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On the changing public opinion towards the European Union during the euro crisis

Bachelor Thesis ESE

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Abstract

With the euro zone in crisis, and the upcoming of various rightwing nationalist parties, is there still a future for the European Union? This thesis focuses on the public opinion of citizens in the EU member states, and how this has changed from 2008 until 2011. Using cross country regressions, individual level regressions with time and country fixed effects and country level regressions, the relations between time, economic factors and general characteristics are examined. The results do not show a more negative attitude towards the EU over time, but do find differences between countries. Especially the non euro countries are less positive, while the southern EU countries do have a more positive attitude.

Contents

Introduction

Five years after the start of the credit crisis, the euro zone is still dealing with the aftermath. Greece is not yet saved, unemployment is high, financial institutions deal with trust issues, and the economy is, again, in a mild recession. This economic situation calls for strong actions, from both national and European politicians (Goodhart, 2011).

Europe is facing the challenge of recovering from the recession, and stabilizing public finances. It is difficult to find a solution that resolves both problems. The Maastricht Treaty includes strong rules about the government debt and deficit. Normal ways of revolving these problems include monetary and fiscal policy. Only fiscal policies can be implemented individually, since monetary policies in the euro zone are collective. This calls for compromises between the member states (Chick & Dow, 2012).

The tradeoff these politicians face is between stimulating the economy and containing (in most cases reducing) government debt and deficit. The task is to find the right policy mix that stabilizes the government finances and at the same time find a way to economic recovery. Europe has taken a stand to prioritize on reducing government debt and deficit first, while a large group of Europeans wishes that their government would prioritize on boosting the economy (Goodhart, 2011).

These are difficult times for national politicians. Cabinets are on a mission to get their finances in order. Several governments have already fallen due to this task. Still, the citizens of member states that are confronted with these spending cuts feel the consequences. Many countries face high unemployment and increasing poverty among their population.

New elections and public debates revolve around the current economic situation, and therefore inevitably around the role of the European Union in this crisis. Every political party has taken a stand on what they think is the best way to get their country back on the path to growth. And to some parties, the answer lies in another direction than suggested by the EU. This makes the current crisis in the euro zone more than a pure economic problem. It is a political crisis so to speak, now the public opinion towards the EU and especially towards the involvement of the EU in national politics is changing.

The main question of my thesis is: **how has the public opinion towards the EU and the involvement of the EU in national politics of member states changed between 2008 and 2011?**

I will answer this question through the following sub questions:

- How has the public opinion towards the EU changed between 2008 and 2011?

- How has the economic situation of a country influenced the opinion in that country?

- What differences can be observed between the EU countries?

The crisis has affected the euro zone as a whole, but some states have been affected more than others. Therefore the policies proposed by the EU can have different effects in the member states. Also, the policies apply to all EU-members, that is, including countries that have not adopted the euro. This thesis will therefore focus on differences in attitudes between countries, which could be caused by economic factors or monetary alliance.

Data

Most of the data used in this study come from Eurobarometer surveys from 2008 until 2011[1]. These surveys are conducted by the European Commission since 1973. The main purpose of the surveys is to monitor the public opinion in the member states of the European Union. Data on individual characteristics and public opinion per country and per year are used from these studies. Data on the economic situation in the EU countries come from the OECD[2].

Time span

To see how the public opinion has changed during the crisis, this study focuses on the period between 2008 and 2011. The Eurobarometer is conducted twice per year; this provided information about seven moments during this time span (only the first survey from 2011 was available). Although the credit crisis started in 2008, the euro zone crisis started in 2010 with the problems in Greece. This time span therefore provides data from before and after this event. Table 1 shows the number of observations per period.

Countries

At this moment the EU consists of 27 member states. Some countries had relatively little observations, and were not included in the data from the OECD; therefore they are not included in this study. Table 2 shows the number of observations for the 21 remaining countries.

2 Observations per year

Year	Observations
May 2008	21489
Oct 2008	21415
May 2009	21559
Oct 2009	21532
May 2010	21413
Oct 2010	21543
May 2011	21484

1 Observations per country

Country	Observations
Austria	6964
Belgium	6852
Czech	7203
Denmark	7069
Estonia	7005
Finland	7043
France	7316
Germany	10658
Greece	7011
Hungary	7142
Ireland	6865
Italy	7604
Luxembourg	2398
Netherlands	7200
Poland	7272
Portugal	7611
Slowakia	7266
Slovenia	7054
Spain	6933
Sweden	7026
United Kingdom	8943

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[1] (European Commission, 2012)
[2] http://www.oecd.org/statistics/

Public opinion

The Eurobarometer is a very extensive survey. Since this study focuses on the public opinion towards the EU only a couple of questions are used. These questions can be divided in three categories:

- Membership EU. Whether the membership is a good thing and whether their country has benefited from the membership.
- General opinion EU. Whether the EU is going in the right direction, about the image of the EU and whether people are positive about the future of the EU.
- Division of political power. Whether decisions should be made by the national government or jointly with the EU and which institution is the best actor in crisis.

The complete questions as in the questionnaire are in Appendix A.

3 Descriptive statistics opinion indicators

| Question	Mean	Median	Minimum	Maximum	Std. Dev.	Observations
EU Membership	1,723	1	1	3	0,848	124703
Benefit Membership	1,348	1	1	2	0,476	135745
Direction EU	1,985	2	1	3	0,880	135702
Image EU	2,735	3	1	5	0,899	147856
Future EU	2,340	2	1	4	0,705	101462
Economic Policy	1,530	2	1	2	0,499	104270
Taxation Policy	1,307	1	1	2	0,461	104279

The membership of the EU is considered to be a good thing. During the time period the opinion is increasingly positive, especially in early 2010. This could indicate that people feel stronger because they can rely on the support of other member states. On average people feel that their country has benefited from their membership of the EU. This feeling grows until late 2009, and then drops until late 2010. This is a sign that more people feel that their country has not benefited from their membership. People start to be more positive again in 2011.

