Identity in Crisis:

Elections, Financial Crisis, and Attitudes toward Immigration in Europe

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Abstract

Using as-if random assignment in individual interview dates for the European Social Survey, we examine how distance to elections and Europe's economic crisis affect attitudes towards immigration. We find that during the financial crisis, proximity to elections more than doubles the probability of expressing strong anti-immigration sentiments towards immigrants from "poor countries." However, this relationship reverses for immigration of *coethnics*, with proximity to elections being associated with more than twice as favorable attitudes. Our results lead us to believe that these changes are driven by a reversion to identity politics due to the politicization of "out groups" during periods of economic hardship.

Introduction

The past twenty-five years have seen a significant increase in immigration in Europe, and this has been accompanied by increasingly vehement rhetoric both for and against immigration (Semyonov et al. 2006). Yet, scholars disagree how prevalent anti-immigration sentiment is among European citizens, and what causes individuals to shift their views over time.

The European Social Survey, repeated every two years, analyzes individual-level attitudes toward immigration as well as a variety of other survey measures. While countries are surveyed in waves, with the majority of data collected in a six-month period, the dates of individual-level interviews are as-if random. We use this variation in time to examine the impact of distance to elections on individual attitudes toward immigration. Our findings indicate that distance to elections does have a statistically and substantively significant impact on attitudes toward immigration during periods of economic hardship.

We analyze mechanisms through which this might be occurring by examining alternate measures of immigration sentiment. We find that Europeans are more likely to support immigration of co-ethnics proximate to elections during the crisis, while becoming more likely to oppose any immigration of poor immigrants from outside Europe. This suggests that elections might call on a version of identity politics, and anti-immigration attitudes are an outgrowth of this sentiment.

In the paper, we first, analyze the theoretical background to our hypothesis; second, elaborate on our empirical strategy and data; and finally, examine our results.

Theoretical Background

Our hypothesis is rooted in the theory that economic concerns can shape attitudes towards immigration, when interacted with other social or institutional factors (Hainmueller and Hopkins 2014). In particular, we argue that during economic crisis, there is a heightened

sense of competition over wages and jobs. This leads individuals to identify more with their "in-group," due to the perceived competition over resources with "out-groups" (Tajfel and Turner 1979). When national elections approach, immigration becomes a salient electoral issue. In turn, people who might not have had strong opinions previously on immigration, or who refrained from expressing anti-immigration sentiments due to social desirability bias, are more likely to adopt or express anti-immigration attitudes (Lenz 2009).

Our hypothesis can be seen as an extension of recent research which suggests that individual economic concerns play a role in how people form attitudes towards immigration under certain circumstances. For example, Dancygier and Donnelly (2013) find that people employed in sectors where there is a large share of immigrants are less likely to support immigration when economic conditions deteriorate (see also Malhotra et al. 2013). Hopkins (2010) develops a politicized places hypothesis which states that immigration is viewed as a threat when two conditions are met: (1) when there is a large influx of immigrants which changes the local demographics and (2) when immigration is a salient national issue. Interestingly, this literature suggests that immigrants are only viewed as a threat in exceptional circumstances, such as the financial crisis, and that in ordinary circumstances immigrants are not viewed as an economic "threat."

Yet the precise mechanisms through which our theoretical prediction operates are less clear. The literature from developing democracies has previously highlighted the fact that elections increase ethnic salience, arguably because of the ability of identity to mobilize voters (Eifert et al. 2010). While there is an often-implicit assumption that developed countries are beyond such reversions to identity politics, we argue that this reversion to ethnic identity may exist in Europe as well, and exhibits itself through differential attitudes towards immigration of coethnics versus non-coethnics.

Alternatively, Lenz (2009) highlights the role of political parties' rhetoric in shaping individual political positions. He argues that when individuals hear a message from a source

they align themselves with, they will often shift their views to line up with that of their source. If populist right-wing political parties in Europe are spewing anti-immigration rhetoric, individuals who are drawn to agree with that party for other, possibly economic, reasons would then adjust their views of immigration to line up with that of the party.

Thus, based on our theory, both deteriorating economic conditions and the politicization of these conditions can have an impact on attitudes toward immigration. We argue that when these two factors work in tandem we see a larger negative effect than from either the crisis or politicization on is own.

