
IVANA PITEROVÁ*

Institutional trust and the perceived trustworthiness
of the unemployed and attitudes to sanctions
on the unemployed: An analysis of ESS Round 8 data

Intersections. EEJSP

8(4): 132–148.

<https://doi.org/10.17356/ieejsp.v8i4.961>

<https://intersections.tk.hu>

* [\[piterova@saske.sk\]](mailto:piterova@saske.sk) (Institute of Social Sciences of the Centre of Social and Psychological Sciences, Slovak Academy of Sciences)

Abstract

The topic of unemployment benefits, especially conditional ones, generates a lot of discussion and is associated with differences in attitudes among both people and countries. This paper aims to analyse the perceptions of the trustworthiness of the unemployed and institutional trust in relation to attitudes to sanctions on the unemployed who refuse to work for certain reasons. Data from the 8th Round of the European Social Survey (2016) focusing on preferences for sanctions on the unemployed who refuse work were analysed. The sample consisted of 9,620 respondents from 22 European countries who answered three selected questions. A two-level regression analysis proved that the perceived trustworthiness of the unemployed, gender, age, education and subjective income were significant predictors of attitudes to sanctions for the unemployed, while institutional trust at the country level moderated this relationship. The perceived untrustworthiness of the unemployed lessened the preference for maintaining benefits in the case of refusal to work; this association is weaker in countries with a higher level of institutional trust. Accordingly, increasing trust at all levels can decrease the pressure on unemployment insurance systems.

Keywords: unemployment benefits; attitudes; perceived trustworthiness; institutional trust; European Social Survey

1 Introduction

Multiple-group factor analysis of European Social Survey data has proved that labour market regulation is one of three types of government welfare intervention in different welfare states, characterized as Conservative, Social-Democratic, Liberal, Familiaristic, former-USSR, and ex-Communist countries. Moreover, labour market regulation was found to consist of two sub-dimensions: guaranteed jobs, and unemployment benefits (Gryaznova, 2013). In public discourse, the topic of unemployment benefits generates a wide diversity of views, thus creating a reason to examine the differences between both people and countries.

Research findings support the connection between trust and attitudes to government intervention in the form of regulation and redistribution (Berggren & Bjørnskov, 2017;

Daniele & Geys, 2015; Charron et al., 2021; Pitlik & Kouba, 2015). According to Charron et al. (2021), preferences for strong regulation and weak redistribution and vice versa vary among countries but are related to interpersonal (social, generalized, horizontal) trust and perceived quality of government. Those with a higher level of interpersonal trust are less willing to support regulation but more willing to support taxation. Moreover, institutional (vertical) trust also plays a role. If public institutions are perceived as impartial and trustworthy, the level of interpersonal trust appears to have a stronger effect on preferences for redistribution and regulation (Charron et al., 2021, p. 14). In contrast to this, a series of survey experiments failed to prove the effect of trust in government on support for redistribution in the United States (Peyton, 2020). According to van Oorschot and Roosma (2017), attitudes towards the legitimacy of unemployment benefits may be determined by trust in those government institutions that redistribute benefits and in the citizens who are part of this process and benefit from the system (van Oorschot & Roosma, 2017, p. 8). Moreover, when people have negative images of the unemployed, their support for unemployment benefits is less (van Oorschot & Meuleman, 2014 in van Oorschot & Roosma, 2017, p. 12). In the case of unemployment, interpersonal trust of strangers in general – frequently instrumentalized within research – may not be the best representation of trust associated with support for sanctions on the unemployed (Kumlin et al., 2017).

This paper focuses on the conditionality of unemployment benefits. The European Social Survey Round 8 (2016) includes items assessing support for sanctions on unemployed people who refuse to work for certain reasons, thus allowing us to examine the views of European citizens on this subject. Trustworthiness seems to be a quite salient factor in the approval or rejection of sanctions on those who refuse to work, as refusing work can be the main trigger of mistrust and doubt about the conduct of the unemployed. In line with prior research findings, the perceived trustworthiness of the unemployed (instead of interpersonal trust) and institutional trust were included in the research described in this paper as predictors of attitudes to sanctions on the unemployed.

The article is organized as follows. The first section provides the theoretical background for the individual and country-level factors that determine support for the provision of unemployment benefit. The second section focuses specifically on interpersonal and institutional trust and trustworthiness and attitudes to unemployment benefits or their conditionality. The research hypotheses are then stated, followed by a description of the research sample, operationalization of variables, and initial data processing. The results of the preliminary analysis and the three steps of the regression analyses are presented. Last, implications are discussed in relation to the literature in a concluding section.

2 Support for unemployment benefits

Attitudes to unemployment benefits involve two different dimensions; namely, individuals' generosity (associated with the social rights that we attribute to the unemployed) and the conditionality of benefits (which is grounded on beliefs about the obligations of the unemployed) (Laenen & Meuleman, 2018). The present authors support the idea that the social obligations and social rights of the unemployed are two sides of the same coin, as these factors are correlated negatively and influenced by the same characteristics in the opposite direction. It has been proved that work-related obligations are predicted by the perception of the

deservingness of welfare groups, while for the unemployed combining social rights and social obligations is preferred. However, in the case of the unemployed who volunteer or take care of someone, respondents are less demanding about their work-related obligations (Roosma & Jeene, 2017).

