

# Sharing the risk? Households, labor market vulnerability and social policy preferences in Western Europe

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## 1 Introduction

Explaining social policy preferences has become a key topic in comparative politics. While for a long time, the study of welfare politics had been focused on power relations, institutions, and structural factors, recent contributions have forcefully argued that micro-level preferences matter for explaining both politics and policies (e.g. Cusack et al. 2006; Iversen and Soskice 2001; Manza and Brooks 2007; Rehm et al. 2012).

Over the last decades, advanced capitalist democracies have been experiencing fundamental structural changes in their labor markets. De-industrialization, tertiarization and labor market deregulation have profoundly altered the structure and distribution of labor market vulnerability, as the risks of unemployment and atypical employment have increasingly become concentrated among particular social groups (e.g. Esping-Andersen 1999a; Bernardi and Garrido 2008; Eichhorst and Marx 2012; Oesch 2006; Ranci 2010).

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It is thus not surprising that the impact of labor market transformation on social policy preferences of specific risk groups has become one of the most prominent questions in this field's literature. Research in this literature asks to what extent inequalities in the distribution of labor market risk shape political preferences – and political conflict – by opposing different segments of the workforce against each other (e.g. Fernandez-Albertos and Manzano 2014; Gingrich and Ansell 2012; Häusermann 2010; Margalit 2013; Mughan 2009; Rehm 2009; 2011b; Walter 2010; forthcoming; Dancygier and Walter forthcoming).

Most specifically, this question has been taken up by the literature on dualization and insider-outsider divides, which examines how labor markets are divided between, on the one hand, workers in relatively secure, stable employment and, on the other hand, workers in unstable, flexible or marginal employment (e.g. Emmenegger et al. 2012; Rueda 2005; Rueda 2007). If mobilized and politicized, such a structural divide based on labor market vulnerability has the potential to cut across existing distributive conflict lines, hence its relevance for comparative politics. However, a necessary (though by far not sufficient) pre-condition for politicization is that people with different degrees of labor market vulnerability actually differ in their political preferences. Many recent studies have established evidence for exactly such differences (e.g. Burgoon and Dekker 2010; Häusermann and Schwander 2011; Marx and Picot 2013; Rueda 2005; Häusermann et al. 2014). However, many contributions raise a key question: as the divide between insiders and outsiders might 'run right through the middle of households' (Pierson 2001: 448), people's orientation towards the welfare of the household – rather than being orientated only in their individual interests – might mitigate or even obliterate such preference divides. In other words, living with a partner who enjoys stable employment and thus provides an economic "safety net" to the more vulnerably partner may erase the effect of labor market risk on preferences. Conversely, insiders cohabiting with vulnerable partners might demand outsider-friendly policies.

This question has not been addressed systematically and continues to loom large for its far-reaching political significance and implications. Knowing the extent to which individual labor market risk shapes social policy preferences is crucial in terms of its

consequences for a possible or potential politicization of conflicts around insider-outsider divides: if most people's preferences for social and labor market policy are blurred or neutralized by their household situation, then dualization is unlikely to ever become a politically salient conflict.

To date, we have very incomplete knowledge on the strength of this household effect, as well as on its scope across different countries. A working paper by Emmenegger (2010) and a conference paper by Barrows (2012) are to our knowledge the only empirical studies that integrated the household situation of respondents explicitly in the empirical analysis. Both provide correlational evidence that people align their preferences to maximize overall household welfare. However, they do not allow us to evaluate the relevance of the household in terms of its de-mobilizing effect on political conflict around labor market vulnerability. Furthermore, existing studies fail to differentiate theoretically and empirically divergent effects for men and women, thereby implicitly assuming symmetrical dependencies between both partners' labor market vulnerability. However, previous research in related areas provides strong reasons to expect different effects of household composition on men and women. In labor market economics, Neugart's (2008) innovative study on preferences for employment security vs. unemployment benefits shows that women who are only marginally employed or non-employed tend to support employment protection for the male breadwinner (rather than the male breadwinner supporting pro-outsider policies). In a similar vein, the literature on preference formation of women has taken up this idea. While Becker (1981) had argued that individuals generally seek to maximize overall household welfare, Iversen and Rosenbluth (2006; 2010) have studied the conditions under which women align their preferences on the welfare of the household or on their individual welfare. We pursue a similar aim: we study whether, under what conditions (gender and institutional context) and to what extent the household mitigates the link between labor market vulnerability and social policy preferences in Western Europe.

Relying on survey-data from the EU-SILC and the European Social Survey 4 from 2008, we propose two major empirical findings: first, we establish a robust and consistent link between labor market vulnerability and social policy preferences, even when con-

trolling for household composition: the more strongly individuals are affected by labor market vulnerability, the stronger their preferences for redistribution and public job creation. Second, we show that household composition does matter, but its effect is very limited: the effect of the partner's labor market situation prevails over the individual risk situation only for a minority of respondents. More importantly even, the household-effect is clearly conditional on gender: women form their preferences with reference to their partner's labor market vulnerability, while this is generally not the case for men. Hence, our findings show that the household has the potential of neutralizing preference formation for the specific social group of female outsiders living with a secure partner, but this limited effect remains far from rendering insider-outsider divides obsolete generally. To make these findings more palpable with regard to their implications, we have calculated the share of female outsiders living with a secure partner and we find that it remains between 2 and 13 percent of the population across the European countries.

The implications for the potential politicization of insider-outsider divides in European welfare states are clear: such a politicization may not happen or even fail for many reasons, but if so, the household cannot be the only culprit to claim. Rather, the gender-specific effects that we have found suggest a very specific mechanism: our results point to a 'multiplier effect' of a spread of labor market vulnerability among male breadwinners, because men's labor market situation affects not only their own preferences, but also the preferences of their spouses. Conversely, such a multiplying effect remains absent as long as vulnerability affects primarily dependent household members. Both the erosion of the male breadwinner model in Europe, as well as increasing labor market vulnerability among men (OECD 2010: 18) should therefore rather increase the likelihood of a politicization of insider-outsider divides.

## **2 Theory**

The exceptional economic growth during the post-war decades allowed for male full employment, growing status homogenization and job security regulations, a relatively cohe-

sive working class and social peace. Since then, however, advanced industrial societies have moved to a post-industrial social and labor market structure. Ever fewer people's work biographies correspond to the industrial blueprint of stable, full time and fully insured insider employment, while a growing proportion of the population deviates from the standard model and incurs higher labor market risks. Together with institutional 'barriers to entry' to European labor markets (Emmenegger 2009) and policy reforms to deregulate and flexibilize the labor market (Emmenegger et al. 2012), three structural changes drive the development towards an increasingly unequal distribution of labor market risks: The tertiarization of the employment structure, the educational revolution and the feminization of the workforce. After 2000, service sector employment outdid industrial employment throughout the OECD by a factor of 2 to 3 (Oesch 2006: 31). Jobs in the service sector differ from industrial employment, because they tend to be more polarized (Goos and Manning 2007; however, see also Oesch and Rodriguez Menes 2011) and they involve more atypical, non-standard employment, especially for women (Kroos and Gottschall 2012). Part-time and temporary work has become widespread and accounts for most of the job creation in the EU since the 1990s. In addition to tertiarization, the educational revolution has led to a broader and more heterogeneous middle class. As a consequence, atypical employment and unemployment increasingly affect middle class workers as well (Oesch 2006; Häusermann et al. 2014). Finally, the massive entry of women into paid work coincides with the spread of atypical employment throughout Western Europe (Esping-Andersen 1999b; Estévez-Abe 2006). These structural trends have contributed to the spread and unequal distribution of the risk of unemployment, involuntary temporary work and part-time employment (Eichhorst and Marx 2012; Esping-Andersen 2000; Jessoula et al. 2010; Palier and Thelen 2010). Such periods of unemployment and forms of involuntary atypical employment have clear negative implications for individuals in terms of lower income, reduced access to vocational training and weak contribution records to social insurance schemes (Eichhorst and Marx 2012; Häusermann and Schwander 2012), but also with regard to the risk of being trapped in unstable and precarious employment and even poverty (Oesch 2006; Tomlinson and Walker 2012).