Data and Empirical Strategy

In order to test our hypotheses, we use data from the the first four rounds of the European Social Survey (ESS), which occurred between 2002 and 2009. These data contain detailed individual-level information, including consistent survey items that measure perceptions of different types of immigration. Moreover, we are able to identify the effect of the economic crisis on attitudes towards immigration among natives by comparing attitudes during the crisis (ESS Round 4) with previous rounds (ESS Rounds 1-3). Like the recent Dancygier and and Donnelly (2013) paper, we focus on 14 European countries that experience significant levels of immigration, since we expect that immigration will be a more salient issue in these countries.[1] Moreover, we exclude from our analysis non-natives and individuals who have retired from the workforce, since we expect that attitude formation towards immigration follows a different process for these groups (Mayda 2006).

Our outcome variable, attitudes towards immigration, captures the level of support for

[1]We relied on the Dancygier and Donnely (2013) data, which includes countries whose immigrant population was at or above the sample's median (8.86%) at any point between 2002 and 2009. These countries are: Austria, Belgium, Switzerland, Cyprus, Estonia, Spain, France, Great Britain, Greece, Ireland, Luxembourg, Netherlands, Norway, and Sweden. We also ran our models on the full sample, and obtained similar results (see Appendix Table 1).

immigration from poorer countries outside Europe to one's own country. We focus on this form of immigration since the debate in Europe about immigration has mostly focused on immigrants who come from outside of Europe (Dancygier and and Donnelly 2013). The precise survey question is: "To what extent should the country allow people from the poorer countries outside Europe to come and live here?" This item was recoded on a 1-4 point scale: where *1* corresponds to "allow none to come and live here," *2* corresponds to "allow a few," *3* corresponds to "allow some," and *4* corresponds to "allow many." Since our outcome measure is an ordered positive categorical variable, we use an ordered probit model for our analysis.

In order to more fully understand the mechanisms at work in our data, we also consider two other measures of immigration sentiment: immigration of co-ethnics and immigration of European non co-ethnics. These outcomes lend themselves to comparison since they are coded on the same scale as our primary measure (for ease of interpretability we recoded them on the same 1-4 point scale). Comparing these outcomes to our primary immigration measure helps us disaggregate whether respondents distinguished between different forms of immigration. Moreover, it helps indicate if the mobilization of identity politics, similar to what is often seen in developing democracies, is at work in European politics as well.

In order to identify the effect of exposure to elections on attitudes towards immigration, we utilized the information in the ESS round about an individual's interview year, month, and day. Though countries were surveyed by the ESS in waves, usually lasting around six months, *individual* interview dates were arguably as-if random within that frame. We exploit this exogenous variation to analyze the effect of both the financial crisis and elections on individual attitudes toward immigration.

We merged the ESS data with data on Presidential and Parliamentarian elections held in Europe between 2001 and 2012, taken from the European Election database, and created a variable for each interview's distance to the nearest election. We defined exposure to elections

as the log number of days between a persons' interview date and the nearest Presidential or Parliamentary election. We believe that a logarithmic relationship best reflects our theoretical expectations, as we expect that there would be a much larger difference in politicization one month to two months before an election versus twenty-four to twenty-five months. We used ESS Round 4 as a proxy for the economic crisis, and interacted our measure of distance with each ESS round, to see if there was a differential effect in crisis and non-crisis periods.[2]

Our models include controls for a range of diverse social and economic factors that have been found to influence attitudes towards immigration, such as age, gender, years of education, and labor union status. We also included measures for sectoral immigrant inflows and sector growth, factors that were found to influence immigration attitudes in Dancygier and Donnelly (2013). In order to account for important country-level trends, we considered several country-level measures such as unemployment rates, GDP per capita, social benefits as a percentage of GDP, and percent foreign born.

To account for variation in country survey dates, we use country and round fixed effects. To control for correlation between responses within each country per round, we clustered our standard errors by country and round.[3] Finally, to examine individual-level mechanisms, we interacted our distance variable with individual exposure to media, interest in politics, voting, and placement on the left-right spectrum.

