

Perception and Evaluation of Regional and Cohesion Policies by Europeans and Identification with the Values of Europe

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D2.6 REPORT ON THE INFLUENCE OF PERCEPTIONS OF CORRUPTION AND GOVERNANCE ON CITIZEN'S SUPPORT FOR COHESION POLICY

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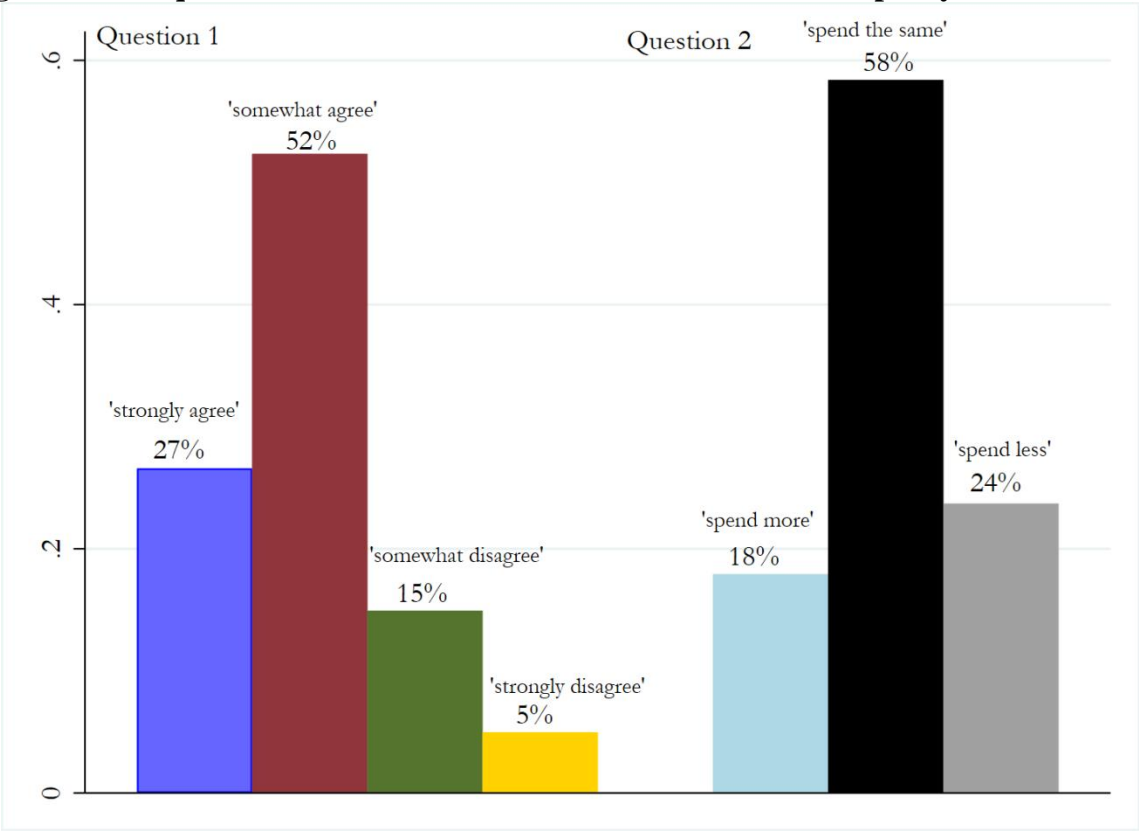
1. Executive summary

1.1. What Explains EU Citizen Attitudes on Cohesion Policy?

Together with researchers in six other European countries¹, we launched an EU-wide survey to investigate how citizens feel about cohesion policy in which 17,200 citizens in 15 European countries were interviewed². In addition, people were asked a set of questions having to do with knowledge and experience with the EU's regional policy, along with how much and how one identifies with Europe, political attitudes and perceptions of institution and the economy. We found that less than one-half of all citizens (roughly 45%) have even heard of the policy itself, while roughly one-third claim they have 'benefitted from some EU project in their area'.

When looking at whether citizens like the idea in general of Cohesion policy, we see that EU citizens are lukewarm on the idea of Cohesion – just over half say that they 'somewhat agree' with continuing the policy, while just under 6 in 10 want their country to spend about 'the same' as it does now, as shown in Figure 1.

Figure 1: Two questions on citizens attitudes toward EU Cohesion policy



Note: All respondents are given some priming background information about Cohesion policy, and then asked the following: In question 1, we ask “In your opinion, the EU should continue this policy, where wealthier countries contribute more, and poorer EU regions receive more funding.” 1. Strongly agree, 2. Agree, 3. Disagree, 4. Strongly disagree, 5. don't know. In question 2, we ask about preferences for one's home country spending on Cohesion ‘In your opinion, compared with what it spends today, should (COUNTRY) contribute, more, about the same, or less to this EU policy? 1. More, 2. About the same, 3. Less’. Weighted responses shown

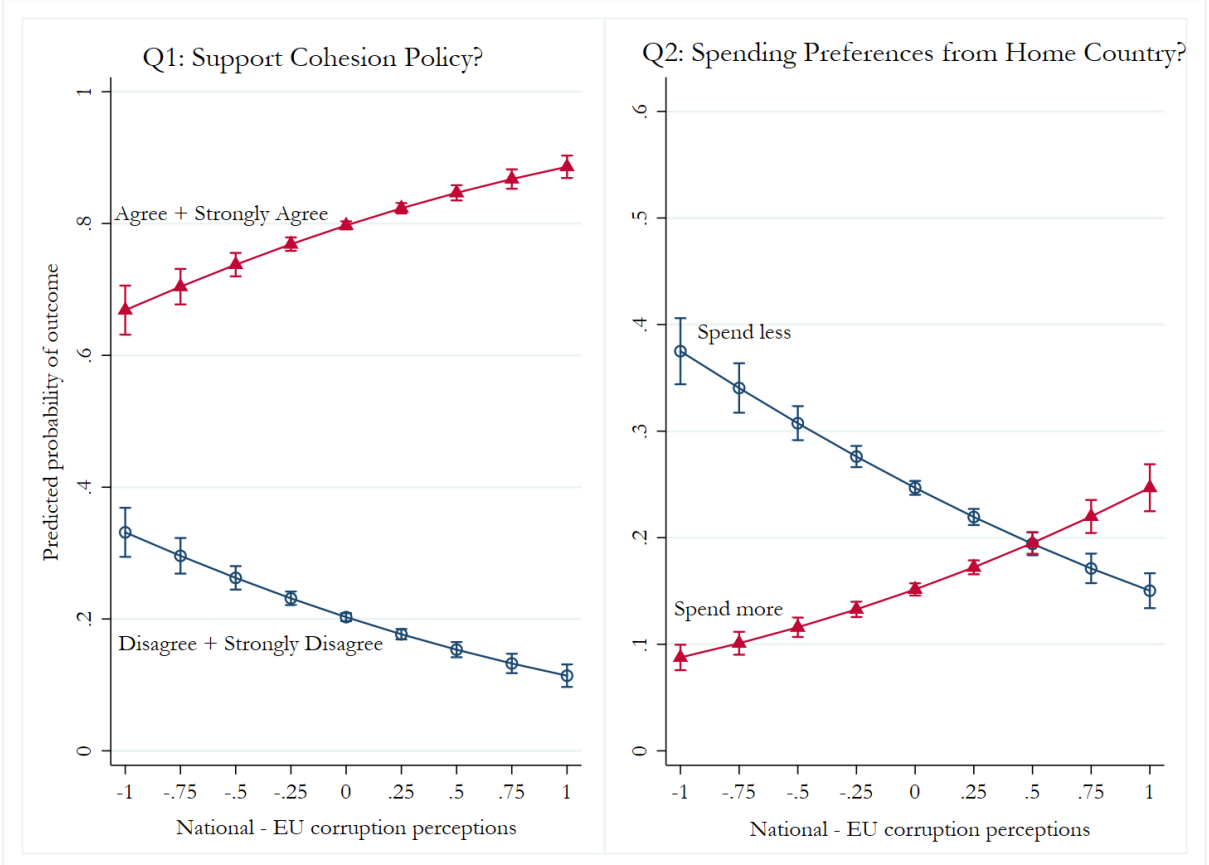
¹ <http://www.perceiveproject.eu/about-the-project/>
² https://qog.pol.gu.se/digitalAssets/1680/1680300_2018_2_bauhr_charron.pdf

However, not all citizens view the policy in a positive light, while some appear very supportive. Our main two explanations for why citizens vary in their attitudes on support for EU economic integration have to do with ‘benchmarking’ (using attitudes about one’s home institutions and quality of government /corruption) and ‘identity’ (how strongly one identifies as European vis-à-vis one’s home country and how one conceives of ‘being European’).

1.2 Benchmarking and Support for EU Economic Integration

With respect to ‘benchmarking’, we focus on the perceptions of corruption that citizens hold for their home institutions (local and national) as well as for the EU. We find that when accounting for perceptions of EU-level corruption, the more citizens’ perceive corruption in their national institutions, the more positive they tend to be toward Cohesion Policy. This findings reflects what some call the “compensation effect”, that is that while high perceptions of national corruption may undermine support for actions made by *domestic* governments (including redistribution), it in fact leads to greater support for EU integration. In other words, perceptions of domestic corruption leads to more public support for Cohesion policy, for the simple reason that people who believe their tax money is being stolen by domestic politicians would rather have the funds handled by the European Union.

Figure 2: Perceptions of Corruption and Support for EU Cohesion Policy

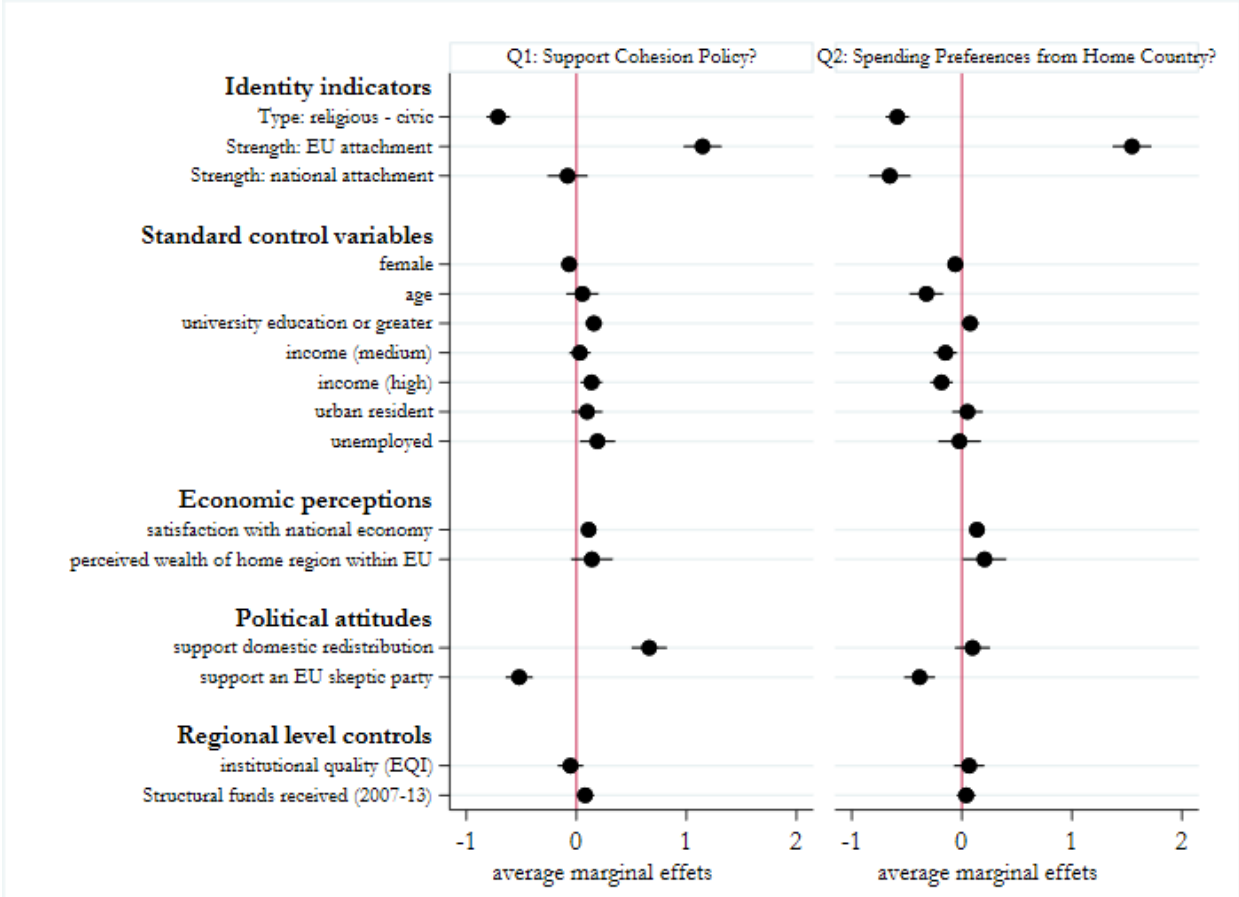


Note: model 1 is a logit model and model 2 is an ordered logit model. Control variables include gender, age, education, exclusive national identity, support for domestic redistribution, economic satisfaction, and support for EU skeptic party, along with the quality of institutions and amount of Structural Funds received at the regional level. Country fixed effects and design weights included.

1.3 Identity and Support for EU Economic Integration

Second, we investigate how one’s identity affects one’s attitudes towards Cohesion policy. We look at identity in two dimensions. One, we measure the strength of one’s attachment to Europe (as well as one’s home country). Two, we try to capture how people conceive of what ‘being European’ is – does it mean we share a common religion (Christianity) or is it more of having a set of common civic institutions and symbols, such as a common market, flag, passport, etc?

Figure 3: Types of Identity and Public Support for EU Cohesion Policy



Note: figure shows marginal effects and 95% confidence intervals from two separate ordered logit models (country fixed effects and survey design weights included). Dots to the right (left) of the ‘0’ line on the x-axis imply a positive (negative) effect. Confidence intervals that do not overlap the ‘0’ line are significant at $p < 0.05$ or greater.

On the question of ‘strength’ of identity, our results largely confirm what many previous studies about public support for EU integration have shown – that national attachment has a negative effect, while EU attachment increases support, all things being equal. Yet what do people in fact mean when they say they are ‘attached to Europe’? Our study tries to consider this by asking several questions about what is important for people when they think of what ‘being European’ is. We then construct a measure that subtracts a ‘civic’ identity with Europe from a more ‘religious’ identity with Europe. The results in Figure 3 show that people with a relatively higher conception of Europe as religious rather than civic are less likely to support Cohesion policy and more likely to want their home country to invest less in the policy in general. Our main take away from this is that *how* one conceives of Europe as a group matters for support for integration.

1.4 What about other factors?

In addition to benchmarking and identity, we also looked at whether people were ‘rational’ in their preferences for EU Cohesion policy – meaning if they were ‘winners’ or ‘losers’ economically from the policy. Such measures individual level factors as income, position in the labour market, and regional factors such as Structural funds received and the level of GDP per capita. We find little evidence that these ‘rational’ factors play a systematic role in assessing support for Cohesion policy. We do however find that *perceptions* of the economic and perception of one’s regional wealth in relation to others in the EU does affect support somewhat – perceiving a better home economic and that one’s region is relatively wealth increases support for Cohesion.

1.5 Structure of the report

The report contains three articles on the influence of Corruption/Quality of Government and European identities on public support for cohesion policy. These articles are stand-alone papers peer reviewed in academic journals, and could be read as such depending on the readers interests. In Chapter 2 and 4 we analyze our own PERCEIVE survey data (for a detailed description of this data see Bauhr and Charron2018. https://qog.pol.gu.se/digitalAssets/1680/1680300_2018_2_bauhr_charron.pdf). In Chapter 3 we use European Elections Survey data merged with data on regional level quality of government.

2. The EU as a Savior and a Saint? Corruption and Public Support for Redistribution

summary

While the European Union is plagued by considerable social and economic inequality, not least in the wake of both the enlargement of the Union and the financial crises, we know surprisingly little about the sources of public support for redistribution and the EU:s most significant tool for reducing inequalities: Cohesion Policy. We suggest that, while identity, ideology and utilitarian concerns may motivate support for international redistribution, such support is highly contingent on perceptions of domestic corruption. Using unique and newly collected survey data, we show that perceptions of domestic corruption increase support for within-EU redistribution but only in contexts where the quality of government is low and public service delivery deficient. Perceptions of corruption have no such effect in contexts where the quality of government is high. We conclude that perceptions of domestic corruption will drive support for Cohesion Policy in contexts where the EU can be seen as both a potential savior and - relative to domestic government - a saint. We discuss implications for further EU integration.

Keywords: Cohesion policy, corruption, European Union, public opinion, redistribution

When referring to this text, please use the following citation

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Introduction

Since its inception, the European Union (EU) has been challenged by social and economic inequalities among its Member States (MS). With the enlargement of the Union in 2004 and the financial crisis in 2008, these inequalities have only intensified (OECD 2017). The EU's key policy tool to combat these disparities is *Cohesion Policy*, whereby hundreds of thousands of development projects have received funding from the EU in order to "reduce disparities between the various regions and the backwardness of the least-favored regions"³. While we observe near unanimity among Europe's political elite that Cohesion Policy, which consistently makes up approximately one third of the EU's annual budget - is necessary - some even argue that it may be the key to Europe's survival (Merkel 2011). Yet, despite its prominence in the budget and among elites, we know surprisingly little about whether, and if so why, European citizens actually support such massive annual cross boarder transfers of resources.⁴

This study investigates the determinants of public support for Cohesion Policy and a reduction of inequalities in Europe. We suggest that, while utilitarian, identity driven and ideological explanations all contribute towards explaining public support for redistribution within the EU, institutional benchmarking is key to understanding preferences for international redistribution. Building on recent work on the importance of institutions in explaining public support for redistribution (Alesina & Fuchs-Schündeln 2007; Beramendi & Anderson 2008; Bauhr and Charron 2018; Birchfield & Crepaz 1998;; Jæger 2013), we suggest that the influence of perceptions of corruption on public support for international redistribution is highly contingent on the performance of domestic institutions, and in particular their perceived relative performance compared to the EU.

In particular, perceptions of corruption can be highly detrimental for support for international redistribution and Cohesion Policy if they are an expression of elite distrust or even anti-establishment sentiments. In such cases, the EU is seen as just as unlikely to redistribute resources in a fair and efficient way, and may even be blamed for the low performance of domestic institutions (Kumlin 2009; Beaudonnet 2014). However, if perceived domestic

³ http://ec.europa.eu/regional_policy/en/faq/#1

⁴ <https://www.politico.eu/sponsored-content/cohesion-policy-is-not-just-about-money-its-about-europes-future/>
http://ec.europa.eu/regional_policy/en/faq/

corruption is instead simply an expression of critique against the domestic regime, the relative performance of the EU should matter for citizens' support for within-EU redistribution.

We thereby seek to make several important contributions to the literature. First, while both utilitarian and identity driven explanations have proliferated in recent years, we know less about the influence of “cue taking and benchmarking” (Hobolt and de Vries 2016; de Vries 2018) based on domestic institutional performance in explaining citizen preferences for EU policies. In particular, studies provide sometimes conflicting evidence about whether citizens simply translate their level of distrust or perceptions of corruption across a governance level (the ‘congruence’ hypothesis) or if citizens perceive that supranational institutions can compensate for deficient government institutions (the ‘compensation’ hypothesis).⁵ Our study suggests that conflicting results can partly be attributed to the fact that national heuristics - in this case perceptions of corruption - can express widely different sentiments in different contexts. Specifically, the extent to which dissatisfaction travels across the multilevel governance system depends on the nature of the dissatisfaction, and the nature of the dissatisfaction varies across contexts. Perceptions of corruption in high performing contexts are more likely to express antiestablishment sentiments and therefore travel across governance levels. In low performing countries, on the other hand, perceptions of corruption are more likely to express a critique against the current domestic regime, and the EU can be perceived as able to compensate for domestic deficiencies. In other words, this indicates that both perspectives hold true but that their relative explanatory power varies across contexts. More broadly, this also indicates that individual level determinants of support for European integration may not be consistent across contexts but contingent on the overall performance of domestic institutions. Thus, while most studies to date assume that individual level determinants of support for European integration are similar across contexts, we suggest instead that the effects of individual level determinants do indeed vary across contexts.

We furthermore contribute to the recent debate on the extent to which support for the EU should be seen as one-dimensional or more multifaceted and policy specific (see Boomgarden et al. 2011), by providing the first study that directly investigates public support for the Cohesion Policy, allowing for a comparative analysis of determinants of public support across policy areas. Expressing support for the Cohesion Policy and other forms of fiscal

⁵ See Muñoz et al 2011; Kritzinger 2003; Sánchez -Cuenca 2000 and Andersson 1998

redistribution within the EU may be different from expressing general support for EU integration, since these policies may require different levels and types of social solidarity across borders.

Empirically, we introduce the most comprehensive survey of public support for Cohesion Policy to date, carried out by the authors. While there is an emerging literature on support for European economic integration (Bechtel et al. 2014; Kuhn and Stoeckel 2014; Daniele and Geys 2015; Bauhr and Charron 2018), none of these employ survey data that have focused directly on public attitudes regarding the EU's main redistributive policy. The data build on 17,147 interviews in 15 EU Member States, a sample that represents over 85% of the EU population. Since Cohesion Policy is one of the largest budget items of the European Union⁶, and it is not without controversies (see Piattoni and Polvarari 2016), increased knowledge of the sources of public support (or scepticism) for Cohesion Policy may provide valuable insights for researchers and policy-makers. This study represents a first step toward this goal.

Institutional benchmarking on public support for EU integration

The scholarly work on public support (or skepticism) of European integration is significant in both size and scope. A recent review of the literature suggest that studies on EU integration have focused on three different types of explanations - utilitarian, identity driven and benchmarking with reference to the domestic context (Hobolt and de Vries 2016). Despite growing attention to the determinants of public support for European integration, comparatively little attention has been directed to how national contexts shape people's support for European integration (ibid).⁷ The notion of 'benchmarking' refers to how citizens use cues of their own domestic (or regional) institutions as a heuristic when assessing the EU and support for EU integration (de Vries 2018). This idea can be traced to Hoffmann (1966), who argued that notions of national legitimacy could be a potential obstacle to future European integration.

We know comparatively little about whether citizens actually compare levels of performance across contexts or if they simply use domestic institutions as cues to assess the trustworthiness or competence of supranational institutions. On the one hand, building on the work of

⁶For a comparative perspective, the expenditures on cohesion policy during the 2014-2020 budget period equate to roughly 57bil Euros per year, which is just greater than the total public annual expenditure of Finland in 2013 (OECD.stat)

⁷Sometimes, divides are defined more in geographical or perhaps economic terms, where voters in the "North" oppose open borders and fiscal transfers more while voters in the "South" support them.

Andersson (1998) and others, studies suggest that citizens oftentimes have insufficient knowledge about EU policies and therefore base their assessment of the EU on perceptions of national level institutions. This means that patterns of trust or dissatisfaction are typically reproduced across the multilevel government system; citizens that are dissatisfied with their own domestic institutions are also often dissatisfied with international institutions, such as the EU. This implies that negative evaluations of national institutions decrease support for the EU and its policies among citizens – what has been called the ‘congruence’ hypothesis (Muñoz et al. 2011) or the ‘equal assessment’ hypothesis (Kritzinger 2003). For instance, studies find that trust and other forms of positive (negative) evaluations of national level institutions positively predicts trust in the EU parliament, attitudes about the EU and satisfaction with EU democracy (Muñoz et al. 2011; Rorscheider 2002; Armigeon and Ceka 2014).⁸

On the other hand, some have pointed to citizens more or less actively comparing the relative performance of institutions in a multilevel governance structure, which leads to very different predictions of the effect of dissatisfaction or perceived corruption in domestic institutions. If citizens do indeed compare the performance of different institutions across levels, dissatisfaction with domestic institutions could lead to increased support for EU integration. This is sometimes referred to as the ‘*compensation*’ hypothesis (Muñoz et al. 2011) or ‘different assessment’ hypothesis (Kritzinger 2003). Kritzinger (2003) finds that individual assessments of one’s own nation state are negatively associated with support for EU integration in the EU’s four largest members, yet she finds mixed evidence with respect to the link between citizens’ assessments of national level economy and EU integration support. Furthermore, Sanchez-Cuenca (2000) finds that people living in countries with higher levels of corruption tend to trust the EU more on average, a factor that the authors argue conditions national level trust.

However, the vast majority of studies on public support for the EU do not focus directly on economic redistribution. Factors explaining general levels of support for or trust in the EU may be different from the factors explaining public support for specific policy transfers to the EU, such as intra EU financial assistance, bailouts or Cohesion Policy (Bauhr and Charron

⁸ Others find less consistent patterns when comparing before and after the financial crisis (Obydenkova and Arpino 2017).

2018; Kuhn and Stoeckel 2014). These policies often come with a more concrete price tag, and economic redistribution within the EU can be perceived to be fundamentally different from the market liberalization often associated with EU integration efforts (Kuhn and Stoeckel 2014). Support for redistributive policies may require a different level of or form of solidarity across borders. Studies focusing directly on economic integration offer fruitful territory for more thoroughly testing ideas of compensation or congruence, as citizens are faced with more of a concrete choice of integration – whether they want their tax money going to Brussels or their own capitals. Moreover, measuring preferences on more specific policies about which citizens might have less direct knowledge is well-suited for models of benchmarking.

To gain a closer understanding of when and how institutional benchmarking matters for public support for international redistribution, we investigate the influence of perceptions of corruption across different levels of quality of government. Most studies on both national and international redistribution tend to study individual level determinants of support for redistribution at the aggregate level only, either within a single country (Bechtel et al. 2014) or across a range of donor countries (Paxton and Knack 2012 Chong and Gradstein 2008, Bauhr et al. 2013), assuming that perceptions of corruption have similar effects across contexts. Indeed, institutions that perform well according to international standards, expert coders, or average public perceptions may still be perceived as highly corrupt by groups of citizens within that polity. Perceptions of corruption may influence redistributive preferences very differently across different polities, especially in a multilevel governance structure such as that of the EU. This is an issue to which we turn next.

How perceptions of corruption influence support for Cohesion Policy

In this study, we seek to contribute to a more comprehensive understanding about how national benchmarking, via perceptions of corruption, influences support for redistribution within the EU. In particular, we suggest that it is important to distinguish between individual level perceptions of corruption and the overall quality of government in the context in which citizens find themselves, since the latter may determine the effect of the former. Specifically, by studying perceptions of corruption across varying contexts, we can better identify the sometimes widely different underlying sentiments that drive perceptions of corruption, and in particular whether citizens perceive that more EU integration will help or not.

Perceptions of corruption may potentially be one of the key determinants of public support for redistribution. Typically, countries with well performing and low corrupt government institutions redistribute more resources and exhibit lower levels of inequality. In particular, well-functioning government institutions may increase the supply of and demand for public goods, the willingness to pay taxes and social trust (i.e. Rothstein and Uslaner, 2005; Kitschelt and Wilkinson, 2007), all of which is conducive to greater government redistribution. At the aggregate level, studies show that low levels of corruption are correlated with less economic inequality, since low corrupt institutions ensure better accountability and thereby that tax money benefits many as opposed to a few. At the individual level, perceptions of corruption have been shown to undermine the willingness to pay tax in part because high levels of corruption lead citizens to expect that resources will be wasted or used for personal enrichment rather than the public good (Bauhr and Charron 2018; Rothstein and Uslaner 2005; Brautigam et al. 2008).

