

The Limits of Solidarity. Changing welfare coalitions in a transforming European party system

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Abstract

The configuration of political party competition has been in upheaval in Europe for several decades now. Much has been written on how the competition between the New Left and the New Right has transformed voter coalition potentials on socio-cultural issues. By contrast, the reconfiguration of mass political competition over the *welfare state* has received much less attention: most studies assume either convergence or the persistence of a traditional conflict between the Left and the Right.

However, this assessment of stable and/or pacified political conflict on welfare issues is erroneous, as it neglects massive differences in the *relative importance* voters attribute to different social policies, in particular to social investment and social consumption policies. Integrating these differences reveals conflict and changing coalition-structures both at the societal and partisan levels.

Using newly collected survey data from 8 West European countries (the *welfarepriorities* data), we are able to combine attitudes on *policy support with policy priority*, computing an individual-level indicator of *weighted social policy positions*. Our findings reveal that the conflict structure regarding social policy actually differs starkly from the traditional left-right conflict. We find a distinctive, uni-dimensional alignment of social classes and political parties, with at the poles green and far right party voters. While the social-liberal voters support social investment as opposed to consumption, the reverse is true for the far right voters. This preference configuration reveals coalition potentials between green and moderate right parties for social investment, and between far left and far right parties for social consumption, with the social democrats “lost” in the middle.

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1. Introduction

The configuration of political party competition has been in upheaval in Europe for several decades now. From the 1980s onwards, new challenger parties on the Left have emerged, thereby differentiating and transforming the mass political supply side. And while the issues – and partly also the organizations – of these new social movement organizations have been largely integrated into the mainstream Left, Green parties and Far Left parties have still steadily continued to increase their vote shares since then, today even surpassing the (former) mainstream Left in many countries. From the 1990s onwards, a counter-pole to the New Left has also started to gain vote shares in European democracies, in the form of parties of the Far Right. As with the Left, they have continuously increased vote shares at the expense of the mainstream Right throughout Europe over the past two decades. Much has been – and is being – written on how the New Left and the New Right have thereby polarized a second, socio-cultural dimension of political conflict in Europe, and hence how they transform voter coalition potentials regarding socio-cultural policies both at the level of socio-structural potentials and of political parties (e.g. Kriesi et al. 2008, Bornschieer 2010, Häusermann and Kriesi 2015, Kitschelt and Rehm 2014, Oesch and Rennwald 2018, Rovny and Polk 2018, 2019; Manow et al. 2018, Hall 2018).

By contrast, the transformation and reconfiguration of mass political competition over the *welfare state*, i.e. over the socio-economic dimension of party competition, has received much less attention: most of the abovementioned studies assume either convergence or the persistence of a traditional conflict between the Left advocating more market correction, and the Right advocating more market liberalism. Thereby, the actual *content* of the socio-economic dimension, i.e. what is at stake for the voters and parties when they position themselves on the “economic left-right axis”, has been re-thought only rather marginally. Rather, most contributions focused on expected changes – mostly declines - in the level of polarization on this dimension, since even conservative voters have become stakeholders of the status quo (Pierson 2001). Thus, in addressing the overall development of the configuration of welfare politics, the dominant expectation has been that support levels have become generally high and weakly polarized, with conflict relegated to specific issues and concentrated risks (Rehm et al. 2012, Rehm 2016, Jensen 2012, Pontusson and Weisstanner 2017).

One theoretical deviation from this general expectation can be found in a relatively recent literature, which has addressed *social investment policies* as a new development in welfare politics (e.g. Morel et al. 2011, Hemerijck 2018). In contrast to *social consumption policies* (which replace income in case of the incidence of a risk, e.g. pensions or unemployment benefits), social investment policies contribute to creating, preserving and mobilizing human capital, e.g. via education, reconciliation or activation policies (Garritzmman et al. 2017). Several studies so far have asked to what extent preferences towards social investment may align differently from preferences towards social consumption. They have indeed found that *within* the Left and the Right, the positional *extremes* in terms of support and opposition to social investment are taken by *other* parties than when it comes to social consumption. More specifically, the New Left electorate (Green and social-liberal parties) seems particularly favorable to social investment, whereas the New Right voters tend to be least favorable to human capital investments (Fossati and Häusermann 2014, Gingrich and Häusermann 2015, Häusermann and Kriesi 2015, Garritzmman et al. 2018, Bremer 2019). Nevertheless, the inclusion of social investment into our theorization of welfare politics has so far *not* led to an actual reassessment of the socio-economic conflict dimension, because overall support levels for both consumption *and* investment remain generally very high, and also because – despite certain changes *within* the blocs – the basic alignment of Left and Right voters has seemed to hold stable.

This perspective of relative stability also seems to find confirmation in the empirical data. The motivating Figure 1 (below) relies on data from the *ERC-welfarepriorities-project* to show the alignment of party family electorates in terms of their support for social consumption and social investment policies². Values indicate average predicted levels of support for generous pension and unemployment benefits (on the x-axis of social consumption, indicator scaled 0-1), as well as for generous education, childcare and labor market reintegration policies (on the y-axis of social investment). The overall very high levels of support across the party spectrum visible in Figure 1a are striking. The second remarkable observation is that we indeed find a rather traditional left-right alignment between voters of the Far Left supporting both investment, as well as consumption the most, and liberal and conservative voters supporting both the least. Hence, the inclusion of investment

² Original online-survey among 12'000 respondents in Sweden, Denmark, Germany, the Netherlands, the UK, Ireland, Spain and Italy in the late fall of 2018. See section 3 for detailed information on the survey.

indeed does not seem to alter the actual alignment and coalition potentials on the socio-economic axis of party-political conflict.

