

Welfare Policy, Justice and Intergenerational Conflicts

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Social Context

- Generational conflict and justice between age groups and generations have become one of the major issues of contemporary societies.
- The thesis of generational inequity and generational conflict has developed as a part of the broader discussion about the future of welfare states in societies with ageing population.
- The new prominence of the latter is due both to the evolved patterns of social security, which have turned older adults into the main clients of the welfare state, and to the demographic challenge of low fertility and increasing longevity.

Problem

- Unequal allocations of public resources among age groups may be considered as injustices if subjective well-being of one group is consistently worse off than subjective well-being another.
- This problem is related to the general set of ideas about the fair division of public resources among age groups and generations.

Key question

- To what extent have the new intergenerational conflicts really crowded out traditional intragenerational ones? Or generational conflict masks the continued existence of the class cleavage between wealthy and poor (or owners and workers).

Theoretical Framework. Welfare State.

- Esping-Andersen “The Three Worlds of Welfare Capitalism” (1990)
- The concept of “decommodification”
"labor is decommodified to the degree to which individuals or families can uphold a socially acceptable standard of living independent of market participation" (1990, 37)
- Societies can be included in a continuum based on decommodifying social policies

Regimes of Welfare State

- Social-Democratic Regime (Highest level of decommodification)
- Liberal Regime (High level of decommodification)
- Conservative Regime (Middle level of decommodification)
- Post-Communist Regime (Low level of decommodification)

Welfare State and Subjective Well-Being

- If welfare state has ability to “decommodify” citizens, the welfare state should contribute to greater well-being to the extent (Radcliff 2001).
- There is another point of view: "decommodification" becomes an ideological mask for inefficiency and wastefulness, which will impose itself as costs on the population, so as to lower the general level of happiness (Veenhoven 2000).
- Hypothesis: The effect of influence of welfare state on SWB depends on regime of welfare state and has generational differences.

Theoretical Framework. Justice.

3 perspectives of justice research:

- Studies of Attitudes and Beliefs (Miller, 1992, 1999; Swift, Marshall, Burgoyne, & Routh, 1995).
- The Institutional Analysis (e.g., Palme, 1990, Goodin, Headey, Muffels, & Dirven, 1999)
- Discourse Analysis (e.g., Reeher, 1996, Leisering, 2004, A. Schmidt, 2000).

Three basic principles by which distributive outcomes are justified

- Needs
- Merits (usually based on work performance)
- Equality (usually based on citizenship status).

These principles operate at the level of normative theories (e.g., Miller, 1999), at the level of popular beliefs (e.g., Forma & Kangas, 1999; Swift et al., 1995), and at the level of welfare state institutions (e.g., Leisering, 2004; Palme, 1990; Rothstein, 1998).

Age groups and Generations

- Unequal treatment of age groups is perfectly legitimate. The reason is that age is not a fixed characteristic.
- With generations this is not the case. Generations are fixed-membership entities (Laslett & Fishkin, 1992).
- The cleavage between generations has turned into a cleavage over the distribution of public resources. It means that generational conflicts may have taken on a new form of institutionalization in the modern era, with its emphasis on societal dynamics and progress through the replacement of old by new generations.

Concept of generation

- Historical or social generations. Karl Mannheim (1952). People who live through a period of rapid social change develop a separate 'historical-social conscience' or collective identity, which influences their attitudes and behavior and distinguishes them from preceding generations.
- Welfare generation. Kohli (1996) described 'welfare generations', which are the product of the process of institutionalization of society into distinct ages, defined according to the sequences of education, work and retirement. Generations are distinguished by participation in paid employment, the contributions they make to systems of social security and the benefits they receive.

Generations in the project

- Cohort 1945 and older. Survival generation. This generation is the main receiver of welfare benefits, and this generation doesn't make the contributions to welfare state.
- Cohort 1946-1965. In Europe and North America this generation is widely associated with privilege, as many grew up in a time of widespread government subsidies in post-war housing and education, and increasing affluence (Owram, Doug, 1997). Now, older members of this generation have become the pensioners, so-called "welfare generation".
- Cohort 1966-1980. This generation came to age when the economic decline occurred. Competition for jobs was high. This generation is a smaller population than either or the follow generation. Now this generation is the main contributor in the welfare system.
- Cohort 1980 and younger. This generation is the stage of establishment. This generation is growing up under conditions of dramatically high level of youth unemployment and youth poverty. They don't receive the support of welfare state, but they also don't contribute to welfare state.

