The relation between conditions attached to unemployment benefits and the emotional well-being of people struggling to make ends meet in Europe.

And does stigma on receiving support from the government mediate this relation?

Master Thesis 2019/2020

Tilburg, August 21st, 2020

Tomas Thissen

u1266571

Under supervision of:

Tilburg University: F. Roosma PhD

Tranzo: Dr. J.C.M. Cloïn

Tilburg University School of Social and Behavioral Sciences

Preface

This master thesis is part of my master's program Sociology: Health, Well-being and Society at Tilburg University. This thesis examines whether conditions on unemployment benefits have an effect on the emotional well-being of people who struggle to make ends meet. This is done by comparing 21 European countries in a multilevel analysis. The process of writing this thesis has been an intense experience. It all started when I had to choose the subject of my thesis in the second week of my master's program. I had just graduated from a psychology bachelor and didn't know much about sociology yet, during the year I found out that sociology and psychology are opposites so that was especially challenging in the beginning of writing my thesis. I chose a topic that consisted of three concepts that I found interesting namely, mental health, universal basic income and poverty. Thanks to my supervisors, Femke Roosma and Mariëlle Cloïn, we decided that I was going to investigate the effect of conditions on mental health.

Last year was a difficult year and that is why I learned something about myself and got to know myself better while writing my thesis. I had a lot of trouble writing my thesis and therefore I would like to thank some people who have helped me enormously. First of all, I would like to thank my supervisors because they always thought with me, were incredibly flexible and always responded quickly and nicely when I had questions. Second, I want to thank my mom, dad and girlfriend. Especially in the time when things were not going so well with myself and my thesis, they did everything they could to help me. I also want to thank Renée and Erwin, who gave me thesis tutoring, for the help and advice. Finally, I would like to thank my friends from Vatos for the help and words of motivation. Thanks to the support of the aforementioned people, I was able to complete this thesis.

Tomas Thissen

Tilburg, 21 augustus 2020

Abstract

This study wonders if a universal basic income has additional benefits, on one's mental state other than effects of a money transfer. To explore this, this study focuses on the universal and unconditional aspects of UBI by comparing the effect of differences in conditions between countries on one's mental state. Currently there is a lack of research that investigates the relation between conditions on policy and their effect on one's mental state. The literature describes contradicting mechanisms, where conditions can either result in a positive or negative effect of one's mental state. This study aims to explore this relation by comparing countries with differences in conditions on unemployment benefits, and test whether these differences result in a better or worse emotional well-being in a population of people who struggle to make ends meet. This study hypothesizes that, in countries with more conditions regarding unemployment benefits people who struggle to make ends meet have a worse or better emotional well-being compared to people who struggle to make ends meet in countries with less conditions regarding unemployment benefits. In addition, this study looks at stigma as a possible mediating factor. Hypothesized is that, stigma does mediate the relation between unemployment benefits and emotional well-being of people who struggle to make ends meet in a way that has either a positive or a negative effect on emotional well-being. The data used in this study was collected by the European Social Survey (ESS) 2008, which measured welfare attitudes; the ESS 2012, which measured emotional well-being; and by the Organization for Economic Co-operation and Development (OECD), which measured the conditions on unemployment benefits in Europe. The ESS conducted interviews and the OECD used a questionnaire in which delegates of the OECD Employment, Labour and Social Affairs Committee graded the strictness of conditions on unemployment benefits. The method used in this study is a random intercept multilevel regression analysis. The results showed a significant positive effect of conditions on unemployment benefits on the emotional well-

being of people who struggle to make ends meet. However, this effect is only found when inequality in a country is taken into account. This relation is robust for individual employment status. In contradiction to the expectations stigma did not mediate this relation. The results suggest that conditions on policy, which have an activating nature, increase the emotional well-being of people who struggle to make ends meet. This study offers the idea that this effect is found because the conditions on unemployment benefits make people feel that the government is trying to help and invest in them. The results show that inequality is important in this effect because only when controlling for inequality a significant effect is found. Regarding a UBI, the results show that conditions on policy can improve one's emotional well-being so the unconditional nature might not be a benefit to one's mental state. However, the power UBI has in decreasing inequality might be crucial in this mechanism.

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Introduction

Introduction and statement of research topic

According to the World Health Organization (WHO) poverty is the biggest health problem in the world. Studies have shown that people who are less wealthy are in general less healthy (Adler & Rehkopf, 2008; Matthews & Gallo, 2010; Reiss, 2013). An important reason why poor people are less healthy is that being poor brings along stress and worrying, which can have detrimental effects on one's health (Cooper & Quick, 2017; Fryers, Melzer, & Jenkins, 2003; Haushofer & Fehr, 2014). In almost all Western welfare states the government tries to prevent and alleviate its citizens from poverty by condition-based welfare policies such as conditional unemployment and social assistance benefits. An example of such a condition is that in the Netherlands one is obligated to search for work when unemployed in order to receive an unemployment benefit (Immervoll & Knotz, 2018; Langenbucher, 2015). However, there is some critique on condition-based policies because conditions may have negative consequences (Hernandez, Pudney, & Hancock, 2007). Research shows that the conditions on which it depends whether people are eligible for benefits may cause stigmatization of the people who need support from the government (Walker & Bantebya-Kyomuhendo, 2014; Hernanz, Malherbet, & Pellizzari, 2004). For instance, conditions may include that people must be involuntarily unemployed, meaning that people have to be fired by their employer opposed to quitting themselves, they have to put energy in searching for a job and document and report their job search activities, in order to make use of unemployment benefits. Stigma can be best described as the opinion that people have on average about a certain group of people, in this study, the unemployed, poor, benefit recipients, people who struggle to make ends meet and/or people who need support from the government. If this social opinion is negative, then there is stigma (Goffman, 1963; Link & Phelan, 2001). Stigma, may in turn

lead to negative consequences for emotional well-being. Because through the experience of stigmas, people can feel unhappy, ashamed, depressed, etc. (Krause, 1996; Mickelson & Williams, 2008; Pak, 2020)

An idea that every now and then, and also recently resurfaced, is that of a Universal Basic Income (UBI) to replace these condition based welfare policies. The WHO defines UBI as an income that is, universal, individual and unconditional. Most scientists add that it is regular, uniform and that there is a direct money transfer (Haagh, 2019; Haagh & Rohregger, 2019; Painter, 2016; Parijs, 1997). In this study when referred to UBI, a monthly money transfer for every adult (from age 18) without any conditions is meant. Furthermore, it is the same amount for everybody and it is intended for individuals (not households). At this moment there are no countries that have implemented UBI yet, however, experiments and case studies have been done into the effects of a UBI on people's health and emotional well-being. These studies found that a UBI had a positive effect on people's health (Forget, 2011; Haagh, 2019; Haagh & Rohregger, 2019; Painter, 2016). UBI has more characteristics than just giving money, mainly that there are no conditions attached to this benefit. Because there are no conditions, it is for everyone without people having to do anything for it in return. Therefore, the fact that the basic income is unconditional is an important reason that there might be positive effects on one’s emotional well-being (Haagh, 2019; Haagh & Rohregger, 2019).

In short, different countries have different conditions on unemployment benefits. Some have less conditions, and some have more conditions, such as stricter rules regarding which job you have to take or what a good reason is to not have a job (Immervoll & Knotz, 2018; Langenbucher, 2015). A UBI is a form in which there are no conditions. How the amount and strictness of conditions can play a role in people’s emotional well-being will be investigated in this study. Because a real UBI does not exist, we will explore its potential effect in this study by comparing countries with different levels of conditions on unemployment benefits.

In this way the claim of the proponents of UBI is tested: is it true that in countries where benefits have fewer conditions, people on low incomes are mentally healthier?

This study aims to test the mechanism in which the relationships between the conditions on unemployment benefits, stigma on receiving support from the government and emotional well-being are investigated in a population of people who have difficulty making ends meet in different countries. In this mechanism stigma on receiving support from the government mediates the relation between conditions on unemployment benefits and the emotional well-being of people who struggle to make ends meet. To investigate this, this study tries to answer the following questions:

RQ 1: Do people who struggle to make ends meet have a better emotional well-being in countries where there are less conditions attached to unemployment benefits?

RQ2: Does and if so in what way does stigma on receiving support from the government mediate the effect of conditions on unemployment benefits on emotional well-being of people who struggle to make ends meet?

Answering these questions adds to the existing research base because it contributes to a better understanding of how policy conditions may affect people's emotional well-being. Currently there are contradicting views on the possible effect policy conditions have on emotional well-being. The two main points of view are that being unemployed is bad for one’s emotional well-being and conditions on unemployment benefits activate people to find a job, so conditions on unemployment benefits improves emotional well-being because it reduces the time one is unemployed. In contradiction, the other point of view claims that conditions on unemployment benefits force people into jobs they do not want, which in turn is bad for one’s emotional well-being. Those points of view will be further explored in the theoretical framework. Furthermore, the literature is still divided whether conditions on social policy

affects the stigma on receiving support from the government, which is another question this study tries to answer. In a societal sense, answering these questions is important because it provides insight into people's health and offers potential tools for improving people's emotional well-being through policy design. It could provide insight in if the supports of the UBI are correct in claiming that unconditional benefits make people healthier.

