Public Sector
Employment and Support for the Welfare State
A multilevel assessment of 15 advanced capitalist countries
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Master thesis in sociology 30 h.p.
Spring Term 2012
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Abstract

The development and longevity of the welfare state is dependent on public support. The purpose of this study is to examine the relationship between public sector employment and popular support for the welfare state in comparative perspective. Welfare state attitudes represent the micro-foundation in many theories about links between welfare state organization and interest formation and the shaping of values, norms and levels of aspiration. Most studies seeking to explain differences in welfare state support use welfare state regime labels on countries as their independent variable. However, previous empirical research on comparative welfare state attitudes has found very mixed support using the regime typology approach. The present study takes a step forward in using comparative indicators of public sector employment and social protection, instead of regime labels. In previous research the role of public sector employment for welfare state attitudes has typically been given little attention. The main hypothesis is that public service employment positively influences aggregate levels of support towards the welfare state. Based on a multilevel-regression framework and drawing on ISSP comparative data from 2006 on individual level attitudes, this study demonstrates clear empirical support for this main hypothesis.

Keywords

comparative, welfare state, multilevel analysis, public sector employment, attitudes, public employee.
Contents

Contents ........................................................................................................................................... 3

Introduction ................................................................................................................................... 1

Theory and previous research ................................................................................................. 2

Public Support for the Welfare State ......................................................................................... 2

Public employment ...................................................................................................................... 3

The public employee .................................................................................................................... 4

The general importance of public sector employment ............................................................. 5

The peculiar nature of welfare service production ................................................................. 7

Methodology and Data .............................................................................................................. 9

Dependent variable .................................................................................................................... 10

Independent variables ............................................................................................................. 12

Empirical Results ....................................................................................................................... 14

Discussion .................................................................................................................................. 23

References .................................................................................................................................... 26

Methodological Appendix ......................................................................................................... 30
Introduction

The attempts to empirically explain cross-country variation in welfare state support have been many. Empirical evidence is mixed demonstrating only weak links between the basic institutional organization of welfare states and cross-country patterns of popular support for the welfare state. Most studies on cross-country differences in support for the welfare state have used different versions of welfare regime theory, most notably that of Gösta Esping-Andersen (1990), to formulate hypotheses on the role of institutional organization. As such, most studies have, at least implicitly, focused on the role of cash benefits for attitude formation, directing much less attention towards the public service sector and even less focus on the role of public sector employment. Given that public sector employment is central to most welfare states, this lack of attention is unfortunate. Furthermore, only mixed evidence for the regime approach has hitherto been found in empirical research on attitudes toward the welfare state.

The purpose of this study is to examine the relationship between public sector employment and support for the welfare state in comparative perspective. The main question studied here is to what extent cross-national differences in public support for the welfare state may be explained by national levels of public service employment. The study uses a comparable-cases strategy. By means of multilevel regression techniques comparative attitudinal survey data from the International Social Survey Programme (ISSP) in fifteen advanced capitalist countries is analyzed, testing the role of both individual-level variables and contextual factors for aggregate levels of support for the welfare state.

The relationship between institutions and public opinion is central to comparative sociological research on the development and sustainability of welfare states. From a sociological perspective, patterns of popular attitudes towards redistribution and towards welfare state policies are of importance for evaluating the base for political mobilization and political class coalitions that in turn frame the scope for social reforms.

In order to complement existing theories about the formation of attitudes toward the welfare state it is essential to explore new hypotheses. The role of public sector employment may here provide a promising new path of research, especially in the face of scarce empirical evidence for dominant hypotheses in the research field. Rather intuitively, public sector employment should be of interest because it matters in people’s lives. It has allowed women to enter the labor market; it provides people with work opportunities, often characterized by good working conditions; it has come with the increasing provision of a variety of social services that assist citizens through the life course. There are thus good reasons to believe that this aspect of welfare states may be of major relevance for explaining causal processes involved in the formation of attitudes toward the welfare state.

The study is organized in the following way. First, a brief review of existing empirical research on cross-country variations in popular attitudes toward the welfare state will be provided. A theoretical discussion on the role of public sector employment as a crucial part of welfare state organization will follow, leading to the formulation of three hypotheses about the effects of public employment, both at the individual and at the macro level.
Subsequent sections provide a presentation of the data and the multilevel regression technique. The final section presents the results, followed by a discussion of the main findings.

**Theory and previous research**

**Public Support for the Welfare State**

It is widely believed that welfare state organization contributes in shaping self-interest or group interests, identities and public attitudes. New institutionalist as well as theory inspired by the power resource approach underline the role of institutions as intervening variables framing and reshaping class or group interests; levels of aspiration; self interest; or values and norms concerning equality, justice and solidarity (March & Olsen 1984; Korpi 1985:39, Korpi 2001; Orloff & Skocpol 1984; Skocpol & Amenta 1986; Powell & DiMaggio 1991; Steinmo 1995; Pierson 1996; Korpi & Palme 1998).

These institutional structures may also create “policy feed-backs” through the process of representative democracy where the organization of welfare states are assumed to create “vicious” or “virtuous” circles of welfare state support. In comparative research a crucial task has been to study whether differences in welfare state organization across countries actually are reflected in differences in welfare state attitudes. The reciprocal relationship between welfare state organization or institutions and public attitudes, preferences and interests has been at the center of most non-functionalist theorizing concerning the development, design and stability of welfare states. The aim to empirically assert a micro-foundation to these theories has lead welfare state researchers to direct attention to public attitudes to redistribution, social equality, and the responsibility of the government for social policy.

Comparative studies of welfare state attitudes have found overall strong public endorsement of welfare states across countries. Despite a high levels of support for the welfare state in most countries, substantial cross-national differences have been observed. Empirical studies trying to explain cross-country variation in welfare state attitudes have often delivered results that have been in conflict with the main theoretical anticipations. However, usual research strategies seem problematic for explaining country differences in welfare attitude formation, particularly the preoccupation with welfare state regime theory motivated by an aim to provide a micro-foundation most notably for Esping-Andersen’s (1990) seminal distinction between the liberal, conservative and social democratic welfare state regimes. These three ideal types reflect different logics to the provision of social protection, in turn generating different patterns of social stratification. According to this regime theory the social democratic welfare state ideal type is based on the idea of social protection as a social right of citizens and is characterized e.g. by universal social benefits; the conservative welfare state ideal type is based on a corporatist ideal where social protection is obtained by virtue of having an occupation and is specific to the profession; in the liberal welfare state ideal type social protection is of a residual character and targeted at the poorest. However, the empirical evidence of the regime approach for explaining differences across countries in terms of welfare state attitudes has at best been described as “partial”, “scarce”, “blurred”, “mixed” or “not decisive”. In short, no clear-cut regime pattern has been found to account for country differences in welfare state

One problem with the focus on welfare regime theory is that countries are treated as representations of broad welfare state ideal types, their degree of resemblance to the regime types are not assessed empirically. Furthermore, the general difficulty of categorizing a larger set of countries according to these ideal types (Kasza, 2002) makes inference based on welfare state regime categorizations problematic. Another aspect of the welfare state regime approach that may explain the lack of clear-cut evidence is that regime labels are fairly crude explanatory variables, they say little about which parts of welfare state organization are crucial for welfare attitude formation. Faced with the scarce evidence for regime-dependent attitude patterns, some researchers have tried to find clearer results by distinguishing between different dimensions of welfare state attitudes and restricting the dependent variable (attitudes toward the welfare state) to only one dimension, selecting only a few survey items related to attitudes toward the welfare state (cf. Larsen, 2006, 2008). Yet, only few studies have sought to “unpack” the independent variable (the welfare state), examining the explanatory power of separate indicators (cf. Meier Jæger, 2006).

