THE INFLUENCE OF THE CRISIS ON THE PILLARS OF THE WELFARE STATE. THE OPINION OF EU CITIZENS

Antonio ALVAREZ-SOUSA

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Abstract

The aim of this research is to analyse the perception held by citizens of the various EU member states regarding the evolution of the pillars of the Welfare State in their countries during the crisis. Variations in these visions can be attributed to individual and contextual variables. The starting point for this research is the theory of social space, with its various capitals, measured in terms of both the individual and the country they reside in. The dependent variable (the perception held by citizens regarding the evolution of the pillars of the Welfare State in their country of residence) is associated with individual and contextual independent variables. The analysis was carried out using a multilevel model. The results showed that those persons ranking lower in terms of social stratification and resident in semi-peripheral and peripheral EU member states have a more negative vision of the evolution of the pillars of the Welfare State, although there is also a key symbolic factor resulting from their political ideology and religious beliefs.

Keywords: social space, economic capital, cultural capital, political ideology, world system, multilevel analysis.

Introduction

Data provided by indicators deemed to be 'objective' are deficient in cases of abrupt change such as that experienced as a result of the current crisis, as acknowledged by the European Commission's Social Protection Committee when it stated that within such a context, indicators are insufficiently reactive when faced with such rapidly changing scenarios (European Commission, 2009). It is therefore necessary to find indicators regarding the influence of the crisis on the pillars of

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the Welfare State that are both agile and capable of portraying people's experiences. In this sense, citizens' opinion is one of the best possible indicators.

The aim of this research is to analyse the perception (Yerkes & Van der Veen, 2011) held by citizens in various EU member states regarding the evolution of the basic pillars of the Welfare State in their country over a five-year period of crisis, from 2007 to 2012. Considerable research had been carried out in the crisis of the Welfare State prior to the current period of economic recession and downturn that has affected many EU countries, and it is likely that the Welfare State has experienced a number of changes when compared to that of the twentieth century (Hemerijck, 2012). However, this is not the issue addressed here; instead, the specific aim is to analyse how citizens' perceive the evolution of the basic pillars of the Welfare State in the five years that have elapsed since the start of the crisis (2007) and up until 2012.

The starting point for our research is the hypothesis that perception of the evolution of the pillars of the Welfare State is influenced by the following: a) individuals' social conditions of existence, which vary in accordance with their position in the social space of a specific country; and b) the contrast between the various social spaces they reside in, determined by the structural conditions of the various countries and which positions them in terms of the distribution of wealth and power in the European Union. Our study is therefore based on a twofold vision – micro and macro, individual and system. In short, and for the purpose of our scientific analysis, social conditions of existence are made up of variables that are both individual (inclusion in certain social groups within a country) and contextual (residence in a country of a certain position, in comparison with other EU member states).

Our assessment of the position of individuals and countries in the social space is based on Pierre Bourdieu's theory of capitals (1983, 1987), as well as specific contributions of other authors (Calhoun *et al.*, 1993). Each individual is positioned in a social space with other persons that share similar social conditions of existence, in contrast to others that occupy different positions, thereby forming groups within a structure of social stratification. Each social group displays a different vision of the world and patterns of behaviour, determined by their position within the social space. In turn, the various countries are also positioned in varying social spaces (Alvarez Sousa, 2013; Chaes-Dunn & Grimes 1995; Wallerstein, 1976), creating the world system. Consequently, the European Union includes the centre, the hegemonic centre, the semi-periphery, the periphery and the outlying periphery.

Individuals' vision of the pillars of the Welfare State varies in accordance with their position on the social stratum within their country's space (individual factors) and with their country of residence, which in turn is ranked according to its position within the distribution of wealth and power in the European Union

(contextual factors). The social space is made up of several areas (economic, social-institutional, cultural, infrastructural, and symbolic-ideological) which possess varying degrees of capitals. Within each field, individuals hold greater or lesser capital, conferring them with a *habitus* (Bourdieu, 1986; Alvarez Sousa, 1996; Magalhâes 2013) which determines their vision of the world and their behaviour within it. In addition to possessing the various capitals, individuals are also conditioned by the overall volume of this capital in the social space of their country of residence, as certain countries have greater amounts of economic, social-institutional, infrastructural or cultural capital.

