Supplementary Appendix

How Credit Markets Substitute for Welfare States and Influence Social Policy Preferences. Evidence from U.S. States

A.1 Unemployment Insurance Generosity Measures by State

A.1.1 Descriptive Patterns

Figure A.1: Unemployment Insurance Replacement Rates Across U.S. States

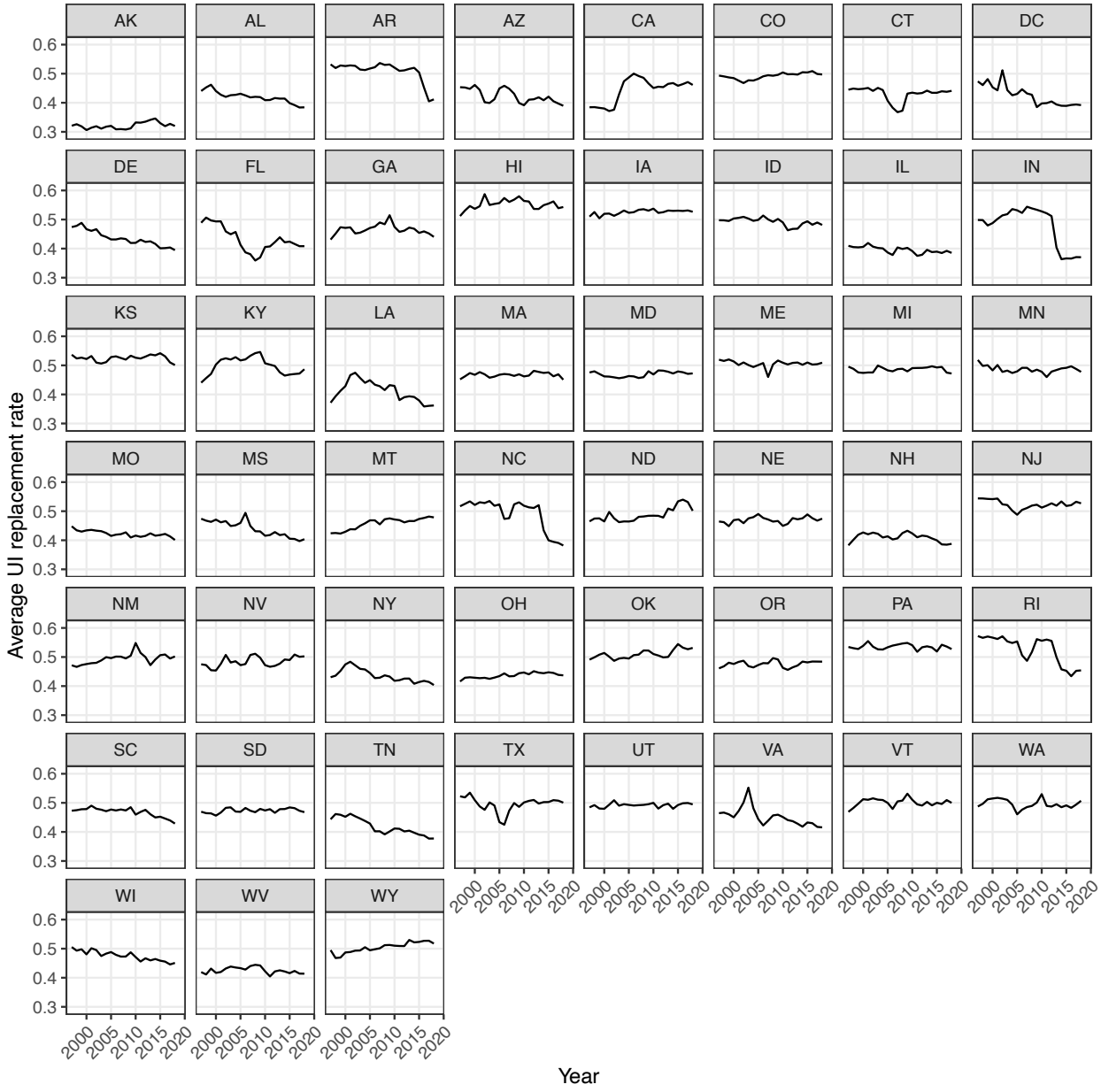
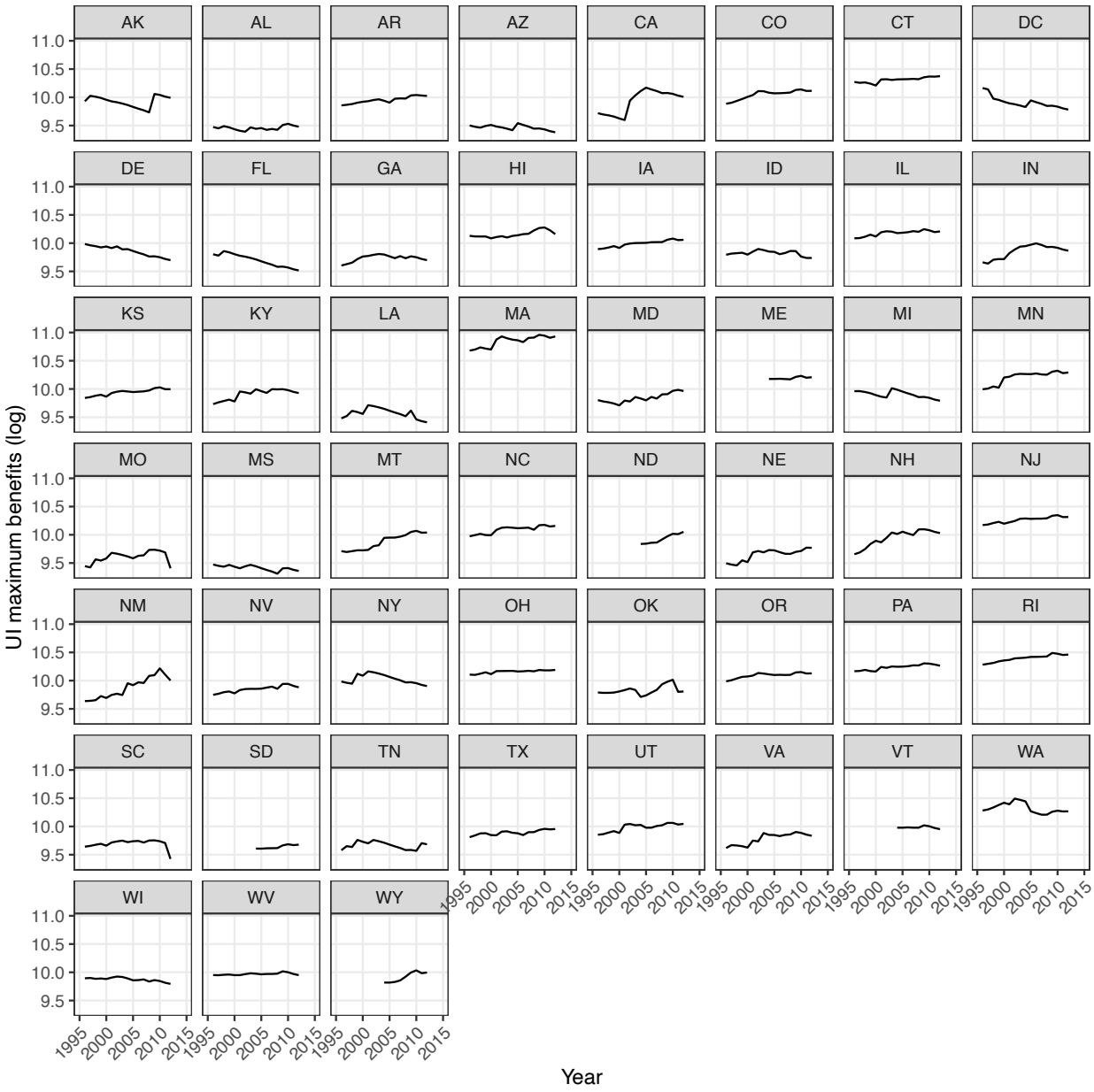


