

The Grapes of Wrath

Welfare Attitudes in Bailed-out Portugal

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Abstract

This paper compares welfare attitudes in Portugal before and after the June 2011 bailout, using survey data from the 2008 European Social Survey (rotating module on the “welfare state”) and our own follow-up survey (spring 2013). Our findings suggest the welfare retrenchment rhetoric and agenda by both the international trio of funding bodies (the “Troika”) and the centre-right two-party coalition government elected immediately after the bailout have had significant unintended consequences. If, on the one hand, pessimism with the welfare provision in Portugal and skepticism regarding the social efficacy of social provision have grown dramatically, suggesting the internalization of the retrenchment rhetoric, on the other, this has been accompanied by a no less significant increase in the support for the welfare state among the “Troika’s children”, i.e. labour market outsiders, whose numbers have increased dramatically as the result of Troika’s austerity measures and the ensuing economic crisis. We further explore this impact by identifying three social groups with distinctively different sets of welfare attitudes (welfarists, hopeful welfarists, and liberal individualists), and by providing an explanation for this shift in social attitudes in terms of socio-demographic attributes (gender, etc.), social norms (citizenship norms) and cognitive practices (reflectivity, awareness).

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Introduction

Welfare retrenchment dominates politics today. The Lehmann Brothers collapse in September 2008 and the ensuing financial and economic crisis, the largest since the Great Depression of the 1930s, has led governments across the Western world, particularly in Europe, to adopt strict austerity policies. These policies of fiscal consolidation have been overwhelmingly aimed at public programmes of social welfare. Welfare retrenchment, however, is hardly a novelty. Since at least the 1970s most Western countries have been confronted with powerful pressures to cut back, reform and reorganize their public programmes of social provision to respond to emerging economic challenges and social needs. As a result of these decades-long, ongoing efforts welfare states today are much better adapted to face adverse pressures. Yet the sheer magnitude of the 2008 crisis and the vitriolic character of the austerity rhetoric's moralistic tone may well mean that these improvements in the structure of public social provision are not sufficient to meet the current challenges. Detailed knowledge on how democratic publics are coping with these challenges is thus of primary importance to both political decision makers and political analysts.

The first attempts to trace and analyze the public's reactions to the crisis of the welfare state, and whether this was indeed in crisis, can be traced back to the 1980s. Then, as now, there was hardly a consensual view on what was happening to the welfare state. On the one side, there were those, like the economist Albert Hirschman, who claimed "that the welfare state is in trouble can hardly be contested" (1980: 113). Others were less pessimistic. Jens Alber, for instance, concluded in the late 1980s that "there are neither signs of a general welfare backlash nor of a legitimation crisis caused by the curtailments. Welfare state programmes still enjoy a high level of mass support" (1988: 181). Already in the 1990s, Paul Pierson's "new politics of the welfare state" portraits

welfare retrenchment as a highly unpopular endeavor, whose pursuit entails sophisticated political strategies (Pierson 1996, 2001). Yet the question remains why and under what circumstances cutbacks take place in highly developed welfare states despite these formidable political obstacles. Some authors suggest a pluralistic combination of methods and approaches to study the impact of such factors as socio-economic problem pressure, political parties, political institutions, welfare state structures and ideas (Starke 2006). Others have tried to challenge existing theories of welfare state change by pointing out how a variety of cross-cutting lines of political conflict, emerging from the transition to a postindustrial economy, allowed governments to engage in strategies of political exchange and coalition-building, fostering broad cross-class coalitions in support of major reform packages: in other words, and contrary to theories pointing to the stability of institutions, it has been (surprisingly) shown that welfare reforms have not only been possible (proving neo-institutionalist theories wrong) but have in fact benefited not “insiders” but “outsiders.”

Despite these significant results there is not yet sufficient concluding evidence as to how and why labour market vulnerability affects welfare attitudes, namely those pertaining to welfare retrenchment. Following the literature, we hypothesize *that labour market “insiders” will tend to lend their support to social welfare policies that reward their labour market performance, while “outsiders” are expected to support need-based policies* (e.g. Häusermann and Schwander 2010: 23; see also Häusermann 2010). In addition, we expect future expectations to play a significant role in welfare state support. In particular, we hypothesize that *the brighter the prospects of the welfare state, the stronger will be the opposition to retrenchment*. Our evidence supports these hypotheses with a twist. Support for the welfare state (opposition to retrenchment) is

indeed related as expected to labour market vulnerability, but, unlike expected, it increases as optimism regarding its future prospects diminishes.

Our evidence comes from Portugal, where welfare retrenchment has been as much a political choice as an external imposition, and its socioeconomic impact enormous, with the economy facing its worst downturn since the mid-1970s, unemployment at record-high levels and rising emigration: as a result, the number of “outsiders” has increased quite substantially since 2008. All these contextual factors cannot be ignored if one seeks to understand the shift in people’s perceptions about the nature, functions and organization of the welfare state, i.e. “welfare attitudes”, that has taken place in Portugal between 2008 and 2013.¹

This shift cannot be dissociated from the 2008 financial crisis, the ensuing economic recession and the austerity policies prescribed by international organizations such as the World Bank or the International Monetary Fund (IMF) and meanwhile adopted by most national governments. In the case of Portugal, this general austerity context has taken a specific shape. In April 2011, the Socialist government sought financial assistance from a Troika of international organizations – the IMF, the European Commission and the European Central Bank – which imposed an austerity programme in return for the 78 billion Euro bailout. One of the main targets of this austerity programme has been state-funded social provision, including various kinds of benefits and pensions. The new centre-right coalition government was elected in June 2011 with an explicit mandate to implement the austerity programme. Unsurprisingly, the social and political contestation by Portuguese unions, political parties (including the Socialists, now in the opposition) and the population in general against the austerity

¹ The literature on Portuguese welfare attitudes includes Cabral (1993), Mozzicafreddo (1997), Silva (2013b).

programme has been significant. Nonetheless, the retrenching coalition government has undertaken the most severe cuts in public expense, including welfare provision, in a generation. As we will show in this paper, these extraordinary political, social and economic circumstances have had a significant impact on people's attitudes towards the welfare state. Our aim, however, is not merely to describe this (important) shift in welfare attitudes in bailed-out Portugal: we seek also to contribute to the debate on welfare retrenchment, the theme of the present panel.

In the first section of the paper, we describe this value shift by confronting the welfare attitudes of the adult Portuguese population *before* and *after* the June 2011 bailout. As we will show, there have been dramatic changes between 2008 and 2013 in the way Portuguese respondents conceive of the nature and role of the welfare state, as well as its future prospects. In the second section, we segment the two population samples (2008 and 2013) into three distinct groups of respondents in terms of their views regarding welfare provision in order to gain a more nuanced understanding of the dynamics of value change. Our analysis of these clusters of opinions is guided in part by the dualization of the Portuguese labour market between “insiders” and “outsiders”. In the third section, we explain through regression analyses what characterizes each of these groups by using a combination of sociodemographic and attitudinal variables. Finally, in the fourth and final section we present the paper's main findings and suggest future lines of research.

1. Welfare attitudes in Portugal before and after the 2011 bailout

In this section we present and compare the attitudes of the adult Portuguese population regarding welfare provision in two moments in time: 2008 and 2013. Our aim is to evaluate whether the intervening events – namely, the 2008 international financial crisis, the ensuing economic recession in Portugal, and the 2011 bailout and the austerity agenda of the respective Memorandum of Understanding – have had a significant impact on how the Portuguese conceive of the welfare state. The period between 2011 and 2013 was characterized by an unusually intense and heated debate on welfare provision, on its principles of financing and organization, as well as on who should be the primary recipients of welfare support as never before in the 35-year long history of Portuguese democracy. We use survey data from the 2008 European Social Survey (ESS) rotating module on “welfare attitudes” and a follow-up survey whose fieldwork was undertaken in the spring of 2013.²

Before we undertake this longitudinal analysis some words are in order as to how Portugal fares in relation with the remaining European countries. In general, the literature suggests the support for the welfare state is “highest in the more recently emerging welfare states” such as the Portuguese, “and then in social democratic welfare states, but noticeably lower across corporatist and liberal Europe” (Taylor-Gooby 2011: 160). More concretely, studies such as Roosma et al.’s (2012) indicate that more than 70% of Europeans agree with a more redistributive welfare system and that the government should be responsible for social security. With regard to the trade-off between taxation and social provision, 29% prefer lower taxes and lower social

² This survey is part of the project “Promessas por cumprir: As origens políticas da desigualdade socioeconómica em Portugal, 1960-2010”, funded by the Fundação para a Ciência e Tecnologia (PTDC/CPJ-CPO/101290/2008).

spending, and 35% prefer higher taxes and higher social spending. Around 36% agree with a mid-point. In relation to implementation of welfare provision, while 54% believe that the system is efficient, more than 50% believe that benefit levels and quality of services are insufficient. A cross-national examination indicates that there are significant differences between countries with regard to attitudes towards the welfare state. In general, people in Eastern and Southern European countries are more likely to be in favour of the welfare state's goals and range. In fact, the mean score for Portugal is the second highest in the former and the sixth highest in the latter. At the same time, people in these countries tend to be critical of the welfare state's efficiency and outcomes. Portugal ranks fourth in opinion about efficiency; second in opinion about welfare benefits or services being under-used; and fourth in opinion about policy outcomes. For the rest of the dimensions, Portugal is positioned in the middle of opinion among the 22 countries. The authors conclude by stating that, "at least in Europe, we do not face a welfare state legitimacy crisis. The majority of people will support the welfare state and the government's responsibility to redistribute life chances" (p. NA). In what follows, we discuss the evolution of the popular support for the welfare state in Portugal between 2008 and 2013: how and why have the Portuguese reacted to the welfare retrenchment rhetoric and political agenda that have dominated the political scene since the 2011 bailout?