[2]One concern with our research design is that the 2008 surveys preceded the economic crisis. However, as noted by Dancygier and Donnelly (2013), public confidence in the economy was declining in 2008. Moreover, most respondents were surveyed in late 2008, when the effects of the crisis were readily apparent.

[3]We only clustered our standard errors in the table results, which were calculated using STATA. Since our Figures were made in R using the Zelig function (without clustering standard errors), the confidence intervals in our figures are slightly understating the uncertainty of our estimates.

Results

Our results provide support for our foundational hypothesis and give brief insight into possible mechanisms. First, we find that both distance to elections and the financial crisis impact individuals' views of immigration in the expected direction, but most powerfully when they are examined together. Second, this result reverses when individuals are asked about immigration of *co-ethnics*, suggesting that identity politics could be a mechanism for this shift. Finally, we show that this result is robust to a variety of reparameterizations.

In Table 1, we estimate an ordered probit model. We consider three specifications, where all models include important demographic controls such as age, education level dummies, gender, and labor union status. Our main interest is in the interacted term between distance to elections and the crisis period, and our results indicate that this factor is both statistically and substantively significant.[4] As seen in Table 1, this result is also robust to a variety of re-specifications. Moreover, we see a negative effect for ESS Round 4 by itself, and a positive, statistically insignificant effect for the base term of distance to elections. This supports our hypothesis that elections have an impact primarily during periods of economic crisis.

As a graphical analogue, Figure 1 shows the confidence intervals and predicted values during the crisis, shifting distance to elections and holding all other variables at their median. Because distance is a logarithmic variable, the represented values show our model's predicted changes in attitudes zero to four-hundred days from the nearest election. The number of individuals predicted to say that they would like to allow no immigrants from different ethnic groups *doubles* over this time period. Figure 2 provides another representation of this. Here, Y=1 corresponds to the "allow none" variable, and we see it shift from a predicted value of 0.32 on election day during the crisis compared to a predicted value of 0.12 two years from an election.

[4]Note that the way this variable is coded, higher values indicate greater distance from elections. Thus, positive values are *further* from elections.

Figure 1: Approaching Elections and Attitudes towards Immigration

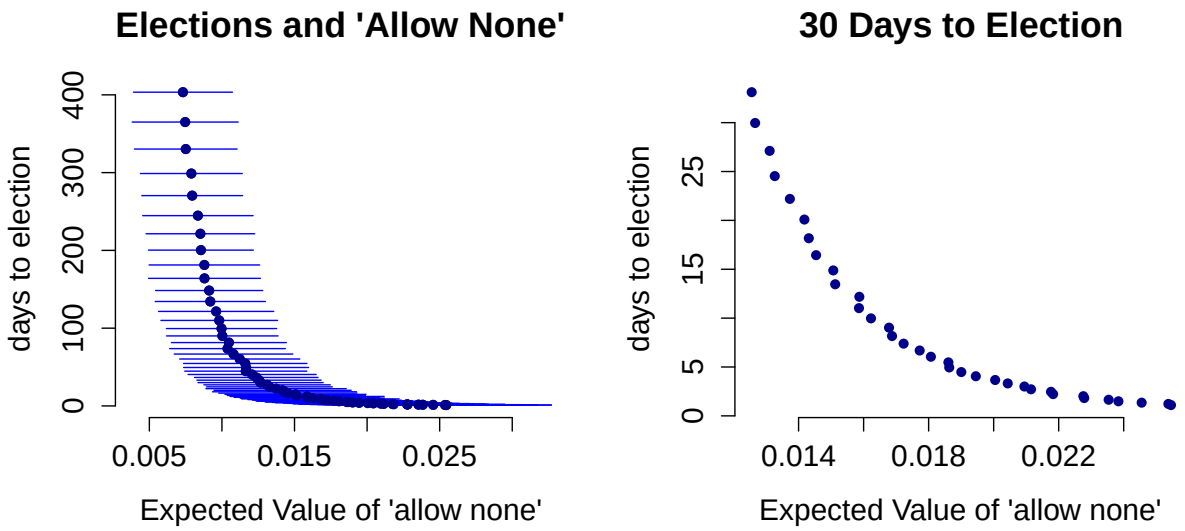


Figure 2: Predicted Values on Election Day (red) and Two Years Later (blue)