Figure A.2: Unemployment Insurance Maximum Generosity Measure Across U.S. States



A.1.2 Correlates for Unemployment Insurance Replacement Rates

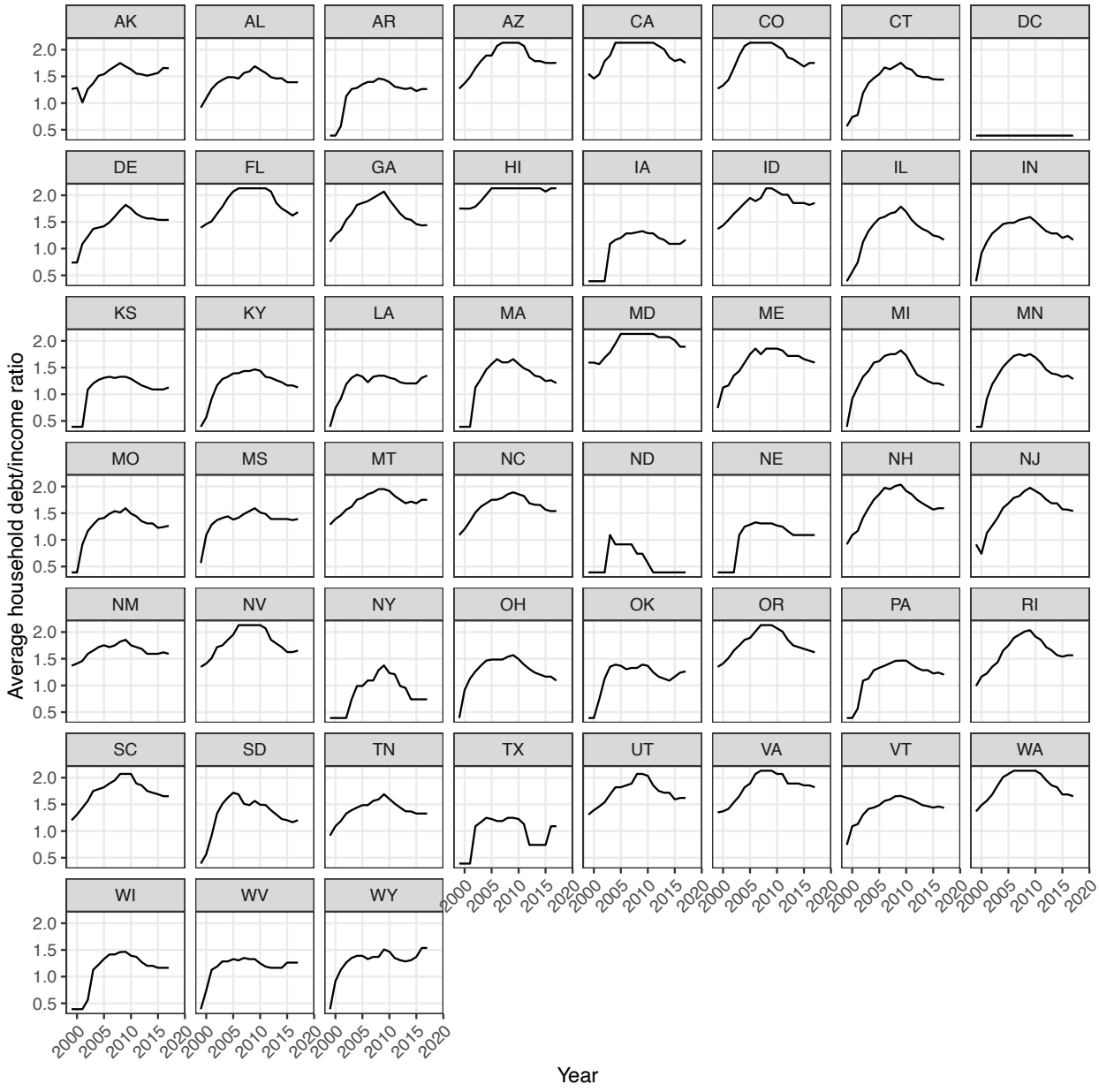
Table A.1: Correlates of State-level Unemployment Insurance Replacement Rates

	Dependent variable:
	UI replacement rate
GSP (per-capita, log)	0.050
	(0.044)
Change GSP	0.001**
	(0.000)
Unemployment rate	−0.003
	(0.002)
Median duration of unemployment	−0.001
	(0.001)
Expenditures (per-capita, log)	0.002
	(0.033)
Revenues (per-capita, log)	0.007
	(0.006)
Avg. disposable income (log)	−0.121*
	(0.071)
Population (log)	0.103
	(0.078)
Union density	0.000
	(0.001)
Share Democrats in State House	0.004
	(0.029)
Democrat as Governor	−0.003
	(0.004)
State Policy Liberalism	0.013*
	(0.008)
Mean DV	0.473
State FE	✓
Year FE	✓
Observations	731
R^2	0.848
Adjusted R^2	0.831

Notes: This table shows the macro-economic and political determinants of UI replacement rates. The model includes state- and year-fixed effects. Robust standard errors are clustered at the state level and reported in parentheses. *p<0.1; **p<0.05; ***p<0.01.

