

OPEN ACCESS

ISSN 2280-4056

*E-Journal of
International and Comparative*

LABOUR STUDIES

Volume 5, No. 2 May-June 2016



ADAPT
www.adapt.it
UNIVERSITY PRESS

ADAPT *International School of Higher Education in Labour and Industrial Relations*

Scientific Directors

Lauren Appelbaum (USA), Greg Bamber (Australia), Stuart M. Basefsky, (United States), Daria V. Chernyaeva (Russia), Richard Croucher (United Kingdom), Maurizio del Conte (Italy), Tomas Davulis (Lithuania), Tayo Fashoyin (Nigeria), József Hajdu (Hungary), Ann Hodges (USA), Richard Hyman (United Kingdom), Maarten Keune (The Netherlands), Chris Leggett (Australia), Guglielmo Meardi, (United Kingdom), Shinya Ouchi (Japan), Massimo Pilati (Italy), Valeria Pulignano (Belgium), Michael Quinlan (Australia), Juan Raso Delgue (Uruguay), Raúl G. Saco Barrios (Peru), Alfredo Sánchez Castaneda (Mexico), Malcolm Sargeant (United Kingdom), Jean-Michel Servais (Belgium), Silvia Spattini (Italy), Michele Tiraboschi (Italy), Anil Verma (Canada), Stephen A. Woodbury (USA)

Joint Managing Editors

Malcolm Sargeant (Middlesex University, United Kingdom)
Michele Tiraboschi (University of Modena and Reggio Emilia, Italy)

Editorial Board

Lilli Casano (Italy), Francesca Fazio (Italy), Emanuele Ferragina (United Kingdom), Antonio Firinu (Italy), Valentina Franca (Slovenia), Maria Giovannone (Italy), Erica Howard (United Kingdom), Karl Koch (United Kingdom), Lefteris Kretsos (United Kingdom), Attila Kun (Hungary), Felicity Lamm (New Zealand), Cristina Lincaru (Romania), Nikita Lyutov (Russia), Merle Muda (Estonia), Boaz Munga (Kenya), John Opute (UK), Eleonora Peliza (Argentina), Daiva Petrylaite (Lithuania), Ceciel Rayer (The Netherlands), Aidan Regan (Ireland), Marian Rizov (United Kingdom), Salma Slama (Tunisia), Francesca Sperotti (Italy), Araya Mesele Welemariam (Ethiopia), Barbara Winkler (Austria), Machilu Zimba (South Africa)

Language Editor

Pietro Manzella (ADAPT Senior Research Fellow)

Book Review Editor

Chris Leggett (James Cook University, Australia)

*E-Journal of
International and Comparative*

LABOUR STUDIES

Volume 5, No. 2 May-June 2016

@ 2016 ADAPT University Press

Online Publication of the ADAPT Series
Registration No. 1609, 11 November 2001, Court of Modena
www.adaptbulletin.eu

The articles and the documents published in the *E-Journal of International and Comparative LABOUR STUDIES* are not copyrighted. The only requirement to make use of them is to cite their source, which should contain the following wording: **@2016 ADAPT University Press.**

Explaining Perceptions of the Unemployed in Europe

Tim Vlandas *

Abstract. This article explores the determinants of the perceptions of the unemployed in 29 European countries along three dimensions: whether people see the unemployed as the ‘government’s responsibility’; whether they believe the unemployed do not ‘try hard to find a job’; and whether they think that the standard of living of the unemployed is ‘bad’. I derive a number of expectations from the political economy literature on policy preferences and test whether these expectations explain variation in the perceptions of the unemployed. Using logistic regression analysis, I find that labour market status and occupations influence individuals’ perceptions of the unemployed. For instance, the unemployed and workers in low skill occupations are most likely to think that the government is responsible for the standard of living of the unemployed. However, certain factors such as gender, occupations, education, and union membership affect distinct types of perceptions differently. The determinants of policy preferences help us make sense of perceptions of the unemployed but certain factors affect different types of perceptions in distinct ways.

Keywords: *Perceptions of the Unemployed, Labour Market Dualisation, Europe, Occupations, Political Economy.*

* Tim Vlandas is Lecturer in Politics at the University of Reading, Dept. of Politics and International Relations. Email address: t.vlandas@reading.ac.uk.

1. Perceptions of the Unemployed in Europe

Unemployment has been a policy concern in many European countries since at least the early 20th century. Movements of the unemployed have struggled for a social settlement between the two world wars¹ and many governments consequently introduced unemployment insurance². Once the welfare state was in place, attitudes towards welfare state policies have been found to be fairly stable at least until the 1980s and 1990s³. However, unemployment is a significant problem in many European countries in the context of the ongoing economic crisis. Recently, many governments have chosen to curtail welfare state benefits in the pursuit of austerity⁴. Yet, policy makers are at least partly constrained in what they can do to address unemployment by the perceptions of the unemployed among the wider population. There is for instance some evidence that public policy and policy outcomes are in part shaped by public opinion⁵. It is therefore important to identify the determinants of perceptions of the unemployed. How does unemployment and individual characteristics affect perceptions of the unemployed?

There is a large literature on both perceptions of the welfare state and benefit recipients⁶. More recently, there has been a growing body of

¹ Croucher, R. (2008) The History of Unemployed Movements. *Labour History Review* 73(1):1-17.

² Flora, P., and Heidenheimer, A. J. (1981). *The Development of Welfare States in Europe and America* (Transaction Books, New Brunswick, NJ. Forrester, J).