Both the scholarly literature and the public debate have addressed this increasingly unequal distribution of labor market vulnerability among the workforce in terms of ‘dualization’ (Emmenegger et al. 2012; Palier and Thelen 2010; Rueda 2007), i.e. growing inequality between insiders and outsiders with regard to labor market integration and social rights. European welfare states and labor markets are built on the premise of permanent and full time employment. Hence, a deviation from this model of permanent, full time employment may result in welfare losses and even poverty risks, in particular in welfare states based on social insurance schemes. For this reason, we consider all forms of employment that deviate from the standard employment relationship (i.e. atypical employment and unemployment) as conditions for employment risks and labor market vulnerability. Our understanding of outsiders thereby differs from a more narrow institutionalist distinction between outsiders and insiders based on employment protection only. By focusing on risk and vulnerability, we also deviate from a purely dichotomous conceptualization of insiders and outsiders on the basis of employment status (full time vs. atypical or unemployed). Instead, we consider outsiders those who incur a particularly high risk for atypical employment and unemployment. In our view, such a definition on the basis of employment risk instead of employment status is better suited to grasp the political implications of labor market dualization, because individuals form political preferences not primarily on the basis of their momentary situation, but with regard to their expectations about current and future risks, which they derive from comparisons with the employment situation of people in their occupational reference group.<sup>1</sup> A risk-based understanding of outsiders entails the additional advantage that it allows for a continuous measure of labor market vulnerability, instead of a dichotomous measure, which is empirically inadequate, since not all outsiders are equally exposed to labor market risks. In the following, we theorize the link between labor market vulnerability and social policy preferences first at the individual level, before contextualizing it with reference to the

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<sup>1</sup>Many women, for example, work full time at young age before (temporarily) withdrawing from the labor market for child rearing and possibly re-entering the labor market for a part-time job. Their employment trajectories clearly deviate from a standard employment biography – a fact they are generally well aware of. On the formation of preferences with regard to current and prospective risks, see also Walter (2010, forthcoming), Rehm (2011a), Schwander and Häusermann (2013) and Margalit (2013).

household in general and gender in particular.

Several recent studies have provided evidence for the claim that insiders and outsiders differ in their social policy preferences (Burgoon and Dekker 2010; Häusermann et al. 2014; Marx 2014; Rueda 2005; Rueda 2007; Schwander and Häusermann 2013).<sup>2</sup> For our study on household effects, we build on this literature by conceptualizing social policy preferences with regard to two distributive welfare state principles: redistribution and public job creation. Based on a rational choice perspective of social policy formation, we suggest that labor market vulnerability affects social policy preferences, because social policies imply different distributive consequences for insiders and outsiders. The main difference between insiders and outsiders is the stability and extent of employment. Hence, insiders with stable and secure full time employment should prefer social insurance policies, which distribute social rights and benefits in proportion to contributions. Conversely, individuals exposed to higher labor market vulnerability have a specific interest in redistributive policies, i.e. social benefits distributed on the basis of need, which compensate for a weaker labor market integration (Reeskens and van Oorschot 2013). An alternative response to the specific needs of labor market outsiders is employment promotion, i.e. a pro-active strategy of creating jobs and fostering employability, rather than passively compensating individuals for income loss (Lister 2004; Morel et al. 2011; Palier 2006). Since unstable or limited access to the labor market is precisely what defines outsiders, such employment supporting policies – including child care policies, active labor market policies and other policies facilitating labor market entry and enhancing employment opportunities– are in the interest of outsiders. Hence, our first hypothesis:

*H1: The stronger an individual's labor market vulnerability, the stronger his/her support for income redistribution and public job creation.*

We contend that this link between labor market vulnerability and preferences needs to be contextualized with regard to household effects. Paul Pierson was among the first to

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<sup>2</sup>Emmenegger (2009), however, contests such differences. However, he only investigates differences with regard to preferences for employment protection, which is arguably in the (current or prospective) interest of both insiders and outsiders.

voice doubts about the still widespread exclusive focus on individuals that characterizes much of the comparative political economy work on distributive preferences. He argued that labor market risks are distributed unequally across genders in many countries and thus ‘run right through the middle of households’ (Pierson 2001: 448). The main idea is that outsiders’ precarious labor market situation is secured, or compensated, by sharing a household with an insider. Hence, the individual welfare of the outsider would not only depend on her/his own labor market vulnerability, but on the entire household. Consequently, the literature on household effects suggests (e.g. Becker 1981; Emmenegger 2010; Esping-Andersen 1999b; Iversen and Rosenbluth 2010; Neugart 2008; Marx and Picot 2013) that individuals take the maximization of household welfare into account in their preference formation. Some authors even suggest that the alignment of preferences within the household may prevent labor market vulnerability from becoming a manifest conflict line in politics altogether (Barrows 2012). In contrast to such a black-and-white hypothesis, we want to test whether, to what extent and – especially – under what conditions the household situation affects the impact of an individual’s labor market vulnerability on his/her distributive preferences.

The mechanism how the household is supposed to affect preference formation relates to the household providing an economic ‘safety net’ if the partner is in a secure labor market position. Hence, for respondents living with a partner who is shielded from labor market risks, the effect of her/his own labor market vulnerability is mitigated by the household situation. By contrast, for respondents living with a partner who is herself or himself exposed to strong labor market risks, the household provides no ‘safety net’ and therefore the respondent’s own labor market situation is relevant for preference formation. Consequently, we expect a positive interaction effect between a respondent’s and his/her partner’s labor market vulnerability on social policy preferences:

*H2: The partner’s labor market vulnerability reinforces the link between the respondent’s labor market vulnerability and his/her social policy preferences.*

We take this argument a step further by contextualizing the household effect in the light



of previous findings about women's preference formation. We suggest that the importance of the household effect, i.e. the extent to which the partner's situation matters for an individual's preference formation is not uniform for men and women. Rather, we contend that this effect depends on the gender of the individual. Why do we expect men and women to react differently to their partner's labor market situation?

In the classical Becker efficiency model of a family with perfect labor division (Becker 1964, 1981), both spouses are supposed to have equal dynamics of household-related preference formation, since the household is the basis of the welfare of all members. In more recent times, however, with generally high divorce rates, household welfare maximization is not necessarily the dominant strategy for all household members (Iversen and Rosenbluth 2006, 2010). In particular, the extent to which spouses align their preferences to the household depends on their employment and income opportunities outside of the household. Non-employment or weak labor market integration is considered the main reason for weak outside options, and it universally affects women much more than men, not least because of additional, care-related negative effects on employment performance (Iversen and Rosenbluth 2006). These gender-specific limitations to employment performance and economic outside options are not only due to biological reasons, but they are deeply encrusted in social norms and even institutionalized in countless policy incentives for an unequal division of labor both in the welfare state and the labor market (Esping-Andersen 1999b; Orloff 1996). Therefore, women must expect weaker outside options than men, and thus they generally have a stronger incentive than men to take their spouse's labor market situation into account in their preference formation.<sup>3</sup> Therefore, the partner's labor market risk is expected to affect female preference formation more strongly and directly than male preference formation.

*H3: Household effects are gender asymmetrical: women's preferences depend more strongly on the partner's employment risk than men's.*

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<sup>3</sup>The same mechanism explains why women should generally be more favorable than men towards welfare policies that provide a publicly funded outside option, as well as towards specific social policies that support women's labor market participation (Estévez-Abe 2006, Estévez-Abe et al. 2001). This is precisely the reason why we will control for gender in our analyses.

One could argue that pooling over a diverse sample of countries might mask important differences between countries, as individual behavior and preferences are also structured by the national institutional context (Iversen and Rosenbluth 2006, 2010; Gingrich and Ansell 2012). In other words, the gender effect may be dependent on institutions that affect the gender-specific division of labor. The reasoning for such an argument is again economic. Welfare states differ in the extent to which taxes and transfers are based on the household (instead of the individual) for example by granting derived social rights to dependent family members or by taxing the ‘second earner’s’ income more heavily (Esping-Andersen 1999a, Orloff 1996). Even if this is not the key focus of our study, we will therefore examine whether the household effect is contingent on such institutional arrangements. Based on the literature on the gender effects of welfare regimes (Daly and Rake 2003; Esping-Andersen 1990; Esping-Andersen 1999b; Lewis 1992; Orloff 1996), we examine whether the gender asymmetry and the household effects in general are weaker in the more egalitarian and universalist welfare states of the Nordic countries than in conservative, male breadwinner orientated ones in Continental and Southern Europe. The still prevailing emphasis of these latter regimes on a male breadwinner logic – meaning that welfare states provide fewer publicly supported outside options – provides stronger incentives for women to consider the household situation for their preferences formation.<sup>4</sup>

*H4: The household effects on preference formation are weaker in universalist-egalitarian welfare states than in more conservative and male breadwinner-oriented welfare states.*

By contextualizing the household effect, we go beyond the simple question whether the household will prevent labor market vulnerability from becoming a politically relevant conflict line. Rather, it will allow us to understand the conditions under which this could be the case, i.e. the conditions under which dualization may actually transform

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<sup>4</sup>Welfare regimes are notoriously contested groups, as within-heterogeneity has been increasing over the past years (Palier 2010; Hemerijck 2013). The attempt to reduce within regime-heterogeneity is also the reason why we differentiate between Continental and Southern Europe. Nevertheless, the gender-specific characteristics of welfare regimes are highly robust, since they are mirrored in structural patterns of employment.

post-industrial welfare politics.

### 3 Data, operationalization and methods

Our empirical work is based on data from the European Social Survey round 4 (2008), which includes 13 West European countries.<sup>5</sup> Apart from the high quality of ESS data, this survey is to date the only comparative survey data source that contains both detailed information on labor market situation and occupation, as well as particularly detailed questions on attitudes towards different social policies, as the 2008 wave of the ESS included a specific module of questions on welfare attitudes. In the following, we give a brief description of the main dependent and independent variables. Detailed information on all operationalizations can be found in appendix 1.

