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## **An ever wider gap in an ever closer Union. Rising inequalities and euroscepticism in 12 West European democracies, 1976–2008**

*Theresa Kuhn, Erika van Elsas, Armèn Hakhverdian,  
Wouter van der Brug*

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**GROWING INEQUALITIES' IMPACTS**





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General contact: [gini@uva.nl](mailto:gini@uva.nl)

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# Abstract

This article asks whether the trend towards greater inequality in European countries has led to an increase in euroscepticism. Traditionally among the most equal societies, West European countries have recently witnessed a stark increase in income inequality. European integration is often presented as one of the main driving factors of this development. This raises the question whether Europeans blame the EU for the widening gap between the rich and the poor, and consequently develop eurosceptic attitudes. A multilevel analysis of over 79 pooled Eurobarometer survey waves across 12 countries from 1975 to 2009 confirms that increasing income inequality boosts euroscepticism especially among the low educated. The findings are consistent with previous research on the link between income inequality and democratic legitimacy. They also provide empirical support for a new educational divide in the wake of European integration and globalization, and deepen our knowledge on the predictors of EU support.





# 1. Introduction

It is widely acknowledged that excessive social inequality challenges the legitimacy of democratic institutions. Not only does it clash with important principles of democratic representation and fairness (Dahl, 1971; Bartels, 2008), it also lowers citizens' willingness to take part in political (Goodin and Dryzek, 1980; Solt, 2008, 2010; Scervini and Segatti, 2012) and social life (Uslaner and Brown, 2005; Lancee and Werfhorst, 2011), and negatively impacts on their attitudes towards political institutions (Beramendi and Anderson, 2008b; Andersen, 2012).

While the link between inequality and democratic legitimacy of nation-states has received widespread attention in the literature (Verba *et al.*, 1978; Anderson and Singer, 2008; Beramendi and Anderson, 2008a; Solt, 2008, 2010), we know little about how inequality impacts on public support for European integration. This is surprising because European integration is often presented as one of the driving factors of increasing inequalities in European domestic societies (Beckfield, 2006, 2009). European economic and political integration is said to have curtailed member-states' macroeconomic sovereignty (Eichenberg and Dalton, 2007), to have weakened the welfare state (Bartolini, 2005; Ferrera, 2005; Scharpf, 2010), and to have led to increased labour market competition and pressures for flexibilization (Beckfield, 2009). In the wake of these and more global processes of integration, national societies have become less equal, and Europeans are more directly exposed to social risks such as unemployment or poverty (Mills and Blossfeld, 2005; Beckfield, 2006). While some scholars have contested the claim that processes of European integration have led to welfare state retrenchment (Verdun, 2010; Bolukbasi, 2009), the purpose of our article is not to contribute to this discussion *per se*, but to assess whether European citizens respond to increased inequalities in their domestic societies by blaming European integration for the widening gap between the rich and the poor in their country, and by consequently developing eurosceptic attitudes (Heidenreich and Wunder, 2008; Burgoon, 2012).

People are sensitive to economic inequalities (Wilkinson and Pickett, 2009; Sachweh, 2012), especially in West European democracies where strong welfare states have contributed to social consensus by mitigating economic differences across society (Alesina *et al.*, 2004). What is more, utilitarian cost-benefit calculations have been shown to have a strong influence on EU support (Eichenberg and Dalton, 1993; Anderson and Reichert, 1995; Gabel, 1998). While these calculations originally referred to a country's macroeconomic performance including growth, unemployment rates, inflation and intra-European trade, Eichenberg and Dalton argue (2007) that in the wake of Economic and Monetary Union, redistributive concerns might take centre stage.

