Rethinking inequality in cross national comparison: indicators, scale conversions and methodological matters (Stefano Poli, University of Genoa, Italy)

The paper focuses on methodological matters concerning the exploration of inequality in a contemporary perspective with a cross-national analysis based on the European EU Silc dataset on living conditions. A main problem is the definition itself of contemporary inequality, more and more becoming a “classless inequality” (Pakulsky & Waters, 1996; Wright E. O., 2007), not necessarily depending only on economic dimension, but relying on multiple, hybrid and cross-cutting generators (social networks, education, gender, age, ethnicity), rather on traditional class stratification structures. Moreover, contemporary inequality is expression of heterogeneous individual chances in a “capability perspective” (Sen, 1973, 1999), considering the different individual access to the fulfillment of adequate levels of functionings, resources and choices toward individual well being and doing. Realizing a proper methodological operative definition (Marradi, 2002) of such concepts, is not an easy task for the researcher who is often limited in her/his efforts by the difficulties in adapting and combining the often few existing standard variables to become adequate proxy of the aforementioned properties of contemporary inequality. Indeed, frequently researchers have to relate to standard variables like gender, age, income, education or ethnicity to recreate proxies and indicators of the concepts, but not always the definitions administratively foreseen in official surveys are the ones the researchers would use. Even a standard “class” variable, like income, is not always adequately gathered to observe the real extent of personal economic dimension in term of social stratification. For instance, economic inequality assumes different perspectives if income is conceived individually or as equivalised income disposable for each member of the household (Breen, 2007).

Lastly, applying classifications and operative definitions especially in a cross national dimension is even more complex when shifting from economic dimension to status perspective, not only because it becomes more relevant the individual perception of own or other people’ status (re-proposing the limited heuristic relevance of “class” as a “paper” concept defined by the researcher, Bourdieu, 1987), but because status definition, especially for occupational ranking and prestige, involves also different cultural national perspective. To such purpose the paper will explore also the comparative use of different interational status and prestige scales, like SIOPS or ISEI (Ganzeboom, De Graaf & Treiman, 1992, 1995; Ganzeboom & Treiman, 1996, 2003).

Keywords: inequality, class, status, indicators

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**1.An overview on an inequality dataset: some methodological premises**

Setting up a class analysis over a large sample of individuals always implies the definition of many operative phases. First of all it has to be observed that the proposed study refers to the use of the longitudinal Eu-Silc datasets, exploring the individual and household living conditions in many European countries in the period 2005-2007. The used datasets required a complex reconstruction in various steps that has to be quickly synthesized in the following methodological steps, considering their implicit reference to other key-point theoretical aspects in class analysis. First of all it has been necessary a preliminary selection of the individuals within the country samples on the base of some methodological choices. For starting, a basic selection criterion in our case has consisted in taking into account only those cases showing in all the three years of the sample, in order to reproduce a better longitudinal analysis of the individual data for all the period and verifying the effective evolution of different inequality level. Even if, naturally, a three years period does not necessary describe a sufficiently lasting term for the emersion of inequalities, nevertheless the results from the analysis have showed quite coherent in predicting the actual contingency, especially, considering the 2005-2007 as a forecasting period to the recent socio-economic crisis.

An utter decisive factor of selection has determined the inclusion only of people from 15 to 64 years old, in order to describe inequality mainly between individuals belonging to potentially active labour forces. The range 15-64 derives from the definition commonly adopted at international level by Eurostat, comprising persons, providing the supply of labor, as employed or as unemployed, for production of goods and services. Nevertheless, simply referring to the active population would not have been heuristically sufficient, because from it could be obviously remarked that age necessarily influences inequality levels. Practically speaking, subjects of very different age classes, even potentially on *ceteris paribus* conditions (that is, on equal terms from professional and occupational point of view), should reflect an increasing trend in income and status inequality as much growing the age difference. This derives from a natural effect, simply implying the biographical dimensions influencing career, mobility factors, or any other event that, for example, potentially produces an increase of the individual's income along her/his life. So, in this sense, extremely younger active population like under 18 would be “naturally” disadvantaged in an income distribution perspective (being at the beginning of their working path, they still have to make their ways), if compared on the same level with older workers at the peak of their careers. On these basis, the original sample has been reduced to the active population (consequently excluding inactive population, that is 0-15 and over 64 years old), but also realizing an as much as possible adequate age classification that could work alongside with the standard age classes observed in the Eurostat Metadata model. This has realized an overall sample of around 150.000 respondents (from different countries) that have been classified as follows, depending on their age at the end of each reference year: a) the “till 24 years old” class or young active population; c) the “25-39 years old” class describing the young adult active population; d) The “40-55 years old” class, composing the adult active population; e) finally, the “over 55 years old” class labeling the older active population (almost on the final part of working career or toward retirement). Such classification arises from the necessity to evaluate the different inequality level (particularly considering the employment relations and labor market situations) on the base of effective comparability on the age variable. In this way, a correct observation should consider inequality mainly within classes or almost between as much as possible contiguous age classes, avoiding to make unwise comparison between very distant age classes. Besides, it seems useful to maintain such classification in terms of age differentiation because it permits to better evaluate how inequality reacts in different contexts, for instance, in countries where young people are inclined to earlier or, otherwise, to later emancipation through independent living, or where welfare regimes differ in retirement legislations. Above all, it’s interesting to observe also at international level how, generally depending on employment relations, power is distributed between age cohorts, understanding where is predominant a more conservative structure of power slowing younger careers, or where a progressist tendency toward investment on younger generation shorten the power turn over between generations.

