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Welfare Spending and the Public's Concern for Immigrants

Multilevel Evidence for Eighteen European Countries

Wim van Oorschot and Wilfred Uunk

There is a large body of empirical evidence showing that negative images of immigrants and the related subtle and sometimes blatant prejudice against them are widespread among the populations of European countries.¹ Yet empirical studies in this field only occasionally investigate public images of immigrants' deservingness to receive welfare rights, income benefits, and social services.² This situation is remarkable since in many European countries immigrants are overrepresented among users of unemployment compensation, social assistance, and family benefits and since the number of immigrants to Europe has increased substantially in the past few decades.³ The increased influx and relatively high welfare use of immigrants may even undermine the overall legitimacy of the comprehensive welfare systems of European countries since they fragment the sense of a common community that allegedly underlies the comprehensive welfare states.⁴ In particular, American scholars who draw a parallel with the American situation have issued strong warnings in this respect. Their arguments differ somewhat, but the main thrust is that cultural diversity has a negative effect on the comprehensiveness and generosity of welfare systems, especially if welfare use is associated with a subordinate minority.⁵ The European comprehensive welfare states may be the more threatened since their social benefit systems may act as "welfare magnets" that attract ever increasing numbers of migrants.⁶ It is therefore not surprising that in the debate on challenges to the European social model the influx of migrants and related tensions regarding the distribution of welfare and the overall legitimacy of the welfare state have come to figure prominently on the agenda.⁷

This article addresses the relationship between welfare systems and attitudes on immigrants, specifically the effect of a nation's welfare spending on the concern for immigrants vis-à-vis other needy groups. The central question is whether the population of comprehensive, high-spending welfare states is less or more tolerant of immigrants than the population of low-spending countries and, if so, why. Notions from economic self-interest and cultural ideology theory and evidence on immigration rates in welfare states are used to advance two competing hypotheses on the effect of welfare spending. On the one hand, higher welfare spending might foster more favorable attitudes towards immigrants because

more welfare spending decreases economic competition among needy groups in society and because more welfare spending is accompanied by a higher degree of solidarity among citizens generally. Such a positive effect of welfare spending is additionally expected because more welfare spending attracts more immigrants and because higher immigration would, according to the cultural ideology theory, enhance mutual understanding between distinct population groups. On the other hand, the higher immigration rate that accompanies increased welfare spending could cause less concern for immigrants because indigenous people have more to lose if a large number of migrant dependents resulted in welfare retrenchment measures.

The hypotheses on the impact of a nation's welfare spending on the relative concern for immigrants are tested for eighteen European countries using data from the European Values Study 1999–2000. These cross-comparative data contain questions on individuals' felt concern on the living conditions of four needy groups: the elderly, sick and disabled people, unemployed people, and immigrants. Relative concern for immigrants is examined vis-à-vis concern for the elderly in order to control for country variations in the overall average levels of concern. A macro-micro statistical approach estimates effects of individual and country-level characteristics on a person's relative concern for immigrants, using multilevel techniques.

Analysis of the effect of nations' welfare spending on the public's relative concern for immigrants advances upon studies about the welfare deservingness of immigrants and about ethnic prejudice. Studies of the welfare deservingness of immigrants describe the public's support for immigrants' welfare rights vis-à-vis other needy groups and test the effects of individual-level correlates such as social class, education, work ethic, and redistribution attitudes on immigrants' welfare deservingness.⁸ However, these studies do not test whether people in high-spending countries are more or less concerned with immigrants' living conditions than people in low-spending countries. Studies of ethnic prejudice describe attitudes towards immigrants within Europe and explain these attitudes by individual-level and country-level correlates, such as individual employment, individual ideology, and a country's rate of immigration and unemployment, but do not examine the effect of a country's level of welfare spending.⁹

Theories and Hypotheses

To explain how a nation's welfare spending affects the public's relative concern for immigrants, hypotheses are derived from studies and theories of immigrant perceptions. There are two strands in these studies. The first concerns public opinion regarding welfare rationing, welfare deservingness, and solidarity towards needy groups. The second concerns studies ethnic prejudice, racism, and xenophobia.

Findings and Theories

Studies of public opinion on welfare rationing, welfare deservingness, and solidarity towards needy social categories mostly focus on assessing support for various types of welfare benefits and services.¹⁰ They say hardly anything about the category of immigrants and about the degree to which people rank social groups. Two studies, one on the degree foreigners deserve social and political rights in the eyes of the German and the Israeli public and the other on the perceived welfare deservingness of various groups of immigrants among samples of German students regard the perceived welfare deservingness of immigrants.¹¹ Rajjman, Semyanov, and Schmidt found that people with a lower socioeconomic status, unemployed people, lower educated people, and people with a more rightist, conservative ideology have more negative views on immigrants' deservingness of social and political rights than other people. These findings are in line with studies on people's solidarity with needy groups in general. Van Oorschot found for the Netherlands that lower educated persons, persons with a lower socioeconomic position, and persons with a more rightist political view are more conditional in their solidarity—displaying greater differences in their concern for specific needy groups—than others.¹²

The second strand, studies on ethnic prejudices, racism, and xenophobia, displays similar economic and cultural effects. It shows that education, employment status, social class, and income are important correlates of ethnic prejudice. Lower educated people, manual workers, unemployed people, and people with a lower income appear to have more antagonistic attitudes towards ethnic minorities than other social categories. Of these factors, education proves to have the most consistent and strongest effect.¹³

In both strands similar explanations were given for the observed effects of employment and education. The studies of popular welfare rationing by Rajjman, Semyanov, and Schmidt and van Oorschot interpret the positive effects of employment and education on people's perceptions of deservingness as evidence of economic threat.¹⁴ Lower educated and nonemployed persons hold less favorable attitudes on the welfare deservingness of immigrants because they are more closely in competition with immigrants over resources and benefits than higher educated and employed persons.¹⁵ Lower educated and nonemployed persons are also more conditional in their solidarity because they are in a more risky social position generally: they prefer stricter conditionality in welfare rationing to prevent social protection from being used by competing groups.¹⁶

In studies of ethnic prejudice a similar economic explanation is used to account for the observed positive effects of employment and education on ethnic tolerance. The sometimes implicit, sometimes explicit underlying theory is based on economic self-interest (or economic threat).¹⁷ According to this theory, hostile attitudes between members of two racial or ethnic groups reflect an underlying clash of personal self-interests. Individuals develop negative attitudes towards individuals with whom they are in direct competition.¹⁸ This competition is primarily economic—for jobs and promotion—but may also involve other tangible benefits such as shelter, safety, and the protection of one's own and one's children's future well-being.¹⁹

Much of the theoretical work on ethnic prejudice uses the notion of economic self-interest and threat to account for group and individual variation in these prejudices. An alternative, more culturally oriented explanation is offered by studies of voting preferences that found strong effects of political conservatism and racial prejudice but almost no effect of direct personal threat, that is, of economic self-interest.²⁰ They argued that a new form of racism had emerged, "symbolic racism." Symbolic racism is defined as "a blend of anti-black affect and the kind of traditional American moral values embodied in the Protestant Ethic . . . [it] represents a form of resistance to change [in] the racial status quo based on moral feelings that blacks violate such traditional American values as individualism and self-reliance, the work ethic, obedience, and discipline."²¹ The theory assumes that this new, more symbolic form of racism is acquired during the preadult socialization period; it is rooted in "deep-seated feelings of morality and propriety and in early-learned racial fears and stereotypes."²² Thus, rather than economic competition and self-interest, culturally rooted attitudes influence the public's concern for immigrants.