Support for the conditionality of unemployment benefits contingent on the willingness of the unemployed to accept any available job is higher in wealthier countries, while a high unemployment rate in a country leads to less support, explaining some of the variability in attitudes across European countries (Buß et al., 2017). Moreover, greater social distance between people complicates the identification of the upper and middle classes with the unemployed, which leads to more negative attitudes and stricter conditionality in relation to helping them (Carriero & Filandri, 2018, p. 13).

In addition, at an individual level, self-interest, egalitarian and individualistic values, and deservingness criteria – control, attitude, and reciprocity – have proved to be important in shaping attitudes, increasing support for social obligations, and reducing support for social rights (Laenen & Meuleman, 2018). Five deservingness criteria (control, attitudes, reciprocity, identity and need) mediate the relationship between socio-structural characteristics and welfare policy preferences (Meuleman et al., 2020; van Oorschot & Roosma, 2017). In this respect, research studies emphasize not only the importance of the control, effort, activity, and volunteering of the unemployed (Carriero & Filandri, 2018; Schofield & Butterworth, 2018; Buß et al., 2017; Jensen & Petersen, 2017; Kootstra, 2016; Petersen, 2015; van Oorschot & Roosma, 2015) but also their reciprocity and attitude (Meuleman et al., 2020). This coincides with the fact that the European system of benefits is geared towards the activation of the unemployed, in particular the long-term unemployed, and that the right to financial support in the case of unemployment has become dependent on the fulfilment of many work-related obligations. If these conditions are not met, the unemployed may be penalized by a reduction in benefits or shorter pay-out periods.

2.1 Interpersonal and institutional trust and trustworthiness

Trust is believed to be one of the foundations of a well-functioning society. Both institutional (vertical) and interpersonal trust (horizontal) are important elements of democratic societies as they are essential for the proper functioning of relations between people and institutions.

Citizens' institutional trust is influenced by public service outcomes and processes – mainly the absence of corruption (van de Walle & Migchelbrink, 2020). Institutional trust is based on reciprocity, so if a government is corrupt and institutional processes are not transparent, people's willingness to cooperate and pay taxes may be reduced (Chan et al., 2017). Institutional trust may focus on actors such as politicians, 'partial' institutions such as parliament, or impartial institutions such as the legal system or police. This study is focused on trust in politicians, political parties, parliament, and the legal system, which represent institutional trust. Institutional trust is of particular interest because politicians and institutions are responsible for welfare policies, including labour market policies, and the legal system is a means of assessing compliance with regulations and the application of sanctions, while there is uncertainty regarding whether political decisions reflect individuals' interests and expectations. The perceived quality of institutions in a country can influence egalitarian

preferences regarding unemployment benefits, and if the government and institutions in a country are perceived positively, people are more willing to pay taxes that support the welfare state (Habibov et al., 2018). Further, Chan et al. (2017) proved that tax morale is correlated with institutional trust but not interpersonal trust.

Recent research results have emphasized that institutional trust is a more important factor in welfare attitudes as assessments of the welfare state affect political trust rather than social, but this should be seen as a temporary outcome that needs to be researched and verified (Kumlin et al., 2018). It is also possible to distinguish between the relationship between trust and support for universal benefits and services (the latter which are perceived as citizens' rights and are provided automatically) with the relationship between trust and benefits and services that are allocated selectively, only to certain groups. In the case of unemployment benefits which could be described as conditional, greater differences between beneficiaries and others are likely to undermine interpersonal trust (Larsen, 2007 in Kumlin et al., 2018). The role of institutional trust, however, seems to be less clear in the case of attitudes to sanctions on the unemployed who refuse work. We may assume that the effect of institutional trust on preferences for sanctions varies according to the perception of the unemployed and the welfare system in general. For example, (1) strong institutional trust – no sanctions (due to welfare awareness for welfare measures); (2) strong institutional trust – sanctions (free riders should be punished by fair, reliable, accountable and transparent institutions); (3) weak institutional trust – sanctions (the whole system is corrupt and irresponsible cheaters must be penalized); (4) weak institutional trust – no sanctions (institutions are untrustworthy and unreliable, unemployed people probably only get demeaning job offers so sanctions are unjustified). The empirical evidence on this matter is underdeveloped, thus we try to partially fill this gap by focusing on the effect of institutional trust on the relationship between the perceived trustworthiness of the unemployed and attitudes to sanctions on the latter.

Interpersonal trust is the extent to which people believe others (mostly strangers) without expecting anything in return (Uslaner, 2002). In many surveys, interpersonal trust is measured as the belief that people can generally be trusted, are helpful and try to be fair. According to the results of cross-national studies about causal relations, interpersonal trust is shaped by institutional trust (Sønderskov & Dinesen, 2016). In the case of labour market policy, trust in institutions that provide support for the unemployed or politicians who adopt the respective policies may shape people's trust in the unemployed, which implies a connection between interpersonal and institutional trust in the context of welfare policy. However, there are differences between interpersonal trust and individual trustworthiness. 'Trustworthiness is a moral disposition to reciprocate, be cooperative, to act in a trustworthy way in various contexts' (Hardin, 2002, p. 32). This means trustworthiness is a person's propensity to trust or to be deserving of trust, while trust itself is the belief in or reliance on a specific person or people in general. According to Kumlin et al., interpersonal trust does not capture trust that drives support for the welfare state, so more important than interpersonal (generalized) trust is what the unemployed do, and who they are (Kumlin et al., 2017, p. 282).