Going back to the original choice of selecting the active population does not imply that people in 0-14 or in over 64 age classes does not produces effects on the inequality levels for the 15-64 years old subjects included in the sample. These important effects deriving from those “out of sample” subjects have been taken in account considering the household dimension of the individuals “in the sample”. For example, the household disposable income level reflects also the contribution of over 64 retired persons as well any other variable household ratio always considers the exact overall number of components to determine the exact pro capite values of each resource distribution considered at household level. In this way, the inequality levels take in account whoever “produces” amount of resource (typically, for example, income, that can be distributed with other household members, like the pensions of older people), as well whoever “consume resources” (for example, children or under 14 subjects that do not contribute to household income, but have to be sustained and represent a cost in terms of resource depletion).

The above consideration brings on one of the main methodological problems in class structure analysis, that is the choice of the unit of analysis: individuals or household? As underlined by Breen (2007, p. 48) this constitutes a long term theoretical (and, consequently, methodological) debate. For long it has been generally accepted as a standard the idea of considering all members as part of a single household class position: an acceptable solution as far the male breadwinner arrangement predominance is maintained, as well, nevertheless, a less and less adequate methodological compromise, considering contemporary social evolution and female participation to the labour market. The debate describes a particular intensity in the middle eighties, especially starting from Goldthorpe approach (1980) that, considering the family as the base unit for class analysis, observes that the class position for the family can be derived by the one of the family father, because the general disadvantage and the discrimination of women in the labour market imply consequently a lesser incidence of women occupation as a determinant of family income. On the other hand, authors like Heath and Britten (1984) express preference for the idea of a single class position for the household, but determined by the class position of the spouses/partners, while others, like Stanworth (1984), in reply to Goldthorpe, stress on the model of an own class position of spouses combining in a “family” function of both. Focusing on the class position of the spouse with the higher attachment level to the labor market, Erikson (1984) proposes the dominance approach, generally confirming the privilege for the man in the access to more endurable labor market positions. Baxter (1994), in her comparative study on United States, Sweden, Norway and Australia, showed through logistic regression models how husband’s class location could still be a significant predictor of husband’s and wife’s class identifications. Breen (2007) formalizes the problem considering the outcome variation, *Y* (the standard of living or the educational attainment, measured at individual or household level) in terms of social class, *X* (measurable for both spouses as *Xm* and *Xw*). This substantially refers to the following functional relationship form:

$$Y=f\left[g\left(X\_{m}, X\_{w}\right)\right]$$

Where *f* is the functional form of the relationship between *Y* and *g* (*Xm, Xw*) and *g* itself reflects how *Xm*, *Xw* are treated in the analysis. Consequently the *g* function can lead to an individual approach (*g* (*Xm, Xw*) = *Xm* and *Xw*) or an household function leading to a two-to-one mapping (for example, in the dominance approach the *g* function is the one determining the partner with the higher endurable job position). Now, similar considerations can be made whenever we want to measure the inequality regarding different resources, first of all income. Naturally, the analysis takes different perspectives whenever we observe distributions between each individual or in an aggregate form (typically, the household).

The approach of this paper, taking in to account the aforesaid theoretical aspects, reflects on the opportunity of considering inequality both at individual, both at household levels, in order to take all possible advantages from a combined approach based on the exploration of both perspectives. For instance, taking income as a exemplificative variable, using only individual data could lead to an improperly rising inequality effect between components of the same household (for instance, between bread-winners and house-partners), meaning an excessive increase of the overall amount of inequality, while, in reality, all the members of the household practically benefit together of the same resource amount. On the other hand, using a longitudinal approach, stressing only on household level would lead in operative problems considering those individuals that in the observed period could have moved from one household to another (for example: by emancipation from parental home, by marriage or, vice versa, divorce, et cetera). So, in a fairly acceptable solution, income inequality has been considered in a double perspective: the individual income (adding all forms of employee cash or near cash income as well cash income from self employment) and the household total disposable income (considering that, even if, maybe, only some members of the household contribute to produce income, surely, all of the family members contribute to consume this resource). In this way, resuming the Breen formalization (2007), we propose the observation of income inequality (*Y*) though a double *g* function perspective, where:

1. …in an individual perspective $g\_{1}=x\_{1},x\_{2},x\_{3},…x\_{i}$ considering separately each household member
2. …in an household perspective $g\_{2}=g(x\_{1},x\_{2},x\_{3},…x\_{i})$ using the equivalised household income function as the so called *g* function of all members.

Similar considerations have been taken in account for status elements. For instance, regarding the educational level it has been preferred to maintain the individual level also because education, as successively reinforced, is properly a super-structural indicator of individual abilities in terms of intellect, relational organization and personal prestige. In other words, and introducing homogamy factors as example, a low level educated partner mated to an higher level educated one generally represents a greater social oxymoron, rather then a lower professional status partner with an higher professional status one. While in the latter case, probably the lower professional status partner will gain socially conventional prestige reinforces (for example the social utility of her/his profession or the fact that she can avoid to work thanks to the husband status[[1]](#footnote-1)), the excessive educational distance between partners is socially less acceptable considering that education is a proxy of way to behave and to act, that is of lifestyles, or, substantially, of “status” in the Weberian meaning. This, apart from explaining homogamic tendency, justifies the choice of considering education at individual level while following the dominance model for professional status level (even if in a partially gender toned down form, by assigning the score of the highest status member of the household).