A.2 Debt-to-Income Ratios by State

Figure A.3: Median Debt-to-Income Ratios Across U.S. States



A.3 Additional Results at the State-Level: Social Policy Generosity and Debt Leverage Across States

As additional evidence, I also estimate a model at the state level that links variation in UI replacement rates and debt-to-income ratios as follows:

$$Y_{st} = \beta Gen_{st} + \mathbf{Z}'_{st}\lambda + \alpha_s + \delta_t + \epsilon_{st} \tag{5}$$

where Y_{st} is the median debt-to-income ratio in state s at time t.[1] Gen_{st} is the UI replacement rate in state s at time t. $\mathbf{Z}'_{st}$ is a matrix of state-level covariates, including log per-capita gross state product (GSP) and GSP annual growth rates, the state-level unemployment rate and the median duration of unemployment, per-capita expenditures and revenues (log), and the average state-level disposable income (log). I also add a set of political variables that may influence both household debt levels and social policy generosity: union density, the share of Democrats in the House, a dummy for a Democrat as Governor, and state policy liberalism scores.[2] State fixed effects (α_s) capture all time-invariant state-level characteristics and identify the effect of UI generosity on debt-to-income ratios within each state. Year fixed effects (δ_t) capture common time shocks. Standard errors are bootstrapped and clustered at the state level.

Table A.2 shows the results. Column 1 begins with a simple bivariate regression, indicating a strong negative relationship between UI replacement rates and debt-to-income ratios. The results drop in size but are robust to the inclusion of a range of socio-economic variables (column 2) and political variables (column 3) as well as a more flexible model that adds linear and quadratic time trends to allow for diverging trends over time (column 4).

These findings offer support for the hypothesis that credit markets substitute for welfare states, specifically, that debt-to-income ratios are higher in states with less generous UI systems.

[1] As described in more detail in section 4, the data comes from the Federal Reserve's Enhanced Financial Accounts

[2] Data come from the *Correlates of State Policy Project* available at: `http://ippsr.msu.edu/public-policy/correlates-state-policy`.

Table A.2: Marginal Effects of UI Replacement Rate on Debt-to-Income Ratio

	Dependent variable:			
	Debt-to-Income Ratio			
	(1)	(2)	(3)	(4)
UI replacement rate	-0.82^{***}	-0.57^{**}	-0.56^{**}	-0.67^{***}
	(0.24)	(0.23)	(0.23)	(0.24)
GSP (per-capita, log)		−0.13	−0.11	−0.07
		(0.15)	(0.14)	(0.14)
Change GSP		-0.01^{***}	-0.01^{***}	-0.00^{***}
		(0.00)	(0.00)	(0.00)
Avg. disposable income (log)		-0.75^{***}	-0.62^{***}	-0.66^{***}
		(0.16)	(0.17)	(0.17)
Unemployment rate		0.02^{**}	0.03^{***}	0.03^{***}
		(0.01)	(0.01)	(0.01)
Median duration of unemployment		−0.00	−0.00	−0.00
		(0.00)	(0.00)	(0.00)
Expenditures (per-capita, log)		−0.06	−0.13	-0.23^{**}
		(0.12)	(0.12)	(0.11)
Revenues (per-capita, log)		0.07	0.08^{*}	0.09^{**}
		(0.05)	(0.04)	(0.04)
Share Democrats in State House			0.22^{**}	0.16^{**}
			(0.09)	(0.08)
Democrat as Governor			0.04^{***}	0.04^{***}
			(0.01)	(0.01)
Union density			−0.00	−0.00
			(0.01)	(0.01)
State Policy Liberalism Score			0.05	0.06
			(0.04)	(0.04)
Mean DV	1.46	1.46	1.46	1.46
State FE	✓	✓	✓	✓
Year FE	✓	✓	✓	−
Year trends (linear + quadratic)	−	−	−	✓
Observations	633	633	633	633
R^2	0.93	0.94	0.94	0.94
Adjusted R^2	0.93	0.93	0.94	0.93

Notes: Bootstrapped clustered standard errors in parentheses. *p<0.1; **p<0.05; ***p<0.01.

A.4 Full Results for SIPP Models

Table A.3: Marginal Effects of Unemployment on Unsecured Debt by Unemployment Insurance Benefit Generosity

