



**The New Politics of the Welfare State in the Age of Migration:
Analysis of the Immigration-Welfare State nexus
and the Role of Multidimensionality of the Welfare State**

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1. Abstract

In times of increasing international migrations, there has been growing interest in understanding the consequences of immigration to the welfare state. Previous literature has been inconclusive: on the one hand, scholars argue that immigration undermines public support for the welfare state (efficiency hypothesis). On the other hand, there have been studies suggesting that immigration might increase support for the welfare state (compensation hypothesis). Hence, this research proposes two mechanisms that provide dynamic perspectives into the existing literature: solidarity and perceived risk effects. Each of the effects investigates how different levels of interpersonal trust and occupations influence the welfare support of people with the inflows of immigrants. Furthermore, this research highlights the multidimensionality of the welfare state within the analysis of immigration-welfare state nexus by differentiating social insurance (pension and unemployment policies) and social investment policies (childcare policy).

Based on multi-level linear regression models by using the data from the European Social Survey (2008/2016), the findings show a variety of outcomes across different years and social policies. There is evidence that immigration possibly undermines people's support for social policies in recent years, especially for social insurance policies. The low level of trust and the higher degree of perceived risk associated with immigration appear to lead to lesser support only for the unemployment policy, whereas the case of pension policy shows the opposite. The childcare policy as a social investment policy report not statistically significant results, yet the findings implicate that people might be more supportive of childcare policy with inflows of immigrants. Consequently, this research reveals that there are different directions of people's support towards social insurance and social investment policies regarding the effect of immigration. Furthermore, when the trade-off question is considered, people prefer the social insurance policy over social investment policy. As a result, this research not only attempts to provide dynamics of immigration-welfare state nexus but also shows intricate implications of it.

2. Introduction

The global mobility of people is not a new phenomenon. It has a long trajectory in our history. However, there has been an increment in the volume of international migration across the globe and the movement of people in our contemporary world is becoming larger in scale (Castles & Miller, 1998). For instance, according to an OECD report (OECD, 2017), it is readily observable that numbers of international migration have been increasing since 2012 across OECD countries. Particularly in the year 2016, the inflows of immigrants sharply appear to achieve their peak level as average level is increased by 15 percent since 2007. ‘The main change in 2016 [is] the striking rise in migration flows to Germany which reported around 1 million new permanent migrant entries, equivalent to a 50% increase compared to 2015’ (OECD, 2018, p. 20). This trend of a surge in migration can lead to a great degree of implications for our contemporary society.

Albeit migration can be broadly defined as ‘a permanent or semipermanent change of residence’ (Lee, 1966, p. 49), it is not merely about migrants’ spatial and physical changes from one place to another place. Migration also bears consequences that can be associated with various political, cultural, and social issues. One of the prominent issues around migration derives from the relationship between migration-led ethnic/racial heterogeneity and the welfare state since ‘Europe is [...] the land of redistributive policies as it devotes to social policies a larger fraction of GDP than any other continent or large country in the world’ (Boeri, 2010, p. 651). Moreover, Mau and Burkhardt (2009, p. 213) assert that ‘[t]he welfare state can be understood as a social arrangement for coping with collective risks and reducing social inequality [and the welfare state is designed to strengthen the bond between the state and citizen, and between citizens]’. Therefore, immigrants are often considered as outsiders and its inflows can challenge the notion of the welfare state and its social policies. For instance, according to Eurobarometer data (European Commission, 2018), 56 percent of respondents address that they perceive immigrants as burdens on their country’s welfare system. This not only demonstrates the natives’ hostility towards immigrants when considering their country’s welfare state, but also brings forth questions regarding the relationship between the welfare state and immigration.

Despite the importance and salient consequences of immigrant flows such as the issues concerning the welfare states, classical theories of the welfare state seem to mainly focus on social class, political parties, and economic determinants such as power-resource theory. They often fail to consider the dynamics between immigration and the welfare state. However, there

has been increasing a number of studies that question the relationship between inflows of immigrants and the welfare state or people's support for the welfare state.

There is an on-going debate concerning how the inflows of immigrants can influence the welfare state as a whole and the people's attitude towards it. For instance, a study conducted by van Oorschot (2006) shows that immigrants are often conceived as the least deserving category of people after the elderly, sick and disabled, and unemployed people. Hence, the intricate linkage between increasing inflows of immigrants and welfare state brings forth the question of 'who should get what, and why?' (Oorschot, 2000, p. 34). On the one hand, scholars suggest the "efficiency hypothesis" that argues that the inflows of immigrants undermine the welfare state and its social policies. Alesina and Glaseser (2004), who investigate the association between a degree of ethnic/racial heterogeneity and the welfare state, claim that 'ethnic heterogeneity and fractionalization are a principal reason why the United States has a weaker welfare state than Western Europe. In contrast, Europe has more generous welfare states partly because of ethnic homogeneity' (Brady & Finnigan, 2014, p. 20).

On the other hand, several scholars propose the "compensation hypothesis". They assert that there is no negative relationship between the ethnic/racial heterogeneity and people's support for the idea of redistribution and welfare state's social policies (Taylor-Gooby, 2005; Mau & Burkhardt, 2009; Brady & Finnigan, 2014; Goldschmidt, 2015). In fact, the main argument of the compensation hypothesis is that the inflows of immigrants can reinforce the people's support for the welfare state and its social policies.

Considering these inconclusive findings of pertinent literature, the present research seeks to explore the relationship between the inflows of immigrants and people's support for the welfare state. More precisely, this research examines the effect of inflows of immigrants on people's support for the welfare state, whether the former undermines or reinforces the latter. Whereas much of the existing studies have stressed the significance of individual determinants, such as material self-interest, and non-material determinants, like norms in relation to the migration-welfare state nexus and welfare attitude formation of people (Iversen & Soskice, 2001; Kumlin, 2007; Mau 2004; van Oorschot 2006), this research proposes two different mechanisms that bring a dynamic perspective into the existing literatures: solidarity and perceived risk effects. Beyond the self-interest and norms, these two effects highlight the perceptions of reality such as perceptions of poor or unemployed (Larsen, 2006) in terms of understanding the relationship between immigration and the welfare state.

Solidarity effect derives from the anti-solidarity argument, which suggests that the higher level of heterogeneity caused by migration can lead to a lower level of interpersonal

trust within a society, which eventually undermines the welfare state and its social policies (Van Parijs, 2004; Ervasti & Hjerm 2012). Hence, this research examines whether or not a lower level of trust associated with the heterogeneity can undermine the social policy support to a greater degree in comparison to other groups. It also examines how different levels of trust interact with inflows of immigrants upon social policy. Furthermore, as prospective theory (Kahneman & Tversky, 1979) argues that people overweight the loss over the gain under uncertainty and risk, perceived risk effect looks at how people's different degrees of perceived risk interact with the inflows of immigrants upon their welfare attitudes. As perceived risk can be more visible in the labour market, this research utilises Oesch's (2006) occupation-based social class schema. His new social class schema includes both hierarchical levels with marketable skills and horizontal levels with different work logics such as an organisational work logic and an interpersonal work logic. Each work logic differs from the other by the setting of work processes, relations of authority, primary orientation, and skill requirement. Overall, the perceived risk effect aims to figure out if people's higher perceived risk leads to lesser support for the social policy and how the level of support differs by different occupational groups. Hence, this research focuses on the division of new middle classes and the division between manual and non-manual occupations.

In addition to the inclusion of two different mechanisms in order to understand the immigration-welfare state nexus, unlike previous studies, this research takes into account the notion of multidimensionality of the welfare state. Most preceding literature does not make a distinction between social policies in relation to analysing the relationship between immigration and the welfare state. This discussion derives from Pierson's (1998; 2001) prominent work on understanding the politics of the welfare state as the politics of retrenchment. Pierson characterises the welfare state as an "immovable object", which refers to the difficulties of altering the welfare state's status quo. Yet, several scholars manifest that welfare state should be understood in terms of "changing welfare state" (Bonoli 2007; Hemerijck, 2013; Morel, Palier, & Palme, 2012), which hints at how the welfare state has been reshaped over time through several reforms. Consequently, this research takes two different approaches of social policy into consideration regarding the effect of inflows of immigrants upon people's support for the welfare state. Firstly, the social insurance policy refers to a more traditional understanding of social policy from the old welfare state, which is designed to repair people from risks such as pension and unemployment benefits. Secondly, the social investment policy from the new welfare state encompasses the policies that are meant to prepare people

beforehand they experience risks, such as education and childcare policies, that aim to promote human capital.

This research empirically examines the immigration-welfare state nexus by conducting several multilevel linear regression models. This method appears to be suitable since the micro-level individual's welfare attitude or support towards the social policy is nested within countries at the macro level. The data of the European Social Survey are utilised covering 18 different European countries (excluding for Israel), especially the data on the welfare attitudes in the years of 2008 and 2016. This research focuses on welfare attitudes regarding the pension, unemployment, and childcare policies: the pension and unemployment represent the social insurance policy, while the childcare represents the social investment policy. Each policy area was chosen since they are the most relevant policy areas of the welfare state. Pension and unemployment policies have been considered as one of the main pillars of the welfare state (Häusermann, 2010) and the importance of childcare policy has been stressed in previous studies for understanding the new welfare state (Esping-Andersen, 2002). Two different times (2008/2016) are analysed in this research to comprehend the general trend over time. The analysis also includes the descriptive part, where this research parsimoniously examines the welfare magnet theory (Borjas, 1999) that suggests the immigrants tend to move to countries where the welfare state is relatively generous. This descriptive analysis is intended to grasp the understanding of the relationship between immigration and the welfare state. Afterward, the effect of relative inflows of immigrants upon three different policies are examined as the main effect at the national level. It is followed by analyses of interactions between different interpersonal trust levels and occupations, and inflows of immigrants upon the pension, unemployment, and childcare policies.

The outcomes of this research show a great degree of variations across different years and social policies. When the main effect of inflows of immigrants is considered upon three different social policies, only the case of pension policy demonstrates a tendency that people tend to be less supportive with the inflows of immigrants. This finding reveals that the pension policy still holds considerably established strong interest groups with a broad number of supporters compared to unemployment and childcare policy. Moreover, this finding shows that the welfare state is an umbrella term as different policy areas experience the effect of the inflows of immigrants respectively and differently. In terms of different levels of interpersonal trust, there is a shift of general patterns regarding the influence of immigrants upon different levels of trust. Overall, the general directions of three social policies shows that people are more supportive of social policies in 2008, while it is the opposite case in 2016. Interestingly,

the results of different levels of trust and occupation suggest more dynamics among different levels of trust and occupations in the year of 2016 since the effect of inflows of immigrants in 2008 appears to be more or less neither statistically nor substantively significant.

More specifically, in terms of solidarity effect, people with higher trust levels tend to be less supportive of the pension policy with inflows of immigrants than people with a lower level of trust. And people with the lowest trust tend to be less supportive of the unemployment policy with inflows of immigrants. In the case of perceived risk, the degree of perceived risk only appears to matter in terms of unemployment policy in 2016. People with higher perceived risk tend to be less supportive towards unemployment policy with inflows of immigrants. When it comes to the division between new middle classes (managers vs. socio-cultural professionals), the manager appears to be less supportive than socio-cultural professionals for the pension and unemployment policies. The comparison between manual and non-manual occupations (production workers vs. managers/socio-cultural professionals) show that manual skilled occupation like production workers are more attentive to unemployment policy with inflows of immigrants, whereas non-manual skilled occupations are more concerned with the pension policy. In sum, a low level of trust and a higher degree of perceived risk associated with immigration appear to lead to lesser support only for the unemployment policy, whereas the case of pension policy shows the opposite.

In line with analyses of different interpersonal trust and occupations, the differentiation between social insurance and social investment policies shows quite a different picture. In 2016, people tend to be less supportive of social insurance policies (pension and unemployment policy) regardless of different levels of interpersonal trust and occupations. Although the social investment policy (childcare policy) turns out to be statistically not significant, it shows a direction that people are more supportive of social investment policy. Intriguingly, when the trade-off question is considered between social insurance (unemployment policy) and social investment (education), the result demonstrates that people prefer to have the social insurance policies at the expense of social investment policies.

In sum, this research aims to understand the effect of inflows of immigrants upon people's support for social policies. It extends the analysis of the effect of inflows of immigrants by adding two mechanisms that bring a dynamic perspective to the immigration-welfares state nexus: solidarity and perceived risk effects. These two effects examine the different levels of trust groups and occupations. This research shed a light on not only the importance of considering different social groups, but also on the differentiation between social

insurance and social investment policy. As a result, it reveals complicated implications of the effect of immigration concerning the welfare state.

3. Theoretical background and literature review

3.1 Welfare state development and ethnic/racial heterogeneity

There has been vast academic literature to understand the question of why the welfare state has emerged with different approaches especially within the discipline of political economy. Many theories respectively suggest the development of the contemporary welfare state according to what is the driving force and underpinnings of the welfare state. For instance, one of the approaches within the previous studies in late 1960s and early 1970s, the logic of industrialism (Wilensky, 1975) considers the industrialisation as the driving force of the development of welfare state with the disintegration of traditional forms of social protection and state's adaptation of the changes caused by modernisation and urbanisation.

As dominant approaches of the welfare state development, on the one hand, authors emphasise the importance of the domestic forces such as power-resources and class mobilisation theory (Korpi, 1983; Esping-Andersen, 1990). On the other hand, some scholars are proponents of globalisation or global economic forces as the impetus for the welfare state development (Cameron, 1978; Ruggie, 2003).

The power-resource theory acknowledges the significance of domestic determinants such as politics. Hence, it focuses on party politics and class-based mobilisation around political resources. It sees the state or political institutions as arenas where 'class-related distributive conflicts and partisan politics [take place]' (Korpi, 2006, p. 168 as cited in Rothstein, Samanni, & Teorell, 2012, p.3). It also considers the 'social classes as principal agents of change and social policy as a function of the balance of power' (Schustereder, 2010, p. 15). Therefore, it is argued that the balance of class power or the class struggle over limited power and political resources, eventually, are accountable for welfare state development and distributional outcomes (Esping-Andersen, 1990; Eger, 2010). In this manner, the power-resource theory contends that the rise of working-classes and their political formation in order to increase their interests of the idea of redistribution through unionisation and labour movement lead to the welfare state development. Furthermore, the theory is acknowledged that the welfare state development is not dependent on a single class formation but political coalition-building is necessary in order to strengthen the labour power (Esping-Andersen, 1990).

The power-resource theory '[adds] nuanced arguments on the role of collective action through parties and unions [... and it emphasises] the feedback effects of policies on collective mobilization and [supports] the constituency-party link' (Häusermann, Picot, & Geering, 2013,

p. 225). Moreover, this theory allows room for the dynamic and the role of politics and social class, especially the demands of organised workers within the political sphere, rather than merely considering the role of the modernisation or economy. Nonetheless, the power-resource theory is one of the useful and successful approaches in explaining the welfare state development than other approaches, it has been faced several criticisms as well.

One of the critiques of the power-resource theory can be drawn from Häusermann et al.'s (2013) study that examines the traditional partisan politics approach (Hewitt, 1977) in relation to the welfare state. The traditional partisan politics mainly assumes the close association between party affiliation that is based on the individual's class position and policy outcome or the development of the welfare state. Similarly, in the line of logic of the power-resource theory, the working class is considered as the main constituency of the left-wing party with a favour of the idea of redistribution since people within the working-class stratum are more likely to be beneficiaries of the welfare state. Thus, the left-wing parties are considered as a driving force of the welfare state. 'Thereby, politics is often seen in an overly simplified way, as a simple transmission belt conveying the preferences and demands of various interest groups to the leaders, who implement them' (Häusermann et al., 2013, p. 225). Furthermore, Pierson (1996) states that the association between the left-wing party and the welfare state development has weakened over time. And the central assumption of the power-resource theory, the direct linkage between political party and constituency, has been challenged with the new approaches such as "changing electoral constituencies" (Häusermann et al., 2013). For example, the working-class people are not anymore merely keen to vote for the left-wing parties, yet today they show a tendency to vote for a populist right-wing parties (Oesch, 2008; Rydgren, 2012; Gingrich & Häusermann, 2015). In sum, it appears to be the case that it is difficult to postulate a clear boundary between pro-welfare state ideology and against-welfare state ideology based upon one's social class and/or party affiliation.

Another critique of the power-resource theory comes from the arguments of scholars who take into account the globalisation as a part of their analysis for the welfare state development. They highlight the role of globalisation as an underpinning for the welfare state development rather than the domestic determinants like power-resource theory. 'In its simplest terms, the argument states that economic openness [through globalisation] increases the insecurity of workers in the large exposed sectors of the economy, and bigger welfare states were specifically designed to cushion the impacts of growing international competition' (Myles & Quadagno, 2002, p. 43; see Cameron, 1978). This openness economy literature points out that the power-resource theory overemphasises the role of the labour-power and party politics

in relation to the welfare state and its policy outcomes. As a result, the power-resource theory largely neglecting dynamical structural changes of economy and the rise of different political actors such as transnational corporations under globalisation that might influence the national labour movement or mobilization and, eventually, the construction of the welfare state (O'Connor & Olsen, 2018).

One of the issues of the welfare development studies that engages with the globalisation is that they are mostly coupled with economic perspectives by stressing the liberalisation of the economy and the process of integration into the global economy. It is conceivable to argue that changing the constellation of the world economy bears certain domestic consequences including the welfare state development. Yet, it is not only the economic factors that matter but also the transformation of the social demography is a significant aspect of globalisation. Consequently, other pundits began to explore different social and demographic variables in order to understand the development of the welfare state with the undergoing social and structural changes under globalisation. One of the prominent approaches looks at the ethnic and racial components of societies both with existing and increasing ethnic and racial heterogeneity of countries, especially regarding international migration.

