical Approach of Simulating an EU-wide Social Benefit Scheme.

My first step is calculating how much money is needed to lift up all households above the European income poverty line. So, I identify all poor households within the European Union living beneath the European poverty line, that is defined by 50% of the EU's median income (see (I) in 4.4.1). By correcting the income with purchasing power parities, I adjust the cost of living in different countries (see (II) in 4.4.1). Next, I sum up the difference between each household's income and the European poverty line to get the transfers needed to lift up all European households out of poverty. To get the poverty gap for each country, I group the households within the countries they are living.

Since the original question states that richer countries pay for poorer countries (see (III) in 4.4.1), I assume that fighting poverty is a supra-national task where every Member State takes the same share in providing money for transfers. Therefore, I calculate the proportion of the GDP that is necessary to finance the poverty gap all over Europe. So, each country has to pay the same (relative) amount of its GDP, independent of its individual poverty gap (1.88% of GDP). This leads to countries that contribute more than they receive (because less money is needed in their own country to fight poverty). And countries that are net beneficiaries that suffer from a higher poverty gap. I translate this information into a dummy variable "netpayer" (1=Net payer) and merge this information for each household in the ESS dataset on a country level. For the countries that participated in the ESS survey this means that Poland, Hungary, Portugal, Lithuania, Slovakia, Estonia and Czech Republic get a 0 for being a net-receiver under such a scheme. But Spain, Ireland, Finland, Austria, Sweden, Belgium, Italy, Netherlands, UK, France and Germany get a 1 for actually being a net payer. Therefore, this dummy contains two information pieces: Countries that suffer from income poverty have a high(er) poverty gap and countries with a higher GDP have a higher obligation to support those countries. Those two factors decide about the transfers that are needed. These own calculations are largely in line with other general budget analyses on the question of which member states are net recipients and payers (Busch et al., 2024). However, I do not take into account how the national governments will finance this revenue. Whether existing programs are cut or additional funds are provided from tax increases is the responsibility of the respective member state. The same applies to the extent to which these have a progressive effect. Similar to how this was already handled in the SURE mechanism.

4.4.4 Change in Benefit Levels under an EU-wide Social Benefit Scheme

In addition to this first model, I alter the model by replacing this netpayer dummy with the ESS question "eudcnbf" which is carrying out if the individual household assumes that more decisions by the European Union lead to a lower level of benefits in his or her home country (5=get much lower). The exact wording is: "If more decisions were made by the European Union rather than by national governments, do you think the level of social benefits and services provided in [country] would become higher or lower?". By replacing the netpayer dummy with this information and adding country fixed effects, I am able to compare the results between actually living in a net payer country or having the assumption that the own country's social policy might be more beneficial to my household, because in comparison to that an EU welfare benefit scheme reduces my individual level of welfare benefits. The structural differences between countries can be controlled for by adding country fixed effects. This allows me to conclude whether respondents fear a reduction in social benefits if these are implemented at European level and whether they already anticipate that their country will be a net contributor.

4.5 Results

I use both, OLS models with all grades on supportiveness of an EU-wide Social Benefit Scheme (1) and (2) and logistic regression models (3) and (4) that only differentiate between support and opposition. Each model has two specifications, one with the expectation whether level of benefits become higher or lower by a European Social Policy and country fixed effects and a second one with the information of actually being a net payer (2) and (4). The first OLS-model is specified as:

$$Y_{ic} = \alpha_0 + \alpha_1 EU{\rightarrow}Soc.Benefits_{ic} + \alpha_2 X_{ic} + \mu_c + \epsilon_{ic}, \tag{4.1}$$

where Y_{ic} represents supportiveness of a EU-wide Social Benefit Scheme of individual i living in country c from 1 (=strongly against) to 4 (strongly in favour).
$EU{\rightarrow}Soc.Benefits_{ic}$ gives individual information whether the level of social benefits and services provided in [country] is expected to be much higher (=1) or much lower (=5) under a European Social Policy. X_{ic} is a vector of individual-specific characteristics as described before such as age, (...). This vector also includes individual i's income, measured as perceived income.