Moreover, preoccupation with welfare state regime hypotheses has implicitly led to focus being directed mainly toward the aspect of de-commodification through social insurance programs. As Larsen (2006:29) rightly notes, many such studies have been “based on a rather simple and rigid understanding of the regime theory”. The main welfare state regime theories have however not only acknowledged the importance of cash transfers but have also comprised several additional aspects of welfare state organization, such as the role of labor policies of full employment or government provision of social services (Esping-Andersen, 1990).

With a few exceptions these wider aspects of welfare state organization have seldom been considered in comparative research on variation in popular support for the welfare state. Meier Jæger (2006) here includes indicators on the relative importance of welfare services as compared to cash transfers and Bonoli (2000) examines the significance of labor law and labor market regulation. Oddly enough, the role of public sector employment and in particular that of public employment in the welfare state as a macro phenomenon has been absent from analyses of welfare attitude formation. Now follows a discussion about why public employment should matter for popular support for the welfare state.

**Public employment**

Both conceptually and empirically, public sector employment is an important part of the welfare state and significant variation in levels of government employment is evident across the rich countries (Lonti & Woods, 2008). In some countries public sector employment are below 10 per cent of the workforce whereas the welfare state in some cases may be a very important employer providing as much as 30 percent of total employment. As a matter of fact, employment growth in rich countries between the 1960s and the 1980s was almost entirely accounted for by increases in public sector employment (Rose, 1985; Kolberg & Esping-Andersen, 1991). What consequences may this aspect of the welfare state have for people’s attitudes toward the welfare state?

Public employment can be a benefit in and of itself. This dimension of the welfare state as provider of jobs has been underemphasized in the welfare state literature. But as Rose (1985:36) puts it “from the perspective of the
public employee, a secure public job can be the most important output” of the welfare state. Indeed, welfare states have been called “virtual employment machines” (Kolberg & Esping-Andersen, 1991:12) and their existence should matter for shaping people’s daily lives. Welfare states are in this perspective likely to matter both for the people employed in them and, at least in the case of big welfare state employers, for the bulk of the population at the national level e.g. as alternative sources of employment and as providers of social services. These and further aspects of public sector employment will be discussed in subsequent sections, nevertheless, we may thus expect public sector employment to operate at two different levels in the shaping of people’s welfare attitudes; both at the individual level for the public employee and at the macro-level for citizens in general.

The main interest of this study is to examine the role of public sector employment as a macro-level phenomenon, but the relationship between the level of public sector employment and the attitudes of public employees is also of interest for this study. Therefore, we will in the next section begin by discussing public employment at the individual level, before discussing the general importance of public sector employment.

The public employee

Rather intuitively, out of self-interest public employees can be expected to be more positive towards welfare policies than the privately employed. This line of reasoning has been advanced and theorized by scholars such as Theda Skocpol in the state-centered institutionalist approach (Orloff & Skocpol, 1984; Skocpol, 1985; Weir & Skocpol, 1985). Even if earlier studies mainly have focused on higher civil servants, the idea that civil servants may have career interests of their own and that they promote policies that further these interests – beyond the interests of social groups pressuring government or having put elected representatives in office – may well also be valid for the larger group of public employees. According to this logic, we would expect public employees to be more supportive of the welfare state than the general public, not least since their career opportunities and livelihood directly depend on the very existence of a large public sector. In their account of the development of social protection in Britain and the United States Skocpol and Orloff (1984) explain the differences in social welfare provision between countries as the resultant of differences in strength and organization of the civil service. The phase of marked expansion of public employment in rich western countries between the 1960s and 1980s (Cusack et al.1989; Alestalo et al. 1991) could arguably be seen as a process analogous to bureaucratization in earlier stages of state formation. In accordance with Skocpol and Orloff’s line of reasoning, one may argue that the establishment of a large public service employment sector has specifically shaped the scope for politics of welfare provision by creating and strengthening particular interest groups made up by public employees (cf Pierson, 1996).

Apart from the self-interest of minding for their own employment, income and prestige, public employees usually are personally attached to their work and are professionally interested in the programs they work within as well as in their clients, by virtue of being experts in social and welfare work (Lafferty, 1988). This type of interest and concern goes beyond a purely pecuniary view of their job. As skilled professionals (which they often are, cf. Gornick & Jacobs, 1998) dealing with care, health, education and welfare of other people, they adhere to a work ethic proper to their profession, also stressing the value of their work and promoting goals other than sheer productivity. This work ethic is often tightly linked to the value of social service provision as a social right. According to Pettersen (1995) public employees tend to endorse the values upon which the provision of
their services lies. And this is partly the result of a socialization process within the workplace. Cutbacks in public sector employment do not only represent a threat to public sector workers’ own jobs and livelihood, but for those who are not laid off such cuts usually are also accompanied by degraded work conditions and pressures for higher productivity, which tend to imply a degradation of the quality of services.

Being employed in a large public sector should have further consequences for the attitudes of public employees. Well-developed public sectors like the ones in the Nordic countries typically offer a wide range of services that often require quite high skills and education of employees. In countries where most care work is carried out within welfare service institutions by employees as opposed to unpaid women (mothers and daughters) the people doing the care work are typically skilled workers with education or training to carry out their job (Gornick & Jacobs, 1998). This means that the welfare state demands a range of new professions that would not exist, or would exist to a lesser extent, without the pooling of resources through tax collection and the political initiatives creating for example extensive institutions for the care of children and the elderly. At the level of the individual public employee, such sizeable social investments represent recognition of the value, importance and prestige socially given to their professions. Along with specialization comes the building of new institutions including a wide offer of different educational pathways through secondary school or universities, which in turn sustain the organization of welfare state services and generate a supply of trained personnel. People that choose to work for the welfare state invest in education and in acquiring the necessary skills for these jobs, and this should be an important reason for them lending their support to the welfare state. Given these considerations we could expect public employees to be more positively orientated towards the welfare states than the privately employed.

The general importance of public sector employment

In countries where employment in public services makes up one third of total employment, it is quite reasonable to assume that most people have personal relationships with somebody or several people working within the public sector. Those who are married to or have relatives working in the public sector could be expected to greater extent to share their views on public services and the welfare state. Thus larger shares of the populations being employed in the welfare state should promote a more positive attitude toward the welfare state also at the aggregate level.

The previous discussion on the skilled employment in the welfare state is of relevance not only for public employees but also for citizens in general. Once care work is institutionalized and greater specialization is allowed to take place, citizens should put higher demands on these services. Instead of having a daughter, who may at the same time be raising her children and cleaning the house, mind for an elderly parent by herself, that parent may be attended by a wide range of professionals, from occupational therapists, geriatricians and nurses to personnel that mind for social activities. A telling example of such processes from everyday political life in France was the public reaction in 2008 against the then French minister of education Xavier Darcos’ comment on the redundancy of pre-school teachers’ university education. He said:
"Is it really logical (...) that we make people study for five years at university when their task will essentially consist in making children take a nap or in changing their diapers? I ask myself that question."