Within the literature, that deals the relationship between the welfare state and ethnic/racial heterogeneity, the influential work of Alesina and Glaeser (2004) asks why there is a less developed welfare state in the United States of America compared to Europe and why Americans are less willing to the idea of redistribution from rich to poor. They included different explanatory factors into their analysis including economic explanations, the role of political institutions, and racial heterogeneity. Their findings suggest that there are relatively no significant effects of the economic explanations, but the development of political institutions over the history, and racial and ethnic heterogeneity explains the most of reasons why Americans are less interested in the idea of distribution and the welfare state than Europeans. They argue that ethnically homogenous European countries is able to have a relatively unified labour movement and mobilisation, which could facilitate the wide range of support for the idea of welfare state and social policies, whereas the racial and ethnic heterogeneity of the American society hampers to have stronger labour movements and led to the failure of having a broad support for welfare state in the United States (Alesina & Glaeser, 2004, p. 108; see Lipset & Gary, 2000). Furthermore, they highlight the potent of the ethnic and racial diversity in the society to be adopted as manipulative political vehicles as a part of the political process since 'racial hatred is endogenous and often created by entrepreneurial

politicians' (Alesina & Glaeser, 2004, p. 136). They conclude their findings by saying that '[a]cross countries, racial fractionalisation is a strong predictor of the degree of redistribution [...] if Europe becomes more heterogeneous due to immigration, ethnic divisions will be used to challenge the generous welfare state' (Alesina & Glaeser, 2004, p. 11).

The study of Alesina and Glaeser (2004) to a extent seems to be a mixture of the power-resource theory and the effects of globalisation regarding the changes of the social and demographic compositions. They emphasise both the role of the politics together with labour mobilisation and racial/ethnic heterogeneity prompted by globalisation. However, what if the relationship between the degree of ethnic/racial heterogeneity and the welfare state is not necessarily placed at the political level but it might be drawn from the day-to-day aspects of people?

Luttmer's (2001) demonstrates the similar findings with Alesina and Glaeser (2004) by approaching to the question of the association between racial/ethnic heterogeneity and the welfare state with the social identity theory (Tajfel & Turner, 1979). His findings demonstrate that it is not only the financial self-interest that formulate the welfare attitudes of people but also the racial group loyalty can play a role in terms of individuals' determination for the attitude towards the welfare state. Furthermore, he finds that 'individuals increase their support for welfare spending as the shares of local recipients from their own racial group rise' (Luttmer, 2001, p. 501). Therefore, he demonstrates the correlation between 'demographic homogeneity and generosity of redistribution' (Luttmer, 2001, p. 519).

There exists a considerable body of studies that demonstrate the importance of race and ethnic heterogeneity in relation to the welfare state (Alesina and Glaeser 2004; Luttmer 2001). Consequently, this research is based on this theoretical context and attempts to contribute to the understanding of relationship between ethnic and racial heterogeneity, and welfare state, especially people's support for the welfare state. This research does not intend to understand the racial and ethnic heterogeneity as tools of usage in a political process or a determinant that might influence the labour mobilisation. Yet, it rather attempts to comprehend them as one of the dynamic changes of social composition and demography with increasing number of international migrations since '[i]t is the pace of social change rather than the fact of [racial and] ethnic diversity per se that stands out here as politically unsettling' (Kymlicka & Banting, 2006, p. 293).

3.2 Welfare state and Immigration: Efficiency or Compensation hypothesis

As Alesina and Glaeser (2004) predict that Europe will face welfare challenges in the future with the increasing numbers of immigrants, several studies have developed to address the question of the relationship between the welfare state and immigration. The welfare magnet hypothesis (Borjas, 1999) can be a comprehensive description of the association between the welfare state and immigration. Although the welfare magnet hypothesis is developed particularly in the case of the United States, it argues that the generous welfare state works as a sort of magnet that attracts and pulls immigrants who otherwise would not migrate to the destination country. One of the assumptions of this hypothesis is that the cost of moving within a country for a native person in contrast to an immigrant is higher than the interstate welfare beneficial differences and ‘immigrants arriving in the United States are a self-selected sample of persons who have chosen to bear the fixed costs of the geographic move’ (Borjas, 1999, p. 609). This can lead to the phenomena that the immigrants can be ‘clustered in the states that offer the highest welfare benefits’ (Borjas, 1999, p. 609.) because of their ability to choose a destination where they think the welfare benefits are generous than other places (welfare shopping), ‘while welfare recipients in the native population are “stuck” in the state where they were born’ (Borjas, 1999, p. 609). Borjas’s (1999) welfare magnet hypothesis seems to be similar with the push-pull theory of migration (Lee, 1966). Lee asserts that the migration happens with the calculation between positive factors that pull immigrants, such as safety and employment, and negative factors that push immigrants like insecurity and unemployment. However, both of these theories do not take different facets of migration into accounts such as the migrant network or migration policy. This might simplify the complex relationship between immigration and the welfare state. Therefore, the question of whether or not immigrants show a tendency to move to a place where the welfare state is generous remains unanswered.

The relationship between the welfare state and immigration can also be understood through the native’s attitude or opinion towards immigrants. The question of deservingness is often associated as an important issue to be addressed. For example, van Oorschot’s (2006) studies the public perception of deservingness among four different social groups that are in the need of support including 1. elderly people, 2. sick and disabled people, 3. unemployed people, and 4. immigrants. His findings suggest that ‘[...] informal solidarity is highest towards elderly people, closely followed by sick and disabled people, next there is the solidarity towards unemployed people, and solidarity towards immigrants is lowest’ (van Oorschot, 2006, p. 37). It is noteworthy that this rank order is a common trend across twenty-three different European countries. Likewise, similar findings can be found from Gilens (1999) who stresses the significance of racial stereotypes when it comes to the understanding the Americans’ support

for the welfare state. According to him, the Americans are in favour of the welfare state in a way to help the poor, yet they are concerned with the recipients of the welfare state. '[T]he American public thinks that most people who receive welfare are black, and [... they think] that blacks are less committed to the work ethic than are other Americans' (Gilen, 1999, p. 3). Hence, Blacks are depicted as a poor, lazy, and undeserving group of welfare benefits.

With the above-mentioned points, a number of existing studies in the broader literature examine the question of whether or not immigrants have a negative impact on people's support for the welfare state. Eger (2010) examines the particular case of Sweden where the welfare system is different from many of the previous studies since they often utilise the case of the United States. She assumes that the welfare programs that benefit all are more likely to gain general popularity, while programs that benefit certain parts of society or social groups are less likely to be supported by people. However, in the case of Sweden, despite its universal social programs, reveals that immigration including foreign-born population and recent immigration both at the country and regional level do have a negative impact on Swedish people's support for the welfare state. This implies that immigration posits a negative impact upon people's attitude towards not only the welfare state with means-tested programs but also the welfare state with universal benefits even if it means that natives will get less benefit as well. A more recent study of Breznau and Eger (2016) investigate the influence of immigrants' presence both at the country and the regional levels on the group boundaries and support for the welfare state in western Europe. They conclude that '[t]he more immigrants visible or known to be present within natives' national borders, the more likely that group boundaries become salient and support for the welfare state may wane' (Breznau & Eger, 2016, p. 209). With the line of argument of Alesina and Glaeser (2004), several studies imply that immigrants are often perceived as welfare (fiscal) burdens (Gilens, 1999; Luttmer, 2001) and the low degree of public perception of deservingness towards immigrants, which lead to the less support for the welfare state (van Oorschot, 2006). These views, which manifest that immigration can undermine the welfare state and/or public support for the welfare state, are often called the "efficiency hypothesis".

However, in contrast to the efficiency hypothesis, other scholars suggest an alternative hypothesis, which is called the "compensation hypothesis". The compensation hypothesis dissent from the idea of a trade-off between ethnic/racial heterogeneity and redistribution. It posits the argument that in fact inflows of immigration increase people's support for the welfare state. For instance, Brady and Finnigan's (2014) comparative study, which examines the relationship between immigrants and public support for social policies, suggests the

compensation hypothesis. Their findings notably reveal that the increasing number of immigrants increase the support for the social and social policies because people would demand greater degree of protection since immigration can increase people's perceived risks such as a greater unemployment and increased labour market competition (Kunovich, 2004). A similar argument is shared with different studies. For instance, Burgoon, Koster, and van Egmond (2012) investigate the impact of immigration upon the people's support for the redistribution. Nonetheless, they argue that the implication of immigration can be varied at different levels, their findings support the compensation hypothesis.

The question of the relationship between the people's support for the welfare state and immigration remains questionable due to the inconclusive findings. Therefore, this research attempts to explore the relationship between immigration and the welfare state. It mainly looks at inflows of immigrants unlikely to some exiting studies that consider the foreign-born population as their main variable (Burgoon et al., 2012; Breznau & Eger, 2016; Soroka, Johnston, Kevins, Banting, & Kymlicka, 2016a). It is because the paper assumes that inflows of immigrants can refer to a recent change that people respond more than actual information (Castro, 2003 as cited in Schmidt-Catran & Spies 2016). Moreover, it is because inflows of immigrants can be understood as salient and visible demographic changes rather than the foreign-born population that is already residing in the country. Yet, it does not mean that this research neglects the important implication of foreign-born population, thus this research also takes into consideration of foreign-born population, thus included as a control variable. Moreover, this paper looks at welfare attitude in terms of the public support for the welfare state because '[p]ublic support is [...] a manifestation of the preferences of the constituencies of beneficiaries of welfare programs' (Svallfors, 2007 as cited in Brady & Finnigan, 2014, p. 19). Also, the changes of public support can be an indicator in order to unfold the question of immigrants and the welfare state since the '[w]elfare programs are large, complex, slow-moving entities that do not change overnight' (Kymlicka & Banting, 2006, p. 292). Besides, this research engages more with the welfare state literature that is not limited to the traditional understanding of the welfare state but the new welfare state literature with the notion of changing welfare state.

3.3 Changing welfare state

The study of the welfare state has flourished in the period of the 1960s and 1970s. The main interests of scholars at that time were to understand the determinants for the emergence of the welfare state, and its expansion and maturation. However, the aftermath of the golden

age of the post-war period of the welfare state expansion, with economic and political landscape changes, many pundits ‘began to speak of a crisis of the welfare state [...] that] was inspired by the idea [...] that the redistributive logic of the welfare state was contradicted by the logic of capitalism’ (Clayton & Pontusson, 1998, p. 67). This welfare crisis rhetoric is observable from the cases of the United Kingdom and the United States with the Thatcher’s and Reagan’s several reforms of the welfare state. Consequently, these fundamental changes of the welfare states have led to the discussion of the politics of the welfare state among scholars. As a result, the studies of the welfare state began to integrate with the term with welfare retrenchment.

The welfare retrenchment can be broadly defined as ‘any intentional action on the part of government that decreases the generosity of the welfare state or forces individuals back into labour market without retraining’ (Krogslund, 2016, p. 10). With these changes of the welfare state, which is not only about the changes of social expenditure per se, yet it is also about the new political dynamic, new structure and the context of the welfare state itself, Paul Pierson (1994; 1996; 2001) advocates the notion of the “new politics” of the welfare state. The argument of Pierson is that the politics of the welfare retrenchment (the new politics of the welfare state) is fundamentally different from the politics of welfare development or expansion (the old politics of the welfare state). Furthermore, it is not the process that extrapolates from the welfare expansion. He says that the welfare retrenchment is not ‘the mirror image of welfare state expansion [...] but], it is a distinctive process, it is unlikely to follow the same rules of development that operated during the long phase of welfare state expansion’ (Pierson, 1996, p. 151, 144). The new politics of welfare state argument have led to the debate whether the old and new politics of welfare state are in fact fundamentally different as Pierson argues or the welfare expansion theories are able to explain retrenchment as well (Esping-Andersen, 1990). Some studies demonstrate that factors of old politics still matter. They argue that ‘[s]ocio-economic, partisan and institutional factors are still important, and in the same causal directions assumed by the “old” politics theories’ (Siegel, 2000, p. 84 as cited in Green-Pedersen & Haverland, 2002, p. 44).

One of the distinctions Pierson makes between the old and the new politics of the welfare state is that the politics of the retrenchment is about “blame avoidance” rather than “credit claiming” as in the old politics of the welfare state. It is because of the unpopularity of the welfare cult that comes with the high electoral costs. Therefore, governments and politicians attempt to avoid the responsibility of the retrenchment by utilising different strategies including the endeavours to diffuse the consequences of welfare cut over time or

obfuscate the trace of the welfare cut. However, Pierson finds that the notion of new politics of welfare state, which implies the complex and dynamic adjustment of the welfare state and its politics, turns out to prove that the welfare state is quite resilient. His findings demonstrate that there have been no radical changes in advanced welfare states as he contends: ‘There are powerful political forces that stabilise welfare states and channel change in the direction of incremental modifications of existing policies. [...] The welfare state now represents the status quo, with all political advantages that this status confers’ (Pierson, 1996, p. 174).

Pierson offers different reasons for the idea of welfare state resilience. First, with the discourse of history matters or institutionalism, it is argued that more or less well-established welfare state institutions reflect the path dependency as policy legacies of previous or existing structural patterns continue to influence the new politics and policies. Consequently, it is unlikely to have radical changes in these ‘locked-in’ situations of policies but the ‘[changes are ...] likely to take place only *within* existing structural frameworks’ (Starke, 2006, p. 106). Moreover, the previous welfare expansion with its popularity established well-organised interest groups that are well-resistant to the radical changes of the welfare programme. For example, “policy-takers” can be considered as one of the obstacles for the retrenchment. They are ‘political groups created by the existence of a policy, by their shared interest in the perpetuation and expansion of [the] policy’ (Offe, 1981; 1985 as cited in Levy, 2010, p. 555). These policy-takers include not only the beneficiaries of the welfare programmes but also the providers who are ready to mobilise against the welfare retrenchment.

The new politics of the welfare state literature has been criticised by its neglects of dynamics of party politics (Ross, 2000) as it tends to assume the fixed ideological positions of the left- and right-wing parties in terms of the idea of redistribution: left-wing party with pro-welfare state ideology and right-wing party with against-welfare ideology. Hence, the important role of the political party, party system, and party competition have been emphasized in different studies (Green-Pedersen, 2002). But more importantly, there have been different approaches that propose the notion of “changing welfare state”. The notion of new politics of the welfare state from Pierson’s significant work manifests the idea “welfare inertia”, the difficulties of altering the welfare state’s status quo. To what extent is it possible to consider the welfare state as an “immovable object facing irresistible forces” (Pierson, 1998)? is it possible to say that has not been much of changes of the welfare state over time?

Hemerijck (2013) calls out for a new approach to re-appraise the welfare state that encompasses a more open and dynamic institutional perspective, which is not limited to such dichotomies of old versus new politics or welfare expansion versus retrenchment. He contends

that there have been different reforms, which reconstruct and reconfigure the welfare state over time, to meet the needs of the new social risks across different policy fields. Thus, the welfare state should be comprehended beyond the welfare state as the ‘biased “new politics” conjecture of change-resistant’ (Hemerijck, 2013, p. 40). In this way, the author asserts that Pierson’s analysis upon the welfare state resilience is over-deterministic. According to Hemerijck, the welfare state should be understood in the context balance between the dynamic and mutual interactions between the inputs of irresistible forces (post-industrial pressures such as growth of service sector, maturation of the welfare state, and demographic ageing) that causes the novel social and economic environmental contexts, and the policy responses, which corresponds to the adaptation of the new environments. Consequently, Hemerijck asserts that welfare state change is not an easy process, but it does not mean it is not happening. Consequently, he suggests the concept of “welfare recalibration” that is referred to ‘all initiatives that aim to transform the welfare state into a new configuration [...] with the intent of being better able to cope with the adaptive challenges of intensified international competitiveness, relative austerity, demographic ageing, and the changed structure of labour markets and families’ (Hemerijck, 2013, p. 104). Similar views of Hemerijck have been shared by different scholars. For example, Scharpf and Schmidt (2000) demonstrate how different adaptations and reform agendas of the welfare states can take place because of distinct institutional contexts and designs of the welfare states with the internationalisation of the economy. Clayton and Pontusson (1998) contend that the welfare state has been under reconstruction with the emphasis on the service sector. Allan and Scruggs (2004) reject the idea of the path-dependency of institutional arrangements that hinders the process of welfare change.

If the welfare state is subject to change, which welfare state can be considered as a modern welfare state today? Hemerijck (2013) suggests three different waves that have changed and reshaped the configuration of the welfare state over history. He indicates the first wave as the golden age of welfare expansion with Keynesian economic policy, the second wave of welfare retrenchment with the rise of neoliberalism, and the third wave as the social investment era. He suggests that the modern welfare state is currently in the third wave where the provisions of social investment began to emerge. Therefore, Hemerijck proposes that the modern welfare state should be comprehended beyond the context of the traditional understanding of social insurance policy. There have been several reforms across countries, as he gives examples of OCED and European Union, towards the orientation of social investment

policy with the disenchantment of neoliberal governments and the electoral success of centre-left in the late 1990s.

The social investment approach emerged as a policy response to the on-going economic and social order changes and the critique of the neoliberal social policy at the end of the 1990s. The welfare states face new challenges with the transformations of demography, family, and the labour market that might reshape ‘the social risk structure, creating a wholly new set of societal winners and losers’ (Esping-Andersen, 2002). The emergence of new social risks from the deindustrialisation, tertiarisation of employment, and women’s entry into labour market (Bonoli, 2007) have reoriented several welfare states’ policy direction. The old welfare states more or less focus on the social insurance policy, which is the traditional understanding of social policy and aims to repair people from risks (social protection) including pension or unemployment benefits. In contrast to the social insurance policy, the social investment policy addresses the preparation of people to various changes and transformation beforehand people’s experiences of risks. Moreover, there is a shift of focus from the traditional male-breadwinner to diverse and inclusive groups such as females and children under the social investment policy approach. Hence, the social investment policy ‘rests on policies that both invest in human capital development [...] and that help to make efficient use of human capital, while fostering greater social inclusion’ (Morel et al., 2012, p. 2). The crucial feature of the social investment approach is that social policy is considered as a “productive factor”, which reconstructs the past passive policy to more active forms of policy in order to enhance the economic growth and employment. It often implies education, life-long learning, child-care, supporting women and single parents, and active labour-market policies.

With the literature of changing welfare state, this research does not merely consider the welfare state in relation to the old welfare state or limited to the social insurance policy approach. If the welfare states are ‘[re-channeling] social expenditures toward social investment’ (Palier, 2006, p. 114), it is important to take into account dynamics between the social insurance and social investment policy for the analysis of the association between inflows of immigrants and people’s support for the welfare state. In this way, this research suggests the contemporary welfare state to be understood with the notion of “multidimensionality” of the welfare state. As Hemerijck says ‘it is true that social insurance, together with healthcare, constitutes the largest expenditure item of the modern welfare state, but to view social insurance as the *pars-pro-toto* of the modern welfare state hides an important selection bias’ (Hemerijck, 2013, p. 26). The comprehension of these two different social policy approaches does not delimit the understanding of the modern welfare state. Furthermore,

it will allow this research to make a distinction whether or not there are any differences between the social insurance and investment approach when it comes to the people's support for the welfare state with the inflows of immigrants.

