EXPLORING THE RELATIONSHIP BETWEEN ECONOMIC GROWTH AND PUBLIC ATTITUDES TOWARD EUROPEAN INTEGRATION

> Vincent Mahler Bruce Taylor Jennifer Wozniak

Loyola University Chicago

Paper prepared for presentation at the Fourth Biennial Conference of the European Community Studies Association, May 11-14, 1995. In examining public opinion toward European integration, the traditional focus has been on the attitudes of the economic and political elites who have been prominent in the functional areas in which European Union activities have been concentrated.<sup>1</sup> In recent years, however, this emphasis has begun to shift, and there has been growing attention to the attitudes of the public at large. The importance of broader publics in EU affairs is evident in efforts to increase the powers and accountability of the European Parliament and the growing use of referenda in ratifying major EU initiatives such as the Maastricht Treaty (Dalton and Eichenberg, 1993). More generally, assessment of broad public attitudes is central to exploring the widespread perception that EU institutions suffer from a "democratic deficit" that fails to allow for adequate public participation, particularly at the regional and local levels (Williams, 1991).

The intention of this paper is to explore trends in public attitudes toward the EU over the last two decades using cumulative data available from the *Eurobarometer* series of public opinion polls. The basic question addressed in the paper is whether trends in public opinion are affected by trends in economic well-being. The expectation of those who believe that the EU has already achieved a substantial degree of supranational authority, particularly in the area of economic policy, is that momentum toward greater integration is unlikely to be slowed by

<sup>&</sup>lt;sup>1</sup>In this paper we have followed the growing practice of consistently using the name European Union even when referring to periods when the organization was officially called the European Community.

economic downturns--that, in fact, the public is as likely to seek supranational as national solutions to economic problems. Those who are more doubtful that supranationalism has truly superseded national sovereignty disagree, arguing that in economic hard times supranational institutions will be undermined by intense competition among nation-states and the public will increasingly look to the national level for relief.

Our paper will begin by examining the relationship between attitudes toward the European integration and several indicators of economic well-being at the level of member-states by means of a pooled cross-sectional and time series analysis of eight EU members over the 17-year time period between 1976 and 1992. The analysis will then focus more closely on one of the most prominent economic concerns in contemporary Europe, unemployment, exploring cross-sectional and longitudinal trends at the level of 62 administrative regions within the EU. Finally, we will conclude with a statistical analysis of attitudes toward European integration at the level of individual *Eurobarometer* respondents, exploring the competing hypotheses that respondents' attitudes are either a product of their individual economic well-being or that they arose from long-term processes of socialization.

The paper will consist of three parts. A first will briefly trace the main themes in the literature on public attitudes toward European integration. A second will introduce the specific hypotheses examined in the paper and discuss the variables and methods. Finally, a third section will describe

the results of our complementary analyses at the national, regional and individual levels.

## PUBLIC ATTITUDES TOWARD EUROPEAN INTEGRATION

Many early European integration theorists de-emphasized the importance of mass public opinion and focused instead on the role of elite attitudes toward European integration.<sup>2</sup> According to Haas (1958: 17), for example, the study of "general public opinion" was "as impracticable as it is unnecessary." He noted the lack of general public knowledge of and participation in the process of integration, concluding that "it suffices to single out and define the political elites in the participating countries, to study their reactions to integration and to assess changes in attitude on their part" (1958: 286-287).

Other scholars have been less content to focus solely on elite attitudes. Deutsch et al. (1967: 251), for example, concluded that mass opinion was secondary to elite opinion. They recognized, however, that "steps toward substantially greater European unity would have to be 'sold to' mass opinion by sustained and concerted efforts of leaders and elites." Lindberg and Scheingold (1970) agreed, arguing that, while integration was essentially elite-driven, elites required a "permissive consensus" of mass support (1970: 63). In conceptualizing the sources and objects of mass support, they distinguished between

<sup>&</sup>lt;sup>2</sup> For a review of the literature relating to public support for European integration see Hewstone (1986).

"affective" support, which arose from an emotional attachment to the principles of integration, and "utilitarian" support, which resulted from a cost-benefit analysis of the impact of integration on respondents' own situation. Lindberg and Scheingold found evidence of both types of support, but concluded that utilitarian support toward Community institutions was more important than affective support (1970: 60-61).

It is useful to explore these two competing models of support further and to relate them to approaches to international integration.<sup>3</sup> Affective support consists of feelings of generalized loyalty to and sympathy for the idea of European integration.<sup>4</sup> Affective support for integration is a value that cannot easily be eroded and is not necessarily the product of a dispassionate assessment of immediate costs and benefits (Shepherd, 1975: 93). Inglehart's (1967, 1970) explanation of mass support for European integration in terms of value change and cognitive mobilization is in this tradition. Inglehart maintained that young Europeans had been thoroughly socialized to support European integration and would not withdraw their support lightly. For him, the process of integration was irreversible: it would occur as younger cohorts replaced older cohorts and

<sup>&</sup>lt;sup>3</sup> Utilitarian and affective support are not necessarily competing explanations for public opinion; it is possible that elements of each could contribute to the formulation of public opinion in this area (Inglehart and Rabier, 1978: 66-97).

<sup>&</sup>lt;sup>4</sup> For a conceptualization of diffuse support as defined within the U.S. context and applied to the European context see Gibson and Caldeira (1995).

pressured elites to enact integrative measures (1967: 105; 1970: 1977: 323). In time citizens would come to accept the existence of a "European" political identity that would co-exist with existing national and regional political identities and would be relatively immune to serious erosion as a result of short-term economic problems.