Data and Method

- 5th and 6th wave of WVS.
- 15 advanced countries: USA, Canada, New Zealand, Japan, Australia, Netherlands, Germany, France, Italy, Spain, Switzerland, Greece, Norway, Sweden, Finland, United Kingdom.
- 10 post-communist countries: Russia, Ukraine, Belarus, Estonia, Poland, Romania, Slovenia, Georgia, Bulgaria, and Serbia.
- Multilevel regression analysis.
- APC analysis.

Dependent Variables

Subjective-Well-Being

- Level of SWB (40-point scale variable from 0 to 1)

Justice attitudes to older people:

- “Older people get more than their fair share from the government” (10 points scale, 0-1, 0- strongly disagree)
- “Older people are a burden on society” (10 points scale, 0-1, 0- strongly disagree)
- “Old people have too much political influence” (10 points scale, 0-1, 0- strongly disagree).

Role of state in distribution of public resources:

- “Government should take more responsibility to ensure that everyone is provided for” (10 points scale, 0-1, 0- strongly disagree).

Independent Variables.

Individual level:

- Cohorts (4 dummy variables). Cohort 1945 and older – reference category.
- Control variables: gender, marital status, income, number of children, whether the chief wage earner is unemployed, the frequency of church attendance, person's beliefs of whether he controls their life or not.

Independent variables

Country level

Regimes of welfare state (4 dummy variables).

- Post-communist countries ($ex_com=1$) for Russia, Romania, Ukraine, Estonia, Belarus, Poland, Bulgaria, Georgia, Slovenia, Serbia.
- Liberal type of welfare state ($liberal=1$) for Australia, Canada, New Zealand, Great Britain, USA.
- Conservative type of welfare state ($conserve=1$) for Spain, Italy, France, Germany, Japan, Switzerland.
- Social-democratic type of welfare state ($soc_dem=1$) for Netherland, Norway, Finland, Sweden.

Multilevel model (SWB)

First Level				
Constant	,056***	,068***	,058***	,172***
Cohort 1946-65	-,029***	-,042***	-,029***	-,024***
Cohort 1966-80	-,014	-,040***	-,022***	-,021***
Cohort 1980 +	,062***	,032***	,052***	,053***
Control vars				
Female	,025***	,019***	,017***	,019***
Partner	,075***	,074***	,073***	,071***
Chief wage earner is unemployed	-,012***	-,014***	-,015***	-,006
Sense of choice	,339***	,360***	,353***	,324***
Income	,255***	,265***	,251***	,235***
Education _ university	,001	,011***	,008	-,002
Second level (II)				
Liberal Type of Welfare state	,127***			
Conservative type of welfare state		,023		
Social-democratic type of welfare			,154***	
Ex-communist countries				-,114***
Interactions				
Cohort 1946-65*II	-,047***	,041	-,026	-,013
Cohort 1966-80 * II	-,074	,085	-,036	,005
Cohort 1980 + * II	-,101	,035	-,083***	,004
Additional control				
Country dummies	NO	NO	NO	NO
R – square, %	0.27	0.26	0.28	0.29

Finding

- Liberal and social-democratic types of welfare state are significant and positive sign. Conservative type of welfare state is not significant and ex-communist type of welfare state is significant, but negative sign.
- In all countries from our model, members of cohort 1980 + have higher level of SWB than members of cohort 1945 and older, and in the same time, members of other cohorts have lower level of SWB than members of the oldest and youngest generations.
- Interactive effect type of welfare state and individual's level of SWB there is only for members of cohort 1945-1965 in countries with liberal type of welfare state and for cohort 1980 and younger in countries with social-democratic type of welfare state.