3.4 Two mechanisms for immigration-welfare state nexus and General hypotheses

As Castles (2010) urges scholars to conceptualise migration as 'an integral and essential part of social transformation process' (Castles, 2010, p. 1578), there is no doubt that flows of new people, idea, and culture across borders construct and reconstruct all kinds of social relations both in home and host country. It is not one way understanding of either migration being a cause or a consequent of social transformation, '[M]igration [rather] both shapes social transformation and shaped by such fundamental change' (Hear, 2010, p. 1533). This implies the complex and dynamic of interrelations between migration and social change that have a great implication on various issues. Therefore, this research is particularly interested in the influence of inflows of immigrants as macro-level upon welfare attitudes of people as micro-level and as a part of social changes.

A number of previous studies have focused on the individual level determinants regarding the formation of the welfare attitudes of people. There are two dominant approaches to the welfare attitude formation that are useful to understand the linkage of macro-micro relation of this research. Thus, the rational choice theory that stresses the material self-interest and another approach that highlights non-material determinants such as social values and norms are briefly summarised here. Furthermore, this research proposes to utilise two mechanisms that could possibly demonstrate the linkage and to bring a more dynamic perspective to the existing literature: solidarity and risk perception effects.

First, the rational choice theory or choice theory that has developed mainly in behavioural economics has been one of the dominant approaches across different fields of social science. This theory broadly assumes that the actors are acting rationally, thus the outcome of a decision is consciously chosen by a rational actor through consideration of available information and the calculation of costs and benefits (Hedström & Stern, 2008). This theory also follows the legacy of assumptions of utilitarianism (Mill, 1972): 1. 'what is best for society is nothing but the sum of what is best for each individual [...] 2. what is best for the individual is best understood by the individual himself' (Lewin, 1988, p. 29). This approach emphasises the notion of "materialistic self-interest" upon the attitude formation of individuals. Within the comparative welfare literature, this material self-interest has been shown as an

influential factor in shaping people's welfare policy preferences (see Iversen & Soskice, 2001). 'The self-interest hypothesis holds that welfare state attitudes are not reflections of affectively charged and stable values. Rather, people are instrumental and narrowly egoistic in a material sense, choosing on the basis of personal benefits and risk-reducing consequences of policies' (Kumlin, 2007, p. 370).

Second, the welfare attitude studies have been highlighted the importance of non-material determinants like social values and norms, especially within the discipline of sociology. This approach questions the rationality of actors and contends that the behaviours or attitudes of individuals to make a decision can be influenced by social norms, values, and rules within a given context. Consequently, one of their premises is that '[p]erceptions and preferences [might] not simply constructed by an individual decision maker: they are afforded by the decision maker's [social and cultural] environment' (Savani, Cho, Baik, & Morris, 2015, p. 458). Mau (2004) argues the importance of the normative dimension in terms of understanding the welfare attitudes of people. People's support for the welfare state is not only depended on the material self-interest but also the 'moral purposes of the welfare state programmes' (Mau, 2004, p. 67), such as reciprocity and social justice. The argument of norms also includes the notion of deservingness (W. van Oorschot, 2006) as people's normative perception of to what extent the welfare benefit is worthy and to whom it is worthy.

The self-interest or social norms and values are important factors to understand the macro-micro level relationship of this research. However, aligning with Larsen (2006), this research adapts the "political man perspective" in order to understand the mechanisms of macro-micro linkage. 'This implies a reflective individual, where attitudes towards welfare policy are not only guided by self-interest or abstract societal values and norms but also based on concrete perceptions of the reality; in this case the perceptions of the poor and unemployed' (Larsen, 2006, p. 5). Therefore, this research proposes the two mechanisms that possibly link the inflows of immigrants to individuals' welfare attitude potentially through self-interest or social norms: solidarity effect and perceived risk effect. Moreover, these two effects allow this research to look at the effects of inflows of immigrants at the different social groups rather than a national level.

First, the solidarity effect through public responsiveness can provide a mechanism of how inflows of immigrants affect the welfare attitude of people. Public responsiveness describes that people react and respond to societal changes or trends. The certain demographic and societal changes prompted by inflows of immigrants can create a reaction of natives that lead to their modification of attitudes (Taylor, 1998). This research considers the level of

interpersonal trust in terms of assessing the question of to what extent the people react to the social changes with the inflows of immigrants. It is because of the possible association between heterogeneity and trust or solidarity. The higher degree of heterogeneity within a society can promote a lower level of trust and solidarity across different groups (Van Parijs, 2004) that can eventually strain the welfare support or policies. It can be explained through the group conflict theory that argues various groups within a society compete each other over the limited resources such as welfare benefits in this research. It appears to be the case that this anti-solidarity argument sees a homogeneity of society as a prerequisite of the welfare state with a high level of trust and solidarity. Consequently, it agrees with the generic argument of Alesina and Glaeser (2004) who contend that the ethnic and racial heterogeneity would undermine the people's welfare state support. This research takes a further step from the assumption of the association between trust and heterogeneity. And it considers the people with different levels of trust that can interpret the different experiences of inflows of immigrants. Therefore, this analysis examines whether or not the low level of trust associated with the heterogeneity can undermine social policy support to a greater degree in comparison to other groups. Also, it examines how different levels of trust interact with inflows of immigrants upon the social policy.

The interpersonal trust as the solidarity effect can be interpreted to social norms or self-interest. On the one hand, trust and norm have a trivial but at the same time a complex relationship. They are entangled in a way they become bases for each other. Trust can be understood as a 'necessary step and [a] basis for the evolution of spontaneous social convention' (Falcone, Castelfranchi, Lopes Cardoso, Jones, & Oliveira, 2013, p. 224). One adjusts his or her behaviours accordingly to the predicted behavior of the other and simply trusts the others to behave conformingly in order to avoid conflict unless the anticipated behaviour is explicitly disagreed. On the other hand, trust can be seen as a rational action of individuals that people anticipate a certain degree of profit by trusting someone (Bicchieri, Xiao, & Muldoon, 2011). This leads to trust as a behaviour that can be coupled with the self-interest of individuals. As a result, interpersonal trust as a reaction to social changes can be considered as a mechanism to understand the macro-level of inflows of immigrants and the micro-level of the welfare attitude of people via norms and self-interest.

Secondly, the perceived risk effect refers to people's perception of risk in relation to social changes that are caused by the inflows of immigrants might change people's decision or attitude. Prospect theory (Kahneman & Tversky, 1979) of behavioural economics provides a mechanism for how people make a decision under uncertainty and risk through the notion of

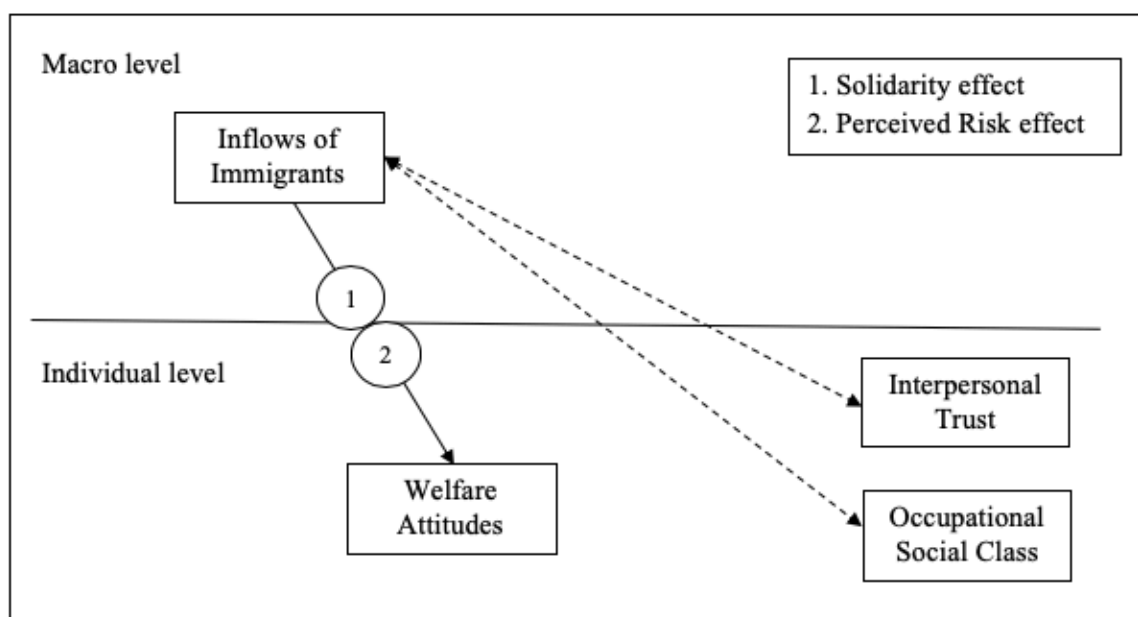
self-interest calculation. One of the intriguing results of this theory is that, by setting the reference points to gain and lose rather than net changes of assets, people are prone to overvalue the loss relatively compare to gain (loss aversion). Furthermore, ‘people tend to give more weight to the utility of a possible outcome than to its probability of occurrence as long as probabilities are not small’ (Levy, 2003). Prospect theory implies that the social uncertainty associated with inflows of immigrants can lead to a higher degree of perceived risk among people. Furthermore, it can potentially induce anti-immigrant sentiments among natives. Thus, in general, this might lead to erosion of the welfare state support since ‘there is evidence that anti-immigrant sentiments are highly correlated with the view that immigrants exploit the welfare system’ (Semyonov, Rajiman, & Gorodzeisky, 2006 as cited in Brady & Finnigan, 2014, p. 21). For example, immigrants are often depicted as the least deserving social group for the welfare benefit (W. van Oorschot, 2006) or the fiscal burden that natives have to pay off (Luttmer, 2001). Therefore, perceived risk can also be understood in terms of self-interest and norms.

The level of perceived risk can differ from one social group to another. One of the common places where the level of perceived risk can be relatively visible is the labour market. It is because of the influx of new people brings up the potential labour market transformation that would lead to people’s perceived new risks. For instance, the native populations’ myth of ‘immigrants take away native’s job’ (Chomsky, 2007) would render people to feel a greater perception of the loss or social risk. It includes a fear of unemployment or a feeling of the threat with the increasing competition in the labour market. Hereby, this research is interested in understanding the relation between inflows of immigrants and people’s support for the welfare state not only at the national level but also at the level of occupation where people might be exposed to immigrants at different levels. It aims to figure out if the social uncertainties caused by inflows of immigrants possibly lead people to be less supportive of the social policies. Also, this research tests whether or not people’s higher levels of perceived risk leads to less support for the social policy and how it differs by different occupational groups by utilising the occupation-based social class scheme of Oesch (2006).

Oesch (2006) argues that the transformation of our employment structure and labour market including the growth of the service sector, welfare expansion, and feminisation of the labour market leads to a necessity of a new occupational based class scheme. He shifts the traditional class scheme’s hierarchical division, such as simple differentiation between manual and non-manual workers, to more horizontal divisions. He stresses marketable skills and work logics of different occupations in order to redraw the class map. He identifies four work logics:

‘independent logic, a technical work logic, an organisational work logic and an interpersonal work logic’ (Oesch, 2006, p. 64). This research focuses on a technical, an organisational, and an interpersonal work logic. A technical work logic covers occupations that require technical expertise from technicians to production workers, while individuals belong to an organisational work logic when their occupations ask for coordination and control skills with a primary orientation towards organisations such as managers and clerks. The last work logic, an interpersonal work logic, is added in order to expand the horizontal aspects of the class scheme. It refers to the occupations with service-specific or face-to-face work that require a certain social skill. Each of the work logic has several dimensions according to the setting of a work process, relations of authority, primary orientation, and skill requirement that can distinguish various occupations within each work logic. This research particularly utilised Oesch’s (2006) occupational class scheme because it can reflect more recent employment and labour market structure, and its inclusion of the horizontal aspect of the divisions of occupations.

Figure 1. Graphic model of the effect of inflows of immigrants on welfare attitudes of people (people’s support for social policies) and two possible mechanisms.



Although Oesch (2006) proposes 8 different occupation-based social classes. This research focuses on the three occupations: (associated) managers, socio-cultural (semi-) professionals, and production workers. The class positions of (associated) managers (hereafter managers) and socio-cultural (semi-) professionals (hereafter social-cultural professionals)

represent the hierarchical level (marketable skills) that are combined by the professional and managerial level with associate professional and managerial level. Yet, they are horizontally divided as the class of managers being considered under the organisational work logic and class of socio-cultural professionals under the interpersonal service work logic. The inclusion of these two occupations is aimed to understand the division within the new middle class since it is argued that the new middle appears to be quite a heterogeneous social class group (Kriesi, 1998). As he expects that managers to be “right-authoritarians” and socio-cultural professionals to be “left-libertarians”, the inclusion of these two occupations would comprehend the understanding of (political) value orientations of each occupation and the implication on the party politics. In addition to the division between managers and socio-cultural professionals, the class position of production workers is taken into account. This class position belongs under the technical work logic (horizontal dimension) and its marketable skills (hierarchical dimension) are being considered as vocational level or low/un-skilled. Inclusion of production workers would be utilised to understand the classical division between manual and non-manual skilled classes, which can imply the different levels of perceived risk.

As solidarity effect suggests that heterogeneity in a society induces a low level of trust within people, which eventually undermines the welfare state and its social policy. And as perceived risk effect suggests potential anti-immigrant sentiment among people because of the uncertainty and risk alongside the inflows of immigrants that can undermine the welfare state. This research posits the first hypothesis as:

Hypothesis 1: inflows of immigrants can possibly undermine the people’s support for the welfare state and its social policy (H1).

Moreover, this research assumes that the effect of inflows of immigrants upon the people’s support for the social policy expects a variety of outcomes related to different levels of interpersonal trust and occupations. Therefore, in line with the first hypothesis, this research posits two sub-hypotheses. Firstly, as anti-solidarity argument suggests that migration-induced heterogeneity would lead to a low level of trust in the society, which eventually undermines the welfare state. Therefore, first sub-hypothesis is posited as following in order to understand whether or not the low level of trust associated with the heterogeneity that can undermine the social policy support at a greater degree in comparison to other groups:

Hypothesis 1a: People with a lowest trust would show lesser support towards social policies with inflows of immigrants (H1a).

Second, it is often argued that migrants have a narrow range of occupations, which are more or less understood as low-skilled occupations. This argument partly derives from the migrants' relative low skill profile in comparison to natives (Burgoon et al., 2012). Hence, the more exposure to the presence of immigrants at the occupational level can lead to a greater degree of perceived risk, which can be translated into lesser support for the welfare state and social policies. Moreover, Boeri's (2010) study on the welfare access and net fiscal position of migrants suggest that 'being unemployed negatively affects perceptions about migrants only among the unskilled. Concerns about unemployment related to migration and the crowding out of assistance to the poor are also felt more among the unskilled [...]' (Boeri, 2010, p. 665). Consequently, this research compares the manual and non-manual skilled occupations in order to examine the how they differ with the different levels of the perceived risk. And it posits the second sub-hypothesis as:

Hypothesis 1b: Occupation with a higher degree of perceived risk would show lesser support towards social policies with inflows of immigrants (H1b).

However, this research does not posit a hypothesis for the difference between the new middle classes. It rather aims to have a descriptive analysis of how these two occupations might differ or not with their attached value orientations.

4. Data and Methods

This research utilises data sets from the European Social Survey (ESS). ESS is one of the leading social surveys that have been utilised by many different studies. It aims not only to produce the data that can assist to understand the general trend within and between European countries, but also ‘to rectify longstanding deficits in the rigour and equivalence of comparative quantitative research, especially in attitude studies’ (Jowell, Roberts, Fitzgerald, & Eva, 2007, p. 10). Therefore, it is a cross-nation survey with a focus in Europe including different themes such as immigration, citizen involvement, and politics.

As this research examines the influence of inflows of immigrants upon people’s support for the welfare state and its social policy, the particular theme of welfare attitudes at ESS is utilised. The characteristic of this research question led to the application of multilevel linear regression models since the research question aims to understand the cross-level effect. In other words, the multilevel linear regression model seems adequate because this research’s lower-level entities – the welfare attitude of people – are nested within a higher level, which is different countries. The analysis contains two different times, the years of 2008 and 2016. It is not to measure the individual’s welfare attitude change over time since it is cross-sectional data. It is rather to have a picture of dynamic shifts of general welfare attitudes of people. Hence, the wave of ESS 4 (2008) and ESS 8 (2016) are utilised. Moreover, the analysis includes 18 different countries mostly different European countries excluding Israel: Belgium, Switzerland, Czech Republic, Germany, Estonia, Spain, Finland, France, the United Kingdom, Hungary, Ireland, Israel, Netherlands, Norway, Poland, Portugal, Sweden, and Slovenia. This includes a comprehensive set of countries to reflect different regions of Europe, which might be helpful to understand the general trend across Europe.

4.1 Dependent variable

For the dependent variable, this research examines three different welfare attitudes of people. These different welfare attitudes are not only to consider the multidimensionality of the welfare state but also to look at the specific social policies instead of a general picture of the welfare state. The most prominent understandings of the multidimensionality of the welfare state derive from the discussion of whether there are ongoing reforms of the welfare state in order to adapt to the new socio-political environments or the welfare state is still considered as the frozen welfare state that reforms do not take places. The changing welfare state with different reforms advocates the new welfare states are adapting the social

investment aspect of social policy that is meant to prepare the people from the new risks, while the welfare inertia adheres social insurance aspect, which aims to repair people from the risk. Therefore, in order to distinguish these two different dimensions of the welfare state, this research focuses on three welfare attitudes: pension and unemployment policy for the social insurance dimension, and childcare policy for the social investment dimension. The overarching question of these three welfare attitudes are from ESS of each wave: ‘People have different views on what the responsibilities of governments should or should not be. For each of the tasks I read out please tell me on a score of 0-10 how much responsibility you think governments should have. 0 means it should not be governments’ responsibility at all and 10 means it should be entirely governments’ responsibility’.

