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### The social stratification of social risks

*class and responsibility in the 'new' welfare state*

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# GINI

## THE SOCIAL STRATIFICATION OF SOCIAL RISKS

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GROWING INEQUALITIES' IMPACTS

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# The Social Stratification of Social Risks

## Class and Responsibility in the 'New' Welfare State

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# Abstract

Welfare states are said to have evolved over the course of the past twenty years towards a ‘social investment’ model of welfare, characterised by a focus on equality of opportunity and upward social mobility combined with greater emphasis on individual responsibility. More or less concurrently, under the mantra of ‘individualisation’, scepticism has grown with regard to the relevance of traditional stratification schemes. This paper sets out to ascertain whether social class, i.e. intergenerational background, (still) affects the occurrence of ‘social risks’. Using SILC 2005 data, it considers the impact of social class (of origin) on a relevant selection of social risks: unemployment, ill-health, living in a jobless household, single parenthood, temporary employment, and low-paid employment. The results provide clear evidence of a continuing influence of social class. On this basis, we argue that a one-sided focus on individual responsibility could open the door to new forms of marginalisation.

**Key words:** social risks, social stratification, social class, social investment state, individualisation thesis

*Word count: 9964 words*







# 1. Introduction

In consequence of changing economic, demographic and political conditions, European welfare states are in transition,<sup>1</sup> as a new welfare set-up seems to have emerged since the mid-1990s. In discourse, at least, a shift can be observed from ‘traditional social protection’ towards ‘*social investment*’ (e.g. Giddens, 1998; Hudson and Kühner, 2009; Morel et al., 2009; Taylor-Gooby, 2008). Despite conceptual vagueness - prompting some to label social investment a ‘quasi-concept’ (e.g. Jenson, 2009) - two central features can be distinguished: investment in human capital and the objective of full labour market participation (Perkins et al., 2004).<sup>2</sup> Indeed, the assertion that the social investment state aims to ‘rebuild the welfare state around work’ (Department of Social Security, 1998) has become iconic. A variety of conceptual perspectives capture more or less the same ideas. Some speak of an ‘active’ welfare state (e.g. Vandebroucke, 2001), while Esping-Andersen (2003) refers to the need for a ‘new’ welfare state, and Taylor-Gooby (2008) points to the emergence in Europe of a ‘new welfare state settlement’.

The transition towards a ‘new’ or ‘active’ welfare state has, arguably, led to a changing citizenship regime (Jenson, 2009; Jenson and Saint-Martin, 2003). In view of higher labour market participation, the traditional notion of social citizenship (Marshall, 1950), based as it is on (rather unconditional) social rights, is increasingly called into question, as the conception of social rights themselves has to some extent changed (Cox, 1998). In the ‘new’ welfare state, more emphasis is put on reciprocity of rights and duties. Hence, *individual responsibility* has come to play a more determining role in social policy discourse. As governments strive to invest in human capital and equal opportunities, a corresponding obligation emerges for individuals to take responsibility for their own choices. Consequently, welfare states are increasingly rebuilt to stimulate market participation and upward social mobility, e.g. by eliminating ‘unemployment traps’ or by providing comprehensive childcare.

There is however legitimate cause for concern. In the light of a growing emphasis on individual responsibility, it is worthwhile (re)considering the relevance of social background, i.e. social class, to socio-economic outcomes. As Heron and Dwyer (1999) observe, a one-sided focus on individual responsibility and labour market participation opens the door to restricting the rights of traditional social beneficiaries by the application of the rhetoric of modernisation without appropriate mechanisms to resist new forms of marginalisation. Therefore, developments

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1 Paul Pierson (1998), in a discussion of ‘permanent austerity’, argues that the relative growth of the service sector, the maturation of social programmes and demographic transitions have led to increasing budgetary strains. In the light of these changes, welfare states are evolving, albeit at different paces, with a view to achieving higher labour market participation.

2 Perkins, Nelms and Smyth (2004) identify two other, central elements in the ‘social investment’ discourse. First of all, the social investment state tends to integrate the economic and social dimensions of policy. There is a concern with legitimising social spending by emphasising its ‘cost effectiveness’. Hence investment in equality of opportunity is at the heart of the social investment discourse. Correspondingly, less prominence is given to equality of outcomes. Jenson and Saint-Martin (2003: 92) observe that “high rates of inequality, low wages, poor jobs or temporary deprivation are not a serious problem in and of themselves; they are so only if individuals become trapped in those circumstances”.

relating to the social investment state need to be assessed in the context of the social stratification of socio-economic outcomes. More specifically, this article examines how social background, i.e. *social class*, structures the occurrence of so-called ‘social risks’, defined as socio-economic circumstances resulting in a significant loss of income and, consequently, an increased likelihood of poverty. This study fits into the ongoing debate on the relevance of social class to social exclusion in particular, as increasing scepticism is expressed with regard to the structuring impact of social class in the face of societal changes such as growing flexibility in the labour market, destabilisation of family structures, rising general prosperity and differentiated consumption patterns (e.g. Clark and Lipset, 1991; Lee and Turner, 1996; Pakulski and Waters, 1996; Scott, 1996).

The article is structured as follows. First we elaborate on the ‘death of social class’ thesis. Our specific focus is on the structuring impact of social class in respect of social exclusion. Subsequently, we present a selection of social risks whose social stratification pattern we intend to investigate: unemployment, ill-health, living in a jobless household, single parenthood, temporary employment, and low-paid employment. We then proceed to formulate a number of hypotheses on the social stratification of social risks, drawing on the literature on the social stratification of social exclusion and the intergenerational transmission of social class. The following section sets out the methodology applied. Using SILC 2005 data, we investigate the impact of social class of origin on the aforementioned set of social risks. The existence of social gradients has already been demonstrated for some of these risks, particularly unemployment (e.g. O’Neill and Sweetman, 1998) and ill-health (e.g. Feinstein, 1993). The purpose of our analysis is therefore to extend the body of knowledge by considering a broad selection of social risks. Furthermore, we make use of high-quality cross-national data, so as to determine whether stratification patterns differ between countries. The main findings of our analysis are documented in the results section. Finally, in the concluding part, we argue that the evidence points to the persistent influence of social background on the distribution of social risks and thus calls into question the validity of the ‘death of social class’ discourse. We also draw attention to role that an increasing emphasis on individual responsibility plays in both promoting and concealing restricted access to welfare spending for traditional beneficiaries.