Role of the state in distribution of public resources

First Level					
Constant		2,695***	2,893***	2,752***	3,594***
Cohort 1946-65		-,156***	-,235***	-,195***	-,211***
Cohort 1966-80		-,149***	-,408***	-,374***	-,506***
Cohort 1980 +		-,158***	-,569***	-,481***	-,263***
Control vars					
Female		-,080***	-,131***	-,149***	-,095***
Chief wage earner is unemployed		-,218***	-,321***	-,302***	-,143***
Sense of choice		1,463***	2,012***	2,004***	1,772***
Income		1,785***	1,976***	1,891***	1,832***
Education _ university		,114***	,283***	,292***	,212***
Second level (II)					
Liberal Type of Welfare state		2,225***			
Conservative type of welfare state			-,147		
Social-democratic type of welfare				1,342***	
Ex-communist countries					-1,421***
Interactions					
Cohort 1946-65*II		-,467***	-,246	-,407***	,086
Cohort 1966-80 * II		-,689***	-,238	-,375	,465***
Cohort 1980 + * II		-,949***	,024	-,400	0.35***
Additional control					
Country dummies	NO	NO	NO	NO	NO
R – square, %	0.18	0.08	0.09		0.13
First Level					

Finding (2)

- The members of younger cohorts from all countries in our model more often agree that government should take more responsibility to ensure that everyone is provided for than members of cohort 1945 and older.
- The most people who are waiting for support from government, lives in post-communist countries. This point of view is more typical for cohort 1945 and older and for cohort 1946-1965 from these countries.
- People from liberal and social-democratic countries are likely to disagree that government should take more responsibility for people.

Multilevel model (Attitudes to older people)

	Older people are a burden on society				Older people get more than their fair share from the government				Old people have too much political influence			
Constant	,401*	,380*	,350*	,307*	,237*	,226*	,241*	,308*	,378*	,375*	,377*	,348*
Cohort 1946-65	-,055*	-,050*	-,043*	-,057*	,017*	,013*	,012*	,010	,043*	,035*	,040*	,018*
Cohort 1966-80	-,066*	-,050*	-,043*	-,037*	,039*	,031*	,026*	,025*	,061*	,068*	,072*	,061*
Cohort 1980 +	-,067*	-,035*	-,028*	-,033*	,040*	,053*	,034*	,056*	,073*	,097*	,090*	,080*
Control vars												
Female	-,021*	-,016*	-,014*	-,016*	-,020*	-,021*	-,023*	-,020*	-,038*	-,036*	-,036*	-,037*
Chief wage earner is unemployed	,002	,006	,012*	,003	-,016*	-,021*	-,022*	-,012*	-,001	,005	,004	-,002
Sense of choice	-,032*	-,049*	-,052*	-,037*	-,020*	,016*	,008	-,015*	,008	-,021*	-,023*	-,007
Income	-,015	-,028*	-,009	-,003	,049*	,060*	,055*	,044*	,015	,005	,006	,015
University	-,022*	-,028*	-,017*	-,013*	,010	,022*	,022*	,015*	-,01*	-,01*	-,01*	-,01*
Second level (II) Type of Welfare State												
Liberal	-,113*				,109*				-,083*			
Conservative		-,138*				,066*				,008		
Social-democratic			-,063*				,046*				,008	
Ex-communist countries				,066*				-,107*				,045*
Interactions												
Cohort 1946-65*II	,040*	,110*	,013	,022*	-,031*	-,016	-,022	,013	-,023	,019	-,029	,031*
Cohort 1966-80 * II	,087*	,121*	,046*	-,021*	-,025*	-,041*	,001	,025*	,006	,010	-,027	,001
Cohort 1980 + * II	,134*	,098*	,088*	0.86*	,035*	-,121*	,028	,012	,038*	-,045*	,008	0.001
Additional control												
Country dummies	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
R – square, %	0.08	0.14	0.09	0.10	0.06	0.12	0.10	0.09	0.09	0.11	0.07	0.09