The cultural ideology theory offers an alternative explanation for the positive effect of education on ethnic tolerance. The higher educated may be more tolerant of immigrants than the lower educated not because they are competing less with immigrants, but because they are socialized at home and at school with a wider horizon than lower educated people and accept other people's distinct cultural habits and behavior.²³ In studies of welfare opinions a similar cultural theory was used to account for differences in support for welfare.²⁴ Furthermore, it has been found that support for welfare—generally or targeted to specific groups—depends not only on self-interest, but also on people's ideological beliefs.²⁵ One of these beliefs, for which there are empirical measurements, is about welfare redistribution. People who are more of the opinion that a society should eliminate big inequalities and guarantee the basic needs of all citizens, which are typical functions of a solidaristic welfare state, are less conditional in their solidarity with needy groups than people who think otherwise.²⁶ Supposedly, these beliefs about welfare redistribution also affect people's relative concern for immigrants. In addition, the ethnic prejudices people generally hold will influence their concern for immigrants' living conditions vis-à-vis other needy groups in society. Those who are more prejudiced against immigrants will presumably feel less solidaristic with immigrants than those who are less prejudiced. The example of the American welfare state teaches that especially popular negative images of racial and ethnic minorities underlie the low degree of solidarity with welfare recipients, although there are additional determinants.²⁷ Is ethnic intolerance a comparable major determinant of solidarity with vulnerable group of immigrants in European countries?

Hypotheses on the Effect of Welfare Spending

How will a nation's level of welfare spending affect the public's relative concern for immigrants? According to both economic self-interest theory and cultural ideology theory, the effect of a nation's welfare spending should be positive. In comprehensive welfare states people are presumably relatively more concerned with immigrants than in less comprehensive welfare states.

However, this positive effect occurs for different reasons. According to economic self-interest theory, more welfare spending increases the public's relative concern for immigrants because more welfare spending improves economic conditions and decreases economic competition over welfare between needy groups, to which immigrants more often belong. That is, in a situation of increased welfare spending people's welfare provisions are threatened less by cutbacks. According to cultural ideology theory, welfare spending should have a positive effect on the public's relative concern for immigrants since values of solidarity and equality are embedded in the institutions of more comprehensive welfare states—more than in less comprehensive welfare states—and possibly internalized in the welfare values system of the general public. The first hypothesis is therefore that the effect of a nation's welfare spending on the relative concern for immigrants is positive (Hypothesis 1). Yet, this positive effect is due to different underlying mechanisms. The economic model forwards improved economic conditions (measured here by employment) as the intervening factor; the cultural model forwards increased solidarity (measured here by support for welfare redistribution and weak ethnic prejudice) as the intervening factor.

An alternative, competing hypothesis on the effect of a nation's welfare spending is that more welfare spending decreases instead of increases relative concern for immigrants. This competing hypothesis is based on a macro-level factor that accompanies welfare spending, the rate of immigration. Welfare spending is positively correlated with the rate of immigration: the more welfare spending, the higher the rate of immigration. This positive correlation may occur first because of the welfare-magnet mechanism. That is, comprehensive welfare systems may attract increasing numbers of immigrants because their economic conditions and welfare provisions are attractive for migrants. Second, welfare spending and the rate of immigration correlate positively because an increasing share of immigrants leads to higher social expenses since immigrants are more often nonemployed and more often rely on social welfare than indigenous populations. Whatever the causal direction may be, an effect of welfare spending on immigration or an effect of immigration on welfare spending, the fact that higher-spending countries have a higher proportion of immigrants may have important implications for the public's relative concern for immigrants. Given immigrants' disproportional share in lower socioeconomic positions and welfare use, increased immigration may, in line with economic self-interest theory, lead to greater economic threat and intergroup competition over scarce goods and consequently to weaker relative concern for immigrants. There is evidence in studies of prejudice that higher immigration rates relate to stronger ethnic prejudice.²⁰ Therefore, the competing hypothesis on the effect of welfare spending holds that more welfare spending decreases relative concern for immigrants, specifically by an increased rate of immigration (Hypothesis 2).

This competing hypothesis can itself be criticized for its assumption of an immigration effect. Where the economic self-interest theory predicts a negative effect of a nation's immigration rate on the public's relative concern for immigrants, the cultural ideology theory assumes a positive effect. Living in a culturally diverse country may have a socializing effect towards the understanding of "others" and make it possible to deal and live with them

without feeling so much threatened.²⁹ Such a perspective might explain why European people who live in urban areas, where there are much higher concentrations of immigrants and greater economic competition among scarce resources, are generally less negative about civil rights for immigrants than Europeans living in rural areas.³⁰ Therefore, the final hypothesis is that welfare spending increases the relative concern for immigrants, specifically by an increased rate of immigration (Hypothesis 3).

Data and Methods

Data The data source is the European Values Study (EVS), round 1999–2000 (wave 3), fielded in thirty-three European countries. The EVS data are well suited for this analysis since they come from a cross-nationally comparative study, based for each of the thirty-three countries on a large, national, representative sample of the adult population. The focus is on attitudinal questions, covering moral, religious, societal, political, economic, and social issues. The analysis is confined to the eighteen countries that had adequate additional, aggregate data for welfare spending and immigration at the time of analysis: France, Great Britain, Germany, Austria, Italy, Spain, Portugal, Greece, the Netherlands, Belgium, Denmark, Sweden, Finland, Ireland, Poland, Czech Republic, Slovakia, and Hungary. The pooled dataset contains 21,857 individuals aged eighteen and over with valid answers on both dependent and independent variables.³¹ The number of cases per country is about 1,200 on average, with a minimum of 818 for Great Britain and a maximum of 1,889 for Italy.

Dependent Variable The central dependent variable is the relative concern for immigrants. It measures people's concern about living conditions of immigrants compared to other needy groups. The EVS data contain questions about concern for four different groups: the elderly, sick and disabled people, unemployed people, and immigrants. Concern for the elderly has been taken as reference for the relative measure of concern, because previous analysis of the (same) EVS data has shown that people rank the elderly consistently—across countries and social categories—higher on perceived welfare deservingness than immigrants.³² The specific question from the EVS is: "To what extent do you feel concerned about the living conditions of: (1) elderly people in your country; (2) immigrants in your country" (1 = not at all, 2 = not so much, 3 = to a certain extent, 4 = much, 5 = very much).