The minister’s statement caused public outrage. Reactions were very strong not least from pre-school teachers, including such signs of protest as repeated opinion pieces in the press as well as a display of dirty diapers during the anti-government street demonstrations. Yet the issue seemed to cause irritation in wider circles than only among pre-school teachers. Parents to children in early childhood education also seemed to place great value on the education of childcare personnel.

This brief anecdote from current French political life provides an illuminating example of the connection between the interest of public employees and that of the general public. What is at issue here is the provision and quality of public welfare services, which could be seen as a social right. Many people get access to welfare services through the high levels of public sector employment that allow for the provision of public services. In fact, growth in public sector employment in western democracies after World War II was specifically allocated to the production of welfare services (Rose, 1985). Cross-nationally, the big differences in public sector employment lie in the range of welfare services offered. More precisely these differences are to be found in the public provision of care services. In some cases levels of public employment may serve as proxies for the extent of public service provision and a measure of personnel density, which thereby, in a way, also could indicate the quality of services.

A point should be made here about the visibility of government provision of welfare services as compared to government administration of cash transfers. We know that welfare state support is fairly high across countries, and this has been taken to suggest a generalized acceptance of the idea of solidarity. It could reasonably be argued that what people are evaluating, when asked to report their stance on the responsibility of government for social provision, is the trade-off between more social protection and higher taxation. While most people paying taxes have no clue about how much money is paid to households through social insurance schemes or the societal outcomes of such policies, they may have a far better idea of what government is doing with their money when they encounter public employees on a daily basis through the welfare services that are offered to them. If this is true, we may expect people in large welfare states (in terms of employment) to more easily accept government responsibility for welfare policies also in more general terms.

Leaving the discussion about the connection between high levels of public sector employment and extended provision of social services, we now turn to the labor market consequences of high public sector employment. Big welfare state employers are significant actors on the labor market. Taking the example of Scandinavia, Hagen (1991) notes that the welfare states created a “quasilabor market” of their own in the public sector. In this sense the welfare state may put pressure on other actors in the labor market to improve working conditions and or pay. Hagen explains that the expansion of welfare state employment in Scandinavia led to recruitment of labor from labor-intensive industries. By absorbing labor supply the welfare state may counter unemployment and thus

contribute to moderate market forces on the labor market (Kolberg & Esping-Andersen, 1991). These types of measures will of course benefit the whole labor force, not only public employees.

In the same way as Bonoli (2000) singles out labor laws and labor bargaining as the “functional equivalents” of social protection it could be argued that the government’s role as an employer is another such equivalent. One could say that the increasing responsibility of government for providing job security and income through direct employment is an important type of government intervention on the labor market. In general, having a large public sector that employs people in welfare services should have a legitimizing effect on both tax payment and government responsibility for welfare policies as a whole.

The peculiar nature of welfare service production

It has already been mentioned that the welfare state may be a very significant job provider. The size of the welfare state in terms of employment should matter not only for individual public employees, but also for the people in the labor force in general, since the government could be a potential alternative employer. But in order to fully understand the institutional impact of public sector employment on the attitudes of those who are not government employed, we need to consider the particularities of public employment vis-à-vis private employment.

Rose (1985) reminds us that, apart from those employed in publicly owned enterprises (who constitute a minority of public employees), public employees produce non-marketed goods. One part of these are collective goods and services that cannot be marketed because their users cannot be singled out and charged. For example, every citizen is in need of a court system and of police upholding public order, regardless of whether we make use of these services directly or not. The production of collective services and goods could be said to cover the “sine qua non” responsibilities of government i.e. those administrative or other activities without which the state cannot function. Employment in these services is not expected to vary much between countries and over time. On the other hand, levels of employment in public welfare services does vary cross-nationally and this type of employment engages public employees in the production of services that could theoretically be marketed but are instead provided to citizens without them paying at all or at a reduced price. This protection from market mechanisms of public sector employment can here be expected to have far-reaching consequences.

Firstly, it implies that these services have no price determined via market mechanisms and thus that their provision is not “automatically” determined by economic demand, but instead by policy decisions. According to Rose (1985) this peculiarity of services gives public employees considerable decision power and influence over both wages and output of government services.

Secondly, the employee working in public welfare services is aware of the fact that her/his services are “given away” according to principles alien to the producer-buyer relationship dominant on the market; such as the principle of need or that of equal social rights, where the provision of welfare services is considered to be such a right. In this sense the difference between the redistribution of social risks through social insurance payments and that of social service provision is not very big. We expect public employees engaged in “giving away” their services (while still receiving a wage in return), to be socialized into viewing this type of activity as acceptable, if not desirable, and at least not as a waste of taxpayer money. And this type of public employees are more numerous in larger welfare states that provide many different types of welfare services. As a result, they should
be more positively attuned to welfare policies in general as compared to their peers in the private sector and with their peers in smaller welfare states.

The lack of profit motive should further generate a different type of relations of production, disregarding more recent shifts towards “new public management” in the organization of the government services. Because of the “sheltering” of public employment, employees normally enjoy more autonomy, freedom and authority (Kolberg & Esping-Andersen, 1991). Moreover, the absence of a direct exposure of government employment to market forces protects public employees from losing their jobs in times of crisis. Unionization is typically higher in the public sector than in the private sector in most advanced capitalist countries as most governments openly recognize the rights of workers to organize for collective action (Visser, 2006). In other words, public employment may reasonably be seen as more stable than private employment, which could be a reason why citizens in general, not only public sector workers, would favor government as an additional or alternative employer both at the individual and the contextual levels.

From the presented theoretical discussion about public sector employment we may derive three hypotheses about the relationships between public employment and support for the welfare state.

The first and main hypothesis in this study is therefore the following:

*Higher levels of public sector employment in social services are expected to be positively related to aggregate support for the welfare state.*

Recalling the discussion about public employees we derive a second hypothesis of the welfare attitudes of public employees:

*Public employees can in general be expected to be more positively orientated towards the welfare state than their private counterparts, by virtue of their self-interest in safeguarding their employment but also by virtue of their professional attachment to the existence, importance and high quality of their services.*

The third and last hypothesis in this study relates to both the type of employment (in the public or private sector) and the level of employment in public services:

*Support for the welfare state among public employees can be expected to vary according to the size of public sector employment. More precisely public employees in large employer welfare states are likely to be more positively oriented towards the welfare state than those in small ones.*

Behind this latter hypothesis lies both the idea that career prospects are better and legitimacy and prestige of public employees is higher in large public sectors. Moreover, we can expect that the smaller governments, in terms of employment, carry out qualitatively different tasks from welfare states that employ more sizeable parts of the population in welfare services.
Methodology and Data

The countries included in the study have been selected firstly on the basis of availability of comparative data and secondly using a comparable-cases strategy (Lijphart, 1971; 1975), in order to make sense of the hypotheses concerning welfare states. All countries considered are thus advanced capitalist democracies, with at least 50 years of democratic rule. In all of these countries the welfare states have matured due to long-lasting political stability. Even if data was available for a range of post-Soviet democracies as well as younger democracies, these were not included because we do not expect the more recently founded welfare state institutions to be fully comparable to mature welfare states institutions shaped during a long time of democratic rule. For instance, it seems reasonable to assume that attitudes towards government policies are structured along a completely different logic in post-soviet countries because of the experience of state communism. To some extent this may hold for other countries as well, such as Spain, Portugal and Greece who have experienced dictatorship during the second part of the 20th century.