Our analysis is based on a multilevel methodology that allows for the inclusion of both individual and contextual variables in a single operation. The results reveal the way in which these individual and contextual variables influence opinion regarding the evolutions of the pillars of the Welfare State. Likewise, they provide an insight into how variance of opinion between countries is reduced after discarding the effect of the variables, comparing variance between the empty and the multilevel models. Two data sources were used: data corresponding to individual variables and those corresponding to opinion on the evolutions of the Welfare State were taken from the 2012 Eurobarometer 77.4, whilst data for the contextual variables were sourced from Eurostat and the World Economic Forum.

Theoretical framework

When explaining citizens' opinion regarding the crisis of the pillars of the Welfare State, we must consider their position within the social space of each country (individual factors) as well as their country of residence and its position within the European social space.

The economic crisis has affected the services provided by the Welfare State in the sense that cuts in funding have led to reductions in the number of assets and services available. However, the crisis does not affect all countries to the same degree; indeed, the impact is greater on those countries whose initial situation was weaker, as in the case of the Mediterranean states (Matsaganis, 2011) or those corresponding to the post-communist world (Drahokoupil & Myant, 2010) than in central European states with a more highly developed Welfare State. In these latter cases, the effects of the crisis have not been so harsh (Vis *et al.*, 2011).

In order to position individuals within this space, we must measure the cultural, economic, infrastructural, social-institutional and symbolic fields and their respective capitals. In the case of social capital, there is no individual data available, although we do have contextual data for the institutional social capital, measured in terms of the degree of confidence in the political institutions of their countries. With regards to cultural capital, the key indicator are the years of study that

enable individuals to obtain the services, yet which also generate class relations that provide access to services. In the case of infrastructural capital, housing is a fundamental element. Individual house owners are less likely to feel the effects of the crisis than those that do not own their home. Finally, with regards to economic capital, difficulties in paying monthly bills and the fact of being in or out of work are the factors included in the survey in order to measure economic capital.

Individuals that are unemployed or find it hard to make ends meet are more likely to consider that the pillars of the Welfare State have been eroded. In general terms, the initial hypothesis is that individuals with greater capital belong to the higher strata of society and are therefore in a position from which the evolution of social services does not appear to be so negative. This is attributable to the fact that they are able to resort to the use of private services and do not rely entirely on public ones. Furthermore, should they need to resort to the use of such services, they are more likely to obtain them than individuals with a lower degree of capital.

Several factors were taken into consideration in terms of the symbolic capital: some were related to the sense of satisfaction with life – whether life had improved or worsened over the previous few years (Babès *et al*., 2011) and their assessment of events in the area they live in -, whilst others are related to their political ideologies or religious beliefs. In contrast to those that claim that ideologies are a thing of the past (Bell, 1960), our analysis is based on the conviction that left and right wing ideologies continue to play a key role in our approach to reality (Jost, 2006) and the Welfare State. Religious beliefs are also worthy of consideration: Weber (1934) explains that Protestants have a different view of reality, believing that people must engage in an individual struggle in order to secure satisfaction for their services instead of seeking to do so within the system or charitable organisations. It is therefore to be expected that Protestants believe less in the degradation of the basic pillars of the Welfare State than those that profess other religions.

The contextual factors include simple variables, set apart from a general theoretical explanation, namely unemployment, the tendency towards equality (Stiglitz, 2012), the risk of exclusion, healthcare expenditure and confidence in the political institutions that govern us. Variables that can be corrected by nations' governments – who work to secure citizens' confidence – which can be administered from varying perspectives (Palier, 2013) and which may affect perception of the way in which the basic pillars of the Welfare State are evolving due either to the circumstances of a given period (in this case 2012 when the survey was carried out) or to its evolution over the five-year period in question and that may produce a sense of a positive or negative trend.

Yet in addition to these isolated variables, other indicators also measure models in which the countries are positioned and that are hard to modify in the short term, as they form part of the distribution of wealth and power among countries as well as situating them in the social space. We considered three of these models in order to determine which one best explains the perception regarding the evolution of the basic pillars of the Welfare State. These models are the Esping-Andersen Welfare State regimes, completed for those countries the author did not include in his study; the World Economic Forum Global Competitiveness Index and a model we have drawn up based on the world-system theory and designed to situate EU member states with the central, semi-peripheral and outlying peripheral spaces.