**2.Class, status and power: concepts, classifications and operative definitions**

Having already underlined the difference between individual and household levels, it has to be reminded that the main income proxy used in this analysis is the equivalised disposable income, obtainable, adopting Eurostat version, by the typical pooling/sharing procedure expressed by the ratio between the total disposable household income (weighted on the within-household non-response inflation factor[[2]](#footnote-2)) and the equivalised household size[[3]](#footnote-3). The total disposable household income is obtained by a) the *sum* for all household members of gross personal income components (gross employee cash or near cash income; gross non-cash employee income; gross cash benefits or losses from self-employment[[4]](#footnote-4), including royalties; unemployment benefits; old-age benefits; survivor’ benefits, sickness benefits; disability benefits and education-related allowances) *plus* b) gross income components at household level (income from rental of a property or land; family/children related allowances; social exclusion not elsewhere classified; housing allowances; regular inter-household cash transfers received; interests, dividends, profit from capital investments in unincorporated business; income received by people aged under 16) *minus* c): regular taxes on wealth; regular inter-household cash transfer paid; tax on income and social insurance contributions.

As an inequality control variable it has also been calculated an individual total disposable income, useful to better explores, for example, the gender income gap in the labour market.

Lastly, following Sørensen’s approach (1996), it has seemed interesting to investigate inequality regarding rental and property income[[5]](#footnote-5). In this way, the property income indicator is composed by a) income deriving from interest, dividends, profits from capital investment in an unincorporated business[[6]](#footnote-6) and b) income from rental of a property or land[[7]](#footnote-7).

The second main aspect of class structure refers to labour market position and employment relations. The two aforesaid elements describes substantially the two main aspects of class structure stratification: on the one hand the position in respect of means of production, that is the property; on the other hand, the kind of relation between employer and employee.

Such situation is expressed at its best in the traditional Goldthorpe class schema (1980, p. 40) reflecting the differentiation between positions within labor markets and production units, particularly in terms of the employment relations that they entail (Erikson & Goldthorpe, 1992, p. 37). This leads to a primary distinction between those owning the means of production and those which do not, as in the traditional Marxist approach. More specifically, the schema reflects also the nature of relations between employer and employee, that could reflect a regulation by a labor contract (with a specific exchange of wage for effort under control and supervision) or by a “service” relationship with the employer (where the exchange, even if still based on a remuneration in change of a professional accomplishment, is more rarefied and less controlled by the employer). This considerably reflects two dimensions: a) the work situation, in the autonomy in performing tasks or the control individuals are subject to or that they exert on others; b) the market situation reflecting the capacity of people in different positions to achieve economic rewards and security. In its maximally disaggregated version the EGP[[8]](#footnote-8) schema reaches the following eleven class version: I) Upper service class; II) Lower service class; IIIa) Routine non manual employees, higher grade; IIIb) Routine non manual employees lower grade; IVa) Small proprietors with employees; IVb) Small proprietors without employees; IVc) Farmers and other self employed workers in primary production; V) Lower grade technicians and supervisors of manual workers; VI) Skilled manual workers; VIIa) Semi-and unskilled manual workers (not in agriculture); VIIb) Semi-and unskilled manual workers in agriculture. Already at first view, it emerges clearly that the Goldthorpe class schema excludes a big part of the population, mostly from the economically inactive part, like retired or unemployed people, house-partners, students, et cetera. Some alternative solutions can be considered, for example applying the principle of “class trajectory” (Wright, 1978, p. 93), that is allocating people to their last job occupation (for retired or unemployed persons) or to other family member’s occupation (for instance, the partner in case of an housewife). In the aim of this study, even if these solutions can be considered as a valid operative definition for the class allocation for these subjects, such elaboration has not been possible, for the lacking of sufficient information for the “class trajectory” solution[[9]](#footnote-9), therefore the choice has been to add to the traditional EGP schema, on the one hand, the inactive population (retired people, house-partners, students, disabled persons, other inactives) and those describing an unemployed condition. Being a classification based on the labor market situation, the unemployed, being anyway part of the labor forces population, can be considered as a category of its own, in this way the active population is composed by unemployed people plus those employed along the EGP schema. On the other hand, probably the best proxy to describe the class condition of the inactive population is the equivalised disposable household income divided in quintiles, in order to obtain two richer (fifth and fourth) quintiles of “upper” inactives and three poorer (from the first to the third) quintiles of “lower” inactives. Naturally, also the economical condition of the inactives is generally derived from their precedent positions in job market (pensions on retirements) or referring to other people’s positions in the EGP schema (like breadwinners for housepartners or studying children). Being the sample based on ISCO88 standard, is has been necessary to convert (as in the following table 1) the classification to Golthorpe class schema, possibly the version with the most disaggregated model counting eleven classes in order to maintain adequate differentiation.