Theoretical framework

To answer the research questions, it is important to know the underlying relationships between conditions and emotional well-being, between conditions and stigma and between stigma and emotional well-being and. Also, there are factors that could possibly have an influence on the results and in this study we will control for those factors.

First, the different factors that are studied will be described and explained. Second, the assumed relationships between these factors that will be studied, are further elaborated. The possible mechanisms underlying the relationships will be explained. Lastly, possible confounding factors are described.

Factors

Conditions

It is important to understand how conditions are defined in the context of this study. In most countries, selecting people for eligibility of unemployment benefits is a two-step process. In the first step governments determine which people are eligible for a certain benefit, also called targeting (Grubb, 2001; van Oorschot, Roosma, Meuleman, & Reeskens, 2017). For example, for unemployment benefits in the Netherlands you must be involuntarily unemployed (targeting). In the second step more criteria must be met (Grubb, 2001). For instance, people have to make attempts to apply for a job (eligibility criteria) before one receives the benefit. Another example of a condition in the Netherlands on unemployment benefits is that one has

to accept a job offer unless there is a valid reason not to take a job, for example a single mother who has to take care of her children does not have to take a job which makes her work nightshifts (Langenbucher, 2015; Immervoll & Knotz, 2018). These two forms of conditions conflict with the aspects of UBI. Targeting and eligibility criteria are contrary to the universality and unconditionality of UBI, in other words, they are contrary to the fact that there are no conditions attached to UBI.

Since 2007 there have been changes in the welfare systems across Europe, and there are three factors that are especially important for this change: universal risk prevention declines, activating policies get more popular and more policies focused on special vulnerable groups are implemented (Borosch, Kuhlmann & Blum, 2016). Those changes all indicate more conditions on welfare policies across Europe, such as more specific targeting and more eligibility criteria. In the case of unemployment benefits this can be achieved with Active Labor Market Programs (ALMP), programs that focus on activating unemployed people to find a job in which you have to participate in order to receive an unemployment benefit (Kluve 2010). For example, in The Netherlands, when someone does not tries hard enough to find a job one loses 25% of one's benefit. In Luxembourg if one refuses to participate in an ALMP, one loses the right of an unemployment benefit (Langenbucher, 2015; Immervoll & Knotz, 2018; Venn, 2012). This study will investigate if this lead to a positive or negative trend regarding one's emotional well-being.

Stigma

In order to test whether conditions on unemployment benefits have an effect on the emotional well-being of people struggling to make ends meet, this study will examine whether these conditions influence the arise and existence of stigmas. What is meant by stigma? Stigma in its most basic form is a sign that identifies someone as different from the norm (Goffman, 1963). Goffman (1963) described stigma as a circumstance where a person has an attribute or

characteristic which is viewed negatively by society, such as being unemployed. This one attribute or characteristic in turn leads to the rejection of the person by society. Link and Phelan (2001) define stigma as: “stigma exists when elements of labeling, stereotyping, separation, status loss, and discrimination occur together in a power situation that allows them”. In this case a power situation is a situation in which one group has a form of power over another group. This can be seen within countries, where minorities often get stigmatized by the masses and not the other way around. Well-known examples are: the unemployed are lazy but also stigmas like people with mental illness are posers or transsexuals are weird.

When this study talks about stigma, it is about the stigma on receiving support from the government. This stigma includes, for example, the opinion that poorer people are lazy or people who are unemployed add nothing to society. This type of stigma is chosen because it is a stigma with which the research population may be confronted. This study will therefore also look at the effects of conditions for unemployment benefits on stigma and the effect of stigma on the emotional well-being of people who have difficulties making ends meet. In this mechanism, conditions on unemployment benefits could therefore have a direct and indirect effect, via stigma, on the emotional well-being of people who have difficulty making ends meet. So, the mechanism that is assumed in this study is that, conditions on unemployment benefits create/increase stigma which in turn is bad for one’s emotional well-being.

Emotional well-being

In this study, when it comes to the mental health of people struggling to make ends meet, emotional well-being is used. Over the past decades there have been multiple interpretations of what emotional well-being is (McLaughlin, 2008). Goleman (1996) and Weare (2003) described it more as emotional intelligence/literacy. Weare (2004) describes it as follows: “the ability to understand ourselves and other people, and in particular to be aware of, understand and use information about the emotional states of ourselves and others with competence. It

includes the ability to understand, express and manage our own emotions and respond to the emotions of others, in ways that are helpful to ourselves and others" (p.2). In this case it is more about understanding and managing your emotions and those of others.

Another description and the one used in this study is more in line with the description of Keyes (2002). He describes emotional well-being as the part of a person's mental health that determines how someone feels, for example happy, depressed or sad (Keyes, 2002). It also includes if a person has positive or negative affect. A positive affect is whether a person is optimistic and has positive feeling about life, a negative affect is whether a person is hopeless or does not feel they can accomplish something (Keyes, 2002). When someone is not emotionally healthy, it causes stress, anxiety and depression, among other things (Fredrickson, 2008; Kahneman & Deaton, 2010). A person's coping ability and self-esteem are also affected when someone is not emotionally healthy (Keyes, 2002). In this case, it is more about someone's well-being and mental state and that is the reason this definition of emotional well-being is used in this study. Because it focuses more on the mental state of people and how they feel opposed to whether they are able to understand emotions and know how to manage them. Emotional well-being is chosen as measure for mental health because if someone is not emotionally healthy then this person's mental health, and eventually physical health, is also affected (Ohrnberger, Fichera & Sutton, 2017). Moreover, it is likely that stigma has an effect on emotional well-being here as stigma causes negative emotions.

Relations between factors

The first relation of interest is the one between conditions on unemployment benefits and emotional well-being. This relationship has never really been investigated in the literature, but there are mechanisms in place that could explain how unemployment benefit conditions might affect emotional well-being. A mechanism that could explain that conditions on unemployment benefits might have a positive effect on emotional well-being is that these

conditions can have an activating nature (ALMP). Conditions on unemployment benefits are often intended, among other things, to activate the unemployed to look for a job (Ahmad, Svarer, & Naveed, 2019). For example, there are countries where you are not allowed to be voluntarily unemployed and often you also have to look for a new job before you receive unemployment benefits (Immervoll & Knotz, 2018; Langenbucher, 2015; Venn, 2012). This activating conditions may result in a shorter duration of unemployment (Ahmad et al., 2019 ; Kluve, 2010). Being unemployed is bad for one's emotional well-being (Krueger & Mueller, 2012; Von Scheve, Esche, & Schupp, 2017), so when conditions result in shorter periods of unemployment this can have a positive effect on emotional well-being. Another similar mechanism can also improve emotional well-being through conditions on policy. Here, however, work is not encouraged but other behavior that is good for someone's health, such as going to the doctor (Bastagli, 2009; Maluccio & Flores, 2005; Schultz, 2004). This possibly improved physical health will contribute to a better emotional well-being (Wootton et al., 2018). Those activating conditions on unemployment benefits also have a downside. Conditions on unemployment can be harsh for example in multiple countries one cannot be voluntarily unemployed when one wants to be eligible for unemployment benefits, even when one stops working because of health reasons or family reasons (Immervoll & Knotz, 2018; Langenbucher, 2015). In addition, it often is not allowed to decline a job offer if one is unemployed. Those kind of activating conditions result in people staying in or accepting jobs they do not want, because they rely on the income of those jobs since they are not eligible for benefits if they voluntarily quit or decline a job (Caliendo, Tatsiramos, & Uhlendorff, 2013; Petrongolo, 2009). Having a job that one does not want can have negative effects of one's emotional well-being (Fotiadis, Abdulrahman, & Spyridou, 2019; Walker & Kono, 2018). Because there are conflicting theories about the relationship between the conditions on

unemployment benefits and emotional well-being, this study will test two conflicting hypotheses.

Hypothesis 1a: In countries with more conditions regarding unemployment benefits people who struggle to make ends meet have a worse emotional well-being compared to people who struggle to make ends meet in countries with less conditions regarding unemployment benefits.

Hypothesis 1b: In countries with more conditions regarding unemployment benefits people who struggle to make ends meet have a better emotional well-being compared to people who struggle to make ends meet in countries with less conditions regarding unemployment benefits.