The assumption is that respondents' felt concern with a group reflects their solidarity with that group.³³ It should be noted that the same EVS question also asked for concern about the groups of "sick and disabled people" and "unemployed people." Thus, the question used here is set within a context of concern for vulnerable groups in society generally. The measure for the relative concern for immigrants, then, is defined as the (absolute) difference between people's concern for immigrants and people's concern for elderly people.

Scores can range between -4 (not at all concerned for immigrants; very much concerned for the elderly) and +4 (very much concerned for immigrants; not at all concerned for the elderly).³⁴

The term "immigrants" in the survey question is an unspecified category, leaving room for interpretation of what type of specific immigrant groups the respondents had in mind when answering the question. The immigrant population in Europe is heterogeneous in composition and covers both low-skilled immigrants from nonwestern countries (for example, most of the Moroccans and Turks who migrated to the Netherlands), high-skilled nonwestern immigrants (for example, Indian software specialists migrating to Great Britain), and low- and high-skilled migrants from new EU member states (for example, Poles), as well as distinct migration generations. Some of these groups may be perceived as needy, yet others do much better socioeconomically and are culturally well-integrated. It would have been better, although practically difficult given the heterogeneous composition of the immigrant groups in Europe, if the EVS question had asked about concern for specific immigrant groups. Nevertheless, despite the heterogeneity of the group of immigrants, the public in each European country has on average the least concern for the living conditions of immigrants and the most concern for the elderly. Thus, people have some ideas about who immigrants are and are able to rank immigrants relative to other groups in a systematic fashion.³⁵

Independent Variables: Individual Characteristics In a macro-micro approach to relative concern for immigrants, effects of individual-level and country-level characteristics are both examined. The most relevant individual-level factors are employment and solidarity attitudes since these factors are central in the hypotheses from economic self-interest theory and the hypotheses from cultural ideology theory.

Employment is measured by respondent's self-reported employment status.³⁶ Employed, unemployed, retired, and "other inactive" (housewife, unemployed, student, other) people are distinguished. For the employed, social class position is further distinguished. The social class variable is based on the current occupation of the respondent. Because of sample size considerations the original class scheme available in the EVS data is recoded to five categories: higher white collar (employers and professionals), lower white collar, higher blue collar, lower blue collar, and farmer.

Two measures are used for general solidarity attitudes. First, beliefs on welfare redistribution are examined. They are measured by two items from a question on what a society should provide in order to be considered "just": "eliminating big inequalities in income between citizens," and "guaranteeing that basic needs are met for all, in terms of food housing, cloths, education, health." Answer categories ranged from 1 (very important) to 5 (not at all important) and were recoded so that 5 indicates "very important" and 1 "not at all important." The Pearson *r* correlation between these two items is moderate (0.33, $p < 0.01$), which is a reason not to construct one scale but to use the two items separately. The second measure of general solidarity attitudes is ethnic intolerance. This is measured by the ques-

tion: "How about people from less developed countries coming here to work. Which one of the following do you think government should do?"³⁷ Answer categories are: (1) "Let anyone come who wants"; (2) "Let people come as long as jobs are available"; (3) "Put strict limits on the number of foreigners who can come here"; (4) "Prohibit people coming here from other countries." The response scores are left as they are so that low scores indicate low ethnic intolerance and high scores high ethnic intolerance.

The analyses also control for some individual-level factors that are known to affect welfare deservingness and attitudes towards immigrants: gender, age, and education. Gender is a dummy variable, where males are set to zero and females to one. Age is measured in years since birth. The highest level of education attained measures education. It was coded by the data collectors into a common metric containing eight categories, ranging from inadequate education (code 1) to higher education, upper-level tertiary certificate (code 8).

Independent Variables: Country Characteristics

The characteristics at the country level are welfare spending and the rate of immigration. Welfare spending is measured by a country's total social spending as a percentage of the Gross Domestic Product (GDP). To average out some of the difference in GDP development across countries, the arithmetic means of welfare effort over the period 1994–1998 are taken. All are based on figures from the Organisation for Economic Co-operation and Development.³⁸

To measure the rate of immigration, the rate of foreign-born citizens is taken from an OECD report that critically discusses the validity and reliability of European migration rates for use in international comparison.³⁹ National statistics of immigrants, on which such rates usually are based, vary widely in definition of an immigrant. The OECD-report suggests using the rate of foreign-born citizens since it is a cross-nationally comparable measure of immigration. It is obtained from the countries' censuses that asked for people's country of birth. Rates from the year 2000 are used. A disadvantage of the immigration measure is that many of the immigrants who reside in Europe were not born abroad but rather in the country where they currently reside. The measure therefore excludes second-generation immigrants (immigrants who were born in the country of destination, with one parent born abroad) and severely underestimates the total share of immigrants in European countries. However, there are good arguments to use the measure of the foreign-borns. First, there exists a strong and positive association at the country level between the share of the foreign-born and the total share of immigrants. Countries with relatively many foreign-born people also have high shares of immigrants. Thus, although the total share of immigration may be underestimated, the effect of the total share of the immigration rate will not be biased. Second, foreign born, first-generation immigrants have a lower socioeconomic position and higher use of social welfare than second-generation immigrants. Therefore, it is much more the immigration of foreign-born people than the share of second or later generations that will affect economic threat. Third, the welfare-magnetism effect of comprehensive welfare states will likely attract new immigrants, previously not residing in the

country; it is the fear for these foreign-born immigrants that may explain why welfare spending affects the relative concern for immigrants negatively. The two latter arguments imply a stronger effect of the restricted measure of foreign-born people than of a measure including all immigrants.

Table 1 lists the country means of the measures of welfare spending and immigration. As can be seen, the Nordic countries in the sample of Europe (Denmark, Finland, and Sweden) deviate by high levels of welfare spending, and southern European countries such as Spain and Portugal and eastern European countries such as the Czech Republic, Hungary, and Slovakia deviate by low levels of welfare. The country picture is different with respect to the share of foreign-born immigrants. Central and western European countries such as Austria, Belgium, France, Germany, and the Netherlands, as well as Sweden, Ireland, and Greece, are characterized by high levels of immigration, and eastern European countries with particularly low levels of immigration. The correlation between the two macro-level factors—welfare spending and immigration—is 0.37 at the country level. Such a correlation can normally be viewed as moderate and significant; however, due to the limited number of countries involved in the analysis it did not reach significance ($p = 0.13$).