A central issue when discussing welfare provision concerns the role of the state. A case in point is Esping-Andersen's celebrated typology of welfare regimes, which is developed around the ways in which state, market, and families interact in guaranteeing social welfare provision (1990). Questions tapping into the state's responsibility in

terms of social provision were thus included in the 2008 ESS survey, which we replicated in the 2013 survey.³

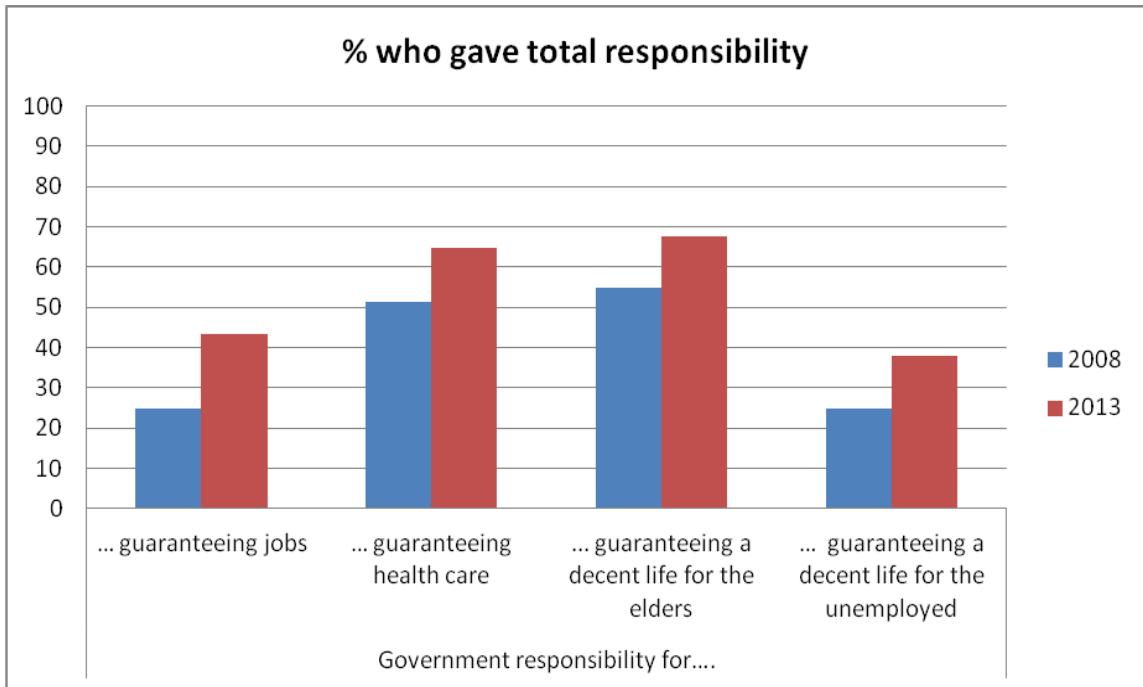
Policies and policy changes - including redistribution of functions between the state, the private sector, and society - are theoretically and empirically known to influence people's perceptions on welfare preferences.⁴ However, it seems that a large part of welfare preferences and attitudes towards the welfare state are based on past political decisions or on the recent context. In a study of how welfare retrenchment influenced people's voting, Giger found that "we are not concerned with policy goals or means but focus on the results of policies, on what has been achieved during the current term in power" (2010: 418).

This line of thought lies at the core of the analysis in this paper. It is assumed that the recent financial crisis and structural pressures derived from population ageing have opened up a window for debate about the future of the welfare state and that the austerity measures have influenced people's perception on the role of the government in social provision. Issues such as changes in the pensions system, privatisation of public services, and a reduction of public workforce "open up the question of what kind of welfare state people will support in the future" (Taylor-Gooby, 2011: 150).

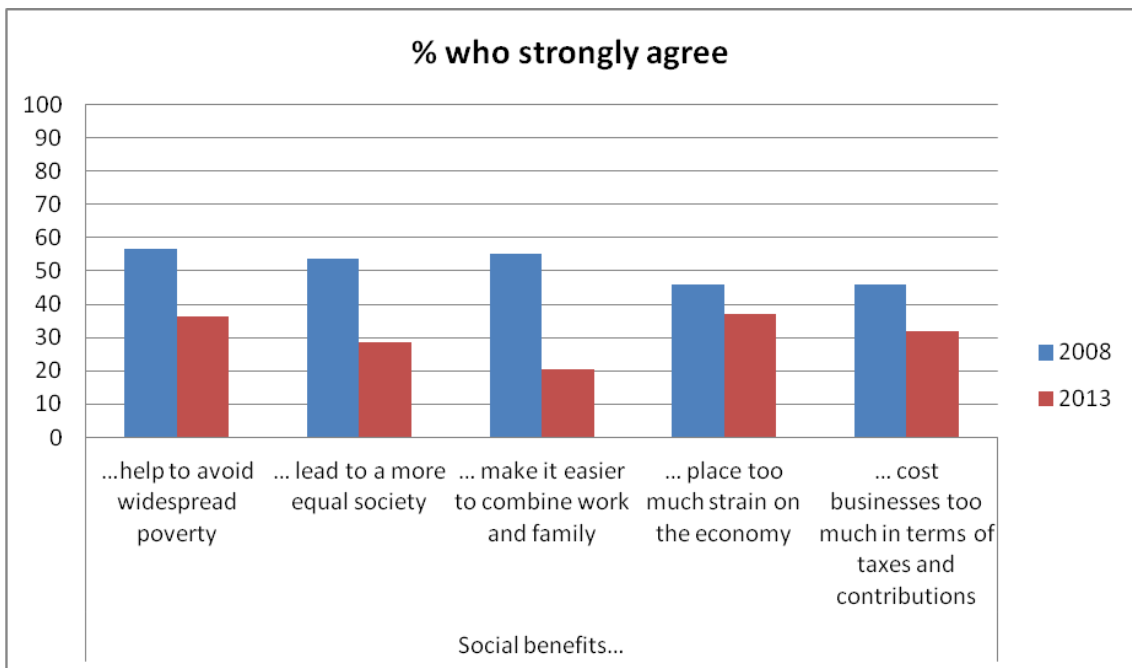
³ Details are provided in Annex 3.

⁴ This includes the neo-institutionalist literature on (negative and positive) policy feedbacks as well as lock-in processes. See, e.g., Thelen (2004), Streeck and Thelen (2005), Weaver (2010), and Fernández and Jaime-Castillo (2012).

Graph 1a: Governmental responsibility



Graph 1b: Effects of social benefits



A comparison of perceptions on the welfare state between 2008 and 2013 shows that the magnitude of the change in people's views regarding the role of the state in terms of social provision has been nothing short of remarkable. In 2013, Portuguese respondents are much more likely to see the state as the main guarantor in different areas of social provision than five years ago, including protection to the sick, the elderly, and the unemployed. Yet the most impressive figures are those pertaining to the state's responsibility in guaranteeing employment for those who want to work (Graph 1a): between 2008 and 2013, the percentage of respondents who attributed "total responsibility" to the state in this regard increased from 25% to 43%, an 18 points rise. Accounting for this very significant increase are certainly the record-high unemployment rates.⁵ As in May 2013 the unemployment rate peaked at 17.8% among the general population and 42.2% among the youth, both among the highest in Western Europe (only behind Greece, Spain, and Croatia).⁶

A related issue concerns the efficiency of the welfare state. As we have just seen, the Portuguese are turning more and more to the state as the solution to the social hardships they have endured in the last few years. But is this growing importance granted to the state accompanied by a sense of confidence in the welfare state's ability to solve, or at least mitigate, those social hardships? Our results suggest it is not.

⁵ Using cross-national data from three waves from the World Values Survey (Portugal not included), Blekesaune similarly concludes that "lower employment rates are associated with the public opinion that governments should take more responsibility for economic provision and redistribution of income. Increased financial strain is also associated with stronger support for state responsibility for economic provision, but not for redistribution of income." (2007: 400) On high unemployment bolstering public support for welfare policies, see also Blekesaune and Quadagno (2003: 424).

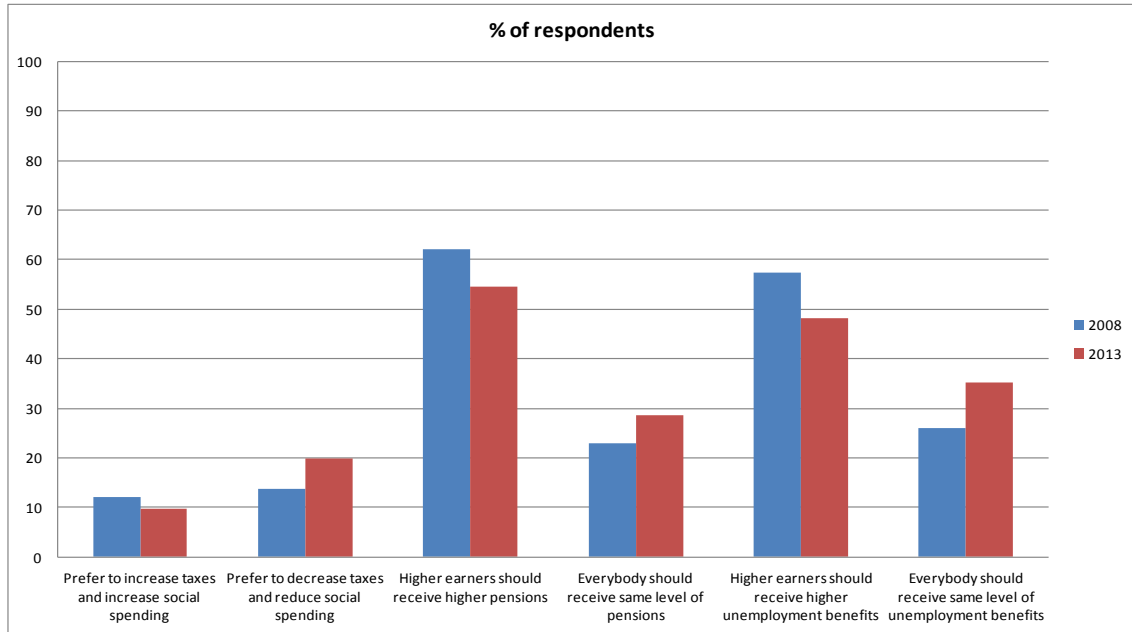
⁶ Eurostat figures. See <http://www.publico.pt/economia/noticia/portugal-com-taxa-de-desemprego-jovem-de-377-em-2012-a-4%C2%AA-maior-da-ue-1600089>

Instead, there is a growing sentiment of skepticism among the respondents regarding the welfare state's effectiveness. This is the case regarding a whole range of different issues (Graph 1b), from the state's ability in preventing poverty (a 21 points decrease in confidence, from 57% to 36%) to promoting a more equal society (a 25 points decrease, from 54% to 29%). Yet it is the welfare state's growing incapacity to provide adequate support for those (overwhelmingly females) who wish to combine family and work that the most significant increase has occurred. In 2008 around 55% of the Portuguese society agreed or strongly agreed that social benefits make it easier to combine those two life domains: in 2013 only slightly more than 20% thought that way.