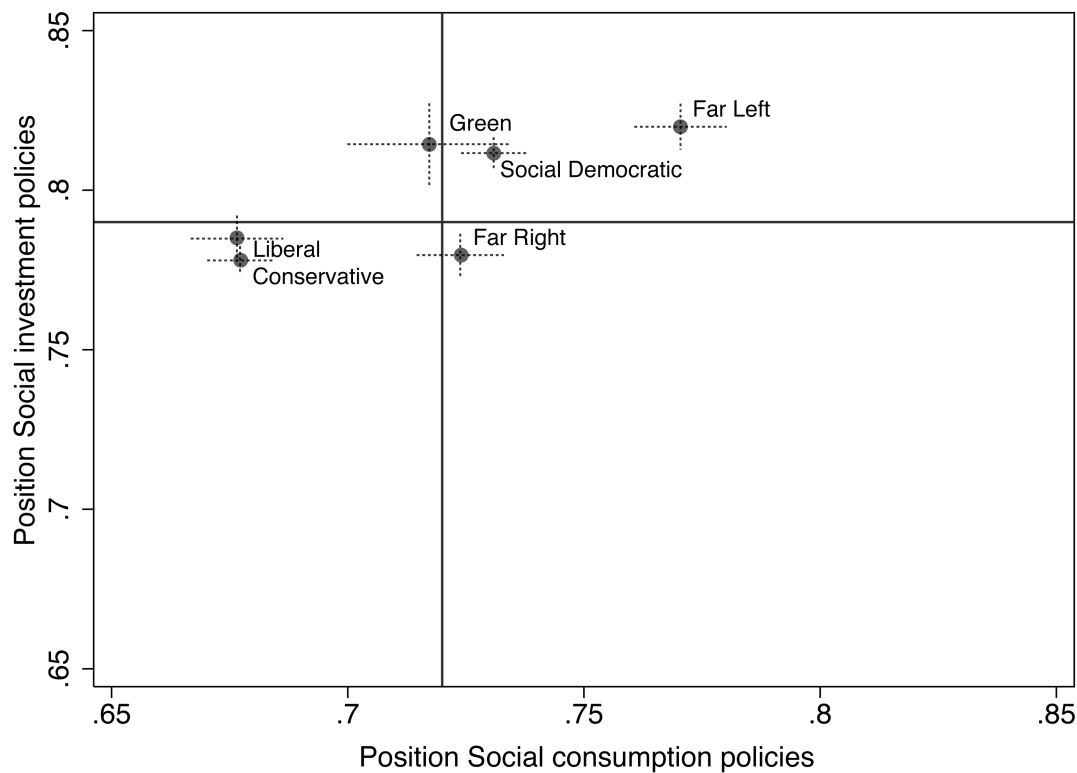


Figure 1a: Positions of party electorates on social consumption and investment policies

Notes: position values indicate average support for policies. Social consumption policies: pension increase and expansion of unemployment benefits; social investment: education spending expansion, expansion of childcare services, expansion of labor market reintegration services.

Values indicate average predicted levels of support (controlled for age, sex and country baseline)

For the party family recoding, see Appendix 1.

One may think that – as in Figure 1a - displaying *party preferences* in the political space instead of the underlying socio-structural voter potentials could be obscuring more substantive processes of preference realignment and differentiation going on under the surface. This is why we display the same average support levels for consumption and investment for occupational social classes (as used in Oesch and Rennwald 2018) in Figure 1b. However, this figure only confirms the overall very high levels of support across all classes, as well as the persistence of a – though weak - class conflict regarding social consumption.

Hence, when looking at support levels only, it seems indeed that traditional patterns of preference alignment largely persist, with the overall finding being massive and

encompassing support for *both* social consumption and social investment across both party electorates and social classes.

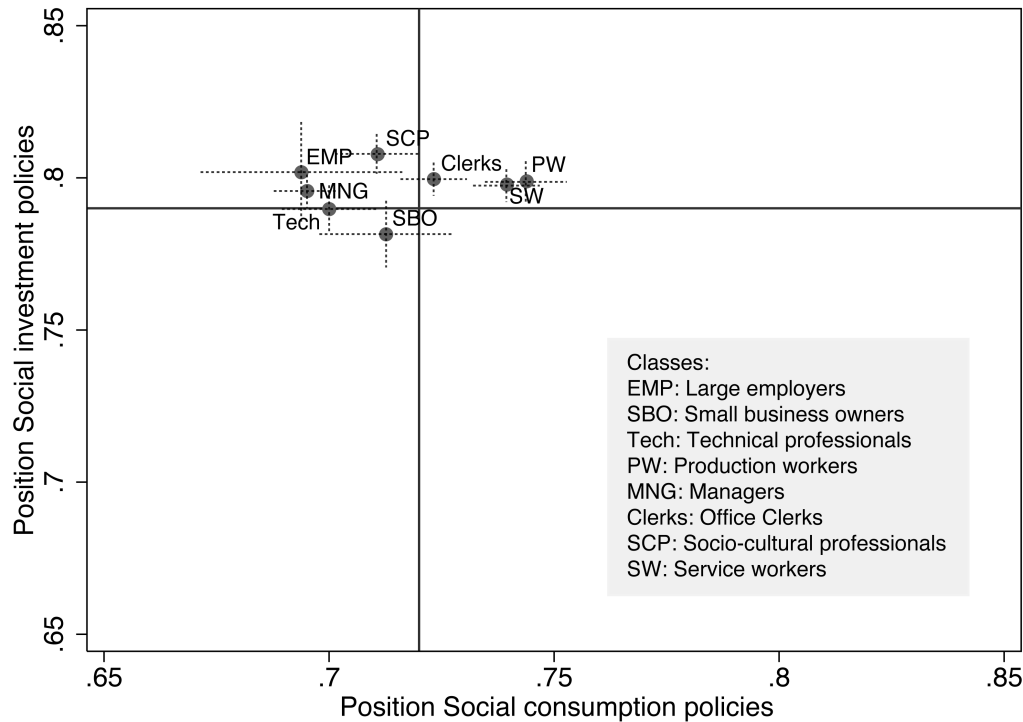


Figure 1b: Positions of social classes on social consumption and investment policies

Notes: position values indicate average support for policies. Social consumption policies: pension increase and expansion of unemployment benefits; social investment: education spending expansion, expansion of childcare services, expansion of labor market reintegration services.

Values indicate average predicted levels of support (controlled for age, sex and country baseline)

However, is this an accurate depiction of today's welfare politics in Western Europe? If support was indeed so high and unanimous, then why do we not see more substantive expansive welfare state reforms being adopted and implemented, in particular in the area of social investment? Indeed, despite the issue having figured prominently on the agenda for a while now in most countries, the actual policy development of social investment remains scattered and limited throughout Europe (Morgan 2019, Bürgisser 2019) and is being increasingly contested in the Nordic countries (van Keersbergen and Horn 2019). More puzzling even: if social policy support is so massive across the board, then why has it lost electoral traction, especially with regard to electoral choice for Left and Far Right parties (Oesch and Rennwald 2018, Abou-Chadi and Wagner fthc, Polk and Rovny 2018)? In other words, why do political parties not manage to mobilize and attract voters more effectively on the basis of their social policy programs?

We argue in this paper that the representation of mass welfare politics as pictured in Figure 1 is misleading, because incomplete. It is unable to represent voters' social policy preferences adequately, because it neglects massive differences in the *relative importance* voters attribute to different social policies, specifically social investment and social consumption policies. These levels of relative importance have become highly important components of such preferences, because welfare politics in the mature welfare state is about reforms at the margins, and also because most people perceive the fiscal room for manoeuvre in terms of social policy to be very constrained. Hence, what reforms they *prioritize* is at least as important as the baseline level of "positional" support they have for a policy. Moreover, priorities may cut right through the "old" welfare coalitions on the Left and the Right. Therefore, only the integration of welfare priorities should accurately reveal conflict and coalition-structures both at the societal and partisan levels. Using newly collected survey data from 8 West European countries (the *welfarepriorities* data), we are able in this paper to combine attitudes on policy support with preferences on policy priority, computing an individual-level indicator of *weighted social policy positions*. This indicator allows for an analysis of preference configurations and coalition potentials that is empirically more consistent with what we know is relevant in welfare politics today.