The second relation of interest is the one between conditions of unemployment benefits and stigma on receiving support from the government, the first part of the possible mediation of stigma on receiving support from the government between conditions on unemployment benefits and the emotional well-being of people who struggle to make ends meet. Conditions on unemployment benefits stand for a macro-level construct on the strictness of the conditions on unemployment benefits. There can be several mechanisms that explain the relationship between conditions and stigma. Firstly, it can be argued that when everyone gets a benefit (i.e. unconditional) a less negative attitude in society exists. If everyone is treated equally, in theory, nobody would complain about somebody else is getting more than themselves. For example, in the Netherlands everybody gets AOW (old age benefit) when turning 65 (approximately) (Verbon, 2009). Secondly, a possible underlying mechanism why there would be more stigma if more conditions are attached to a certain benefit can be derived from the self-interest theory. This theory states that if there is little chance that people can make use of a benefit themselves, they have more negative perceptions of the benefit (Larsen, 2008). Therefore, if there are many conditions attached to a benefit, the perceived chance that

someone can make use of this benefit is reduced, which results in a more negative image of this benefit and a more negative image of the people receiving this benefit (Besley & Coate, 1992). Another underlying mechanism that can be assumed is based on the distinction of whether people deserve benefits or not. For example, people who are voluntarily unemployed are seen as less deserving for benefits than people who are involuntarily unemployed (Reeskens & van der Meer, 2019). People who are seen as undeserving recipients of benefits receive more stigma than recipients who are seen as deserving (Besley & Coate, 1992). Studies show that in countries where there are more conditions attached to benefits, recipients are seen as less deserving because these conditions create a bigger divide between the group that does receive benefits and the group that does not (van Oorschot, Roosma, Meuleman & Reeskens, 2017). The divide arises because people who do not receive benefits are less able to identify with the people who do receive benefits and people you do not identify with are seen as less deserving (Reeskens & van der Meer, 2019). Because of this it can be expected that there is more stigma in countries with more conditions attached to benefits. On the other hand, in contradiction to the aforementioned mechanisms it can be stated that if there is a benefit that has many conditions attached to it, that people think, if someone meets all those conditions he/she is really in need of that benefit otherwise the benefit would not be given. This position is supported by a mechanism that states that if there are more conditions attached to a benefit, people are less able to abuse this benefit, which would then lead to people who receive this benefit being regarded as more deserving and so be less stigmatized (Besley & Coate, 1992). Those opposing points of view will result in two conflicting hypotheses, which will be elaborated on after the next paragraph, which is about the second relation in the mediation of stigma on receiving support from the government.

As the second part of the possible mediation of stigma on receiving support from the government between conditions on unemployment benefits and the emotional well-being of

people who struggle to make ends meet, this study examines the effect of stigma on receiving support from the government on emotional well-being. The literature suggests multiple theoretical mechanisms on how stigma can be bad for one's emotional well-being. The underlying mechanism that explains why stigma can have a negative effect on emotional well-being is a direct effect on one's emotions. Namely, when people experience stigma in daily life, negative emotions arise about themselves, which logically is not good for someone's emotional well-being (Krause, 1996; Mickelson & Williams, 2008; Pak, 2020). Stigma can also contribute in another way to worse emotional well-being. Because there is a stigma about claiming benefits (Baumberg, 2016), there is a proportion of people who are eligible for benefits that do not claim this benefit because they are embarrassed (Baumberg, 2016; Blomberg & Petersson, 2017). These people often need the benefit to make ends meet, so without this extra money they will become even poorer or remain poor. As mentioned earlier, being poor is bad for your emotional well-being because it involves a lot of stress. Because there are still conflicting points of view about whether conditions on unemployment benefits do affect stigma on receiving support from the government positively or negatively there are two conflicting hypotheses.

Hypothesis 2a: Stigma on receiving support from the government does mediate the relation between unemployment benefits and emotional well-being of people who struggle to make ends meet in a way that has a positive effect on the emotional well-being of people struggling to make ends meet.

Hypothesis 2b: Stigma on receiving support from the government does mediate the relation between unemployment benefits and emotional well-being of people who struggle to make ends meet in a way that has a negative effect on the emotional well-being of people struggling to make ends meet.

Possible confounding factors

To prevent other factors from affecting the results, this study will control for a number of factors that are known to affect emotional well-being. Those factors can be split into individual level demographic factors, individual health factors and context factors. First the demographic factors, to start with, education is known to be a protector against mental health problems, such as a bad emotional well-being (Chevalier & Feinstein, 2006; Cui, Wang, Lu, Wang, & Zhang, 2019). A reason that education protects against mental health issues is that highly educated people have learned coping mechanisms against stress and highly educated people have more human capital to deal with adversity (Cui et al., 2019). Next are age and gender, both factors are known to affect emotional well-being (Bluth, Campo, Futch, & Gaylord, 2017;Keyes, 2002b) and are included to see if there are gender differences and differences between older and younger respondents. A reason for gender differences in emotional well-being might be that, according to Bluth et al. (2017), males have a greater protective effect from self-compassion and therefore a better emotional well-being compared to females. Keyes (2002b) finds that aging people receive and give less emotional support, which can result in a worse emotional well-being. At last, the factor employment status will be controlled for, the selection of respondents is based on whether they have difficulties to make ends meet but this does not mean they are all unemployed. The unemployed are the ones actually dealing with the conditions regarding unemployment benefits, so one can imagine that those conditions might only affect them and not the entire population of people struggling to make ends meet. Including employment status will also clarify if conditions on unemployment benefits have another effect on the emotional well-being of people who struggle to make ends meet next to reducing unemployment or the time one is unemployed and how that affects emotional well-being.

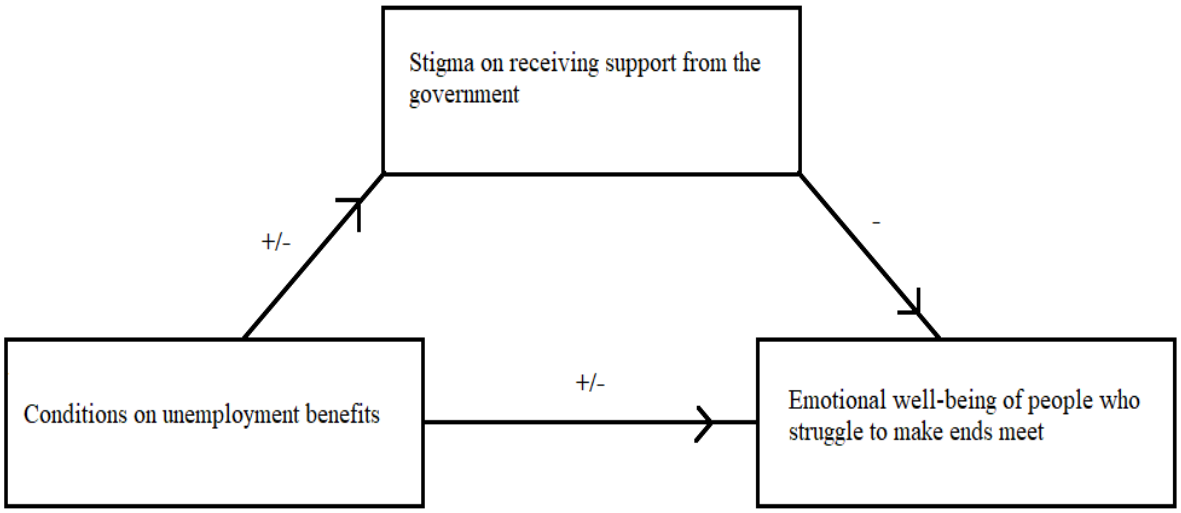
Second, the individual health factors are subjective general health and loneliness. These factors are different from the other individual factors because, general subjective health and loneliness are known to play an important part in one's emotional well-being especially regarding daily emotions (Kahneman & Deaton, 2010; Singer, 2018). The reason these factors, that are narrowly related to emotional well-being, are included is because in this study emotional well-being is being measured by looking at the emotions of respondents in the past week. This is a very specific measurement when trying to find an effect based on country level factors such as conditions on unemployment benefits and stigma on receiving support from the government. So, in order to control for this specificness of the emotional well-being variable, subjective general health and loneliness are included in the analysis of this study. In this way this study aims to control for example, whether people had a bad week because they were sick or just had a fun week with a lot of friends around and find a more structural difference in emotional well-being.

Third, the context factor that is controlled for is inequality. Inequality is known to have a detrimental effect on the emotional well-being of a population. The mental health of the poorer population in a less equal country is worse than in a more equal country regardless of the wealth of the nation (Delhey, Schneickert, & Steckermeier, 2017; Wilkinson & Pickett, 2010). The reason Wilkinson and Pickett (2010) give is that in unequal countries there is a fiercer competition for status and this competition causes social anxiety. Social anxiety results in a worse mental health, and thus a worse emotional well-being. Furthermore, in countries with more inequality more people are unemployed (Galbraith, Conceicao & Ferreira, 1999) and being unemployed is detrimental for one's emotional well-being (Krueger & Mueller, 2012; Von Scheve, Esche, & Schupp, 2017). In addition to possibly affecting emotional well-being, inequality also gives an indication of a country and the way a country is governed, it gives context to the situation the respondents are in. For example, in countries with more

inequality the generosity of benefits tends to be lower and in more equal countries there often is a better social security system (Niehues, 2010; Scruggs & Hayes, 2017).