We measure preferences for needs-based redistribution by means of a question asking whether respondents think that the government should take measures to reduce income differences.<sup>6</sup> For preferences regarding policies of publicly supported employment creation, we use a question asking whether respondents think that it is the government's responsibility to provide a job for everyone who wants one. This variable clearly focuses on employment rather than compensation of income-loss, and public job creation is in the direct interest of respondents with weak labor market integration. Each variable is recoded, so that higher values reflect higher preferences for the specific social policy.

The degree of labor market vulnerability is our main independent variable. We conceptualize vulnerability as the *risk of being unemployed or/and in atypical employment* (involuntary part-time, temporary employment or helping in family business). For each individual, we measure this risk on the basis of the frequency of unemployment and atypical employment within his/her occupational group, as the risk of an individual depends strongly on the incidence of atypical employment and unemployment in that person's

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<sup>5</sup>Belgium, Switzerland, Germany, Denmark, Spain, Finland, France, Greece, the Netherlands, Norway, Portugal, Sweden and United Kingdom.

<sup>6</sup>The variable corresponds to a standard measure of redistribution preferences, see Jaeger (2006; 2009), Kulin and Svallfors (2013), Rehm (2011a), Hacker et al. (2013). It has the advantage that it refers directly to politics, i.e. government action, rather than asking about a general attitude on income differentials, a variable that is also available. We ran all tests with both variables and results are robust.

occupational group (for an extensive discussion of our operationalization of labor market vulnerability, its validity and implications, see Schwander and Hermann 2013). Similarly to Rehm’s work on unemployment risk (Rehm 2009; 2011a; 2011b), we rely on occupational groups for the measurement of group-specific frequencies of unemployment or atypical employment, because these frequencies vary considerably across these occupational groups. Hence, we construct our occupational reference groups on the basis of the most important socio-structural determinants of unemployment and atypical employment. Our aim is to build reference groups that are reasonably homogenous in the – present or future – labor market conditions their members are exposed to. The three socio-structural determinants we take into account are class, gender and age, which are all strong predictors of labor market chances (Taylor-Gooby 1991; Esping-Andersen 1999a; Oesch 2006, 2013; Chauvel 2009; Schwander and Häusermann 2013). With regard to class, we use the class schema by Oesch in the collapsed version of Kitschelt and Rehm (Kitschelt and Rehm 2006; Oesch 2006). They distinguish five occupational classes: i) high-skilled managers, self-employed and technical experts (which they call ‘capital accumulators’), ii) high-skilled professionals in the public and private service sector (‘socio-cultural professionals’), unskilled and skilled workers mostly in the industry (‘blue-collar workers’), unskilled and skilled employees in interpersonal services (‘low service functionaries’), and routine and skilled clerks (‘mixed service functionaries’).<sup>7</sup> We further distinguish those five classes according to gender and age.

The combination of 5 classes, 2 sexes and 2 age groups (below/above or equal 40) leaves us with 20 occupational groups, which serve as the basis of our measurement.<sup>8</sup> We compute the rates of unemployment, involuntary part-time or temporary employment<sup>9</sup> for each occupational group and the average workforce in every country with data of

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<sup>7</sup>Relying on this class scheme implies that we include all respondents in our analysis who have been attributed an isco-code in the ESS data. The isco-code has been coded based on the current or last occupation, so that we also include most unemployed, housewives and pensioners in the data. Generally, less than 8 percent of all respondents lack information regarding the isco-code.

<sup>8</sup>We set 40 as age threshold because a substantial share of the population is still in Education in most European countries (Couppié and Mansuy 2003).

<sup>9</sup>Due to their low proportion (1.2 percent of respondents), we refrained from constructing a separated category for ‘helping in family business’ and added them to the category of temporary employment.

the EU-SILC from 2007. We then subtract the average rate of the workforce from the group-specific rates in each country, in order to obtain the group-specific deviations (over- or underrepresentation) in unemployment, involuntary part-time and temporary employment.<sup>10</sup> The average of these three standardized deviations provides us with a continuous measure of labor market vulnerability, which is specific to an occupational group in a country.<sup>11</sup> We then attribute the value to each respondent in our main dataset, the ESS 2008.<sup>12</sup> Respondents belonging to occupational groups with a lower labor market vulnerability than the entire workforce have negative values on our indicator of vulnerability, while respondents belonging to groups with a labor market vulnerability that exceeds the national workforce average have positive values.

The distribution of labor market vulnerability is – as expected – highly unequal, as shown by the boxplot in Appendix 2. Labor market vulnerability is most unequally distributed in the countries of Continental and Southern Europe and also higher on average than in the Nordic countries or in Great Britain. Women, workers below the age of 40 and low-skilled individuals are the most vulnerable groups in the labor market across all countries. More specifically, young female low-skilled service sector workers and elderly female blue-collar workers are the most vulnerable groups, while male medium- and high-skilled managers and technical experts enjoy the most secure positions (for more details on the distribution of labor market vulnerability across countries, see Schwander and Häusermann 2013). The availability of information on the occupational profile of the partner in the ESS allows us to compute the very same measure of labor market vulnerability for

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<sup>10</sup>The reason for subtracting the national average from the group-specific values lies in the relational nature of labor market risks. A group-specific unemployment rate of 10 percent has a different meaning in a country with a national unemployment rate of 5 percent than in a country where unemployment is at 15 percent.

<sup>11</sup>As a robustness check, we computed labor market vulnerability also in two additional ways, one including only the deviation from the national average on unemployment and one relative to atypical employment only (involuntary part-time and temporary employment). Our results are robust to the three specifications of labor market vulnerability, with household effects being weaker for the measure based on unemployment only.

<sup>12</sup>We do not calculate the values of labor market vulnerability directly in the ESS for one main reason: the number of cases. The number of respondents (3500-8500 respondents for each country) in the EU SILC is unrivalled by any comparative survey. It thus allows a precise measurement of labor market vulnerability across countries even for those groups which are naturally small (such as old female blue-collar workers, for example) which is even more important since we rely on labor market conditions (unemployment, atypical employment) that may affect very small portions of the workforce only.

the respondent's partner.

Given that we construct the occupational references groups based on the major determinants of unemployment and atypical employment, our indicator of labor market vulnerability is obviously closely related to class, gender and age. Therefore, including all these components in the model would by definition create severe problems of multicollinearity. At first glance, one may thus ask if our indicator of labor market vulnerability actually adds value to the information on a respondent's occupational reference group. It indeed does, because it represents the actual mechanism through which we expect that membership in these groups affects social policy preferences. Consequently, we need to control in our analyses for rival mechanisms that might relate these same groups to policy preferences. Therefore, we include a range of control variables that have shown to be relevant in previous research (De La O and Rodden 2008; Emmenegger 2009; Rehm 2009; Rehm 2011a; Rehm 2011b; Rueda 2005; Scheve and Stasavage 2006). We include household income (measured in deciles), public employment and trade union membership as well as gender, age and educational levels (the highest achieved educational degree). To control for the influence of cultural values – which have also been shown to be class-related – on social policy preferences, we include church attendance (how often do you attend religious services) and cultural liberalism (support for equal gay rights).<sup>13</sup> To test the effect of labor market vulnerability and the household effect on social policy preferences, we use ordered logit regressions, as the number of West European countries in the ESS (13) is too small in order to properly test hypotheses in a multilevel framework (Stegmueller 2013). Instead, we employ country fixed effects to control for the fact that individuals are nested in countries and thus share the same macro context and country-clustered standard errors to correct for the within-country correlation of errors.

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<sup>13</sup>We control for cultural liberalism to rule out the possibility that social policy preferences are an expression of a 'post-materialist' value orientations of specific occupational groups. The ESS does not allow measuring post-materialist values as suggested by Inglehard (1977). However, we tried different additional operationalizations: support for law and order (people who break the law should be sentenced to harsher sentences), gender equality (women should be prepared to cut down on paid work for the sake of family) and a composite measure of the three indicators. The results are robust to all measures.

## 4 Empirical results

### 4.1 The effect of labor market vulnerability on individual social policy preferences

Table 1 shows the determinants of social policy preferences – redistribution and public job creation. For both dependent variables, we specify three models. The first model (M1) tests the direct effect of the respondent’s labor market vulnerability. Model 2 then introduces the partner’s labor market vulnerability, in order to test whether the direct effect remains or disappears if we control for the household situation. Both models – M1 and M2 – test our first hypothesis regarding the effect of the respondent’s labor market vulnerability on social policy preferences. Model 3 introduces the household interaction effect that we postulated in hypothesis 2: we expect the respondent’s labor market vulnerability to have a weaker effect on preferences when he/she lives with an insider than when he/she lives with a partner who is himself or herself exposed to labor market vulnerability.