Our findings reveal that when taking priorities into account, the conflict structure we identify regarding social policy deviates starkly from the traditional left-right conflict pattern. We find a distinctive, unidimensional alignment of classes and parties, with at the extremes the Greens and Far Right party voters. While the former support social investment as opposed to consumption, the reverse is true for the voters of the Far Right. The preference configuration reveals coalition potentials between green and moderate right parties for social investment, and between far left and far right parties for social consumption, with the social democrats "lost" in the middle.

The paper proceeds as follows. In the next section, we theorize why and how the integration of priorities into the measurement of social policy attitudes is likely to affect the alignment of preferences both at the societal level and at the aggregate level of political party electorates. A third section presents the *welfarepriorities* dataset and the measurement of key variables. In the empirical section 4, the paper starts by assessing priorities on their own, before identifying the configuration of classes, education groups and party electorates in terms of

“weighted positions”. The conclusion discusses how the transformed socio-economic dimension of welfare politics is likely to impact welfare policy making and electoral mass politics in Europe more generally.

1. Theory

This paper starts from the observation of a paradox: despite overall support levels of both social consumption and social investment being very high and only weakly divisive across social classes and party electorates, social policy pledges have lost both saliency as well as traction electorally. We argue that including priorities in the measurement of social policy preferences may reveal class and partisan divides that explain why welfare politics divide rather than unify voters in the arena of mass politics.

In this section, we theorize why and how priorities are likely to alter the coalitional configuration in welfare politics, i.e. why we expect different classes and party electorates to diverge sharply in the relative emphasis they put on social investment vs. consumption. We start with the discussion of social class divides, before moving up one step on the ladder of aggregation and relating those to partisan politics and coalitions.

Several studies have hypothesized that the preferences of working- and middle-class voters on social investment and consumption might differ (Häusermann and Kriesi 2015; Gingrich and Häusermann 2015; Garritzmman *et al.* 2018a; Bremer 2019). To understand this argument, let us briefly restate the difference between these two logics of social policy intervention. Social investment policies differ from traditional forms of social security schemes. Their function is not to de-commodify citizens, but to “produce, preserve and mobilize” human capital, in order to support citizens’ earnings capacity (Garritzmman *et al.* 2017) and to further the dual goal of fostering social inclusion and economic growth and prosperity at the same time. Social investment policies have become a very influential social policy paradigm across Western Europe since the 2000s (Hemerijck 2013; Morel *et al.* 2012). They differ from traditional, “consumption”-oriented social policies in two main ways: first, social consumption policies provide material security, but do not aim at actively enhancing or improving human capital and

citizens' own earnings chances in the labor market³. Second, social consumption policies entail financial transfers that not only have an immediate distributive effect, but that also make the beneficiaries of transfers clearly identifiable. When it comes to social investment, on the other hand, costs occur in the immediate, but returns are both temporally distant and also more uncertain in distributive terms.

We expect middle and upper class individuals to value social investment policies more strongly than lower social classes, because of several distinct but convergent mechanisms discussed in the literature. First, being investments, social investment policies involve a strong time dimension. Resources are spent at time t_0 to yield returns on this investment at time t_1 . This temporal dimension of social investment policies requires not only patience (i.e. the resources allowing for patience) but also trust in the delivery of the returns. Both patience and trust in the capacity and willingness of the political system and politicians to deliver are stronger among individuals with a higher socio-economic status (Jacobs and Matthews 2017, Garritzmann et al. 2018b). The second mechanism is more narrowly based on economic self-interest. The estimation of the extent to which oneself or one's children will be able to benefit from the returns on investment depends on the evaluation of the labor market opportunities. If respondents believe that they – or their children - will have opportunities in the labor market, they should put more emphasis on investing in these opportunities than when the prospects seem bleak. In the latter case, opting for protection instead of investment may be more rational. These opportunities and their evaluation are again distributed unequally between classes. Middle and upper class respondents evaluate their opportunities more positively than working class respondents (Häusermann et al. 2015, Häusermann et al. 2019). Moreover, these subjective estimations of the yield that can be expected from investments are bolstered by empirical research, as several studies have shown “Matthew effects” of social investment policies, i.e. regressive distributive effects that are due both to policy design and to the fact that middle- and upper class citizens seem to know better how to make use of and benefit from social investment policies than lower class citizens (Pavolini and Van Lancker 2018; Bonoli and Liechti 2018). Finally, a more culturalist explanation of relative support of social investment refers to the fact that the benefits of investive social policies can less clearly be

³ Hemerijck's (2018) notion of “welfare buffer”, i.e. policies that allow individuals to uphold their qualifications through income-replacement payments when they are out of work temporarily, includes some of the traditional social insurance policies in the realm of social investment. Typically, unemployment insurance schemes are to some extent such a “hybrid” policy with both consumption and investment functions.

targeted to specific beneficiaries, and thus they are more universalistic and egalitarian in character. Hence, the distributive profile of these policies resonates more strongly with the universalistic value profile that has been shown to receive strongest support among the (new) middle classes and – in particular – among the more highly educated (Beramendi et al. 2015), than with the conservative and particularistic value profile that prevails among the working class and lower education groups. Elsewhere, we have tested the relative explanatory value of universalism, trust and opportunities in mediating the link between social classes and the relative importance attributed the social investment, and found the strongest support for the mechanism via opportunities (Häusermann et al. 2019).

For all these reasons, we expect *education and class* to relate negatively to emphasis placed on social consumption relative to social investment. The more highly educated, the stronger respondents should value social investment as compared to social consumption. We also expect working class voters to attribute higher relative importance to social consumption policies than middle class voters. Among the working class, production workers might be most clearly tilt towards consumption, as the preservation of the status quo of social protection (vs. investment) is most clearly in their interest (the welfare state having been constructed literally around their needs and demands in the second half of the 20th century). Among the middle classes, socio-cultural professionals cumulate the economic and cultural determinants of valuing social investment, which is why we might see the strongest leaning towards social investment among them.

If true, this configuration of social policy preferences at the level of socio-structural groups should also translate into partisan alignments. Indeed, as Oesch and Rennwald have shown recently (2018), the core constituencies of left, moderate right and far right parties have radically transformed in Europe over the past decades. Today, the new middle class clearly is the core constituency of the Left, the old middle class is the core constituency of the Moderate Right and the working class – in particular production workers – is the core constituency of the Far Right. This assessment is consistent with and robust throughout many other studies that identify voter constituencies on the basis of varying data and operationalizations (e.g. Kriesi et al. 2008, Bornschier 2010, Gingrich and Häusermann 2015). Taking this realigned electoral landscape into account, we can derive hypotheses on the average social policy preferences of these electorates.

However, the translation is not straightforward, as partisan preference itself is of course reflective of positions and priorities. Hence, despite the Left being clearly the representative of new middle class voters today, social democratic parties in particular – and thus also social democratic voters - have remained more sensitive to the interests of the working class than the voters of purely New Left parties (Kriesi et al. 2008). Therefore, we expect a more decidedly realigned preference profile for Green party voters, which are THE representatives of the New Left. Green party voters are thus likely to prioritize social investment policies vis-à-vis social consumption policies. Social Democratic and Far Left parties, by contrast, are likely to display a less pronounced priority profile, both for ideological reasons, and because the realignment towards the middle classes has developed to different extents so far and has remained contested among most of these parties. At the other extreme, we would expect voters of the Far Right to clearly prioritize social consumption policies relative to investment, because (manual) working class voters have clearly become their core constituency. Finally, moderate right parties – conservative and liberal – are also likely to emphasize investment over consumption, given their electoral strongholds in the old middle classes.