Based on the mechanisms described in the theoretical framework the following conceptual model can be drawn:

Figure 1 Conceptual model of the hypothesized relations between the three main factors



Method

Data

The data used in this study are collected from two sources the European Social Survey (ESS) and the Organization of Economic Co-operation and Development (OECD). Both those institutions are well-known and trusted for their data collection. From the ESS the ‘personal and social well-being’ module from 2012 and the ‘welfare attitudes’ module from 2008 are used as well as the core module. The ‘welfare attitudes’ module will be used to construct a contextual measure for stigma in countries across Europe and the ‘personal and social well-being’ module will be used to construct an individual level scale of emotional well-being. The data from the OECD is a the dataset ‘Eligibility Unemployment Benefits OECD countries’ from 2011. The data consist of indications of strictness on eligibility criteria for unemployment benefits across OECD countries (Immervoll & Knotz, 2018; Venn, 2012). This dataset is used as a measurement for conditions on unemployment benefits on a country level. When comparing the datasets 21 countries were present in all three of them, the data from those countries will be used in this study. The included countries are: Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland and the United Kingdom.

Study population

The selection of the population was based on the ESS data. The ESS conducts structured interviews with people in different countries. In this study a selection of those respondents is made based on the answer on the question: "Which of the descriptions on this card comes closest to how you feel about your household's income nowadays?” When a respondent answers this question with “difficult on present income” or “very difficult on present income”

the respondent gets included in the current study, this selection was made to select the people who struggle to make ends meet. In addition, respondents were selected if they were between 20 and 65 years old. Respondents that answered to a question about employment status that they were retired were not selected. Those selections were made because it is a better representation of people who potentially have to deal with unemployment benefits. After selection 7718 respondents were included in the analysis.

Analysis

To test the hypotheses, this study applied a random intercept multilevel regression analysis. This analysis was chosen because it can include both individual level variables and country level variables. The results will show whether stigma on receiving support from the government and conditions on unemployment benefits have an effect of the emotional well-being of people who struggle to make ends meet. To test if there was a mediation effect of stigma receiving support from the government on the relation between conditions on unemployment benefits on the emotional well-being of people who struggle to make ends meet, the same analysis was used. The multilevel regression analysis shows whether a part of the effect of conditions on unemployment benefits on emotional well-being was explained by stigma on receiving support from the government. The analysis consisted of a total of 11 models, which included different variables to investigate the effect those variables had when they were added to the model. Comparing models can show for example that, the effect of age on emotional well-being can be explained by other variables because the effect of age disappeared when those variables were added to the model. The first model was the null model, were only emotional well-being was included. In the last model all variables that are described in the measures section below were added.

Measures

Emotional well-being, will be measured using individual level subjective data from the ESS 'personal and social well-being' module from 2012. Emotional well-being is measured in this study by six questions. These questions are about the emotional feelings of people over the past week. The questions are answered on a scale of 1 to 4 where 1 is never or almost never and 4 is always or almost always. The questions are as follows: "please tell me how much of the time during the past week you felt, sad; depressed; enjoyed life; were happy; felt anxious; calm and peaceful. An average will be calculated based on these answers. The ESS labels those questions as a valid measurement of emotional well-being over the past week (Huppert et al., 2009). To test if this is a reliable scale for emotional well-being a reliability test was conducted. The Cronbach's alpha of the scale 0.830 (N=7718), which is considered as good. However, the scale might be considered reliable for emotional well-being over the past week, this does not mean that it is a good representation of someone's emotional well-being over a longer time because it is about feelings over the past week. Two reasons to argue that it is a good representation on emotional well-being over time are that, firstly the variables subjective general health and loneliness are included in the analysis to control for feelings that might cause a temporary decreases in emotional well-being because, for example, one was sick the past week or was busy and therefore could not be with friends or family. Secondly, emotional well-being is most stable from age 30 to around age 70 (Brose, Scheibe, & Schmiedek, 2013; Carstensen et al., 2011) and of the respondents included 82.0% is between the age of 30 and 65. The scores will be recoded so a higher average score on this scale will represent a better emotional well-being.

Conditions on unemployment benefits. The conditions on unemployment benefits were measured by the OECD (Immervoll & Knotz, 2018; Langenbucher, 2015; Venn, 2012). The data consisted of 11 items about conditions on unemployment benefits in given country,

which were graded based on how strict those conditions were in said country. The grading of strictness is done by delegates of the OECD Employment, Labour and Social Affairs Committee (ELSAC). The 11 items were divided in four categories: availability requirements and suitable work criteria; work ability requirements; job-search requirements and monitoring; and sanctions. The first category means that people on benefits must take on a specific job if it is suitable. This category also determines whether a job is suitable. For example, in the Netherlands the following rule applies regarding the job-level when one is unemployed and looking for a new job: “During the first six months of unemployment one can search for jobs on the former level and with the former income. After six months all kinds of jobs are considered adequate.” Those rules differ across countries and got graded by the ELSAC on a scale from 1 to 5 were 5 was the strictest a condition could score, the above mentioned was graded 2. The second category is about whether people are obliged to look for a job and whether/how this is monitored. For example, in the Netherlands "Claimants are required to provide evidence of job search activities upon request of the UWV." This gets a score of 2. In Sweden and Switzerland, "Jobseekers are required to provide evidence or their job search activities approximately once a month." This gets a score of 4. The last category is about the sanctions that people get if they for example reject a job or are voluntarily unemployed. In the Netherlands, for example, "If the employee is culpable unemployed and if the employment relationship was finished without any objection from the employer, then the employee is not entitled to unemployment benefits." This gets a score of 5. Each country in this study will get a score that is the sum of the scores of the 11 items, a higher score indicates stricter conditions on unemployment benefits in a country.

Stigma on receiving support from the government, because stigma arises from a social opinion on benefits, benefit recipients and/or people who struggle to make ends meet, this study will operationalize the stigma on receiving support from the government by measuring the average

opinion of respondents on two questions that represent stigma (Reutter et al., 2009; Williams, 2009). It concerns the questions "social benefits/services make people lazy" and "most unemployed people do not really try to find a job" from the ESS 'welfare attitudes' module from 2008. These questions have been used because when it comes to the stigma on receiving support from the government, these are the opinions that people who receive benefits or have little money often have to deal with. In this study, the average of these two questions in a country will represent stigma on receiving support from the government. The average score of the questions will be used as country level variable in the study. Those country level scores of stigma are based on the answers of 38502 respondents from the ESS 'welfare attitudes' module. Both questions are answered on a scale of 1 to 5 where 1 is agree strong and 5 is disagree strongly. The higher the average of these scores, the lower the level of stigma in that country. After recoding, a higher score will indicate more stigma on receiving support from the government in a country.

Age and gender, age was derived by the interviewers of the ESS and is the age when the interview was conducted in 2012. The age ranged from 15 to 102, however after selection for this study the range was from 20 to 65. The average age of the respondents was 42,4 years old. Gender was coded as female = 0 and male = 1; 56.7 percent of the respondents was female. The country with the most percentage of males was Germany with 51,4% and the country with the fewest was the Netherlands with 37.2% males (N=7718).

Employment status, to control for employment status three dummies are created. Those dummies are based on a question in the ESS 'personal and social well-being' module, which asked what your main activity is during the week. The answer categories consist of paid work, education, unemployed looking for a job, unemployed not looking for a job, permanently sick or disabled, retired, military or community service, housework and looking after children and other. The dummies that were created were employed, which included the answer paid work,

unemployed which included both unemployed looking and not looking for a job and non-paid activities which included the other options except for retired because of the selection that is made to exclude retirees. Non-paid activities are not the same as unemployment but are another reason to be without a job such as being a student or being permanently sick. Over all respondents 50,9% was employed, 23,3% was unemployed and 25,8% did non-paid activities.

Education level, For education a standardized scale is used that can be applied in every country consisting of 7 levels were 1= ES-ISCED I, less than lower secondary 2= ES-ISCED II, lower secondary, 3= ES-ISCED IIIb, lower tier upper secondary, 4= ES-ISCED IIIa, upper tier upper secondary, 5= ES-ISCED IV, advanced vocational, sub-degree, 6= ES-ISCED V1, lower tertiary education, BA level, 7= ES-ISCED V2, higher tertiary education, >= MA level.

Subjective general health, to control for health this study uses subjective general heath. Respondents are asked how healthy they feel themselves on a 5 point scale where 1= very good, 2= good, 3= fair, 4= bad and 5= very bad. The scores will be recoded so a higher score indicates a better subjective general health.

Loneliness, to control for loneliness this study uses a 4 point scale to the question “how often did you felt lonely past week” where 1= none or almost none of the time, 2= some of the time, 3= most of the time and 4= all or almost all of the time.

Inequality, in this study the GINI Index is used for an estimation of the inequality in a country. The index can vary from 0 perfect equal distribution of income to 100 perfect inequal distribution of income. Where 0 means that everybody makes exactly the same and 100 means one person makes all the money. In this study Slovakia has the most equal distribution of income with a GINI score of 23,7 and Bulgaria the most unequal with a GINI score of 40,2. The GINI scores are retrieved from the world fact book by the Central intelligence Agency of

the United States and the scores date from the year 2010 to 2017, with the exception of Germany which was measured in 2006 (CIA, several years).

