Economic Determinants of Public Support for European Integration, 1995-2018

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Abstract: The death of economic factors as a determinant of attitudes toward European integration has been exaggerated. Examining 23 years of responses to the Eurobarometer (1995-2018), we find strong evidence that utilitarian factors influence Europeans' support for European integration. The performance of the macro-economy, as measured by unemployment, is a consistent predictor of public support for EU membership and satisfaction with EU democracy. An individual's position in the labor market also remains quite important. The occupational and educational groups that have been relatively advantaged by European integration remain the most supportive of the EU while those that have been relative economic losers indicate lower levels of support. Social identity and ideology are also strong predictors of support for the EU. However, these factors are influenced by economic concerns.

Public opinion affects the process of European integration. Early in the integration process, elites largely led the way and the public followed, but in recent decades popular attitudes have come to the fore. Mass movements have arisen that are skeptical about, or outright opposed to, European integration. Political parties that both respond to and promote these Euroskeptical views have gained increasing support (Hooghe, 2007; Heinö et al., 2017). While solid majorities in most countries continue to support a maintenance of Union membership, European publics are ambivalent about widening and deepening the project. Support for immigration has decreased in many countries, and initiatives to widen the Union by adding large countries such as Ukraine and Turkey are now dead letters (McLaren, 2007). Since the Dutch rejection of the Maastricht Treaty in 1992, efforts to deepen the project – whether in terms of adding a constitution, adopting a common currency, or a single passport zone – have faced public resistance (Hobolt, 2009; Börzel and Risse, 2018). A decade of economic and financial crises further revealed the limits of public support for integration. It has become common to argue that resurgent nationalism – a stronger sense of national identity – underlies skepticism about European integration (Halikiopoulou et al., 2012).

To be sure, the European project is far from falling apart. Brexit aside, popular support for maintaining EU membership is at a 35-year high.[1] While once a topic whose discussion was confined largely to intergovernmental negotiations between elites, the question of Europe is now thoroughly politicized (Hooghe and Marks, 2009; Börzel and Risse, 2018). No longer is there

[1] See "Eurobarometer survey shows highest support for the EU in 35 years," European Parliament. Accessible at https://www.europarl.europa.eu/news/en/headlines/eu-affairs/20180522STO04020/eurobarometer-survey-highest-support-for-the-eu-in-35-years.

realistic expectation of automatic and unproblematic progress toward an "ever closer union." The EU's supporters and opponents alike agree that the EU's development depends largely on the opinion of the public and the success of efforts to strengthen public accountability and input.

Amidst this uncertainty, it is important to analyze the factors that affect public support for the European project. In this paper, we use nearly 25 years of cross-sectional public opinion data from the Eurobarometer to assess the extent to which economic factors shape public support for European integration. In light of common arguments about the centrality of nationalist identities, we assess whether utilitarian economic considerations — how European integration has affected the economic prospects of individuals – have a powerful impact on support for the European project. We examine the extent to which individual- and national-level economic factors have an impact on these calculations, and which of these factors seem to matter most. Where economic factors seem to matter, we assess whether absolute or relative measures appear to be the most important. Finally, we investigate whether these patterns have changed since the 1990's when they were first observed, and whether they are consistently observed across all European regions.

We find that utilitarian factors are a strong predictor of public support for European integration in a number of important respects. We observe a consistent correlation between the favorability of macro-economic conditions and public support for integration. When unemployment rates are lower, compared to past performance, Europeans are more likely to support integration, whether measured in terms of support for membership or satisfaction with EU democracy. Conversely, where macro-economic conditions worsen, support for integration goes down. While national economic conditions matter, Europeans' support for and satisfaction with the EU is most affected by the economic performance of the EU as a whole.

Second, individuals at the top of the educational and skill hierarchies express higher levels of support for European integration. Professionals, managers, and students, groups that have enjoyed relative advantages from the economic changes wrought by European integration and globalization, are among the most supportive occupational groups, while blue collar skilled and routine workers are among the least supportive. Similarly, those individuals with more extensive education who in many countries have seen a growing payoff to their degrees are also more supportive.

These findings are robust to different specifications. They remain when we control for a range of relevant factors and alternative explanations. They hold up when we examine different periods of time and exclude certain regional groups of countries. And their significance does not diminish when we examine only individuals with strong national identities or those with ideologies on the far right or far left.

The growing body of research on European public opinion that points to the importance of ideology and national identity finds that both factors predict public support for the EU. We find similar correlations in our own analysis. Voters who place their ideology on the far right or left, and who see their identity primarily in terms of the nation-state, are consistently more likely to see EU membership as a bad thing or to express dissatisfaction with EU democracy. We differ from those who interpret these relationships as evidence that identity has supplanted economic interests as the main factor shaping public support for the EU. We show that when economic variables are regressed on national identity, many of the labor market factors that are highly correlated with public support for integration are also predictive of social identities. Professionals and the highly educated are less likely to identify exclusively with their nation state, while the unemployed and less educated more likely. We also find evidence that, across

some measurements, economic factors have a more substantively significant effect on the European integration preferences of those with exclusive national identities, suggesting that economic factors may have influenced the strengthening association between these two variables (Clark and Rohrschneider, 2019). The fact that a person's employment status, labor market position and educational level are strongly correlated with national identity does not, of course, mean that social identity is simply a function of economic circumstances. However, it does suggest that social identity is shaped in part by economic factors and cannot be viewed as an alternative to a utilitarian calculus, just as utilitarian calculations cannot be fully separated from a person's social identity.

The rest of this article proceeds as follows. We start with theoretical perspectives on the sources of public opinion toward European integration. We next describe our empirical strategy and present results. We then consider potential alternative approaches and conclude.

Theory: What affects public opinion toward the EU?