If born out in the data, these party differences should realign coalitional potentials quite massively: regarding social investment, one would expect alliance potentials between the Moderate Right parties, Green parties and potentially other Left parties. Regarding social consumption policies, one would expect alliance potentials between the Far Right and – possibly - parts of the (Far) Left. Even though beyond the scope of this paper at this point, one would comparatively expect this coalitional realignment to be more pronounced the further electoral realignment has progressed.

2. Data and operationalization

We use original data from a survey conducted in the context of the ERC-project “welfarepriorities” (see also Häusermann 2017 and Häusermann et al. 2019, www.welfarepriorities.eu). Data was collected in eight Western European countries with 1500 respondents in each country. The countries were chosen to represent the main welfare regimes in Western Europe: Denmark and Sweden for the social democratic regime, Germany and the Netherlands for the conservative type, Ireland and the United Kingdom for the group of Liberal welfare states, and Italy and Spain as representatives of the Southern regime. The questionnaire

and sample design was in our hands, while the actual fieldwork was done in cooperation with a professional survey institute (Bilendi) using their online panels⁴. The target population for representative sampling was a country's adult population (>18 years). Furthermore, quotas on age and sex (crossed) as well as educational attainment were implemented. The total sample counts 12506 completed interviews that were conducted between October and December 2018.

Different measures were taken in order to increase the survey's representativeness and to ensure high quality answers. First, we based our sampling strategy on quota for age, gender, and educational attainment, drawn from national census figures. Age and gender were introduced as crossed quotas, with six age groups (18-25, 26-35, 36-45, 46-55, 56-65, 66 or older) for both female and male respondents. We used a three-group split for educational attainment quotas, distinguishing between respondents who at the most completed lower secondary education, respondents that have upper- or post-secondary non-tertiary education, and those that completed tertiary education.

Beginning the survey, respondents were first asked to answer a few socio-demographic questions. Respondents which would have fallen into quotas that were oversampled already, were excluded from the survey directly. We tracked the quotas ourselves continuously in order to increase invitations for non-filled quotas and slow down invitations for quickly filling up quotas. We were not able to entirely reach all quotas which leaves very specific groups slightly underrepresented (such as men aged 18-25 in Denmark and the Netherlands, and women 66 or older, as well as the low educated in Ireland). For all other groups, we reached at least 70% of the targeted quota. Moreover, we account for remaining bias from survey response by including poststratification weights adjusting for age, gender, educational attainment, and partisanship. All analyses presented here have been conducted using these weights (non-weighted models however do not provide substantially different results). Third, to further ensure high quality data, the questionnaire included an attention check⁵, and respondents who failed this check and who completed the questionnaire too fast were restrained from the survey resp. excluded from the sample.

⁴ Panel size varies between about 100'000 and 350'000 depending on country.

⁵ We had a so-called trap question included in a matrix of items asking about general political attitudes around half-way through the questionnaire saying: *"Please in this line, choose the option 'Disagree strongly'"*. Respondents failing to choose the correct answer, were restrained from completing the survey.

For the analyses in this paper, the main dependent variables of interest refer to social policy *positions* and social policy *priorities*. In terms of positions, we used standard wordings inspired by the most commonly used survey data in the field. All items have been answered on a 1 (Disagree strongly) to 4 (Agree strongly) scale which was normalized to 0-1 for all analyses. Support for social consumption measures attitudes on pensions and unemployment benefits. Specifically, we asked: “*To what extent do you agree with the following policy reform proposals? The government should increase old age pension benefits*” and “*The government should increase unemployment benefits*”. Answers were measured on a 4-point scale and the aggregated indicator of social consumption support is the 0-1 standardized average of the answers to these two items. Regarding social investment, we used three questions: “*The government should expand access to good-quality childcare services*”, “*The government should invest more in education*”, and “*The government should expand services that help reintegrate the long-term unemployed into the labor market*”. Again, the average at the individual level is taken as an indicator of support.

To measure social policy *priorities*, we rely on the same policy fields. The measurement of priorities is not straightforward, however, because it requires the inclusion of some kind of constraint or trade-off in order to reveal the relative importance attributed to particular policies (Häusermann *et al.* 2018). For this paper, we use data from point distribution questions. Thereby, respondents were asked to allocate 100 points to six items, reflecting the relative importance they attribute to different strategies of welfare state expansion. We implemented two types of these questions: first, we asked interviewees to distribute 100 points to six specific social policy *reforms* that affect particular groups⁶. In a second task, respondents were asked to allocate points to social policy *fields*⁷ rather than specific reforms.

⁶ “Imagine that the government had the means to increase some social benefits, but not all of them. Which of the following improvements of social benefits do you consider most important? You can allocate 100 points. Give more points to those improvements that you consider more important and fewer points to the ones you consider less important.” The government should 1) ...increase the minimum level of old age pension benefits, 2) ...increase old age pension benefits for everyone, 3) ... increase the availability of good-quality childcare services only for lower-income families, 4) ... increase the availability of good-quality childcare services for everyone, 5) ...expand access to good quality university education for all students, 6) ...expand access to good quality university education only for students from lower-income families.

⁷ “Now imagine that the government had the means to improve benefits in some social policy fields, but not in all of them. You can allocate 100 points. Give more points to those fields in which you consider benefit improvement more important, and fewer points to those areas in which you consider benefit improvement less important.” 1) Old age pensions, 2) childcare, 3) higher education, 4) unemployment benefits, 5) labor market reintegration services, 6) services for the social and labor market integration of immigrants.

We measure the relative importance attributed to social investment policies as the cumulative number of points attributed by an individual respondent to the expansion of childcare for everyone (field and reform), the expansion of higher education (field and reform), and the expansion of labor market reintegration services (field). The relative importance of social consumption policies is measured as the sum of points allocated to the expansion of old age pensions (field and reform) and unemployment benefits (field).

The main independent variables are *class*, *education* and *party preference*. A voters' occupational class position is measured using a two-dimensional class scheme based on marketable skills (high, low) on a hierarchical, and work logic (independent, technical, organizational, interpersonal) on a horizontal dimension (Oesch 2006), resulting in eight occupational classes: production workers, clerks, service workers, technical specialists, managers, socio-cultural specialists, small business owners and large employers. Respondents of the survey have been classified into one of these eight occupational classes based on three open-ended questions asking about their (1) tasks in their current or last job, (2) the type of company they work for, and their (3) hierarchical position in this company. Using this operationalization, we end up with 10'080 cases of valid class recoding, and 2426 (19.4%) observations for which we do not have (sufficient) information to allocate them into an occupational class (spouses, non-employed, non-response or missing information). Education is measured via the self-reported highest degree, distinguishing between respondents who at the most completed lower secondary education, respondents that have upper- or post-secondary non-tertiary education, and those that completed tertiary education.