Table 1 Means of Country Characteristics

	Welfare spending (social expenditure as % of GDP)*	Immigration (% of foreign borns)**
France	29.3	10.0
Great Britain	22.5	8.3
Germany	27.5	12.5
Austria	26.5	12.5
Italy	23.8	7.0
Spain	21.2	5.3
Portugal	18.5	6.3
Netherlands	24.8	10.1
Belgium	28.1	10.7
Denmark	31.6	6.8
Sweden	32.4	12.0
Finland	30.0	2.5
Ireland	18.0	10.4
Poland	23.5	2.1
Czech Republic	19.1	4.5
Slovakia	19.0	2.5
Hungary	21.0	2.0
Greece	21.9	10.3
Total	24.5	7.8

Sources: * OECD, 2004; ** Dumont and Lemaître, 2004.

This result does not negate the conjecture on the welfare magnet effect of welfare spending by a wide margin.

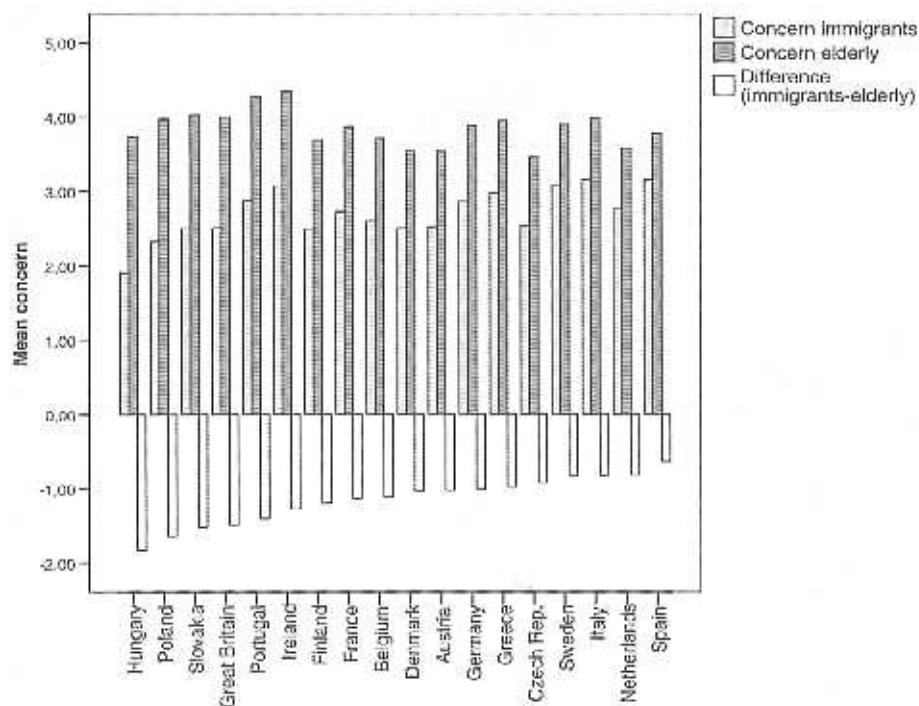
Results

A Description of the Relative Concern for Immigrants Figure 1 displays the mean concern for immigrants and the elderly by country, as well as the difference in the concern for these two groups (the relative concern for immigrants). As was observed in previous studies of welfare deservingness, in all of the selected countries of Europe people show on average more concern for the elderly than for immigrants.⁴⁰ On a five-point scale ranging from 1 (low) to 5 (high), people show a concern of 2.7 for immigrants and 3.8 for the elderly, an absolute difference of more than one point and a relative difference of 41 percent in favor of the elderly. This difference is statistically significant. Figure 1 furthermore shows country variation in the relative concern. People in Great Britain, Portugal, and the eastern European countries of Poland, Slovakia, and Hungary make rather large differences in their concern for immigrants and elderly, whereas differences are relatively small in Italy, Spain, the Netherlands, and Sweden.⁴¹ This country pattern seems to coincide with the absolute concern for immigrants: that is, in countries with a rather low concern for immigrants, the difference people make between immigrants and the elderly is larger (relative concern is more negative). However, this relation is not perfect. For example, in Ireland concern for immigrants is fairly high, but concern for the elderly is considerably higher, making for a fairly low relative concern for immigrants (mean of -1.3).

Do the country differences in relative concern overlap with levels of welfare spending and immigration? Figures 2 and 3 suggest they do. Countries with higher welfare spending and countries with higher immigration have higher relative concern for immigrants than other countries. The Pearson *r* correlations at the country level are moderate, with 0.33 ($p = 0.18$) for welfare spending and relative concern and 0.51 ($p = 0.03$) for immigration and relative concern. Most countries are placed around the plotted correlation line, but some countries deviate, specifically Hungary and Spain. In Hungary relative concern for immigrants is lowest among the countries investigated, even though welfare spending in Hungary outranks spending in other East European countries. In Spain, in contrast, the relative concern for immigrants is most positive among the eighteen countries, despite rather low levels of welfare and immigration.

The coincidence of country differences in relative concern for immigrants with levels of welfare spending and immigration does not necessarily mean that a country's welfare spending and immigration affect individual attitudes on immigrants and other needy groups. First, these analyses are aggregate-level, relating mean levels of relative concern to country-level factors. Such aggregate-level analyses do not take into account the individual variance in relative concern and, if not carefully interpreted, present the risk of an ecological fallacy. Second, the two macro-level factors were not estimated independently of each

Figure 1 Concern for Immigrants, Concern for the Elderly, and the Difference in Concern for Immigrants and the Elderly (Relative Concern) by Country

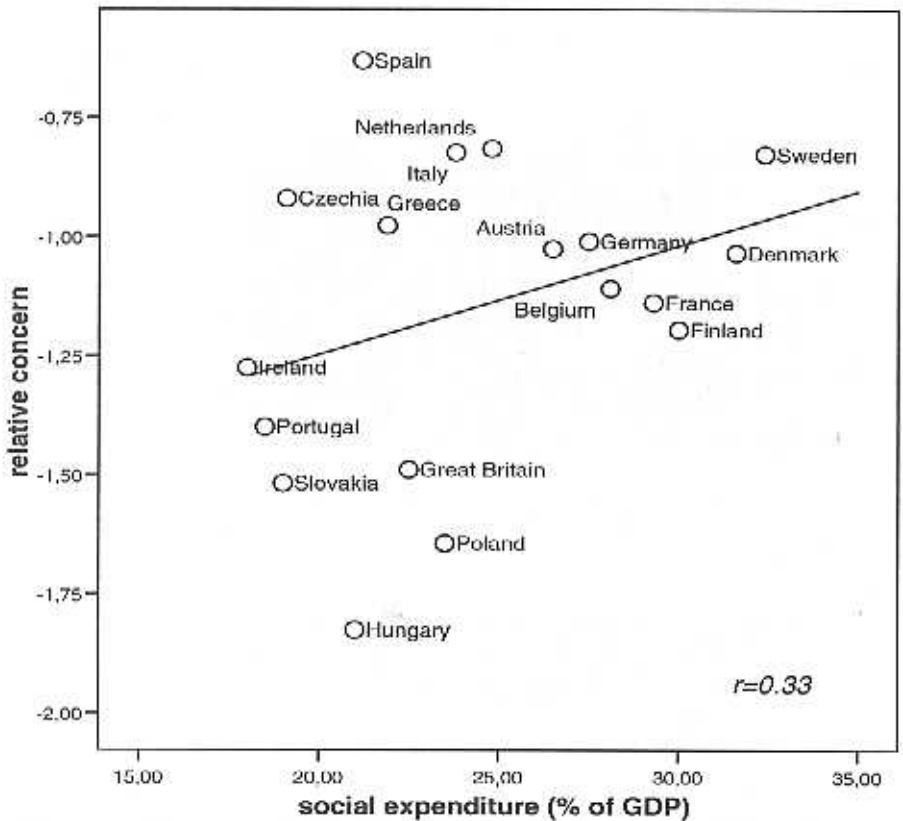


other. That is, the net effects of welfare spending and immigration are not yet known. Third, population composition, for example, differences between countries in the distribution of education, was not taken into account. Compositional differences in education may form an alternative explanation of the effect of welfare spending since countries with more welfare spending have a more highly educated population and since a higher education may increase the relative concern for immigrants.