Results

The results section will contain three subsections, those sections will focus on different results that were found. The first section will focus on the descriptive statistics, the second section on the results of the multilevel regression analysis and the third section on the model fit of the multilevel models.

Descriptive statistics

To start with, Table 1, on the next page, summarizes the average scores of the variables included in this study of the respondents in the different countries (N=7718). Over all countries the respondents were on average 42.1 years old (SD 12.0), 43.3% were male and scored an average of 2.9 (SD 0.6) on the emotional well-being scale, these scores vary by country as shown in Table 1. The included countries had a mean score on stigma on receiving support from the government of 2.9 (SD 0.2) and on conditions on unemployment benefits a mean score of 35.1 (SD 6.5). In the Appendix, Table 5 and Table 6 show how education level and employment status are distributed in the included countries.

Table 1 Mean scores on the included variables divided by country

Country	Conditions	Stigma	Emotional well-being	Males%	Age	Education level	Unemployed	Subjective general health	Loneliness	Inequality	N	N%
Belgium	33	2,804	2,904	50,2%	41,6	3,45	21,5%	3,75	1,65	25,9	289	3,7%
Bulgaria	36	3,092	2,829	40,6%	45,6	4,02	19,7%	3,75	1,60	40,2	997	12,9%
Cyprus	22	3,000	2,868	39,6%	41,1	3,86	20,6%	4,18	1,52	34,8	389	5,0%
Czechia	35	2,778	2,923	45,1%	42,7	3,78	17,0%	3,87	1,84	25,0	430	5,6%
Denmark	36,5	3,357	3,010	47,3%	36,6	4,05	30,9%	3,78	1,45	29,0	55	0,7%
Estonia	46	3,257	2,898	41,5%	43,8	4,37	16,3%	3,34	1,59	34,8	480	6,2%
Finland	31	3,021	3,089	38,9%	40,9	4,46	24,9%	3,78	1,40	27,2	193	2,5%
France	32,5	2,805	2,820	42,0%	43,4	3,36	21,2%	3,55	2,01	29,3	255	3,3%
Germany	32	2,987	2,932	51,4%	42,7	3,46	21,2%	3,23	1,60	27,0	292	3,8%
Hungary	25	2,684	2,746	45,3%	40,9	3,46	19,0%	3,59	1,73	28,2	742	9,6%
Ireland	32,5	2,847	3,119	45,7%	40,5	3,68	32,9%	4,13	1,48	31,3	683	8,8%
Netherlands	33,5	2,999	2,839	37,2%	44,6	2,89	16,0%	3,37	1,64	30,3	188	2,4%
Norway	35,5	3,107	3,115	47,4%	37,7	3,74	14,4%	3,59	1,51	26,8	97	1,3%
Poland	39	2,574	2,973	48,9%	42,5	3,30	21,1%	3,59	1,51	30,8	323	4,2%
Portugal	46	2,852	2,866	37,6%	43,5	2,23	35,1%	3,62	1,46	33,9	633	8,2%
Slovakia	39	2,553	2,929	39,8%	42,5	3,73	21,9%	3,75	1,72	23,7	475	6,2%
Slovenia	46	2,626	3,143	50,0%	41,4	3,48	31,2%	3,61	1,43	24,4	122	1,6%
Spain	32	3,060	2,873	48,3%	43,1	2,56	37,8%	3,59	1,63	35,9	439	5,7%
Sweden	34	3,279	3,189	43,8%	37,7	3,93	24,7%	4,07	1,44	24,9	178	2,3%
Switzerland	37,5	3,167	2,861	43,3%	42,5	3,39	8,30%	3,69	1,63	29,5	120	1,6%
United Kingdom	33	2,576	2,845	38,8%	41,19	3,1	19,5%	3,64	1,62	32,4	338	4,4%
Total	35,1	2,925	2,908	43,3%	42,43	3,51	23,3%	3,71	1,61	29,8	7718	100,0%

Note. Table 5 and Table 6 in the appendix show the distributions of employment status and education level by country. N=7718.

Table 2 shows the correlations between the three main variables of this study. Conditions on unemployment benefits do have a significant positive correlation with the emotional well-being of people who struggle to make ends meet. This indicates that in countries with more conditions on unemployment benefits people who struggle to make ends meet score higher on emotional well-being. Conditions on unemployment benefits and stigma on receiving support from the government are significantly negatively correlated to each other. This indicates that in countries with more conditions on unemployment benefits there is less stigma on receiving support from the government. There is no significant correlation between stigma on receiving support from the government and the emotional well-being of people who struggle to make ends meet. This makes a mediation of stigma on receiving support from the government unlikely.

Table 2 Pearson correlation matrix

Variables	Emotional well-being	Conditions	Stigma
Emotional well-being	1		
Conditions	0,033*	1	
Stigma	-0,016	-0,136**	1

N=7718. *p<0.01 **p<0.001.

Multilevel analysis

Table 3a, at the end of the results section, shows the results of the multilevel model from model 1 to model 6. Model 1 shows the empty/null model, the intercept is 2.937 on the emotional well-being scale. The estimates of covariance parameters show that the individual level variance has a significant estimate of 0.369 and the country level variance a significant estimate of 0.013. Meaning that there is significant variation on the individual level and significant variation on the country level yet to be explained by the model. However, of the

total unexplained variance only 3.44% is explained by country differences. This is the Intra Class-correlation Coefficient (ICC) and is calculated by dividing the country level variance by the sum of the individual and country level variance. In this case the ICC is 0.0344, which means that 3.44% of the variation is explained by country level variables. Because 3.44% is only a small part of the total unexplained variance the chances of finding a significant country level effect are relatively small.

In model 2 the demographic variables get added to the model. The estimate of the intercept increases when these variables get added meaning that when all the included variables are 0 the mean score on emotional well-being is 3.148. Gender, age, education level, being unemployed and participating in non-paid activities, all have a significant effect on the emotional well-being of people who struggle to make ends meet. This means that when a variable increases with one point the estimated emotional well-being gets better or worse by the estimate of that variable. A negative estimate indicates a decrease in emotional well-being and a positive estimate an increase so, looking at age every year someone gets older their estimated emotional well-being decreases with 0.008. Looking at unemployment, it has an estimate of -0.146, when a respondent scores one point higher on unemployment the emotional well-being of that respondent is estimated to decrease with 0.146. In the Table of the estimated covariance parameters can be seen that both country and the individual level variances that remain unexplained by the model decrease.

In model 3 the individual health variables are added to the null model, to see what their effect is emotional well-being when the other individual variables are not taken into account. Subjective general health has a significant positive estimate and loneliness a significant negative estimate. Meaning that, a better subjective general health results in a better emotional well-being and being more lonely results in a worse emotional well-being. In the Table of the estimated covariance parameters can be seen that especially the unexplained variance on the

individual level decreases but also the unexplained variance of the country level decreases. This indicates that loneliness and subjective general health explain part of the unexplained variance on individual level that the null model did not explain.

Model 4 is the model were all individual variables are added and this is the model were the different contextual variables will be added to. In model 4 subjective general health and loneliness are added to model 2, which contained age, gender, education level, unemployment and non-paid activities. Model 4 shows that the estimates of all variables change, especially the demographic variables, age and non-paid activities are not significant anymore and the estimate of non-paid activities changes from negative to positive. This indicates that the effect of age and non-paid activities can be explained by subjective general health and loneliness meaning that the effects age and non-paid activities had in model 2 are at least partly caused by loneliness and subjective general health. The other demographic variables also have a smaller estimated effect in model 4 compared to model 2.

Model 5, model 6 and model 7 add the contextual variables conditions on unemployment benefits (model 5), stigma on receiving support from the government (model 6) and both (model 7) to model 4. However, as can be seen in Table 3a and 3b, these variables do not have a significant effect on emotional well-being and do not change the estimates of the other variables. However, it seems that conditions on unemployment benefits do explain part of the unexplained country level variance of model 4. Stigma on receiving support from the government on the other hand seems to increase the unexplained country level variance compared to model 4 and when both are included there seems to be no difference. This is in line with the fact that there was no correlation found between receiving support from the government and the emotional well-being of people who struggle to make ends meet.

In model 8 the context variable inequality gets added to model 4. As can be seen in Table 3b inequality has a significant negative effect, meaning that more inequality at the country level

results in a worse emotional well-being of people struggling to make ends meet. In the Table of the estimated covariance parameters can be seen that compared to model 4 the unexplained variance on country level decreases as well. Even compared to model 5, model 6 and model 7, which include contextual variables, the unexplained country level variance decreases.