The affective model of support for European integration corresponds in a number of ways to neo-functionalist and neoliberal institutionalist understandings of international cooperation in the literature of international politics.<sup>5</sup> From these perspectives, initial interstate bargains may stem from utilitarian calculation, but over time they tend to "take on a life of their own" that supersedes the short-term national interest of participants. As Krasner (1982: 203) explains, "certain patterns of behavior are first adopted because they promote individual utility. Once established, such practices are reinforced by the growth of regimes. . . . Behavior that was originally only a matter of egoistic self-interest is now buttressed by widely shared norms." Supranational institutions and the norms and principles through which they operate give rise to feelings of loyalty on the part of participants -- a loyalty that resembles Lindberg and Scheingold's notion of affective support. Over time, individuals and groups become protective of

<sup>&</sup>lt;sup>5</sup>For a neo-functionalist approach see Lindberg (1963). For neo-liberal institutionalism see Ruggie (1993).

already achieved levels of cooperation and interested in achieving even closer integration (Shepherd, 1975: 45-47, 93-94).

While affective support is based upon feelings of loyalty, utilitarian support is the product of a calculation of the tangible benefits derived from European integration. As a result, utilitarian support is not as stable as affective support. From this perspective, individuals will support European integration in times of economic prosperity but withdraw their support when times are hard. Eichenberg and Dalton (1993) have recently assessed the utilitarian model, investigating the degree to which support for European integration has been based upon evaluation of costs and benefits at the national and international levels. Among other things, they found that inflation was associated with decreased support for the EU.

The utilitarian model of support for European integration corresponds to neo-realist understandings of international cooperation in the literature of international politics. In the neo-realist view, states are the central actors in the international system and any cooperation among states depends on a convergence of their national interests. While neo-realists concede that functional processes can play a role in integration, they maintain, in the words of Keohane and Hoffmann (1991: 17) that "successful spillover requires prior programmatic agreement among governments, expressed in an intergovernmental bargain." Keohane and Hoffmann (1991: 23-24) conclude that ratification of

the Single European Act "resulted less from a coherent burst of idealism than from a convergence of national interests around a new pattern of economic policy-making," which in this case reflected a commitment to free-market economic policies on the part of most EU member-states. In the neo-realist view, if nations conclude that further integration is in their economic and political interest, they will engage in it. By the same token, continued support for expanded (or even continued) levels of integration cannot be assumed if nations' programmatic interests should ever cease to converge.

### HYPOTHESES AND VARIABLES

The Central Hypothesis. The central aim of this paper is to assess whether the level of mass public support for European integration, as measured in the Eurobarometer public opinion surveys, is related to several measures of economic well-being and tangible gains from EU membership. The analysis will focus on eight EU member-states, which include five of the six original members--Belgium, France, Germany, Italy and the Netherlands--as well as the three members that joined the Union in 1973--Denmark, Ireland and the United Kingdom. It will cover the period from 1976 until 1992, which encompasses several distinct eras in recent EU history. These include the "Euro-pessimism" of the late 1970s and early 1980s, the "Euro-optimism" of the late 1980s and early 1990s which surrounded the implementation of the Single European Act and the negotiation of the Maastricht Treaty, and

the second thoughts that emerged in some countries at the time of the ratification of the Maastricht Treaty in 1992.

Our study will be guided by the two basic approaches to public support for European integration that have been described in the previous section. As has been indicated, affective support is said to extend beyond immediate cost-benefit calculations and can thus be expected to be unaffected by economic ups and downs or by changes in the tangible benefits derived from EU membership. If the affective model is correct, one would expect gradually increasing levels of support resulting from generational change and little or no variance in public attitudes associated with immediate economic conditions. Tf utilitarian support is operative one would expect that public support for European integration would be affected by crosssectional and longitudinal variance in economic well-being as measured by such macroeconomic indicators as the unemployment and inflation rates and such indicators of the tangible benefits derived from EU membership as the difference between budgetary contributions to the EU and payments received in return.

Levels of Analysis. Most previous studies of public attitudes toward European integration have been conducted at the level of individual survey respondents. A smaller number, notably Eichenberg and Dalton (1993), have focused on variables aggregated at the level of member-states. None, to our knowledge, has examined attitudes or economic variables measured at the level of regions within nations. Our intention in this

paper is to explore a single aspect of public attitudes, the relationship between economic well-being and European integration, at all three of these levels.

Support for European integration is ultimately an individual-level phenomenon. In assessing the utilitarian hypothesis, we will explore the relationship between individual respondents' reported support for the EU and their income level, sense of life satisfaction and satisfaction with their own political system. In addition, our analysis will consider the relationship between respondents' age cohort and their attitudes toward European integration, exploring the hypothesis of Inglehart and others that affective support for European integration is a product of generational change.

Public opinion aggregated at the national level reflects the continued importance of decisions of member-states in the EU and the fact that in a subjective sense nations remain a key source of most Europeans' political identity and attitudes. More tangibly, there are considerable differences among EU memberstates in average levels of public support for European integration that persist over time (see appendix A). Some of these can be explained with reference to national differences in economic variables, while others reflect different nations' historical experience with EU membership and broader sense of their place in Europe.

While analyses of support for European integration at the individual and national levels are prominent in the literature,

regional-level support has been largely overlooked. This omission is unfortunate because variation among regions in both support for integration and economic well-being is considerably greater than variation among nations. For example, the difference between the proportion of Belgians who in 1980 approved and disapproved their country's membership in the EU was 62.5 percent. However, in Limburg, the Belgian region with the highest support, the difference was 84.6 percent while in the Luxembourg province of Belgium, the region with the lowest support, the figure was -14.7 percent--lower than the national average of all but one member-state in that year. Similarly, the national unemployment rate in Italy in 1990 was 10.3%. However, the region of Lombardy experienced only mild unemployment--3.3%-while the rate in Sicily was 21.2%, more than twice the national average.