Table 1: a possible conversion of ISCO88 to Goldthorpe class schema

|  |  |  |
| --- | --- | --- |
|  |  | **Goldthorpe class schema (1992)** |
| **ISCO88** | **Professions** | **Self employed with employees** | **Self employed without employees** | **Employee** | **Family worker** |
| 010 | Armed Forces[[10]](#footnote-10) | AF |
| 110 | Legislators, senior officials and managers  | I | I |  |  |
| 120 | Corporate managers  | I | I | I | I |
| 130 | Managers of small enterprises  | I | I | I | I |
| 210 | Physical, mathematical and engineering science professionals  | I | I | I | I |
| 220 | Life science and health professionals  | I | I | I | I |
| 230 | Teaching professionals  | I | I | I | I |
| 240 | Other professionals  | II | II | IIIa | IIIa |
| 310 | Physical and engineering science associate professionals  | II | II | IIIa | IIIa |
| 320 | Life science and health associate professionals  | II | II | IIIa | IIIa |
| 330 | Teaching associate professionals  | II | II | IIIa | IIIa |
| 340 | Other associate professionals  | II | II | IIIa | IIIa |
| 410 | Office clerks  | IVa | IVb | IIIb | IIIb |
| 420 | Customer services clerks  | IVa | IVb | IIIb | IIIb |
| 510 | Personal and protective services workers  | IVa | IVb | IIIb | IIIb |
| 520 | Models, salespersons and demonstrators  | IVa | IVb | IIIb | IIIb |
| 610 | Skilled agricultural and fishery workers  | IVc | IVc | VI | VI |
| 710 | Extraction and building trades workers  | IVa | IVb | V | V |
| 720 | Metal, machinery and related trades workers  | IVa | IVb | V | V |
| 730 | Precision, handicraft, craft printing and related trades workers  | IVa | IVb | V | V |
| 740 | Other craft and related trades workers  | IVa | IVb | VI | VI |
| 810 | Stationary-plant and related operators  | IVa | IVb | V | V |
| 820 | Machine operators and assemblers  | IVa | IVb | V | V |
| 830 | Drivers and mobile plant operators  | IVa | IVb | V | V |
| 910 | Sales and services elementary occupations  | IVa | IVb | VIIa | VIIa |
| 920 | Agricultural, fishery and related laborers  | IVc | IVc | VIIb | VIIb |
| 930 | Laborers in mining, construction, manufacturing and transport  | IVc | IVc | VIIa | VIIa |

An other very interesting and quite recent SEC is the E-SeC, European Socio-economic Classification by Harrison and Rose (2006), explicitly derived from the EGP class schema. Always considering the occupational structure as the backbone of the stratification system and starting from the ISCO88 occupational positions, the classification focuses on typical labor market dimensions (*ibidem*, p. 3-5). A starting dimension differentiates positions within labor markets and production units in terms of their typical employment relations, consequently distinguishing employer, self-employed or employee as well as those involuntarily excluded from the labor market (never employed and unemployed). A second dimension observes the forms of employment regulation, that is between a) a “service relationship” (service in return for compensation, typically of higher and lower salariat like EGP classes I and II); b) a labor contract (a wage in return of a discrete amount of labor, as It happens typically for workers in lower services, sales, clerical, technical and routine occupations); c) a mixed form, combining elements of a and b (frequently observable in intermediate occupations between higher grade white and in lower supervisory and lower technician occupations of higher grade blue collars). An important distinction in ESeC is between larger and smaller employers (over 10 employees as cut off point) and self employed with no employees. Naturally this dimension reflects in a certain way both quantitatively, both qualitatively the position in respect of the means of production as well the size of the enterprises. Finally, the supervisorial dimension[[11]](#footnote-11) expresses non only a certain grade of autonomy and control, but mainly the degree of responsibility for supervising the work of others employee. It has to be reminded that the ESeC is a categorial schema focused on catching the qualitative distinctive differences in employment relationships, anyway some sort of hierarchical order is possible considering the general advantages of classes 1 and 2 over classes 3,6-9 (*ibidem*, p.6). For this reason, as successively described we are going to use the ESeC06 as a quasi cardinal variable (Marradi, 2002, p. 104). Through the ESeC derivation table is possible to obtain a conversion of ISCO88 as in table 2.

Table 2: Conversion between ISCO88 and ESeC06

|  |  |  |
| --- | --- | --- |
|  |  | **Employment status** |
| **Code** | **Description** | **Self 10+** | **Self <10** | **Self no** | **sup** | **emp** |
| 010 | Armed forces (officers) | 1 | 1 | 1 | 1 | 1 |
| 110 | Legislators and senior officials | 1 | 1 | 1 | 1 | 1 |
| 120 | Other corporate managers | 1 | 4 | 4 | 1 | 1 |
| 130 | Managers of small enterprises nes | 1 | 4 | 4 | 2 | 2 |
| 210 | Phys, math, engin science professionals | 1 | 1 | 1 | 1 | 1 |
| 220 | Life science and health professionals | 1 | 1 | 1 | 1 | 1 |
| 230 | Teaching Professionals | 1 | 2 | 2 | 2 | 2 |
| 240 | Other professionals | 1 | 1 | 1 | 1 | 1 |
| 310 | Physical, engineering & science ass professionals | 1 | 2 | 2 | 2 | 2 |
| 320 | Life science and health associate professionals | 1 | 2 | 2 | 2 | 2 |
| 330 | Teaching associate professionals | 1 | 4 | 4 | 2 | 3 |
| 340 | Other associate professionals | 1 | 4 | 4 | 2 | 3 |
| 410 | Office Clerks | 1 | 4 | 4 | 2 | 3 |
| 420 | Customer services clerks | 1 | 4 | 4 | 2 | 3 |
| 510 | Personal and protective service workers | 1 | 4 | 4 | 6 | 7 |
| 520 | Models, salespersons and demonstrators | 1 | 4 | 4 | 6 | 7 |
| 610 | Skilled agriculture and fisheries workers | 1 | 5 | 5 | 6 | 8 |
| 710 | Extraction and building trades workers | 1 | 4 | 4 | 6 | 8 |
| 720 | Metal, machinery and related trades | 1 | 4 | 4 | 6 | 8 |
| 730 | Precision, handicraft, craft printing and related workers | 1 | 4 | 4 | 6 | 6 |
| 740 | Other craft and related workers | 1 | 4 | 4 | 6 | 8 |
| 810 | Stationary plant and related operators | 1 | 4 | 4 | 6 | 9 |
| 820 | Machine operators and assemblers | 1 | 4 | 4 | 6 | 9 |
| 830 | Drivers and mobile plant operators | 1 | 4 | 4 | 6 | 9 |
| 910 | Sales and services elementary occupations | 1 | 4 | 4 | 6 | 9 |
| 920 | Agricultural, fishery and related labourers | 1 | 5 | 5 | 6 | 9 |
| 930 | Labourers in mining, construction, manufacturing, transport | 1 | 4 | 4 | 6 | 9 |