We first discuss the linear effects in models 1 and 2. They show that individual labor market vulnerability is clearly linked to higher support for redistribution and job creation. This is exactly what our hypotheses predicted, as it shows that labor market vulnerability shapes the social policy demand of individuals in ways consistent with the insider-outsider literature. Moreover, the effects remain consistent and robust when we control for the partner’s labor market vulnerability, which has itself no direct impact on the respondent’s preferences. It is important to note that for reasons of comparability, we can only include in our regressions those respondents who actually do have a partner, which reduces our number of cases from about 19’000 to about 8’000. When testing M1 with all respondents included, our results remain robust (results not shown). The control variables largely confirm the findings of previous studies on social policy preferences. We see that in addition to labor market risk, vertical stratification in terms of education and income structures welfare preferences strongly: both income and education have the expected negative effect on social policy preferences. Gender and age have no consistent

direct effect on preferences for redistribution and job creation. Cultural liberalism, public sector employment and union membership are positively related to attitudes towards outsider-friendly policies while church attendance has a weak but consistent negative effect on these preferences.

**[Insert Table 1 about here]**

It has been argued that insider-outsider preference divides are, even if significant, very small or even marginal (Emmenegger 2009; Pierson 2001). Figure 1 shows otherwise: it presents the substantive effects of labor market vulnerability in terms of predicted probabilities to support or oppose redistribution or public job creation. For these calculations, we have recoded the two variables – redistribution and job creation – in terms of support or opposition, as shown below each graph. Both graphs nicely show the considerable effect of labor market vulnerability. Going from the minimum level of vulnerability to the maximum, the probability that an average individual will support outsider-friendly policies increases by about 25 percentage points with regard to redistribution and even by almost 30 percentage points regarding public job creation.<sup>14</sup> Moreover, with rising labor market vulnerability, respondents become extremely unlikely to oppose redistribution, whereas pronounced insiders show probabilities of disapproval that range around 20 percent. These results correspond to our expectations that labor market vulnerability substantially increases the support for a welfare state based on employment creation and need.

**[Insert Figure 1 about here]**

Does the fact that these risks run through the middle of the household affect the effect of labor market vulnerability on social policy preferences? Model 3 in Table 1, as well as Figure 2 present the results for the interaction effect. We find the positive interaction effect we expected in hypothesis 2: the partner's labor market vulnerability reinforces

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<sup>14</sup>The average individual is a 48-year-old woman with an upper secondary degree, who is not a union member, has a household income within the 6th earning-decile, agrees that gays and lesbians should live as they wish and attends church only on special holidays.



the effect of the respondent's situation on his/her support for outsider-policies. Figure 2 shows that the marginal effect of a respondent's own labor market vulnerability on his/her preferences for redistribution is significant when the partner is in an average or weak labor market position (vulnerability measures of -0.5 or higher). This implies that the effect of the respondent's own situation is significant for a clear majority of respondents (about 57 percent). If the partner is, however, in a pronouncedly stable and secure employment position, the respondent's own labor market vulnerability does not significantly impact his/her preferences for redistributive policies. This finding holds similarly for preferences regarding public job creation (see right part of Figure 2), and it suggests that the household situation needs to be taken into account when analyzing insider-outsider divides.

[Insert Figure 2 about here]

## 4.2 Contextualizing the household effect: Gender and welfare regimes

This brings us directly to the third hypothesis, according to which we expect the effect of the partners' situation on preference formation to be gender asymmetrical, with women's preferences depending more strongly on their partner's employment vulnerability than men's. Due to the notorious difficulties to interpret interaction effects (Brambor et al. 2006), we present gender-asymmetrical interaction effects graphically in Figure 3. More specifically, Figure 3 displays the predicted probabilities of agreeing with the statement that the government should take measures to reduce income differences (values = 4 and 5) or that the government should provide a job for everyone (values = 7 to 10) separately for men and women. The underlying logistic regressions are shown in Appendix 3. We find exactly the expected pattern: the partner's labor market vulnerability reinforces the effect of the respondent's own risk on preference formation for women significantly, but not at all for men.<sup>15</sup>

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<sup>15</sup>When calculating the models without the interaction effect (results not shown) in order to test for direct household effects, we see that for both redistribution and job creation, the partner's labor market

[Insert Figure 3 about here]

Three aspects of Figure 3 are relevant: the slope of the lines, the size of the confidence intervals and the range within which differences between men and women are significant. The lines display the average predicted probabilities for men and women separately. The lines show that women, whose partners also experience strong labor market risks, support redistribution very strongly (about 80 percent probability). Women living with an insider, on the other hand, are almost equally likely to agree or disagree with redistribution (probability of slightly more than 50 percent). The strongly positive slope of the line thus suggests that women's preferences depend clearly and strongly on the labor market situation of their partner. By contrast, the line referring to the predicted probabilities of men supporting redistribution almost horizontal and even slightly negative, indicating that men's preferences depend much less on the labor market vulnerability of their partner.

The pattern of effects is almost identical for preferences regarding job creation: the probability for women to support such policies increases by about 30 percentage points if the risk of their partner goes from the minimum (insider) to the maximum (outsider) value. Again, the effect is different for men: if they live with an outsider, their support for public job creation is even lower than if they form a household with an insider. Overall, the most striking aspect of Figure 3 is the *opposing slopes for men and women* with regard to preferences for redistribution and public job creation. The positive slopes for women indicate that their support for outsider-policies is lower if they live with an insider who provides a security net to the household, which is precisely the mechanism assumed to mitigate insider-outsider divides overall. Men, by contrast, seem to evaluate policies from a different perspective: the more precarious their partners' labor market situation, the more skeptical they are towards outsider-friendly policies. We interpret this striking finding as reflecting a male-breadwinner logic: most men (still) have relatively secure employment (the average value of labor market vulnerability among men is around -.4, as can be seen by the narrowest point of the confidence interval). While their own labor vulnerability has a direct and positive effect on the female respondents' preferences but it is insignificant for men. Men's preferences are mainly affected by their own labor market vulnerability.

market risk shapes their preferences in the expected way, a precarious labor market status of their partner even seems to reinforce their insider-preferences, as they disproportionately tend to carry the responsibility for the economic well-being of the household.

The second important information in Figure 3 concerns the number of cases: one could argue that households are very unequally distributed across the graph, so that we risk finding strong effects that are due to very few cases. However, the *size of the confidence intervals* gives a precise idea of where our cases are located. Most observations are located around narrow confidence intervals (e.g. women living with partners whose labor market vulnerability is slightly negative). Fewer women live with outsider-partners, which is why the confidence intervals increase in the positive range of partner's labor market vulnerability. Moreover, it is important to note that the graph only shows within-sample variations, meaning that the lines disappear when cases disappear. This explains why the lines for women ends more to the left than the lines for men, as there are fewer women living with pronounced outsider-partners.

The last aspect that we want to highlight in Figure 3 is the *range* within which differences between men and women are significant, i.e. the range where the confidence intervals of the two lines do not overlap. This is the case for respondents whose partner's labor market vulnerability is higher than -0.5.

To sum up the findings of Figure 3: men's preferences are largely independent from the labor market vulnerability of their partners, while women's preferences depend strongly on the labor market position of their partners.

Yet, there are reasons to be skeptical about models that pool over such a large range of countries, as individual behavior and preferences may be structured by the institutional context of a country. As argued above, we expect the household effect to be stronger in the more equalitarian and universalist Nordic welfare states than in the conservative and male-bread winner orientated welfare states of Continental and Southern Europe.<sup>16</sup> Hence, we re-run the analyses separately for Nordic, Continental and Southern European

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<sup>16</sup>As an additional robustness check, we have performed the analyses for each country separately, which shows that the regime patterns hold for the individual countries within this group.

countries. Figure 4 displays the substantive effects for men and women in all three regimes while the coefficients are shown in Appendix 3.<sup>17</sup>

**[Insert Figure 4 about here]**

Figure 4 confirms our previous finding that the partner's labor market vulnerability matters clearly more for women's preferences than for men's. This pattern of gendered preference formation holds for attitudes on public job creation in all countries and redistribution in both Nordic and Continental countries, while support for redistribution is almost unanimous and gender-indifferent in Southern Europe.<sup>18</sup> The remaining puzzle, however, are the strong gender-asymmetrical effects we find in Scandinavia, despite the generally more individualized and egalitarian welfare state. Indeed, we expected preferences of men and women to depend less on the household in Nordic countries, as compared to Continental and Southern Europe.<sup>19</sup> However, when looking more closely in the relevant data on gender inequality in the labor market and in households, it appears that despite the institutionalized gender equality in welfare policies, the economic situation of men and women in Nordic countries is not dramatically different from Continental Europe. The gender pay gap is only slightly lower than in the OECD average (OECD 2012) and labor markets are highly segmented, with women working predominantly in the (lower paid) public sector.<sup>20</sup> Hence, as in Continental Europe, women tend to be the economically weaker partners in the household, which explains why women's distributive preferences

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<sup>17</sup>For the Liberal welfare regime, we had only one country in our sample, the UK. Given the small number of respondents (about 350 in our sample), we do not discuss the results for the UK in the main text, but display the corresponding analysis in appendix 4.