³ Svallfors, S. (2010) 'Public attitudes.' In F. G. Castles, S. Leibfreid, J. Lewis, H. Obinger, and C. Pierson (eds), *The oxford handbook of the welfare state* (Oxford: Oxford University Press).

⁴ Theodoropoulou, S. and Watt, A. (2011) 'Withdrawal symptoms: an assessment of the austerity packages in Europe.' *European Trade Union Institute Working paper* 2011.02.

⁵ E.g. Page, B. I. and Shapiro, R. Y. (1992) 'Effects of public opinion on policy.' *American Political Science Review* 77: 175-190; Vlandas, T. (2016) 'The impact of the elderly on inflation rates in developed countries.' *LSE Europe in Question Discussion paper series*. LEQS paper no. 107/2016.

⁶ Blekesaune, M. and Quadagno, J. (2003) 'Public Attitudes toward Welfare State Policies A Comparative Analysis of 24 Nations.' *European Sociological Review*, 19(5): 415-427; Burstein, P. (1998) 'Bringing the Public Back In: Should Sociologists Consider the Impact of Public Opinion on Public Policy?', *Social Forces* 77 (1): 27-62; Forma, P. and Kangas, O. (1997) 'Need, Citizenship or Merit: Public Opinion on Pension Policy in Australia, Finland and Poland.' in S. Svallfors and P. Taylor- Gooby (eds) *The End of the Welfare State? Responses to State Retrenchment* (London: Routledge); Halvorsen, K. (2002) 'Solidarity and the Legitimacy of the Welfare State: Attitudes to Abuse of Welfare Benefits in Scandinavian Countries.' Florence: COST13 Working Group II meeting; Manza, J., Cook, F. L. and Page, B. (eds) (2002) *Navigating Public Opinion: Polls, Policy, and*

research on the political economy determinants of labour market policy preferences and the implications for the cross-national variation in policies across European countries⁷. Yet, the insights of this latter literature, for instance on the role of occupations and labour market position, have not been applied to the study of perceptions of the unemployed.

In this paper, I build on the political economy literature on individual policy preferences to derive expectations concerning the determinants of perceptions of the unemployed in European countries. In contrast to much of the earlier literature on labour that posited homogenous interests and preferences among workers, recent contributions in the labour market dualisation literature emphasise various divides in post-industrial labour markets between workers that face different risks⁸. Put simply, this literature finds that those with low risk of becoming unemployed increasingly stop caring about the rest of the workforce, with important implications for the politics of labour market policy in Europe.

Two sets of factors are generally delineated in the literature on the perceptions of benefit recipients: self-interest and ideological factors⁹. This paper focuses on the effect of self-interest. In the political economy literature on policy preferences, two approaches to identifying individual self-interest can be delineated. First, the ‘dualisation approach’ contends that labour is systematically divided between insiders in well-protected and permanent jobs whereas outsiders are in non-standard forms of

the Future of American Democracy (New York: Oxford University Press); Taylor-Gooby, P. (1985b) *Public Opinion, Ideology and State Welfare* (London: Routledge); Van Oorschot, W. (2000) ‘Who Should Get What, and Why? On Deservingness Criteria and the Conditionality of Solidarity among the Public.’ *Policy and Politics* 28 (1): 33–49.

⁷ Rueda, D. (2007) *Social democracy inside out. Partisanship and labour market policy in industrialised democracies* (Oxford University Press: Oxford); Schwander, H. and Hausermann, S. (2013) ‘Who is in and who is out? A risk-based conceptualization of insiders and outsiders.’ *Journal of European Social Policy*, 23 (3), 248–69; Iversen, T. and Soskice, D. (2001) ‘An asset theory of social policy preferences.’ *American Journal of Political Science Review*, 95: 875–93; Rehm, P. (2009) ‘Risks and redistribution: An individual level analysis.’ *Comparative political studies*, 42(7): 855–81; Rehm, P. (2011) ‘Social Policy by Popular Demand.’ *World Politics*, 63(2): 271–299.

⁸ Emmenegger, P., et al. (2012) *The Age of Dualization: Structures, Policies, Politics* (New York: Oxford University Press).

⁹ E.g. Hasenfeld, Y. and Rafferty, J. A. (1989) ‘The determinants of public attitudes towards the welfare state.’ *Social Forces* 67: 1027–1048; Groskind, F. (1994) ‘Ideological influences on public support to poor families.’ *Social Work*, 39: 81–89; Taylor-Gooby, P. (2004) ‘Open markets and welfare values: welfare values, inequality and social change in the silver age of the welfare state.’ *European Societies* 6: 29–48.

employment or unemployment. Because insiders are unlikely to become outsiders, they are expected not to favour policies that benefit these groups¹⁰. Second, the ‘occupational approach’ instead posits that individuals in distinct occupations have different skills and hence face different risks. Where individuals work in occupations with specific skills, they may be less likely to find a new job that relies on their skill set. Therefore, individuals in specific skills occupations will favour labour market policies to insure themselves against the risk of job loss¹¹.

Building on this literature, the present article explores whether the determinants of policy preferences also affect the perceptions of the unemployed. In contrast to much of the political economy literature however, I treat the ‘dualisation’ and ‘occupational’ approaches as complementary rather than alternative drivers of perception. While the ‘dualisation approach’ emphasises a discontinuous distribution of risk generated by labour market contracts and status, the ‘occupational approach’ focuses our attention on a more fine grained distribution of risk that cuts across labour market status.

