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ARTICLE

### **The Effect of Cultural Values and Willingness to Pay Tax on Attitudes Towards Welfare State Reform in Cyprus During COVID-19**

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# The Effect of Cultural Values and Willingness to Pay Tax on Attitudes Towards Welfare State Reform in Cyprus During COVID-19

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## Abstract

The COVID-19 pandemic has created fertile ground for welfare state reform all over the world. Especially in south Europe, where the welfare state has a limited reach and depends a lot on the family for welfare provision, recent changes in cultural views of the woman's "moral responsibility" to take on caretaking duties, as well as chronically low political trust, have changed attitudes towards the existing welfare state. Whether these attitudes are changing with the prospect of reform of such an undesirable welfare state is examined. Specifically, the effect of cultural values and willingness to pay taxes on attitudes towards a newly introduced welfare policy during COVID-19 is analyzed. A survey conducted in August and September of 2021 in Cyprus focusing on elderly care shows that the more liberal cultural values of the family model are, the more agreement there is with the continuation of the policy, while less willingness to pay taxes is associated with less agreement with its continuation. This has implications for the future of welfare state reform in southern Europe.

**Keywords:** Welfare State, Reform, South Europe, Cyprus, COVID-19, Family Model, Willingness to Pay Tax

## 1. Introduction

The welfare state's role, reach, and functioning-more generally, the welfare structures-differ greatly between European countries. Especially in south Europe, the welfare state's penetration into society is quite limited and not as effective as in northern and western Europe. In trying to explain the limited involvement of the welfare state in the South, many researchers have claimed that, as the main welfare provider, the institution of the "family" is taking the responsibility of welfare distribution away from the state (Gal 2010; Markoviti and Molokotos-Liederman 2017; Moreno 2006). According to them, this happens because cultural values impose on the family, and on the woman particularly, a "moral responsibility" to provide social services, such as caretaking duties. This has created a predominant family model within south European societies, in which the man is the breadwinner of the family, while the woman focuses on providing social services at home.

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Even though various socio-economic and demographic changes have occurred throughout the 1960s (i.e., women entering the labor market) and especially since the 1980s (i.e., integration into the European Union, globalization, inflation, unemployment, low birthrates) causing the family model to change into a less strict “male breadwinner” one and allowing women to work outside the house, welfare structures have not adapted to these cultural and demographic changes. This is due to what Lück and Hofäcker (2008: 309) call a “temporal lag” between changes in welfare culture and welfare structures. This resulted in the birth of so-called “superwomen” (Moreno 2006: 76), who work outside and inside the home simultaneously. New social risks faced by families currently due to the changes occurring since the 1980s make it harder to depend on other family members, and “superwomen” are already on the decline. The possibility of changing welfare structures is further undermined by low tax compliance in south Europe, due to taxes being viewed as “useless” when paid for a state that does not offer much, and due to “welfare clientelism” that characterizes Mediterranean states. This inevitably influences one’s attitudes towards the welfare state. Therefore, both cultural values and political trust have the potential to influence welfare structures.

With a global health crisis currently casting light on all the inefficiencies of welfare states, this “temporal lag” might have just shortened considerably. Welfare states all over the world, whether limited or far-reaching, have demonstrated a capacity to address some immediate social needs and offer temporary measures, causing temporary changes in their welfare structures. COVID-19 has, therefore, created a good opportunity for structural change, but only time can tell whether these temporary changes in welfare structures can become permanent.

It is not unusual for crises to give birth to welfare reforms, such as cutbacks in public spending and institutional restructuring for increased efficiency. These are crucial in the case of the healthcare sector. The most notable example in this case would be the UK, which was the first country to adopt a National Healthcare System (NHS) in the 1940s, to be copied by many European countries in the following decades. From a “one-size-fits-all” approach in its first years of adaptation and gradually shifting into a “consumerist”, personalized service through the 1970s and 1980s, it was most notably the 1973 oil shock and a neoliberal political orientation during the Thatcher years that defunded the NHS and “treated it as a commodity like cars, shoes, or baked beans” (Gorsky 2008: 440-447). This is also evident during the financial crisis of 2008, especially in south European countries that had been hit the hardest. Cyprus, for example, witnessed such measures after 2011, when a bail-out agreement with the Troika demanded reform of an inefficient healthcare sector by reducing spending and restructuring the system to adhere to demand and supply levels (Petrou & Vadoros 2018: 75), and which eventually gave birth to a general healthcare system (GESY) in 2019.

The COVID-19 crisis stands in stark contrast to previous crises, in that public spending on healthcare in 2020 increased in all EU member states, with Cyprus “recording the largest increase in the ratio of government expenditure devoted to health to GDP” (Savva 2022). It is not surprising

to see such an increase, since the nature of this crisis involved public health itself. Within this context, the literature on COVID-19 discussing the public's evaluation of the welfare system based on healthcare provision largely left out the debate about elderly care and how it has been affected by the pandemic. In fact, elderly care is usually discussed within the context of healthcare instead of social care, making it not only an understudied field in research, but also an overlooked issue in the political debate. The COVID-19 pandemic has highlighted the misalignment between public healthcare and elderly care, by leaving many elderly people isolated, vulnerable, and unable to get access to healthcare, for example, in the case of chronic illnesses other than the coronavirus and prescribed medicine (D'cruz & Banerjee 2020: 4). Therefore, this article will focus more on elderly care in the sense of social care rather than healthcare when describing the effects of COVID-19 on welfare attitudes.