Scholars have argued that people with low levels of formal education are particularly sensitive to insecurity caused by recent developments in post-industrial societies, such as increased levels of international competition and welfare state retrenchment (Swank and Betz, 2003; Kriesi *et al.*, 2008)). Therefore, it is no surprise that people with lower levels of education tend to be more Eurosceptic than people with higher levels of education. In this article we expect the lower educated to also be more sensitive to economic inequalities when evaluating the European Union, and we will demonstrate empirically that this is indeed the case. Thus, the aim of this article is to investigate whether greater inequality in European domestic societies has led to an increase in euroscepticism and whether this holds in particular for the least educated Europeans. To do so, we analyse data of over 79 pooled Eurobarometer survey waves across 12 West European countries from 1975 until 2009.

The contribution of this article is threefold. First, this article deepens our knowledge on how income inequality is linked to the democratic legitimacy of a political system by shaping citizens' dispositions towards political institutions. Second, by showing that rising economic inequality is linked to increased euroscepticism especially among the low educated, the article provides empirical support for a the rise of a new educational divide on socio-cultural issues in the wake of European integration and globalization (Kriesi *et al.* 2008). Third, the article sheds further light on the explanatory factors of euroscepticism among the European public. While we do not challenge the importance of collective identities in shaping attitudes towards European integration (Hooghe and Marks, 2004; Luedtke, 2005; McLaren, 2006, 2007), we suggest that eurosceptic attitudes are also motivated by redistributive concerns (Eichenberg and Dalton, 2007; Beaudonnet, 2011).

The article is structured as follows. In the next section, we discuss how European integration is thought to have contributed to rising inequalities in Europe. We then elaborate on the link between economic inequality and democratic legitimacy and formulate the hypotheses guiding this article. Next, we present the data and methods employed to test our hypotheses before turning to the empirical analysis. Finally, conclusions and implications for further research are discussed.



## 2. Increased inequality in the face of European integration

Compared to other areas of the world, West European societies are typically characterized by low levels of economic inequality. However, the gap between the rich and the poor has widened considerably in most of these countries (Brandolini and Smeeding, 2008; Hoffmeister, 2009; Emmenegger *et al.*, 2011). Especially the Scandinavian countries have witnessed a stark increase in economic inequality (Hoffmeister, 2009). Moreover, while between-country inequality has decreased (Beckfield, 2009), personal inequality of income in the EU-25 was found to be ‘similarly high to that of the Member States with the most unequal distribution of income: Estonia, the United Kingdom and the Mediterranean countries of the EU-15’ (Hoffmeister, 2009, p. 120). More importantly for the purpose of this article, Europeans still use the national community as a reference frame for assessing their own position on the income distribution rather than seeing themselves as part of a European stratification system (Heidenreich and Wunder, 2008; Whelan and Maître, 2009). When linking economic inequality to EU support, one should thus consider within-country differences rather than between-country or total income differences across Europe.

While the widening gap in national income distributions is certainly also a result of more embracing processes of globalization and modernization (Swank and Betz, 2003), European integration is often understood as one of the drivers of this trend (Beckfield, 2006). To be sure, European policy makers tend to present European integration as a shield against the polarizing effects of globalization. At the same time, the EU is often used as a scapegoat for unpopular decisions and developments (Hay and Rosamond, 2002). In the case of France for instance, (Meunier, 2004) argues that ‘Europeanization, more than globalization, is often blamed [...] in the discourse of politicians who claim that their hands are tied by ‘Brussels’ and by their European commitments’. Scholars have argued that much of what is commonly imputed to global market integration is actually a consequence of the European integration process (Fligstein and Mérand, 2002). Moreover, theoretical considerations and empirical evidence suggest that European integration is a source of economic inequality rather than a buffer against it (Boje *et al.*, 1999; Beckfield, 2006, 2009). For our argument it is less relevant whether or not the economic policies of the EU indeed contribute to increasing inequality, and whether or not these policies undermine the (nationally based) welfare states and thus contribute to economic uncertainty, particularly for the lower educated citizens. What matters is that this claim is often made, not only by scholars, but particularly in the public debate (Meunier, 2004). If there is increasing inequality, and if people

think that this is partially due to EU-policies, they can be expected to blame the EU and become (more) Eurosceptic as a result (Burgoon, 2012).