Membership opinion
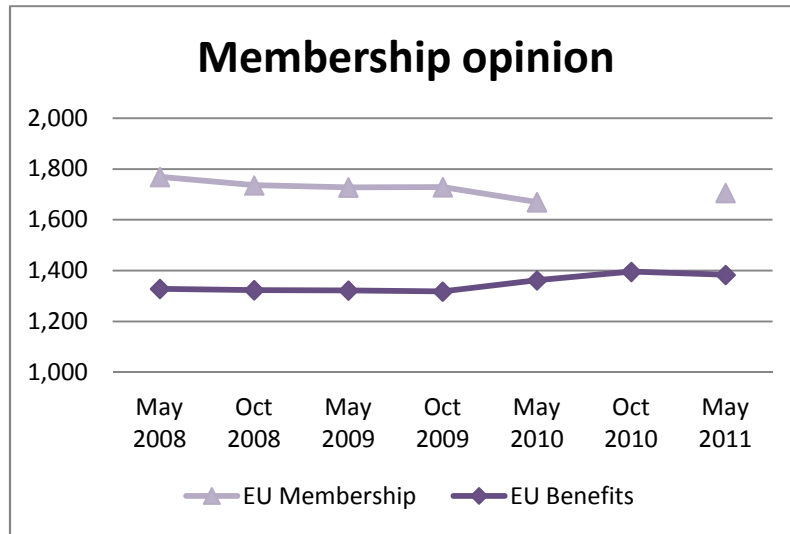
On average people are neutral on the direction they feel things are going in the EU. In 2008 and late 2009 people were more positive about the direction. But in early 2009, 2010 and 2011 people are leaning more towards the wrong direction answer. The image of the EU is on average neutral, leaning towards fairly positive. The opinion is changing towards less positive over time. On average citizens are fairly optimistic about the future of the EU. Over time this changes a little, from 2010 and on, people are less optimistic than before.
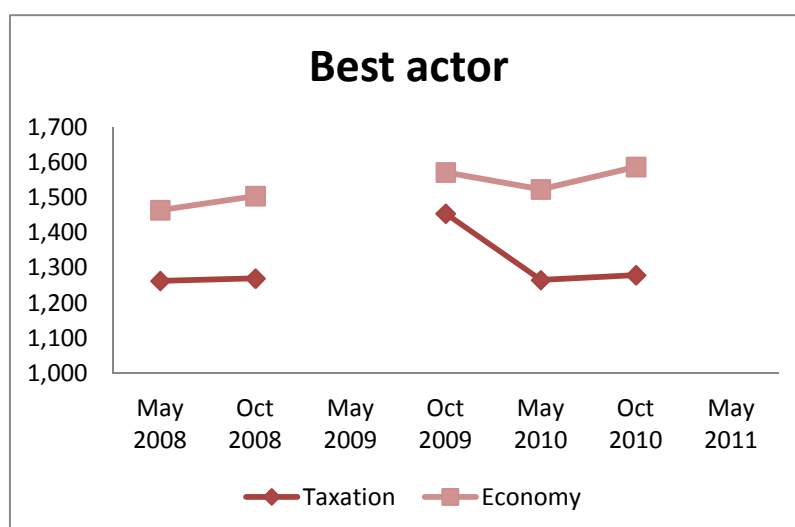
General EU opinion
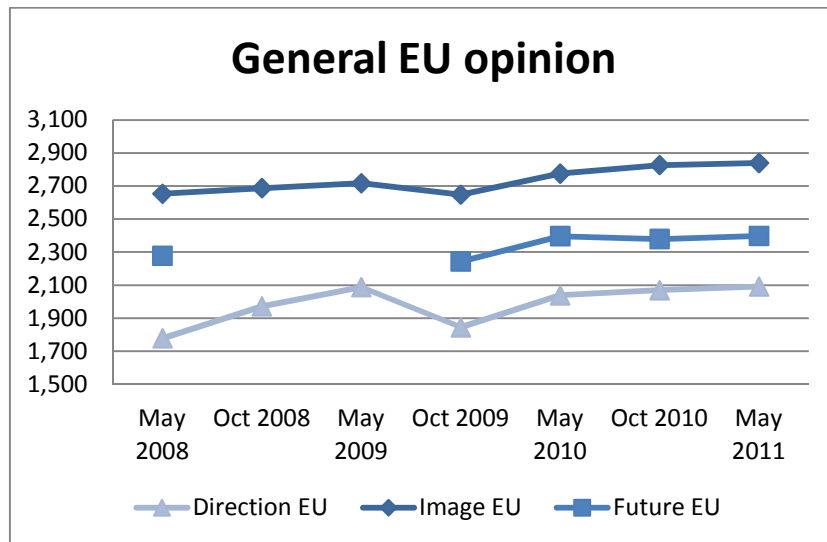
When we look at policy on taxation, on average people prefer their national government. Only in late 2009, there is a movement towards more in favor of the EU. With policies on the economy, people are indifferent but increasingly in favor of action jointly with the EU.

Best actor

General characteristics

Per observation some personal characteristics are used to account for general influences. These include political affiliation (left, center or right), age, years of full-time education, gender and occupation. Age is measured in four scales, the average lies between 40 and 54 years old. Education is measured in ten scales; the average is 17 years of full-time education. Occupation indicates whether a person has an occupation (1) or not (0). Also included is a variable about the satisfaction with life of the respondents. This will show how general individual unhappiness influences the attitude towards the EU. The average respondent is fairly satisfied.

