Like (grand)parent, like child? Multigenerational persistence of socio-economic status in the European Union*

Headlines
- New Eurobarometer data show that about 74% of individuals whose parents have completed higher education go on to complete higher education themselves, compared to only 28% of those with less highly educated parents.
- Individuals’ fortunes are also shaped by the socio-economic background of their grandparents. Persistence of educational attainment increases by around 9 percentage points when considering the influence of grandparents.
- Persistence of educational attainment across three generations is lowest in Northern Europe.
- Inequalities related to socio-economic background have largely remained persistent over time in Europe.
- The dynamics of persistence of educational attainment are similar for men and women.

Context

The transmission of socio-economic status from one generation to the next is an important component in the dynamic of long-term inequality. Low intergenerational mobility and inequality are self-reinforcing – high inequality constrains intergenerational mobility, and low intergenerational mobility increases overall inequality over time.

Furthermore, inequalities based on socio-economic background not only violate norms of equal opportunity, but also give rise to economic inefficiencies. It is both unfair and a potential waste of skills if children born in disadvantageous circumstances have different prospects compared to children of privileged families.

Most existing evidence on social mobility has been rooted in a parent-to-offspring paradigm. The underlying assumption is that the transmission of socio-economic status is from parent to child, with no direct effect of previous generations. However, new research using data on three rather than two generations suggests that grandparents might play a role in shaping the socio-economic outcomes of their grandchildren.

The special Eurobarometer on ‘Fairness, inequality and intergenerational mobility’ commissioned by the Joint Research Centre offers a unique opportunity to investigate the persistence of socio-economic status across three generations. This is the first time that such an analysis is possible for the 28 EU countries.

Multigenerational persistence of educational attainment

The persistence of socio-economic status is the degree to which socio-economic status is transmitted across multiple generations. Higher persistence implies lower social mobility.

The education level, occupation, and income of previous generations are all important determinants of an individual’s socio-economic status. The focus of this brief is on the persistence of educational attainment across generations. It is measured by the probability of completing higher education in relation to the education level of parents (and/or grandfathers). Lower persistence of educational attainment implies higher educational mobility.

Quick Guide

The data underpinning this brief are drawn from the Special Eurobarometer ‘Fairness, inequality and inter-generational mobility’. The field work was conducted through face-to-face interviews in December 2017. A total of 28,031 people were interviewed in 28 EU countries.

Results are based on the estimation of linear probability regression models. Besides the two indicators on the higher education attainment of parents and grandfathers, all estimates include gender and household composition-related variables, the (subjective) degree of urbanisation of the location of the respondents, 10-year age cohort indicators and country dummies. Higher education is defined as ISCED levels 4 (post-secondary non-tertiary education) to 8 (Doctoral level). The estimates are weighted by population size and demographics.

Whilst the parents’ effect is measured using information on both parents, the grandparents’ effect is only captured with the educational attainment of grandfathers, as the data does not include information on grandmothers.

Northern Europe is Denmark, Finland, Ireland, Sweden and the United Kingdom; Western Europe is Austria, Belgium, France, Germany, Luxembourg and the Netherlands; Southern Europe is Cyprus, Greece, Italy, Malta, Portugal and Spain; Eastern Europe is Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

Transmission of educational attainment – from parents to offspring

Figure 1 depicts the percentage point difference in higher education attainment between those with at least one parent who has completed higher education and those with less highly educated parents. The larger the gap, the higher the intergenerational persistence of educational attainment.

Figure 1. Intergenerational persistence of higher education attainment

![Map of Europe showing percentage point difference in higher education attainment](image)

Note: Percentage point difference in the probability of completing higher education, comparing individuals with at least one parent who has completed higher education with those whose parents are less highly educated. The darker the shade, the higher the persistence of educational attainment across two generations. Percentage point categories refer to quantiles of the distribution. Source: Eurobarometer 2017. See the ‘Quick guide’ for additional information.