Gøsta Esping-Andersen's theory (1990) is widely-known and rather than including a lengthy explanation here, here we have opted simply to highlight the fact that it differentiates between the socio-democratic, liberal and corporate conservative welfare regimes. In order to include all EU members states within the scope of our study, we have combined it with that of other authors who distinguish a specific welfare state for Southern European countries (Sarasa & Moreno, 1995; Ferrera, 1996), adding a further group for former Soviet states that now form part of the European Union. The benchmark reference group was that of the socio-democratic model.

In order to address the question of countries' competitiveness and their capacity for innovation as a means of tackling the crisis, we used the World Economic Forum's Global Competitiveness Index (Schwab, 2012). It distinguishes between 12 pillars which despite being classified as economic indicators, can also be considered as political and social factors: institutions, infrastructures, macroeconomic environment, healthcare and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication and innovation. For 2012, countries worldwide are ranked on a scale of 1 to 7 and from 3.86 to 5.55 in the case of EU member states.

The central-peripheral model we drew up in accordance with the world-system theory (Chase-Dunn & Grimes, 1995; Wallerstein, 1976) will enable us to measure wealth and power distribution in the European Union and solutions for the crisis that benefit those that hold the greatest degree of power (Alvarez Sousa, 2013).

Table 1. *EU member state types based on the world system model*

EU members at the time of the creation of the euro	Rejected inclusion in the Eurozone		Denmark	Centre
			Sweden	
			Great Britain	
			Northern Ireland	
	Inclusion in the Eurozone	Centre	Germany	Hegemonic centre
			France	
			Luxembourg	
			Holland	
			Austria	
			Belgium	
			Finland	
		Semi-periphery	Spain	Semi-periphery
			Italy	
			Greece	
			Portugal	
			Ireland	
Non EU members at the time of the creation of the Eurozone	Not consolidated for membership of the Eurozone in 2010		Czech Republic	Outlying periphery
			Estonia (joined the Eurozone in 2011)	
			Hungary	
			Lithuania	
			Poland	
			Latvia	
			Romania	
			Bulgaria	
	Inclusion in the Eurozone in 2010		Cyprus	Periphery
			Slovenia	
			Malta	
			Slovakia	

Source: *Author's own.*

There are three clearly differentiated situations between the countries of the centre, the hegemonic centre, the semi-periphery, the periphery and the outlying periphery. The most severely affected are those countries included in the semi-peripheral group, in which the pillars of the Welfare State reached a certain degree of development during the 1980s and 1990s yet are now unable to sustain these levels (Royo, 2009; Sarasa & Moreno, 1995).

In the case of the centre, the effects of the crisis have been fewer and less widespread, and have therefore not undermined the basic pillars of the Welfare State; at least this is the perception held by citizens, who consider that the difficulties and problems are limited to peripheral and above all semi-peripheral countries that attempted to keep up a lifestyle and degree of public expenditure that have proved unsustainable and that they are no longer capable of funding. Those peripheral countries that had achieved a certain degree of development are confident that they will continue to evolve positively and fail to perceive the

impact of the crisis on the pillars of the Welfare State to the same extent of those countries situated in the semi-periphery that are currently experiencing a regression or those in the peripheral periphery that have not yet reached a minimum degree of development. Those in the outlying periphery consider that integration is impossible and that the pillars of their Welfare State will be weakened due to their inability to meet the minimum requirements demanded by the EU in order to form part of developed Europe, thereby generating a highly subjective perception of crisis.

Hypotheses

The two general hypotheses posited in this research are as follows: 1) the position of individuals with the various spheres of the social space, together with their political ideology and religious confession, leads them to hold varying opinions regarding the impact of the crisis on the pillars of the Welfare State; 2) residence in the various countries that rank in different positions within the development indicates leads individuals to hold varying perceptions as their realities also vary.

Specific hypotheses:

H1: Individuals with a greater cultural, economic or infrastructural capital are less likely to consider that the situation regarding the basic pillars of the Welfare State in their country has worsened.

H2: Those individuals that are dissatisfied with life, who in recent years have experienced a degree of deterioration in their own lives and that of the area they reside in, are more likely to consider that the situation regarding the basic pillars of the Welfare State in their country has worsened.

H3: Individuals who profess a right-wing ideology and are Protestant are less likely to state that the situation regarding the basic pillars of the Welfare State in their country has worsened.

H4: Individuals resident in countries with a high unemployment rate, lower investment in healthcare, greater social inequality and a low level of institutional confidence are more likely to consider that the situation regarding the basic pillars of the Welfare State in their country has worsened. When these variables have experienced a negative evolution between 2007 and 2012 they are more likely to have an even greater influence on the sensation that the basic pillars of the Welfare State have been undermined.