Although the ESS questionnaire contains items on interpersonal trust, according to Kumlin et al. (2017) focussing on interpersonal (generalized) trust may lead to erroneous conclusions. As the paper's focal point is understanding the relationship between unemployment and attitudes to sanctions for those who refuse work, the focus shifts to perceived trustworthiness, which can be defined as the characteristic of a person who can be trusted,

framed by an environment in which trust occurs (Borum, 2010). In this paper, the trustworthiness of the unemployed is defined and measured as the belief that unemployed persons are not abusing the welfare system and are genuinely looking for jobs. However, perceptions about the trustworthiness of the unemployed are mostly based on experiences with the unemployed, or individuals' own experience with unemployment, and experiences with labour offices and the services they provide. This can lead to conclusions about the trustworthiness of beneficiaries and officials but also about our own trustworthiness (Kumlin et al., 2018). However, our beliefs about the untrustworthiness of others need not in any way be justified, as the former may be due to prejudice, bias, or misinformation, or adopting the view of a significant other or someone else. For example, a study found that the British public significantly overestimated the size of unemployment benefits and had misperceptions about the benefits system (Baumberg Geiger, 2017a). Moreover, Baumberg Geiger found that people's beliefs about the benefits system (i.e., about benefit fraud, the scale of unemployment, long-term sickness, and relative size and duration of benefit claims) but not the value of payments were related to their perceptions of claimants as undeserving (Baumberg Geiger, 2017b, p. 83), although this link varies across countries and population subgroups. These factors can lead to generalizations about whether unemployed people and institutions can be trusted. In summary, this paper is based on the assumption that people who perceive the unemployed and welfare benefit systems and institutions as trustworthy are more egalitarian in their attitudes to sanctions on the unemployed.

2.2 Research hypotheses

In light of the theoretical background described above, the main objective of the study was to analyse attitudes to sanctions on the unemployed who refuse to work. We hypothesized that the perceived trustworthiness of the unemployed – following Kumlin et al. (2017) – predicts less support for sanctions on the unemployed who refuse to work (H1). Moreover, that a higher level of institutional trust predicts less support for sanctions on the unemployed who refuse to work (H2). Since it is well-known that the countries of Europe differ in their levels of trust (Charron & Rothstein, 2018), the aim was also to verify whether the effect of these predictors on attitudes to sanctions on the unemployed varies among European countries. The tested assumption is that the effect of the perceived trustworthiness of the unemployed on attitudes toward sanctions on the unemployed will be moderated by the level of institutional trust at the country level. The lower the institutional trust at the country level, the stronger the effect of perceived trustworthiness on support for sanctions on the unemployed who refuse to work (H3). European Social Survey Round 8 Data (2016) includes items that are sufficient for the verification of the presented hypotheses.

3 Methodological approach

3.1 Research sample

Of the 41,822 people who participated in the eighth round of the ESS (Austria, Belgium, the Czech Republic, Estonia, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Lithua-

nia, Norway, the Netherlands, Poland, Portugal, Russia, Slovenia, Spain, Sweden, Switzerland and the United Kingdom),¹ only one-quarter of respondents answered all three questions regarding sanctions on the unemployed who refused to work.

The research sample consisted of 9,620 respondents from 22 European countries. Women represented 52.3 per cent of the sample and men 47.7 per cent. The lowest age of respondents was 15, and the highest 97. In terms of the highest level of education, respondents with secondary education with a school-leaving exam (34.4 per cent) were best represented, 25.5 per cent of respondents had completed primary school, 23.6 per cent had a university education, while those least represented were people with a secondary education but without a school-leaving exam (16.6 per cent). A little over half (53 per cent) of all respondents were in paid employment, while the other 47 per cent were either unemployed, in education, retired, on disability benefits or maternity leave. Just over half (50.5 per cent) of all respondents were living with their spouse or partner, while 49.5 per cent were not in a relationship.

3.2 Operationalisation of core variables

Attitudes to sanctions on unemployed people refusing work were measured by three items using the following questions: 'Imagine someone who is unemployed and looking for work. This person was previously working but lost their job and is now receiving unemployment benefits. What do you think should happen to this person's unemployment benefit if, (1) they turn down a job because it pays a lot less than they earned previously? (2) they turn down a job because it needs a much lower level of education than the person has? (3) they refuse to regularly carry out unpaid work in the area where they live in return for unemployment benefits?' Respondents could choose one of four answers: 1 = this person should lose all of their unemployment benefit, 2 = This person should lose about half of their unemployment benefit, 3 = This person should lose a small part of their unemployment benefit, 4 = This person should be able to keep all their unemployment benefit. A dummy variable representing attitudes to sanctions was created. First, the scale was changed to 0–3 (1=0, 2=1, 3=2, 4=3), with a lower score indicating greater support for stopping benefits and a higher score indicating support for maintaining all benefits. The sum of answers for the three items was then divided by the number of items (3). Cronbach's α for the scale is 0.78.