The aim of this article is to test the effect of the two cognitive factors, namely cultural values and willingness to pay taxes, on attitudes towards future reform of the Mediterranean welfare state. Within this time of increasing risks for societies (and families in particular) and a new re-imagining of the welfare state due to COVID-19, the article will attempt to answer the question of how the two factors affect attitudes towards welfare state reform concerning elderly care in south Europe. As a representation of a Mediterranean welfare state, the case of Cyprus will be used to illustrate how these two cognitive factors affect welfare attitudes. The welfare area of focus will be on elderly care, for which until now in Cyprus the family was primarily responsible for providing services.

An online survey conducted in August and September of 2021 with 240 respondents attempted to capture the effect of cultural values and political trust (measured by willingness to pay taxes) on a new welfare policy concerning elderly care implemented during the COVID-19 pandemic. The data was analyzed quantitatively through regression analyses using the statistical software *R*. It is concluded that welfare state reform in Cyprus is influenced by the cultural values of a person and their willingness to pay taxes, while older age and higher education are associated with less desire for reform. The fact that the Cypriot society respects traditions and age gives older generations leverage, while the higher educated become suspicious of welfare policies and taxation.

The article is structured as follows: first, literature on the south European welfare state will be reviewed, as well as the specific context of welfare distribution in Cyprus. Next is a description of the research design and methodology, followed by the findings of the survey. The last section discusses the results and concludes.

## 2. Literature Review

Academically, there are contradicting views about how to define the south European welfare state. The infamous categorization of welfare states by Esping-Andersen (1990), for example, based on

differing degrees of decommodification of labor, social stratification, and type of welfare state program, initially excluded the region from his analysis. According to him, there exist three main categories of the welfare state: the liberal “Anglo-Saxon” model, the conservative or corporatist “Continental” model, and the socialist “Scandinavian” model. Following this, some researchers defined the south European welfare state as part of the conservative model, which is merely in its “infancy” (Katrougalos 1996: 40), and that it would catch up to the more developed conservative welfare systems, which supposed a linear, path-dependent evolution based on economic development (Papadopoulos and Roumpakis 2013: 205).

Critics of this analysis have emphasized its limiting focus on the relationship between the state and the market, ignoring the effect of the informal labor markets and that of the family, which had a quite prominent spot in South European societies (Rhodes 1996: 5). In these societies, the family became the main welfare provider because the welfare state there was characterized, among others, by an unequal distribution of social security, a low state-penetration into welfare, welfare clientelism, low efficiency of public services, and an unequal share of contributions to the welfare state by professional groups (Kourachanis 2018: 71). By the 2000s, much research on welfare started shifting towards the “family” rather than the state or the market, as its pivotal role in welfare provision became evident (Gal 2010: 283).

However, the “family” as a unit was defined by particular cultural values, which made the predominant family model in those societies rather patriarchal. The dominant cultural explanation for why the family, and mainly women, performed caretaking duties was that of a woman’s “moral responsibility” (Moreno 2006: 76). The term “superwomen” was coined to describe women between the ages of 40 and 64, whose growing participation in the labor market “has not been accompanied by a decrease in their responsibilities within the household” (Moreno 2006: 76). Essentially, those women were taking on the role of a “full-time caretaker” and a “full or part-time worker” at the same time, and the welfare systems remained rather marginal in their service-oriented welfare provision.

As Pfau-Effinger (2003: 21) describes, families are structured around “gender arrangements” or “care regimes”, which assumes that the allocation of care responsibility of children, the elderly, or the disabled in a given society is based on gender-specific roles within the family. According to Pfau-Effinger (2005: 24), these care arrangements are based on two types of cultural values, namely family values and welfare values, of which the former decides the predominant family model within society. In the past, family structures in south Europe used to follow the strict “male-breadwinner/female housewife” model, in which the woman was a full-time caretaker, while the man was the primary income generator. This model has evolved, though, changing responsibilities within the family. Welfare values have not changed, however, so that the new “male breadwinner/female part-time carer” birthed “superwomen” who are responsible for both work and care. The welfare culture of a country is, therefore, the result of an interplay between welfare state policies and these cultural values and

models (Pfau-Effinger 2005: 22).

In this case, where the family remains the main welfare provider and formal welfare structures are not adapting to these cultural transformations, the purpose and importance of social taxation might be questioned. If all the cost and actual services (i.e., caretaking or housing) are still shouldered by the family, then the taxes currently paid towards social welfare may be considered “useless”, and willingness to pay taxes is significantly decreased. Indeed, as Zhang et al. (2015) found in their comparative analysis of tax compliance between north and south European citizens, willingness to pay tax is much lower in south Europe than it is in the North.