The variables that were included in model 5, model 6 and model 7 will be controlled for inequality in model 9, model 10 and model 11. In model 9 inequality gets added to model 5. In model 9 conditions on unemployment benefits do have a significant positive effect. Meaning that it is estimated that in countries with more conditions on unemployment benefits there is an better emotional well-being under people who struggle to make ends meet. This seems to be evidence for hypothesis 1b. So, when taking inequality into account conditions on unemployment benefits do have an effect, which was not the case in model 5. The unexplained country level variance also decreases when conditions on unemployment benefits get included.

In model 10 inequality gets added to model 6. The inclusion of stigma does not change much, however compared to model 6, which is the same model but without inequality, the estimated effect of stigma gets more than 8 times as big when inequality is added but it is still not significant. The only estimate that changes when stigma is added is that of inequality which remains significant and negative.

The last model, model 11 includes all variables. This model adds inequality to model 7 and there are no changes compared to model 9 and 10. In the complete model the intercept is 2.668 and there are significant positive effects of gender, education level, subjective general health and conditions on unemployment benefits on the emotional well-being of people who struggle to make ends meet. There are significant negative effects of unemployment, loneliness and inequality on the emotional well-being of people who struggle to make ends

meet. Stigma on receiving support of the government has a negative estimate however it is not significant.

Model fit

To decide which model fits the data best, a comparison is made between the models. The -2 Log Likelihood statistic of every model will be compared, a lower the -2 Log Likelihood statistic indicates a better fit of the model. In order to test whether a difference between two models is significant a chi^2 difference test is used. Table 4 shows the comparisons between the models and whether there is a significant difference. Every model will be compared to the null model (model 1) and the previous significant model. In Table 4 can be seen that every model is significantly better than the null model. Compared to the previous significant model it can be seen that, adding the demographic variables gives a significant improvement compared to the null model. When the demographic variables are replaced by the individual health variables, it is also a significant improvement. When all individual variables are included it is again a significant improvement. Adding conditions on unemployment benefits and/or stigma on receiving support from the government does not significantly increase the model fit. When inequality is added to the model there is a significant better fit compared to model 4. Then when conditions on unemployment benefits are added there is a significant better fit compared to model 8, however this is not the case when stigma on receiving support from the government is added. Both compared to model 8 and model 9 stigma on receiving support from the government does not significantly increase the fit of the model. The last model, model 11 includes all variables but there is not a significant increase compared to model 9. Model 11 is the complete model and has the lowest -2 Log Likelihood however, it is not significantly better than model 9. So, because model 11 is not significantly better than model 9 the most parsimonious model will be chosen, which is model 9 that includes all de

individual level variables, conditions on unemployment benefits and inequality but not stigma on receiving support from the government.

Table 4 Overview of model fit comparisons

	-2 Log Likelihood	Degrees of freedom	Difference with Model 1	Probability Chi^2 test vs Model 1	Difference with previous significant Model	Probability Chi^2 test vs previous significant model
Model 1	14259,0	3				
Model 2	13844,5	8	-414,471	<0,001	-414,471	<0,001
Model 3	10906,8	5	-3352,201	<0,001	-2937,730	<0,001
Model 4	10819,3	10	-3439,709	<0,001	-87,508	<0,001
Model 5	10815,8	11	-3443,178	<0,001	-3,469	>0,050
Model 6	10819,3	11	-3439,723	<0,001	-0,012	>0,050
Model 7	10815,8	12	-3443,193	<0,001	-3,482	>0,050
Model 8	10810,3	11	-3448,673	<0,001	-8,964	<0,005
Model 9	10805,0	12	-3454,022	<0,001	-5,349	<0,025
Model 10	10808,8	12	-3450,148	<0,001	3,874	>0,050
Model 11	10803,0	13	-3455,99	<0,001	-1,968[a]; 7,317[b]	>0,050[a]; <0,010[b]

Note. To obtain the -2 Log Likelihood statistic the multilevel analyses is done with Maximum Likelihood instead of Restricted Maximum Likelihood. [a] Compared to model 9. [b] Compared to model 8.

Table 3a Multilevel model, model 1 to model 6, continues on the next page

Estimate of fixed Effects	Model 1 Estimate	SE	Model 2 Estimate	SE	Model 3 Estimate	SE	Model 4 Estimate	SE	Model 5 Estimate	SE	Model 6 Estimate	SE
Intercept	2,937***	0,026	3,148***	0,041	2,763***	0,035	2,723***	0,050	2,518***	0,122	2,694***	0,261
Gender (man=1)	-	-	0,091***	0,014	-	-	0,058***	0,011	0,058***	0,011	0,058***	0,011
Age	-	-	-0,008***	0,001	-	-	0,000	0,001	0,000	0,001	0,000	0,001
Education level	-	-	0,037***	0,004	-	-	0,018***	0,004	0,018***	0,004	0,018***	0,004
Unemployed	-	-	-0,146***	0,017	-	-	-0,081***	0,014	-0,081***	0,014	-0,082***	0,014
Non-paid activities	-	-	-0,100***	0,017	-	-	0,018	0,014	0,018	0,014	0,018	0,014
Subjective health	-	-	-	-	0,192***	0,006	0,186***	0,007	0,186***	0,007	0,186***	0,007
Loneliness	-	-	-	-	-0,335***	0,007	-0,331***	0,007	-0,331***	0,007	-0,331***	0,007
Conditions	-	-	-	-	-	-	-	-	0,006	0,003	-	-
Stigma	-	-	-	-	-	-	-	-	-	-	-0,010	0,088
Inequality	-	-	-	-	-	-	-	-	-	-	-	-
Estimates of covariance parameters	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Individual level variance	0,369***	0,006	0,350***	0,006	0,239***	0,004	0,237***	0,004	0,237***	0,004	0,237***	0,004
Country level variance	0,013**	0,005	0,011**	0,004	0,008**	0,003	0,007**	0,003	0,006**	0,002	0,008**	0,003

*p<.05 **p<.01 ***p<.001. N=7718.

Table 3b Multilevel model, model 7 to model 11

	Model 7		Model 8		Model 9		Model 10		Model 11	
Estimate of fixed Effects	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Intercept	2,489***	0,273	3,082***	0,124	2,876***	0,144	2,875***	0,219	2,668***	0,215
Gender (man=1)	0,058***	0,011	0,058***	0,011	0,058***	0,011	0,058***	0,011	0,058***	0,011
Age	0,000	0,001	0,000	0,001	0,000	0,001	0,000	0,001	0,000	0,001
Education level	0,018***	0,004	0,018***	0,004	0,018***	0,004	0,017***	0,004	0,018***	0,004
Unemployed	-0,082***	0,014	-0,081***	0,014	-0,081***	0,014	-0,081***	0,014	-0,081***	0,014
Non-paid activities	0,018	0,014	0,018	0,014	0,018	0,014	0,017	0,014	0,018	0,014
Subjective health	0,186***	0,007	0,186***	0,007	0,186***	0,007	0,186***	0,007	0,187***	0,007
Loneliness	-0,331***	0,007	-0,331***	0,007	-0,331***	0,007	-0,331***	0,007	-0,331***	0,007
Conditions	0,006	0,003	-	-	0,006*	0,002	-	-	0,006*	0,002
Stigma	-0,010	0,084	-	-	-	-	-0,085	0,075	-0,086	0,067
Inequality	-	-	-0,012**	0,004	-0,012**	0,003	-0,013**	0,004	-0,013**	0,004
Estimates of covariance parameters	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Individual level variance	0,237***	0,004	0,237***	0,004	0,237***	0,004	0,237***	0,004	0,237***	0,004
Country level variance	0,007**	0,003	0,005**	0,002	0,004**	0,002	0,005**	0,002	0,004**	0,002

*p<.05 **p<.01 ***p<.001. N=7718.

Discussion and conclusions

In this section the results and the implications of the results will be discussed, the limitations of this study will be pointed out and conclusions will be drawn regarding the research questions. First, the most important results regarding the research questions will be discussed. Secondly, other results that are found will be elaborated on. Thirdly, the limitations of this study are pointed out and at last there is a section with conclusions regarding the research questions and what the implications of this study are regarding an universal basic income.

Primary findings

Research question 1
Do people who struggle to make ends meet have a better emotional well-being in countries where there are less conditions attached to unemployment benefits?

The expectation of the first research question was that, the results would show either a positive or negative effect of conditions on unemployment benefits on the emotional well-being of people who struggle to make ends meet. The reason that a positive effect was expected was that more and stricter conditions on unemployment benefits should have an activating effect on people, which should reduce the time people were unemployed (Ahmad et al., 2019; Kluve, 2010), this in turn had positive effects for one's emotional well-being. The reason a negative effect was expected was because conditions on unemployment benefits could force people into jobs they do not want (Caliendo, Tatsiramos, & Uhlendorff, 2013; Petrongolo, 2009), which in turn results in a worse emotional well-being (Fotiadis, Abdulrahman, & Spyridou, 2019; Walker & Kono, 2018). It was found that being unemployed has a negative effect on one's emotional well-being, as was expected. However, even controlled for individual unemployment status, conditions on unemployment benefits still have a significant positive effect on emotional well-being. Conditions on unemployment benefits however, only have a significant effect when inequality is accounted for, this will be

further elaborated on at the end of the primary findings section. Regarding the hypotheses, evidence is found for hypothesis 1b that expected that in countries with more conditions regarding unemployment benefits people who struggle to make ends meet have a better emotional well-being compared to people who struggle to make ends meet in countries with less conditions on unemployment benefits and is therefore accepted, while the contradicting hypothesis 1a is rejected.