Different welfare attitudes are based on the above-mentioned overarching question and combined with different endings. For pension, the question is ended with ‘...ensure a reasonable standard of living for the old?’ In the case of unemployment, it is combined with ‘...ensure a reasonable standard of living for the unemployed?’ And for childcare policy, it is ended with ‘...ensure sufficient childcare services for working parents?’. These questions of governments’ responsibility for social services or benefits seem to be suitable to understand whether or not people support these policies. Furthermore, the ESS questionnaire clarifies several terms within the questionnaires. The term standard of living across three welfare attitude questions refers to the material situation of people. The status of unemployed refers to the people who are out of the labour market and does not have a paid job. In addition, the childcare services include day-care services for children or childminders while parents are out working.

In the case of the trade-off question, this research utilises the question of following: ‘now imagine there is a fixed amount of money that can be spent on tackling unemployment. Would you be against or in favour of the government spending more on education and training programs for the unemployed at the cost of reducing unemployment benefit?’. Respondents could answer in four different ordinal scales: strongly against, against, in favour, and strongly favour.

4.2 Explanatory variable

This research relies on the relative measures of inflows of immigrants as an independent variable. This variable shows the relative inflows of the immigrants into countries in terms of the country’s total population of 2007 and 2015. A year before of each ESS surveys data of inflows of immigrants are utilised. It is because this research assumes the inflows of

immigrants into countries, which might change the social composition and demography of the society, would be expressed by respondents after a certain period rather than in the same year of surveys. The data of the total population of countries are drawn from World Bank open data, which combines different demographic data including the United Nations population data and Eurostat according to each year. The numbers of inflows of immigrants are drawn from the international migration database of Organisation for Economic Cooperation and Development (OECD). The number of inflows of immigrants excludes people who are born or hold nationality in European Union, European Economic Area (EEA), and some countries where the data were not available such as The Turks and Caicos Islands. Then, the numbers of inflows of immigrants are divided by the total number of populations in order to have relative measures of inflows of immigrants. Therefore, the relative inflows of immigrants refer to the percentage of inflows of immigrants reflecting each country's total population.

This explanatory variable is utilised firstly at the descriptive analysis, which attempts to understand the relation between the relative inflows of immigrants and the social expenditure spending of countries (generosity of the welfare state). This parsimonious bivariate analysis looks at the percentage of total social expenditure spending of countries as aggregated data as calculated from the percentage of Gross Domestic Product (GDP) from OECD. It contains different branches of social welfare that governments share their expenditure such as old age, health, family, unemployment, and housing.

In addition to the main explanatory variable, different interaction effects are analysed in the research. Firstly, interactions between relative inflows of immigrants and the levels of interpersonal trust are introduced in order to examine the anti-solidarity argument. Therefore, the question of interpersonal trust from each ESS wave is utilised. The question asks 'generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people? Please tell me on a score of 0 to 10, where 0 means you can't be too careful and 10 means that most people can be trusted'. For the multilevel linear regression models, the group of a lowest level of trust is assigned as the reference group. Moreover, interactions between relative inflows of immigrants and people's different occupations are examined. As it is argued in the theoretical backgrounds, the social class schema of Oesch (2006) is utilised for the analysis. He proposes the detailed 16 different class positions according to both hierarchical and horizontal dimensions of class positions. Yet, this research uses the collapsed version of Oesch's (2006) social class schema, which results in 8 different social class positions. Occupations are divided into two hierarchical levels combining professional and managerial level with associate professional and managerial level, and

combining skilled working class level with the low-skilled working-class. Furthermore, for the horizontal level, which divides into different levels according to the work logic. This leads to the collapsed 8 class schema: 1. large employers and self-employed professionals, 2. small business owners, 3. technical (semi-) professionals, 4. production workers, 5. (associated) managers, 6. office clerks, 7. socio-cultural (semi) professionals, and 8. service workers. For example, According to Oesch (2012), typical occupations for socio-cultural professionals are medical doctors and teachers, for managers are administrators and consultants, and for productions workers are carpenters and assemblers.

Table 1. Oesch’s collapsed 8 different occupational class schema.

Independent work logic	Technical work logic	Organisational work logic	Interpersonal service work logic
large employers and self-employed professionals	technical (semi-) professionals	(associated) managers	socio-cultural (semi-) professionals
small business owners	production workers	office clerks	service workers

4.3 Control variables

A range of individual control variables is introduced in the multilevel linear regression models. Individual control variables include levels of education, household income, occupational social class position, the foreign-born population within the sample, age, and sex. The levels of education are drawn from each wave of ESS, which indicates the highest level of education of respondents. The levels are classified by the International Standard Classification of Education (ISCED). This includes educational levels from less than lower secondary education to higher tertiary education level. Education might not only affect the welfare attitude of people as it is argued that higher education is related to pro-welfare state attitude but also related to the political tolerance and positivity towards migrants (Bobo & Licari, 1989; Naumann & Stotzer, 2018). Nevertheless, it is known that family income is correlated with education attainment (Blanden & Gregg, 2004), this research controls for the household income of respondents as an additional variable for material interests of individuals. Oesch’s (2006) occupation-based social class position is added into several models as the control variable since it differentiates the horizontal and hierarchical dimensions of social class, which can be distinguished from the levels of education and household income. Furthermore, the foreign-

born population within the sample is introduced as a control variable since it is possible that respondents' migrant backgrounds might lead to a different attitude towards the welfare state and social policy. Age and sex are included as well since they are identified as important control variables because they might affect economic interests, work orientation, and social policy preference from previous studies that investigate the welfare attitudes (Alesina & Glaeser, 2004; Burgoon et al., 2012; Schmidt-Catran & Spies, 2016).

Besides the individual control variables, country-level controls are the unemployment rate, GDP per capita, human development index, and foreign-born population of countries. The unemployment rate of each country is drawn from the harmonised unemployment rate from the database of OCED. It is defined as 'the unemployed as people of working age who are without work, are available for work, and have taken specific steps to find work' (OECD, 2019), which allows more international comparable measures. The unemployment rate might both affect the people's attitudes towards the welfare state and inflows of immigrants (Soroka et al., 2016). Furthermore, GDP per capita, which is drawn from the World Bank, is controlled because it can capture the welfare state development or the macro-economic level situation of countries, which can influence the welfare attitudes of people. As Mau and Burkhardt (2009) questions the relationship between inequality, diversity, and welfare attitude, this research adds Human Development Index in order to control the pre-existing inequalities that are not only limited to income inequality. The foreign-born population at the national level from OCED is controlled alongside the individual level of the foreign-born population.

4.4 Difference in differences

The method of difference in differences (DID) estimation is utilised in order to hypothetically examine the main effect of increasing inflows of immigrants upon social policy. DID is a method that mimics the experimental design and therefore often uses the fact that there are two groups in two time periods. Furthermore, DID is often used to assess the cross-level effect that is the effect of higher group-level on individuals that are nested within groups. 'Because observations are grouped, errors are correlated across individuals within groups; models that do not account for this correlation will result in misleadingly small standard errors and incorrect inference' (Rokicki, Cohen, Fink, Salomon, & Landrum, 2018, p. 2). Consequently, the method of DID seems suitable since this research uses two different time period, the years of 2008 and 2016, as two different waves of ESS are used and there is a hypothetical treatment, which is the increased inflows of immigrants. 'When the outcome of

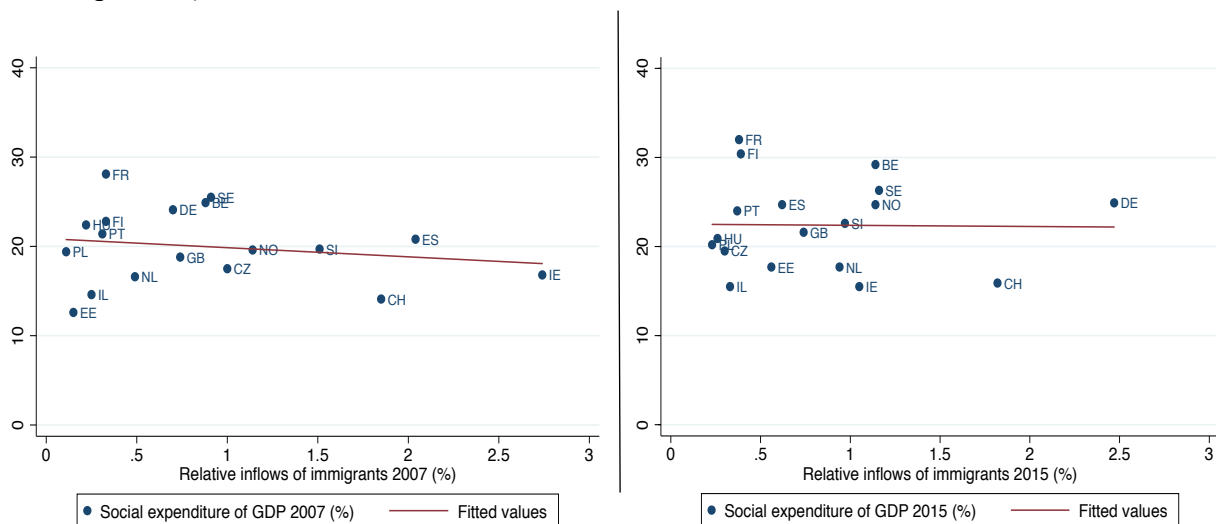
interest is measured before and after the treatment [i.e. increased inflows of immigrants] in both the treatment and the control group, a comparison of changes in the outcome can be attributed to the treatment' (Naumann, 2014, p. 31). The countries were, therefore, divided into control and treatment groups according to the fact if a country experience the increased inflow of immigrants from 2008 to 2016. Control groups include Switzerland, Czech Republic, Estonia, The United Kingdom, Ireland, Norway, and Slovenia. The treatment group includes Germany, Spain, Belgium, Finland, France, Hungary, Israel, Netherlands, Poland, Portugal, and Sweden. In order to get rid of potential confounding variables, the same individual and country-level control variables of the main effect are introduced.

5. Results and Discussion

5.1 Descriptive analysis: Welfare state and Immigration

Following the theoretical backgrounds, this research firstly considers the relation between the percentage of relative inflows of immigrants and the percentage of the social expenditure spending from Gross Domestic Product (GDP) of each country. This parsimonious descriptive analysis aims to identify the welfare magnet theory (Borjas, 1999), which argues that the more generous welfare states attract more immigrants.

Figure 2. Bivariate relationship between percentage of relative inflows of immigrants and percentage of social expenditure of GDP in 2007 (Left, $r = -0.18$, $p = 0.47$) and 2015 (Right, $r = -0.02$, $p = 0.95$).



In contrast to the welfare magnet theory (Borjas, 1999), the results of the bivariate association between the relative inflows of immigrants and the social expenditure spending show a negative and more or less no relationship. Figure 2 demonstrates the associations of both the years of 2007 and 2015, which allows the comparison of difference of 8 years. In 2007, nonetheless, the association is shown as significant, the correlation appears to be quite weak ($r = -0.18$, $p = 0.47$). Thus, from both years, it appears to be the case that it is inadequate to say that the results are supporting the welfare magnet theory. In 2007, some countries like Spain and Slovenia seems to have a relatively higher level of the inflows of immigrants with a higher percentage of social expenditure spending. Yet, France, Finland, and Portugal show the different cases that the higher percentage of social expenditure spending is not related to the level of inflows of immigrants. In 2015, there is a slight change in the slope, which shows mostly no relation between the percentage of social expenditure and the level of inflows of immigrants ($r = -0.02$, $p = 0.95$). Germany seems to show a particular case that experienced a

huge increase in inflows of immigrants (from 0.7 percent in 2007 to 2.5 percent in 2017) with not a great difference in the percentage of the social expenditure spending. In addition, Ireland experienced a decreased level of inflows of immigrants with its remained lower level of social expenditure. These two countries might appear to be supporting the welfare magnet theory. Many other countries such as France, Finland, and Sweden remain their similar positions of a higher level of social expenditure with a lower level of inflows of immigrants. In the case of Spain, nevertheless Spain has relatively higher social expenditure spending, the result demonstrates that there has been a decreased level of inflows of immigrants from 2.1% to 0.6%. Consequently, Figure 2 shows a great heterogeneity of the association between the inflows of immigrants and the social expenditure spending across countries. Moreover, it seems that overall the welfare magnet theory might not be supported according to the above results.

This simple descriptive analysis could imply that different facets of migration are needed to be analysed in order to understand the relationship between the welfare state and immigration, especially when it comes to the association between the welfare generosity of a country and the choices of the destinations of immigrants. For instance, a more dynamic model to explain this relationship can be the migrant network theory. It explains the decision-making process of migrants' choices of destinations beyond the quantity of countries' degree of welfare generosity. 'Migrant networks are sets of interpersonal ties that link together migrants, former migrants, and nonmigrants in origin and destination areas through the bonds of kinship, friendship and shared community origin' (Massey, 1990, p. 69). By having a certain degree of networks among people, migrants can reduce their risk and cost of moving to such a new place since exiting migrant networks can help to direct the newcomers to reach professions or accommodation more easily and securely. Moreover, it cannot be neglected that information that migrants could gain through their social networks can be a crucial part of determining the destination country. For example, a study by Tabor, Milfont, and Ward (2015) indicates that migrants' decision upon their destinations is made by different information, such as safety, opportunity (for better employment), and cultural similarity and so on. Consequently, the migrant network, which is 'the flow of the reciprocal exchange of goods, services, and economically valuable information' (Lomnitz, 1976, p. 137 as cited in Gurak & Caces, 1992, p. 154), facilitates and attracts additional movements of people.

'It is also possible that the relationship highlighted by the welfare magnet theory is endogenous, with the composition of immigrant groups or policy changes in reaction to immigration altering unemployment benefit spending' (Giulietti, Guzi, Kahanec, & Zimmermann, 2013 as cited in Soroka, Johnston, Kevins, Banting, & Kymlicka, 2016). Razin,

Sadka, and Suwankiri (2011) comprehensively approach to the question of the welfare state and immigration by analysing the relationship between the generosity of the welfare state and the skill composition of immigrants. According to authors, in a broad sense, welfare generosity attracts immigrants as the welfare magnet hypothesis suggests; however, it attracts mostly unskilled immigrants who are considered as welfare beneficiaries rather than contributors. Moreover, they also highlight the importance of taking into account different migrant regimes as the relationship between the welfare state and immigration can be depended upon the migration policy or regime. '[T]he welfare magnet hypothesis is only expected in free-migration regimes, where migrants are free to self-select. [...because] in a managed-migration regime [or restricted migration regime] [...], demand for immigrants would favour the high skilled net contributors to the welfare system' (Giulietti & Wahba, 2012, p. 10).

5.2 Multilevel linear regression models

5.2.1 Main effect: inflows of immigrants upon different policy areas.

This paper utilises the multilevel linear regression models in order to analyse the relation between the inflows of immigrants and people's support for the welfare state as the main effect. These multilevel linear regression models (table 2, 3, and 4) look at different social policies respectively within the field of social insurance (pension and unemployment policy) and social investment (childcare policy) in relation to the inflows of immigrants. These tables display different models of the effect of inflows of immigrants upon each policy area in the year of 2008 and 2016. Hence, each table is divided by different years: models 1, 2, and 3 concerning the year of 2008, while models 4, 5, and 6 are in the year of 2016. Each table's model 1 and 4 indicate merely the effect of inflows of immigrants upon each policy area. Individual-level controls are included in model 2 and 5, while Model 3 and 6 includes individual-level controls together with country-level controls. Full versions of each table can be found in the appendix.

Firstly, table 2 particularly looks at the pension policy. Model 1 and model 2 demonstrate the effects of relative inflows of immigrants in 2008 could lead to less support of people for the pension policy. However, they are neither statistically significant nor substantively significant with the inclusion of individual-level controls. When country-level controls are introduced alongside the individual controls as shown in Model 3, the effect is positive and gets statistically significant, yet the effect size remains relatively weak. In 2016, the effect sizes are both statistically and substantively significant as they are relatively higher

compared to 2008 in Model 4 and 5. They can be translated as the inflows of immigrants into a country undermine people's support for the pension policy. A country like Germany that experienced over 2 percent of relative inflows of immigrants can have a substantive outcome. However, they do not include country-level controls. The inclusion of both individual and country controls in 2016 renders the main effect marginally significant ($p=0.094$) with its diminished effect size.

Table 2. Multilevel Linear Regression Models for the relative inflows of immigrants upon people's support for the welfare state in terms of *Pension* policy in 2008 and 2016

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Year	2008	2008	2008	2016	2016	2016
Relative inflows of immigrants	-0.128 (0.153)	-0.130 (0.150)	0.249* (0.110)	-0.456** (0.157)	-0.492** (0.159)	-0.281 (0.168)
Individual level controls	No	Yes	Yes	No	Yes	Yes
Country level controls	No	No	Yes	No	No	Yes
Class dummies	No	Yes	Yes	No	Yes	Yes
Constant	8.485*** (0.173)	8.523*** (0.212)	14.24*** (2.948)	8.444*** (0.159)	8.461*** (0.188)	-0.395 (3.961)
N	25283	25283	25283	24565	24565	24565

Note: Standard errors in parentheses. * $p<0.05$ ** $p<0.01$ *** $p<0.001$. Full version in Appendix

Table 3. Multilevel Linear Regression Models for the relative inflows of immigrants upon people's support for the welfare state in terms of *Unemployment* policy in 2008 and 2016

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Year	2008	2008	2008	2016	2016	2016
Relative inflows of immigrants	0.0225 (0.185)	-0.0173 (0.182)	0.165 (0.225)	-0.253 (0.213)	-0.291 (0.224)	-0.292 (0.249)
Individual level controls	No	Yes	Yes	No	Yes	Yes
Country level controls	No	No	Yes	No	No	Yes
Class dummies	No	Yes	Yes	No	Yes	Yes
Constant	6.766*** (0.209)	6.824*** (0.257)	9.950 (6.016)	6.843*** (0.215)	6.647*** (0.261)	-0.979 (5.857)
N	25283	25283	25283	24565	24565	24565

Note: Standard errors in parentheses. * $p<0.05$ ** $p<0.01$ *** $p<0.001$. Full version in Appendix

Table 4. Multilevel Linear Regression Models for the relative inflows of immigrants upon people's support for the welfare state in terms of *Childcare* policy in 2008 and 2016

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Year	2008	2008	2008	2016	2016	2016
Relative inflows of immigrants	-0.249 (0.209)	-0.258 (0.208)	0.0183 (0.258)	-0.201 (0.273)	-0.103 (0.285)	0.497 (0.310)
Individual level controls	No	Yes	Yes	No	Yes	Yes
Country level controls	No	No	Yes	No	No	Yes
Class dummies	No	Yes	Yes	No	Yes	Yes
Constant	7.880*** (0.236)	8.178*** (0.290)	7.303 (6.900)	7.975*** (0.276)	8.052*** (0.326)	7.001 (7.286)
N	25283	25283	25283	24565	24565	24565

Note: Standard errors in parentheses. * $p < 0.05$ ** $p < 0.01$ *** $p < 0.001$. Full version in Appendix

Table 3 displays the main effects of relative inflows of immigrants in relation to the people's support for the unemployment policy. In both years of 2008 and 2016, most of the results suggest that the main effect stays as negative, but the effect size is even smaller compared to the pension policy. They are neither statistically nor marginally significant, which can demonstrate more or less no relation between the inflows of immigrants and people's support for the unemployment policy at the national level in both years of 2008 and 2016. The effect sizes also show that they are not substantively significant. Furthermore, table 4 regarding the childcare policy displays that when the model includes the country level controls the main effect leads to more support of people towards the policy, whereas other models show the opposite case. However, it shares similar findings as the unemployment policy. There are no statistically significant effects of inflows of immigrants upon the childcare policy across different models and years. Only model 6 reports the substantively significant effect size.