### 3. Inequality and political support

The distribution of wealth in a society and the legitimacy of its political institutions have long been thought to be linked. In normative terms, excessive inequality is at odds with democratic principles of fair and equal representation (Dahl, 1971). Especially in Western Europe, citizens expect their governments to mitigate economic inequalities by redistributive policies (Alesina and Di Tella and MacCulloch, 2004; Kaltenthaler *et al.*, 2008). Assuming that citizens base their political support - among other things - on the performance and outputs of political institutions (Easton, 1975), a political system that fails to do so is likely to receive low support. In line with this argument, Anderson and Singer (2008) find in an analysis of survey data from 20 Western democracies that a country's level of income inequality is negatively associated with its citizens' attitudes towards public institutions. Analysing World Values Survey data, Andersen (2012) finds that income inequality dampens support for democracy especially among low-income individuals.

In light of these considerations, it is to be expected that Europeans partly blame the EU for growing inequalities in domestic societies and consequently develop eurosceptical attitudes. To be sure, the widening gap between the rich and the poor has also been attributed to globalization and modernization, and policies of national governments do still influence the distributions of incomes among citizens. However, the effects of globalization, modernization and European integration are often confounded, and when citizens are discontented with (growing) inequalities, the EU is a very concrete and visible target. National politicians might also contribute to this. Solt (2011, p. 821) highlights the role of 'diversionary nationalism' that helps tying nations together that drift apart economically: 'when economic inequality in a country is greater, the state might try to generate more nationalism among its citizens so as to divert their attention from their diverging conditions'. This nationalism might also turn against the EU. In an analysis of political party platforms in advanced industrial economies from 1960 until 2008, Burgoon (2012) finds that income inequality triggers a backlash against European integration and globalization among political parties. Considering that Europeans strongly rely on party cues when assessing European integration (Steenbergen *et al.*, 2007; Hobolt, 2009), these negative party positions are likely to translate into public euroscepticism. Moreover, the concern about a neoliberal policy agenda in European governance has contributed to the negative referendum outcome on the constitutional treaty in France (Cautrès, 2005; Beckert, 2007) and to the turmoil surrounding the Bolkestein directive

(Crespy, 2010). In line with this argument, Eichenberg and Dalton (2007) found citizens of countries with higher welfare state expenditure to be more opposed towards EU authority in this policy domain than citizens of small welfare states. Equally, Beaudonnet (2011) observed a negative relationship between welfare state efficacy and EU support: In countries with higher efficacy in reducing poverty risks, support for European integration is lower. These findings suggest that citizens of member-states with strong welfare states fear that European integration may weaken their own welfare systems. However, we know little about the direct link between increasing income inequality and eurosceptic attitudes. We therefore formulate the following hypothesis:

H1: Rising levels of income inequality lead to an increase in euroscepticism.

Rising inequalities do not have the same impact on all members of society. It is therefore unlikely that everyone reacts to rising inequality in the same way. There are good reasons to expect that especially the low educated react negatively to the widening gap between rich and poor (Scervini and Segatti, 2012). First, increased inequality inherently produces groups of winners and losers. Various scholars have argued that whether people are ‘winners’ or ‘losers’ in post-industrial societies is increasingly determined by their levels of formal education. Kalmijn and Kraaykamp (2007, p. 548) speak of the ‘emergence of knowledge and cognitive skills as a resource in the stratification system’. Koehn and Rosenau (2002) also emphasize the importance of formal education as an avenue to acquire the skills and knowledge necessary to perform and compete in a globalized society. Europeans seem to be aware of these differential chances on the job market. Analysing cross-sectional data from the fourth European Social Survey wave, Mau and colleagues find that people in low-skilled jobs feel significantly more insecure (Mau *et al.*, 2012). This subjective insecurity is largely matched by objective insecurity: Swank and Betz (2003, p. 220) argue that ‘trade, capital mobility and immigration of workers may contribute to the decline in the relative wages and employment of increasing numbers of low-skilled workers’. In Western Europe, the most important source of trade, mobility and immigration is European integration. Therefore, we may expect that the losers of this process – people with low levels of formal education - react more negatively to this development than the ‘winners’.