I analyse the determinants of the perceptions of the unemployed using several questions from the European Social Survey. Results from a logistic regression analyses suggest that being unemployed or on a temporary contract makes you more likely to have positive perceptions of the unemployed. Women and those with partners in unemployment are similarly more favourable to the unemployed. The effect of being in different labour market occupations is less clear cut and depends on which dependent variable is used.

The rest of this article unfolds as follows. Building on the political economy literature analysing the determinants of policy preferences, the next section discusses some theoretical expectations concerning the perception of the unemployed. Next, I outline my empirical strategy and present results from several logistic regression analyses on survey data from 29 European countries. The last section concludes.

¹⁰ Rueda, D. (2005) ‘Insider–Outsider Politics in Industrialized Democracies: The Challenge to Social Democratic Parties.’ *American Political Science Review*, 99(1): 61-74; Rueda, D. (2007) *Social democracy inside out. Partisanship and labour market policy in industrialised democracies* (Oxford University Press: Oxford); Saint-Paul (1996) ‘Exploring the political economy of labour market institutions.’ *Economic Policy*, 23: 265-300.

¹¹ Iversen, T. and Soskice, D. (2001) ‘An asset theory of social policy preferences.’ *American Journal of Political Science Review*, 95: 875-93.

2. The Determinants of Policy Preferences and Perceptions towards the Unemployed

Perceptions of the welfare state are important because they may have important effects on policies¹². The unemployed are generally seen as the least ‘needy’ benefit recipients¹³, partly because unemployment benefits are less universal than other benefits such as pension schemes¹⁴. In addition, most studies suggest that there is a large part of the population in Europe and the US that does not believe the unemployed really want to return to work¹⁵ as they are seen to have greater ‘control over their neediness’¹⁶.

The literature contends that both self-interest and ideology shape individuals’ perceptions of the unemployed¹⁷. This paper focuses on the effect of self-interest, which implies that the likelihood of someone becoming a recipient of a benefit improves their perceptions of benefit recipients. In other words, individuals display more positive views of social and labour market policies when they may themselves depend on these policies in the future¹⁸. Previous work suggests self-interest

¹² Burstein, P. (1998) ‘Bringing the Public Back In: Should Sociologists Consider the Impact of Public Opinion on Public Policy?’ *Social Forces* 77(1): 27–62; Manza, J., Cook, F. L. and Page, B. (eds) (2002) *Navigating Public Opinion: Polls, Policy, and the Future of American Democracy* (New York: Oxford University Press).

¹³ Taylor-Gooby, P. (1985b) *Public Opinion, Ideology and State Welfare* (London: Routledge); Blekesaune, M. and Quadagno, J. (2003) ‘Public Attitudes toward Welfare State Policies A Comparative Analysis of 24 Nations.’ *European Sociological Review*, 19(5): 415–427.

¹⁴ Forma, P. and Kangas, O. (1997) ‘Need, Citizenship or Merit: Public Opinion on Pension Policy in Australia, Finland and Poland’, in S. Svallfors and P. Taylor-Gooby (eds) *The End of the Welfare State? Responses to State Retrenchment* (London: Routledge).

¹⁵ Halvorsen, K. (2002) ‘Solidarity and the Legitimacy of the Welfare State: Attitudes to Abuse of Welfare Benefits in Scandinavian Countries’. Florence: COST13 Working Group II meeting.

¹⁶ Van Oorschot, W. (2000) ‘Who Should Get What, and Why? On Deservingness Criteria and the Conditionality of Solidarity among the Public.’ *Policy and Politics* 28(1): 33–49.

¹⁷ E.g. Taylor-Gooby, P. (2004) ‘Open markets and welfare values: welfare values, inequality and social change in the silver age of the welfare state.’ *European Societies* 6: 29–48; Cook and Barrent, F. L. (1992) *Support for the American welfare state* (New York: Columbia University Press); Svallfors, S. (1997) ‘World of welfare and attitudes to redistribution: a comparison of eight western nations.’ *European Sociological Review* 13: 283–304.

¹⁸ E.g. Kangas, O. (1997) ‘Self-Interest and the Common Good: The Impact of Norms, Selfishness and Context in Social Policy Opinions.’ *Journal of Socio-Economics* 26(5): 475–

influences perceptions of the unemployed¹⁹. Thus for instance, individuals in different social classes, as well as with different levels of education, express different levels of support for welfare state policies²⁰. Younger individuals with lower income are more likely to be supportive of welfare state benefits because they are more likely to benefit from the welfare state²¹. Conversely, individuals with higher income are less supportive of benefits²². Women are more supportive of the welfare state because they face greater risks and hence higher likelihood of becoming recipients. Unemployed respondents are more supportive of the unemployed²³. Age also has an effect though it is not always consistent across studies, with some finding that younger respondents are more supportive and other studies finding that support increases with age²⁴.

The political economy literature looking at preferences for policies also starts from the premise that the likelihood that one will benefit from the policy is a key determinant of their preference for this policy. As a result, the risk profiles of individuals shape their preferences for welfare state policies²⁵. As was the case for the determinants of perceptions discussed above, the expectation is straightforward: the higher the likelihood of becoming unemployed, the more the individual will support more generous labour market policies. However, the literature on policy preferences has gone further in theorising and analysing what factors

94; Svallfors, S. (2004) 'Class, Attitudes and the Welfare State: Sweden in Comparative Perspective.' *Social Policy and Administration* 38(2): 119–38.