Determinants of the Relative Concern for Immigrants

To estimate effects of individual-level and country-level characteristics on individuals' relative concern for immigrants in a statistically appropriate way, multilevel regressions were run. Multilevel regression models are regression models that correct for the nesting of individuals within higher-level units (here, countries) and take account of the variability associated with each level of nesting. This method is an improvement not only over aggregate-level analyses, but also over analyses where macro-level characteristics are disaggregated to the individual level, a research design that is still quite common in social science research. In comparison

Figure 2 Relative Concern for Immigrants by Welfare Spending (Country-level)

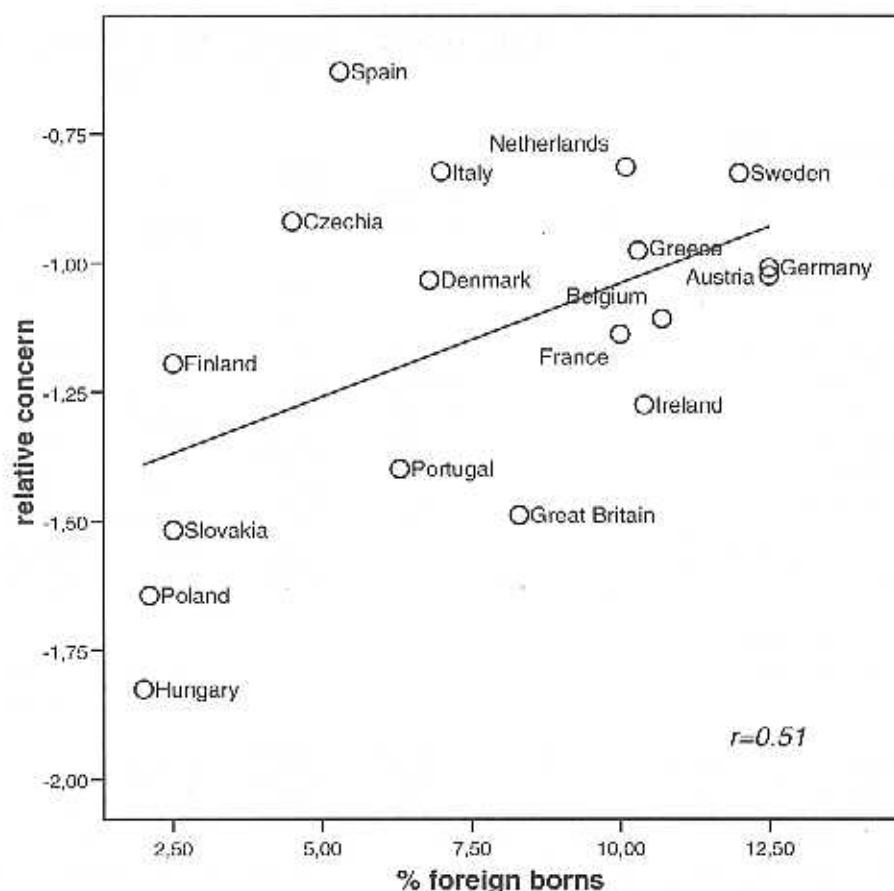


with the latter design, the multilevel design provides less biased estimates of the effects of macro-level characteristics since standard errors are corrected appropriately.

Table 2 lists several multilevel models. The first is an “empty” model, containing the intercept only (Model 1). This model shows that individual, within-country variation in relative concern for immigrants (estimate, 1.12) is much larger (by a factor 3.6) than country variation (0.31), yet both variance components are statistically significant. This result indicates that the relative concern for immigrants differs across countries and, within countries, across individuals.

Model 2 of Table 2 introduces economic and cultural determinants at the individual level. It estimates effects of people’s employment status, their redistribution beliefs, and the effects of the control variables age, gender, and education. As predicted by economic self-interest theory, Model 2 shows that economically threatened social categories have less concern for immigrants than for the elderly. Blue collar workers—both high and low blue

Figure 3 Relative Concern for Immigrants by the Rate of Immigration (Country-level)



collar workers—and farmers have significantly lower scores on relative concern than the reference group of higher white collar workers, while lower white collar workers are on a par. Economic self-interest may also explain why retired workers score low on relative concern for immigrants: it is in their interest to favor the elderly. Surprisingly, however, the unemployed do not differ from higher white collar workers in their relative concern for immigrants. Based upon their economic situation and their supposed competition with ethnic minority groups for scarce resources such as jobs and welfare benefits, self-interest theory would expect this group to score lowest on relative concern for immigrants. Additional, unreported (multilevel) analysis has shown that unemployed people, compared to the reference group of white collar workers, are less concerned about the living conditions of both

Table 2 Multilevel Regressions of Relative Concern for Immigrants: Effects of Individual-level and Country-level Characteristics (N = 21,857 individuals, 18 countries)

	Model 1	Model 2	Model 3	Model 4	Model 5
Intercept	-1.147**	-1.077**	0.103*	-0.658**	-0.725**
<i>Individual variables</i>					
Age		-0.009**	-0.009**	0.009**	-0.009**
Woman (ref. = man)		-0.046**	-0.050**	-0.050**	-0.050**
Education		0.069**	0.052**	0.053**	0.052**
Employment status					
higher white collar		ref.	ref.	ref.	ref.
lower white collar		0.032	-0.022	-0.023	-0.023
higher blue collar		-0.081**	-0.062**	0.062**	-0.062**
lower blue collar		-0.071**	-0.042	-0.042	-0.042
farmer		0.178**	-0.132*	-0.132*	-0.132*
unemployed		0.006	0.023	0.023	0.023
retired		-0.085**	-0.060**	-0.061**	-0.061**
other inactive		-0.001	0.005	0.005	0.004
Redistribution: reduce inequality		0.026**	0.022**	0.022**	0.022**
Redistribution: basic needs		0.002	-0.005	-0.005	-0.005
Ethnic intolerance			0.343**	-0.343**	-0.343**
<i>Country variables</i>					
Welfare spending				0.023*	0.015
Immigration					0.025
<i>Between-country variance</i>	0.310**	0.303**	0.256**	0.235**	0.219**
<i>Within-country variance</i>	1.118**	1.088**	1.063**	1.063**	1.063**
<i>Explained country variance</i>	0.0	2.3	17.4	24.2	29.4
<i>-2*Log Likelihood</i>	66976.8	65812.4	64760.8	64757.8	64755.3

** $p < 0.05$; * $p < 0.10$; ref. = reference group

Source: EVS 1999 (own calculations)

immigrants and elderly. However, because unemployment reduces concern for the elderly more than for immigrants, on the aggregate the unemployed appear quite concerned for immigrants.