H5: Having measured the index-based contextual variables, we consider that those in which the likelihood of considering that the situation of the pillars of the Welfare State has worsened is greater are as follows: (1) Countries that rank

lowest on the Global Competitiveness Index (GCI); (2) Countries with liberal welfare models such as Mediterranean or former Soviet states, in contrast to those that follow socio-democratic models; (3) Countries lying on the semi-periphery or the outlying periphery of the European Union, in contrast to those situated within the hegemonic centre.

Methodology

The majority of previous studies have been based either on individual or contextual variables. In our case, we carried out a multilevel analysis that takes both types into consideration, measuring the effect of individual and contextual variables as well as those of the country of residence in order to assess the evolution of the pillars of the Welfare State.

The data used were obtained from various sources. In the case of the dependent variable, which is the perception regarding the evolution of the basic pillars of the Welfare State (the healthcare system, the provision of pensions, unemployment benefits and the way inequalities and poverty are addressed), they were taken from the Eurobarometer 77.4, corresponding to autumn 2012. They total 26,622 cases distributed in 27 countries. The contextual variables (GDP per capita in PPS, inequality of income distribution, at-risk-of-poverty rate before social transfers, people at risk of poverty or social exclusion, total healthcare expenditure by all financing agents (total) as percentage of GDP and unemployment rate) were taken from Eurostat. The institutional trust data were obtained from the Eurobarometers and the GCI data from the World Economic Forum report for the period 2012-2013.

We analysed the association between the dependent and independent variables based on a multilevel logistic regression analysis (individuals sorted by countries) for dichotomous dependent variables, using the Stata 13 program and the xtmelogit application. We began by creating an empty model with the dependent variable and the level 2 country variable. This was followed by a model that included all the individual and context variables, requesting the odds ratio and the z significance level (P>z). The statistically significant variables (non-statistically significant results of .05 or less were eliminated) were used to construct multivariable model 1 by introducing the individual variables, followed by multivariable model 2 which included the individual and contextual variables.

In addition to the Stata xtmelogit application results, the interclass correlation coefficient (ICC) and the proportional change in variance (PCV) for the various models were considered.

The interclass correlation coefficient (ICC) measures the proportion of total variance which is explained by the differences between groups. The following formula was used in order to calculate the ICC:

ICC= (Va)/(Va+Vi) x 100   (1)

Va is the area level variance

Vi is the individual level variance. In order to calculate Vi, and due to the dichotomous nature of the dependent variables, we used the method specified by Snijders and Bosker (2012), Rasbash et al. (2009), Merlo et al. (2006), Goldstein et al. (2002), whereby $Vi=\pi^2/3$, producing the result = 3.29.

The proportional change in variance (PCV) explained by the various models was calculated by using the following formula (Merlo et al. 2006):

PCV= ((Va-Vb)/Va)*100   (2)

Va is the variance of the initial model

Vb is the variance of the model with most terms

Results

Case cluster

Using four indicators we consider to constitute the basic pillars of a country's Welfare State, namely the healthcare system, provision of pensions, unemployment benefits and the manner of tackling inequality and poverty, we drew up a case cluster, which provided the four clusters shown in tables 2 and 3.

Table 2. *Description of the number of cases and the percentage represented in each cluster*