Welfare clientelism that is evident in south Europe further undermines willingness to pay taxes. As scholars have pointed out, south European welfare states place an enormous role on the informal sectors for the distribution of welfare (Kourachanis 2018: 69). The clientelistic environment characterizing especially Mediterranean societies within southern Europe affects people’s perception of taxation. Taxation is the way a welfare state generates its budgetary power to reallocate resources to certain areas of need. If this is not happening effectively because the budget generated from taxation is siphoned halfway through, citizens lose trust in welfare state institutions, and their willingness to pay taxes decreases. According to institutionalist theories, “when citizens perceive public institutions as corrupt and wasteful, they are likely to reciprocate by being dishonest in turn” (Zhang et al. 2015: 2), referring to tax evasion when interacting with low-quality institutions. Therefore, an analysis of welfare attitudes within south European states should focus on both cultural values and political trust that ultimately affects the state’s financial survival.

Within this context, there are two contemporary issues that the welfare state and societies are facing: new social risks, due to labor market and demographic changes brought by globalization, inflation, and high unemployment rates, and COVID-19 that has exacerbated those risks. “Superwomen” are now becoming a rarity (Moreno 2006: 76), as balancing paid work and family responsibilities (i.e., childcare or taking care of elderly relatives) becomes nearly impossible. Moreover, not having connections to family, having outdated skills or training that cannot guarantee a well-paid or secure job, and relying on private funds that may lead to an inadequate pension also pose a threat (Moreno 2006: 81). The COVID-19 pandemic has only intensified those risks. As people in south European countries rely heavily on other family members in terms of social services, the strict physical lockdowns enforced during the pandemic created considerable gaps in welfare provision. Of course, welfare states in the South have stepped forward to provide temporary welfare measures and policies, thereby altering their welfare structures temporarily. In creating a necessity to bring back the welfare state, COVID-19 has presented a good opportunity for welfare state reform, which has potentially created a re-imagination of the welfare state.

However, the vast literature on COVID-19 and welfare of the past two years has been focusing heavily on *how* welfare structures should or have changed (according to the welfare typology they

belong to) and are geographically limited to western and northern Europe (see Greve et al. 2020; Cantillon et al. 2021; Hick and Murphy 2020), where the welfare state is far-reaching, and political trust is relatively high. Research on south Europe's changed welfare structures and on people's attitudes towards new welfare policies created during the pandemic is scarce. On the other hand, in terms of cultural values, notions of the "male breadwinner" model and "moral responsibility" may no longer adequately explain societies in the Mediterranean area that are facing new social risks. This research will address those gaps.

In the next section, I illustrate through the case of Cyprus how changing cultural values and political trust should be understood within the south European context of the welfare state.

### 3. The Case of Cyprus

Cyprus, an island country of less than one million population, fits the description of a typical south European welfare state in terms of cultural values and welfare clientelism. Cultural values are shifting away from the strict "male breadwinner" model, as data on female labor force participation in Cyprus shows. In 2019, 57.6% of the female workforce was employed, while 14.2% of these employed women were working as part-timers in 2018, double as much as men at 7.4% (Philenews 2020). More women entering the labor market is slowly transforming the model into one of "male breadwinner/female part-time carer".

Despite these changes, welfare structures seem to remain unchanged and are not assisting women in their changing social and economic role. According to the European Commission's Ageing Report of 2018, public expenditure on long-term care (minus pension) constituted only 0.3% of GDP, which was below the EU average set at 1.6% (Eurocarers 2022). In fact, long-term care is almost nonexistent on the island, with informal caretaking either by family members or inexperienced migrants being the predominant form of caretaking services. According to Eurocarers (2022), Cyprus focuses more on cash benefits rather than service-oriented welfare provision because of a lack of formal welfare structures addressing the issue of caretaking. In fact, women are primarily responsible for the caretaking duties. The ESPN Thematic Report on work-life balance measures for persons of working age with dependent relatives in 2016 conducted in Cyprus empirically shows that it is women whose employment is significantly negatively affected by the presence of disabled family members or family members in bad health, while the presence of live-in migrant workers has a positive effect on their employment (Eurocarers 2022). Therefore, the predominant family model in Cyprus still retains some patriarchy, while welfare structures are not adequately addressing the evolved role of the family and women.

Cyprus also has to deal with welfare clientelism. Clientelist behavior on a citizen-level keeps persisting despite dissatisfaction with the clientelist behavior of politicians. Faustmann (2010: 284)

writes that almost everyone on the island is engaging in this patron-client practice, so that it has become almost impossible to succeed or go far in life without the necessary “connections,” and there exists “a strong systemic pressure to enter into a clientelistic relationship”. According to the Eurobarometer’s survey in 2010, 54% of Cypriots believed that many of the jobs obtained in the public sector were through clientelist ties, that Cypriot society was not fair (scoring a low of 2.41), and that favoritism could not be prevented (Faustmann 2010: 281–282).

The root of modern clientelist ties can be found at the establishment of the Republic of Cyprus in 1960. After Cyprus’s independence in 1960, many of the freedom fighters that had survived the revolution of 1955–1959 against the British colonizers were granted positions in the civil service, which signaled the start of the hugely inflated public sector of the island, whose salaries should be financed by taxes. It was common practice that recruitment in the civil sector was only possible if the recruited became members of the ruling party. Consequently, many Cypriots joined parties in exchange for favors, employment, and other benefits, which extended to include whole families (Faustmann 2010: 277).