	Dependent variable:					
	Total unsecured household debt (log)					
	(1)	(2)	(3)	(4)	(5)	(6)
UI recipient	1.37**	1.44***	1.46***	4.44**	4.83***	4.81***
	(0.56)	(0.56)	(0.56)	(1.82)	(1.82)	(1.83)
UI replacement rate	0.04	−0.03	−0.24			
	(0.71)	(0.75)	(0.87)			
UI recipient × UI replacement rate	−2.55**	−2.70**	−2.74**			
	(1.18)	(1.19)	(1.19)			
UI recipient × Maximum UI benefits (log)				−0.43**	−0.47**	−0.46**
				(0.18)	(0.18)	(0.18)
Maximum UI benefits (log)				0.09	0.00	−0.35
				(0.17)	(0.19)	(0.26)
Income Q2	0.09**	0.09**	0.09**	0.11***	0.11***	0.11***
	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Income Q3	0.29***	0.29***	0.29***	0.31***	0.32***	0.32***
	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Income Q4	0.46***	0.46***	0.46***	0.48***	0.48***	0.48***
	(0.06)	(0.06)	(0.06)	(0.05)	(0.05)	(0.05)
Income Q5	0.50***	0.49***	0.49***	0.52***	0.52***	0.52***
	(0.07)	(0.07)	(0.07)	(0.06)	(0.06)	(0.06)
Education: some college	0.24	0.22	0.21	0.25	0.23	0.23
	(0.20)	(0.20)	(0.20)	(0.19)	(0.20)	(0.20)
Education: college	0.69***	0.66***	0.64***	0.73***	0.70***	0.69***
	(0.24)	(0.24)	(0.24)	(0.23)	(0.23)	(0.23)
Education: BA	0.66**	0.64**	0.65**	0.71***	0.69***	0.71***
	(0.26)	(0.26)	(0.26)	(0.25)	(0.25)	(0.25)
Education: MA	0.64*	0.63*	0.65*	0.72**	0.71**	0.73**
	(0.34)	(0.34)	(0.34)	(0.32)	(0.33)	(0.33)
Age	0.16***	0.16***	0.16***	0.16***	0.16***	0.17***
	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Age square	−0.00**	−0.00**	−0.00**	−0.00**	−0.00**	−0.00**
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Number of children	0.02	0.03	0.03	0.04	0.04	0.04
	(0.04)	(0.04)	(0.04)	(0.03)	(0.03)	(0.03)
Married	1.09***	1.12***	1.11***	1.05***	1.08***	1.08***
	(0.10)	(0.10)	(0.10)	(0.09)	(0.09)	(0.09)
Single	−0.48***	−0.46***	−0.47***	−0.49***	−0.47***	−0.47***
	(0.09)	(0.09)	(0.09)	(0.08)	(0.08)	(0.08)
Renter	−0.09	−0.09	−0.08	−0.10*	−0.10*	−0.10
	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)
White	−0.23	−0.20	−0.19	−0.22	−0.20	−0.20
	(0.87)	(0.87)	(0.87)	(0.87)	(0.87)	(0.87)
Asian	1.20	1.26	1.27	1.19	1.25	1.26
	(1.10)	(1.11)	(1.11)	(1.10)	(1.11)	(1.11)
Black	1.33	1.38	1.37	1.33	1.38	1.36
	(1.03)	(1.04)	(1.04)	(1.03)	(1.04)	(1.04)
Savings (log)	0.10***	0.10***	0.10***	0.10***	0.10***	0.10***
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
GSP (per-capita, log)		0.35	−0.28		0.40	−0.52
		(0.58)	(1.17)		(0.54)	(1.09)
Change GSP		0.01	0.01*		0.01	0.01*
		(0.01)	(0.01)		(0.00)	(0.01)
Unemployment rate		−0.01	0.01		0.00	0.02
		(0.03)	(0.03)		(0.03)	(0.03)
Expenditures (per-capita, log)		−0.03	0.08		−0.02	0.18
		(0.37)	(0.50)		(0.35)	(0.47)
Revenues (per-capita, log)		−0.11	−0.11		−0.13	−0.12
		(0.09)	(0.10)		(0.09)	(0.09)
Avg. disposable income (log)		−0.11	−0.41		−0.10	0.02
		(0.10)	(1.71)		(0.10)	(1.64)
Democrat as governor		−0.03	−0.03		−0.04	−0.04
		(0.04)	(0.04)		(0.04)	(0.04)
Share Democrats in house		0.05	−0.46		0.04	−0.49
		(0.34)	(0.41)		(0.32)	(0.39)
Union density		0.00	0.02		−0.00	0.02
		(0.01)	(0.02)		(0.01)	(0.02)
State policy liberalism		0.09	0.14		0.08	0.06
		(0.09)	(0.16)		(0.08)	(0.15)
Median duration of unemployment		0.01	−0.00		0.00	−0.00
		(0.01)	(0.01)		(0.01)	(0.01)
Mean DV	5.35	5.34	5.34	5.37	5.36	5.36
State-year trends	-	-	✓	-	-	✓
Observations	231,006	228,283	228,283	242,612	239,787	239,787
R^2	0.73	0.73	0.73	0.72	0.72	0.72
Adjusted R^2	0.48	0.48	0.48	0.48	0.48	0.48

Notes: All models include household and year fixed effects. Robust standard errors are clustered at the household level. *p<0.1; **p<0.05; ***p<0.01.

Table A.4: Marginal Effects of Unemployment on Secured Debt by Unemployment Insurance Benefit Generosity

	Dependent variable:		
	Total secured household debt (log)		
	(1)	(2)	(3)
UI recipient	0.42	0.40	0.40
	(0.50)	(0.50)	(0.50)
UI replacement rate	0.67	1.13	0.49
	(0.69)	(0.72)	(0.81)
UI recipient × UI replacement rate	−0.70	−0.66	−0.65
	(1.06)	(1.07)	(1.06)
Income Q2	0.39***	0.39***	0.39***
	(0.04)	(0.04)	(0.04)
Income Q3	0.68***	0.68***	0.67***
	(0.05)	(0.05)	(0.05)
Income Q4	0.86***	0.86***	0.86***
	(0.06)	(0.06)	(0.06)
Income Q5	1.02***	1.02***	1.02***
	(0.06)	(0.06)	(0.06)
Education: some college	−0.27	−0.27	−0.28
	(0.20)	(0.20)	(0.20)
Education: college	−0.08	−0.11	−0.13
	(0.24)	(0.24)	(0.24)
Education: BA	−0.28	−0.29	−0.28
	(0.25)	(0.26)	(0.25)
Education: MA	−0.17	−0.15	−0.16
	(0.32)	(0.32)	(0.32)
Age	0.30***	0.30***	0.30***
	(0.06)	(0.06)	(0.06)
Age square	−0.00***	−0.00***	−0.00***
	(0.00)	(0.00)	(0.00)
Number of children	0.07**	0.07**	0.07**
	(0.03)	(0.03)	(0.03)
Married	0.62***	0.63***	0.64***
	(0.09)	(0.09)	(0.09)
Single	−0.34***	−0.34***	−0.34***
	(0.08)	(0.09)	(0.09)
Renter	−4.52***	−4.54***	−4.54***
	(0.08)	(0.08)	(0.08)
White	1.22	1.28	1.28
	(0.99)	(0.99)	(0.99)
Asian	1.16	1.02	1.07
	(1.17)	(1.16)	(1.16)
Black	0.62	0.78	0.84
	(1.08)	(1.09)	(1.09)
Savings (log)	0.04***	0.04***	0.04***
	(0.00)	(0.00)	(0.00)
GSP (per-capita, log)		1.41**	0.61
		(0.59)	(1.13)
Change GSP		−0.01**	−0.01**
		(0.00)	(0.01)
Unemployment rate		0.00	0.01
		(0.03)	(0.03)
Expenditures (per-capita, log)		−0.94***	−0.55
		(0.37)	(0.47)
Revenues (per-capita, log)		−0.04	−0.04
		(0.08)	(0.09)
Avg. disposable income (log)		0.04	1.73
		(0.10)	(1.63)
Democrat as governor		−0.05	−0.06*
		(0.03)	(0.04)
Share Democrats in house		0.18	−0.36
		(0.33)	(0.38)
Union density		−0.02	0.01
		(0.01)	(0.02)
State policy liberalism		0.08	0.00
		(0.09)	(0.15)
Median duration of unemployment		−0.01	0.00
		(0.01)	(0.01)
Mean DV	7.4	7.4	7.4
State-year trends	-	-	✓
Observations	230,994	228,271	228,271
R^2	0.84	0.84	0.84
Adjusted R^2	0.70	0.70	0.70

Notes: All models include household and year fixed effects. Robust standard errors are clustered at the household level. *p<0.1; **p<0.05; ***p<0.01.