However, it is important to distinguish between preferences for domestic redistribution (national level) and preferences for inter-EU redistribution (supranational level). The literature has suggested several plausible ways in which perceptions of domestic corruption may increase public support for within-EU redistribution. Citizens that perceive high levels of corruption in domestic institutions may express a higher support for EU policies as a symbolic protest against the national political situation (Kritzinger 2003). Alternatively, they may more rationally compare or assume that EU institutions are outperforming domestic ones and therefore express support for the EU, much in line with the compensation hypothesis. For example, if EU funds are indeed more closely monitored than domestic ones (Fazekas and Toth 2017), perceptions of domestic corruption may increase support for EU-led economic redistribution.

Furthermore, public support for long term and institutionalized redistributions in the EU, as is the case in Cohesion Policy, may be particularly supported by citizens that perceive high levels of corruption if the majority of them live in contexts with relatively low performing government institutions. Citizens that perceive high levels of domestic corruption may, on average, assume that EU policies aimed at redistributing resources will improve their access to public services, since policies are more likely to benefit highly corrupt regions. If perceptions of corruption undermine the willingness to invest in public goods more generally,

they may not necessarily undermine the willingness to support policies that stand to primarily benefit one's home region, such as one that transfers some degree of policy-making authority to another level of government, or even an outside governing body. This forms our first hypothesis

H1. Perceptions of domestic corruption increase support for Cohesion Policy

However, a key concern is the extent to which perceptions of corruption have similar effects across contexts. Thus far, we have focused mainly on one end of the scale when it comes to benchmarking – those that reside in areas that perform relatively more poorly in the EU context. Yet perceptions of corruption may express sentiments that vary in kind between segments of the population. In other words, not all forms of dissatisfaction can be expected to lead to an increased public support for Cohesion Policy, either because citizens perceive that the EU is unlikely to improve government performance and the handling of government funds or because perceptions of corruption are simply transmitted across governance levels.

Citizens who perceive high levels of corruption in areas with comparatively well-functioning domestic institutions may not place their hopes on the EU. Instead, dissatisfaction in contexts with relatively well-functioning institutions may be primarily driven by a general distrust in elites, as expressed in the growing number of studies on the proliferation of “dissatisfied democrats” or “critical citizens” (e.g. Klingemann 1999; Norris 1999). The type of distrust in elites and dissatisfaction expressed in such contexts is likely to be a latent variable that correlates to lack of trust in all types of political institutions. Thus, these citizens are unlikely to support transferring more authority to the EU, which may make distrusting citizens perceive that power is even further removed from the hands of the ordinary citizen to the hands of an opaque technocracy with even more limited understanding of the demands of the public. Distrusting and dissatisfied citizens in contexts with well-functioning domestic institutions are therefore unlikely to see the EU and Cohesion Policy as a solution.

Thus, we suggest that the extent to which perceptions of domestic corruption translate into support for EU-lead redistribution is contingent upon the quality of domestic institutions, which we argue serves as a proxy for the extent to which perceptions of corruption are in fact an expression of underlying distrust of all elites. This leads to our second hypothesis.

H2. Perceptions of domestic corruption have a stronger (weaker) influence on support for EU-lead financial redistribution in countries with low (high) quality of government

In sum, while perceptions of domestic corruption may on average contribute to drive support for Cohesion Policy, we expect the effect to vary across contexts. In particular, perceptions of corruption will increase support for Cohesion Policy in contexts where the European Union is seen to compensate for domestic institutional deficiencies and ensure that resources are handled more efficiently. Citizens that perceive high levels of corruption in generally well performing contexts are more likely to distrust all forms of elites, including EU ones. In the following, we investigate and attempt to disentangle the complex relationship between corruption and Cohesion Policy empirically, using newly collected data.

Research design, data and methods

To test the hypotheses, the authors fielded an original survey with the purpose of better understanding the micro and macro level dynamics that drive support (or the lack thereof) of EU regional policies. The survey includes over 35 substantive questions as well as seven demographic and background questions to the respondent. The fieldwork was conducted during the summer of 2017. In all, 17,147 interviews were carried out in 15 EU Member States. While budget limitations prohibited the inclusion of all countries, these 15 countries in this sample represent over 85% of the proportion of the EU population. Countries were selected on the bases of variation with respect to geography, size, and institutional quality (see appendix for more information).

Measuring public support for Cohesion Policy is not as straightforward as in other policy areas, such as support for the Euro, which can be asked more or less directly. Previous Eurobarometer surveys of ‘Awareness of Regional Policy in the EU’ show a relatively consistent and low level of awareness throughout the EU over the past eight years in which the question was asked to the public. The latest four rounds of this Eurobarometer reported remarkably consistent results, with just over one third of respondents having heard of the policy⁹.

⁹ The question was framed in each Eurobarometer survey: “Europe provides financial support to regions and cities. Have you heard about and EU co-financed projects to improve the area where you live?” In addition, the survey specified certain names, such as ‘regional policy’ and ‘structural funds’. In each case we observe that less than half of the respondents answer ‘have heard’.

Given this relatively low level of knowledge of the policy in general, a direct question on this topic would most likely lead to invalid results. Respondents were therefore given some brief and basic background information about the policy in question:

‘As you might have heard, EU Cohesion Policy aims to reduce regional differences within the EU in things like economic development, and employment. While all members contribute and receive some funds, the wealthier EU countries generally contribute more and poorer EU regions receive more funding on average.’

Respondents were then asked the question of policy support, whereby we repeated the multilevel governance and redistributive for emphasis. *“In your opinion, the EU should continue this policy, where wealthier countries contribute more, and poorer EU regions receive more funding.”* Respondents answered on a 4-point scale – strongly agree, agree, disagree and strongly disagree. The weighted sample averages for the responses were 27%, 52%, 15% and 5%, respectively, with less than 1% choosing ‘don’t know’. In addition to asking about support of the general idea behind Cohesion Policy, following the work of Bechtel et al. (2014), respondents were asked a question that attempted to capture the ‘intensity’ of their support – e.g. would they want their country (e.g. their own tax money) to contribute more or less of the same to this policy.

In your opinion, compared with what it spends today, should (COUNTRY) contribute, more, about the same, or less to this EU policy? 1. More, 2. About the same, 3. Less

In this case, the weighted sample averages are 18%, 59% and 24%, respectively. We find that respondents from The Netherlands and France are least supportive, while those in Slovakia, Romania and Spain are most supportive. In testing our hypotheses about compensation based on corruption perceptions, we employ both the support and intensity questions (see appendix table A3 for summary table of dependent variables by country).

Our main independent variables are measures of corruption and institutional quality. On the individual level, we measure the extent to which the respondents perceive corruption in their own national governing institutions as well as those of the EU via the following question:

‘On a 0-10 scale, with ‘0’ being that ‘there is no corruption’ and ‘10’ being that corruption is widespread, how would you rate the following institutions?’

On the macro side, we elect to measure institutions at the sub-national level rather than national as regional Cohesion Policy beneficiaries can differ dramatically within countries

such as Italy, Spain or the UK, for example. Further, several studies have shown that the quality of institutions not only varies significantly across EU countries, but within them as well at the regional level (Charron, Dijkstra and Lapuente 2015). Thus, based on our expectations, we should observe a significant amount of variation in support within countries – with support being higher (lower) in better (poorer) functioning regions; thus, the sub-national level provides a stronger case for our theory¹⁰. We proxy institutional quality with the 2013 version of the ‘*European Quality of Government Index* (EQI, Charron et al. 2015), which to date is the best available proxy for the level of impartiality and corruption in regional public institutions. To test our hypothesis properly – that individual perceptions of national corruption are conditioned by context - we create a multi-level interaction with the two types of corruption perceptions with the regional measure of the EQI.

We control for several potential confounding factors highlighted in the literature on EU integration and financial aid support in Europe. First, many studies point to the importance of university education (Hakhverdian et al. 2013); a dummy variable is included if the respondent has a tertiary education or higher. Next, respondents were asked to place their attachment to three levels of governance – regional, national and European – on a 0-10 scale. Respondents who ranked their country highest are coded ‘1’ for national identity to account for this negative predictor (Hooghe and Marks 2005; Risse 2014). We anticipate that supporters of EU skeptic parties will be least likely to support the idea of Cohesion Policy as well as of sending more of their tax money to other EU regions (Stoeckel and Kuhn 2017). Using party affiliation with various party groups at the EU level, we code a respondent’s party preference as ‘EU skeptic’ if they would vote for a party belonging to the openly Eurosceptic ‘Europe of Nations and Freedom Group’ (ENF), ‘Europe of Freedom and Direct Democracy Group’ (EFDD), or the ‘European Conservatives and Reformists Group’ (ECR).

As per political values, we combine two questions in the survey to account for the ‘gal-tan’ dimension¹¹, as respondents with higher ‘tan’ values have found to be both less supportive of EU integration and more prone to rating corruption in their institutions as higher (Hooghe and Marks 2009). We control for left-right ideology and preferences for domestic redistribution

¹⁰ Regions here equate to NUTS 1 or NUTS 2 depending on the country. Countries with data for NUTS 1 are Germany, UK, Sweden, Hungary, Belgium and Greece, and NUTS 2 level for all others.

¹¹ The specific question formulations are found in the appendix.

via a question on the extent to which respondent's feel their own government should 'take measures to reduce income levels' in their country (0-10).

As utilitarian models suggest, the extent to which one supports a redistributive-type policy such as Cohesion Policy depends somewhat in part on one's perception of one's own regional status (Balcells et al. 2015). Thus, prior to the two main questions, respondents were asked to place their region within four groups in terms of GDP per head – the wealthiest 25% of EU regions, to the poorest 25% of EU regions. We also include the level of economic satisfaction of each respondent (1-4, -'very dissatisfied' to 'very satisfied'). Further, there is evidence that higher levels of inter-EU fiscal transfers to regions are associated with higher levels of support for EU integration (Chalmers and Dellmuth 2015). We include the amount of per capita structural funds for the 2007-2013 budget period (logged), which accounts for the dual confounding effect of level of economic development - the poorest 25% of regions receive by far the largest proportion of Cohesion Policy transfers, while the wealthiest 50% receive quite little comparatively – along with possible 'good will' created by EU investments that might explain higher support in Cohesion Policy in recipient regions where institutional quality may also be lower on average¹². This measure also accounts for valuable within-country variation, as some countries (Italy and Spain, for example) have both 'less developed' and 'more developed' regions.

We include standard controls for age and gender. As there are undoubtedly country level factors that determine some of the variation among individuals that we cannot account for, we include country level fixed effects, as using a random effects model with only 15 top level observations can be suspect (Stegmuller 2013). However, we check for the three level hierarchical specifications. Finally, all individual level variables are standardized via a min-max scale of 0-1 for purposes of comparability.

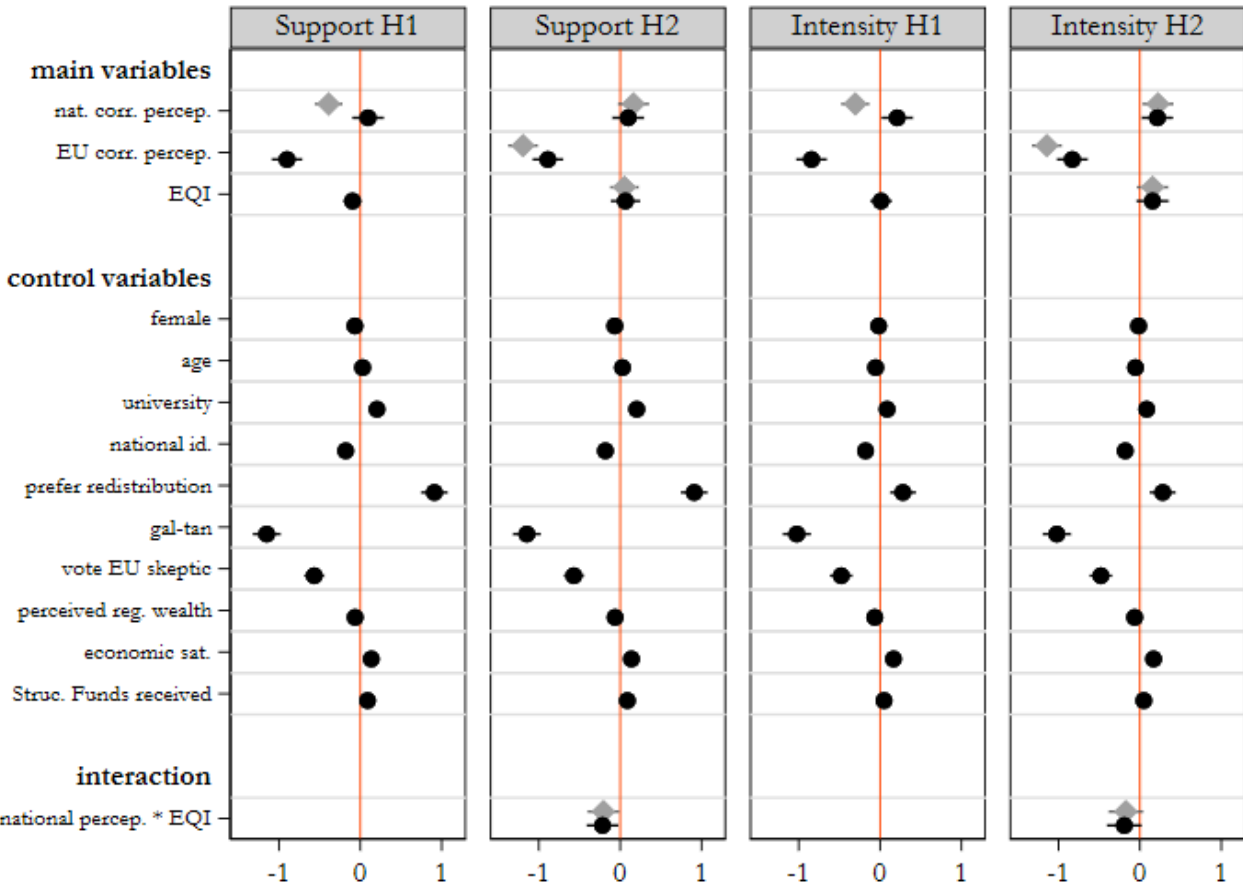
Estimation and Results

We begin by looking at the relationship between corruption perceptions, regional institutional quality and preferences for Cohesion Policy without additional control variables, accounting only for country fixed effects and survey weights in eight separate models, summarized in

¹² Data are from: http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/

Figure 1 (for the table output, see appendix Table A10). As the dependent variables are non-binary and ordered in nature, we estimate the models via ordered logit.

Figure 1: Testing H1 and H2 - Ordered Logit Estimates



Note: Ordered logit estimates where dots are average marginal effect on the probability of the DV with 95% confidence intervals. Grey diamonds show baseline models, black circles are effects with full controls. Constant and country fixed effects included in all models, not shown. Survey design weights included. Number of observations in support models is 16,905, and 17,125 in intensity models.

In the baseline models in columns 1 and 3, we find a strongly negative association between national corruption perceptions and support for Cohesion Policy, which runs counter to our

expectation in H1. Yet this estimate is biased due to the omitted variable that is included in model 2 - perceptions of corruption of the EU; this gives us a finding similar to that of Sanchez-Cuenca (2000: 164) and Rohrschneider (2002). Holding constant perceptions of the EU, we observe support for the idea of national level compensation, which is a consistent result across the models. The effect of national level corruption perceptions is negative on support and intensity for Cohesion Policy absent from perceptions of EU corruption (baseline models, grey diamonds). Including all control variables, we observe that the effect of national level corruption perceptions on support for EU economic integration becomes positive and significant for spending, yet negligible for overall support.

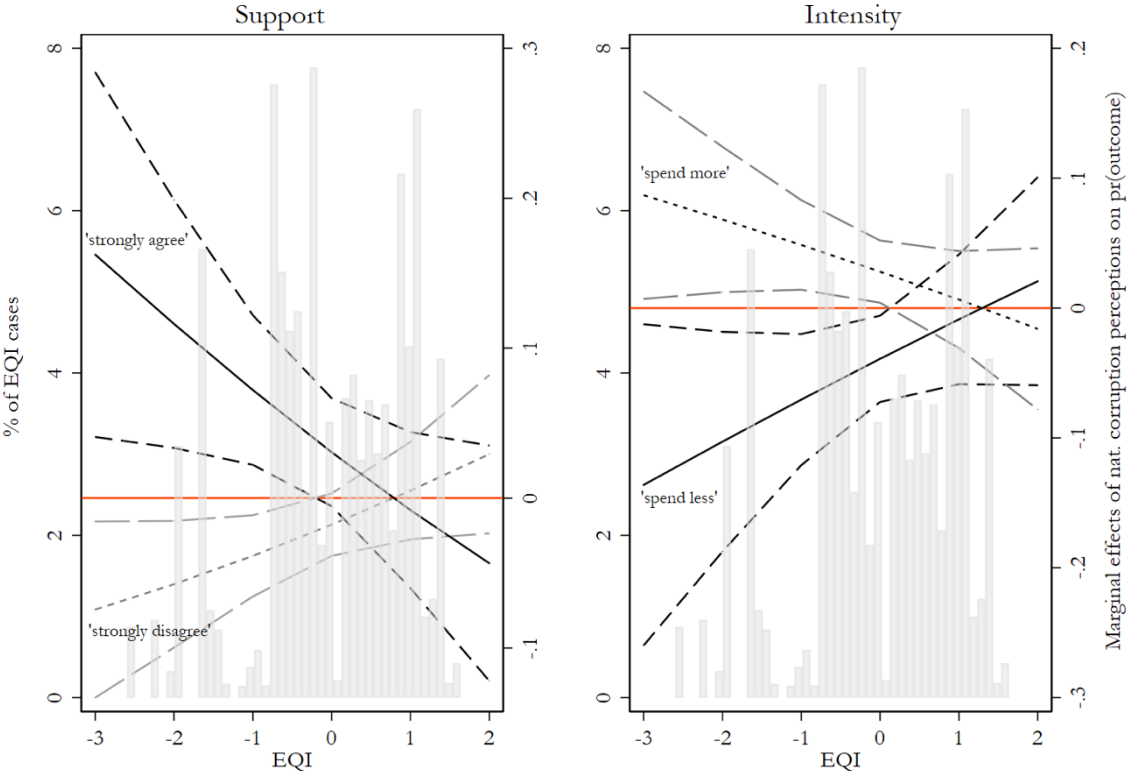
The effects of the variables from the interaction models (H2) with and without control variables are shown in columns 2 and 4. We find that the effects reported in Table 2 are robust to the inclusion of the controls. Moreover, just after the gal-tan index, the measure of corruption perceptions explains the greatest total variation of the outcomes in the model¹³. Holding constant perceptions of EU corruption, national level perceptions of corruption have a positive effect on support for Cohesion Policy, yet are offset when quality of regional governance is higher. Perceptions of corruption regarding the EU work in the opposite direction – an increase in the perception of corruption in the EU results in a decrease in the probability of supporting Cohesion Policy, and this effect is not offset by institutional quality at the regional level. We find similar results for the outcome of ‘intensity’ with respect to the interaction effects.

The control variables in the models are mainly in the expected direction. Having a university education or above is consistently associated with higher levels of support for Cohesion Policy but is negligible in terms of intensity. Respondents who identify the strongest with their home country (in Europe or their region) are significantly less likely to support Cohesion Policy, similar to previous studies of EU economic governance and EU economic transfers during crises (Kuhn and Stoeckel 2014; Bauhr and Charron 2018). Respondents who feel that their country’s government should reduce income disparities among individuals are also more likely support the idea of inter-EU redistribution. Yet the gal-tan dimension has a greater marginal effect on the outcome variables, in particular with respect to intensity, which is

¹³ We ran OLS models for each variable with country fixed effects and compared the R^2 , finding that the perceptions have the second greatest impact. For the results of the main variables and model fit, see Tables A8 and A9 in the appendix.

consistent with the findings of Hooghe et al. (2002). We also see that, on average, respondents who support Eurosceptic parties are less likely to express broad support for Cohesion Policy, as found in previous studies (Stoeckel and Kuhn 2017). Finally, similar to Bechtel et al. (2014), we see that those who are more optimistic about the economic situation in their area are more prone to support inter-EU redistribution. In addition, people who place themselves in the wealthiest regions being *most likely* to support Cohesion Policy, in contrast to utilitarian expectations. We observe that citizens living in regions that have received more structural funds are slightly more supportive, a finding that is similar to Chalmers and Dellmuth (2015). Finally, age is negligible and, while we find some evidence of a gender gap in support, with females being less supportive on average, there is no gender distinction in intensity.

Figure 2: Average Marginal Effect of National Corruption Perceptions on Support and Intensity



Note: figures visualize the interaction effects from the ‘support’ and ‘intensity’ models from Figure 1, including full control variables. For parsimony, the marginal effects of national corruption perceptions are shown for the most extreme outcomes of ‘strongly agree’ (black line) and ‘strongly disagree’ (dotted line) and ‘spend more’ (dotted line) and ‘spend less’ (black line). The right side of the y-axis shows the marginal effect, while the left side of the y-axis shows the % of cases for the mediating variable, the EQI. 95% confidence interval is shown around the estimate (the line).

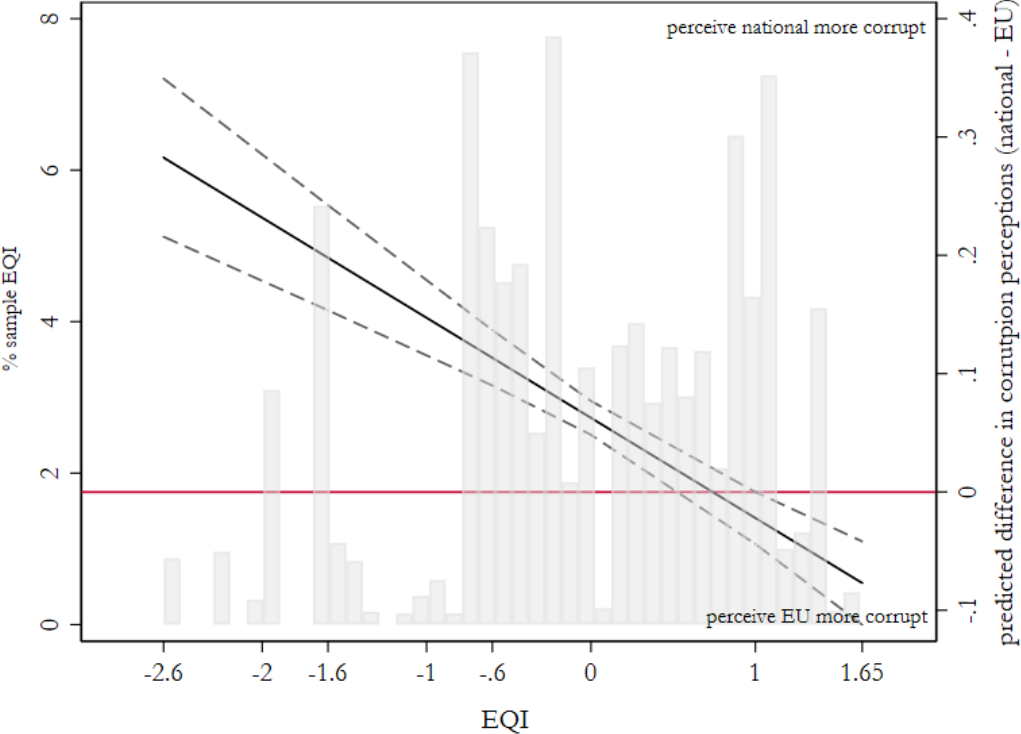
Figure 2 shows a visual of the effect of national corruption perceptions, including a histogram showing the distribution of the EQI for support for Cohesion Policy. To simplify, we show the marginal effects of national corruption perceptions on ‘strongly agree’ and ‘strongly disagree’ on the left-hand side (support), and ‘spend more’ and ‘spend less’ on the right side (intensity).

The overall message is clear. The average marginal effect of national corruption perceptions increases the probability of support and intensity, yet only for citizens living in areas with lower levels of governance. For support, the effect becomes negligible at just below the value of ‘0’ in the EQI (e.g. the EU mean value), while intensity the effect is negligible just above the EQI mean. Moreover, the model even predicts at the highest levels of institutional quality, that higher national level corruption slightly decreases support.

Further tests and robustness checks

We first check the underlying assumption of the second hypothesis – that citizens in relatively poorly governed areas in the EU evaluate the EU as less corrupt than their national level institutions, and vice versa in better governed areas. We subtract the perception of EU institutions from the national institutions, such that positive (negative) values indicate that a respondent rated the national (EU) level as more corrupt, while ‘0’ indicates that they are rated as equally corrupt. We then run a hierarchical model with this as the dependent variable testing whether variation in perception gaps can be explained by the EQI. Figure 3 summarizes the results and confirms our assumption – that perceptions of national level corruption are in fact systematically higher than EU ones in areas with the poorest levels of governance in the EU. Conversely, the difference becomes negligible around the mean level of the EQI, and, for people living in the best-governed areas of the EU, the EU is perceived as slightly more corrupt than national institutions, on average. The results therefore confirm our assumption and help us better understand why higher national level corruption perceptions increase support for EU economic integration in some areas, but do not do so in other areas. Full results are found in Table A4.

Figure 3: Predicted Difference in National and EU Perceptions of Corruption and the EQI – Multilevel Estimates



Note: black line shows the predicted difference in national and EU perceptions of corruption from the fixed effect part of the model, ranging from -1 to 1 as a function of the EQI. ‘1’ (‘-1’) implies that the national (EU) level is rated as completely corrupt while the EU (national) level is seen as completely clean. ‘0’ implies that the institutions are rated equally on average. 95% confidence interval shown via dashed lines. Histogram of the distribution of the EQI is included. All control variables from Figure 1 included (see Table A5 for full results).

Next, we check the robustness of our measure of regional institutions. Fazekas and Kocsis (2017) provide an objective measure of high-level corruption risk in public procurement, which is available in most of our regions. When re-running our results with this measure, we find strong supporting evidence for H2 and the cross-level interaction effect (Table A5).

Third, some research suggests that assessments of national governments are affected by foreign aid (Winters et al 2018), or that Cohesion Policy could lead to increased EU identity (Boaz et al 2018), thus there could be issues of endogeneity. We check whether the relationship between national corruption perceptions and support for Cohesion Policy are spurious to ‘having heard’ of Cohesion Policy, ‘having benefitted from any EU project’, neither of which alters the results. Moreover, we check whether a respondent’s support (or

oppose) the current government¹⁴. For example, citizens may be more tolerant to corruption in governments that they support or benefit from (Anduiza et al. 2013; Bauhr and Charron 2017). We re-run tests of H1 and H2 including a binary variable where 1 denotes support for a sitting government party as well a three-way interaction test to see if our findings are driven by government or opposition supporters. In Tables A6 and A7 we find our results hold to this alternative.