In addition, I include country fixed effects (μ_r) to control for unobserved time-invariant factors on the country level. The second OLS model (2) varies only in replacing the expectation variable $EU \rightarrow Soc.\ Benefits$ with a country dummy indicating whether the respondent lives in a net payer country, and therefore drops the country fixed effects due to multicollinearity.

$$Y_{ic} = \alpha_0 + \alpha_1 Netpayer_c + \alpha_2 X_{ic} + \epsilon_{ic}. \tag{4.2}$$

It can be argued that the dependent variable's distance between in favour (=2) and against (=3) is larger than between strongly in favour (=1) and in favour (=2). So, I added two logistic regression models, where π is the predicted probability between 0 and 1, whether someone will support an EU-wide Social Benefit Scheme or not. Leading to the following logit regression model:

$$\pi_{ic} = \alpha_0 + \alpha_1 EU{\rightarrow}Soc.Benefits_{ic} + \alpha_2 X_{ic} + \mu_c + \epsilon_{ic}. \tag{4.3}$$

Again, I alterate the regression by introducing the netpayer dummy leading to:

$$\pi_{ic} = \alpha_0 + \alpha_1 Netpayer_c + \alpha_2 X_{ic} + \epsilon_{ic}. \tag{4.4}$$

The full coefficients can be seen in Table 4.1. There are no sign changes between logistic and ols models in the main variables. The Average marginal effects of the logit regressions in figure 4.3 shows (as expected) for all X_{ic} control variables very similar effects.

Table 4.1: Regression models on Support for EU-wide social benefit scheme.

	Dependent variable:			
	Against or In favour of European Union-wide social benefit scheme			
	4=Strongly in favour		1=(Strongly) In favour	
	OLS		*logistic*	
	(1)	(2)	(3)	(4)
EU→Soc. Benefits	−0.121***		−0.352***	
5=get much lower	(0.005)		(0.016)	
Netpayer		−0.254***		−0.827***
1=Country Netpayer		(0.012)		(0.042)
Perceived Income	−0.032***	−0.051***	−0.087***	−0.121***
4 = living comfortably	(0.006)	(0.006)	(0.021)	(0.019)
Gender	0.016	−0.006	0.038	−0.028
1=Female	(0.009)	(0.009)	(0.029)	(0.027)
Age	−0.008***	−0.008***	−0.035***	−0.032***
	(0.001)	(0.001)	(0.004)	(0.004)
$Age^2/100$	0.007***	0.007***	0.031***	0.029***
	(0.001)	(0.001)	(0.004)	(0.004)
Years of Education	−0.002	−0.007***	−0.007	−0.025***
	(0.002)	(0.001)	(0.005)	(0.005)
Polit. Spectrum	−0.047***	−0.051***	−0.144***	−0.145***
(10=Right)	(0.002)	(0.002)	(0.007)	(0.006)
Religion	0.008***	0.014***	0.026***	0.048***
(10=Very religious)	(0.001)	(0.001)	(0.005)	(0.004)
Union Membership	0.020	−0.030**	0.082*	−0.060*
(1=yes)	(0.010)	(0.010)	(0.033)	(0.030)
Household Size	−0.004	0.008*	−0.006	0.030**
(max. 12 Pers.)	(0.004)	(0.004)	(0.012)	(0.011)
Economy Satis.	0.011***	−0.006***	0.021**	−0.034***
(10=ext. Satisfied)	(0.002)	(0.002)	(0.007)	(0.006)
Climate Change	0.060***	0.091***	0.137***	0.213***
(5=Ext. Worried)	(0.005)	(0.005)	(0.016)	(0.015)
Tertiary education	−0.009	0.017	−0.023	0.069
(1=yes)	(0.013)	(0.013)	(0.043)	(0.040)
Country Fixed Effects:	Yes	No	Yes	No
Observations	25,845	27,509	25,845	27,509
R^2	0.135	0.063		

*Data from ESS, Netpayer information by own EU−SILC Microsimulation. Standard Errors in Parentheses. *p<0.1; **p<0.05; ***p<0.01*

