

MASTERARBEIT / MASTER'S THESIS

Titel der Masterarbeit / Title of the Master's Thesis

Inequality and Welfare Attitudes: A Comparative Analysis

verfasst von / submitted by

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angestrebter akademischer Grad / in partial fulfilment of the requirements for the degree of
Master of Science (MSc)

Wien, 2019 / Vienna 2019

Studienkennzahl lt. Studienblatt /
degree programme code as it appears on
the student record sheet:

UA 066 915

Studienrichtung lt. Studienblatt /
degree programme as it appears on
the student record sheet:

Masterstudium Betriebswirtschaft

Betreut von / Supervisor:

Univ.-Prof. Mag. Dr. Bernhard Kittel

In writing and accomplishing this work I am especially indebted to my parents, for their continuing support, to my friends, who always encourage me, and to my thesis supervisor Prof. Bernhard Kittel, for his valuable inputs and patience.

I am also grateful to K. D. and A. M., without whom this would not have been feasible in its present form.

DECLARATION

I certify herewith that I am aware of and understand the policies on plagiarism of the University of Vienna and I attest that this thesis is my own work, except where indicated by referencing, and that I have followed good, common academic practice in honouring others' intellectual property.

Thomas Resch

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Abstract

This work investigates into the question of how the effect of net household income on attitudes towards welfare behaves across space and time. Drawing on data from the ESS for 2008 and 2016, four welfare regimes have been selected to be put under scrutiny. A theory of rational choice is constructed to support the rationale of short-term self-interested actors on the micro level. This is then linked in a framework to understand the macro-intermediate-micro connection of how welfare regimes' contexts cause rational responses of the individual citizens, which resultingly manifest as welfare attitudes. Regressions and other comparative tools are utilised to test the hypotheses. These test the data on several dimensions of rational choice. The hypotheses go: First, welfare support decreases as income rises. Second, larger income inequality increases support for welfare. Third, the outer deciles are more concentrated in their interests than the presumably dispersed median, i.e. middle class. The reported results are mixed, with only partial corroboration of the hypotheses, but with important theoretical and methodological implications.

1. Introduction

After the fall of the Iron Curtain there has been a surge in interest and research on post-socialist countries. A sizeable number of sociologists, political scientists and economists started to inquire into the nature of such countries that are in a transition from a socialist redistributive economy to a neo-liberal market economy. The merit of comparative methods and analysis of phenomena offers a rich field of research (cf. Dobbin 2005), especially when incorporating so-called ‘transition countries’.

The differences between European welfare regimes are particularly intriguing, despite geographical proximity and partially shared histories. What is even more fascinating is how these regimes represent differential public attitudes towards redistribution, as one characteristic that shapes welfare regimes from the bottom up in a continuing demand by the electorates. This cycle, expressed in votes and policy outputs, has been a fruitful field of study for political economists and other scholars. Thus, there is a wide array of literature on attitudes towards redistribution and welfare available. This work will propose to combine the approach of comparative analysis and redistribution preferences by conducting an analysis of different welfare regimes, which have been consciously selected, over time.

The rational choice theory to come will borrow from economics and sociology alike and will lay out the cornerstones for this work. Said micro-level theory will be embedded in a context of welfare regimes that operate at a macro-level. The consequent hypotheses reflect the rational choice theory, whereas exploratory propositions are derived from an underlying view on welfare regime architectures.

A concise presentation of the applied methodology will be followed by thorough statistical analyses and tests on robustness. The gained results will serve as basis for the interpretation and discussion. Lastly, a conclusion with a reflection on this work and possible extensions to it will be explained.

2. The Puzzle

In his book ‘Capital in the Twenty-First Century’ Thomas Piketty (2014, p. 304) asks: “Why is inequality of income from labor, and especially wage inequality, greater in some societies and periods than others?” The work presented here will ask a related question: Broadly, not why is there different income inequality over time and space, but to what impact on the welfare state is

there income inequality in different nations at different points of time? Specifically, the research question put forward here is: What is the effect of income inequality on welfare attitudes across different welfare regimes at different points of time? In employing a spatial and a temporal dimension it becomes possible to compare welfare regimes with each other and within themselves. Sticking to a small sample size it also becomes feasible to investigate into welfare regime characteristics and their effects more thoroughly.

3. Welfare Regimes and Attitudes towards Welfare

The following review of literature presents the state of research on two frontiers. First, comes an introduction into welfare regimes and their varying types, with an emphasis on the post-Soviet space. Second, there is an elaboration on what income inequality does to attitudes on welfare and redistribution in different regimes.

When Esping-Andersen (1990) formulates a typology of welfare state regimes he does so in a Western context, providing three types: social-democratic, conservative and liberal. Goodin and colleagues (1999) further demonstrate the usefulness of such a trifold schema and elaborate on the USA (liberal), the Netherlands (social-democratic), and Germany (conservative) as examples. Altogether, ‘The Three Worlds of Welfare Capitalism’ can be considered as pivotal in welfare regime theory (Emmenegger et al., 2015).

Esping-Andersen revisits his triad of welfare regimes and investigates into the possible value of adding further types, namely an Australian-New Zealand type, a Mediterranean one, and a type of East Asia (Japan, South Korea and Taiwan). While the first and the third are negated as a ‘Fourth World of Welfare Capitalism’ the role of Europe’s Mediterranean nations and the one of Japan are made contingent on the role that family plays in a twofold way: Welfare policies toward the family and welfare benefits and efforts assumed or carried by the family itself. It is concluded that there is a large overlap of the Mediterranean countries and the conservative type of continental Europe. However, the definite answer ought to depend on the kind of measurements of familism that one conducts. The Southern European countries also show divergence in reemployment performance and have the least regime changes and modifications. (Esping-Andersen, 1999)

Arts and Gelissen (2002) provide an excellent overview of reactions, some of which are additional and some critical, to Esping-Andersen’s initial (1990) and fewer to the later (1999) typology. The authors point out that the question is not merely what different welfare regimes are there but why do those exist? As answer it is suggested to look at the forces of exigencies and at the diffu-

sion of political innovations (in reference to Goldthorpe, 2000 p. 54). Similar problems ought to result in similar responses, thus forming clusters of welfare regimes. Diffusion processes spread solutions to challenges; simply put politicians learn from one another. Consequently, welfare state regime typologies make sense as theoretical constructs but need to be refined if the objective is to make predictions. (Arts and Gelissen, 2002) In another critical but fruitful reception Abrahamson (1999) argues in favour of a broader schema and of context sensitivity when constructing welfare regime types.

As the Warsaw Pact imploded new countries and with them new welfare regimes were formed. The incorporation of these in existing frameworks and typologies is necessary as well as the expansion of such tools to deepen the theoretical as well as empirical understanding of welfare regimes and social redistribution. Especially the European integration of ten new CEE member states in the EU has made gaps between them and the Western (EU-15) states evident. (Aidukaite, 2009; 2011)

Since then attempts have been made to either integrate post-communist countries into the existing frameworks or to create a new narrative, including post-communist welfare types. While similarities between the 'old' Western countries and the 'new' post-communist ones can be found, there are also differences that should not be overlooked. Also, it would be idle to assume that the post-communist countries are one monolithic and homogenous bloc.

Using an array of indicators for empirical analysis the argument can be made that post-communist countries can be differentiated into three types or clusters. Three examples for these are Russia, the Czech Republic and Romania. The Russian Federation can be described as 'former USSR type' with a resemblance to Esping-Andersen's (1990) conservative type. The Czech Republic ought to be post-communist with Western European influence. Hence, it is more liberal and egalitarian. Finally, countries, as for instance Romania, are still transforming into welfare-states and therefore lag behind the other types. (Fenger, 2007) In a similar and earlier attempt to classify post-socialist countries Kopstein and Reilly (2000) argue that these nations can be assigned to one of four categories along the two dimensions of policies that were realised and of the geographical location, particularly by proximity to, what we see as, Western countries. It can also be argued that the Eastern European countries that joined the EU initially attempted to copy the Western systems of welfare. Yet, this did not lead to great success, so that the Eastern nations had to look for new solutions, which differ from one and another.

A question that poses itself here is, whether a common social model exists in Europe or at least in the European Union. To answer this one needs to distinguish between such a model in the sociological and the integrational-political sense. The former accepts the existence of a social

model in Europe after the Second World War over a certain period, insofar as the European regimes were distinct from the ones of other regions. However, this social model has never been the intended political programme of European social policy in terms of materialist redistribution. The latter sees the 'competitive state' in the centre of the social model and implies that in Europe the decommodification is meant to be replaced by the re-integration of all persons, who are entitled to receive social transfers in the respective national system. In particular, since the collapse of the communist system and Eastern European countries joining the European single market, there is additional pressure on all nations, explicitly including the Western ones, to transform towards a direction of 'competitive states' or competing systems. In that context Europeanisation can be equated with liberalization. Overall, the 'One European Social Model' has ceased to exist, as it was at best a Western European phenomenon of the post-war era of the 'Golden Age'. (Voelzkow 2005) Similarly, looking at labour relations, Ebbinghaus and Kittel (2006) find that there is only a partially existing European social model. While there is a clear division between the UK (plus her former colonies) and continental Europe, there is too little homogeneity among the European states to refer to one unified social system or model. However, there seem to be several subtypes within the model, thus reinforcing the theoretical and empirical usefulness of a welfare regime typology. In addition, the Europeans social models are changing and hence are more flexible than often anticipated.

The 'new' member states of the European Union underwent two major transformations: One from capitalist to socialist (communist) and one in reverse from socialism to capitalism. It is in the second transformation that two distinct periods can be identified. First, welfare regimes were established and utilized to counter the post-1989 economic crises and the social consequences that came with them. Second, starting roughly in the mid-1990s, reforms and political innovations were aimed at decreasing welfare costs, reducing people's dependencies on social benefits, and at the establishing of a more stable leadership of the welfare states. Consequently, the post-communist members of the EU today can be viewed as 'minimalist Bismarckian': They merge social benefits contingent on employment with low social spending, some universalist and demand-oriented benefits, and an increasing role of markets in providing such. (Keune 2009)

Kollmorgen (2009) offers a very thorough and detailed account on welfare regimes with the inclusion and classification of formerly communist states. He investigates into social protection expenses, as well social benefits of the conventional Western countries, i.e. the ones fitting into Esping-Andersen's typology, and of post-communist welfare states. Regarding the latter, Kollmorgen uses the developments of the unemployment rate, the infant mortality, and the Gini-coefficient as indicators. Overall, the data suggests that the CEE countries are in steady transformation and diverge from West European countries and partially from one another in doing so.

Capitalism itself is heterogenous, rather than a homogenous system when it comes to comparing welfare states. King and Szelenyi (2005) argue that after the dissolution of the Warsaw Pact, COMECON and the USSR itself, the newly founded nations each underwent one of three ideal-typical transitions towards capitalism. The first is ‘from below’ and describes a process in which a market-centric economy is created on the remains of the socialist redistributive system. An example for this type is China. In the ‘from above’ approach the new elites use the old redistributive economy to implement capitalism according to neo-liberal economics. This happened for instance in Russia. Third, “from without” is characterised by a situation in which elites make use of foreign capital and investments in building a neo-liberal order, without privatizing large state-owned companies. Naturally, these different ways of transition politics had and have varying effects on the development of post-communist nations and their economies. Depending on which groups were able to retain or gain power; technocrats, intellectuals, workers, political elites, bureaucracy; different forms of post-communist capitalisms were shaped.

There is a wide array of factors that shape individuals’ policy preferences. The research proposed here will focus on economic variables.

Moene and Wallerstein (2001) develop the idea to see welfare policies as a form of insurance for the public. In their model disadvantaged people receive social transfer payment and pay no contributions. The affluent contribute but have no need for public insurance. The middle class however receives gains from both facets of welfare, the redistribution and the insurance. It is stated that: “Increased income inequality [...] increases political support for redistributive benefits received by the employed but reduces support for publicly provided insurance against income loss” (Moene & Wallerstein 2001, p. 871).

Page and Shapiro (1992) report mixed results regarding income difference effects on attitudes towards taxation and welfare. While the more affluent prefer lower taxes and other financial burdens, so do many of the poorer individuals. Yet, the ‘have nots’ are much more favourable towards welfare measures by the state, particularly when such measures promise to help them explicitly.

It has been found that welfare regime types produce different attitudes towards redistribution of income and wealth. Yet, the social cleavages in the different nations showed similarities, rather than distinctions. The two most noteworthy cleavages appear to be class and gender¹. (Svallfors 1997) Other research indicates that there is little variation in support of welfare across time and space, suggesting that overall the middle classes are content in carrying welfare. (Bean & Papa-

¹ For a detailed account of cleavages in Europe see Caramani (2015).

dakis 1998) However, that study only used Western countries over the short time span of 1985-1986 and 1990.

One study, in context of the financial crisis, found evidence that a person's attitude towards welfare spending is significantly affected by that person's economic situation, such as employment status. This favourability towards welfare is fading away as soon as the economic situation improves. Also, the demonstrated effect is stronger for Republicans than for Democrats, i.e. stronger at the political right. (Margalit 2013) In addition, skill specificity and expected income appear to be the most potent controls for social policy preferences. (Iversen & Soskice 2001) When one's future income is anticipated to be higher than a threshold, thus becoming a net benefactor in society, the willingness to aid redistributive policies decreases. (Alesina & La Ferrara 2005)

Another study examines the attitudes towards existing and desired social stratification in three Western democracies. Specifically, people are asked about 'perceived stratification realities' and 'stratification aspirations'. The findings show that perceived high inequality does not necessarily yield higher egalitarian aspiration. Also, there seem to be attitude tendencies, as well as attitude cleavages, that are specific to different welfare regimes. So, the various welfare regimes procure differential attitudes through their socio-structural and institutional specifics (Sachweh & Olafsdottir 2012) Similarly, it seems that a positive attitude towards welfare does not necessarily translate into a positive expectation of its outcome, thus demonstrating a gap between its necessity and its execution. (Roosma et al. 2014)

Roosma and fellows (2013) also make the case for welfare attitudes to be understood multidimensionally. They find that the people in their European sample are overall positive towards welfare when it comes to the goals and range dimensions but are critical or cautious when it comes to welfare efficiency, effectiveness, and outcomes. It appears further that there is a divide between Western/Northern and Eastern/ Southern countries in Europe. While respondents of the former are more positive towards welfare efficiency and outcome the latter are positive toward the role and goals of the state but less so believing in the state's capability to produce desired outcomes and efficiency. The authors explain this with a quantitative and qualitative lagging behind of the Eastern/Southern welfare state regimes. (Roosma et al. 2013; also see again Roosma et al. 2014) In a similar vein, Eastern/Southern populations appear to see a significant underuse of social welfare, while the (liberal) Anglo-Saxon ones tend to hold the view that there is an overuse. (Roosma et al. 2016) Roosma and colleagues (2015) use another dataset when researching the question, if individuals think that taxes in their country are distributed fairly. As in their other studies the share of people who are content with the current tax distribution, and in

that with the welfare regime, is relatively high throughout the sample. However, the results suggest that there is a visibly perceived ‘tax squeeze’ of the middle class, that wealthier individuals and the middle class are not satisfied with the tax burden levied on them while the lower ones are more frequently in favour of progressive taxation, and that knowledge about the tax system implies an increase in perceived fairness.

Paskov and Dewilde (2012) investigate into the effect of economic inequality, a macro-economic characteristic, on solidarity in European nations, wherein solidarity is defined as the disposition to contribute to others’ welfare, i.e. to incur costs to others’ benefits. Their findings suggest that decreasing social distance translates into increasing solidarity. So, that there is more solidarity towards sick, disabled and old people and toward community members. There appears to be less solidarity directed towards immigrants. There are also great inter-states differences in solidarity. The lion’s share of variation in solidarity can be explained by demographic variations. Women, elderly, married and religious people, as well as more educated and wealthier individuals seem to be more solidary. Strikingly, income inequality has a negative relation with solidarity, so that when more of such inequality is present the people are less prone to contribute to others’ well-being.

Svallfors (2011) looks at welfare state attitudes in Sweden from 1981 to 2010 and finds that class differences on that issue increased notably and that welfare financing is the most contested concern between classes. However, Sweden is overall stable when it comes to the welfare state. Svallfors (2004) also reports that he finds no big differences in welfare attitudes between Sweden, Germany, the UK and the U.S. He therefore argues that the institutions may matter less than the “political articulation of class” (Svallfors 2004, p. 130). He also makes the point that there are similarities amongst nations in regard to welfare attitudes as perceived by various social classes.

An extensive piece of research on welfare attitudes, with various topics, has been provided by Svallfors and colleagues (2012).

The literature reviewed suggests that there are differences across welfare regimes broadly but also across welfare attitudes within and between countries. Thus, one can expect to see significant discrepancies in welfare attitudes that will be brought to light in the research proposed here. Altogether, there is ample evidence that the different welfare regimes produce different policies and demographic characteristics. It can be said that the ‘new’ post-socialist countries offer an intriguing sphere for research. One should acknowledge that there are capitalisms, rather than one capitalism. The effect of income on preferences regarding welfare and redistribution has also been carved out empirically. What remains unsolved are more specific studies that investigate into income’s effect on attitudes towards the welfare state itself paired with a comparison of dif-

ferent welfare regimes, and with that also towards the issue of differential modes of wealth redistribution and social transfers.

4. A Theory of Inequality and Welfare Attitudes

In the subsequent section a rational choice theory on the relationship between income inequality and attitudes towards welfare will be laid out.

4.1 What Rational Choice can be

It will be assumed henceforth that individuals are utility maximisers, in the sense that they make choices consistent with their own utility functions (Grant & van Zandt 2009).

4.2 Rational Choice Theory

Knowing the basics of rational choice in terms of utility and maximisation this work now departs on building a theoretical argument that is the fundament of the subsequent hypotheses. First, a political economic advancement and defence of rational choice lays out the basis for why rational choice is not a static single-sided theory but rather a dynamic, evolving and relevant rationale to work with. Second, rational choice is presented as a constructed theory, which is linked to income in its relation to welfare attitudes.

4.3 Rational Choice: Inequality and Welfare Attitudes

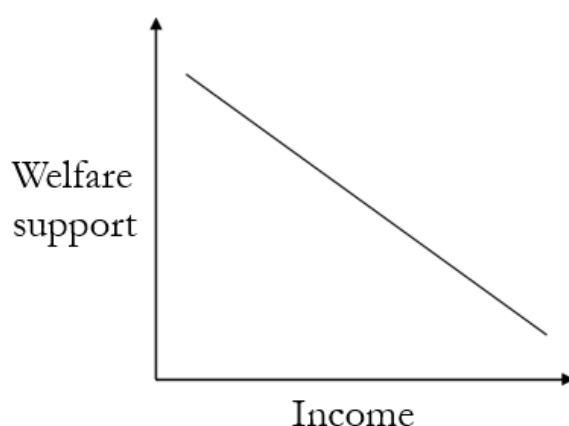
First, rational choice, when not applied too narrowly and incorporating context, is not alien to many sociological theories. It is especially potent in explaining micro-macro level phenomena, thus “is inherently a multilevel enterprise” (Hechter & Kanazawa 1997, p. 193) The ‘micro-macro connection’ is seen as equally important as the ‘macro-micro connection’ in a sociological advocacy of rational choice (cf. Marini 1992).

Second, state welfare is no direct exchange or charity. Hence, need-based generosity depends on the perception of the efficiency of the welfare regime itself (cf. Roosma et al. 2013). The same holds true for the normative and cultural concept of deservingness. Consequently, the reciprocal

perspective is highly, if not overly, context-sensitive regarding welfare regime institutions. The rationale presented here ought to display a phenomenon that holds true across different welfare regimes and merely varies in strength depending on contexts. Most importantly, in this view welfare attitudes depend on relative income. If one were to ignore income distribution one would overemphasise the macro-structure at the expense of the micro-level. It is argued here that both, the macro-and the micro level, are equally important and that accordingly one cannot turn a blind eye to the income ladder or the context.