Model 2 also displays support for the cultural explanation. Believing that society should reduce inequalities has the expected positive effect on relative concern for immigrants: people who are more in favor of reduction of income inequalities place immigrants closer to the elderly on their personal scale of solidarity than people who support this belief less. However, the belief that a society should guarantee basic needs for all does not show a significant effect.

The control variables age, gender, and education show a pattern that is well-known from studies on ethnic prejudice and welfare deservingness. Older people, women, and the lower educated display significantly lower levels of relative concern for immigrants than younger people, men, and the higher educated. Compared to the effect of employment status, the effect of education is rather large. The difference in relative concern between the lowest educational level and the highest educational level is [$8 \times 0.069 =$] 0.58, while for employment status this difference is at maximum 0.09. As mentioned earlier, the positive effect of education may be interpreted both as an economic and a cultural effect. More highly educated people may be more positive towards immigrants compared to the elderly, because they compete less with immigrants on the labor market, but they may also be more positive because they are socialized with more tolerant views of differing groups.

Model 3 of Table 2 adds an effect of ethnic intolerance. This factor appears to have a strong negative effect on relative concern for immigrants. Scoring one unit higher on ethnic intolerance lowers relative concern by -0.34. Overall, this effect appears strongest of all the effects investigated. The difference in deservingness perception between the lowest and highest category on ethnic intolerance is [$4 \times -0.34 =$] 1.36, more than twice as strong as the next-strongest determinant, educational level (difference, 0.58). Perhaps even more interesting is that the introduction of ethnic intolerance in the analyses reduces some of the earlier observed economic and cultural effects. The strongest reduction pertains to the education effect. The effect drops from 0.069 in Model 2 to 0.052 in Model 3, a reduction of one-quarter in effect size. Thus, part of the education effect on relative concern for immigrants is due to ethnic intolerance. In other words, more highly educated people show more concern for immigrants than the elderly in part because they hold more tolerant attitudes towards immigrants. Yet the significance of education in addition to ethnic (in)tolerance indicates that, not just ethnic tolerance, but also education conveys more solidaristic views. More generally, the measure of relative concern for immigrants is not only an expression of ethnic (in)tolerance, but also of feelings of solidarity.

The effects of the country characteristics are shown in Models 4 and 5 of Table 2. Model 4 starts by including a country's level of welfare spending. In line with the descriptive aggregate-level analyses, a country's welfare spending shows a positive, significant effect. Thus, people in countries with higher levels of welfare spending are relatively more concerned for immigrants than people in countries with lower levels of spending. However, this effect still does not exclude the alternative immigration explanation that people in high-spending countries may have more concern for immigrants than people elsewhere because rates of immigration in these countries are higher and because immigration rather than welfare spending may foster concern for immigrants.

To test the independent effects of a country's welfare spending and immigration, Model 5 of Table 2 estimates the two macro-level determinants simultaneously. The effect of immigration appears nonsignificant, yet closer inspection reveals that the effect is just above the level of significance with a p-value of 0.101. This result indicates that the level of immigration is not unimportant in people's relative concern for immigrants. The positive

estimate indicates that a higher share of immigrants in a country promotes relative concern for immigrants by placing them closer to the elderly. This result is in line with the cultural explanation, which holds that higher immigration makes for more mutual understanding between indigenous and ethnic minority groups and for more relative concern for immigrants. The positive effect of immigration is not in line with the economic self-interest explanation. According to this explanation, a higher rate of immigration would increase economic competition and feelings of threat and consequently lower the relative concern for immigrants.

Additional evidence in favor of the cultural explanation of welfare spending is seen in the effect of welfare spending itself. Table 2 shows that, once immigration is taken into account, the effect of welfare spending disappears. Whereas it was significantly positive in Model 4 (containing welfare spending only), it proves nonsignificant in Model 5 (both welfare spending and immigration). This finding is important, since it indicates that it is not welfare spending itself that promotes relative concern for immigrants in higher-spending countries, but immigration. The effect of welfare spending is apparently only indirect. More welfare spending attracts more immigrants, and more immigrants make people more concerned for immigrants.

Conclusions and Discussion

Immigration has raised anxiety about European welfare states and tensions about the redistribution and legitimacy of welfare. The degree to which Europeans are concerned about the living conditions of immigrants can be studied in comparison to their concern for elderly people, a group that usually is seen as a highly deserving category. Immigrants are not the only vulnerable group in European welfare states that meets unfavorable popular images, and the relevance of concern for immigrants in modern welfare states goes beyond attitudes towards immigrants.

This analysis was especially interested in the effect of a nation's welfare spending on the relative concern for immigrants. Are people in comprehensive welfare states relatively more tolerant of immigrants or less tolerant? Using notions from economic self-interest theory and cultural ideology theory and evidence about immigration rates in welfare states, it advanced two competing hypotheses on the effect of welfare spending. On the one hand, higher welfare spending may make for more favorable attitudes towards immigrants because more welfare spending decreases economic competition among needy groups in society and is accompanied by a higher degree of solidarity among citizens. Such a positive effect of welfare spending is additionally expected because more welfare spending attracts more immigrants and because higher immigration would, according to the cultural ideology theory, enhance mutual understanding between distinct population groups. On the other hand, the higher immigration rate that accompanies increased welfare spending could, according to the economic self-interest theory, make for less concern for immigrants

because indigenous people have more to lose if a large stock of migrant dependents would lead to welfare retrenchment measures.

Multilevel regression analysis of data from the European Values Study 1999–2000 assessed the effect of country-level and individual-level determinants in a sample of eighteen European countries. The relative concern for immigrants is higher among European people living in higher spending welfare states. However, it is not the level of welfare spending itself that makes people in those countries relatively more solidaristic, but rather the level of immigration. More welfare spending attracts a greater share of immigrants, and more immigration makes people more concerned for immigrants as compared to the elderly. These findings suggest that fears of tensions about the welfare redistribution towards immigrants are not especially justified in European countries, countries that spend much on welfare and that host an increasingly large number of immigrants. On the contrary, speculation that people in high-spending welfare states would feel a larger economic threat from immigration because they have more to lose or would experience a stronger threat to the community underlying their welfare system do not hold up against the evidence. The positive effect of a country's level of immigration is evidence that living in a culturally diverse country may have a socializing effect toward understanding others and in dealing and living with them without feeling threatened. To investigate this explanation further, future research might, when cross-comparative data become available, distinguish between distinct groups of migrants, for example, those immigrating without many economic prospects and those with better prospects. It may be that immigration of "chanceless" immigrants makes for less tolerant views of immigrants.