Early studies of European integration implicitly or explicitly assumed that socio-economic success would increase public support for the Union. From its inception until the late 1980s the overriding focus of European integration was the liberalization of trade and investment. These developments had substantial welfare and distributional effects. European integration benefited all member states economically; however, less developed states tended to see more substantial benefits, both because they received more substantial budgetary transfers (Carrubba, 1997), and because integration spurred rapid rates of economic growth. Within societies the benefits were also unequally distributed. Integration sped deindustrialization and economic adjustment, with a generally negative impact on less skilled and educated workers. For

investors and many white-collar workers, the effects were positive: the creation of a single market and the economic adjustment that this market entailed created opportunities for those with capital and human capital. Early studies found that public support for European integration largely broke down along these national and occupational divisions, reflecting a utilitarian calculation (Gabel, 1998; Anderson and Reichert, 1995).

This simple view has been challenged by scholars who contend that the relationship is more complicated. Some scholars point to how the political context and quality of institutions at the national level mediates how voters perceive and respond to the European Union (Rohrschneider, 2002; Sánchez-Cuenca, 2000). Since most people have little information about or direct experience with the EU institutions, voters rely on "proxies" based on their experience with national governments (Anderson, 1998) or "cues" from politicians and political parties, or from elites more generally to make their determination (Hobolt, 2007; Hooghe and Marks, 2005). Other scholars suggest that such psycho-social factors as an independently developed sense of national or European identification, created and sustained by factors other than the economic costs and benefits of the integration process, are powerful sources of views toward the European project (McLaren, 2002; Carey, 2002). While this literature does acknowledge the role of socio-economic factors and macro-economic conditions in shaping national political contexts and identities, it emphasizes the limits of utilitarian economic calculations as a determinant of public support for integration.

In this article we argue that the utilitarian, economic-interest, approach still holds in important respects; and that it may well help explain nationalist views as well. We examine public opinion data from 1995 to 2018 and argue that the material benefits of European integration continue to have a powerful impact on popular attitudes toward the EU and EMU.

We do not deny the impact of other factors but emphasize that European economic trends and policies have consequences for mass public opinion, and through this on the politics of European integration.

The impact of economic trends on public opinion is not straightforward. Many economic trends could be relevant to conditions faced by Europeans. Individuals in Europe, as elsewhere, face economic outcomes in a variety of ways: through their own experiences, through the experiences of their families and friends, through what they see and hear in their communities, and through the media. Like experts, they have little way of knowing precisely who is responsible for economic outcomes – especially in distinguishing between results that could plausibly be attributed either to trends at the European or at the national level. However, individuals are capable of assessing their own economic situation and that of the community around them. Fair or not, individual and socio-tropic economic assessments consistently predict the behavior of voters and the views of the public in a variety of political and institutional contexts, including the European Union (Lewis-Beck and Stegmaier, 2000). Thus, especially in light of the significant ebbs and flows of economic growth in Europe in the past thirty years, it would seem important to explore systematically the effects of economic trends on mass attitudes in the European Union.

We can start with *direct effects* of economic conditions. Most simply, we expect individuals to respond positively to positive economic trends: the faster is economic growth, the lower are inflation and unemployment, the more people are expected to have favorable attitudes toward their national government and European institutions. Somewhat more complex are broader economic trends, such as a reduced availability of well-paying unskilled jobs or an increase in inequality.

Voters typically use some *reference point* by which to evaluate national economic conditions. Studies of economic voting have found that voters' assessment of government performance is often benchmarked against international or other trends and that any reward or blame depends on a government's relative performance (Kayser and Peress, 2012). Benchmarks might include comparing national conditions to those of near neighbors, on the principle that the government should be able to keep up with or exceed the performance of other similar countries. In the European case, it could also include comparing national trends to those of the EU generally. If voters know that the economy is doing poorly due to exogenous shocks – a global financial crisis, for example – they may be less likely to hold national or EU-level politicians responsible. On a different dimension, the relevant comparison for some might be the recent past: how national conditions compare to those of previous years. Citizens in a country where unemployment rates are usually above 10% are going to be more satisfied with an 8% unemployment rate than citizens in a country where the baseline is closer to 5%. Alternatively, such historical patterns may now be less important if citizens' expectations are increasingly shaped by EU-level trends. Moreover, citizens could still blame a regime such as the EU for a poor economic situation, regardless of whether such blame attribution is fair.

Regardless of how economic assessments are made—whether they are absolute or relative—objective macro-economic conditions at the European and national level should influence views about the EU regime. Since education, labor markets, social insurance systems, and the media are primarily determined at the national level in Europe, we expect *national* economic conditions will be particularly important determinants of public attitudes. All things equal, where the national economy is stronger or is improving more rapidly compared to expectations— as measured by unemployment— we expect that support for European

integration will be higher. This expectation is in line not only with the utilitarian perspective, but also work that finds that economic and political context shapes the public's position on European governance (Rohrschneider and Loveless, 2010).

At the same time, these general economic conditions will have differential societal effects. Since students and young people more generally are more likely to live, work and study in other EU member countries, they should register greater support for integration than non-students and older votes. Given that integration has advantaged individuals with higher levels of human capital, we also expect managers to be more supportive of integration than workers, those in white collar professions more than blue collar ones, and those with more years of education to be more supportive than those with fewer years.

The role of macroeconomic and distributional factors in public opinion is complicated and has given rise to an enormous literature and major controversies.[2] Our point here is two-fold: economic factors affect attitudes toward European integration, and they may also affect how individuals form social identities. Economic difficulties have long been associated with a resurgence of nationalism, and with a 'populist' hostility to elites and to perceived foreign domination. The interplay of economic and socio-ideological considerations is complex, and we do not deny the importance of the latter; but we do argue for the independent and inter-connected relevance of the former as well.

Empirical Strategy

[2] For two important bookends to the analysis see: Powell Jr GB and Whitten GD (1993) A cross-national analysis of economic voting: taking account of the political context. *American Journal of Political Science*. 391-414. Ansolabehere S, Meredith M and Snowberg E (2014) Mecro-economic voting: Local information and micro-perceptions of the macro-economy. *Economics & Politics* 26(3): 380-410.