The scale of perceived trustworthiness reflects the assessment of the behaviour of the unemployed as non-abusive of the welfare system. The scale was created from the following two items (as the sum of answers divided by the number of items): 'Most unemployed people do not really try to find a job' and 'Many people manage to obtain benefits and services to which they are not entitled'. Respondents answered on a five-point scale to what extent they agree with the statement, ranging from 1 = strongly disagree to 5 = strongly agree. A higher score indicates the perceived untrustworthiness of the unemployed.

¹ Israel was excluded due to cultural and other differences.

The institutional trust scale was created from four items as the sum of answers divided by the number of items: namely, 'How much do you personally trust each of these institutions in the country: Parliament, the legal system, politicians, and political parties?' The respondents answered on an 11-point scale ranging from 0 = no trust at all, to 10 = completely trust. The reliability of the scale tested using Cronbach's α is 0.91. Institutional trust at a country level was created as a dummy variable to represent the average score of institutional trust for each country.

A few sociodemographic variables – gender (man, woman), age categories (15–24, 25–34, 35–44, 45–54, 55–64, >65), education (primary, lower secondary, upper secondary, and tertiary) and the subjective income of the household (enough, not enough) were added into the models as control variables.

3.3 Data processing and statistical procedures

Analyses were conducted in R software (R Core Team, 2020; Rstudio team, 2019). Mixed-effects models were implemented using the lme4 package (Bates et al., 2015).

In the first step, the conditions for linear regression were verified. The results showed that not all independent variables have a linear relationship with the dependent variable. Based on Pearson's correlation, it was confirmed that there is a statistically significant moderate and positive relationship between the perceived trustworthiness of the unemployed and attitudes to sanctions on the unemployed ($r = 0.32^{**}$). The relationship between institutional trust and attitudes was statistically significant but very weak, so the significance of the relationship is probably influenced by the sample size ($r = 0.04^{**}$). However, first-level analysis continued for both variables, including control variables. Perceived trustworthiness is also slightly significantly correlated to interpersonal trust ($r = 0.18^{**}$), implying that these constructs are semantically related.

After having verified all the conditions for linear regression, the null model or no-predictors models with single- and two-levels were specified in the first step to identify whether attitudes to sanctions on the unemployed differ among countries. In the second step of the analysis, the Level 1 model was specified to examine how the effect of the perceived trustworthiness of the unemployed, institutional trust, and control variables for attitudes to sanctions on the unemployed differ within and between countries. For a multilevel linear model, the coefficients – i.e., slopes and intercepts – should be normally distributed. In the third step, the Level 2 model was specified by adding the interaction effect of institutional trust at the country level and the perceived trustworthiness of the unemployed at the individual level while controlling for sociodemographic characteristics. A graph for the conditioned effect of institutional trust (at the country level) in the relationship between the perceived trustworthiness of the unemployed and attitudes to sanctions on the unemployed was created. Since both the independent variable and the moderator were measured on a different scale, the scores were centred in order to enable interpretation of the coefficients in the data range. The interaction was put into the model as a multiplication of variables (independent variable * moderator). The program was instructed to generate data, which were then used to generate a graph showing the moderation effect when the moderator has a low and high value ($\pm 1SD$ around the AM).

4 Results

4.1 Preliminary analysis

To get a better picture of attitudes to sanctions on the unemployed in Europe, the mean score for countries is plotted in Figure 1.