Second, formal education does not only provide skills and certificates, it also is an important venue of socialization. Research has consistently shown that with higher levels of education, people develop a more liberal and ‘international’ worldview (Weakliem, 2002; Lachat and Dolezal, 2008). The longer people stay in education, the more they seem to support free trade (Scheve and Slaughter, 2001; Margalit, 2012) and European integration and the less they seem to

subscribe to chauvinism and ethnic exclusionism (Coenders and Scheepers, 2003). One explanation for this relationship relies on the socializing force of education. At school and in university, students are exposed to cosmopolitan values and knowledge about other cultures (Hainmueller and Hiscox, 2006). In higher education, they are surrounded by individuals with similar ideas, who - once on the job market - will be equally endowed with skills and certificates. This all breeds a culture of internationalist and liberal values. In contrast, people leaving school at an earlier age are not exposed to these values, and their peers are likely to be less optimistic about how globalization and European integration impact their future job options. This stratification is likely to be more pronounced in more unequal societies. With rising inequality, the distances between different groups of people widen (Wilkinson and Pickett, 2009), leaving fewer opportunities to interact across groups. Therefore, these socialization processes at school happen in greater isolation than in more equal societies. Educational outcomes are thus more likely to have a greater stratifying force on attitudes the higher the level of inequality.

A third reason why we expect low educated people to be especially sensitive to inequality concerns political efficacy. According to Schattschneider (1975), economic inequality leads to policy outputs that are biased towards the wealthy and the better educated, as they have the most opportunities to influence political decision making. This bias is expected to depress political participation among all members of society. In fact, empirical evidence suggests that social inequality depresses citizens' social and civic (Uslaner and Brown, 2005; Lancee and Werfhorst, 2011) as well as political participation (Goodin and Dryzek, 1980; Solt, 2008, 2010; Scervini and Segatti, 2012). According to the Schattschneider model, however, the most affluent refrain from participating because their interests are represented anyways, while the political apathy of the lower classes is due to their limited ability to influence the political decision making process (Schattschneider, 1975; Solt, 2010). In contrast to the better educated, the least educated are likely to become dissatisfied with both policy outcomes *and* their underprivileged position in the political process. Scervini and Segatti (2012) provide empirical support for this hypothesis by showing that income inequality in Italian regions decreases the likelihood to turn out to vote especially among the lower educated.

In sum, the widening income gap should therefore lead to increased euroscepticism especially among the least educated. Not only does increased inequality weaken their economic position, it might also lead to unfavourable policy outcomes and decrease their feeling of political efficacy (Schattschneider, 1975).<sup>1</sup> Our second hypothesis therefore reads as follows:

H2: The effect of income inequality on euroscepticism is stronger among the low educated than among the better educated.

In other words, on the basis of H1 we expect a *positive main effect* of income inequality on euroscepticism. On the basis of H2 we expect a *negative interaction effect* of income inequality and respondents' educational attainment on euroscepticism.

## 4. Data and Methods

### 4.1. Dataset

The effect of rising income inequality on attitudes towards the EU is preferably assessed over time. Where a static cross-national comparison only shows whether high levels of inequality coincide with high levels of euroscepticism at one point in time, a dynamic, longitudinal analysis is a more powerful tool to test our causal hypothesis, as it allows us to assess whether a *change* in inequality leads to a change in euroscepticism.