Presently, the European Commission’s survey in 2014 revealed that two-thirds of Cypriot respondents perceive high corruption among tax officials. In the past years, there were numerous corruption scandals in the waste management of major cities, in several projects of updating the sewage systems in various cities, as well as in infrastructure projects, for which millions of taxes were pocketed by mayors, parliament members, and contractors (Paizanou 2017). It is not surprising that Cypriots highly doubt the purpose of taxation to the point that the President himself had announced anti-corruption measures in 2021 that were the “island nation’s “greatest-ever intervention” to battle a widespread perception” (AP News 2021). Thus, the Cypriot case constitutes a classic model of family-based welfare systems with low trust in the state due to rampant clientelism.

Despite widespread corruption and a limited welfare state, Cyprus had a relatively good government response to the COVID-19 pandemic. Of interest, here, is a newly devised delivery service catering to elderly people’s needs. Due to very strict physical lockdowns, family members were unable to attend to the needs of their elderly family members, leaving them exposed. At that time, the Cypriot welfare state introduced, for the first time, a delivery service providing isolated elders with necessities and medicine. Specifically, this service was a cooperative act between the state, the private sector, a financial institution, and volunteers. While the state coordinated and oversaw the implementation of the service and provided the necessary training of volunteers, a private car company offered cars and petrol, the financial institution subsidized the costs, and the volunteers offered to drive and deliver the goods to people in need. The joint effort proved to be efficient for those who made use of it, while no additional costs were incurred to the users besides buying the deliverables. In a way, this created a temporary change in the welfare structures of the Cypriot welfare state.

As much as it has exacerbated social issues, the pandemic has also opened up possibilities for



welfare state reform. However, citizens will have to share the costs for financing these new welfare structures, should they become permanent in the future. Within this reformation period, it is very interesting to examine how perceptions of the welfare state and low political trust can affect this transformation. Since much research on COVID-19 and welfare states has focused on wide-reaching and well-functioning welfare states in northern and western Europe, Cyprus can be a good example of the insufficiently studied south European clientelist welfare states during transitioning times.

#### 4. Hypotheses

There are two main hypotheses that this paper seeks to test, which have to do with the influence of cultural values and willingness to pay taxes for welfare state institutions on the formation of welfare attitudes. Applied to an environment of changing cultural values and low political trust, their effect on welfare state reform is examined.

The first hypothesis looks at the effect of cultural values on attitudes towards welfare state reform. It is based on people's justification of the existence of "superwomen". In Cyprus, caretaking has been performed primarily by women. The reason for this is often tied with a "moral responsibility" of the woman to take care of elders. This line of reasoning creates a rather patriarchal family model, in which women are expected to stay at home and perform caretaking duties, while men are the main breadwinners of the family. By separating cultural views of caretaking responsibilities from views of the family model, we can identify whether the current gendered care arrangements concerning the elderly are the product of a patriarchal cultural belief of a "moral responsibility" of the woman to take care of elders, or whether it is a symptom of the absence of welfare structures that forces women to take on care responsibilities, despite society's more liberal cultural values.

On a spectrum from patriarchal to liberal, how people regard the role of the woman within the family can influence the thought of what an ideal welfare state should provide. In times of welfare state reform, these views can have a significant effect on the restructuring of welfare structures. Notwithstanding the recent change in cultural values of the family model in Cyprus, I expect that cultural values will continue to have an effect on attitudes towards welfare state reform. More specifically, I expect that:

Notwithstanding the recent change in cultural values of the family model in Cyprus, I expect that cultural values will continue to have an effect on attitudes towards welfare state reform. More specifically, I expect that:

*H1: Those who are more likely to agree with patriarchal views of care arrangements and division of labor are less likely to agree with the continuation of the delivery service as an elderly care policy, and vice versa.*

The second hypothesis considers the effect of willingness to pay taxes on attitudes towards welfare policies and reform. As described in Section 3, political trust is especially relevant in the Cypriot case, since welfare clientelism is rampant and it can severely undermine any future attempt for welfare state reform. According to Busemeyer's (2021) and Lachapelle et al.'s (2021) recent findings, political trust is one of the factors that is "associated with a greater willingness to support a COVID-related tax" (Lachapelle et al. 2021: 534). Busemeyer's (2021) analysis is based on Germany, where people have been dealing with competent and trusting political institutions, and paying higher taxes is regarded as a way to further enhance the positive functions of the welfare state (5).

Following this reasoning, in an environment where political trust is low and tax evasion is common, we can expect that the opposite will take place: people are dealing with incompetent and dishonest political institutions, and that decreases the willingness to pay taxes, even if that is to improve the welfare state's function. That is because a lot of time, resources (i.e.: taxation) and livelihoods are at stake for ordinary people, who may consider it a risk to invest in a reform attempt by an institution that cannot be trusted. Since Cypriots have expressed low political trust and are generally evading taxation, we can expect that:

*H2: The more unwilling people are to pay tax for elderly care, the less likely it is that they will agree to the continuation of the delivery service.*

The general argument here is that during a time of re-imagining the welfare state, even when cultural values have the power to change prospects of future welfare state reform, unwillingness to pay taxes has the potential to hinder it. Of course, disagreeing with the policy itself, partisanship, ideology, or generalized distrust or disagreement with the government can have a negative influence on attitudes towards reform. I will provide my interpretation in this regard from the available data in the analysis.