We evaluate the economic determinants of public support for integration by analyzing Eurobarometer surveys taken between 1995 and 2018. The Eurobarometer surveys are extensive face-to-face interviews asking hundreds of questions in a respondent's native language. Since it was established, the Eurobarometer has consistently asked a number of questions about various dimensions of integration, which can be used to evaluate public support. The questions are asked of all members of the EU, and span a long period of time, allowing us to evaluate both aggregate trends across countries as well as change over time.

To conduct the analysis, we use the European Representation Dataset, which aggregates Eurobarometer survey data over the period of interest.[3] In order to assess support for different dimensions of integration, we examine responses to two different questions that have been consistently asked by the Eurobarometer. The first question asks respondents to indicate whether they view EU membership as a "good thing." The second question asks respondents to indicate whether they are "satisfied" with the quality of European democracy. Together, these two indicators provide a sense both of diffuse support for the EU regime and an evaluation of the EU's performance. Since the EU's legitimacy rests much more on output, or solving common problems, than input, or the quality of democracy (Scharpf, 2009), and regime support is more politically contested and conceptually ambiguous (Hobolt and De Vries, 2016), assessing the effects of economic factors on support for the EU is particularly important. Since these questions assess different dimensions of EU support, we choose not to create a composite index, reporting separate results for each measure.[4] We compile one survey wave per year from 1995-2018.

[3] The dataset was constructed by Robert Rohrschneider and Nick Clark. An overview of the dataset is available here: http://facstaff.susqu.edu/c/clarkn/erd.html.
[4] Responses to the two questions are mildly correlated (|cor| = 0.32).

Different questions were asked during different years, so there is some variability in longitudinal coverage.[5]

We transform answers to each of these questions into binary indicators. Those expressing support for integration (whether membership or satisfaction with democracy) are coded as a "1" while those not expressing affirmative support are coded a "0".[6] This allows us to run logistic regression models to predict the likelihood of expressing support for integration along the various dimensions described above based on the presence of a range of covariates, from individual occupation to a country's unemployment rate. We address concerns about intra-country correlations between respondents in the same country by using robust standard errors, clustered by country (Gelman, 2006). To examine the effect of within-country changes in economic and other factors, we run the models using country fixed effects. By eliminating confounders at the country-level that do not vary over time, we can assess the effect of economic factors using only within-country variation (Mummolo and Peterson, 2018). The fixed effects research design is appropriate for a study such as this one which is concerned primarily with assessing the effects of within-country changes over time rather than cross-country variation (Wooldridge, 2010).[7]

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[5] For instance, the membership question spans 1995-2011, while the question on satisfaction with European Democracy is asked between 1995-2018, but excluding 1996, 2002, and 2008. This leaves 17 waves examined for EU membership and 21 waves for EU democracy.

[6] Those individuals who said they did not know, did not respond or otherwise did not have their response recorded were coded as missing. The results do not change substantially when these responses are coded as zeros.

[7] For discussions of the risks of using and interpreting fixed effects models, see: Bell and Jones 2015 Bell A and Jones K (2015) Explaining fixed effects: Random effects modeling of time-series cross-sectional and panel data. *Political Science Research and Methods* 3(1): 133-153. Since our main concern is measuring average economic effects, we opt to control for country-level confounders at the expense of measuring dynamic causal relationships. See Imai K and

Macro-economic variables.

Models 1–12 probe the economic factors that may be influencing outcomes. In order to assess the pattern over a longer time period, we limit the analysis to EU-15 countries.[8] We run each of the models using our two different dependent variables: EU membership and EU democracy. Results in our tables are expressed in odds ratios, that is, the ratio of the odds of the response given a condition compared to the odds of the response in the absence of that condition. Since odds ratios are a relative measure, for key statistics in the article we also provide the actual likelihood of trust in terms of probability, or the ratio of the measure of the likelihood of an outcome in relation to the total number of cases possible, holding the other coefficients at their observed values. To address differences in country populations, we include country weights.[9]

Model 1 assesses the overall correlation between economic factors and public support, clustered by country years. To evaluate macro-economic performance, we include a country's annual unemployment rate, provided by the International Monetary Fund. Several additional EU-linked variables are also examined. These include the country's net receipts from the EU budget, as some countries benefit more than others from EU spending (Anderson and Reichert, 1995; Hooghe and Marks, 2005). We add an indicator for population because small countries are overrepresented in the Council of Minister and European Parliament (Rodden, 2002) and since

Kim IS (2019) When should we use unit fixed effects regression models for causal inference with longitudinal data? *American Journal of Political Science* 63(2): 467-490.)

[8] These include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

[9] See ''Weighting Overview,'' Eurobarometer Data Service. http://www.gesis.org/eurobarometer-data-service/survey-series/standard-special-eb/weighting-overview/. Generally speaking, the country weights also include post-stratification weights.

the comparative benefit of creating EU-level public goods decreases with population size. We also include several controls. Since economic development may diminish the salience of utilitarian calculations as citizens become more concerned with "post-materialist" issues such as the quality of representation (Inglehart, 1977), we include a measure for per capita income, also provided by the IMF. To examine the effects of institutional quality, which has been seen as conditioning citizens' perceptions of the EU (Sánchez-Cuenca, 2000), we use an index developed by the International Country Risk Guide that provides a monthly rating of a country's bureaucratic quality, level of corruption, and government responsiveness.

Table 1 reports the results for Model 1-4 across both indicators. National institutional quality is inversely related to support for membership, reflecting a longstanding finding that citizens of countries with lower-quality institutions view European institutions in a more positive light (Sánchez-Cuenca, 2000). Countries with higher populations also appear to be slightly less supportive of membership and less satisfied with democracy, in line with the expectation that the benefits of EU membership decline with population. Although unemployment is not statistically associated with support for membership, individuals living in countries with lower unemployment rates do, on average, express more satisfaction with EU democracy.