A.5 Additional Information for Predicting Debt from SCF

A.5.1 Summary Statistics

Table A.5: Summary Statistics for SCF and ANES

Statistic	N	Min	Max	Mean	Median
SCF					
Unsecured debt (log)	8,497	0.00	14.57	5.63	7.80
Monthly unsecured debt repayment (log)	8,497	0.00	9.32	3.42	3.49
Age	8,497	18	95	50.53	50
Household income (groups)	8,497	1	6	4.35	5
Conditional on indebted					
Unsecured debt (log)	6,122	0.00	14.57	7.81	9.68
Monthly unsecured debt repayment (log)	6,122	0.00	9.32	4.75	6.21
ANES					
Unsecured debt (log)*	2,001	0.00	10.55	7.24	7.90
Monthly unsecured debt repayment (log)*	2,001	0.00	6.63	4.50	4.97
Age	2,001	18	104	52.60	52
Household income (groups)	2,001	1	6	3.76	4
Conditional on indebted					
Unsecured debt (log)*	1,793	6.23	10.55	8.08	8.04
Monthly unsecured debt repayment (log)*	1,793	3.07	6.63	5.02	5.08

Note: Unsecured debt (log)* and monthly unsecured debt repayment (log)* in the ANES sample are imputed values predicted based on the SCF sample.

Table A.6: Frequency Tables for SCF and ANES

	SCF	ANES
Indebtedness		
Has no debt	0.25	0.10
Has debt	0.75	0.90
Race		
Black	0.13	0.07
Hispanic	0.08	0.05
White	0.75	0.85
Other	0.03	0.03
Education		
Less than high school	0.15	0.06
High school	0.31	0.45
Some college	0.18	0.10
College	0.35	0.39
Marital status		
Married	0.41	0.64
Single	0.59	0.36
Gender		
Female	0.27	0.55
Male	0.73	0.45
Has children		
No	0.57	0.20
Yes	0.43	0.80
Homeowner		
No	0.33	0.17
Yes	0.67	0.83

Note: Rows within each cluster sum to 1.

A.5.2 Alternative Heckman Selection Model Specification

This imputation model includes, in addition to the model in the main text, an unemployment dummy as an additional predictor. Table A.7 shows the results from this alternative imputation approach.

Table A.7: Results from Heckman Selection Model, Alternative Specification

	Dependent variable:		
	Selection model	*Outcome models*	
	Has debt	Unsecured debt	Debt repayment
	(1)	(2)	(3)
Age	−0.03***	−0.05***	−0.03***
	(0.00)	(0.01)	(0.01)
Household income	0.14***	0.25***	0.27***
	(0.00)	(0.05)	(0.04)
High school	−0.07***	0.55***	0.53***
	(0.00)	(0.12)	(0.09)
Less than high school	−0.23***	−0.13	−0.01
	(0.00)	(0.20)	(0.15)
Some college	0.15***	0.81***	0.44***
	(0.00)	(0.14)	(0.10)
Homeowner	0.68***	−0.88***	−0.49***
	(0.00)	(0.21)	(0.16)
Has children	0.24***	0.53***	0.31***
	(0.00)	(0.11)	(0.08)
Single	0.16***	0.44***	0.36***
	(0.00)	(0.16)	(0.11)
Black	0.18***	0.95***	0.88***
	(0.00)	(0.30)	(0.22)
Hispanic	−0.06***	0.32	0.45*
	(0.00)	(0.31)	(0.23)
White	0.11***	0.61**	0.55***
	(0.00)	(0.27)	(0.20)
Male	−0.07***	−0.08	−0.05
	(0.00)	(0.16)	(0.12)
Unemployed	−0.19***	−0.02	−0.16
	(0.00)	(0.16)	(0.11)
IMR1		2.02***	0.72
		(0.65)	(0.48)
Constant	1.12***	8.16***	4.27***
	(0.00)	(0.40)	(0.29)
Observations	8,497	6,122	6,122
R^2		0.84	0.79
Adjusted R^2		0.84	0.79
Log Likelihood	-18,639,161.00		

Notes: Results from a Heckman selection model. Column (1) shows the results from a probit selection model. Columns (2) and (3) show the results from the OLS outcome regressions for unsecured debt (log) and monthly unsecured debt repayments (log) among individuals who carry debt. College degree holders and race category "others" are omitted baselines. Compared to the model in the main text (cf. Table 2), these models include unemployment status as an additional predictor. *p<0.1; **p<0.05; ***p<0.01.

Table A.8 shows the results from a re-estimation of the model in Section 4.3 using imputed debt levels from this alternative imputation approach and the same set of covariates. The results remain very similar.

Table A.8: Effect of UI Replacement Rates and Unsecured Debt on Support for Welfare Spending, Results Based on Alternative Imputation Model

	Dependent variable:			
	Support for welfare spending			
	(1)	(2)	(3)	(4)
Unsecured household debt (log)	0.19**	0.20**	0.21**	0.22***
	(0.09)	(0.09)	(0.08)	(0.08)
UI replacement rate	2.31	2.40*	2.46*	2.66*
	(1.41)	(1.41)	(1.39)	(1.44)
Unsecured household debt (log)	−0.36**	−0.37**	−0.38**	−0.39**
× UI replacement rate	(0.18)	(0.18)	(0.17)	(0.17)
Mean DV	−0.11	−0.11	−0.11	−0.11
Individual FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Individual-level covariates	–	✓	✓	✓
+ income, married, homeowner	–	–	✓	✓
State-level covariates	–	–	–	✓
Observations	2,001	2,001	2,001	2,001
R^2	0.65	0.66	0.66	0.66
Adjusted R^2	0.42	0.42	0.43	0.42

Notes: All models are based on equation 4. Robust standard errors are clustered at the state level and reported in parentheses. Unsecured debt is imputed based on data from the SCF using the model above (see Table A.7). *p<0.1; **p<0.05; ***p<0.01.

A.6 Additional Information for ANES Models

A.6.1 Summary Statistics

Table A.9: Frequency table of attitudes toward spending on welfare programs (in percent)

Q: "Should federal spending on welfare programs be increased, decreased, or kept about the same?"

	Decrease	*Same*	*Increase*
Employment status			
Working full-time	31.93	51.25	16.82
Unemployed	25.38	52.92	21.70
Student	7.46	40.54	51.99
Retired	19.43	62.04	18.53
Gender			
Female	29.37	51.99	18.63
Male	27.83	51.32	20.85
Race			
Asian	22.81	51.31	25.88
Black	15.84	38.88	45.28
Hispanic	26.15	53.85	20.00
White	30.31	52.85	16.85
Household income			
< $14,999	17.36	44.71	37.94
$15,000 - $34,999	21.67	51.50	26.83
$35,000 - $49,999	31.83	49.39	18.78
$50,000 - $64,999	33.07	51.03	15.90
$65,000 - $84,999	29.25	57.41	13.35
More than $84,999	34.03	52.32	13.65
Education			
Less than high school	16.86	50.39	32.76
High school	29.55	50.53	19.93
Some college	34.10	52.93	12.97
College	30.34	53.90	15.77
Party ID			
Democrat	18.41	52.74	28.86
Independent	29.84	37.81	32.35
Republican	38.16	52.83	9.01

Note: Weighted frequency table. Percentages indicate the share of respondents in each group that agree with one of the three answer categories. Rows sum to 100%. N=2,001.