The micro level with individuals' incomes will be discussed here first, followed by an account of the macro structure with welfare regimes' institutional architectures and their effects.

Figure 1 Meltzer-Richard Theorem



Meltzer and Richard (1981) develop a general equilibrium model that states that under majority rule the citizen with median income casts the decisive ballot. This is now known as the median voter theorem, as the income deciles below the mean are in favour of redistribution while the ones above are not (Meltzer & Richard 1981). Tests by the two scholars support the explanatory capability of the model (Meltzer & Richard 1983).

Frequently, the median voter hypothesis is extended as follows: A more unequal income distribution results in a voter majority for more distribution. Milanovic (2000) finds significant evidence for this. Investigating into the tax structure of decentralised Norwegian communities research also finds that the hypothesis holds true. (Borge & Rattsø 2004) Finseraas (2008) confirms these results by looking into 22 European nations and states that the median voter, i.e. citizen with median income, is sensitive to their society's degree of inequality. Also, corroborating this are results that suggest that alterations in inequality affect attitudes towards redistribution and wel-

fare. Specifically, it seems that local changes in inequality have a positive and significant correlation with favourable attitudes towards redistribution by the state. (Kerr 2014) Doherty and peers (2006) conduct research into lottery winners and conclude that “respondents are evidently motivated by self-interest but lack an overarching ideological perspective on economic stratification and the role of the welfare state” (Doherty et al. 2006, p. 456). Research encompassing six countries yields that economic self-interest is a significant impact factor for attitudes towards state redistribution. (Corneo & Grüner 2002) Shin-Goo and G. Bingham (2010) argue that: “Ideological differences in the position of the median voter consistently and significantly induced responsive changes in redistributive welfare spending, taking account of a variety of economic and social conditions.” (Shin-Goo & G. Bingham 2010, p. 1026). This ought to hold especially true for long-term equilibria in welfare-spending, which topple or change the political parties’ own manifestos and campaign promises. Further, Tromborg (2014) states that government debt must be seen as an essential aspect and political tool in welfare retrenchment, however only insofar the median voter permits cuts on social spending. Thus, the median voter assumes a pivotal role in shaping real policy outcomes, at least concerning welfare regime retrenchment. Lupu and Pontusson (2011) suggest the structure not the level of inequality matters. They also emphasise the importance of income skew and the crucial position of middle-income voters. In their findings they illustrate that compression of income differences raises social affinity levels between citizens throughout income deciles. Further, redistributive policies appear to increase as income in the upper distribution half become more dispersed and vice versa. This means that the middle-income voters back redistribution when the distance between them and the indigent is relatively small compared to the middle-affluent gap. While the authors posit that short-term self-interest is only one of several explanations for redistribution and the attitudes towards it, such a materialistic driver remains to be a valid one that cannot be too easily discarded in light of empirical findings. The underlying relative importance of median, or middle-income, voters also maintains its relevance. Alesina and Rodrik (1994) provide a model of their own and support that “there will be strong demand for redistribution in societies where a large section of the population does not have access to the productive resources of the economy” (Alesina & Rodrik 1994, p. 484).

However, while there is substantial support for the Meltzer-Richard theorem in the political economy literature, many other authors dispute such a connection between income and welfare or redistribution attitudes. Thus, it remains worthwhile to test the theorem once more by including different contexts. Specifically, these contexts are spatial, as different welfare regimes, and temporal, as before and after the Financial and Economic crises (2008 and 2016). It is the expressed hope here that the overall theorem will be confirmed as true, as the effect’s strength will vary in different nations at different times.

Besides the medium voter theorem there are other arguments that favour the existence of an income-welfare attitudes nexus. These are based on the sphere of differential interest between various actors. Pierson (1996) argues that welfare regimes are subject to retrenchment, which frequently causes immediate losses for concentrated groups of citizens but only diffuse and uncertain gains for others. This means that cutbacks in government welfare come at the expense of welfare beneficiaries, yet only brings a fuzzy advantage for the remaining population. Larsen (2006) takes on this idea and refers to dispersed and concentrated interests within his framework, including rational choice theory, and explicitly relates this theory to attitudes towards welfare. He notes that there is an inherent resistance to change that is marked by concentrated costs among recipients of social benefits, services and public employment, and by dispersed benefits of those in favour of a balanced budget.

For a situation as such, Coleman (1990) also introduces the concept of concentrated versus dispersed interest, which are in an asymmetric relationship to each other. It is a context in which very strong interests of a small group face very weak interests of a large group. Coleman refers to the minority interests as concentrated and as the producers' interests, while the majority interests are dispersed and the ones of consumers. This represents a common situation where few producers and a plenitude of consumers interact in one system or market and where every actor can freely choose their individual actions. It is proposed that social efficiency is reached when the rights over (collective) decisions are partly in the hands of the producers and of the consumers. This means that the interests on both sides must be weighted so that they altogether hold the balance. It follows that each individual gets voting rights proportionally to the value of resources spent or received through transactions in the whole market. Coleman concludes that two possible courses of action stem from this. First, votes will be used as an expression of interests. Second, producers and consumers alike will try to seize voting rights from each other by utilising their control in other spheres. The result is a trading of votes between different spheres of interest and the eventual achievement of a competitive equilibrium. (Coleman 1990)

The consequences of this trade-off between concentrated and dispersed interests are manifold. Coleman (1990) notes that there arise two biases, of which one favours dispersed and one concentrated interests. The former is created when votes are the only resource to take control of events and when all votes are weighted equally. The outcome of this bias is favouring dispersed interests because they are held by proportionally more actors. The latter is generated by the free-rider problem in dispersed interests, by the organizational costs involved in aligning the interests by a great many of individuals, and by the limited attention of actors who may not be sufficiently incentivised to act on their weak, i.e. dispersed, interests.

Particularly addressing welfare, Pierson (1996) argues that actors with concentrated interests will be more aware of the retrenchment because they are affected directly and face certain losses. This leads to the proposal that concentrated interests are easier to mobilise and that the concerned actors are much more likely to include their aggravation in voting behaviour. The result is politicians' seeking broad policy consensus, so they can spread or avoid blame.

Thus, arguments can be made in support of either side in the welfare debate. But the concentrated interests of the 'poor' and the sympathy of the middle-class should lead to the opposite of retrenchment, or at least to a standstill at status quo. What we see empirically however is welfare retrenchment since the 1970s and 1980s (see for example Starke 2006). Hence, the question must be asked in how far concentrated interests in welfare can translate into preferences and power.

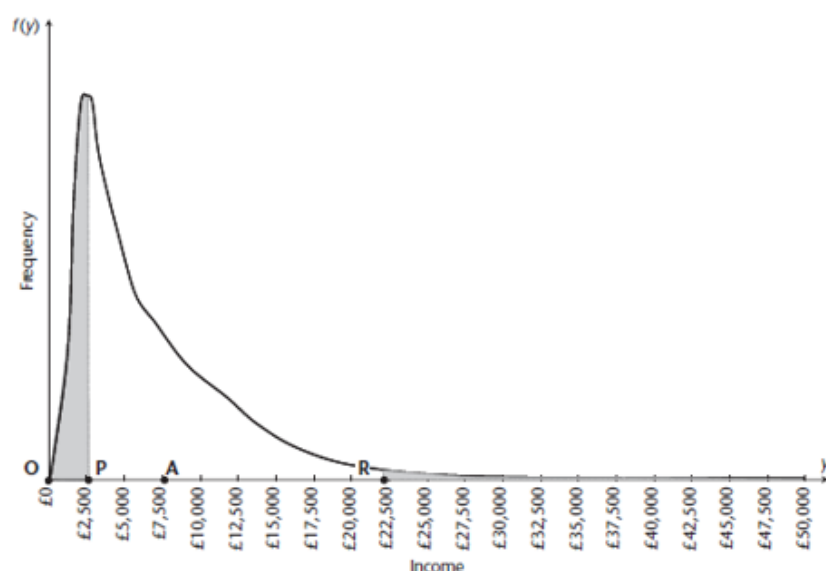
The question of power and of interests are linked and arise in any social relationship and must consequentially be elaborated on. As economics rests on the utilitarian tradition in Bentham's spirit that utility can be maximised and that due to such individualism power remains largely ignored one must tend to look at the sociological perspective, which has been spearheaded by Coleman (1990) in his 'Foundations of Social Theory'. He posits that interpersonal comparison of utilities is at the heart of struggles or conflicts, which bridge the micro-to macro level, and which go beyond the nature of exchange. This implies that there exists (political) power of actors to achieve their objectives and that interpersonal utility comparison comes in two forms. First, any actor must be willing to forego something in order to gain another thing and thus any interpersonal comparison has to contain the notion that sacrifices must be made to arrive at a certain outcome. Second, the actors' choices must stand the test of relative resource efficacy of the actors' goal realisation. Thus, any interpersonal comparison has to take the form of conflict or exchange, which both generate outcomes through social processes. (Coleman 1990; see also Harsanyi 1955 and Fleurbaey & Hammond 2004) Interpersonal comparisons of utility are not only possible but also necessary in order to make judgements about income classes, or indeed any sort of aggregate classification. It must also be clear that different resource pools and utility functions reflect not only exchange differentials but power differences as well. Coleman (1990 p. 775) notes that "utility is weighted by the capacity to realize one's goals, that is by power." Then, power is, when weighted on interests in utility functions, the basis of interpersonal comparison.

Thus, relative power of each actor comes from income differentials. Consequently, there is not only an inequality of earned incomes but also of power. The main implication of this is severe: Even though very affluent individuals may be the minority in a society they command more resources and power and are therefore not a fringe group but a powerful political force to be reckoned with. By contrast, the most indigent do not only bear the smallest income but also the least

individual power in society. It is then central to redistribution in democracies which welfare attitudes the middle class exhibits and votes for.

The rational theory here poses that individuals act rationally in congruence with their utility functions. As a result, net beneficiaries of welfare favour redistributive policies while net contributors do not. It is then the middle-income voters that have a significant weight in welfare policy making. This holds true under the assumptions of everyone being equally interested and each person having one vote. When relaxing these assumptions, it shows however that individuals exhibit various strengths of interest and that power is not equally distributed, but rather skewed as is the income distribution. It is still true that actors aim at maximising their individual utility in a logic of short-term self-interest and that discrepancies in attitudes are fuelled by income differences. But these differences manifest as differentials in interest and in power. Therefore, both approaches are needed when wanting to explain the link between individual utility function and attitudes towards welfare. This means that the theory predicts that welfare attitudes within income deciles are not only self-interested but also consistent and that these attitudes are expressed with different strengths of voices.

Figure 2 **High-Low Approach to Income Distribution**



Stark 1972, in Cowell 2011 p. 30

It can be expected that actors are fully aware of the situation that is an unequal distribution of power. While the indigent have concentrated interests, which are more salient, the affluent command more resources. Both then, ought to express strong attitudes towards welfare with the

former being in favour of more welfare, or at least of keeping the status quo, and the latter with disliking large redistributions. Consequently, the lowest fraction of the income distribution will have concentrated interests due to loss that could occur through retrenchment, while the top fraction has concentrated interests as it experiences large costs in form of taxes and only limited benefits from welfare. Using the concise ‘high-low approach’, portrayed in Fig. 2, it can be argued that the earners between points O and P fear costs inflicted by retrenchment, whereas individuals having incomes from R onward expect gains, as a decrease of losses, when welfare retrenchment were to take place. (cf. Cowell 2011) This leaves individuals with middle-income in between. The argument here attributes dispersed interests to such near-median earners, who still may have the pivotal voting share on collective decisions regarding welfare. It is expected that the ‘poor’ have very strong and positive attitudes towards welfare, that the ‘rich’ exhibit strong and negative attitudes, and the ‘middle’ holds mixed, or diffused, attitudes. However, as also suggested by Meltzer and Richard (1981), the median voter is likely to solidarize with the below-median income earners. This can be explained as welfare in Europe is received by a very broad basis of society and shows as Europeans are found by Svallfors (2012) to have overly positive views on welfare.

This deliberation can be supported by an argument presented by Rehm and colleagues (2012), who put forward that there frequently is a dual burden levied on the shoulders of the ‘lower income classes’ and the indigent. This burden is the reinforcing nature of low income and high exposure to risk of loss: “In practice risk and income are negatively correlated” (Rehm et al. 2012, p. 390).

Figure 3 **Welfare Support vs. Opposition**

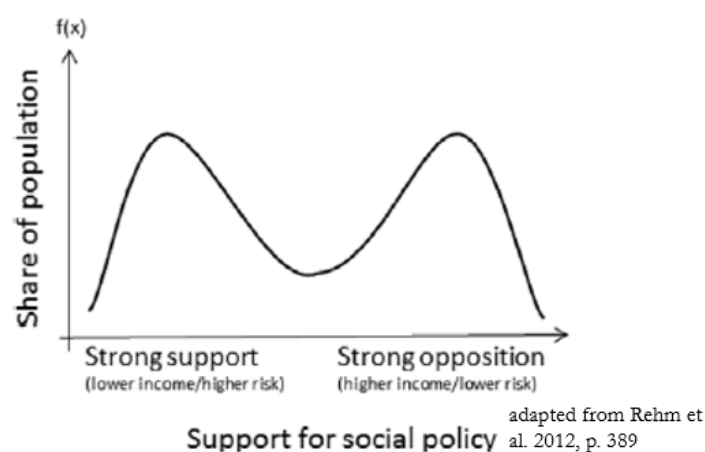
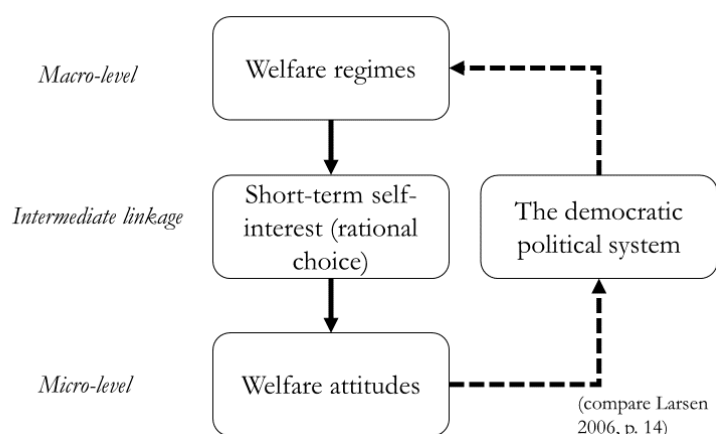


Fig. 3 then mirrors and supports the ‘high-low approach’ and the rationale associated with it. Low income earners face double-pressure in form of low income and high risk, while high earners enjoy the opposites. The resulting welfare attitudes can be expected to show a clear cleavage

within society, where the population is split in their support of social policy and its associated funding instruments. The middle-income earner, or median voter, again, is shown to be in a limbo-like situation where income and risk are more or less balanced. Hence the median voter has no strong extrinsic, i.e. material, motivation to either support or reject social policies as long as their income or risk exposure does not shift.

Summarising, the unequal income distribution is of threefold nature. First, it leads to individuals having material short-term self-interests. Second, these differential interests vary on basis of the costs and benefits of redistribution. And third, the different incomes, i.e. resources, result in power differentials. Ultimately, the interest, the power and the risk exposure, which all are associated with income, of any individual will affect that individual's attitudes towards welfare.

Figure 4 **Welfare System Model**



While the Meltzer-Richard theorem and the other rational choice arguments about interests and power are expected to hold true throughout different societies in various nations, it will be suggested now that the type of welfare regime also matters as context for the relationship between income and welfare attitudes. This means that a linear relation should exist, i.e. the higher the income the lower the support for welfare. Yet, the shape of said nexus ought to vary depending on the welfare regime individuals are embedded in. In other words, the strength of the income-effect is expected to be differential in different contexts.

According to Larsen (2006) there three possible mechanisms that link the macro-micro-levels of welfare attitudes. As only one is relevant here the other two will be excluded. Larsen calls the mechanism in question the rational choice argument that is driven by short-term self-interests. This rationale is particularly prominent in the context of welfare-state restructuring, i.e. re-trenchment. The scholar refers to 'blame avoidance' in a cleavage between the elite seeking re-

forms and the remaining bulk of the population that is reluctant towards such policy innovations as it profits from broad welfare. In economic terms the situation can be described as a cost-benefit trade-off. Therein, the indigent face higher costs in a variety of welfare domains where state retrenchment takes place, whereas the affluent benefit from relatively lower contributions, particularly in form of taxes. (Larsen 2006)

Following the model by Larsen (2006), it can be expected that different welfare regimes produce different welfare attitudes through the self-interested reactions of their population. In Coleman's terms there is a macro-micro-macro level linkage, which in this case reproduces itself by going via the democratic political system that shapes the design of the respective welfare regime. This design determines the costs and benefits, i.e. the interests, the power and the risk that individuals face in a given welfare regime. As context matters individuals will respond to the welfare regime they are subject to by adapting different strategies, and with them attitudes. Still, in such responses people will aim to maximise their utility, which consists of maximisation of individual pay-offs and minimisation of personal costs.

5. Countries and Contexts

In the following part of this work four welfare regimes will be presented and elaborated on in-depth. The choice of the selected regimes has been done in non-random fashion to represent four different 'worlds' of welfare. While all share some distinct features they differ on key dimensions.

5.1 Welfare Regime Profiles

The following section will offer an in-depth look into the four proposed welfare states used in this study. These are Austria, the Czech Republic, Estonia and Finland. As it has been explained previously the two Western European ones symbolise Esping-Andersen's (1990) ideal-types of welfare regimes. The selected CEE countries have, as expected from the literature offered hitherto, different welfare systems, which are in part proximate to Western types and in part manifest as novel welfare regimes. The Czech Republic and Estonia have to balance their legacies of social issues and at the same time deal with new challenges posed by the transition, as well as handle pressures of the globalisation (Deacon 2000). Altogether, OECD countries struggle with novel trends and experience a convergence towards the 'Supply Side Model', 'Dualization' and 'Individualization of Outcome Risks' in welfare (Starke et al. 2016). Thus, these four nation states are a

prudent choice for theoretical investigation and empirical scrutiny, as they represent different types in a common and rather novel typology. In that, these countries offer a multifaceted spatial picture of welfare across Europe. The information provided now will make a preliminary understanding of the welfare regimes in question feasible and therefore lays necessary groundwork for the further comprehension of this work regarding flexible welfare attitudes.

5.2 Austria

In terms of Esping-Andersen's (1990) welfare state typology Austria is a Continental European or Conservative model, which implies a focus on the traditional family for welfare and employment-related benefits.