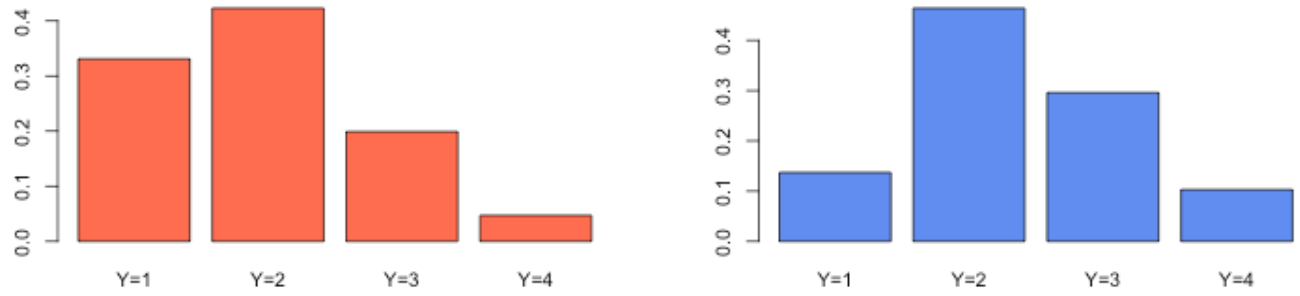


Figure 3: First Differences: Pre- and Post-Crisis Changes

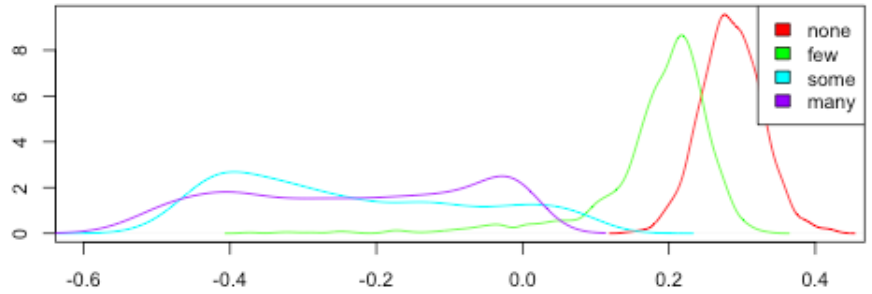
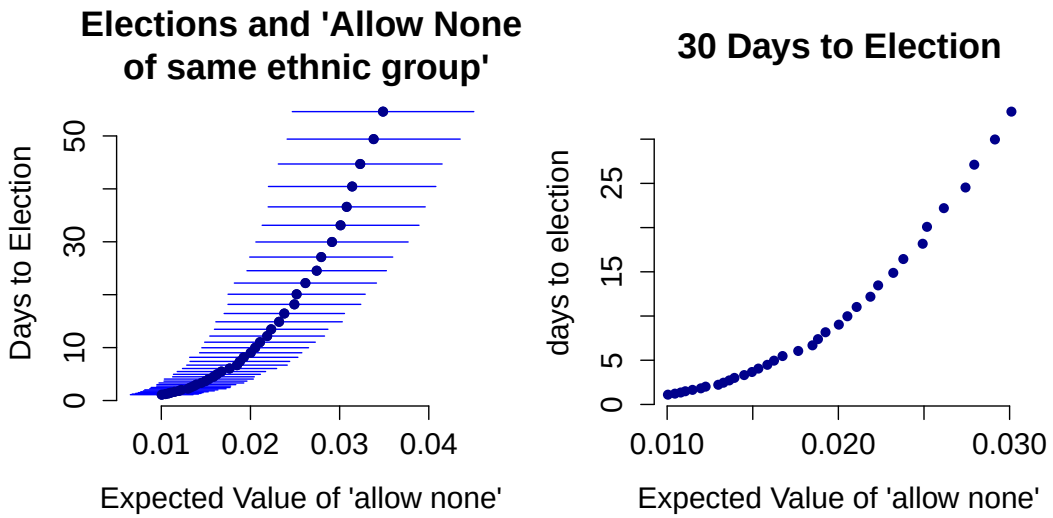


Figure 4: Attitudes toward Coethnics



Yet this result is most significant during the financial crisis. Figure 3 shows the first differences between individual attitudes toward immigration before and after the crisis. We see that there are significant shifts in negative responses (*none* at 0.29 and *few* at 0.21), but *some* and *many* have much larger confidence intervals. This also suggests that the changes we see in our coefficients are driven primarily by negative shifts in how individuals perceive immigrants, rather than variation in positive views.