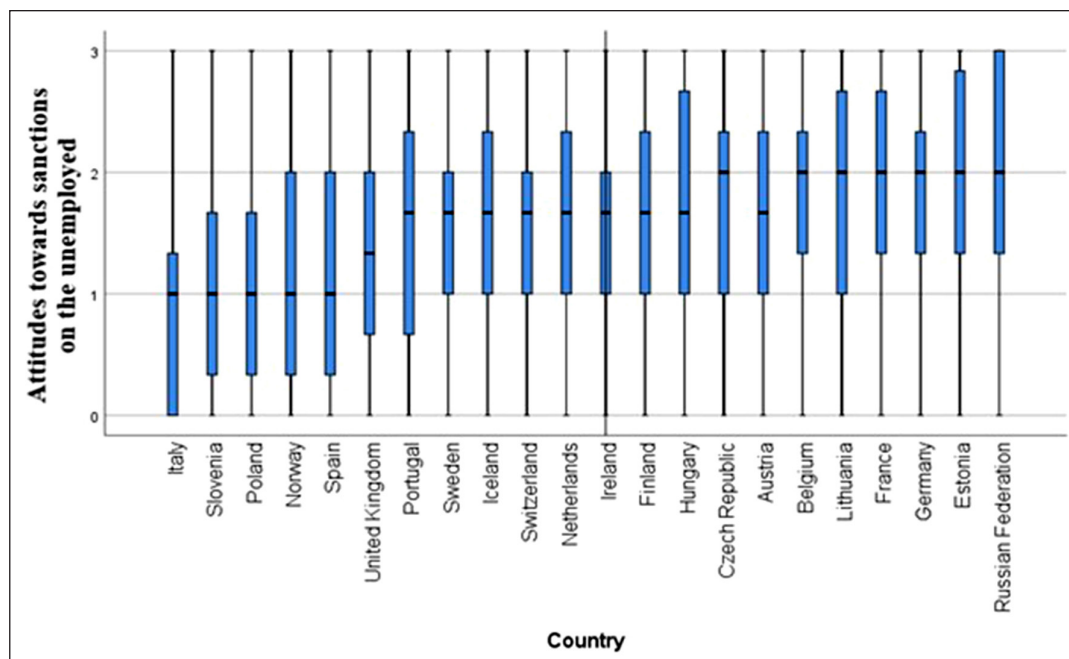


Figure 1 Mean scores of European countries regarding attitudes to sanctions on the unemployed who refuse to work

Notes: Answers to three questions were summed up and divided by the number of items (3): What do you think should happen to a person's unemployment benefit if he/she refuses to work because of (lower salary, unpaid work offered, lower education required) on a scale ranging from 0 = lose all the benefit, 3 = keep all the benefit. N = 12,710

Source: own compilation of ESS Round 8 data (2016)

Attitudes of the Europeans in our sample towards sanctions on the unemployed who refuse work vary among countries. The most generous countries are the Russian Federation, Estonia, and Germany, while stronger sanctions on the unemployed are supported by respondents in Italy, Slovenia, and Poland. However, to understand precisely how much variation exists between countries, a one-way analysis of variance was conducted.

4.2 Results of regression analyses

Step 1: The null model (no predictor model)

First, null (or no predictors) single-level and two-level models were developed. In the latter model, the dependent variable was able to vary for each country, so we were able to partition the variation in attitudes to sanctions on the unemployed into *within*- and *between*-groups components. The maximum likelihood (ML) method and t-tests using Satterthwaite's method were employed.

Results for the no predictors two-level model are presented in Table 1. The intercept for countries is 1.56, which is the average level of attitudes in 22 countries. The proportion of variation caused by the existence of multiple countries was calculated by putting our values into the formula for the intraclass correlation (ICC). A chi-square difference test between the single-level ($t = 170.9, p < .001$) and the two-level model (Table 1) proved that the models significantly differ ($\chi^2(1) = 1056, p < .001$).

Table 1 Variance components using the Null model

Fixed Effects		Estimate	95 % CI	SE	t
	Intercept	1.56	[1.43, 1.69]	.06	24.529***
Random Effects		Variance		SD	
	Residual	.739		.859	
	Country	.087		.296	

Notes: Dependent variable: Attitudes to sanctions on the unemployed, group: country (22), *** $p < 0.001$

Source: author's compilation of ESS Round 8 data (2016)

As Table 1 suggests, significant individual-level variance exists at the country level (89.41 per cent). Similarly, the intercept varies significantly across the sample of countries. The ICC suggests that 10.59 per cent of variation comes from country-level differences, so it was considered reasonable to include the hierarchical structure in the model to identify what proportion of variation exists between subjects (individuals) and between groups (countries).

Step 2: Model with random effects and predictors (fixed effects)

The next model included two continuous predictors – perceived trustworthiness and institutional trust at the individual level, which were centred around mean and categorical control variables (gender, age categories, education, subjective income). Results (Table 2) suggest that the perceived untrustworthiness of the unemployed and low institutional trust increase support for sanctions on the unemployed. Moreover, being female (rather than male), and over 45 years old (compared to being under 25 years old) increased support for stopping benefits, while having a tertiary education with sufficient subjective income increased support for maintaining benefits compared to having a primary education and insufficient subjective income, which finding implies support for the self-interest explanation. The values in Table 1

and Table 2 suggest that adding intraclass predictors lessens residual (within-group) variance. Based on the unexplained variance within the model, the proportions of explained variance were calculated. The perceived trustworthiness of people, institutional trust, and control variables explained approximately 9.74 per cent of the within-group variation (people) and 1.93 per cent of the between-group variation (countries) in attitudes to sanctions on the unemployed.

Table 2 Model with random effects and predictors (fixed effects)

Fixed Effects		Estimate	95 % CI	SE	df	t	p
	Intercept	0.93	[.78, 1.09]	.07	49.186	12.114	<.001***
	Perceived trustworthiness	0.27	[.25, .29]	.01	8846.732	25.644	<.001***
	Institutional trust	-.009	[-.01, -.001]	.004	8850.554	-2.183	.029*
Control Variables							
Gender	Female	-.061	[-.09, -.02]	.02	8835.325	-3.436	<.001***
Education	Lower secondary	-.007	[-.06, .05]	.03	8853.872	-.223	.823
	Upper secondary	.022	[-.02, .07]	.02	8850.763	.905	.366
	Tertiary	.078	[.02, .13]	.027	8842.835	2.848	.004**
Age categories	25-34	-.061	[-.13, .01]	.036	8834.168	-1.673	.094
	35-44	-.063	[-.13, .01]	.035	8835.100	-1.783	.0747
	45-54	-.102	[-.17, .03]	.034	8834.959	-2.963	.003**
	55-64	-.111	[-.18, -.04]	.034	8834.488	-3.284	.001**
	>65	-.165	[-.22, -.11]	.032	8835.863	-5.111	<.001***
Subjective income	Enough	.130	[.08, .17]	.024	8850.289	5.531	<.001***
Random Effects		Variance		SD			
	Residual	.667		.82			
	Countries (Intercept)	.085		.29			