¹⁹ For a good discussion of the recent literature on this topic, see Van Oorschot, W. (2006) 'Making the difference in social Europe: deservingness perceptions among citizens of European welfare states.' *Journal of European Social Policy*, 16(1): 25; Van Oorschot, W. Reeskens, T. and Meuleman, B. (2012) 'Popular perceptions of welfare state consequences: A multilevel, cross-national analysis of 25 European countries.' *Journal of European Social Policy* 22(2): 183.

²⁰ Edlund, J. (1999) 'Trust in government and welfare regimes: attitudes to redistribution and financial cheating in the USA and Norway.' *European Journal of Political Research* 35: 341-370.

²¹ Hasenfeld, Y. and Rafferty, J. A. (1989) 'The determinants of public attitudes towards the welfare state.' *Social Forces* 67: 1027-1048.

²² Cook and Barrent, F. L. (1992) *Support for the American welfare state* (New York: Columbia University Press).

²³ Blekesaune, M. and Quadagno, J. (2003) 'Public Attitudes toward Welfare State Policies A Comparative Analysis of 24 Nations.' *European Sociological Review*, 19(5): table 2.

²⁴ Gould Andersen, J. (2002) 'Public support for the Danish welfare state: interest and values, institutions and performance.' in E. Albaek, V. Eliason, S. N. Norgaard and Schwartz (eds) *Crisis, Miracles and Beyond: Negotiated Adaptation of the Danish welfare state*. (Aarhus University Press).

²⁵ E.g. Overbye, E. (1995) 'Explaining welfare spending.' *Public Choice* 83: 313-35.

shape workers' risk of becoming unemployed and how this in turn determines their preferences for policies that benefit the unemployed. In what follows, I discuss which insights from the policy preferences literature may be applied to the study of perceptions.

Earlier literature analysing how partisanship might affect policy making conceptualised labour as being one fairly homogenous group with broadly favourable preferences for policies that are seen to benefit the unemployed and/or maximise employment²⁶. The representatives of labour, whether in unions or social democratic parties, could therefore be expected to demand more welfare state policies, more redistribution and attempt to lower inequality²⁷.

However, in an 'age of dualisation'²⁸ characterised by a shift to a post-industrial labour market as well as enduring differences between workers, more recent scholarship has shown that different workers may have very different preferences for labour market policies because the risks they face are now very diverse. Specifically, there are robust empirical findings suggesting workers are divided between labour market insiders and outsiders: whereas insiders are in fairly stable permanent employment, outsiders oscillate between unemployment and non-standard forms of employment such as temporary work²⁹. Because they face systematically distinct risks, insiders and outsiders also exhibit different policy

²⁶ Boix, C. (1998) *Political parties, growth and equality : conservative and social democratic economic strategies in the world economy* (New York: Cambridge University Press); Garrett, G. and Lange, P. (1991) 'Political Responses to Interdependence - Whats Left for the Left.' *International Organization*, 45(4), 539-64; Hibbs, D. A. (1977) 'Political Parties and Macroeconomic Policy.' *American Political Science Review*, 71(4), 1467-87; Janoski, Thomas (1990) *The political economy of unemployment: active labour market policy in West Germany and the United States* (Berkeley: University of California Press).

²⁷ Bradley, D., et al. (2003) 'Distribution and redistribution in post-industrial democracies.' *World Politics*, 55(2), 193-228; Korpi, W. (2006) 'Power resources and employer centred approaches in explanations of welfare states and varieties of capitalisms.' *World politics*, 58: 167-206.

²⁸ Emmenegger, P., et al. (2012) *The Age of Dualization: Structures, Policies, Politics* (New York: Oxford University Press).

²⁹ Burgoon, B. and Dekker, F. (2010) 'Flexible employment, economic insecurity and social policy preferences in Europe.' *Journal of European Social Policy*, 20(2): 126-41; Palier, Bruno and Thelen, K. (2010) 'Institutionalizing Dualism: Complementarities and Change in France and Germany.' *Politics & Society*, 38(1): 119-48; Rueda, D. (2005) 'Insider-Outsider Politics in Industrialized Democracies: The Challenge to Social Democratic Parties.' *American Political Science Review*, 99(1): 61-74; Schwander, H. and Hausermann, S. (2013) 'Who is in and who is out? A risk-based conceptualization of insiders and outsiders.' *Journal of European Social Policy*, 23(3): 248-69.

preferences. Thus, for instance, unemployed individuals are less likely to favour cuts in unemployment benefits³⁰.

This is not to suggest that the consensus concerning the effect of divides on preferences is total. Indeed, the effect of risk on certain policy preferences remains contested, for instance in the case of employment protection legislation³¹, and it is as a result not clear whether social democratic parties in Europe have necessarily been unresponsive to the standard of living of unemployed and temporary workers³². For instance, permanent workers may under certain conditions, such as low wage coordination and a predominance of general skills among the workforce, promote the re-regulation of the temporary work sector³³. Deregulation at the margins, for example through reducing the employment protection legislation of temporary workers, may increase wage inequality between insiders³⁴. But despite these ongoing debates, the conventional wisdom now is that insiders should be much less favourable to generous labour market policies than outsiders.

How we should operationalise the dividing line between insiders and outsiders is also contested. While some authors in the dualisation literature in political science conceptualised the divide in contractual terms – i.e. whether one is in a permanent or temporary contract, or in unemployment³⁵, others posited that occupations and skills shape

³⁰ Fraile, M. and Ferrer, M. (2005) 'Explaining the determinants of public support for cuts in unemployment benefits spending across OECD countries.' *International Sociology* 20(4): table 2.

