IN SEARCH OF ASSOCIATIONS BETWEEN HOUSEHOLD STRUCTURES AND ECONOMIC CONDITIONS IN EUROPE

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1. Introduction

The interest on economic conditions in European countries has been steadily increasing over the last decades. It has been regularly on the EU agenda since 2000 when the European Commission and Member States adopted new indicators to measure the phenomenon (see European Commission 2010).

The concept of economic conditions (or status) is wide and multidimensional: it encompasses employment situation, available income, possess or lack of resources, material conditions, housing, poverty and life standards. Furthermore, the concept of economic conditions could be objective or subjective: the subjective approach overcomes the distortions of objective approaches where outside observers arbitrarily assess people's economic status, but, at the same time, it is influenced by individual perceptions and aspirations.

Economic conditions are interesting in terms of their relationship with household structure and a large literature has been devoted to such topic at a European level (see, e.g., Iacovou 2004, Atkinson and Marlier 2010). The extent to which households structure patterns are associated with economic conditions allows to analyze which types of households are at a particularly high risk of bad economic status and, then, investigate whether they are at risk of poverty, deprivation or exclusion. Empirical evidence showed that the relationship between household structures and economic conditions is actually complex, suggesting that such link is mediated by institutions with parental leave arrangements, childcare services, monetary benefits for large families or care services for old people (Iacovou and Skew 2010, Guio 2005).

2. Objective of the work

The aim of this work is to study associations between household structures and economic conditions in Europe in order to understand the pattern of economic resources available to different types of households and how such resources vary by households structure. This would allow future in-depth studies on the dynamics of individual and household demographic behaviors (e.g. leaving home, entering union, having children). Just to make some examples, it would allow researchers to formulate hypotheses on the probability that a childless couple has children or that a young children leave his/her parents, considering their economic status and the context where they lives.

In this work we adopt an objective definition of economic conditions. To take into account the context where individuals and households live, our analyses are carried out in a comparative perspective. In fact, cross-national differences in household structure and economic status reflect important differences between societies in culture and norms, in the housing market features, in the economic means available to different groups in society and in social policies where differences in tax and benefit regimes may lead to radically different patterns of household structures (Iacovou and Skew 2010).

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3. Data, methods and expected results

The analyses of this work are based on data from EU-SILC 2008 (Eurostat 2008). Due to the primary aim it was conceived for, EU-SILC is rich of information on economic conditions and resources of households (job features, different kinds of incomes, housing status, stock of resources, debts, etc.). Being a general-purpose data set, the EU-SILC does not allow for such detailed investigation of family formation patterns as some other data sets. However, its strength lies in the scope of its coverage which makes it possible to draw comparisons of many aspect of family structure over almost the entire EU. We believe that EU-SILC constitutes a unique data source for the aims of this study.

We carry out a comparative analysis of EU Member States by means of Principal Component Analysis (PCA) since we aim to obtain a synthetic picture of the associative patterns between household structure and economic status. Indicators on economic conditions (education, job, income, possession of items, housing status, affordability of some basic goods) and households structure will be projected on the factorial plan as active variables. We aim at verifying whether, and to what extent, the clustering of the countries, with respect to their economic and households' characteristics, can be recognized as the Esping Andersen's (1990) classification of welfare regimes.

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