In order to subject the hypotheses of the relationship between public service employment and welfare state attitudes this study makes use of multilevel regression techniques. Multilevel regression techniques offer the possibility to distinguish between individual-level relationships, macro-level, macro-to-micro and micro-to-macro relationships and to examine cross-level hypotheses (Hox, 2002). To look at the relationship between macro-level variables by means of standard OLS regression techniques, and only be concerned with welfare state attitudes at the aggregated level firstly leads to a significant loss of information and secondly it could lead us to commit the ecological fallacy of inference (Robinson, 1950); of drawing conclusions about individual-level relations based on macro-level correlations. Multilevel techniques also reduce the risk of Type I errors that are associated with applying single-level regression models to nested data; as the assumption of independent residual terms is violated standard errors of the level-2 parameters tend to be underestimated (Hox & Kreft, 1994).

Our point of departure for this study is that we are dealing with nested data, i.e. that the way in which welfare attitudes of individuals are shaped differs between countries due to differing contextual conditions across countries. This assumption calls for a method of statistical analysis that is able to take into account the hierarchical nature of the data i.e. these macro-to-micro relations. Multilevel regressions allow for such treatment of the data. The multilevel regressions in this study are estimated using the xtmixed command in the STATA statistical package, which can perform mixed effects multilevel linear regressions. The recommended method for statistical estimation of the parameters in the case of a small number of groups (countries) is the restricted maximum likelihood (REML) method (Snijders & Bosker, 2003:56). REML is used in all cases but for performing a likelihood ratio test to compare the fitness of models including random coefficients (the latter including an interaction term), a maximum likelihood estimation method is used (Snijders & Bosker, 2003:57).

It should be noted that fifteen countries is a fairly small number of countries for multilevel analyses and interpretation of the results should be made with caution. Restricting the number of contextual effects that are estimated simultaneously, however, to some extent helps counteracting the problem of small number of groups (Meuleman & Billiet, 2009). The problem of small number of countries is common in cross-national analyses, due to the fact that there is a limited number of countries in the world and often also due to theoretical
assumptions about cross-cultural equivalence. Measures are taken to try tackling the accuracy problem of a small sample size. Following advice to reduce the complexity of the regression models in these cases, in terms of reducing the number of level-2 parameters (Meuleman & Billiet, 2009), measures to attenuate estimation problems were taken by testing the contextual control variables separately, instead of including them all in one model. For the same reasons only one cross-level interaction variable was included in the models.

**Dependent variable**

For this study I have made use of data on public attitudes provided by the International Social Survey Program (ISSP) and its 2006 wave of the Role of Government module (IV). This module contains questions about the responsibilities of the government when it comes to income redistribution as well as the provision of welfare services and welfare benefits. The ISSP offers comparative data on public attitudes in over 30 countries, where the same questions have been asked to respondents in the different countries. The ISSP has as far as possible aimed at dealing with potential problems of differences in connotation and interpretations of the questions in different countries (Svallfors 1997).

In order to further avoid some of the weaknesses of attitudinal data and the potential problems of getting different results depending on the particular framing of the questions I follow the recommendations of Svallfors (1997) to use computed indices rather than single items. This strategy has been favored in several previous studies (Svallfors, 1997; Blekesaune Quadagno, 2003).

The welfare state attitude index used for the dependent variable has been constructed from the answers to seven different items relating to the governments responsibilities for ensuring the livelihood of people in need, for welfare service provision and redistribution. The items are the following:

“On the whole, do you think it should or should not be the government’s responsibility to...

- a. Provide a job for everyone who wants one.
- b. Provide health care for the sick
- c. Provide a decent standard of living for the old
- d. Provide a decent standard of living for the unemployed
- e. Reduce income differences between the rich and the poor
- f. Give financial help to university students from low-income families
- g. Provide a decent housing for those who can’t afford it”

The number of groups (level-2 units) can sometimes be increased by treating regions instead of nations as the relevant groups (Meuleman & Billiet, 2009). For theoretical reasons and reasons of data limitation this strategy has not been pursued. Public policy in terms of provision of welfare services and the structure of the public sector labor market is in most cases not a regional but a national phenomenon. Especially when it comes to public employment. It is not reasonable to assume that levels of public employment in one region do not impact the labor market in others since people are known to commute to work in neighboring regions.
For each question respondents could choose between five different answers: “Definitely should be”, “Probably should be”, “Probably should not be”, “Definitely should not be” and “Can’t choose”. The “can’t choose” option has been treated as an intermediate category in between the affirmative answer options and the negative ones. The index has been arbitrarily scaled by giving ascending scores to the answers starting from “Definitely should not be”, and the index was constructed by simple aggregation of the answer scores. The answer “definitely should not be” was given a score of 0, “Probably should not be” was given a score of 1; “can’t choose” was given a score of 2; “Probably should be” was given a score of 3 and “Definitely should be” gave a score of 4. Each individual’s score on the welfare attitude index is the average of the scores of each item. The maximum possible score on the index is thus 4 and the minimum score is 0.

For the construction of the index Cronbach’s alpha coefficients were calculated for each country and principal component analyses were carried out to examine whether the different items are indicators of the one and the same underlying aspect. The idea is to tackle the issue of the potentially multiple meanings of what we may conceive of as “the welfare state”, by testing whether the welfare attitude index is a composite measure of a one-dimensional phenomenon (Frankfort-Nachmiyas & Nachmiyas, 1992). In this case the phenomenon of interest is a general attitude toward the role the government should play in providing welfare and redistributing wealth. The included items produced Cronbach’s alpha coefficient above 0.7 for each separate country besides Ireland. This should be considered acceptable. The principal component analyses showed one clear dimension for which every item had high factor loadings. But a less pronounced dimension also appeared. Two items were specifically concerned by this second dimension, namely “provide a decent standard of living for the old” and “provide health care for the sick”. We have chosen to keep the two variables for theoretical reasons, because of the conceptual importance of pensions and health care for the welfare state (c.f. Palme 1990). The inclusion or exclusion of these items do not change the results of this study in any relevant way. At the same time, we should mention that these two seemingly deviant cases of attitudes are not surprising. These survey questions concern two groups in society; the sick and the elderly, who are often seen by the public as particularly “deserving” of help from the government, and policies directed toward these groups are usually more strongly embraced by the public. Previous research has shown that dimensions of deservingness are important for attitudes toward the welfare state (e.g. Coughlin, 1980; Pettersen, 1995; van Oorschot, 2000; Blekesaune & Quadagno, 2003; van Oorschot & Arts, 2005; van Oorschot, 2006). It thus seems like the second dimension found in the factor analyses captures precisely this phenomenon. We may thus conclude that our overall welfare attitude index captures the dimensions we are interested in: a general attitude towards the welfare state.

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3 For Cronbach’s alpha coefficients for each separate country and additional methodological details on the construction of the attitude index, see methodological appendix.

4 Regressions run on alternative indices including the two items relating to the “deserving” groups of sick and old and on one using the rest of the items included in the main index did not change the results substantially. Further sensitivity analyses were carried out using different combinations of the items (e.g. including only items concerning cash transfers and redistribution or only items referring to welfare service provision and redistribution). None of these exercises changed the main results of the relationships between public employment and support for the welfare state.
Independent variables

Comparative data on public employment has certain limitations concerning the comparability e.g. in terms of the degree of “stateness”, referring to distinctions made between direct public employment or employment in publicly financed but privately-owned entities, such as schools or hospitals. There is no dataset covering all of the countries considered here with uniformly collected data on public employment categorized into different activities. The only available dataset that covers all the countries in this study is ILO Public sector employment data. However, the method of collection of this data differs to some extent between countries. Data for the Netherlands and New Zealand on public sector employment is e.g. measured in full-time equivalents instead of in head counts.