³¹ Emmenegger, P. (2009) 'Barriers to entry: insider/outsider politics and the political determinants of job security regulations.' *Journal of European Social Policy*, 19(2): 131-46.

³² Vlandas, T. (2013) 'Mixing apples with oranges? Partisanship and active labour market policies in Europe.' *Journal of European Social Policy*, 23(1): 3-20; Vlandas, T. (2013) 'The Politics of Temporary Work Deregulation in Europe: Solving the French Puzzle.' *Politics & Society*, 41(3): 425-60.

³³ Vlandas, T. (2013) 'The Politics of Temporary Work Deregulation in Europe: Solving the French Puzzle.' *Politics & Society*, 41(3): 425-60.

³⁴ Vlandas, T. (2013) 'Coordination, inclusiveness and wage inequality between median- and bottom-income workers.' *Comparative European Politics*. First online.

³⁵ E.g. Marx, P. and Picot, G. (2013) 'The party preferences of atypical workers in Germany.' *Journal of European Social Policy*, 23(2): 164-78; Rueda, D. (2007) *Social democracy inside out. Partisanship and labour market policy in industrialised democracies* (Oxford University Press: Oxford); Vlandas, T. (2013) 'The Politics of Temporary Work Deregulation in Europe: Solving the French Puzzle.' *Politics & Society*, 41 (3): 425-60.

individuals' exposure to risk and hence preferences in perhaps more significant ways³⁶.

Moreover, what is still not clear is whether this divide is also salient when analysing the perceptions of the unemployed. In this article, I want to explore whether both these alternative ways of thinking of the emerging divides in the labour market influence perceptions. If the risk of becoming unemployed affects the perceptions of the unemployed, there is no a priori reason to expect only occupation or labour market status to matter. Thus, I expect individuals in unemployment or temporary contracts, and those in low and general skills occupations to hold more positive perceptions of the unemployed. Note that it is important to distinguish between unemployed and temporary workers because they have been shown to have different preferences³⁷.

Besides contracts and occupations, other factors may capture important divides in the labour force. Previous literature for example suggests that the status of an individual's partner may also matter, so I expect individuals with unemployed spouse to have more positive perceptions of the unemployed. Similarly, women and the young are often considered to be closer to outsiders³⁸ than middle aged men so this could potentially feed into perceptions of the unemployed.

The expectations concerning union membership are more indeterminate. On the one hand, an approach emphasising material interests would focus our attention on their lower risk of dismissal and hence expect less favourable perceptions of the unemployed – if perceptions have similar drivers to policy preferences. On the other hand, unions may, through a more sociological logic, render their members more favourable to the unemployed³⁹. The matter is further complicated by the fact that different

³⁶ E.g. Iversen, T. and Soskice, D. (2001) 'An asset theory of social policy preferences.' *American Journal of Political Science Review*, 95: 875-93; Rehm, P. (2009) 'Risks and redistribution: An individual level analysis.' *Comparative political studies*, 42(7): 855-81; Rehm, P. (2011) 'Social Policy by Popular Demand.' *World Politics*, 63(2): 271-299.

³⁷ Emmenegger, P. (2009) 'Barriers to entry: insider/outsider politics and the political determinants of job security regulations.' *Journal of European Social Policy*, 19(2): 131-46; Marx, P. and Picot, G. (2013) 'The party preferences of atypical workers in Germany.' *Journal of European Social Policy*, 23(2): 164-78.

³⁸ Schwander, H. and Hausermann, S. (2013) 'Who is in and who is out? A risk-based conceptualization of insiders and outsiders.' *Journal of European Social Policy*, 23(3): 248-69.

³⁹ For the case of active labour market policies, see Nelson, M. (2006), 'Unionized Workers and Support for Active Labour Market Policies.' Fifteenth International Conference of the Council for European Studies Chicago (Chicago).

unions within a country may have opposite preferences towards certain labour market policies⁴⁰. This is ultimately an empirical issue. Finally, while the direction of the effects for each variable can be inferred deductively, the relative magnitude of these factors in determining perceptions of the unemployed is an open question. For instance, does occupational or labour market status divide matter more for explaining the perceptions of the unemployed? A related question is whether the magnitude and sign of each independent variable is contingent on the type of perception of the unemployed that we consider. In the next section, I discuss the data that is used to test these expectations and set out my empirical strategy.

3. Data and Empirical Strategy

I test these expectations using the European Social Survey (henceforth ESS). The ESS is a cross-national survey led by a team of academics that carries out face-to-face interviews every two years. It utilises rigorous pre-testing and piloting procedures, and ensures that equivalent sampling designs are implemented in all participating countries. For the purpose of analysing perceptions of the unemployed, I use the fourth round of the ESS (ESS4-2008 Edition 4.2) that was carried out in late 2008 and early 2009, and covers a number of relevant questions concerning labour market status and perceptions⁴¹. This dataset covers 31 countries but due to data limitations for certain variables, the full model only comprises of 29 countries in Western and Eastern Europe.⁴²

⁴⁰ For the case of French unions, see Vlandas, T. (2013) 'The Politics of in-work benefits: The case of the 'active income of solidarity' in France.' *French Politics* 11: 117–142.

⁴¹ ESS (2008) European Social Survey Round 4 Data. Data file edition 2.0. Norwegian Social Science Data Services, Norway - Data Archive and distributor of ESS data.