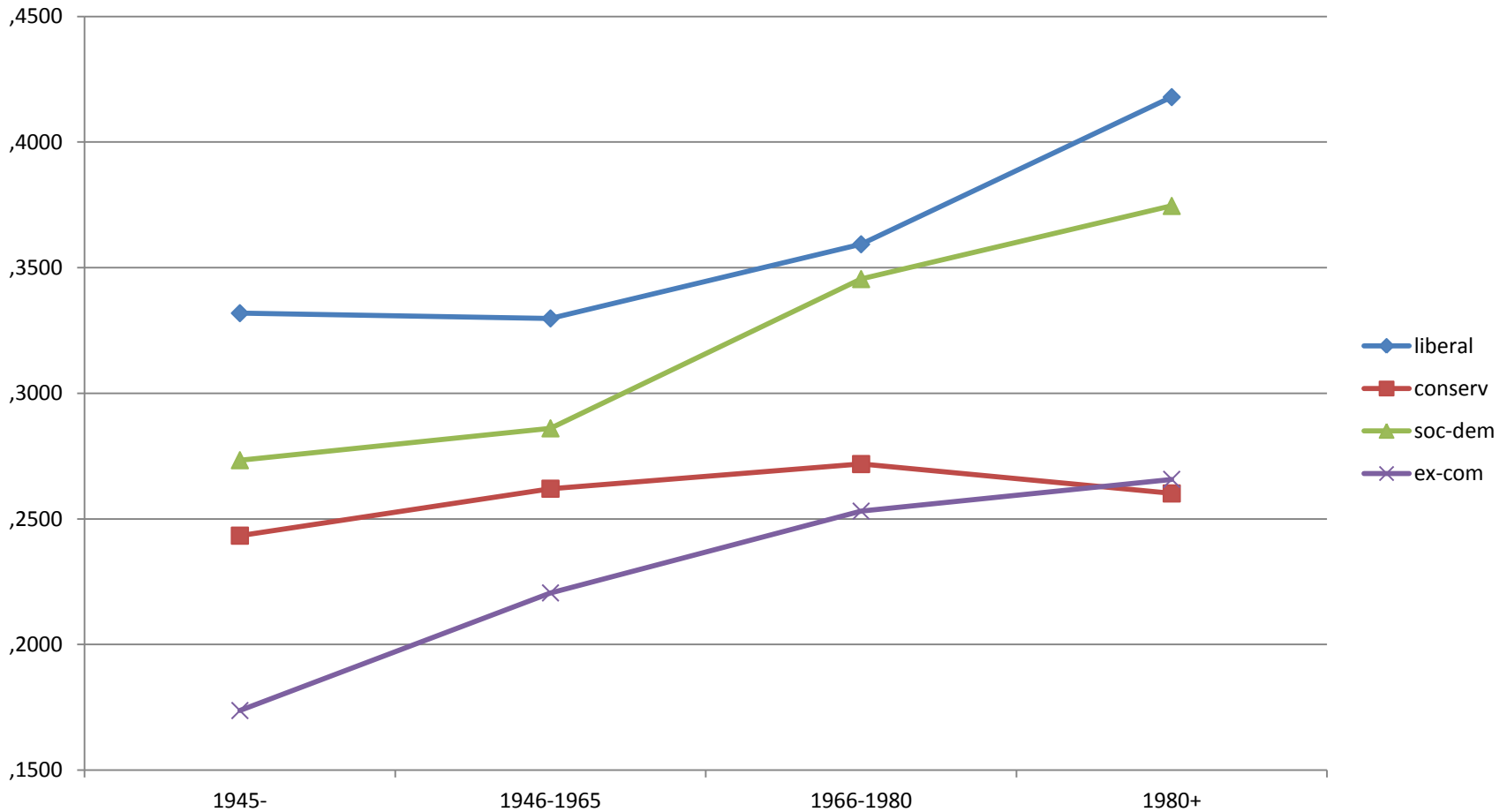
Finding (3). Older people are a burden on society

- Regime of welfare state significant influences the attitudes to older people. People from countries with liberal, conservative and social-democratic regime of welfare state more often not agree with statement that older people are burden on society, than people from post-communist countries.
- The analysis of interaction effects different cohort's reaction on the welfare state effects shows us that, as rule, welfare policy positively impact on opinion of younger generations that older people are burden on society. The exception is only the cohort 1966-1980 in post-communist countries.