Although, this study does control for individual unemployment status, conditions on unemployment benefits still have a significant positive effect. This indicates that there are ways conditions on unemployment benefits affect the emotional well-being of people who struggle to make ends meet, other than through unemployment. A possible explanation for this effect might be that conditions on unemployment benefits in a country, make people feel like they matter, are heard or make them feel like the government is investing in activating them. This might have positive effects on the emotional well-being of people who struggle to make ends meet. This idea needs future research to determine whether this is true or what possible other effects might exist. For example, is it the case that the feeling of being helped or heard by the government when they invest in activating conditions on policy, has positive effects on people's mental state?

Research question 2
Does and if so in what way does stigma on receiving support from the government mediate the effect of conditions on unemployment benefits on emotional well-being of people who struggle to make ends meet?

No correlation between stigma on receiving support from the government and the emotional well-being of people who struggle to make ends meet was found in this study. This indicated that a mediation of stigma on receiving support from the government was unlikely. In line with that, this study did not find a mediation effect of stigma on receiving support from the

government on the relation between conditions on unemployment benefits and the emotional well-being of people who struggle to make ends meet. A mediation was hypothesized because it was expected that conditions on unemployment benefits would have either a positive or a negative effect on stigma on receiving support from the government and that stigma on receiving support from the government in turn would have a negative effect on the emotional well-being of people who struggle to make ends meet. A positive effect of conditions on unemployment benefits on stigma on receiving support from the government was expected because conditions make it less likely people can make use of a benefit themselves and according to the self-interest theory this results in a more negative perception of the benefit (Larsen, 2008). In addition, research shows that in countries with more conditions attached to benefits the recipients are seen as less deserving because people were less able to identify with recipients (van Oorschot, Roosma, Meuleman & Reeskens, 2017). Recipients viewed as less deserving experience more stigma from receiving support from the government (Besley & Coate, 1992). In contradiction to this point of view it can be argued that conditions on unemployment benefits have a negative effect on stigma from receiving support from the government. Besley and Coate (1992) describe a mechanism that claims that benefits with more conditions attached to them are considered less prone to abuse, which in turn results in people viewing recipients as more deserving and thus less stigmatized. This is in line with the significant negative correlation that was found between conditions on unemployment benefits and stigma on receiving support from the government. Depending on which of those contradicting points of view is true the mediation is either, positive (increasing emotional well-being) or negative (decreasing emotional well-being). Those two opposite effects might neutralize the effect between conditions on unemployment benefits and stigma on receiving support for the government, which will be discussed later on.

Furthermore, it was expected that stigma on receiving support from the government would have a negative effect on the emotional well-being of people who struggle to make ends meet. This was expected because experiencing stigma results in negative emotions, which is logically bad for one's emotional well-being (Krause, 1996; Mickelson & Williams, 2008; Pak, 2020). Nevertheless, this study did not find a significant effect between stigma on receiving support from the government and emotional well-being, which is in line with the lack of a significant correlation between stigma and emotional well-being. When stigma was added to the analysis the estimated effect of conditions on unemployment benefits on emotional well-being did not change. This phenomenon indicates that stigma and conditions on unemployment benefits, do not affect each other in relation to the emotional well-being of people who struggle to make ends meet. However, a significant negative correlation between conditions on unemployment benefits and stigma on receiving support from the government was found, which indicates that they might affect each other only not in relation to the emotional well-being of people who struggle to make ends meet. To summarize, stigma on receiving support from the government does not mediate the relation between conditions on unemployment benefits and emotional well-being of people who struggle to make ends meet. So, because there is no evidence found in favor of either of the hypotheses, both hypotheses 2a and 2b are rejected.

A reason no evidence is found for either one of the hypotheses might be the opposite effects of conditions on unemployment benefits on stigma on receiving support from the government that were explained earlier in this section. For example, one can imagine that some respondents feel like conditions on unemployment benefits increases the deservingness of the recipients because the conditions make abuse less likely resulting in less stigmatization (Besley & Coate, 1992). However, in the same population respondents can feel that those conditions make them less likely to receive the benefit themselves, which can result in more

stigmatization (Larsen, 2008). Those two opposite effects might neutralize the effect between conditions on unemployment benefits and stigma on receiving support for the government. Another reason no mediation is found might be that the effect of stigma on receiving support from the government on emotional well-being is underestimated in this dataset. Stigma is operationalized as the mean of two questions from the ESS dataset. The questions were: "social benefits/services make people lazy" and "most unemployed people do not really try to find a job". It might be possible that people give a more socially desirable answer to those questions to seem more likable. Especially because the ESS conducts interviews, in interviews respondents give more socially desirable answers compared to questionnaires (Richman, Kiesler, Weisband & Drasgow, 1999). To further investigate what causes stigma, future research is needed that focuses on the relation between conditions on policy and stigma on receiving support from the government, preferably with better an operationalized variable of stigma. In addition, research that focuses on the relation between stigma on receiving support from the government and one's mental health could help to explain how stigma affects mental health. For example, is it the case that stigma only affects a person's mental state when stigma is experienced or is knowing that you are part of a stigmatized group enough to have an effect.

To summarize the results and findings on the hypotheses, hypothesis 1b, in countries with more conditions regarding unemployment benefits people who struggle to make ends meet have a better emotional well-being compared to people who struggle to make ends meet in countries with less conditions regarding unemployment benefits is accepted. Both hypothesis 2a and 2b are rejected because there was no mediation found. This gives a societal relevance to this research because it gives reason for policy makers to incorporate the possible positive effects that activating conditions have on emotional well-being in their policymaking process.

The effect of inequality

Next to the answers to the research questions this study found another result that is deemed important. This is the effect inequality has in the multilevel analysis on the other two contextual variables, conditions on unemployment benefits and stigma on receiving support from the government, and their effect on the emotional well-being of people who struggle to make ends meet. Two changes occurred when inequality was added in the analysis, the results showed that conditions on unemployment benefits changed from an insignificant effect to a significant effect on emotional well-being when inequality is accounted for. The other change is that the estimate of stigma on receiving support from the government became more than eight times as big when inequality is added, however still not significant.

First, what might be a reason that inequality causes a shift in significance of the effect of conditions on unemployment benefits on the emotional well-being of people who struggle to make ends meet? A reason might be that because there is a fiercer competition for status in less equal countries (Wilkinson & Pickett, 2010), the activating effects that conditions on unemployment benefits have might be more valued in countries with more inequality compared to more equal countries with a less fierce competition of status because people see it as more helpful. In addition, in more equal countries there is better social security and/or more generous benefits compared to less equal counties (Niehues, 2010; Scruggs & Hayes, 2017). Because of those differences it might be the case that, people in more equal countries do not value the activating effects of conditions on unemployment benefits as much because in more equal countries the downside of not having a job is not as big as in less equal countries. Further research is needed to better investigate the effect inequality has on the relation between conditions on unemployment benefits and the emotional well-being of people who struggle to make ends meet.

Second, although still not significant the estimated effect of stigma on receiving support from the government becomes more than eight times as big when inequality is added to the model. A reason the estimated effect of stigma on receiving support from the government on emotional well-being increases when inequality is added might be that, inequality moderates the relationship between stigma on receiving support from the government and emotional well-being. There might also be opposite effects of stigma on receiving support from the government on emotional well-being depending on the inequality in countries. For example it might be that, in less equal countries there is more unemployment and/or there are more people living on relatively little money compared to more equal countries (Galbraith, Conceicao & Ferreira, 1999). If there is a larger group that is eligible for benefits it might be that people who are not eligible are more inclined to think that, the group who is eligible is lazy or does not really tries to find a job, which might result in more stigma and/or a stronger effect in those countries. However, further research is needed to get a better understanding of the influence inequality has on the relation between stigma and emotional well-being.

Other findings

While executing the multilevel analyses some results were found which did not regard the research questions but are still interesting and will be elaborated on. The finding elaborated on is that including subjective general health and loneliness into the analysis diminishes the effect of age and non-paid activities on the emotional well-being of people who struggle to make ends meet.

The results showed that adding subjective general health and loneliness in the model causes age and non-paid activities to become insignificant. The reason for this shift of significance in age might be that older people more often have a bad health and are more often lonely and that, that is the reason that older people have a worse emotional well-being. This is in line with the findings of Keyes (2002b) that older people receive and give less emotional support

because they have fewer people around. A reason that non-paid activities are no longer significant when loneliness and subjective general health are added to the model might be because of the people who are included as participating in non-paid activities. The people who are included in the non-paid activities group are students, people who are permanently sick or disabled, people who participate in military or community service and people who do housework and look after children. The significant negative effect non-paid activities have, compared to being employed, on emotional well-being in model 2 might be, because the permanently sick or disabled people score low on emotional well-being because of their bad health and/or because they are lonely. It might be that people who stay at home to take care of the household and the children feel more lonely than employed people, if the children are in school and/or because they do not have company other than children.

