What Welfare Principles Do Europeans Prefer? An Analysis of Their Attitudes Towards Old Age Pensions and Unemployment Benefits

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9.1 Introduction

Dressed in yellow vests, the *gilets jaunes*-movement that erupted in October 2018 underscored that France, even fifty years after May 1968, remains the historical bedrock of political protest against social injustice. While the origins of the *gilets jaunes* lied specifically in proposals to increase taxes on fuel and rising living costs, more generally they questioned Emmanuel Macron’s tax reform because it presented a disproportionately higher burden for the working and middle class compared to upper class citizens. Some critics have interpreted such protest as if the
movement favours less taxes altogether; by contrast, others have argued that the protest is not against taxes per se but rather questions how the available resources allocated by the French welfare state are redistributed in a fair and just manner. The argument would be that the perception exists that the scarce available resources from the welfare state do not necessarily benefit those most in need (the poor), but seem primarily directed to those who already contribute a lot to the welfare state (the rich). This example of the French *gilets jaunes* -movement and its protest for more social justice not only demonstrates that there are distinct ways in which welfare resources can be redistributed, it also shows that public opinion is not homogenous in how such scarce resources should be redistributed.

At a more theoretical level, scholars have described that resources can be distributed in broadly three ways (Deutsch, 1975; Konow, 2003; Miller, 2001; see also the chapter of Pretsch in this book). A first model based on the principle of equity would redistribute welfare resources primarily to those who contributed most to the production of welfare. Often, this is the richest part of society as they contributed most in taxes. Second, a system that highlights the need principle primarily or even only redistributes welfare to those most in need, in practice the poorest segment of the population. A third option is the preference for a system in which all citizens are equally entitled to services and benefits. Across welfare states, a mix of these principles is applied to the organization of welfare redistribution.

Given our interest in public perceptions, building on existing research studying welfare opinions proposes that not everyone will prefer the same system of redistribution. For instance, we can expect that those who contribute most to the generation of welfare might also demand more in case a risk occurs to them; from the same logic, it can be expected that people in need might argue that the welfare state should give priority to them. In tandem, there is ample evidence that suggests that the national context also determines which principles are highlighted more. The aim of this chapter is to empirically verify what principles of welfare redistributions Europeans prefer: which individual factors explain their choice, and in what national contexts is one principle more dominant than others? To arrive at a comprehensive overview and extend existing studies
on this topic (Aalberg, 2003; Arts & Gelissen, 2001), our review innovates in two ways. First, we consider redistributive justice preferences applied to two distinct welfare provisions, namely unemployment benefits and old age pension schemes. Secondly, we simultaneously consider individual and contextual factors, because individual opinions are not only an imprint of personal circumstances, but are also determined by the national context (Svallfors, 2012).

In addition to reviewing the theoretical mechanisms, we present and analyze data from the 2008 wave of the European Social Survey (ESS). This cross-national social science research project was carried out in more than 25 countries (see Reeskens & van Oorschot, 2013, for a clear review of the data, variables, and methods). In this 2008 survey, specific questions about the preferred way of welfare redistribution applied to old age pensions and unemployment benefit schemes are asked, namely “Some people say that higher earners should get larger [old age pensions/more benefit] when they are [on pension/temporarily unemployed] because they have paid more. Others say that lower earners should get larger [old age pensions/more benefit] because they are more in greater need. Which of the three statements on this card comes closest to your view?” The answering categories were (1) higher earners should get more, (2) high and low earners should get the same amount and (3) lower earners should get more. Clearly, the middle option corresponds with equality, while the first option reflects equity and the latter one a redistribution based on need.

In this chapter, we proceed as follows. First, we provide a brief reflection on the main principles of welfare redistribution, engaging with insights from political theory. Subsequently, we proceed by providing theoretical arguments about which redistribution type can be preferred, immediately followed by an empirical verification using the data provided. Important to highlight at this point is that because they cover different social risks, different logics might be applied to the organization of unemployment provision and old age pension schemes. In the third section we build on the idea that individual differences exist in preferences for welfare redistribution and review these in an empirically way. Subsequently, we turn to the country-level to assess whether the three main principles are more dominant in some country-contexts than in others. Last but not least, we conclude our chapter with a reflection about
the extent to which equality takes a prominent position in the minds of Europeans when it concerns the organization of their respective welfare states.

9.2 Principles of Welfare Redistribution

In the context of the welfare state, social justice concerns principles that “provide a way of assigning rights and duties in the basic institutions of society and [they] define the appropriate distribution of the benefits and burdens of social cooperation” (Rawls, 1971, p. 4, but see also Konow, 2003; Miller, 2001). Although there is a continuing debate on the variety in social justice principles (Deutsch, 1975; Konow, 2003), and a distinction is usually made between substantial and procedural justice (Rothstein, 1998), in matters of welfare redistribution three principles are seen as central: equity (or desert), need and equality.