Mechanisms

In order to examine mechanisms, we analyzed two other immigration-related questions on the survey. The first looks at immigration of coethnics, and the other at immigration of European non-coethnics. Unsurprisingly, we see very similar results for European non-coethnics, but *opposite* results for coethnics. Figure 4 shows this trend (see also Table 2). On election day, individuals are only half as likely to say that they would like to "allow none" of immigrants from their own ethnic group. This lends credence to the possibility that elections in Europe during times of crisis can create a reversion to identity politics.

While this result may hint at possible mechanisms, more analysis is necessary to understand what might be driving these decisions at an individual level. We tried interacting the model with a variety of individual-level measures that we thought would make people more susceptible to politicization. However, many of those that we thought would turn up significant did not, such as the amount of political television an individual watches. This implies that politicization might be influencing individuals outside of rhetoric and the media, and that further inquiry into individual-level mechanisms is warranted.

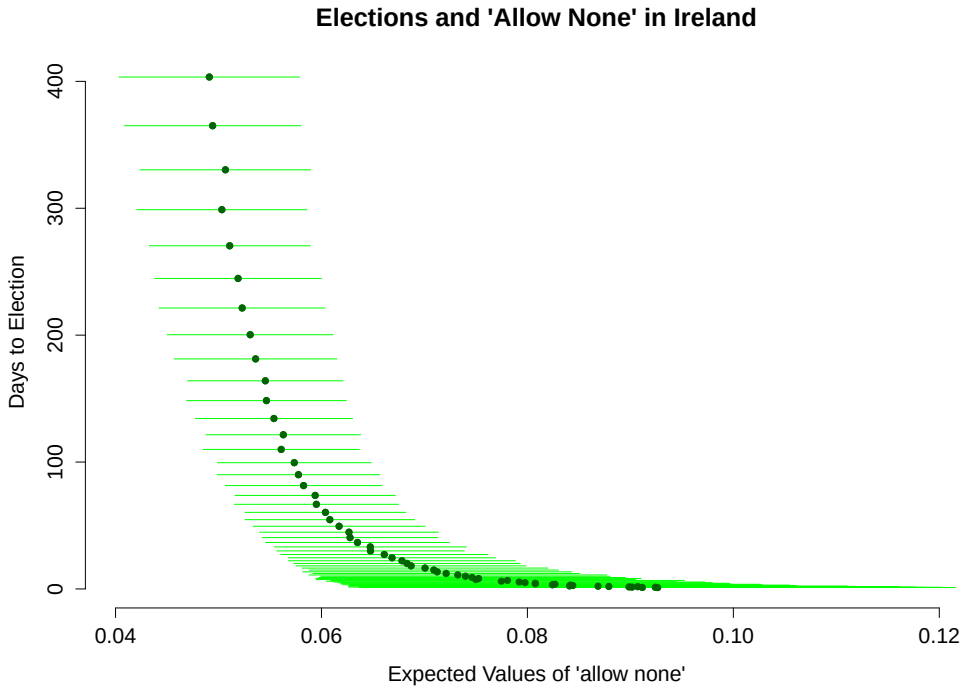
Robustness Checks

Finally, we conducted two important robustness tests. First, we reran our core model on the full sample of European countries (26 countries). The results (see Appendix Table 1) suggest that our results are robust to using the full sample, though, in line with our hypothesis, they are weakened by the addition of countries with lower levels of immigration.

Second, we wanted to ensure that our results were not driven by only a few countries. We re-ran our model without each of the countries in our sample. Appendix Table 2 indicates that our results were robust to these re-specifications, and relatively consistent across countries. However, there is variation between countries. This is partially driven by different degrees of interaction with the financial crisis. Greece and Ireland, who were very hard hit by the crisis, have predictably higher-than average influence in our model. Additionally, different average values for distance to elections varies the influence that countries have.