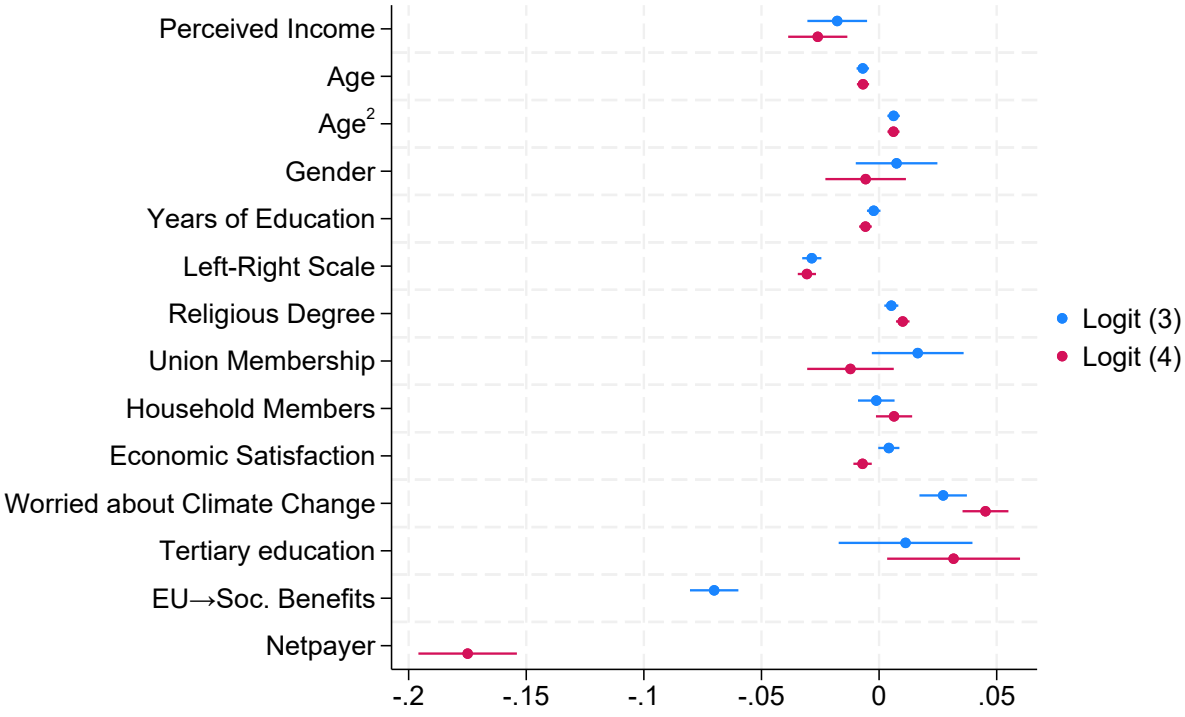


Figure 4.3: Average marginal effects for Logit Models (3) and (4) of Table 4.1

Before I will turn to my variables of interest, I discuss how the other covariates behave and if they go in the expected direction that confirm existing research on general redistribution and EU supportiveness. With a higher income, the opposition towards an EU-wide Social Benefit Scheme increases. The same is true for a higher age and education. This is in line with all existing redistribution preferences models. Gender however shows no significant effect. Self-assessment as on the right political spectrum in all models goes along with being against the described redistributional model. However, self-assessing oneself as (very) religious correlates with being in opposition towards this European Social Policy scheme. While the effect size is around five times lower than in the previous two-dimensional political spectrum variable, it contradicts the finding of Nelsen et al., who found between 1970's and 1990's religion as a main driver for public support of the European Union as a whole Nelsen et al., 2001. It seems as if the religious cleavage argument that states opposition of religious individuals towards redistribution by the state in general (Stegmueller et al., 2012), prevails the pro-European context of religiosity.