<Table 1 about here>.

One might wonder if the effect of national economic performance on public support depends on benchmarking – that is, the relative performance of the economy compared to a country's historical economic performance or other countries in the EU (Kayser and Peress, 2012). Model 2 examines the extent to which public support is conditioned by a country's past

economic performance. To provide a proxy for historical performance, we add a variable indicating a country's average unemployment rate during the period examined (1995-2018). We combine this with a measure indicating the distance between a country's annual unemployment rate and the national-level average. Columns 3 and 7 of Table 1 report the results. For both dependent variables, support for the EU was higher within countries with higher average rates of unemployment. However, citizens expressed more satisfaction for EU democracy when their country outperformed average rates. Support for membership does not appear affected by relative national performance.

To assess the effect of the economic performance of the EU-15, Model 3 examines two different measures of unemployment: the first is the weighted annual unemployment rate in the EU-15; the second is the difference between a country's national unemployment rate and the EU average. Columns 4 and 8 of Table 1 report the results. The results suggest that the EU's overall economic performance is an important predictor of public support, reflecting the strong links between national and EU economic performance in a highly integrated market. Where overall EU performance is stronger, individuals are much more likely to support membership and be satisfied with EU democracy. A country's relative performance to the EU is less important than the performance of the EU overall.

In Model 4, we assess whether a change in macro-economic conditions predicts support for EU membership or satisfaction with EU democracy, by adding country-level fixed effects. A model that controls for time-invariant country-level differences allows us to assess the average effect of within-country economic changes on public views. As we have seen, there is significant cross-country variation in baseline macro-economic performance. Fixed effects provide a more robust estimate of the effect of changes in macro-economic conditions on public opinion. For all

of our models, we exclude France, a country where support for membership and satisfaction with democracy is close to the EU-15 average. To measure unemployment, we include both the national unemployment rate as well as the average annual unemployment rate within the EU-15.

Columns 5 and 9 report the results.[10] An increase in the EU's overall unemployment rate is associated with less support for EU membership and less satisfaction for EU democracy. As can be seen in Figure 1, a one percentage point increase in the EU unemployment rate, from its average of 9 to 10, predicts a two-percentage point lower probability that a respondent will express satisfaction with EU democracy, controlling for other factors. The effect is less substantial, but still significant for EU membership, with a one percentage point increase in unemployment associated with a 1.5 percentage point lower probability of supporting EU membership. These relationships remain when we examine EU-25 countries from 2004-2018. When we examine unemployment on its own, removing all other variables, the relationship holds, suggesting that these results are not an artifact of multi-collinearity.

Individual-level variables

In Model 5, we evaluate individual-level variables, including occupation, education, gender, and age. To establish an indicator of employment status, we use a Eurobarometer question asking about current employment to create a dummy variable of whether a respondent is unemployed. We also construct dummies for eleven different occupational categories: professional, owner, manager, skilled blue collar, unskilled blue collar, farmer or fisher, service

[10] For ease of presentation, we do not include coefficients for fixed effects in the reported results.

sector job, white collar sales or desk job, retired and no formal work experience. Service sector worker is excluded in the regression analysis, since respondents in this category indicate support for the EU at levels close to the overall average. For education, we use a question asking respondents how old they were when they stopped formal schooling. We code people into four categories: those with low education who stopped school before age 18; those with medium education (stopped school at age 18), those with high education (stopped school between 19 and 23), and those with advanced education (stopped school after 24). Respondents who are currently in school are placed in the appropriate age categories. Certainly, this measure does not provide a perfect indicator of education levels; however, it still provides an approximation that is roughly comparable across countries. In the regression analysis, those with medium levels of education are used as the reference category.

<Table 2 about here>

The results are reported in Columns 2 and 4 of Table 2. A strong link exists between individuals' positions in the labor market and their support for the EU regime. Professionals, managers, and owners are more likely to express support, while those in blue collar jobs are much less likely. Moreover, being unemployed is strongly associated with less support for integration. A similar pattern exists when we examine educational factors. On average, individuals with fewer years of schooling are less likely to express support for European integration than those who stayed in school longer. Finally, older people and women are less likely to indicate support for membership or satisfaction with EU democracy. Unemployment also remains significant. For satisfaction with democracy, both measures of unemployment

predict less support for the EU. For membership support, the measure of EU-15 employment is significant, but country-level unemployment is not.

Has the importance of economic factors declined over time? Some scholars contend that utilitarian considerations matter less now that citizens have received many of the economic gains from European cooperation and the focus of European integration has increasingly turned to political questions that impinge more directly on national identity. Models 6-7 examine whether the influence of economic factors has significantly changed since the 1990's. We split the time series in two and run separate analyses for responses from 1995-2004 and 2005-2018.[11] If the importance of utilitarian considerations is, in fact declining, then we would expect unemployment and other economic factors to be less substantively significant in the second period compared to the first.

<Table 3 about here>.

Table 3 reports the results. We can see that, across both measures, the substantive significance of unemployment is stronger during the second period compared to the first. For EU membership, unemployment is a strong predictor of support during the years since 2005 but remains insignificant from 1995-2004. For EU democracy, unemployment is statistically significant in both periods, but the relationship appears more robust during the second period. Although there is some variation across the two dependent variables, most of the individual-level factors are significant across both periods of time. In a few instances, their substantive significance may have increased. In sum, there appears to be little indication that utilitarian

[11] For EU membership, the analysis in the second period is contained to 2005-2011.

considerations have become less important since the early 1990's. If anything, their relevance may have increased over the last decade as the EU has undergone a period of sustained crisis and uncertainty.