The Mannheim Eurobarometer Trend File 1970-2002 (Schmitt and Scholz, 2005), merged with the more recent Eurobarometer (EB) waves until 2009, enables such a longitudinal analysis. We analyse 79 Eurobarometer waves over 35 years, from 1975 to 2009, which provide a consistent measure of euroscepticism over time. We have a sufficiently long time series to study dynamic effects of income inequality on Eurosceptic attitudes for 12 member states: France, Belgium, the Netherlands, Germany, Italy, Luxembourg, Denmark, Ireland, Great Britain, Greece, Spain, and Portugal. The measured time span is shorter for Greece, Spain and Portugal, as Eurobarometer only included them upon their entry into the EEC, and for France and Luxembourg because of data availability of macro-variables. Table 1 presents the nations along with their sample size and the years in which they are included.

Insert table 1 here

### 4.2. Variables

We measure euroscepticism using respondents' opinion on their country's membership of the European Union. Lubbers and Scheepers (2005) label this type of euroscepticism 'instrumental euroscepticism' and distinguish it from 'political euroscepticism' which refers to whether or not policy competencies should be transferred to the supranational level. The original Eurobarometer item has three answer categories ('good', 'bad' and 'neither good nor bad').<sup>ii</sup> We combine the

neutral and negative answer options in order to obtain a more equally distributed dependent variable. On the resulting dichotomous variable, a score of 0 represents a positive attitude towards EU-membership, whereas a score of 1 stands for negative and neutral attitudes.<sup>iii</sup> The proportion of eurosceptics measured in this fashion ranges from 0.21 in the Netherlands to 0.60 in Great Britain on average across all years. More relevant to our purposes, there is tremendous within-country variation in eurosceptic attitudes over time. For Italy, for instance, euroscepticism has nearly tripled from the early 1970s to 2010. Of course, not all countries experience a similar upward trend in euroscepticism, nor are movements in public opinion towards the EU necessarily linear in nature. In fact, the Treaty of Maastricht is often described as a breaking point in this regard with negative feelings towards European integration soaring in the wake of its signing (Eichenberg and Dalton, 2007).

Income inequality is measured by the Gini coefficient for each country and year, available from the Standardized World Income Inequality Database (Solt, 2009). It has a value of zero in a perfectly equal society where everyone has exactly equal income, and a value of 100 in a perfectly unequal society where one person possesses all the income. In our sample, the average Gini coefficient across countries for the time period under investigation varies from a low of 24.0 in Denmark to a high of 34.3 in Portugal.

Insert Figure 1 here

Figure 1 displays euroscepticism and income inequality for all twelve countries pooled in our sample. Notwithstanding trends in individual countries, we see that euroscepticism on the whole rises during the 1970s to peak around 1980. A sharp decline in euroscepticism ensues during the 1980s, but euroscepticism is clearly on the rise once more in the wake of the Maastricht Treaty.<sup>iv</sup> As we explain in further detail below, our models analyse the impact of changes in inequality, rather than its absolute level, on euroscepticism.

We measure educational attainment according to the age at which respondents finished full-time education.<sup>v</sup> We also repeated the analyses where we recoded education into three categories: 15 or younger, 16 to 19, and 20 or older. Findings confirmed the analyses presented here.<sup>vi</sup> At the individual level, the analyses control for age (in years) and gender. We further control for respondents' occupation using the occupational categories provided by Eurobarometer: Manager, shop-owner, white-collar worker, student, home-maker, retired, unemployed and manual worker (reference category). One might argue that euroscepticism is part and parcel of a more general trend of political alienation, and that our analyses capture the latter rather than the former. For this



reason, we also estimated additional models where we controlled for respondents' satisfaction with politics at large. However, this did not change our results, which can be found in Appendix A1. As this variable is not included in all waves, and therefore decreases the number of observations, this variable is not included in the main models presented.