Public sector employment in the countries included in this study is, on average, made up by 87% employment in welfare services (with countries ranging from 74 to 95% of public sector employment in the welfare state.) However, employment in publicly owned enterprises is also included in public sector employment. As the central aim of this study is to investigate the impact of employment in the welfare state a public service employment variable was expressed as a share of total employment was constructed, excluding employment in publicly owned enterprises and related activities such as energy and water supply and transport, storage as well as communications. This indicator aims to capture public employment in the production of non-marketed goods and services, which are protected from market mechanisms, thus the underlying idea is that this type of production is fundamentally different from production of marketed services and goods (cf. Alestalo et al. 1990). Public service employment thus includes public employment in welfare services, such as health care, social work, child care and education; what we would usually call the welfare state.

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5 For an overview of the different dimensions of public employment data limitations see Parry (2009).
6 In the case of the Netherlands this may be a more accurate measure given the conspicuously high levels of part-time employment among working women (Montanari, 2009)
7 A variable for total public sector employment (including employment e.g. in publicly owned enterprises) has been used in sensitivity analyses but proved to have less explanatory power than the public service employment variable used in this study, apart from that it produced very similar results. Both variables are highly correlated (0.995), but the latter seems to be driving the relationship between high levels of public sector employment and support for the welfare.
8 For total employment, the ILO comparable estimates data has been used as denominator, as suggested by Parry (2009). Latest available such data is for the year 2005. Public sector employment data thus refers to 2005.
9 The variable has been computed from ILO public sector employment data broken down by economic activity (ISIC-Rev.3 and .4 in the case of Switzerland) including employment in categories L, M, N and O; public administration and defense and compulsory social security; education; health and social work and other community or social and personal service activities. In the case of the United States data only refers to civilian employment. For three countries in this study the reported data differentiates between employment in the general government sector and employment in publicly owned enterprises. When
A series of control variables were also included in the analyses. Total public social expenditure and public social expenditure on cash benefits are controlled for (data for 2006 from OECD expressed as share of GDP). As an indicator of the provision of public welfare services as social rights, public social expenditure on in-kind benefits as a share of GDP is used (data for 2006 from OECD). The role of social rights in terms of cash transfers has also been included and represents average replacement rates of social insurances, based on data from the Social Citizenship Indicator Program. Harmonized unemployment rates for the year of the survey have been included to control for the possibility that people may be particularly supportive of the welfare state when faced with high unemployment levels, regardless of their own employment status, because they feel an increasing risk of becoming unemployed (Blekesaune & Quadagno 2003). GDP per head has been included to control for economic development and female labor force participation rate has been controlled for as well (OECD data 2006).

At the individual level a series of variables are included that are known to influence a person’s attitudes towards redistribution and the welfare state. Class has been coded according to the so-called EGP class scheme (Erikson & Goldthorpe 1992), and has here been collapsed into three categories; white-collar worker, blue-collar worker and self-employed person. Previous studies have shown that blue-collar workers are the most supportive of the welfare state and of redistribution, followed by white-collar workers while self-employed are the least supportive (c.f. Svalfors, 1997; Edlund, 1999; Meier Jaeger, 2006). The highest degree of education of the respondent has also been included in the regression models. Educational attainment has been coded into three different categories; completed secondary school and educational degree above secondary education. The reference category is educational level lower than completed secondary school.

looking at public sector employment data for the countries for which both types of categorizations are available one notes that the figures reported under the category employment in the general government sector corresponds with figures reported under categories L, M, N and O in the economic activity categorization. It has thus been assumed for the cases of France, Germany and Sweden that data on public welfare service employment represents employment in the general government sector.

10 A word of caution should be said about expenditure data. In the field of welfare state research it has long been acknowledged that social expenditure data are very blunt indicators on the different institutional designs of welfare policy (cf. Esping-Andersen, 1990:19). Analyses dealing with the cash transfers part of the welfare state have relied on more detailed indicators of social protection such as eligibility criteria, replacement rates and coverage of social benefits. In the case of welfare services, expenditure data says little about the quality, diversity, availability, scope, efficiency and coverage of the services provided. All of these factors however, should inform people’s attitudes towards the welfare state. In contrast to the development over the years of more detailed comparative indicators of social insurance programs, to this date there is no better comparative data on welfare services available than data on social expenditure on in-kind benefits.

11 The indicator represents an average of the net replacement rates of unemployment insurance, sickness cash benefits, temporary work accident insurance and pensions in 2005 (see Palme et al., 2009).
Another central variable is sex. Most studies of attitudes toward the welfare state have found that women are more supportive of the welfare state than men (c.f. Svalfors, 1997; Svalfors, 2003). Women are usually more dependent on the welfare state in several ways. Those women who do not work may be recipients of cash benefits from the state by virtue of being spouses or mothers. Because of traditional gender roles women are the ones carrying out most of the social reproduction work. The welfare state’s provision of child and elderly care is crucial for women to be able to work. Women also rely to a larger extent than men on the welfare state for employment opportunities. I have also controlled for public sector employment at the individual level. The reference category is a respondent employed in the private sector. It should be noted that this variable does not refer to welfare state employees. Because of a generally low response rate on this background variable in the survey, all types of public employment have been coded as public employee, including employment in publicly owned firms. Transfer categories that rely on the welfare state to sustain their livelihood have been noted to be more supportive of the welfare state (cf. Papadakis & Bean, 1993; Gelissen, 2000:294; Blekesaune & Quadagno, 2003). The analysis also includes a variable for unemployed respondents. Related to the question of transfer classes is that of age, which therefore also is included in the regression analyses. Age has been included as a continuous variable as it has been shown to have a predictive power when it comes to explaining policy preferences and attitudes toward government spending (Busemeyer, Goerres & Weschle, 2009). Age is also widely used in comparative studies of welfare attitudes (c.f. Hasenfeld & Rafferty, 1989; Papadakis & Bean, 1993).

**Empirical Results**

At the aggregate level we find a positive relationship between support for government welfare policies and the extent of public employment in the welfare state. *Figure 1* shows this pattern and displays the grand means of the scores on the welfare state support index for each country included in the analysis. All countries score above 2 on the aggregate level on the welfare state support index, with an overall mean of 2.85 on the 0-4 score index. A score of 2 represents an intermediate or indifferent stance towards the government’s responsibility for providing welfare and redistribution (Japan scoring the lowest average at 2.38.) These results are expected since high support for welfare state policies are generally observed in comparative welfare attitude data. Ireland deviates most from the general pattern, where average public support for the welfare state is the highest of all our countries, while public sector employment levels are lower than average. A possible explanation for Ireland’s position might be a lag in attitudes due to the fact that the government in Ireland used to be a more important employer in relative terms only two decades before 2005, as Ireland’s labor market, was still noticeably dependent on agriculture (Rose, 1985:7). In the mid-1990s public employment as a share of total employment in Ireland reached the same levels as those of the Netherlands, but has since decreased in Ireland while being pretty much constant in the Netherlands, just to take one example.