<sup>18</sup>This may be due to the generally lower development of these welfare states in terms of redistribution, i.e. it may reflect some sort of catch-up driven preference structures. It must also be noted here that household effects in Southern Europe may have a more generational structure (i.e. the effect would be stronger for young people than for the elderly). Since we do not have data on the labor market situation of co-habiting parents, we are unable to test this alternative in this article.

<sup>19</sup>There are, however, also important differences between the Nordic countries and the rest that corroborate the picture of more egalitarian societies: labor markets are not equally dualized in Scandinavia. We can see this in Figure 4 by looking at the range of labor market vulnerability, which indicates the extreme values of vulnerability you find for men and women. In the Nordic countries, the maximum value of labor market vulnerability is about 0.9, while it reaches values above 2 in both Continental and Southern countries.

<sup>20</sup>When testing the impact of public sector employment on income (controlling for education, gender and hours worked, with the ESS 2008 data), we find a significant negative effect in all four Nordic countries (and the Netherlands), while the coefficient is insignificant or positive in the rest of the countries.

depend more on their partner’s labor market situation than vice versa.

Overall, we conclude that vulnerability in the labor market affects the social policy preferences substantially for most people. The mitigating household effect is conditional both on the labor market vulnerability of the partner and on gender, and it is relevant only for a minority of respondents. More precisely, the household neutralizes the effect of individual labor market vulnerability on social policy preferences exclusively for vulnerable women who live with very secure partners. In our entire sample, about 50 percent of all *outsider* women who do live in a household indeed have such a secure partner (i.e. a partner with labor market vulnerability below the average of male labor market vulnerability). This is an important share of outsiders and for them, the household indeed neutralizes the effect of their own situation on preferences. However, if we discuss this result with regard to its overall relevance for the possible political mobilization of an insider-outsider divide in the entire population, we have to estimate how large a group these outsider women with secure partners are. Figure 5 shows the share of female outsiders with a ‘safety net insider partner’ among all respondents for each country. In total, the (population weighted) share of female outsiders in such a situation is 8 percent of all respondents. The rank-order of the countries by the share of outsiders with a household safety net is striking: the four countries with the largest shares of outsiders with a safety net are all Continental countries (Switzerland, Germany, the Netherlands and Belgium), while in the Nordic (save Denmark) and Southern countries, less outsiders enjoy such a securing household situation. Across countries, the share of outsiders with a household safety net varies from 2 percent in Finland to 13 percent in Switzerland. That means that even in the country where the household effect affects the largest group, only the preferences of 13 percent of all respondents could possibly be neutralized by the household. In other words: we do find a strong effect of the household, but only for a small group of the population.<sup>21</sup> Hence, for the large majority of respondents labor market vulnerability is

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<sup>21</sup>This is how we arrive at a small group: in our sample, about 51 percent of respondents are women. About 60 percent of these women actually live in households. About half of those living in households are outsiders (i.e. labor market vulnerability above the average of female labor market vulnerability) and again about half of these outsider women in household have a secure partner.

clearly relevant for their social policy preferences.

[Insert Figure 5 about here]

## 5 Conclusions

In this article, we were able to demonstrate clear, substantial and robust effects of labor market vulnerability on preferences for different social policy principles. The higher the risk of being in unemployment or in atypical employment, the more strongly people support needs-based redistribution and employment support policies. These effects are robust and they are substantial: going from the lowest to the highest value of labor market vulnerability, the predicted probability of supporting redistribution and public job creation increases by 25-30 percentage points. These results are important, because they underline the importance of distinguishing between different distributive principles of the welfare state. It is misleading to study insider-outsider preferences with regard to general welfare spending or welfare generosity measures, because the distributive effect different policies have on them is clearly distinct. If we look at preferences for policies that actually matter for people with different degrees of labor market vulnerability, we find strong effects for a large majority of respondents. This is an important precondition for a possible politicization of insider-outsider divides.

The article also shows that these preference divides are not obliterated by the fact that partners forming a household tend to be exposed to different levels of labor market vulnerability. The effect of the partner's situation differs across household types and, most relevantly, for men and women. Only when the partner is a clear insider – which is the case for a minority of individuals – does an increase in the respondent's labor market vulnerability lose its effect on his/her preferences for outsider-friendly policies. Moreover, we could show that men's welfare state preferences are by and large independent from their partner's labor market position. Only for women do we find a clear effect of the partner's labor market vulnerability on their own preferences. This asymmetrical effect of the household on women's and men's preferences holds across all countries of Continental

and Northern Europe, where women tend to remain in economically weaker positions than men on average. Hence, when taking households into account in the insider-outsider literature, we should be careful not to throw out the baby with the bath water. Yes, households do mitigate insider-outsider divides, but only for a very limited group of the population: women who live with partners that are particularly strongly shielded from labor market vulnerability. To put this into perspective, only between 2 and 13 percent of respondents in each country are female outsiders with such a safety net for whom their individual position in the labor market is not relevant for preference formation.

The starting point of our analyses was the increasing inequality in the distribution of labor market vulnerability in European societies, a phenomenon becoming even more acute and salient in the context of the recent austerity crisis. Whether this inequality in labor market vulnerability translates into actual politicization and mobilization of insider-outsider divides in the political arena of decision-making depends on whether those affected by vulnerability think differently and want different things than those shielded from vulnerability. Since labor market vulnerability hits women more severely than men, the neutralizing effect of the household may be one reason why we have seen little of such a politicization so far, but it certainly cannot be the only explanation. Indeed, our findings suggest that the de-mobilizing effect takes place only in a minority of households. However, and this is probably the most far-reaching – if by now rather speculative – implication of our analyses, the more vulnerability will affect men, too, the more likely such a politicization becomes, not only because men's needs have a 'multiplier effect' on the preferences of their partners, but also because fewer and fewer women will be able to rely on a household safety net. The erosion of the male breadwinners insider status and the fact that the crisis deteriorated men's employment prospects far more than women's indeed has the potential to sharply transform welfare politics in European societies.

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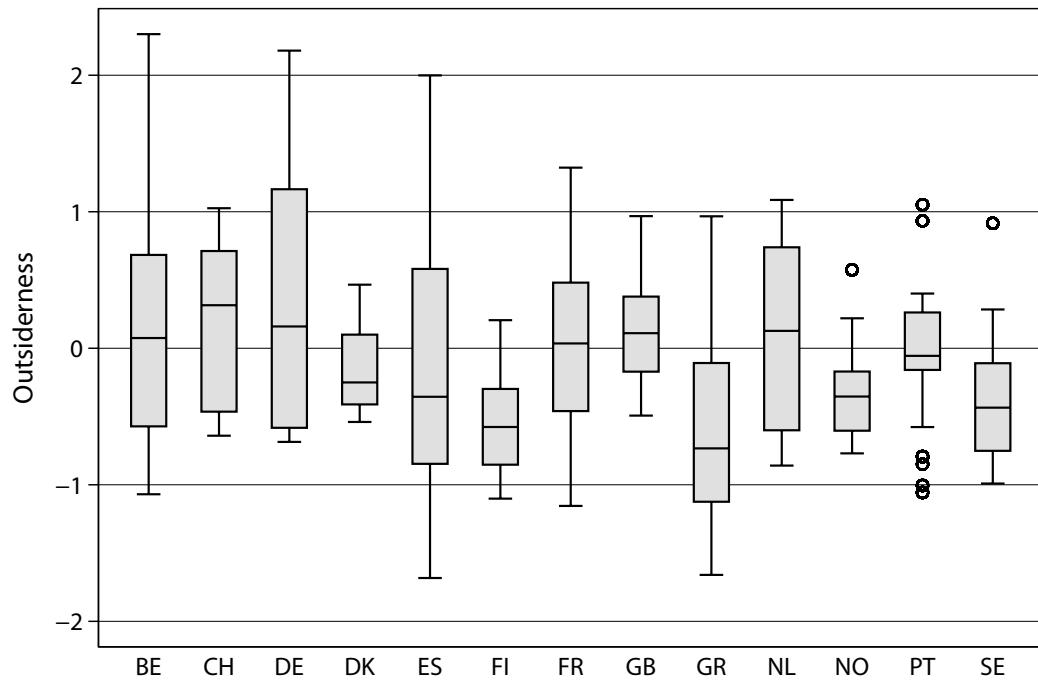
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# Appendix