Alternative Explanations: Ideology and Identity

Challengers to utilitarian explanations acknowledge the importance of many of these factors. However, they contend that such factors reflect more complex phenomena than mere economic interest (Margalit, 2012), that they are conditioned by partisan identity (Evans and Andersen, 2006), or that the relative importance of economic factors has declined over time as the integration process has infringed on more core aspects of national sovereignty (Carey, 2002), and as Euroskeptical political parties and movements have mobilized opposition to the EU by appealing to national identity and fears of cultural threat (De Vries and Edwards, 2009). Such changes, it is argued, have gradually led social identity and political ideology to become more important predictors of EU regime support than utilitarian calculations (Clark and Rohrschneider, 2019; Hooghe and Marks, 2005; McLaren, 2002).

In Model 8 we assess the extent to which economic factors remain statistically significant when we add individuals' political ideologies and social identities to our models. To measure ideology, we use a question about political ideology which asks respondents to place themselves on 10-point scale from left to right. We recode this question to indicate responses on the far left of the scale (a 1 or 2), and those who place themselves on the far right of the scale (a 9 or 10), and include both indicators as dummies for whether individuals place themselves on the far right or far left. To measure social identity, we use a Eurobarometer question asking respondents how they identity politically: exclusively with their country of citizenship, jointly with their country

and the EU, or exclusively as European. We create a dummy variable indicating a respondent identifies exclusively with their country of citizenship.

Columns 3 and 5 of Table 2 report the results for Model 8. Left-wing and right-wing ideology are both associated with less support for the EU regime. The relationship between social identity and public support for the EU is even stronger. Having an exclusive national identity strongly predicts both support for membership and satisfaction with EU democracy. *Ceteris paribus,* those who identify as European, either exclusively, or jointly with their country of citizenship, have a 0.69 probability of indicating support for membership, and a 0.58 probability of indicating satisfaction with democracy. This compares to 0.39 and 0.40 probabilities, respectively, for those respondents with exclusive national identities. This association is statistically and substantively significant, helping account for the social identity focus in much of the literature examining public opinion about the European Union. But notably, none of the economic variables lose significance when we control for identity and ideology. This suggests that, however important national identity may be in shaping support for the EU, its importance does not preclude a significant role for economic determinants.

Model 9 queries the extent to which national identity itself is a function of economic factors. As discussed above, there are long-standing historical and theoretical precedents for the association of economic difficulties with resurgent nationalism and hostility to foreigners. There is reason to believe that this may be operative with respect to attitudes toward the European Union, in the context of more than a decade of very serious economic problems.

We assess the impact of economic considerations on social identity by moving our dummy variable for exclusive national identity to the left side of the regression equation and regressing economic factors onto national identity. In addition to examining the relationship for

EU-15 countries from 1995-2018, we also assess EU-25 countries from 2004-2018. The regression results are reported in Table 4. Higher unemployment—particularly on the EU-level—is associated with a higher probability of having an exclusive national identity. This relationship is substantively significant. Figure 2 illustrates the relationship between changes in unemployment and national identity. Within the EU-25, a one-percentage point increase in the overall EU unemployment rate is associated with a 2.4-point increase in the likelihood that an individual will have an exclusive national identity. In countries that, over the course of nearly fifteen years of crisis, have seen unemployment levels that are five to twenty percentage points above historic norms, these adverse economic circumstances have likely led to strengthened national identities.

The individual-level economic indicators are even more important determinants. Professionals, students and those with college or post-graduate education are significantly less likely to identify exclusively with their nation. By contrast, those with fewer years of education, the unemployed, and workers in blue collar professions are all much more likely to express a strong national identity. Put a different way, those individuals who have economically benefited most from the process of European integration, and suffered least from the region's economic difficulties, are among the least likely to identify in exclusively national terms.

Clark and Rohrschneider (2019) have recently argued that one of the most important developments in European public opinion since the 1990's has been the increased link between social identity and Euroskepticism. They show that while the percentage of Europeans holding exclusive national identities has not significantly increased, the link between national identity and Euroskepticism has become much stronger. And they conclude that this changing relationship between national identity and EU regime support is the main driver of declining

public support for the project as a whole. The authors support this argument with strong evidence, and we have no doubt that there have been important shifts over time in the interaction of identity and support for the EU. However, they do not examine *why* this relationship has changed, and whether economic factors at the individual or national levels may be playing a role.

To evaluate whether economic factors may be partly driving this development, we run separate regressions for those with different social identities. In Model 10, we only examine the relationship among those with exclusive national identities. In Model 11, we examine those who identify in some way with the European Union: either exclusively or jointly with their country of citizenship. The results are reported in Table 5. For EU membership, the significance of the macro-economic and individual-level variables are relatively similar across both groups. For EU democracy, economic distress appears to have a stronger impact on those with an exclusive national identity. Among those who identified as European, a one-percentage point increase in a country's unemployment rate reduced the probability of expressing satisfaction with European democracy by 2.7 percent.[12] But among those with an exclusive national identity, the substantive effect of higher unemployment was 5.8 percent, more than twice the effect seen for respondents with European identities.[13] The effect of being unemployed on support for the EU was also slightly larger among those with exclusive national identities. This hardly negates the importance of identity. However, it does suggest that depressed economic conditions in many countries, and in particular the unequal impact of the Euro-crisis and its aftermath, may have served to strengthen the Euroskepticism of those who already had stronger national identities.

[12] Pr=0.586 at 9% unemployment and 0.570 at 10% unemployment.
[13] Pr=0.374 at 9% unemployment and 0.352 at 10% unemployment.

Discussion

The death of economic factors as a determinant of attitudes toward European integration has been exaggerated. In line with recent studies that have examined the salience of economic factors in the context of the Euro-crisis (Foster and Frieden, 2017; Hobolt and Wratil, 2015; Kuhn and Stoeckel, 2014), we find strong evidence for the utilitarian thesis. The performance of the macro-economy is a consistent predictor of public support for the EU regime, and there is little evidence that this effect is limited to certain EU countries or limited periods of time. An individual's position in the labor market also remains quite important. The occupational and educational groups that have been relatively advantaged by European integration remain the most supportive of the EU while those that have been relative economic losers indicate lower levels of support. Those who are employed indicate much higher support for the EU regime than those who are unemployed.