A.6.2 Full Regression Tables

Table A.10: Effect of UI Replacement Rates and Unsecured Debt on Support for Welfare Spending

	Dependent variable:			
	Support for welfare spending			
	(1)	(2)	(3)	(4)
Unsecured household debt (log)	0.20**	0.21**	0.22***	0.23***
	(0.09)	(0.09)	(0.09)	(0.09)
UI replacement rate	2.70*	2.79**	2.87**	3.12**
	(1.41)	(1.42)	(1.39)	(1.45)
Unsecured household debt (log) × UI replacement rate	−0.41**	−0.42**	−0.44**	−0.45***
	(0.18)	(0.18)	(0.17)	(0.17)
Unemployed		−0.00	−0.01	−0.00
		(0.10)	(0.10)	(0.10)
Retired		−0.02	−0.03	−0.02
		(0.07)	(0.07)	(0.07)
Democrat		0.04	0.04	0.04
		(0.09)	(0.09)	(0.09)
Republican		0.03	0.02	0.03
		(0.09)	(0.09)	(0.09)
Financial situation: got worse		0.04	0.04	0.05
		(0.04)	(0.04)	(0.04)
Financial situation: got better		0.04	0.03	0.03
		(0.04)	(0.04)	(0.04)
Household income			−0.05**	−0.05**
			(0.02)	(0.02)
Homeowner			−0.04	−0.03
			(0.08)	(0.08)
Married			−0.18**	−0.18**
			(0.08)	(0.08)
GSP (per-capita, log)				0.13
				(0.73)
Change GSP				−0.01
				(0.01)
Unemployment rate				0.03
				(0.05)
Expenditures (per-capita, log)				−0.54
				(0.56)
Revenues (per-capita, log)				−0.19
				(0.23)
Revenues from Fed. Govt. Transfers				−0.20
				(0.25)
Avg. disposable income (log)				0.20
				(0.31)
Democrat as governor				0.02
				(0.04)
Share Democrats in house				−0.08
				(0.51)
Median duration of unemployment				−0.02
				(0.03)
State policy liberalism				0.05
				(0.13)
Union density				0.01
				(0.02)
Mean DV	−0.11	−0.11	−0.11	−0.11
Observations	2,001	2,001	2,001	2,001
R^2	0.65	0.65	0.66	0.66
Adjusted R^2	0.42	0.42	0.42	0.42

Notes: All models include individual and year fixed effects. *p<0.1; **p<0.05; ***p<0.01.

Table A.11: Effect of UI Replacement Rates and Debt-to-Income Ratios on Support for Welfare Spending

	Dependent variable:			
	Support for welfare spending			
	(1)	(2)	(3)	(4)
Debt-to-income ratio	1.86***	1.84***	1.82***	1.39**
	(0.53)	(0.53)	(0.53)	(0.59)
UI replacement rate	4.48**	4.41**	4.32**	3.54*
	(1.77)	(1.77)	(1.77)	(2.02)
Debt-to-income ratio × UI replacement rate	−3.08***	−3.03***	−2.98***	−2.42**
	(1.09)	(1.09)	(1.09)	(1.17)
Unemployed		−0.02	−0.02	−0.03
		(0.10)	(0.10)	(0.10)
Retired		−0.02	−0.03	−0.01
		(0.07)	(0.07)	(0.07)
Democrat		0.03	0.03	0.04
		(0.09)	(0.09)	(0.09)
Republican		0.02	0.01	0.01
		(0.09)	(0.09)	(0.09)
Financial situation: got worse		0.03	0.03	0.04
		(0.04)	(0.04)	(0.04)
Financial situation: got better		0.06	0.05	0.03
		(0.04)	(0.04)	(0.04)
Household income			−0.03	−0.04*
			(0.02)	(0.02)
Homeowner			−0.03	−0.03
			(0.09)	(0.09)
Married			−0.18**	−0.17**
			(0.08)	(0.08)
GSP (per-capita, log)				0.72
				(0.64)
Change GSP				0.00
				(0.01)
Unemployment rate				0.07
				(0.04)
Expenditures (per-capita, log)				0.05
				(0.48)
Revenues (per-capita, log)				−0.01
				(0.14)
Revenues from Fed. Govt. Transfers				−0.15
				(0.25)
Disposable income (avg, log)				0.21
				(0.29)
Democrat as governor				0.02
				(0.04)
Share Democrats in house				−0.20
				(0.49)
Median duration of unemployment				−0.00
				(0.02)
Mean DV	−0.11	−0.11	−0.11	−0.11
Observations	2,001	2,001	2,001	2,001
R^2	0.65	0.65	0.65	0.66
Adjusted R^2	0.42	0.41	0.42	0.42

Notes: All models include individual fixed effects. *p<0.1; **p<0.05; ***p<0.01.

Table A.12: Effect of UI Replacement Rates and Debt Repayment on Support for Welfare Spending

	Dependent variable:			
	Support for welfare spending			
	(1)	(2)	(3)	(4)
Monthly unsecured debt repayment (log)	0.28*	0.28**	0.31**	0.32**
	(0.14)	(0.14)	(0.14)	(0.14)
UI replacement rate	2.30	2.36	2.39*	2.60*
	(1.44)	(1.45)	(1.40)	(1.46)
Monthly unsecured debt repayment (log) × UI replacement rate	−0.57**	−0.58**	−0.60**	−0.62**
	(0.29)	(0.29)	(0.28)	(0.28)
Unemployed		−0.01	−0.01	−0.01
		(0.10)	(0.10)	(0.10)
Retired		−0.02	−0.03	−0.02
		(0.07)	(0.07)	(0.07)
Democrat		0.04	0.04	0.04
		(0.09)	(0.09)	(0.09)
Republican		0.03	0.02	0.03
		(0.09)	(0.09)	(0.09)
Financial situation: got worse		0.04	0.04	0.05
		(0.04)	(0.04)	(0.04)
Financial situation: got better		0.04	0.03	0.03
		(0.04)	(0.04)	(0.04)
Household income			−0.05**	−0.05**
			(0.02)	(0.02)
Homeowner			−0.04	−0.03
			(0.09)	(0.09)
Married			−0.19**	−0.19**
			(0.08)	(0.08)
GSP (per-capita, log)				0.13
				(0.73)
Change GSP				−0.01
				(0.01)
Unemployment rate				0.03
				(0.05)
Expenditures (per-capita, log)				−0.53
				(0.56)
Revenues (per-capita, log)				−0.19
				(0.23)
Revenues from Fed. Govt. Transfers				−0.20
				(0.25)
Avg. disposable income (log)				0.20
				(0.31)
Democrat as governor				0.02
				(0.04)
Share Democrats in house				−0.09
				(0.51)
Median duration of unemployment				−0.02
				(0.03)
State policy liberalism				0.05
				(0.13)
Union density				0.01
				(0.02)
Mean DV	−0.11	−0.11	−0.11	−0.11
Observations	2,001	2,001	2,001	2,001
R^2	0.65	0.65	0.66	0.66
Adjusted R^2	0.42	0.42	0.42	0.42

Notes: All models include individual and year fixed effects. *p<0.1; **p<0.05; ***p<0.01.