Once defined some “class” aspects, transferring the matter from to the status dimension, possibly trying to find a continuous scale, does not make things easier. Indeed, as advised by Bourdieu (1984, p. 129) “status indexes are the most suitable tools for destructing any structure”, because they reduce social reality on a “mono-dimensional representation of social space”. At the same time, it seemed interesting to explore a potential distribution of status inequality focusing more on a descriptive aim rather then on an explicative one and, in order to do this, in the awareness of being far from exhaustive, it has been decided to focus on two main status elements: the level of education and the professional status.

Regarding the first of the aforesaid elements, it has to be underlined that already in their Index of class Characteristics, Warner, Ellis and Mecker (1949) expressed reserves on the usefulness and validity of education on class formation and they excluded it from the index, because substantially overlapped by professional status. Education is generally a prestige element mainly where a specific education title is not specifically required (for instance in the middle level professions of Public employment), while it does not add too much in the upper level profession where there is generally an expressed reliance on credentials for accessing to specific job positions. On the other hand, exactly considering the credentialism effects, E. O. Wright (1985) observes that education reflects an autonomous element of determination of class position. More in a contemporary approach the mass schooling has loosen the relation between education and better job positions reducing the effects of instruction on ascending social mobility (Pitrone, 1983). Substantially the brief reported debate reflects two main considerations (Poli, 2007, p. 297). On the one hand, the fact that education is a super-structural element of status, being an indicator of intellectual capacities of the individual, of the way she/he organizes his relationships and of her/his overall social prestige. On the other hand, it has to be considered that still in many countries the level of education of the individual is influenced by the parents’ social class[[12]](#footnote-12) and this express clearly the double dimension of education as a class determinant and a class consequence. Besides, the aim of this paper is to offer an international European perspective, consequently, considering different countries and different education systems it has been decided to consider and to maintain separate the level of education. At the same time the instruction has been turned in a distributive perspective considering the years spent in education by the respondents on the base of the highest ISCED[[13]](#footnote-13) level attained and of the average needed years to obtain such level. It has also been preferred to maintain the analysis of education at the individual level, without turning to the household highest status member[[14]](#footnote-14), especially because we preferred to properly show the gender differences behind the educational inequality, considering that in many countries the women (especially younger generations) register higher levels of education in comparison with men, though suffering job market discriminations.

Shifting to the professional status, it has to be underlined that, both for the Marxist as well the Weberian approaches (Parkin, 1971), this reflects the individual position in the production process, giving dimensional indications also for other main aspects of stratification, for instance, income, social network, consumption possibilities or attitudes (like in free time and leisure). Needless to say, the professional dimension brings on also psychological aspects based on reciprocal evaluation by all members of society. To this aim it has been necessary to turn to some internationally recognized scales that could effectively return a professional status dimension to the individuals observed. Two main comparative stratification scales have been taken in account: the ISEI the SIOPS. The ISEI, or International Socio-Economic Index, and the SIOPS, or Standard International Occupational Prestige Scale are derived by the ISCO88 classification through the efforts of Ganzeboom and Treiman (Ganzeboom, De Graaf, & Treiman, 1992, 1995; Ganzeboom & Treiman, 1996, 2003). The ISEI scores the occupations on the base of their average education and income levels and reflects how occupational structure influence the ability to convert education qualifications into income, while the SIOPS “measures” status considering the symbolic aspects of stratification, such as standing, prestige, esteem, respect or, eventually, disdain toward specific jobs and professional positions (Rose, 2003). Both scales should have to be considered, almost in the authors’ aim, constant and independent from socio-economic and cultural contexts of different countries. Table 3 provides a compendium of different scores for international SIOPS and ISEI versions compared with the standard ISCO88 classification. Lastly, it has to be reminded that, being the aforesaid scales derived from occupational conditions, they cover only the active population (what’s more, in an incomplete way, because they leave apart the unemployed people to which is only possible to assign a potential “0” score). In this case, differently from information on income or education, it has not been possible to collect data for the inactive members of the observed population. Partially, this lacking has been reduced in the present paper following the Breen model (2007) and referring each case to the household status score derived from the highest status member.