4 Descriptive statistics individual data

Question	Mean	Median	Minimum	Maximum	Std. Dev.	Observations
Political affiliation	1.963	2	1	3	0.770	124783
Age	2.951	3	1	4	1.035	150435
Years of education	3.775	3	0	9	2.608	136592
Gender	0.539	1	0	1	0.498	150435
Occupation	0.492	0	0	1	0.500	150435
Life Satisfaction	2.018	2	1	4	0.761	149897

Economic indicators

The EU member states have very different economies. Consequently, the crisis has had different effects on the economies. Overall a negative trend is visible, but the extent of the change varies between the countries. By adding these variables to the regression analysis, we can find out whether the economic states have influenced the public opinion towards the EU. Also, this data is used to determine the economic state of the countries which is needed to compare the differences.

The economic indicators are GDP growth, unemployment rate, gross and net government debt (as percentage of GDP) and government deficit (as percentage of GDP). Countries that are doing well economically have a high GDP growth, and a low unemployment rate, debt and deficit.

5 Descriptive statistics economic indicators

		2008	2009	2010	2011
GDP Growth	*Average*	3,44	-4,03	3,17	3,35
	Minimum	-5,23	-15,12	-2,87	-5,39
	Maximum	8,78	5,34	7,69	11,66
	Difference	14,01	20,45	10,55	17,05
Unemployment rate	*Average*	6,40	8,79	9,76	9,80
	Minimum	3,04	3,74	4,40	4,21
	Maximum	11,40	18,12	20,18	21,77
	Difference	8,36	14,38	15,79	17,56
Gross financial debt	*Average*	58,58	67,96	73,62	78,11
	Minimum	8,47	12,70	12,50	10,03
	Maximum	118,67	134,02	149,62	170,01
	Difference	110,20	121,33	137,12	159,97
Net financial debt	*Average*	21,21	25,89	30,58	35,75
	Minimum	-52,19	-62,80	-65,05	-52,58
	Maximum	91,01	100,71	114,61	134,63
	Difference	143,20	163,51	179,67	187,21
Government deficit	*Average*	-1,99	-6,40	-6,53	-3,90
	Minimum	-9,93	-15,56	-31,16	-13,02
	Maximum	4,25	-0,81	0,26	4,17
	Difference	14,18	14,75	31,42	17,19

From the table it is clear that the average GDP growth took a great hit in 2009, but is recovering in the years after that. The unemployment rate and the government debt however, are rising since 2008. The average government deficit is also increasing since 2008 but shows a lower average in 2011. For all economic factors, the minimum and maximum values are far apart, indicating large differences between the member states. For instance, in 2009 the GDP growth was on average the lowest with - 3,9% but even in this year some countries showed a positive growth rate. The same can be said for the unemployment rate. On average the rate goes up, but the difference between the minimum and maximum values is also increasing. The effect of the crisis on unemployment is in some countries larger than in others. The table also shows that the differences between the maximum and minimum values are larger in 2011 than they were in 2008; the countries drift apart.

Methodology

The method of research is regression analysis. For each public opinion indicator the following individual level equation is estimated,

$$Public\ opinion_i = \alpha + year_i\beta + country_i\gamma + X_i\delta + ECO_{ct}\rho + \varepsilon$$

where year and country are dummies, X are the individual level control variables and ECO are the economic indicators. The year dummy will identify the time trend in the opinion. The country dummy will show the predisposition towards the EU in a specific country. By also adding the economic factors, the effect of the crisis will be separated from the country effect.

Besides the individual level estimation with fixed effects, a cross country regression will be estimated. This will show the general relation between the public opinion and the explanatory variables. For this the average response per country will be used, leaving 21 observations.

Finally, the regression will be estimated at a country level for six countries. These results are used to see if there a fundamental differences between the opinions in several countries and to determine where these differences come from.

At the start of the observation period, spring 2008, the world is mostly concerned with the credit crisis. At this point not only Europe, but also the United States, Japan and China are dealing with severe losses in the banking sector and falling housing prices. An expected recession is not limited to Europe, it is worldwide (Wyplosz, 2010). Therefore the opinion towards the EU need not be severely influenced by this. If there is an influence, it could be that Europeans are more in favor of the EU, if they feel that overcoming the recession is easier when countries work together in an economic union. Especially countries within the euro zone may have a stronger feeling, stemming from a stable currency. The observations from spring 2008 are considered the reference group. After this, the changes in opinion resulting from the credit crisis are visible in late 2008 and 2009. An interesting point in this time period is the year 2010. In this year the consequences of the credit crisis transform into the European sovereign-debt crisis. From this moment on, the EU countries are confronted with the difficulties involved with a monetary union (Chick & Dow, 2012). This commitment can either be positive or negative for different countries, which is expected to have an influence on the public opinion towards the EU.

In measuring the opinion of the EU countries, a difference has to be made between countries that have adopted the Euro and countries that have kept their own currency. For countries within the euro zone, additional aspects have to be considered. The introduction of the euro opened up the financial market in Europe, lowering transaction costs and converging interest rates between countries. The southern

European countries have benefited from the strong economies of the northern states, boosting their economy. Therefore the expectation is that southern countries are more positive towards the euro and the EU (Sinn, 2010). For the countries outside the euro zone, the expectation is that they are less positive because they value their sovereignty. In general it is to be expected that the more a country has benefited from the European Union, the more positive it will be.

With the time trend and the country specific predisposition, we have identified the basic variations in the public opinion. The economic indicators vary across time and between countries, this gives us information about the influence of the economic state in a country on the public opinion. For this evaluation we make a distinction between 'good' and 'bad' states. The good states perform above average, with a higher GDP growth rate and a lower unemployment rate, debt to GDP rate and deficit to GDP rate. The bad states have a harder time recovering from the economic crisis, and some of them are in need of financial support from the other states. With this in mind, the opinion towards the EU is expected to be more positive in the bad performing countries compared to the good performing countries. The fact that the good states are doing better economically does not mean that they have fully overcome the crisis.

The individual characteristics serve as control variables to account for the effects other than time, country and economic factors.