The above findings suggest the mixed results of the main effect in relation to the three different policy areas. It appears to be the case that there are no clear patterns across different policy areas. The main effects of inflows of immigrants at the national level did not have a much of impact upon the people's support for the unemployment and childcare policy, while it shows a tendency of having a negative effect on the pension policy. Therefore, only the pension policy seems to confirm the first hypothesis, which is posited as 'inflows of immigrants can possibly undermine the people's support for the welfare state and its social policy (H1). Furthermore, this different results of three policies demonstrate that '[t]he welfare state is an umbrella term covering a range of governmental activities that have distinctive characteristics'

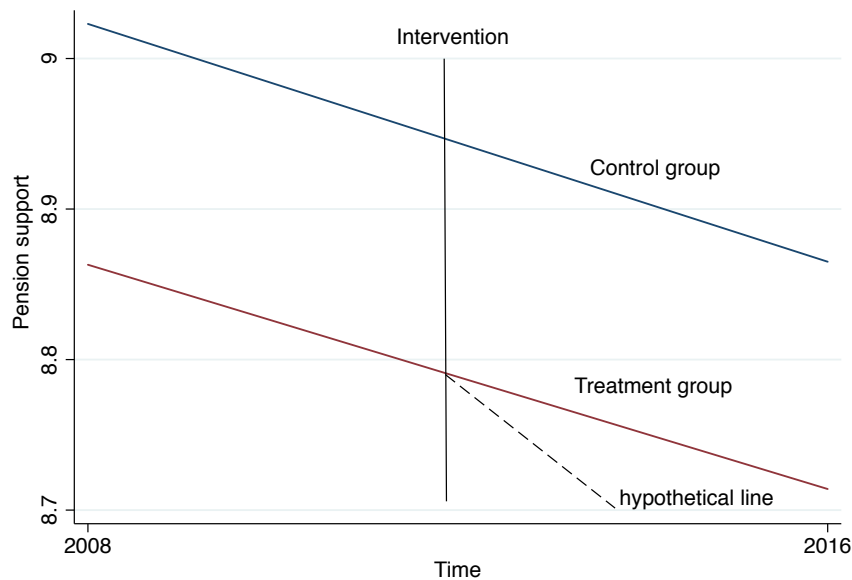
(Pierson, 2001, p. 11). It implies that each policy area of the welfare state differently experiences the effect of inflows of immigrants. These results induce to two questions that are related to the main effect. First, why only the pension policy experiences the effect of the inflows of immigrants compared to unemployment and childcare policy? Secondly, in the case of pension policy, what is a possible explanation for the change of the effect size of inflows of immigrants between the years of 2008 and 2016?

The question of why the pension policy experiences the effect of inflows of immigrants, whereas the unemployment and childcare policy do not experience the effect can be explained partly due to the pension policy being considered as ‘the established central pillars of the welfare state on which the financial stability of the entire regime ultimately depends’ (Häusermann, Kurer, & Traber, 2019, p. 1063). Thus, the proponents of pension policy have well-established and strong interest groups with a broad number of supporters who are more concerned with the effect of the inflows of immigrants. Moreover, people may prioritise a certain social policy in contrast to other policies. As it is observable from table 2, 3, and 4, the constants of table 1 that deals with the pension policy are relatively higher than table 3 and 4. Hence, it can be interpreted as people might prioritise the pension policy over others. This can be understood in the context of the dynamics of the politics of the welfare state. Together with Pierson’s (1996; 2001) emphasis on the new politics of welfare state as the politics of welfare retrenchment and the literature of changing welfare state. It shows the complex relationship between the emergence of new social risks that welfare states have to adapt and change its social policies through reforms, and the fiscal and political pressure within the welfare states to balance its expenditure. Consequently, Häusermann et al (2019) describe the today’s welfare politics as ‘politics of trade-offs’ because of ‘the context of contemporary welfare politics resembles a zero-sum distributive game in which gains for some social groups come at the expense of other groups’ (Häusermann et al, 2019, p. 1088). This leaves a great implication on how to understand people’s support or preference for certain social policies. Therefore, *[p]ositions* (i.e. whether one generally supports the provision of a welfare benefit) lose relevancy at the expense of *priorities* (i.e. if the welfare state – because of finite resources – can only include some policies and cater for some needs but not others, which policies and needs one would prioritize over others)’ (Enggist, 2019, p. 3).

The comparison between different years of the main effect within the pension policy shows that the effect size gets relatively bigger from 2008 to 2016. One of the hypothetical explanations could be that the increased inflows of immigrants in 2016 compare to 2008 had led to an increased size effect. This research utilises the method of difference in differences,

which mimics the treatment effect of the experiment that can be helpful to understand the causality. Therefore, countries were divided into a control group that does not experience the increased inflows of immigrants and treatment group, which includes countries do experience the increased inflows of immigrants. Figure 3 demonstrates both groups experience the negative effect of inflows of immigrants over the time period from 2008 to 2016. However, it does not prove the point that the increased inflows of immigrants possibly can lead to the more negative support on the pension policy as the two groups' graphic lines are almost parallel in before and after the intervention. Otherwise, the line of treatment group would have followed the hypothetical dashed line where it would indicate that the increased inflows of immigrants would lead to more negative support for the pension policy.

Figure 3. Graph of difference in differences upon the pension policy.



If the increased inflows of immigrants are not the possible explanation to the increased effect size in 2016, another explanation could be considered under the context of the shifted images of immigrants between two different periods. Considering the countries in this research are mostly European countries excluding Israel, in the year 2008 many European countries experienced the European Union's (EU) eastern enlargement process between the years of 2004 and 2005. This eastern enlargement of the EU was one of the biggest expansion processes in terms of both population and territory by accepting ten central and eastern European countries such as Poland, Hungary, Czech Republic, and Latvia. According to a study of Toshkov, Kortenska, Dimitrova, and Fagan (2014) that analyses the public opinion regarding

the EU's enlargement process shows that most of the European people were in favour and supportive for the eastern enlargement to integrate post-communist European countries into EU. 'A flash Eurobarometer survey from 2009 [...] indicates that a majority of the EU citizens agree that the enlargement has contributed to the free movement of people on the continent, offered good business opportunities for Western companies [...] and better living standards in [Central and Eastern Europe]' (Toshkov et al., 2014, p. 8). However, they also reveal that public opinion has become hostile towards the future enlargement process of the EU over time. As several studies mention, one of the main determinants for the decreased support for the further European enlargement process is the national identity and perceived cultural threat (de Vreese & Boomgaarden, 2005). Some parts of people start to question the presence of the EU in their nation-state with a growing fear of losing their national identity, culture, and political sovereignty. Nonetheless, these are considered as the reactions towards the EU, it is possible to assume that there has been growing fear of the influx of new people or fear of immigration across different countries. From 2015 with the refugee crisis in Europe, the image of immigrants shifted from the possible immigrants from European countries with shared history to immigrants with very much of different cultural backgrounds who are often depicted as a threat to natives. This shift did not solely take a place through individuals' simple change of their minds, but it is rather projected through political parties. Several studies show the importance of role of the elite including political parties in the process of formulating public opinion. As Zaller (1990; 1991) argues that 'if the messages coming from all political parties and political elites are supportive of a particular policy, then politically aware individuals will come to incorporate these preferences into their own belief systems' (McLaren, 2001, p. 87). Consequently, as many of far-right political parties are characterised with anti-immigrant and ethno-nationalistic xenophobia, the re-emergence of radical right-wing parties in many European countries in the past decade has facilitated the shift of image of immigrants. For instance, '[r]adical right-wing parties have framed immigrants as problems because they are: a threat to the national identity; a major cause of criminality and social unrest; a cause of unemployment; and abusers of the welfare state' (Rydgren, 2008, p. 739). Hence, this shifted image of immigrants can be helpful and be a possible explanation to understand the different effect sizes of inflows of immigrants between the years of 2008 and 2016, especially in relation to the pension policy.

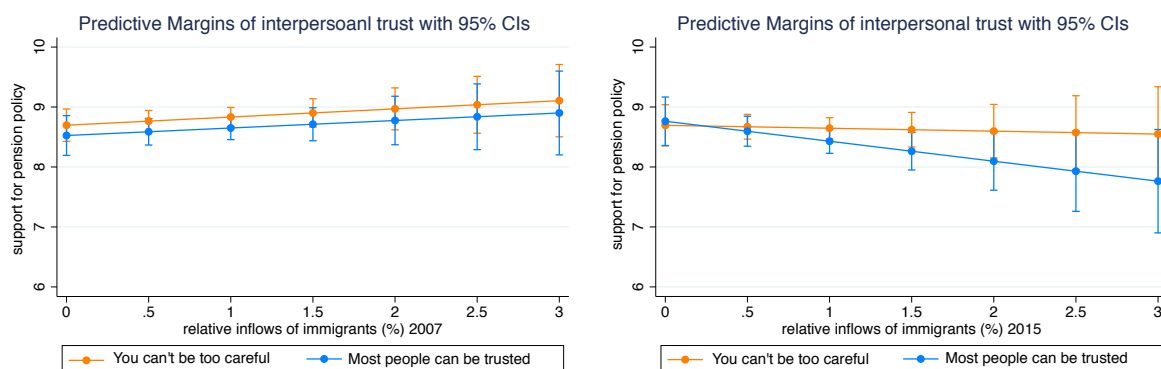
5.2.2 Estimating possible mechanism 1: solidarity effect

Merely considering the main effect at the aggregated or national level as the analysis of the main effect can raise a question of whether or not the effect of inflows of immigrants upon the people's support for the social policy can be differently interpreted according to different social positions or groups. Consequently, two possible mechanisms that can link the macro-level of inflows of immigrants to the individual level of welfare attitude of people are proposed in this research: solidarity and perceived risk effects. The solidarity effect attempts to integrate the levels of interpersonal trust into the main effect in order to find out the questions of if different levels of interpersonal trust of people can drive to different interpretations of the inflows of immigrants and low level of trust is related to the heterogeneity of society that might undermine the welfare state or social policy.

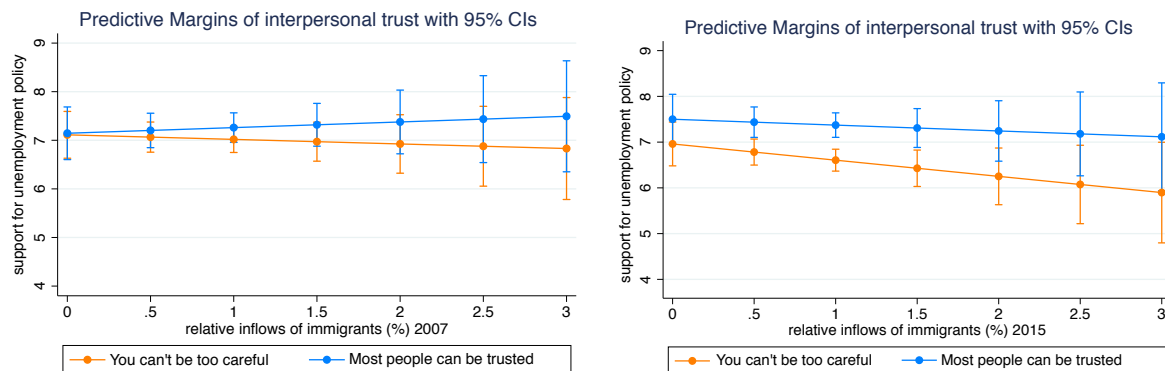
Figure 4 represents the different graphical models of marginal plots for the people's support for the pension, unemployment benefit, and childcare policies with the inclusion of the interaction effects between the inflows of immigrants and different levels of interpersonal trust. The graphs are the results of both including the individual and country-level control variables. For simplicity, the graphs show merely two different levels of interpersonal trust from the ten scales: you can't be too careful (lowest trust level) and most people can be trusted (highest trust level). The term more supportive or less supportive in the analysis are used as relative terms.

Figure 4. Marginal effects of interaction between inflows of immigrants and the levels of interpersonal trust upon pension, unemployment, and childcare policy in the year of 2008 and 2016.

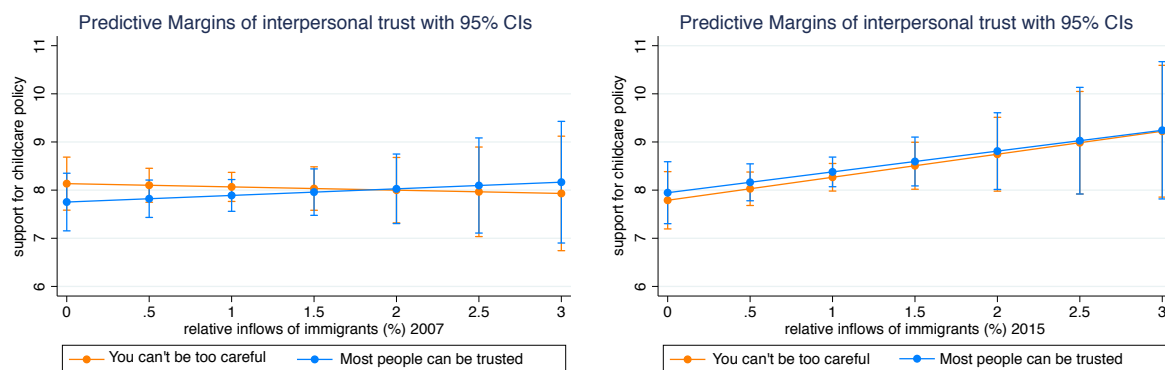
1. Pension (left: 2008, right: 2016)



2. Unemployment benefit (left: 2008, right: 2016)



3. Childcare (left: 2008, right: 2016)



First, in terms of the pension policy, the marginal plots from figure 4 show that people tend to be more supportive of the pension policy with the inflows of immigrants regardless of the different levels of interpersonal trust in 2008. However, the interaction effects between inflows of immigrants and different levels of trusts turn out to be not statistically significant. In 2016, there is a decline of people's supports for the pension policy regarding both two levels of trust. The interaction effects become statistically significant in the aftermath of the relative inflows of immigrants reach the level of 1 percent. People with the highest trust seem to react more to the increasing inflows of immigrants compared to the very low trust group as the highest trust group's effect size seems bigger in 2016.

Second, in 2008 the policy for unemployment demonstrates the mixed results. The highest trust group being slightly supportive of the unemployment policy and the opposite case

for the lowest trust group. However, as the case of pension policy in 2008, the interaction effects of both trust levels with inflows of immigrants appear to be not statistically significant. However, in 2016 the interaction effects appear to be statistically significant across different levels of trust groups and levels of relative inflows of immigrants. As shown in the margins plots in figure 4, people are inclined to be less supportive towards of the unemployment policy in 2016, especially the people with the lowest trust level. In both cases of pension and unemployment policy, people are supporting less towards each policy regardless of different levels of trust. These interaction effects are statistically significant in the year 2016, whereas they are not in 2008.

As interaction effects are merely significant in the year 2016, this analysis focus on the results of different effect sizes in 2016. Under the condition of no inflows of immigrants, the highest and lowest level of trust groups share similar support of both the pension and unemployment policy. However, their support diverges as inflows of immigrant increases. In terms of the pension policy, the highest trust group shows the relatively bigger effect size compare to the lowest trust group. For the unemployment policy, it is the reversed case since the lowest trust group demonstrates the relatively bigger effect size than the highest trust group. Furthermore, these results disagree with the study of Ervasti and Hjerm (2012) that investigates the effect of the number of immigrants in countries on the various dependent variables such as interpersonal trust and welfare chauvinism. One of their main findings is that '[s]ocietal trust does have a positive effect in that people tend to be more pro the welfare state in high trust societies' (Ervasti & Hjerm, 2012, p. 165). However, as figure 4 demonstrates it is not always the case that people with the highest level of interpersonal trust necessarily have the pro-welfare state attitude since the increasing level of inflows of immigrants can possibly lead the people with the highest trust to be less supportive in the case of pension.

The main effect of inflows of immigrants manifests that people tend to be less supportive in the case of pension policy in 2016. Moreover, the main effect and analysis of different levels of trust group share a similar picture that people's level of support for certain social policies declines and becomes statistically significant from 2008 to 2016. However, the above findings reveal the importance of including different social groups to understand the effect of inflows of immigrants as the different social groups experience the macro-level inflows of immigrants respectively, but also at the same time it raises a question of why they differ one from each other.