Table A.13: Effect of UI Replacement Rates and Unsecured Debt on Support for Spending on the Poor

	Dependent variable:
	Support for spending on aid to the poor
Unsecured household debt (log)	0.03
	(0.12)
UI replacement rate	2.29
	(1.93)
Unsecured household debt (log) × UI replacement rate	−0.07
	(0.25)
Unemployed	0.12
	(0.12)
Retired	0.04
	(0.08)
Democrat	0.29***
	(0.10)
Republican	0.22**
	(0.10)
Financial situation: got worse	−0.01
	(0.05)
Financial situation: got better	−0.02
	(0.05)
Household income	−0.01
	(0.02)
Homeowner	0.01
	(0.08)
Married	−0.01
	(0.08)
GSP (per-capita, log)	0.65
	(0.55)
Change GSP	−0.00
	(0.01)
Unemployment rate	−0.02
	(0.05)
Expenditures (per-capita, log)	−1.08*
	(0.57)
Revenues (per-capita, log)	−0.19
	(0.25)
Revenues from Fed. Govt. Transfers	0.11
	(0.27)
Avg. disposable income (log)	−0.02
	(0.28)
Democrat as governor	0.07*
	(0.04)
Share Democrats in house	0.69
	(0.48)
Median duration of unemployment	0.05*
	(0.03)
Observations	1,653
R^2	0.68
Adjusted R^2	0.37

Notes: The model includes individual and year fixed effects. Question wording: "Should federal spending on aid to poor people / aid to the working poor be increased, decreased, or kept about the same." [asked in 2000, 2002, and 2004] *p<0.1; **p<0.05; ***p<0.01.

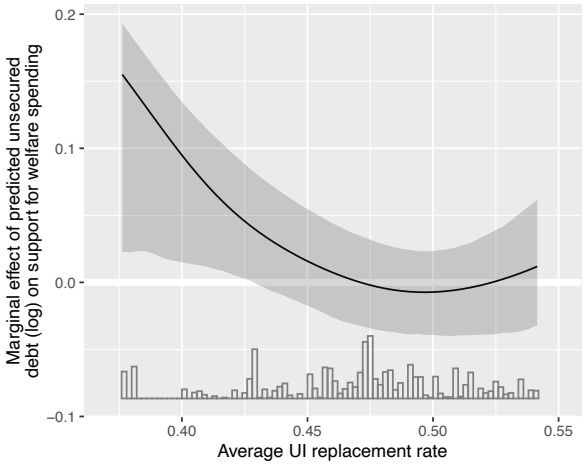
Table A.14: Effect of Economic Insecurity and Political Ideology on Support for Welfare Spending

	Dependent variable:						
	Support for welfare spending						
	State-level Unemployment rate		*Financial situation compared to last year*			*Respondents' Party ID*	
	Low	High	got worse	same	got better	Democrat	Republican
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Unsecured household debt (log)	−0.04	0.21**	0.72***	0.25*	0.42**	0.42***	0.06
	(0.10)	(0.08)	(0.19)	(0.14)	(0.19)	(0.12)	(0.13)
UI replacement rate	0.60	1.20	12.24***	3.41	3.15	5.44***	0.99
	(1.99)	(1.62)	(4.48)	(2.45)	(3.01)	(1.96)	(2.35)
Unsecured household debt (log)	0.05	−0.45**	−1.34***	−0.48*	−0.79**	−0.88***	−0.08
× UI replacement rate	(0.22)	(0.18)	(0.40)	(0.28)	(0.38)	(0.25)	(0.27)
Unemployed	0.12	−0.19*	0.08	−0.04	−0.13	−0.03	−0.04
	(0.15)	(0.11)	(0.26)	(0.14)	(0.23)	(0.16)	(0.10)
Retired	0.03	0.06	1.48***	−0.09	−0.31	0.06	−0.08
	(0.06)	(0.05)	(0.26)	(0.11)	(0.24)	(0.11)	(0.11)
Democrat	0.23**	0.14	−0.03	0.07	−0.13		
	(0.09)	(0.16)	(0.29)	(0.13)	(0.27)		
Republican	−0.07	−0.21	0.20	0.10	−0.51**		
	(0.09)	(0.13)	(0.28)	(0.14)	(0.25)		
Financial situation: got worse	0.10*	−0.08				0.11	−0.00
	(0.06)	(0.06)				(0.08)	(0.06)
Financial situation: got better	0.11**	0.01				0.10	0.00
	(0.04)	(0.04)				(0.06)	(0.07)
Household income	−0.01	−0.03	−0.10	−0.08**	−0.03	−0.04	−0.05
	(0.01)	(0.02)	(0.06)	(0.04)	(0.06)	(0.03)	(0.03)
Homeowner	−0.11	−0.11	−0.29	0.06	−0.06	0.04	−0.04
	(0.07)	(0.10)	(0.22)	(0.17)	(0.20)	(0.13)	(0.13)
Married	−0.04	−0.01	−0.18	−0.25**	0.09	−0.19	−0.21**
	(0.06)	(0.05)	(0.18)	(0.10)	(0.24)	(0.12)	(0.09)
GSP (per-capita, log)	−3.36*	2.31	3.99*	−0.12	−1.21	−0.07	1.00
	(1.70)	(1.96)	(2.31)	(1.35)	(3.03)	(1.26)	(0.93)
Change GSP	0.01	−0.05**	−0.03	−0.00	−0.02	−0.01	−0.01
	(0.02)	(0.02)	(0.02)	(0.01)	(0.03)	(0.01)	(0.01)
Unemployment rate			−0.09	0.15**	−0.11	0.05	0.03
			(0.13)	(0.07)	(0.19)	(0.07)	(0.06)
Expenditures (per-capita, log)	−1.15	−1.10	0.17	−0.96	−0.76	−0.29	−1.40**
	(0.80)	(1.74)	(1.54)	(0.98)	(3.25)	(0.80)	(0.71)
Revenues (per-capita, log)	0.07	−0.72*	−1.41**	−0.12	−0.54	0.34	−0.62*
	(0.25)	(0.41)	(0.54)	(0.35)	(0.96)	(0.36)	(0.38)
Revenues from Fed. Govt. Transfers	−0.23	−0.40	0.70	0.20	−0.49	−0.65*	0.43
	(0.68)	(0.50)	(0.63)	(0.39)	(0.99)	(0.35)	(0.50)
Avg. disposable income (log)	1.42	4.28**	−1.38	−1.18**	0.29	0.56	−0.58
	(2.43)	(1.60)	(0.95)	(0.53)	(1.20)	(0.40)	(0.58)
Democrat as governor	−0.03	0.11**	−0.19	0.08	−0.04	0.08	−0.03
	(0.08)	(0.05)	(0.12)	(0.06)	(0.13)	(0.06)	(0.05)
Share Democrats in house	−0.30	−2.20	0.86	−0.40	−2.28	−0.44	0.79
	(0.81)	(1.69)	(1.67)	(0.96)	(2.15)	(0.81)	(0.71)
Median duration of unemployment	−0.00	−0.05	0.04	0.01	0.01	−0.03	0.02
	(0.03)	(0.04)	(0.06)	(0.04)	(0.11)	(0.04)	(0.04)
State policy liberalism	0.34	1.36***	−0.49*	0.38*	1.29	0.23	−0.04
	(0.34)	(0.38)	(0.28)	(0.22)	(0.79)	(0.20)	(0.17)
Union density	0.01	0.01	0.10**	0.04	−0.04	−0.01	0.06**
	(0.03)	(0.04)	(0.05)	(0.03)	(0.06)	(0.02)	(0.03)
Mean DV	−0.16	−0.06	−0.18	−0.12	0.01	0.06	−0.27
Individual FE	–	–	✓	✓	✓	✓	✓
State FE	✓	✓	–	–	–	–	–
Year FE	✓	✓	✓	✓	✓	✓	✓
Observations	1,021	980	453	1,150	398	929	951
R^2	0.15	0.18	0.89	0.75	0.91	0.67	0.68
Adjusted R^2	0.09	0.13	0.53	0.38	0.49	0.38	0.41