Fourth, we re-run the main tables using a logit estimation, whereby the support outcome is collapsed into a binary choice; the results are shown in Figures A1 and A2. On intensity, we test the effects of preferring to ‘spend more’ as a binary outcome in relation to the other two choices. We find consistent evidence of H2 in these models as well.

Fifth, we test whether influential outliers are driving our results via a bootstrapping method, which employs simple random sampling with replacement. Using the three-level hierarchical estimation, we specify the regional level as the one of primary interest and run 150 replicates of our original model in Table 1 (Figure A3). We find these results also to be robust.

Conclusion

This article is to our knowledge the first comparative regional level study that investigates the determinants of public support for the EU’s central redistributive tool: Cohesion Policy. Our results show that a majority of citizens profess some level of support for the idea of redistribution within the EU, indicating some level of legitimacy for inter-EU redistribution. We also show that support varies across segments of the population. While identity, ideology and economic factors influence support for within-EU redistribution, support is highly contingent on perceptions of domestic corruption. On average, perceptions of domestic corruption increase support for Cohesion Policy. However, the effect is primarily driven by citizens living in areas with dysfunctional or relatively low performing domestic institutions. Thus, much in line with the compensation hypothesis, these results suggest that citizens that perceive their government as corrupt prefer their tax money to be channeled through the EU. In these areas, citizens are more likely to perceive the EU as both a potential “savior and saint”, that will ultimately ensure better public service delivery and governance systems less plagued by corruption and mismanagement of public funds. However, perceptions of

¹⁴ We would like to thank an anonymous reviewer at JEPP for raising this point.

corruption in contexts with relatively well performing institutions undermine support for inter-EU redistribution, much in line with the congruence hypothesis (Andersson 1998; Muñoz et al. 2011). Further, when we test the assumption directly, we in fact find that the gap in corruption perceptions between national and EU institutions varies systemically as a function of the quality of one's home institutions. In contexts where the overall quality of government is low, citizens perceive EU institutions as less corrupt than domestic institutions.

This study thereby adds to the limited number of studies that seek to investigate the effects of corruption on international redistribution. Despite increasing attention to the importance of institutions in explaining demand for redistribution, whether these are welfare state regimes, corporatism, and party and electoral systems (Beramendi & Anderson 2008; Birchfield & Crepez 1998; Jæger 2013), the role of corruption and institutional quality has received surprisingly little scholarly attention, particularly in studies focusing on public demand for redistribution within the EU. Studies also reach somewhat conflicting results. Our study shows that the influence of individual level perceptions of corruption on support for Cohesion Policy is highly contingent on the quality of domestic institutions. Perceptions of corruption can have very different implications in low and high QoG contexts, with implications for redistributive preferences. Thus, while most research to date studies individual level determinants of European integration as average effects, implicitly assuming that they have an equal explanatory power through similar mechanisms, our study suggests that effects and mechanisms differ between contexts. Thus, studying only average effects risks limiting our opportunity to understand the determinants of public support for integration and international redistributions.

We also introduce what we believe is the most comprehensive citizen survey to date on Cohesion Policy. While there is an impressive literature on, *inter alia*, history, evolution, and rationale behind EU Cohesion Policy on the one hand (Bachtler and Wren 2006; Piattoni and Polverari 2016) and public support for European integration (Ingelhart 1977; Gabel and Palmer 1995; Hooghe and Marks 2005; Hobolt and de Vries 2016) on the other, we know surprisingly little about public perceptions of and support for Cohesion Policy, despite this policy being the second largest budget item in the EU and most significant redistributive policy tool. This analysis has sought to fill this gap.

While demand for redistribution is perhaps the strongest driver of policy and politics, income and capacities remain unequal in Europe. Perceptions of domestic corruption may increase support for Cohesion Policy, provided that the EU is seen as less corrupt. If support for cohesion is partly driven by perceptions of corruption in regions with dysfunctional domestic institutions, in particular in lower QoG areas, this has important implications for available avenues of securing public support for cohesion.

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3. Why Support International Redistribution? Corruption and Public Support for Aid in the Eurozone

summary

What factors explain public support for international redistribution? While the European Union has sent billions of taxpayers' money to over indebted euro countries in an attempt to avoid an economic collapse, these transfers have encountered fierce resistance among both donor and recipient constituents. However, we know surprisingly little about why citizens support or oppose redistribution within the EU. This paper suggests that domestic levels of corruption and institutional quality may be one of the most important explanations for the great variation in public support for financial assistance, bailouts and aid. Using recent European Elections Survey data merged with data on regional level quality of government, we show that the effects of institutional quality are consistently stronger than macro-economic factors, including economic development, inequality or levels of public debt. We find strong evidence that citizens in low corrupt contexts are more likely to support financial assistance to fellow member states. The results have implications for future challenges in securing public support for EU economic integration as well as for our understanding of how and why corruption undermines society's collective action capacity.

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Introduction

In 2009, the European financial system was hit by one of the worst debt crises of our time – the Eurozone crisis. The financial bailouts after the 2009 economic crises represent one of the most massive cross border transfers of resources in recent times, and billions of taxpayers' money was sent to over indebted Euro countries.¹⁵ While several experts view these bailout funds as necessary to avoid economic collapse, this redistribution of wealth has encountered fierce resistance among wide sections of the European public and many EU citizens strongly oppose the use of their tax-money to help other EU member states in times of crisis. Despite an impressive body of scholarly work on the determinants of support for domestic redistribution (e.g. Svallfors 2007; Jaegers 2006) and an emerging body of literature on public support for international redistribution and foreign aid (Milner and Tingley 2013; Bauhr, et al. 2013; Paxton and Knack 2012), we know surprisingly little about the factors that explain public support for inter-state redistribution within the EU.

This paper investigates the explanatory power of three major types of explanations for support for redistribution: macro-economic, political/institutional and individual level explanations. Traditionally, economic variables and in particular macro-economic (or 'sociotropic') performance has been seen as one of the most central explanatory factors for public support for financial assistance. However, we suggest that these studies have largely overlooked the importance of the performance of government institutions and in particular their level of impartiality and corruption. This paper suggests that the quality of government institutions and levels of corruption, may be one of the most important explanations for variations in public support for financial assistance to other EU countries. Citizens living in countries with well working domestic institutions support international redistribution to larger extent than citizens of countries with dysfunctional domestic institutions, and the explanatory power of the quality of institutions may be more important than macro-economic explanations, such as GDP/capita, income inequality or the level of sovereign debt.

We posit that two separate but highly interrelated factors explain why domestic institutions influence support for inter-EU redistribution. First of all, as suggested by a growing literature in such varying fields as health policy, environmental policy or the stability of public finances, the quality of domestic institutions are important for the *supply* of public goods, with implications for citizens' trust in the government's ability to collect taxes and produce and provide such goods (Rothstein et al.2012; Svallfors 2013). Citizens living in countries

¹⁵ The European Financial Stabilization Mechanism, for example, expected loans of up to 46.8 billion Euros to be distributed to Portugal and Ireland over three years (2011-2014) and 7.16 billion Euros in short-term assistance to Greece in 2015 (European Commission 2012)

with dysfunctional government institutions would thereby have experience of money being siphoned off from the provision of public services to the pockets of government officials, and therefore fundamental distrust the redistributive capacity of governments, domestically as well as internationally. Furthermore, the quality of government and level of corruption influence the *demand* for public goods provision. Clientelist and corrupt systems increase demand for particularistic payoffs rather than public goods and programmatic policies (Auyero 2001; Szwarcberg 2012; Kitchelt and Wilkinson 2007), and by implication, support for contributions to collective goods. In short, corruption undermines societies' collective action capacity and this lack of capacity, we suggest, extends across the border.

This article thereby seeks to make several important contributions. It provides a theoretical contribution by helping to extend scholarly knowledge on what factors explain public willingness to support redistribution and help other countries in crisis, and in particular on why and how the level of corruption of donor institutions impacts support for financial assistance. While there is a large body of work on support for EU integration and specific EU policies (Hobolt and de Vries 2016), as well as a few studies that seek to understand public support for bailouts and the support for redistribution in the EU (see i.e. Bechtel et al 2014; Daniele and Geys 2015), this is to our knowledge the first comparative study that seeks to investigate the impact of corruption and domestic institutional quality on public support for financial assistance within the EU.

We use recent survey data from the European Election Studies (EES), which contain data from all EU 28 countries. We find that public support for international financial assistance is significantly higher in regions with better institutional quality, and that the association between domestic levels of quality of government and support for helping other EU countries in times of crises is just over three times greater than the effect of economic development. Our analysis suggest that the quality of government institutions does not influence the extent to which citizens perceive that there is a collective problem to be solved in the first place, or sense of belonging to the EU, but rather that corruption undermines societies' collective action capacity. Corruption undermines citizens' trust in government's redistributive capacity, as evident in a reduced willingness to pay taxes and levels of trust in domestic government institutions. In other words, corruption does not seem to undermine citizens' perceptions of the problem being a collective one in the first place, but rather beliefs in the capacity of government institutions to tackle these problems. Thus, much in line with a "congruence" hypothesis (Muñoz et al 2011; Kristinger 2003; Andersson 1998), citizens' use "cues" about domestic government performance to form opinions about the likelihood that international aid

and financial assistance will reach desired ends. In highly corrupt contexts, however, trust in EU institutions may to a certain extent compensate for the lack of trust in domestic institutions (Sánchez-Cuenca 2000), and increase support for sending financial assistance to other member states, suggesting that the performance of donor institutions, both domestic and international, are of central importance to harness a stronger support for financial assistance and aid to other countries.

The rest of the paper is organized as follows. Section one provides an overview of the literature on redistribution, aid, and corruption. Section two discusses the relationship between the quality of government institutions and support for international financial assistance and aid and develops our hypothesis; section three presents our data and analysis; and section four our results. Section five concludes.

Public Support for Financial Assistance and Aid in the Eurozone

European elites have invested credibility and sizeable amounts of tax money in defense of massive cross boarder transfers and bailouts to over indebted fellow governments that are often struggling with rampant corruption and mismanagement. The number of studies investigating the factors that drive public support for such transfers are thus far very few and quite recent (Bechtel et al 2014). Redistribution and aid within the EU offers a unique point of analysis – transfers are not made to certain individuals (the poor, the elderly, etc.), but to certain geographic areas (countries and/or regions). While this occurs within the context of foreign aid as well, unlike typical foreign aid type transfers that generally go to the world's least developed countries, the recipient countries are all relatively quite developed within the EU¹⁶. What may explain public support for such financial assistance? As support for many of the EU's policies (enlargement, single currency, etc.) tends to be correlated; public support for within-EU redistribution could be driven by factors that generally explain support for other EU policies.

Drawing on the extensive literature on public support (or skepticism) for EU integration broadly speaking (see Hobolt and De Vries 2016 for a more complete overview), we know from recent research that EU support is multidimensional. For example, Boomgaarden et al. (2011) argue that a single latent idea of support or opposition is too broad, and they find that there are (at least) five different distinct dimensions of EU support. One such specific policy area is the idea of economic redistribution within the EU.

¹⁶ According to the World Bank's latest data, the EU's poorest country by per capita GDP (Bulgaria) ranks 63 out of 186 countries.

Surprisingly, only recently have a handful of studies sought to understand what factors explain public support for international financial assistance, in particular *within* the EU (for recent exception see i.e. Bechtel et al 2014 & 2015; Daniele and Geys 2015; Stoeckel, & Kuhn, 2017; Kuhn & Stoeckel, 2014). Bechtel et al. 2014 analyze why German citizens support EU bailouts to other countries within the Eurozone, finding that typical explanations of self-interest (income levels) are trumped by factors such as altruism and cosmopolitanism. Daniele and Geys (2015) find also that across Europe, individual level factors such as trust in the EU, age, altruism, and ideology trump income levels for supporting fiscal integration in times of economic crisis. National identity is also found to be a salient (negative) predictor of support for EU economic governance in general, especially among citizens in wealthier countries (Kuhn and Stockel 2014). Others point more to the influence of domestic politics and the information cues about international bailouts that come from one's political party (Stokel and Kuhn 2017). Although the inter-country transfer system within the EU is extensive, such studies on public support for redistributing funds within the EU are surprisingly still relatively few in number and the literature tends to be focused on select countries, such as Germany, mainly due to data limitations¹⁷.

In their recent overview of studies on public support for European integration, Hobolt and de Vries (2016) suggest that the literature explaining support has mainly focused on three types of explanations: utilitarian, identity-driven and “cue-taking and bench-marking with reference to the national political context” (p.414). They also suggest that we know comparatively little on “how diverse national contexts shape people's perception of the European Union” (ibid.). Oftentimes, divides are defined in economic terms, “as many voters in the North oppose open borders and fiscal transfers, whereas voters in the South call for more EU redistribution” (Hobolt and de Vries 2016; Hobolt 2015). However, while it is hardly surprising that economic factors do matter for support for redistribution, we suggest that the literature thus far has paid insufficient attention to the potential explanatory power of cue taking based on the functioning, or quality of domestic government institutions. Studies point to factors such as the media or political parties as “short cuts” to opinions on the EU, since citizens on average can be expected to have less direct information on the EU than on their domestic government. Surprisingly little attention has, however, been directed to the potential importance of experiences of the functioning of domestic institutions (Anderson 1998, Kritzinger 2003), and the literature presents somewhat conflicting results on whether good

¹⁷ Although several Eurobarometer surveys exist on public awareness of EU Regional policy for example, there are no proper questions regarding support for the idea.

experience of domestic institutions or democracy helps support for the EU or not (Muñoz et al. 2011; Sanchez-Cuenca 2000; Rohrschneider 2000).

In particular, very few of these studies on support for the EU or the emerging literature that deals specifically with support for financial assistance and bailouts within the EU investigate the potential impact of corruption, or the quality of domestic institutions as a source of variation in support¹⁸. Here, we build on a few studies that investigate the impact of corruption on support for foreign aid, i.e. international redistribution outside of the EU. While several recent studies investigate the determinants of support for foreign aid¹⁹, the particular role of corruption has mainly been studied at cross national level, focusing either on its effect on aid disbursements or public support for foreign aid (Chong and Gradstein, 2008; Bauhr et al. 2013). For example, Chong and Gradstein (2008) find that domestic levels of corruption in donor countries drive down aid levels, and that donor government' efficiency and corruption, rather than the level of corruption in recipient countries affects aid generosity.

Thus, despite a large literature on preferences for national inter-personal redistribution, international redistribution and foreign aid, very few studies investigate the effects of the quality of government institutions and corruption on public support for international financial assistance and aid. This is, to our knowledge, the first study that investigates the impact of the quality of domestic institutions and corruption on support for redistribution within the EU.

Corruption, Collective Action Capacity and Support for Financial Assistance

Some of the most influential explanations for redistributive preferences depart from theories of economic interest and capacity, suggesting that citizens would be less likely to support international redistribution in bad economic times compared to good economic times (Heinrich et al. 2016), when resources would presumably be less abundant and seen as better spent domestically. Furthermore, richer governments typically disburse a larger share of their GDP in foreign aid than do countries with a lower level of GDP per capita (Chong and Gradstein 2008). Similarly, it may be reasonable to expect that support for international

¹⁸ These findings are generally mixed. Sanchez-Cuenca (2000) argues and finds that country-level corruption increases support for EU integration, while Rorschneider (2002) finds that a positive interaction on EU support between better functioning institutions and a feeling that 'EU represents me'. Moreover, these studies employed samples of only EU15 countries as they were conducted prior to the large expansion in 2004.

¹⁹ For the determinants of support for foreign aid see i.e. Heinrich et al 2016; Milner & Tingley, 2013; Paxton & Knack, 2012;

redistribution or bailouts would at least partly be determined by citizens' perceptions of their government's economic conditions, such as level of GDP per capita or public debt.

However, there are several distinct albeit inter-related reasons why domestic levels of corruption and quality of government may be important to understand redistributive preferences, and, we suggest, potentially have a stronger explanatory power than traditional economic variables such as GDP/capita or public debt. In particular corruption and poor quality institutions reduce the supply of public goods, and may thereby create public resignation and disillusionment about the capacity and potential of the political system to redistribute resources in the first place. It may also accentuate demand for particularistic payoffs, incentivize "free riding" and thereby undermine the willingness to contribute to both domestic and international public goods. In other words, the quality of government may increase both the supply and demand for public goods provision and thereby serves to promote an increased support for international redistribution and bailouts.

EU countries' contributions to inter-EU financial assistance, including both bailouts or other types of transfers, could be seen as a collective action problem, to the extent that the aim is to stabilize EU's common currency and prevent financial crises that can have repercussions on the entire financial system of the EU. Therefore, national contributions to redistribution within the EU can be viewed as a collective action problem and the funds as a non-excludable, international public good (Ostrom 1999; Bechtel et al. 2014), meaning that everyone can enjoy them, and every country could choose to "free-ride" on other countries' contributions to international redistribution.

In this perspective it can be useful to distinguish between collective action capacity and perceptions of the problem being a collective one in the first place. While the first pertains to governments (perceived) capacity to contribute to public goods provision, the latter pertains to whether there is a sense of belonging to a collective entity at hand. Some citizens may for instance believe that governments have the capacity to solve collective problems and redistribute resources, but do not believe that there is a collective problem to be solved and vice versa. The quality of government institutions could potentially influence the sense of belonging to the EU. Some studies suggest that citizens are more willing to transfer authority to the EU if they are dissatisfied with their own domestic institutions - this is sometimes referred to as the "*compensation hypothesis*" (Muñoz et al. 2011; Kristinger 2003; Sánchez-Cuenca 2000), because citizens would prefer supranational authorities to deal with problems if their own institutions are failing.

Citizens' perceptions of governments' collective action capacity instead, relate to governments supply of public goods provisions, which ultimately have repercussions on citizens demand for such goods. While the influence of the quality of government institutions and domestic levels of corruption on citizens' international redistributive preferences has thus far received scant attention, particularly so within the EU, several studies suggest that corruption and clientelism severely undermine governments' ability to collect taxes and not least use the taxes collected for redistributive purposes (i.e. Rothstein and Uslaner 2005; Brautigam et al. 2008; Bratton 2012). In line with fiscal contract theories, governments do not possess sufficient coercive power to simply impose their will on society, but must bargain with citizens and provide services and policy in exchange for the revenue collected (Levi 1989; Levi et al. 2009; North 1981; Bates and Lien 1985). In other words, citizens accept taxes partly because they believe that governments use the revenues collected wisely.

There is considerable empirical evidence for the contention that better quality of government increases public confidence in government institutions (Anderson and Tverdova 2003; Chang and Chu 2006; Seligson 2002). Corruption and quality of government is closely related to government legitimacy (Gilley 2011), and trust in government capacity to provide public goods. Therefore, people who perceive government institutions as fair and efficient may be more likely to trust that resources will be used in an impartial manner and provide public rather than particularistic goods (Rothstein et al. 2012; Svallfors 2013). Furthermore, good quality of government and low levels of corruption may also increase social trust (Rothstein and Uslaner 2005), which is typically seen to improve societies' collective action capacity. In the logic of collective action theory, both citizens' expectations about fellow citizens' contributions to collective goods, and governments (or other authorities) sanctioning capacity are important for citizens' willingness to contribute to the provision of collective goods (Ostrom 1999). Low quality of government may undermine both of these conditions for collective action. In countries with poor government institutions, citizens are more likely to turn to other problem solving networks outside of public institutions to deal with problems that they face (Nichter and Peress 2016), and quid pro quo transfers and personal exchanges of goods and services typically becomes the norm (Auyero 2001; Szwarcberg 2012 Kitschelt and Wilkinson 2007).

To what extent might experiences of impartial government institutions and well-functioning public good provision extend to a more general willingness to support international financial

assistance, aid and supply of international public goods? In line with a “*congruence hypothesis*”, citizens are likely to use “cues” about the performance of their domestic governments to assess the trustworthiness of other governments or supranational authorities, which they presumably would know less about (see i.e. Muñoz et. al 2011)²⁰. If people perceive government institutions as corrupt and inefficient, they might believe that the taxes collected to provide financial support to other EU member countries will be wasted or not properly used in the hands of corrupt recipient government officials. In other words, citizens from countries with poor functioning institutions might believe that the root problems to countries in a financial crisis are similar to problems in their own country – that elites in other recipient countries are corrupt as well and would find ways to siphon funds for their own benefit. The quality of domestic government institutions is also linked to the level of trust for supranational authorities, such as the EU. Here, the relationship may potentially run in both directions. Citizens’ in countries with well working domestic institutions may use “cues” about the functioning of government and trust in their own domestic institutions may consequently spill over to a higher level of trust in EU institutions. However, citizens’ exposed to domestic institutions rife with venality may also, in line with the compensation hypothesis discussed in the above, express a relatively higher level of trust in EU institutions. Trust in both government institutions, both domestic and EU level, may, in turn, generate a stronger support for international financial assistance.

In other words, the quality of government may influence the willingness to pay taxes and institutional trust and thereby societies collective action capacity and willingness to contribute not only to domestic but also international public goods, including support for international financial assistance. Government corruption may thereby reinforce and propel a negative spiral since a continuous undersupply of public goods may create further disillusionment of the potential of the system to contribute to solutions that benefit many as opposed to a few. This forms our hypothesis:

H. Politics with higher levels of corruption will have lower public support for financial assistance within the EU on average.

In sum, we expect corruption and lack of quality of government to reduce citizens’ trust in the capacity of governments to redistribute resources fairly and impartially and thereby reduce public support for international financial assistance.

²⁰ see also Harteveld et al. (2013; 561).

Research Design, Data, Measurement and Estimation

As our hypothesis is mainly regarding how macro-level institutions affect individual level attitudes, we employ a comparative, observational design, with data from a recent European Elections Survey (EES) from 2014. The survey contains a representative sample of all EU28 countries and collected roughly 1,100 respondents per country, totaling 30,065 interviews²¹. All the interviews were carried out face to face (by way of Computer-Assisted Personal Interviews). The EES survey employed here offers the best possible data among those currently available due to the wide scope of individual level factors that we can account for included in the survey.

To measure our dependent variable – support for financial assistance within the EU – we use the following question: *To what extent do you agree or disagree with the following statement: In times of crisis, it is desirable for (OUR COUNTRY) to give financial help to another EU Member State facing severe economic and financial difficulties.* The responses range from 1-4 – ‘strong agree’ to ‘strong disagree’ and we reversed scale to make higher numbers equal more support. For purposes of parsimonious presentation and more meaningful interpretation we transform this into a binary variable – ‘support’ (3 and 4) vs. ‘no support’ (1 and 2), as we are more interested in what explains the threshold between ‘2’ and ‘3’ than the other categories. With respect to geographic differences, we observe noteworthy variation across countries; with the max country value 0.843 (Sweden) being over a full standard deviation higher than the min country value of 0.305 (Slovakia).

Explanatory variables: macro-level

The main contextual-level variable of interest to this study is the quality of institutions or level of corruption in a given polity. We elect to measure institutions at the sub-national level rather than national. First, several studies have shown that the quality of institutions not only varies significantly across EU countries, but within them as well at the regional level (Charron, Dijkstra and Lapuente 2015). Thus based on our expectations, we should even observe a significant amount of variation in support within countries – with support being higher (lower) in better (poorer) functioning regions; thus the sub-national level provides a stronger case for our theory²². We proxy institutional quality with the 2013 version of the ‘*European Quality of Government Index (EQI, Charron et al. 2015)*, which to date is the best

²¹ Cyprus, Malta and Luxembourg are the exceptions, and have roughly 540 respondents each. The ESS survey was commissioned by the Public Opinion Monitoring Unit of the European Parliament and was done by TNS Opinion together with its local partners between 30 May and 27 June 2014

²² Regions here equate to NUTS 1 or NUTS 2 depending on the country. Countries with data for NUTS 1 are Germany, UK, Sweden, Hungary, Belgium and Greece, and NUTS 2 level for all others.

available proxy for the level of impartiality and corruption in regional public institutions. While the EQI is based on aggregate citizen perceptions and experiences with regional institutions, we also check the results using a more objective measure of institutional quality – a corruption risk measure developed by Fazekas and Kocsis (2015), which builds on 1.4 million public procurement contracts to capture the number of single bidders per region in high cost public procurement, indicating possible collusion among elites.

While admittedly many structural factors could be driving support for redistribution within the EU, we focus our attention on potential confounding relationships between institutional quality and support. First, it is possible that the effect of poor institutions on support for redistribution works via a region's overall level of development, thus we control for this with GDP per capita by region. Next, the relationship could be spurious to a region's level of income inequality, which could be a driver of lower institutional quality (Jong-Sung and Khagram 2005) and has been directly linked to Euroscepticism in general (Kuhn et al. 2016). While no perfect measure of income inequality exists for EU regions, we proxy this concept with the percentage of residents at risk of poverty by NUTS region, averaged for the five years prior to the survey to include as many regions as possible (2009-2013, Eurostat).

Explanatory variables: micro-level

As we are mainly focused on macro-level factors in the theoretical section, we rely on the newly established literature on public support for inter-EU economic redistribution and financial support for individual level controls. Most all studies control for 'utilitarian' type factors (Daniele and Geys 2015; Bansak et al 2016; Stockel and Kuhn 2017) To capture one's 'self-interest' in support for redistribution, while the survey does not give a direct measure of income, it does include a proxy: *during the last 12 months, would you say you've had difficulty to pay your bills on time?* (1=most of the time, 2=from time to time, 3= almost never/never). Next, we also account for the respondent's level of education, which has found to be highly salient in explaining German public support for bailouts to other EU countries in crisis (Bechtel et al 2014; Stockel and Khun 2017). The EES survey provides a variable for the number of years completed in school. A third individual factor we include is whether someone is employed or not. In addition, we also include the respondent's subjective views of the economic situation in their country relative to 12 months ago.

Building on previous works about support for EU integration in general, recent findings in the public support for inter-EU economic redistribution and financial support show that political attitudes, values and ideology have strong explanatory power (Daniele and Geys 2015). We attempt to capture this in several ways. First, to account for traditional left-right political

views of the respondents, we use a question whereby respondents are asked to self-place themselves on a 10 point left-right scale. Similar to Bansak et al (2016), who find that left-right divides are particularly salient in explaining views on Brexit, we re-code the 10 point variable so that it goes from 1 (far left) to 5 (far right). Second, a growing number of scholars point to a second dimension as being especially relevant in the EU context (Van Spanje and Van Der Brug 2007), the so-called ‘gal-tan’ dimension (Green/Alternative/Libertarian versus Traditional/Authoritarian/Nationalist), which tracks people’s attitudes of state control over various social-cultural/ ‘post-materialist’ issues. We construct an index of three correlated questions (all 0-10, higher values equal more ‘tan’) on same-sex marriage, civil liberties and the environment. Next, the strength of EU identity relative to a respondent’s domestic identity explains support for a host of EU policies (McLaren 2002; Hooghe and Marks 2009). Here we proxy this with a question on respondents’ attitudes on EU integration; whether the EU should have more or less budgetary control over member states, which previous studies have found relevant in explain attitudes of support for EU integration (Van Spanje and Van Der Brug 2007). Finally, we control for gender and age.