In the case of Germany, which also diverges somewhat from the main pattern, it is possible that experiences from German Democratic Republic with a large part of the population relying on the government for employment had an impact on attitudes towards the role of government in the observation year. For example,
Portes (1978) have noted similarities between the large public welfare sectors in Scandinavian countries and the labor markets of centrally planned economies. As a matter of fact, dissemination of the attitude data between respondents in former West and East Germany shows considerable differences in aggregate levels of welfare state support. The average score in welfare state support in former East Germany is 3.16, a second position after Norway’s 3.20. Average welfare state support in former West Germany is only 2.82, a position between Canada (2.79) and the United Kingdom (2.86).

**Figure 1.** Aggregate levels of welfare state support and share of employment in public welfare services in 15 OECD countries 2006. Data from International Social Survey Program, ISSP 2006 Role of Government VI. Data on employment in public services 2005, categorization from LABORSTA, ILO data on public sector employment.

*Figure 1* provides prima facie evidence that welfare state support increases with higher levels of public service employment. In order to provide a more formal test of the relationship between public service employment and welfare state attitudes a series of multilevel regressions are performed next.
Table 1 shows the results from a series of multilevel regressions with the welfare state support index as dependent variable. The first model is an empty model, without independent
### Table 1: Random intercept multilevel regression of welfare state support on various contextual variables for 15 countries, 2006.

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
<th>Model 6</th>
<th>Model 7</th>
<th>Model 8</th>
<th>Model 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Service Empl.</td>
<td>2.079** (0.648)</td>
<td>2.289** (0.826)</td>
<td>3.149** (0.860)</td>
<td>2.049** (0.726)</td>
<td>2.871** (0.851)</td>
<td>2.016** (0.730)</td>
<td>2.032** (0.651)</td>
<td>1.812** (0.699)</td>
<td></td>
</tr>
<tr>
<td>Public social exp.</td>
<td>-0.006 (0.014)</td>
<td>-0.064 (0.037)</td>
<td></td>
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<tr>
<td>In-kind exp.</td>
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<td></td>
</tr>
<tr>
<td>Cash exp.</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female LFP</td>
<td>-0.017 (0.012)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social insurance</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>0.084 (0.371)</td>
</tr>
<tr>
<td>Unemployment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.024 (0.025)</td>
</tr>
<tr>
<td>GDP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8.91 e-06 (8.76e-06)</td>
</tr>
<tr>
<td>Intercept</td>
<td>2.858** (0.062)</td>
<td>2.472** (0.129)</td>
<td>2.559** (0.241)</td>
<td>2.880** (0.263)</td>
<td>2.455** (0.202)</td>
<td>3.537** (0.785)</td>
<td>2.430** (0.228)</td>
<td>2.347** (0.181)</td>
<td>2.191** (0.305)</td>
</tr>
<tr>
<td>Log likelihood</td>
<td>-20584</td>
<td>-20580</td>
<td>-20583</td>
<td>-20581</td>
<td>-20583</td>
<td>-20582</td>
<td>-20580</td>
<td>-20582</td>
<td>-20590</td>
</tr>
<tr>
<td>Country-level variance</td>
<td>0.0576</td>
<td>0.0344</td>
<td>0.0368</td>
<td>0.0297</td>
<td>0.0373</td>
<td>0.0322</td>
<td>0.0372</td>
<td>0.0345</td>
<td>0.0343</td>
</tr>
<tr>
<td>Individual-level</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
<td>0.4894</td>
</tr>
<tr>
<td>ICC</td>
<td>0.1052</td>
<td>0.0657</td>
<td>0.0699</td>
<td>0.0573</td>
<td>0.0708</td>
<td>0.0617</td>
<td>0.0706</td>
<td>0.0658</td>
<td>0.0656</td>
</tr>
</tbody>
</table>

Note: ** p<0.01, * p<0.05. Public service emp., public service employment, as a share of total employment 2005; Public social exp., public social expenditure as percentage of GDP 2006; In-kind exp., public social expenditure in-kind benefits; Cash exp., public social expenditure cash benefits; Female LFP, female labour force participation rate in 2006 (OECD); Social insurance, average of replacement rates of pensions, unemployment insurance, sickness cash benefit, temporary work accident benefit; Unemployment, harmonized unemployment rate in 2006 (OECD); GDP, Gross Domestic Product per head in PPPs, 2006 (OECD).
variables, and it shows an intra-class correlation of 0.105, indicating that over ten percent of the variance in welfare state attitudes can be explained at the country level.

By introducing the public service employment variable we have managed to reduce the intra-class correlation to 0.066, thus corresponding to a relative reduction of with 37 percent. A country’s level of public service employment seems therefore to be an important explanatory factor when it comes to differences in aggregate attitudes to the welfare state, thus confirming our first and main hypothesis about the positive relationship of levels of public service employment and popular support for the welfare state. The robustness of these results are confirmed, in a second step, by the introduction of further contextual variables, one by one. We observe that the coefficient associated with public service employment remains significant and positive throughout the different models, whereas none of the macro control variables have statistically significant effects.\(^{12}\)

The unobserved effects of public social expenditure and the average replacement rate of social insurances suggest that the traditional focus of welfare state researchers on de-commodification and the cash transfer part of the welfare state does not seem very relevant when explaining differences in aggregate levels of welfare state support.\(^ {13}\) One unexpected and puzzling result is that the coefficient for in-kind benefit public social expenditure is not significant while the public sector employment indicator remains so. As we would expect, these two variables are highly correlated (0.726) with one another, which indicates potential multicollinearity problems in the model. However, taken by itself, as the sole contextual variable in the model, public social expenditure on in-kind benefits is still far from being statistically significant.

Another unexpected result is that female labor force participation does not seem to influence attitudes toward the welfare state at all. Public sector employment is fairly highly correlated with female labor force participation (0.690), but taken aside as the sole contextual variable

\(^{12}\) Sensitivity analyses have been carried out using separate indicators for different types of social insurances (pensions, unemployment benefits, sickness cash benefits and accident benefits), but none of the separate social insurance programs turned out significant whereas public service employment variable remained significant all the way through. Regressions including public expenditure on in-kind benefits other than education and health did not change the results.

\(^{13}\) The concept of de-commodification was introduced by Gøsta Esping-Andersen (1990) and refers to the degree of protection a worker enjoys from the market forces (income protection) when unable to work (in case e.g. of unemployment, illness, a work injury or old age), by virtue of social insurances available to her/him.
we find similar results as with expenditure on in-kind benefits. These findings may say something about the mechanism between welfare state services and support for the welfare state. They suggest that what is important at the country level is the sheer extent of public employment in the welfare state, and not expenditure levels or whether the welfare state mainly employs women or men. It should be noted that female labor force participation rates is only a proxy for female welfare state employment. It is possible that some countries with relatively high female labor force participation employ women in the private sector and thus that female labor force participation does not fully reflect women’s employment in the welfare service sector. Data on public employment disseminated by sex is unfortunately not available for all the countries in the analysis, which is why a proxy has been used instead.

Table 2 displays the results of including a series of relevant individual-level variables that are expected to influence individuals’ attitudes to the welfare state. Model 1 is here the same as Model 2 in Table 1, and has been included for ease of comparability. The coefficient for public service employment is still statistically significant, despite controlling for individual-level factors. We should also note that the introduction of the individual-level variables hardly at all reduces the level of variation at the country level. This result indicates that country differences in attitudes are indeed attributable to contextual effects and not only to compositional effects at the individual level. This means for example that it is not the number of public employees in a country in and of itself that determines the aggregate level of welfare state support.