The principle of equity stipulates that those who contribute more to the generation of welfare should also receive more in case a risk occurs to them. When actors make significant contributions to the welfare state, e.g. by having a long labour-market trajectory (and therefore not being reliant on welfare), or paying more in taxes, they should be rewarded accordingly in case of setbacks. In practice, the equity principle prevails in case social protection is organized through social insurances (Clasen & van Oorschot, 2002), as it implies that the individual claim on welfare benefits depends upon previous contributions. Further, the principle of equity characterizes redistribution in conservative welfare states (with Germany as textbook example, cf. Esping-Andersen, 1990), as it reproduces social hierarchies and statuses (Arts & Gelissen, 2001).

The need principle goes that welfare provision should especially, or even only, be directed to those who are in real need. The logic is that particularly the neediest groups in society, such as low income groups or those with an inconsistent labour-market trajectory, should be entitled to higher social benefits to make sure that they are abstained from an accumulation of social risks which result in a cumulative disadvantage for their full participation in society. By contrast, the expectation is, then, that those who are better off are considered as being able to
provide for themselves. The need principle is seen to underlie specifically Anglophone liberal welfare states, exemplified by their dominant use of means-tests in the allocation of welfare (Clasen & van Oorschot, 2002).

According to the last dominant principle of welfare redistribution, namely equality, each and every one is entitled to the same type and degree of welfare provision, no matter his or her contribution to the welfare state or the demonstrated level of need. Applied to Esping-Andersen’s classification (1990), particularly the universalistic Nordic social-democratic model appeals to the justice principle of equality, as it guarantees a highly equal standard of living to all (Arts & Gelissen, 2001; Clasen & van Oorschot, 2002).

9.3 Which Principle Prevails?

Although there are clear indications that these three dominant principles of welfare redistribution relate to differences in the organization of welfare regimes, it is surprising that little is known about the extent to which these principles reflect public opinion. In a first step, it is therefore important to consider the rank order of these preferences: what can we expect about which principle is preferred first and foremost?

At the theoretical level, John Rawls’ (1971) *Theory of justice* emphasizes that people may not be (fully) aware of (the contingencies related to) their position in society. In this, he invokes the metaphor of the ‘veil of ignorance’ to suggest a broad support for an equal way of redistribution, with some allowance of extra rewards for specific talents and efforts, and with a guarantee of a basic set of minimum rights for all (see also the chapter of Levrau in this book). Empirical verification of this influential theory is, however, rather scarce and often contradictory. Economic experiments that have manipulated core aspects of Rawls’ theory, namely the ‘original position’ and the ‘veil of ignorance’, have concurred with Rawls (Potters, Riedl, & Tausch, 2010). However, survey research, which asked people about their preferences for welfare redistribution, has yielded different outcomes. After an analysis of cross-national social surveys, Toril Aalberg (2003) states that people generally prefer a redistribution based on equity, followed by the principle of
need; equality, by contrast, would be least popular. Arts and Gelissen (2001) arrive to similar conclusions based on the analysis of two data sources. Although it would lead us too far to engage in a discussion about the validity of laboratory experiments and social survey questions, the existing empirical knowledge limits a clear formulation of hypotheses that can be tested among public opinion.

Although it is an interesting question to know which principle of welfare redistribution individuals prefer in a more general sense, in this chapter we are particularly interested in their application to two welfare provisions that cover social risks, precisely because of the idea that the type of risk matters. On the one hand, we look at unemployment provisions. Unemployment remains a major concern in many EU countries following the Great Recession and effects of globalization and technological development. On the other hand, we consider old age pensions schemes, which is of concern due to wide spread ageing of European populations. Insights from the institutional logic of welfare states (Albrekt Larsen, 2006) show that public legitimacy for welfare programmes differs along very specific programmes. Programmes thus might reflect tensions between needs in the long-run (e.g. retirement) and specific needs that result from specific situations in life (e.g. unemployment). In addition, deservingness theory (van Oorschot, 2006; van Oorschot et al., 2017) proposes that people do hold different opinions about the deservingness of the elderly and the unemployed, with the latter being perceived as much less deserving of welfare provision.