One of the possible explanations can be how respondents possibly perceived the questions of the pension and unemployment policy. In other words, respondents might have

perceived the pension policy that is more future-oriented welfare benefits, while the unemployment policy that can be shown more of a benefit in present. This discussion derives from the Häusermann et al.'s (2019) argument of the today's politics of welfare state as "politics of trade-offs". 'In general, the trade-off between social investments and passive social transfers is often depicted as one between policies that create diffuse benefits at some point in the future vs social policies that have concrete benefits in the present' (Busemeyer & Garritzmann, 2017, p. 875; Streeck & Mertens, 2011). However, this research suggests that this trade-off can be applied within the same dimension of social policy and not necessarily between different dimensions like social insurance and social investment. One of the findings of Ervasti and Hjerm (2012) is that there is a positive relationship between the level of trust and education. Consequently, people with the lowest trust level can be associated with a lesser level of education, which implies that they experience the low level of income as well (Gregorio & Lee, 2002). Thus, it is possible that a low level of trust group is more concerned with the benefits that they can get in the present such as unemployment benefits rather in the vague future benefits like pension. Reversely, as the higher interpersonal trust level can be referred to the higher level of education, people with the highest trust level are more concerned with the future-oriented welfare benefits rather than benefits in presents. Hence, this can explain the bigger interaction effect size of the lowest trust group when the unemployment policy is considered with the inflows of immigrants, while it is the smaller interaction effect size upon the pension policy in comparison to the highest trust group. It appears to be the opposite case that the highest interpersonal trust level has a bigger interaction effect size when it comes to the pension policy and it has the smaller effect size upon the unemployment policy in comparison to the lowest trust group.

Third, the case of childcare policy reports different results from both pension and unemployment policy. Figure 4 shows that in the year 2008, people with the lowest trust level tend to be less supportive towards the childcare policy with increasing inflows of immigrants, whereas people with the highest trust level are more supportive. Their effect sizes seem not substantively significant as their changes of support are minors at different levels of inflows of immigrants. Furthermore, interactions of both two levels of trust level with inflows of immigrants are not statistically significant. In the case of 2016, people with both of two different levels of interpersonal trust are inclined to be more supportive of the childcare policy with the increasing inflows of immigrants. But the interactions are not statistically significant in 2016 as well.

In sum, the results of the effect of solidarity demonstrate that there are variations of outcomes across different years and specific policies. Different levels of interpersonal trust manifest the different effect sizes upon each policy area. Overall, for the pension and unemployment policy, there is a general direction of people being less supportive towards each policy and interactions are statistically significant in 2016, while different levels of interpersonal trust with inflows of immigrants are neither statistically nor substantive significant in terms of effect sizes in 2008. More specifically, people with higher trust tend to be less supportive of the pension policy with inflows of immigrants than people with a lower level of trust. People with the lowest trust tend to be less supportive of the unemployment policy with inflows of immigrants. In the case of childcare policy, it merely shows the potential directions of the effects of inflows of immigrants since both years of interactions between different levels of trust and inflows of immigrants are not statistically significant. It shows that in 2016 people are supportive of the childcare policy with increasing inflows of immigrants, whereas there are not much of the interaction effects of inflows of immigrants and the different levels of trust in 2008. In terms of the anti-solidarity argument, it can be said that inflows of immigrants do not necessarily make people with the lowest level of trust to be less supportive towards social policies. Consequently, Hypothesis 1a (H1a) only confirms the case of unemployment policy in 2016.

5.2.3 Estimating possible mechanism 2: perceived risk effect

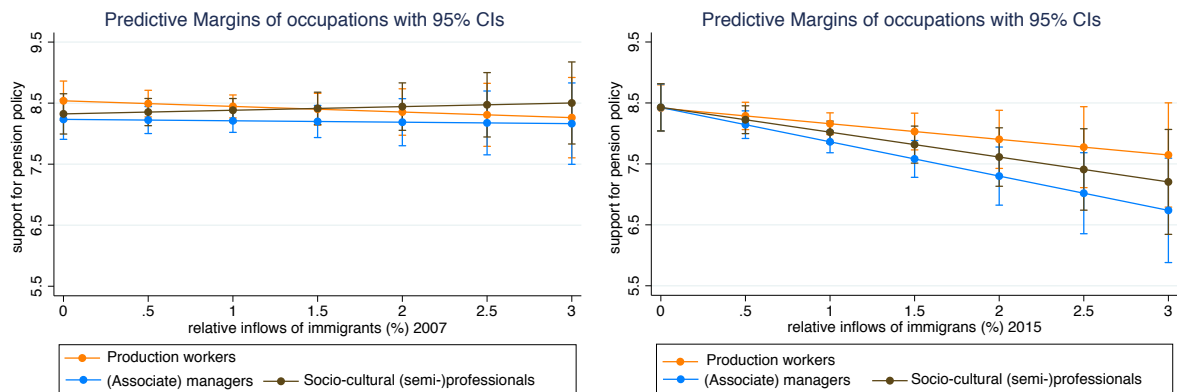
For the perceived risk effect, the research includes the different occupation-based social classes of individuals since the different social class positions of individuals can either reinforce or undermine the people's support for the social policy with the experience of inflows of immigrants. Thus, this analysis would reveal that not only whether or not inflows of immigrants can possibly undermine people's support for social policies in line with the prospect theory, but also how the effect of inflows of immigrants can be translated differently to the welfare attitudes through the occupation-based social class. Albeit this research includes all the 8 class positions for the multilevel linear regression models, for simplicity its analysis merely included three different classes: (associated) managers, socio-cultural (semi-) professionals, and production workers.

Figure 5 represents the graphs of marginal effects of interactions between inflows of immigrants and the three different occupation-based social class in terms of the pension, unemployment, and childcare policy respectively in both years of 2008 and 2016. The marginal plots' multilevel linear regression models both include individual and country control variables.

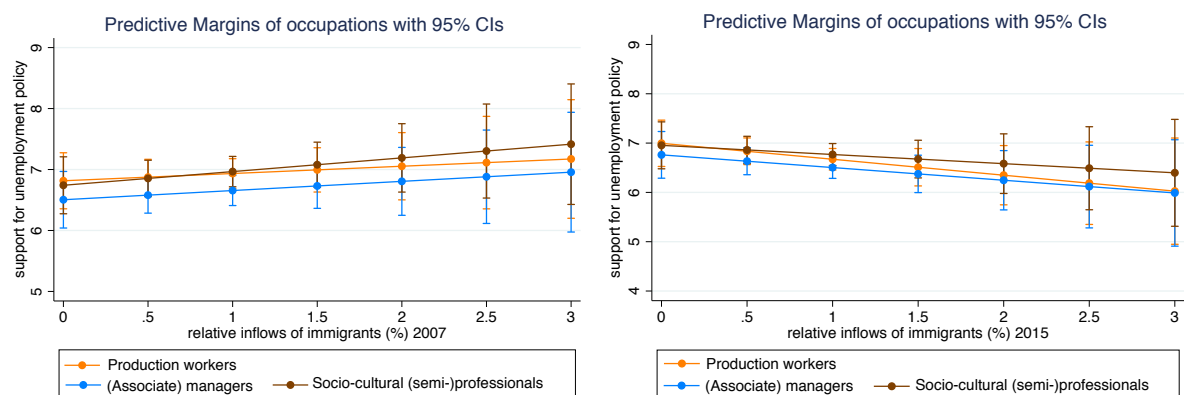
The analysis will firstly look at the pension followed by the unemployment policy and the childcare policy. Each analysis investigates the differences within the new middle classes and differences between manual and non-manual classes. The term more supportive or less supportive in the analysis is relative terms as well.

Figure 5. Marginal effects of interaction between inflows of immigrants and the different occupation-based social class positions upon pension, unemployment, and childcare policy in the year of 2008 and 2016.

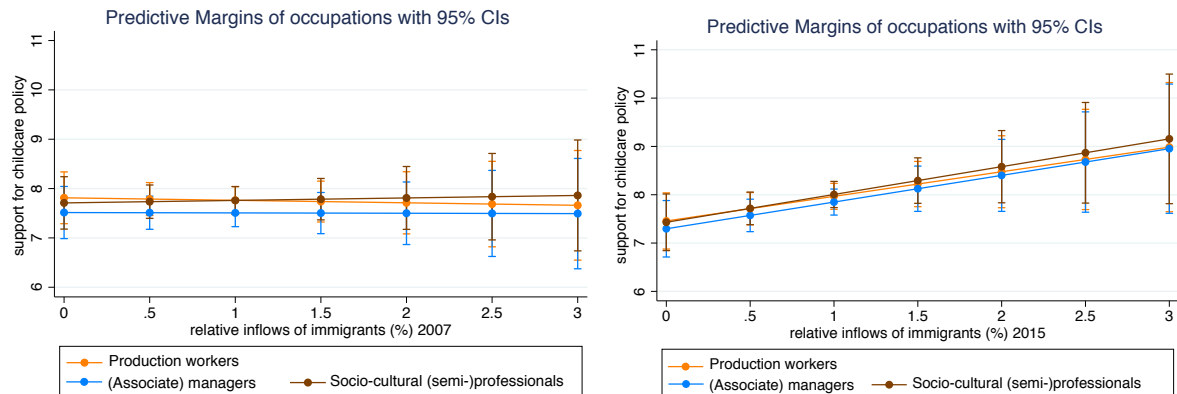
1. Pension (left: 2008, right: 2016)



2. Unemployment (left: 2008, right: 2016)



3. Childcare (left: 2008, right: 2016)



In terms of the pension policy in 2008 from figure 5, there are many variations and differences across different occupations. The differences between managers and socio-cultural professionals are statistically significant from the level of inflows of immigrants at 0.5 percent to onwards. However, these difference turns out to be very small and their effect sizes report that they are not substantively significant. The differences between production workers as manual, and managers and socio-cultural professionals as non-manual skilled occupations demonstrate that there is a statistically significant difference only between production workers and managers. This difference only appears to be statistically significant when the level of relative inflows of immigrants are between 0 to 2 percent. However, the differences and their effect sizes are not substantively significant as well. In 2016, the results show more dynamic variations across the occupation groups. In general, all three groups show a tendency of being less supportive of the pension policy with increasing inflows of immigrants. The difference between managers and socio-cultural professionals are statistically significant only after the level of inflows of immigrants reach 1 percent. Furthermore, the production workers and the new middle classes show that they are also statistically significantly different from each other after the inflows of immigrants reach 1 percent. The effect sizes and differences across occupation groups are substantively significant compared to the year of 2008.

As differences across occupation groups and interaction effect sizes vary rather in 2016 than 2008, the following discussion is focused on the year of 2016. The differences between the production workers and managers are relatively bigger than between production workers and socio-cultural professionals. Moreover, the effect size appears to be bigger in relation to the managers than socio-cultural professionals within the new middle classes, which indicate

that managers tend to be less supportive of the pension policy compared to the other two occupations with inflows of immigrants. Interestingly, these findings report that production workers who are assumed to have a higher degree of perceived risk are not the occupation group with the bigger interaction effect size than other groups. Thus, this implies the higher degree of the perceived risk of production workers does not necessarily lead to a less supportive welfare attitude towards the pension.

Instead of the level of perceived risk, what might be accountable to these differences between the new middle classes is the attached (political) value orientations to these occupations. Kriesi (1998) distinguishes these two classes according to the value orientations that are developed by Kitschelt (1994). He predicts that managers to “right-authoritarian” that refers to people who ‘prefer market solutions and free exchange and to have an idea of community which is more authoritarian, paternalistic and organization-centered’ (Kriesi, 1998, p. 169), while he expects socio-cultural professionals to be “left-libertarians”, who are ‘supposed to have both a postmaterialist or socially liberal outlook and to support a classic social-democratic position with respect to economic policy and the welfare state’ (Kriesi, 1998, p. 169). Consequently, the interaction bigger effect size of managers than socio-cultural professionals, and the bigger differences between production workers and managers in comparison to differences between production workers and socio-cultural professionals reflect Kriesi’s (1998) expectations. Managers who are interested in the issues associated with ‘authoritarian socio-cultural governance structures’ (Kitschelt, 2004, p. 10), such as the cultural homogeneity, which can lead to the anti-immigrant sentiment and eventually the restraint on the social policy, whereas social-cultural professionals are not.

Second, in terms of the unemployment policy in figure 5, in 2008 the differences between new middle classes are statistically significant at all levels of inflows of immigrants. The new middle classes tend to be more supportive of the unemployment policy, especially socio-cultural professionals are relatively more supportive than managers. When it comes to the comparison between manual and non-manual skilled classes, merely the difference between production workers and managers display a statistically significant difference. In this case, production workers are more supportive than managers towards the unemployment policy. However, these differences are not substantively significant as their effect sizes are weak. In 2016, the differences between managers and socio-cultural professionals are still significantly different, yet this difference appears to be smaller than in 2008. Socio-cultural professionals are still more supportive of the unemployment policy than managers. Furthermore, the division between manual and non-manual classes here reports a mixed results since differences between

production workers and managers are statistically significant when the level of inflows of immigrants is in between 0 to 1.5 percent, whereas differences between production workers and socio-cultural professionals are statistically significant when there is 1.5 percent of relative inflows of immigrants or higher than 1.5 percent. In other words, the socio-cultural professionals more responsive to the inflows of immigrants when there is a relatively higher degree of inflows of immigrants. The managers are more responsive when there is a lower level of inflows of immigrants. But they both tend to be less supportive of the unemployment policy. Here as well, the interaction effects can be considered as not substantively significant.

In terms of effect sizes in 2016, albeit it is not very substantively significant, the production workers show a relatively bigger interaction effect size than others. As unemployment policy is more directly related to the labour market, the economically vulnerable positions of production workers might have led to this bigger interaction effect towards the unemployment policy. As Naumann, Buss, and Bähr (2016) argue that individuals' attitudes are shaped by self-interest, thus one's experience of unemployment changes individuals' welfare attitudes to increased support for unemployment benefits. In addition, immigrants coming to the European countries might have a narrow range of job that is often understood as lower-skilled works. 'For instance, the proportion of the working-age foreign-born population with lower than upper secondary education averages 35% for the EU-25, almost 10 percentage points higher than the 25% for the native population' (OCED, 2009 as cited in Burgoon et al., 2012, p. 292). Hence, as production workers can be more exposed to the immigrants in their workplaces, they can possibly feel more threatened or they have a higher degree of the perceived risk of losing their job than other two groups. The case of unemployment policy reveals that the different perceived of risk might matter unlike the case of pension policy. Furthermore, the different value orientations between socio-cultural professionals and managers could have led to a different level of support as socio-cultural professionals tend to be more supportive than managers.

Third, the childcare policy demonstrates a different picture from the pension and unemployment policy. In 2008, the inflows of immigrants do not influence the people's support for the childcare policy across different occupations as shown in figure 5. The difference between new middle classes turn out to be statistically significant, yet they are not substantively significant. Socio-cultural professionals show a tendency of being more supportive of the childcare policy than the managers. Moreover, the comparison between production workers and managers appear to be statistically significant, while the differences between production workers and socio-cultural professionals are not statistically significant. Production workers

are less supportive than managers towards the childcare policy, yet these differences are not very substantively significant as their effect sizes are quite small. In 2016, the differences between managers and socio-cultural professionals are statistically significant when inflows of immigrants are between 0.5 and 2 percent, yet the differences remain relatively small. They both show a tendency of being more supportive of the childcare policy with increasing inflows of immigrants. The difference between manual and non-manual classes show only the significant difference between production workers and managers when the inflows of immigrants is in between 0 to 0.5. They tend to be more supportive with increasing inflows of immigrants.

The comparison between production workers and managers even at the relatively low level of inflows of immigrants displays that, as it is assumed, production workers with relative higher perceived risk do not necessarily lead to less support of childcare policy than managers. Nonetheless, socio-cultural professionals and managers share similar effect sizes, socio-cultural professionals are more supportive than managers. As mentioned beforehand, Kriesi (1998) expects the socio-cultural professionals to be left-libertarians, who are generally more supportive of the welfare state. Particularly, with the childcare policy, socio-cultural professionals can show a relative bigger support because as argued by Kitschelt, they 'tend to advocate a retrenchment of spending on the current generation of the elderly (pay-go pension benefits, health care and even unemployment insurance) so as to dedicate resources to human capital investments in the young (improved education and university training, public childcare)' (Kitschelt, 2004, p. 6).

The above analyses indicate that the effect of inflows of immigrants upon different social policies varies across occupation groups. The general direction shows that in the case of the pension and unemployment policies, managers, socio-cultural professionals, and production workers tend to be less supportive in the year of 2016 than in 2008 with the inflows of immigrants. Albeit the findings are neither statistically nor substantively significant, it is the opposite case in relation to the childcare policy, in which all three occupations show more supportive with inflows of immigrants. The results of 2016 appear to be more substantively significant than 2008. The differences between new middle classes show they are statistically significant across the social policies, yet the differences remain small. The manager appears to be less supportive than socio-cultural professionals for the pension and unemployment policy. The comparison between manual and non-manual skilled occupations report that manual skilled occupation like production workers are more attentive to unemployment policy with inflows of immigrants, whereas non-manual skilled occupations are more concerned with the

pension policy. Furthermore, findings imply that the degree of perceived risk only appears to be a matter in terms of unemployment policy in 2016. Consequently, hypothesis 1b (H1b) merely confirms in the case of unemployment policy in 2016. Furthermore, the value orientations or pre-existing political ideology of different occupations as argued by Kriesi (1998) and Kitschelt (1994; 2004) partly captures the dynamics of the welfare attitudes of people.