In line with previous scholarship, we have also found some evidence that other factors such as social identity and ideology are also strong predictors of support for the EU. However, we have shown that the significance of these other factors does not rule out the utilitarian thesis. We provide evidence that economic concerns themselves have a powerful impact on the ideological and identity factors that others see as determinants of European public opinion.

The future of European integration depends importantly on European public opinion. Public opinion in turn depends on the macroeconomic performance of Europe's economies, and on how the fruits of economic growth are distributed in the population. The bad news is that if Europe continues to stagnate economically, and if the fortunes of unskilled and semi-skilled workers continue to decline, the European project will become ever less popular. The good news is that government, and European, policies to stimulate growth and to make its effects more

widely felt throughout the population can in fact restore the mass public's faith in European integration and European democracy.

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Appendix 1: Tables

Table 1, Odds of Expressing Support for the EU, Models 1-4

	EU Membership is a "good thing"				**"Satisfied" with EU Democracy**			
	(1)	**(2)**	**(3)**	**(4)**	**(1)**	**(2)**	**(3)**	**(4)**
Unemployment Rate	1.014 (1.22)			0.992 (-0.57)	0.973 (-3.74)***			0.933 (-9.10)***
Average Rate of Nat'l Unemployment (1995-2018)		1.042 (3.45)***				1.040 (4.27)***		
Difference from Average Nat'l Unemployment		0.980 (-1.33)				0.920 (-10.46)***		
EU-15 Unemployment Rate			0.925 (-2.15)*	0.932 (-2.35)*			0.860 (-7.56)***	0.923 (-4.76)***
Nat'l Difference from EU-15 Unemployment Rate			1.022 (1.89)				0.985 (-2.23)*	
Median Income (€'000s)	0.999 (-0.12)	0.999 (-0.10)	0.989 (-1.46)	0.985 (-2.08)*	1.002 (0.46)	1.008 (2.58)*	1.004 (1.12)	1.005 (1.12)
Population	0.996 (-2.48)*	0.997 (-2.05)*	0.996 (-2.80)**	0.965 (-1.94)	0.998 (-2.45)*	0.998 (-2.25)*	0.998 (-2.54)*	0.983 (-1.39)
EU Budget (%GDP)	1.030 (0.90)	0.979 (-0.50)	0.994 (-0.15)	1.013 (0.63)	1.017 (0.69)	0.965 (-1.53)	1.000 (0.02)	1.015 (0.76)
Nat'l Institutional Quality	0.925 (-2.49)*	0.951 (-1.46)	0.941 (-1.94)	1.100 (1.13)	0.975 (-1.04)	1.012 (0.65)	0.975 (-1.28)	1.002 (0.05)
Country Fixed Effects	No	No	No	Yes	No	No	No	Yes
Observations	255,156	255,156	255,156	255,156	283,487	283,487	283,487	283,487

Exponentiated coefficients; *z* statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 2: Odds of Public Support, Models 5 and 8

	EU membership is a "good thing"		"Satisfied" with EU democracy	
	(5)	(8)	(5)	(8)
Unemployment Rate	0.988 (-0.76)	0.965 (-1.97)*	0.935 (-8.70)***	0.938 (-4.69)***
EU-15 Unemployment Rate	0.927 (-2.46)*	0.945 (-1.76)	0.921 (-4.83)***	0.920 (-3.02)**
Median Income (€'000s)	0.980 (-2.81)**	0.961 (-4.46)***	1.006 (1.24)	1.002 (0.35)
Population	0.964 (-1.79)	1.019 (0.70)	0.986 (-1.11)	0.990 (-0.65)
EU Budget % GDP	1.002 (0.09)	0.979 (-1.20)	1.013 (0.65)	1.037 (1.55)
Nat'l Institutional Quality	1.116 (1.29)	1.066 (1.04)	1.016 (0.33)	1.000 (-0.00)
Professional	1.460 (5.77)***	1.616 (8.03)***	1.181 (4.32)***	1.067 (1.35)
Manager	1.395 (7.60)***	1.320 (5.32)***	1.128 (3.08)**	1.044 (0.82)
Business Owner	1.079 (1.84)	1.058 (1.21)	1.050 (1.49)	1.054 (1.07)
Farmer or Fisherperson	0.902 (-1.63)	0.727 (-3.27)**	0.904 (-1.66)	0.845 (-1.48)
Skilled Blue Collar	0.868 (-4.02)***	0.868 (-3.41)***	0.905 (-2.98)**	0.921 (-1.75)
Low skilled Blue Collar	0.828 (-4.71)***	0.823 (-3.69)***	0.939 (-1.28)	0.998 (-0.03)
Routine White Collar	1.187 (4.71)***	1.155 (3.16)**	1.156 (4.63)***	1.128 (2.87)**
Student	1.724 (11.88)***	1.544 (7.34)***	1.485 (10.48)***	1.347 (5.54)***
Retired	1.118 (2.85)**	1.181 (3.32)***	1.035 (0.99)	1.043 (1.01)
No Formal Employment	1.050 (1.29)	1.109 (1.95)	1.073 (1.91)	1.070 (1.38)
Unemployed	0.867 (-3.38)***	0.923 (-1.49)	0.782 (-6.11)***	0.779 (-4.18)***
Low Education	0.702 (-8.23)***	0.804 (-4.99)***	0.877 (-5.09)***	0.984 (-0.39)
High Education	1.292 (5.63)***	1.224 (4.61)***	1.065 (2.51)*	1.057 (1.47)
Advanced Education	1.758 (11.65)***	1.500 (7.27)***	1.056 (1.78)	1.018 (0.38)
Gender	0.801 (-13.30)***	0.828 (-8.96)***	1.019 (1.33)	1.082 (4.18)***
Age	0.997 (-4.96)***	0.998 (-1.86)	0.995 (-6.29)***	0.996 (-3.82)***
Right-Wing ID		0.797 (-4.71)***		0.850 (-2.81)**
Left-Wing ID		0.906 (-2.18)*		0.784 (-6.01)***
Exclusive Nat'l ID		0.254		0.474