⁴² This includes European Union countries - Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Latvia, Lithuania, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom; and non-European Union countries: Israel, Norway, Switzerland, Russian Federation, Turkey, and Ukraine.

Table 1: Perceptions of the Unemployed across Countries

Country	% that believe 'Standard of living for the unemployed, governments' responsibility'	% that believe 'Unemployment standard of living is bad'	% that disagree or strongly disagree that 'Most unemployed people do not really try to find a job'
Belgium	62.4	65.6	28
Bulgaria	72.5	99.7	48.6
Switzerland	65.5	67	47.5
Cyprus	82.4	70.3	27.5
Czech Republic	57.1	77.5	30.5
Germany	61.3	85.6	38.7
Denmark	70.3	61.1	57.9
Estonia	74	96.4	41.4
Spain	86.4	89.1	45.2
Finland	87.6	77.1	41.3
France	60.4	86.6	33.9
United Kingdom	57.3	70.1	29.7
Greece	90.5	96.3	45.7
Croatia	79.3	96.3	33.5
Hungary	67.9	96.6	24.2
Ireland	71.4	69.9	52.6
Israel	78.5	86.5	37.7
Latvia	87.1	96.6	47.7
Netherlands	71.6	56.5	40.9
Norway	82.2	65.3	55.1
Poland	60.3	96.3	18.2
Portugal	76.7	92.8	30.9
Romania	79.4	90.8	26.9
Russia	67.8	96.4	28.7
Sweden	82.9	81.1	60
Slovenia	69.2	87.3	20.2
Slovakia	51.2	92.6	15
Turkey	78.8	90.7	34.5
Ukraine	81.7	98.5	43.7
Total	69.6	87.8	34.5

Note: population and design weight applied. Source: ESS2008.

Three separate dependent variables are constructed to capture perceptions towards the unemployed. First, I create a binary variable “unemployed is government responsibility” which is coded 1 if respondents have chosen strictly more than 5 in the ESS variable ‘gvslvue’ which measures respondents’ views on whether the standard of living of the unemployed is the government's responsibility, and 0 otherwise. Respondents choose a value between 0 if they think it is not at all government responsibility and 10 if they think the government is entirely responsible. Table 1 shows that between 51.2% (in Slovakia) and 90.5% (in Greece) believe that the unemployed are the government’s responsibility. Second, I create a binary variable “unemployed standard of living is bad”. It is coded 1 if respondents answer between 1 and 5 and 0 if respondents answer between 6 and 10 to the question: “What do you think overall about the standard of living of people who are unemployed?”; where they choose a number between 0 (extremely bad) and 10 (extremely good). As shown in table 1, between 56% (in Netherlands) and 99.7% (in Bulgaria) of respondents believe the standard of living of the unemployed is bad. Third, I create a binary variable “unemployment try to find a job” which is coded 1 if respondents answer that they strongly disagree or disagree with the statement “most unemployed people do not really try to find a job”, and 0 otherwise. Table 1 shows that between 15% (in Slovakia) and 57.9 (in Denmark) disagree or strongly disagree that ‘most unemployed people do not really try to find a job’.

For the independent variables, I create a series of binary variables to capture the respondents’ gender, whether they are unemployed, on a temporary contract, a union member and whether their spouse is unemployed. I also control for the number of years of education they completed⁴³, their age⁴⁴ in a quadratic specification to allow for non-linearity, and their occupation by recoding the ISCO88 occupational scheme into 9 categories using Torben Iversen’s do-file.⁴⁵

⁴³ Cusack, T., Iversen, T., and Rehm, P. (2006) ‘Risks at work: The demand and supply sides of Government redistribution.’ *Oxford Review of Economic Policy*, 22(3): 365-89.

⁴⁴ Schwander, H. and Hausermann, S. (2013) ‘Who is in and who is out? A risk-based conceptualization of insiders and outsiders.’ *Journal of European Social Policy*, 23(3): 248-69.

⁴⁵ The nine occupations are: (1) Legislators, senior officials and managers (reference category for occupations); (2) Professionals; (3) Technicians & associate professionals; (4) Clerks; (5) Service workers & shop & market sales workers; (6) Skilled agricultural & fishery workers; (7) Craft & related trades workers; (8) Plant & machine operators & assemblers; (9) Elementary occupations. Category is the reference category, meaning that the effect of belonging to other occupations is relative to an individual in category 1. The

To test the impact of the independent variables on my dependent variable, I run binary logistic regression analyses while including country fixed effects to capture unobserved country heterogeneity. I report robust standard errors clustered by country. I do not model the hierarchical nature of the data using a multilevel approach because I have less than 30 units at the national level whereas one generally need more than 30 cases at that level to employ this method⁴⁶. Note further that I am not primarily interested in explaining variation at this level. All results are plotted graphically to facilitate interpretations.