Austrian social welfare sees its roots in the 1860s relief for the poor and subsequent reforms in the two decades following, most notably as employment protection in form of social insurance covering accidents and health. Steady extensions were marked by the introduction of pension insurance in 1907 and unemployment insurance in 1920. Eight-hour working day, work councils and chambers of labour were further achievements for Austrian employees, which however saw a backlash in the 1930s and 1940s dictatorships in the country. However, it was in the 1950s that considerable political support and extensions in all spheres of social policy happened. Collective bargaining became a cornerstone of Austrian labour relations. Social measures for the indigent were advanced particularly in the 1970s and received broad consensus. Family-related sponsoring exceeded child support in form of major tax breaks and benefits. But by the late 1980 employment policy for foreigners became more restrictive and in the early 1990s some cuts and limitations for social security took place. From thereon, a paradigmatic change happened. The Austrian welfare state transformed from a 'Keynesian' to a supply-side economic policy model. The additional integration into the EU brought along further deregulation of the financial and labour markets, as well as increased mobility. Ensuring industry competitiveness through liberalisation, privatisation, flexibilization, and cost savings became pillars alongside budgetary 'null deficit' for the new Austrian government in the year 2000. That conservative/right-wing government partly took measures that are deviations from the continental/conservative welfare state model and partly reinforced some elements. For instance, the role of the traditional family was strengthened, while standard of living in old age was weakened. (Obinger & Tálos 2006)

During the heyday of 'Austro-Keynesianism' normal (male) labour relations guaranteed steady income increases and employment histories, as well as full employment, until the early 1980s,

longer than in many other countries who saw an earlier onset of neo-liberal flexibility and social change. However, the developments since the mid-1970s eventually also caught up in Austria and brought along higher unemployment rates and fear of job loss. This is significant because not only is employment tied to well-being, identity and status, but also labour participation is a main factor in social security and social participation. The European integration took economic regulatory processes, such as monetary policy, out of the hands of national governments while national competition, as for instance tax and wage policies, were accelerated. The 'Austrian way' after 1973 focused on employment as main instrument of social integration through a broad policy consensus. Economic policies, as 'multi-policy mix' and 'deficit spending' targeted (male) full employment as main goal. This came in form of state investments and a broad range of policy instruments until 1982. Collective protection of employees and their families came as a centre piece of such measures. (Penz 2010)

As Austria has a corporatist, conservative, continental 'male-breadwinner' model, social insurance is the foundation of the welfare state. It is connected with a series of universalist state benefits and welfare. The dominant inclusive areas are old age, health, occupational injuries, and unemployment. Income-dependent contributions form the main fiscal instrument, which is supplied by employees and employers. Especially health and pension insurances are additionally fed by general tax revenues. Care and family related policies are the major domains supported by universalist programmes. Social welfare is the third pillar that ought to aid those who are neither covered by social insurance nor universalist benefits. These responsibilities are divided between national (federal) and entities, as well as between self-governed insurance institutions. Moreover, there is a well-established system of private security and support, which is mainly made up of non-profit organisations. In a European comparison the high expenses for pensions and family benefits stand out. The health care system dominates the non-cash benefits and social service expenses. Two thirds of total expenses are covered by contributions of the insurants. (Heitzmann & Österle 2008)

Pensions are funded by compulsory insurance and private contributions and are characterised through three principles. These are the principles of insurance, of maintenance of the living standard and of solidarity. However, the pension system was already in 2008 under scrutiny and subject to structural changes. Health care is more universalist than pensions, however not entirely. Through co-insurance and other means there is a particularly broad health care coverage in Austria. Poverty has long not been a policy focus but gained attention as of 2008 and is significantly tackled by non-profit organisations. While education is seldom regarded as part of social policy it is considerably tied to measures of social security. As the labour market and full em-

ployment remain a policy priority there are increasingly many voices asking for deregulation and flexibilization. (Heitzmann & Österle 2008)

In terms of demographics, ageing puts a serious strain on Austrian social policy to come. As the 65+ population is expected to increase, health care and long-term care are affected well as the pension system and reforms are ongoing. As for the Financial and Economic crises, there are serious implications for the Austrian welfare state. These manifest as the allocation of public funds to support and stabilize the economy and the fiscal consequences of tight budget constraints. Especially the banking and export sectors required aid by the state. As consequence of economic down-turn the labour market needed major state interventions as well. Due to the policies taken Austria survived the crises relatively well and achieved to hold a comparably low rate of unemployment, thus trying to uphold the status-quo. However, in context of the crises the Austrian state passed a welfare reform that is more than a short-term response and comes as retrenchment, as well as includes extensions and restructuring. Some major domains of welfare in reform were split in their responsibility between the federal state level and provincial levels, which falls within Austria's long practice and legacy of regionalism. The results were a mixture of successes and blockades. (Österle & Heitzmann 2016)

Now some specific crises responses and reform objectives will be highlighted. Austria took measures to intervene in the labour market actively and was successful in doing so, despite large expenditures. In addition, the country's dual education system potentially counteracted youth unemployment. In terms of passive labour market aspects there was no major restructuring. Pensions make up half of public social expenses in Austria and are therefore a huge share, which lies above the rate in most European nations. Austria tries to harmonise its pension schemes and changed the calculation basis for pensions. Also, the effective retirement age shall be increased, as well as re-entry into the labour market through measures of rehabilitation and requalification. Women's retirement ages are to be gradually adjusted to those of men. Regarding health care, Austria performs in average or above-average but has higher expenses than the OECD mean. On family policy, the Austrian state faces several pressures and induced slow reforms towards earlier re-entry into the labour force of parents and towards liberalisation. Concerning poverty in Austria the state has retrenched and left more responsibilities to non-profit organisations. (Österle & Heitzmann 2016)

Life-satisfaction and satisfaction with the welfare regime of Austria remained high during the crises, according to several surveys. Altogether, the crises did not fundamentally change ongoing welfare reforms in the country. Welfare retrenchment in Austrian can be seen as comparably less

intense and consequently the public discourse is not about dramatic change but rather about gradual reform and the system's sustainability. (Österle & Heitzmann 2016)

On a final note however, the policy route of the current conservative and right-wing government seems to be centred on welfare for Austrian nationals on a basis of 'deservingness' and therefore on retrenchment towards others. This course goes against European integration and marks a certain nationalised liberalisation.

5.3 The Czech Republic

Modern social policy, primarily social service and insurance were established in the Austro-Hungarian empire in the late 1880s and leaned on Bismarckian reforms in the context of growing labour movements in Europe. At the establishment of Czechoslovakia as sovereign state in 1918 a lot of these social policies were kept and added on by a series of new norms. (Fiala & Mareš 2008) As the Czech Republic had a high degree of industrialisation the Bismarckian and Beveridgean welfare model worked well (Inglot, 2009). With communists taking over the government in 1948 social policy became a keystone for the self-perception and legitimacy of the state. Collectivist reforms and centrally planned economy followed. (Fiala & Mareš 2008) After the 1968s occupation by Soviet troops, before which Czech planners had attempted a liberalisation of welfare (Inglot 2009), social benefits were used trying to secure the loyalty of parts of the population and measures to counter the negative demographic trend were taken. As communism was toppled in 1989 Czechoslovakia underwent the Velvet Revolution in the course of which many citizens saw the loss of their social security. In the installation of democracy in the transition period a reform of the social system was passed. (Fiala & Mareš 2008) There was a paradigm change away from a universal flat rate system towards one reliant on insurance and contribution for benefits, with the assessing of needs and assets plus new family benefits and guaranteed minimum income. (Aspalter et al. 2009) When the nation split into the Czech Republic and Slovakia there was fundamental tension and disagreement between liberal-conservatives and their centrist-left critics about the social and economic reforms. The post-1989 developments of the Czech social system can be divided into four phases. First, in 1990 to 1992 basic features of social policy, such as minimum wage, were formed, while a discourse about future reforms took place and the legal communist legacy was preserved. Second, in 1992 to 1998 the current welfare regime was moulded, reflecting 'verbal Thatcherism' and the attempts of its dilution. Third, in 1998 to 2004 the Czech welfare state underwent socialisation and Europeanisation yet arriving in a period of reform-stagnation. Fourth, from 2004 onwards the social system was started to become adapt to

the complexity of the 21st century, however reaching an impasse in consensus over the nature of future reforms. (Fiala & Mareš 2008) While all nations in the region experienced declining quality in their welfare regimes after the collapse of the Warsaw Pact, Czechoslovakia was in a relatively privileged position and could balance its budget without having to enforce great cuts in its social system. Despite gridlock, which is a product of the proportional electoral system usually resulting in weak governments (Potůček 2004), in some areas of social policy reform the Czech Republic can now look back at over 50 years of successful social benefit management, which does not have to shun away from its Western social-democratic counterparts. Even when the Czech Republic was faced with a high deficit, peaking in 2004, there were no grave social policy cuts conducted, due to high foreign investment that helped to stimulate the economy in 2000 and in 2004/2005. (Inglo 2009)

The Czech welfare regime exhibits a focus on social security and labour policy, while other areas, as for instance health care and education, fade into the background. The Czech Republic provides social benefits, to guarantee a minimum living income, to persons with an impairment in economic, age or health related standing. Measures, such as child benefits, are fully financed by the state. Social services are also targeted towards the ones in need and include a wide array of services. The Czech pension system is universal and mandatory for all formerly economically active individuals. It consists of a basic amount plus a relative share that depends on the time of active labour participation. The private pension sector in the country remains under-developed, although there are state subsidies. The labour, or employment, policy aims at the right to work and equal opportunity, fostered by various labour market measures. The Czech health care system is guided by a solidarity principle and is majorly funded by the state, thus being comparable to other systems in continental Europe. The objective-setting, distribution, and financing of welfare in the Czech Republic is conducted by parliament, the government, NGOs and by the Tripartite Social and Economic Council, which includes members of government, of unions and of employer representatives. Financing of welfare has not been solved sustainably, with a growing deficit despite increasing GDP. The Czech people do not seem willing to accept major changes in social policy and the welfare regime at their costs, although 65% to 70% appear to see reforms as necessary. Similar to many other European nations the Czech Republic has to tackle with a negative demographic situation, i.e. a low birth rate, and with the future sustainability of the pension system. Altogether, the Czech welfare system is still influenced by its Bismarckian past and the liberal-conservative reforms of the 1990s have been mixed with a social-democratic influx. While different political parties want different things the discourse on the Czech welfare regime can be seen as relatively stable. Despite the right-leaning public there is some demand for a Scandinavian or Bismarckian model. (Fiala & Mareš 2008)

And indeed, such a Bismarckian model, as variant of continental European welfare, best describes the Czech welfare regime. However, it also includes some achievement-type welfare. (Potůček 2004). Also, liberal elements, as for example in long-term unemployment, and other features of conservative and social democratic social systems can be found in the Czech welfare regime (Fiala & Mareš 2008; Aspalter et al. 2009), as well as some of the nation's communist universalist legacy (Saxonberg & Sirovátka 2009). Potůček (2004) further ascribes the Czech people an 'egalitarian mood' and an inclined resistance to change, like it ought to be found in the neighbouring Austria and Germany. The economic globalisation, paired with the Czech need to form a market economy, is the country's biggest contemporary challenge. (Potůček 2004)

Aspalter and colleagues (2009) argue that the Czech Republic seen through the lens of ideal-typology is a Christian-Democratic welfare state, as it has a Bismarckian health care system and a normal defined-benefit pension schema. According to Saxonberg and Sirovátka (2009) the country can be seen to be heading towards a more liberal and residualist future. The latter because benefit levels and ceilings have not been increased for some time and therefore lag behind. And the former because the reforms undertaken, albeit slowly, move the nation towards market-liberalisation. Looking back at the 1990s two final lessons can be learnt. The liberal government that was in power until 1997 did not push through radically liberal reforms but rather conservative ones and the succeeding Social Democratic governments also did not strongly pursue a universalist strategy in welfare. (Saxonberg & Sirovátka 2009)

Altogether, evidence shows that the Czech Republic does not clearly fit into the continental, European welfare type but also not in a distinct post-socialist model. From 2007 to 2013 the country's welfare regime underwent significant and paradoxical alternations. This paradox can be split along five dimensions. First, while policy reforms were moderate the public response to them was loud and strong. Second, whereas civil society had been traditionally weak, leading to increasing neo-liberalism, civil and political coalitions and alliances formed against the perceived neo-liberal assault on social rights. Third, the neo-liberal-dubbed reforms incorporated anti-paternalist measures, thus providing more freedom of choice to social risk groups. Fourth, despite the protest alliances' narrative against welfare state retrenchment the policies' outcomes were intact and effective. And fifth, the Czech welfare regime and its reform lack any distinct strategy or paradigm and can thus be called modestly neo-liberal with some meritocratic principles. The Financial and Economic crises then put a double strain on the Czech welfare that is decreasing revenues and financial pressure on welfare provision. The crises hit Czech exports particularly hard but also affected domestic demand and investments. Similar to other nations, the Czech Republic faces rising life expectancy and a falling fertility rate. This poses a serious social, political, and fiscal challenge to the country. (Ripka & Mareš 2016)

Although, right-wing parties dominate the Czech government coalitions since 2006, with 2008/2009 as gap, there has been an increase in veto players, such as the Constitutional court. Nevertheless, most undertaken policies can be classified as within a neo-liberal agenda and the crises rather helped forwarding that agenda and weakened veto players. Additional individualisation was underway as of 2016. The former was even supported by the ‘modern left’ since 2006. (Ripka & Mareš 2016)

5.4 Estonia

As the Czech Republic, Estonia inherited a universalist welfare regime that was financed through the mandatory contributions of the working population. (Trumm & Ainsaar 2008) The policy of full employment guaranteed universal social security (Trumm & Ainsaar 2008; Aidukaite 2009). Social services were favoured over monetary transfer payments. Despite far-reaching reforms components of the old communist system remained, such as a very well-developed child care and social security contributions as central tool of welfare financing (Trumm & Ainsaar 2008), even though Estonia was the fastest in abolishing the communist welfare system (Aidukaite 2009). There is also a Bismarckian tradition welfare from the time between the two World Wars. (Aidukaite 2009)

Three main additional aspects strongly influence the Estonian welfare regime: The primacy of conservatives (Trumm & Ainsaar, 2008), as right-wing or centre-wing parties in coalitions with liberals (Aidukaite, 2009; Toots, 2012), in constituting the government since the 1990s, the proximity to and learnt knowledge from the Scandinavian welfare states, and the Europeanisation and influences of other supra-national organisations. To briefly elaborate, the first shows that the conservatives in power always display trust in markets and the capitalist economic system. Despite this, one can identify zig-zagging in the social policy agendas, which may be explained by the Estonians disfavour of equality versus individual freedom. (Trumm & Ainsaar, 2008) There appears to be general distrust in supporting the state financially, as their offered services are considered to be of weak quality. An indicator for this may also be the high shadow economy in the country. (Aidukaite, 2009) After the implosion of the USSR Estonia had a frequent influx of Scandinavian ideas and experts. As the country lacked experience in organisation and financing of welfare this was welcomed and led to the application of some Scandinavian concepts in welfare manifested in Estonian social policy. Thus, the Estonian model is a mix between liberal market-oriented and social-democratic welfare that can be seen in some universalist, equality-oriented,

state-centred elements and the counterpart of low benefits in unemployment and pensions. As third influence comes the efforts of European integration that has Estonia made some reforms in social security and social rights. (Trumm & Ainsaar 2008.) The efforts of other super-national organisations (such as IMF, World Bank) to effect Estonian social policy have been able to stimulate some debate (Trumm & Ainsaar 2008) but also invoked some changes (Aidukaite 2009) through integration and treaties towards a Western value system (Kuuse & Toros 2017). Similar to East-Asian welfare states the Estonian, and whole Baltic states', focus is on economic growth, seeing welfare as a by-product of such economic development. (Toots, 2012)

The economic development, which is naturally closely tied to the social one, can be distinguished into three phases in Estonia. First, the collapse of the USSR economic order, starting in the 1980s, followed by an economic recession in the years 1989-1993. Second, stabilisation of the economy in 1994 to 1996. And third, an economic boom since 1997, with the exception of the Russian economic crisis and its consequences in 1998 to 1999, with an average annual GDP growth of more than 6%. To illustrate the hardship of the early 1990s it should be noted that the employment rate dropped from 80% to 65% between 1989 and 1994 (Trumm & Ainsaar 2008), exhibiting strong fluctuations (Toots, 2012). Similarly, the unemployment rate reached 12.8% in 2000 (Trumm & Ainsaar 2008) and only then started to decrease in wake of a high GDP growth up until to 2007 (Aidukaite 2009) The Estonian development of welfare can be seen as closely tied to the labour market as the country pursues an active labour market policy since 1997. The focus in it is on the active promotion of efforts and continuing education to benefit the unemployed and on distinct incentive-setting to bring the unemployed back to work. However, unions play a near-non-existent role in the country (Trumm & Ainsaar, 2008; Aidukaite 2009; Toots 2012). Additionally, the Estonian government enacted subsidies for the founding of companies. As most CEE countries Estonia battle with a demographic problem, which consists of low birth rates and ageing of the society. This resulted in reforms of the pension system and benefits for families (Trumm & Ainsaar 2008) that often come in monetary form and ought to promote a higher birth rate (Toots 2012). These benefits are not universalist anymore, but family benefits become increasingly tied to income and individual need. (Toots 2012)

The Estonian system can be divided into social security and public welfare. The former includes health care, unemployment insurance, social services for the impaired, and others. Public welfare consists of benefits to guarantee minimum living income and other social services. To finance its welfare regime Estonia has the appropriated social tax that is 33% of the taxable income. The pension system and some areas of health care receive further government subsidies while other administrative costs are also financed through the national budget. (Trumm & Ainsaar 2008), Estonia spends 13% of its GDP on social benefits, in an even further decreasing trend, which is

considerably smaller than the 28% average of the EU-25 in 2003 (Trumm & Ainsaar 2008; Toots 2012), or of the EU-27 (Aidukaite 2009). It should be noted that while the relative welfare expenditures as share of the GDP-percentage is decreasing (Trumm & Ainsaar 2008; Toots 2012), yet the total amount increased due to fast economic growth (Trumm & Ainsaar, 2008).

In Estonia, as in most EU member states, the costs for pensions and health care make up about three quarters of social expenditures and are thus the lion's share in the welfare regime. These two and social benefits for families rank above the EU average while housing and especially unemployment benefits fall below the EU mean. As Soviet legacy the Estonian welfare regime includes Bismarckian elements in the pension system, the health care and unemployment insurance, which together account for approximately 80% of welfare. The only two universalist elements are social welfare benefits, in mostly monetary form, and unemployment benefits, which only account for 2% of welfare expenditures and are contingent on the respective recipients household incomes. The social security contributions are mainly sourced from employers and the central and local governments, with individual contributions being the lowest in the EU. Estonia's taxation system is in essence easily understood, as the government introduced a flat-tax 1994 that is independent from source and amount of income. As of 2006 the tax rate was at 23%. (Trumm & Ainsaar 2008)

The social benefits in Estonia can be classified as universalist as most of them do not require any special status, except citizenship or permanent residence in the country. The insurance-dependent benefits are tied to the previous payments of contribution. Only unemployment benefits or social welfare benefits, which are paid out for one month per revision, are granted on need-based grounds. The pensions are indexed so to keep pace with inflation rates. (Trumm & Ainsaar 2008) Estonia tries to promote individual responsibility for care for the elderly but cancelled subsidies for the second pillar of pensions in 2009 and 2010. (Toots 2012)

Within the EU, Estonia exhibited a high degree of income inequality, with the Gini-coefficient only slightly improving. (Trumm & Ainsaar 2008; Aidukaite 2009) There is particularly widespread poverty among young singles, which is related to the high 60% of the population that attends higher education while student grants and scholarships are low. (Trumm & Ainsaar 2008) Estonia even introduced tuition fees for its universities (Aidukaite 2009). So, particularly young and elderly people are at risk of poverty (Toots, 2012). The lowest tenth of Estonians receives over 50% of social transfer payments, with pensioners and unemployed being the main benefactors. (Trumm & Ainsaar 2008) As in all Baltic countries, Estonia faces serious challenges in combating poverty, making some progress as the poverty rate dropped down to 17.6% in 2009. As social benefits are rather scarce it may be that Estonia aims to reduce poverty primarily through

labour market policy. Yet in response to the Financial and Economic crisis, which hit the country especially hard, Estonia laid emphasis on a balanced budget by dramatically welfare expenditures. (Toots 2012)

In regard to health care Estonia was left with a legacy of costly universalist from Soviet times. The liberalisation of the system saw the restructuring of health care funding with a Bismarckian model, similar to Germany with employers paying the brunt of health care contributions. Over time the reforms made the Estonian system comparable to Continental European ones, although there has been a downgrading of services for the people in some areas. (Toots 2012)

Estonia has one of the highest employment rates for women, despite having struggled to implement work flexibility and part-time work, which could be to unfavourable economic, structures, old gender stereotypes, and the low level of wages. (Toots 2012)

Summarising, the Estonian welfare regime in the 1990s was modelled after Western conceptions, with the system still being in a phase of transformation but still displays a certain path dependency. Due to the different historical, political and economic influences and developments the welfare state combines market-oriented policies with foreign expertise and Bismarckian inheritance. Therefore, the different domains of the welfare regime are characterised by differential inputs and outputs. (Trumm & Ainsaar 2008; Aidukaite 2009) One could call the Estonian system 'liberal-democratic', however with increasing neo-liberal character and some cooperate elements. (Toots 2012) It can also be stated that there is a high-take up rate for social security, yet at a low benefit level, paired with post-Soviet solidarity, universalism, and distrust in the state. Particularly the insurance-based benefits are essential to the Estonian welfare, which is a Soviet legacy as that system was employment-based. Nevertheless, some pension insurance has been privatised. Still the political elite and the weak civil society exhibits a favouritism for liberalism (Trumm & Ainsaar 2008), so that the Estonian welfare regime can be classified as liberal with cooperate-conservative elements that stem from the communist past (Toots, 2012). In spite of crises the Estonian state has done well while trying to keep a balanced budget. (Toots, 2012) The marketisation, global integration, and liberalisation does and will continue to put stress on the Estonian welfare state. However, it remains to see how the country, ideally in a dialogue about European social policy, fares with its welfare regime. (Aidukaite 2009)

Kuuse and Toros, (2017) regard Estonia as a country leaning towards neo-liberalism and argue that in such a state welfare is not the priority, hence resulting in a thinning-out of structures and in chronic underfunding. They also attribute the nation a trend towards community-based welfare and argue that the state's deinstitutionalisation promotes home-related social services and change

of welfare towards smaller institutions, better services, and more humane attention to people's needs.