## 2. The debate on the 'death of social class'

A series of societal changes, such as increasing flexibility in the labour market and destabilisation of family structures, has prompted growing scepticism with regard to the salience of traditional stratification schemes. In particular, questions have arisen in relation to the continued relevance of social class, given that contemporary societies have become more fragmented and individualised (Beck, 1992). The debate was triggered by Clark and Lipset (1991) and their article 'Are Social Classes Dying?'. Their main argument revolved around the notion of an increasing fragmentation of classes, as reflected in the declining significance of class voting and the growing differentiation of consumption patterns. Arguments for and against this thesis were subsequently explored in a substantial stream of sociological literature (e.g. Beck, 1992; Devine, 1992; Erikson and Goldthorpe, 1992; Hout et al., 1993; Pakulski and Waters, 1996). In various branches of social science, the relevance of social class continues to be a much debated topic (e.g. Archer and Orr, 2011; Atkinson, 2007; Beck, 2007; Bolam et al., 2004; Bottero, 2004; Surridge, 2007; Van der Waal et al., 2007).

In this paper, we focus on the social stratification of 'social risks', defined as socio-economic circumstances resulting in a significant loss of income and an increased likelihood of poverty. The issue at hand should be placed in the context of the ongoing debate on the structuring impact of social class with regard to social exclusion. The traditional view on the stratification of risks is primarily challenged by two, partly competing, perspectives.

First and foremost, the *individualisation thesis* (Beck, 1992; Beck and Beck-Gernsheim, 1996; Beck and Beck-Gernsheim, 2002) calls into question the influence of traditional stratification schemes, and proposes that social risks now affect a larger share of the population. Due to societal changes, such as the rise of post-industrial employment (e.g. Bell, 1973), the growing prevalence of flexible work arrangements (e.g. Littek and Charles, 1995) and the greater diversification of family structures (e.g. Kuijsten, 2002), traditional structures are said to have lost their grip on individuals' lives. According to Beck (1992), the greater salience of such processes is conducive to the emergence of a 'risk society', where higher levels of social risks are more widely spread among segments of the population. In addition, social risks have purportedly become detached from their traditional class moorings. In line with this argument, Berger (1994) claims that a growing diversification of the routes into poverty is resulting in a more heterogeneous poor population. Leisering and Leibfried (1999) concur with the view that poverty is increasingly a social risk not only for marginalised groups, but also for broader sections of society. We are thus

witnessing a ‘democratisation of poverty’, as it were, whereby social risks appear to be transcending traditional social boundaries.

The *life course perspective* also challenges the traditional class perspective. In broad terms, the former theory asserts that social risks are to be understood as a phase in a person’s life trajectory (Vandecasteele, 2007, 2010; Whelan and Maitre, 2008). This emphasis on the life cycle is connected with the notion of ‘new’ social risks. Generally speaking, ‘new’ social risks are seen as a consequence of the ‘post-industrial transition’: deindustrialisation and tertiarisation of employment, women’s entry into the labour market and the increased instability of family structures (Bonoli, 2005, 2007). Taylor-Gooby (2004) connects new social risks with the life course on account of the fact that they affect individuals belonging to specific sub-groups at particular stages in their lives. Since they are associated primarily with entrance into the labour market and with the demands arising from care responsibilities at the stage of family formation, new social risks tend to affect people earlier in life. Similarly, the life-course concept emphasises the importance of agency in responding to biographical events. Here, the focus falls on so-called ‘risky life events’ or ‘life-course risks’, such as leaving the parental home or partnership dissolution (Vandecasteele, 2007, 2010). This life course perspective on social risks has often been linked with the individualisation thesis. The argument goes that new inequalities emerge in consequence of individualised life trajectories and lifestyles, where individual agency and responsibility play a crucial role, while hierarchical stratification structures such as social class are considered to have lost their impact.

In a parallel stream of literature, however, sociologists have continued to emphasise the relevance of traditional stratification schemes to processes of social exclusion. Social class is observed to influence, among other aspects, the duration of poverty spells (Whelan et al., 2003) and, controlling for institutional determinants, the individual poverty risk (Dewilde, 2008). Some scholars have tried to combine the life cycle and social class perspectives on social exclusion. For instance, Whelan and Maitre (2008) have shown that social class and life cycle stage influence the occurrence of social risks in an interactive rather than an additive manner. The social class and life course perspectives should be viewed as potentially complementary, rather than as necessarily generating competing hypotheses. In line with this argument, a recent contribution by Vandecasteele (2010) has shown that risky life events do not trigger identical poverty effects for different social classes. Her results reveal that the most vulnerable groups are disproportionately affected by the poverty-triggering impact of life course events. The findings emerging from this stream of literature seem to suggest that social class is definitely not dead, and that a decline of its relevance (to social exclusion) has yet to be proven.



### 3. Selection of social risks

In this section, we set out our choice of social risks. Our selection of relevant socio-economic circumstances is based on the literature on social risks, particularly the so-called ‘old’ and ‘new’ or ‘post-industrial’ risks. Originally, welfare states were designed to provide coverage against a selection of well-defined ‘old’ risks (Bovenberg, 2007). Both unemployment and ill-health reflect these ‘traditional’ social risks, as they are related to circumstances that create obstacles to participating in the labour market (Bonoli, 2007). We have also included living in a jobless household in our analysis, as it is increasingly seen as a strong indicator of social exclusion. For this reason, it has been included in the EU 2020 multidimensional poverty target (European Council, 2010).

Societal changes have led to the emergence of what may be termed ‘new’ or ‘post-industrial’ social risks. Generally speaking, such risks stem from several societal developments, such as the deindustrialisation and tertiarisation of employment, the growing instability of family structures and the destandardisation of employment (Bonoli, 2007). The destandardisation of family structures, for instance, has led to several ‘new’ social risks, the most common of which is single parenthood. This presents challenges to the ‘traditional’ welfare state, as it was initially designed to suit the male breadwinner model (Taylor-Gooby, 2008). As a result, single parents now face higher poverty risks (Brown and Moran, 1997; Dewilde, 2008). Often the reconciliation of work and family life is seen as the most important ‘new social risk’ (Bonoli, 2005, 2007; Taylor-Gooby, 2004). However, we did not include it in our selection, as dual-earner families are not likely to be confronted with a greater likelihood of poverty. Therefore, the reconciliation of work and family is not a social risk according to our working definition.