Considering the use that we are going to do of the classifications till now proposed, it has to be introduced a well known methodological problem, that concerns the different theoretical positions regarding the class stratification models and their consequent operative definitions underlying the adopted socioeconomic classifications (SECs). From the theoretical point of view (Ganzeboom, De Graaf & Treiman, 1992; Rose, 2005; Harrison & Rose, 2006) is generally recognized a dichotomy, between SECs reproducing a class category perspective and SECs proposing continuous scales. The categorical approach leads substantially to classifications that, combining multiple axes (generally provided with hierarchical internal order), define classes nominally and transversally, eventually reducing the hierarchical dimension in favor of classifications focusing on the characteristics and distinctive features of each class (as it happens, for instance, in the Goldthorpe class schema (1980). In this way is possible to obtain a discrete number of categories or social positions. Indeed, these are properly classifications or schemata, rather then real scales. On the other hand, other researchers prefer a real scaling approach truing to reproduce a hierarchical order reflecting the allocation of inequality from lower to upper positions, still this can be obtained properly only by placing each class on a unique continuum and in a mutual exclusive position. In this way is possible to obtain an unlimited number of graded distinctions between occupational groups which assume that differences between occupational groups can be captured in one dimension represented by a single parameter (Harrison & Rose, 2006). In our aim the idea is to use the EGP version as a categorical classification (as it is) and the other classification in the sense of continuous scales. This does not create excessive problems with SIOPS and ISEI, considering their effective aim of produce scales for comparative stratification scores. Following all the necessary methodological attentions, SIOPS and ISEI will be used, together with education level, as scales for status inequality. Referring to ESeC, even being it a categorical schema, we will treat the ESeC values as quasi cardinal scale, because, indeed, according to Marradi (2002), being present a quite evident hierarchical order, adopting a quasi cardinal perspective will not produce an excessive level of distortion. At the same time, resorting to the ESeC will help to verify the level of update of the EGP itself, observing the possible changing effects in the different country contexts.

Tab. 3: ISCO88, ISEI77, SIOPS96 scores’ conversions

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ISCO 88 | 1 | 11 | 12 | 13 | 21 | 22 | 23 | 24 | 31 | 32 | 33 | 34 | 41 | 42 | 51 | 52 | 61 | 71 | 72 | 73 | 74 | 81 | 82 | 83 | 91 | 92 | 93 |
| ISEI 77 | 55 | 70 | 68 | 51 | 69 | 80 | 69 | 68 | 50 | 48 | 38 | 55 | 45 | 49 | 38 | 43 | 23 | 31 | 34 | 34 | 33 | 30 | 32 | 32 | 25 | 16 | 23 |
| SIOPS 96 | 51 | 67 | 60 | 50 | 63 | 70 | 61 | 60 | 48 | 51 | 50 | 48 | 37 | 39 | 32 | 31 | 38 | 34 | 40 | 39 | 33 | 36 | 34 | 33 | 23 | 23 | 18 |

Lastly, once operationally defined the “class” and “status” dimensions, it’s seems interesting to give a short view of “power” implications. Typically, power is the third dimension of the stratification (Crompton, 1993), once conceived, in the Weberian tradition, as the explicative dimension for State and parties. Nowadays, probably the concept itself should be represented less from an institutional perspective and more in an individual point of view. Leaving aside the theoretical demonstrations of the loss of control for States (for instance through globalization effects (Sassen, 2007) and of parties (for the ideological disembedding and “felt” distance by citizens (Giddens, 1990), we would like to stress the fact that, probably, the contemporary dimension of “power” in contemporary “liquid” (Bauman, 2000) and “risk” society (Beck, 1992) refers more to the capabilities of self determination for the individual, forced in the daily coping with the systemic complexity (Granovetter, 1985) and victim of different levels of *unsicherheit[[15]](#footnote-15)* (Bauman, 2001). This uncertainty unveils other dimensions of inequalities, in terms of “coping” capability of different kinds of people. As certainly non exhaustive proxies of such capabilities, basing ourselves on the disposable information from the datasets, we propose to explore two different “capability” inequality levels. On the one hand, the capability in terms of living conditions, surely correlated with class and status elements; on the other hand the occupational continuity, again, an implicit determining factor of class and status in the plasticity of the occupational contemporary model (Gergen, 1991) given the effects of a typically flexible job market (Sennet, 1999). Showing a brief operative definitions of the two variables, we realized a capability index of self determination in living conditions by considering indicators deriving from: a) presence of arrears situations (observing in last 12 months eventual arrears on mortgage or rent payments, on utility bills and on hire purchase installments or other loan payments); b) effective capacity for living (general ability to make ends meet, financial burden of the total housing cost, financial burden of the repayment of debts from hire purchases or loans; capacities to afford a meal with meat, chicken, fish or vegetarian equivalent every second day, paying for one week annual holiday away from home and to face unexpected financial expenses); c) the tech access (availability of telephone, Color TV, computer, washing machine, car); d) House tenure and conditions (property, rent or other forms, leaking house parts, water-heating fixtures). Lastly, for the occupational continuity we observed the employment conditions of the last 12 months, observing the stability of employment as an important effect for class and status patterns.

**3.Some results: exploring European inequality in “class” and “status” perspectives**

Once reduced through factor analysis all the aforesaid considered inequality variables, it has been possible to reduce the complexity deriving from the amount of information in a “two components” model[[16]](#footnote-16), properly identifying the latent dimensions of “class” and of “status”. Indeed, as described in graph 1, the “class” component shows stronger factor loadings toward the inequalities registered in disposable equivalised household income, in property and in individual income levels, while status inequality proxies, like differences in SIOSP and ISEI scores combined with the ESEC scores and educational levels, define a major status dimension. Interesting to observe that the capability for living inequality is partially halfway between the two dimension, even if slightly aiming to the status dimension[[17]](#footnote-17).

Observing the aforesaid inequality dimensions in the European sample, we can observe that, considering the north eastern quadrant of graph 2, in countries, like Netherlands, Italy, as well Cyprus and Slovak Republic, inequality levels are definitely interesting both class, both status differences. On the contrary, in Belgium and Austria inequality seems describing a major role of status differences. Generally, describing inequality dimensions in all major western European countries, these seems more influenced by status level rather then by class dimension. Quite emblematic the situation of neighboring countries like Czech and Slovak Republics, expressing very different inequality trends. Indeed, where Czech Republic shows a typical Western European tendency toward a lower level of class inequality, Slovak Republic, considering its different economic situation, shows a reinforced proximity toward class and status dimensions. In Iberian Peninsula (Spain and Portugal) and in Northern Europe (Finland, Norway, Latvia and partially in Sweden), we encounter contexts where status seems to play a lesser role, with an average level of class inequality.