More broadly, measuring variables at the level of regions allows a more complete assessment of the impact of economic forces on support for integration. Certainly, individuals view themselves in regional as well as individual and national terms, especially in the area of economic well-being. Even an individual who is personally well off may perceive there to be economic problems of public significance if his or her region is suffering serious economic dislocation. Whether regionally-based economic conditions affect support is, of course, an empirical question. As has been indicated, data have been assembled measuring public attitudes toward European integration and the

rate of unemployment aggregated at the level of 62 regions within the EU. A few regions have been excluded because of the unavailability of consistent time series data over the entire period for either survey responses or unemployment rates or because of incompatibilities between definition of regions used in the *Eurobarometer* and Eurostat data sources. The regions are listed in appendix B.<sup>6</sup>

The Dependent Variable: Public Attitudes toward European Integration. Measuring public opinion cross-nationally and over time presents various methodological challenges. Most important, if a measure is to be reliable, survey questions must be consistent and sampling techniques must be uniform across nations and over time. The Eurobarometer public opinion surveys, which have been administered by the European Commission since 1973 to representative samples in all of the European Union countries, meet this challenge quite well (Commission of the European Community, 1994). Twice yearly, questionnaires are sent to a random sample of citizens in each EU member country. Because EU membership has expanded since 1973, data for Greece are unavailable prior to 1980 and data for Spain and Portugal prior In addition, the survey sample for Luxembourg is much to 1985. smaller than for other member-states and data for several macroeconomic indicators are unavailable for that country as well. As a result, as has been indicated, our analysis is

<sup>&</sup>lt;sup>6</sup>"Regions" refers to administrative regions. For a comprehensive listing of the regions see: Eurostat (1994).

limited to eight EU countries: Belgium, Denmark, France, Germany, Italy, Netherlands, Ireland and the United Kingdom.

Our indicator of public support for European integration is based on respondents' answer to the following question: "Generally speaking, do you think that (your country's) membership in the European Community (Common Market) is a good thing, a bad thing, or neither good nor bad?" The indicator measures the proportion of respondents in the country or region who indicate that membership is a "good thing" less the proportion who indicate that it is a "bad thing."<sup>7</sup> This question has been selected because it is understood to tap generalized support for the European Union and because it has been consistently included in exactly the same form in *Eurobarometer* surveys since the early 1970s.<sup>8</sup>

<sup>8</sup>Previous research has differentiated between individual Eurobarometer questions that tend to tap utilitarian and affective support (Reif and Inglehart, 1991: 7-8). In an effort to address this issue, we conducted all analyses using an alternative question that asks: "In general, are you for or against efforts being made to unify Western Europe?" Unfortunately, this question has been asked only since 1978, forcing us to limit our analysis to the 1978-1992 period. The

<sup>&</sup>lt;sup>7</sup>All responses for a particular region or nation in either of the two Eurobarometer surveys in a given year were pooled. The percentage difference indicator was chosen because the larger units make explanation somewhat more intuitive. We have also conducted all analyses using as the dependent variable the raw score of respondents indicating that membership is a good thing (assigned the value "3"), neither good nor bad (assigned the value "2") and a "bad thing" (assigned the value "1"). This indicator (which includes the intermediate "neither good nor bad" category) and the indicator we have reported (which does not) are correlated at the .99 level, and findings are consequently very similar. For a description of the questions asked and data collected by the *Eurobarometers* see Commission of the European Community (1994).

Independent Variables: Economic Well-Being and Tangible Benefits from EU Membership. In exploring the relationship between economic well-being and support for European integration we have employed four indicators which constitute the major independent variables of our analyses.<sup>9</sup> Two of these, the unemployment rate and the inflation rate, measure different aspects of economic conditions in the countries examined. A third, the ratio of member states' intra-European trade to their total trade, offers an indication of the degree to which EU members' economies are integrated with those of fellow EU member states. Finally, a fourth variable, the net per capita budgetar impact of EU membership on individual member-states, offers a sense of the tangible costs and benefits citizens receive, on average, from their country's membership in the EU. Each of these variables and their hypothesized relationship with the dependent variable will be briefly described.

The rate of unemployment is a good indicator of economic dislocation within a region or nation. Unemployment has become particularly serious problem in many parts of Europe during the 1980s, and our analysis will allow us to explore any impact this may have had on support for integration. The utilitarian

findings for these analysis were quite similar to those for the analysis reported, which is not surprising since a pooled regression relating the latter question to the former had an adjusted R-squared of .93.

<sup>&</sup>lt;sup>9</sup>Lewis-Beck (1988; 1993) demonstrates the utility of using more than one measure of economic conditions when attempting to assess relationships between economic conditions and public opinion.

explanation predicts that higher rates of unemployment will be associated with lower support. When jobs are scarce, people will tend to form retrospective judgements that the costs of integration outweigh the benefits. Affective support, on the other hand, would lead us to expect no relationship. Because unemployment often varies substantially among regions within a nation, this indicator will be used in the regional-level as well as the national-level analysis.<sup>10</sup>

A second indicator of general economic well-being is the rate of *inflation*, as measured by annual changes in the Consumer Price Index. As with unemployment, a high level of inflation signals economic difficulties, and the utilitarian approach would lead us to expect increases in the Consumer Price Index to be associated with lower support for integration. Because the value of a currency will generally inflate uniformly across regions within a single nation, inflation is measured only at the national level. The source is United Nations Economic Commission for Europe (1993).