5.3 Difference between social insurance and social investment

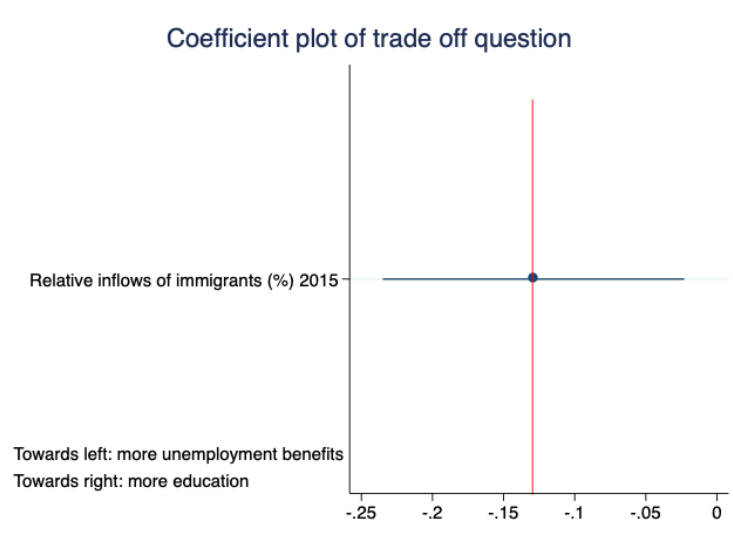
As this research attempts to distinguish different dimensions of the welfare state and its social policies, the pension and unemployment policies are chosen to represent the social insurance policy dimension, and childcare policy for the social investment policy dimension. It appears to be the case, in terms of the main effect, that the inflows of immigrants show a tendency of negatively influence the pension policy, whereas the other two policies are not substantively and statistically significant. Findings also reveal that the main effect demonstrates a significant degree of variations of outcomes across different models, years and policies. Consequently, within the given representations of each dimension, the differences between social insurance and social investment might not be very clear. When the analysis takes into account the different levels of interpersonal trust and different occupations in order to figure out how solidarity and perceived risk effects play roles, the differences between the social insurance and social investment becomes more visible. Nonetheless, the different levels of trust and occupations turn out to be not statistically significant in the case of social investment policy, it provides a general direction of how social investment differ from the social insurance policy. Overall, general directions show that there are relatively more supportive attitudes for social insurance and not much of effect in terms of social investment in 2008. However, in 2016 people tend to be less supportive towards social insurance policies and supportive of the social investment across different levels of trust and different occupations. Also, their effect sizes are substantively significant in comparison to the year of 2008. Therefore, a meaningful comparison between social insurance and social investment dimensions of social policy can be drawn from the year of 2016.

In 2016, social insurance policies (pension and unemployment policy) suggest an efficacy hypothesis as people show a tendency of being less supportive with inflows of immigrants. In terms of the social investment policy (childcare policy), the results suggest the compensation hypothesis as people are inclined to be more supportive with inflows of

immigrants. In other words, the social investment policy that is aiming to prepare people against social risks is more popular than the social insurance policy with the increasing inflows of immigrants. These findings display that there are differences between social insurance and social investment regarding how inflows of immigrants affect people’s support for each social policy. However, these analyses consider each policy area separately from each other. If contemporary politics of the welfare state is politics of trade-offs (Häusermann et al., 2019), the remaining question is how people change their support towards each social policy dimension when they are asked in terms of trade-off questions such as one’s support of one policy area at the expense of another area.

Figure 6 shows the coefficient plot of the effect of inflows of immigrants upon the trade-off question between unemployment benefits and education policy in 2016. Unemployment benefits represents the social insurance dimension and education policy represents the social investment dimension. The result shows that people do not prefer the welfare state to spend money on education at the cost of unemployment benefit. In other words, people prefer a social insurance than a social investment when the trade-off question is considered. This confirms previous studies which demonstrate that ‘social investments are popular, but this popularity has limits’ (Neimanns, Busemeyer, & Garritzmann, 2018, p. 250; Busemeyer & Garritzmann, 2017). However, albeit the effect of inflows of immigrants is statistically significant, the effect size appears to be not substantively significant. Hence, it is still questionable to what extent people prefer social insurance over social investment policies.

Figure 6. Coefficient plot of inflows of immigrants upon trade-off question between unemployment benefits and education in 2016 (including individual and country level control variables).



6. Conclusion

There has been an increasing number of international migrations on a global scale. At the same time, the acceleration of far-right public discourse within many societies raises the question of the immigration. Migration does not merely bear individual for the immigrants, but also carries political and social consequences in both the countries of origin and destination. One of the salient political and social consequences of migration can be considered to be as the issues concerning the welfare state. The welfare state is designed as an inclusive mechanism to ensure that nobody is left behind. However, the welfare state might also function as an exclusive mechanism as questions arise with the relationship between immigration and the welfare state.

Recent literature shows inconclusive empirical findings regarding the issue. On the one hand, scholars support the efficiency hypothesis agrees with Alesina and Glaeser's (2004) the generic hypothesis. Alesina and Glaeser (2004) contend that the increasing levels of inflows of immigrants can undermine the welfare state and people's support for social policies. This argument is followed by different scholars who argue that immigrants are considered as "them" or outsiders in the context of social and national identity (Luttmer, 2001); or often conceived as the least deserving social group for the welfare benefits (van Oorschot, 2006). This negative effect of immigration upon people's support for the welfare state and social policies appears to be salient at the different levels, such as at the national and region levels (Eger, 2010; Breznau & Eger, 2016). On the other hand, other scholars bring forth the compensation hypothesis which argues immigrants, in fact, reinforce the people's support for the welfare state (Brady & Finnigan, 2014; Goldschmidt, 2015). Many studies that suggest the compensation hypothesis show that factors such as perceived risks or threats caused by the inflows of immigrants render people to be more protected through the welfare state. 'While perceptions of immigrant threat are central to the generic and chauvinistic hypotheses, [...] it also plays a potentially positive role in increasing support for the redistribution' (Kwon & Curran, 2016, p. 380). Consequently, this research examines the relationship between the welfare state and immigration. More specifically, it aims to understand the effect of inflows of immigrants on people's support for different social policies.

The results of the descriptive analysis, which tests the relationship between immigration and the welfare state demonstrate that there is no such relationship between relative inflows of immigrants and the level of generosity of the welfare state. Consequently, this finding suggests taking different factors such as social networks or migrant policies into

account to understand the immigration-welfare state nexus. Moreover, the main effect examines the effect of inflows of immigrants on three different social policies in 2008 and 2016. The findings of the main effect show a tendency that the inflows of immigrants only undermine people's support for the pension policy. In other words, the inflows of immigrants at the national level suggest the efficiency hypothesis since they lead to lesser support of people for the pension policy. Considering the unemployment and childcare policies, the results turn out to be statistically not significant. This can be understood as people are more concerned with the issues regarding the pension policy at the national level with the inflows of immigrants. Hence, hypothesis 1 (H1) only confirms in the case of the pension policy.

Previous studies on the welfare attitudes mainly focus on individual determinants like material self-interest or non-material factors, such as norms. This research includes two different mechanisms that add dynamic perspectives to the understanding of the immigration-welfare state nexus: solidarity and perceived risk effect. Moreover, it allows this research to comprehend the different experiences of different social groups rather than the national level effect.

The solidarity effect proposes that people's interpersonal trust can influence the welfare attitude formations of people. The anti-solidarity argument suggests that migration-led heterogeneity within a society will lead to a lower level of interpersonal trust among people, which would eventually undermine the people's support for social policies. Consequently, the solidarity effect allows this research to understand whether or not the low-level trust group leads to less support for social policy with inflows of immigrants than another group by adding the people's different levels of interpersonal trust into the main analysis. Also, it allows this research to analyse the different levels of trust groups' welfare attitudes resulting from the different experiences of the inflows of immigrants. The findings show that in 2008 both high and low levels of trust groups tend to be supportive of the pension and unemployment policies, yet they are not statistically significant. Thus, it only implies the general directions. In 2016, both the pension and unemployment policy are supported less with increasing inflows of immigrants regardless of different levels of trust. It appears to be the case that the group with high-level trust is inclined to be more responsive with inflows of immigrants in terms of the pension policy as they support lesser with inflows of immigrants than the low-level trust group. When it comes to the unemployment policy, the low-level trust group shows a tendency of being less supportive than the high-level trust group. Hence, hypothesis 1a (H1a) is only confirmed in the case of unemployment policy in 2016. Moreover, it shows that a low level of trust might not necessarily lead to less support of the welfare state like the case of pension

policy. In order to understand these findings, this research suggests that people might perceive the difference between future-oriented welfare benefits and benefits in the present within the same dimensions of social policy, unlike previous studies that mainly show this differentiation is made between the social insurance and social investment policies. In terms of childcare policy, different levels of interpersonal trust turn out to be statistically not significant, which merely proves the directions of people being less supportive in 2008 and being more supportive in 2016.

The perceived risk effect investigates how people establish their welfare attitudes under the social uncertainty caused by the presence of immigrants and how the different perceived risks in terms of occupations matter for welfare support. This analysis mainly looks at the difference between new middle classes (managers and socio-cultural professionals) and the difference between manual and non-manual skilled occupations (production workers versus managers or socio-cultural professionals). In terms of the pension policy, in 2008 there are statistically significant differences between managers and socio-cultural professionals, and between production workers and managers. However, they are not substantively significant since their effect sizes seem to remain weak. In 2016, the differences between new middle classes and between manual and non-manual skilled occupations are both statistically and substantively significant compared to 2008. The managers turn out to be less supportive of the pension policy than both production workers and socio-cultural professionals. These results disprove the hypothesis 1b (H1b) since production workers are assumed to have a higher degree of perceived risk than other occupations. The occupational group of production workers do not show a tendency of being less supportive of the pension policy than non-manual skilled occupations. The case of unemployment shares a similar picture as the pension policy. In 2008, the differences between the new middle classes and the differences between production workers and managers are statistically significant but it is not significant between production workers and socio-cultural professionals. Moreover, their differences are not substantively significant. In general, all three occupations show a tendency to be more supportive. In 2016, the results show a variety of outcomes, the differences between socio-cultural professionals and managers are still statistically significant. However, the difference between production workers and managers is statistically significant when there is only a lower level of inflows of immigrants, whereas the differences between production workers and socio-cultural professionals are statistically significant only with a higher level of inflows of immigrants. In contrast to 2008, people tend to be less supportive of the unemployment policy with increasing inflows of immigrants in 2016. Here, the perceived risk seems to matter, thus confirming the

hypothesis 1b (H1b), since the production workers manifest that they are less supportive of the unemployment policy than manual skilled occupations with inflows of immigrants. The childcare policy demonstrates that there are differences between production workers and managers, and between new middle classes in 2008 and 2016. Yet, their differences are substantively not significant. The general direction shows that people are more supportive of childcare policy in 2016, while it is the opposite case in 2008.

Besides, this research attempts to fill the research gap by the inclusion of the notion of multidimensionality of the welfare state. Therefore, the analysis included both social insurance (pension and unemployment policy) and social investment policies (childcare policy). The findings demonstrate that there are differences between these two social policies. Albeit the cases of childcare policy displaying that they are not very substantively significant, people show a tendency of being more supportive of the social investment policy with increasing inflows of immigrants in 2016. In terms of social insurance policies, people are inclined to be less supportive. In other words, the efficiency hypothesis seems to be salient with social insurance policies, whereas the compensation hypothesis appears to be confirmed with the social investment policy. Intriguingly, when the trade-off question is considered between social insurance and social investment policy, people turn out to be more supportive of social insurance than social investment, yet the coefficient remains weak.

The above findings imply that there truly is a dynamic relationship between immigration and the welfare state. Firstly, the overall results imply that European countries might follow the path set by Alesina and Glaeser's (2004) prediction who expect a negative relationship between the inflows of immigrants and people's support for the welfare, especially within the context of the social insurance policy. Some scholars argue that '[t]he conditions under which diversity unfolds in Europe are quite different from the American experience. Institutions, levels of trust, and expectations about the role of the government are significantly different' (Crepaz, 2008, p. 260 as cited in Mau & Burkhardt, 2009, p. 225). However, this research's findings do not agree with the discourse of American exceptionalism in terms of the relationship between immigration and the welfare state. Rather, it provides substantial proof to argue that European countries might experience the decline of people's support for the welfare state and its social policies like the U.S.

Second, this research manifests the intricate implications of how the effect of inflows of immigrants can differ at the different social groups. Only taking the effect of inflows of immigrants into consideration at the national level might neglect the dynamics of the immigration-welfare nexus at different levels. The findings indicate that different levels of trust

and occupations show different degrees of support according to each specific social policy. Moreover, the differences between within the new middle classes imply that the (political) value orientations still can be useful to capture a dynamic of the relationship between immigration and the welfare state. Overall, it reveals an implication for policymakers to consider which social group is more attentive with what social policy under the influence of inflows of immigrants or who are more supportive or less supportive concerning a social policy with the influence of inflows of immigrants.

Third, the significance of acknowledging the different dimensions of social policy is stressed in this research. Nevertheless, the several findings of social investment policy (childcare policy) are neither statistically nor substantively significant, they show a general direction that is distinctive from the social insurance policy (pension and unemployment policy). The results display that people can be more supportive of the social investment policy with inflows of immigrants than the social insurance policy. Hence, this implies the importance of understanding the notion of multidimensionality of the welfare state regarding the immigration-welfare state nexus.

Albeit this research's attempt to provide dynamic perspectives into the existing literature concerning immigration and the welfare state, it also carries on several limitations to this research. First of all, considering the data that is utilised in this research, the European Social Survey is a cross-sectional data. Nonetheless, this research analyses two different time periods, the data limits the understanding of immigration-welfare state nexus at the effects of inflows of immigrants of each year. Hence, this research is not able to analyse the changes of people's welfare attitudes. Furthermore, when it comes to the distinction between social insurance and social investment social policy, the social investment policy is analysed within a limited understanding of the childcare policy. Even though the childcare policy is considered as one of the key policies of the social investment approach, different policies might lead to different results. Moreover, the different types of welfare regimes are not included in the analysis because '[i]n the influential formulation of Esping-Andersen, welfare regimes comprise not only state policies but also the welfare contributions of family and market' (Kasza, 2002, p. 272). The different welfare regimes might moderate or mediate the effect of the inflows of immigrants upon people's support for the welfare state.

Taking into account the limitations of this research, if possible, further studies should engage more with longitudinal data, thus overcoming the limitations of cross-sectional data. This would allow researchers to investigate not only the individuals' welfare attitude changes but also the effect of changes in the level of inflows of immigrants. In terms of the inflows of

immigrants, this research does not take the different socio-economic status of immigrants into consideration. Further studies should consider different socio-economic characteristics of immigrants, which might moderate the effects of immigration upon people's support for the welfare state. Moreover, it would be interesting to understand why people show different levels of support between non-trade-off questions and trade-off questions, especially for the distinction between social insurance and social investment policies. In the meantime, this research sheds a light on the importance of analysing the effect of immigration both at the national and at different social groups. Moreover, the multidimensionality of the welfare state is highlighted to understand the immigration-welfare state nexus. Overall, it shows that the issues of immigration matter for the welfare state and bears complicated implications for social policy. Analysing this issue given the current state of highly possible migration trends is of key importance of understand ways of the welfare state in our contemporary society to ensure nobody is actually left behind.

7. References

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8. Appendix

Table 1. Multi-level linear regression models for the pension policy in 2008 and 2016

	(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Year	2008	2008	2008	2008	2008	2016	2016	2016	2016	2016
Relative inflows of immigrants	-0.128	-0.130	0.249*	0.201	0.136	-0.456**	-0.492**	-0.281	-0.105	-0.0487
	(0.153)	(0.150)	(0.110)	(0.114)	(0.137)	(0.157)	(0.159)	(0.168)	(0.171)	(0.182)
large employers/self-employed		-0.280***	-0.280***	-0.427***	-0.275***		-0.435***	-0.436***	-0.119	-0.440***
		(0.0730)	(0.0730)	(0.119)	(0.0728)		(0.0731)	(0.0731)	(0.126)	(0.0728)
small business owners		-0.185***	-0.186***	-0.212***	-0.176***		-0.194***	-0.195***	0.0575	-0.199***
		(0.0395)	(0.0395)	(0.0614)	(0.0394)		(0.0415)	(0.0415)	(0.0699)	(0.0414)
technical professionals		-0.211***	-0.210***	-0.311***	-0.197***		-0.218***	-0.217***	-0.0499	-0.204***
		(0.0459)	(0.0459)	(0.0746)	(0.0457)		(0.0459)	(0.0459)	(0.0758)	(0.0458)
production workers	Reference group					Reference group				
(associate) managers		-0.249***	-0.249***	-0.304***	-0.237***		-0.262***	-0.262***	0.00828	-0.251***
		(0.0366)	(0.0366)	(0.0548)	(0.0365)		(0.0392)	(0.0392)	(0.0640)	(0.0392)
Clerks		-0.149***	-0.149***	-0.209***	-0.125**		-0.182***	-0.182***	0.0280	-0.171***
		(0.0405)	(0.0405)	(0.0625)	(0.0404)		(0.0435)	(0.0435)	(0.0711)	(0.0433)
socio-cultural professionals		-0.0878*	-0.0876*	-0.214***	-0.0702		-0.111**	-0.111**	0.0120	-0.0996*
		(0.0405)	(0.0405)	(0.0600)	(0.0405)		(0.0423)	(0.0423)	(0.0680)	(0.0423)
service workers		-0.109***	-0.109***	-0.118*	-0.102**		-0.0464	-0.0462	0.0434	-0.0486
		(0.0325)	(0.0325)	(0.0490)	(0.0324)		(0.0361)	(0.0361)	(0.0592)	(0.0359)
household income		-0.0362***	-0.0361***	-0.0362***	-0.0331***		-0.0378***	-0.0378***	-0.0375***	-0.0341***
		(0.00437)	(0.00436)	(0.00436)	(0.00437)		(0.00443)	(0.00443)	(0.00443)	(0.00444)
age		0.00327***	0.00328***	0.00326***	0.00280***		0.000891	0.000887	0.00104	0.000140