Notes: Dependent variable: attitudes to sanctions on the unemployed, groups: country (22), *p<0.05; **p<0.01; ***p<0.001

Source: author's compilation of ESS Round 8 data (2016)

To illustrate the variance in a country's intercepts, a graphical representation of the intersections of average perceived trustworthiness and attitudes to sanctions on the unemployed for each country is provided (Figure 2). Respondents from Norway, Sweden Finland, Iceland, the Netherlands, Switzerland, the Russian Federation, and Spain perceive the unemployed as

quite trustworthy ($M > 2.8$ out of 5), but their attitudes to sanctions on the unemployed do not, at first sight, differ from those of respondents from the other group of countries who consider people to be less trustworthy, e.g., the Czech Republic, Hungary, France, Portugal, and the United Kingdom. However, people in Poland, Italy, and Slovenia have more negative attitudes but perceive the trustworthiness of people as the same or slightly less. Respondents in Poland and Norway have similar attitudes to sanctions but their trustworthiness perceptions of the unemployed are quite different. It seems from Figure 2 that there is also a lot of variability in the relationship between the two variables across European countries.

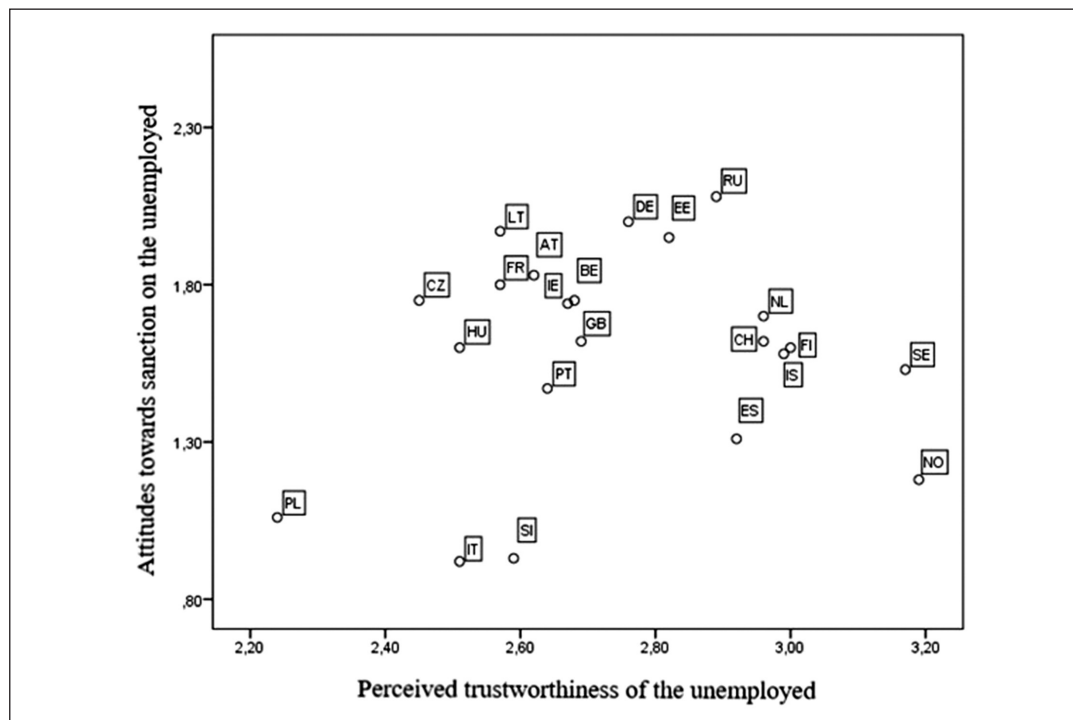


Figure 2 Position of 22 countries based on means of scales of perceived trustworthiness and attitudes to sanctions

Notes: Austria (AT), Belgium (BE), the Czech Republic (CZ), Estonia (EE), Finland (FI), France (FR), Germany (DE), Hungary (HU), Iceland (IS), Ireland (IE), Italy (IT), Lithuania (LT), Norway (NO), the Netherlands (NL), Poland (PL), Portugal (PT), the Russian Federation (RU), Slovenia (SI), Spain (ES), Sweden (SE), Switzerland (CH) and the United Kingdom (GB). Perceived trustworthiness of the unemployed was measured on scale ranging from 1 (low) – 5 (high). Attitudes to sanctions on the unemployed was measured on scale ranging from 0 (lose all) – 3 (keep all).

Source: author's compilation of ESS Round 8 data (2016)

Step 3: Model with two-levels interaction

In a previous model, institutional trust was found to be weakly related to the dependent variable so a new dummy variable was created – institutional trust at the country level (average level of trust for each country) – to explain variation between people nested within countries. In the third step, institutional trust at the country level and the interaction between perceived trustworthiness and institutional trust were included in the model.