Hypothesizing, then, which principles of redistribution would be applied to old age pensions schemes, the underlying logic is that the risk of being needy in old age can be foreseen well in advance. As a consequence, one can therefore consider it as a personal responsibility for which preparations and long-term precautionary measures can be taken in order to reduce its consequences (for instance by working, or saving income and wealth). Put differently, if people want to sustain an equally high living standard after retirement, they can expect to foresee in additional measures to incur in benefits that a limited pension scheme might not cover. As such, we propose that particularly equity would dominate preferences for old age pension redistribution, as it suggests that people who have contributed more over the lifespan should also receive more.
The logic is different for unemployment provision, as the risk of falling without a job is somewhat less predictable. What Rawls refers to as the ‘veil of ignorance’ is rather untransparent in the case of unemployment benefits. A consequence might be that people demand more from the state as a collective actor to protect against this risk. As a result, we propose that in the case of unemployment provision, popular preferences might reflect the principle of equality more, for the reasons that the risk of unemployment is less controllable and reflects a greater unpredictability for everyone.

We subject these expectations to an empirical test using 2008 data of the European Social Survey. The results are displayed in Fig. 9.1, with countries ordered by the degree of preference for the equality principle. The graph shows that in case of preferences for the redistribution of old age pensions, in almost half of the EU countries equity is preferred over equality; the reverse holds in the other half of European countries. Interestingly, in regard to the provision of unemployment benefits, the equality principle dominates in nearly all countries of the survey. This finding, in combination with findings from the unreported pooled data, confirms the hypothesis that equality prevails over less controllable social risks, as there is a strong preference for equality in case of unemployment benefit and a higher priority for the principle of equity applied to old age pensions.

Figure 9.1 also displays that for both types of provisions, the principle of need is far less preferred, implying that variation between countries largely depends upon the degree in which equality over equity is preferred. Inspecting Fig. 9.1, the suggestion is that there are larger differences between countries in the case of preferences for pension redistribution, implying that across the board more agreement exists to apply equality to the risk of unemployment—a social risk that is less easy to foresee.

One final and related observation flows from this cross-national variation. In discussing the main principles of redistribution, we connected the principle of equity to the continental welfare regime, equality to the universalist welfare state, and need to the liberal type. Eyeballing the differences between countries that are displayed in Fig. 9.1 makes it not that easy to place this variation in the three worlds of welfare. In
Higher or lower earners should get larger old age pensions

Higher or lower earners should get larger unemployment benefits

BE=Belgium, BG=Bulgaria, CH=Switzerland, CY=Cyprus, DE=Germany, DK=Denmark, EE=Estonia, ES=Spain, FI=Finland, FR=France, GB=Great Britain, GR=Greece, HU=Hungary, IE=Ireland, LV=Latvia, NL=Netherlands, NO=Norway, PL=Poland, PT=Portugal, RO=Romania, SE=Sweden, SK=Slovakia, SI=Slovenia

Fig. 9.1  Distribution of preferences towards redistribution of old age pensions and unemployment benefits across countries
9.4 Who Prefers What Principle?

Before we proceed with finding explanations for these differences between countries, we first explore to what extent different principles are preferred by different individuals or social groups. From the first studies in the field of welfare attitudes, it is known that explanations should be found in the structural and cultural (or ideational) characteristics of the individual (Kangas, 1997; Taylor-Gooby, 1985). Regarding structural features, the dominant mechanism is self-interest, which implies that the socioeconomic ‘haves’ would favour the principle of equity more (d’Anjou, Steijn, & Van Aarsen, 1995). By contrast, Robinson and Bell (1978, in d’Anjou et al., 1995) argue that the ‘have-nots’ might prefer equality more. We propose, however, that the least well off might as well prefer ‘need’ more, as this principle would benefit them more in terms of resources and welfare. This difference between ‘haves’ and ‘have-nots’ is actually confirmed by Aalberg (2003), as well as by Arts and Gelissen (2001).

 Derived from models of self-interest and existing studies, we propose the hypothesis that characteristics of the socioeconomic ‘haves’, like a higher income and higher educational level, as well as being employed in the case of unemployment protection, are associated with a stronger preference for the equity principle. By contrast, the expectation is that the socioeconomic ‘have-nots’ are most in favour of redistribution that targets the neediest groups, that is in particular lower income groups and the lower educated, the unemployed, but also the elderly in the case of pension protection and the young and old age cohorts in the case of unemployment benefits (as they are more vulnerable groups on the labor market). In regard to equality, one might argue that the middle class (both in terms of income as well as other socioeconomic categories)
would endorse this principle most, as they are not so keen on redistributing towards only the poor, but also do not want that the highest socioeconomic groups receive the most significant benefits and services.