The final two social risks to be included in our analysis are both induced by the destandardisation of labour relations. The greater emphasis on flexibility is resulting in more atypical employment relationships. And the rise of (often involuntary) temporary employment has created a new risk of socio-economic insecurity. Research has shown that fixed-term contracts are associated with negative socio-economic impacts (Giesecke, 2009). In addition, the increased deregulation of labour markets has exacerbated the low-pay risk, as institutional features (such as collective bargaining) shape the odds of becoming low paid (Blau and Kahn, 1996; Lucifora and Salverda, 2009). In sum, the social stratification of the following social risks is investigated: unemployment, ill-health, living in a jobless household, single parenthood, temporary employment (i.e. under a fixed-term contract) and low-paid employment. Each of these particular circumstances is likely to be associated with reductions in income and greater exposure to poverty.





## 4. Research hypotheses

A number of hypotheses can be formulated with regard to the social stratification of these social risks. First of all, we consider the expected *impact of social class of origin*. It has been demonstrated in several articles that social background affects some of our selected social risks.<sup>3</sup> More particularly, the existence of intergenerational background effects is extensively documented for unemployment (e.g. O'Neill and Sweetman, 1998) and ill-health (e.g. Siahpush and Singh, 2008). For the other selected social risks, the impact of social background has hitherto been less at the forefront of research. Especially with regard to temporary employment (i.e. fixed-term contracts) and low pay, the relationship with individuals' intergenerational backgrounds remains largely uncharted territory. For jobless households and single parenthood, there are indirect indications of the impact of social class of origin. As living in a jobless household can be seen as a concentration of unemployment at the household level, we expect this risk to be heavily affected by social class of origin. As regards single parenthood, there is some indirect evidence of social background influences, too. The risk of early childbearing and teenage pregnancy is, for example, associated with parental characteristics (e.g. Mersky and Reynolds, 2006). Furthermore, social class is likely to influence the chances of marital disruption. Several studies have shown that divorce odds are linked to social class in most European countries (Gibson, 1974; Haskey, 1984; Jalovaara, 2001, 2003). In sum, we assume that *social class of origin affects all of our selected social risks*, i.e. high-risk groups are characterised by weaker social backgrounds (*hypothesis 1*). Moreover, the *effects of social class of origin may be assumed to be mediated by the individual's educational attainment and social class (hypothesis 2)*, since international research has shown that the level of qualification attained is probably the major mediating factor in class mobility (Erikson and Goldthorpe, 1992; Ishida et al., 1995; Marshall et al., 1997).

Furthermore, we must consider the possibility of *cross-national variation in stratification patterns*. We can account for cross-national differences by referring to the literature on (absolute and relative) mobility patterns in Western countries. Erikson and Goldthorpe's (1992) hallmark study concluded that there were relatively small differences across fifteen countries in the pattern and degree of social fluidity or relative mobility. They examined the impact on social fluidity of a number of 'modernisation' indicators, including level of industrial development, economic and educational inequality, and political attributes. Overall, though, they found no clear relationship between social mobility and country-level characteristics. Moreover, the more recent comparative analyses in Breen (2004) and Breen and Jonsson (2005) report a trend towards convergence in class structures across countries and

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<sup>3</sup> Social background is used here in a broad sense, comprising amongst others social class of origin (e.g. occupation of the father) and educational level of the parents.



smaller variation in rates of absolute mobility. In addition, Breen and Luijkx (2004) recently found no relationship between the Gini coefficient and social fluidity. In general, both trends and cross-national differences in class mobility are difficult to connect directly with the welfare state. Consequently, for the purposes of our analysis, *we anticipate that the structuring impact of social class is more or less the same across nations (hypothesis 3)*. However, some claim there is a distinct social democratic cluster. Erikson and Goldthorpe (2002: 36), for instance, state that “among economically advanced economies, Sweden appears as the most open.” Therefore, we also investigate a rival hypothesis, according to which *the intergenerational class effects are smaller for the social democratic welfare states, as they are characterised by higher degrees of (intergenerational) social mobility (hypothesis 4)*.



## 5. Methodology and descriptive results

The analyses are performed on the EU-SILC data from 2005, making use of the intergenerational module. The EU-SILC (Statistics on Income and Living Conditions) is the EU reference source for comparative statistics on income distribution and social exclusion at the European level (Atkinson and Marlier, 2010). In this paper, cross-sectional data are used for the following countries: Ireland, the United Kingdom, Denmark, Finland, Norway, Austria, Belgium, France, Germany and the Netherlands. This selection contains most of the wealthy EU member states, as discourse emphasising ‘social investment’ has been most pronounced in these countries. Furthermore, these European welfare states span all three types distinguished by Esping-Andersen (1990). We had intended also to include Sweden in our analysis, but data problems (too many missing values on the father’s occupation) forced us to omit it. For all countries included in the analysis, the cross-sectional data are based on a nationally representative probability sample of the population residing in private households within the country. Only persons aged 25 to 64 were invited to answer the questions in the intergenerational module, so our analysis is restricted to individuals in that age range.

In the following subsections, we first address the operationalisation of social class and educational level. This is followed by a description of each social risk and a mapping of the selected ‘risk population’. Finally, the statistical techniques employed are described.

### 5.1. Operationalisation of social class

The derivation of social class of origin is based upon the reported occupation of the father (ISCO-88) when the respondent was 14 years old. For current social class, we rely on the respondent’s occupation or, in the case of unemployment, former occupation. Data relating to the occupation of the father is only available for respondents older than 24 and younger than 65. We were unable to make use of the European Socio-Economic Classification (Harrison and Rose, 2006; Rose and Harrison, 2007), as some of the requisite data were not at our disposal (e.g. the number of employees in the firm and whether the respondent has a supervisory function). On the basis of ISCO-88

codes, the following classification was drawn up: high-skilled non-manual occupations, low-skilled non-manual occupations, skilled manual occupations, elementary occupations, and not in work.<sup>4/5</sup>

The category ‘not in work’ is not used in case of the respondent’s own social class, as this would lead to tautological results. Those who have never worked are excluded from the analysis, as are members of the armed forces. Sweden is omitted due to the extremely high rate of non-response.<sup>6</sup> In the analysis, the social class categories are transformed into dummy variables, with elementary occupations as the category of reference.

## 5.2. Operationalisation of educational level

The educational level of the respondents is based on the highest attained educational degree. All respondents whose educational attainment does not exceed lower secondary education are categorised as ‘low skilled’. Respondents with a degree of (upper) secondary education are classified as ‘medium skilled’, whereas those with a tertiary degree are defined as ‘high skilled’. For the analyses, dummy variables are used, with low skilled serving as the reference category.