In order to examine this issue further, we reran our model on Ireland. Ireland was one of the few countries that we had election data for both close to and far from elections in a variety of ESS Rounds. Moreover, Ireland was one of the countries most impacted by the financial crisis. Figure 5 shows our simulated results for Ireland, varying distance, holding ESS Round 4 constant, and setting all other variables at their median. As expected, we see

Figure 5:



a strong relationship as we did in the cross-country analysis, with even smaller confidence intervals. In a ten day period, we see a predicted thirty percent increase in the "allow none" variable. Over four hundred days, the expected value nearly doubles. This can be seen as an "upper bound" estimate for our results.

Conclusions

Our findings indicate that individuals have stronger anti-immigration sentiment nearing elections during the financial crisis, and this holds on both a national and European level. Anecdotal evidence from Europe makes these results unsurprising, with far-right parties in recent elections running very visible anti-immigration campaigns. Yet beyond this, we have analyzed mechanisms that indicate that anti-immigration attitudes during elections are largely directed against non co-ethnics, hinting at a possible reversion to identity politics.

It is worth noting that the most significant variation during election periods is among those who want to "allow none," but this is a very small percentage of the total population. Yet it is necessary to better understand why some individuals are polarized and others shift their views less drastically. While further analysis is warranted to unpack these mechanisms, our results support theoretical findings that indicate that jobs and identity matter, even in developed democracies.

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Table 1: Attitudes toward Immigrants from "Poor Countries"

	(1)	(2)	(3)
Logged Distance from Elections	0.0102	0.0233	0.0203
	(0.0161)	(0.0192)	(0.0193)
ESS, Round 2	-0.0192	0.832**	0.758***
	(0.0356)	(0.324)	(0.241)
ESS, Round 3	-0.0368	0.0382	-0.0596
	(0.0242)	(0.160)	(0.157)
ESS, Round 4	-0.0346	-0.450**	-0.656***
	(0.0403)	(0.187)	(0.228)
ESS 2 × Distance to Elections		-0.142**	-0.129***
		(0.0558)	(0.0402)
ESS 3 × Distance to Elections		-0.0136	-0.00172
		(0.0285)	(0.0254)
ESS 4 × Distance to Elections		0.0690**	0.0998***
		(0.0332)	(0.0339)
Sectoral immigrant inflows	-0.550**	-0.554**	
	(0.237)	(0.246)	
Sector growth	0.319***	0.316***	0.137*
	(0.0921)	(0.0919)	(0.0708)
Unemployment rate			-0.0330***
			(0.00754)
GDP per capita (in thousands)			0.0401**
			(0.0202)
Percent Foreign Born			-0.0335***
			(0.00878)
Social benefits (% of GDP)			0.0256*
			(0.0138)
Cutpoint 1 _cons	-1.238***	-1.153***	-0.314
	(0.101)	(0.109)	(0.693)
Cutpoint 2 _cons	-0.0350	0.0515	0.896
	(0.111)	(0.107)	(0.691)
Cutpoint 3 _cons	1.329***	1.417***	2.260***
	(0.107)	(0.105)	(0.696)
N	51810	51810	53023
pseudo R^2	0.074	0.075	0.075

Ordered probit coefficients. Clustered standard errors in parentheses.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 2: Attitudes toward Coethnic and Non-Coethnic Immigration