Adding the interaction effect into the model decreased the effect of perceived trustworthiness on attitudes, indicating that the attitudes of individuals differ depending on institutional trust in a country (Table 3). The strength of this relationship varies between countries with higher and lower institutional trust. When the level of trust in a country is higher, the effect of perceived trustworthiness on support for maintaining benefits becomes more positive. There is still significant variation in attitudes, which can be explained despite the addition of interaction to the model. As with the previous model, being female, or over 45 years of age increased support for stopping benefits. On the contrary, having a tertiary education and sufficient income increased support for maintaining benefits. The proportions of explained variance were calculated based on the unexplained variance associated with the model: the selected predictors explained 9.76 per cent of the variance at the individual level and 29.8 per cent of the variance at the country level.

Table 3 Model with two-levels interaction

Fixed Effects		Estimate	95 % CI	SE	df	t	p
	Intercept	-.16	[-.48, .15]	.16	432.56	-.991	.322
	Perceived Trustworthiness	.10	[-.006, .21]	.05	3572.04	1.867	.06
	Institutional trust (country)	.69	[.51, .89]	.09	419.537	7.059	<.001***
	Perceived Trustworthiness *Institutional trust(country)	.10	[.03, .16]	.03	4283-11	2.828	.004**
Control variables							
Gender	Female	-.055	[-.08, -.02]	.0174	9015.21	-3.152	.0016**
Education	Lower secondary	.01	[-.04, .06]	.028	4037.78	.348	.728
	Upper secondary	.02	[-.02, .07]	.023	7414.26	0.846	.397
	Tertiary	.007	[.02, .12]	.027	8707.92	2.663	.007**
Age categories	25-34	-.06	[-.12, -.01]	.035	9017.55	-1.575	.115
	35-44	-.05	[-.12, -.01]	.035	8994.97	-1.565	.117
	45-54	-.09	[-.16, -.02]	.034	9006.51	-2.835	.005**
	55-64	-.111	[-.17, -.04]	.033912	9015.27	-3.329	<.001***
	>65	-.16	[-.22, -.10]	.032	8987.74	-5.048	<.001***
Subjective income	Enough	.14	[.09, .18]	.022	5288.08	6.151	<.001***
Random Effects		Variance		SD			
	Residual	0.669		0.82			
	Country (Intercept)	0.002		0.04			

Notes: Dependent variable: attitudes to sanctions on the unemployed, groups: country (22), *p<0.05; **p<0.01; ***p<0.001

Source: author's compilation of ESS Round 8 data (2016)

The results indicate that institutional trust at the country level conditioned the effect of the perceived trustworthiness of the unemployed and attitudes to sanctions on the unemployed. As can be seen in Table 4, for both high (+1SD from AM) and low levels (-1SD from AM) of institutional trust the relationship remains statistically significant. If institutional trust in the country is low (-1SD from AM), perceived trustworthiness significantly increases support for the maintenance of benefits. If institutional trust is high (+ 1SD from AM), perceived trustworthiness also has a positive effect on attitudes, but this effect is weaker. To illustrate this effect, Figure 3 was created. As a reminder, the dependent variable was measured using a scale ranging from 0–3, with a higher score indicating a more positive attitude in terms of maintaining most of the benefits. To sum up, institutional trust in a country weakly determines the effect of individual-level trustworthiness in relation to attitudes to sanctions on the unemployed.

Table 4 Conditional effect of institutional trust in the country related to perceived trustworthiness and attitudes to sanctions on the unemployed

Institutional trust	Estimate	SE	t	95 % CI	
- 1 SD	.31	.02	20.09***	.28	.34
+ 1 SD	.25	.02	16.80***	.22	.28

Notes: ***p<0.001

Source: author's compilation of ESS Round 8 data (2016)

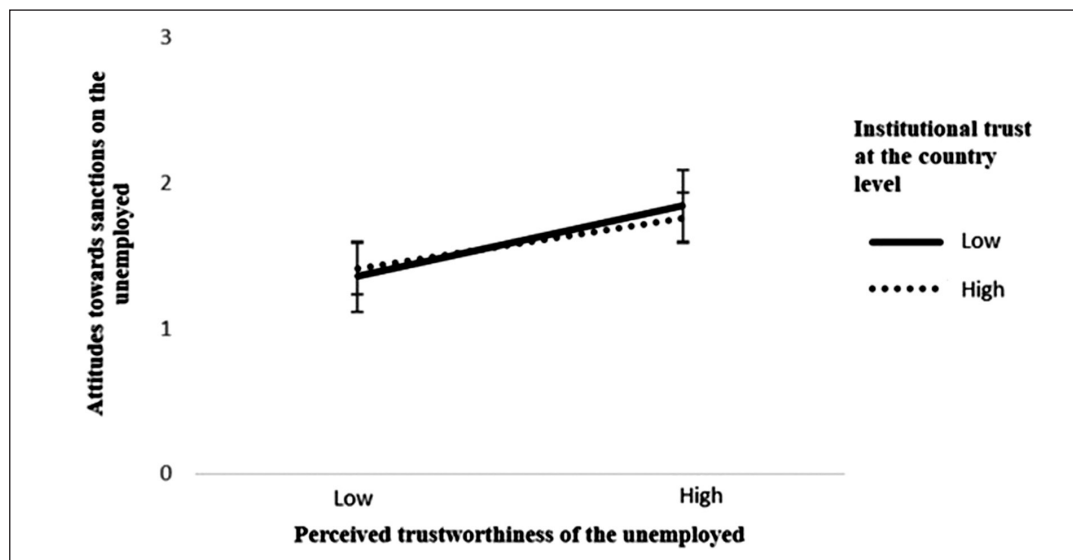


Figure 3 Conditional effect of institutional trust in a country related to perceived trustworthiness and attitudes to sanctions on the unemployed