Limitations

Like every study, this study has some limitations that give reason for caution when interpreting the results. The three limitations that will be discussed in this section are: the operationalization of the variables, a selection effect because of country differences and a low intra-class correlation coefficient. First, the operationalization of the variables emotional well-being of people who struggle to make ends meet and stigma on receiving support from the government is discussed. Emotional well-being is based on 6 questions from the ESS 'personal and social well-being' module from 2012 regarding emotions over the past week. So this is a very specific variable of feelings over the past week in 2012. Although this study argues in the method section that it can be used as a measure of emotional well-being over a longer period of time, it would be better for further research to use a more stable measurement of emotional well-being. On the other hand, stigma on receiving support from the government is based on only two questions of the ESS 'welfare attitudes' module from 2008 and is a country level variable. Stigma is a complex factor which might be better operationalized in

other ways, such as whether people experience stigma in a country or by measuring how a population thinks about certain groups. This study tries to find a relation between those two variables, were one is based on feelings over the past week in 2012 and the other of two opinions from 2008. Therefore, finding a relation between this very specific variable and very general variable was not likely.. It might be that a more extensive measurement of stigma and a more stable measurement of emotional well-being give more clarity about the relation between stigma and emotional well-being.

Secondly, because countries are different from each other and have, for example different welfare levels, there are counties with much more individual level cases of respondents in the study. For example, Bulgaria has 997 respondents who are selected and Hungary has 742, compared to wealthier countries such as Denmark and Switzerland, which have 55 and 120 respondents that are selected. So, it might be the case that in countries were only a small group of respondents is selected because the country and its population is wealthier, the effects found in this study are different or non-existent. Because of the small sample size in those countries this does not impact the results as much. On the other hand, if there are different effects between countries it might be the case that the effects found are underestimated because the more wealthy countries in Europe do reduce the effects found in this study. This might be another reason that conditions on unemployment benefits are only significant when inequality is accounted for. This country differences and their possible influence give reason for further research to focus on within country differences over time. As mentioned in the theoretical framework, since 2007 there are welfare system changes that result in more activating conditions on social policies (Borosch, Kuhlmann & Blum, 2016). So, there might be opportunities to investigate those changes of conditions on social policy and their effect on emotional well- being or mental health over time within European countries.

The last limitation that will be elaborated on is the fact that there is a low Intra-class Correlation Coefficient (ICC) in this study. As described in the results the ICC of the null model is only 0.0344. This means that only 3.44% of the unexplained variance in the emotional well-being of people who struggle to make ends meet can be explained by country level variables. Although this is a very small percentage, it is explainable and therefore the multilevel analyses is still carried out. In addition, it is logical that it is such a small percentage in this study. It is logical because the dependent variable is based on the feelings of respondents over the past week and logically the feelings over the past week are more affected by individual level variables than country level variables. This is in line with the results of the model fit, where the addition of the individual level variables gives the biggest improvement in model fit. Furthermore, the results show that although it is a small percentage it is still a significant part of the unexplained variance of the emotional well-being of people who struggle to make ends meet, this can be seen because the intercept in the estimate of covariance parameters Table is significant. Despite the limitations and the fact that only a small percentage of the variance could be explained by country level variables this study still managed to find a significant effect of conditions on unemployment benefits on the emotional well-being of people who struggle to make ends meet. This gives reason to further investigate the effects conditions on social policies have on a person's mental state. To conclude, there are limitations which have to be taken into account when interpreting the results and conclusions of this study but this study does bring about a number of new interesting questions which can contribute to the research base of this topic.

Conclusion

To summarize, this study finds that in countries with more conditions attached to unemployment benefits, people who struggle to make ends meet score higher on emotional well-being compared to countries with less conditions attached to unemployment benefits. A

reason that is suggested is that this effect is caused because people feel heard or helped by the activating nature of those conditions. However, further research is needed to better investigate the effect of conditions on emotional well-being. It is found that stigma on receiving support from the government does not mediate the relation between conditions on unemployment benefits and emotional well-being of people struggling to make ends meet. Another, important finding is that inequality plays an important role in the relation between conditions on unemployment benefits and emotional well-being and that further research is needed to better understand those relations. At last, this study originated from the idea that an universal basic income might positively affect one's mental health in other ways than reducing the stress of poverty by giving people money. The results in this study however suggest that conditions might have a positive effect on emotional well-being because of the activation by, or attention from the government. This is more an argument against universal basic income because UBI does not have any conditions that makes people feel that the government pays attention to them. However, UBI might affect the inequality in a country which could cause different results so that might be an argument in favor of UBI, although it was not the argument this study was exploring. For now, it seems that the positive effects of UBI on mental health are more based in its power the reduce inequality and prevent stress from poverty than in the unconditional and universal nature of UBI.

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Appendix

Table 5 Distribution of education level by country

Country	ES-ISCED I	ES-ISCED II	ES-ISCED IIIb	ES-ISCED IIIa	ES-ISCED IV	ES-ISCED V1	ES-ISCED V2,	N
Belgium	14,2%	24,6%	17,6%	8,7%	22,8%	5,2%	6,9%	289
Bulgaria	4,4%	17,9%	-*	58,1%	0,6%	7,2%	11,8%	997
Cyprus	15,2%	9,5%	-*	44,2%	14,9%	12,6%	3,6%	389
Czechia	-*	8,8%	36,7%	30,5%	18,8%	1,6%	3,5%	430
Denmark	1,8%	29,1%	12,7%	16,4%	10,9%	16,4%	12,7%	55
Estonia	0,2%	15,0%	4,6%	38,1%	22,7%	8,8%	10,6%	480
Finland	4,1%	7,3%	-*	47,7%	19,2%	11,9%	9,8%	193
France	17,6%	5,9%	36,5%	18,8%	11,4%	3,9%	5,9%	255
Germany	3,8%	18,2%	48,3%	3,1%	17,8%	2,7%	6,2%	292
Hungary	2,4%	19,9%	34,0%	28,8%	5,8%	5,7%	3,4%	742
Ireland	9,7%	25,3%	6,3%	20,1%	27,5%	6,9%	4,2%	683
Netherlands	15,4%	41,0%	17,6%	8,5%	5,3%	7,4%	4,8%	188
Norway	6,2%	19,6%	28,9%	14,4%	10,3%	11,3%	9,3%	97
Poland	0,6%	50,2%	13,6%	16,4%	4,3%	3,1%	11,8%	323
Portugal	47,6%	24,3%	-*	22,0%	0,8%	3,0%	2,4%	633
Slovakia	1,1%	10,7%	35,6%	39,6%	1,5%	2,7%	8,8%	475
Slovenia	3,3%	18,0%	27,0%	39,3%	3,3%	9,0%	-*	122
Spain	31,7%	39,0%	6,6%	4,8%	6,6%	5,5%	5,9%	439
Sweden	4,5%	12,4%	10,7%	42,1%	22,5%	4,5%	3,4%	178
Switzerland	4,2%	24,2%	38,3%	12,5%	9,2%	5,8%	5,8%	120
United Kingdom	22,8%	21,0%	16,9%	16,9%	11,8%	6,5%	4,1%	338
Totaal	11,3%	20,6%	15,9%	28,8%	10,9%	6,0%	6,4%	7718

* There were either no respondents in this category or this country does not have an education level comparable to this category of the ES-ISCED.

Table 6 The distribution of employment status by country

Country	Employed	Unemployed	Non-paid activities	N
Belgium	51,2%	21,5%	27,3%	289
Bulgaria	55,7%	19,7%	24,7%	997
Cyprus	54,8%	20,6%	24,7%	389
Czechia	64,0%	17,0%	19,1%	430
Denmark	34,6%	30,9%	34,6%	55
Estonia	60,0%	16,3%	23,8%	480
Finland	49,2%	24,9%	25,9%	193
France	57,7%	21,2%	21,2%	255
Germany	48,6%	21,2%	30,1%	292
Hungary	55,7%	19,0%	25,3%	742
Ireland	31,6%	32,9%	35,4%	683
Netherlands	37,8%	16,0%	46,3%	188
Norway	49,5%	14,4%	36,1%	97
Poland	60,4%	21,1%	18,6%	323
Portugal	45,8%	35,1%	19,1%	633
Slovakia	58,3%	21,9%	19,8%	475
Slovenia	41,0%	31,2%	27,9%	122
Spain	41,0%	37,8%	21,2%	439
Sweden	41,0%	24,7%	34,3%	178
Switzerland	56,7%	8,3%	35,0%	120
United Kingdom	49,1%	19,5%	31,4%	338
Totaal	50,9%	23,3%	25,8%	7718