“Estonia is a country with a flexible labour market in combination with wide inequality, a strong reliance on the housing sector, and low trade union density.” (Ainsaar & Kesselmann 2016, p. 177) Due to this and thanks to the nation's open market, Estonia was particularly vulnerable with its dependency on foreign markets and performed one of the worst crises management schemes in the EU. Notwithstanding the economic recession, Estonia had a very low level of general gross public debt, as the country carried out fiscally conservative policies from 2003 to 2007. However, in 2009 the Social Democratic Party was virtually kicked out of the government coalition with two liberal parties. Despite such political tensions a large part of Estonians saw their country heading in the right direction in 2010 and there were no significant strikes or demonstrations despite spending cuts. The status quo was preserved, and no very drastic social policies were passed. (Ainsaar & Kesselmann 2016)

Social security in Estonia remained on a moderate level in EU comparison and joining the ranks of nations with the Euro as currency stayed a main strategic policy objective. Estonia also faces serious demographic turmoil due to negative net migration with only relatively moderate rates of fertility, as well as ageing. Summing up, Estonia rolled out major social security cutbacks particularly in 2009 and 2010. State reserve and low public debt could absorb some of the direst crises' consequences. Yet, the nation was hit by one of Europe's worst economic downturns with a subsequent spike in unemployment. The governmental responses were mostly inflexible budgetary policy making but found a balance between spending cuts and social protection. (Ainsaar & Kesselmann 2016)

5.5 Finland

The late but extensive adaption of social welfare in Finland can be explained by structural and political aspects. The northern nation is particularly rural and thus is made up of many small municipal/industrial communities. Also, the industrialisation happened relatively late in the country, which was a poor nation with struggles for autonomy before (Pesonen & Riihinen 2002). There was broad bargaining between the social-democrats and the (centrist) Agrarian League, consequently shaping Finnish social policy. The former faction is responsible for the introduction of benefit replacement rates, especially for workers. The latter pushed universalist flat-rate benefits. Due to the communists' inclination to side with agrarian-universalist policies the Finnish social-

democrats never reached a hegemonial position, unlike their Swedish equivalent. So, until the late 1950s universal benefits were promoted. Later, social policy gained a focus on employees. This dualism reflects in the institutional set-up that exhibits shared responsibilities between the national Social Insurance Institution of Finland (Kela) and the labour market, which mostly coordinates employment-dependent benefits. Further, there is a strong division between policies carried out by local communities and the central government. Consequently, the Finnish welfare regime is highly institutionalised. Finland spends about 27% of its GDP for the social areas of old age, health care and inability to work. The expenses for families and unemployment are higher than the EU average. During the 1990s economic crisis the Finnish performed moderate retrenchment and minor reforms, while social policy expenses increased in relation to the GDP. (Kangas & Saari 2008)

The government coalitions from 1995 to 2003 pursued further gradual reform of the pension system, for example by introducing a new progressive calculation scheme for pensions (Kangas & Saari 2008), for elongation of the retirement age (Hinrichs & Kangas 2003). While the taken measures should be seen as welfare retrenchment there is no clear characterization of a new 'welfare policy'. As the demographic change, i.e. ageing and fertility rate, in Finland is a particularly stark one, experts have called the passed measures as insufficient. Especially the Finnish social partners play a significant role in negotiating such reforms. (Kangas & Saari 2008) However, major features of universal demographic welfare were changed or abolished (Kangas & Saari 2008; Hinrichs & Kangas 2003). The Finnish pension system is a hybrid one. On the one side it is absolutely decentralised but on the other it is totally juridified, i.e. subject to juristic norms. Also, the pensions are highly occupational-centred and sectoral fragmented, thus displaying a multifaceted and complex system. (Kangas & Saari 2008) In the employment-related system the redistributive character has been weakened. Yet, the system seems to be somewhat stable, mainly through incremental changes. (Hinrichs & Kangas 2003)

The strong rise in unemployment put serious strain on Finnish social expenditure and the welfare regime as a whole. While the insurance system remained largely the same in the 1990s the basic security benefits underwent reform. The benefit replacement rate was decreased substantially. In 1993 all tax benefits for families were abolished and partially replaced by financial benefits. The Finnish transfer payments kept their nature of pronatalism. As there exists a 'cash for care' system fewer children are in public day care. Education in Finland follows the principle of openness for everybody and is hence free and subsidised by the state. Social welfare is designed to help the neediest and consists of a standard aid, plus additional payments. Social expenditures exceeded 30% of the Finnish GDP during the 1990s crisis years and in Scandinavian tradition Finland has a very high state share of social expenses. Altogether, Finland survived the 1990s crisis intact.

However, the country's income inequality reached the same levels of the early 1970s again. Not unlike most other developed nations Finland's main challenges are ageing of the population, globalisation, post-industrialisation and migration. (Kangas & Saari 2008)

In terms of public opinion, the Finns highly approve of their welfare regime (Kangas & Saari 2008) and as welfare is refined the legitimacy of the welfare state improves, as more people gain public employment and all citizens receive welfare coverage (Ervasti 2001).

Finland's success from the 1970s to the 1990s relied on a favourable demographic structure that had a large share of the population in the labour force and smaller cohorts of children and the elderly. This altered however on four dimensions. First, the 65+ generation outnumbers children as of 2016. Second, of the working age population the oldest cohort, aged 45-64, is the largest. Third, longer life expectancy gains momentum and fourth this shifts the positions of the median voter to age 57, thus raising the question about inter-generational solidarity. (Saari 2016)

Saari (2016 p. 233) analytically posits that "The Finnish welfare state has solid foundations based on individualised rights and duties, independence between the generations, residence (rather than work-based) social security system, the governance of numerous social risks, the co-ordination between various transfers and services within risk governance systems, and exceptionally broad coverage combined with decent earning-related, universal and means-tested benefits and health and social services." This shows that the Finnish welfare regime faces various risks as well as opportunities. (Saari 2016)

At the crises' onset in 2008 the Finnish premier minister claimed such developments would not affect the country very much, since Finland had a solid financial balance. The opposite was the case, as Finland as small and open economy is especially volatile in the global market. (Kangas 2019)

Until early 2013 Finland did neither carry out any major changes nor performed significant re-trenchment of the state in welfare. Yet, by the end of that year the nation saw itself confronted by weak economic performance, higher unemployment, a larger than anticipated budget deficit (Saari 2016) and, weak income growth (Kangas 2019). The national budget was in deficit for nine years, the municipal budgets even longer (Kangas 2019). Emphases were laid on the triple A credit rating for public loans and on moderate wage raises to support key industries. However, domestic demand suffered and so did public backing for the country's government. Health care and social services were predicted to decline in the 2020s because of demographic change, budgetary limits, and personnel shortages. Careful reforms were set in motion, which were framed as new policies, in the areas of social and health services, youth policy, wages and related issues, growth policies, and pensions and working life. Structural reforms were joined by expenditure

cuts. (Saari 2016) The centre and right-wing government of 2015 tried to consolidate the budget, planned numerous spending cuts and launched structural reforms (Kangas 2019). Among the objectives were higher sustainability and long-term orientation of social policies. Recapitulatory, the response of Finland to the Financial and Economic crises was tamer than the restructuring means in the crisis in the 1990s. The Finnish governments only exerted very moderate welfare retrenchment and austerity, by contrast even expended some social policy measures. Further goals were the decrease youth unemployment, better social housing policy, decreasing public expenses relative to the GDP, and boosting the primacy of the private sector's labour demand. Still, the global crises likely hold some implications for the Finnish welfare regime and its institutions in a long-term perspective, even if those may be limited ones. (Saari 2016)

5.6 Implications, Comparisons, and Contexts

Altogether, all four nations, whose welfare regime profiles were portrayed now, are facing structural challenges, such as immigration, ageing and pressures from globalisation, as well as the backlashes from the Financial and Economic Crises. In all countries some retrenchment of the state in welfare can be detected.

Looking at Fig. 5 it becomes evident that all four countries in question have increased their social spending, in percentage of GDP, from 2008 to 2016 (data from the OECD). This runs somewhat counter the argument of retrenchment. However, it was virtually unavoidable for any nation affected by the Financial and Economic crises not to raise social spending. It also shows that there is discrepancy between the amount the social spending was increased. Finland clearly leads the pack, followed by Estonia, Austria and the Czech Republic. This pattern does not come completely unexpected. As has been argued in the conclusion drawn from the four welfare regimes the respective nations reacted differently to the crises. It can be summarised that Finland and Estonia did not engage in massive retrenchment. However, Austria and even more so the Czech Republic show ongoing trends of welfare retrenchment, or liberalisation in the welfare sector, which were aggravated by the crises. The Czech Republic and Estonia considerably lag behind Austria and Finland in terms of GDP p.p.p. per capita (World Bank). The Gini coefficients (market income; OECD data) were chosen to reflect the level of inequality prior to redistribution for two reasons. First, this type of Gini computation ignores the layout and efficiency of the welfare systems of different countries, as it is ex-ante, therefore making a comparison of 'real' inequalities between countries feasible. Second, it is assumed here that citizens are knowledgeable of the tax-

es and contributions they pay and of the benefits they receive. Thus, individuals are able to estimate and to compare market incomes. They are hence aware of the 'real' inequality in their society, which is deemed to considerably influence their attitudes towards welfare. This is to say that individuals incorporate their perception of 'real' inequality in their heuristics when reaching conclusions regarding welfare and redistribution, without having to assess the system's efficiency.

Figure 5 **Table of national welfare changes**

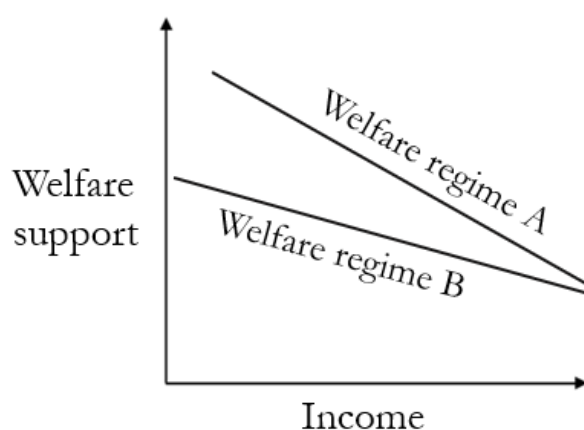
Nation	Austria	Czech Republic	Estonia	Finland
Welfare trends summarised 2008-2016	Ongoing liberalisation despite relatively 'good' crises management, tension between re-trenchment advocates and opponents	Liberalisation, reinforced by responses to crises, ongoing tendency towards neo-liberal policies	Structurally weak welfare, but no major cut-backs in wake of crises, yet a generally neo-liberal course	Moderate re-trenchment in spite of crises, tendency towards preserving the status quo
Public social spending % of GDP 2008	25.52	17.80	15.35	23.28
Public social spending % of GDP 2016	27.84	19.14	18.32	29.82
Gini (market income, before taxes and transfers) 2008	0.490	0.444	0.459	0.472
Gini (market income, before taxes and transfers) 2016	0.501	0.448	0.456	0.506

GDP p.p.p. per capita \$ 2008	41,316.226	27,844.795	22,664.039	39,969.388
GDP p.p.p. per capita \$ 2016	51,665.503	35,230.522	30,897.547	43,729.964

The four welfare regimes paint different pictures not only of the respective welfare system itself but also of its embeddedness in society. Welfare attitudes and regimes are expected to have developed alongside each other so that one fits the other. This means that a welfare regime is, in part, a reflection of the societal welfare attitudes.

The question of context that has been raised with aid of the model by Larsen (2006) must be extended at this point, by evoking the research question of how and why the effect of income on welfare attitudes may differ across space and time. While income inequality, and with it welfare attitudes, may vary between these two dimensions the issue put forward here is that this effect or relationship in itself is embedded in a broader context that is the architecture of the welfare regime. Thus, the Meltzer-Richard theorem and the argument of interests are not seen as isolated concepts but rather as flexible theories, which are affected by the people's attitudes, manifested in votes, and political decisions that in turn influence the income-welfare attitude relationship (Fig. 4).

Figure 6 **Welfare Regime Differences**



In more formal terms this means that the effect-strength of household incomes on welfare attitudes is expected to vary depending on the welfare regime in different countries. The objective is to show that the effect of short-term self-interest on welfare attitudes, as a micro-level phenomenon, partially depends on the macro-level that is the corresponding welfare regime architecture. The idea of Fig. 6 is vaguely inspired by Rueda (2018), who investigates into population homogeneity and heterogeneity. Here, Fig. 6 shows that the designs of welfare regimes have an effect on

the slope of the income-welfare attitudes relationship. In essence, welfare regime A would be a nation with a rather large (perceived) cleavage between the 'poor' and the 'rich' in welfare attitudes and with a prevalent public narrative that strongly reflects that cleavage. By contrast, welfare regime B could rest on a more meritocratic and competition-friendly political consensus, as well as public spirit in which said cleavage is more widely accepted throughout the population, which does not necessarily need to be expressed as materialism. Again, the underlying rationale is that context matters. Thus, there is a suggested multi-level effort involved in the relationship between income inequality, welfare attitudes, and the corresponding welfare regime architectures to which individuals react, as for instance argued by Dallinger (2008). It is posed here that citizens react rationally, i.e. in congruence with their utility functions, to changes in the regime they are embedded in. Also, at this point a proposition is made, which states: The populations of Austria and the Czech Republic express a larger cleavage between the 'rich' and the 'poor' in terms of welfare attitudes than Estonia and Finland. This has three reasons. First, as previously described, Austrians and the Czech exhibit egalitarianism and an aversion to change. Hence, the unequal distribution of income will be received more critically, while interests will be more cemented in their positions. Second, the Finns might be the most egalitarian, but they are overall more content with and trusting in their welfare regime than the others, which will extend into the upper income deciles. Third, Estonians are more meritocratic than the other three nationalities. Thus, they will not perceive the income distribution as critically.

When talking context, one cannot exclude the Financial and Economic crises, which made impacts on national welfare regimes from 2008 onward. Centeno and Cohen (2012) assert that economic governance contains a deeply cultural or ideational element and that economic policies can pragmatically be seen as divisions into 'winners' and 'losers'. Further, the Financial Crisis may have weakened the neo-liberal narrative but has in no way lead to its replacement or serious restructuring. By contrast, austerity policies have furthered welfare retrenchment. In that, neo-liberalism remains prominent, if simply due to a lack of alternatives. Therefore, a second proposition says: From 2008 to 2016 an aggravation of the cleavage between 'rich' and 'poor', manifested in welfare attitudes, has occurred.

It is expected that there will be considerable fluctuations and differences within and between welfare regimes concerning the income-welfare attitudes nexus, which cannot solely be explained by shift in income inequality. Therefore, the presentation of the four nations' welfare regime is a necessary endeavour, as the gained information will be needed to explain such alternations in different contingencies. By incorporating welfare regime architecture as necessary context it should also be easier to account for changes in incomes and their effect on welfare attitudes.

6. The Hypotheses

Departing from the Meltzer-Richard theorem, welfare is a struggle between ‘income classes’. This is because everyone below the median income becomes attached to the welfare regime and wants welfare to increase in their favour. By stark contrast, everyone above the median will want to reduce welfare in order to pay fewer cooperation costs, i.e. taxes. Following this is the logic of dispersed versus concentrated interests, where specific (minority) groups in society stand to lose or gain significantly more than others. Taking the reinforcing nature of risk and income it has been demonstrated that both the ‘poor’ and the ‘rich’ will exhibit such concentrated interests towards welfare. Further, it is argued here that looking at a potential utility function that incorporates welfare, all actors are faced with the trade-off between welfare contribution costs and welfare benefits. Coleman refines the relationship between individuals on basis of comparative utility function and elaborates how power is the principle vehicle in such comparisons. Thus, while this work explicitly refers to income inequality, there is an implicit comparison of individuals’ powers included in all deliberations. Lastly, using the framework by Larsen one can bridge the gaps between welfare regimes, individual short-term self-interest, and welfare attitudes.

Assuming that these arguments are true, the first hypothesis formulates as such:

H1: The higher the income of an individual the lower their support for social welfare.

The rationale here poses that the cleavage between the ‘rich’ and the ‘poor’ is more pronounced in nations with higher inequality. This higher inequality comes as the many ‘poor’ and the few ‘rich’ are expected to exhibit strong concentrated interests while facing a shrinking or thinned out middle-class. Hence, the second hypothesis states:

H2: The effect of H1 will be stronger in the investigated countries with higher change of income inequality.

Meltzer and Richard (1981) attribute a privileged position to the median voter. Specifically, that the median voter will cast the decisive ballot in elections. The same role is ascribed to the median-income decile here in regard to welfare attitudes. As elaborated earlier the ‘richest’ and the ‘poorest’ are expected to have the most concentrated interests. Consequently, the median-income decile should exhibit the most dispersed redistribution interests. Thus:

H3: The median-income decile’s standard deviation will be greater than the standard deviation of the 1st and of the 10th income decile.

7. Data, Variables, and Methodology

The data comes from the European Social Survey (ESS) round 4 (2008) and round 8 (2016). For H1 the dependent variable is an index of welfare attitudes, with the initial idea of using an index coming from Svallfors (2012). The index combines ten questions of welfare attitudes, where a positive number indicates favourability towards welfare while a negative number displays a negative welfare attitude (see appendix 11.2). The chosen ESS items reflect both statements on a macro level, e.g. concerning national debt and taxes, and on a micro, i.e. individual, level. These items could be approximated as ‘objective’ or ‘subjective’, as they lie on differing positions on a spectrum from normative to more factual statements. A combination between these types has been selected to represent a more balanced representation of welfare attitudes.

The prime independent variable of interest for the first hypothesis is total net household income from all sources. Other regressors, as controls, are the feelings of sufficiency of one’s income (the perceived income), the importance one attributes to material things and being rich, the importance of being perceived as successful, the effect of immigration on the economy, the satisfaction with the economy, and the satisfaction with the government. Perceived income is chosen to investigate whether sufficing or not-sufficing income could be a more potent control than belonging to an actual income decile. The second and third control variable represents ‘selfishness’ or ‘self-centredness’, with the former displaying materialism and the latter describing the need of external validation in context of capitalist society. The effect of immigration on the economy is selected for two reasons. First, as the analyses in part compare 2008 and 2016 they encompass the issue of immigration to Europe, which has been seen as aggravated from 2015 onwards. Second, as Rueda (2018) conducts research on population homogeneity, the immigration effect appears to be an important phenomenon, which should be included in considerations on welfare attitudes. Satisfaction with the economy reflects individual assessment of the economy on a macro-level, which is expected to include a bias by the own income-position attributed to the economy as whole. At last, satisfaction with the government should also include said bias relative to government performance and should hence deliver a hint on whether people engage in strategic voting, i.e. if satisfaction with government affects redistribution preferences. These controls are not pre-validated items and should rather treated as exploratory measures that aid the main interpretation of the independent variable, net household income, in context. Consciously, usual demographic controls, such as age and gender, are not included in the analyses to come since they have already been tested exhaustively.