## Appendix 1: Details of operationalization

Variable	Operationalization
Redistribution	ESS 4 2008; five point scale ranging answer of respondent to the variable <i>gincdiff</i> : Government should take measure to reduce differences in income levels; 1 = disagree strongly, 2 = disagree, 3 = neither disagree nor agree, 4 = agree, 5 = agree strongly; recoded so that higher values means higher agreement with redistribution
Job creation (Activation)	ESS 4 2008; 10 point scale ranging answer of respondent to the variable <i>gvjbevn</i> : How much responsibility the government should have to ensure a job for everyone who wants one?; 1 = not at all, 10 = entirely
Outsiderness	Based on EU-SILC 2007 data; continuous variable, difference between group-specific rates of atypical employment / unemployment and the country-specific average rate, value attributed to members of occupational categories in ESS 4 2008, following Schwander and Häusermann 2013
Classes	ISCO-2d codes, recoded from pl050 (EU-SILC) and is-coco (ESS 4 2008) into 5 classes according to Kitschelt and Rehm (2006)
Unemployment	EU-SILC 2007; dummy variable measuring unemployment, recoded from pl030
Fixed-term contract	EU-SILC 2007; dummy variable measuring fixed-term contract work, recoded from pl140
Female	ESS 4 2008; dummy variable for gender, recoded from pb150 (EU-SILC 2007) and (ESS 4 2008), 1 = women, 0 = men
Young age	Dummy variable for young, recoded from pb140 (EU-SILC 2007) and agea (ESS 4 2008); 1 = below 40, 0 = above 40 ESS 4 2008; ratio-scaled variable based on agea, age in years
Education	ESS 4 2008; continuous variable based on highest completed degree (edulvl), 1 = primary or less, 2 = lower secondary, 3 = upper secondary, 4 = post-secondary, 5 = tertiary
Income	ESS 4 2008; total net household income in deciles (hinctnta)

Public sector employment	ESS 4 2008; dummy variable for public sector employment (tporgwk)
Union membership	ESS 4 2008; dummy variable measuring union membership (mbtru); 1 = union member; 0 = not union member
Church attendance	ESS 4 2008; recoded from rlгатnd (how often do you attend to religious services); 7 = everyday, 6 = more than once week, 5 = once a week, 4 = at least once a month, 3 = only on special holidays, 2 = less often, 1 = never
Outsiderness of partner	EU-SILC 2007; continuous variable, difference between group-specific rates of atypical employment / unemployment and the country-specific average rate, value attributed to members of occupational categories in ESS 4 2008
Gender of partner	ESS 4 2008; dummy variable for gender of the respondent's partner, recoded from gndr2/3/4 (gender) and rshipa2/3/4 (relationship with household member); 1 = female, 0 = male
Age category of partner	ESS 4 2008; dummy for young of the respondent's partner, recoded from yrbrn2/3/4 and rshipa2/3/4 (relationship with household member); 1 = below 40, 0 = above 40
Class of partner	ESS 4 2008; recoded from iscop (ISCO88-2d code of partner) into 5 classes according to Kitschelt and Rehm (2006)



Appendix 2: Distribution of labor market vulnerability, per country



Appendix 3: Gender-specific determinants of social policy preferences

	Model 3: Preferences for...			
	Redistribution		Jobcreation	
	Male	Female	Male	Female
Respondent's Outsiderness	0.573*** (0.18)	0.295*** (0.07)	0.557*** (0.15)	0.064 (0.06)
Partner's Outsiderness	-0.128 (0.13)	0.455** (0.21)	-0.219 (0.13)	0.588*** (0.09)
Outsiderness Respondent*Outsiderness Partner	-0.079 (0.24)	0.272** (0.11)	-0.177 (0.13)	-0.079 (0.12)
Education	-0.071*** (0.03)	-0.091* (0.05)	-0.072*** (0.01)	-0.037 (0.04)
Income	-0.169*** (0.02)	-0.153*** (0.02)	-0.108*** (0.03)	-0.045** (0.02)
Age	0.015*** (0.00)	0.007 (0.01)	0.006 (0.01)	0.005 (0.00)
Public sector employment	0.079 (0.13)	0.275*** (0.07)	-0.069 (0.06)	0.154** (0.07)
Cultural liberalism	0.012 (0.05)	0.216*** (0.05)	0.013 (0.11)	-0.032 (0.04)
Union membership	0.487*** (0.07)	0.108 (0.16)	0.172** (0.08)	0.135** (0.06)
Church attendance	-0.109** (0.05)	-0.046** (0.02)	-0.106*** (0.04)	-0.052 (0.05)
Country fixed effects	yes	yes	yes	yes
Pseudo R <sup>2</sup>	0.198	0.184	0.111	0.114
BIC	-25892.5	-29138.0	-25428.1	-28330.2
N	3741	4137	3741	4139
Log likelihood	-2347.9	-2561.1	-2580.1	-2974.3

Notes: Logistic regression with clustered standard errors and country dummies, the data is weighted; Country dummies and cut-points are not shown due to space restriction; Pseudo R<sup>2</sup> is the McKley and Zavoina R<sup>2</sup>; \* = significant at the 0.1 level, \*\* = significant at the 0.05 level, \*\*\* = significant at the 0.01 level. Data source: ESS 4 2008.

Appendix 4: Regime-specific determinants of social policy preferences; coefficients from ordered logit regressions

	Redistribution			Jobcreation		
	Nordic	Continental	Southern	Nordic	Continental	Southern
Respondent's Outsiderness	0.751*** (0.12)	0.234* (0.13)	0.260*** (0.01)	0.300* (0.17)	0.207*** (0.08)	0.144*** (0.04)
Partner's Outsiderness	0.416*** (0.03)	0.157*** (0.06)	-0.061 (0.05)	0.162 (0.18)	0.043 (0.03)	0.154*** (0.03)
Outsiderness Respondent*Outsiderness Partner	0.326*** (0.08)	0.217*** (0.04)	0.012 (0.09)	0.183 (0.22)	0.140*** (0.05)	0.138*** (0.04)
Education	-0.164*** (0.05)	-0.124*** (0.05)	0.066** (0.03)	-0.106 (0.07)	-0.119*** (0.03)	-0.128*** (0.03)
Income	-0.152*** (0.01)	-0.155*** (0.03)	-0.152*** (0.00)	-0.073*** (0.02)	-0.114*** (0.02)	-0.008 (0.02)
Female	0.087 (0.17)	0.013 (0.16)	-0.192 (0.13)	0.302** (0.14)	0.155 (0.27)	0.086 (0.08)
Age	0.026*** (0.00)	0.006 (0.00)	0.009*** (0.00)	0.006 (0.00)	-0.003* (0.00)	0.004 (0.00)
Public sector employment	0.364*** (0.11)	0.111 (0.09)	0.129 (0.12)	0.381*** (0.04)	0.067 (0.06)	-0.275*** (0.08)
Cultural liberalism	0.275*** (0.03)	0.208*** (0.05)	0.395*** (0.04)	0.115*** (0.03)	-0.043 (0.12)	0.202*** (0.02)
Union membership	0.428*** (0.10)	0.283*** (0.08)	-0.148 (0.17)	0.071 (0.14)	0.289*** (0.06)	0.163 (0.24)
Church attendance	-0.064*** (0.02)	-0.082** (0.04)	0.001 (0.02)	0.064*** (0.01)	-0.085* (0.05)	-0.050 (0.04)
Country fixed effects	yes	yes	yes	yes	yes	yes
Pseudo R <sup>2</sup>	0.058	0.222	0.104	0.022	0.113	0.049
BIC	-22010.2	-11549.3	-5161.6	-20558.3	-2285.8	-3207.5
N	3046	3071	1083	3048	3073	1078
Log likelihood	-1139.6	-6478.8	-1143.5	-1850.5	-11095.4	-2079.7

Notes: Ordered logistic regression with clustered standard errors and country dummies, the data is weighted; Country dummies and cut-points are not shown due to space restriction; Pseudo R<sup>2</sup> is the McKley and Zavoina R<sup>2</sup>; \* = significant at the 0.1 level, \*\* = significant at the 0.05 level, \*\*\* = significant at the 0.01 level. Data source: ESS 4 2008.

Appendix 5: Determinants of social policy preferences, UK. Coefficients from ordered logit regressions

	M3: Preferences for...	
	Redistribution	Jobcreation
Respondent's Outsiderness	0.686*** (0.25)	0.570** (0.25)
Partner's Outsiderness	0.262 (0.28)	0.421 (0.27)
Outsiderness Respondent*Outsiderness Partner	0.106 (0.49)	-0.174 (0.51)
Education	-0.113* (0.07)	0.018 (0.07)
Income	-0.112*** (0.04)	-0.061* (0.04)
Female	-0.074 (0.25)	0.159 (0.24)
Age	-0.002 (0.01)	0.009 (0.01)
Public sector employment	0.189 (0.19)	0.035 (0.17)
Cultural liberalism	0.137 (0.11)	-0.041 (0.10)
Union membership	0.390* (0.21)	0.435** (0.17)
Church attendance	0.025 (0.06)	-0.055 (0.05)
Pseudo R <sup>2</sup>	0.185	0.100
BIC	384.2	3190.9
N	678	681
Log likelihood	-2353.2	-3748.2