Regarding ‘cue taking’, scholars have shown that there is a strong relation between party support and support for various EU policies because citizens tend to take cues from the platforms of party elites (Steenburg and Jones 2002; Hooghe and Marks 2009). Moreover, Stockel and Kuhn (2017) find party support relevant in explain German support for EU bailouts. We anticipate that supporters of EU skeptic parties will be least likely to support the idea of sending tax money to other struggling EU states. In the EES survey, respondents are asked what party they would vote for if their general parliamentary election was tomorrow. Using party affiliation with various party groups at the EU level, we code a respondent’s party preference as ‘EU skeptic’ if they would vote for a party belonging to the Europe of Nations and Freedom Group (ENF), Europe of Freedom and Direct Democracy Group (EFDD), or the European Conservatives and Reformists Group (ECR); as all three of these party groups are openly Eurosceptic.

All variables are standardized for the sake of comparison (using a min-max, from 0-1). A more thorough description of all variables mentioned in this section along with summary statistics is presented in the appendix.

With respect to our estimation methods, we elect to use hierarchical estimation with random intercepts at the regional level. Shifting from the country to the regional level offers several advantages, namely avoiding ‘whole country bias’, giving better precision in capturing spatial

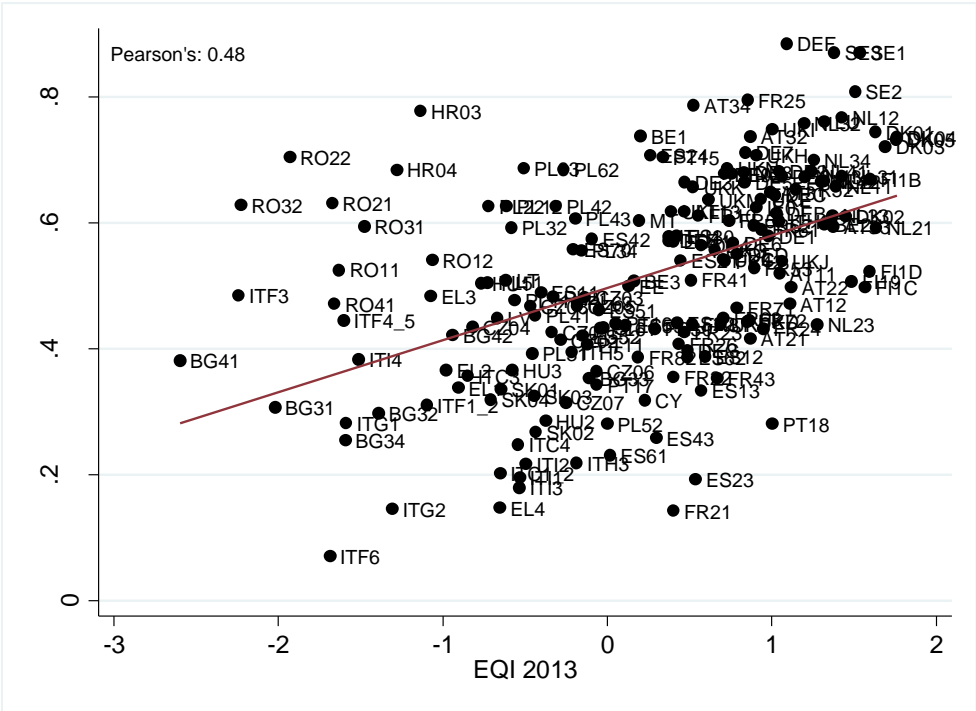
differences of the macro-level variables as well as increasing the number of second level units in the model by more than six-fold (from 28 to 183), which significantly reduces bias in the estimates (Stegmuller 2013) and allows for potentially more control variables. In addition, we check the results using standard regression and regional clustered weights, which allow for the use of EES survey design weights. We elect not to run fixed effects models, in order to directly test the macro level effects of institutions. The dependent variable is an ordinal variable with four responses, and for purposes of more straight-forward presentation, we present the main results with hierarchical logit regression, whereby we re-code the dependent variable into a binary variable focusing on the variation of greatest interest – support versus lack thereof (‘totally disagree’ and ‘tend to disagree’ = 0 and ‘totally agree’ and ‘tend to agree’ =1). In addition, we present estimates using both hierarchical logit with the original variable scale as well as OLS with the binary outcome variable for clearer interpretation of the marginal effects.

Results

We begin with a simple scatterplot illustrating the relationship between regional quality of government (EQI) and support for redistribution within the EU for 183 EU regions²³. Overall, we see a fairly strong and positive relationship; regions with better institutional quality on average tend to show higher levels of support. At either end of the spectrum, we see Calabria (ITF6) with low EQI and support for redistribution, while Schleswig-Holstein in Germany and Northern Sweden (SE3) have the highest level of overall support and are among the best performing regions on the EQI. The Pearson’s coefficient is 0.48 for the sample.

²³ We use the ESS design weights in aggregating by region.

Figure 1: Institutional Quality and Aggregate Support for within-EU Redistribution



Yet figure 1 demonstrates only aggregated estimates, which could lead to ecological fallacy. Thus we proceed to multi-level modelling in Table 1. with the results of an ‘empty’ hierarchical model (not shown) accounting for regional random effects show that roughly 75% of the random variation is due to the individual level, and roughly 25% is attributed to the regional level ($p < 0.000$). Thus the multilevel, random effects intercept approach is appropriate, and will reduce the likelihood of type I error (Steenbergen and Jones 2002).

Table 1: Public Support for EU Bailouts: Hierarchical Estimates

Variable	1. Macro-level factors	2. Individual level factors	3. Full model	4. ordered logit estimation	5. LPM
Regional Institutional quality (EQI)	1.30*** (0.26)		0.84*** (0.24)	0.67*** (0.22)	0.18*** (0.05)
Regional GDP p.c.	0.64 (0.42)		0.54 (0.38)	0.55 (0.34)	0.11** (0.08)
Regional Inequality	0.48 (0.33)		0.64** (0.30)	0.65** (0.25)	0.14** (0.06)
female		-0.07** (0.03)	-0.06** (0.03)	-0.08*** (0.03)	-0.01* (0.006)
age		0.25*** (0.05)	0.24** (0.05)	0.30*** (0.05)	0.05** (0.01)
income		0.21*** (0.04)	0.20*** (0.04)	0.17*** (0.03)	0.04*** (0.01)
education		0.89*** (0.08)	0.90*** (0.09)	0.92*** (0.07)	0.19*** (0.02)
unemployed		-0.05 (0.06)	-0.06 (0.05)	-0.04 (0.05)	-0.01 (0.01)
economic sat.		1.38*** (0.07)	1.37*** (0.07)	1.32*** (0.06)	-0.29*** (0.01)
Gal_Tan		-1.12*** (0.09)	-1.09*** (0.09)	-1.10*** (0.08)	-0.23*** (0.02)
Far-left		0.22*** (0.05)	0.22*** (0.05)	0.19*** (0.04)	0.04*** (0.01)
Center-Left		0.27*** (0.05)	0.27*** (0.05)	0.23*** (0.04)	-0.05*** (0.01)
Center right		0.19*** (0.05)	0.19*** (0.05)	0.14*** (0.04)	0.04*** (0.01)
Far right		0.22*** (0.05)	0.23** (0.05)	0.19*** (0.04)	0.05*** (0.01)
Vote EU Skeptic		-0.60*** (0.06)	-0.61** (0.06)	-0.58*** (0.05)	-0.13*** (0.02)
EU integration (oppose)		-0.93*** (0.05)		-0.99*** (0.05)	-0.19*** (0.01)
Constant/ cut 1	-1.13 (0.25)	0.11 (0.09)		-0.84 (0.20)	0.32 (0.17)
cut 2				0.63 (0.20)	

cut 3				3.09 (0.20)	
residual					0.46 (0.002)
Random intercept	0.31 (0.04)	0.27	0.22 (0.03)	0.22 (0.03)	0.10 (0.01)
Model Chi2	0.0000	0.0000	0.0000	0.0000	0.0000
Observations (regions)	28,276 (183)	20,987 (183)	20,662 (183)	20,662 (183)	20,662 (183)

Note: models 1-3 are estimated using ordered logit with random regional level intercepts. Models 4 uses the dichotomized dependent variable whereby '1' equals support if the respondent is coded as '3' or '4' and '0' if coded '1' or '2' on the original question scale. Model 5 re-runs model 4 with OLS estimation, or a 'linear probability model (LPM) to estimate marginal effects. Comparison group in the left-right self-placement is 'center'. All variables have been normalized so that they range between 0-1 for purposes of comparison. Standard errors in parentheses.

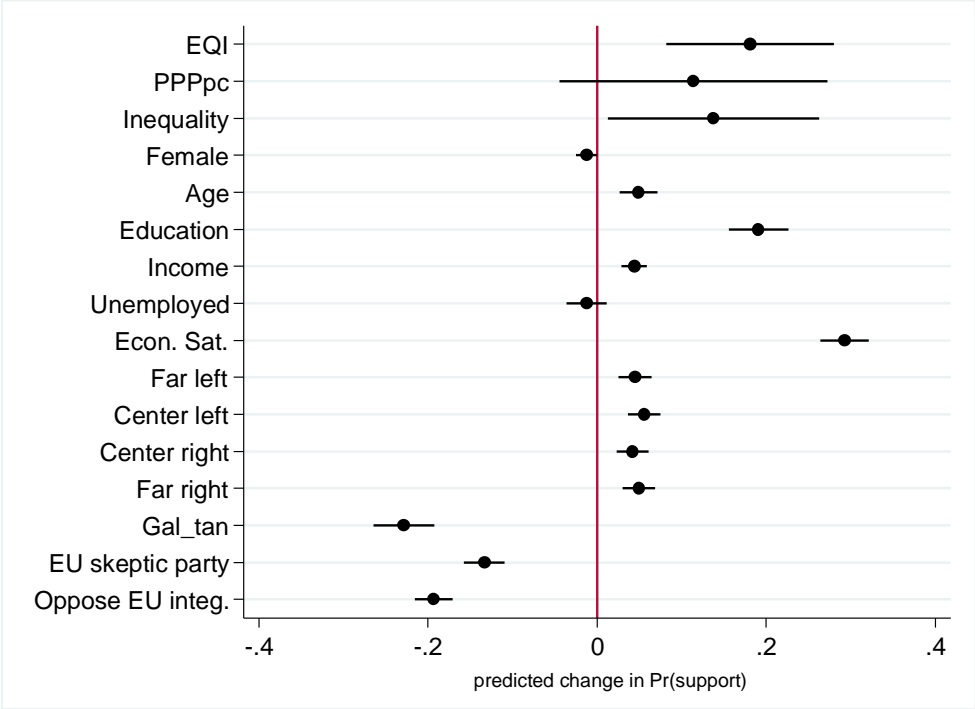
Next, we test the regional level variables in model 1. H1 states that regional institutional quality is a salient factor in support for EU redistribution, and we find strong initial evidence of this claim here. As the EQI is a standardized measure, the measures of economic and development and inequality are also standardized (between 0 and 1), rendering their effects comparable. We find the marginal effects of the EQI in the direction expected and significant ($p < 0.001$), and over two and three times the effect of GDP per capita and income inequality respectively, both of which are negligible when holding constant institutional quality.

In model two we examine the effects of the individual level factors on support for economic assistance for fellow member states in need. The findings here are highly consistent with the expectations of much of the EU public opinion literature in other policy areas. People of higher socio-economic status (income and education) and those with more satisfied with the overall economy tend to be more supportive. One's party support also plays a role in the expected direction, with those who would vote for an EU-skeptic party being less supportive. Political ideology in terms gal-tan are in the expected direction, yet the more traditional left-right measure distinguishes only center respondents (less supportive) from those on the left and right. Attitudes on EU integration overall also track in the predicted direction; as opposition to these increases, a respondent's level of support for financial help to other EU countries decreases. Finally, we find a consistent gender gap in support, with females on average being more negative to bailouts compared with males.

In the third model we include all regional and individual level variables. We find that while the effect of the EQI on the dependent variable is reduced somewhat, it is still significant, thus showing support for our hypothesis. Individual level factors remain largely consistent with the results in model 2, while we also observe that regions with more inequality show more support for financial assistance on average. For summary and visual purposes, following Bansak et al (2016) we replicate model three with a linear probability model in order to

produce marginal effects, which we show in Figure 2. In sum, we find that the marginal effect of institutional quality is greater than that of GDP per capita or inequality.

Figure 2: Summary of the Marginal Effects of Variables



Note: marginal effects from linear probability model (LPM), model 4 Table 1. Reference group for the 5 category left-right ideology is ‘center’. Baseline support for the dependent variable is 0.555.

Testing the Mechanisms

Having found support for our hypothesis that institutional quality is significantly linked with individual level support for inter-EU financial assistance, we attempt to better elucidate the causal mechanisms in this section. Support for our proposed mechanism implies that we observe a significant relationship between our variable of institutional quality and a mediating variable, along with a significant relationship between the mediating variable and the support for our dependent variable, financial assistance. Our three proposed mechanisms derived from the theory section are: citizens in poor institutional settings (1) oppose any taxation of their income, (2) that citizen simply do not trust their elected leaders (national and/or EU level), and (3) are less inclined to feel like part of the collective (e.g. an EU citizen) thus less inclined to contribute to the collective. In the appendix, these selected variables used to capture these concepts are more thoroughly explained.

Table 2: Test of the Mechanisms

	1. support financial aid	2. support taxation	3a. Trust Nat only	3b. Trust EU only	3c. trust both	4. feel EU citizen
<u>EQI</u>	0.57**	0.18***	2.08***	-2.32***	1.07***	0.24
	(0.25)	(0.04)	(0.23)	(0.26)	(0.24)	(0.24)
<u>Support taxation</u>	0.53***					
	(0.06)					
Trust National	0.41***					
	(0.05)					
Trust EU	0.48***					
	(0.05)					
Trust EU*Trust National	0.14**					
	(0.07)					
<u>Feel EU citizen</u>	0.48***					
	(0.04)					
<u>Random effects</u>						
<u>Random intercept Var.</u>	0.23 (0.03)	0.08 (0.004)	0.11 (0.02)	0.24 (0.04)	0.22 (0.03)	0.46 (0.04)
<u>constant</u>	-1.42 (0.25)	0.30 (0.03)	-4.21 (0.24)	1.84 (0.26)	-3.45 (0.25)	0.14 (0.24)
<u>Type of hierarchical estimation</u>	logit	OLS	logit	logit	logit	logit
<u>Observations (regions)</u>	19,808 (182)	20,518 (182)	20,389 (182)	20,389 (182)	20,389 (182)	20,970 (182)
<u>Model Chi2</u>	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Note: multilevel OLS in model 1, 3a-c and 4 with multilevel logit as the dependent variables range as the dependent variables are binary in each case. Model 2 uses hierarchical OLS with random regional intercepts. . All control variables from model 3, Table 1 included.

In Table 2 we attempt to directly test some of these possible mechanisms at play behind our main finding. First, we include measures of these three mechanisms to the main model (from model 3, table 1). To capture one’s attitudes about government intervention in general, we take the following question ‘how much do you agree with the following: 0-10, 0 ‘You are fully in favour of raising taxes to increase public services’ – 10=’You are fully in favour of cutting public services to cut taxes.’. On the idea of political trust, we include two variables capturing trust in national and EU level institutions whereby we construct dummy variables of each and an interaction (e.g, one ‘trusts both’)²⁴. Using this simple two by two scheme, we see

²⁴ National trust: “You trust the national parliament” (1-4). EU trust: “You trust the institutions of the EU” (1-4), both are re-coded 0/1, where ‘1’ equals ‘trust somewhat’ or ‘trust totally’. Reference group in model 1= ‘trust neither’.

whether various types of trust are related with aid support and then how institutions relate with different types of trust to better explore for the compensation vs congruence hypotheses in the literature. To capture the idea behind acting collectively, we do not have a direct measure of whether one believe that the bailouts in fact do contribute to a ‘collective’ from which all benefit, but a necessary condition of this we argue would be whether one feels like a EU citizen or not, thus we capture this with the question “You feel you are a citizen of the EU” (1-4, ‘not at all’, - ‘yes, totally’), which is recoded 0/1.

We find that the log of odds coefficient of the EQI is reduced by over one third compared to model 3 table 1, and that all mechanism variables have the expected effect on the dependent variable and are significant. People who support more intervention in general, those who express political trust (both EU and/or national) and those who feel like EU citizens are more included to support EU aid on average. In model 2, we examine whether there is a link between institutional quality and support for government fiscal intervention nationally, holding constant country-level and individual level factors. Here we observe that citizens in polities with higher quality institutions also support raising government taxation to fund public services, while there is systematically less support for such measures in countries with lower QoG. This gives us some insight about one potential mechanism – that citizens in lower QoG countries systematically support less state intervention in collecting revenues for collective goods and services.

In models 3a-3c, we regress a question on political trust on QoG, country level GDP per capita and debt/GDP along with our set of control variables from Table 1. Our findings suggest several implication of how institutional quality’s effect on EU aid support is mediated by political trust. Our first model shows that compared with those that trust neither, those that trust both institutions are most likely to support the EU bailouts to fellow member states, followed by those who trust the EU only and then those of only the national parliament. We look at the relationship between institutional quality and each type of trust in order to tease out potentially heterogeneous effects. First, model 3a regresses the explanatory variables on trustors of national parliaments only (e.g. and do not trust the EU). We find a systematic relationship between the level institutional quality and overall trust (trust both, model 3c) and national-only political trust (model 3a), while we find a strong reverse pattern when looking at those who trust the EU only in model 3b. This suggests that the compensation and congruence hypotheses might be working in tandem depending on the level of polity-wide corruption and institutional quality. In higher corrupt areas, citizens might support EU-aid because they trust the EU more than the national government, while in lower corrupt areas,

citizens might be channeling congruence-type cues from their country or regional institutions and supporting EU-aid based on these trust cues.

Third, while the trust results provide us some insights into this, we attempt to examine the link between institutions and support for inter-EU redistribution as an EU-wide collective action problem. With no perfect question in the survey to employ here, one question does get at this sentiment – whether one feels like an EU citizen or not. If not, there is not much of a collective to which one’s tax dollars can contribute. Here, we do not find that there is a significant relationship between country level institutional quality and the feeling of belonging to the EU under control for our set of control variables. Thus we can conclude that the mechanism of local institutional quality on attitudes toward inter-EU fiscal aid works via spill over effects from attitudes of domestic fiscal policy and trust of national leaders.

Robustness checks

First, we test whether our results are consistent when using an alternative measure of institutional quality for EU regions. We re-run the results using the objective measure of high level corruption risk in public procurement from Fazekas and Kocsis (2015) (see Table A2). Next, we re-run the analyses using country level variation in lieu of regional level variation at level two in the multilevel model (Table A3). For institutional quality, we employ a standard measure, the World Bank’s ‘control of corruption’ (Kaufmann et al. 2011). In addition to measures of inequality and economic development, we include even a country’s debt over its GDP (Table A4), and re-test H2 using the country level WGI measure in the cross-level interaction term (for bivariate results, see Figure A1). In addition, we re-run the models without the random intercepts, using standard OLS regression and regional clustered standard errors so as to account for design weights (Table A4). Next, we estimate the effect of our variables in split samples – EU15 and new Member States (NMS) (Table A5). As Romanian respondents were found to be strong residual outliers, we also report the NMS sample estimates without Romania. We find the strongest effects of the hypothesis in the EU15 – where variation of institutional quality is highest. In NMS (with Romania) the effects become negligible, yet excluding the respondents from the outlying case, we find some confirming results. In Table A6 we test further the effect of individual countries on the overall results and re-run multiple model 3s in Table 1, excluding one country at a time. We report the coefficient of the EQI in each case, finding that while the overall effect of the EQI is weakened by excluding some countries (Italy) and strengthened when removing respondents from others (Romania), the overall effect remains consistent.

Conclusion

This study seeks to understand the determinants of public support for financial assistance and aid. In particular, we suggest that the quality of government institutions and corruption influence public support for redistribution within the EU. We suggest that increases in institutional quality lead to higher levels of support for EU financial assistance and bailouts, and that the mechanisms through which this occurs is more likely related to citizens belief in governments collective action capacity (i.e. trust in governments redistributive capacity and willingness to pay taxes) than citizens perceptions of that there is a collective problem to be solved (feeling of belonging to the EU). To test these hypotheses, we use recent survey data from the European Elections Survey (ESS). Overall, we find strong support for our hypothesis. Institutional quality is more strongly associated with support for international redistribution than other macro-level factors. Holding all else constant, we find the effects of institutional quality at both the regional and country level to be consistently stronger than economic development, income inequality or debt to GDP (at the country level).. This means that institutional quality and low level of corruption may be a more important determinant of public support for international redistribution than most of the traditional explanatory factors, that are typically used to explain public support for redistribution, in the EU or globally.

Building on a growing body of research on corruption and quality of government, we suggest that corruption undermines public support for international redistribution through two separate but interrelated effects. First of all, corruption undermines governments' supply of public goods, and thereby lowers citizens' expectations on governments' redistributive capacity (Rothstein et al. 2012 Svallfors 2013). This, in turn, undermines citizens' trust in governments' capacity to collect and redistribute tax money fairly and efficiently, domestically as well as internationally. Second, corruption undermines citizens' demand for public goods provision, such as contributions to international redistribution. Instead, corruption tends to nurture demand for particularistic payoffs and demand for tangible and personalized benefits (Auyero 2001; Szwarcberg 2012; Kitcheld and Wilkinson 2007).

Our results thereby have several noteworthy implications and contributions. They contribute to a better understanding of the effects of corruption and quality of government on public support for international redistribution in general, and for redistribution within the EU in particular. While there is a wealth of literature on support for EU integration in general, we examine a form of support for EU integration that has gone under-researched until quite recently – that of support for inter-EU financial assistance and aid. Unlike inter-personal

transfers from the wealthy to the poor within countries, or international foreign aid from the world's most developed to least developed areas, the redistribution within the EU is neither inter-personal, nor necessarily to the 'most needy' areas. We see this analysis as one of the first empirical investigations of public support for inter-EU fiscal redistribution.

Furthermore, we follow up on a recent call by Hobolt and de Vries (2016) for more analyses on how national (or regional) context shapes individual level factors, and ultimately opinions about further EU integration. Our analysis attempts to do just this. In addition, the regional level offers many advantages relative to the country level in hierarchical modeling. However, for skeptical readers, the findings also hold when using national level comparisons.. Remarkably, our results show that people who live in highly corrupt, poor institutional contexts are generally less supportive of aiding other EU countries in times of crisis on whole. However, we also show that quality of government influences citizens' perceptions of government capacity to redistribute resources or use resources wisely rather than their propensity to recognize that there is an important collective problem to be solved.

This type of redistribution, as well as the contemporary relevance of this question in particular for the EU, offers a number of potentially interesting research avenues and policy implications. First, to get a better sense of the overall support for redistributive policies within the EU among its citizens, future surveys should include questions about Cohesion policy and its components to test these ideas more thoroughly. Second, our results have important policy implications. While it is important to bear in mind that results are associational since we lack access to panel data, our model would not predict that the EU can 'grow its way' to greater levels of support for policies such as redistribution. Such support seems to run deeper, as institutional quality and low corruption are long-term investments. It is thus encouraging for those interested in a closer fiscal Union that the EU Commission has recently added "strengthening institutional capacity and an efficient public administration"²⁵ to its thematic objectives for the 2014-2020 budget cycle. The fact that our hypotheses are supported with sub-national data implies the salience of building institutional capacity not only at the national, but also at the regional level. To increase support for greater fiscal EU integration, increased attention should therefore be directed towards the quality of domestic levels of corruption. With low support for inter-EU redistribution and bailouts, and improper handling of national transfers, current attempts to save crisis-stricken countries within the EU might

²⁵ http://ec.europa.eu/regional_policy/en/funding/social-fund/

fail. This could have adverse consequences for the financial system of the EU as well as for the future cohesion of the EU.

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4. In God we trust? Identity, institutions and international solidarity

Summary

Several recent studies show that citizens' identification with the EU is one of the most important determinants of support for EU integration, that may also hold the key to greater economic solidarity and support for international redistribution. This article proposes a multidimensional conception of European identity, and that citizens' support for redistribution within the EU is highly contingent not only on the level of identification with the EU but also on the nature of their feeling of belonging to the community at hand. In particular, we suggest that citizens' who feel European based on civic ties are more likely to support redistribution, than those that instead identify with Europe based on religion and in particular Christianity. Using unique and newly collected regional level data, we find support for these claims. Thus, not only if or how much, but also *why* citizens identify with Europe matters for the level of social solidarity across boarder.

Key words: identity, Europe, trust, international redistribution, corruption, cohesion policy

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Introduction

Why do citizens support sending their tax revenues to remote populaces? While public support for international redistribution may partly be attributed to purely utilitarian motives, social identities may be one of the key determinants of solidarity across borders. In particular, citizens who perceive themselves as part of a particular community are more likely to also want to share resources within that community. In the literature on EU integration, identification with the EU is often seen as one of the key explanations for support for further integration (Hooghe and Marks 2009; Hobolt and de Vries 2016; Börzel and Risse 2018).

This paper suggests that citizens' solidarity with remote EU populaces and preferences for within-EU redistribution is highly contingent on not only the level of identification with the EU but also on the fundamental nature or type of European identification that citizens' hold. Thus, rather than only asking 'if' or 'to what extent' citizens' identify with Europe, we suggest that redistributive preferences can be derived from asking 'how' or 'why' citizens' identify with the Europe. We propose a multidimensional conception of European identity and investigate two dimensions of European identity: civic and religious. In particular, we suggest that secular identification with Europe (civic), is more likely to drive support for EU-lead redistribution, while citizens that base their sense of being European on religious affinity are more skeptical. In particular the type of identification with Europe may determine important conditions for support for international redistribution, including support for EU-lead redistribution, trust in the EU elite as well as beliefs in the likelihood that other countries will contribute to such collective endeavors.

Data from an original and newly collected regional survey in Europe, that build on 17,147 interviews carried out in 15 EU member states (Charron and Bauhr 2018) are employed. We show that citizens who believe that the Christian religion is of greater importance to being European than a civic identification, are less likely to support the central redistributive tool of the EU, cohesion policy, that aims to reduce regional economic differences. Those that instead base their identification with Europe on civic ties are much more supportive of inter-EU redistribution. We propose and test several mechanisms as to why this is the case, including a weaker feeling of belonging to the EU in general, greater suspicion of 'free riding' by other Member States', lower preferences for state-led redistribution in general and lower perceived benefits of EU economic integration.

The paper thereby seeks to make several important contributions. First, while several studies have shown that higher levels of European identification may facilitate support for European integration (Carey 2002; Hooghe and Marks 2005; Kuhn and Stoeckel 2014), this paper instead investigates the explanatory power of a multi-dimensional conceptualization of identity (Bruter 2004; Risse 2015). In doing this, we introduce a conceptual mapping of European identity on two dimensions, whereby we capture both the *strength* of one's identification with Europe (vertical) as well as distinguishing European identity across various *types* - civic and religious categories (horizontal). We posit that the effects of civic identification is theoretically and empirically distinct from that of identification with Europe on the basis of religion and in particular Christianity. Second, to our knowledge, we are the first to measure directly European citizens' support (or lack thereof) for Cohesion policy, and we introduce newly collected survey data in order to gain a closer understanding of the micro and macro level dynamics that drive support (or lack thereof) of EU regional policies. Third, we explore and test several mechanisms from our theory as to why variations in social identification influence support for cross boarder redistribution. We show strong empirical evidence for the mechanisms proposed.