	(1) Coethnics	(2) Coethnics	(3) Non-coethnics	(4) Non-coethnics
Logged Distance to Elections	0.00106	0.0361	0.00702	0.00772
	(0.0146)	(0.0235)	(0.0155)	(0.0156)
ESS, Round 2	0.0865*	1.224***	0.0198	0.791***
	(0.0492)	(0.248)	(0.0359)	(0.211)
ESS, Round 3	0.0300	-0.0669	-0.00558	-0.0963
	(0.0477)	(0.171)	(0.0252)	(0.128)
ESS, Round 4	0.0743	0.863***	0.0243	-0.577***
	(0.0598)	(0.284)	(0.0411)	(0.210)
ESS 2 × Distance to Elections		-0.190***		-0.130***
		(0.0418)		(0.0354)
ESS 3 × Distance to Elections		0.0164		0.00671
		(0.0300)		(0.0212)
ESS 4 × Distance to Elections		-0.129***		0.0936***
		(0.0452)		(0.0307)
Unemployment rate		-0.00121		-0.0135**
		(0.0131)		(0.00584)
GDP per capita (in thousands)		0.0466**		0.0568***
		(0.0217)		(0.0195)
Percent Foreign Born		-0.0766***		-0.0483***
		(0.0167)		(0.00806)
Social benefits (% of GDP)		-0.0157		0.0216*
		(0.0186)		(0.0129)
Cutpoint 1	-1.415***	-1.396**	-1.096***	-0.00340
	(0.128)	(0.709)	(0.0912)	(0.704)
Cutpoint 2	-0.250*	-0.224	0.136	1.235*
	(0.138)	(0.706)	(0.100)	(0.701)
Cutpoint 3	1.161***	1.190*	1.540***	2.639***
	(0.139)	(0.704)	(0.0971)	(0.711)
N	51879	53101	51890	53114
pseudo R^2	0.051	0.053	0.075	0.076

Ordered probit coefficients. Clustered standard errors in parentheses.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Appendix Table 1:
Attitudes toward Immigrants from "Poor Countries" (full sample)

	(1)	(2)	(3)
Logged Distance to Elections	0.0135	-0.00369	-0.0153
	(0.0103)	(0.0190)	(0.0176)
ESS, Round 2	-0.0660**	-0.144	-0.254*
	(0.0270)	(0.158)	(0.152)
ESS, Round 3	-0.0870***	-0.0485	-0.190
	(0.0192)	(0.149)	(0.154)
ESS, Round 4	-0.0794***	-0.485***	-0.524***
	(0.0294)	(0.153)	(0.199)
ESS 2 × Distance to Elections		0.0144	0.0317
		(0.0279)	(0.0256)
ESS 3 × Distance to Elections		-0.00763	0.0128
		(0.0260)	(0.0246)
ESS 4 × Distance to Elections		0.0714***	0.0802***
		(0.0266)	(0.0299)
imchg	-0.579***	-0.589***	
	(0.157)	(0.145)	
empchg	0.111***	0.109***	0.0348
	(0.0319)	(0.0313)	(0.0282)
Unemployment rate			-0.0143**
			(0.00645)
GDP per capita (in thousands)			0.0200
			(0.0210)
Percent Foreign Born			-0.0220
			(0.0138)
Social benefits (% of GDP)			-0.0132
			(0.0147)
Cutpoint 1	-1.401***	-1.497***	-1.694**
	(0.0793)	(0.119)	(0.748)
Cutpoint 2	-0.192**	-0.288**	-0.497
	(0.0880)	(0.118)	(0.742)
Cutpoint 3	1.114***	1.018***	0.797
	(0.0840)	(0.121)	(0.749)
N	90667	90667	107057
pseudo R^2	0.071	0.071	0.065

Ordered probit coefficients. Clustered standard errors in parentheses.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Appendix Table 2:
Country Influence Results

Country Removed	Coefficient	Standard Error
Austria	0.0751**	(0.0305)
Belgium	0.0802***	(0.0296)
Bulgaria	0.105***	(0.0287)
Croatia	0.0802***	(0.0299)
Cyprus	0.0805***	(0.0300)
Czech R.	0.0802***	(0.0299)
Denmark	0.0794***	(0.0300)
Estonia	0.0649**	(0.0323)
Finland	0.0876***	(0.0298)
France	0.0740**	(0.0318)
Germany	0.0693**	(0.0291)
Greece	0.0755*	(0.0386)
Hungary	0.0796***	(0.0302)
Ireland	0.0586*	(0.0346)
Italy	0.0841***	(0.0299)
Luxembourg	0.0811***	(0.0386)
Netherlands	0.0815**	(0.0303)
Norway	0.0810***	(0.0293)
Portugal	0.0733**	(0.0297)
Slovakia	0.0802***	(0.0299)
Slovenia	0.0853**	(0.0337)
Spain	0.0678**	(0.0303)
Sweden	0.0996***	(0.0284)
Switzerland	0.0880***	(0.0306)
UK	0.0802***	(0.0299)

Ordered probit coefficients. Clustered standard errors in parentheses.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$