Results

The results from the regression estimations are shown in tables B1 to B10 in Appendix B. Because of the low observation account of the cross country regression, a significance problem is showing. These estimations will serve as a base line, from which we will investigate the relations further.

General attitude

In table B1 we see that generally life satisfaction negatively influences the opinion; less satisfied in life means a less positive attitude towards the EU. This is not surprising; various issues could influence life satisfaction, some of which could be caused by the EU, like economic welfare or the support of a financial rescue operation. Table B2, for the individual level regressions, show the same result.

When a country experiences growth in GDP, the citizens on average are more positive. This suggests that people are in favor of the EU when their economy is doing well. Since these are average numbers, this holds for countries that have done well during this time period. A possible explanation for this is that the economic growth in a country is caused by the EU, but without further information we cannot be certain. Table B2 confirms the positive sign.

The unemployment rate shows a positive sign in the cross country regressions, but a negative sign in the individual level regressions. There is no good explanation for why this contradicting result exists, except for the fact that the cross country models are not significant. Also, the effect caused by the economic factors and country predisposition is separated in table B2, while in table B1 this is all captured by the economic indicators. It is more logical that when economic prosperity increases the opinion towards the EU, economic downfall should create a more negative image. This is what can be seen in the debt to GDP ratio variable; in table B1 a negative sign is visible. This indicates that a higher debt to GDP ratio leads to less optimism in a country. One way of dealing with a public sector debt is to inflate the debt away, but with a monetary union is this no longer an option. The possibilities for the countries that are in economic trouble are limited by the EU, which could explain the negative opinion. The coefficients for the debt variable are larger in table B2, implying a stronger relation.

The average deficit to GDP ratio has only two observations with a number above zero, while in the complete sample there a more observations with a surplus instead of a deficit. In the cross country regressions this means that the higher a country's average deficit, the more negative about the EU. The countries with a surplus are more positive. This result does not correspond with the results in table B2. Here, the individuals are less positive when their country has a surplus. This difference can be explained in the same way as the difference in the unemployment rate; no separation between country and economic effects. We will examine this more carefully in the country specific regressions.

The political affiliation variable gives different results for the models. Right wing countries are more negative on membership, image and benefits, but more positive on the future and the direction. This is rather contradicting, but might indicate that these countries want change. Rightwing countries are less satisfied with their membership, their image is less positive and they feel less benefited by the EU. But on the other hand, they do have more positive ideas about the future and the direction things are headed now. This reasoning fades when we look at the individual level data in table B2. Here, it is clear that rightwing citizens are more positive on every question.

On average older people tend to be less positive in both country and individual level regressions, except for the membership model. The opposite is true for people with more education, they are more positive. The variables gender and occupation show negativity in the cross country regression, but these are not very reliable since they only indicate the percentage women and employed among the respondents. In table B2 we can see the effect of these variables; women and unemployed people tend to be less positive about the EU.

Table B2 also gives the results for the time and country fixed effects. The reference group that is captured by the constant term is unemployed German men in May 2008.

What is unexpected is that over time, people are more positive when it comes to their country's membership of the EU. This effect is even larger from 2010 on, indicating that in general even with the sovereign debt crisis, Europeans are in favor of being a member of the EU. The image and future of the EU show a peak in optimism end 2009/early 2010. At this time the credit crisis had peaked, but the euro crisis was yet to come. The end of 2009 could be seen as the silence before the storm, though the general opinion in 2010 and 2011 is more positive than in 2008. People also feel that their country has benefited from being in the European Union. This feeling increases over time. The one thing the respondents are decreasingly positive about is the general direction of the EU. The question clearly states to give their opinion about the present time. This might indicate that people feel that at that moment the situation is not too best, but they do have confidence in the future. Except for the general direction, the expected decline in optimism is not showing in the results. For every question the opinion is different before and after 2010, in general the optimism (or pessimism) is larger after 2010.

Looking at the coefficients for the different countries we see positive and negative signs. Citizens from Finland en the United Kingdom seem to be the most negative about the EU. One explanation is that these countries value their sovereignty, and are therefore less in favor of the union. Countries that are most in favor of the EU are the southern countries. There is no clear distinction between countries that have adopted the euro and countries that have not. Both show positive and negative coefficients. There does seem to be a difference between northern and southern countries. Southern countries have initially benefited from the stronger economies of the northern countries when forming the EU, this

could explain their positive predisposition. Because these coefficients all show the opinion compared to the German respondents, it is useful to further investigate a couple of countries separately.

For the country level regressions we take a closer look at the relations in Germany, the Netherlands, the United Kingdom, Sweden, Greece and Italy in tables B4 t/m B8. This collection includes northern, southern and non-euro countries for a good representation of the whole sample. Table B2 shows that these countries lay across the spectrum, some more positive and some more negative compared to Germany. Because the economic indicators are the same for every respondent in these models, they are not includes. The time trend includes the changes in the economic situation, as could as well be said about the life satisfaction.

Life satisfaction plays a bigger role in Germany, Italy and Greece than in the whole sample. This means that for instance Germans, find that their life is more influenced by the EU. When they are not happy with their lives, this reflects on their opinion towards the EU. With the other three countries, this influence is smaller.

The political affiliation sign shows some interesting differences among the countries. Instead of a positive influence, begin more rightwing causes a more negative influence in Germany, the Netherlands, the UK and Italy. In Sweden and Greece the coefficient for the rightwing citizens is much larger compared to the complete sample, indicating that leftwing citizens are less positive about the EU.

The gender coefficients shows very similar results among the countries compared to the whole sample. The answers to the various questions do change with age. In the whole sample, the age effect was mostly negative. This effect is larger in most of the specific countries in these regressions. In Germany a change is visible in the future and image models; younger citizens are less positive. In the other countries the coefficients are larger than in the whole sample, suggesting that age plays a bigger role in opinion. Only in the UK this is not the case, here the effect is smaller. The effect of education on the opinion is more or less the same as in the whole sample; it is only larger in the Netherland and smaller in Greece. Employed citizens do show a different effect; in Germany and the Netherlands the influence is smaller and in Sweden being employed even has a negative effect on the opinion.

