Conditionality, reciprocity and deservingness in multilevel social policy: Evidence from a conjoint experiment on public support for European unemployment risk-sharing (*) EURS

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(*) Paper by Sharon Baute, Francesco Nicoli, Frank Vandenbroucke www.frankvandenbroucke.uva.nl A survey experiment on EU unemployment reinsurance: making people think...

13 EU Member States, 19,641 respondents, 2018

- *Fixed points* of all the policy packages:
 - disbursement of EU support for a MS is triggered by significant increases in unemployment in that MS;
 - EU support is used to subsidize national unemployment systems;
 - common (minimum) floor to the generosity of unemployment benefit levels in all the participating countries.
- Moving parts:
 - generosity (3);
 - conditions w.r.t. training and education (2);
 - between-country redistribution (3)
 - taxation (3);
 - EU or national administration (2);
 - conditions w.r.t. job search effort dimension (3).

=> 324 packages

Insurance and redistribution

IPSOS Screen shot (repeated 3 times):

	Option 1	Option 2
How much does the new programme subsidize the national unemployment benefit, when a country is in need?	70% of the last wage, covering the first 6 months of unemployment	70% of the last wage, covering the first 6 months of unemployment
Are there conditions for unemployed people?	Yes, the unemployed must apply for at least one job per week, and accept any suitable job offer, or lose the benefit	Yes, the unemployed must apply for at least one job per week, and accept any suitable job offer, or lose the benefit
Who will administer the programme?	The European Union	National governments
What is the long-term impact on the taxes you have to pay?	In the long run, taxes will increase with 1% of income only for the rich in your country	In the long run, taxes will increase with 0.5% of income for everyone in your country $% \left({{\left[{{{\rm{N}}_{\rm{T}}} \right]}_{\rm{T}}}} \right)$
Are there conditions that countries in need must fulfil to obtain the support?	No conditions	A country can only receive support if it offers education and training opportunities for all its unemployed citizens
May some countries receive more support from the programme than they pay into it?	No, in the long run countries cannot receive more support from the programme than they paid into the programme	Yes, in the long run poor countries will receive more support from the programme than they paid into it, while rich countries will receive less support from the programme than they paid into it
/hich one of the two options for this Europ	bean programme do you prefer?	Dependent variable

O Option 1

Option 2

How much are you in favour or against option 1?

○ Strongly in favour

○ Somewhat in favour

○ Neither in favour nor against

○ Somewhat against

○ Strongly against

Hypotheses

- **H1**: Everything else equal, higher generosity generates stronger support for EURS packages (*generosity hypothesis*).
- **H2**: Everything else equal, stricter individual conditionality generates stronger support for EURS packages (*conditionality hypothesis*).
- **H3**: Everything else equal, when the EURS package is more generous, the positive effect of conditionality on support is stronger (*interaction hypothesis*).

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Perception of the deservingness of the unemployed (cf. CARIN, van Oorschot):

Need : perceived standard of living of the unemployed in the respondent's country.

Control : agreement with the statement "Most unemployed people do not try to find a job".

Identity : "How important is for you the well-being of the following groups of people? People in other EU countries".

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- **H3**: Everything else equal, when the EURS package is more generous, the positive effect of conditionality on support is stronger (*interaction hypothesis*).
- H4: Everything else equal, the impact of generosity on support for EURS packages is less positive if respondents consider the unemployed as undeserving on the basis of their need (H4a), control (H4b) and identity (H4c).
- H5: Everything else equal, the impact of conditionality on support for EURS packages is more positive if respondents consider the unemployed as undeserving on the basis of their need (H5a), control (H5b) and identity (H5c).

Impact of generosity, conditionality, interaction (Table 1)

		Model 1	Model 2
		Estimate	Estimate
Generosity	40%	Ref.	Ref.
	60%	0.117***	0.100***
	70%	0.152***	0.129***
Conditionality	No conditions	Ref.	Ref.
	Accept any job	0.102***	0.084***
	Accept any job and apply	0.096***	0.074***
Conditionality x	Accept any job x 60%		0.027*
Generosity			
	Accept any job x 70%		0.029**
	Accept any job and apply		0.027*
	x 60%		
	Accept any job and apply		0.040***
	x 70%		

OLS linear regression DV: binary choice

Includes 4 other dimensions of packages

R²: 0.0398 (M1); 0.0400 (M2)