Graph.1: Component plot in rotated space



|  |  |  |
| --- | --- | --- |
| Factor loadings | Comp 1 | Comp 2 |
| Eq.disp.househ. inc. | 0,200 | 0,727 |
| Property inc. | -0,013 | 0,525 |
| Individual inc. | 0,011 | 0,670 |
| Education | 0,589 | 0,108 |
| ESEC | 0,918 | 0,030 |
| SIOPS | 0,955 | 0,038 |
| ISEI | 0,958 | 0,037 |
| CAP for living | 0,364 | 0,297 |

**Status**

**Class**

Source: Elaborations on EU-Silc Datasets for the Capright project (see Poli 2010).

Graph.2: Class and status inequality dimensions across Europe, 2007



Source: Elaborations on EU-Silc Datasets for the Capright project (see Poli 2010).

Apart from country level differences, undoubtedly influenced by so various economic patterns, suitable keys of interpretation set up exactly from the recognition of the multiple generative factors of contemporary inequality. Starting from the gender perspective (naturally combined with the country level), graph 2 shows evidence of the different explicative structures of inequalities between men and women. In the figure, every country’s red dot (describing the female conditions) appears horizontally placed on the left of the correspondent blue dot (describing the male position), precisely expressing the class privileges of the male component of population. On the other hand, every female position is vertically set slightly higher from the male reference, because female inequality is played more on the status level and also because, often, women, especially young ones, result having higher education levels. Gender class distances can be very marked, like in Netherland or Italy, describing essentially a larger gender income gap. Otherwise the ranges can be very short, especially in Iberic and Northern Europe countries, where status’ influence is lesser and the class factor is more contained. Elsewhere, even where status dimension is more determining then the class factor, like in Belgium or in Austria, the gender class gap is still present and clearly observable.

Graph.2: Class and status inequality dimensions by gender across Europe, 2007



**Status**

**Class**

Source: Elaborations on EU-Silc Datasets for the Capright project (see Poli 2010).

Another strong inequality factor is, necessarily, the different distribution of class and status dimension considering the age classes. In this sense, the graph 3 shows a marked curvilinear pattern. The model starts with younger generations, generally showing a good status level (especially considering higher education), but paying a lower starting position in class dimension. This is quite expectable as the consequence of several aspects, mainly deriving from the biographical paths of respondents, many of which are inserted in the job market, generally with flexible contracts, or others could still be investing in human capital through education. Very particular is the situation of the Italian till 24 years old class, reflecting higher levels on class dimension, but this is mainly a result of a typical familistic welfare system, where younger generations abandon lately the parental home and count for longer on the parents’ economic sources through the household disposable income. On the other hand, European younger generations seems to be commonly classifiable in two major status groups, those showing an higher educational investment (like in Belgium, Netherlands and Slovak Republic) and generally reflecting higher status conditions with an expectable future rendering in terms of income and class, and those placing at the bottom of status levels (like Spain and Portugal where, as already mentioned, exactly education plays a major role on inequality levels). The successive age class, the young adults between 25 and 39 years old, reflects all over Europe the same aforesaid pattern. Once fully entered in job market, even if suffering from flexible contracts, young adults start expressing increasing income levels growing in the class factor. Naturally, also professional development starts showing its effects and, commonly, also the status level reflects major advancements. Some countries show also the results of a major investment in younger generations, for example status level for young adults is higher in Belgium and in Netherland where they show proportionally higher class and status levels. Other countries instead reflects more conservative power patterns, where, commonly, class and status levels are higher in adults generation (40-55) and maintain progressively. The curvilinear trend shows a reduction in proximity of those who are in the last phase of their working career. In this case, the status factor starts declining because of the lesser educational level of older generations and of the emerging presence of retired people that lose naturally their professional status entering the inactive population. Anyway, the class dimension is always maintained also in case of retirement, ensuring a stable income level through the pension benefits (generally proportional to the precedent professional status). This means inevitably that an higher professional status before retirement could imply a reproduction of the class dimension during the inactive part of life, while a lower exiting professional status lead to a major exposition to the poverty risk, especially for that part of the population that cannot count on better retirement benefits. This is evident if we observe the case of Iceland, where, once having the higher pro capite GDP in Europe, suffers nowadays the consequences of the economic crisis and the most exposed seem exactly the over 55 age class, showing itself lowly positioned in class factor.

Graph.3: Class and status inequality dimensions by age classes across Europe, 2007



**Class**

**Status**

Source: Elaborations on EU-Silc Datasets for the Capright project (see Poli 2010).