We have measured party preference via a question asking "Which political party did you vote for in the last national election?" and recoded parties into party families based on the most established coding schemes (CHESS, ParlGov and Manifesto). Appendix 1 explains party recoding. On the measure of "party preference", we have between 7.8 (Sweden) and 34.4 (Ireland) percent of NA missing values. Not all political parties could be recoded into ideological party families (in particular M5S, the Dutch Animal Party, and Catalanian ethno-regionalist parties). Therefore, the share of missing values on the party *family* variable ranges from 13.8 (Sweden) to 53 (Italy) percent.

3. Findings

3.1. Relative priorities by class, education and partisanship

The goal of this paper is to show the configuration of socio-structural political potentials and of party constituencies in welfare state politics by integrating measures of policy support (position) and relative importance (priorities). While indicators of position are widespread and well-known, the integration of priorities in the analysis of social policy preferences is new territory. We have computed – at the micro-level of individual survey respondents - indicators of the importance attributed to social consumption (old age pensions, unemployment benefits) and social investment policies (childcare, higher education, activation/reintegration) respectively. Evaluating differences between groups regarding these indicators of importance requires relating them to the country baseline, because of the well-established differences in welfare regimes and the feedback effects they exert on social policy preferences. Because of these different country baselines, it would be problematic to simply pool the absolute number of points attributed to particular policies across countries.

Hence, we compute an indicator of “relative weight” attributed to social consumption and social investment policies at the individual level, by dividing the respondents’ point distribution by the average number of points in his/her country. This ratio indicator takes a value close to 1 if the respondent has very average positions regarding the importance he/she attributes to social investment and/or social consumption, values higher than one if he attributes more importance, and values below 1 if she attributes less importance to these policies.

Note that respondents are not forced to differentiate between social policy fields and reforms. It would be perfectly possible for a respondent to attribute the same points to all aspects of welfare state development. Also, attributing a high level of importance to social consumption does not necessarily imply de-valuing social investment, as the options we integrated into this measure do not exhaust the options to which points could be given⁸. Nevertheless, we do find – consistent with our theoretical expectations – a pattern of relative weights that show social consumption to be the mirror image of social investment.

⁸ In addition, all findings presented in this paper are robust to a measure of relative weight based solely on pensions (cons) vs. childcare & education (investment), i.e. excluding unemployment/reintegration policies that are arguably hybrid in character. Excluding these options even extends the number of “other” categories and hence releases the constraint on investment and consumption being forced into a trade-off.

Figure 2a displays the average relative weight attributed to social consumption and investment by occupational classes and by education groups. As expected, production workers, clerks and service workers value social consumption more strongly than the country average, while the different middle classes, as well as both self-employed classes show the opposite pattern. When predicting relative weight by class, the distinctions between middle- and working class respondents are clearly significant, while the within-middle and -working class differences are not (in line with the findings by Ares 2017). At the same time, we see highly educated respondents attributing clearly less weight to social consumption than low educated respondents. The comparison with social investment shows interesting similarities and differences. E.g. while the small business owners clearly find social consumption less important than the average voter, they at the same time do not attribute more weight than average to social investment. Beyond the small business owners, however, the evaluations are quite symmetrical (correlations by country are around .66 and .78), with large employers, technical professionals, socio-cultural professionals and more generally the highly educated attributing more than average importance to education, childcare and labor market reintegration.

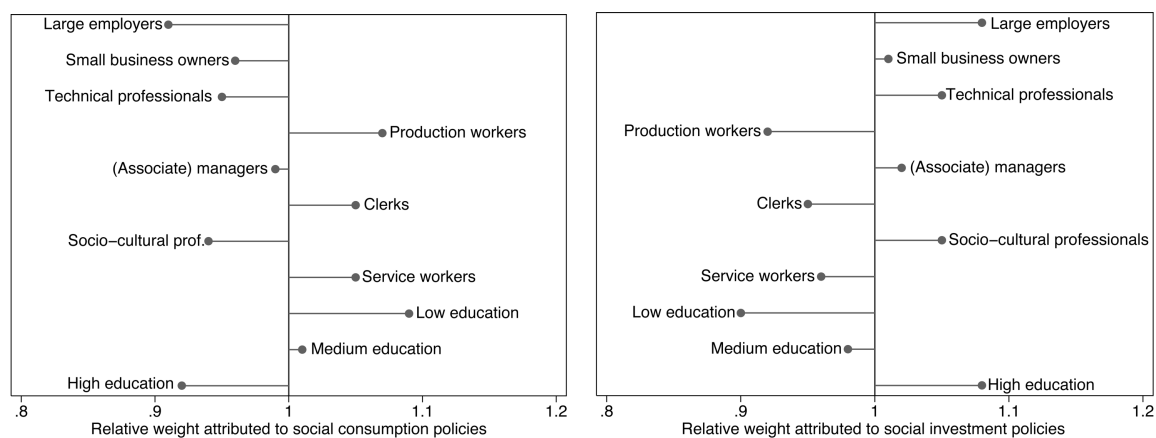


Figure 2a: Relative weight attributed to social consumption and social investment policies by class and education level.

Notes: weights indicate the group average of individual indicators of relative importance. Individual indicators of relative importance are computed as the ratio of the individual importance attributed to consumption (pensions & unemployment benefits) and investment (education expansion & childcare services & labor market reintegration services) and the country averages.

Again, the middle-working class divide over social investment is consistent with our expectations. We do not find noticeable within-middle class differences. On the working class side, production workers find – as expected – social investment policies least important. Here – and this is different from what we find with regard to social consumption – the difference

between production workers, service workers and clerks is indeed significant (but disappears when we control for sex, indicating that the more feminized service working class is more sensitive to social investment policies than the more male-dominated production working class).

When we look at the same figure for different party family electorates, asymmetries tend to be larger. Far Left voters, while being close to average in the importance attributed to social consumption, attribute clearly less than average points to social investment. Green voters on average find social consumption much less important than the average, while attributing more importance to social investment, a pattern that is similar to the liberal party voters, but Greens put way (and significantly) less emphasis on consumption than even the liberals. Conservative and social democratic voters are close to the average distribution of points in their countries. Differences are again quite extreme when it comes to the voters of the Far Right. Here, we find massive differences: far right voters differ strongly and significantly from all other parties in the extent to which they value consumption and de-value investment.