N: 66,918

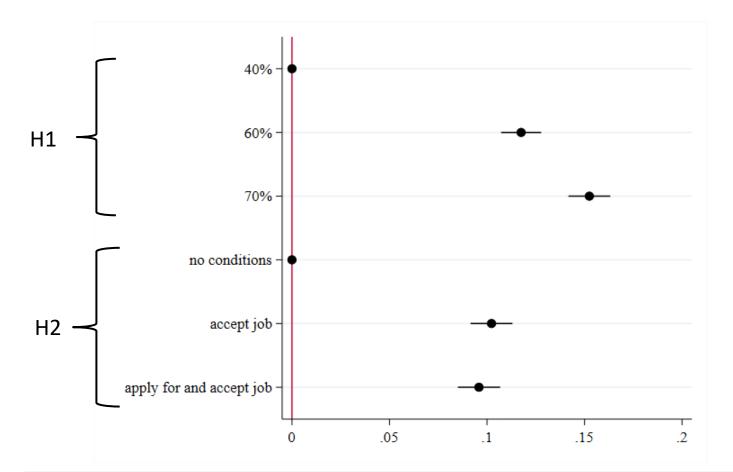
		Model 3 Generosity	Model 4 Conditionality
Deservingness	Need	0.048**	-0.110***
	Control	0.097***	-0.176***
	Identity	0.010	0.051***
Generosity	40%	Ref.	Ref.
	60%	0.108**	0.117***
	70%	0.100**	0.152***
	Need x 60%	-0.026	
	Need x 70%	-0.117***	
	Control x 60%	-0.134***	
	Control x 70%	-0.156***	
	Identity x 60%	-0.012	
	Identity x 70%	-0.015	
Conditionality	No conditions	Ref.	Ref.
	Accept any job	0.103***	-0.027
	Accept any job and apply	0.096***	0.020
	Need x accept any job		0.187***
	Need x accept any job and apply		0.145***
	Control x accept any job		0.250***
	Control x accept any job and apply		0.279***
	Identity x accept any job		-0.077**
	Identity x accept any job and apply		-0.075**
Income	Income	-0.004	-0.074***
	Income x 60%	-0.003	
	Income x 70%	0.015	
	Income x accept job		0.120***
	Income x accept job and apply		0.102***
Left ideology	Left	-0.132***	0.122***
	Left x 60%	0.133***	
	Left x 70%	0.262***	
	Left x accept job		-0.152***
	Left x accept job and apply		-0.212***

The role of deservingness attitudes (Table 2)

OLS linear regression DV: binary choice	
Includes 4 other dimensions of packages	
R ² : 0.0452 (M3); 0.0526 (M4)	
N: 66,918	

H1 (generosity) and H2 (conditionality):

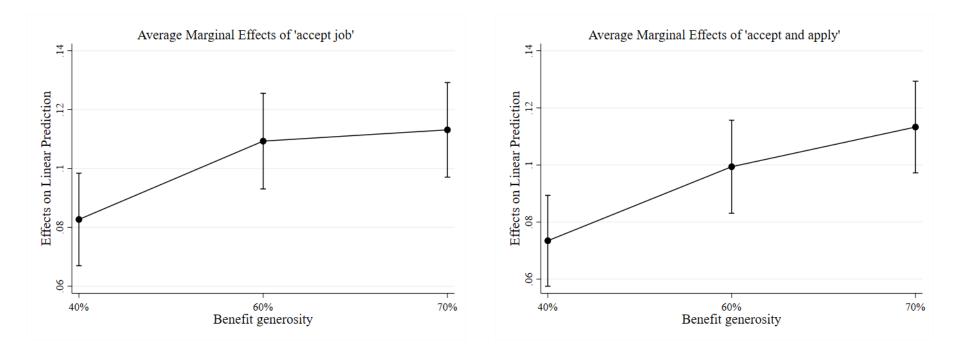
Average Marginal Component Effects (AMCEs) of generosity and conditionality attributes on support for EURS (Figure B)



OLS linear regression; DV: Binary Choice (horizontal axis: ppt increase in probability of choosing a package) Dots represent AMCEs and bars the 95% confidence intervals. Dots without bars represent the baseline category of each dimension.