<sup>&</sup>lt;sup>10</sup>The source for unemployment rates at the national level is United Nations Economic Commission for Europe (1993). Regional statistics for 1975-1982 have been calculated from data for total employment and registered unemployed available in the Eurostat's Yearbook of Regional Statistics, 1975-1985; for 1983 from The Regions of Europe: Second Periodic Report on the Social and Economic Situation of the Regions of the Community, 1984; for 1984-1988 from Regional Statistics Yearbook, 1986-1993; and for 1989-1992 from Basic Statistics of the Community, 1990-1994. (27th-31st eds.). Total employment figures for some regions were missing for 1982. An average of 1981 and 1983 total employment figures was used in the calculation of unemployment in these cases.

Next, it is useful to explore whether public attitudes toward European integration are affected by the degree to which member-states' economies are integrated with those of fellow member-states. One measure of economic interconnectedness is the proportion of members' total international trade that occurs within the Union. Our general expectation is that citizens in countries that are more closely tied economically to the EU will be more inclined to support regional integration than citizens in countries whose economies are less closely integrated with those of fellow members. A central economic rationale for European integration is that access to larger markets results in increased exports, the creation of jobs, higher profits and capital investment, and rising wages. Integration is said to offer many tangible benefits to producers whose markets are largely within the European Union, while those in states less closely integrated into the EU are more likely to seek strictly national solutions to economic problems. Thus, the utilitarian approach would lead us to expect that support for integration will be positively correlated with the proportion of a country's trade that is conducted with fellow EU members. Of course, it is also possible that closer integration will result in more externally-generated disruptions to national economies, and that a higher ratio of intra-EU to total trade will be correlated with lower support. Our analysis should allow us to discern if either of these relationships is in evidence.

Next, it is valuable to consider the budgetary impact of EU membership on member-states, a matter which has been very visible in EU politics during the last two decades. A good sense of the average net benefit accruing to individuals in various nations is provided by the per capita net budgetary return, which is calculated as annual payments in ECU to the member state (including agricultural payments, regional fund receipts and social fund receipts) less the member state's own-resources contribution (including value added tax receipts, customs duties, agricultural levies and direct financial contributions) divided by the population for that year. The utilitarian perspective would, of course, lead us to expect that support will be higher when the return is higher. Variation among nations in their net budgetary contribution to the EU is considerable. For example, the net per capita budgetary effect of EU membership on Germany in 1985 was -54.4 ECU, which meant that per capita German contributions were 54.4 ECU more than per capita receipts. The figures for Ireland in the same year were +353.8 ECU per capita, with benefits (mainly in the form of agricultural support) substantially higher than contributions. Other things being equal, the utilitarian perspective would lead us to expect Ireland to demonstrate greater support in that year.<sup>11</sup>

<sup>&</sup>lt;sup>11</sup>Budgetary returns are, unfortunately, unavailable at the regional level and are quite difficult to assemble even at the national level. Budget information for 1975-1985 was taken from *Eurostat Revues*: 1970-1979; 1971-1980; 1976-1985. For 1986-1988, data were taken from the *Official Journal of the European Communities* (C: 31 12 December 1989). For 1989-1990, data for annual payments to the member states were taken from the Court of

In our analyses at both the regional and the national levels we have introduced country-level dummy variables for the nations covered in the analysis. This has been done for both methodological and substantive reasons. Methodologically, following Stimson (1985), we have employed a Generalized Least Squares ARMA model for our national level analysis, which includes 8 countries and 17 points in time, and a Generalized Least Squares Error Components model for our regional analysis, which includes 62 regions and 17 points in time.<sup>12</sup> Each of these methods requires the inclusion of unit-level dummy variables in an effort to address the problems of

<sup>12</sup>The GLS-ARMA method is appropriate for analyses in which, as in our national-level analysis, there are more time points than cross-sectional units. This method requires several iterations to come to a correctly specified model. Several runs are conducted, gradually adding unit (country) dummies to minimize the residual mean in an effort to bring the mean residuals for all variables as close to zero as possible. The Generalized Least Squares-Error components method is appropriate when, as in our regional analysis, there are more cross-sectional units than time points. The GLSE method estimates autocorrelation as the ratio of the unexplained sum of squares from an OLS regression less the unexplained sum of squares from a Least Squares with Dummy Variables regression divided by the unexplained sum of squares from an OLS regression.

Auditors Report in the Official Journal of the European Communities (C: 324 13 December 1991) and own resources contributions was taken from The Community Budget: The Facts in Figures. For 1991, data for annual payments to the member states were taken from Court of Auditors Report in the Official Journal of the European Communities (C: 330 15 December 1992) and own resources contributions was taken from The Community Budget: The Facts in Figures. For 1992, data for annual payments to the member states were taken from the Court of Auditors report in the Official Journal of the European Communities (C: 309 16 November 1993) and own resources contributions was taken from The Community Budget: The Facts in Figures. All population figures are from OECD National Accounts 1960-1992.

heteroskedasticity and autocorrelation that are characteristic of pooled regression analysis.<sup>13</sup> Substantively, national dummies allow one to assess relationships among variables while identifying and specifying different national starting points that are the product of member-states' historical experience with the EU and general perception of their relationship with their European neighbors. It may also be possible that country dummies capture variance in historical levels of affective support for the EU across nations. The exact nature of these "national starting points" cannot be fully explored in a broad statistical analysis of the sort we are conducting but they can at least be identified. In effect, they allow us to identify the proportion of the variance in support for the EU that is not explained by our economic variables but is attributable to political and cultural factors related to the formulation of public opinion in individual member-states.<sup>14</sup>