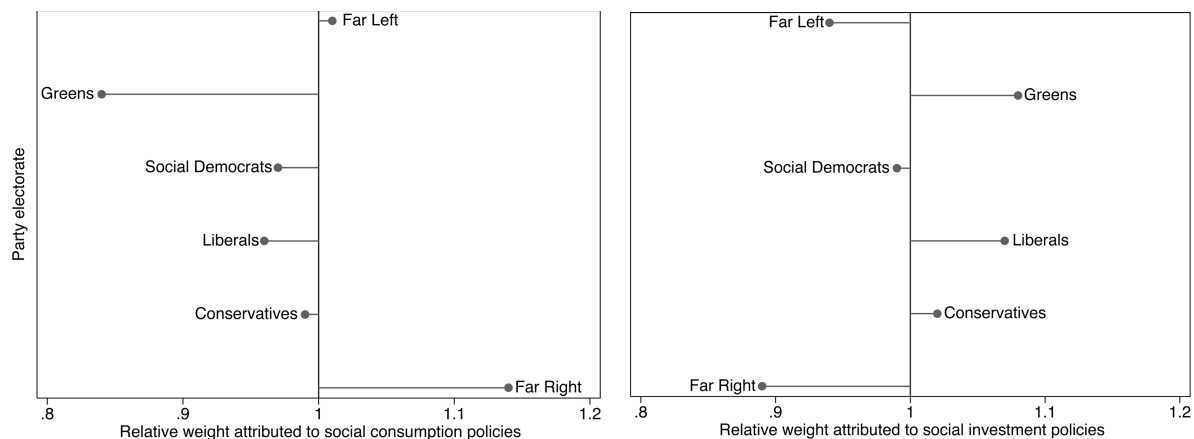


Figure 2b: Relative weight attributed to social consumption and social investment policies by party family electorates.

Notes: weights indicate the group average of individual indicators of relative importance. Individual indicators of relative importance are computed as the ratio of the individual importance attributed to consumption (pensions & unemployment benefits) and investment (education expansion & childcare services & labor market reintegration services) and the country averages.

This analysis already reveals strong and non-trivial differences among the parties of the Left and the Right. However, importance alone is again not sufficient to understand the configuration of political forces in the mass politics of the welfare state. This is why in the next section, we integrate position and priority into a measure of weighted positions.

3.2. Configuration of welfare politics, alliance potentials

To compute the micro-level indicators of policy support that integrate position and priority, we simply weight, i.e. multiply, the indicator of position by the indicator of relative weight above. The indicator of position alone was scaled between 0 and 1 (in range .25-1). The weighted indicator empirically ranges from 0 to 3.6 (for consumption) and 2.6 (for investment). For respondents with average importance profiles, the values remain close to what they were. Extreme values of point distributions extend the range of the weighted indicators, of course, but 90 of the values range between .2 and 1.5 (consumption) and between .17 and 1.4 (investment). This provides us with a micro-level indicator of weighted policy support that can be used in further analyses. The goal ultimately is to come back to the Figures 1a and 1b (at the very beginning of this paper), and display the same axes and configurations with weighted numbers.

Table 1 shows the results of an OLS regression model with weighted preferences being regressed on occupational class or education groups, controlled for age and sex. We do not add education and class into the same model, as we are interested in the total effect of SES, not the marginal effect of its component parts. The findings for social class confirm that production workers, service workers and office clerks are clearly and significantly more supportive of social consumption reforms policies than socio-cultural professionals (which serve as a reference category since we have formulated clear expectations with regard to their preference profile), while there are no significant within-middle class differences. Only small business owners have an asymmetrical profile, being closer to the working class in their lower support for investment, but equally skeptical of consumption, as well. Education effects are similar and symmetric, as well, with support for investment increasing with education and support for consumption decreasing with education.

Table 1: Class and education as determinants of *weighted* preferences for social consumption and social investment policies

	Social consumption	Social consumption	Social investment	Social investment
Large employers	-0.035 (-1.06)		0.022 (0.78)	
Small bus. owners	0.032 (1.34)		-0.059** (-2.95)	
Technical profs.	0.003 (0.17)		-0.023 (-1.44)	
Production workers	0.131*** (7.49)		-0.116*** (-7.85)	
Managers	0.023 (1.44)		-0.016 (-1.22)	
Office clerks	0.096*** (6.12)		-0.088*** (-6.58)	
Socio-cult. profs.	ref		ref	
Service workers	0.125*** (7.85)		-0.103*** (-7.65)	
Low education		ref		ref
Medium education		-0.073*** (-7.35)		0.055*** (6.40)
High education		-0.153*** (-14.61)		0.141*** (15.78)
Age	0.004*** (15.15)	0.004*** (19.16)	-0.004*** (-18.01)	-0.004*** (-21.34)
Male	0.008 (0.91)	0.003 (0.42)	-0.031*** (-3.94)	-0.032*** (-4.79)
(Intercept)	0.475*** (18.35)	0.613*** (28.88)	1.089*** (49.49)	0.951*** (52.23)
R2	0.053	0.066	0.053	0.067
N	9507	11909	9466	11869

Figure 3 presents estimated predicted values (analogous to Figure 1) based on all four models of table 1. The displaying of occupational classes in a two-dimensional space of consumption and investment preferences reveals alignments and coalition potentials. The unidimensional alignment emerging is striking (and robust to excluding unemployment from the measures of consumption and investment). It opposes at the extremes employers and highly educated voters, who have both a lower preference for consumption and a higher preference for

investment. At the other extreme, low educated voters, as well as production and service workers have a strong preference for consumption and decidedly lower preference for social investment. As in Figure 1, the variance of average positions is higher when it comes to consumption than investment, but the variance between actors has increased massively in comparison to an alignment only in terms of position (Figure 1b). More importantly, it is only through the weighted positions that we detect an actual conflict line, which is actually a vertical class conflict between investment and consumption support (see also Häusermann et al. 2019 for more details on the politics of class and investment/consumption).