In Europe, around 74% of individuals with at least one parent who has completed higher education go on to complete higher education themselves, compared with only 28% of those with less highly educated parents – a gap of 46 percentage points.

There are substantial differences across Europe. Persistence of educational attainment is lowest in Nordic and Baltic countries such as Sweden, Denmark, Estonia or Lithuania. By contrast, the highest levels of persistence are found in Southern European countries such as Italy and Portugal. High levels are, however, also seen in Germany, Austria and Romania.

Differences between education systems, such as the streaming of students in secondary education, barriers to entering higher education, the progressivity of higher education fees and the availability of free preschool education, are likely to shape part of the country differences in educational mobility.

Persistence of educational attainment – the importance of grandparents

JRC research shows that the focus on two generations may not be sufficient for understanding the persistence of educational attainment.

Figure 2 illustrates an extended view of the persistence of educational attainment across three generations. Each bar shows the overall persistence of educational attainment and the respective influence of parents (dark blue) and grandfathers (light blue).
On average, grandparents’ education matters.
In Europe, the persistence of educational attainment increases by around 9 percentage points when the influence of grandparents is taken into account. Patterns across macro regions suggest that grandparents’ influence is higher in Northern and Eastern than in Western and, especially, Southern Europe.

While the transmission channels are not yet well understood, the direct influence of grandparents can be explained by their role in giving care, emotional support and/or financial assistance to their grandchildren. Cultural norms, in particular in terms of whether grandparents are expected to play a significant part in children’s lives, might affect the importance of the grandparent-grandchild dyad. In addition, institutional country characteristics are likely to matter. In countries with low levels of inequality and access to high-quality, inexpensive (universal) childcare, grandparents’ influence might operate through cultural capital and other non-monetary benefits. In other countries, the financial and practical assistance offered by grandparents for extracurricular activities could be the main influence on grandchildren’s educational attainment.

Taking three generations into consideration, persistence of educational attainment is lowest in Northern Europe. However, Northern Europe proves to be less mobile than is traditionally portrayed. Conversely, despite the negligible role played by grandparents, Southern European countries display the highest persistence of educational attainment.

Overall, differences in persistence of educational attainment across EU macro regions are smaller when the combined role of parents and grandparents is considered.

Multigenerational mobility in education – change over time

Figure 3 shows the level of mobility in accessing tertiary education for four generations, namely (i) those born before 1946, (ii) the baby boomers, (iii) Generation X and (iv) the millennials.

Quite surprisingly, multigenerational educational persistence has remained relatively constant over time. Although there was an improvement in social mobility between the baby boomers and Generation X, this trend appears limited and has not persisted with the millennial cohort. Such a pattern is also observed for each of the four macro regions.

The influence of grandparents is declining for the millennials, while the importance of parents is increasing. This could be due to the fact that, unlike Generation X, millennials grew up during a period of recession, when the socio-economic status of parents generally plays a stronger role in determining access to education.

Gender and lineage effects

Figure 4 displays gender and lineage patterns in educational mobility. Males and females face similar dynamics of mobility, with the cumulative effect of parents’ and grandfathers’ education being the same for both genders. The father seems to be more influential than the mother, irrespective of the gender of the offspring.
Understanding inequality dynamics

Europe is not a continent of equal opportunities. Disparities in education are still largely transmitted from grandparents and parents to their offspring. Given the self-reinforcing relationship between the persistence of socio-economic status across generations and the dynamics of income inequality, this might not change in the near future.

Additional data collection will be needed to better understand the underlying drivers of persistence of educational attainment across generations.

Related and future JRC work

The study is part of a comprehensive research programme at the JRC on the magnitude, determinants and channels of transmission of inequality of opportunity. This includes, among other things, studies on assortative mating, neighbourhood effects and the impact of social mobility on preferences for redistribution.

This policy brief is one of a series of ‘science for policy’ briefs discussing various aspects of fairness. A comprehensive report on fairness will be published in 2019.

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