In proposing hypotheses regarding cultural or ideational traits, we need to unravel them in three distinct explanations. Firstly, political orientation, i.e. aligning more to a leftist or rightist worldview, is a factor often invoked to explain differences in welfare (e.g. Jaeger 2008; van Oorschot & Meuleman, 2012). For need, it can be expected that this principle is most strongly endorsed by the left-wing side of the political spectrum, because they highlight social justice more. Contrary, equity is expected to be more endorsed by right-wing people. Lastly, the equality principle is most favoured by people with a political orientation in between. As a second cultural characteristics, we turn the attention to religious orientations, since it is known that religious people tend to be more altruistic, e.g. give more to charity (Hoge & Yang, 1994; Regnerus, Smith, & Sikkink, 1998). From this, we propose that need is more strongly endorsed by religious individuals. Thirdly, related studies suggest that individual perceptions of welfare deservingness influences their support for welfare programmes positively (van Oorschot & Meuleman, 2012). The assumption would be that perceptions of a poor standard of living of elderly and unemployed people (the target groups of the two programs we consider here), result in a stronger support for the principle of need applied to both programmes.

For each of these proposed explanations, the European Social Survey has particular questions available (see Reeskens & van Oorschot, 2013) which can be used to explain individual variation in preferences for welfare redistribution. The model we use is a multinomial multilevel model (see Gelman & Hill, 2006). Without getting too technical, this model accounts for the clustered nature of the data (individuals nested within countries), and allows for a simultaneous test of the effects of individual and country-level models (which will take place in subsequent step). The output of the model are regression coefficients which can be translated into the log odds of preferring equity or need compared to preferring the reference category of equality (see Table 9.1).

As we expected, the ‘haves’, i.e. those with a higher educational level and higher income groups (operationalized by subjective income), are
Table 9.1 Effects of individual level variables from multilevel multinomial regression analyses for explaining preferences for equity and equality over need

| Fixed Effect                  | Pensions          | Unemployment benefit |
|-------------------------------|-------------------|----------------------|
|                               | Equity  | Equality | Equity  | Equality |
|                               | Param   | T        | Param   | T        | Param   | T        | Param   | T        |
| Intercept                     | 0.58*   | 1.97     | 1.42*** | 9.22     | 0.49*   | 2.01     | 1.81*** | 11.55    |
| Education (Ref: Primary)      |         |          |         |          |         |          |         |          |
| – Lower secondary             | 0.12    | 1.85     | 0.03    | 0.58     | 0.24*** | 3.60     | 0.02    | 0.26     |
| – Higher secondary            | 0.36*** | 5.81     | 0.13*   | 2.13     | 0.41*** | 6.18     | 0.14*   | 2.33     |
| – Tertiary                    | 0.85*** | 12.72    | 0.20**  | 3.19     | 1.03*** | 14.28    | 0.43*** | 6.72     |
| Work status (Ref: Employed)   |         |          |         |          |         |          |         |          |
| – Unemployed                  | 0.06    | 0.60     | 0.13    | 1.30     | 0.07    | 0.65     | −0.01   | −0.11    |
| – Student                     | −0.22** | −2.82    | −0.11   | −1.37    | −0.40***| −5.01    | −0.11   | −1.55    |
| – Retired                     | 0.02    | 0.22     | 0.10    | 1.35     | 0.16*   | 1.98     | 0.13    | 1.80     |
| – Other                       | −0.04   | −0.72    | −0.01   | −0.24    | −0.04   | −0.61    | 0.03    | 0.45     |
| Unemployed for three months   | −0.16***| −4.09    | −0.10*  | −2.45    | −0.05   | −1.13    | −0.08*  | −1.99    |
| Subjective income             | 0.28*** | 11.27    | 0.08*** | 3.35     | 0.24*** | 9.53     | 0.07**  | 2.97     |
| Welfare depend                | −0.02   | −0.39    | −0.13*  | −2.27    | −0.14*  | −2.16    | −0.14*  | −2.40    |
| Political ideology (Ref: Left)|         |          |         |          |         |          |         |          |
| – Middle                      | 0.27*** | 5.92     | 0.16*** | 3.59     | 0.13*   | 2.56     | 0.02    | 0.40     |
| – Right                       | 0.54*** | 9.87     | 0.16**  | 3.01     | 0.39*** | 6.69     | 0.08    | 1.55     |
| – Missing                     | 0.12    | 1.92     | −0.02   | −0.25    | −0.05   | −0.77    | −0.20** | −3.26    |
| Religiosity                   | −0.06***| −4.44    | −0.01   | −1.13    | −0.08***| −5.96    | −0.04***| −3.54    |
| Standard of living claimants   | −0.08***| −8.67    | −0.07***| −7.67    | −0.08***| −7.87    | −0.07***| −7.43    |
| Age (Ref: 35 and <)           |         |          |         |          |         |          |         |          |