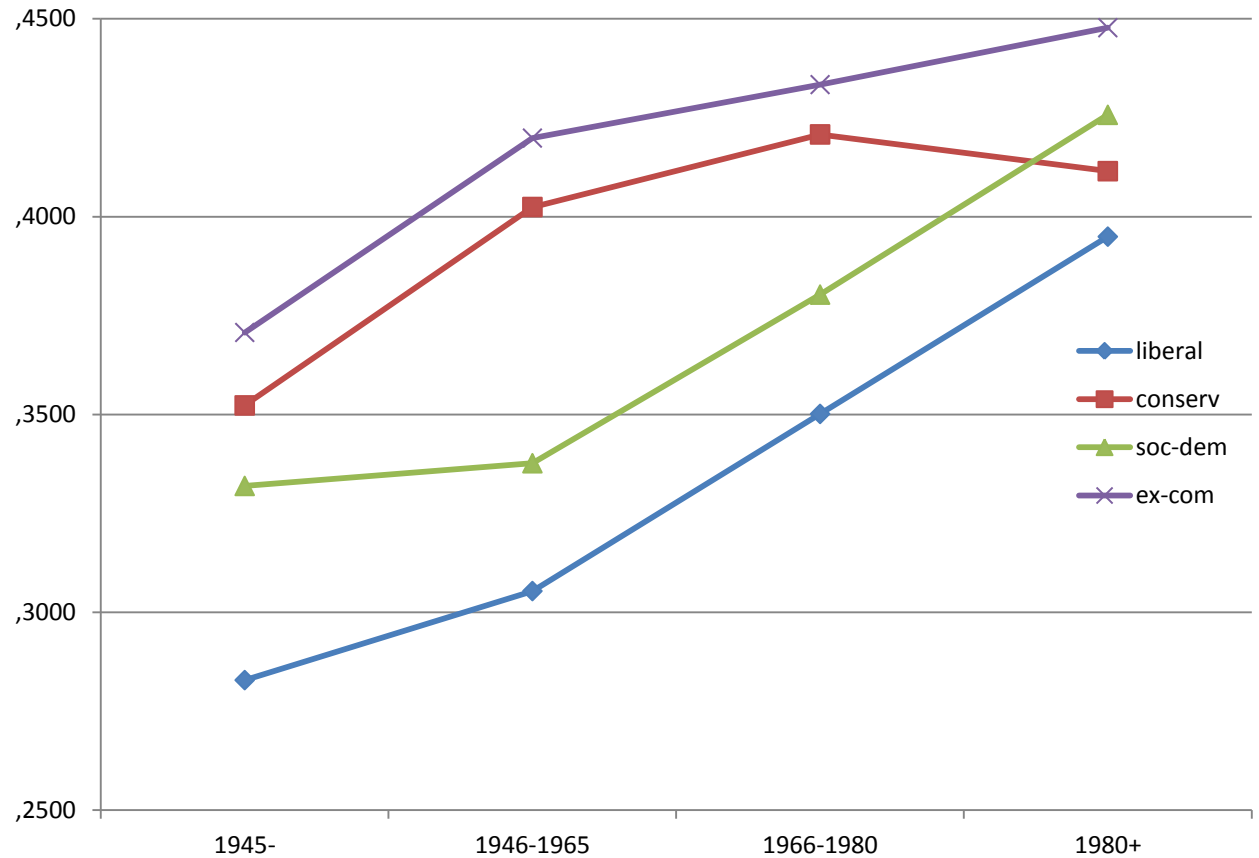
Older people get more than their fair share from the government

- In all countries from our model, the members of cohorts who younger cohort 1945 year of born, more often than oldest people agree with statements that older people get more than their fair share from government and older people have too much political influence.
- Liberal, conservative and social-democratic types of welfare state (unlike the post-communist countries) reinforce the opinion that older people receive from government more than they deserve.

Older people get more than their fair share from the government



Older people have too much political influence



Discussion

- Only social-democratic and liberal regimes of welfare state increase level of SWB. Therefore, only for these countries we can suggest that the risk of the conflicts comes from generational inequality in welfare contributions.
- Level of SWB of generations 1945-1965 and 1966-1980 is lower than the SWB level of oldest and youngest generations. However, we can explain these differences more correctly by demographic reasons rather than inequality in welfare distribution.
- The attitudes to older people depend on regime of welfare state and belonging to generations, but in all countries and for all generations the mean values of attitudes to older people are lower than 0.5. It means that most people tend to disagree with the statements “Older people are a burden on society”, “Older people get more than their fair share from the government”, “Old people have too much political influence”.
- Income is the strongest predictor for opinion that older people get more than their fair share from the government. Gender, unemployment status and belonging to generation have less effect.
- The membership in generation strongly affects the statement that older people have too much political influence. Therefore, the conflict between generations is more strongly connected with unequal distribution in the political sphere than in the economic sphere.

Conclusions

- At the present time, intergenerational conflict is a myth.
- The well-being of people, especially younger people, and justice attitudes depend more on income and social status of family than on membership in generation.
- Therefore, intergenerational conflict is a continuation of traditional intragenerational class conflict.

Thank you for attention!