To test hypothesis one (H1) multiple regressions with a robust variance estimator will be conducted and interpreted. As the welfare index, i.e. scale, is composed of ten Likert-items it seems reasonably justified to use linear and multiple regressions (cf. Carifio & Perla 2008; Norman 2010), which have more explanatory power in recognising effect sizes than Logit regressions do. For H2 the income-welfare attitudes effect, obtained by the regressions, will be compared to the change in Gini coefficients (market income) of the four nations between 2008 and 2016. Testing H3 will also draw on the survey data of 2008 and 2016 in the four countries and compares standard deviations. Lastly, by employing different devices, robustness checks will be conducted. Regression diagnostics are presented alongside the robustness checks.

8. Statistical Analyses

What follows now are the statistical descriptions and analyses of the data used. It must be noted that all of the presented statistics have been previously cleared of non-respondents and rejections to answer any of the ESS items involved.

8.1 Descriptive Statistics

A prudent start for the analyses to come, is by employing some univariate statistical tools to get a first glimpse of the data, as well as being able to draw some first inferences, as pre-analysis of welfare attitudes and income distributions in the four investigated countries. The corresponding figures are displayed in the appendix (Fig. 22-37).

Welfare attitudes in Austria 2016 seem to show a slightly more welfare-favourable picture than in 2008, however with more negative outliers in the later year. Similarly, in the Czech Republic 2016 welfare attitudes overall became more positive, with wider quantiles, while there are considerably many outliers, especially in the welfare-opposing direction. For Estonia in 2016 there are a few more positive outliers than in 2008. During that period, quantiles became a bit wider and Estonia generally exhibits a more positive view on welfare, which seems to be carried by the majority of the survey respondents. Finland virtually remained the same with a broad and positive welfare-favourability as well, only with a few outliers towards the negative. Thus, one may argue that welfare attitudes are more positively received by the main part of the population in Estonia and in Finland, while Austrians and Czechs seem more negatively connotated and divided over the issue

of redistribution. Concerning outliers, a respective robustness test will be delivered at the end of this section.

Now, for a brief pre-analysis of the nations' income distributions from 2008 to 2016 (Fig. 30 to 37). In Austria the share of the upper-most income deciles increased, but so did the lowest deciles. This indicates that the cleavage between the 'poor' and the 'rich' has become more pronounced in Austria. Meanwhile, in 2008 the Czech Republic's income distribution shows a very unequal pattern that is considerably right-skewed. In 2016 however, the nation's income distribution has evened out and shows a rather flat pattern. In 2008 Estonians appeared to be wealthy, with an income distribution that is slightly left-skewed. In 2016 this changed to a distribution with more indigent and less affluent citizens. Lastly, 2008 Finland's income distribution also depicts a marginal left-skewedness with a shift similar but less pronounced than the Estonian for 2016. Altogether, there are definite shifts in the income distributions of all four states detectable, which warrants a further, in-depth, investigation. Due to such alternating income levels subsequent and statistically significant shifts of welfare attitudes are expected in this work as well.

8.2 Inferential Statistics

What follows now are thorough multivariate analyses. To account for heteroskedasticity all regressions have been calculated with a robustness variance estimator. In the following analyses two regression models of all four nations in 2008 and 2016 will be displayed and elaborated on.

Figure 7 **Country regressions: Net Household Income Effect** (significance level at 0.05, coefficients **bold** when significant)

Model 1	Austria	Czech Republic	Estonia	Finland
2008 P> t	0.000	0.000	0.030	0.030
2008 Coeff.	-0.347	-0.499	-0.093	-0.079
2016 P> t	0.003	0.000	0.013	0.000
2016 Coeff.	-0.166	-0.400	-0.087	-0.200

Model 1 strongly corroborates hypothesis one (H1) as all cases indicate a significantly negative effect of household income on the welfare attitudes index. The negative coefficients show that as the income deciles rises so the support for welfare, coded positively, declines. Specifically, with

increasing household income the positively framed welfare attitudes items receive less support, while the negatively framed items are approved of. These results are strongest in the Czech Republic, followed by Austria. However, both these countries see the effect weakened from 2008 to 2016. Finland sees the relatively largest fall in welfare support, whereas in Estonia the negative impact of income on welfare attitudes decreases in 2016 on an already low initial value in 2008. The model's R^2 are admittedly quite small. (Model 1's R^2 and N are reported in Fig. 38 in the appendix.)

Model 2 now includes all the control variables that were briefly elaborated on.

Alphabetically starting with Austria, one sees that there is a significantly negative relationship between net household income and attitudes favouring welfare in 2008. However, in 2016 this relationship loses significance and becomes weaker overall. As for the controls, perceived income appears to have no significant impact on welfare attitudes in both years in Austria. The importance attributed to materialist things is significantly negative in both years, indicating that with rising materialism welfare support drops. Yet, the importance of perceived success only shows significance in 2008. The effect of immigration on the economy and welfare attitudes show a strong positive correlation in both years. Lastly, satisfaction with the government and satisfaction with the economy seem to be insignificant for the expressed welfare attitudes.

Figure 8 **Austrian Regression Table** (significance level at 0.05)

Model 2	2008 Coeff.	2008 P> t 	2016 Coeff.	2016 P> t
Net household income	-0.197	0.006	-0.113	0.057
Perceived income	0.380	0.055	0.564	0.777
Importance of materialism	-0.752	0.000	-0.347	0.001
Importance of perceived success	-0.297	0.023	-0.126	0.300
Immigration effect on economy	0.573	0.000	0.415	0.000
Satisfaction with government	-0.120	0.107	-0.001	0.994

Satisfaction with economy	-0.051	0.556	-0.076	0.365
R ²	/	0.163	/	0.071
N	/	1053	/	1199

To interpret these results, one can say the following. H1 is corroborated for the Austrian case in 2008 and just not in 2016. Surprisingly, the satisfaction with one's income, i.e. perceived income, seems to have no significant impact on welfare attitudes. This supports the claim that real household income is a more important indicator for welfare attitudes than its perception in Austria. The third control variable shows that people that exhibit a more materialist attitude are significantly less in favour of welfare. The importance of perceived success draws an ambidextrous picture. The effect on the economy that people attribute to immigration appears to be a very important variable. However, this attribution becomes weaker from 2008 to 2016. Also, 'welfare-friendly' individuals exhibit a more favourable attitude towards the immigration-economy nexus. Thus, the European immigration crisis, for lack of a better term, of 2015 and subsequent years did not aggravate the economic view on immigrants in Austria. Finally, neither satisfaction with the economy nor with the government appear to have a significantly causal relationship with welfare attitudes. This might be, as Austrians tend to evaluate welfare independently from the incumbent government and the state of the country's economy. The model's R² are quite high but see a decline from 2008 to 2016.

Next, in the Czech Republic the effect of household income on welfare attitudes is insignificant, but already negative, in 2008. By contrast, in 2016 the nation shows a starkly negative significant effect of household income on attitudes towards welfare.

The perception of one's income is significantly and positively related to welfare attitudes, which means that financially struggling individuals are more pro-welfare. Importance of materialism seems to have no effect. All the other controls boast significant impacts on welfare attitudes in 2016 but not in 2008.

Figure 9 **Czech Regression Table** (significance level at 0.05)

Model 2	2008 Coeff.	2008 P> t 	2016 Coeff.	2016 P> t
Net household income	-0.072	0.517	-0.191	0.001
Perceived income	1.227	0.000	0.706	0.000
Importance of materialism	-0.221	0.088	-0.150	0.281
Importance of perceived success	-0.220	0.061	-0.457	0.001
Immigration effect on economy	0.125	0.079	0.189	0.004
Satisfaction with government	-0.041	0.620	0.344	0.000
Satisfaction with economy	-0.110	0.226	-0.237	0.004
R ²	/	0.076	/	0.094
N	/	1024	/	1375

As for H1, the hypothesis is corroborated for 2016 but not for 2008, thus showing a converse picture than Austria. The effect of perceived income is very strong in 2008 and still sizeable in 2016. Thus, the Czech who feel to struggle financially also significantly favour welfare, while the ones who feel living comfortably exhibit less support for the welfare regime. Since all other control variables are only significant in 2016, one might say that the Czech people have become more sensitised on several dimensions that can be related to welfare. In particular, immigration appears to have become a significant issue in the Czech Republic, which was not the case in 2008. Additionally, satisfaction with government and economy became significant topics from 2008 to 2016. This shows that unsatisfied individuals show approval with welfare, while satisfied ones may seek retrenchment. The model's R² are rather high.

In post-socialist Estonia the picture is rather different from what was described until now. Net household income is neither significant for welfare attitudes in 2008 nor in 2016. The latter year even shows a positive association between income and attitudes towards welfare.

Perceived income is only significant and positive in 2016 and the subsequent three controls are not significant in either investigated point in time. Satisfaction with government and satisfaction with economy alternate with the latter being significant in 2008 and the former in 2016, which means that Estonians in favour of welfare are somewhat dissatisfied with the economy and government.

Figure 10 **Estonian Regression Table** (significance level at 0.05)

Model 2	2008 Coeff.	2008 P> t 	2016 Coeff.	2016 P> t
Net household income	-0.068	0.144	0.039	0.365
Perceived income	-0.085	0.677	0.491	0.000
Importance of materialism	-0.031	0.747	-0.097	0.200
Importance of perceived success	-0.066	0.503	-0.084	0.269
Immigration effect on economy	-0.032	0.562	0.011	0.797
Satisfaction with government	-0.153	0.039	0.049	0.370
Satisfaction with economy	-0.087	0.217	-0.214	0.000
R ²	/	0.028	/	0.029
N	/	898	/	1658

Thus, for the case of Estonia H1 cannot be seen as corroborated. The perceived income variable becomes significant in 2016, hence showing a possible aggravation for the nation's citizens that feel 'poor'. Immigration appears to be no significant issue for welfare attitudes at all. The other controls are ambiguous. The model's R² are low, suggesting that for Estonians other factors, which have not been included in this work, might be more telling in regard to welfare.

Lastly, in Finland net household income achieves no significance in affecting welfare attitudes in 2008 but does in 2016 with a negative relationship.

Perceived income is only significant in 2016 with a positive coefficient. Importance of materialism is significant in both years, while importance of perceived success is only in 2016. The effect of immigration on the economy is seen as significant in both, 2008 and 2016, but loses explanatory power in the latter year. Satisfaction with government is significant, with negative coefficients, while satisfaction with economy seems to only have a significant effect in 2016.

Figure 11 **Finnish Regression Table** (significance level at 0.05)

Model 2	2008 Coeff.	2008 P> t	2016 Coeff.	2016 P> t
Net household income	-0.050	0.197	-0.111	0.010
Perceived income	0.322	0.053	0.425	0.020
Importance of materialism	-0.505	0.000	-0.465	0.000
Importance of perceived success	-0.123	0.124	-0.276	0.002
Immigration effect on economy	0.438	0.000	0.294	0.000
Satisfaction with government	-0.355	0.000	-0.481	0.000
Satisfaction with economy	0.106	0.124	0.255	0.000
R ²	/	0.09	/	0.11
N	/	1692	/	1745

So, in Finland H1 is corroborated for 2016 and not for 2008, indicating that the ‘poor-rich cleavage’ in terms of welfare attitudes has aggravated. This can be additionally seen as supported as perceived income becomes significant in 2016. Materialist views significantly correspond with welfare attitudes, showing a picture similar to the one of Austria. The immigration-economy variable is significant, yet becomes weaker, also like in Austria. Satisfaction with economy is ambiguous. By contrast, satisfaction with economy is significant in both years, indicating that Finns as-

sociate welfare with their nation's economic state, i.e. Finns that are extremely dissatisfied with the economy are more in favour of welfare. For Finland the model's R^2 are satisfactorily high.

The Figures 12 through 19 display the relationship between net household income and welfare attitudes in all four investigated countries for 2008 and 2016 each.

Figure 12 **Austria 2008**

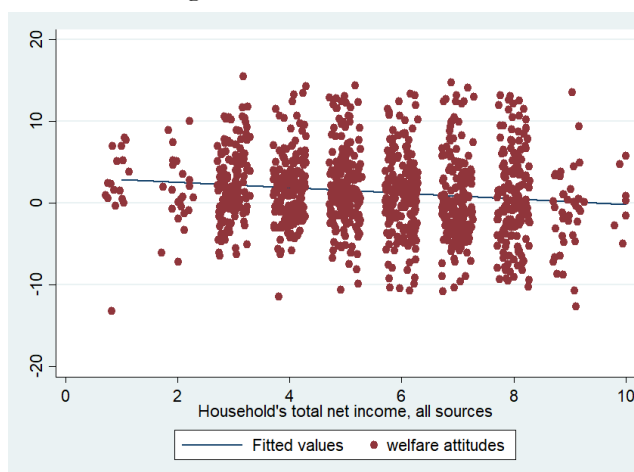


Figure 13 **Austria 2016**

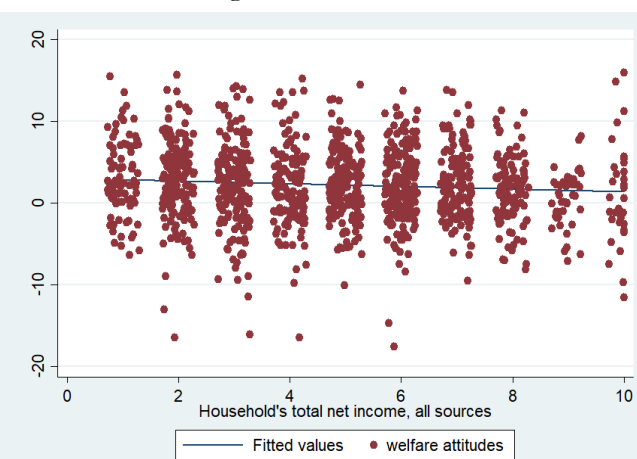


Figure 14 **Czech Republic 2008**

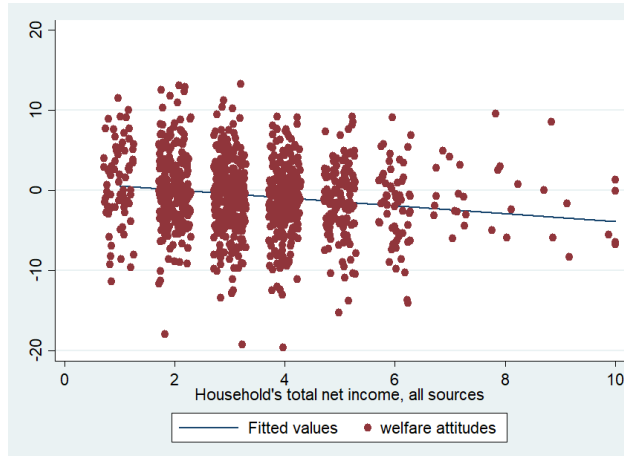


Figure 15 **Czech Republic 2016**

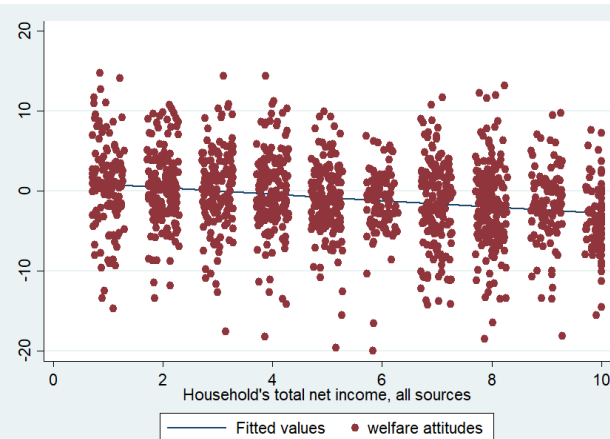
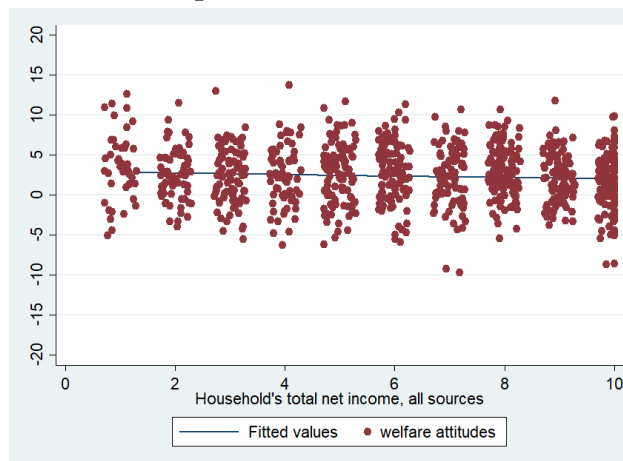
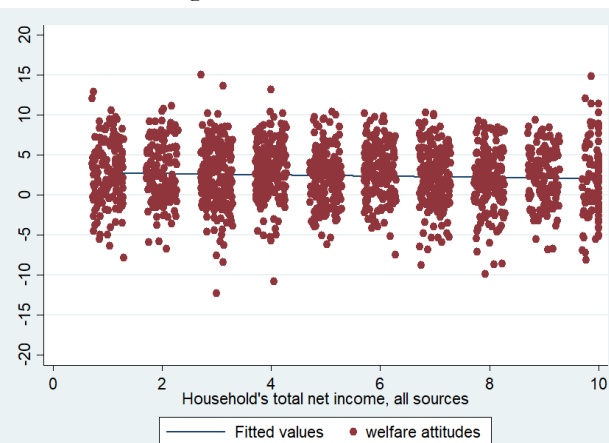
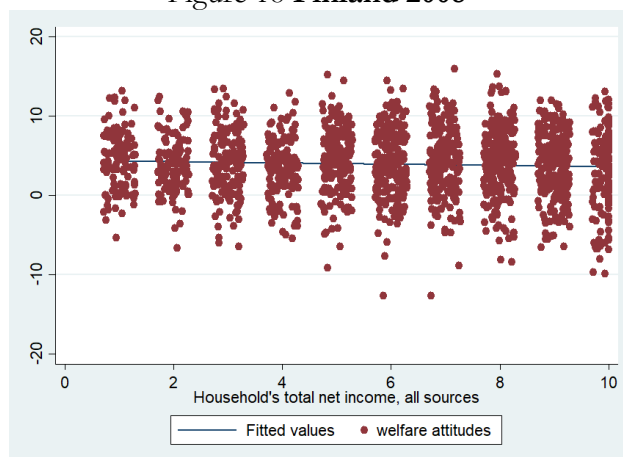


Figure 16 **Estonia 2008**Figure 17 **Estonia 2016**Figure 18 **Finland 2008**Figure 19 **Finland 2016**

Altogether, H1 is corroborated in three out of eight cases, i.e. of four nations in 2008 and 2016 respectively. Setting significance aside, there are negative coefficients of the income-welfare attitudes nexus in all instances, except in Estonia 2016. The question that must be raised therefore is, why the regression results differ in such a manner within and between welfare regimes.

Again, starting with Austria, the 'rich' significantly favour welfare less than the 'poor' in 2008 but not in 2016. A first explanation for this may be that the Financial and Economic crises have sensitised the wealthy for the situation of the indigent. In other words, a form of altruism might have become in vogue among the affluent in 2016 and the immediate years leading up to it.