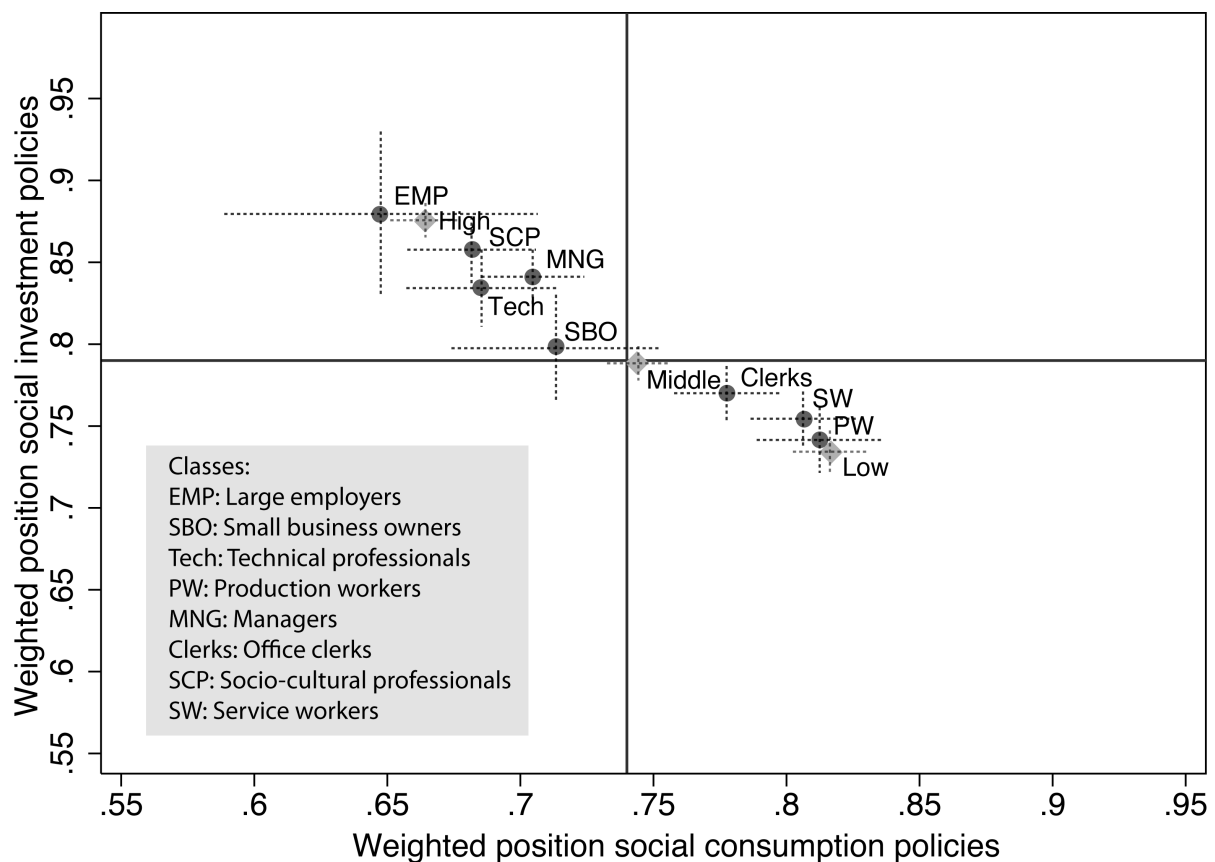


Figure 3: Weighted positions of social classes and education groups on social consumption and investment policies

Notes: based on individually weighted positions for policies. Positions are weighted by relative importance as in Figure 2a. Social consumption policies: pension increase and expansion of unemployment benefits; social investment: education spending expansion, expansion of childcare services, expansion of labor market reintegration services.

Values indicate average predicted levels of support (controlled for age, sex and country baseline)

How does this class conflict play out in terms of partisan alignments? Table 2 presents findings from regressing weighted preferences on party family preference, controlled for age

and sex, as well as (in columns 2 and 4) for class and education. Again, the key models are those without controls for SES, as we are interested in showing the “descriptive” alignment of party electorates, rather than in marginal, let alone causal effects.

Table 2 immediately reveals massive divergences within the Left, and in different ways when it comes to consumption as compared to investment. While voters of the Far Left support consumption policies more strongly than social democratic voters, the reverse is true for the electorate of the Greens. These divergences are mirrored symmetrically when it comes to investment. Overall the Green voters differ from social democratic ones in a similar way as liberal voters, whereas Far Left voters differ from the social democratic ones in a similar way as Far Right voters, even though the latter to a much stronger extent. The divergences within the Left and Right are robust to controlling for SES, in particular when it comes to consumption.

Consequently, the alignment of party family electorates in the two-dimensional space looks very different from Figure 1a. In this initial motivating figure based on position alone (1a), the alignment was weak, and it opposed the Far Left voters in favor of both investment and consumption to the liberal and conservative voters with lower, but still relatively high, levels of support on both of these social policy strategies. Now when looking at weighted preferences (Figure 4 below), all but the social democratic voters have “changed position” quite massively: the voters of the Green party family are clearly the strongest supporters of social investment, and at the same time, they are least supportive – together with liberal and conservative voters – of social consumption. At the other extreme, the voters of the Far Right care very strongly about social consumption, but much less so about social investment. Interestingly, Far Left voters are more similar in their preference profile to Far Right voters than to the Greens and liberals, but it is also true that the difference between Far Left and Far Right is strong and significant. Nevertheless, a potential coalition on welfare reform between all Left parties seems much less likely in this Figure than in the one based on position only. The only electorate that has not shifted significantly due to the weighting is the social democratic one, since social democratic voters are equally supportive of social consumption and social investment policies, and probably least comfortable with such a decision overall. This implies, however, that they are in no way at the pole or extreme of any conflict dimension in welfare politics today, a position that is a strategic problem in itself for a party that still thrives mostly on issue ownership of social policy.

Table 2: Electoral preferences as determinants of *weighted* preferences for social consumption and social investment policies

	Soc. Cons	Soc. Cons	Soc Invest	Soc Invest
Far Left	0.063*** (3.79)	0.055** (2.98)	-0.033* (-2.30)	-0.028 (-1.76)
Greens	-0.090*** (-3.51)	-0.077** (-2.68)	0.052* (2.32)	0.035 (1.45)
Social Democrats	ref	ref	ref	ref
Liberals	-0.072*** (-4.51)	-0.062*** (-3.52)	0.048*** (3.46)	0.029 (1.92)
Conservatives	-0.059*** (-4.38)	-0.044** (-3.03)	0.014 (1.17)	0.003 (0.25)
Far Right	0.126*** (8.23)	0.124*** (7.19)	-0.117*** (-8.75)	-0.122*** (-8.29)
Age	0.005*** (16.92)	0.004*** (11.15)	-0.005*** (-18.26)	-0.004*** (-13.54)
Male	0.005 (0.49)	0.015 (1.34)	-0.024** (-2.91)	-0.032*** (-3.41)
Large employers	ref	ref	ref	ref
Small bus. owners		0.031 (0.69)		-0.055 (-1.43)
Technical profs.		0.023 (0.58)		-0.030 (-0.88)
Production workers		0.090* (2.23)		-0.086* (-2.50)
Managers		0.059 (1.56)		-0.048 (-1.49)
Office clerks		0.084* (2.16)		-0.081* (-2.45)
Socio-cult. profs.		0.032 (0.83)		-0.029 (-0.89)
Service workers		0.103** (2.59)		-0.088** (-2.61)
Low education		ref		ref
Medium education		-0.041** (-2.85)		0.034** (2.76)
High education		-0.099*** (-5.98)		0.096*** (6.76)
(Intercept)	0.495*** (19.45)	0.534*** (10.44)	1.041*** (46.84)	1.044*** (23.96)
R2	0.073	0.078	0.063	0.081
N	8170	6742	8144	6715