(continued)
| Fixed Effect          |          |          |          |          |
|-----------------------|----------|----------|----------|----------|
|                      | Pensions |          | Unemployment benefit |          |
|                      | Equity   | Equality | Equity   | Equality |
|                      | Param    | T        |Param     | T        |
| − 36–50 years old    | 0.02     | 0.33     |−0.08     | −1.55    |
| − 51–65 years old    | −0.18**  | −3.18    |−0.26***  | −4.74    |
| − 66 and older       | −0.23**  | −2.85    |−0.34***  | −4.20    |
| Gender               | −0.02    | −0.62    | 0.04     | 1.24     |
| Country Variance     | 1.55**   | 3.29     | 0.15**   | 3.10     |
| Intraclass corr (%)  | 32.00    | 4.49     | 20.57    | 4.60     |

* p < 0.10; *p < 0.05; **p < 0.01; ***p < 0.001; N = 38,518. Intraclass coefficients have been calculated by dividing the country-level variance by the sum of the country-level variance and the individual-level variance (≈ 3.29).
indeed less in favour of the principle of need; rather, they have a stronger preference for a redistribution based on equity as it would benefit them more. Remarkably, the effects are parallel for preferences for old age pensions and unemployment schemes. The ‘have-nots’ are more inclined to endorse the principle of need: being lower educated and being in a situation of income precarity, as well as being on benefit and being long-term unemployment leads to less supportive opinions towards equality and to being more in favour of a redistribution based on need. Also here, the preferences of the ‘have-nots’ are not dependent upon the programme evaluated. A person’s work status as such (that is, controlled for other factors: perceived income size and source, educational level, age) does not seem to have a strong impact on preferences for redistributive justice. One exception is present, as the retired tend to support equity in unemployment provision more; students as a group are less supportive of equity.

The cultural explanations largely confirm our hypotheses. Looking at political ideology first, leftist people are more in favour of the need principle. This is especially the case when it comes to pensions, more than unemployment benefit is concerned. We also see that two variables that indicate a concern with the needs of other people have an effect in the expected direction: people who perceive lower living standards of pensioners and unemployed people, and people who visit religious services more often are more in favour of the principle of need.

As for the demographic variables, which we have included as control variables in the analysis, it can be seen that no gender differences are present. This disconfirms popular stereotypes of ‘caring’ women vs ‘competitive’ men. Age, by contrast, shows clear differences. In regard to unemployment benefits preferences, the active age group (36–50 years old) is more in favour of equity. One interpretation might be that this group perceives a higher degree of employment security (in line with their lower actual unemployment rates), than the younger and older groups, and therefore favours the need principle less. For the redistribution of old age pensions, then, being older, and therefore closer to (possible) neediness in old age, relates to stronger preferences for the need principle.
9.5 On Cross-National Variation

After having taken into account individual variation, and therefore also accounting for compositional differences between countries, we now turn the attention to finding contextual explanations for variation between countries in preferred redistributive justice principles, as was already ascertained in Fig. 9.1. Studies in the field of welfare preferences have shown that they generally are affected by the national context people live in. Often, a distinction is made between the institutional set up of welfare states (e.g. Arts & Gelissen, 2001; Jaeger, 2006), socioeconomic factors (Blekesaune, 2007) and the cultural climate (van Oorschot, Pfau-Effinger, & Opielka, 2008).

First of all, accounts on the institutional ‘policy feedback’ perspective inform us that welfare regime people live in leaves an imprint on their welfare attitudes. The reason is that the institutional setup serves as socialization agent and reference frame (Arts & Gelissen, 2001; Jaeger, 2006; Kumlin & Stadelmann-Steffen, 2014; Svallfors, 1997). This would imply that people living in conservative welfare states would rather prefer the principle of equity, people of universalistic welfare states the principle of equality, and people living in liberal welfare states would support the principle of need. Previous empirical studies focusing explicitly on the issue did, however, not find clear associations between regime type and justice preferences (Arts & Gelissen, 2001).

The institutional account can also be applied to the organization of the different programmes in our study, namely old age pensions and unemployment benefits. As for pensions, we distinguish between pension pillar types (universal, occupational, private pensions) and pension benefit types (flat-rate, earnings-related and means-tested) (Niemelä & Salminen, 1995). Where a country’s pension system is dominated by universality, we expect specifically a smaller preference for the equity principle. On the other hand, where the organization of pensions is dominated by the private type, we expect a larger preference for the equity principle. In context where a pension reflect occupational contributions, we do not expect particularly strong preferences, given that such schemes often contain a mix of the principles of need (benefit floors), equality (benefit ceilings) and equity (earnings-related benefits between
floor and ceiling). Regarding benefit types, our expectations are straightforwardly related to the fact that flat-rate benefits are instruments for implementing the principle of equality, means-tested benefits reflect the principle of need, and earnings-related benefits reflect the principle of equity (Clasen & van Oorschot, 2002).