All the individual-variable coefficients are highly statistically significant and also have the expected signs. Age has a positive effect on support for the welfare state; women are more supportive of the welfare state than men. The unemployed have a more positive attitude than employed persons toward the welfare state and class does also matter for the respondents opinions on the welfare state; blue-collar workers are more positive than white collar workers and being self-employed has a negative effect on support for the welfare state compared to white-collar workers. In terms of educational attainment people with a completed secondary degree as well as people with a tertiary degree are less supportive of the welfare state than people with lower educational attainment; i.e. not having reached a secondary school degree. Finally we observe that being employed in the public sector has a positive impact on support for the welfare state. Since we treat the public employee variable in the multilevel model as a fixed effect we are assuming that public employees in general, across countries, have the

### Table 2. Random intercept multilevel regression of public support for the welfare state on public welfare service employment in 2006.

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed effects</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>0.002**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.001)</td>
<td></td>
</tr>
<tr>
<td>Female(^a)</td>
<td>0.122**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.013)</td>
<td></td>
</tr>
<tr>
<td>Unemployed(^b)</td>
<td>0.317**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.036)</td>
<td></td>
</tr>
<tr>
<td>Blue-collar worker(^d)</td>
<td>0.148**</td>
<td></td>
</tr>
</tbody>
</table>
same positive attitude to the welfare state. This lends support to the second hypothesis that public employees are more supportive of the welfare state than their privately employed counterparts because they care for securing their own jobs and have a professional attachment to the existence, importance and high quality of their services.

**Random slope multilevel regression of public support for the welfare state in 15 countries, 2006.**

Table 3

<table>
<thead>
<tr>
<th>Fixed effects</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public employee</strong></td>
<td>0.090**</td>
<td>-0.039</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.019)</td>
<td>(0.039)</td>
<td></td>
</tr>
<tr>
<td><strong>Public Sector Employment</strong></td>
<td>1.929**</td>
<td>1.800**</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.585)</td>
<td>(0.589)</td>
<td></td>
</tr>
<tr>
<td><strong>PSE x public employee interaction</strong></td>
<td></td>
<td></td>
<td>0.681**</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(0.187)</td>
</tr>
<tr>
<td><strong>Log likelihood</strong></td>
<td>-12774</td>
<td>-12772</td>
<td>-12767</td>
</tr>
</tbody>
</table>
Note: ** p<0.01, * p<0.05. Reference categories are *employed in private sector (elsewhere than in government sector, in publicly owned firms or in national industry) and is between 25 and 65 years old. All the regression models have been estimated with maximum likelihood estimation and they all include the full set of individual level variables (of which none changed signs or became insignificant). Public employee is the variable of which the coefficient is allowed to vary between countries. The random parameter estimates are not shown nor are the additional individual-level effects. The Likelihood ratio test (L.R.Test) is based on a comparison between the model in question and that preceding it.

With the random intercept models we have hitherto assumed that the country specific regression lines are parallel. Thus, we have assumed that the effect of being publicly employed (compared with being a private sector employee) on attitudes toward the welfare state is fixed and does not vary between countries. Our third hypothesis, however, assumes that this effect may vary according to the level of public employment in a country. To test whether this hypothesis holds true we need to analyze the data further.

Table 3 shows the results of a formalized test of the third hypothesis; a multilevel mixed-effects regression with both random intercepts and a random slope. It allows for the effect (the coefficient) of the individual level dummy variable public employee to differ across countries. Each model in the table includes the full set of individual-level variables. Model 1 in represents the same multilevel regression as model 2 in Table 2 (random intercept). Model 2 is a model including the same variables as model 1 but where a random effect has been introduced; allowing for the coefficient of the variable public employee to vary between countries. The introduction of a random effect changed neither the signs nor the significance levels of the fixed effects, overall the values of the coefficients were only marginally altered. We observe that the individual-level effect of being publicly employed actually varies between countries since the fit of the model has increased after the introduction of the random coefficient effect. A likelihood ratio test shows that this improvement in model fit is statistically significant. The next step is to examine whether the random effect of public employee is related to aggregate levels of public service employment. For this purpose we have introduced a cross-level interaction term, in Model 3, between being publicly employed and public service employment rate at the country level, while still allowing for the random effect of public employee. The interaction term is positive and statistically significant. Also, the likelihood ratio test suggests that Model 3 is better specified than Model 2. Thus, the inclusion of the interaction term provides a better fit to the data.
These results support the third hypothesis; that the difference between public employees’ and private employees’ support for the welfare state increases with levels of public service employment. At the same time we see that the fixed effect of being a public employee is no longer statistically significant, and the coefficient becomes negative after the introduction of the cross-level interaction. However, after having introduced the interaction term we are no longer able to interpret the effect of the variable public employee in isolation from the interaction term, which does not represent a linear relationship. Moreover, the standard error of the fixed effect is probably inflated due to problems of multicollinearity among the components included in the interaction term.

The results from the multivariate regression show that the effect of being a public employee on support for the welfare state differs across countries, in part due to the size of the public employment sector.

Figure 2 illustrates this interaction; plotting the relationship between the average levels of welfare state support at the country level for publicly and privately employed respectively in different countries against the level of public service employment. We clearly see the difference in slopes between public and private sector employees.
In countries with higher levels of public service employment the difference in welfare state support between public employees and private sector employees is greater than in countries where public service employment is low. In countries with low levels of public service employment there is less of a difference in welfare state support between public and private sector employees.\textsuperscript{14}

\textbf{Discussion}

This study has analyzed role of public employment in the welfare state for public attitudes toward the welfare state. By focusing on single contextual indicators rather than on welfare regime labels, an effort has been made to “unpack” the independent variable of the welfare state for explaining cross-national variation in aggregate welfare state support. The results in this study should be regarded as a first step in the analysis of such causal factors. Efforts have here been made to separate employment in public welfare services from total public sector employment both conceptually and empirically.

The main hypothesis stipulated that high levels of public service employment should be related to high national levels of support for the welfare state. The empirical results in this study show that the level of employment in the welfare state (in health care, social work, education and personal social services etc.) matters for aggregate welfare state support and explains around a third of the country variation in aggregate support for the welfare state. The higher levels of public service employment the stronger aggregate support for the welfare state. The relationship also holds after controlling for individual-level characteristics such as sex, age, class, level of education and employment status. The evidence also stands the test against a range of contextual confounders; the level of public service employment remains significant after controlling for indicators of economic development, female labor force participation and unemployment rates. More interestingly, the results also suggest that national levels of public service employment are more important for explaining aggregate welfare state support than different measures of social rights in terms of cash benefits. We also found that the indicator on public social service expenditure was not statistically significant. This finding is puzzling and ran counter to our expectations, since it does not lend support for the idea that the provision of welfare services as social rights makes the public more supportive of the welfare state. However, these results need not necessarily imply that the provision of welfare services is irrelevant for public welfare state attitudes. Extensive provision of welfare services, for obvious reasons, is related to high levels of public sector employment. The explanatory power of public service employment may thus point to the opposite conclusion. It is possible that measures of public social expenditure on in-kind benefits are more blunt proxies that do not capture the extent and content of social rights in terms of the provision of welfare services. Levels of public sector employment in welfare services

\textsuperscript{14} The United States and Japan point at possible exceptions to the rule of public employees in general being more supportive of the welfare state, since average welfare state support is higher for private sector employees than for public sector employees.
might thus be a more accurate proxy. These findings thereby point to the need for better indicators of the institutional characteristics of public welfare services, something that is still severely lacking in comparative welfare state research.