<sup>14</sup>In an earlier analysis, Eichenberg and Dalton (1993) found that the 1975 British referendum had a strong effect on British public attitudes toward the EU. Although our analysis focuses mainly on economic conditions, we made a limited effort to examine the impact of political factors of this sort on support for European integration. We created a dummy variable that was coded 1 if a survey was conducted in the same year as an election

<sup>&</sup>lt;sup>13</sup>National-level dummy variables are also included in the regional analysis. They are coded using effects coding, which differs from the more common binary coding in that the reference category is uniformly coded -1 rather than 0. As a result, the regression coefficients for dummy variables represent their difference from the mean of group means, making them easier to interpret than is the case with binary coding. The coefficients of non-dummy variables and for the groups which are not in the reference category do not change, nor does the variance explained by the dummy variables or the equation as a whole. For a detailed description of effects coding see Hardy (1993: 64-75).

### FINDINGS

National-Level Analysis. The results of the national-level analysis are reported in Table 1. As can be seen, the strongest relationship in evidence is that between average national levels of support for European integration and the proportion of a nation's total trade that occurs within the European Union, which is positive and statistically significant at the .01 level. This finding supports the utilitarian hypothesis that respondents in countries whose economies are closely integrated into the European Union are more supportive of integration than those in countries less closely tied to fellow EU member-states. It seems to indicate broad public recognition of the economic benefits of being closely tied to the European market. Conversely, citizens of countries that are less closely integrated appear less likely to seek European solutions to their problems.

The rate of unemployment is significantly related in a negative direction to net support for the EU, which is consistent with the expectations of the utilitarian hypothesis. This relationship is also reasonably strong, with each one percent increase in the unemployment rate associated on average with nearly a one percent decrease in net support. Support for

to the European Parliament and 0 if it was not, as well as a series of three dummy variables that were coded 1 if a public referendum occurred in a member-state in 1992 on ratification of the Maastricht Treaty and 0 otherwise, resulting in separate dummies for the Irish, French and the first Danish referenda. These political variables did not, however, add substantively to the explanatory power of our model. In no case did political variables increase the R-squared of our equations by more than .015.

unification is not, it appears, immune to erosion as a result of increases in the rate of unemployment and the economic dislocation it represents.

The rate of inflation demonstrates a statistically significant negative relationship with net support. This finding is also fairly strong, with each one percent increase in the inflation rate associated, on average, with a one percent decrease in net support. Like unemployment, inflation is widely considered an indicator of economic problems that require a public response. In the aggregate, citizens of countries experiencing such difficulties exhibit lower levels of support for the EU, confirming the utilitarian hypothesis.

Our analysis indicates that the net budgetary impact of EU membership is significantly related in a positive direction to support for Europea'n integration, as would be predicted by the utilitarian hypothesis. On average, citizens in countries whose direct benefits from EU membership are greater than their contributions tend to be more supportive than those in countries whose net budgetary relationship is less favorable. Of course, one must remember that although the direct budgetary impact of the EU on a member-state is important, both in actual magnitude and in symbolic terms, this is hardly the only component of a nation's relationship with the EU. As has already been seen, trade ties are even more strongly associated with support, suggesting that market access plays an important role as well.

As stated in the methods section, the country dummy variables were included to correctly specify the GLS-ARMA model. As such, they are not substantively interpretable, other than to illustrate the effects on net support of countries' historical experience and overall cultural attitudes toward the EU in comparison to the excluded reference countries.

Regional-Level Analysis. The results of the regional-level analysis are reported in Table 2. This analysis complements the national-level analysis, supporting our earlier conclusion that current economic conditions affect support for the EU. In particular, the unemployment rate is significantly related in a negative direction to net support, suggesting that individuals identify themselves as citizens of regions as well as of countries, and their immediate economic environment appears to have an impact on their level of support for the European Union.

Inflation is also significantly related to net support. Once again the direction of the relationship is negative, supporting the utilitarian hypothesis. As at the national level, higher levels of inflation are associated with lower levels of support for the EU. Persons living in regions within a country experiencing economic instability are less supportive of the EU than persons in regions of countries experiencing more stable economic conditions.

Mirroring the relationship at the national level, the relationship between support for integration and intra-EU trade at the regional level is significant and positive, the direction

predicted by the utilitarian hypothesis. Respondents in regions of countries with higher levels of trade with other EU countries are more conscious of the benefits of being tied to the European market and exhibit higher levels of support at the regional level.

At the regional level as at the national level, the inclusion of dummy variables for the countries allows a proper specification of the model of support for the EU. Because the country dummies are effects coded, the results for all countries are reported. The coefficients for individual countries illustrate how each country's historical experience and political culture affects the "starting point" of its support for the EU, and how much that support differs from the grand mean for these countries over a seventeen year period. As can be seen in table 2, the three countries that entered the EU in 1973, Denmark, Ireland and the United Kingdom, demonstrate levels of support that are approximately 20 percentage points lower than the overall mean for all countries examined, after controlling for our other variables. The original members of the EU demonstrate correspondingly greater support for the Union, ranging from Belgium, at 14 points less support than the EU average, to Italy, at almost 40 points above the average. As has been indicated, it is possible that these country dummies capture differences in baseline levels of affective support across nations.

Individual-Level Analysis. Unlike the national and regional analyses, the individual-level analysis was not conducted using a

pooled method, because the persons interviewed did not remain consistent over the period. (*Eurobarometer* surveys different random samples from each member country twice each year.) Moreover, individual-level analysis necessarily relies on respondents' answers to the *Eurobarometer* questionnaire for its indication of economic well-being rather than aggregate economic data collected by national statistical agencies.<sup>15</sup> The analysis was conducted by pooling the two surveys conducted each year, and conducting 17 OLS regression analyses, one for each year.