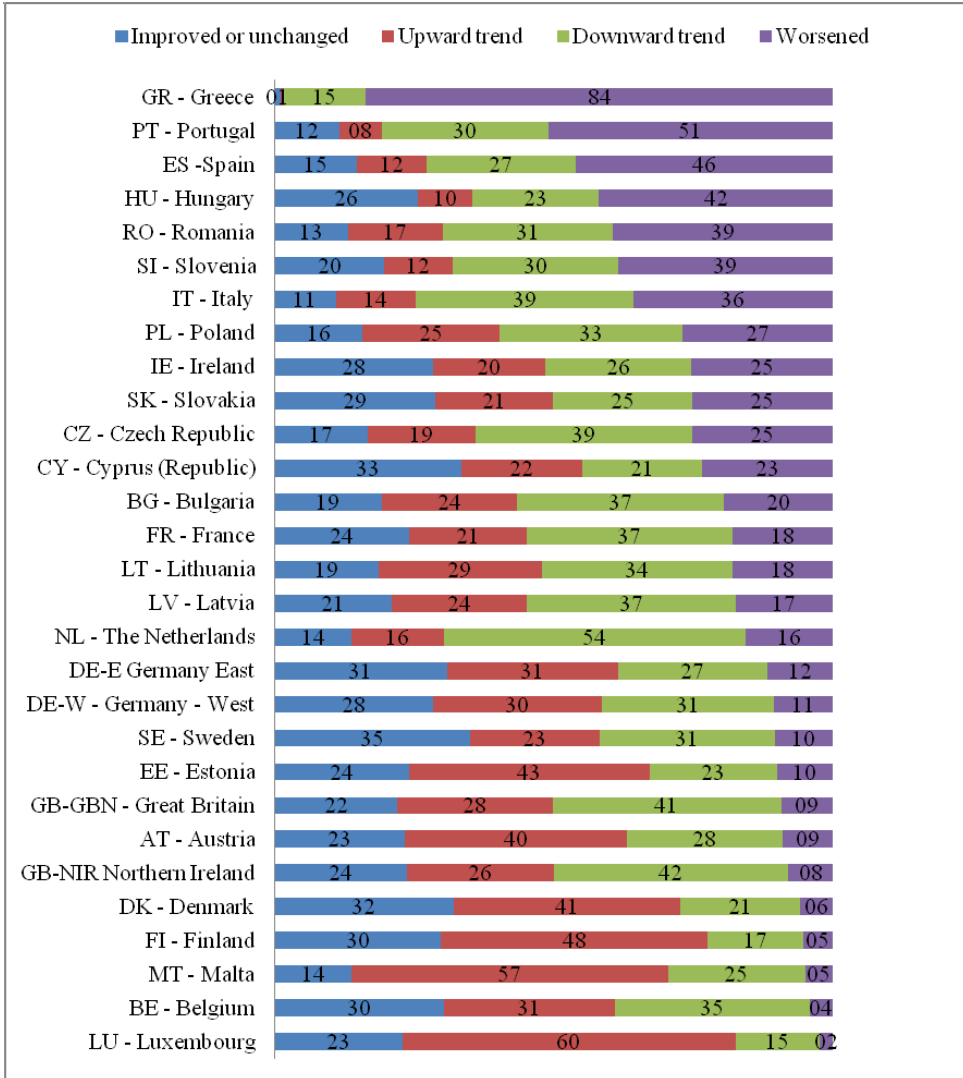| Cluster	Frequency	Percentage
1	6,576	24.7
2	5,726	21.51
3	8,089	30.38
4	6,231	23.41

Table 3. *Crossing between the clusters and the variables included in the analysis*

		Number of conglomerates in two phases				Total
		1	2	3	4	
The healthcare system in our country	0: Improved or stayed about the same	56.0	100.0	52.1		52.6
	1: Got Worse	44.0		47.9	100.0	47.4
Total		100.0	100.0	100.0	100.0	100.0
The provision of pensions in our country	0: Improved or stayed about the same	100.0	100.0			46.21
	1: Got Worse			100.0	100.0	53.79
Total		100.0	100.0	100.0	100.0	100.0
Unemployment benefits in our country	0: Improved or stayed about the same	56.0	100.0	44.8		50.4
	1: Got Worse	44.0		55.2	100.0	49.6
Total		100.0	100.0	100.0	100.0	100.0
The way inequalities and poverty are addressed in our country	0: Improved or stayed about the same	46.09	100.0	69.21		55.64
	1: Got Worse	53.91		30.79	100.00	44.36
Total		100.0	100.0	100.0	100.0	100.0

Cluster two is made up of individuals that consider that the healthcare system, provision of pensions, unemployment benefits and the manner of tackling poverty have remained unchanged or even improved. Cluster four includes individuals that consider that the healthcare systems, provision of pensions, unemployment benefits and the manner of tackling poverty have worsened. These two clusters total a similar number of cases, therefore indicating that the number of individuals that believe the situation has worsened alone is practically the same as those that believe that it has remained unchanged or improved.

Clusters one and three are made up of individuals who in some cases believe that the healthcare system, provision of pensions, unemployment benefits and the manner of tackling poverty have improved and in others worsened. However, there are evident differences between them, as while cluster three shows a general downward trend, in the case of cluster one the tendency is that of improvement.