A different explanation could be that in Austria other people were rich, and vice versa poor, in 2008 than in 2016. This means that from 2008 to 2016 a substantial social mobility, both upwards and downwards, could have happened. The 'newly rich', likely coming from the middle class, would then have increased their incomes but held onto the more sympathetic attitudes towards welfare. This 'social mobility-argument' could be visible in the change between the corresponding graphs (Fig. 12 and 13).

A third interpretation for the Austrian case is that, as seen in Fig. 5, the state has substantially increased social spending as percentage of GDP. If that spending increase has benefited not only the 'poor' but also the middle-class, and potentially even the 'rich', then all would have become to exhibit more favourable attitudes towards welfare. This means that welfare has been received by a broader base of Austrian society.

As has been presented, in the Czech Republic the relationship between household income and welfare attitudes in 2008 was negative but not significant, yet substantially negative and significant in 2016. When looking at Fig. 14 and 15, one sees that in 2008 the income distribution was strongly skewed to the right and became more even in 2016. This shift, with a lack of people in the highest income deciles in 2008, may be responsible for the insignificance of the model only in 2008.

Further, some might argue that immigration has a role to play in this change of hearts. However, 'rich' Czechs are more favourable towards the effect of immigration on the economy than 'poor'. Hence, for the Czech case immigration, as an economic factor, cannot explain the attitude shift, which supports H1 for 2016.

The Czech Republic saw a large surge into the upper income deciles from 2008 to 2016. It could simply be that the 'rich' were too scarce in 2008 to generate a significant effect of income on welfare attitudes. In 2016 the Czech behave as hypothesised, presenting an attitude cleavage between the 'rich' and the 'poor'. Additionally, the Czech Republic has also substantially increased its social spending (Fig. 5), which could be disliked by the nation's affluent.

As for Estonia, there is no significant effect of household income on welfare attitudes observable. Even more curiously, the relevant regression coefficient changed from negative to positive in 2016. This means that the nation's affluent have grown more benevolent through the Financial and Economic crises. However, the country has a 20% flat income tax rate (OECD), which could explain why the high-income deciles do not feel overburdened in terms of their contribution costs.

Also, Estonia could be labelled as 'liberal-democratic' welfare regime. Thus, Estonians might exhibit far more liberal views on the economy and on welfare than the other three European nationalities do. This meritocratic spirit could be responsible for a relatively even relationship between household income and welfare attitudes.

Finland behaves similar to the Czech Republic, in the sense that the income-welfare attitudes nexus becomes significant in 2016. Yet by contrast, the effect's coefficients are substantially weaker in Finland than in the Czech Republic. Thus, the explanations for the Finnish case could

also be similar than for the Czech one. However, in a fashion that is milder due to the more developed and more generous Finnish welfare regime.

While in the Czech Republic, and to a lesser degree in Austria, the income distribution visually changed 2008 to 2016, this seems not to have happened in Finland. Consequently, the ‘social-mobility argument’ may not hold. Instead, the Finns might have simply become weary of ongoing social spending increases. In comparison, especially as Austria had an above-OECD-average GDP growth towards 2016, while Finland did not.

Consequently, the median voter theorem and the rational choice rationale presented may hold true in some cases are however highly sensitive to welfare regime contexts. The institutional and particularly normative nature of countries’ welfare regimes may play a much bigger role than anticipated, so that case studies become even more valuable because every nation needs to be assessed individually across time, in order to make more accurate assessments about the nexus of income inequality on the welfare attitudes structure.

Some generally pooled conclusions from the regression analyses will be elaborated on now. Due to its presence in much of current political discourse, the role of immigration for the economy shall be looked at first. In five out of eight instances, i.e. in five of the eight conducted regressions, the effect of immigration on the economy was significantly positive. This means that there is considerable evidence that the people in favour of welfare attribute a positive effect of immigration on the economy. Interestingly, said effect is always present in Austria and Finland, as the more-established welfare states. It is a non-significant issue in Estonia at all and only becomes statistically relevant in the Czech Republic in 2016. Therefore, one can argue that an immigration-welfare attitudes nexus has deeper roots in the political landscapes of the, per se generous, welfare regimes of the two Western European countries. Estonians seem not to be bothered too much by immigration, whereas the Czech Republic displays signs of a, presumably post-2015, onset of the welfare-immigration issue, which is however not in line with the political signals sent by the Visegrád Group member. Since the welfare supporters are the ones who appear to be more favourable towards immigration’s effect on the economy, this cannot explain why it are the ‘rich’ who are negatively predisposed towards welfare, as the immigration effect’s coefficients do not starkly change. Altogether, these trends do not hint towards ‘working-class welfare-chauvinism’, as investigated by Mewes and Mau (2012), and therefore cannot be tied to an anti-immigration attitude amongst the ‘poor’. It follows that the lower income deciles are more in favour of welfare and that those more poor-welfare also display friendlier attitudes towards immigration.

Other control variables offer some further understanding of the proposed model. Notably, in Austria and Finland it is the case that people that attribute high importance to materialism exhibit more negative welfare attitudes to a significant degree. While this does not fall within the quintessence of this work, it should intuitively come as no surprise: Individuals that are more self-interested in terms of materialism see welfare through a more critical lens, as they potentially favour meritocracy, a spirit of the 'self-made man or woman', and broadly the benefits associated with capitalist society. Yet, this appears not to be the happening in the two post-socialist countries. So, again the socialist heritage of the Czech Republic and Estonia may impede such a materialism-welfare attitudes relationship to this point.

The 'feeling about the household's income nowadays', i.e. the perceived household income, displays positive regression coefficients only in the Czech Republic in both years and in Finland and Estonia in 2016 equally. This shows that in these instances financially struggling individuals are significantly more in favour of welfare. What is puzzling, is why this is not always the case. Naturally, one would expect that people that feel that they hardly manage financially are more favourable towards the welfare state in any circumstance. This leads to the conjecture, or speculation, that in expressing welfare attitudes individuals rate the perceived efficiency of the welfare regime to a larger degree than its sheer need to exist from a normative viewpoint. If people that feel, or indeed are, financially disadvantaged think that the welfare state 'fails' them, then they will be more sceptical of it. By the same token, more affluent individuals, who are less exposed to the welfare regime anyway, could favour some welfare because they benefit from the perceived social order and perceived feeling of equity or fairness it ought to create.

Satisfaction with government or with the economy show fuzzy results. They may indicate a heightened political and economic awareness in the Czech Republic, in Estonia and Finland, sometimes in 2008 and sometimes in 2016. They never seem to play a significant role for the Austrian population. What can be said is that satisfaction with the economy shows a higher importance in the three aforementioned nations, which could be a sign of increased economic-sensitivity of the people in the wake of the Financial and Economic crises. Satisfaction with government remains an even more opaque variable and likely could be related to the public popularity of the incumbent governments in each country in 2008 and 2016 respectively.

The second hypothesis (H2) is elaborated on now. As measure of inequality this work employs the market income Gini coefficients (Fig. 5), provided by the OECD. Thus, H2 predicts that in Austria, the Czech Republic, and Finland the negative effect of income on welfare attitudes would become stronger, while decreasing in Estonia. Recalling Model 1 (Fig. 7), all cases showed statistical significance for an inverse relationship between household income and positive welfare

attitudes, i.e. support for welfare. This relationship grew stronger in Finland but became weaker in the coefficients of Austria, the Czech Republic and Estonia. Thus, when solely regarding Model 1 hypothesis two (H2) cannot be seen as corroborated. Using Model 2, the expectation for Czech Republic and Finland is supported. For Estonia the analysis indicates statistical insignificance, with a coefficient sign switch towards a positive relationship between income and welfare attitudes. Hence, it can be argued that in the case of Estonia H2 is backed as well. In Austria though the regressions show significance in 2008 but not in 2016. This runs counter the expectation of an intensified income-welfare attitude cleavage. Altogether, H2 can be seen to be partially corroborated, in three out of four cases in Model 2 but not in Model 1.

As for hypothesis three (H3), first the median-income deciles must be identified. This is done simply by retrieving the 50-percentile of the respective household income distribution. The median deciles are as follows (2008/2016): Austria (6/5), Czech Republic (3/5), Estonia (6/5), Finland (6/6). One notices that in Austria and Estonia the median became relatively poorer, whereas it increased by two deciles in the Czech Republic. In Finland it remained the same. In most instances, 11 out of 16, the standard deviations of the 1st and the 10th income deciles are larger than of the corresponding median decile. Altogether, this warrants further investigation as there are drastically different sample sizes and narrow standard deviations involved. Hence, it stands to reason to conduct two-sample variance-comparison tests². Specifically, it should be tested whether the welfare attitudes distribution of the median-income decile is statistically different from the ones of the 1st and 10th deciles. The results of these comparisons are displayed in Fig. 47.

Fig. 47 shows that in only five out of 16 instances the median-income decile's standard deviation in welfare attitudes can be classified as different from the standard deviations of the 1st and 10th decile. In these five cases, Fig. 43, the 1st and 10th deciles' standard deviations are significantly higher than of the respective median-income deciles. This means that in the majority of cases the standard deviation, or variance, of the 1st and 10th decile cannot statistically be distinguished from the median decile's standard deviation, or variance. In the five cases where it can be, the median-income decile's standard deviation, or variance, is lower than of the 1st and 10th decile (see Fig. 48).

The partial scarcity of data points in the 1st and 10th decile in Austria and the Czech Republic in 2008 could artificially inflate the respective standard deviation. But even when accounting for this, the median-income deciles' standard deviations are overall smaller in most cases. As consequence, this means that the welfare attitudes of the 1st and 10th income deciles are more dispersed

² Welch's T-test is not applicable here since this work is not interested in means-comparison.

than the attitudes of the median-income deciles. This runs counter to what was hypothesised under concentrated versus dispersed interests of the respective deciles. Therefore, hypothesis three (H3) must be rejected, as it was expected that the median would exhibit a more diffuse standard deviation. It can be suggested that both, the 1st and the 10th decile, are split in their attitudes towards welfare, while median earners are more unified. This could have to do with the question of who the beneficiaries of welfare in these European states are. It is not unlikely that welfare policies are especially targeted to support the middle class, which is seen as the backbone of the economy. That being the case, the poorest and the richest could be diffused in their stance towards redistribution. Both because they cannot agree on who truly deserves welfare: The indigent or the ‘deserving’ middle class. However, this could only hold true for a part of the 1st and 10th decile. A certain amount of the very rich might be favourable towards welfare due to altruistic reasons and a part of the most indigent ought to feel that they deserve such support by the state.

8.3 Robustness Checks

First, post-regression Model 2, which includes the control variables, should be tested on multicollinearity that is conducted by applying the respective variance inflation factor (VIF). The VIF is simply 1 divided by the tolerance ($1/\text{Tol}_i$), where the tolerance is $1-R^2_i$ (Hair Jr. et al. 2014, p. 157). The maximum VIF tolerated is set to be 4 in this work. Anyhow, the tests show that the VIFs all lie beneath the value 2. Additionally, I look at the pairwise correlation matrices of the control variables. While the variables do negatively and positively correlate with each other there is no too worrisome case. Hence, multicollinearity appears not to be an issue in Model 2.

Second, one will look at whether the linearity criterion in Model 1 is fulfilled, i.e. whether the relationship between income and the welfare attitudes index can be described as linear. To do this scatter plot graphs will be employed and interpreted. Here only the results of the linearity test will be very briefly discussed, while the corresponding graphs can be found in the appendix (Fig. 39-42). These visually show that the linear regression lines are in synchronisation with the ‘lowest smooth line’, therefore one can conclude that the relationship between income and welfare attitudes is indeed linear and the usage of regressions with an underlying model that assumes linearity is justified.

Next, one should test if the residuals are approximately normally distributed. This is consequently done for Model 1 and Model 2, again graphically illustrated in four out of eight cases (Fig. 43 to 46). The results show that the residuals of the regressions are indeed normally distributed in both models.

Regarding Model 1, what can be done is an approximation to Rueda's (2018) idea to use the distance between mean income and income bands' mid-points, in a simplified operationalisation. A variable can be created that measures the distance between an individual's actual income decile and their country's median-income decile, so that a person that belongs to the median-income decile receives the value 0. When doing this one obtains the exact same coefficients, significance and R^2 values than with Model 1, thus support for the previous regression analyses.

To additionally test the effect of income on welfare attitudes for robustness, studentised residuals will be employed to account for outliers. Fig. 20 displays the consequent regression results with net household income as single independent variable, while still using a robust variance estimator.

Figure 20 **Regressions with studentised residuals for Net Household Income** (significance level at 0.05; **bold** when significant)

Model 3	Austria	Czech Republic	Estonia	Finland
2008 Reg. Coef.	-0.400	-0.506	-0.690	-0.054
2016 Reg Coef.	-0.151	-0.404	-0.070	-0.165

In light of these results, one must partially rethink what has just been said. First, the picture concerning the effect of household income on welfare attitudes has intensified compared to Model 2 but not to Model 1. When eliminating outliers, by using the approach of studentised residuals, H1 becomes corroborated in six out of eight cases. This lends strong support to the significant role of household income in influencing attitudes towards welfare. However, when viewing the findings in combination with the macro-indicator of GDP per capita, H2 becomes more conflicted. This is, as only Finland behaves in the way that was hypothesised, i.e. by displaying an increased negative effect of income on welfare attitudes. The three other nations seem to have developed in opposite directions than was predicted, which means that rising inequality may not result in a stronger cleavage between the 'rich' and the 'poor' regarding welfare attitudes.

This robustness check, which applied an exclusion of outliers, delivers mixed results concerning the two first hypotheses. The argument is made here that systematically eliminating outliers has its merits in testing previous results but cannot 'override' previous findings, as outliers are part of legitimately represented reality and one cannot simply cherry-pick results. Thus, a nexus between income and welfare attitudes exists, can however considerably vary in space and time. Also, increased income inequality plays a role in shifts of said nexus. It remains valid that context, i.e. welfare regime architecture, plays a major role in shaping the relationship between income and

welfare attitudes. It logically sticks that such context demands further investigation, as will be delivered in the following part of this work.

To test the robustness of hypothesis two (H2) an alternative measure to the market income Gini coefficients will be used. This alternative will directly be constructed from the survey data and represents a straightforward computation. It simply is the number of individuals in the three top income deciles, 10th to 8th, divided by the amount of people in the three bottom deciles, the 1st to 3rd. The results are reported in Fig. 21.

Figure 21 **Top/Bottom deciles ratio**

	Austria	Czech Republic	Estonia	Finland
2008	1.156	0.030	1.765	1.597
2016	0.452	0.866	0.760	1.403

As for an interpretation, the closer the ratio to 0 the higher the inequality in a country. The inferences from this are the following. Austria has become proportionally more unequal, while the Czech Republic has grown more equal in household incomes. Estonia and Finland both have lost in equality. This directly contradicts hypothesis two (H2) in all but the Finnish case. Were one to look at the analysis without outliers (Fig. 21) the pictures would match, except again for Austria. However, what has been computed is net household income, so that the analysis incorporates the efficiency of the respective welfare regime's capability to redistribute. As has been argued previously, what is more applicable is a measure of income before taxes and transfers. Thus, the market income Gini was used. What one can see now is that the choice of inequality measure greatly depends on the rationale that is being posed and that the outcome will vary accordingly. Unfortunately, there is no data on gross income available in the ESS, so that this discussion must end here.

To test the robustness of the analysis regarding hypothesis three (H3) at least two options would be available. The first is a robustness check for equality of variances, as proposed by Levene (1960). Second, one could make the same comparison as has been done but with an exclusion of outliers. The former controls for non-normality of the underlying distribution, as a normal distribution is assumed by the variance-comparison test that was conducted. The normality assumption is seen as satisfied here (see Fig. 49-50 as examples), at least for the larger samples. In any case, Levene's test statistic using the median, as suggested by Brown and Forsythe (1974), essentially delivers the same results as reported previously (see Fig. 47).

9. Discussion and Interpretation

As for hypothesis one (H1) the analyses show a slightly mixed picture. The Meltzer-Richard theorem and the rational choice argument of concentrated versus dispersed interests appear to only explain and predict a fraction of the relationship between net household income and attitudes towards welfare and redistribution. This is reflected on the one hand in Model 1 versus Model 2's and, to a lesser degree, Model 3's ambiguity and on the other hand in the low R^2 s of Model 1 and Model 3. To elaborate on the variations of this nexus on spatial and temporal dimensions country profiles have been elaborated on to explain the four nations' welfare regimes and their developments. Taking all three models together, there is enough evidence for the effect of household income on welfare attitudes present. This is corroborated in different strengths, spanning over Model 1 to Model 3. The undeniable variations of the effect across time and space indicate that context plays a viable and crucial role in the genesis of individual's welfare attitudes. But that will be addressed later.

Hypothesis two (H2) proposed that in the nations with lower Gini coefficients the welfare attitudes chasm between the 'rich' and the 'poor' would be wider. To investigate this, the market income Gini coefficients of 2008 were compared with the ones of 2016 for all four countries. This was corroborated for the Czech Republic, Estonia, and Finland when looking at Model 2. Yet, when using Model 1's regression coefficients and disregarding the significance levels H2 is only corroborated for Estonia and Finland. And in Model 3 H2 is affirmed even less. Thus, the results are at best mixed. The analysis would certainly benefit from a larger sample of countries and more measurements at different points in time.

For Model 2, why the prediction made in H2 does not hold in the Austrian case may have several reasons. First, the increased social spending in the country might have been targeted towards a broader base of society, especially supporting the middle class. The result of this ought to be that the cleavage between 'poor' and 'rich' did not aggravate and that the middle class did not become thinned out to warrant a statistically sufficient effect. Second, the reviewed literature suggests that the Financial and Economic crises were managed comparatively well by the Austrian governments between 2008 and 2016. Thus, the presumed cleavage may not have become wider in the years leading up to 2016. Third, particularly from 2015 onwards the nation's public and political debate was focused on immigration and its effect on society, with a tight presidential race and election happening in 2016, which was won by the socially-liberal and left-wing candidate. Fourth, as continental welfare regime Austria has a long history of collective bargaining, social

insurance, and family-centred welfare. These factors might contribute to a heightened solidarity in the country, as an adverse effect to crises with, at least initially, external origins.

Hypothesis three (H3) was not corroborated, thus the null-hypothesis that the outer deciles would display larger standard deviations than the centre, i.e. median, could not be falsified. One reason for this, which has been elaborated on, could be the small sample groups, especially in Austria and the Czech Republic in 2008, of the outer deciles. Thus, the effect may be too small to be statistically detected with the applied method. Despite this it could simply be that H3 is not true because the underlying rationale is erroneous. So, dispersed interests can either not be applied to the median-income earner or they do not manifest as dispersed welfare attitudes. First, to briefly recap the theory it was argued that the bottom deciles are subject to lower wages and higher risk, while the situation is reversed for the top deciles. Thus, the ‘poor’ and the ‘rich’ should have concentrated interests, as both are entrenched in their respective positions. Also, both experience fear. The ‘poor’ to lose benefits and the rich to lose net income. Consequently, and corresponding to Meltzer and Richard (1981), the median earner should exhibit the most dispersed interests in redistribution. It might be that the dispersed versus concentrated interests theory is not applicable to the median earner, or how it was operationalised the median-income decile. As has been mentioned, it might be the middle class who receives the relatively most welfare, e.g. in form of tax breaks. If that is the case it might actually be the middle class that is most unified in their interests. This could be due to the median experiencing both, the fear of losing out and the fear of having to contribute more. Second, maybe interests do not manifest as welfare attitudes. It could be that societal norms overrule self-interests in that case, i.e. that individuals hold internal interests but express external attitudes, which are related to issues of inequity aversion and justice. Anyhow, H3, as it was tested, could not be corroborated.

Now to an interpretation of the additional controls solely in Model 2 follows, which is less descriptive and perhaps more ‘speculative’ than the elaboration beforehand.