## 5.3. Operational definitions of the selected social risks

Table 1 presents an overview of the operational definitions of the social risks considered, as well as the selected ‘risk population’ for which analyses were conducted. All social risks are constructed as dummy variables. Depending on the social risk, the population under analysis is redefined. In what follows we discuss in greater detail the operationalisation of the various risks as well as the target population of each analysis.

4 High-skilled non-manual occupations: comprising legislators, senior officials, managers, professionals, technicians and associate professionals (ISCO 11-34); Low-skilled non-manual occupations: comprising clerks, service workers, shop and market sales workers (ISCO 41-52); Skilled manual occupations: comprising skilled agricultural/fishery workers, craft and related trades workers, plant/machine operators and assemblers (ISCO 61-83); Elementary occupations: comprising sales/services elementary occupations, agricultural/fishery and related labourers and labourers in mining/construction/manufacturing/transport (ISCO 91-93); Not in work: no corresponding ISCO code and the respondent’s father was not at work when the respondent was 14 years old (unemployed, retired, homemaker or ‘other inactive’).

5 Our operationalisation is in line with the neo-Weberian approach towards social class, as it lays emphasis on the division between manual and non-manual occupations. Marxist approaches (e.g. Eric Olin Wright’s class scheme), on the contrary, accentuate the owner/non-owner distinction and the degree of control over labour (Duke and Edgell, 1987).

6 There are only 861 valid cases for respondents aged 25 to 64 years.



*Table 1 Operationalisation of the selected social risks*

OPERATIONALISATION SOCIAL RISK	RISK POPULATION <sup>a</sup>
<i>Unemployment</i> : unemployed, available for and actively looking for a job (ILO definition)	the workforce (25 to 55 years old)
<i>Ill-health</i> : the self-reported general health is 'bad' or 'very bad'	all respondents (25 to 64 years old)
<i>Jobless household</i> : respondents living in a household where the work intensity is below 0.2	respondents (25 to 64 years old), living in a household with young dependent children (max. 12 years old)
<i>Single parenthood</i> : respondents without a partner and parenting a child in the same household	respondents (25 to 64 years old), living in a household with young dependent children (max. 12 years old)
<i>Temporary employment</i> : holding a job under a fixed-term contract	the workforce (25 to 55 years old), excluding the self-employed
<i>Low pay</i> : annual gross earnings are below two-thirds of median earnings	full-time working employees (25 to 64 years old) who have worked 12 months in the previous year

*Notes: <sup>a</sup> the population for which the analyses were conducted*

In addition to the data-imposed restriction to ages 25 to 64, the analyses for unemployment and temporary employment were confined to those aged under 56, due to cross-national differences in welfare state schemes for the group between 56 and 64 years (e.g. early retirement schemes) and the low number of respondents in this age bracket holding temporary jobs. Students, pensioners and respondents fulfilling military service were excluded from all analyses.

We use the standard ILO definition of unemployment. An individual is considered to be unemployed if he/she reports not to be working, despite being willing and able to work and actively seeking a job. The risk population is the workforce (25-54 years), encompassing both the employed and the unemployed. Ill-health is measured using the self-reported health of the respondents: a respondent is considered as being in ill-health if his/her self-reported health status is 'bad' or 'very bad'. The circumstance of living in a jobless household depends on the work intensity of the household, which is calculated in accordance with the Eurostat definition: the number of months worked by all household members divided by the 'workable' months during the income reference year previous to the survey. The workable months are the number of months for which information is available on the household member's activity status.

Single parents are respondents without a partner in the same household and parenting a young child (up to 12 years). The risk population is restricted to respondents who have at least one young dependent child. Temporary employment is defined in terms of the respondent's employment contract: respondents indicating that they are working under a fixed-term contract are considered to be in temporary employment. The relevant risk population is the workforce aged 25 to 55. Self-employed respondents are excluded. Finally, for low pay, we use the standard OECD definition: those whose earnings fall below two-thirds of the median gross earnings of full-year, full-time

employees in the previous year are considered to be low paid. The analysis is restricted to full-time employees, because of a lack of accurate data regarding number of hours worked.

## 5.4. Descriptive results

Table 2 presents an overview of the univariate results for these social risks. The percentages in the table reflect the number of people in the selected risk group who experience that particular social risk. Below each percentage, the 95%-confidence interval is given. The confidence intervals are calculated using a correction for the clustering of respondents in households.



*Table 2 Risk levels in the selected welfare states (with 95%-confidence intervals)*

	UNEMPLOYMENT	ILL-HEALTH	JOBLESS HOUSEHOLD	SINGLE PARENTHOOD	TEMPORARY EMPLOYMENT	LOW PAY
<b>SCANDINAVIAN</b>						
DENMARK	<b>3.42%</b> [2.68–4.16%]	<b>5.85%</b> [4.97–6.73%]	<b>3.12%</b> [1.84–4.40%]	<b>6.91%</b> [5.41–8.40%]	<b>a</b>	<b>8.49%</b> [7.30–9.69%]
FINLAND	<b>6.18%</b> [5.41–6.95%]	<b>7.25%</b> [6.54–7.96%]	<b>2.99%</b> [2.21–3.77%]	<b>6.09%</b> [5.04–7.14%]	<b>12.38%</b> [11.20–13.56%]	<b>11.78%</b> [10.70–12.87%]
NORWAY	<b>2.90%</b> [2.25–3.55%]	<b>7.77%</b> [6.91–8.62%]	<b>2.91%</b> [1.97–3.84%]	<b>9.34%</b> [7.84–10.84%]	<b>9.68%</b> [8.54–10.82%]	<b>14.74%</b> [13.33–16.16%]
<b>CONTINENTAL</b>						
AUSTRIA	<b>2.37%</b> [1.88–2.87%]	<b>3.67%</b> [3.14–4.20%]	<b>2.51%</b> [1.64–3.38%]	<b>5.88%</b> [4.88–6.88%]	<b>5.25%</b> [4.39–6.10%]	<b>12.18%</b> [10.85–13.50%]
BELGIUM	<b>6.85%</b> [6.04–7.67%]	<b>6.57%</b> [5.91–7.24%]	<b>8.60%</b> [6.97–10.24%]	<b>7.60%</b> [6.39–8.81%]	<b>8.27%</b> [7.28–9.26%]	<b>8.69%</b> [7.56–9.81%]
FRANCE	<b>6.40%</b> [5.76–7.05%]	<b>6.42%</b> [5.90–6.93%]	<b>3.26%</b> [2.60–3.92%]	<b>6.20%</b> [5.41–6.99%]	<b>11.11%</b> [10.29–11.93%]	<b>9.97%</b> [9.11–10.84%]
GERMANY	<b>7.06%</b> [6.44–7.68%]	<b>6.40%</b> [5.92–6.88%]	<b>4.96%</b> [4.04–5.88%]	<b>10.48%</b> [9.48–11.47%]	<b>8.13%</b> [7.42–8.84%]	<b>14.06%</b> [13.01–15.10%]
NETHERLANDS	<b>2.39%</b> [1.74–3.03%]	<b>4.95%</b> [4.23–5.67%]	<b>4.40%</b> [3.25–5.54%]	<b>4.59%</b> [3.70–5.47%]	<b>10.23%</b> [9.02–11.45%]	<b>7.69%</b> [6.34–9.04%]
<b>ANGLO-SAXON</b>						
IRELAND	<b>4.16%</b> [3.40–4.93%]	<b>3.49%</b> [2.92–4.06%]	<b>10.21%</b> [8.28–12.14%]	<b>11.04%</b> [9.44–12.65%]	<b>6.99%</b> [5.74–8.23%]	<b>14.00%</b> [12.25–15.76%]
UNITED KINGDOM	<b>2.07%</b> [1.71–2.44%]	<b>5.77%</b> [5.27–6.27%]	<b>1.84%</b> [1.26–2.43%]	<b>13.97%</b> [12.73–15.20%]	<b>4.07%</b> [3.53–4.61%]	<b>16.85%</b> [15.75–17.95%]