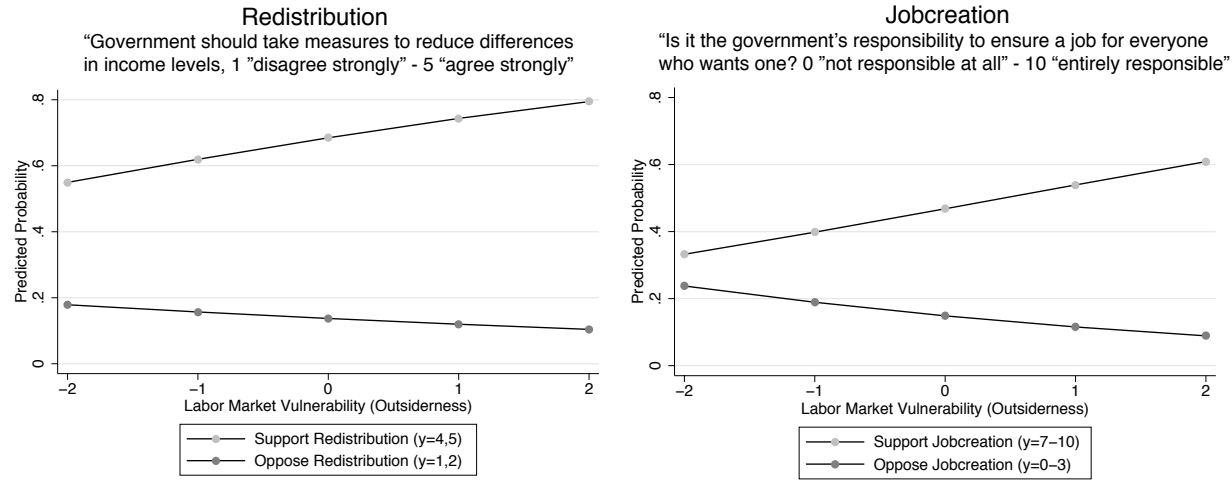
Notes: Ordered logistic regression with clustered standard errors and country dummies, the data is weighted; Country dummies and cut-points are not shown due to space restriction; Pseudo R<sup>2</sup> is the McKley and Zavoina R<sup>2</sup>; \* = significant at the 0.1 level, \*\* = significant at the 0.05 level, \*\*\* = significant at the 0.01 level.

Data source: ESS 4 2008.

Table 1: Determinants of social policy preferences. Coefficients from ordered logit regressions

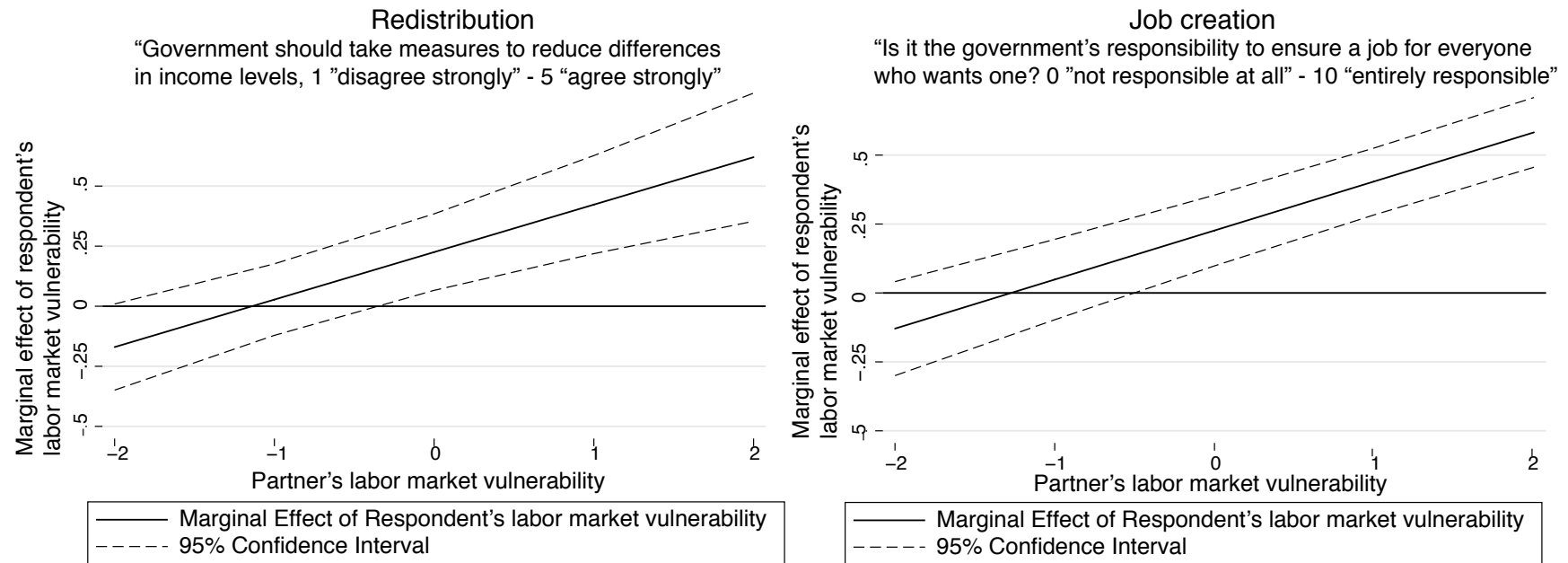
	M1: Preference for...		M2: Preference for...		M3: Preference for...	
	Redistribution	Jobcreation	Redistribution	Jobcreation	Redistribution	Jobcreation
Respondent's Outsiderness	0.243*** (0.07)	0.211*** (0.06)	0.232*** (0.07)	0.204*** (0.07)	0.266*** (0.08)	0.226*** (0.06)
Partner's Outsiderness			0.134** (0.06)	0.078 (0.06)	0.162*** (0.06)	0.097 (0.06)
Outsiderness Respondent*Partner					0.217*** (0.04)	0.160*** (0.03)
Education	-0.107*** (0.03)	-0.095*** (0.03)	-0.102*** (0.03)	-0.092*** (0.03)	-0.103*** (0.03)	-0.093*** (0.03)
Income	-0.159*** (0.02)	-0.097*** (0.02)	-0.152*** (0.02)	-0.094*** (0.02)	-0.151*** (0.02)	-0.092*** (0.02)
Female	-0.100 (0.10)	0.100 (0.14)	0.027 (0.08)	0.173 (0.11)	0.020 (0.07)	0.171 (0.11)
Age	0.005 (0.00)	0.000 (0.00)	0.005 (0.00)	0.000 (0.00)	0.006 (0.00)	0.001 (0.00)
Public sector employment	0.191*** (0.07)	0.089* (0.05)	0.196*** (0.06)	0.092* (0.05)	0.188*** (0.06)	0.086* (0.05)
Cultural liberalism	0.218*** (0.03)	0.006 (0.07)	0.220*** (0.03)	0.007 (0.07)	0.222*** (0.03)	0.008 (0.07)
Union membership	0.324*** (0.06)	0.306*** (0.06)	0.313*** (0.06)	0.300*** (0.06)	0.306*** (0.06)	0.294*** (0.06)
Church attendance	-0.052 (0.03)	-0.064** (0.03)	-0.051 (0.03)	-0.063** (0.03)	-0.046 (0.03)	-0.061* (0.03)
Country fixed effects	yes	yes	yes	yes	yes	yes
Pseudo R <sup>2</sup>	0.167	0.114	0.168	0.115	0.170	0.116
BIC	-48033.4	-32647.8	-48034.6	-32642.5	-48044.2	-32644.0
N	7878	7880	7878	7880	7878	7880
Log likelihood	-11211.2	-18887.1	-11206.1	-18885.2	-11196.8	-18880.0

Notes: Ordered logistic regression with clustered standard errors and country dummies, the data is weighted; Country dummies and cut-points are not shown due to space restriction; Pseudo R<sup>2</sup> is the McKley and Zavoina R<sup>2</sup>; \* = significant at the 0.1 level, \*\* = significant at the 0.05 level, \*\*\* = significant at the 0.01 level. Data source: ESS 4 2008.