Identity and social solidarity across borders

Echoing Laswells (1936) famous statement that politics is about "who gets what when and how", scholars and policymakers invest substantial time and efforts into understanding the determinants of redistributive preferences. Research on both domestic and international redistribution (i.e. Alessina and Ferrera 2005; Beremendi and Andersson 2008) suggest that redistributive preferences can partly be derived from economic self-interest, i.e. that support should be stronger among citizens that rely on the welfare state and in countries with poor macroeconomic performance. However, studies on citizen support for European economic integration point to the importance of several other types of explanations regarding support for redistribution, including values, trust in institutions, altruism, or cosmopolitanism (Bechtal et al 2014; Kuhn and Stoeckel 2014; Daniele and Geys 2015; Bauhr and Charron 2018). In particular, studies highlight the importance of citizens' identification with Europe for their general supportiveness of the European endeavor and integration overall and find that citizens are more supportive of EU integration if they do not exclusively identify with their home nation. (Hooghe and Marks 2009; Hobolt and de Vries 2016; Börzel and Risse 2018). Also, cosmopolitanism, or the extent to which people have interest in, and care about, groups of

individuals that are geographically or culturally distant may be important in explaining support for financial redistribution. For example, holding a cosmopolitan social identity may increase the willingness to support and comply with international endeavors (Paxton and Knack 2012; Bayram 2017). Bechtel et al. (2014) show that German citizens that express cosmopolitan and altruistic views are significantly less likely to oppose financial bailouts for crisis-stricken EU countries; a finding supported by Daniele and Geys looking at an EU-wide sample (2015).

While this literature has made significant contributions to the field of research, we argue that several questions remain unanswered. First, despite a sizable number of studies suggesting that citizens' identification with Europe matters for support for EU integration (Hooghe and Marks 2005; 2009), most have conceived of, and measured, identity in a unidimensional way. Thus, we know comparatively little about the effect of different types of identifications with the EU (see Bruter 2003) – that is to say *how* one identifies as European, as opposed to whether they do so (or not). European identification can be of several different types, citizens may vary substantially in what they mean by what it means to 'be European', and in particular the values they attach to it. This suggests that European identification is a multifaceted term and citizens may identify with the EU for various reasons, such as civic, cultural or religious reasons, which might have very different implications for supporting economic solidarity across the Union.

Types of European identity and preferences for international redistribution

Collective identity is a social construction that is mainly concerned with 'who one is' and to which group one belongs in relation to other groups. Identity can thus be seen as the factor that bridges the self with its surroundings. Individuals construct their identity in relation to the outside world and create feelings of belonging to, or exclusion from, various subgroups (see i.e. Bruter 2003; Mummendey and Waldzus 2004). In the European context, multiculturalism is emphasized within a framework of multi-level governance, where identities are conceived around supra-national, national or local boundaries (Hooghe and Marks 2005). While the theoretical concept of territorial 'identity' has become nearly ubiquitous in studies on public support for European Integration in general (Hobolt and de Vries 2016), the measurement of

this concept remains strikingly blunt in most empirical studies. mainly due to a reliance on the standard questions included in Eurobarometer data.

Traditionally, European identification focus on the strength of identification with the EU or Europe. Consequently, the method of operationalizing one's 'identity' generally proceeds along the lines of investigating whether citizens "feel" part of a certain nationality (British, French, Polish etc.) both the nationality at hand and European, European only, or none.²⁶ In practice, studies often use a binary variable expressing 'exclusive national identity', created for those who respond to 'country only'²⁷ (Hooghe and Marks 2004; 2005; McLaren 2007; Garry and Tilly 2009; Fligstein et al 2012; Serrechino et al 2013; Kuhn and Stoeckel 2014; Polyakova and Fligstein 2016). Thus, in this standard operationalization, the measure is a *lack-of* identification, rather than identification *with*, Europe. Alternatives to this measure generally include questions about 'being proud to be a European citizen', or the EU posing 'a threat to our nation' (Lubbers 2008; Boomgaarten et al 2011), or a self-placement on an ordinal scale that measures how 'attached' one is to Europe or one's nation (Hobolt 2016).

While these standard conceptions of European identities and proxies are parsimonious and have proven to be powerful measures capturing those who are most prone toward Euroscepticism (Hooghe and Marks 2005) they proxy identification with Europe along only one dimension – the *strength* of attachment/identity with Europe, mainly vis-à-vis one's home country. Yet it is unclear from questions of geographic 'attachment' or 'identity' what people actually mean when they conceive of belonging to 'Europe' or the 'EU'. Different conceptions of European identity can lead to different outcomes of collective support for EU policies, such as economic redistribution. To improve our understanding and precision in the measure, we build on several studies that suggest that European identity is a multi-dimensional concept. For example, Bruter (2003) points to civic and cultural components of how one views (or experiences) what is 'European'. Risse (2015) suggests that European

²⁶ 'do you feel COUNTRY only, COUNTRY and European, European and COUNTRY or European only?'"

²⁷ A slight variation on this main question is sometimes phrased:

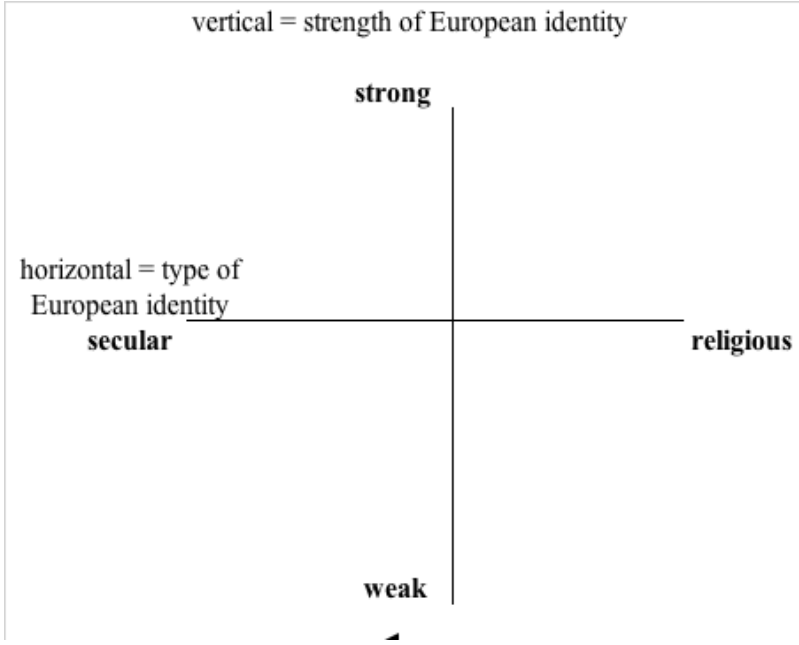
'As well as your current citizenship, do you also think of yourself as a citizen of the European Union/(COUNTRY)? a) Often; b) Sometimes; c) Never.

Whereby a respondent is coded as having 'exclusive national identity' is one who answers 'never' to Europe' and something other than 'never' to one's nation.

identity contains at least three dimensions – ‘civic’, ‘sacred’ and ‘primordial’ (Risse 2015: 27-28).

Our conception of European identity contains two broad dimensions – horizontal and vertical. On the vertical axis, we conceive of the *strength* of identity with Europe (e.g. does one feel European?), a dimension that is most often captured empirically in the literature. On the horizontal axis, we highlight the *type* of identification one associates with Europe (e.g. how one view what ‘being European’ means). Building on these aforementioned studies, we suggest that horizontal identification with the Europe is a continuum of two different kinds: civic and religious – concepts that range from a more secular to a more sacred identity with Europe. The *civic* side refers to mainly rights, rules and laws that effect all citizens on a day to day basis, and citizens’ sense of “constitutional patriotism” (Habermas 1992). The *religious* identification with Europe builds on adherence to the community on the basis of the dominant religion: Christianity (Kaiser 2007). Figure 1 shows a visual of our European identity conception. The operationalization of our framework is explained in section 5.2.

Figure 1: A Multi-dimensional Conception of European Identity.



A central debate among scholars studying European identity has been whether ‘European-ness’ is determined by common bonds of Christianity and Western culture or by its secular modern ideals of liberalism, universal human rights, democracy, tolerance and multiculturalism, which are far more reflected in the current institutions of the European Union (Casanova (2006). In particular, we posit that secular identification is distinct from non-secular identification for at least three interrelated reasons: (1) the belief in governments responsibility for redistribution (2) sense of belonging to the international community, and (3) relatedly, fears of ‘free-riding’ and perceptions of the extent to which other countries will contribute to collective endeavors. Each of these are discussed below.

Secular identification with Europe may enhance belief in the extent to which governments, as oppose to civil society non-state actors or churches, bear the responsibility for redistribution. A growing literature points to the importance of religious ties for understanding support for the welfare state (Stegmuller et al 2011; Galen 2015) and pro-social values and the importance of helping others is emphasized in most world religions. In many parts of the world, religious institutions have traditionally assumed a significant responsibility in providing welfare services and promoting compassion for the weak and poor (Chang 2005; Bloom et al 2015). While studies show that religiosity is associated with philanthropy, forgiveness and benevolence, this relationship is contingent on several factors, and the type of pro-sociality promoted by religions are generally not universal in character and thereby tends to build on (and foster) in-group rather than out-group trust (Bloom et al 2015). Consequently, Oviedos (2015:13) recent review of the link between religion and pro-sociality concludes that only “some forms of religion are prosocial in some situations for some groups”. Thus, the literature points to several potential reasons why religiosity would undermine support for some forms of redistribution and in particular universal and secular government lead redistribution. A religious social identity may potentially place authority and redistribution in the hands of religious representatives rather than secular government institutions (see i.e. Norris and Inglehart 2004).

Furthermore, a social European identification based on religious ties may potentially weaken the sense of belonging to the community. Christianity has been seen as the defining cultural distinctions between Europe and its neighboring areas going back to the crusades (Stråth 2002; Pope Benedict 2007²⁸), and the work of Kaiser (2007) shows that the EU project in general began with predominately-Christian democratic roots, and not those of secular, technocratic elites. However, in recent times, the EU has become increasingly associated with secular values, potentially causing the alienation of citizens associating the EU with Christianity rather than more secular values. In particular, those that identify with the EU based on Christianity may in the modern days feel less identified with the community as a whole. In other words, identifying with Europe based on Christianity may undermine one's preference for the use of secular-type institutions in Brussels as the main distributor of resources, in turn leading to a decreased support for redistribution.²⁹

Related to the above, social identification with Europe based on religion may also lead to distrust in other countries contributions to the collective endeavor. National contributions to redistribution within the EU can be viewed as a collective action problem (Ostrom 1999; Bechtel et al. 2014), in the sense that everyone can enjoy the stability and growth generated by the redistributed funds, regardless of their own contributions (provided that others contribute). Therefore, support for redistribution may at least be partly contingent upon expectations on if other countries will contribute to redistribution, or if they, instead, choose to “free-ride” on the efforts of others. To a certain extent then, contributions may be contingent upon trust in the communities' willingness to share the burdens as well as the benefits and reluctance towards redistribution may therefore be attributed to perceptions of other countries not contributing their fair share. A social European identification based on religion may not only contribute to reduce the sense of belonging to the community, but also foster a distrust in other countries' willingness to contribute. Since expectations about other parties' contributions to collective endeavors is often seen as essential for the willingness to contribute (Aumann and Dreze 2008; Fehr and Fischbacher 2005; Gintis et al. 2005; Ostrom 1998; Sen 1967), such beliefs may be deeply detrimental for the willingness to share resources across borders.

²⁸ https://www.catholicnewsagency.com/news/christianity_created_the_european_identity_pope_benedict_says

²⁹

Thus, there may be several reasons why citizens that believe that Christianity is the most important aspect of what it means to them to be European would be more skeptical to government-lead redistribution in general. Skepticism towards state-lead redistributive programs may easily translate into a distrust in not only one's own government and the EU, but also fellow government contributions to collective action problems, nurturing beliefs that neighboring EU countries are prone to free ride on collective efforts. This, in turn, may lead to a stronger focus on prioritizing the own country over others and therefore rather spend money at home than abroad. This leads to our main hypothesis.

H1. Civic identification increases support for redistribution within the EU, while religious identification decreases it.

In sum, we suggest that not only attention to the vertical dimension of identity, i.e. if and how much citizens' identify with the EU, but also closer attention to the horizontal dimension, or different types of identification with Europe, may help better explain how when and why citizens support EU policies, and in particular inter EU redistribution.

Research Design, Data and operationalization

As our theory highlights individual and macro level effects on support for economic solidarity in Europe, we test our hypotheses with multi-level observational data. In doing so, we present an original survey that is intended to help researchers better understand the micro and macro level dynamics that drive support (or lack thereof) of EU regional policies (Charron and Bauhr 2018). The survey includes over 35 substantive questions as well as seven demographic and background questions of the respondent. The fieldwork was conducted during the summer of 2017. In all, 17,147 interviews were carried out in 15 EU member states. The respondents, from 18 years of age or older, were contacted randomly via telephone in the local language. Telephone interviews approximately 12-15 minutes in length were conducted via both landlines and mobile phones, with both methods being used in most countries. While budget limitations prohibited the inclusion of all countries, these 15 countries in this sample represent over 85% of the proportion of the EU population. Countries were selected for purposes of the selected case study reports as well as on the bases of variation with respect to geography, size, and institutional quality (see appendix for more information).

The dependent variable: support for economic solidarity

Redistribution within Europe – a multi-ethnic, linguistic and cultural area – offers a unique point of analysis; it is neither redistribution to the world’s poorest countries, nor are the transfers directed at the poorest people. We propose that the best available proxy to measure citizen support for our idea is via Cohesion Policy, which is” the only real, significant redistributive mechanism in the EU ... and probably the most scrutinized regional development programme in the world” (Fratesi 2016: 457)³⁰. To our knowledge, we are the first to measure directly European citizens’ support (or lack thereof) for this policy.

However, measuring public support for a Cohesion Policy is not as straightforward as other policy areas, such as support for the Euro, which can be asked more or less directly. Previous Eurobarometer surveys of ‘*Awareness of Regional Policy in the EU*’ have consistently shown a relatively low level of awareness of this policy throughout the EU over the past eight years in which the question was asked to the public. The latest four rounds of this Eurobarometer reported remarkably consistent results, with just over one third of respondents having heard of any aspect of Cohesion³¹.

Given this relatively low level of knowledge of the policy in general, a direct question on this topic would most likely lead to invalid results. Respondents were therefore given some brief and basic background information about the policy in question:

‘As you might have heard, EU cohesion policy aims to reduce regional differences within the EU in things like economic development, and employment. While all members contribute and receive some funds, the wealthier EU countries generally contribute more and poorer EU regions receive more funding on average.’

Respondents were then asked the question of policy support, whereby we repeated the multilevel governance and redistributive for emphasis. *“In your opinion, the EU should continue this policy, where wealthier countries contribute more, and poorer EU regions receive more funding.”* Respondents answered on a 4-point scale – strongly agree, agree, disagree and strongly disagree. The weighted sample averages for the responses were 27%, 52%, 15% and 5% respectively, with less than 1% choosing ‘don’t know’.

³⁰ The policy represents approximately one-third of the EU budget, whereby citizens living areas at 90% level of the EU average with respect to GDP per capita receive over 80% of the funds.

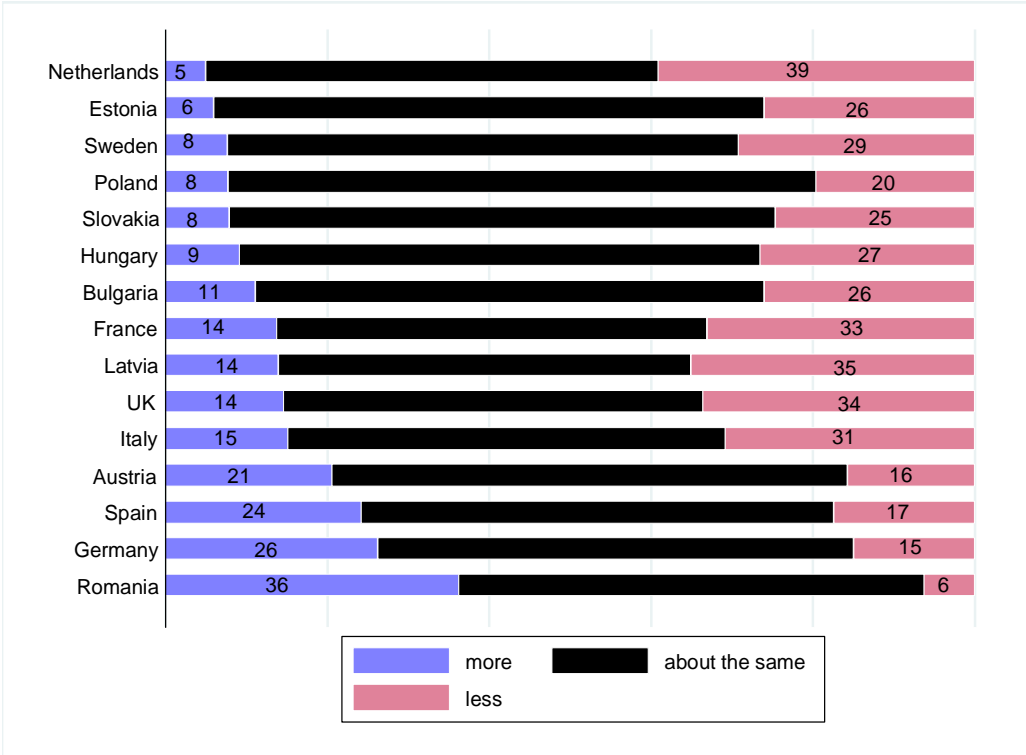
³¹ The question was framed in each Eurobarometer survey: “Europe provides financial support to regions and cities. Have you heard about and EU co-financed projects to improve the area where you live?” In addition, the survey specified certain names, such as ‘regional policy’ and ‘structural funds’, in each case we observe that less than half of the respondents answer ‘have heard’.

In addition to asking about support of the general idea behind Cohesion Policy, following the work of Bechtel et al (2014), respondents were asked a question that attempted to capture the ‘intensity’ of their support – e.g. would they want their country (e.g. their own tax money) to contribute more, less of the same to this policy.

In your opinion, compared with what it spends today, should (COUNTRY) contribute, more, about the same, or less to this EU policy? 1. More, 2. About the same, 3. Less

For the purposes of our testing our theory, this question is used as a primary indicator of economic solidarity as it implies that one’s own country (and tax revenues) are contributing, not simply receiving, as could be the case of supporting the policy in the previous question. The weighted sample averages are 18%, 59% and 24% respectively. Figure 2 shows the variation in responses across countries, whereby we see difference that is greater than seven-fold from the country expressing the most solidarity in terms of ‘spending more’ (Romania, 36%) versus the least (Netherlands (5%).

Figure 2: Distribution of Intensity for Economic Redistribution in 15 EU Counties



Note: Weighted country means reported.

Main independent variables: identity

Our main independent variables attempt to capture individuals' multi-dimensional identity with Europe. To operationalize this concept according to our conceptual framework from section 3, we take several question items from the survey. First, as per measuring the strength of European identity, we use the following 11-point ordered-scale question.

People may feel different degrees of identity with their region, their country, or with Europe on whole. On a 0-10 scale, with '0' being 'I don't identify at all, and '10' being 'I identify very strongly', how strongly you identify yourself with the following?:

a. Europe

We then move to capture the primary interest of our concept – the horizontal axis, or the types of identification one has with Europe. Beginning with the civic dimension, we employ the following questions:

People have many different opinions about what 'being European' means. On a scale from 0-10, where '0' means "not at all important" and '10' means "very important", how important are the following for you in terms of 'being European'?

- a. The right to live and work in any other EU country*
- b. Having the Euro currency*
- c. Having a common European flag and passport*

For these three items, a principle component, factor analysis shows that the three items all load on to one factor (one Eigenvalue above '1', proportion explained variance = 0.59). We then construct a civic index of European identity using the weights from the principle component analysis.

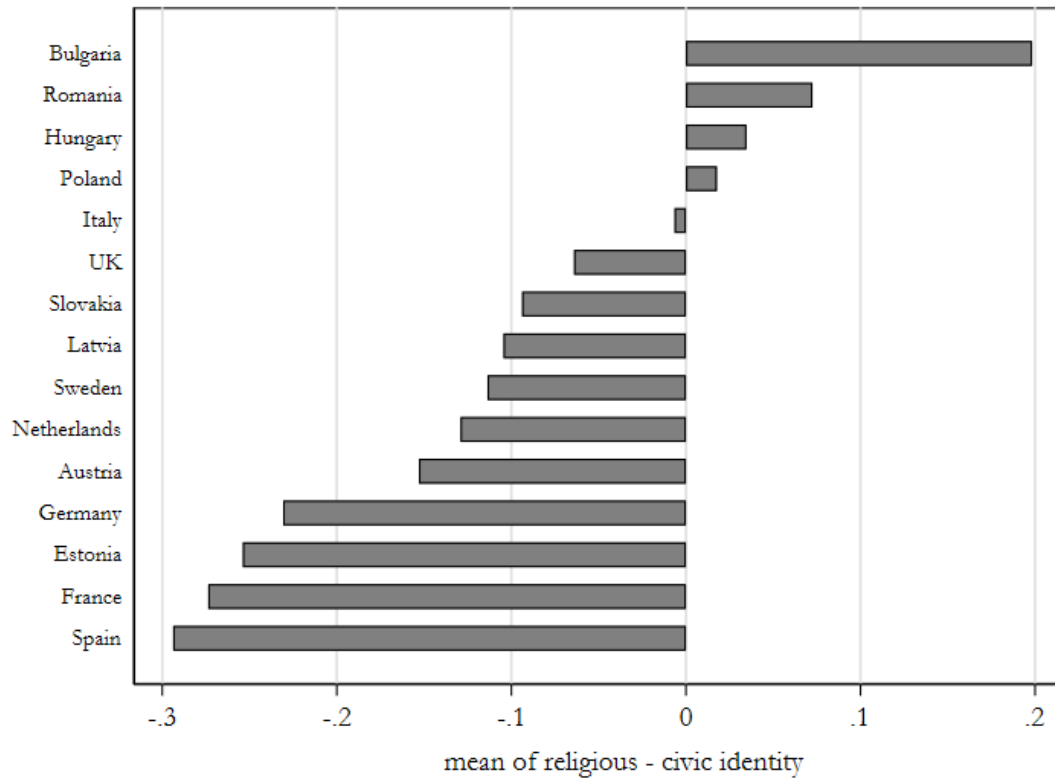
Next, to capture *religious* identification with Europe, we focus on the broad identification with the predominant religion of the continent – Christianity. For this, we take the following item from the same battery of questions above:

d. The Christian religion

This is arguably a new way of capturing this dimension in this literature, as previous studies have mainly looked at how the denomination of a respondent influences support for the European Union (Nelson et al 2001; 2011) or the level of one's religiosity in terms of how often one attends religious services, etc. (Boomgaarden and Freire 2009). Yet we should not take for granted that simply because one identifies with a certain denomination or is highly religious (or secular) that they necessarily define *European identity* as Christian (or not). For example, one could be quite secular as an individual, yet acknowledge and even strongly identify Europe with Christianity, or vice versa. Our question thus gets closer to the idea of how the Christian faith defines what European identity is – e.g. how strongly do people feel that Christianity defines 'being European'.

As we are interested in where one falls on the secular-religious continuum of the horizontal axis, we construct a measure using the secular and religious items. Here we subtract a respondent's secular score from the religious one. The score is scaled from -1 (fully secular identification) to 1 (fully religious identification). '0' implies that a respondent ranked the two dimensions equally.

Figure 3: Identity with European Values: EU distribution and Means in 15 EU Countries



Note: Weighted country means reported from most religious (Bulgaria) to most secular (Spain) European identification.

Figure 3 shows the weighted means by the countries in the sample. In general, we observe a non-trivial amount of country level variation on the secular-religious dimension of European identity, with several countries, mainly newer member state, identifying more on average with a more religious-type of Europe, while other states, mainly in the west, coming down on the side of a more secular identity on average.

Control variables

We also control for several factors highlighted in the literature on public support for EU political and economic integration. First, many studies point to the importance of university education EU integration support (Hakhverdian et al 2013); a dummy variable is included if the respondent has a tertiary education of higher. We anticipate that supporters of EU skeptic parties will be least likely to support the idea of CP as well as sending more of their

tax money to other EU regions (Hobolt 2007; Stoeckel and Kuhn 2017). Using party affiliation with various party groups at the EU level, we code a respondent's party preference (if the election were tomorrow) as 'EU skeptic' if they would vote for a party belonging to the openly Eurosceptic 'Europe of Nations and Freedom Group' (ENF), 'Europe of Freedom and Direct Democracy Group' (EFDD), or the 'European Conservatives and Reformists Group' (ECR).

We also control for potentially confounding effects of general political values. For this, we take questions in the survey to account for the 'left-right' and 'gal-tan' dimensions. In particular, on the 'gal-tan' dimension, we include questions about attitudes towards immigration, authoritarianism³² as respondents with higher 'tan' values have found to be both less supportive of EU integration and less prone to identifying with broader European values in general (Hooghe and Marks 2009). We control for left-right ideology and preferences for domestic redistribution via a question on the extent to which respondent's feel their own government should 'take measures to reduce income levels' in their country (0-10). In addition, we also include a measure of control for one's level of social trust.

As our measure of solidarity is an economic policy that is highly redistributive in nature, the extent to which one supports such a policy could very well depend somewhat in part on one's perception of one's own regional status in terms of wealth (Cruces et al 2013; Balcells et al 2015). Thus prior to the two main questions, respondents were also asked to place their region within four groups in terms of GDP per head – the wealthiest 25% of EU regions, the second wealthiest, the third, and then the poorest 25% of EU regions. We also include the level of economic satisfaction of each respondent (1-4, - 'very dissatisfied' to 'very satisfied'), as European identity and support for integration could be spurious to one's perceived economic benefits (Verhaegen et al 2015).

Further, we control for two contextual factors at the regional level. First, several studies point to 'cue taking' effects of domestic institutions in explaining support for EU integration, highlighting such factors as corruption and institutional quality (Bauhr and Charron 2018, see also Andersson and Krizinger 2003; Munoz 2011). We control for this using a measure of regional institutional quality, the 'European Quality of Government Index ('EQI', from Charron et al 2015). Second, we control for past levels of inter-EU fiscal transfers to regions via Cohesion Policy, as some evidence suggests that greater transfers are associated with

³² The specific question formulations are found in the appendix.

higher levels of support for EU integration (Dellmuth and Chalmers 2015). We include the amount of per capita Structural Funds for the 2007-2013 budget period (logged), which accounts for the dual confounding effect of level of economic development - the poorest 25% of regions receive by far the largest proportion of CP transfers, while the wealthiest 50% receive quite little comparatively. This also captures any possible ‘good will’ created by EU investments that might explain higher support in CP in recipient regions where institutional quality may also be lower on average³³. This measure also accounts for valuable within-country variation, as some countries (Italy, Spain, UK for example) have both ‘less developed’ and ‘more developed’ regions. Summary statistics and question formulation for the survey variables are found in the appendix.