These analyses largely confirm the findings of the national and regional level analyses with respect to the utilitarian hypothesis. The indicators measuring self-reported income and overall life satisfaction, are statistically significantly related to support for the EU in all 17 regressions. Personal income is positively related to support, showing that a person's individual economic situation has an impact on how he or she feels about the EU. Overall life satisfaction is also positively related to support: the more satisfied with his or her current

<sup>&</sup>lt;sup>15</sup>The indicators of economic well-being examined at the national and regional levels are different from the indicators tested at the individual level. The individual level analysis measures the actual income level of the individual (by quartiles) while analysis at the national and regional levels focuses on more general macroeconomic variables that reflect the broader economic environment within which an individual lives. Research on the United States suggests that the public's feelings about economic well-being are generally more dependent upon an individual's appraisal of his or her general economic environment than upon his or her own specific economic situation (Markus, 1988). An individual living in an environment of economic stability is more likely to feel better about his or her economic prospects than is an individual in an unstable and problematic economic environment, regardless of income level.

life situation, the more supportive a respondent tends to be of the EU.

Satisfaction with democracy in a respondent's country is also positively related to support for the EU. On average, the more supportive respondents are of their own democratic system the more supportive they are of the EU. This was, in fact, the strongest indicator at the individual level, which perhaps illustrates the validity of our earlier aggregation of public opinion at the regional and national levels.

Our main indicator of affective support is the generational replacement hypothesis of Inglehart. Our analysis finds that the age cohort indicator fluctuates considerably in significance and even direction over the 1976 to 1992 period. In most years age cohort is not significant, in some years it is significant in a positive direction and in some years it is negatively significant. Whatever this mixed and confusing pattern does indicate, it is not consistent with the expectation of the affective hypothesis that would lead us to expect this relationship to become weaker over time as new cohorts enter the political world.

# Conclusion

Our investigation offers strong support for the utilitarian approach to understanding public opinion towards European integration. National-level, regional-level and individual-level economic conditions are all found to influence public attitudes

toward integration. Nations and regions which experience relatively low levels of unemployment and inflation are more supportive of integration over time. Conversely, nations and regions which suffer from unemployment and inflation are less supportive of the European integration, cross-nationally and over time. Likewise, individuals with higher incomes were more favorable toward integration and individuals with lower incomes were less favorable toward integration.

Although our analysis does not support the affective hypothesis, this hardly means that this approach can be entirely dismissed. Instead, it is likely that utilitarian and affective support are complementary rather than mutually exclusive. Future research should attempt to specify base-line levels of affective support in order to clarify the relationship between utilitarian support and affective support. Nevertheless, our national, regional and individual analyses do demonstrate the continued importance of utilitarian consideration in the formulation of public attitudes toward the European integration. Generalized feelings of loyalty toward the process of integration have clearly not superseded short-term economic interests and conditions as the basis of public evaluations of the European Union, as the more optimistic observers of European integration would have expected.

# Table 1: National Level Results

## GENERALIZED LEAST SQUARES: GLS-ARMA

REGRESSION: Variable	В	Std. Error	t	Sig t
Constant UNEMPLOYMENT INFLATION INTRA-EU TRADE	5.6916 -0.8520 -1.0456 1.1464	14.9343 0.3905 0.2157 0.2654 0.0012	0.3811 -2.1820 -4.8487 4.3194	.05 .01 .01
IRELAND TTALY	-34.7824	6.8965 5.9406 9.2797 5.3482 6.6251 7.9957	-3.7482	.01
R-square Adjusted R-squar	0.695 re 0.671			
Model is AR(1) Rho Estimate is	0.700			
GLS DIAGNOSTIC : C-S		BY CROSS SECTION RESIDUAL VAR RATIO		
BELGIUM DENMARK GERMANY FRANCE	0.8910 -1.5016 1.7962 1.2964 0.0332 1.7903 -0.4806	0.364 1.537 0.493 0.680 1.148 0.587 0.126		

# Table 2: Regional Level Results

GENERALIZED LEAST SQUARES: ERROR COMPONENTS

REGRESSION: Variable	В	Std. Error	t	Sig t
Constant	-32.2827	8.9201	-3.6191	
UNEMPLOYMENT	-0.4023	0.1371	-2.9337	.01
INFLATION	-0.7491	0.1295	-5.7852	.01
INTRA-EU TRADE	1.5068	0.1312	11.4837	.01
BELGIUM	-13.5098	3.4211	-3.9490	.01
DENMARK	-20.3083	7.7293	-2.6274	.01
GERMANY	17.3713	3.2519	5.3420	.01
FRANCE	12.5953	3.2971	3.8201	.01
IRELAND	-21.3129	7.9056	-2.6959	.01
ITALY	39.0070	2.9207	13.3555	.01
NETHERLANDS	5.6847	3.2866	1.7297	ns
UNITED KINGDOM	-19.5276	3.2139	-6.0760	.01
R-square	0.460			
Adjusted R-squar	e 0.455			

Country	Mean	Std Dev	Minimum	Maximum
Belgium	65.03	6.37	50.85	72.29
Denmark	14.33	14.48	0.87	45.56
France	57.59	7.80	44.67	72.85
Germany	56.43	6.44	47.19	66.45
Ireland	45.64	17.88	22.25	72.69
Italy	73.89	4.38	67.06	79.76
Netherlands	79.69	3.84	73.14	88.14
United Kingdom	10.71	21.21	-24.49	47.27
For Total Population	50.41	26.79	-24.49	88.14