On the macro level, we include unemployment and inflation as economic controls (Anderson and Kaltenthaler, 1996; Franklin and Wlezien, 1997). We further control for a country's level of globalization using the KOF index of globalization (Dreher et al., 2008). This index measures the level of economic, political and social globalization for each year and each country analysed.

As Figure 1 shows, euroscepticism and inequality share similar trends at least for parts of our timeframe. Simply regressing one variable on the other in level-form is thus undesirable as we risk drawing invalid conclusions as the result of this shared trend. We therefore difference the Gini-coefficient, inflation, unemployment and KOF index of globalization, so that we enter one-year changes in these variables at the right-hand side of the equation. Given that our dependent variable cannot be differenced, we control for the trend in euroscepticism by including a time variable on the right-hand side. Time is measured in years, counting the first year in the dataset (1975) as 0. Although Eurobarometer data are collected biannually, we use a yearly time variable since the other independent variables are also captured on an annual basis.

## 4.2. Method

The data have a cross-nested structure, as individuals are nested in both countries and time points. To account for the clustering of the data across time, we run a two-level random intercept model nesting individual respondents in years. Due to the low number of countries ( $N = 12$ ), we cannot apply this strategy to account for clustering of the data at the country-level. Instead, to control for cross-national differences in levels of euroscepticism which are not captured by the independent variables, we include country fixed effects. The focus of the analyses is thus on explaining variation across time, and not across countries, but this corresponds well with our hypotheses which are fundamentally longitudinal in nature.

Our expectation that the effect of inequality differs across educational categories simultaneously implies that the effect of education differs across levels of inequality, and thus over time. To allow the education effect to vary across time, we include a random slope for education. Adding a cross-level interaction term between education and the differenced Gini coefficient then allows us to assess whether variance in the effect of education over time is indeed

explained by changes in income inequality, and thus whether eurosceptic attitudes are more strongly affected by inequality for some educational categories than for others.

## 5. Results

Table 2 presents the results of our analysis. Before moving to our main hypothesis, Model 1 shows that euroscepticism is positively related to age and being female. Managers, professionals and students are the least eurosceptic, while farmers, shopowners, the retired and the unemployment exhibit the most negative attitudes towards European integration. Moreover, while changes in unemployment boost euroscepticism, inflation has no such effect. Franklin and Wlezien have commented on the economic foundations of EU-attitudes: ‘It is as though the public perceives European unification as a luxury that can be afforded when economic times are good and not afforded, or afforded to a lesser extent, when economic times are bad’ (Franklin and Wlezien, 1997, p. 354). Still, one might also follow a logic that is more akin to our hypothesis 1 where the public partly blames the EU for unemployment, much like it punishes national governments for economically bad times (Fiorina, 1987). Finally, and surprisingly, changes in the KOF-index of globalization actually dampen euroscepticism after controlling for the other variables at the micro- and macro-level.

Insert table 2 here

The main argument of this study is that increasing economic inequality boosts euroscepticism. Model 1 in Table 2 shows that this hypothesis is corroborated in the empirical analyses. Changes in economic inequality have a positive effect on euroscepticism after controlling for unemployment, inflation and globalization. To our knowledge, this study represents the first attempt at arguing for and empirically testing the adverse effects of economic inequality on euroscepticism. As regional integration has boosted economic inequality, our findings suggest that the European public in turn has reacted to this development by adopting more eurosceptic attitudes. In fact, the impact of inequality is even larger than that of unemployment, one of the most oft-used macro-economic explanations for euroscepticism.

Our theoretical considerations also address the heterogeneity of the public. Hypothesis 2 formulated the expectation that people with low levels of educational attainment are more sensitive to increased economic inequality than highly educated individuals. In Model 2, the main effect of education is added to the model and, as expected, the effect is negative. The better

educated are less sceptical of the European Union than the lower educated. This is in line with previous studies, that showed that the higher educated are less eurosceptical than the lower educated (Kriesi and Grande and Lachat and Dolezal and Bornschieer and Frey, 2008; Lubbers and Jaspers, 2011). Model 2 also includes the interaction between changes in income inequality and education. This interaction turns out to be significant and negative in support of Hypothesis 2. This implies that a rise of income inequality has a particularly pronounced effect on the *lower* educated. The effect of rising inequality on euroscepticism is almost twice as large for the lowest education category compared to the highest. Model 3 shows that these results are robust to including occupational categories as further controls, while the findings presented in Appendix A2 show that the effect is robust also when interacting occupational categories with income inequality.