4. Empirical Results

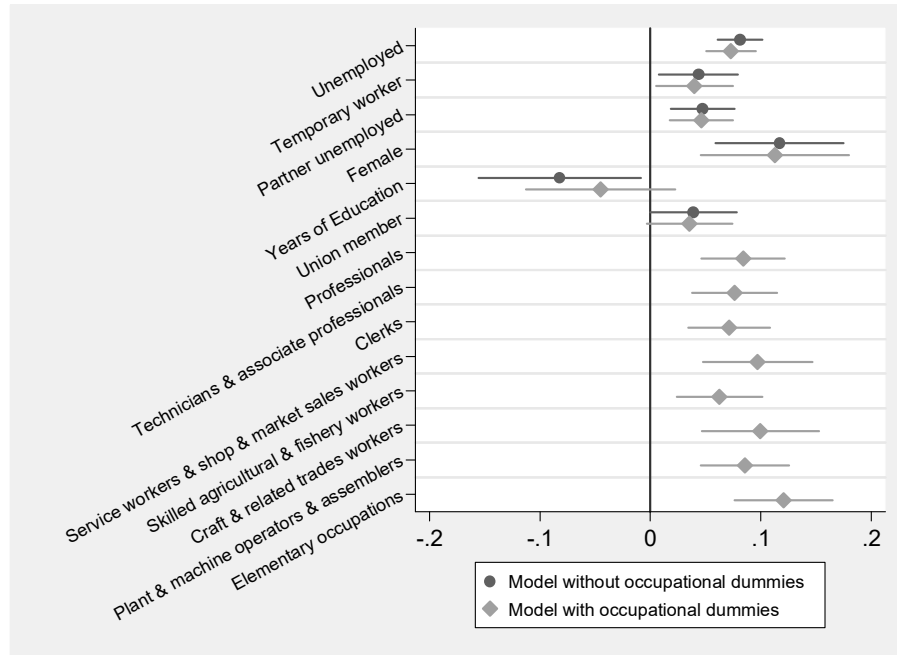
To evaluate the relative importance of each independent variable, Figure 1 plots semi-standardised coefficients that have been rescaled by the standard deviation of the variable in the data. For each variable, a positive coefficient suggests the factor under consideration increases the probability of the respondent holding favourable perceptions of the unemployed. The figure displays the 95% confidence interval which is shown by the line around the point estimate. Where the line intersects the 0-line, the variable is not statistically different from 0 at that level of confidence.

The results are as follows. Being a female respondent, unemployed, or having an unemployed spouse makes it more likely than an individual thinks “the unemployed are government responsibility”. Being in a temporary contract has a similar effect to that of being unemployed. Union members do not have a statistically different perception of the unemployed. Education makes you less likely to agree that the unemployed are government’s responsibility but this effect disappears when occupational dummies are included, suggesting the effect of occupation might occur through occupational sorting into high/low skill occupations.

do file can be accessed at:
<http://www.people.fas.harvard.edu/~iversen/SkillSpecificity.htm>

⁴⁶ Fraile, M. and Ferrer, M. (2005) ‘Explaining the determinants of public support for cuts in unemployment benefits spending across OECD countries.’ *International Sociology* 20(4): endnote 10.

Figure 1: European Social Survey Results – “Standard of Living for the Unemployed, Governments’ Responsibility”, with rescaled Coefficients



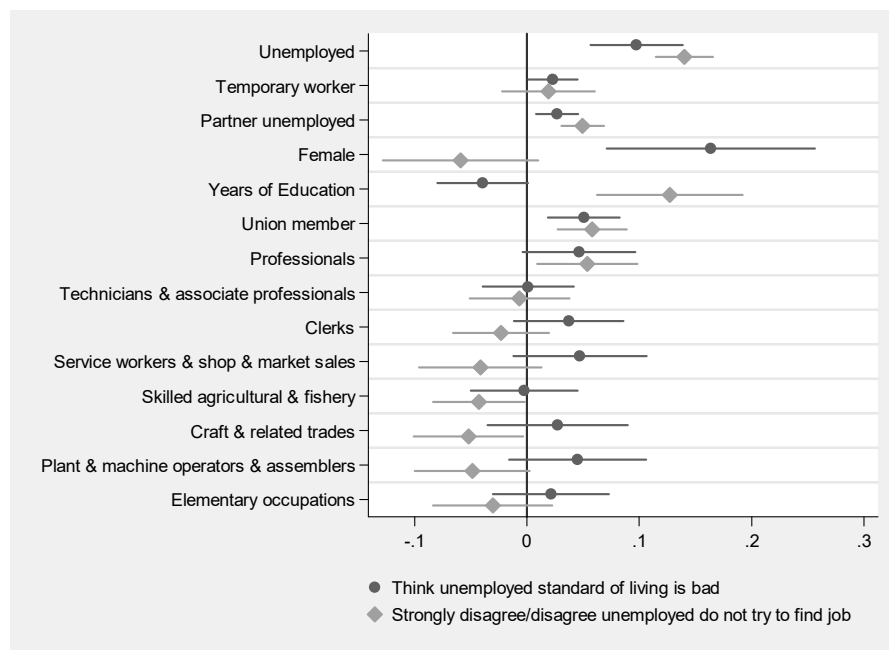
Note: Country fixed effects and age (not significant) are included but not shown. Robust standard errors clustered by country. Effects are rescaled by the standard deviations of the predictors (semi-standardized effects).

The effect of occupations themselves seems less clear cut. Craft workers, those in elementary occupations as well as plant and machine operators are all significantly more likely to agree that the unemployed are government’s responsibility (the reference category is being in the occupation “Legislators, senior officials and managers”). The effect is similar but less strong for technicians, service workers and clerks. Taken together these results do not seem to suggest that perceptions are strongly influenced by skill specificity since the occupation with the highest specific skills - craft workers - are not noticeably more favourable to the unemployed than those with low but more general skills such as workers in elementary occupations (which have the lowest ISCO skill level of all occupations).