Notes: [] = 95%-confidence interval; a = data not available

Focusing on the unemployment rate in the respective welfare states, it is clear that there is considerable cross-regime variation. Two clusters of countries emerge: one is characterised by relatively high unemployment (Finland, Belgium, France and Germany), the other by low unemployment rates (Denmark, Norway, Austria, the Netherlands and the United Kingdom). Ireland occupies an intermediate position. The observed percentages are slightly lower than those cited in the official ILO statistics for 2005 (ILO, 2005) due to the exclusion of respondents under the age of 25. The cross-country differences in respect of ill-health are less outspoken, ranging from 3.49 percent in Ireland to 7.77 percent in Norway. In the Scandinavian countries, ill-health rates are relatively high, whereas in the continental and Anglo-Saxon countries the rates vary. As regards jobless households, the observed variation is considerable. The proportion of individuals living in a jobless household is relatively high in Belgium and Ireland, and low in the United Kingdom. With regard to single parenthood, the Anglo-Saxon countries report relatively high levels, as does Germany, unlike some other continental European countries (such as Austria and the

Netherlands). Temporary employment rates are high in Finland, Norway, France and the Netherlands, and somewhat lower in Austria and the United Kingdom. These results are largely consistent with figures from the OECD (2002). In relation to low pay, there is no clear divide between the Scandinavian, the continental and the Anglo-Saxon countries. High rates are found in Finland, Norway, Austria, Germany, Ireland and the United Kingdom, whereas in Denmark, Belgium and France the proportion of low-paid employees is relatively low. This pattern is consistent with reports in the existing literature (Lucifora and Salverda, 2009; Salverda and Mayhew, 2009). However, the low estimate for the Netherlands is surprising. This anomaly is most probably due to the exclusion of part-time workers from our analysis.

## 5.5. Statistical methods

To assess the impact of social stratification determinants, we make use of a pooled country regression model (combining all country samples). We run individual (stepwise) logistic models for each social risk, starting from a simple model incorporating only social class of origin. In subsequent models, educational attainment and current social class are added. In all of these models, variables are included to control for age, sex and country effects. For unemployment, age<sup>2</sup> has also been added to the model. Finally, in order to test for cross-country variation in the impact of social class, interaction terms are inserted into the models. With a view to achieving interpretable results, countries are grouped according to the Esping-Andersen welfare state typology (social democratic, liberal and conservative) (1990). In all analyses, we use only responses characterised by valid values for both social class (of origin and own social class), educational degree and the social risk concerned (listwise deletion). Standard errors are calculated assuming simple random sample design and taking into account the clustering of respondents within households.<sup>7</sup>

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<sup>7</sup> Arguably, this leads to an underestimation of the real standard errors, as samples are (mostly) drawn using a stratified sampling design. More information on the sampling design and standard errors in the EU-SILC data can be found in a CSB Working Paper by Tim Goedemé (2010).



## 6. Results

In this section, we present the outcomes of the (stepwise) logistic regression models. The results are set out as odds ratios and all the reported coefficients are net of country effects for which controls have been introduced.<sup>8</sup> Tables 3 and 4 display the regression results for our selection of social risks: unemployment, ill-health, jobless household, single parenthood, temporary employment, and low pay. For all social risks, three main effect models are presented: Model 1 incorporating only social class of the father, Model 2 which also takes account of the respondent's educational level, and Model 3 which adds 'achieved' social class. In order to correctly interpret the stepwise regressions, we also rely on an ordinal logistic regression model for assessing the impact of social class of origin on respondents' educational level.<sup>9</sup> Social class of origin is found to influence educational attainment in the anticipated manner, i.e. lower social background is associated with higher low-skill rates.

Table 3 presents the results of the stepwise logistic regression for unemployment, ill-health and living in a jobless household. With regard to social class of origin, respondents whose father had a high-skilled non-manual occupation, a low-skilled non-manual occupation or a skilled manual occupation have a lower chance of being unemployed, having ill-health or living in a jobless household. These results seem to confirm our first hypothesis. However, the effect of intergenerational background is stronger for ill-health and jobless household than for unemployment. For all social risks considered in Table 3, the addition of the respondents' educational level and current social class significantly improves the regression model. In line with our second hypothesis, the impact of social class of origin is mediated by educational attainment and own occupation. However, the effect of social background on ill-health does not disappear after the introduction of educational level and own social class.

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8 The categories of reference are elementary occupations (social class father), low-skilled (educational level) and elementary occupations (own social class). To control for country effect, country dummies have been added to the models, using Belgium as category of reference.

9 Social background (social class of the father) has the anticipated effect, as lower social classes are associated with higher low-skill rates. The results of this (ordinal logistic) regression are available from the authors by request.