In addition, we include standard controls for age and gender. As there are undoubtedly country level factors that determine some of the variation among individuals that we cannot account for (as shown in Figure 2), we include country level fixed effects, as using a random effects model with only 15 top level observations can be less reliable (Stegmuller 2013).

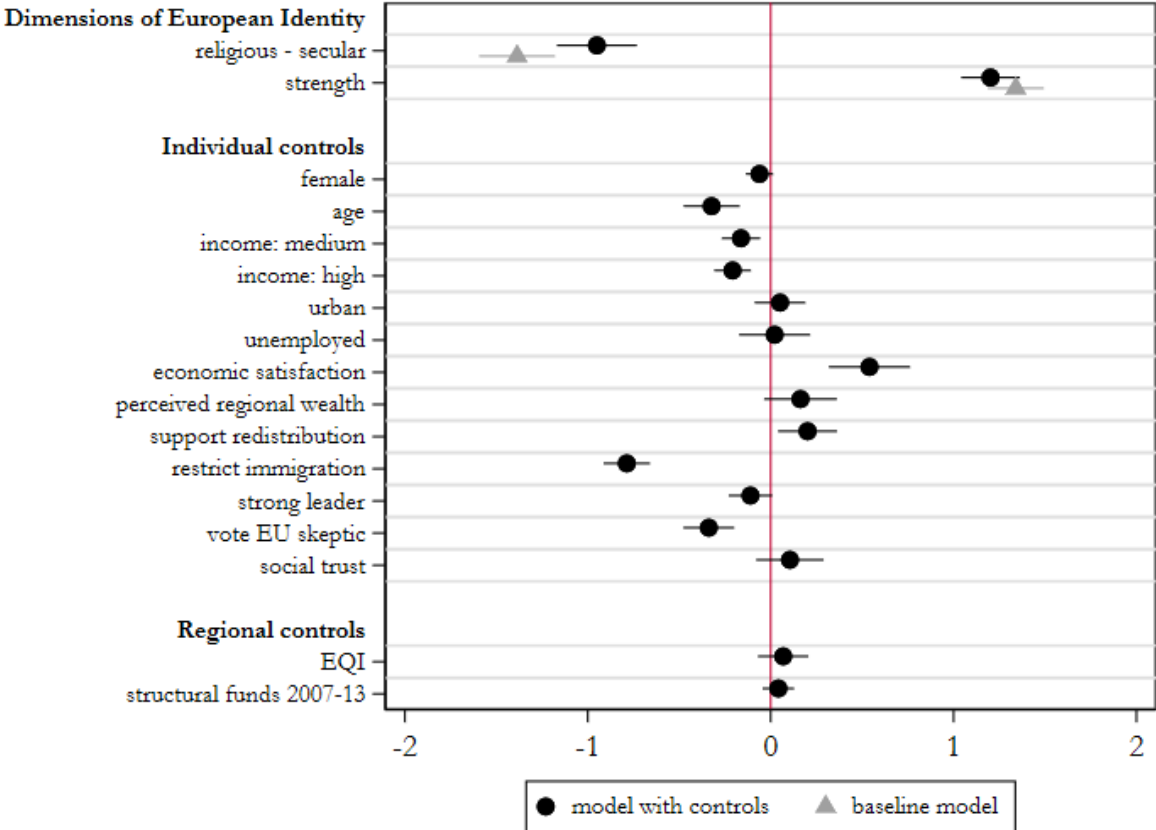
Empirical Results

We begin by looking at the effects of both the vertical and horizontal measures of identity along with country fixed effects in the first model (‘baseline’), absent additional control variables in Figure 4. H1 is supported in both the baseline model and full model with control variables – citizens with a more religious identification with Europe vis-à-vis civic are less likely on average to express support for economic solidarity within the EU, holding constant the strength of European identification. In addition, we find that the strength of one’s identity to Europe increases the likelihood of support for inter-EU redistribution, confirming our expectations from the literature. Calculating the marginal effects of a total increase (0 to 1) in the religious-civic variable results in just under a one half of a standard deviation decrease in the dependent variable, while the same increase in the strength variable results in an increase of just over one standard deviation. We thus see initial support for H1, that identifying Europe with Christianity implies a negative effect on economic solidarity within the Union, which adds to otherwise mixed findings on the micro-level effects of religion on

³³ Data are from: http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/

support/skepticism for European integration in general (Nelson et al 2001; Casanova 2007; Boomgaarten and Freire 2009)³⁴.

Figure 4: Summary of the Results



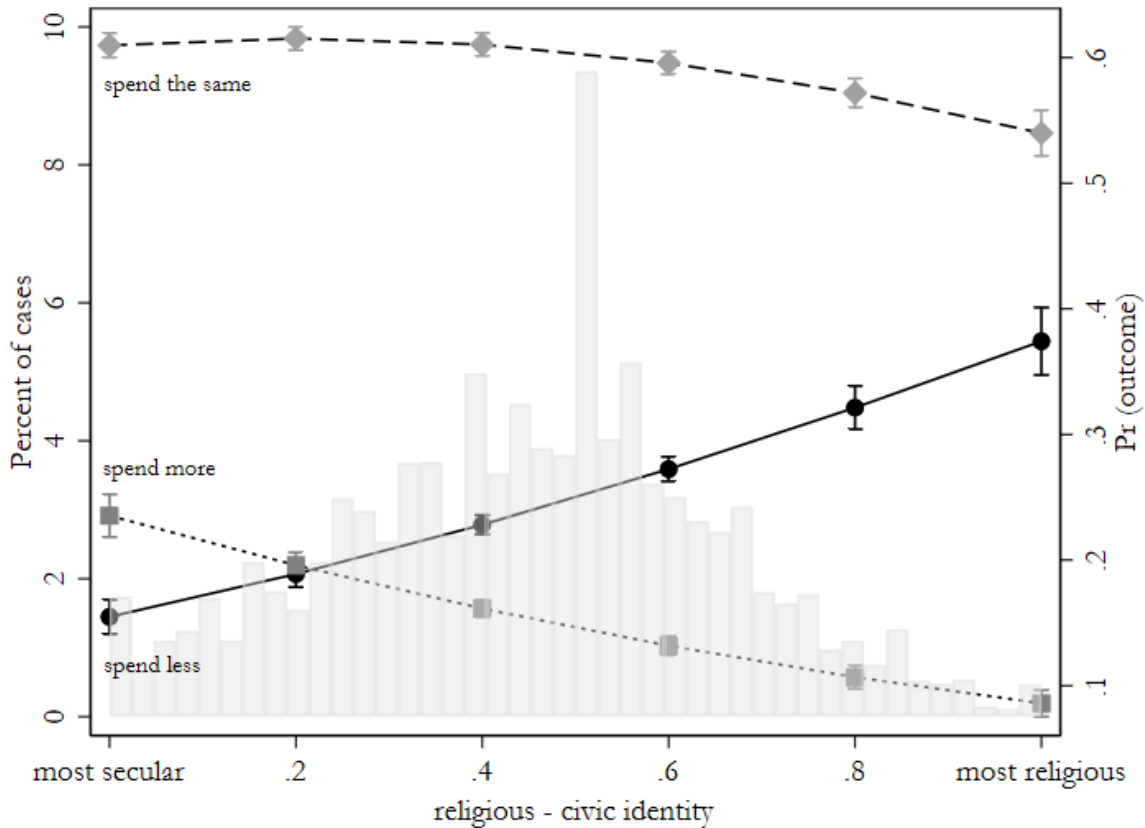
Note: logged odds estimates with 95% confidence interval (dashed line around estimate) from ordered logit models with country fixed effects (not shown) and using design/sample weights. Estimates with confidence intervals that overlap the ‘0’ line are insignificant. Reference category for income is ‘low’. All individual level variables are re-scaled between 0-1 for direct comparability. See appendix Table A3 for full results.

In the second column, control variables are added. The effects of main variables are largely robust, although the effects of both identity measures weaken slightly. It is worth noting however that the relative magnitude of the effects of the identity measures are the largest in the model. The results of the control variables reveal that all thing being equal, younger

³⁴ Tests of the parallel odds assumption unsurprisingly shows violations among most all individual level variables. While in some cases this is significant, the effects of the main variables are constant across the two thresholds and vary only in the degree of magnitude. For the sake of parsimony, the main results are reported here.

respondents display more solidarity with Europe, as do those with lower income. People that are more satisfied with the economy in their area are also more likely to express a willingness to contribute more. In line with the literature, values such as wanting to place further restrictions on immigration, preferences for strongman leadership, and voting for an EU skeptic party lead to less support for economic solidarity in Europe. The model also reveals that *ceteris paribus*, the average effects of social trust and preferences for domestic redistribution on the dependent variable are negligible across the sample. Finally, the amount of EU Structural Funds received in the prior budget period does not systematically explain public support for economic solidarity. Figure 5 summarizes the effects of the main variable by outcome of the dependent variable, highlighting the tradeoff between preferring to ‘spend more’ versus ‘spend less’ over the range of religious versus secular European identity. We observe that at the highest levels of secular identity, respondents in fact are more likely to express support for their country ‘spending more’ on inter-EU redistribution, yet these preferences reverse as one’s religious identity increases relative to secular. The more religious identifiers are just over 3.5 times more likely to claim ‘spend less’ compared with supporting ‘spend more’.

Figure 5: Summary of the effects of type of European identity on Economic Solidarity



Note: results from the full model with controls in Figure 4. Predicted probabilities shown for each outcome (95% confidence intervals provided) over the range of the religious-secular variable. A histogram of the independent variable is shown, with the percentage of cases indicated on the right side y-axis.

Further Exploring the Mechanisms

In this section, we attempt to elucidate some of the underlying mechanisms as to *why* the type of identify matters for social solidarity across borders and support for EU lead redistributions. In particular, we seek to gain a closer understanding of why those that believe that the Christian religion is what binds Europe together, as opposed to civic values, express less support for international and interregional redistribution within the EU. As suggested above, we believe that a general level of skepticism towards all forms of government lead redistribution as well as a feeling of alienation from the primarily secular EU elite may drive the effect. In the section below, we use a number of new measures to test these mechanisms,

using both follow up questions on why citizens support or disapprove of cohesion policy and more general questions on perceptions of government institutions.

Preferences for Domestic Redistribution and Perceptions of Free Riding

We empirically test the first two mechanisms of our findings in Table 1. Our first proposed mechanism is that a stronger religious European identity is systematically related with lower preferences for domestic redistribution in general. To investigate this, we employ the following question:

(COUNTRY's) national government should take measures to reduce differences in income levels among people in (COUNTRY) (0- fully disagree – 10 fully agree)

Furthermore, those who identify Christianity with ‘being European’ may be less willing to contribute to inter-EU redistribution because they distrust EU institutions as well as fellow government’s contributions to collective problems, rendering contributions to government lead redistribution not only undesirable but also utterly ineffective. We thus expect that Christian identification leads also to a greater risk of perception of more ‘free riding’ among others. To test this, we take advantage of a follow-up question to our main dependent variable. For all respondents who answered ‘less’ on the previous dependent variable, we ask the following:

Could you just tell me on a scale from 0 to 10, where 0 means “Not agree at all” and 10 means “totally agree”, as to why you would want (COUNTRY's) contribution to be less?

a. (COUNTRY) pays too much while other EU countries do not pay their fair share

We believe that this question aptly represents one’s perceptions of whether others in the group are ‘living up to expectations’, and thereby whether large scale government redistribution can at all be effective. Respondents that score higher on this question imply to us that they believe that other states are taking advantage of their current generosity and are failing to reciprocate appropriately.

We regress each of these questions on the set of identity, institutions and control variables used in the previous sections. Yet to avoid sample selection bias, we estimate the model using a two-step, Heckman selection model, which runs selection and condition estimations.

The first stage of the model is a probit equation that serves as a selection of having expressed ‘spending ‘less’ or not (e.g. ‘more/same’). The second stage is the equation of the effects of our independent variables on each of the perception of others’ free riding’. The model assumes that the error terms of these two models are related and will lead to bias if not accounted for. The estimation essentially provides a test of this assumption with the parameter ρ , which gives us the correlation between the error terms of the two stages of the Heckman model – if ρ is in fact significant, the two-stage model is appropriate, meaning standard OLS would be biased. In addition to the Heckman estimates, which in our case derives second stage estimates from only roughly one-third of the sample as selected cases, we also show OLS estimates with country fixed effects. Table 1 highlights the main results.

Table 1: Test of Domestic Redistribution Preferences and Free Rider Mechanisms

variable	Preference for redistribution 1	Free rider: first stage probit ('pay less'=1) 2	Free rider: second stage 3	Free rider: second stage 4
Type of European identity				
Religious - civic	-0.60*** (0.10)	0.82*** (0.06)	0.88** (0.42)	-0.81*** (0.22)
Strength of identity				
European id	0.06 (0.07)	-0.77*** (0.04)	-0.64*** (0.37)	-0.57*** (0.15)
Constant		-0.29*** (0.08)	5.35*** (0.69)	5.39*** (0.31)
Obs. (selected)	17,125	17,147	17,147 (4,151)	17,147
Rho (s.e.)			0.07 (0.22)	
Pr>Chi2	0.0000	0.0000	0.0000	0.0000

Note: estimates are logged odds from ordered logit model in column 1 on preferences for domestic redistribution.

estimates from two stage Heckman selection models in columns 2 and 3 (first and second stage respectively), and OLS in column 4. Standard errors in parentheses. Rho significance is calculated via Bootstrap method (100 replications). The dependent variables in columns in all columns but 3 range from 0-10. Columns 1,2 and -5

use OLS estimation with sample and design weights (robust standard errors). All models include country fixed effects and the battery of control variables used in Figure 3. See appendix Tables A4 and A5 for full results. *** $p < 0.01$, ** $p < 0.02$, * $p < 0.10$ (two-tailed)

We first check the support for redistribution mechanism – that citizens with a more religious identity with Europe will prefer less government- led redistribution in general. We find this to be the case in model 1. We also find that the strength of one’s identity with Europe does not systematically affect preferences for domestic redistribution.

We then proceed to the estimates of the Heckman two-step model in models 3 and 4 – the first and second stages respectively. The second stage is of particular interest here, as this elucidates the effects of the various types of identification on the perception of others’ free riding. Here we find that both the type and strength of European identification significantly explain ‘free rider’ sentiments, yet in opposing directions. Higher religious identification leads to greater fear of free riding. We find similar supporting evidence looking at the sub-sample of those expressing a ‘less’ response in the previous dependent variable in model 5³⁵.

Sense of Belonging to EU Community and perceived benefits of Cohesion

Not only support for and beliefs in the potential effectiveness of government lead redistribution may influence support for cohesion. As suggested above, skepticism may also be driven by a general level of alienation from the EU elite and lack of belonging to the EU community. We test this mechanism more directly in this section. In particular, we explore if those who view ‘being Europe’ in a more religious vein are less likely to feel that they belong to current day Europe (e.g. identify less) all things being equal. We would also expect that those with a stronger ‘secular identity’ would feel more belonging to Europe as well (e.g. identify more), such as a civic identification with Europe. We first investigate whether they type of identification with Europe in fact leads people to feel more or less a part of Europe today (e.g. strength of identity). We test European inclusion under control for national identity, as the two tend to correlate and omitting the national indicator could lead to omitted

³⁵ We show this model due to the insignificant effect of Rho, which implies that the error terms are not significantly correlated in the first two stages of the Heckman model.

variable bias (Linacre 2000). In the case of testing the second mechanism, we run OLS models with country fixed effects³⁶.

Next, we look into the perceived benefits of Cohesion policy by those that show intense support for Cohesion (e.g. prefer their country to ‘spend more’) - e.g. what do they expect to get out of this investment, and do logics differ according to the type of European identification one has? The follow-up questions of why respondents support their country’s expenditures, or even prefer more, are based around the three dimensions of solidarity outlined by Sangiovanni (2013). He defines European solidarity as being either ‘national’, ‘member state’ or ‘transnational’. In a sense, what we are asking is - given that a respondent supports more inter-EU redistribution, who do they think it will most benefit? We attempt to capture these dynamics with three follow-up questions:

could you just tell me on a scale from 0 to 10, where 0 means “Not agree at all” and 10 means “totally agree” as to why you would want (COUNTRY’s) contribution to be (more)?

- a. It is in (COUNTRY’s) interest to invest in poorer regions (*national self-interest solidarity*)
- b. b. It benefits everyone in the EU to invest in poorer regions (*EU solidarity interest*)
- c. “(COUNTRY) has a humanitarian obligation to end poverty throughout the EU” (*International solidarity*)

We then regress each of these questions on the set of identity, institutions and control variables used in the previous sections. Yet to avoid sample selection bias as per the previous table, we estimate the model using a two-step, Heckman selection model, which runs a selection and condition estimations as per Table 1. Table 2 presents the results.

Table 2: Heckman Two-stage Estimates: Strength of Belonging and Three levels of perceived gains

Strength of European identity	Strength of National identity	Free rider: first stage probit ('pay more'=1)	National interest	EU solidarity interest	Transnational solidarity
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³⁶ In addition, we tested including strength of national id in the first three models, and while significant, it does not alter the main results in any meaningful way. For lack of a solid theoretical justification, we leave this indicator out of models 1-3.

Variable	1	2	3	4	5	6
Type of European identity						
Religious - civic	-0.30*** (0.01)	0.15*** (0.01)	-0.28*** (0.06)	-0.25 (0.43)	-0.92*** (0.37)	0.12 (0.46)
Strength of identity						
National id	0.45*** (0.01)					
European id		0.39*** (0.01)	0.33*** (0.07)	0.98** (0.45)	1.22*** (0.38)	0.61 (0.48)
Constant	0.25*** (0.02)	0.25*** (0.17)	-0.77*** (0.10)	5.97*** (2.11)	5.67*** (1.82)	8.31*** (2.24)
Obs	17,125	17,125	17,147	17,147 (2,736)	17,147 (2,736)	17,147 (2,736)
(selected, non-selected)						
Rho (s.e.)				0.21 (0.51)	0.22(0.48)	0.58 (0.43)
Pr>Chi2 (F)	0.0000	0.0000		0.0000	0.0000	0.0000
R2	0.33	0.28				

Note: Estimates from two stage Heckman selection models, first stage reported in column 2, second stage (three separate models) reported in columns 3-5. Standard errors in parentheses. Rho significance is calculated via Bootstrap method (100 replications). All second stage dependent variables range from 0-10. All models include the full set of control variables and country fixed effects. See appendix Tables A6 and A7 for full results. ***p<0.01, **p<0.02, *p<0.10 (two-tailed)

Models 1 and 2 investigate the strength of the perceived collectives to which the respondents belong as a function of the horizontal aspects of European identification and control variables. We see clearly that as religious identification with ‘being European’ exceeds that of a civic, this on average leads to a weaker feeling of identity with European in general and a stronger national identity (model 1), yet the opposite is the case for national identification (model 2), *ceteris paribus*.

The next four models test the perceived benefits of Cohesion policy. The first stage in model 2 shows the first stage probit model, which is now regressing having responded ‘more’ in lieu of ‘less’ spending on redistribution. Models 4-6 highlight some of the reasoning behind why respondents answered the way they did. Given one expresses support for the idea of inter-EU

redistribution, who do they think will benefit? Interestingly, we find that among supporters of Cohesion policy, the effect of religious versus secular European identity is negligible on ‘national interest’ (model 2). In other words, this dimension does not significantly explain whether one expressed support for inter-EU redistribution to benefit one’s own country. We also find a similar effect for ‘transnational solidarity’ (model 3), in that whether one sees Europe as religious or civic does not explain the extent to which one wishes to help poorer people in general. However, the result of model 3 is quite elucidating – despite supporting the policy, we see that those with a religious identification do not believe that this benefits the EU in general (while those with a civic identification do). This shows that in addition to supporting the policy less on average, even those religious identifiers that do are not thinking about the benefits for the EU as a community. Thus, we find empirical support for our suggested mechanisms. The type of identification with Europe can influence support for and beliefs in the effectiveness of government lead redistribution in general, as well as the sense of belonging to the EU.

Conclusion

This paper seeks to explain variations in social solidarity across borders. We suggest that citizens’ support for redistribution within the EU is highly contingent not only on the level of identification with the Europe but also on the fundamental nature or *type* of European identification that citizens’ hold. In particular, we suggest that citizens’ who feel European based on civic ties are more likely to support redistribution, than those that instead identify with Europe based on religion and in particular Christianity, irrespective of strength of identity. If citizens believe that religion and in particular Christianity is the glue that binds Europe together they are much less likely to support redistribution. This wide spread skepticism towards sharing resources across borders is linked, we show to a general skepticism towards government lead redistribution, including its effectiveness to reach desired ends. It is also linked to a greater alienation from the (primarily secular) European elite and a distrust in other countries contributions to international and inter- regional redistribution.

Using unique and recently collected survey data, we show that the type of identification with the EU matters for redistributive preferences, and that in particular those with a secular basis

for identifying the EU are more likely to support within- EU redistribution than those that identify with the EU based on religious (Christian) ties. Moreover, we show that the magnitude of the effects of both dimensions of identity are the strongest predictors of support (or lack there of) for inter-EU redistribution. In addition, we put forth several mechanisms through which this may occur, including distrust in the effectiveness and appropriateness of government lead redistribution, perception of benefits, sense of belonging to the EU and trust in other countries contributions to redistribution. Using additional questions from the survey, we are able to test the mechanisms of our theory directly, for which we find strong empirical support.

While scholars have shown that the extent to which citizens “feel European” or identify with the EU has implications for their willingness to support EU integration and financial assistance in times of crisis (Carey 2002; Hooghe and Marks 2005; McLaren 2006, in Kuhn and Stoeckel 2014), these studies focus exclusively on the vertical dimension of identity, i.e. the perceived relative importance of national, regional or EU level identity. However, as we suggest above, identification does not only differ by level or strength, but can also be of fundamentally different types. Closer attention to the horizontal dimension, or different types and reasons for identifying the Europe, help better explain how when and why citizens support EU policies, and in particular inter EU redistribution.

Our study suggests that future research on citizen support for European integration in general, as well as support for economic integration more specifically, should take into consideration a more multi-dimensional approach to European identity. In addition, the next phase in better understanding variation of public support for EU economic integration should incorporate more contextual factors. While studies suggest that “cue taking and bench marking” on the basis of national contexts (Hobolt and de Vries 2016) influences support for redistribution, studies typically assume that individual level determinants of redistribution are stable across contexts. Future research should investigate whether the effects of individual level determinants, such as identity, are contingent on institutional factors, such as domestic institutional quality or government capacity and competence. Finally, it raises the issue of the extent to which perceptions of what constitute a European identity is becoming more exclusive and in particular what implications this would have for European integration in the future. For example, some believe that ‘Christianity is Europe’s last hope’ (Viktor Orban, 2018), in particular against keeping Europe anti-Islamic. To some extent, a civic form of

belonging to a community through citizenship rights is more inclusive, in the sense that it is not granted by birth and thus may be easier to achieve for many, compared to inclusion in a community based on more deeply by past historical ties, ethnicity, or even religion. If support for within EU redistribution is currently primarily driven by citizens that identify with Europe on civic grounds, shifts in these perceptions may potentially have consequential implications for EU integration.

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5 APPENDIX

Appendix chapter 2

Further background information on the survey

This study presents an original survey that is intended to help researchers better understand the micro and macro level dynamics that drive support (or lack thereof) of EU regional policies. The survey includes over 35 substantive questions as well as seven demographic and background questions of the respondent; geo-coded at the NUTS 1, NUTS 2 and NUTS 3 level. The survey was funded largely in part from an EU Horizon 2020 grant (*references cut for anonymity*). The fieldwork was conducted during the summer of 2017 by an international survey firm based in Rheims, France (Efficienc3, 'E3'), who have conducted several other large EU-wide surveys on behalf of the EU Commission. The data was delivered to the authors in September 2017.

E3 conducted the interviews themselves in several countries and used sub-contracting partners in others³⁷. In all, 17,147 interviews were carried out in 15 EU member states. The respondents, from 18 years of age or older, were contacted randomly via telephone in the local language. Telephone interviews approximately 12-15 minutes in length were conducted via both landlines and mobile phones, with both methods being used in most countries. All interviews were made by employees with at least one year of professional experience and used *Computer Assisted Telephone Interviewing* (CATI). Between 12%-15% of all interviews were randomly check for quality control by supervisors, with no reported irregularities. Decisions about whether to contact residents more often via land or mobile lines was based on local expertise of market research firms in each country, with mobile being first choice in all cases. For purposes of regional placement, respondents were asked the post code of their address to verify the area/ region of residence if mobile phones were used.

Sampling method

³⁷ <http://www.efficience3.com/en/accueil/index.html>. For names of the specific firms to which Efficienc3 sub-contracted in individual countries, please write cati@efficience3.com

Ideally, a survey would be a mirror image of actual societal demographics – gender, income, education, rural-urban, ethnicity, etc. However, sampling on demographics is much more costly. Based on E3’s expert advice, to achieve a random sample, the ‘next birthday method’ was employed. The next birthday method is an alternative to the so-called quotas method. When using the quota method for instance, one obtains a (near) perfectly representative sample – e.g. a near exact proportion of the amount of men, women, certain minority groups, people of a certain age, income, etc. However, as one searches for certain demographics within the population, one might end up with only ‘available’ respondents, or those that are more ‘eager’ to respond to surveys, which can lead to less variation in the responses, or even bias in the results. The ‘next-birthday’ method, which simply requires the interviewer to ask the person who answers the phone who in their household will have the next birthday, still obtains a reasonably representative sample of the population. The interviewer must take the person who has the next coming birthday in the household (if this person is not available, the interviewer makes an appointment), thus not relying on whomever might simply be available to respond in the household. So, where the quota method is stronger in terms of a more even demographic spread in the sample, the next-birthday method is stronger at ensuring a better range of opinion.

The next-birthday method was thus chosen because we felt that what we might have lost in demographic representation in the sample would be made up for by a better distribution of opinion. In attempt to compensate for some key demographic over/under-representation, we provide weights based on age and gender for each region, comparing the sample drawn to actual demographic statistics from Eurostat. A breakdown of the sample response rate, land line vs. mobile phone use, etc. is listed in the table below by country.