The most interesting part of these regressions is the observed time trend. When it comes to membership, the model for the UK shows that over time the respondents are less positive. This is the opposite of what we saw in the complete sample. In Greece the citizens are extremely positive towards their membership in the end of 2009 and the beginning of 2010. The coefficients for the Netherlands and Germany in the direction model are significantly larger in early 2010 and 2011. This indicates that these countries were, at that time, not content with the direction the EU was headed. Italy and Sweden show the same thing in the benefits model. From 2010 on, these respondents feel that their country has

benefited more than in 2008. In most of the models, the Dutch are more positive than the whole sample. When we look at the models for image and future, the same can be said for Sweden. The negativity in these countries did not develop over time, but can be found in the previously discussed personal characteristics. The years 2010 and 2011 show some interesting changes in Germany and Greece, when it comes to the image and future models; the citizens become more negative. Especially in Greece the coefficients are larger than in the whole sample.

Preferred policymakers

The right side of table B1 shows the estimation of the opinion towards who is preferred in implementing policies on taxation and economy; the national government alone, or jointly with the EU. This model estimates the probability that a person favors policies to be made jointly with the EU.

The intercept shows that the reference group is more in favor of coordinated action when it comes to the economy than taxation. Countries that are on average less satisfied with life, are more in favor of coordinated action on taxation, the opposite is true for economic policies. This could stem from a feeling that the national government is more capable of changing the situation for the better than the EU could. When we take a look at the individual level regressions in table B3, the coefficient signs for life satisfaction are both negative. This corresponds with our expectations earlier; people tend to have more confidence in their national government to change their situation for the better.

All of the economic indicators show a positive attitude towards coordinated action when it comes to taxation policies. This is very contradicting; countries that on average have a high GDP growth are positive but countries that on average have high unemployment, debt and deficit are too. GDP growth and unemployment seem to have a negative effect on coordinated action in economic policies. The coefficients for these variables are very low, and the individual level regressions give a more logical view. When it comes to taxation, only the unemployment rate results in a preference to coordinated action. This indicates that fiscal policies in general are preferred to be implemented by the national government. For economic policies a higher unemployment rate and a higher GDP growth lead to a preference for EU action. An explanation for this is that economies in the EU are intertwined, which makes coordinated action more logical. A country's debt or deficit is always the responsibility of the country itself, and therefore it is logical that people favor national action. Reasoning the other way around, this might say that countries with a high debt want less involvement of the EU, pointing at the strict rules from the Maastricht Treaty.

The next section shows that rightwing countries are more in favor of national action, as are countries with on average older respondents on both policy fields. These results are confirmed by the individual level models, thought the coefficients in those are a lot lower. More education and a job, leads in both

regression models to a preference for more coordinated action. Women tend to lean towards more national action.

The time trend for taxation policy shows that at until the end of 2009 people prefer coordinated action, but since 2010 the preference changes towards less EU involvement. With regards to the economic policy the opinion tends to more EU involvement over time. This difference could be explained by the euro crisis. Because of the crisis, people are more hesitant to give more power to the EU, but the European economy cannot be dealt with individually.

Comparing the opinion in different countries, the same as before can be seen. Belgians, Italians, Portuguese and Greek people are more in favor of EU involvement than Germans, and all the other countries are less in favor of the involvement.

We now take a closer look at the differences between countries in tables B9 and B10. The country that is least in favor of coordinated taxation action is Sweden, as a non euro country this is not surprising. The time trend shows that for Italy and Greece, the preference for coordinated action is increasing. While all the other countries are more in favor of national action from 2010 on, the southern countries are not. Adding to that is that for these countries the coefficient for education is also higher, showing an even stronger preference. Every one of the specific countries is still in favor of coordinated action when it comes to economic policies. The coefficients for Germany are a little lower than the whole sample, where the numbers for the UK and Greece are higher. The UK and Sweden have an exceptionally high preference in October 2010. This suggests that even the non euro countries are confronted with the recession and want to work together with the EU to resolve this. In Sweden and Greece the rightwing citizens are more in favor of coordinated action.

Conclusion

To answer the main question of this thesis, I will first answer the sub questions.

The regressions analysis showed that over time the public opinion has changed, but not in the direction that was expected. Instead of a more negative view on the EU, a more positive view is visible. The member states of the EU showed confidence when they were confronted with the credit crisis. When the debt crisis started in 2010, many countries were still positive about their membership, and were optimistic about the future and the image of the EU. There is a difference visible between the opinion towards who is the best actor on taxation and economic policies. In general people feel more comfortable when their national government takes the decisions when it comes to taxation. With respect to the economic policy, people are more in favor of coordinated action with the EU. This is probably because the economies of the various countries are very dependent on each other, and the economic recession in Europe is seen as a collective problem.

The economic situation in a country does change the opinion towards the EU. In general, countries with a high GDP growth are more positive about the EU. States with a high debt or deficit ratio have a more negative attitude. This was partially expected, since the monetary union prevents these countries to take the measures they would normally take when dealing with high debt or deficit. The rules set by the Maastricht Treaty play a large role in this.

There are significant differences between the opinions in the various member states. For starters, the non euro countries are on average more negative. This is not unexpected, since most of all they value their sovereignty, but they do feel the consequences of an unstable euro. The southern countries are most positive of all. The reason for this lies in the benefits they received from the forming of the EU. Leaning on the strong economies of the northern states, their own economy grew fast and interest rates were lower than ever. The northern countries have a positive attitude towards the EU, and this has not been severely affected by the euro crisis.