Table 3 Results stepwise logistic regression for unemployment, ill-health and jobless household

	UNEMPLOYMENT			ILL-HEALTH			JOBLESS HOUSEHOLD		
	MODEL1	MODEL2	MODEL3	MODEL1	MODEL2	MODEL3	MODEL1	MODEL2	MODEL3
<b>CONTROL VARIABLES</b>									
AGE	0.875***	0.874***	0.877***	1.060***	1.054***	1.056***	1.009	1.004	1.006
AGE <sup>2</sup> (CENTRED)	1.002***	1.002***	1.002***	a	a	a	a	a	a
SEX (0=FEMALE, 1=MALE)	0.833***	0.822***	0.796***	0.909*	0.936	0.898*	0.389***	0.386***	0.363***
<b>SOCIAL CLASS FATHER</b>									
HIGH-SKILLED NON-MANUAL	0.682***	0.861	1.013	0.583***	0.724***	0.810**	0.513***	0.829	0.958
LOW-SKILLED NON-MANUAL	0.722**	0.822	0.925	0.600***	0.687***	0.746***	0.672*	0.924	1.019
SKILLED MANUAL	0.787**	0.831*	0.875	0.777***	0.820**	0.839*	0.698**	0.845	0.877
ELEMENTARY OCCUPATIONS	Ref	Ref	Ref	Ref	Ref	Ref	Ref	Ref	Ref
NOT IN WORK	1.309*	1.349*	1.404*	1.178	1.217	1.248*	1.549*	1.591*	1.607*
<b>EDUCATIONAL LEVEL</b>									
HIGH-SKILLED		0.415***	0.648***		0.441***	0.599***		0.181***	0.277***
MEDIUM-SKILLED		0.709***	0.824*		0.641***	0.713***		0.369***	0.430***
LOW-SKILLED		Ref	Ref		Ref	Ref		Ref	Ref
<b>OWN SOCIAL CLASS</b>									
HIGH-SKILLED NON-MANUAL			0.303***			0.474***			0.330***
LOW-SKILLED NON-MANUAL			0.514***			0.653***			0.543***
SKILLED MANUAL			0.618***			0.830*			0.761
ELEMENTARY OCCUPATIONS			Ref			Ref			Ref
<b>MODEL CHARACTERISTICS</b>									
Mc FADDEEN'S PSEUDO R <sup>2</sup>	0.051	0.061***	0.073***	0.051	0.060***	0.066***	0.086	0.121***	0.132***
N	42802	42802	42802	55732	55732	55732	20378	20378	20378

Notes: controlled for country effects (country dummies); Ref = category of reference; \*  $p < 0,05$ , \*\*  $p < 0,01$ , \*\*\*  $p < 0,001$ ; a = not included in the regression model; n = number of cases

Table 4 provides an overview of the results for single parenthood, temporary employment and low pay. The regression results (Model 1) for single parenthood and low pay confirm our first hypothesis, as social class of origin influences the lone parenthood and low pay risk in the anticipated manner. In contrast, no significant inter-generational effects are found for temporary employment. Furthermore, the impact of educational attainment on temporary employment is somewhat different than anticipated. Education influences the likelihood of temporary employment in a non-linear manner, as the contrast between the high skilled and the low skilled (OR=0.672,  $p < 0.001$ ) is smaller than that between the medium skilled and the low skilled (OR=0.638,  $p < 0.001$ ). Subsequently, we find only partial confirmation for our second hypothesis, as the impact of social class of origin on single parenthood is mediated only by educational level, not by own social class (Model 3 does not improve the model fit). Finally, for low pay, social class effects are mediated by as well educational degree and own social class.

Table 4 Results stepwise logistic regression for single parenthood, temporary employment and low pay

	SINGLE PARENTHOOD			TEMPORARY EMPLOYMENT			LOW PAY		
	MODEL1	MODEL2	MODEL3	MODEL1	MODEL2	MODEL3	MODEL1	MODEL2	MODEL3
<b>CONTROL VARIABLES</b>									
AGE	1.032***	1.031***	1.031***	0.949***	0.947**	0.947***	0.991***	0.984***	0.986***
SEX (0=FEMALE, 1=MALE)	0.101***	0.101***	0.104***	0.625***	0.623***	0.635***	0.492***	0.450***	0.395***
<b>SOCIAL CLASS FATHER</b>									
HIGH-SKILLED NON-MANUAL	0.751**	0.867	0.884	0.977	1.024	1.110	0.643***	0.922	1.140
LOW-SKILLED NON-MANUAL	0.902	0.991	1.004	0.882	0.920	0.990	0.643***	0.781**	0.905
SKILLED MANUAL	0.762**	0.808*	0.817*	0.848	0.875	0.922	1.015	1.119	1.174*
ELEMENTARY OCCUPATIONS	Ref	Ref	Ref	Ref	Ref	Ref	Ref	Ref	Ref
NOT IN WORK	1.257	1.263	1.255	1.217	1.230	1.28	1.096	1.175	1.239
<b>EDUCATIONAL LEVEL</b>									
HIGH-SKILLED		0.547***	0.586***		0.672***	0.826*		0.233***	0.434***
MEDIUM-SKILLED		0.657***	0.678***		0.638***	0.716***		0.538***	0.652***
LOW-SKILLED		Ref	Ref		Ref	Ref		Ref	Ref
<b>OWN SOCIAL CLASS</b>									
HIGH-SKILLED NON-MANUAL			0.769*			0.450***			0.205***
LOW-SKILLED NON-MANUAL			0.835			0.490***			0.442***
SKILLED MANUAL			0.763*			0.486***			0.622***
ELEMENTARY OCCUPATIONS			Ref			Ref			Ref
<b>MODEL CHARACTERISTICS</b>									
MC FADDEN'S PSEUDO R <sup>2</sup>	0.123	0.128***	0.128	0.047	0.049***	0.054***	0.043	0.075***	0.102***
N	20690	20690	20690	32586	32586	32586	29044	29044	29044

Notes: controlled for country effects (country dummies); Ref = category of reference; \*  $p < 0,05$ , \*\*  $p < 0,01$ , \*\*\*  $p < 0,001$ ; n = number of cases

In conclusion, for all of the social risks considered, except for temporary employment, clear intergenerational background effects are found. In line with the second hypothesis, these effects are almost totally mediated by educational attainment and own social class. Thus far, we have only controlled for the difference in risk levels between welfare states. Hence it remains worthwhile to investigate whether and to what extent the effects of social stratification determinants differ between welfare state regimes. In order to obtain interpretable results, we group the countries according to Esping-Andersen's welfare state typology (social democratic, liberal and conservative). Table 5 presents an overview of the significant effects that are found in the interaction models.<sup>10</sup> For each social risk, three interaction models are investigated: one containing only interactions between social class of origin and welfare regime, a second that adds interactions between educational degree and welfare set up, and a third model that also includes interactions with current social class. For each stratification variable (social class of father, educational level, and own social class), it documents whether the addition of interaction terms significantly improves

<sup>10</sup> It must be stressed that this does not imply there are no differences between countries with regard to social stratification patterns. However, this heterogeneity does not show up as significant in our regression models and / or is not consistent with the Esping-Andersen typology.

the regression model. The odds ratios are given only if both the model and the interaction term are statistically significant. To facilitate interpretation, it should be borne in mind that the reference group or benchmark is low skilled with an elementary occupation in a social democratic welfare state, whose father held an elementary occupation.