## **5. Methodology**

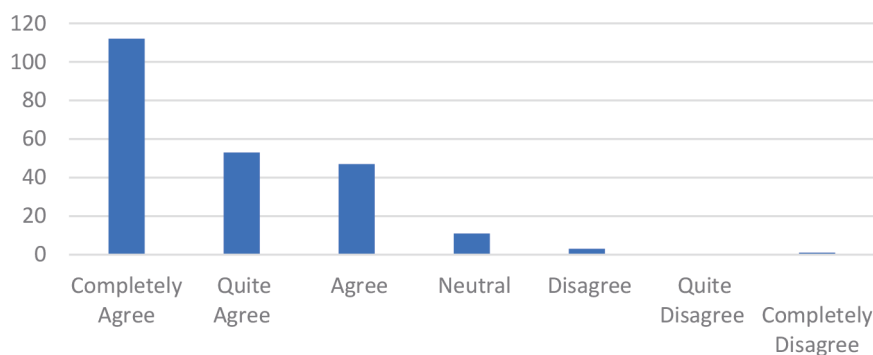
To test the hypotheses of this research, I conducted an exploratory online survey in Cyprus between August and September of 2021. In total, 240 respondents took part with a gender quota of 51% male and 49% female. For saliency purposes, only those who had at least one elderly person in their family that required care were eligible to participate. The distribution of the survey was done via Facebook ads, a method that has gained attention in recent years for its convenience and low cost. This approach enables the researcher to reach a broader range of people rather than asking participants from specific communities of friends or survey company monitors. Since Cyprus has the highest percentage of Facebook users in the EU (52.69% of the population), and the platform is being used by 99% of internet users (Business Culture 2022), it can grant access to a significant portion of the

population. The parameters used for the advertisement's distribution were geographic location (people living in the Greek-speaking southern part of Cyprus), age, and additional, but not exclusive, interests and hobbies.

The data is analyzed through the statistical program *R*. It is important to note that the present paper does not seek to find causation in a strict sense but to reinforce the argument that cultural values and political trust are significant factors in influencing welfare attitudes. Therefore, the purpose of the regressions is to test covariations among variables in the way expected by the hypotheses.

Moving on to the operationalization of the variables, the dependent variable of welfare attitudes is measured by attitudes towards a specific delivery service targeted at elderly people during the COVID-19 pandemic. The variable measures the degree of agreement with the continuation of such a service even after the pandemic as a long-term welfare policy. As can be seen in Figure 1, the majority of respondents agree with the continuation of the service even after the pandemic, showing strong support for such a welfare reform. Since the graph is negatively skewed, a Poisson regression will be used when analyzing how the two independent variables interact with the dependent variable. The options to answer the question corresponding to this variable were coded from 1 to 7 (i.e., 1 = "Completely agree", 7 = "Completely disagree") and used as such in the regression.

**Figure 1 Agreement with Continuation of Delivery Service**



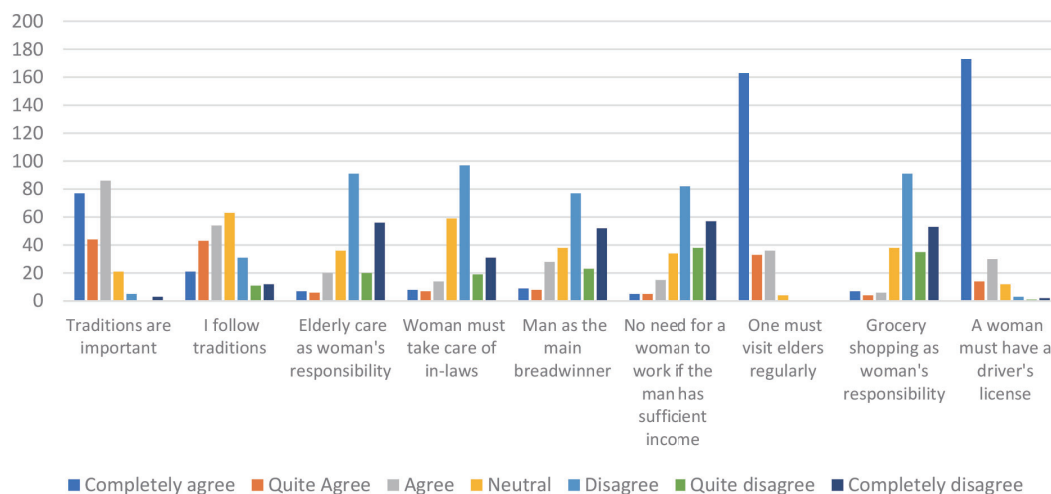
Note: Respondents were asked how much they agreed with the continuation of the delivery service after the pandemic.

Source: Online survey conducted by the Author in August and September 2021.