	(0.000615)	(0.000614)	(0.000614)	(0.000614)	(0.000645)	(0.000645)	(0.000645)	(0.000646)
sex	0.127***	0.127***	0.127***	0.120***	0.121***	0.121***	0.120***	0.115***
	(0.0224)	(0.0224)	(0.0224)	(0.0223)	(0.0236)	(0.0236)	(0.0236)	(0.0235)
education	-0.0212**	-0.0212**	-0.0214**	-0.0198**	-0.0202***	-0.0202***	-0.0203***	-0.0193***
	(0.00714)	(0.00714)	(0.00714)	(0.00712)	(0.00405)	(0.00405)	(0.00405)	(0.00404)
foreign-born_individual	0.000272	0.153***	0.153***	0.152***	0.0186	0.0722**	0.0708**	0.0711**
	(0.0133)	(0.0293)	(0.0296)	(0.0295)	(0.0129)	(0.0230)	(0.0230)	(0.0224)
GDP per capita		0.0000108	0.0000106	0.0000108		-0.0000179*	-0.0000174*	-0.0000181*
		(0.00000749)	(0.00000756)	(0.00000754)		(0.00000774)	(0.00000772)	(0.00000754)
unemployment rate		0.0665	0.0674	0.0650		0.0203	0.0196	0.0199
		(0.0344)	(0.0347)	(0.0346)		(0.0174)	(0.0174)	(0.0170)
human development index		-6.967	-6.839	-6.705		10.48*	10.04*	10.68*
		(3.726)	(3.762)	(3.753)		(4.696)	(4.684)	(4.576)
foreign-born_country		-0.201***	-0.202***	-0.200***		-0.0649*	-0.0634*	-0.0624*
		(0.0406)	(0.0409)	(0.0408)		(0.0307)	(0.0306)	(0.0299)
large employers/self-employed*inflows			0.171				-0.352**	
			(0.107)				(0.108)	
small business owners*inflows			0.0340				-0.299***	
			(0.0524)				(0.0660)	
technical professionals*inflows			0.125				-0.200**	
			(0.0721)				(0.0672)	
production workers*inflows	Reference group				Reference group			
(associate) managers*inflows			0.0673				-0.305***	
			(0.0489)				(0.0561)	
Clerks*inflows			0.0717				-0.246***	

socio-cultural professionals*inflows		(0.0566)		(0.0635)
		0.150**		-0.151*
service workers*inflows		(0.0527)		(0.0594)
		0.0148		-0.109
		(0.0425)		(0.0562)
you can't be too careful	Reference group		Reference group	
1		-0.378***		-0.0632
		(0.114)		(0.137)
2		-0.496***		-0.328**
		(0.101)		(0.114)
3		-0.454***		-0.392***
		(0.0932)		(0.101)
4		-0.632***		-0.535***
		(0.0941)		(0.101)
5		-0.625***		-0.399***
		(0.0864)		(0.0919)
6		-0.914***		-0.502***
		(0.0923)		(0.0978)
7		-0.707***		-0.460***
		(0.0902)		(0.0953)
8		-0.470***		-0.262**
		(0.0926)		(0.0996)
9		-0.314**		-0.0533
		(0.121)		(0.138)
Most people can be trusted		-0.172		0.0677
		(0.149)		(0.161)

	Reference group					Reference group				
you can't be too careful*inflows										
1*inflows					0.0927 (0.115)					-0.507*** (0.146)
2*inflows					0.0998 (0.101)					-0.210 (0.112)
3*inflows					0.00813 (0.0940)					-0.164 (0.0982)
4*inflows					0.103 (0.0933)					-0.168 (0.0968)
5*inflows					0.127 (0.0882)					-0.257** (0.0901)
6*inflows					0.241** (0.0924)					-0.268** (0.0946)
7*inflows					0.177 (0.0903)					-0.235* (0.0917)
8*inflows					0.0702 (0.0921)					-0.286** (0.0953)
9*inflows					-0.0283 (0.117)					-0.428** (0.132)
Most people can be trusted*inflows					-0.0112 (0.143)					-0.284 (0.147)
Constant	8.485*** (0.173)	8.523*** (0.212)	14.24*** (2.948)	14.17*** (2.976)	14.58*** (2.970)	8.444*** (0.159)	8.461*** (0.188)	-0.395 (3.961)	-0.163 (3.950)	-0.197 (3.859)
N	25283	25283	25283	25283	25283	24565	24565	24565	24565	24565

Note: Standard errors in parentheses. Note: each year's model 1 includes only the explanatory variable. Model 2 with individual control variables. Model 3 with individual and control variables. Model 4 includes interaction effects between interpersonal trust and relative inflows of immigrants with control variables. Model 5 includes interaction effects between occupations and relative inflows of immigrants with control variables.

* p<0.05, ** p<0.01, *** p<0.001"

Table. 2 Multi-level linear regression models for the unemployment policy in 2008 and 2016

	(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Year	2008	2008	2008	2008	2008	2016	2016	2016	2016	2016
Relative inflows of immigrants	0.0225 (0.185)	-0.0173 (0.182)	0.165 (0.225)	0.119 (0.227)	-0.0939 (0.242)	-0.253 (0.213)	-0.291 (0.224)	-0.292 (0.249)	-0.324 (0.252)	-0.354 (0.255)
large employers/self-employed		-0.322*** (0.0934)	-0.322*** (0.0934)	-0.307* (0.152)	-0.349*** (0.0932)		-0.334*** (0.0895)	-0.335*** (0.0895)	-0.682*** (0.155)	-0.387*** (0.0891)
small business owners		-0.436*** (0.0505)	-0.436*** (0.0505)	-0.522*** (0.0786)	-0.444*** (0.0504)		-0.325*** (0.0508)	-0.327*** (0.0508)	-0.253** (0.0856)	-0.356*** (0.0506)
technical professionals		-0.151* (0.0587)	-0.151* (0.0587)	-0.248** (0.0955)	-0.161** (0.0586)		-0.0947 (0.0562)	-0.0953 (0.0562)	-0.224* (0.0929)	-0.122* (0.0560)
production workers	Reference group					Reference group				
(associate) managers		-0.286*** (0.0469)	-0.286*** (0.0469)	-0.311*** (0.0702)	-0.294*** (0.0468)		-0.174*** (0.0480)	-0.174*** (0.0480)	-0.234** (0.0784)	-0.211*** (0.0479)
Clerks		-0.168** (0.0518)	-0.168** (0.0518)	-0.175* (0.0800)	-0.160** (0.0517)		-0.0458 (0.0533)	-0.0464 (0.0533)	0.0856 (0.0871)	-0.0636 (0.0530)
socio-cultural professionals		0.0146 (0.0518)	0.0148 (0.0518)	-0.0740 (0.0767)	-0.00778 (0.0518)		0.0857 (0.0518)	0.0854 (0.0518)	-0.0413 (0.0833)	0.0271 (0.0517)
service workers		-0.126** (0.0415)	-0.126** (0.0415)	-0.171** (0.0627)	-0.120** (0.0414)		-0.0234 (0.0442)	-0.0242 (0.0442)	-0.0216 (0.0725)	-0.0420 (0.0440)
household income		-0.0680*** (0.00559)	-0.0680*** (0.00559)	-0.0682*** (0.00559)	-0.0694*** (0.00560)		-0.0571*** (0.00543)	-0.0571*** (0.00543)	-0.0570*** (0.00542)	-0.0620*** (0.00543)
age		0.00457*** (0.000786)	0.00457*** (0.000786)	0.00457*** (0.000786)	0.00384*** (0.000786)		0.00641*** (0.000790)	0.00640*** (0.000790)	0.00639*** (0.000790)	0.00534*** (0.000790)
sex		0.112***	0.112***	0.113***	0.108***		0.0673*	0.0675*	0.0687*	0.0723*

	(0.0286)	(0.0286)	(0.0286)	(0.0285)	(0.0289)	(0.0289)	(0.0289)	(0.0287)
education	-0.0213*	-0.0213*	-0.0213*	-0.0232*	-0.00319	-0.00315	-0.00358	-0.00670
	(0.00914)	(0.00914)	(0.00914)	(0.00912)	(0.00496)	(0.00496)	(0.00496)	(0.00495)
foreign-born_individual	0.0163	0.109	0.109	0.103	0.0181	0.0330	0.0337	0.0316
	(0.0161)	(0.0600)	(0.0600)	(0.0583)	(0.0182)	(0.0341)	(0.0340)	(0.0322)
GDP per capita		0.0000132	0.0000131	0.0000128		-0.00000309	-0.00000333	-0.00000557
		(0.0000153)	(0.0000153)	(0.0000149)		(0.0000115)	(0.0000114)	(0.0000108)
unemployment rate		0.0678	0.0684	0.0713		0.0686**	0.0688**	0.0704**
		(0.0703)	(0.0704)	(0.0683)		(0.0258)	(0.0258)	(0.0244)
human development index		-4.260	-4.172	-4.655		8.178	8.437	7.653
		(7.602)	(7.611)	(7.393)		(6.946)	(6.935)	(6.566)
foreign-born_country		-0.124	-0.124	-0.115		-0.0268	-0.0274	-0.0224
		(0.0830)	(0.0831)	(0.0807)		(0.0455)	(0.0454)	(0.0430)
large employers/self-employed*inflows			-0.0141				0.361**	
			(0.137)				(0.132)	
small business owners*inflows			0.0966				-0.0843	
			(0.0670)				(0.0809)	
technical professionals*inflows			0.119				0.142	
			(0.0923)				(0.0823)	
production workers*inflows	Reference group				Reference group			
(assosiate) managers*inflows			0.0316				0.0660	
			(0.0625)				(0.0687)	
Clerks*inflows			0.00882				-0.142	
			(0.0724)				(0.0778)	

socio-cultural professionals*inflows		0.106 (0.0675)		0.138 (0.0728)
service workers*inflows		0.0536 (0.0545)		-0.00349 (0.0689)
you can't be too careful	Reference group		Reference group	
1				0.00971 (0.168)
2				-0.379** (0.139)
3				-0.256* (0.123)
4				-0.347** (0.124)
5				-0.151 (0.112)
6				-0.123 (0.120)
7				-0.0498 (0.117)
8				0.0203 (0.122)
9				0.424* (0.169)
Most people can be trusted				0.540** (0.197)
you can't be too careful*inflows	Reference group		Reference group	

1*inflows					0.352*					-0.300
					(0.147)					(0.178)
2*inflows					0.243					0.105
					(0.129)					(0.137)
3*inflows					0.264*					0.0588
					(0.120)					(0.120)
4*inflows					0.295*					0.0860
					(0.119)					(0.118)
5*inflows					0.272*					0.0206
					(0.113)					(0.110)
6*inflows					0.295*					0.0699
					(0.118)					(0.116)
7*inflows					0.264*					0.128
					(0.116)					(0.112)
8*inflows					0.220					0.239*
					(0.118)					(0.117)
9*inflows					0.310*					0.0849
					(0.150)					(0.161)
Most people can be trusted*inflows					0.210					0.226
					(0.184)					(0.180)
Constant	6.766***	6.824***	9.950	9.913	10.80	-0.654***	-0.671***	-0.872***	-0.873***	-0.930***
	(0.209)	(0.257)	(6.016)	(6.023)	(5.851)	(0.169)	(0.169)	(0.170)	(0.170)	(0.170)
N	25283	25283	25283	25283	25283	24565	24565	24565	24565	24565

Note: Standard errors in parentheses. Note: each year's model 1 includes only the explanatory variable. Model 2 with individual control variables. Model 3 with individual and control variables. Model 4 includes interaction effects between interpersonal trust and relative inflows of immigrants with control variables. Model 5 includes interaction effects between occupations and relative inflows of immigrants with control variables.

* p<0.05, ** p<0.01, *** p<0.001

Table 3 Multi-level linear regression models for the childcare policy in 2008 and 2016

	(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Year	2008	2008	2008	2008	2008	2016	2016	2016	2016	2016
Relative inflows of immigrants	-0.249 (0.209)	-0.258 (0.208)	0.0183 (0.258)	-0.0508 (0.260)	-0.0678 (0.275)	-0.201 (0.273)	-0.103 (0.285)	0.497 (0.310)	0.509 (0.312)	0.478 (0.318)
large employers/self-employed		-0.339*** (0.0882)	-0.339*** (0.0882)	-0.494*** (0.144)	-0.336*** (0.0881)		-0.330*** (0.0837)	-0.330*** (0.0837)	-0.386** (0.145)	-0.347*** (0.0835)
small business owners		-0.248*** (0.0477)	-0.248*** (0.0477)	-0.327*** (0.0742)	-0.239*** (0.0476)		-0.267*** (0.0475)	-0.267*** (0.0475)	-0.190* (0.0801)	-0.278*** (0.0475)
technical professionals		-0.174** (0.0554)	-0.173** (0.0554)	-0.259** (0.0901)	-0.165** (0.0553)		-0.233*** (0.0526)	-0.233*** (0.0526)	-0.168 (0.0869)	-0.234*** (0.0525)
production workers	Reference group					Reference group				
(associate) managers		-0.264*** (0.0443)	-0.264*** (0.0443)	-0.299*** (0.0663)	-0.253*** (0.0442)		-0.119** (0.0449)	-0.118** (0.0449)	-0.162* (0.0734)	-0.122** (0.0449)
Clerks		-0.152** (0.0489)	-0.152** (0.0489)	-0.210** (0.0755)	-0.131** (0.0488)		-0.174*** (0.0498)	-0.174*** (0.0498)	-0.0645 (0.0815)	-0.172*** (0.0497)
socio-cultural professionals		-0.0199 (0.0489)	-0.0195 (0.0489)	-0.104 (0.0724)	-0.00881 (0.0490)		0.0355 (0.0484)	0.0364 (0.0484)	-0.0277 (0.0779)	0.0275 (0.0485)
service workers		-0.117** (0.0392)	-0.117** (0.0392)	-0.210*** (0.0592)	-0.108** (0.0391)		-0.0247 (0.0413)	-0.0241 (0.0413)	-0.0104 (0.0679)	-0.0317 (0.0412)
household income		-0.0362*** (0.00527)	-0.0361*** (0.00527)	-0.0362*** (0.00527)	-0.0340*** (0.00529)		-0.00830 (0.00508)	-0.00833 (0.00507)	-0.00832 (0.00507)	-0.00773 (0.00509)
age		- 0.00635*** (0.000742)	-0.00634*** (0.000742)	-0.00634*** (0.000742)	-0.00681*** (0.000743)		- 0.00431*** (0.000739)	- 0.00431*** (0.000739)	- 0.00431*** (0.000739)	- 0.00513*** (0.000741)
sex		0.240***	0.240***	0.239***	0.233***		0.289***	0.289***	0.289***	0.286***

	(0.0270)	(0.0270)	(0.0270)	(0.0270)	(0.0270)	(0.0270)	(0.0270)	(0.0269)
education	-0.00732	-0.00733	-0.00751	-0.00618	-0.0104*	-0.0104*	-0.0104*	-0.0111*
	(0.00863)	(0.00863)	(0.00863)	(0.00861)	(0.00464)	(0.00464)	(0.00464)	(0.00464)
foreign-born_individual	0.000253	0.0550	0.0548	0.0539	-0.0179	0.0619	0.0621	0.0593
	(0.0184)	(0.0688)	(0.0689)	(0.0687)	(0.0231)	(0.0424)	(0.0424)	(0.0417)
GDP per capita		-0.00000563	-0.00000577	-0.00000599		-0.0000210	-0.0000211	-0.0000219
		(0.0000175)	(0.0000175)	(0.0000175)		(0.0000143)	(0.0000143)	(0.0000140)
unemployment rate		0.0992	0.0996	0.0978		0.00811	0.00812	0.00825
		(0.0806)	(0.0807)	(0.0805)		(0.0321)	(0.0321)	(0.0315)
human development index		0.604	0.714	0.946		1.655	1.700	1.601
		(8.719)	(8.725)	(8.709)		(8.641)	(8.636)	(8.489)
foreign-born_country		-0.0744	-0.0742	-0.0727		-0.0837	-0.0837	-0.0794
		(0.0952)	(0.0953)	(0.0951)		(0.0566)	(0.0566)	(0.0556)
large employers/self-employed*inflows			0.180				0.0554	
			(0.129)				(0.124)	
small business owners*inflows			0.0930				-0.0905	
			(0.0633)				(0.0757)	
technical professionals*inflows			0.104				-0.0714	
			(0.0871)				(0.0770)	
production workers*inflows	Reference group				Reference group			
(associate) managers*inflows			0.0435				0.0433	
			(0.0590)				(0.0643)	
Clerks*inflows			0.0703				-0.121	
			(0.0684)				(0.0728)	

socio-cultural professionals*inflows		0.101 (0.0637)		0.0662 (0.0681)
service workers*inflows		0.110* (0.0514)		-0.0170 (0.0644)
you can't be too careful	Reference group		Reference group	
1			-0.287* (0.137)	-0.445** (0.158)
2			-0.280* (0.122)	-0.644*** (0.130)
3			-0.489*** (0.113)	-0.589*** (0.116)
4			-0.690*** (0.114)	-0.578*** (0.116)
5			-0.485*** (0.105)	-0.353*** (0.105)
6			-0.797*** (0.112)	-0.554*** (0.112)
7			-0.655*** (0.109)	-0.447*** (0.109)
8			-0.343** (0.112)	-0.339** (0.114)
9			-0.402** (0.146)	0.00454 (0.159)
Most people can be trusted			-0.382* (0.181)	0.157 (0.184)
you can't be too careful*inflows	Reference group		Reference group	

1*inflows					0.00198						-0.00470
					(0.139)						(0.167)
2*inflows					-0.0709						0.107
					(0.122)						(0.128)
3*inflows					0.0430						0.0748
					(0.114)						(0.113)
4*inflows					0.163						0.0465
					(0.113)						(0.111)
5*inflows					0.0496						-0.0634
					(0.107)						(0.103)
6*inflows					0.187						0.0813
					(0.112)						(0.109)
7*inflows					0.195						0.0421
					(0.109)						(0.105)
8*inflows					0.00217						0.0364
					(0.111)						(0.109)
9*inflows					0.112						-0.263
					(0.142)						(0.151)
Most people can be trusted*inflows					0.205						-0.0461
					(0.174)						(0.168)
Constant	7.880***	8.178***	7.303	7.268	7.529	-0.404*	-0.427*	-0.648***	-0.648***	-0.666***	
	(0.236)	(0.290)	(6.900)	(6.905)	(6.893)	(0.168)	(0.168)	(0.168)	(0.168)	(0.168)	
N	25283	25283	25283	25283	25283	24565	24565	24565	24565	24565	

Note: Standard errors in parentheses. Note: each year's model 1 includes only the explanatory variable. Model 2 with individual control variables. Model 3 with individual and control variables. Model 4 includes interaction effects between interpersonal trust and relative inflows of immigrants with control variables. Model 5 includes interaction effects between occupations and relative inflows of immigrants with control variables.

* p<0.05, ** p<0.01, *** p<0.001

Table. 4 Difference in differences table for the pension policy

Time	2008	2016	Diff-in-diff
Control	9.023	8.865	
Treated	8.863	8.714	
diff (T-C)	-0.159	-0.151	0.008
	0.17	0.81	

R-square: 0.05. * Means and Standard Errors are estimated by linear regression.

Clustered Std. Errors. **Inference: * p<0.01; ** p<0.05; * p<0.1