*Table 5 Results of adding interaction terms to the regression model(s)*

	UNEMPLOY- MENT	ILL-HEALTH	JOBLESS HOUSEHOLD	SINGLE PARENTHOOD	TEMPORARY EMPLOYMENT	LOW PAY
<b>SOCIAL CLASS FATHER</b>	ns	ns	ns	***	***	***
HIGH-SKILLED NON-MANUAL * CONSERVATIVE						0.409***
LOW-SKILLED NON-MANUAL * CONSERVATIVE						0.446***
SKILLED MANUAL * CONSERVATIVE						0.453***
NOT IN WORK * CONSERVATIVE						0.424**
HIGH-SKILLED NON-MANUAL * LIBERAL				0.276***		0.358***
LOW-SKILLED NON-MANUAL * LIBERAL					0.470*	0.505**
SKILLED MANUAL * LIBERAL						0.389***
NOT IN WORK * LIBERAL						0.437*
<b>EDUCATIONAL LEVEL</b>	***	ns	***	***	***	***
HIGH-SKILLED * CONSERVATIVE	1.716**				0.539***	
MEDIUM-SKILLED * CONSERVATIVE	1.484*					
HIGH-SKILLED * LIBERAL					0.485***	0.477***
MEDIUM-SKILLED * LIBERAL			0.377*	0.591*	0.321***	0.576***
<b>OWN SOCIAL CLASS</b>	***	ns	ns	***	ns	***
HIGH-SKILLED NON-MANUAL * CONSERVATIVE	2.134***			2.106**		0.355***
LOW-SKILLED NON-MANUAL * CONSERVATIVE	1.878**					
SKILLED MANUAL * CONSERVATIVE	1.880**					0.340***
HIGH-SKILLED NON-MANUAL * LIBERAL						0.203***
LOW-SKILLED NON-MANUAL * LIBERAL						
SKILLED MANUAL * LIBERAL	2.001*					0.241***

*Notes: controlled for age (also age<sup>2</sup> for unemployment), sex, social class of the father, educational level, own social class and country effects (grouped according to the Esping-Andersen welfare typology); ns = non-significant; \*  $p < 0,05$ , \*\*  $p < 0,01$ , \*\*\*  $p < 0,001$ ; only the significant interaction terms are given*

Looking first of all at the results for unemployment, it is clear that there are no significant interaction terms with social class of origin. In line with our third hypothesis, the social background effects are the same across welfare state regimes. Focusing on the interaction terms for educational degree and own social class, significant effects are found in the conservative welfare states. The results may be interpreted as providing an indication that the unemployment risk is less socially stratified in the conservative (continental) welfare states than in the social democratic (Scandinavian) welfare states. Finally, a significant result is found for the liberal welfare states, where the effect of skilled manual occupations is smaller. Subsequently, the addition of interaction terms does not improve the model for the social risk of ill-health. We may therefore conclude that the basic stratification pattern does



not significantly differ between the social democratic, the conservative and the liberal welfare states. As regards living in a jobless household, only one significant interaction term is found with educational level. The effect for medium skilled is stronger in the liberal welfare states, i.e. this risk is more stratified by education. In sum, insofar as the risks of unemployment, ill-health and living in a jobless household are concerned, the data seem to confirm our third hypothesis.

Subsequently, three significant effects are found for lone parenthood. However, the vast majority of interaction terms are not significant, providing no indication that stratification patterns differ between welfare state regimes. As regards temporary employment, the most distinct finding is the different impact of education in the selected welfare states. To some extent in the conservative welfare states, but primarily in the liberal ones, educational attainment seems to have a larger impact. Finally, Table 5 displays the results for the risk of holding low-paid employment. For this social risk, there is clear evidence of a divergent impact of social stratification determinants. Here some indications are found for our fourth hypothesis, which states that patterns between welfare state regimes differ. First and foremost, social background (in terms of father's social class) plays a more determining role in the conservative and liberal welfare states. In addition, interaction effects are also found for educational degree. The occurrence of low pay in the liberal welfare states is influenced more by educational qualification. Finally, the individual's current social class has a more substantial impact in the liberal and conservative welfare states.

The abovementioned analyses confirm the persistent influence of social background, conceived as social class of origin. Intergenerational effects are found for all social risks except temporary employment. Hence, the findings tend to confirm our first hypothesis. The strongest class effects are observed for the likelihood of ill-health and living in a jobless household. In line with the second hypothesis, the findings show that these effects are mediated by educational degree and own social class. As for potential differences between welfare state regimes, the main conclusion is that social stratification patterns are by and large the same across Europe (cf. hypothesis 3).<sup>10</sup> There is however one important exception, as our data indicates that there are clear differences in the stratification pattern for low pay. In the conservative and the liberal welfare states, the likelihood of low-paid employment is determined to a larger degree by social stratification determinants (social class of origin, educational degree and current social class). However, it should be noted that these interaction terms do not alter the basic pattern of social stratification, namely that of persistent social background effects mediated by own education and social class.





## 7. Conclusion

Welfare states are facing challenging times. In consequence of changing economic, demographic and political conditions - Paul Pierson (1998) speaks of a context of ‘permanent austerity’ - social policy discourse has changed. Since the 1990s, there has been a marked shift from ‘traditional’ social protection towards ‘social investment’ (e.g. Morel et al., 2009; Perkins et al., 2004; Taylor-Gooby, 2008). One of the main aims of the ‘new’ welfare state was to realign the welfare state around work.<sup>11</sup> As a result of the sharper focus on higher labour market participation, work requirements in protection schemes have been tightened (e.g. Clasen et al., 2001). Some argue that these changes have led to a new citizenship regime (Jenson, 2009; Jenson and Saint-Martin, 2003), as more emphasis is put on the reciprocity of rights and duties (Cox, 1998). As governments strive to invest in human capital and equal opportunities, a corresponding obligation emerges for individuals to take responsibility for their own choices. In the light of these transitions, we argue that it is necessary to understand the extent to which social background (in terms of social class) influences the likelihood of being affected by social risks. Otherwise, a growing emphasis on individual responsibility could lead to new forms of marginalisation or erode the level of protection against some traditional forms of exclusion (Heron and Dwyer, 1999).