Despite the long tradition of trade unions to show international solidarity and the empirical evidence of supporting redistribution (Mosimann and Pontusson, 2017), being a member of a union gives no clear predictor of being in support of the EU-wide Social Benefit Scheme with

sign changes between the OLS and logistic regression models. It seems like the scale reduction of support or opposition is especially relevant for the union membership variable. The household size has only significant effects when not adding country fixed effects in model (2) and (4). The main explaining factor might already lie in the perceived income variable, which asks for the whole households ability to cope with current income.

Being satisfied with the present state with the economy in [country] goes with support for an EU-wide Social Benefit Scheme under country fixed effects. Without fixed effects, however, and instead adding only a netpayer dummy the sign changes to a negative influence on support. This could imply structural differences on the relation between support for such redistributional schemes between European countries. Those that are worried about climate change correlate in all models significantly with being in favour of a EU-wide Social Benefit Scheme. That EU-scepticism is more likely among those having a tertiary education seems not the case for the support for an EU-wide Social Benefit Scheme (in opposition for general EU-scepticism (Eick, 2024). However, the results are not significant and not robust across different model specifications.

Our variable of interest, the $Netpayer_c$ dummy and the expected level of benefits under an EU Social Policy show both significant negative results in all model specifications. Indicating, that the supportiveness of EU-wide Social Benefit Schemes significantly decreases if someone is living in a netpayer country or is expecting that the level of benefits and social services will decrease under EU social policy. The call for solidarity alone is especially not suited to convince those who are obligated to pay for such a scheme or who fear a sinking level of benefits. This finding enriches existing research not only for future communication attempts on introducing EU-wide Social Benefit Schemes. It also underpins how voters anticipate which countries would benefit from such schemes directly. The wording of the question (see codebook 4), with the specifics about how richer countries have to pay more into such a scheme than poorer countries might have been influenced their redistribution preference. Obviously, they do not believe they will get to the point where they themselves become in need of European welfare state benefits.

4.6 Conclusion

This papers provides a comprehensive analysis of public attitudes towards the establishment of an EU-wide Social Benefit Scheme, integrating both survey data from the 2016 European Social

Survey (ESS) and microsimulations based on EU-SILC data.

The empirical findings clearly indicate that individuals residing in countries identified as net contributors to a potential EU-wide Social Benefit Scheme exhibit significantly lower levels of support for the policy. The results offer significant insights into the complex dynamics that shape support for such a policy. These findings are consistent across both OLS and logistic regression models, reinforcing the robustness of the results. This is likely driven by the expectation that such a scheme would result in a decrease in the level of social benefits available within their own countries which goes in line with current research results. The negative association between net payer status and support for the policy underscores the importance of perceived national economic loss as a critical factor influencing public opinion on redistributive policies at the European level. It is not surprising that they do and furthermore even wonder whether the level of benefits would sink under such a "Social Europe". Habermas is defining solidarity with the help of Hegel's terminology of "Sittlichkeit" (ethical life), which states that under the "condition of predictable reciprocity [...] the one individual 'vouches' for the others" (Habermas, 2013, p. 11). The argument of reciprocity might have gone lost on the way of introducing, discussing and analyzing such European Social Welfare schemes. The survey question card did not state why an EU-wide Social Benefit Scheme would be beneficial for all member states, independently of living in a country that is a net payer or net recipient. Without doing such, the empirical result is explicit: EU-wide Social Benefit Schemes lack in support, especially within the member states that carry the responsibility for establishing such.

In conclusion, the study underscores the challenges in gathering public support for an EU-wide Social Benefit Scheme, particularly in wealthier, net-contributing countries. The findings suggest that any efforts to promote such a policy would need to address these economic concerns directly, possibly by emphasizing long-term benefits or by ensuring that the perceived losses are mitigated. The nuanced insights provided by this research contribute to a deeper understanding of the factors that shape public attitudes towards European social policies, offering valuable guidance for policymakers seeking to navigate the complexities of public opinion in the European Union.

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Appendix C: Additional Information on *Public Support for a European Union-wide Social Benefit Scheme*

Codebook

"It has been proposed that there should be a European Union-wide social benefit scheme for all poor people. A European Union-wide social benefit scheme includes all of the following:

- The purpose is to guarantee a minimum standard of living for all poor people in the European Union.
- The level of social benefit people receive will be adjusted to reflect the cost of living in their country.
- The scheme would require richer European Union countries to pay more into such a scheme than poorer European Union countries."