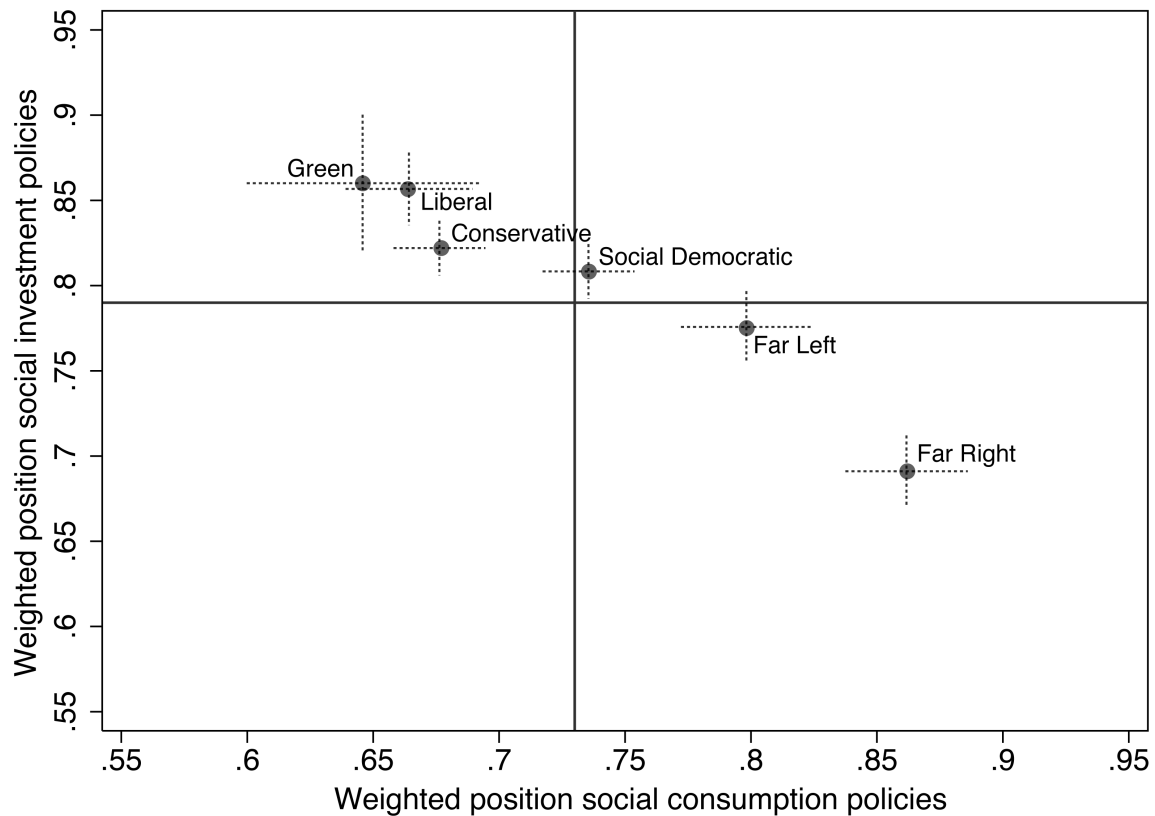


Figure 4: Weighted positions of party family electorates on social consumption and investment policies

Notes: based on individually weighted positions for policies. Positions are weighted by relative importance as in Figure 2a. Social consumption policies: pension increase and expansion of unemployment benefits; social investment: education spending expansion, expansion of childcare services, expansion of labor market reintegration services.

Values indicate average predicted levels of support (controlled for age, sex and country baseline)

4. Conclusion

The electoral dynamics of electoral realignment that have transformed mass politics in Western Europe over the past two to three decades have reshuffled conflict lines and coalitional potentials not only with regard to socio-cultural issues and reforms, but also with regard to welfare politics. This transformation of welfare conflict structures in the wake of profound class and voter realignments has been largely neglected so far, and it is therefore the main finding and contribution of this paper.

While many studies have suggested that with alternatively alleged “right-wing shifts” of the Left or “left-wing shifts” of the Right, conflict over distributive welfare politics may have become de-politicized, converged or blurred, we show that these assessments miss the point:

what we observe is not a blurring of actor positions, but a clearly identifiable, largely unidimensional class conflict over investment vs. consumption, which translates into a party political conflict between Green and liberal electorates vs. Far Right (and to a lower extent Far Left) electorates.

Hence, while overall support levels for both social investment and social consumption policies are high throughout the partisan spectrum, electoral appeals based on bolstering consumption policies (think e.g. of the SPD's "Grundrente" proposal in Germany or the Lega's "Reddito di Cittadinanza" in Italy) are much more likely to resonate with working class voters and the electorates of the Far Left and Far Right than with social-liberal voters. Conversely, pledges to further develop social investment policies (think of the German Green's demand to expand education measures in job centers in order to go from the "unemployment insurance" to an "employment insurance"; or Macron's "Loi avenir professionnel") should more likely resonate with middle-class voters, but will probably remain ineffective or even alienating when it comes to working class voters.

What does this reconfiguration of conflict structures imply for reform politics? Let us suppose that a traditional Left-Right conflict still prevails on the question of fiscal effort, i.e. that all left-wing voters (including social democratic, far left and green voters) are on average more likely to support higher taxes than right-wing voters (including conservative, liberal and far right voters). Our findings imply that the conflict between consumption vs. investment cuts right across these alliances. This implies that joint left-wing reform coalitions are most likely only possible under circumstances of fiscal expansion. Under circumstances of fiscal stability or even retrenchment, the priorities within this "block" are diametrically different. The implications seem even more dire for the right "block": under conditions of fiscal expansion, Far Right voters prioritize very different reforms from conservative and liberal voters, and each side is likely to resent the expansion of – at least – the others preferred social policy fields in the first place. Under conditions of fiscal stability or retrenchment, however, it seems, to put it mildly, difficult to align the interests of the Far Right and the conservatives on the kinds of social benefits that should be spared from cutbacks.

Even though integrating country-specific preference baselines into the main measures, this paper has pooled data across countries to make a general argument on welfare conflict realignment in Western Europe. Further iterations of the paper will take a more comparative

perspective in order to assess two questions: first, we want to test if – as one would expect – the distinctiveness of the conflict between investment and consumption indeed depends on the extent to which electoral realignment has progressed at the level of voters. Second, we want to study country-differences in the relative size of the component groups of realignment (size of different occupational classes, size of educational categories and size of party family electorates) in order to theorize better the implications of realignment for reform coalitions and – eventually – social policy change.

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Appendix 1

Party family coding is based on CHESS, ParlGov and CMP codings. Where the three sources contradict each other, CHESS is followed.

Party preference is based on the respondent's referred party choice at the last national election.

Country	Far Left 1	Green 2	Social Democratic 3	Liberal 4	Conservative 5	Far Right 6
Denmark	Red-Green Alliance Socialist People's Party	The Alternative	Social Democrats	Danish Social Liberal Party Liberal Alliance Venstre	Conservative People's Party	Danish People's Party
Germany	Left Party	Greens	SPD	FDP	CDU/CSU	AFD
Ireland	Sinn Fein Solidarity		Labour Party Social Democrats		Fianna Fail Fine Gael	
Italy			Liberi e Uguali PD		Fratelli d'Italia Forza Italia	Lega
Netherlands	Socialist Party	Green-Left	PVDA	50PLUS D66 VVD	CDA CU	PVV
Spain	PODEMOS		PSOE	Ciudadanos	CDC PP	
Sweden	V	MP	SAP	Center Party Liberal Party	KD Moderates	Sweden Democrats
UK	Sinn Fein		Labour SNP	Liberal Democrats	Conservatives DUP	UKIP