Cultural values and willingness to pay tax constitute the two independent variables. The "cultural values" variable is a nine-item measurement of (dis) agreement (see Figure 2 for a detailed description of statements). These statements are based on cultural values of the family model and of caretaking responsibilities, as well as additional statements that have to do with the disposition towards tradition and the delivery service itself. The first two statements measure the level of the conservativeness of respondents by asking about the importance of traditions. The following two items are measuring the woman's responsibility in elderly care and its reach, allowing us to identify how strong the "moral

responsibility” reasoning is within society. Items five and six determine views of the family model and the division of labor. By examining the family model separately, it is possible to detach views on it from any moral obligations. There is also a statement that measures how important elders are considered in Cypriot society and, therefore, how much their welfare is considered. The last two items measure the ability of a woman to replace the delivery service itself. The logic here is that if a woman can perform the functions that the delivery service is supposed to cover, then there might not be a need for the provision of such a service.

**Figure 2 Cultural Values of Respondents in Cyprus**

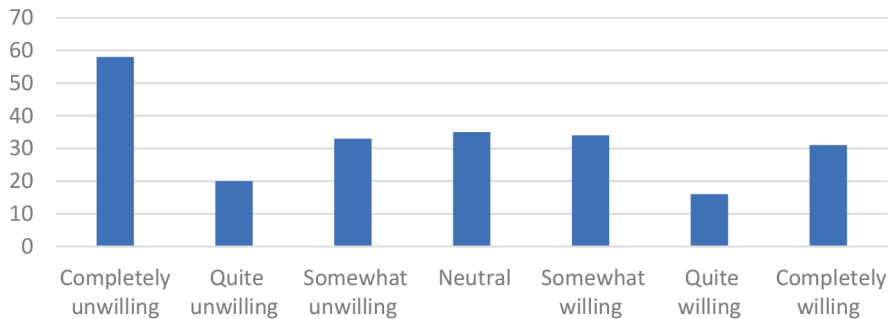


Note: Respondents were asked how much they agree with nine statements on culture.

Source: Online survey conducted by the Author in August and September 2021.

Six of the nine items have been analyzed through factor analysis and grouped into three main categories, which I label “moral responsibility” (Factor 1–items 3, 4, 5), “level of conservativeness” (Factor 2–items 1 and 2), and “division of labor” (Factor 3–items 5, 6). I set the eigenvalue of 1 as a threshold to determine the number of factors. Since the rest of the items could not be grouped into any factor, they are used separately in the analysis. It is assumed that those who are more likely to agree with the statements hold more patriarchal views and value a stricter “male breadwinner” family model.

The independent variable of “willingness to pay tax” for elderly care (Figure 3) is measured on a 1–7 scale (with 1 indicating unwillingness). A first look at Figure 3 makes it a bit unclear to find a trend or conclude that people are generally unwilling to pay tax for elderly, as the distribution of answers is broad.

**Figure 3 Willingness to Pay Tax**

Note: Respondents' willingness to pay tax for elderly care aside from pension.

Source: Online survey conducted by the Author in August and September 2021.

The level of willingness to pay tax, like political trust, can stem from a number of reasons, such as ideology, government satisfaction, partisanship, or disagreeing with the policy itself. Therefore, this analysis will control for these factors and identify a possible influence on willingness to pay tax. For all regressions, I also control for various demographic factors such as education, age, income, and gender, assuming the heterogeneity of the sample.

In terms of education, previous research has associated education with more liberal views, individualist values, and a lower confidence in most institutions (Weakliem 2002: 148–151). More specifically, education also fosters more liberal views on gender roles, more liberal moral judgements, but more conservative views concerning the economy. Therefore, in the regressions I control for education as a factor that might lead to disagreement with welfare state reform based, on the one hand, on more liberal cultural views of the gendered care arrangements, and on lower confidence in the welfare state and taxation on the other.

Age is also another factor that is controlled for. According to the age-stratification theory, people's political attitudes and behavior vary based on their age, as they themselves age and live through each stage of their own life-cycle, and as they age through social changes as part of a generation that experiences a different social, political, and economic situation (Riley 1978: 40). More specifically, "in political terms, aging differentiates age strata insofar as people may become more conservative as they age, or may gain greater access to political power" (Foner 1974: 188).

Another factor that might influence attitude towards welfare state reform is income. According to Lipset (1960: 223–229), higher income is associated with more right-wing political attitudes that are against redistribution or taxation. This is relevant for the second hypothesis that involves taxation as part of the analysis. For the first hypothesis, in the context-specific case of Cyprus it is plausible to assume that people with a higher income are in a better position to care of their elders themselves, for example by hiring a private, in-home caretaker, so that the elder does not need constant caretaking by the family or the state. In this context, gender is also controlled for, as in Cyprus elderly care seems to

be primarily performed by women. Finally, robust standard errors were used in all regressions as well.

## 6. Findings

The first hypothesis seeks to find a link between cultural values and welfare attitudes. As can be seen in Table 1, all three factors measuring “moral responsibility”, “level of conservativeness”, and “division of labor” are significant in altering attitudes towards the continuation of the welfare service and confirm *H1*. In Model 1, the negative estimate of Factor 1 suggests that those who are more likely to agree that it is the woman’s responsibility to take care of elders are less likely to agree with the continuation of the service. Vice versa, those who are more liberal and believe it is not (only) the woman’s responsibility are more likely to agree with such a service provided by the state. Similarly, Model 3 that concerns the division of labor within a family finds that the more people agree with the strict “male-breadwinner” model, the less likely they are to agree with the continuation of the delivery service.