Notes: Low (-1SD from Mean), High (+1SD from Mean)

Source: author's compilation of ESS 8 data (2016)

5 Discussion and conclusion

This study aimed to clarify how the perceived trustworthiness of the unemployed and institutional trust are connected and reflected in Europeans' attitudes to sanctions on unemployment benefits. Data were drawn from the eighth round of the European Social Survey. Even the preliminary analysis of attitudes to sanctions on the unemployed who refuse to work identified variability among European countries with the prevalence of solidarity in Europe.

The analysis confirmed that the perceived trustworthiness of the unemployed helps explain the variation in attitudes toward sanctions on the unemployed within countries and, to a lesser extent, differences between countries (H1 is thus supported). It should be noted that the perception of the unemployed as untrustworthy (in terms of abusing welfare systems and not looking for jobs) weakens the preference for maintaining benefits in the case that the unemployed person refuses to work because of the lower education requirements associated with a job, a lower salary, or unpaid work, so the criterion of activity plays a significant role in support for unemployment benefit conditionality across European countries. The results of this paper support the claim that when people have negative images of the unemployed, their support for providing unemployment benefits is lower (van Oorschot & Meuleman, 2014 in van Oorschot & Roosma, 2017, p. 12). Moreover, Algan et al. (2015) proved that the support of honest people for the welfare state is related to being surrounded of trusted people, while dishonest people support the welfare state because they can benefit from it (self-interest). Of the control variables, being female and over 45 years old increased support for stopping benefits (compared to the variables being a man and under 25 years old), while having a tertiary education and subjectively sufficient income strengthened the preference for maintaining benefits (compared to primary education and subjectively insufficient income). Controlling such characteristics supports claims of the role of self-interest in support for the unemployment benefits system, as put forward by Laenen and Meuleman (2018).

However, in addition to trust in claimants, the state and institutions responsible for deciding on the related issues also need to be trusted or perceived positively (Daniele & Geys, 2015; Habibov et al., 2018; Chan et al., 2017). This assumption was not clearly confirmed in our study, as institutional trust at the individual level was only weakly associated with attitudes to sanctions (H2 was thus rejected) but at the country level it has a moderating effect on the relationship of perceived trustworthiness and attitudes to sanctions (H3 was thus supported), in line with a study conducted by Pitlik and Kouba (2015), who confirmed the effect of institutional trust on the relationship of interpersonal trust and attitudes to government intervention. Moreover, after adding institutional trust at the country level as a moderator, the association between perceived trustworthiness and attitudes decreased. This model, which controlled for gender, age, education and subjective income, was statistically significant and supported the role of trust at the country level. If there is a lower level of institutional trust at the country level, the belief that people are untrustworthy and abusing the system may strengthen the desire to sanction or withdraw benefits. This result, however, needs to be interpreted with caution and verified in further research that employs other variables.

Similar results that explain between-country variation in attitudes to the conditionality of awarding benefits can be found in Baumberg Geiger, who reported that people's beliefs about the abuse of benefits and occurrences of fraud are related to their perception of claimants as undeserving (Baumberg Geiger, 2017, p. 83) – with this link varying across countries

and population subgroups. Moreover, in Buß et al. (2017) support for the conditionality of unemployment benefits contingent on the willingness of the unemployed to accept any available job was found to be higher in wealthier countries, and a high unemployment rate in a country to weaker support, which may explain some of the unexplained variability in attitudes across European countries. In addition to these relationships, when there is greater social distance between people, the upper and middle classes have trouble identifying with the unemployed, leading to more negative attitudes and greater conditionality in relation to helping them (Carriero & Filandri, 2018, p. 13).

To sum up, if the trustworthiness of the institutions which are in charge of labour market policy is doubted at the country level, and there is a prevailing belief in a country that cases of benefit abuse are not sufficiently investigated and detected, people will not believe even those who are the recipients of benefits, thus their attitudes to providing social benefits cannot be expected to change. Accordingly, individual-level trust in institutions, and trust at all levels can improve unemployment insurance policies and welfare systems.

This study complements research studies on the relationship between trust and attitudes to the conditionality of unemployment benefits, but has some limitations. First, cross-sectional data were collected in 2016, but the items regarding sanctions on the unemployed were not included in any of the following rounds of the ESS. Second is the self-reported character of the data and the focus only on trustworthiness and institutional trust. While not within the scope of this paper, attempting to identify other suitable predictors (not only at an individual level but also at a country level) would be helpful because there is still much unexplained variance in attitudes to sanctions on the unemployed, creating room for continued research.

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