Appendix A: Raw Means of Net Support for EU Membership, 1976 to 1992, National Level of Aggregation

Total Cases = 136

						for	EU	Membership,	1976	to	1992,
Regional	Leve	el of	E Aggre	egai	tion						

Region	Mean	Std Dev	Minimum	Maximum
BELGIUM	56.58	21.25		
Brussels	62.69 68.66	10.15 8.30	41.4 56.6	76.6 80.5
Antwerp		7.35	56.5	80.1
Brabant	70.67			
	45.93	8.90	23.7	62.5 76.8
Liege	66.35	8.87	48.5	
Limburg	73.93	9.27	51.0	89.9
Luxembourg	21.59	18.35 13.17	-14.7	51.9 61.5
Namur	29.48		8.0	-
Oost-Vlanderen	69.87	9.60	52.2	82.0
DENMARK	14.33	14.48	0.9	45.6
GERMANY	57.56	12.17		
Schleswig-Holstein	61.78	8.89	51.0	78.9
Hamburg	68.69	15.48	32.1	90.9
Niedersachsen	57.58	9.96	40.7	78.3
Bremen	54.47	16.57	13.6	77.1
Nordrhein-Westfalen	58.53	8.14	42.8	70.4
Hessen	59.06	8.98	40.9	75.4
Rheinland-Pfalz	61.11	10.85	36.7	80.6
Baden-Wurttemburg	50.21	8.82	36.4	67.7
Bayern	50.19	8.27	38.1	65.6
Saarland	55.03	14.01	33.3	87.8
Berlin	56.53	11.04	29.8	72.6
FRANCE	57.97	9.35		
Ile-de-France	63.48	8.28	54.0	83.3
Bassin Parisien	52.50	9.19	34.8	69.0
Nord-Pas-de-Calais	56.23	10.37	36.3	76.5
Est	60.90	7.60	48.8	78.1
Ouest	57.02	8.10	38.3	70.8
Sud-Ouest	58.82	8.89	44.2	47.2
Centre-Est	56.82	10.09	35.1	68.2
IRELAND	45.64	17.88	22.2	72.7
ITALY	73.53	8.07		
Nord-Ouest	72.86	6.18	62.2	82.7
Lombardia	74.31	4.18	66.4	82.7
Nord-Est	75.77	6.21	56.0	82.5
Emilia-Romagna	70.49	6.47	56.0	83.0
Centro	73.48	8.39	59.3	85.2
Lazio	72.68	9.86	56.5	89.3
Campania	73.45	4.38	65.0	80.0
Abruzzi-Molisse	74.69	11.37	45.2	96.7
Sud	76.80	5.86	64.8	84.2
Sicilia	74.74	6.86	60.8	87.4
Sardinia	69.59	13.30	31.3	87.3
Region	Mean	Std Dev	Minimum	
NETHERLANDS	79.26	6.63		
Groningen	74.39	6.37	58.8	83.3
Friesland	79.17	6.42	66.3	93.1
Drenthe	76.61	7.42	66.0	91.8
Overjissel	80.74	4.39	72.9	86.6
Gelderland	81.33	5.55	66.5	93.0
Utrecht	82.93	6.12	71.7	91.9
Noord-Holland	78.07	4.63	67.4	86.8

Zuid-Holland Zeeland Noord-Brabant Limburg	77.80 76.45 83.60 80.79	4.75 9.49 4.52 6.63	69.2 51.7 75.5 65.6	86.4 88.2 93.2 92.9
UNITED KINGDOM	8.49	22.99		
North	1.00	22.53	-36.5	40.2
Yorkshire and				
Humberside	6.96	22.42	-38.3	40.2
East Midlands	5.41	22.50	-29.8	52.4
East Anglia	9.79	20.95	-22.8	45.8
South-East	6.63	19.25	-23.1	44.1
South-West	9.19	19.44	-15.9	39.0
West Midlands	8.69	21.68	-28.7	58.1
North-West	9.18	28.62	-46.4	57.0
Wales	4.51	29.78	-34.3	54.3
Scotland	13.41	21.70	-27.7	47.5
Northern Ireland	18.64	23.75	-20.5	55.7
For Entire				
Population	54.55	28.32		

Total Cases = 1054

#### REFERENCES

- Dalton, Russell J. and Richard C. Eichenberg. 1993. "A People's Europe: Citizen Support for the 1992 Project and Beyond." In The 1992 Project and the Future of Integration in Europe, ed. Dale L. Smith and James Lee Ray. New York: M.E. Sharpe.
- Deutsch, Karl, Lewis J. Edinger, Roy C. Macridis and Richard L. Merritt. 1967. France, Germany and the Western Alliance: A Study of Elite Attitudes on European Integration and World Politics. New York: Scribner.
- Eichenberg, Richard and Russell J. Dalton. 1993. "Europeans and the European Community: The Dynamics of Public Support for European Integration." International Organization 47: 507-534.
- Franklin, Mark, Michael Marsh and Lauren McLaren. 1994.
   "Uncorking the Bottle: Public Opposition to European
   Unification in the Wake of Maastricht." Journal of Common
   Market Studies 32: 455-472.
- Gibson, James L. and Gregory A. Caldeira. 1995. "The Legitimacy of Transnational Legal Institutions: Compliance, Support and the European Court of Justice." American Journal of Political Science 39: 459-89.
- Haas, Ernst B. 1958. The Uniting of Europe. Stanford: Stanford University Press.
- Handley, David, H. 1981. "Public Opinion and European Integration: The Crises of the 1970s." European Journal of Political Research 9: 335-64.
- Hardy, Melissa. 1993. Regression with Dummy Variables. Newbury Park, CA: Sage.
- Hewstone, Miles. 1986. Understanding Attitudes To The European Community. Cambridge: Cambridge University Press.
- Inglehart, Ronald. 1967. "An End to European Integration?" American Political Science Review 61: 91-105.