Another way of looking at the institutional performance of the welfare state refers to its financing, in particular the extent to which taxpayers' money is being used in an efficient way. Unsurprisingly, this question occupies a prominent place in the troika's 3-year austerity programme, which has forced Portuguese authorities to reduce public expenditure with social provision (either by cutting down specific benefits, such as the unemployment benefit, or augmenting the relative weight of contributions, as in the case with the public servants' health care subsystem) with the argument that the same level of social protection could be guaranteed in a more financially efficient way. Respondents, however, do not seem convinced with this argument. On the contrary, they seem more concerned with the level of social provision than with the financial burden associated with it: in 2013, only 37% (down from 46% in 2008) strongly believe that social benefits put a too great a strain on the economy; likewise, only 32% of respondents in 2013 are firmly convinced that social benefits cost businesses too much in terms of taxes and charges (in 2008, more than 46% thought so). For a growing majority of the Portuguese population, perhaps convinced that cuts should be done in other areas of the state's budget than welfare or that the lack competitiveness of the

economy has less to do with the fiscal strain than inadequate training or lack of foreign investment, financial efficiency should not take priority over providing social provision.

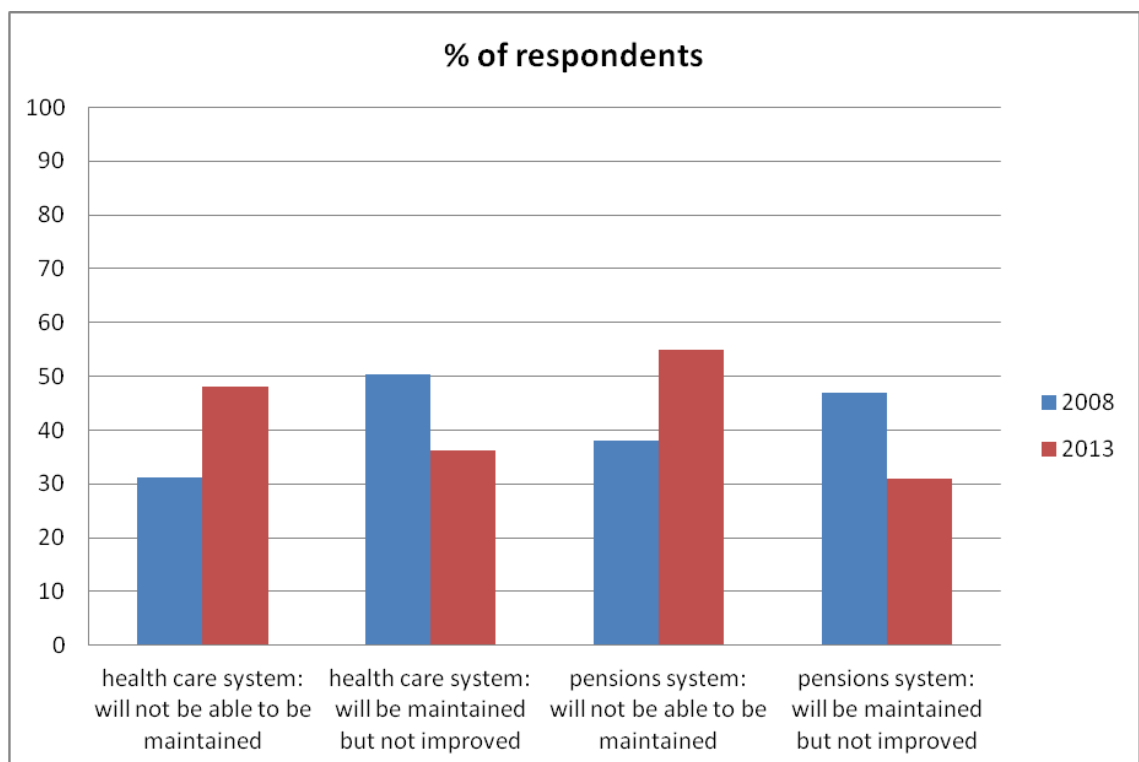
Graph 1c: Trade-offs between taxes and social spending



This brings us to a related issue, people’s attitudes toward taxes and social spending (Graph 1c). Despite the economic crisis, the financial bailout and the austerity measures these social attitudes are roughly the same in 2013 than they were five years ago. For instance, in 2008, almost 14% of the respondents were strongly of the opinion that the government should reduce both taxes and social spending, and around 12% firmly believed the government should instead increase taxes and social spending. In 2013, the corresponding figures are 20% and 10%. One possible explanation for this 6-point increase in support for tax reduction can be “tax fatigue”: confronted with a substantial rise of tax rates in the intervening period, including property, income and consumer taxes, a growing number of respondents seem to be now more prone to accept having social benefits cut if that means paying fewer taxes.

Another way to explore the trade-offs associated with social provision involves confronting respondents with what should one do in order to benefit from pensions or unemployment benefits (Graph 1c). In both cases, there is a general tendency to favour egalitarian solutions. In the former case, even though a solid majority of respondents still thinks that the pension one receives should reflect the level of contributions made (55% in 2013 against 62% five years ago), the number of those who believe everyone should receive the same level pensions went up from 23% to 29%. In the latter case, the differences in opinion are slightly more pronounced: there has been a 9 points increase (from 26% to 35%) in the prevalence of the view that both high and low earners should get the same unemployment benefits.

Graph 1d: Future of welfare provision in Portugal



Finally, in what is certainly one of the most important findings of the paper, our results show a very substantial rise of concern regarding the future of welfare provision

in Portugal between 2008 and 2013 (Graph 1d). Welfare cuts surely dominate political debate today, but the increase of pessimism of the Portuguese in this period is nevertheless surprising. In 2008, 31% feared it would not be possible to maintain the same level of health care provision in ten years' time: five years later, 48% of respondents were of that opinion. A similar pattern can be observed in the case of pensions of reform. Between 2008 and 2013, the pessimistic view that Portugal will not be able to maintain the same level of support in the case of pension reforms rose from 38% to 55%, a 17-point increase.

2. Clustering Welfare Attitudes

Following the 2011 bailout and its strict conditionality pact, Portuguese authorities had to implement various austerity measures. This austerity programme includes a net reduction of public service in terms of both number of public employees and of public wages; the freezing of pension reforms and an increase in age of retirement; a reduction in the duration of unemployment benefits; the freezing of the national minimum wage and the introduction of caps on health, education, and housing allowances; and an increase in taxes of some products. These measures have resulted in numerous manifestations against the changes, two general strikes, and generalised discontent. As the figures above indicate, the general overview of opinion about the role of the government, about the consequences and implications of social benefits, and about the future of the welfare state in Portugal show dramatic changes between 2008 and 2013.

So far we have discussed welfare attitudes before and after the 2011 bailout as if the Portuguese adult population was a single whole. Yet it is very likely that significant differences of opinion regarding the welfare state can be found between different segments of the population.⁷ For the purposes of this paper, we adopt the “new social risks” literature’s distinction between “labour market insiders and outsiders.”⁸

Concretely, we hypothesize that the debate on welfare politics waged between the Troika and the government’s retrenchment rhetoric and the “pro-growth” discourse of

⁷ Foster and Kaminska, for instance, conclude that “it can be argued that the welfare state consists of different underlying welfare state values. Each of these values may be supported by different groups.” (2012: 917)

⁸ Outsiders are those who are unemployed or who have atypical employment histories. Hence, outsiders “prefer policies that allocate resources based on need, rather than contribution-payments” (p. 3). Insiders are those who have stable employment histories. Consequently, insiders favour “policies that reward their – more continuous and stable – labour market performance” (Häusermann and Schwander 2010: 3). See also, Bonoli 2005; Armingeon and Bonoli 2006, Schwander and Häusermann 2013.

the opposition parties and trade unions has impacted “outsiders” and “insiders” in significantly different ways. In line with the literature, we hypothesize that popular support for the classic postwar model of the welfare state (a state-run, universal, free, general and unified system of social provision) is more likely to be found among those who face a particularly high risk of unemployment and atypical employment, whereas support for alternative arrangements which put an emphasis on individual choice and means-testing policies is more likely to be found among those with stable, full-time and fully insured jobs.

In this section and the next, we put this hypothesis to the test. In this section, after using clusters analysis to verify if there were indeed significantly different opinion groups,⁹ we present and compare these groups. Our aim is to identify significant changes in the ways welfare attitudes were clustered in 2008 and 2013 in order to help us test the hypothesis laid above. In the following section, we use regression analyses to explain what accounts for these clusters of welfare attitudes. This will help us further testing this hypothesis as well as devising alternative, more specific ones to be tested in future research.