Figure 2 visualizes these results by presenting the predicted probabilities that we derived from Model 3. For the highest educated, the predicted probability of being eurosceptic does not depend on changes in income inequality. For the lower educated, however, another picture emerges: As the Gini coefficient increases, so does the predicted probability of being eurosceptic for lower educated people. Still, Figure 2 also adds an important qualifier. While income inequality has a statistically significant effect on euroscepticism, the overall magnitude of these effects is rather modest. The difference in predicted probability of being eurosceptic between an economic context of maximum and minimum changes in annual inequality is only around 5%. Having said that, both hypotheses receive empirical support. Euroscepticism is partly driven by distributional concerns, especially among lower educated individuals.

Insert Figure 2 here

## 6. Conclusion and discussion

In this article we have developed two novel hypotheses: that increases in levels of income inequality in a country lead to increases in euroscepticism and that this effect is strongest for the least educated (H2). We tested our hypotheses on a comprehensive dataset, which combines Eurobarometer data from 12 countries across 35 years, and which in total contains data on more than half a million respondents. Both hypotheses were supported in multi-level regression models.

These findings have a number of theoretical as well as societal implications. Theoretically, the study supports the notion that within-country income inequality has a negative effect on citizens' attitudes towards public institutions (Anderson and Singer, 2008). While capturing differences within rather than across countries, increasing income inequality also appears to negatively affect attitudes towards transnational institutions. This leads to a second theoretically relevant implication, which is that citizens are likely to blame the EU for income inequality. Several scholars have presented evidence that EU policies indeed contribute to income inequality (Boje and Van Steenberghe and Walby, 1999; Beckfield, 2006, 2009) and limit the possibilities of nation states to correct inequalities through welfare spending (e.g., Ferrera, 2008). For the purpose of our study, it is not relevant whether or not this is indeed the case. What matters is that this claim is often made in political discussions which translates into people's perception. (Cautrès, 2005; Beckert, 2007). Our results show that many citizens consequently use the EU as a scapegoat for income inequality and that this is especially likely for the lower educated.

A third theoretical implication is that our study generated some support for the idea that a new cleavage has developed around new 'socio-cultural' issues such as European integration (e.g., Kriesi et al. 2008). It is clear that a relationship exists between education and euroscepticism and that this relationship becomes stronger when there is more income inequality in a country. We would, however, not go as far as Kriesi et al. (2008) in calling this a new *political cleavage* as defined by Lipset and Rokkan (1967), because that would require changes in the national party systems, which have until now not occurred (Van der Brug and Van Spanje, 2009).

These results also carry implications for the democratic legitimacy of European integration. First, as long as EU policies are perceived to contribute to income inequalities, future increases in within-country inequality will lead to increases in euroscepticism. Importantly, however, the trend towards more inequality within countries has been accompanied with economic convergence across West-European countries. Beckfield (2009) thus concludes that at least in Western Europe, the EU has achieved its goal to diminish the gap between rich and poor member states and to reduce overall income inequality. Thus, if European citizens cease to see their national community



as the main reference point for redistribution and inequality, and start thinking in a European dimension, they might start to acknowledge this overall trend as a result of which negative attitudes toward the EU might be alleviated.