There is no straight answer to the main question, "how has the public opinion towards the EU and the involvement of the EU in national politics of member states changed between 2008 and 2011?". In general it can be said that people have gotten more positive, but this is not true for all European countries. And the individual characteristics have also showed that within countries the opinion varies. This is however beyond the scope of this thesis, but it would be interesting to see how the upcoming of rightwing political parties influence the average opinion in European countries.

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Appendix A

Generally speaking, do you think that your country's membership of the European Union is...?
1. A good thing
2. Neither good nor bad
3. A bad thing

Taking everything into account, would you say that your country has on balance benefited or not from being a member of the European Union?
1. Benefited
2. Not benefited

At the present time, would you say that, in general, things are going in the right direction or in the wrong direction, in the European Union?
1. Things are going in the right direction
2. Neither the one or the other
3. Things are going in the wrong direction

In general, does the European Union conjure up for you a very positive, fairly positive, neutral, fairly negative or very negative image?
1. Very positive
2. Fairly positive
3. Neutral
4. Fairly negative
5. Very negative

Would you say that you are very optimistic, fairly optimistic, fairly pessimistic or very pessimistic about the future of the European Union?
1. Very optimistic
2. Fairly optimistic
3. Fairly pessimistic
4. Very pessimistic

Do you think that decisions on taxation should be made by the national government, or made jointly within the European Union?
1. National government
2. Jointly with the EU

Do you think that decisions on the economy should be made by the national government, or made jointly within the European Union?
1. National government
2. Jointly with the EU

Appendix B

Variable	General attitude models					Policy models	
	Membership	**Image**	**Future**	**Direction**	**Benefits**	**Taxation**	**Economy**
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Constant	-5,1248*	-2,5959	-2,0098	-0,9835	-4,7026**	2,0751*	3,9119**
Life Satisfaction	0,3397	0,0108	0,3693**	-0,1931	0,0356	0,1462*	-0,0283
GDP Growth	-0,0033	0,0095	-0,0046	-0,0172	-0,0067	0,0032	-0,0059
Unemployment rate	-0,0203	-0,0132	-0,0223**	-0,0083	-0,0087	0,0016	-0,0015
Net Debt	0,0006	0,0002	-0,0001	0,0021	0,0017*	0,0001	0,0011
Deficit	-0,0069	-0,009	-0,0124	-0,0034	0,0072	0,0014	0,0194*
Left right placement	0,1498	0,3689	-0,261	-0,1684	0,0786	-0,1767	-0,3054
Age	1,4875*	1,5748**	1,2441**	1,1924*	1,3814**	-0,5171*	-0,9318**
Education	-0,1287	-0,2383**	-0,0756	-0,1556	-0,1708**	0,0262	0,054
Gender	2,665	0,1513	0,9183	0,8129	1,8868	-0,2905	0,4378
Occupation	1,3188*	1,6345**	0,7588*	0,6829	0,9018**	-0,2975	-0,6639*

significant at 20% level

** significant at 10% level

	General attitude models				
Variable	EU Membership	Image EU	Future EU	EU Direction	EU Benefits
Constant					-0,7367
Life satisfaction	0,2519	0,2919	0,3289	0,2463	0,2962
Oct 2008	-0,0448	0,0372		0,2549	-0,0289*
May 2009	-0,1019	-0,0337*		0,3578	-0,1517
Oct 2009	-0,0786	-0,1003	-0,1278	0,0452	-0,1239
May 2010	-0,3882	-0,1141	-0,0299**	0,2376	-0,2827
Oct 2010		-0,0373	-0,0522	0,2769	-0,1921
May 2011	-0,3502	-0,0507	-0,0612	0,3113	-0,2441
GDP Growth	0,0004**	-0,008	-0,0069	-0,0085	-0,0066
Unemployment rate	0,0017**	0,0105	0,0124	-0,0031**	0,0171
Net debt/10	0,0045	0,0053	0,0061	0,0004**	0,0055
Deficit	-0,0016**	0,0028*	0,0068	0,0022**	0,0011**
Left right placement	-0,0407	-0,0436	-0,042	-0,0553	-0,0281
Gender	0,1665	0,102	0,0804	0,0739	0,1564
Age	-0,0198	0,003**	0,0237	0,0112	0,0031**
Education	-0,0795	-0,0614	-0,0551	-0,0416	-0,0891
Occupation	-0,04	-0,0332	-0,0512	0,0074**	-0,0673
Estonia	0,3758	0,2109	0,1927	-0,6243	-0,3511
Finland	0,9365	0,9985	0,8748	0,434	0,8075
Luxembourg	0,2148	0,5396	0,6291	0,2369	0,1424*
Sweden	0,5998	0,7043	0,5455	0,1099	0,6333
Austria	0,4524	0,3944	0,2635	0,1763	0,3656
Czech	0,6946	0,4065	0,4187	-0,1541	0,168
Denmark	0,4262	0,591	0,2301	0,3418	0,0659**
Netherlands	-0,149	0,3187	0,2149	0,1063	-0,1026
Poland	0,0205**	-0,1686	-0,2531	-0,4665	-0,6415
Slowakia	0,1003	-0,1382	-0,0854*	-0,3672	-0,6523
Slovenia	0,406	-0,017**	0,2275	-0,2912	0,0005**
Belgium	-0,1873	-0,2163	-0,2081	0,0881	-0,3604
France	0,1868	-0,0033**	0,1976	0,3693	0,0158**
Hungary	0,2921	-0,1638	-0,1077	-0,249	0,0796
Italy	-0,0811	-0,6654	-0,5713	0,0477**	-0,2927
United Kingdom	0,5741	0,6937	0,4376	0,4657	0,5534
Portugal	-0,2138	-0,4737	-0,2202	-0,2348	-0,6612
Greece	-0,1442	-0,4912	-0,3571	-0,0122**	-0,8143
Ireland	-0,3109	-0,3952	-0,3536	0,0405**	-0,942
Spain	-0,2478	-0,334	-0,3851	0,0187**	-0,5504