		(-45.27)***		(-24.10)***
Country Fixed Effects	Yes	Yes	Yes	Yes
Observations	253,877	128,673	281,075	139,184

Exponentiated coefficients; *z* statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 3: Odds of Public Support for the EU Across Two Time Periods, Models 6 and 7

	"EU membership is a good thing"		"Satisfied" with EU democracy	
	1995-2004 (6)	2005-2011(7)	1995-2004(6)	2005-2018(7)
Unemployment Rate	0.985 (-0.52)	0.975 (-2.15)*	0.981 (-0.84)	0.913 (-10.52)***
EU-15 Unemployment Rate	0.921 (-1.62)	0.892 (-3.36)***	0.890 (-2.98)**	0.938 (-3.02)**
Median Income (€'000s)	0.957 (-2.98)**	1.015 (1.42)	1.008 (0.58)	0.969 (-3.80)***
Population	1.111 (1.53)	0.969 (-0.68)	1.019 (0.33)	1.002 (0.08)
EU Budget % GDP	0.985 (-0.91)	0.887 (-0.64)	0.994 (-0.30)	1.039 (0.91)
Nat'l Institutional Quality	1.076 (1.03)	0.956 (-0.47)	1.139 (2.06)*	0.933 (-0.84)
Professional	1.727 (6.68)***	1.375 (3.77)***	1.156 (2.26)*	1.188 (3.54)***
Manager	1.343 (5.81)***	1.504 (6.04)***	1.015 (0.24)	1.193 (3.70)***
Business Owner	1.017 (0.35)	1.158 (2.05)*	1.008 (0.16)	1.071 (1.65)
Farmer or Fisherperson	0.695 (-4.33)***	1.156 (1.81)	0.779 (-2.23)*	0.957 (-0.58)
Skilled Blue Collar	0.860 (-3.34)***	0.878 (-2.47)*	0.895 (-2.53)*	0.905 (-2.10)*
Low skilled Blue Collar	0.749 (-6.02)***	0.990 (-0.17)	0.941 (-0.74)	0.935 (-1.10)
Routine White Collar	1.162 (3.36)***	1.235 (3.73)***	1.090 (1.87)	1.197 (4.36)***
Student	1.555 (8.30)***	1.955 (8.26)***	1.350 (5.22)***	1.568 (8.71)***
Retired	1.033 (0.70)	1.221 (3.05)**	1.021 (0.43)	1.048 (1.04)
No Formal Employment	0.987 (-0.28)	1.107 (1.80)	1.056 (1.04)	1.064 (1.23)
Unemployed	0.815 (-3.86)***	0.930 (-1.07)	0.746 (-4.28)***	0.805 (-4.39)***
Low Education	0.701 (-6.56)***	0.705 (-9.27)***	0.915 (-1.86)	0.802 (-7.76)***
High Education	1.235 (3.67)***	1.395 (7.65)***	0.981 (-0.44)	1.041 (1.33)
Advanced Education	1.565 (6.85)***	1.963 (15.64)***	0.993 (-0.13)	1.008 (0.21)
Gender	0.821 (-9.52)***	0.773 (-10.14)***	1.053 (2.61)**	0.997 (-0.15)
Age	0.997 (-4.00)***	0.997 (-2.74)**	0.994 (-4.86)***	0.996 (-4.30)***
Country Fixed Effects	Yes	Yes	Yes	Yes
Observations	150,104	103,773	106,467	174,608

Exponentiated coefficients; *z* statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$
Model 6 includes years 1993-2004; Model 7 covers 2005-2011[2018].

Table 4: Odds of Having an Exclusive National Identity in Select Country Groups

	EU-15 (9)	EU-25 (9)
Unemployment Rate	0.998 (-0.18)	0.993 (-0.66)
EU-Wide Unemployment Rate	1.056 (2.65)**	1.125 (7.17)***
Median Income (€'000s)	0.977 (-4.99)***	0.977 (-2.92)**
Population	1.030 (1.47)	1.000 (0.01)
EU Budget % GDP	1.035 (0.77)	1.070 (2.31)*
Nat'l Institutional Quality	0.985 (-0.23)	0.998 (-0.04)
Professional	0.619 (-9.70)***	0.626 (-7.43)***
Manager	0.693 (-8.52)***	0.661 (-8.24)***
Business Owner	0.937 (-1.64)	0.828 (-3.67)***
Farmer or Fisherperson	1.155 (2.11)*	1.095 (1.12)
Skilled Blue Collar	1.148 (3.52)***	1.037 (0.78)
Low skilled Blue Collar	1.236 (5.04)***	1.194 (3.18)**
Routine White Collar	0.851 (-5.15)***	0.819 (-5.02)***
Student	0.756 (-7.00)***	0.703 (-6.25)***
Retired	1.198 (5.12)***	1.145 (3.28)**
No Formal Employment	1.238 (5.53)***	1.217 (3.87)***
Unemployed	1.342 (7.23)***	1.347 (5.64)***
Low Education	1.708 (12.95)***	1.540 (15.25)***
High Education	0.818 (-4.55)***	0.710 (-11.24)***
Advanced Education	0.543 (-13.99)***	0.463 (-19.84)***
Gender	1.210 (11.78)***	1.248 (10.30)***
Age	1.005 (5.78)***	1.004 (4.37)***
Country Fixed Effects	Yes	Yes
Observations	248,134	194,014