What we have just observed emerges even more clearly in graph 4 analyzing class and status through the classic EGP schema. The whole North Eastern quadrant of the schema, reflecting higher class and status positions, is occupied, as naturally, by the service class in its upper and lower components, but also by the highest quintiles (fourth and, especially, fifth) of the inactive population: retired people, house-partners, students or other inactives that benefit from higher household disposable income levels, through pensions or by relational ties with higher status household members being part of the active population. Indeed, the highest quintiles inactives reflect also positive status performances by deriving their status levels from the family highest status member. Naturally, a mirror negative situation of lower class and status conditions results for the inactive belonging to the poorest quintiles (from the first to third) and for the unemployed. These profiles whether in persistent critical conditions are mostly exposed and become potentially borderliner to poverty situations especially for those inactive depending on others for their subsistence. Again, emblematic is the cases of Italy and Netherlands, showing some of the highest combined status/class levels for the service class and for the upper inactives, while describing the lowest conditions for lower inactives. Considering the status dimension of the intermediate and lower groups it is possible to observe a declining pattern going from the middle routine non manual class (white collars), through the different estates of petty bourgeoisie till the various level of manual workers (blue collars), anyway without noticing particular class gap, determining the status as the main factor underlying the scaling between the middle-lower classes.

Graph.4: Class and status inequality dimensions by EGP classes across Europe, 2007



**Status**

**Class**

Source: Elaborations on EU-Silc Datasets for the Capright project (see Poli 2010).

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1. The example is deliberately “gender oriented” toward women, indeed, culturally is generally not the same for men, showing an exemplification of the conventional cultural factors influencing women’ and men’ roles in collective representations regarding employment positions and occupations, reflecting the above mentioned “gender generated hybridized inequality” (Pakulsky, 2007). [↑](#footnote-ref-1)
2. I.e., the factor by which it is necessary to multiply the total gross income, the total disposable income or the total disposable income before social transfers to compensate the non-response in individual questionnaires. It is necessary to correct the effect of non-responding people within a household otherwise, income of individuals not interviewed is not added up into the total family income. [↑](#footnote-ref-2)
3. This refers to the Oecd-modif by Eurostat equivalence scale: 1 for the househead / 0.5 for each additional adult / 0.3 for each child. [↑](#footnote-ref-3)
4. In order to make explicit the methodological choices in terms of operative definition for cash income from self employment, it has to be underlined that, while this can produce both benefits, both losses, the choice has fallen on considering only benefits, reducing to null (“0” income) any situation describing losses from self employment. [↑](#footnote-ref-4)
5. It has to be reminded also that Dahrendorf (1959) considers property as an expression of power itself, dicotomically distinguishing classes like Marx, but affirming that possessing or not property is substantially a distinction between who has and who has not the power in the organizations. [↑](#footnote-ref-5)
6. Following Eurostat definitions, interest (not included in the profit/loss of an unincorporated enterprise), dividends, profits from capital investment in an unincorporated business refer to the amount of interest from assets such as bank accounts, certificates of deposit, bonds, etc, dividends and profits from capital investment in an unincorporated business, in which the person does not work, received during the income reference period less expenses incurred. [↑](#footnote-ref-6)
7. Income from rental of a property or land refers to the income received, during the income reference period, from renting a property (for example renting a dwelling - not included in the profit/loss of unincorporated enterprises-, receipts from boarders or lodgers, or rent from land) after deducting costs such as mortgage interest repayments, minor repairs, maintenance, insurance and other charges. [↑](#footnote-ref-7)
8. As is generally known by acronym from its authors Erikson, Goldthorpe and Portocarero (1979). [↑](#footnote-ref-8)
9. Nevertheless, the class trajectory solution is partially taken into account with the application of the dominance model, referring the individual to the household status defined by the highest status member within the household. [↑](#footnote-ref-9)
10. Technically, the ISCO’s armed forces category generally does not distinguish between different grades within the military and therefore no coding of armed forces personnel to the class schema should be possible (Goldthorpe & Mills, 2007). Nevertheless, in order to avoid an inappropriate reduction of the aforesaid Army personnel to missing cases, it has been decided to consider this professional group as a nominal modality of its own (Armed Forces), without internal categorization in terms of self (with or without employees) or subordinate employment. [↑](#footnote-ref-10)
11. Lacking the used dataset of the supervision variable, following Harrison and Rose instructions (2006, p. 11), the employee value for ESeC had been considered to suffice, i.e. class 3, 6, 7, 8 or 9 as appropriate to the ISCO minor group. [↑](#footnote-ref-11)
12. For instance, in Italy one of the best predictors of the individual professional destiny is the mother’s level of education as showed by Benini and Chessa since 1922 (Sorokin, 1927; Merllie, 1995). [↑](#footnote-ref-12)
13. Using the five ISCED levels disposable in the EU-Silc datasets, the following re-codification has been adopted: level 0, preprimary education = 0 years; level 1, primary education=5 years; level 2, lower secondary education = 8 years; level 3, (upper) secondary education = 13 years; level 4, post-secondary non tertiary education = 15 years; level 5, first and second stage of tertiary education = 20 years. [↑](#footnote-ref-13)
14. It has to be remembered that often it is recognizable an endogamic trend behind the partners’ level of educations (Van Leeuwen & Maas, 2005). [↑](#footnote-ref-14)
15. The aforesaid *unsicherheit* is declinable as a constant feeling of *uncertainty*, in existential *insecurity* and personal *unsafety* by social precariousness, particularly in employment situations or in inactive conditions (*ibidem*). [↑](#footnote-ref-15)
16. The factor analysis has been conducted applying a principal component technique with varimax rotation, resulting in two main factors explaining the 56,8% of variance, 39,8% by the first component (status) and 16,9% by the second (class). [↑](#footnote-ref-16)
17. The occupational continuity has been excluded from the model, because it would have been less appropriate for the inactive population. Anyway, an utter factor model limited to the labor forces population showed the tendency of the occupational continuity appeared to behave like the capability for living, that is setting halfway between class and status elements (besides, being dependent from both). [↑](#footnote-ref-17)