We used clusters analysis¹⁰ to classify individuals in the sample according to a set of welfare attitudes. This set of welfare attitudes included their opinions regarding government responsibility in ensuring social provision, on the trade-off between social benefits and taxes, on the correspondence between level of contribution and the level of social benefits (pensions, unemployment benefit), on the future prospects of the welfare

⁹ Three groups can be identified in 2008 and three groups can be identified in 2013, although they do not necessarily correspond with one another.

¹⁰ First, hierarchical cluster analysis with Ward’s method was conducted to identify the number of groups. Then, K-Means cluster analysis for 3 groups was conducted. In both methods, list-wise deletion was used and no imputation was preferred to obtain the clearest distinction between groups.

state, on social provision's fiscal burden on the economy and its effectiveness¹¹. Annex 2 describes in detail the opinion of each cluster in relation to these issues in 2008 and in 2013.

In 2008, one can identify three distinct clusters of opinions on the welfare state. These attitudinal differences, however, do not seem to emerge out of the role of the state in guaranteeing social provision: with the partial exception of one cluster (more below), there seems to be a general consensus among the Portuguese in attributing a significant role to the state in basic welfare domains, from the job market to healthcare services. We designate as “welfarism” this view according to which the state is the sole or main provider of social provision relegating voluntary associations and private organizations to a secondary, supplementary position.¹² Yet this general agreement disappears once respondents are confronted with the future of the welfare state. Significant differences emerge separating the largest opinion group (N=586), composed of individuals who believe the state would be able to maintain or improve the level of social provision in health care and pension reforms in the next 10 years and for whom the state should raise taxes to finance social welfare, from the two other groups, which include individuals who are more pessimistic regarding the future prospects of the welfare state in Portugal. Concern with the future of the welfare state seems to be hand in hand, at least in the case of the largest of these two groups of “pessimists” (N=344), with a belief in the effectiveness of the welfare state in both preventing poverty and promoting a more egalitarian society. The smallest of the three clusters (N=223) associates a pessimistic view regarding the future of the welfare state in Portugal with two “liberal” views: on the one hand, a slightly weaker statism than the other two groups and, on the other, the

¹¹ For the specific set of questions, please refer to Annex 2.

¹² See, e.g., Van Oorschot and Meleuman (2011).

perspective that taxes should be lowered even if this would mean spending less on social benefits and services.

Unsurprisingly, the distribution of welfare attitudes among the Portuguese changed significantly between 2008 and 2013. In 2013, while there still can be identified three main clusters the fact is that both their defining characteristics as well as the lines demarcating them are now clearer, suggesting that the (unusually pronounced) thematization of welfare politics in this period has contributed to increase the salience of (hitherto latent) attitudinal cleavages.

Let us begin with respondents' views on the role of the state in social welfare. As we saw above, the Portuguese in 2013 are generally much more likely to attribute the state total responsibility in a number of areas of social provision than they were five years ago. Our cluster analysis, however, suggests this is not a homogenous pattern. On the contrary, there are significant differences between distinct segments of the population. While among individuals in the largest attitudinal group, which we can designate as "welfarists," there is overwhelming support for granting the state "total responsibility" for guaranteeing health care for the sick (84%) and a decent life for the elderly (87%), in the other two clusters these figures are significantly lower, in particular in the smallest attitudinal cluster, "liberal individualists": only 12% of individuals in this group give "total responsibility" to the state for guaranteeing health care for the sick and 19% grant the state "total responsibility" for ensuring a decent life for the elderly. How to account for such vastly different welfare attitudes? A possible explanation for these figures is that the welfare retrenchment rhetoric of the Troika and the coalition government since 2011 has resonated more among certain segments of the Portuguese population than others: a case in point seems to be the cluster of "liberal individualists." Individuals in this group distinguish themselves by a more proportional

view of social benefits and contributions (for instance, 67% of “liberal individualists” are of the opinion that those who earn more should get higher pensions because they have contributed more against only 54% among “welfarists”), by a relatively low concern with the future of the welfare state, and by a belief that the state should cut both taxes and benefits (62% of “liberal individualists” strongly or mildly agree with this view, against only 42% among “welfarists”).

In between “welfarists” and “individualists” there is another cluster of welfare attitudes whose distinguishing feature emerges once one introduces a second defining component of welfare attitudes, public perceptions on the efficiency of the welfare state. If there is a growing disappointment in this regard generally (37% agree or strongly agree that social benefits prevent poverty, down from 57% five years ago, and only 29% agree or strongly agree that social benefits lead to a more equal society, down from 54%), one finds perceptible differences among opinion groups. While the degree of disappointment with the performance of the welfare state is pronounced among both “welfarists” and “individualists”, albeit for different reasons as we shall explore below, it is less so among what we call “hopeful welfarists”: 46% of individuals in this group strongly agree that social benefits help preventing poverty, against 23% among “individualists” and 38% among “welfarists”; similarly, 40% of “hopeful welfarists” agree or strongly agree that social benefits lead to a more equal society, against 31% among “welfarists” and only 17% among individualists.¹³

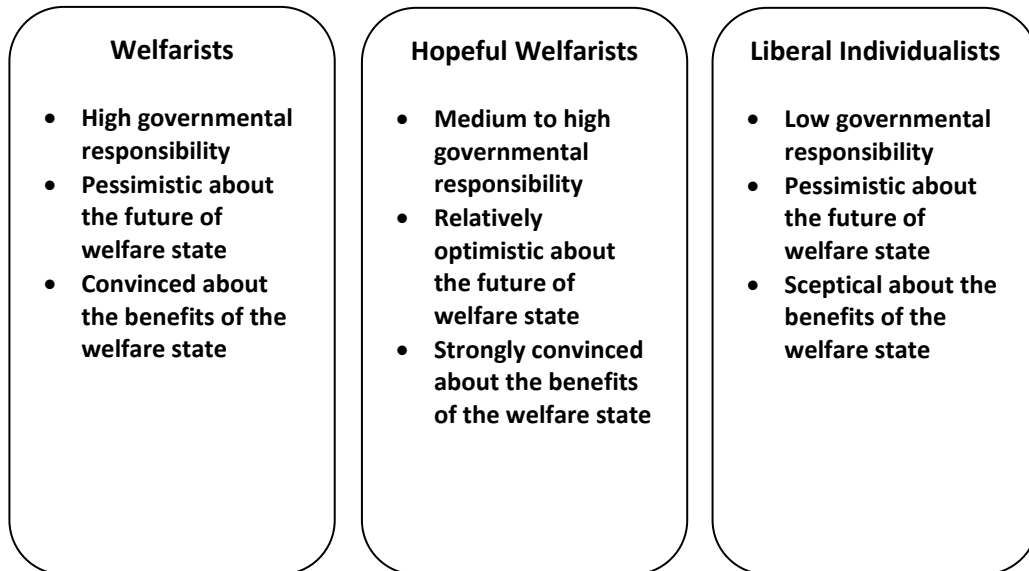
A third important dimension of welfare attitudes refers to the relation between taxation and social spending. Between 2008 and 2013, there was a 6-point increase (from 14% to 20%) among respondents supportive of the view that the government

¹³ These findings contrast with Van Oorschot, Reeskens and Meuleman(2012) recent paper on popular perceptions of welfare state consequences, who conclude that men and those with higher incomes are more likely to be convinced of the positive effects of the welfare state.

should reduce both taxes and social spending. If we breakdown these figures by opinion clusters, however, we find significant differences between them: in 2013, while only 16% of “hopeful welfarists” and 24% of “welfarists” are of this opinion, this figure among “liberal individualists” reaches 31%, signaling a clear “liberal” preference for a small state solution by this attitudinal group. This liberal positioning is in line with this cluster’s attitudes regarding the relation between contributions and social benefits: “liberal individualists” are noticeably less egalitarian (or more proportional) than the rest of the population – only 26% and 32% are of the opinion social benefits such as pensions and unemployment benefits, respectively, should be granted irrespective of the amount of contributions made (the respective figures among “welfarists” are 37% and 43%).

A final dimension of welfare attitudes we have analyzed refers to people’s views on the future prospects of the welfare state in Portugal. As we have seen above, there is a growing, general sense of pessimism in this regard. In the case of the future of the health care system, this pessimism is considerably reinforced among “welfarists”, 80% of which do not believe the country will be able to afford the current level of healthcare. Even “individualists” are more pessimistic than the average: 57% against 48% of the general population. Only “hopeful welfarists” resist this tendency, with 76% of them thinking current levels of healthcare can be maintained but not increased in ten years’ time. Turning now to social security, a roughly similar distribution of attitudes can be found among the three cluster groups: 92% of “welfarists” do not believe Portugal will be able to afford the current level of pension reforms against 65% among “individualists”; again, “hopeful welfarists” are overwhelmingly of the opinion (79%) that the current level can be sustained in the long term. General opinion trends of each cluster are presented in Figure 1.

Figure 1. Clusters of welfare attitudes in Portugal, 2013



3. Explaining the Clusters

In this section we aim at explaining what accounts for each cluster of welfare attitudes. The analysis aims at identifying the factors that explain the likelihood of someone to think in a “welfarist,” a “hopeful welfarist,” or a “liberal individualist” way in 2013. As we shall see, our characterization of the clusters uses a combination of socioeconomic characteristics, namely the respondent’s labour market vulnerability according to gender, age, and occupational status, and political practices and views, such as awareness of welfare issues, citizenship attitudes, participation, conceptions about the origins of social rights, and ideology.¹⁴ Other variables, such as personal values, were not explored due to the limitations of the survey but we think nonetheless they should be included in future studies.¹⁵ The probability of belonging to each group is examined through binary logistic regressions, in which the dependent variable indicates whether the individual was classified as belonging to that group or not. Three models composed of the variables indicated above are run, one for each group. Annex 4 presents the regression tables for each model.

3.1. *Welfarists*

¹⁴ The list and description of variables included in the regression analyses is included in Annex 3.