Perceived income seems to be a semi-issue. Overall, it appears to be more of a concern to individuals in 2016, hence past the Financial and Economic crises. This could be as competition or demand for higher income has intensified, while there is less supply of such. Additionally, people could generally have become more aware of their predicaments or privileges due to the crises, in comparison to other people. This ‘relativity-awareness’ could come from the increase of inequality of income and wealth in public discourse and from aggravated stratification overall.

The variable importance of materialism ought to reflect an individual’s materialist inclination and is thus very straightforward. Intriguingly, it is only significant in Austria and Finland in both years. This could mean that the two post-socialist countries’ populations still remain on a person-

al wavelength that is less materialist, given that one assumes that socialist citizens were less materialist per se. This potential legacy might be the correct explanation though. If not, one may look at the Czech and the Estonian GDP p.p.p. per capita and realise that it is low, in relation to the Western ones. Maybe, the Czech and the Estonians are aware of this and hence attribute less importance to certain items of luxury and being rich. Anyway, importance of materialism is negatively related to welfare support.

The importance of being perceived as successful is a double-edged sword. On the one hand it could simply reflect the human inclination to want to be admired and on the other hand it could signal vanity. For this control I assume the context of capitalist society, which means I treat the importance of perceived success similar than the importance of materialism. In other words, I presume that the desire of being perceived as successful is an item that attests to ‘selfishness’ because success for the most part of humanity in capitalist economies is a selfish endeavour, which could be evidence of ‘worldly success’ for the lack of another term. Also, this variable seems to have a negative effect on the welfare attitudes spectrum.

The impact of immigration on the economy is, has been previously said, significantly and positively related to support of welfare, again in Austria and Finland (plus in the Czech Republic in 2016). This could be twofold evidence. First, the two Western European nations are more attractive destinations to immigrants than the others. Thus, it can be expected that the public discourse is differential in those two states than in the Eastern European ones. Specifically, immigration may be a traditional part of the political agenda in Austria and Finland and is thus a subject that is more charged for politicians and citizens alike. Second, the particular connection between an immigration effect on the economy and welfare might be a factual issue in some countries and not in others. By this is meant that (economic) integration, welfare for immigrants, and related points are an empirically identifiable field of aspects only in some nations.

As has been noted earlier, trust in the efficiency and in the subsequent fairness of welfare regimes ought to influence citizens’ attitudes as well. In this context the variable ‘satisfaction with government’ seems to play a certain role, which supports the efficiency-argument because if people align their government-satisfaction with welfare attitudes they should also express their interests and votes accordingly. Given that people partially also vote on basis of their satisfaction with economy, i.e. engage in economic voting that is considerably short-term and incumbency oriented (cf. Lewis-Beck & Stegmaier 2019), they should consider welfare attitudes as well when voting. In sum, this means that if citizens vote on basis of the two satisfaction controls, many of them will also be inclined to consider welfare attitudes in their political and economic decision-making.

As for the two propositions that have been made, they are partially supported. First, it is true that the Czech Republic exhibit a larger cleavage between the affluent and the indigent than Finland and especially Estonia do, but only when looking at Model 2 (Fig. 8 to 11) and not for Austria. Also, when looking at Fig. 30 to Fig. 37, one sees that the income distributions have changed considerably from 2008 to 2016. Such shifts of income, and hence also of inequality, ought to considerably affect welfare attitudes in the four countries. Hence, proposition one is rather not confirmed.

It has also been argued that the economic policies in context of the Financial and Economic crises would exacerbate the cleavage between the affluent and the indigent. Said cleavage between the affluent and the poor has become more pronounced in the Czech Republic and Finland, according to Model 2, but has not in Austria and Estonia. Following Model 1 (Fig. 7) and Model 3 (Fig. 20) only Finland fits the expectations. Thus, the evidence concerning the second proposition is mixed and appears to be highly sensitive to contingencies of the respective welfare architectures.

Two further thoughts: First, welfare retrenchment has its origins long before these crises. This work does not know the quantitatively measurable impacts of retrenchment on welfare attitudes prior to 2008. It can be speculated that said retrenchment led to a sort of solidarity throughout income deciles, especially encompassing the middle class. Yet, it is also possible that welfare retrenchment aggravated the cleavages between the 'poor', the middle class, and the 'rich'. Not knowing this, raises the question of how such solidarity or struggle played into the developments from 2008 on. Second, inferring from the qualitative information about the countries' welfare regimes one could argue that all four countries, and the Czech Republic and Finland in particular, exhibit an egalitarian mood, whereas Estonians tend to value meritocracy and Austrians lie in between. As for the regression results, there is no statistically significant effect of income on welfare attitudes in the Czech Republic and Finland in 2008, but in 2016 there is. This suggests that both nation's populations experienced an attitude shift through the crises. It can be argued that these countries' 'rich' found themselves to be the ones on which the majority financial burden has been levied. Hence, the affluent faced higher costs, while not enjoying apparent welfare benefits. This rationale would be in line with the proposed rational choice theory. For Austria this is reversed, with a significant effect in 2008 but not in 2016. This speaks for the solidarity argument, in which various income deciles became more aware of the struggles of the indigent and therefore changed their attitudes towards welfare in a more favourable direction. It would presumably be again the middle-class who plays an essential role in such a downward solidarization.

As for the instances in Model 2 where the Meltzer-Richard theorem does not hold, most notably in Estonia, there need to be explanations that go beyond net household income. Reflected in the model's low R^2 , the Estonian case shows that context undeniably matters. Some scholars would call for concepts of reciprocity or altruism in this instance. However, the explanation proposed in this work is a different one. Namely, that in Estonia prevalent attitudes of meritocracy, individual freedom and responsibility as well as of competition matter.

In sum, hypothesis one (H1), which is the quintessence of this work, is corroborated by Model 1, a bit less by Model 3, and again a little bit less by Model 2. Thus, total net household income seems to have a real and significant effect on attitudes towards welfare. Hypothesis two (H2) and proposition two receive fuzzy verdicts, as their predictions are unclear depending on the statistical model that is used. Hypothesis three (H3) and proposition one are not corroborated in their present form, and should be put under further analytical scrutiny.

10. Conclusion, Reflection, and Outlook

Overarching, this work started with the theorem by Meltzer and Richard (1981) that states that as income rises the favourability towards welfare and redistribution declines. This argument has been supported by the rationale of concentrated versus dispersed interests, which has attributed the former to the indigent and the affluent, while the middle-class is said to exhibit dispersed interests. This situation of income inequality is further aggravated by a situation in which the 'poor' do not only earn less but are also subject to more risk, whereas the 'rich' enjoy higher incomes and are exposed to less risk. The model by Larsen (2006) has been presented to show how such short-term self-interested preferences of individuals fit in a macro-intermediate-micro level framework, which is a necessary bridge in order to comprehend national differentials of income inequality and welfare attitudes.

Through selecting a country sample, consisting of Austria, the Czech Republic, Estonia, and Finland, four different types of welfare regimes have been chosen. This serves a dual purpose. First, it should show that there the rational choice theory can predict a linear effect between income and welfare attitudes, which ought to be present throughout welfare regimes and points in time. Second, a review of the welfare regimes' profiles should make it feasible to selectively assess a welfare regime architecture and its impact on the income-welfare attitudes nexus.

As for recommendations, one should include more cases, i.e. nations, as sample when reaching conclusion based on a welfare regime typology. As this work specifically caters to post-socialist

countries one may want to pursue including such states that are in a transformation process towards 'western' capitalism. It would be particularly useful to carve out specific indicators on the contextual macro level, which either connect or divide specific welfare regime types. This has for example be done by Tóth and Keller (2011) in a systematic way but could be extended to address the particular question and hypotheses posed in this work. To further comprehension of different welfare regime architectures and their effects on individual redistribution preferences one should use larger country samples, as an extension of space, and more points in time, as temporal component. Using a welfare regime typology, which should include 'transition countries', one could be enabled to reach conclusions across welfare types, not just for single nations alone. This spatial approach would greatly benefit the understanding of welfare regime architectures.

Concerning methodology, one could select the questions of the welfare attitudes module less intuitively, as they are framed differently and thus may inherit certain biases. The ESS questions often include a normative component or subtext, which relates to issues of justice. The selection made in this work might evoke welfare attitudes means to lie above zero, instead of being approximately zero. Also, re-coding the items from a '0 to +5' scale to a scale of '+2, +1, 0, -1, -2' could be handled differently and correspond more the example set by Svallfors (2012), who only uses positive integers. One could also proceed to code positively and negatively but, as the dependent variable could be zero or lie within a wide positive-negative range, apply one of the two transformations suggested by Burbidge and colleagues (1988).

The results have shown that there can be an income-welfare attitudes nexus in different welfare regimes at different times. However, it must be argued that such a relationship is highly context-sensitive and may greatly vary, to a degree where it is statistically significant. Further, there seems to be an influence of the market income Gini coefficient of a nation on its relationship between income and attitudes towards redistribution. Said relationship appears to become more distinct as the Gini coefficient rises, i.e. as society becomes more unequal. To account for context, i.e. the sensitivity of a population towards inequality, one might want to employ different measurements of the income distributions, such as the Atkinson Index (cf. Atkinson 1970) that allows for putting a weight on inequality in the equation.

The role of income, as micro-level factor, in understanding welfare attitudes cannot be denied. However, income alone is too weak a variable in order to fully explain how welfare attitudes form. Future research might want to look at the concept of 'social class' in combination with income to further comprehension of the matter. Omitting income inequality in research could be a troublesome issue since it is a real and important phenomenon that roughs up the playing field. In a virtuous or vicious circle income is one of several facets that create or destroy opportunity (cf.

Roemer 1998), which means inequality of income and class are entangled concepts. When Ralph Miliband (1969, p. 16) writes “[...] the proletarian condition remains a hard and basic fact in these societies, in the work process, in levels of income, in opportunities or lack of them, in the whole social definition of existence”, he includes inequality of income as central component of ‘classness’. While some pundits see Rational Choice as an assault on Marxist theory itself³, the argument is made at this point that the two can and should be reconciled in a research agenda that stretches the rigour of empirical analysis. Even though some may say the Marxist conception of class is too narrow, one could employ a more contemporary schema, for instance the one devised by Oesch (2006). Nevertheless, by including class in the research agenda one could build up on a Marxist foundation and enhance this work, which focuses on inequality of income.

Also, the model by Larsen (2006) knows two other intermediate mechanisms that link welfare regime architecture and the support of social policy. These are social class and the formation of coalition interests, as well as norms and values in generating concepts of equality, justice and solidarity. Thus, a much broader view on welfare attitudes might be called for than only using rational choice arguments. This work tried to unite sociological arguments, i.e. dispersed versus concentrated interests and power derived from utility functions, with economic views, i.e. the Meltzer-Richard theorem and short-term self-interested motives. Such research strategies of theoretically and empirically combining disciplines should further be pursued. Future research ought to employ a more holistic framework when investigating into attitudes towards welfare and redistribution. This view would however not necessarily dismiss methodological individualism, as a potentially ‘weak’ version of such individualism can work in harmony with more holistic theories (Udehn 2002). Anyhow, research such as this work, which focuses on income, could be enriched by including a concept of ‘social class’ to see whether there is a definite interaction and generally how these two behave together in predicting welfare attitudes.

Nevertheless, it is believed that this work is composed of important theoretical and methodological groundwork, which bridges the macro-micro level divide by inquiring into macro-phenomena and their potential impact on individual preferences. While this is a complex endeavour per se it has been attempted to keep the applied rationales and models as concise as possible. Research building up on this may want to try to reduce some of the complexity without losing explanatory power.

³ I am aware of the critique so-called ‘Analytical Marxism’ has attracted but recognise it should not be fully discarded due to the merit of pairing strong theories with strong methods.

11. Appendices

The following appendices present additional figures, which were not put in but referred to in the main text. Also, a short summary in German and a list of figures used in this work will follow, as well as all references that were needed.