* significant at 10% level

** not significant

B 3 Individual level regressions with time and country fixed effects 2

Variable	Policy models	
	Taxation	*Economy*
Constant	-0,2099	0,5297
Life satisfaction	-0,0339	-0,1066
Oct 2008	0,0186**	0,1664
May 2009		
Oct 2009	0,345	0,3652
May 2010	-0,0449	0,255
Oct 2010	-0,0004**	0,551
May 2011		
GDP Growth	-0,0127	0,0114
Unemployment rate	0,031	0,0363
Net debt/10	-0,0068	-0,0086
Deficit	-0,0176	-0,0296
Left right placement	-0,0093**	-0,0204
Gender	-0,0929	-0,0926
Age	-0,053	-0,0793
Education	0,0221	0,0539
Occupation	0,0112**	0,0593
Estonia	-0,802	-0,8816
Finland	-1,4359	-2,3088
Luxembourg	-1,0663	-0,6814
Sweden	-0,9104	-1,7916
Austria	-0,1937	-0,2117
Czech	-0,389	-0,984
Denmark	-1,0074	-1,3982
Netherlands	-0,3492	0,0684**
Poland	-0,0742**	-0,648
Slowakia	-0,2944	-0,4592
Slovenia	-0,2366	-0,7973
Belgium	0,189	0,5998
France	-0,2548	-0,2479
Hungary	0,0044**	-0,3155
Italy	0,5511	0,6116
United Kingdom	-0,6089	-1,4059
Portugal	0,4103	0,2719
Greece	0,2301	-0,0811**
Ireland	-0,6797	-1,1312
Spain	-0,2844	-0,5977

* significant at 10% level

** not significant

B 4 Individual level regressions per country 1

Membership Model	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Life Satisfaction	0,3025	0,2238	0,1108	0,16	0,2834	0,2977
Oct 2008	-0,1087	-0,2523	0,0332**	-0,06**	0,0673**	0,0406**
May 2009	-0,0709**	-0,1264	0,0945*	-0,0417**	-0,0694**	-0,0574**
Oct 2009	-0,0249**	-0,0482**	0,1423	-0,0102**	-0,0048**	-0,4479
May 2010	-0,1208	-0,3705	0,0079**	-0,2757	-0,4932	-0,5005
May 2011	-0,2376	-0,2993	0,0145**	-0,3658	-0,306	-0,1895
Left right placement	0,0836	0,1218	0,1848	-0,3291	0,0899	-0,1794
Gender	0,1377	0,1689	0,2374	0,253	0,0629**	0,1465
Age	-0,0403	-0,1515	-0,0004**	-0,0528	-0,0935	-0,0965
Education	-0,0898	-0,1083	-0,0845	-0,065	-0,0843	-0,0574
Occupation	-0,013**	0,0307**	-0,0361**	0,0022**	-0,1295	-0,0309**
Limit Points						
Limit 2: Neutral	0,5143	-0,35	-0,0858**	-0,7526	0,0432**	-0,2594*
Limit 3: Bad Thing	1,0053	0,3088	0,8745	-0,1246**	0,6651	0,2417*

significant at 10% level

** not significant

B 5 Individual level regressions per country 2

Image Model	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Life Satisfaction	0,3382	0,2088	0,1553	0,1673	0,376	0,338
Oct 2008	-0,017**	-0,245	0,0337**	-0,1211	0,164	0,0734**
May 2009	-0,0268**	0,0095**	0,2529	0,0208**	0,1276	-0,012**
Oct 2009	-0,0698*	-0,2035	0,1244	-0,0985*	0,0804**	-0,1895
May 2010	0,1303	-0,1991	-0,0306**	-0,2502	-0,0374**	0,0375**
Oct 2010	0,0881	-0,1511	0,0592**	-0,1987	-0,0165**	0,3651
May 2011	0,0785*	-0,0933*	-0,0482**	-0,2162	0,052**	0,4451
Left right placement	0,0405	0,1129	0,2299	-0,3143	0,0238**	-0,2423
Gender	0,0516	0,1823	0,0671	0,1967	0,0384**	0,0912
Age	-0,0199**	-0,0682	0,118	-0,049	-0,0451	-0,0901
Education	-0,0673	-0,0664	-0,0981	-0,0687	-0,0609	-0,0468
Occupation	-0,0104**	0,0787	-0,0469**	0,0256**	-0,1308	-0,033**
Limit Points						
Limit 2: Fairly positive	0,5143	-0,35	-0,0858**	-0,7526	0,0432**	-0,2594*
Limit 3: Neutral	0,2814	-0,6114	0,1266**	-1,197	0,7072	-0,0818**
Limit 4: Fairly negative	1,4526	0,7221	1,1526	-0,0781**	1,7563	0,9698
Limit 5: Very negative	2,4836	1,9943	1,9859	0,9976	2,7861	1,838

significant at 10% level

** not significant

B 6 Individual level regressions per country 3

Future Model	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Life satisfaction	0,3465	0,2335	0,2002	0,1757	0,3863	0,3939
Oct 2009	-0,0473**	-0,211	0,0837**	-0,2023	0,054**	-0,2314
May 2010	0,3117	-0,1195*	-0,0547**	-0,0679**	0,073**	0,1677
Oct 2010	0,0607**	-0,2178	0,0265**	-0,1192*	-0,0212**	0,3038
May 2011	0,1525	-0,0186**	0,0158**	-0,222	0,115**	0,3774
Left right placement	0,0352*	0,1193	0,1674	-0,2131	-0,0463*	-0,1475
Gender	0,0958	0,1339	0,0957	0,1616	0,0814	0,0434**
Age	-0,0128**	-0,0812	0,0816	-0,0121**	-0,0131**	-0,0256**
Education	-0,0541	-0,0787	-0,0818	-0,0469	-0,0476	-0,0552
Occupation	-0,076	-0,0683**	-0,0237**	-0,0147**	-0,1706	0,0329**
Limit Points						
Limit 2: Fairly optimistic	-0,953	-1,6793	-0,8973	-2,0596	-0,8035	-1,047
Limit 3: Fairly pessimistic	1,0308	0,2361**	0,8059	0,0592**	1,1752	0,7735
Limit 4: very pessimistic	2,3153	1,5832	1,8948	1,252	2,3636	2,0019