In case of unemployment benefits, we initially formulated similar expectations (be it that private provision is hardly existent), but it showed that hardly any cross-national comparative data are available about differences in systems of unemployment provision. Therefore, for exploratory purposes, without formulating hypotheses, we will test for possible effects of institutional features of unemployment benefit systems for which there is cross-national data available for the countries that are included in our study: the size of the waiting period for unemployment benefit, and the maximum duration of benefits. Related, we need to keep in mind that Esping-Andersen’s welfare regime typology of social-democratic, conservative and liberal welfare states (1990) was essentially based on an analysis of the degree of decommodification of labour. Likewise, a suboptimal manner to analyze the relation between unemployment schemes and preferences towards redistributive justice principles is by looking at the effect of a country’s position in this typology. Here we have to note, however, that this threefold typology does not cover the welfare states of Southern and Eastern countries (Arts & Gelissen, 2002). Therefore, in our analysis of regime effects we will include both groups as geographical clusters.

To hypothesize the possible influence of socioeconomic and cultural context variables, we blink to the seminal work of Morton Deutsch (1975). He points out that the prevalence of justice principles depends upon the “external circumstances confronting the group and upon the specific characteristics of the group composing it” (Deutsch, 1975, p. 140). This would mean that the principle of equity will be dominant in social groups where economic productivity is seen as important, since the principle allocates rewards in relation to effort and thus stimulates individual productivity. The principle of equality would be endorsed more in groups where “fostering or maintenance of enjoyable social relations is the common goal” (p. 143), since inequality may generate social comparisons and related stress, envies, distrust and conflicts. The principle of need will
prevail in groups with an emphasis on the personal well-being of group members on a material or immaterial dimension that is valued within the group. In such groups care is taken especially for those who are less well off on that dimension. Applying these ideas to the level of societies (as being large-scale social groups), we suggest that a stronger production orientation of a country may result in a stronger national work ethic, and larger income inequality, making that for such countries with corresponding characteristics the expectation exists that there are stronger public preferences for the principle of equity. We propose that an orientation on the quality of social relations is reflected by lower income inequality and higher generalized trust, implying that in such countries people prefer the principle of equality more. Finally, we assume that a stronger national orientation on the well-being of all citizens, and particularly for that of the less well off, is reflected in higher social spending per capita and higher national solidarity with vulnerable groups. Therefore, we expect these context variables to be related with a larger preference for the principle of need.

Also here, for each of these hypotheses, appropriate indicator variables have been found (see Reeskens & van Oorschot, 2013). In a first step, we test these national characteristics on the preference for redistributive principles separately, controlling for the individual level variables of Table 9.1. The results of this step, as displayed in Table 9.2, shows that in case of unemployment benefits, with the exception of one only, no national-level characteristics are related to individual preferences for justice principles. The single exception is that in countries with a higher per capita spending on unemployment benefits there is less preference for the equity principle. The apparent lack of significant effect coefficients of possibly relevant context variables is most probably related to the fact that, as Fig. 9.1 shows, there is little country-variation in preferences. In nearly all countries, regarding unemployment benefit, equality is preferred over equity, while equity is preferred over need.

The cross-national variation, as Fig. 9.1 shows, is larger for in the case of preferences for old age pensions, with countries split over equity and equality. Table 9.2 shows that quite some context variables relate to this variation. From that perspective, it is surprising that we do not see strong effects of the regime type. There is no stronger preference for
### Table 9.2  Parameter estimates of multilevel multinomial regression analyses of bivariate national-level covariates explaining preferences for equity and equality over need

| Worlds of welfare (Ref: Univers) | Pension schemes | Unemployment benefits |
|----------------------------------|-----------------|-----------------------|
|                                  | Equity | Equality | Equity | Equality |
| Conservative                     | 1.24*  | 0.07     | 0.62   | −0.15 |
| Liberal                          | −0.02  | 0.23     | −0.83  | −0.07 |
| Familiaristic                    | 1.83*  | 0.15     | 0.40   | −0.32 |
| CEC                              | 2.26***| 0.36     | 0.84*  | 0.22 |

**Institutional variables**
- Flat-rate schemes: −0.30 | 0.48*
- Earnings related schemes: 1.03 | 0.18
- Means tested schemes: −0.63° | −0.04
- Universal schemes: −3.77*** | −0.33
- Occupational schemes: −0.02 | −0.15
- Individual schemes: 0.94** | 0.40*

**Waiting period**
- 13–24 months: −0.10 | −0.01
- Longer than 24 months: 0.04 | −0.28
- Missing: 0.12 | −0.10

**Structural variables**
- Inequality (S80/S20): 0.45* | 0.12°
- Program expenditure/capita (1000s): −0.87*** | −0.18*

**Cultural variables**
- Agg work ethic: 2.60** | 0.14
- Agg generalized trust: −3.89*** | −0.33
- Agg solidarity: −0.48 | −0.54

