

Exposure to Macroeconomic Shocks and the Erosion of EU Identity.

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Abstract

This paper presents empirical evidence demonstrating that individuals exposed to multiple macroeconomic shocks, accounting for the years of their countries' participation in the EU, exhibit diminished trust in European institutions, supporting attitudes opposing a further European Unification. Furthermore, individuals who have experienced such macroeconomic shocks are more likely to vote in favor of leaving the EU and hold negative attitudes towards immigrants from European countries. Notably, these findings are observed specifically for non-symmetric shocks, while the opposite pattern emerges for symmetric shocks. The analysis employs data from the European Social Survey (ESS) spanning from 2002 to 2019, encompassing multiple countries to construct a measure of differential individual exposure to macroeconomic shocks during that period. Overall, this research underscores the lasting impact of past asymmetric economic shocks on European identity and emphasizes the importance of inclusive policies by the EU in addressing asymmetric risks.

Keywords: Macroeconomic Shocks, EU Cohesion, Trust, EU Identity, Euroscepticism

JEL Codes: D70, E60, F15, F36, H70, P16, Z10

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