However, the prospects for such a scenario are dire. Our study was conducted in the period before the economic crisis, which seems to reinforce national interests. The EU receives the blunt of the blame for the current recession both in Southern European countries, which have to meet financial austerity regulations, as well as in Northern European countries, where the population feels that they have to pay the price for the lack of financial austerity abroad. Moreover, at least in the short term, the crisis has overturned some of the economic convergence across the EU. If increasing euroscepticism as a result of the handling of the crisis is combined with increasing euroscepticism as a result of within-country income inequalities, support for the European project may decline considerably.

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## Endnotes

<sup>1</sup> Theoretically, we expect the same moderating effect for income levels as for levels of education. Alesina et al. (2004) show that high levels of inequality strongly decrease life satisfaction among the poor. Kaltenthaler et al. (2008) find that people with lower income are significantly more supportive of measures to eliminate inequality. Andersen (2012) shows that income inequality decreases support for democracy first and foremost among lower educated individuals. Unfortunately, however, the surveys used in our analyses do not allow us to account for income differences, so we refrain from formulating this hypothesis.

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<sup>1</sup> Respondents who reported that they are still in education are classified on the basis of their age. Those of 20 years and older are assigned to the 20+ category, whereas respondents younger than 20 and still in education are excluded from the analyses. For this latter group, we cannot use their years in education as a proxy for educational level, as we do not know at what age they eventually finished their education.



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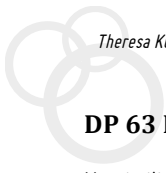
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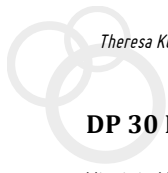
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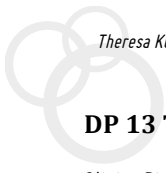
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## Information on the GINI project

### Aims

The core objective of GINI is to deliver important new answers to questions of great interest to European societies: What are the social, cultural and political impacts that increasing inequalities in income, wealth and education may have? For the answers, GINI combines an interdisciplinary analysis that draws on economics, sociology, political science and health studies, with improved methodologies, uniform measurement, wide country coverage, a clear policy dimension and broad dissemination.

Methodologically, GINI aims to:

- exploit differences between and within 29 countries in inequality levels and trends for understanding the impacts and teasing out implications for policy and institutions,
- elaborate on the effects of both individual distributional positions and aggregate inequalities, and
- allow for feedback from impacts to inequality in a two-way causality approach.

The project operates in a framework of policy-oriented debate and international comparisons across all EU countries (except Cyprus and Malta), the USA, Japan, Canada and Australia.

### Inequality Impacts and Analysis

Social impacts of inequality include educational access and achievement, individual employment opportunities and labour market behaviour, household joblessness, living standards and deprivation, family and household formation/breakdown, housing and intergenerational social mobility, individual health and life expectancy, and social cohesion versus polarisation. Underlying long-term trends, the economic cycle and the current financial and economic crisis will be incorporated. Politico-cultural impacts investigated are: Do increasing income/educational inequalities widen cultural and political 'distances', alienating people from politics, globalisation and European integration? Do they affect individuals' participation and general social trust? Is acceptance of inequality and policies of redistribution affected by inequality itself? What effects do political systems (coalitions/winner-takes-all) have? Finally, it focuses on costs and benefits of policies limiting income inequality and its efficiency for mitigating other inequalities (health, housing, education and opportunity), and addresses the question what contributions policy making itself may have made to the growth of inequalities.

### Support and Activities

The project receives EU research support to the amount of Euro 2.7 million. The work will result in four main reports and a final report, some 70 discussion papers and 29 country reports. The start of the project is 1 February 2010 for a three-year period. Detailed information can be found on the website.

**[www.gini-research.org](http://www.gini-research.org)**





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**Amsterdam Institute for Advanced labour Studies**

University of Amsterdam

Plantage Muidergracht 12 1018 TV Amsterdam The Netherlands

Tel +31 20 525 4199 Fax +31 20 525 4301

[gini@uva.nl](mailto:gini@uva.nl) [www.gini-research.org](http://www.gini-research.org)