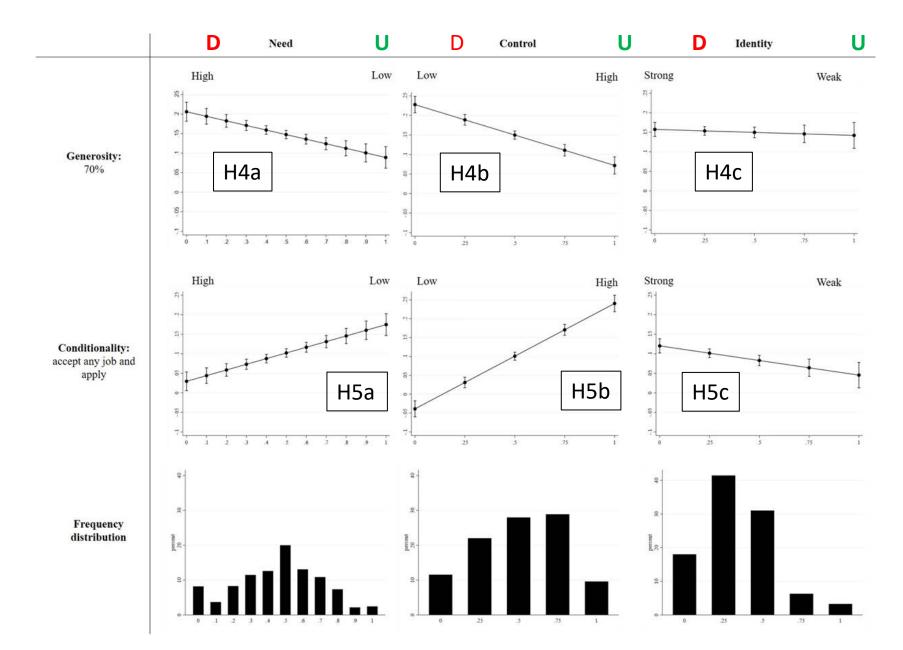
H3: interaction hypothesis

Average Marginal Effects of individual conditionality at different levels of benefit generosity (Figure 3)

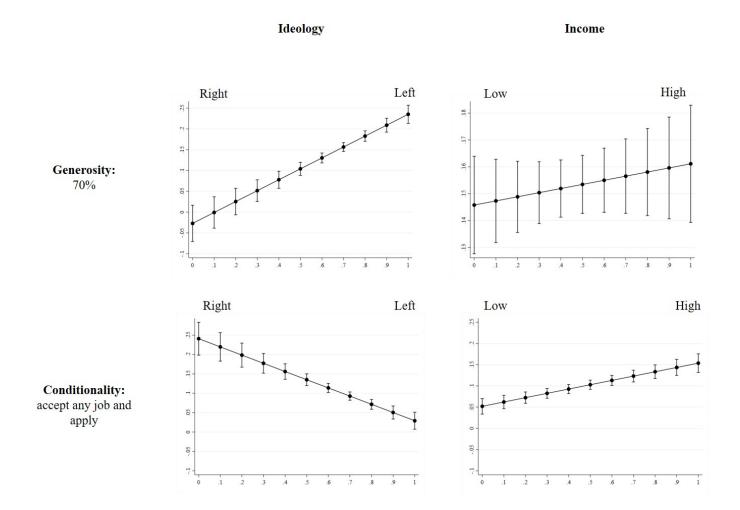


Markers represent coefficients and horizontal spikes the 95 percent confidence intervals. Baseline is 'no conditions'. ! Robustness check with rating support as DV: not significant

H4 & H5: impact of deservingness (Figure 4)



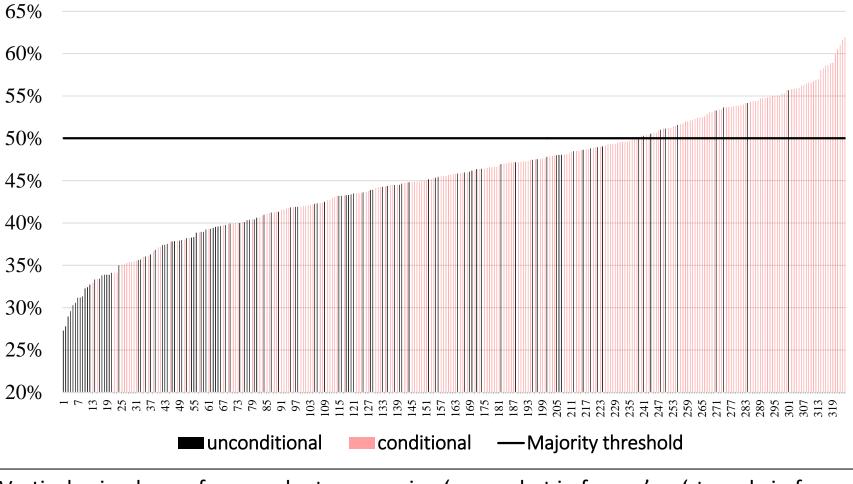
Impact of left-right ideology and relative income position (Figure I)



Hypotheses: vindicated, vindicated with nuance, not vindicated

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- **H5**: Everything else equal, the impact of conditionality on support for EURS packages is more positive if respondents consider the unemployed as undeserving on the basis of their need (H5a), control (H5b) and identity (H5c).
- Left-right ideology also important (both for generosity and conditionality); income important for conditionality

The importance of individual conditionality for obtaining majority support



Vertical axis: share of respondents answering 'somewhat in favour' or 'strongly in favour' Horizontal axis: all 324 packages, ranked according to support (here, DV = rating of support)