Public sector employment should perhaps be taken into account as a benefit in itself. And the role of the welfare state as an employer certainly merits more attention. There are good reasons to believe that the involvement of citizens, as employees, in the welfare state should influence their and their relatives and friends view on the responsibility of the government for providing jobs and social services, for government involvement in the organization of social life as a whole. A superficial look at ISSP data on the type of employment of the respondents’ spouses or partners suggests that such an effect of diffusion or “contagion” of support for the welfare state from public employees to their partners may actually be present, but this relationship should be examined further. The role of the welfare state as a weighty actor on the labor market could have an impact on working conditions and wages as a whole.

The empirical analyses also found support for the second hypothesis, stipulating that public employees are more supportive of the welfare state than private employees in general. Public employees do have stakes in the welfare state which should naturally make them more supportive of it and this result is confirm the findings of previous studies.

However, the third hypothesis, expecting public employees in larger employer welfare states to be more supportive of the welfare state than those in countries with low levels of public service employment, also received support from the empirical findings. The results showed that the gap between public and private sector employees increases with increasing levels of employment in public services as a share of total employment. How are we then to interpret the results of this interaction effect? Firstly, they suggest that the overall stronger welfare state support of public employees (as compared to private employees) is not merely due to a self-interest rationale of employees wanting to secure their jobs regardless of whether the employer is the government or a private firm. The interaction effect may suggest that public employees’ support for the welfare state not only is of a pecuniary origin. We expect their interests to be connected also with issues of relevance for career opportunities within the public sector, prestige attached to public sector jobs, the organization of the welfare state and different working conditions in these jobs. Other possible explanations may be that public employees in countries where levels of public employment are high may ask themselves whether their professions would exist at all without a welfare state that provides a wide range of social services. The fact that work within the government sector for the most part is organized according to non-market principles should further make the welfare state a qualitatively different type of employer where the promotion of values of social equality and equal social rights could develop more easily. If we recall the distinction made between the production of collective non-marketable goods and services and that of marketable goods that are given away for free, this line of reasoning becomes clearer. As we have seen, states that employ only a small share of the labor force tend to do so for the sake of upholding the defining concerns of the state, i.e. the most crucial tasks to be carried out by public employees for the state to be able to function. These state programs are for the most part collective goods and services. But the production of collective goods is by no means ideologically nor normatively controversial. There is no reason why it should inform people’s opinions about economic redistribution or that of the scope of social rights. Indeed, states have ensured public order, rule of law and military protection of territory for
centuries, well before any notion of welfare state had entered the scene. Collective goods are produced by
government coordination because of an equally distributed need for them among citizens. The issues of
redistribution and social justice that the welfare state reflects by its very existence, however, have to do with the
unequal distribution of social risks in the population. And it so happens that the bulk of public employees in big
employer welfare states are involved in the production of marketable goods that are given away instead of being
sold on the market; education, care work, social work and health care. Thus we may tentatively conclude that the
increasing gap between public and private employees’ support for the welfare state is likely to be due to the fact
that most public employees in countries with high levels of public sector employment spend their working days
providing their services according to principles of need or that of equal social rights instead of judging
individuals’ purchasing power. In countries with small governments, most public employees are not working
with the provision of welfare services and they thus do not differ as much in their endorsement of the welfare
state compared with private sector employees.

The findings of this study, relating to the contextual effects of public sector employment, are fairly novel. As
previous studies have been hard put to provide more general and clear-cut explanations for cross-country
variation in welfare state attitudes, the empirical results of this study suggest that directing more attention to the
role of the welfare state as an employer may prove to be a fruitful new path for future research.

The results of this study should lead us to ask further questions and formulate new hypotheses about the social
mechanisms through which welfare state organization influences attitude formation among citizens. From a
sociological point of view these questions are vital for understanding the social grounds for collective action and
political mobilization. If institutional structures are expected to shape individual actors’ values, interests and
levels of aspiration in terms of demands for political change researchers need to specify how different
institutional welfare state configurations work in this process. In this respect, socialization at the workplace or
through the use of universal public services could be important missing links in such processes, especially in the
cases of the Scandinavian welfare states where a large part of the middle classes are employed in the welfare
state and have access to universal public services. Concern with the inclusion or exclusion of the middle classes
in public programs of social provision has been fundamental for scholars of the welfare state. Particularly for
explaining the political scope for tax reform and the possibilities for economic redistribution. In the Nordic
welfare states public service employment could reasonably be a more significant factor for adhering to values of
social redistribution and of government involvement than the monthly payments of universal child benefit, that
are so often taken as the example par excellence of the universal welfare state. To the extent that the welfare
state employs highly skilled employees, large welfare states employ important segments of the middle classes.
The possible socialization of the middle class in public sector workplaces should merit particular further
quantitative and qualitative examination.
References


Methodological Appendix

The overall Cronbach’s alpha coefficient value for the all the countries taken together would only decrease by omitting any one of the items included in the welfare attitude index. Separate Cronbach’s alpha coefficients were calculated for each country separately (see Table 1) and results suggest that the welfare attitude seven item index is robust for all countries included, with a potential reservation for Ireland.

<table>
<thead>
<tr>
<th>Table 1.</th>
<th>Cronbach’s alpha</th>
</tr>
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<tbody>
<tr>
<td>Australia</td>
<td>0.743</td>
</tr>
<tr>
<td>Canada</td>
<td>0.722</td>
</tr>
<tr>
<td>Denmark</td>
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</tr>
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<td>France</td>
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<tr>
<td>Germany</td>
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<tr>
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<td>Japan</td>
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<tr>
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<td>USA</td>
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</table>

*Cronbach’s alpha for items included in the welfare attitude index, presented separately for each country included in the multilevel regression models. Source: ISSP 2006.*
The sampling adequacy should be considered "meritorious" as we get a KMO measure of 0.800 (Kim & Mueller 1978b:54) applied to the total attitude data of the seven items for the 15 countries, i.e. we should proceed with a principal component analysis. A principal component analysis restricted to the extraction of only one underlying component gives us high factor loadings (between 0.738 and 0.591) on all the seven items for that component, which yields an eigenvalue of 2.97. Without such restriction we may also observe a second factor making the Kaiser criterion of 1 eigenvalue (1.01) (Kim & Mueller 1978a:49) suggesting an additional, albeit less clear, underlying dimension captured in the index. Two items load high on a second dimension only after varimax rotation. The items in question are “provide a decent standard of living for the old” and “provide health care for the sick”. Since we should preferably disregard factors composed of less than three items (Walsh 1990:335) we could either omit these two variables or just disregard the potential second underlying dimension.

Principal component analyses were made of the seven items for each separate country. The factor loadings of the items on the two first factors before rotation are presented in Table 2 as well as the eigen values for the two factors for each country and the sampling adequacy.
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<tr>
<th>Items</th>
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<th>job</th>
<th>health</th>
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<th>Factor 2</th>
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</table>

Table 2. Factor loadings on the first factor for each item and each country. Student, "Give financial help to students from low-income families; housing, "Provide a decent housing for those who can't afford it"; job, "Provide a job for everyone who wants one"; health, "Provide health care for the sick"; old, "Provide a decent standard of living for the unemployed"; inc. diff., "Reduce income differences between the rich and the poor". Eigenvalue for first and second factors. KMO measure of sampling adequacy.