Sample and further survey information

The survey included 15 EU countries. These 15 countries in this sample represent over 85% of the proportion of the EU population. Countries were selected for purposes of the selected case study reports as well as on the bases of variation with respect to geography, size, and institutional quality. The countries in the sample of this survey are the following and they are often referred to via the following official abbreviations:

Table A1: Sample information

Country	Abbreviation	respondents	Mobile rates	landline rates	response rate	refusal rate
Austria	AT	1000	30%	70%	10,0%	46,5%
Bulgaria	BG	503	82,10%	17,90%	32,0%	21,0%
Estonia	EE	5000	92%	8%	13,5%	38,0%
France	FR	1500	65%	35%	10,0%	26,0%
Germany	DE	1500	35%	65%	12,5%	46,5%
Hungary	HU	1000	100%	-	22,0%	33,0%
Italy	IT	2000	38,5	61,5	16,2%	9,3%
Latvia	LV	500	100%	0%	13,0%	24,0%
Netherlands	NL	500	57%	43%	9,8%	29,1%
Poland	PL	2000	80%	20%	12,1%	15,7%
Romania	RO	1015	100%	0%	10,0%	47,0%
Slovakia	SK	1014	100%	0%	10,0%	48,0%
Spain	ES	2014	68%	32%	7,5%	17,1%
Sweden	SE	580	5,5%	94,5%	12,5%	28,3%
UK	UK	1500	37%	63%	12,5%	46,5%
		total= 17147				

Survey questions used in analysis (see main text for dependent variables)*Corruption perceptions*

‘On a 0-10 scale, with ‘0’ being that ‘there is no corruption’ and ‘10’ being that corruption is widespread, how would you rate the following institutions?’

a. the European Union, b. your country, c. your region

National identity

‘On a 0-10 scale, with ‘0’ being ‘I don’t identify at all, and ‘10’ being ‘I identify very strongly’, how strongly you identify yourself with the following?’:

a. your region, b. your country, c. Europe

perceptions of one’s relative regional wealth within EU

In terms of the per person economic wealth, as in GDP per head, if we were to rank all EU regions from wealthiest to poorest and put them into four equal groups, with group 1 being the wealthiest group and 4 the poorest group, which of the 4 groups do you believe your region is in today?’

a. Group 1 (In the wealthiest 25% of EU regions), b. Group 2, c. Group 3, d. Group 4 (The poorest 25% of EU regions)

Attitudes on redistribution

(COUNTRY's) national government should take measures to reduce differences in income levels among people in (COUNTRY) (0- fully disagree – 10 fully agree)

Gal Tan

1. (COUNTRY) should have more restrictions on immigration than it does today (0- fully disagree – 10 fully agree)

2. (COUNTRY) should have a strong leader that can solve problems quickly, who does not have to worry about elections and parliamentary rules. (0- fully disagree – 10 fully agree)

3. People have many different opinions about what ‘being European’ means. On a scale from 0-10, where ‘0’ means “not at all important” and ‘10’ means “very important”, how important are the following for you in terms of ‘being European’?

c. The Christian religion

economic satisfaction

“How satisfied are you with the current economic situation in your region today?”
(1-4, very satisfied – very unsatisfied)

Party support (vote EU skeptic)

Turning a bit to politics, what political party would you vote for if the national parliamentary election were tomorrow? (*provide current party list by country*),

=1 if party listed belongs to Europe of Nations and Freedom Group (ENF), Europe of Freedom and Direct Democracy Group (EFDD), or the European Conservatives and Reformists Group (ECR), or is otherwise explicitly Euroskeptic.

Table A2: Summary statistics of variables

Variable	Mean	mean	st. dev.	Min	Max
<u>Dependent variables</u>					
supportCP (1-4)				0	1
<i>strongly agree</i>	17,147	.272	.445	0	1
<i>agree</i>	17,147	.526	.499	0	1
<i>disagree</i>	17,147	.144	.351	0	1
<i>strongly disagree</i>	17,147	.046	.207	0	1
<i>d/k</i>	17,147	.012	.112	0	1
intensity support (1-3)					
<i>positive intensity (spend more)</i>	17,147	.159	.366	0	1
<i>the same</i>	17,147	.598	.490	0	1
<i>negative intensity (spend less)</i>	17,147	.242	.428	0	1
<u>Independent variables</u>					

National corr. Perceptions	17,147	.691	.264	0	1
EU corr. Perceptions	17,147	.628	.249	0	1
gender (female)	17,147	.505	.499	0	1
Age (1-4)	17,147	2.580	1.024	1	4
University (or higher)	17,147	.431	.495	0	1
National ID	17,147	.239	.426	0	1
prefer redistribution	17,147	.774	.257	0	1
Gal_tan	17,147	.588	.247	0	1
vote EU skeptic party	17,168	.114	.317	0	1
perception of region	17,147	2.714	.999	1	4
Economic sat.	17,147	2.496	.839	1	4
		-			
EQI (2013)	17,165	.0353547	.949	-2.59795	1.637
				-	
Struc. Funds per cap. (log 2007-13)	17,167	-2.32e-07	1	2.076759	1.452

Note: unweighted means and proportions reported. Age is in 4 categories – 18-29, 30-44, 45-59 and 60+

Table A3: Country level variation in Dependent Variables

COUNTRY	Support CP (agree + strongly agree)	Strongly Support CP	Positive Intensity: Spend More	Negative Intensity: Spend Less
Austria	0.73	0.17	0.21	0.16
Bulgaria	0.78	0.37	0.11	0.26
Estonia	0.73	0.28	0.06	0.26
France	0.72	0.24	0.14	0.33
Germany	0.79	0.27	0.26	0.15
Hungary	0.85	0.29	0.09	0.27
Italy	0.75	0.15	0.15	0.31
Latvia	0.75	0.32	0.14	0.35
Netherlands	0.67	0.11	0.05	0.39
Poland	0.85	0.33	0.08	0.20
Romania	0.89	0.35	0.36	0.06
Slovakia	0.91	0.25	0.08	0.25
Spain	0.89	0.38	0.24	0.17
Sweden	0.78	0.28	0.08	0.29
UK	0.73	0.26	0.15	0.34
Weighted sample ave.	0.79	0.27	0.18	0.24

Table A4: Regional Institutional Quality and Gap in National and EU Corruption Perceptions

variable	Beta
female	0.005 (0.97)
age	-0.014*** (-6.14)
university	0.007 (1.05)
Natioanl identity	-0.039*** (-5.34)
Prefer redistribution	0.065*** (5.46)
Gal-tan	-0.147*** (-8.03)
Vote Euroskeptic party	-0.001 (-0.10)
Perceived regional wealth	0.007* (2.14)
Satisfcation with economy	-0.008 (-1.79)
Structural Funds received	0.002 (0.21)
EQI	-0.085*** (-7.18)
constant	0.137*** (7.18)
<i>random effects</i>	
Regional level	-0.078***
standard error	0.005
individual level residual	0.250***
standard error	0.004

Note: estimates from multilevel model, with random regional level intercepts. The dependent variable is the difference between national and EU level corruption perceptions, ranging from -1 to 1, whereby positive (negative) numbers imply that the respondent perceives higher (lower) corruption at the national level compared with the EU. T-scores in parentheses. Total number of observations = 17,125. ***p<0.001, **p<0.01, *0.05

Table A5: Alternative measure of institutional quality - Corruption Risk Index (CRI)

variable	Support CP	Strongly support	Spend more	Spend less	Ologit: Support	Ologit: Intensity
Nat. Corr. perceptions	0.20* (0.11)	0.19** (0.08)	0.62*** (0.12)	-0.19* (0.10)	0.17*** (0.08)	-0.30*** (0.08)
EU corr. Perceptions	-1.26*** (0.11)	-0.67*** (0.09)	-0.39*** (0.10)	-1.47*** (0.10)	-0.91*** (0.08)	-0.95*** (0.08)
CRI	0.24*** (0.09)	0.13* (0.08)	0.09 (0.10)	0.03 (0.08)	0.18*** (0.09)	-0.03 (0.07)
Nat Corr*CRI	-0.31*** (0.10)	-0.20** (0.09)	-0.16 (0.11)	0.03 (0.09)	-0.25*** (0.07)	-0.07 (0.07)
constant	1.53 (0.18)	1.04 (0.17)	1.62 (0.20)	1.92 (0.08)	0.40 (0.09)	1.65 (0.14)
Country fixed effects	yes	yes	Yes	no	yes	no
model chi2 (p vlaue)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Observations	17,075	17,075	17,075	17,147	17,147	17,075

Table A6: Test of confounding effects of government support on Support for Cohesion

	(1)	(2)	(3)
	H1: main	H2: interaction	3-way interaction
EU corruption perceptions	-0.956*** (0.080)	-0.946*** (0.080)	-0.950*** (0.081)
NAT corruption perceptions	0.143* (0.084)	0.154* (0.084)	0.125 (0.099)
EQI	-0.097** (0.049)	0.069 (0.076)	0.153* (0.090)
Government party support	0.108*** (0.035)	0.109*** (0.035)	0.065 (0.102)
female	-0.075** (0.031)	-0.075** (0.031)	-0.076** (0.031)
age	0.013 (0.015)	0.013 (0.015)	0.013 (0.015)
university	0.181*** (0.034)	0.179*** (0.034)	0.179*** (0.034)
National id.	-0.231*** (0.037)	-0.234*** (0.037)	-0.234*** (0.037)
Prefer redistribution	0.886*** (0.070)	0.884*** (0.070)	0.883*** (0.070)
Gal_tan	-1.082*** (0.074)	-1.078*** (0.074)	-1.078*** (0.074)
voteEU skeptic	-0.529*** (0.053)	-0.531*** (0.053)	-0.508*** (0.054)
Regional self-placement	-0.061*** (0.021)	-0.060*** (0.021)	-0.060*** (0.021)
Economic sat.	0.153*** (0.023)	0.156*** (0.023)	0.156*** (0.023)
Structural Funds (2007-13)	0.100*** (0.032)	0.100*** (0.032)	0.100*** (0.032)
Nat. corr. * EQI		-0.224*** (0.080)	-0.304*** (0.100)
Gov party* Nat. corr			0.087 (0.147)
Gov. party * EQI			-0.177* (0.104)
Gove. Party * nat. corr. * EQI			0.163 (0.144)
/cut1	-3.257*** (0.149)	-3.223*** (0.149)	-3.233*** (0.155)
/cut2	-1.572*** (0.144)	-1.538*** (0.144)	-1.548*** (0.149)
/cut3	1.075*** (0.143)	1.110*** (0.144)	1.101*** (0.149)
Obs.	16927	16927	16927
Pseudo R-squared	0.051	0.052	0.052

Note: dependent variable is Support, scaled 1-4. Ordered logit estimate with country fixed effects and design weights included. Standard errors are in parenthesis. Government party support is '1' if the

respondent selected a party in the current sitting government during the summer of 2017 to the question 'what political party would you vote for if the national elections were held tomorrow?' and '0' if otherwise. *** p<0.01, ** p<0.05, * p<0.1

Table A7: Test of confounding effects of government support on Intensity for Cohesion

	(1) H1: main	(2) H2: interaction	(3) 3-way interaction
EU corruption perceptions	-0.949*** (0.080)	-0.940*** (0.080)	-0.937*** (0.080)
NAT corruption perceptions	0.303*** (0.083)	0.312*** (0.082)	0.188* (0.098)
EQI	-0.008 (0.054)	0.124 (0.082)	0.159* (0.095)
Government party support	0.026 (0.036)	0.027 (0.036)	-0.188* (0.099)
female	-0.031 (0.032)	-0.030 (0.032)	-0.031 (0.032)
age	-0.023 (0.016)	-0.023 (0.016)	-0.024 (0.016)
university	0.055* (0.033)	0.053 (0.033)	0.053 (0.033)
National id.	-0.191*** (0.038)	-0.193*** (0.038)	-0.194*** (0.038)
Prefer redistribution	0.253*** (0.069)	0.252*** (0.069)	0.253*** (0.069)
Gal_tan	-1.041*** (0.076)	-1.038*** (0.076)	-1.043*** (0.076)
voteEUskeptic	-0.552*** (0.057)	-0.554*** (0.057)	-0.542*** (0.058)
Regional self-placement	-0.066*** (0.021)	-0.065*** (0.021)	-0.065*** (0.021)
Economic sat.	0.170*** (0.024)	0.172*** (0.024)	0.170*** (0.024)
Structural Funds (2007-13)	0.088*** (0.034)	0.089*** (0.034)	0.089*** (0.034)
Nat. corr. * EQI		-0.177** (0.084)	-0.237** (0.103)
Gov party* Nat. corr			0.353** (0.146)
Gov. party * EQI			-0.071 (0.107)
Gove. Party * nat. corr. * EQI			0.141 (0.149)
/cut1	-1.643*** (0.147)	-1.616*** (0.147)	-1.703*** (0.152)
/cut2	1.443*** (0.147)	1.470*** (0.147)	1.384*** (0.152)
Obs.	17147	17147	17147
Pseudo R-squared	0.062	0.062	0.062

Note: dependent variable is Intensity, scaled 1-3. Ordered logit estimate with country fixed effects and design weights included. Standard errors are in parenthesis. Government party support is '1' if the respondent selected a party in the current sitting government during the summer of 2017 to the question 'what political party would you vote for if the national elections were held tomorrow?' and '0' if otherwise. *** p<0.01, ** p<0.05, * p<0.1

Table A8: Testing Explained variation by key variables - OLS Estimates for Support for Cohesion Policy

	(1) Fixed effects only	(2) Corruption perceptions	(3) EQI	(4) Interaction	(5) With full controls
Nat. corr. perceptions		0.056 (0.037)		0.059 (0.037)	0.039 (0.037)
eqi13			-0.033 (0.021)	0.034 (0.034)	0.033 (0.034)
interaction				-0.088** (0.038)	-0.089** (0.037)
constant	2.875*** (0.023)	3.148*** (0.033)	2.896*** (0.027)	3.159*** (0.036)	3.002*** (0.063)
Obs.	16905	16905	16905	16905	16905
R-squared	0.044	0.065	0.046	0.068	0.108

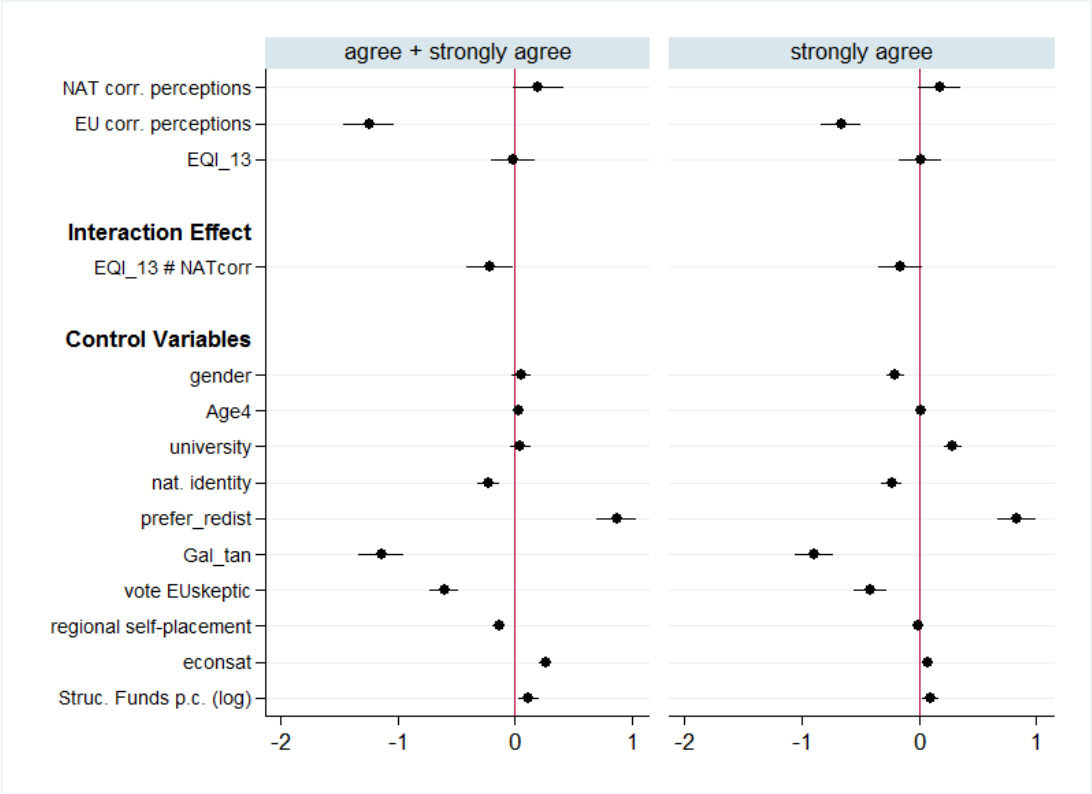
Note: The dependent variable is 'support', ranging from 1-4. OLS estimates are used to show the stepwise variation explained in the dependent variable. All models include country fixed effects and design weights. Models 2, 4 and 5 include perceptions of EU corruption so as to avoid reporting biased results for national corruption. Model 5 includes all control variables. Standard errors are in parenthesis. *** p<0.01, ** p<0.05, * p<0.1

Table A8: Testing Explained variation by key variables - OLS Estimates for Intensity for Cohesion Policy

	(1) Fixed effects only	(2) Corruption perceptions	(3) EQI	(4) Interactio n	(5) With full controls
Nat. corr. perceptions		0.076*** (0.029)		0.077*** (0.029)	0.074** (0.029)
eqi13			0.006 (0.019)	0.045 (0.029)	0.044 (0.029)
interaction				-0.052* (0.032)	-0.057* (0.031)
constant	1.806*** (0.017)	1.976*** (0.026)	1.803*** (0.021)	1.967*** (0.028)	2.018*** (0.051)
Obs.	17125	17125	17125	17125	17125
R-squared	0.059	0.074	0.060	0.075	0.100

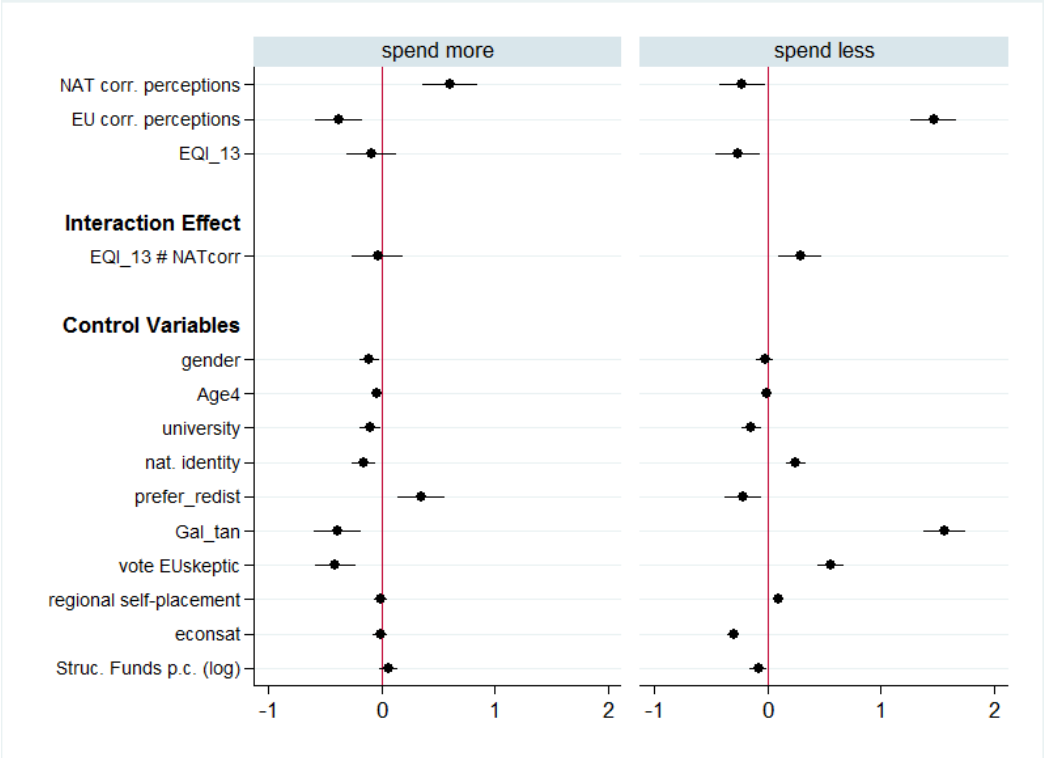
Note: The dependent variable is 'intensity', ranging from 1-3. OLS estimates are used to show the stepwise variation explained in the dependent variable. All models include country fixed effects and design weights. Models 2, 4 and 5 include perceptions of EU corruption so as to avoid reporting biased results for national corruption. Model 5 includes all control variables. Standard errors are in parenthesis. *** p<0.01, ** p<0.05, * p<0.1

Figure A1: Corruption Perceptions and Support for Cohesion Policy: Logit Estimates



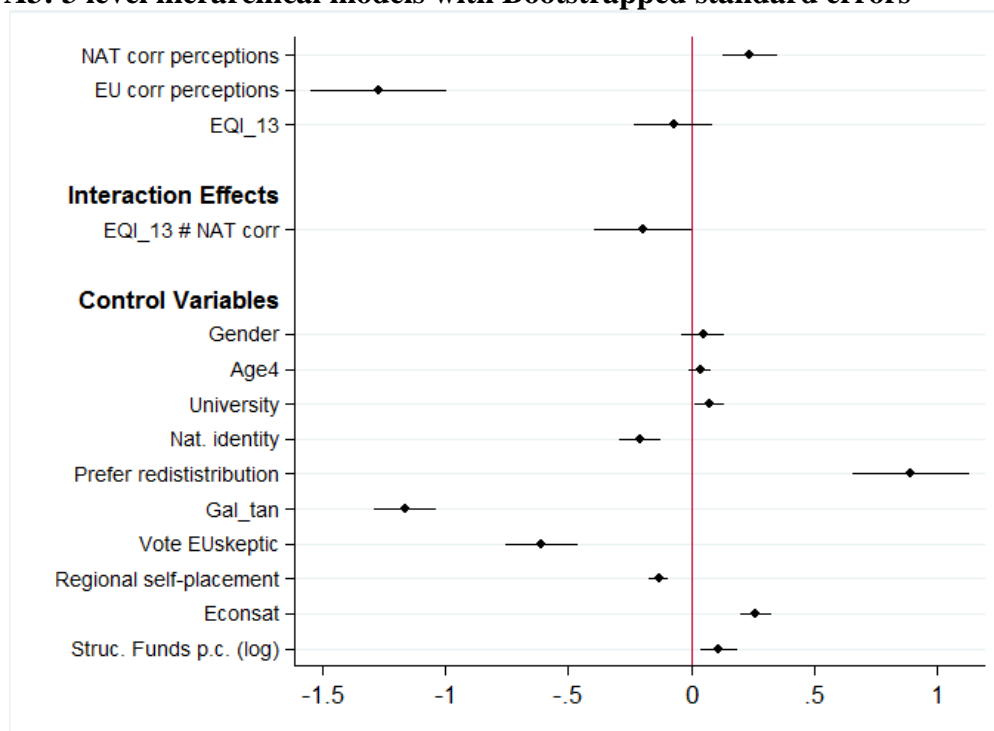
Note: dots are average marginal effect on the probability of the DV with 95% confidence intervals. Constant and country fixed effects not shown. Reference category for gender is 'male'.

Figure A2: Corruption and Intensity of Support for CP – Logit Estimates



Note: dots are average marginal effect on the probability of the DV with 95% confidence intervals. Constant and country fixed effects not shown.

Figure A3: 3 level hierarchical models with Bootstrapped standard errors



Note: dots are average marginal effect on the probability of the DV with 95% confidence intervals. Constant and country fixed effects not shown. Standard errors drawn from clustered bootstrapped method (simple random sample with replacement, 150 replicates) with the regional level selected.