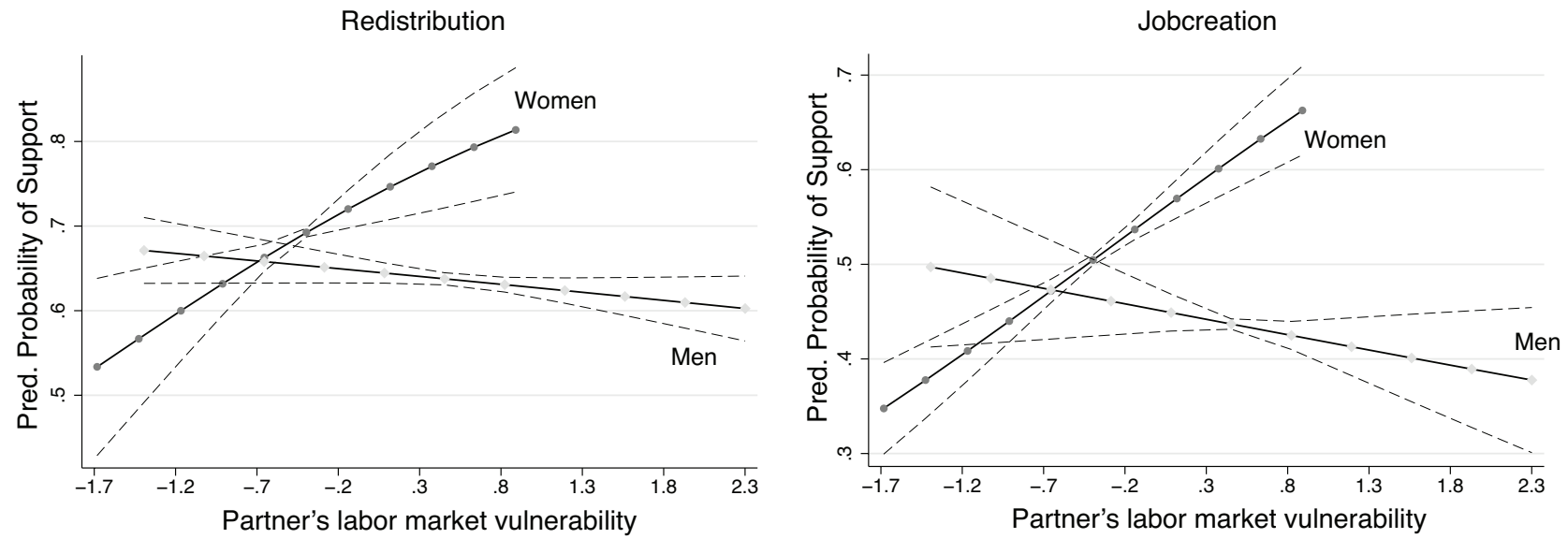
Notes: All graphs based on model specifications M3 in Table 1 (above, dependent variable dichotomized as indicated). Predicted probabilities for a respondent with median (/mean/mode) values on all categorical (/continuous/dummy) variables except outsiderness.

Figure 1: Predicted probabilities of supporting or opposing redistribution or activation, depending on the respondent's outsiderness



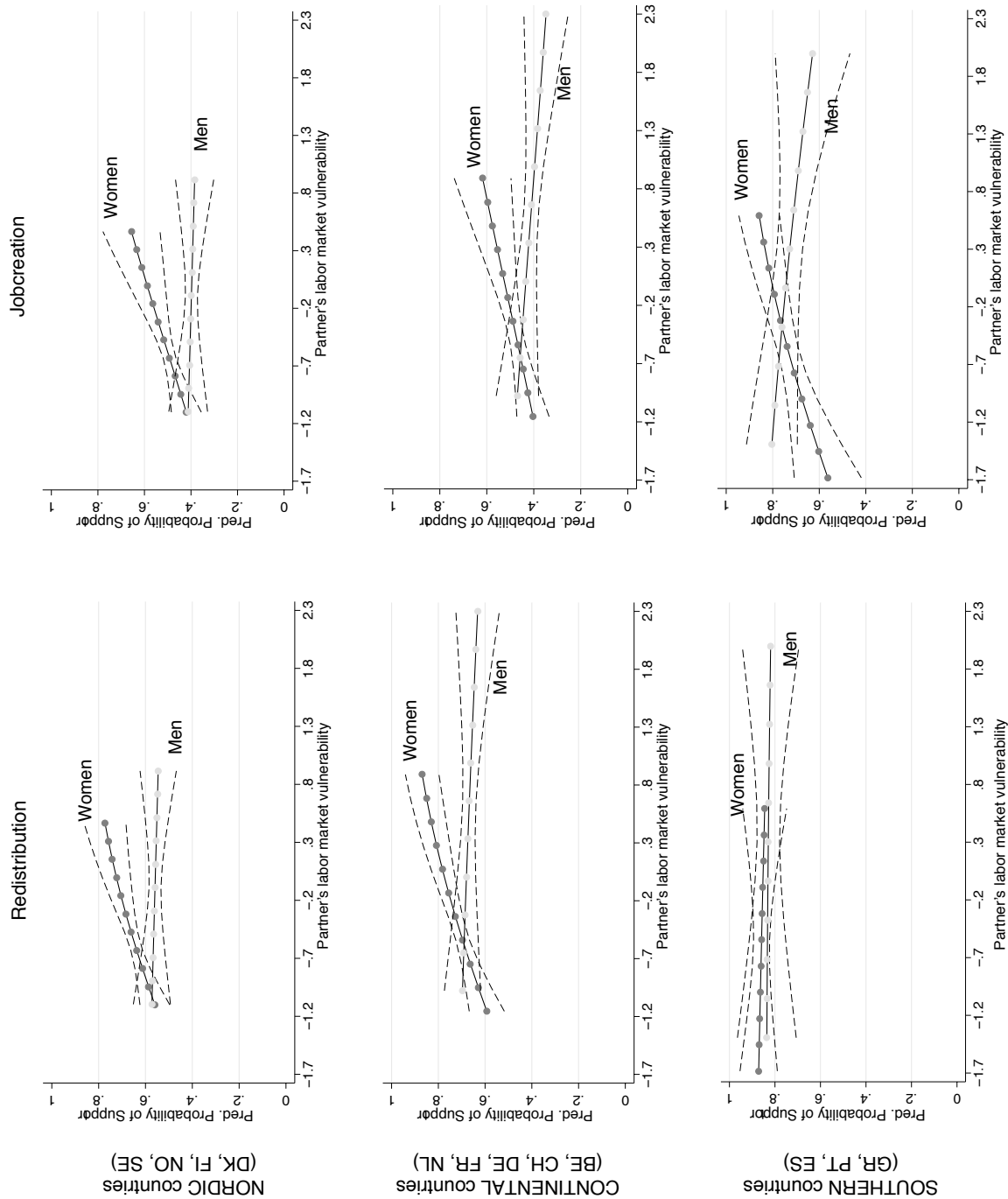
Notes: All graphs based on model specifications M3 in Table 1 (above).

Figure 2: Marginal effect of labor market vulnerability (outsiderness) on attitudes towards redistribution and activation, depending on the partner's outsiderness



Notes: Based on model specification as in appendix 3. Average predicted probabilities for men and women.

Figure 3: Predicted Probability of supporting redistribution and activation for men and women, depending on the partner's labor market vulnerability



Notes: All graphs based on model specification as in appendix 4. Average predicted probabilities for men and women.

Figure 4: Predicted probabilities of supporting social policy, for men and women, depending on the partner's labor market vulnerability, by welfare regime



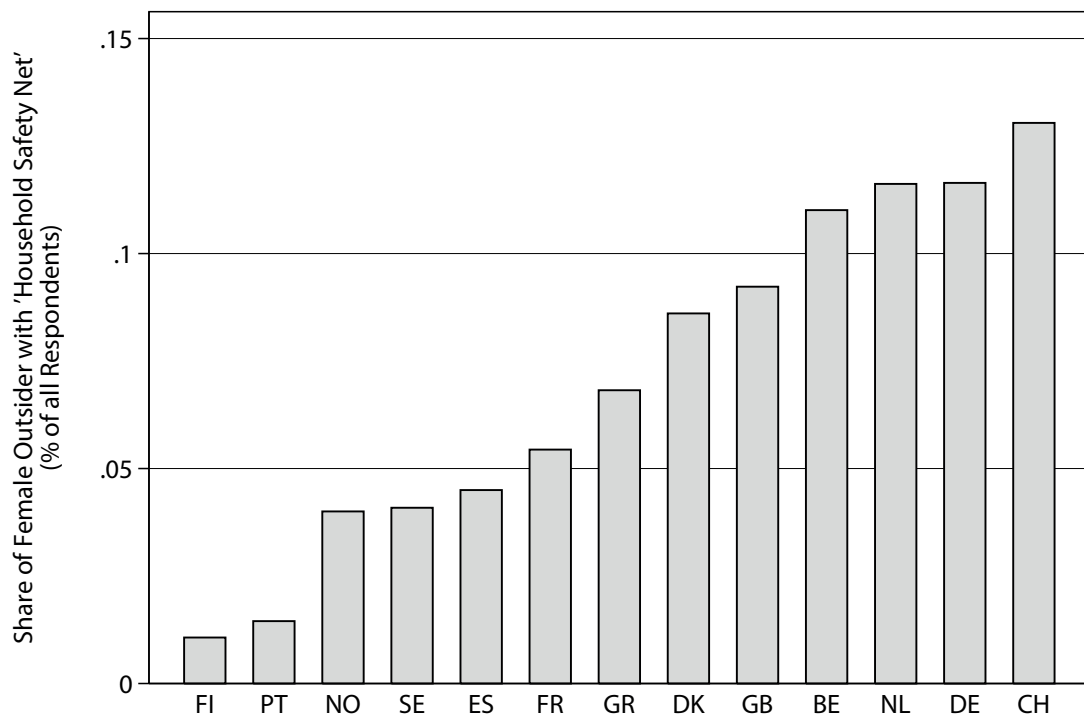


Figure 5: Share of female outsiders with safety net insider partner on total respondents, by country