As for individual characteristics, in line with predictions from economic self-interest theory, relative concern for immigrants is higher among social categories that experience a weaker economic threat from migrants. Relative concern is higher among workers who hold a higher socioeconomic position and among higher educated people than among other people. However, unemployment did not show the expected negative effect: the unemployed appear to be as concerned for immigrants as high white collar workers. Closer analysis revealed that the unemployed hold more negative attitudes toward both immigrants and elderly people. This finding may be explained by economic self-interest reasoning. Cultural theory—the theory that people's ideology, rather than economic self-interest, influences their concern for immigrants—also deserves credit. It is indirectly evidenced by the positive effect of education on relative concern and more directly evidenced by the influence of egalitarian attitudes and ethnic prejudices. People with more egalitarian views, that is, people who adhere more to the idea that society should make efforts to reduce inequalities generally, appear to show more relative concern for immigrants than people with less egalitarian views. The strongest individual-level determinant of relative concern is people's degree of ethnic (in)tolerance: higher levels of ethnic intolerance make people relatively less concerned for immigrants and more concerned for the elderly.

More generally, the findings suggest that people's concern for immigrants is influenced partly by considerations of economic self-interest as shown by the effects of social

class and partly by ideology and values as shown by educational level and ideas concerning welfare redistribution and immigrant images. Although these explanations are sometimes presented as opposing mechanisms, the findings of this analysis are in line with recent ideas that have been developed in studies of the public's reactions to immigrants. They also state that both factors may play a role at the same time.⁴² The findings, finally, are also in line with studies of popular welfare support and welfare rationing that show that both interest-related and ideological factors play a role.⁴³

NOTES

1. Tom Pettigrew and Roel Meertens, "Subtle and Blatant Prejudice in Western Europe," *European Journal of Social Psychology*, 25 (January–February 1995), 57–75; Jeanne Ben Brika, Gerard Lemaire, and James Jackson, *Racism and Xenophobia in Europe* (Brussels: European Commission, 1997); Jack Citrin and John Sides, "European Immigration in the People's Court: Economic Need or Cultural Threat?," paper presented at the Annual Meeting of the American Political Science Association, Washington, D.C., September 2–5, 2004.

2. See, for exceptions, Lauren Appelbaum, "Who Deserves Help? Opinions about the Deservingness of Different Groups Living in Germany to Receive Aid," *Social Justice Research*, 15 (September, 2002), 201–25; Rebecca Rajman, Moshe Semyonov, and Peter Schmidt, "Do Foreigners Deserve Rights? Determinants of Public Views towards Foreigners in Germany and Israel," *European Sociological Review*, 19 (September 2003), 379–92; Wim van Oorschot, "Who Should Get What, and Why? On Deservingness Criteria and the Conditionality of Solidarity among the Public," *Policy and Politics*, 28 (January 2000), 33–49.

3. Rainer Muenz and Hans Puschmann, *Migrants in Europe and Their Economic Position: Evidence from the European Labour Force Survey and from Other Sources* (Hamburg: Hamburg Institute of International Economics, HWWA, 2004).

4. Keith Banting, "The Multicultural Welfare State: Social Policy and the Politics of Ethno-linguistic Diversity," paper presented at the Conference on Labour Market Institutions and Labour Market Outcomes, Burlington, Ontario, September 27–28, 1998.

5. George Freeman, "Migration and the Political Economy of the Welfare State," *The Annals of the American Academy of Political and Social Science*, 485 (May 1986), 51–63; Alberto Alesina and Edward Glaeser, *Fighting Poverty in the US and Europe: A World of Difference* (New York: Oxford University Press, 2004).

6. Giacomo De Giorgi and Michele Pellizzari, *Welfare Magnets in Europe and the Costs of a Harmonised Social Assistance* (London: University College London, 2003).

7. Michael Bommes and Andrew Geddes, eds., *Immigration and Welfare: Challenging the Borders of the Welfare State* (London: Routledge, 2000).

8. Wim van Oorschot, "Individual Motives for Contributing to Welfare Benefits," *Policy and Politics*, 30 (January 2002), 31–46; Appelbaum; Rajman; Semyonov, and Schmidt.

9. Peer Scheepers, Merove Gijssberis, and Marcel Coenders, "Ethnic Exclusionism in European Countries: Public Opposition to Civil Rights for Legal Migrants as a Response to Perceived Ethnic Threat," *European Sociological Review*, 189 (March 2002), 17–34.

10. For example, Richard Coughlin, *Ideology, Public Opinion and Welfare Policy: Attitudes towards Taxes and Spending in Industrial Societies* (Berkeley: Institute of International Studies, University of California, 1980); Peter Taylor-Gooby, *Public Opinion, Ideology and State Welfare* (London: Routledge, 1985); Pauli Forma and Olli Kangas, "Need, Citizenship or Merit: Public Opinion on Pension Policy in Australia, Finland and Poland," in Stefan Svallfors and Peter Taylor-Gooby, eds., *The End of the Welfare State? Responses to State Retrenchment* (London: Routledge, 1997), pp. 161–89; John Hills, "Following or Leading Public Opinion? Social Security Policy and Public Attitudes since 1997," *Fiscal Studies*, 23 (December 2002), 539–58.

11. Rajman, Semyonov, and Schmidt; Appelbaum. Because Appelbaum's study is confined to German students only and is therefore highly selective, evidence from this study is not presented in this article.