**Table 1 Effect of Cultural Values on Welfare Attitudes**

Variables	Model 1		Model 2		Model 3	
	Coef.	Robust SE	Coef.	Robust SE	Coef.	Robust SE
(Intercept)	-0.09781	0.245049	-0.0365084	0.2406614	-0.154298	0.241141
Factor 1	-0.0728077	0.0304164*				
Factor 2			0.092152	0.0411821*		
Factor 3					-0.057833	0.026866*
Gender	-0.0536848	0.0775902	-0.07713	0.0766327	-0.029895	0.074942
Age	0.0611215	0.0317717.	0.08059	0.0305194**	0.076071	0.030359*
Income	0.0092741	0.0196707	0.001394	0.0172598	0.015354	0.0211
Education	0.0927985	0.037685*	0.064941	0.0360729.	0.07885	0.036792*
N	216		216		216	
AIC	639.7		637.41		639.04	

Note: \*Indicates a significance of  $p < 0.01$  and \*\*a significance of  $p < 0.001$

Source: Calculated by the Author using the statistical program *R*.

Even though the “moral responsibility” component was separated from the “division of labor”, both of them seem to have a significant negative effect on attitude towards the continuation of the welfare policy after the pandemic. Views about the family model is associated with views about welfare state policy: whether liberal or more conservative, attitudes towards social norms seem to affect attitudes towards political norms as well when it comes to family policy. Moreover, even though the majority of respondents show a more liberal view of gender roles within the family, there seems to be a portion that still believes in the “moral responsibility” of the woman which, in turn, is associated with

disagreement towards welfare state reform in this regard. Seeing how higher age is also associated with this disagreement, we might conclude that the older an individual is, the more likely it is that they hold a patriarchal view of gender roles, and the more likely they are to disagree with the continuation. I will discuss the age factor further below.

Surprisingly, Model 2 deviates from the narrative that conservative people oppose reform while progressive ones support it, as the regression suggests the opposite. However, if we look at the descriptive statistics, it is unlikely that those who agree with and follow traditions are the ones who believe in a male-breadwinner model and the “moral responsibility” of the woman. Therefore, the definition of “more conservative”, here, does not equal more patriarchal. Respondents’ interpretation of “traditions” is probably one of respect towards the elderly that safeguard or represent those traditions and a willingness to contribute to their welfare. It makes sense, then, that the more respect one has towards traditions and the older generations, the more they agree with the continuation of the delivery service as a form of elderly care.

Considering the control variables, age and education also seem to affect agreement with the continuation of the service in all models. The older the respondent is, the less likely he or she is going to agree with the continuation. This confirms the age-stratification theory which supposes that the older people get, the more conservative they become, and that values differ between generations. People in their 40s that need to take care of elder family members most probably also have underage children they need to take care of, whereas people in their 50s or 60s find themselves in a different life cycle, with perhaps more resources to perform caretaking duties themselves. Moreover, people in their 60s and 70s grew up in a different politico-economic context in Cyprus (including the Turkish invasion of 1974), while people in their 40s or 50s grew up in a more industrialized and politically outward looking Cypriot society.

On the other hand, the higher the level of education, the less likely one is to agree with the continuation of the delivery service. This also confirms the theory that education leads to lower confidence in institutions, especially in Cyprus where political trust is already severely diminished. More educated people form more critical attitudes towards government policies.

Turning to the second hypothesis, the importance of political trust, measured by the willingness to pay tax, on the formation of welfare attitudes is examined. The Poisson regression displayed in Table 2 shows the results when controlling for cultural and demographic factors, government satisfaction, and ideology/partisanship.

The regression shows that the willingness to pay tax has a significant effect on the dependent variable for all three models. The negative coefficient proves that the less willing people are to pay tax, the less likely they are to agree with the continuation of the delivery service after the pandemic. In fact, considering the significance and the fact that the robust standard error is smaller than that of the cultural values, we can conclude that the “tax” indicator is much more accurate at predicting welfare

attitudes. Even though cultural factors (“moral responsibility”, “division of labor”) are controlled for, the tax variable still has a more significant effect on the dependent variable.

Furthermore, factors that can influence the willingness to pay tax, such as income, government satisfaction or partisanship/ideology, are not significant or related to the dependent variable, as can be seen in Table 2. Considering that, according to my survey, 82.5% of respondents find the service helpful, dissatisfaction with the service itself can also be rejected as a factor determining unwillingness to pay tax. Therefore, the disagreement with the continuation of the welfare policy that is associated with unwillingness to pay tax is viewed more so as low political trust rather than a right-wing ideology, economic deprivation, or policy dissatisfaction. Contrary to Busemeyer’s (2021) observation in Germany, where people regard their political institutions as capable and efficient and are willing to pay for a COVID-related tax to improve the system, low confidence in political institutions in Cyprus has the opposite effect, regardless of whether the measure taken during the pandemic was considered good and helpful.