° *p < 0.10; * *p < 0.05; ** *p < 0.01; *** *p < 0.001. Note Results are obtained from numerous different multilevel multinomial regression models. Each national level variable is tested bivariately under control of the individual-level variables of Table 9.1.
the need principle in liberal welfare states, or for the equality principle in universal welfare states. Yet, compared to citizens of social-democratic countries, primarily those living in Central and Eastern European countries prefer equity in pensions more, followed by citizens in the countries of Southern Europe, and these of the conservative welfare states of Western Europe. The stronger preference for equity in conservative welfare states could be a reflection of the fact that the principle forms the cultural core of the regime type (Esping-Andersen, 1990), but in case of the Southern and CEC welfare states the explanation is less evident.

Regarding types of pension systems and benefits, Table 9.2 shows some expected results, as in countries with predominantly flat-rate pensions, individuals are more in favour of equality over need. Also, in countries with a universalist pension system individuals are less in favour of equity, while in countries with an emphasis on individual retirement schemes individuals are more in favour of equity over the need principle. On the other hand, contrary to expectations, means-tested and occupational pension schemes are unrelated to preferences. In general, the trend seems to be that where pension policies are more privatized people opt more for equity, while people opt more for equality when programmes reflect universalism.

Concerning the other context variables that indicate particular structural and cultural context variables, Table 9.2 confirms some of our expectations. As expected we see that the equity principle is more preferred in countries with a stronger work ethic and a higher income inequality. We also see that the need principle is most preferred in countries with higher per capita spending on pensions (and on unemployment benefits). However, a particular preference for the principle of equality is not related to a country’s level of income inequality and trust. As in the case of the regime type variable, the structural and cultural variables seem to differentiate mostly the preference for the equity principle, and not so much that for the other two principles.

The bivariate relations—each country characteristic is tested once at a time under control of the individual level variables—reported in Table 9.2 do not give information on the importance of each factor relative to that of the others. This information we obtained from a series of multivariable regression analyses of combined effects of context factors
Table 9.3  Parameter estimates of multilevel multinomial regression models of multivariate national-Level covariates explaining preferences for equity and equality over need

| National-level variables          | Pension schemes | Unemployment benefits |
|----------------------------------|-----------------|-----------------------|
|                                  | Equity | Equality | Equity | Equality |
| Social expenditure/capita (1000s) | −0.49** | −0.11 | −0.14* | −0.05 |
| Flat-rate schemes                | 0.05   | 0.49*    |        |         |
| Earnings related schemes         | 1.53** | 0.19    |        |         |
| Universal schemes                | −2.81***| −0.18  |        |         |
| Individual schemes               | 0.60°  | 0.33°   |        |         |

°p < 0.10; *p < 0.05; **p < 0.01. Note Entries represent the result of two separate multilevel multinomial regression models, under control of the individual variables of Table 9.1. The listed country variables have been retained after various model selections.

have led to the results presented in Table 9.3. This table shows that, similar to the bivariate analyses, in case of unemployment benefit the impact of context factors is limited to the degree of per capita spending on unemployment benefits. In countries that spend more on unemployment benefit people prefer the equity principle less. In case of pensions we see the same relationship: equity is less preferred in countries that spend more on pension per capita. However, with pensions there is also a difference related to institutional design: national pension systems that are pre-dominantly offering earnings-related pensions correspond to a stronger preference for the principle of equity, and where universal type of schemes are dominant the preference is less for equity.

9.6 Conclusion

As Europeans are interwoven with and supportive of the welfare state, the aim of this chapter was to provide an empirical answer to the question what model of redistribution Europeans prefer, namely one based on the redistributive principle of equity, of equality or of need. In spite of data tracing back to 2008, the results of this study are still relevant given the upsurge in protest for more social justice, for instance, exemplified by the gilets jaunes-movement in France. From that perspective, it
is not surprising that Europeans do not have a single preference for redistribution, but instead prefer different principles to be applied to different social risks and related welfare programmes. Reflecting to the yellow vests, in case of the provision of unemployment benefits, in nearly all countries people prefer an equal redistribution of welfare, as the equality principle outweighs the equity principle. In case of the foreseeable risk of retirement, Europeans are quite split but tend to favour a pension scheme that benefits those who contributed more, reflecting social insurance. In more general terms, our interpretation is that the equality principle is most preferred for benefits that cover less predictable and controllable social risks, while the equity principle is more preferred in case of social risks the provision covers is seen more as the personal responsibility of citizens. Equally important to highlight—because it contradicts a number of studies (Aalberg, 2003; Arts & Gelissen, 2001)—is the finding in all countries and across the welfare programmes studied, that the need principle is only preferred by smaller sections of the population. We interpret this more as differences in survey question wording: the ESS offered a forced choice-question, while in other studies respondents were asked about care for citizens that require basic need. Evidently, this is a situation difficult not to subscribe to in general. The wording in the ESS, by contrast, forced respondents to weigh up the relative importance of the need principle to specific benefits they were receiving or could expect to receive in future.