As can be seen in Graph 1, the distribution between countries differs considerably. In Greece, the opinion that the situation has worsened stands at 84%, closely followed by a number of countries including Portugal, Spain, Hungary, Rumania, Slovenia and Italy. At the other extreme we find countries such as Luxembourg, Belgium, Malta, Finland, Denmark, Northern Ireland, Austria, Great Britain, Estonia, Sweden and Germany, where the belief that the situation has worsened is very low.

	Improved or unchanged	Upward trend	Downward trend	Worsened
GR - Greece	01	15		84
PT - Portugal	12	08	30	51
ES -Spain	15	12	27	46
HU - Hungary	26	10	23	42
RO - Romania	13	17	31	39
SI - Slovenia	20	12	30	39
IT - Italy	11	14	39	36
PL - Poland	16	25	33	27
IE - Ireland	28	20	26	25
SK - Slovakia	29	21	25	25
CZ - Czech Republic	17	19	39	25
CY - Cyprus (Republic)	33	22	21	23
BG - Bulgaria	19	24	37	20
FR - France	24	21	37	18
LT - Lithuania	19	29	34	18
LV - Latvia	21	24	37	17
NL - The Netherlands	14	16	54	16
DE-E Germany East	31	31	27	12
DE-W - Germany - West	28	30	31	11
SE - Sweden	35	23	31	10
EE - Estonia	24	43	23	10
GB-GBN - Great Britain	22	28	41	09
AT - Austria	23	40	28	09
GB-NIR Northern Ireland	24	26	42	08
DK - Denmark	32	41	21	06
FI - Finland	30	48	17	05
MT - Malta	14	57	25	05
BE - Belgium	30	31	35	04
LU - Luxembourg	23	60	15	02

Graph 1. *Current situation of country Social Services, compared with five years ago.*

Multilevel analysis

The multilevel analysis reveals compliance with the general theory regarding the influence of individual and contextual factors when assess the impact of the crisis on the basic pillars of the Welfare State. However, as will be explained below, this influence is not shown by all the initial variables, and those that do exert an influence do so to varying degrees. The analysis also shows that the

introduction of variables in the model does indeed reduce the variance between countries, although country-specific factors continue to exist.

Table 4. *Individual and contextual variables that condition citizens' perception regarding the evolution of the basic pillars of the Welfare State. Multilevel model analysis for STATA dichotomous responses (xtmelogit).*

VARIABLES	Empty model (M0)	Model 1		Model 2		95% Conf. Interval	
		Odd Ratio	P>z	Odd Ratio	P>z		
INDIVIDUAL VARIABLES							
Satisfied with the life you lead?							
Satisfied				1.00			
Not satisfied		1.32	0.0000	1.32	0.0000	1.198	1.448
Compared with five years ago, would you say your life in general has improved, got worse or stayed about the same when it comes to…?							
Improved or stayed about the same				1.00			
Got worse		2.68	0.0000	2.68	0.0000	2.452	2.928
Compared with five years ago, would you say the area you live in has improved, got worse or stayed about the same when it comes to…?							
Improved or stayed about the same				1.00			
Got worse		3.28	0.0000	3.28	0.0000	3.000	3.585
How old were you when you stopped full-time education?							
15-				1.00			
16-19		0.92	0.1360	0.92	0.1370	0.826	1.027
20+		0.82	0.0010	0.82	0.0010	0.725	0.924
Still studying		0.74	0.0030	0.74	0.0030	0.612	0.906
In terms of left – right wing political thought, you identify with….							
Right				1.00			
Centre		1.24	0.0000	1.24	0.0000	1.120	1.365
Right		1.54	0.0000	1.54	0.0000	1.379	1.728
Religion							
Protestant				1.00			
Others religion, atheist, non believer/agnostic		1.21	0.0210	1.19	0.0300	1.017	1.400
Centre- semi-peripheral– peripheral countries							
Hegemonic centre							
Centre				1.15	0.7420	0.495	2.680
Semi-periphery				4.96	0.0000	2.515	9.779
Peripheral periphery				2.54	0.0050	1.323	4.891
Periphery				1.23	0.5970	0.568	2.676
VARIANCE, ICC AND PCV							
Level 2 variance	1.12942	0.8762282		0.609513			
ICC (%)	25.56	21.03		15.63			
PCV (%)		22.42		46.03			

Effects explained by the model

In contrast to the empty model, the inclusion of individual and contextual variables in the analysis led to a considerable reduction in prediction error. The empty model intraclass variance – ICC – (between countries) is 25.56%. After including the individual variables, 21.03% of unexplained variance still remained. Following the inclusion of individual and contextual variables, unexplained variance stood at 15.56%. The improvement in the average EVP (explained variance percentage) prediction following the inclusion of individual variables is 21.42% when compared with the empty model, and in the case of both individual and contextual variables 46.03%.