12. Van Oorschot, "Who Should Get What, and Why?"
13. See, for example, Pettigrew and Meertens; Juergen Hamberger and Miles Hewstone, "Inter-ethnic Contact as a Predictor of Blatant and Subtle Prejudice: Test of a Model in Four Western European Nations," *British Journal of Social Psychology*, 36 (June 1997), 173–90; Scheepers, Gijssberts, and Coenders.
14. Raijman, Semyonov, and Schmidt; van Oorschot, "Who Should Get What, and Why?"
15. Raijman, Semyonov, and Schmidt.
16. Van Oorschot, "Who Should Get What, and Why?"
17. Realistic group theory and social identity theory are two other widely used theories of ethnic prejudice. Realistic group theory is strongly related to economic self-interest theory. It states that competition over scarce resources between ethnic groups promotes in-group favoritism and out-group hostility. It can account for a (positive) effect of immigration on ethnic prejudice, but it can not account well for individual differences in ethnic prejudice. See, Marcel Coenders, *Nationalistic Attitudes and Ethnic Exclusionism in a Comparative Perspective* (Nijmegen: University of Nijmegen, 2001). Social identity theory is a social psychological account of ethnic prejudices. It holds that processes of social categorization and social comparison influence individual (social) identity and in-group favoritism. Although social identity theory offers an explanation of the psychological mechanisms of ethnic prejudices, it does not offer predictions on the social conditions of these prejudices.
18. *Ibid.*, p. 35.
19. Lawrence Bobo and James Kleugler, "Opposition to Race-targeting: Self-interest, Stratification Ideology, or Racial Attitudes?," *American Sociological Review*, 58 (August 1993), 443–64; David Sears, Carl Hensler, and Lesley Speer, "Whites' Opposition to Busing: Self-interest or Symbolic Politics?," *American Political Science Review*, 73 (June 1979), 369–84.
20. Donald Kinder and David Sears, "Prejudice and Politics: Symbolic Racism versus Racial Threats to the Good Life," *Journal of Personality and Social Psychology*, 40 (September 1981), 414–31; David Sears, "Symbolic Racism," in Phyllis Katz and Dalmas Taylor, eds., *Eliminating Racism: Profiles and Controversy* (New York: Plenum Press, 1988), pp. 53–84; Coenders. See also John McConahay, "Self-interest versus Racial Attitudes as Correlates of Anti-busing Attitudes in Louisville: Is It the Buses or the Blacks?," *The Journal of Politics*, 44 (November 1982), 692–720.
21. Kinder and Sears, p. 416.
22. *Ibid.*
23. Herbert Hyman and Charles Wright, *Education's Lasting Influence on Values* (Chicago: University of Chicago Press, 1979).
24. Van Oorschot, "Individual Motives."
25. Olli Kangas, "Self-interest and the Common Good: The Impact of Norms, Selfishness and Context in Social Policy Opinions," *Journal of Socio-Economics*, 26 (January 1997), 475–94; van Oorschot, "Individual Motives"; Morlon Blekesaune and Jill Quadagno, *Public Attitudes toward Welfare State Politics: A Comparative Analysis of 24 Nations*, paper presented at the First Annual Conference of ESPAnet, Copenhagen, November 11–13, 2003.
26. Van Oorschot, "Individual Motives."
27. Martin Gilens, *Why Americans Hate Welfare: Race, Media and the Politics of Anti-poverty Policy* (Chicago: University of Chicago Press, 1999); Martin Rein, "Dominance, Contest and Reframing," in Asher Ben-Arieh and John Gal, eds., *Into the Promised Land: Issues Facing the Welfare State* (Westport: Praeger, 2001), pp. 213–38.
28. Lincoln Quillian, "Prejudice as a Response to Perceived Group Threat: Population Composition and Anti-immigrant and Racial Prejudice in Europe," *American Sociological Review*, 60 (August 1995), 586–611, Scheepers, Gijssberts, and Coenders.
29. Such a positive effect of immigration on ethnic tolerance can also be expected from contact theory. See Gordon Allport, *The Nature of Prejudice* (New York: Doubleday, 1954). According to this theory, contact between distinct population groups increases mutual understanding and decreases ethnic prejudices.
30. Scheepers, Gijssberts, and Coenders.
31. See www.europeanvalues.nl. Multilevel analysis requires nonmissing observations. The percentage of missing observations is low for the variables studied: 1.7 percent for relative concern for immigrants, 0 percent for age and sex, 0.9 percent for education, 0.5 percent for employment status, 3.2 percent for ethnic intolerance, 1.7 per-

cent for beliefs about reducing inequalities, and 1.0 percent for beliefs about guaranteeing basic needs. Cumulatively, 6.1 percent of the observations are omitted due to a missing value on any of these variables. Income is not included in the analyses, although it would have been an interesting characteristic to study from the viewpoint of economic competition theory. The share of missing values on income is too high (15 percent) for the purposes of this study.

32. Wim van Oorschot, Wil Arts, and Loek Halman, "Welfare State Effects on Social Capital and Informal Solidarity in the European Union: Evidence From the 1999–2000 European Values Study," *Policy and Politics*, 33 (January, 2005), 35–56.

33. An alternative interpretation is that expressed concern reflects the degree to which people perceive the living conditions of a group as problematic. This problem awareness may be related to the perceived or actual level of social protection for that group offered by the state. If in a country the social protection of that group is weaker than for other groups, more people will be inclined to say that they are (more) concerned with the living conditions of that group (relative to other groups), and that group will get a higher score on the variable. However, elsewhere this interpretation does not hold. Relative concern is consistently highest for elderly people and for the sick and disabled. These groups in all European welfare states are relatively best protected socially. See *ibid.*

34. In practice, only a minority of the respondents (4 percent) scores positively on the measure of relative concern. For them, expressed concern on immigrants is greater than expressed concern on the elderly. Overall, the mean score on the measure of relative concern is -1.11 , with a standard deviation of 1.16.

35. Deservingness theory and studies offer reasons why immigrants occupy a low position in the public's rank order of needy groups' deservingness. Immigrants tend to score less positively on the criteria people apply when assessing a group's deservingness. The five central deservingness criteria are control, level of need, identity, attitude, and reciprocity. Van Oorschot, "Who Should Get What." Immigrants may be expected to score particularly badly on the criteria of identity and reciprocity, while in the public's eye most migrants may also be accused of having put themselves in a situation of welfare dependency (control).

36. The employment status of individuals is assumed to measure the economic conditions that are central to the theory of economic self-interest. The theory predicts that more welfare spending increases economic conditions (for example, lowers unemployment) and thereby increases relative concern for immigrants. An individual proxy of (un)employment rather than a country-level estimate is used since there are too few countries for more than two contextual variables. In addition, welfare spending and unemployment at the national level correlate highly, which makes it impossible to distinguish the two. We believe that an individual proxy is as good as a national measurement of unemployment because the national unemployment rate is just an aggregate of individual employment.

37. There are other questions on people's attitudes about immigrants in the EVS 1999–2000 study. However, the question chosen here is best suited since it asks for people's concern for the living conditions of immigrants in comparison to other needy groups.

38. OECD, *Social Expenditures Database (SOCX), 1980–2001* (Paris: OECD, 2004).

39. Jean-Christophe Dumont and Georges Lemaître, *Counting Immigrants and Expatriates in OECD Countries: A New Perspective* (Geneva: OECD, 2004).

40. Van Oorschot, "Who Should Get What"; van Oorschot, Arts, and Halman.

41. Unreported ANOVA analysis of country differences in relative concern has shown that most of the country differences are statistically significant. Only Belgium, Denmark, Finland, and France do not differ significantly from the European mean in their relative concern.

42. See, for example, Paul Sniderman, Loek Hagendoorn, and Markus Prior, "Predisposing Factors and Situational Triggers: Exclusionary Reactions to Immigrant Minorities," *American Political Science Review*, 98 (January 2004), 35–49.

43. Van Oorschot, "Individual Motives"; Blekesaune and Quadagno.