

**Income Inequalities, Social Classes and Differences in Norms and Values Related
Childbearing and Childrearing. International Comparative Study with Use of Survey
Data.**

Krzysztof Tymicki, *Institute of Statistics and Demography, Warsaw School of Economics*

EXTENDED ABSTRACT

Theoretical Background

For the past 30 years economists have observed growing income inequalities as well as its' increasing impact on economic growth (Cingano, 2014). It is estimated that over that period the gap between rich and poor have reached its' maximum. Therefore, it became increasingly important to include the issue of income inequalities into demographic research (Rougoora and Marrewijk, 2015). The impact of income inequalities has been comprehensively analysed on a national level for some countries (Schneider, Hastings and LaBriola 2018). The analyses include the effect of changes in income inequality on parental investments in terms of monetary expenditures as well as time devoted for children. It has been shown that there are significant differences in those investments depending on parental social class mostly in terms on expenditures on education. These findings overlap with observation that for many OECD countries we are witnessing rapid educational expansion. This might be an effect of parental belief that investments in education and increased investments in children (per capita) might be the best strategy minimising the risk of their child market failure taking into account growing income inequalities. This strategy seems to be in line with standard economic reasoning that links decrease in fertility to an increase in investments per capita in children often called a "quality strategy". Therefore, we may assume that there should be also differences in values attached to childbearing and childrearing across countries with different level of wealth and income inequalities. This is based on assumption that parental values form expectations and anticipate "what's best for their children". In countries with lower income inequalities parents should be less focused on their children life success as measured by education and social position since in those countries event potential educational pitfall should not be associated with significantly lower income and inferior social position. On the contrary in countries with high income inequalities parents should be focused on their children education and investment in their success because of high costs of potential failure. Therefore, those differential pay-offs in countries with high- and low-income inequalities might constitute an important context for childbearing and childrearing strategies as well as parental values.

In order to cluster countries with respect to high- and low-income inequalities we are using the Gini's coefficient along with GDP. This allows to group countries in four categories based on those two dimensions (low income inequality – low GDP to high income inequality – high GDP).

Additionally, we split each country by social class using the information on respondent's type of occupation. Social class dimension is based on theory proposed by Pierre Bourdieu (Bourdieu 1980, 2005, Bourdieu and Passeron 1990) that integrates social, economic and cultural perspectives on reproduction and at this same time refers to various dimensions of social stratification. The advantage of Bourdieu's theory relies on integrating diversified dimensions of social stratification and social divisions elaborated separately by different theories of social structure. Combining economic, cultural and social dimension enables to develop precise definition of classes and to grasp different practices and strategies deployed by representatives of each social classes with respect to income inequality level and overall wealth. Bourdieu constructs three social classes (higher, middle and popular) with use of three main forms of capital: economic, cultural and social. We accept, after Bourdieu, that the relationships between the classes are of competitive nature. The primary objective of the competition is to maintain or change the position in the class system (upward mobility). This objective is carried out by a multi-dimensional practice including competition for scarce resources, taking positions on the labour market, struggles for recognition of cultural practices and the effort to change certain areas of social life. Family and having children are one of the key dimensions of the competition and the reproduction of social classes.

Research goals

The analysis aims at following research goals:

- Analyse differences in parental norms and values related to childbearing and childrearing with respect to the level of income inequality and overall wealth in analysed country
- Analyse differences in parental norms and values related to childbearing and childrearing with respect to the level of income inequality and overall wealth in analysed country by social class of respondent
- Clustering countries with respect to values and norms related to childbearing and childrearing taking into account income inequalities and overall wealth

Data and methods

Analysis uses data from World Values Survey along with supplementary macro data allowing to assign inequalities and wealth measures to each country. In order to group countries, we use clustering analysis. Principal component method is used in order to rank importance of different values in each cluster of countries and within separate social classes.

Preliminary Results

Preliminary results show that middle class is the most success oriented with respect to future of their children. This is particularly true in case of middle-income countries with relatively high-income inequalities. This finding seems to be in line with Bourdieu theory of social classes claiming that middle class should be the most competitive in terms upward social mobility. Furthermore, this is enhanced by income inequalities which stimulate competitive strategies of increasing investments in children while reducing number of children. On the contrary, upper classes seems to be more relaxed due to lower sensitivity to income inequalities.