Individual variables

In terms of cultural capital, it can be seen that the perception is lower in the case of those that studied for longer or those that are still studying: the figure falls from 1 for those that stopped studying at the age of 15 or under, to 0.92 for those that stopped between the ages of 16 and 19, 0.82 for those that studied until the age of 20 or more and 0.74 in the case that are still in education. In order to understand odd ratios of less than one, when considered from a positive perspective, a value of 0.74 is equivalent to 1.35 (1/0.74=1.35).

Individuals that expressed dissatisfaction with their current lifestyle registered a value of 1.32 compared with 1 in the case of those that expressed satisfaction. In the case of those that consider that their lives have worsened over the last 5 years, the value of those that believe that the basic pillars of the Welfare State have deteriorated stands at 2.68 compared with those who believe that their lives have improved or remained unchanged. The value for those that consider that the area they live in has worsened stands at 3.28 compared to those that believe that it has improved or remained unchanged. This reveals the major significance of subjective considerations regarding life in general, the evolution of individuals' personal lives over the last five years and the area they reside in.

Individuals' political ideology and religious beliefs also have a significant impact. The greater the sense of identification with centre and left-wing ideologies, the greater the value of those that believe that the basic pillars of the Welfare State have deteriorated, rising from 1.00 to 1.24 and 1.54 respectively. Likewise, this value also increases to 1.21 in the case of those that profess a religion other than Protestantism.

Contextual variables

The contextual variable of country location within the European social space of the hegemonic centre, semi-periphery and outlying periphery displayed a

positive strong association. In contrast to hegemonic centre countries, the value for considering that the basic pillars of the Welfare State have deteriorated stood at 2.54 in the case of outlying peripheral countries and 4.96 in the case of semi-peripheral countries. In the case of these latter countries, the perception is that of an inability to sustain the social services of a Welfare State that developed rapidly at the end of the twentieth century and has deteriorated even faster in the light of the economic crisis.

The random effects of the country group on the constant

In order to predict the influence of this group we calculated the Bayes actions for the empty model (M0) and the model that includes the influence of significant individual and contextual variables (M2). The comparison of the group estimators between the empty model and model two (the difference between the effect of the individual and contextual variables) – see Graph 1 and Table 5 - reveal a dramatic reduction in variance both in top and bottom ranking countries.

Correction is greater in those countries where the variance is highest, as in the case of those that rank above Greece, where the reduction is over half, whilst in the case of Spain, Portugal and Greece the reduction is practically total. Countries with a negative ranking also display a considerable reduction, especially those with a higher variance such as Belgium, Denmark and Luxembourg, or others such as Finland which effectively drop to zero.
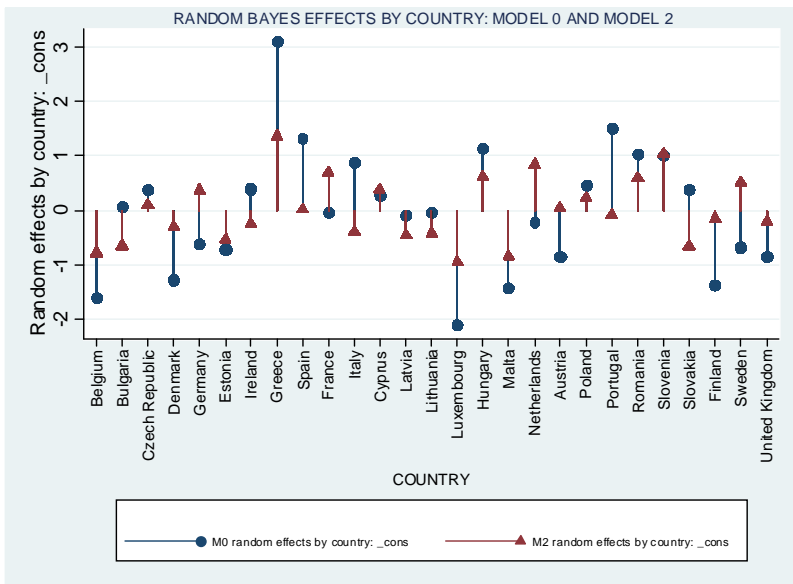
Graph 2. *Random Bayes effects by country: Model 0 and Model 2*