INTERVIEWER: PAUSE TO GIVE THE RESPONDENT TIME TO READ CARD.
Overall, would you be against or in favour of having such a European Union-wide social benefit scheme? Please choose your answer from the options at the bottom of the card.

Strongly against: 1
Against: 2
In favour: 3
Strongly in favour: 4

(Refusal): 7
(Don't know): 8

ESS Round 8 Source Questionnaire "eusclbf". (ESS, 2016, E37: Card 55)

Table C1: Descriptive Statistics.

	Net Recipient Countries	Net Payer Countries	Overall
	(N=12295)	(N=23155)	(N=35450)
Support for EU-wide social benefit scheme			
Mean (SD)	2.85 (0.709)	2.60 (0.766)	2.69 (0.756)
Median [Min, Max]	3.00 [1.00, 4.00]	3.00 [1.00, 4.00]	3.00 [1.00, 4.00]
Missing	1214 (9.9%)	1649 (7.1%)	2863 (8.1%)
EU→Soc. Benefits			
Mean (SD)	2.55 (0.902)	3.33 (0.912)	3.06 (0.981)
Median [Min, Max]	2.00 [1.00, 5.00]	3.00 [1.00, 5.00]	3.00 [1.00, 5.00]
Missing	1396 (11.4%)	2290 (9.9%)	3686 (10.4%)
Perceived Income			
Mean (SD)	2.84 (0.784)	3.18 (0.788)	3.06 (0.804)
Median [Min, Max]	3.00 [1.00, 4.00]	3.00 [1.00, 4.00]	3.00 [1.00, 4.00]
Gender (1=female)			
Mean (SD)	0.553 (0.497)	0.516 (0.500)	0.529 (0.499)
Age			
Mean (SD)	49.0 (18.4)	50.0 (18.6)	49.6 (18.5)
Median [Min, Max]	49.0 [15.0, 97.0]	50.0 [15.0, 100]	50.0 [15.0, 100]
Years of education			
Mean (SD)	12.3 (3.59)	13.4 (4.00)	13.0 (3.89)
Median [Min, Max]	12.0 [0, 40.0]	13.0 [0, 54.0]	13.0 [0, 54.0]
Left-Right Scale			
Mean (SD)	5.31 (2.29)	5.02 (2.14)	5.11 (2.19)
Median [Min, Max]	5.00 [0, 10.0]	5.00 [0, 10.0]	5.00 [0, 10.0]
Religious Degree			
Mean (SD)	4.44 (3.17)	4.50 (3.11)	4.48 (3.13)
Median [Min, Max]	5.00 [0, 10.0]	5.00 [0, 10.0]	5.00 [0, 10.0]
Union Membership			
Mean (SD)	0.336 (0.473)	0.376 (0.484)	0.362 (0.481)
Median [Min, Max]	0 [0, 1.00]	0 [0, 1.00]	0 [0, 1.00]
Household Members			
Mean (SD)	2.58 (1.31)	2.54 (1.32)	2.55 (1.31)
Median [Min, Max]	2.00 [1.00, 12.0]	2.00 [1.00, 10.0]	2.00 [1.00, 12.0]
Economic Satisfaction			
Mean (SD)	4.70 (2.19)	5.05 (2.29)	4.93 (2.26)
Median [Min, Max]	5.00 [0, 10.0]	5.00 [0, 10.0]	5.00 [0, 10.0]
Worried about Climate Change			
Mean (SD)	2.92 (0.964)	3.10 (0.902)	3.04 (0.928)
Median [Min, Max]	3.00 [1.00, 5.00]	3.00 [1.00, 5.00]	3.00 [1.00, 5.00]
Tertiary education			
Mean (SD)	0.207 (0.405)	0.235 (0.424)	0.225 (0.418)
Median [Min, Max]	0 [0, 1.00]	0 [0, 1.00]	0 [0, 1.00]