Appendix chapter 3

Appendix:

Table A1: Summary Statistics (original scales)

Variable	Obs	Mean	Std. Dev.	Min	Max
<i>individual level</i>					
Support EU Bailouts	28,796	2.45	0.95	1	4
binary support bailouts	28,796	0.53	0.5	0	1
Female	30,064	1.55	0.5	1	2
Population	30,042	1.94	0.78	1	3
Age	30,064	4.04	1.65	1	6
income	30,064	0.6	0.49	0	1
education	29,511	2.27	0.81	1	4
unemployed	30,064	0.09	0.29	0	1
economic sat.	29,449	3.21	1.01	1	5
Gal_Tan	26,667	5.91	2.06	1	11
Left right (self-placement)	24,388	3.04	1.32	1	5

Vote_EU skeptic	30,064	0.07	0.26	0	1
EU integration (oppose)	28,225	7.8	2.98	1	11
<i>regional level</i>					
EQI	30,064	0.108	0.99	-2.598	1.761
PPP p.c.	24,071	23840.96	9237.015	7200	5560
Income inequality	22,933	15.59	6.065	4.9	38.4
Corruption risk (% single bids)	22,932	0.172	0.135	0	0.69
<i>national level</i>					
control of corruption (WGI)	30,064	0.958	0.814	-0.3	2.261
PPP p.c.	30,064	34414.9	12077.9	16323	91047
Debt/GDP	30,064	74.08	36.588	10.4	180.1

EES survey questions used in the analysis

-Income – ‘during the last 12 months, would you say you’ve had difficulty to pay your bills on time? (1=most of the time, 2=from time to time, 3= never, almost never) (d60)

-Education: year at which you stopped school 15 or less, 16-19, >19, still student

-Social class – self id: low, middle, high

-economic satisfaction (What do you think about the economy? Compared to 12 months ago, do you think that the general economic situation in (OUR COUNTRY), 1-5, a lot better – a lot worse)

-unemployed: 0/1

-Traditional economic left-right index: (3 questions, combined with factor weights)

-state versus market (0-10 scale) 0 You are fully in favour of state intervention in the economy, 10 You are fully opposed to state intervention in the economy

-Support for income redistribution within own country (0-10 scale) 0 = You are fully in favour of the redistribution of wealth from the rich to the poor in (OUR COUNTRY), 10 = you are fully opposed

-public spending (0-10 scale) 0 You are fully in favour of raising taxes to increase public services, 10 You are fully in favour of cutting public services to cut taxes

-Gal-tan measure (three questions, combined with factor weights)

-same-sex marriage (0-10 scale) 0 You are fully in favour of same-sex marriage, 10 You are fully opposed to same-sex marriage

-civil liberties (0-10 scale) 0 You fully support privacy rights even if they hinder efforts to combat crime, 10 You are fully in favour of restricting privacy rights in order to combat crime

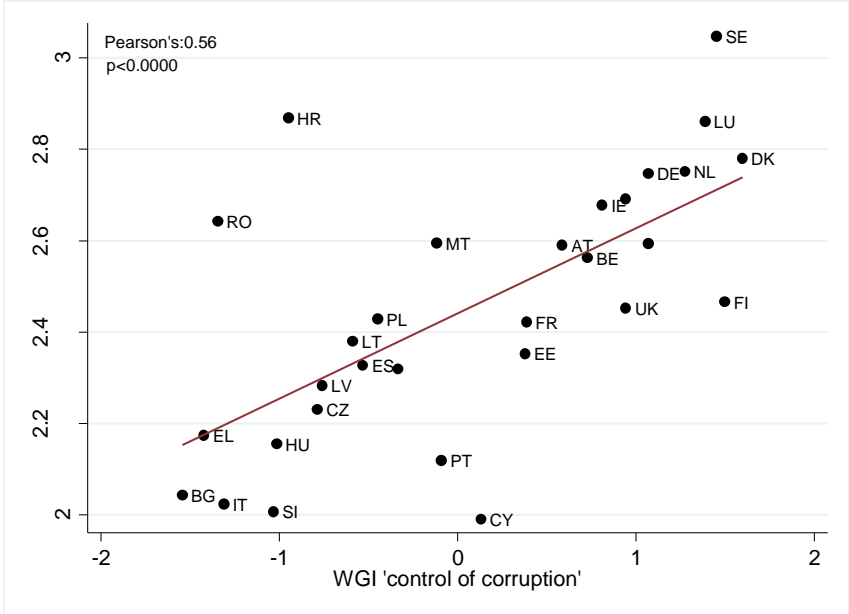
- environment (0-10 scale) – 0 Environmental protection should always take priority even at the cost of economic growth, 10 Economic growth should always take priority even at the cost of environmental protection
- Vote anti-EU party if next national election were today (EU skeptic party= 1, 0=if otherwise) (QPP5).
Coded '1' if party belongs to a Eurosceptic bloc in EU parliament, 0 if otherwise.
- Left-right self-placement: In political matters people talk of "the left" and "the right". What is your position? Please use a scale from 0 to 10, where '0' means "left" and '10' means "right". Which number best describes your position? (0-10) (QPP13)
- Political interest – you are very interested in politics (1=yes totally, 4=not at all)
- Views on immigration (0-10), 0= you are fully in favour of a restrictive policy on immigration, 10= you are fully opposed
- Trust in EU – you trust the institutions of the EU (1=yes totally, 4=not at all) (QP6_2)
- European identity: 'you feel attached to Europe (1=yes totally, 4=not at all)
- National identity: 'you feel attached to (your country) (1=yes totally, 4=not at all)
- Support for EU integration ('moreEU') - Some say European unification should be pushed further. Others say it already has gone too far. What is your opinion? Please indicate your views using a scale from 0 to 10, where '0' means unification "has already gone too far" and '10' means it "should be pushed further". What number on this scale best describes your position? (0-10), 0=EU unification has gone too far, 10= EU unification should be pushed further (QPP18)
- Gender (female=1, male=0)
- Age – 6 categories: 18-24, 25-34, 35-44, 45-54, 55-64, 65+
- population – rural, town, large town/urban

Table A2: Robustness checks – Alternative measure of regional corruption

variable	1. Macro-level factors – logit estimation	2. Logit estimation full model	3. ordered logit estimation
<i>Corruption Risk (% single bid)</i>	1.20***	0.87***	-0.67***
	(0.28)	(0.24)	(0.23)
Regional GDP p.c.	0.80*	0.48	0.66*
	(0.47)	(0.41)	(0.38)
Regional Inequality	-0.17	0.16	0.07
	(0.33)	(0.29)	(0.28)
female		-0.07*	-0.09***
		(0.03)	(0.03)
age		0.21***	0.28***
		(0.06)	(0.05)
income		0.28***	0.23***
		(0.04)	(0.04)
education		0.99***	0.98***
		(0.10)	(0.08)
unemployed		-0.06	-0.07
		(0.07)	(0.06)
economic sat.		1.47***	1.40***
		(0.08)	(0.07)
Gal_Tan		-1.18***	-1.21***
		(0.10)	(0.09)
Far-left		0.22***	0.22***
		(0.06)	(0.05)
Center-Left		0.26***	0.23***
		(0.05)	(0.05)
Center right		0.14***	0.10***
		(0.05)	(0.05)
Far right		0.09*	0.05
		(0.05)	(0.05)
Vote EU Skeptic		-0.64**	-0.62***
		(0.06)	(0.05)
EU integration (oppose)		-1.11***	-1.17***
		(0.06)	(0.06)
Constant	0.14	0.18	
	(0.28)	(0.27)	
cut 1			-1.71 (0.25)
cut 2			-0.20 (0.25)
cut 3			2.31 (0.25)
Random intercept (var)	0.32 (0.04)	0.20 (0.03)	0.19 (0.03)
Model Chi2	0.0000	0.0000	0.0000
Observations (regions)	21,933 (174)	16,580 (173)	16,580 (173)

Note: hierarchical estimation with standard errors in parentheses. Models 1 and 2 are estimated with a binary dependent variable and logit hierarchical logit regression, while model 3 uses the four point scale on the dependent variable and employs hierarchical ordered logit. Models have fewer observations due to the single bidder corruption measure being available for countries with multiple NUTS 2 regions. Estonia, Latvia, Malta, Lithuania, Luxembourg and Cyprus not included. All variables re-scaled between 0-1 for purposes of comparison. ***p<0.01, **p<0.05, *p<0.1

Figure A1: Country level of Corruption and Support for EU Bailouts



Note: variable is scaled 1-4, with '1' being 'totally disagree' and '4' being 'totally agree'. Scatterplot calculated using survey design weights.

Table A3: Hierarchical Estimates with Country Level Variable and Random Effects

variable	1. Macro-level factors – logit estimation	2. Logit estimation full model	3. ordered logit estimation
<i>Control of corruption (WGI)</i>	0.94*** (0.37)	0.58* (0.36)	1.01*** (0.10)
Country GDP p.c.	0.60 (0.62)	0.52 (0.60)	-0.77** (0.23)
Debt/GDP	-0.54 (0.36)	-0.36 (0.35)	-0.02 (0.08)
female		-0.07** (0.03)	-0.12*** (0.03)
age		0.23*** (0.05)	0.24*** (0.04)
income		0.19*** (0.03)	0.15*** (0.03)
education		0.87*** (0.08)	0.93*** (0.07)
unemployed		-0.05 (0.05)	-0.06 (0.05)
economic sat.		1.32*** (0.07)	1.18*** (0.06)
Gal_Tan		-1.11*** (0.09)	-1.11*** (0.07)
Far left		0.25*** (0.05)	0.23*** (0.04)
Center left		0.27*** (0.05)	0.23*** (0.04)
Center right		0.20*** (0.05)	0.15*** (0.04)
Far right		0.23*** (0.05)	0.19*** (0.04)
Vote EU Skeptic		-0.61*** (0.06)	-0.60** (0.05)
EU integration (oppose)		-0.96*** (0.05)	-1.00*** (0.05)
constant		0.07 (0.22)	
Cut 1			-1.42 (0.08)
Cut 2			-0.01 (0.08)
Cut 3			2.35 (0.09)
Random intercept (var)	0.17 (0.04)	0.15 (0.04)	0.16 (0.14)
Model Chi2	0.0000	0.0000	0.0000
Observations (countries)	28,796 (28)	20,987 (28)	20,987 (28)

Table A4: LPM estimates from regional and national clustered standard errors and design weights

variable	1. regional level clustering	2. country level clustering
<i>Institutional quality</i>	0.20*** (0.07)	0.28*** (0.06)
Regional GDP p.c.	0.0004 (0.12)	-0.29 (0.18)
Regional Inequality	0.07 (0.13)	
Debt/GDP		-0.07 (0.08)
Constant	0.32*** (0.09)	0.48*** (0.06)
Model R2	0.14	0.15
Observations (regions)	20,662 (182)	20,987 (28)

Note: estimates from linear probability models accounting for survey design weights (clustered standard errors in parentheses). Both models contain full battery of individual level controls. Model 1 contains regional level macro variables and clustered standard errors, while model 2 contains country level ones.

Table A5: Binary and Ordered Logit Estimates

variable	EU 15 only		NMS only		NMS only (no Romania)	
	binary logit	ordered logit	binary logit	ordered logit	binary logit	ordered logit
<i>Regional Institutional quality (EQI)</i>	1.65***	1.52***	-0.60	0.06	0.41	0.77*
	(0.32)	(0.27)	(0.56)	(0.39)	(0.65)	(0.43)
Regional GDP p.c.	1.02**	1.32**	2.29**	1.37	2.44**	1.99**
	(0.46)	(0.40)	(1.08)	(0.85)	(1.09)	(0.87)
Regional Inequality	0.71*	0.52	2.07***	0.88*	2.26***	1.26**
	(0.38)	(0.33)	(0.77)	(0.49)	(0.84)	(0.50)
Female	-0.15***	-0.17***	0.03	0.01	0.03	0.02
	(0.04)	(0.03)	(0.05)	(0.04)	(0.05)	(0.04)
Age	0.16**	0.27**	0.32***	0.35***	0.32***	0.34***
	(0.07)	(0.06)	(0.08)	(0.07)	(0.09)	(0.08)
Income	0.29***	0.26***	0.08	0.06	0.07	0.06
	(0.05)	(0.04)	(0.05)	(0.05)	(0.05)	(0.05)
education	0.98***	1.01***	0.64***	0.64***	0.70***	0.69***
	(0.11)	(0.09)	(0.14)	(0.13)	(0.14)	(0.13)
unemployed	-0.11	-0.12*	0.01	0.08	0.03	0.09
	(0.08)	(0.07)	(0.08)	(0.08)	(0.09)	(0.08)
economic sat.	1.45***	1.33***	1.19***	1.20***	1.18***	1.23***
	(0.09)	(0.08)	(0.11)	(0.09)	(0.11)	(0.10)
Gal_Tan	-1.24***	-1.25***	-0.73***	-0.73***	-0.73***	-0.72***
	(0.12)	(0.10)	(0.13)	(0.12)	(0.14)	(0.12)
Far-left	0.28***	0.30***	0.10	0.01	0.10	-0.01
	(0.07)	(0.06)	(0.07)	(0.06)	(0.07)	(0.07)
Center-Left	0.26***	0.22***	0.17**	0.16**	0.21**	0.20***
	(0.06)	(0.05)	(0.08)	(0.07)	(0.08)	(0.07)
Center right	0.11*	0.05	0.32***	0.30***	0.34***	0.31***
	(0.06)	(0.05)	(0.07)	(0.05)	(0.07)	(0.07)
Far right	-0.07	-0.10*	0.47***	0.44***	0.48***	0.45***
	(0.07)	(0.06)	(0.06)	(0.06)	(0.07)	(0.06)
Vote EU Skeptic	-0.81***	-0.76***	-0.02	-0.09	-0.01	-0.06
	(0.07)	(0.06)	(0.10)	(0.09)	(0.10)	(0.09)
EU integration (oppose)	-1.38***	-1.37***	-0.40***	-0.52***	-0.39***	-0.53***
	(0.08)	(0.07)	(0.08)	(0.07)	(0.08)	(0.08)
Constant	-1.29***		-1.52**		-2.19**	
	(0.36)		(0.60)		(0.65)	
cut 1		-0.40 (0.31)		-0.36 (0.44)		0.34 (0.47)
cut 2		1.10 (0.31)		1.13 (0.44)		1.85 (0.47)
cut 3		3.68 (0.32)		3.44 (0.44)		4.21 (0.47)
Random intercept (var)	0.15 (0.03)	0.12 (0.02)	0.24 (0.06)	0.33 (0.08)	0.22 (0.06)	0.30 (0.08)
Model Chi2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Observations (regions) 12,643 (130) 12,643 (130) 8,019 (52) 8,019 (52) 7,477 (44) 7,477 (44)

Note: models in columns 1 and 2 include only respondents from EU15 countries, and 3-6 include only those in the new Member States (NMS). In columns 5 and 6 the models are re-run without Romania, which was an outlying country in the models. Each sub-sample is analyzed with the binary and ordered dependent variable.

Table A6: Country-wise jackknife

<u>country removed</u>	<u>EQI</u>	<u>obs (regions)</u>
Austria	0.85 (0.24)	19,860 (173)
Belgium	0.86 (0.24)	19,708 (179)
Bulgaria	0.86 (0.25)	20,046 (176)
Croatia	0.95 (0.22)	19,956 (180)
Cyprus	0.84 (0.24)	20,662 (182)
Czech Republic	0.79 (0.25)	19,790 (174)
Denmark	0.84 (0.25)	19,712 (177)
Estonia	0.85 (0.24)	20,022 (181)
Finland	0.87 (0.25)	19,772 (178)
France	0.80 (0.25)	19,898 (161)
Germany	0.80 (0.25)	19,379 (166)
Greece	0.82 (0.24)	19,816 (178)
Hungary	0.85 (0.24)	19,838 (179)
Ireland	0.83 (0.24)	19,911 (180)
Italy	0.49 (0.25)	19,987 (166)
Latvia	0.85 (0.24)	19,979 (181)
Lithuania	0.85 (0.24)	19,995 (181)
Luxembourg	0.87 (0.24)	20,272 (181)
Malta	0.83 (0.24)	20,411 (181)
Netherlands	0.85 (0.25)	19,679 (170)
Poland	0.91 (0.24)	19,970 (166)
Portugal	0.87 (0.24)	20,029 (177)
Romania	1.17 (0.24)	20,120 (174)
Slovakia	0.70 (0.24)	19,838 (178)
Slovenia	0.80 (0.24)	19,960 (181)
Spain	0.90 (0.23)	19,815 (165)
Sweden	0.71 (0.23)	19,651 (179)
United Kingdom	0.80 (0.25)	19,798 (170)

Note: Table summarizes results of 28 hierarchical logit model estimates from (see model 3 in Table 1 for full specifications). Countries removed one at a time to test for the effects of outliers influential observations. All models include full set of control variables; only effect of EQI reported for sake of space. **Original model: beta= 0.84, s.e. 0.24.**

Appendix chapter 4: identity and cohesion policy

Further background information on the survey

See appendix chapter 2 above

Table A1: Sample information

See appendix chapter 2 above

Alternative formulations of European Identity Questions:

A slight variation on this main question is sometimes phrased:

‘As well as your current citizenship, do you also think of yourself as a citizen of the European Union/(COUNTRY)? a) Often; b) Sometimes; c) Never.

Whereby a respondent is coded as having ‘exclusive national identity’ is one who answers ‘never’ to Europe’ and something other than ‘never’ to one’s nation.

Survey questions used in analysis (see main text for dependent and other key independent variables)

Strength of identity

‘On a 0-10 scale, with ‘0’ being ‘I don’t identify at all, and ‘10’ being ‘I identify very strongly’, how strongly you identify yourself with the following?’:

a. your region, b. your country, c. Europe

perceptions of one’s relative regional wealth within EU

In terms of the per person economic wealth, as in GDP per head, if we were to rank all EU regions from wealthiest to poorest and put them into four equal groups, with group 1 being the wealthiest group and 4 the poorest group, which of the 4 groups do you believe your region is in today?”

a. Group 1 (In the wealthiest 25% of EU regions), b. Group 2, c. Group 3, d. Group 4 (The poorest 25% of EU regions)

Attitudes on domestic redistribution

(COUNTRY’s) national government should take measures to reduce differences in income levels among people in (COUNTRY) (0- fully disagree – 10 fully agree)

Gal Tan

1. (COUNTRY) should have more restrictions on immigration than it does today (0- fully disagree – 10 fully agree)

2. (COUNTRY) should have a strong leader that can solve problems quickly, who does not have to worry about elections and parliamentary rules. (0- fully disagree – 10 fully agree)

economic satisfaction

“How satisfied are you with the current economic situation in your region today?”
(1-4, very satisfied – very unsatisfied)

Party support (vote EU skeptic)

Turning a bit to politics, what political party would you vote for if the national parliamentary election were tomorrow? (*provide current party list by country*),

=1 if party listed belongs to Europe of Nations and Freedom Group (ENF), Europe of Freedom and Direct Democracy Group (EFDD), or the European Conservatives and Reformists Group (ECR), or is otherwise explicitly Euroskeptic.

Table A2: Summary statistics

	Variable	Obs	Mean	Std. Dev.	Min	Max	
<i>individual level</i>	Economic solidarity (DV)	17,147	1.917	0.628	1	3	
	civic	17,147	0.646	0.242	0	1	
	religious-civic (re-scaled)	17,147	0.453	0.203	0	1	
	religious	17,147	0.553	0.361	0	1	
	strength (Europe)	17,147	0.641	0.283	0	1	
	strength (national)	17,147	0.747	0.252	0	1	
	female	17,147	0.505	0.500	0	1	
	Age4	17,147	0.645	0.256	0.25	1	
	income (medium)	17,147	0.287	0.452	0	1	
	income (high)	17,147	0.354	0.478	0	1	
	income (d.k./ref)	17,147	0.074	0.262	0	1	
	Urban	17,168	0.074	0.262	0	1	
	unemployed	17,168	0.061	0.240	0	1	
	econ. Sat.	17,147	0.624	0.210	0.25	1	
	perceived reg. Wealth	17,147	0.572	0.250	0.25	1	
	support dom. Redistribution	17,147	0.774	0.257	0	1	
	restrict immigration	17,147	0.591	0.345	0	1	
	strong leader	17,147	0.618	0.365	0	1	
	vote EU skeptic	17,168	0.114	0.317	0	1	
	social trust	17,147	0.622	0.241	0	1	
	<i>regional level</i>	EQI 2013	17,165	-0.035	0.948	-2.598	1.636
		Struc. Funds (2007-13, logged)	17,167	-2.32E-07	1	-2.077	1.452

Table A3: full results of Figure 4 – Test of H1

	(1) baseline	(2) With controls
Religious-civic	-1.386*** (0.106)	-0.950*** (0.112)
Strength	1.340*** (0.078)	1.202*** (0.082)
female		-0.061 (0.038)
Age		-0.323*** (0.078)
Income: medium		-0.163*** (0.054)
Income: high		-0.208*** (0.051)
income4 (d/k)		-0.234*** (0.079)
Urban		0.051 (0.071)
unemployed		0.022 (0.099)
Econ. Sat.		0.540*** (0.113)
Perceived reg. wealth		0.163 (0.102)
support_redist		0.202** (0.082)
restrict_imm		-0.787*** (0.065)
strong_leader		-0.111* (0.061)
voteEUskeptic		-0.338*** (0.071)
Social trust		0.105 (0.094)
EQI		0.068 (0.070)
Structural Funds 2007-13		0.042 (0.044)
/cut1	-0.578*** (0.085)	-0.819*** (0.164)
/cut2	2.252*** (0.092)	2.343*** (0.168)
Obs.	17125	17125
Pr chi2	0.0000	0.0000

Estimates are logged odds from ordered logit. Standard errors are in parenthesis. Country fixed effects and survey design weights included (not shown)

*** p<0.01, ** p<0.05, * p<0.1

Table A4: Test of Type of European identity and Strength of Identity (belonging to community mechanism)

	(1) National strength	(2) European strength
Religious-civic	0.156*** (0.013)	-0.298*** (0.013)
Strength European	0.386*** (0.010)	
female	-0.010** (0.004)	0.019*** (0.004)
Age	0.058*** (0.008)	0.041*** (0.009)
Income: medium	0.009* (0.006)	-0.004 (0.006)
Income: high	0.019*** (0.005)	0.019*** (0.006)
income4 (d/k)	-0.023** (0.009)	-0.008 (0.010)
Urban	0.000 (0.008)	0.022*** (0.008)
unemployed	-0.017* (0.010)	-0.003 (0.010)
Econ. Sat.	0.045*** (0.012)	0.083*** (0.013)
Perceived reg. wealth	0.046*** (0.011)	0.037*** (0.012)
support_redist	0.015 (0.009)	0.012 (0.010)
restrict_imm	0.069*** (0.007)	-0.076*** (0.008)
strong_leader	-0.003 (0.007)	-0.023*** (0.007)
voteEU skeptic	0.012 (0.008)	-0.056*** (0.009)
Social trust	0.096*** (0.011)	0.109*** (0.012)
EQI	0.009 (0.007)	-0.038*** (0.008)
Structural Funds 2007-13	0.026*** (0.005)	-0.007 (0.005)
nat_strength		0.451*** (0.011)
_cons	0.249*** (0.017)	0.258*** (0.019)
Obs.	17125	17125
R-squared	0.277	0.321

Standard errors are in parenthesis
 *** p<0.01, ** p<0.05, * p<0.1

Heckman selection models:

Heckman models are used to estimate several models in Tables A5 and A7, as those that were asked certain follow up questions in the survey only did so due to their response on the original dependent variable. The first stage of the model is a probit equation that serves as a selection of having expressed ‘spending ‘less’ or not (e.g. ‘more/same’). The second stage is the equation of the effects of our independent variables on each of the perception of others’ free riding’. The model assumes that the error terms of these two models are related and will lead to bias if not accounted for. The estimation essentially provides a test of this assumption with the parameter ρ , which gives us the correlation between the error terms of the two stages of the Heckman model – if ρ is in fact significant, the two-stage model is appropriate, meaning standard OLS would be biased.

Table A5: Test of free rider mechanism

	(1) 1 st stage: Spend less	(2) 2 nd stage: free rider	(3) OLS: free rider
Strength European	-0.771*** (0.043)	-0.645* (0.375)	-0.569*** (0.150)
Religious-civic	0.813*** (0.063)	0.884** (0.426)	0.814*** (0.223)
female	0.011 (0.023)	-0.143* (0.086)	-0.155* (0.086)
Age	0.057 (0.045)	0.086 (0.176)	0.201 (0.175)
Income: medium	0.024 (0.030)	0.021 (0.112)	0.054 (0.110)
Income: high	0.015 (0.030)	-0.062 (0.115)	-0.010 (0.114)
income4 (d/k)	0.051 (0.048)	0.019 (0.180)	0.070 (0.191)
Urban	0.015 (0.047)	-0.141 (0.181)	-0.028 (0.164)
unemployed	0.092** (0.046)	-0.016 (0.170)	0.068 (0.165)
Econ. Sat.	-0.553*** (0.061)	-0.293 (0.327)	-0.147 (0.219)
Perceived reg. wealth	-0.173*** (0.057)	-0.515** (0.229)	-0.732*** (0.214)
support_redist	-0.077* (0.046)	0.699*** (0.174)	0.765*** (0.169)
restrict_imm	0.604*** (0.037)	1.281*** (0.316)	1.297*** (0.138)
strong_leader	0.176*** (0.035)	0.800*** (0.153)	0.862*** (0.133)
voteEUskeptic	0.261*** (0.036)	-0.300 (0.199)	-0.152 (0.170)
Social trust	-0.238*** (0.049)	0.270** (0.128)	0.358*** (0.116)
EQI	-0.054 (0.036)	0.049 (0.093)	0.252*** (0.093)

Structural Funds 2007-13	0.014		
	(0.027)		
_cons	-0.295***	5.351***	5.394***
	(0.088)	(0.700)	(0.316)
/mills	0.183	0.183	
	(0.623)	(0.623)	
Obs.	17147	17147	4147
R-squared			0.137

Note: two-stage Heckman selection model estimates. 1st stage is a probit model with the variable 'national id' as the excluded variable in the second stages. Standard errors are in parenthesis. Country fixed effects included (not shown). Standard errors are in parenthesis *** p<0.01, ** p<0.05, * p<0.1

Table A6: Test of preferences for redistribution mechanism

Support domestic redistribution	Coef.	St.Err	p-value	Sig.
Strength European	0.062	0.074	0.401	
Religious-civic female	-0.603	0.110	0.000	***
Age	0.103	0.035	0.003	***
Income: medium	0.377	0.070	0.000	***
Income: high	0.012	0.047	0.801	
Income (d/k)	-0.121	0.047	0.011	**
Urban unemployed	-0.196	0.079	0.013	**
Econ. Sat.	0.088	0.067	0.189	
Perceived reg. wealth	0.183	0.074	0.014	**
restrict_imm	-1.348	0.101	0.000	***
strong_ledaer	-0.261	0.090	0.004	***
voteEUskeptic	0.425	0.063	0.000	***
soc_trust	0.921	0.063	0.000	***
EQI	-0.069	0.058	0.237	
Structural Funds 2007-13	0.348	0.087	0.000	***
cut1	0.235	0.054	0.000	***
cut2	0.102	0.037	0.007	***
cut3	-3.223	0.149		
cut4	-3.039	0.147		
cut5	-2.705	0.143		
cut6	-2.407	0.141		
cut7	-2.062	0.140		
cut8	-1.215	0.138		
cut9	-0.805	0.137		
cut10	-0.261	0.137		
cut11	0.464	0.136		
cut12	0.904	0.136		
Mean dependent var	0.774	SD dependent var	0.257	
Pseudo r-squared	0.039	Number of obs	17125.000	
Chi-square	1562.046	Prob > chi2	0.000	
Akaike crit. (AIC)	62264.341	Bayesian crit. (BIC)	62582.021	

Note: ordered logit estimates, logged odds reported. Country fixed effects and survey design weights included.
 *** p<0.01, ** p<0.05, * p<0.1

Table A7: Test of perceived benefits among supporters of Cohesion policy

	(1) 1 st stage: spend more	(2) 2 nd stage: national interest	(3) 2 nd stage: EU interest	(4) 2 nd stage: transnational interest
Strength European	0.333*** (0.048)	0.982** (0.451)	1.220*** (0.390)	0.606 (0.481)
Religious-civic	-0.282*** (0.068)	-0.253 (0.438)	-0.930** (0.379)	0.123 (0.469)
female	-0.069*** (0.024)	-0.078 (0.124)	-0.123 (0.107)	0.119 (0.133)
Age	-0.106** (0.048)	-0.078 (0.216)	-0.137 (0.187)	0.575** (0.233)
Income: medium	-0.152*** (0.032)	-0.037 (0.219)	-0.080 (0.189)	0.126 (0.234)
Income: high	-0.174*** (0.032)	-0.164 (0.241)	-0.144 (0.208)	-0.016 (0.258)
income4 (d/k)	-0.275*** (0.054)	-0.208 (0.392)	-0.253 (0.339)	0.094 (0.418)
Urban	0.017 (0.047)	-0.287 (0.178)	-0.235 (0.154)	0.055 (0.193)
unemployed	0.090* (0.050)	0.006 (0.219)	0.147 (0.189)	-0.054 (0.236)
Econ. Sat.	-0.055 (0.066)	-0.238 (0.257)	-0.149 (0.222)	-0.061 (0.277)
Perceived reg. wealth	-0.004 (0.061)	0.283 (0.232)	0.212 (0.201)	0.183 (0.251)
support_redist	0.214*** (0.051)	1.357*** (0.328)	1.432*** (0.284)	1.278*** (0.351)
restrict_imm	-0.307*** (0.038)	-0.555 (0.396)	-0.545 (0.342)	-0.374 (0.423)
strong_leader	0.033 (0.038)	-0.234 (0.151)	-0.096 (0.130)	-0.194 (0.163)
Social trust	-0.139*** (0.046)	0.127 (0.307)	0.342 (0.265)	0.667** (0.330)
EQI	-0.206*** (0.054)	-0.314* (0.169)	-0.253* (0.146)	0.106 (0.182)
Structural Funds 2007-13	-0.043 (0.039)	0.153 (0.096)	0.004 (0.083)	0.046 (0.103)
National id (0/1)	-0.042 (0.030)			
constant	-0.769*** (0.098)	5.672*** (1.826)	8.319*** (2.246)	8.319*** (2.246)
/mills	0.523 (1.514)	0.463 (1.310)	-1.699 (1.610)	-1.699 (1.610)
Obs.	17147	17147	17147	17147
Pr(chi2)	0.0000	0.0000	0.0000	0.0000

Note: two-stage Heckman selection model estimates. 1st stage is a probit model with the variable 'national id' as the excluded variable in the second stages. Standard errors are in parenthesis.

Country fixed effects included (not shown).
*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$