* significant at 10% level

** not significant

B 7 Individual level regressions per country 4

Direction Model	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Life satisfaction	0,29	0,1951	0,1839	0,2015	0,3315	0,2875
Oct 2008	0,0331**	-0,0509**	0,3551	0,0889**	0,2104	0,2313
May 2009	0,1246	0,3192	0,5741	0,2787	0,2933	0,4487
Oct 2009	-0,1457	-0,0766**	0,0949**	-0,0449**	-0,0717**	0,0305**
May 2010	0,4048	0,308	0,091**	0,1534	-0,0711**	0,1884
Oct 2010	0,1885	0,2079	0,3403	0,2641	-0,0064**	0,5927
May 2011	0,4116	0,4534	0,1936	0,2997	0,0668**	0,5631
Left right placement	-0,0291**	0,1088	0,1217	-0,2646	-0,0815	-0,1666
Gender	0,0056**	0,1293	0,1067	0,1312	0,0419**	0,1035
Age	0,0019**	-0,0761	0,0977	-0,0371*	-0,0422*	-0,0378*
Education	-0,0417	-0,0522	-0,0666	-0,0412	-0,0526	-0,0156*
Occupation	0,0499*	-0,0235**	-0,013**	0,0437**	-0,1403	-0,0092**
Limit Points						
Limit 2: Neutral	0,2077	0,0578**	0,3853	-0,4124	-0,2497*	0,1607**
Limit 3: Wrong direction	0,9004	0,3797	0,7457	-0,0206**	0,5201	0,7399

* significant at 10% level

** not significant

B 8 Individual level regressions per country 5

Benefits Model	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Constant	-0,8555	-0,2521**	-0,4219	0,5343	-0,4106	-0,4525
Life satisfaction	0,3484	0,246	0,1814	0,1797	0,4184	0,3151
Oct 2008	0,0405**	-0,2176	-0,043**	-0,1119*	-0,077**	0,0677**
May 2009	0,0273**	-0,2779	0,0804**	-0,1241*	-0,0606**	0,0198**
Oct 2009	-0,028**	-0,1731	0,1415	-0,1096*	-0,1416*	0,105**
May 2010	0,1028*	-0,3996	-0,2144	-0,4171	-0,4831	-0,0422**
Oct 2010	-0,0385**	-0,403	-0,0121**	-0,4393	-0,2557	0,203
May 2011	0,036**	-0,3496	-0,205	-0,4582	-0,2299	0,4308
Left right placement	0,0785	0,1933	0,2212	-0,3264	0,0613	-0,1987
Gender	0,134	0,18	0,2163	0,2499	0,1086	0,1007
Age	0,0118**	-0,145	0,0993	0,0241**	-0,0927	-0,102
Education	-0,098	-0,1222	-0,1362	-0,0804	-0,0972	-0,0796
Occupation	0,0285**	-0,0601**	-0,034**	0,0523**	-0,1461	-0,0459**

significant at 10% level

** *not significant*

B 9 Individual level regressions per country 6

Taxation Policy	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Constant	-0,5073	-0,4866	-0,1035**	-1,4213	-0,4754	-0,4233
Life satisfaction	-0,0093**	-0,0499**	0,0213**	-0,0009**	0,0541**	-0,1587
Oct 2008	0,0884*	-0,0868**	-0,0489**	-0,1909	0,1461	0,2053
Oct 2009	0,3563	0,3571	0,3752	0,828	0,4656	0,8262
May 2010	-0,0252**	-0,2065	-0,1288*	-0,2191	0,1963	0,4353
Oct 2010	-0,0044**	-0,1572	0,0043**	-0,1733	0,1465*	0,2608
Left right placement	-0,0369**	-0,0183**	-0,1519	0,1273	-0,0162**	0,0451**
Gender	-0,0976	-0,1375	-0,1022	-0,1705	0,0079**	-0,1069
Age	0,0137**	-0,0219**	-0,1834	0,0245**	-0,0289**	-0,018**
Education	0,019	-0,0069**	0,0199*	0,0153**	0,0302	0,0429
Occupation	0,0366**	0,0864*	-0,1126	0,1342	0,0136**	0,0181**

significant at 10% level

** *not significant*

Economic Policy	Germany	Netherlands	UK	Sweden	Italy	Greece
Variable	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient
Constant	0,3054	-0,0637**	-0,0936**	-0,7668	0,0397**	0,0253**
Life satisfaction	-0,073	-0,0347**	-0,0221**	-0,0298**	-0,0113**	-0,162
Oct 2008	0,1398	0,2155	0,2416	0,0705**	0,1154**	0,0021**
Oct 2009	0,3158	0,4193	0,3361	0,2375	0,2414	0,5068
May 2010	0,2222	0,2341	0,2602	0,1248**	0,3642	0,2587
Oct 2010	0,1411	0,3231	0,5773	0,556	0,2706	0,3718
Left right placement	-0,0722	-0,0559	-0,1462	0,12	-0,0365**	0,084
Gender	0,0307**	-0,064**	-0,0077**	-0,164	-0,0206**	-0,0561**
Age	-0,0069**	0,0967	-0,1816	-0,063	0,0357**	-0,0091**
Education	0,0175	0,0237	0,0564	0,0377	0,0283	0,0272
Occupation	0,0255**	-0,0189**	0,0637**	0,0193**	0,1134	0,1209

significant at 10% level

*** not significant*