**Table 2 Effect of Willingness to Pay Tax on Welfare Attitudes**

Variables	Model 1		Model 2		Model 3	
	Coef.	Robust SE	Coef.	Robust SE	Coef.	Robust SE
(Intercept)	0.0941042	0.2988519	0.1254559	0.3034298	0.04576835	0.29301853
Tax	-0.0530415	0.0187979 **	-0.056222	0.0174303 **	-0.0596893	0.0183154 **
Factor 1	-0.0702281	0.0320679 *				
Factor 2			0.088228	0.0379058 *		
Factor 3					-0.0610638	0.0256452 *
GovSat	-0.0049015	0.0241153	-0.006549	0.0236744	0.0008708	0.0241172
Ideology	-0.0129773	0.0283415	-0.003908	0.0286946	-0.0150816	0.0276976
Gender	-0.0329254	0.0814594	-0.058328	0.0796882	0.0022598	0.0796037
Age	0.0555917	0.0328196 .	0.076583	0.0313486 *	0.0694334	0.0312467 *
Income	0.015317	0.0213715	0.008067	0.0180685	0.0216903	0.0219996
Education	0.1033068	0.0391974 **	0.076809	0.0374895 *	0.0896579	0.0385354 *
N	207		207		207	
AIC	614		611.74		612.67	

Note: \* Indicates a significance of  $p < 0.01$  and \*\* a significance of  $p < 0.001$

Source: Calculated by the Author using the statistical program R

Similar to Hypothesis 1, age and education have a significant effect here as well, confirming once again the theories mentioned above. Especially where the “moral responsibility” of the woman is involved (Model 1), education seems to have a more significant effect. The more educated one is, the more likely they are to disagree with the continuation of the policy, if “moral responsibility” of the woman is controlled for. In other words, it seems that regardless of one’s cultural values about a woman’s “moral responsibility”, people are more critical of the policy the more educated they are.



It also means that among all three types of cultural values, that is, “moral responsibility”, “level of conservativeness”, and “division of labor”, the first one interferes the least with the formation of an attitude.

In any case, for all three models the willingness to pay taxes is a significant factor in determining one’s attitude towards the continuation of the delivery service. Hypothesis 2 is, therefore, supported. Willingness to pay tax is associated with positive attitudes towards future welfare state reform.

## 7. Discussion and Conclusion

As Figure 2 showcases, respondents’ given answers on their cultural views of family and care responsibilities reflect the changing cultural values of the family model in Cyprus: values have become more liberal, although we cannot neglect a portion of respondents who still hold some conservative views-especially concerning the man as the main breadwinner. This is in line with statistics about employment by gender and in contrast with realities of care-giving duties in Cyprus. The fact that liberal cultural values are positively associated with agreement for welfare state reform implies that the existing practice of care being given mostly by women is not because of a “moral obligation”, but because they are forced to do so by an absence of welfare structures. Because the state offers no caretaking services, women, who on average work less than men, are forced into this role-not because of a woman’s “moral responsibility”, but out of necessity and availability.

Nevertheless, since the desire for a more service-oriented and reformed welfare state exists and is welcomed, according to Figure 1, and cultural values are becoming more and more liberal, it raises the legitimate question why welfare structures still support old cultural values of the family and gender roles. Although the analysis here cannot answer this question, the fact that older age and higher education are associated with less desirability for welfare state reform can be an indication. The age-stratification theory supposes that older cohorts seem to have better access to political resources, more political power, and are more conservative. Therefore, it is plausible to assume that current welfare structures still support a more patriarchal view of gender roles and care arrangements that is held by this older generation who are less willing to reform the state. The fact that higher education, which increases among the younger age cohorts, is associated with less desirability for welfare state reform due to skepticism towards political institutions and their policies, further enhances the status-quo of welfare structures.

Another obstacle to welfare state reform is unwillingness to contribute financially to such a cause. Even though the majority of respondents desires a welfare state reform (Figure 1), views on paying taxes for it are rather mixed (Figure 3). Although research suggests that people are generally tax-averse (Lachapelle et al. 2021: 538), there are instances where people are willing to pay higher taxes: that is, when political trust is high, when people are already satisfied with the government’s

performance, and when they believe that paying more taxes will further enhance the welfare state's functions. As elaborated in *H2*, the mixed results in Figure 3 are an indication for the lack of the aforementioned conditions in Cyprus.

As culturally desirable as welfare state reform may be, lack of political trust that is associated with unwillingness to pay taxes might actually hinder it. When political trust is low and people are unwilling to pay taxes, they are also less willing to accept any reform. In south Europe, where people deal with dishonest political institutions, aside from cultural values, older age, and higher education, unwillingness to pay taxes is likely to overshadow any incentive for welfare state reform. This makes reform in this region quite difficult, and allows the state to continue to rely on current welfare practices. On the surface, COVID-19 has created an urge for more state involvement, especially in a service-oriented manner. What it has actually driven, though, is the urge for more honesty and transparency of political institutions in south Europe.

This study has highlighted the negative impact of welfare clientelism and corruption perceptions in a culturally changing south European state that desires welfare state transformation, but is unable to trust itself in this process, and that is still not “mature” enough culturally to let go of its old welfare structures. It has done so by examining the effect of cultural values and willingness to pay taxes on attitudes towards a temporary, new welfare structure that emerged thanks to COVID-19. During this window of opportunity that the pandemic has created, this research contributes to an understanding of what inspires welfare state reform in a society, and will, hopefully, help policy-makers in their attempt to convince society to cooperate. Further research could help identify why old welfare structures are so robust and inflexible.

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