11.1 Additional Figures

Figure 22 **Welfare attitudes Austria 2008**

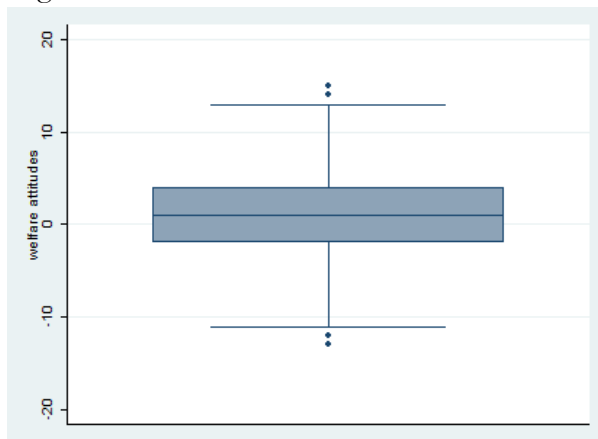


Figure 23 **Welfare attitudes Austria 2016**

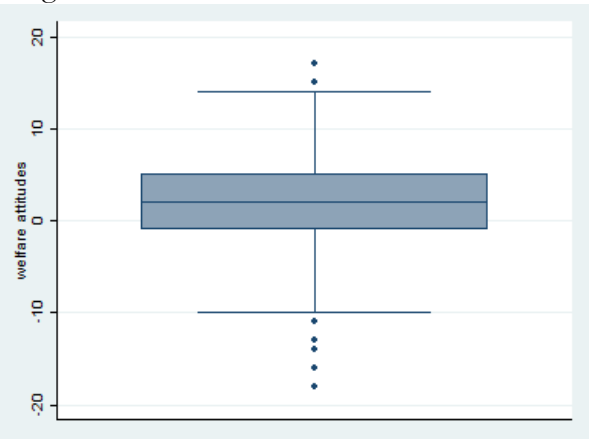


Figure 24 **Welfare attitudes CZ 2008**

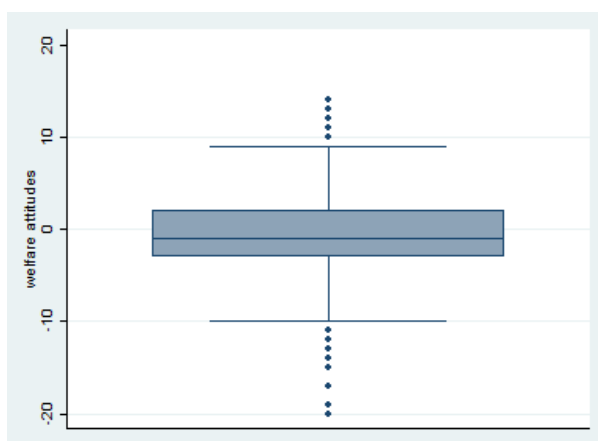


Figure 25 **Welfare attitudes CZ 2016**

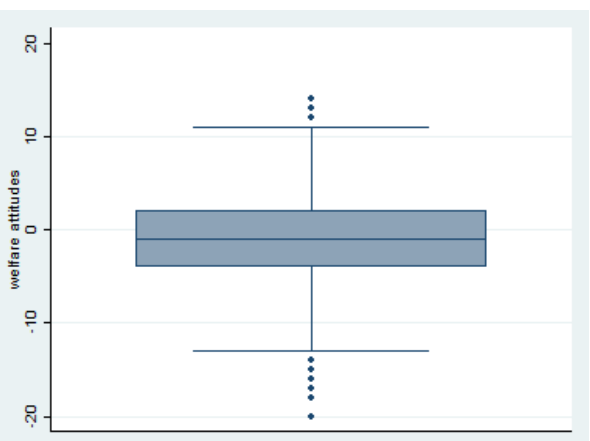


Figure 26 **Welfare attitudes Estonia 2008**

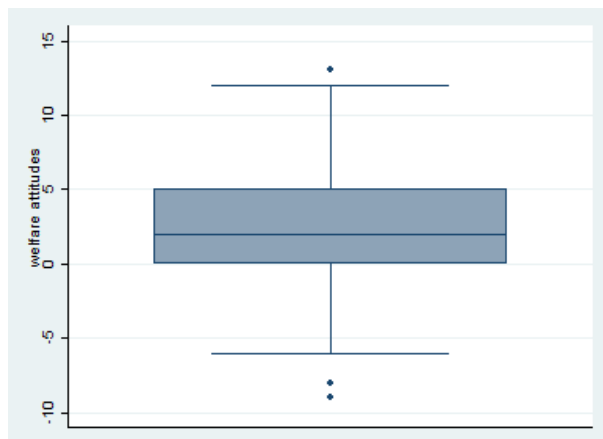


Figure 27 **Welfare attitudes Estonia 2016**

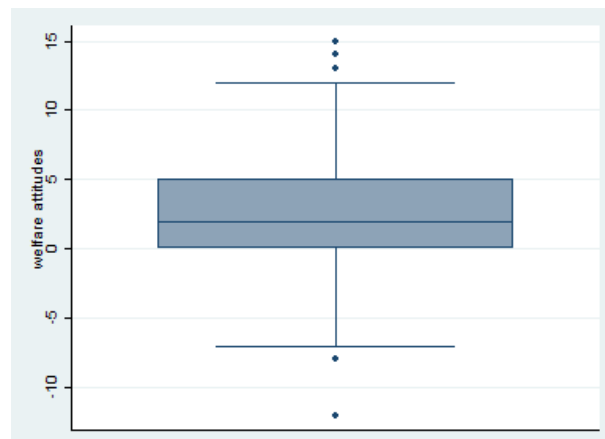


Figure 28 **Welfare attitudes Finland 2016**

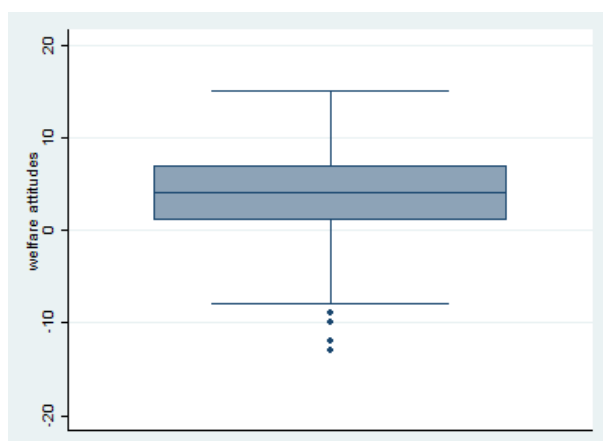


Figure 29 **Welfare attitudes Finland 2016**

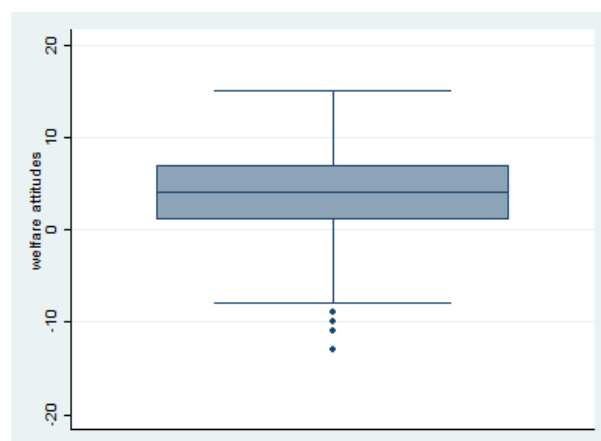


Figure 30 **Income distribution Austria 2008**

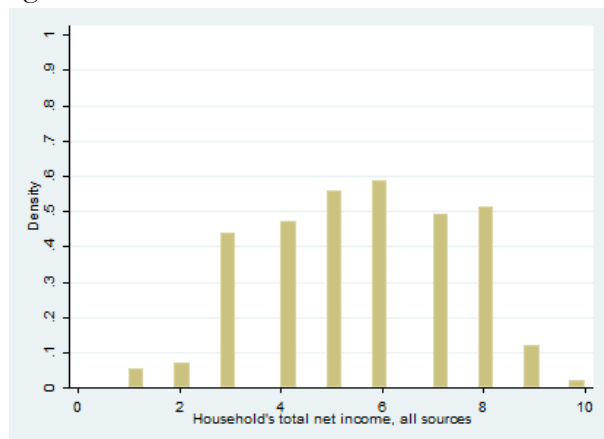


Figure 31 **Income distribution Austria 2016**

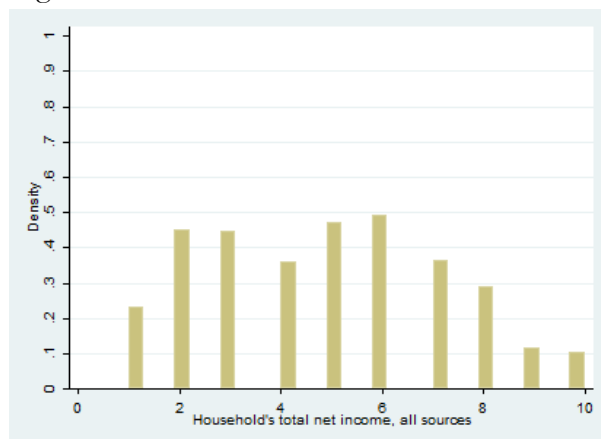


Figure 32 **Income distribution CZ 2008**

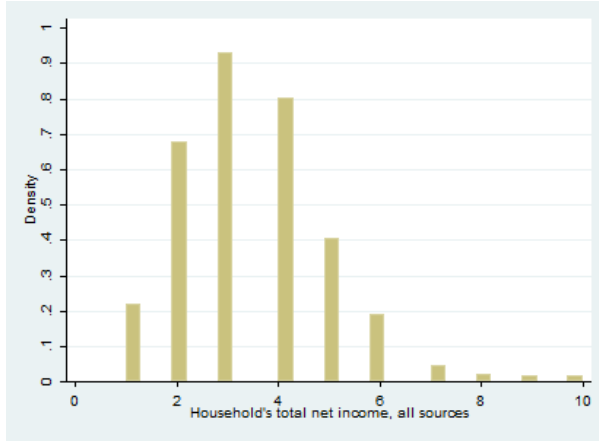


Figure 33 **Income distribution CZ 2016**

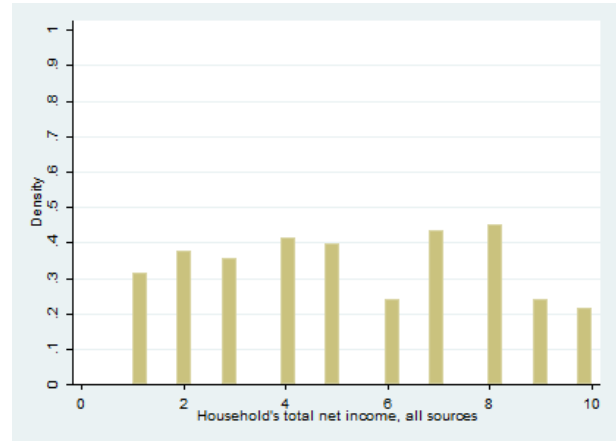


Figure 34 **Income distribution Estonia 2008**

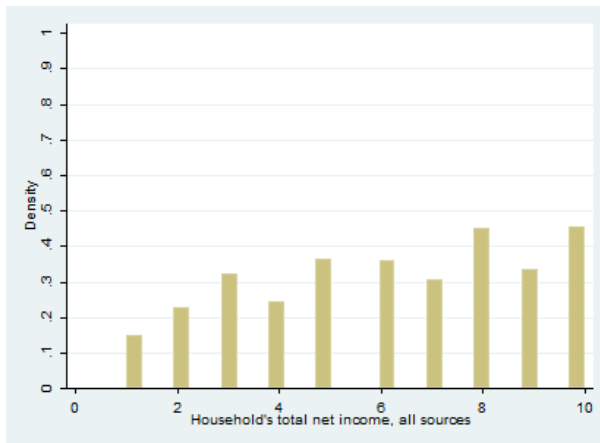


Figure 35 **Income distribution Estonia 2016**

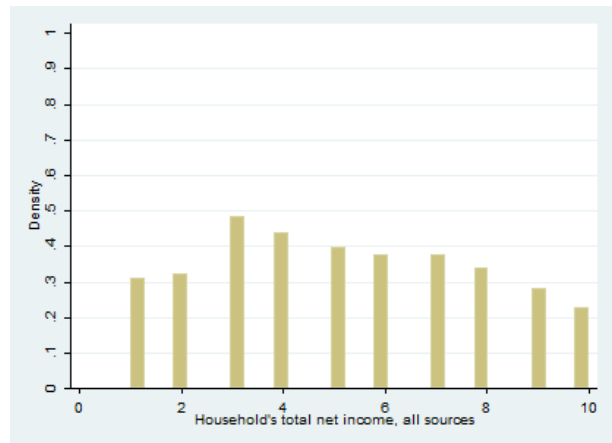


Figure 36 **Income distribution Finland 2008**

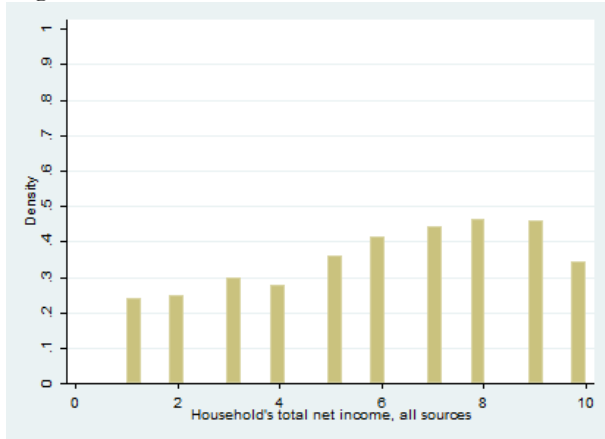


Figure 37 **Income distribution Finland 2016**

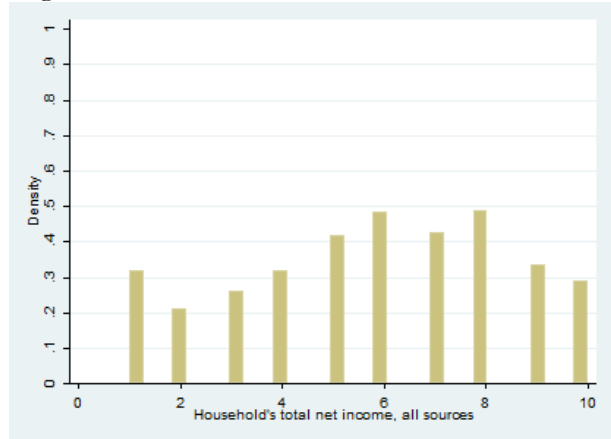


Figure 38 **Model 1's N and R²**

Model 1	Austria	Czech Republic	Estonia	Finland
2008 N	1053	1024	898	1692
2008 R ²	0.020	0.027	0.006	0.003
2016 N	1199	1375	1658	1745
2016 R ²	0.008	0.049	0.004	0.015

Figure 39 **Linearity Check Austria 2008**

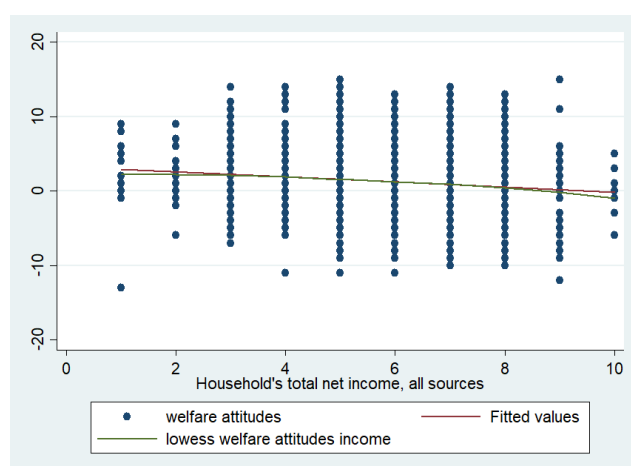


Figure 40 **Linearity Check CZ 2016**

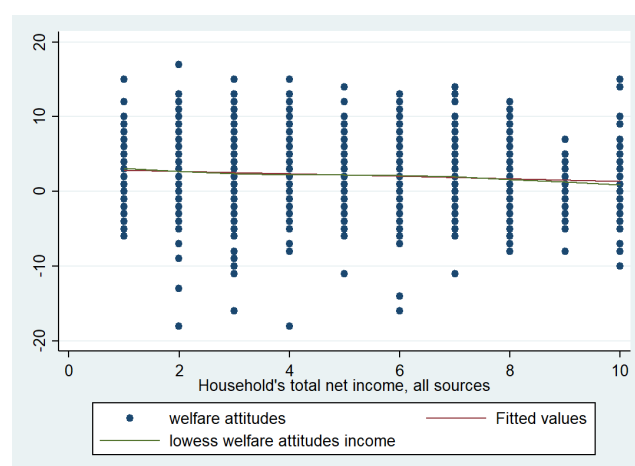


Figure 41 **Linearity Check Estonia 2008**



Figure 42 **Linearity Check Finland 2016**

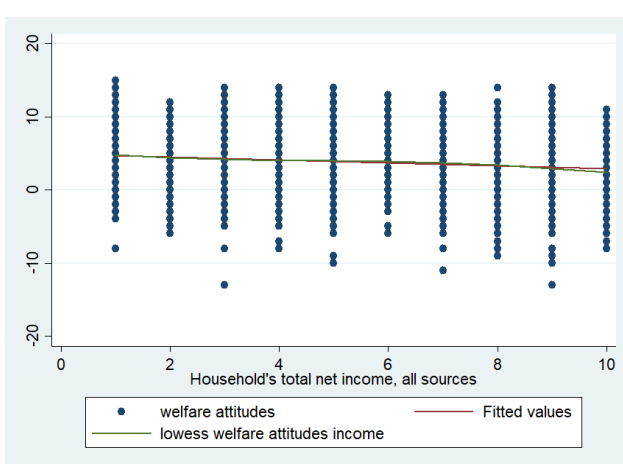


Figure 43 Residuals Check Austria 2008

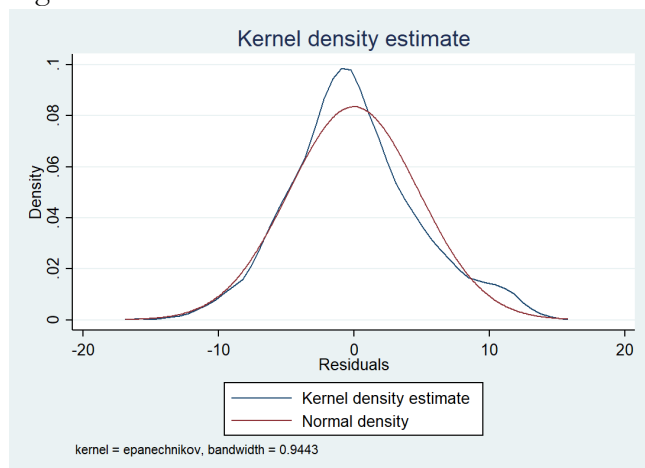


Figure 44 Residuals Check CZ 2016

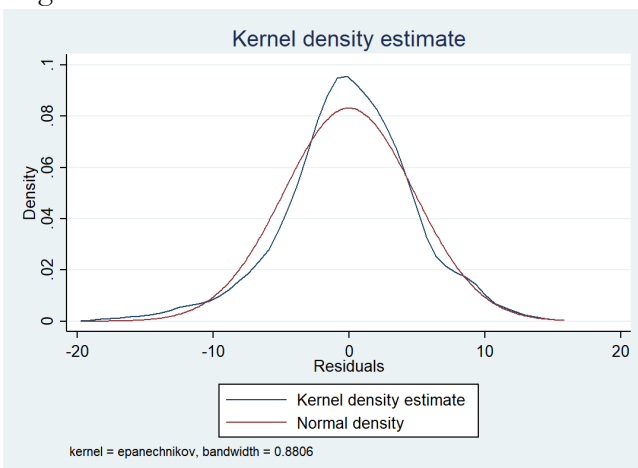


Figure 45 Residuals Check Estonia 2008

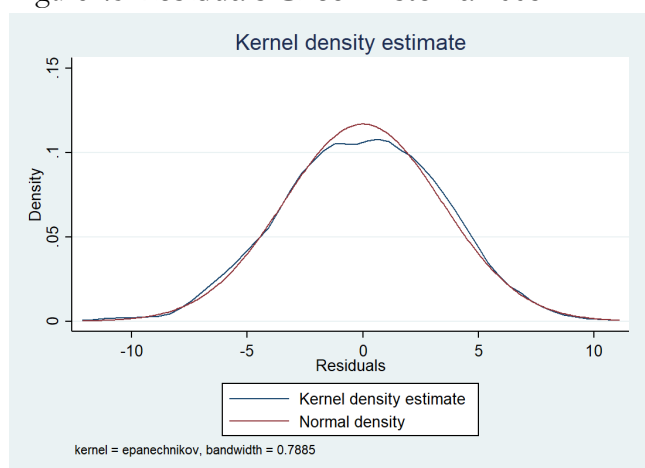
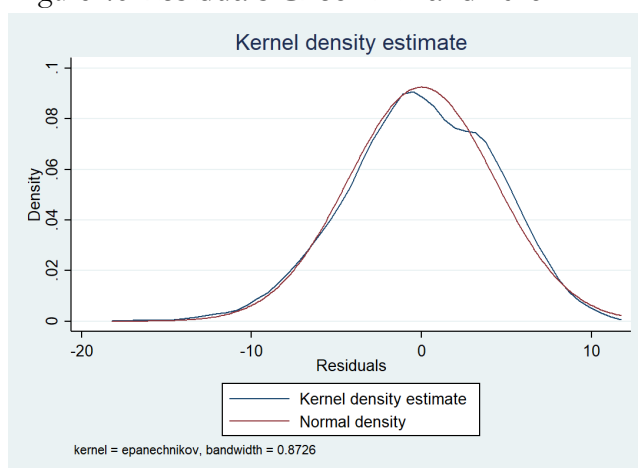


Figure 46 Residuals Check Finland 2016

Figure 47 Two-sample variance-comparison test results 1 (bold when $p \leq 0.100$)

Comparison with median decile	Austria	CZ	Estonia	Finland
2008 1 st p-value	0.830	0.430	0.280	0.280
2016 1 st p-value	0.410	0.750	0.026	0.680
2008 10 th p-value	0.560	0.620	0.740	0.004
2016 10 th p-value	0.016	0.61	0.000	0.082

Figure 48 **Two-sample variance-comparison test results 2** (/ when omitted due to non-significance)

Comparison with median decile	Austria	CZ	Estonia	Finland
2008 1 st	/	/	/	/
2016 1 st	/	/	ratio<1 p: 0.001	/
2008 10 th	/	/	/	ratio<1 p: 0.002
2016 10 th	ratio<1 p: 0.008	/	ratio<1 p: 0.000	ratio<1 p: 0.041

Figure 49 **Welfare attitudes distribution median decile Austria 2016**

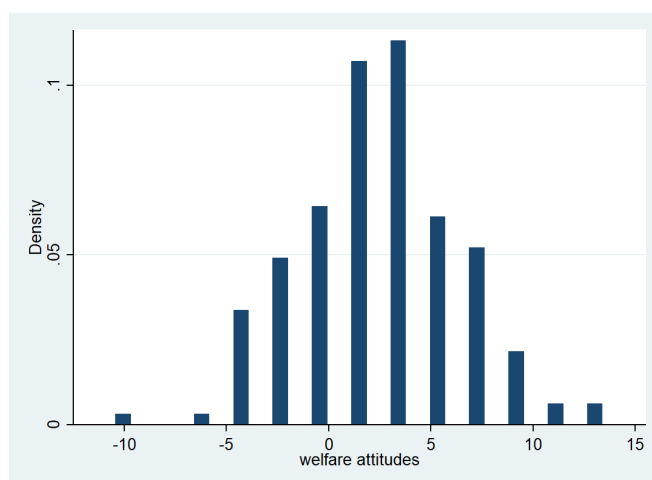
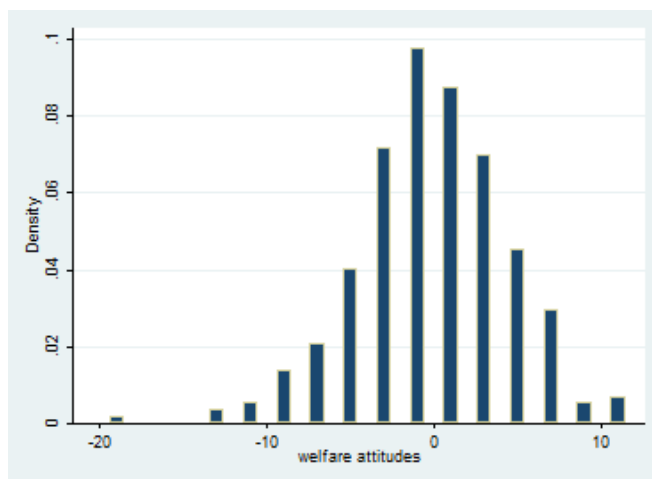


Figure 50 **Welfare attitudes distribution median decile CZ 2004**



11.2 ESS items concerning Welfare Attitudes

- Government should reduce differences in income levels (coded +2 to -2)
- Large differences in income acceptable to reward talents and efforts (coded +2 to -2)
- For fair society, differences in standard of living should be small (coded +2 to -2)
- Social benefits/services prevent widespread poverty (coded +2 to -2)
- Social benefits/services lead to a more equal society (coded +2 to -2)
- Many with very low incomes get less benefit than legally entitled to (coded +2 to -2)
- Social benefits/services place too great strain on economy (coded +2 to -2)
- Social benefits/services cost businesses too much in taxes/charges (coded +2 to -2)
- Social benefits/services make people lazy (coded +2 to -2)
- Many manage to obtain benefits/services not entitled to (coded +2 to -2)

11.3 Zusammenfassung

Diese Arbeit beschäftigt sich mit der Frage, wie sich der Effekt von Nettohaushaltseinkommen auf Einstellungen gegenüber dem Wohlfahrtsstaat verhält und zwar über die Dimensionen von Raum und Zeit. Die Daten des ESS 2008 und 2016 werden herangezogen um vier unterschiedliche Wohlfahrtsregimes näher zu betrachten und zu analysieren. Zunächst wird eine Rational Choice Theorie elaboriert, um die Argumentation eines eigennützigen und kurzzeitig-denkenden Akteurs auf dem Mikrolevel zu unterstützen. Dies ist dann in ein Modell eingebettet um die Beziehung zwischen Mikro-Intermediär-Makrolevel zu verstehen und um zu zeigen, dass Wohlfahrtsregime in einer dynamischen Welt, die nach Rational Choice handelnden Bürger zu entsprechenden Adaptionen ihrer Strategien und Einstellungen bringen. Diese Adaptionen manifestieren sich schließlich als Einstellungen gegenüber Wohlfahrt und Redistribution. Die drei Hypothesen sagen: (1) Steigendes Einkommen führt zu weniger Unterstützung für staatliche Wohlfahrt. (2) Steigende Einkommensungleichheit in einem Staat vergrößert aggregierte Unterstützung für Wohlfahrt. (3) Die äußeren Einkommensdezile zeigen konzentriertere Interessen als der zerstreute Median, i.e. die Mittelschicht. Regressionsanalysen und andere vergleichende Methoden werden angewendet um die jeweiligen Hypothesen zu testen. Die gefundenen Ergebnisse zeigen,

dass die drei Hypothesen nur teilweise bekräftigt werden können. Nichtsdestotrotz leistet diese Arbeit einen Beitrag zu sowohl theoretischen als auch methodologischen Verständnis in Bezug auf die Beziehung zwischen Einkommensungleichheit und Einstellungen gegenüber Wohlfahrt und dem Sozialstaat.

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