Exponentiated coefficients; *z* statistics in parentheses
EU Unemployment rate adjusted for country group examined
EU-15 covers 1995-2018; EU-25 covers 2004-2018
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 5: Odds of Public Support for the EU

	Membership is a "good thing"		Satisfaction with democracy	
	Nat'l ID (10)	EU ID(11)	Nat'l ID(10)	EU ID(11)
Unemployment Rate	0.964 (-2.24)*	0.960 (-2.08)*	0.905 (-8.29)***	0.933 (-6.54)***
Median Income (€'000s)	0.979 (-2.34)*	0.959 (-4.11)***	0.993 (-1.27)	1.004 (0.68)
Population	1.013 (0.57)	1.025 (0.68)	0.968 (-1.84)	1.012 (0.72)
EU Budget % GDP	0.981 (-0.78)	0.965 (-1.74)	0.983 (-0.53)	1.044 (1.44)
Nat'l Institutional Quality	1.035 (0.49)	1.088 (1.19)	0.880 (-1.54)	1.105 (2.07)*
Professional	1.325 (2.45)*	1.634 (6.69)***	1.105 (1.11)	1.108 (1.98)*
Manager	1.251 (2.69)**	1.358 (4.35)***	0.978 (-0.29)	1.146 (2.50)*
Business Owner	1.049 (0.75)	1.069 (1.02)	1.009 (0.12)	1.055 (1.15)
Farmer or Fisherperson	0.834 (-1.40)	0.683 (-3.47)***	1.014 (0.11)	0.766 (-2.01)*
Skilled Blue Collar	0.887 (-2.15)*	0.887 (-2.20)*	0.936 (-0.92)	0.919 (-1.96)
Low skilled Blue Collar	0.844 (-2.29)*	0.749 (-4.63)***	0.963 (-0.41)	0.992 (-0.12)
Routine White Collar	1.121 (1.48)	1.176 (2.84)**	1.125 (1.75)	1.162 (3.56)***
Student	1.628 (6.76)***	1.533 (6.10)***	1.616 (5.38)***	1.394 (6.76)***
Retired	1.100 (1.32)	1.252 (3.63)***	1.043 (0.63)	1.057 (1.34)
No Formal Employment	1.094 (1.34)	1.027 (0.43)	1.079 (1.10)	1.086 (1.53)
Unemployed	0.895 (-1.52)	0.929 (-1.13)	0.755 (-3.73)***	0.807 (-3.34)***
Low Education	0.870 (-2.56)*	0.755 (-6.06)***	0.993 (-0.11)	1.034 (0.75)
High Education	1.171 (3.07)**	1.217 (3.79)***	1.050 (0.92)	1.047 (1.25)
Advanced Education	1.248 (3.42)***	1.633 (7.64)***	0.961 (-0.57)	1.018 (0.39)
Gender	0.925 (-2.92)**	0.794 (-8.49)***	1.151 (6.06)***	1.046 (2.30)*
Age	0.996 (-3.50)***	1.000 (-0.01)	0.994 (-3.57)***	0.996 (-3.79)***
Observations	68,768	85,029	72,059	104,562

Exponentiated coefficients; *z* statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Appendix 2: Figures

Figure 1: The relationship between national unemployment and satisfaction with EU democracy

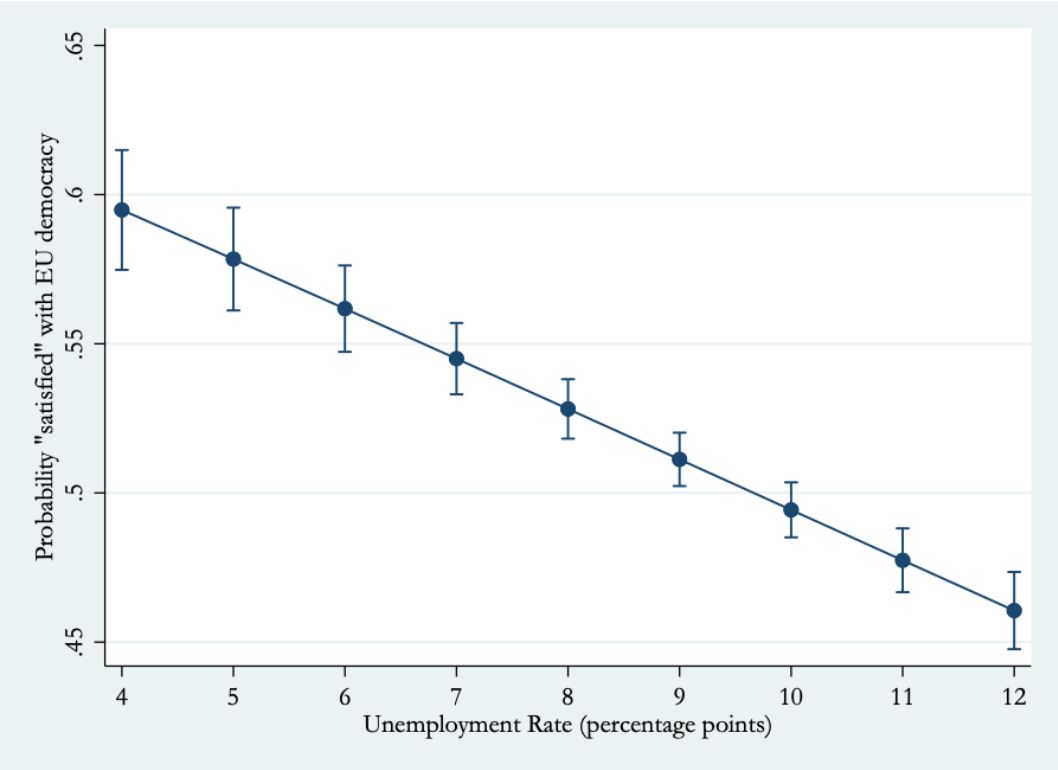

Figure 2: Predicted national Identity at different levels of unemployment (EU-25)