¹⁵ A case in point is Baslevant and Kirmanoglu (2011), a cross-national study using ESS 2008 based upon Schwartz’s theory (1992) of basic personal values. Their main findings are that Protestants and Jews are less in favour of welfare state responsibilities than Catholics, but Orthodox and Muslims are more in favour of governmental social provision than Catholics. Muslims are the group who are more likely to be in favour of the government providing child care services. Finally, openness to change was related to less favourable opinions of welfare; and interest in others was positively associated with agreeing with governmental welfare provision. Their conclusion is explicitly neo-Weberian: “The finding regarding the dummy variable indicating persons of Protestant belief could be linked to the Weberian hypothesis regarding the economic role of the Protestant ethic. (...) Notwithstanding the likelihood that Protestants living in the 21st century had different world views from those who lived in past centuries, the finding of the present study was in line with this argument.” (2011: 350)

We have described the first cluster of respondents as those who favour a “welfarist” understanding of the relations between state, economy and society, namely one in which the state (not the market) assumes total responsibility for social provision. But what explains the inclusion of an individual in this attitudinal group?

To begin with, benefiting from controlled rent¹⁶ makes one significantly less likely (74%) to be a “welfarist” compared to those who own or pay a mortgage for the place one lives in. Though not a strictly “insider” attribute (age, gender and employment situation are), benefiting from a non-market rent is arguably a factor conducive to an “insider” profile. This finding suggests that “welfarists” are not “insiders”, although, as we shall see, some “insiders” do support welfare policies (in particular, those which reward their labour market performance). This suggestion is reinforced once we consider how “outsidedness” performs in the model.¹⁷ In fact, being female,¹⁸ under 40 years of age, and unemployed or employed in unstable jobs is associated with a 2.2 times higher likelihood to think in a “welfarist” way. This situation of “outsidedness” reflects on the financial instability and career insecurity that make this group of people particularly vulnerable. As a result, this group favours a stronger governmental intervention in terms of securing jobs and social services in an egalitarian way to all citizens, regardless of their employment histories. Similarly, “welfarists” tend to favour

¹⁶ In Portugal, this is not so much related with the income level of the renter or tenant as it is with the date of the contract as the market was only (partly) liberalized in 1990. As a result, pre-1990 contracts are, as a rule, controlled rent ones.

¹⁷ See, e.g. Van Oorschot, Reeskens and Meuleman (2012) for whom young females in situation of unemployment or unstable employments are most likely to belong to the “welfarist” group, which is the one who is slightly more inclined to think that social benefits do not place too much strain on the economy.

¹⁸ Even though gender has found to be significantly associated with support for higher governmental responsibility (Baslevent and Kirmanoglu, 2011), our evidence indicates that young women in a situation of unemployment or unstable employment is associated are 2.2 times more likely to belong to the “welfarist group. Young unemployed women or young women with unstable jobs face a particular situation of vulnerability – or outsidedness from the system - which makes them to ask for more involvement of the state in terms of securing jobs.

equal pensions and equal unemployment benefits to all citizens, independently of the level of contributions made in form of income tax.¹⁹

In the survey conducted in Portugal in 2013 we added several new variables to the ones already used in past surveys. Among the variables introduced is one on “rights consciousness,” namely on the degree of reflectivity individuals exhibit on welfare issues either by talking or thinking about them.²⁰ The results we obtained were encouraging. Those who follow the news only occasionally are 55% less likely to belong to the “welfarist” cluster than those who follow the news on a daily basis. Also, each 10% increase in agreeing that one thinks of what the government does with our taxes while making the annual tax declaration is associated with 11.4% higher likelihood of belonging to this group. These two elements combined suggest that the degree of reflectiveness on welfare issues is a significant determinant of people’s attitudes towards the welfare state. Following the news and thinking of what the government does with our taxes probably nourish people’s concerns about the future of social rights and about the ways in which the welfare state is operating, driving them to support stronger governmental responsibility.²¹

A third set of significant determinants of the likelihood of belonging to the “welfarist” cluster refers to political values and representations. Our findings suggest that “welfarism” is positively correlated with left-wing ideological values: concretely, as each 10% increase in agreeing that the government should reduce income gaps is

¹⁹ See, e.g., Idema and Rueda (2011) who conclude that “higher levels of occupational unemployment rates are associated with higher support for redistribution.” (2011: 26)

²⁰ The variables are included in Annex 3, under “Social rights consciousness”. On “rights consciousness,” see Silva (2013).

²¹ See, e.g., Fridberg (2012) for whom “the legitimacy questions contribute more than the socio-demographic variables, the general social attitudes and the political orientation variables to an explanation of the support for the welfare state at the individual level.” (2012: 150) This is to some extent similar to our evidence, which shows that awareness variables and preconceived ideas about social rights and citizenship are more related to welfare preferences than sociodemographic variables.

associated with a 35% increase in the likelihood of belonging to this group. Furthermore, a democratic participatory conception of citizenship is also significant: each 10% increase in thinking that politicians should listen to citizens before making decisions is associated with a 22% increase in being a “welfarist.” These results suggest Portuguese “welfarists” to be ideologically driven by left-wing, participatory democratic values.

In sum, our model suggests “welfarists,” the largest cluster of opinions, to be outsiders as far as their labour market position is concerned, to reflect upon welfare issues, and to subscribe to a left-wing, participatory conception of democracy. How exactly does this set them apart from the two other clusters? No less importantly, how do these three clusters interact in the context of bailed out Portugal?

2. Hopeful Welfarists

The main distinctive feature of the second cluster of opinions is that they are, like the individuals in the first cluster, ideologically left-wing and strong supporters of the welfare state, but unlike them, they are “insiders” (at least, in terms of occupational status). The model for this cluster, “Hopeful Welfarists,” indicates that the likelihood of belonging to the “hopeful welfarist” group is also explained in a statistically significant way by ideas on democracy and political standing. Concretely, thinking that organising general strikes is important for democracy: each 10% increase in agreeing so is associated with an 18% higher likelihood to be part of this group. Furthermore, those who identify as centre-left in the political spectrum are 2.6 times more likely to be part of this group than those who identify themselves as left-wing. This evidence suggests

that this group believes that social participation is useful, although they may not necessarily take part in political mobilisations.²²

To deepen the analysis of possible drivers behind the formation of this cluster, a new variable was introduced into the model: perceived financial security.²³ Perceived financial security is positively and strongly associated with the probability of belonging to this group.²⁴ Concretely, those who feel somewhat secure that income will not be a problem for their households in the next year are 2 times more likely to be part of the “hopeful welfarist” group, than those who are fully sure that income will be a problem. Also, those who feel fully secure that income will not be a problem for the household in the next 12 months are 3.75 times more likely to belong to this group than those who feel fully secure that income will be a problem for their households.

In other words, this second cluster is composed of individuals who have stable employment situations (and feel financially secure) and, because of that, are active supporters of high governmental involvement in welfare policies. “Welfarism” is not the exclusive of outsiders – insiders too have reasons to support the state’s intervention in social provision, albeit in policies that reward not so much need but their labour market performance (i.e. their contributions). A clear example of this was the early 2013 debate on pension reforms in Portugal. Faced with the possibility of substantial permanent cuts imposed by the Troika, the popular reaction (including the President of the Republic, himself a pensioner, and several influential opinion makers) was

²² Actual political participation (signing petitions, going on strike, contacting politicians, writing in social media, etc) was not a significant predictor in this model.

²³ This was not a statistically significant predictor for any of the other two clusters.

²⁴ This is in line with existing research, which has found that “citizens are conditioned mainly by their economic self-interest, their attitudes toward risk in life, and the context in which they form their opinion”. (Kaltenthaler and Ceccoli, 2008: 1059)

immediate and unusually vocal.²⁵ Partly as a result of this public outcry, the Constitutional Court ruled those cuts unconstitutional weeks later, precipitating a political clash with the coalition government.

3. Liberal Individualists

As the pension reforms episode described above suggests, one of the most formidable obstacles to welfare retrenchment in Portugal is the country's Constitution. Its section on social rights, the world's largest and most detailed (Ben-Bassat and Dahan 2008), was written at the height of left-wing revolutionary extremism, in the mid-1970s, and barely touched ever since (Vieira and Silva 2010). It is thus very significant in the Portuguese context that with each 10% increase in thinking that "social rights are human rights inherent to democracies and modern societies" is associated with a 24% decrease in the likelihood of belonging to this cluster. Opposition to social rights in constitutions is a sign of political conservatism in general, and particularly in Portugal where the "social Constitution" narrative has been a central motif in the political debate since the 1970s until this day, with the most left-wing parties performing the role of its "guardians." Reinforcing the political conservative outlook of this cluster one finds a 10% increase in agreeing that participating in public decisions is important is associated with a 26% decrease in the likelihood of belonging to this group.