If we turn our attention to other variables that measure perceptions of the unemployed, the results are similar in some respects but quite different in other ways. On the one hand, Figure 2 reveals that being unemployed or

having an unemployed partner makes it more likely to think that the standard of living of unemployed people is bad and more likely to disagree that unemployed do not try hard to find a job. The variable capturing whether the respondent is on a temporary contract and being a female respondent only have a statistically significant effect on perceptions of the unemployed standard of living. In contrast to Figure 1 however, being a union member is now statistically significant: union members are more likely to have be sympathetic to the unemployed as captured by these two dependent variables.

Figure 2: European Social Survey Results – Alternative Dependent Variables



Note: Country fixed effects and age (not significant) are included but not shown. Robust standard errors clustered by country. Effects are rescaled by the standard deviations of the predictors (semi-standardized effects): with and without occupational dummies.

On the other hand, education now has the opposite effect than before: more highly educated respondents are more likely to disagree that unemployed do not try to find a job (but this has no effect on the perceptions of their standard of living). Occupations now surprisingly seem to have opposite effects on the two dependent variables, though

they are often not statistically significant. One exception is being in craft and related trade, an occupation that requires very specific skills, which makes it less likely that respondents disagree that unemployed do not try to find a job. In other words, workers with more specific skills seem to have worse perceptions of the unemployed in this respect. By contrast, the other exception is being in a professional occupation which makes it more likely to disagree that unemployed do not try to find a job.

5. Conclusions

The literatures on perceptions of the unemployed and the determinants of policy preferences have largely developed in parallel. This is surprising because, as I have tried to show in this article, insights from the political economy literature on policy preferences are also relevant when considering perceptions of the unemployed. The more refined conceptualisation of various forms of labour market risks and how these may affect preferences sheds some interesting light on the determinants of perceptions.

This article has shown that labour market dualisation also has some explanatory power when looking at perceptions of the unemployed. Where one stands along several dividing lines in the labour market shapes whether individuals think the standard of living of the unemployed is governments' responsibility: the unemployed, those in low skill occupations or those on temporary contracts are more likely to think so. Thus, as high skill occupations have expanded over the previous decades, those believing the government is not responsible for the unemployed have become more numerous. On the other hand, there has also been a rise in the number of unemployed and precarious workers who tend to think the unemployed are governments' responsibility.

Being unemployed or having an unemployed partner makes it more likely to think that the standard of living of unemployed people is bad and more likely to disagree that unemployed do not try hard to find a job. Union members are also more likely to have positive perceptions of the unemployed using these two dependent variables. The falling share of the workforce that is unionised in many European countries may have had adverse implications for the perceptions of the unemployed. Interestingly, more highly educated respondents are more likely to disagree that unemployed people do not try to find a job but less likely to think that their standard of living is government's responsibility. Occupations have different effects on the three dependent variables. Being in craft and

related trade, an occupation that requires very specific skills, makes it less likely that respondents disagree that unemployed do not try to find a job, but more likely to think that the standard of living for the unemployed is governments' responsibility.

Together these findings make two broader contributions. First, they suggest that different types of perceptions of the unemployed have partly distinct drivers: certain factors affect all types of perceptions of the unemployed similarly (e.g. being unemployed and having an unemployed partner make individuals more positively inclined towards the unemployed); other factors are only significant for certain types of perceptions (e.g. being a temporary worker and being a union member); and yet other factors have opposite effects on different perceptions (e.g. being a craft worker and years of education). Thus, reforms that increase the requirements for the unemployed to look for jobs and those that cut the unemployment benefit replacement rate may not build on the same underlying coalition.

Second, this paper shows that unemployment influences perceptions through multiple channels. The first channel is that being unemployed not surprisingly makes you much more likely to have positive perceptions of the unemployed. However, the effect of unemployment does not stop here. A second channel operates through having an unemployed spouse, which also positively influences your perceptions of the unemployed. As countries have an increasing number of unemployed workers, it makes it more likely that at least one household member experiences an unemployment spell, and a growing part of the population may therefore develop more positive perceptions of the unemployed. On the other hand, this also has the important implication that if unemployment is increasingly concentrated in certain households, the share of the population that has positive perceptions of the unemployed is likely to shrink because fewer employed workers have perceptions that may be influenced by an unemployed spouse. If the distribution of unemployment risk is driven by the distribution of skills, homogamy may lead to more concentrated perceptions of the unemployed and a lower overall share of the population with positive perceptions of the unemployed.

Thus, in times of higher unemployment and rising numbers of precarious jobs, my findings suggest that the politics of unemployment may change in important ways.

ADAPT International Network



ADAPT is a non-profit organisation founded in 2000 by Prof. Marco Biagi with the aim of promoting studies and research in the field of labour law and industrial relations from an international and comparative perspective. Our purpose is to encourage and implement a new approach to academic research, by establishing ongoing relationships with other universities and advanced studies institutes, and promoting academic and scientific exchange programmes with enterprises, institutions, foundations and associations. In collaboration with the Centre for International and Comparative Studies on Law, Economics, Environment and Work, (DEAL) the Marco Biagi Department of Economics, University of Modena and Reggio Emilia, ADAPT set up the International School of Higher Education in Labour and Industrial Relations, a centre of excellence which is accredited at an international level for research, study and postgraduate programmes in the area of industrial and labour relations. Further information at www.adapt.it.

For more information about the E-journal and to submit a paper, please send a mail to LS@adapt.it.

DEAL

Centre for International and Comparative Studies
Law Economics Environment Work

THE MARCO BIAGI DEPARTMENT OF ECONOMICS
UNIVERSITY OF MODENA AND REGGIO EMILIA



ADAPTInternational.it

Building the Future of Work