More or less concurrently, doubt has grown with regard to the structuring impact of social class. Due to societal transitions, such as changes in the labour market and in family structures, social risks are said to have become detached from their traditional class moorings. Some claim that we have evolved to a so-called ‘risk society’, where higher levels of social risks are more widely diffused among segments of the population (Beck, 1992; Beck and Beck-Gernsheim, 1996; Beck and Beck-Gernsheim, 2002). With regard to social exclusion, some observe an ‘individualisation’ of risks, implying that traditional social stratification determinants (such as social class) have lost their impact. Echoing Beck, Leisering and Leibfried (1999) speak of a ‘democratisation of poverty’, asserting that poverty risks have come to transcend traditional social boundaries.

In this paper, the focus has been on the following selection of socio-economic circumstances: unemployment, ill-health, living in a jobless household, lone parenthood, temporary employment, and low-paid employment. For most of these social risks, we find clear evidence of a continuing impact of social class of origin. Only in the case of temporary employment are no intergenerational effects observed. The strongest intergenerational background effects are found in relation to ill-health and living in a jobless household. However, we have found that social background effects are largely mediated by the individual’s own educational attainment and ‘achieved’ social class. Remarkably, the addition of current social class does not improve the model fit for single parenthood,

<sup>11</sup> Note that the extent to which welfare states have evolved towards social investment states remains a question for empirical research.

implying that (controlled for social class of origin and educational level) own occupation does not influence the likelihood of lone parenthood. From a comparative welfare state perspective, indications were found to support the view that, particularly with regard to social class of origin, stratification patterns are by and large the same across welfare state regimes (social democratic, conservative and liberal). The only exception relates to the likelihood of holding low-paid employment. Here, the impact of the social stratification influences on which we have focused is weaker in the social democratic welfare states. However, this does not significantly alter the basic social stratification pattern observed. In the Scandinavian countries, too, low-paid jobs are mainly held by employees from less advantaged social backgrounds. In sum, our analysis shows that social risks are far from individualised. Having said that, we are unable to draw conclusions about whether the impact of social class has decreased over time, as this would require high-quality longitudinal data.<sup>12</sup>

So what are the policy consequences of the ‘social stratification of social risks’? Clearly policy scholars need to take note of the strong and resilient intergenerational class effects. Despite sustained efforts to achieve equality of opportunity, social class still has a significant influence. Overall, we are convinced that two lessons can be learnt from our results. First of all, they suggest that caution is called for in emphasising individual responsibility, as the reciprocity of rights and duties has come at the forefront of social investment discourse (Jenson, 2009; Jenson and Saint-Martin, 2003). As governments try to invest in human capital and in equality of opportunity, individuals are expected to take responsibility for their own actions. In line with this expectation, welfare states are now being (re)designed to provide the right ‘stimuli’ for people to participate in the labour market, e.g. by eliminating so-called ‘unemployment traps’. However, participation in the labour market remains heavily mediated by social background. Therefore, a one-sided focus on individual responsibility could generate new forms of marginalisation, as the rhetoric of modernisation may open the door to restricting the rights of traditional beneficiaries of social security. Secondly, there are indications to believe that ‘old’ social spending (providing coverage against traditional social risks) is more redistributive than ‘new’ social provisions, designed mainly to stimulate labour market participation (e.g. Cantillon, 2011; Ghysels and Van Lancker, 2010). As exclusion from the labour market is most prevalent in the lower social classes, traditional social spending is targeted at beneficiaries from those population groups. As such, the growth of ‘new’ social spending, e.g. child care provision, might lead to ‘resource competition’ (Vandenbroucke and Vleminckx, 2011). In fact, in the context of stagnating social expenditures, the social investment perspective puts budgetary pressures on ‘traditional’ protection schemes. In sum, we are convinced

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12 Hence we cannot determine to what extent social investment approaches, such as investment in early education, help to mitigate the effects of social class.



that the 'new' welfare state needs to pursue a balanced strategy whereby the objectives of greater labour market participation and adequate social protection are effectively reconciled.







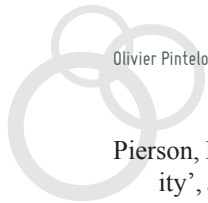
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# Information on the GINI project

## Aims

The core objective of GINI is to deliver important new answers to questions of great interest to European societies: What are the social, cultural and political impacts that increasing inequalities in income, wealth and education may have? For the answers, GINI combines an interdisciplinary analysis that draws on economics, sociology, political science and health studies, with improved methodologies, uniform measurement, wide country coverage, a clear policy dimension and broad dissemination.

Methodologically, GINI aims to:

- exploit differences between and within 29 countries in inequality levels and trends for understanding the impacts and teasing out implications for policy and institutions,
- elaborate on the effects of both individual distributional positions and aggregate inequalities, and
- allow for feedback from impacts to inequality in a two-way causality approach.

The project operates in a framework of policy-oriented debate and international comparisons across all EU countries (except Cyprus and Malta), the USA, Japan, Canada and Australia.

## Inequality Impacts and Analysis

Social impacts of inequality include educational access and achievement, individual employment opportunities and labour market behaviour, household joblessness, living standards and deprivation, family and household formation/breakdown, housing and intergenerational social mobility, individual health and life expectancy, and social cohesion versus polarisation. Underlying long-term trends, the economic cycle and the current financial and economic crisis will be incorporated. Politico-cultural impacts investigated are: Do increasing income/educational inequalities widen cultural and political 'distances', alienating people from politics, globalisation and European integration? Do they affect individuals' participation and general social trust? Is acceptance of inequality and policies of redistribution affected by inequality itself? What effects do political systems (coalitions/winner-takes-all) have? Finally, it focuses on costs and benefits of policies limiting income inequality and its efficiency for mitigating other inequalities (health, housing, education and opportunity), and addresses the question what contributions policy making itself may have made to the growth of inequalities.

## Support and Activities

The project receives EU research support to the amount of Euro 2.7 million. The work will result in four main reports and a final report, some 70 discussion papers and 29 country reports. The start of the project is 1 February 2010 for a three-year period. Detailed information can be found on the website.

[www.gini-research.org](http://www.gini-research.org)







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