Political conservatism is not the only distinctive feature of Portuguese "individualists" though. They espouse "liberal" views too, in terms of individualism and meritocracy; data suggests that people in this group believe in rewards to personal effort. Each 10% increase in agreeing that helping those who live worse than oneself is

²⁵ This is supported by findings such as Giger's, according to whom people show a significant "negative reaction towards reforms in the pension sector." (2012: 698)

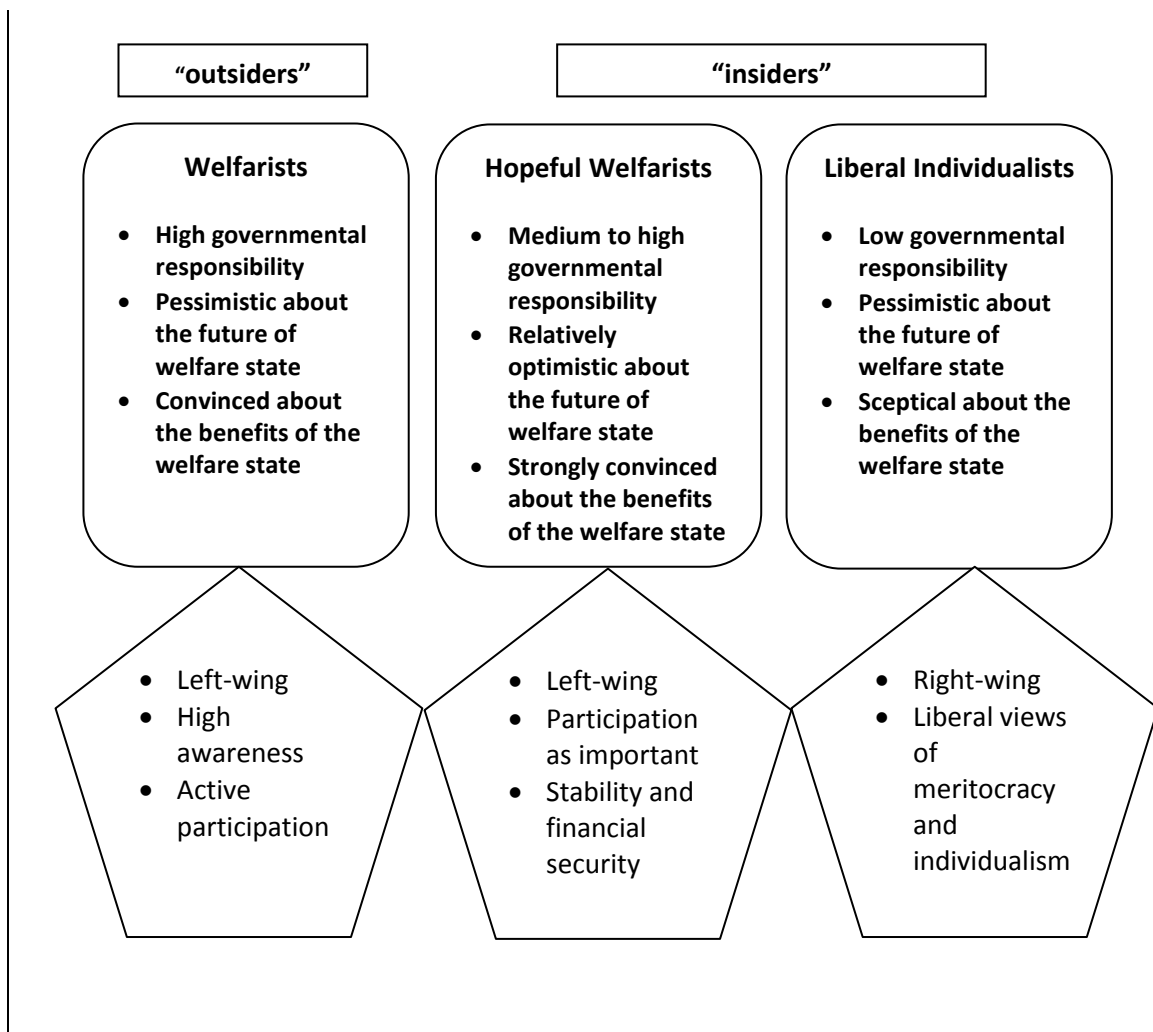
important is associated with a 32% decrease in the likelihood of belonging to this group. Furthermore, each 10% increase in agreeing that the government should reduce income gaps is associated with a 21% decrease in the likelihood of belonging to this group. These elements reinforce the argument that this group favours merit and personal contribution. Consequently, this group prefers a slimmer welfare state and are somewhat sceptical about the benefits of social rights for society, in terms of poverty reduction and promotion of equality.

“Liberal individualists” are also insiders. Our model for this cluster indicates that being male, over 40 years and having a stable job is a significant predictor for belonging to this group. This is in line with Leon’s (2012) study, which finds education and higher income to be negatively correlated with support for redistribution policies. Evidence in our study is aligned with these findings: mature males with stable jobs are more likely to be part of the “liberal individualist” group, which argues for lower governmental responsibility in terms of guaranteeing jobs, health care, and a decent life for the unemployed and the elders. In Portugal, as in many other countries, employment stability is highly correlated with education level. In fact, models that were run with education instead of the outsidersness measure²⁶ indicated that the former was a significant predictor for the likelihood of belonging to this group. The models presented here show that being an insider –which refers to employment stability, possibly derived from higher levels of education – is associated with less support for redistribution and higher support for rewarding individual merit and personal contribution. As Kaltenthaler and Ceccoli observe, wealthier, financially stable and socially privileged individuals tend to “rely on the welfare state less than the poorer” (2008, p. 1047) and are therefore more likely to support a slimmer welfare state.

²⁶ Models not presented here but available upon request from the authors.

As the evidence presented here has indicated, there are important differences in opinion between the three clusters: “welfarists,” “hopeful welfarists,” and “liberal individualists.” Also, the elements that appeared to be significant explanatory factors for the likelihood of thinking in each way vary. Figure 2 summarises the main features and explanatory factors of each group.

Figure 2. Explaining the clusters of welfare attitudes in Portugal, 2013



4. Conclusions

Welfare retrenchment is at the top of the political agenda in many European countries. Yet there is little conclusive evidence of why some groups are more inclined to support welfare reform than others. In this article we hypothesized that labour market vulnerability affects public support for welfare reform in a systematic way, and that expectations regarding its future prospects play a significant role in that support. This paper uses longitudinal survey data on welfare attitudes in Portugal to test these hypotheses.

Our findings point to a very significant shift in the ways in which the Portuguese conceive of the nature, function and future prospects of the welfare state between 2008 and 2013. Corroborating Alber's hypothesis, made more than twenty years ago, that the legitimacy of the welfare state may actually increase in times of retrenchment (1988), our data shows that the welfare retrenchment rhetoric and policy agenda of the Troika has had at least one major unintended consequence: a very significant increase in the popular support for the welfare state.²⁷ This increase in welfare state support, however, comes accompanied by a dramatic increase of pessimism regarding the future of the welfare state.

This seeming paradox begins to unravel once we realize that the change in welfare attitudes of the Portuguese population was far from homogeneous. Between 2008 and 2013, welfare attitudes become more polarized and more clearly differentiated

²⁷ In a related fashion, Fridberg concludes that "popular support for a comprehensive and costly welfare state is very much related to perceptions of the legitimacy of the welfare system," (2012: 150) and that "if the perception is widespread that the system does not provide social benefits to people who are really in need of help, either because of under-use or because the legal provisions are missing or insufficient, the result is not a decrease in support for the welfare state, but on the contrary support for remedying the situation by raising taxes and social spending, and by a preference for more governmental interventions." (2012: 151)

along occupational and sociocultural lines. In 2013, three clusters of welfare attitudes can be identified among the Portuguese. Support for the welfare state (i.e. “welfarism”) is most commonly found among left-wing women that are also, considering their position in the labour market, outsiders. Insiders, for their part, can be divided in two groups as far as their welfare attitudes are concerned. Left-wing insiders tend to be optimistic regarding the future of the welfare state, while conservative insiders exhibit a “liberal individualistic” mindset.

This paradox is further clarified once one takes into account factors mediating the impact of welfare retrenchment rhetoric and policy measures upon different segments of the population. Besides socioeconomic characteristics and institutional factors, this study points to the significant role performed by cognitive awareness of social issues in accounting for differences in social attitudes toward welfare reform among the various segments of the population. Concretely, we show that the segment of the Portuguese population that is more supportive of the welfare state – labour market “outsiders” – is also the segment which exhibits a higher awareness of how it works and what its problems are.

Yet another way to shed light into that paradox is acknowledge that divergent answers do not necessarily indicate ambivalence but reflect nuanced understandings of the complex trade-offs involved in welfare politics.²⁸ From this perspective, the fast growing pessimism among the Portuguese, especially among those who have borne the brunt of the crisis, may be interpreted as a sign of availability to support changes at the social policy level that address issues of financial sustainability and increased support

²⁸ Here we build upon Giger and Nelson, who have recently concluded that “just as generalized support for the welfare state does not lead to unconditional defense of existing policies, a more austere economic climate does not automatically translate into beliefs that all forms of social spending are inefficient and need to be cut back. Particularly, during this economic crisis as many European governments attempt to convince their voters that painful reforms are necessary, we are reminded that public opinion remains highly contextualized.” (2012: 9-10)

for new social risks. Yet such “profound changes at the meso level of analysis,” as Bo Rothstein has recently argued, “may in fact point to stability at the macro level,” i.e. support for the maintenance of the welfare state as a whole. (2013: 260) This, in turn, suggests there is little potential for political mobilization among the “welfarists” – their pessimism as to the future prospects of the welfare state may well lead them to support welfare reform if this is politically framed as aiming at the long-term sustainability of the public welfare system.

Some limitations of the present study and avenues for future research should be mentioned. First, caution regarding generalisation of the findings is required. The specific configuration of welfare retrenchment politics in the case study here analysed – a 3-year austerity programme externally imposed by international lenders and a once in a generation financial and economic crisis pushing for welfare cuts in a country where the democratic regime and the welfare state have been created and developed hand in hand since the mid-1970s – can hardly be found elsewhere in Europe. Second, since the present article covers only the period between 2008 and 2013, a longer time series could produce additional insights. Third, individual attitudes are only one aspect of political culture. Political meaning is constructed in the interplay between the attitudes of individual citizens and the language and symbolic systems in which they are embedded. A more complete understanding of the politics of welfare retrenchment in Portugal and elsewhere is expected in studies combining survey data, in-depth interviews with key elements of the relevant epistemic communities (national and international policy makers, political representatives, civic leaders, academic experts), and news media.