. 1970. "Public Opinion and Regional Integration." In *Regional Integration: Theory and Research*, ed. Leon N. Lindberg and Stuart A. Scheingold. Cambridge: Harvard University Press.

\_\_\_\_\_. 1971. "Changing Value Priorities and European Integration." *Journal of Common Market Studies* 10: 1-36. and Jacques-René Rabier. 1978. "Economic Uncertainty and European Solidarity: Public Opinion Trends." Annals of American Academy of Political and Social Science 440: 66-87.

- Keohane, Robert<sup>.</sup> O. and Stanley Hoffmann. 1991. "Institutional Change in Europe in the 1980s." In *The New European Community: Decision-making and Institutional Change*, ed. Robert O. Keohane and Stanley Hoffmann. Boulder: Westview Press.
- Krasner, Stephen D. 1982. "Structural Causes and Regime Consequences: Regimes as Intervening Variables." International Organization 36 (Spring): 203.
- Lewis-Beck, Michael. 1988. Economics and Elections: The Major Western Democracies. Ann Arbor: University of Michigan Press, 1988.
- Lindberg, Leon N. 1963. The Political Dynamics of European Integration. Oxford: Oxford University Press.
- Lindberg, Leon N. and Stuart A. Scheingold. 1970. Europe's Would-Be Polity. New Jersey: Prentice Hall.
- Markus, Gregory B. 1988. "The Impact of Personal and National Economic Conditions on the Presidential Vote: A Pooled Cross-Sectional Analysis." American Journal of Political Science 32 (February: 137-154).
- Norpoth, Helmut, Michael S. Lewis-Beck, and Jean-Dominique Lafay, eds. 1991. Economics and Politics: The Calculus of Support. Ann Arbor: University of Michigan Press.
- Reif, Karlheinz and Ronald Inglehart. 1991. Eurobarometer: The Dynamics of European Public Opinion. New York: St. Martin's Press.
- Ruggie, John Gerard, ed. 1993. Multilateralism Matters: The Theory and Praxis of Institutional Form. New York: Columbia University Press.
- Shepherd, Robert J. 1975. Public Opinion and European Integration. Westmead, Saxon House.
- Stimson, James A. 1985. "Regression in Time and Space: A
  Statistical Essay." American Journal of Political Science
  29 (November: 914-947)
- Williams, Shirley. 1991. "Sovereignty and Accountability in the European Community." In Robert O. Keohane and Stanley Hoffmann. 1991. In The New European Community: Decision-

making and Institutional Change, ed. Robert O. Keohane and Stanley Hoffmann. Boulder: Westview Press.

### DOCUMENTS

- Commission of the European Community. 1974-1994. Eurobarometers, 1-41. Brussels: Directorate-General Information, Communication and Culture.
- Commission of the European Community. 1994. Eurobarometer (Ann Arbor: Inter-university Consortium for Political and Social Research (ICPSR 9361).
- Commission of the European Community. 1984. The Regions of Europe: Second Periodic Report on the Social and Economic Situation of the Regions of the Community. Luxembourg: Government Office of Official Publications of the European Communities.
- Commission of the European Community. 1993. The Community Budget: The Facts and Figures. Luxembourg: Government Office of Official Publications of the European Communities.
- Commission of the European Community. Various Issues. The Official Journal of the European Communities. Luxembourg: Government Office of Official Publications of the European Communities.
- Organization for Economic Cooperation and Development. 1994. National Accounts 1 1960-1992, Vol.1. Paris: OECD.
- Statistical Office of the European Communities (Eurostat). 1978-1994. Eurostat: Basic Statistics of the Community, 19th-31st ed. Luxembourg: Government Office of Official Publications of the European Communities.
- Statistical Office of the European Communities. 1975-1985. Yearbook of Regional Statistics. Luxembourg: Government Office of Official Publications of the European Communities.
- Statistical Office of the European Communities. 1986-1993. Regional Statistics Yearbook. Luxembourg: Government Office of Official Publications of the European Communities.
- Statistical Office of the European Communities. 1970-1985. Various Issues. Eurostat Revue. Luxembourg: Government Office of Official Publications of the European Communities.

United Nations Economic Commission for Europe. 1993. Economic Survey of Europe. 1992-1993. (New York: United Nations, 1993).

-

,

# Table 2: Regional Level Results

## GENERALIZED LEAST SQUARES: ERROR COMPONENTS

REGRESSION: Variable	В	Std. Error	t	Sig t
Constant	-32.2827	8.9201	-3.6191	
UNEMPLOYMENT	-0.4023	0.1371	-2.9337	.01
INFLATION	-0.7491	0.1295	-5.7852	.01
INTRA-EU TRADE	1.5068	0.1312	11.4837	.01
BELGIUM	-13.5098	3.4211	-3.9490	.01
DENMARK	-20.3083	7.7293	-2.6274	.01
GERMANY	17.3713	3.2519	5.3420	.01
FRANCE	12.5953	3.2971	3.8201	.01
IRELAND	-21.3129	7.9056	-2.6959	.01
ITALY	39.0070	2.9207	13.3555	.01
NETHERLANDS	5.6847	3.2866	1.7297	ns
UNITED KINGDOM	-19.5276	3.2139	-6.0760	.01
R-square	0.460			
Adjusted R-squar	ce 0.455			