While we do see that in case of unforeseeable social risks, equality prevails over equity, to explain variation at the individual level, we found a similar set of explanations. The analysis indicate that the equity principle is relatively more preferred among the ‘haves’ in society, i.e. people with higher income and educational levels. The principle of need, on the other hand, is especially preferred by ‘have-nots’, i.e. people with lower educational level, with lower income and income from benefit, and among longer-term unemployed. This makes sense from the perspective of interest-driven preferences: a redistribution based on equity benefits the most resourceful, while the poorest sections of the population benefit from a redistribution based on need. The principle of need is also more preferred by people who have a more ‘other-directed’ perspective on
social life: leftist people, people who are more concerned with the standard of living of others, and people who attend religious services more. Age showed to have a different effect for both programmes. In case of unemployment benefits, the age group of 36–50 years is less supportive of the need principle, and favouring equity especially. It could be that this group perceives a higher degree of job and (longer-term) employment security, than the younger and older groups, and therefore disfavour the need principle. With regard to pensions, as expected, older people, being closer to (possible) neediness in old age, are more in favour of applying the need principle than younger people, with the age of 50 dissecting between old and young.

We also noticed that there are quite some differences between countries in preferences for redistributive justice principles, particularly in the case of old age pensions. These national-level differences to some degree also reflect different national contexts. Parallel for both types of welfare provision is that welfare generosity curbs the preference for equity regarding both pensions and unemployment benefits. Other context effects differ according to the social risk evaluated. While we did not find additional factors affecting cross-national variability in case of unemployment benefits redistribution, redistribution preferences in case of old age pension on the other hand reflect the institutional design of pension redistribution. In general, the trend seems to be that that where pension policies are more privatized, people opt more for equity, while people opt more for equality when programmes reflect universalism. The finding that individual preferences towards old age pensions reflect institutional mechanisms challenges established insights. First of all, although we do not discard the fact that structural and cultural context features, as proposed by Deutsch (1975), determine preferences for redistribution, their influence is nevertheless overruled by the congruence between institutional features and public opinion. Second, despite the lack of a consistent overlap between the welfare regime types and preferences for principles of redistributive justice principles in earlier research (Arts & Gelissen, 2001), our study adds nuance by arguing that specific legislation and not country clustering on the basis of the Esping-Andersen typology might provide a sound representation of the institutional features.
We need, however, to raise some additional points of care about our findings as well. The first side-mark is the perennial issue of causality. Especially at the national level, the causal nexus that is implied by our multilevel research design is immanent. Critics would argue that our causal design of the national level is misleading, as for instance, Alesina and Angeletos (2005) see institutional features from a ‘policy responsiveness’ perspective as the result of popular preferences of what they refer to as the ‘median voter’. A second important disclaimer, particularly in light of this edited volume, concerns the distinction between a just distribution of opportunities and a just opportunity of outcomes (Fleurbaey, 1995). The data in our research didn’t account for this distinction that in fact might exist among public opinion. This nuance is important and might also feed future research. Third and final, a perennial qualification in survey research is that it might be bounded by the timing of the fieldwork. The data of analysis—the 2008 European Social Survey—was fielded in the middle of the global financial crisis. Even though related studies using the ESS have not found a temporal bias (Svallfors, 2012), we nevertheless cannot parcel out this explanation completely.

In spite of these critical marks, the findings add food for thought to reflect on equality applied to other welfare domains and in light of other social risks. With the covid-19 pandemic that hit Western societies in 2020, research on a just redistribution of health care resources is surfacing, too. Questions and answers about who should receive what kind of help in case intensive care units are scarce and medical care is at its limits, invoke not only theoretical reflections, but require insights from public opinion studies, too. As it becomes clear that everyone can be infested by the coronavirus (and therefore the risk is rather unforeseen), one might expect that also in the case of allocating resources, equality should prevail in the access to care. Yet, because of the timeliness, fundamental research on this topic is absent, and future studies will show how much equality prevails in the presence of a worldwide pandemic.
Note

1. We here refer to Esping-Andersen’s seminal welfare regime typology distinguishing between Anglophone liberal welfare states, Scandinavian social-democratic welfare states, and EU continental conservative welfare states (Esping-Andersen, 1990). See also the chapter of Wim Van Lancker & Aaron Van den Heede in this book.

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