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Annex 1: Descriptive statistics of the samples

Sample ESS 2008	Sample BP Survey 2013
N = 2367	N = 1258
Gender: Male: 39.1% Female: 60.9%	Gender: Male: 45.8% Female: 54.2%
Age: 18 to 24 years: 7.8% 25 to 34 years: 12.4% 35 to 44 years: 14.3% 45 to 54 years: 12.2% 55 to 64 years: 16.2% 65 years or more: 34.2%	Age: 18 to 24 years: 9.3% 25 to 34 years: 16.7% 35 to 44 years: 17.7% 45 to 54 years: 18.3% 55 to 64 years: 15.5% 65 years or more: 22.5%
Occupation: Paid work: 41.1% Full time education: 7.4% Unemployed and searching: 4.8% Unemployed but not searching: 1.6% Permanent disability: 1.7% Retired: 35.1% Military or community service: 0.2% Unpaid housework, caring for others: 10.4% Other: 2.1%	Occupation: Paid work: 42.4% Full time education: 4.2% Unemployed and searching: 16.4% Unemployed but not searching: 2.3% Permanent disability: 1.4% Retired: 28.1% Military or community service: 0.2% Unpaid housework, caring for others: 7.6% Other: 1.3%

BP Survey 2013: This survey was specifically designed to explore people's opinion on citizen rights, citizen obligations, governmental responsibility in terms of welfare and social provision, and ideology. The questionnaire includes 62 closed questions, some of which are based on the European Social Survey 2008 and the International Social Survey Programme 2004 to allow for future comparisons with other European countries.

The sample is comprised of 1,258 adults across Continental Portugal. The sample has been weighted to be representative at the national and regional level for the following areas: North, Centre, Lisboa, Alentejo, and Algarve. In each region, informants were randomly selected to be interviewed, which also followed quotas for gender, age, level of education, and occupation. Interviews were conducted at respondents' homes by a survey company especially hired and trained to conduct this survey. A pre-test, comprised of 15 interviews in Lisbon and Porto, was carried out in March 2013. Fieldwork took place between 8 and 30 April 2013.

Annex 2: Variables used for the cluster analysis and opinion of each cluster

Government responsibility for guaranteeing jobs

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Total responsibility (scale 10)	20%	0.4%	20.3%	62%	40%	4%
High responsibility (scales 7 to 9)	42%	14%	57%	23%	40%	29%
Medium responsibility (scales 4 to 6)	31%	64%	18%	5.5%	17%	55%
Nothing or almost nothing (scales 0 and 1)	2%	2.6%	0.6%	0.2%	0.6%	5.3%

Government responsibility for guaranteeing health care

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Total responsibility (scale 10)	53.2%	0.4%	48%	84%	71%	12%
High responsibility (scales 7 to 9)	45.4%	16%	51%	16%	28%	57%
Medium responsibility (scales 4 to 6)	1.4%	70.4%	1.2%	0%	1.3%	27%
Nothing or almost nothing (scales 0 and 1)	0%	3.6%	0%	0%	0%	2.2%

Government responsibility for guaranteeing a decent life for the elders

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Total responsibility (scale 10)	58.7%	1.3%	48.3%	86.7%	72.9%	18.9%
High responsibility (scales 7 to 9)	39.4%	24%	51%	12%	25%	52%
Medium responsibility (scales 4 to 6)	1.9%	63%	1.2%	0.4%	1.4%	26%
Nothing or almost nothing (scales 0 and 1)	0%	3.1%	0%	0%	0.3%	1.6%

Government responsibility for guaranteeing a decent life for the unemployed

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Total responsibility (scale 10)	18.9%	1.3%	21.5%	52%	40%	0%
High responsibility (scales 7 to 9)	46%	19%	54%	25%	49%	24%
Medium responsibility (scales 4 to 6)	31%	62%	23%	12%	12%	59%
Nothing or almost nothing (scales 0 and 1)	0.7%	1.3%	0%	0.4%	0%	4.2%

Higher – Same – Lower Pensions, depending on contributions

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Higher earners should get larger pension	91.8%	37.7%	27.9%	54.2%	65.3%	66.8%
High and low earners same pension	8%	41.7%	48.5%	36.5%	27.4%	26.3%
Lower earners should get larger pension	0.2%	20.6%	23.5%	26.3%	7.3%	6.8%

Higher – Same – Lower Unemployment Benefit, depending on contributions

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Higher earners should get larger benefit	85.7%	32.3%	25%	47.6%	57%	63%
High and low earners same benefit	13.8%	45.3%	53.2%	42.5%	36%	32%
Lower earners should get larger benefit	0.5%	22.4%	21.8%	10%	7%	5%

Government decrease/increase taxes and social spending

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Decrease taxes and decrease benefits (strongly)	5.5%	40.3%	17.8%	24.4%	16%	31.1%
Decrease taxes and decrease benefits (mildly)	16.7%	29%	25%	17.4%	14.2%	30.5%
Leave as it is	44.2%	17%	30%	35.4%	39.2%	26.3%
Increase taxes and benefits (mildly)	20%	10.3%	17%	10.4%	18.4%	7.9%
Increase taxes and benefits (strongly)	13.5%	3.1%	10.5%	12.3%	12.2%	4.2%

Future of the health care system

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Will not be able to afford present level	11.3%	51.6%	51.5%	80%	4%	57%
Afford present level but not increase	59.6%	40.4%	45.1%	19%	76%	36%
Will be able to afford to increase	29.2%	8.1%	3.5%	1%	20%	7%

Future of the pensions system

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Will not be able to afford present level	19.3%	42.6%	58.1%	92%	2.4%	65%
Afford present level but not increase	54.8%	50.2%	40.7%	8%	79.2%	30%
Will be able to afford to increase	25.9%	7.2%	1.2%	0%	18.4%	5%

Social benefits help to avoid widespread poverty

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Strongly agree (scales 6 and 7)	61%	34%	64%	38%	46%	23%
Indifferent or slightly agree/disagree (scales 3, 4 and 5)	17%	35%	19%	54%	50%	63%
Disagree (scales 1 and 2)	22%	31%	17%	8%	4%	15%

Social benefits lead to a more equal society

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Strongly agree (scales 6 and 7)	61%	28%	64%	31%	40%	17%
Indifferent or slightly agree/disagree (scales 3, 4 and 5)	19%	49%	18%	56%	52%	68%
Disagree (scales 1 and 2)	20%	23%	18%	13%	8%	15%

Social benefits place too much strain on the economy

	2008			2013		
	Cluster 1	Cluster 2	Cluster 3	Cluster 1 <i>Welfarists</i>	Cluster 2 <i>Hopeful Welfarists</i>	Cluster 3 <i>Liberal Individualists</i>
Strongly agree (scales 6 and 7)	43%	42%	64%	39%	42%	42%
Indifferent or slightly agree/disagree (scales 3, 4 and 5)	20%	35%	20%	51%	51%	51%
Disagree (scales 1 and 2)	37%	23%	16%	10%	7%	7%

Annex 3: Independent variables used in the regression models [name of

variables shown in brackets]

Socio-economic characteristics

- type of housing [house]
- occupational outsider/insider (9 groups, based on gender, over or younger than 40 years of age, and stable employment or unstable employment/unemployment, based on Rueda 2005) [inouttype]
- equalised household income [hhyequiv]
- perceived financial insecurity²⁹ [insec]

Political participation, citizenship & civic engagement

- How important is to vote in elections (level of agreement) [p28cl]
- How important is to participate in social (school, neighbourhood, job) or political organisations (level of agreement) [p29cl]
- How important is to help those who are living worse than oneself (level of agreement) [p30cl]
- How important is to tell police about trouble (level of agreement) [p31cl]
- Member of a political party (yes /no) [mil par]
- Participation in manifestations, signed petition, contacted politician, went on strike, activity on social media [part]

Rights consciousness

- When I go to a health centre, I think that my taxes help to pay for this (yes / no) [p27cl]
- Think or talk about the future of the welfare state is something that I do (never, rarely, since 2011 bailout, always) [p24up]
- Follow the news on health, education, pensions, is something that I do (never, 1-2 times per week, daily) [p26cl]
- When I do my annual tax declaration, I think of what the government does with my taxes (level of agreement) [p27cl]
- Opinion on what factors have contributed to achieve access to health, education, and pensions in Portugal (dummy variables):
 - o Social rights are guaranteed in the Constitution [p18dum1]
 - o Portuguese workers have fought to gain social rights [p18dum2]
 - o The instauration of democracy since 25 April 1974 [p18dum3]
- Social rights of health, education, and pensions are human rights inherent to democracies and modern societies.[p19cl]
- Social rights are a conquest of workers and of the Portuguese population. [p20cl]

Ideology

- Government should reduce income differences (level of agreement) [p57cl]
- Homosexuals should live their lives as they please (level of agreement) [p58cl]
- The majority of people with low income receive fewer benefits than they should (level of agreement) [p51cl]
- The majority of people get services and benefits that they should not. [p52cl]
- Only those who need, and not everybody, should benefit from social rights (education, health, social security) (level of agreement) [p13cl]
- Self-identification in the left-right political spectrum. [leri]

Opinion on democracy

- It is important that politicians listen to the population before taking decisions [p32cl]
- It is important that people have opportunities to participate in public decisions [p33cl]
- It is important that citizens could disobey when they are against governmental decisions [p34cl]
- It is important that citizens could organise a general strike [p35cl]

²⁹ For one the model of the Hopeful Welfarists group.