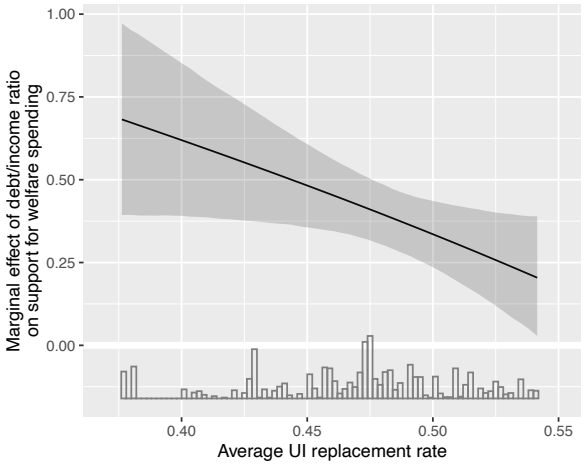
Notes: Robust standard errors are clustered at the state level (columns 1 and 2) and individual level (columns 3-7). *p<0.1; **p<0.05; ***p<0.01.

Figure A.4: Effects of Imputed Unsecured Debt Levels and Debt/Income Ratios on Support for Welfare Spending by UI Replacement Rates using Kernel Estimators

(a) Imputed Unsecured Debt



(b) State-Level Debt/Income Ratio



Notes: Results from a kernel estimator with 95% confidence intervals (Hainmueller, Mummolo and Xu 2019).

A.7 Results for Triple Interaction Models

Table A.15: Effects by Changes in Financial Situation

	Dependent variable:
	Support for welfare spending
Unsecured household debt (log)	0.35***
	(0.13)
UI replacement rate	6.11***
	(2.18)
Financial situation: same	1.86
	(1.25)
Financial situation: got worse	1.75
	(1.68)
Unsecured household debt (log) × UI replacement rate	−0.71***
	(0.27)
Unsecured household debt (log) × Financial situation: same	−0.16
	(0.16)
Unsecured household debt (log) × Financial situation: got worse	−0.15
	(0.21)
UI replacement rate × Financial situation: same	−4.05
	(2.66)
UI replacement rate × Financial situation: got worse	−3.98
	(3.65)
Unsecured household debt (log) × UI replacement rate × Financial situation: same	0.35
	(0.34)
Unsecured household debt (log) × UI replacement rate × Financial situation: got worse	0.36
	(0.45)
Individual FE	✓
Year FE	✓
Individual-level controls	✓
State-level controls	✓
Observations	2,001
R^2	0.66
Adjusted R^2	0.42

Notes: Individuals whose financial situation has improved are the omitted baseline. *p<0.1; **p<0.05; ***p<0.01.

Table A.16: Effects by State-Level Unemployment Rate

	Dependent variable:
	Support for welfare spending
Unsecured household debt (log)	−0.06
	(0.11)
UI replacement rate	0.18
	(1.73)
Unemployment rate: high	−1.28
	(0.95)
Unsecured household debt (log) × UI replacement rate	0.11
	(0.22)
Unsecured household debt (log) × Unemployment rate: high	0.28**
	(0.13)
UI replacement rate × Unemployment rate: high	2.66
	(2.03)
Unsecured household debt (log) × UI replacement rate × Unemployment rate: high	−0.58**
	(0.27)
State FE	✓
Year FE	✓
Individual-level controls	✓
State-level controls	✓
Observations	2,001
R^2	0.15
Adjusted R^2	0.12

Notes: States with low unemployment rates are the omitted baseline. *p<0.1; **p<0.05; ***p<0.01.

Table A.17: Effects by Party ID

	Dependent variable:
	Support for welfare spending
Unsecured household debt (log)	0.03
	(0.24)
UI replacement rate	3.81
	(3.78)
Democrat	−0.38
	(1.95)
Republican	1.35
	(1.92)
Unsecured household debt (log) × UI replacement rate	0.00
	(0.50)
Unsecured household debt (log) × Democrat	0.33
	(0.26)
Unsecured household debt (log) × Republican	0.08
	(0.25)
UI replacement rate × Democrat	0.95
	(4.08)
UI replacement rate × Republican	−2.63
	(3.95)
Unsecured household debt (log) × UI replacement rate × Democrat	−0.72
	(0.55)
Unsecured household debt (log) × UI replacement rate × Republican	−0.21
	(0.53)
Individual FE	✓
Year FE	✓
Individual-level controls	✓
State-level controls	✓
Observations	2,001
R^2	0.66
Adjusted R^2	0.42

Notes: Independents are the omitted baseline. *p<0.1; **p<0.05; ***p<0.01.