Table 5. *Bayes coefficients for the empty model and model two*

Country of residence	mean(m0)	mean(m2)
Belgium	-1.6144	-0.7784
Bulgaria	0.0563	-0.6498
Czech Republic	0.3820	0.1048
Denmark	-1.2709	-0.2865
Germany	-0.6196	0.3687
Estonia	-0.7139	-0.5300
Ireland	0.3966	-0.2446
Greece	3.0900	1.3566
Spain	1.3149	0.0194
France	-0.0370	0.7011
Italy	0.8833	-0.3876
Cyprus	0.2840	0.3827
Latvia	-0.0799	-0.4428
Lithuania	-0.0382	-0.4129
Luxembourg	-2.1076	-0.9586
Hungary	1.1420	0.6072
Malta	-1.4267	-0.8522
Netherlands	-0.2114	0.8345
Austria	-0.8352	0.0371
Poland	0.4700	0.2224
Portugal	1.5049	-0.0804
Romania	1.0380	0.5831
Slovenia	1.0003	1.0280
Slovakia	0.3821	-0.6628
Finland	-1.3696	-0.1511
Sweden	-0.6706	0.5090
United Kingdom	-0.8367	-0.2076

Conclusions

The results of the analysis allow us to conclude that citizens' assessment of the evolution of the basic pillars of the Welfare State in individual countries, namely the healthcare system, provision of pensions, unemployment benefits and the way inequalities and poverty are addressed, is conditioned by both individual and structural factors. In terms of individual factors, their perception is influenced more by their capital and symbolic-subjective capital than by economic and infrastructural capital. The inclusion in the analysis of variables related to different types of capitals, references to infrastructural (home ownership) or economic capital (difficulties in paying end-of-month bills, the employment situation) do

not show a significant association. In contrast, those that do display a significant association are training and education (the greater the individual's level of education, the lower the probability that they perceive a worsening of the situation); the subjective perception of the way their lives have evolved and the area in which they reside. Negative values for these variables coincide with a negative assessment - namely the deterioration - of the basic pillars of the Welfare State.

Ideological variables also play a key role, both in terms of the association with left or right wing political ideologies and professed religious beliefs. Consequently, we are therefore unable to subscribe to Bell's theory of the end of ideology (1960). Individuals holding left-wing political convictions are more likely than those with right-wing ideologies to consider that the basic pillars of the Welfare State have deteriorated over the last five years. In terms of religion, the results confirmed Weber's theory (1934), whereby Protestants consider that needs must be resolved individually through effort rather than reliance on charity or social aid systems.

The inclusion of a combination of individual and contextual variables did not reveal the association of certain variables that initially appeared to be of prime importance. Examples of such variables included the unemployment rate (which did however show a significant association when included on its own), confidence in the countries' political institutions, healthcare expenditure, inequality in income distribution, and the degree of risk of social exclusion. The variables were measured both transversally and in terms of the difference between 2012 and 2007, yielding the trend for the five year period under study. In addition, no contextual variables were associated resulting from economic or social variables, such as the World Economic Forum GCI or the Esping-Andersen Welfare State models respectively, and completed with the Mediterranean model and a further category for former Soviet Union countries that are now part of the European Union.

It can be concluded that in terms of contextual variables, the strongest association is the index that positions countries in the centre, semi-periphery or periphery (Wallerstein, 1976) drawn up on the basis of the world-system theory. The most critical are those citizens residing in semi-peripheral countries that experienced the rapid development of their Welfare States at the end of the twentieth century and that now perceive that they are unsustainable. Criticism is also rife amongst citizens in outlying peripheral states that have not been accepted into systems such as the Eurozone and who sense that future convergence is unlikely and whose situation has been worsened by the current crisis. In other words, the key to assessing the impact of the crisis on citizens lies not so much in determining the data of a specific variable, some of which are featured constantly in the media, but instead the global perception regarding the situation of their country in terms of the distribution of wealth and power within the European space. This knowledge either satisfies their expectations or undermines aspirations generated on the basis of backing that can no longer be provided or that has been

reduced both in terms of actual support and expectations. In these countries the general crisis has triggered a succession of further crises (Gills 2010) which are increasingly debilitating the pillars of the Welfare State and its services.

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