Annex 4: Regression tables

GROUP 1: Welfarists

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	583.525 ^a	.193	.257

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a house			6.187	4	.186	
house(1)	-.500	.535	.875	1	.350	.606
house(2)	-.374	.540	.480	1	.488	.688
house(3)	-1.341	.637	4.430	1	.035	.262
house(4)	-.540	.542	.992	1	.319	.583
inouttype			7.053	8	.531	
inouttype(1)	.302	.424	.506	1	.477	1.352
inouttype(2)	-.124	.373	.110	1	.741	.884
inouttype(3)	.408	.541	.570	1	.450	1.504
inouttype(4)	.471	.425	1.229	1	.268	1.601
inouttype(5)	.242	.419	.333	1	.564	1.274
inouttype(6)	.280	.477	.344	1	.558	1.323
inouttype(7)	.783	.385	4.132	1	.042	2.188
inouttype(8)	.563	.365	2.378	1	.123	1.757
hhyequiv	.032	.096	.109	1	.741	1.032
P28cl	.021	.081	.065	1	.798	1.021
P29cl	-.027	.086	.098	1	.755	.974
P30cl	.259	.141	3.363	1	.067	1.296
P31cl	-.069	.101	.464	1	.496	.933
p23dum(1)	-.004	.254	.000	1	.989	.996
P24up			5.526	3	.137	
P24up(1)	-1.095	.579	3.578	1	.059	.335
P24up(2)	-.524	.577	.825	1	.364	.592
P24up(3)	-.776	.565	1.884	1	.170	.460
P26cl – todos días			6.718	2	.035	
P26cl(1) nunca	.304	.696	.191	1	.662	1.355
P26cl(2) 1 – 2 veces	-.597	.243	6.039	1	.014	.550
P27cl	.150	.069	4.783	1	.029	1.162
milpar(1)	-.299	.459	.423	1	.516	.742
part(1)	.007	.255	.001	1	.978	1.007
P19cl	.045	.131	.119	1	.730	1.046
P20cl	.087	.108	.645	1	.422	1.091
P22cl	.059	.062	.913	1	.339	1.061
P51cl	.039	.078	.252	1	.616	1.040
p52cl	.033	.076	.192	1	.661	1.034
P57cl	.402	.118	11.681	1	.001	1.495
P58cl	-.122	.078	2.439	1	.118	.885
P13cl	.040	.052	.603	1	.438	1.041
P18dum1(1)	-.143	.221	.418	1	.518	.867

P18dum2(1)	-.335	.215	2.427	1	.119	.716
P18dum3(1)	-.261	.221	1.400	1	.237	.770
p32cl	.275	.135	4.155	1	.042	1.316
p33cl	.230	.163	1.989	1	.158	1.258
p34cl	.061	.056	1.207	1	.272	1.063
p35cl	-.187	.062	9.228	1	.002	.829
leri			5.728	4	.220	
leri(1)	-.506	.315	2.586	1	.108	.603
leri(2)	-.044	.292	.022	1	.881	.957
leri(3)	-.249	.483	.265	1	.607	.780
leri(4)	-.713	.438	2.643	1	.104	.490
Constant	-6.323	1.607	15.486	1	.000	.002

a. Variable(s) entered on step 1: house, inouttype, hhyequiv, P28cl, P29cl, P30cl, P31cl, p23dum, P24up, P26cl, P27cl, milpar, part, P19cl, P20cl, P22cl, P51cl, p52cl, P57cl, P58cl, P13cl, P18dum1, P18dum2, P18dum3, p32cl, p33cl, p34cl, p35cl, leri.

GROUP 2: Hopeful Welfarists

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	527.086 ^a	.123	.174

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001.

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a			9.681	4	.046	
house						
house(1)	.802	.639	1.577	1	.209	2.231
house(2)	.240	.645	.138	1	.710	1.271
house(3)	1.235	.714	2.987	1	.084	3.437
house(4)	1.113	.640	3.025	1	.082	3.042
inouttype			5.741	8	.676	
inouttype(1)	-.547	.452	1.465	1	.226	.579
inouttype(2)	-.782	.414	3.563	1	.059	.457
inouttype(3)	-.514	.596	.745	1	.388	.598
inouttype(4)	-.242	.438	.306	1	.580	.785
inouttype(5)	-.391	.459	.725	1	.395	.676
inouttype(6)	.002	.485	.000	1	.997	1.002
inouttype(7)	-.579	.421	1.891	1	.169	.561
inouttype(8)	-.445	.388	1.310	1	.252	.641
hhyequiv	-.074	.106	.485	1	.486	.929
insec	.289	.140	4.270	1	.039	1.336
P28cl	.020	.091	.048	1	.826	1.020
P29cl	-.089	.092	.938	1	.333	.914
P30cl	.133	.148	.800	1	.371	1.142
P31cl	-.063	.108	.339	1	.560	.939
p23dum(1)	-.097	.267	.132	1	.717	.908
P24up			4.287	3	.232	
P24up(1)	1.400	.820	2.912	1	.088	4.054
P24up(2)	.991	.821	1.456	1	.228	2.693
P24up(3)	1.276	.808	2.492	1	.114	3.582
P26cl			3.693	2	.158	
P26cl(1)	1.878	1.108	2.874	1	.090	6.540
P26cl(2)	1.604	1.110	2.086	1	.149	4.971
P27cl	-.067	.070	.910	1	.340	.935
milpar(1)	.267	.499	.286	1	.593	1.306
part(1)	.053	.273	.037	1	.847	1.054
P19cl	.255	.160	2.542	1	.111	1.291
P20cl	-.001	.120	.000	1	.992	.999
P22cl	-.025	.066	.141	1	.707	.975
P51cl	-.026	.083	.100	1	.752	.974
p52cl	-.072	.080	.806	1	.369	.930
P57cl	-.058	.123	.218	1	.641	.944
P58cl	.036	.085	.186	1	.667	1.037
P13cl	.012	.055	.050	1	.823	1.012
P18dum1(1)	.023	.234	.009	1	.923	1.023
P18dum2(1)	.136	.231	.345	1	.557	1.145
P18dum3(1)	.223	.237	.886	1	.347	1.250

p32cl	-.006	.129	.002	1	.962	.994
p33cl	.071	.171	.171	1	.679	1.074
p34cl	-.064	.059	1.180	1	.277	.938
p35cl	.227	.068	11.296	1	.001	1.255
leri			7.445	4	.114	
leri(1)	.621	.342	3.291	1	.070	1.861
leri(2)	.128	.316	.165	1	.684	1.137
leri(3)	.605	.519	1.359	1	.244	1.832
leri(4)	.870	.435	3.997	1	.046	2.388
Constant	-6.950	2.003	12.034	1	.001	.001

a. Variable(s) entered on step 1: house, inouttype, hhyequiv, insec, P28cl, P29cl, P30cl, P31cl, p23dum, P24up, P26cl, P27cl, milpar, part, P19cl, P20cl, P22cl, P51cl, p52cl, P57cl, P58cl, P13cl, P18dum1, P18dum2, P18dum3, p32cl, p33cl, p34cl, p35cl, leri.

GROUP 3: Liberal Individualists

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	365.588 ^a	.232	.367

a. Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a house			5.894	4	.207	
house(1)	-.230	.686	.113	1	.737	.794
house(2)	.032	.693	.002	1	.963	1.033
house(3)	.322	.774	.173	1	.678	1.379
house(4)	-.791	.713	1.233	1	.267	.453
inouttype			11.572	8	.171	
inouttype(1)	.420	.560	.563	1	.453	1.522
inouttype(2)	1.292	.469	7.582	1	.006	3.639
inouttype(3)	.219	.656	.112	1	.738	1.245
inouttype(4)	-.078	.638	.015	1	.903	.925
inouttype(5)	.500	.610	.671	1	.413	1.649
inouttype(6)	-.156	.688	.051	1	.821	.856
inouttype(7)	-.266	.520	.262	1	.609	.766
inouttype(8)	-.096	.523	.033	1	.855	.909
hhyequiv	.065	.133	.235	1	.628	1.067
P28cl	-.028	.110	.063	1	.802	.973
P29cl	.190	.130	2.152	1	.142	1.210
P30cl	-.615	.179	11.833	1	.001	.541
P31cl	.181	.151	1.434	1	.231	1.199
p23dum(1)	.189	.339	.311	1	.577	1.208
P24up			1.663	3	.645	
P24up(1)	-.142	.653	.047	1	.828	.868
P24up(2)	-.622	.672	.856	1	.355	.537
P24up(3)	-.402	.643	.390	1	.532	.669
P26cl nunca			4.114	2	.128	
P26cl(1) 1- 2	-.361	.825	.191	1	.662	.697
P26cl(2) todos	-.949	.825	1.324	1	.250	.387
P27cl	-.109	.092	1.408	1	.235	.897
milpar(1)	.171	.578	.088	1	.767	1.187
part(1)	-.454	.351	1.674	1	.196	.635
P19cl	-.392	.159	6.091	1	.014	.676
P20cl	-.137	.139	.973	1	.324	.872
P22cl	-.022	.091	.059	1	.808	.978
P51cl	-.045	.109	.166	1	.684	.956
p52cl	.006	.110	.003	1	.958	1.006
P57cl	-.340	.139	5.958	1	.015	.712
P58cl	.067	.106	.401	1	.526	1.069
P13cl	-.101	.071	2.039	1	.153	.904
P18dum1(1)	.222	.300	.549	1	.459	1.249
P18dum2(1)	.367	.290	1.601	1	.206	1.444
P18dum3(1)	.161	.297	.296	1	.586	1.175
p32cl	-.255	.149	2.924	1	.087	.775
p33cl	-.409	.198	4.266	1	.039	.664

p34cl	.013	.080	.028	1	.868	1.013
p35cl	.020	.088	.052	1	.819	1.020
leri			.582	4	.965	
leri(1)	-.190	.428	.196	1	.658	.827
leri(2)	-.186	.388	.229	1	.633	.831
leri(3)	-.472	.652	.525	1	.469	.624
leri(4)	-.175	.541	.105	1	.746	.839
Constant	11.212	2.046	30.030	1	.000	74,028.291

a. Variable(s) entered on step 1: house, inouttype, hhyequiv, P28cl, P29cl, P30cl, P31cl, p23dum, P24up, P26cl, P27cl, milpar, part, P19cl, P20cl, P22cl, P51cl, p52cl, P57cl, P58cl, P13cl, P18dum1, P18dum2, P18dum3, p32cl, p33cl, p34cl, p35cl, leri.