

Contexts of Opportunity: Explaining Cross-National Variation in the Links Between Childhood Disadvantage, Young Adult Demographic Behaviour and Later-Life Outcomes

Synopsis of an ERC Advanced Grant Proposal

Aart C. Liefbroer

Netherlands Interdisciplinary Demographic Institute, The Hague, The Netherlands

Department of Sociology, VU University Amsterdam, Amsterdam, The Netherlands

University Medical Centre Groningen, Groningen, The Netherlands

Key research questions

In an era of worldwide increasing inequalities, key social science questions about the production and reproduction of social inequality gain renewed attention. One central issue is the role played by demographic events and trajectories in producing and reproducing inequalities. Key questions include whether experiences of family disruption during childhood and demographic experiences during young adulthood – net of other factors – influence later-life outcomes. This project examines these questions by studying the relationships between the experience of childhood social disadvantage, demographic decision-making during young adulthood and subsequent economic, social and health outcomes from a comparative perspective. Past research (e.g. Hobcraft & Kiernan, 2001; McLanahan, 2009) has examined important aspects of these relationships, such as whether experiencing poverty and family disruption during childhood increases the risk of early parenthood and divorce in young adulthood and whether these factors in tandem influence the risk of experiencing poor socio-economic and social outcomes at later stages of the life course. A limitation of most existing research is that it has examined these relationships within one societal context only. However, this project starts from the assumption that the strength of these links depends on the societal context. The key contribution of this project is that it examines this contextual variation and focuses on one *general* explanation for this contextual variation: the strength of the relationships depend on the opportunities that the nation states offer to abate the adverse impact of economic and social deprivation. Countries that offer good opportunities to people to escape situations of deprivation, like social security systems that offer financial support to people in financial jeopardy, educational systems that stimulate upward mobility, normative systems that do not stigmatize people with deviant behaviours, and economic prosperity, are expected to weaken the links between childhood disadvantage, young adult demographic behaviour, and later life outcomes. Testing this ‘contexts of opportunity’ hypothesis will be the key aim of this project. Figure 1 presents a stylized model of the ‘contexts of opportunity’ approach.

As can be seen in Figure 1, three questions are central to this project. The *first* question (linked to arrow A in Figure 1) is how childhood disadvantage influences young adult demographic outcomes. The main issue of interest here is whether coming from a socio-economic or demographic disadvantaged background leads to demographic choices that are known to have potential adverse consequences, such as early parenthood, parenthood outside a stable partner relationship, and partnership instability. The *second* question (linked to arrows B and C in Figure 1) is how childhood disadvantage and young adult demographic decisions jointly shape the subsequent life chances of those involved. To what extent do childhood disadvantage and poor demographic choices determine poor socio-economic, social and health outcomes in later phases of the life course, such as low income, unemployment, loneliness and poor health? The *third* – and key – question (linked to arrows D, E and F in Figure 1) is how the effects discussed above differ across national contexts of opportunity. In particular, I will pay attention to three aspects of the national context: (1) economic aspects, like the level of economic growth in a country, (2) cultural aspects, like the extent to which strong norms on family-related behaviour are operative, and (3) aspects of institutional arrangements, like the openness of the educational system, and existing family policies

and general social policies. These contexts of opportunities are expected to moderate the links between childhood disadvantage, young adult demographic behaviour, and later life outcomes.

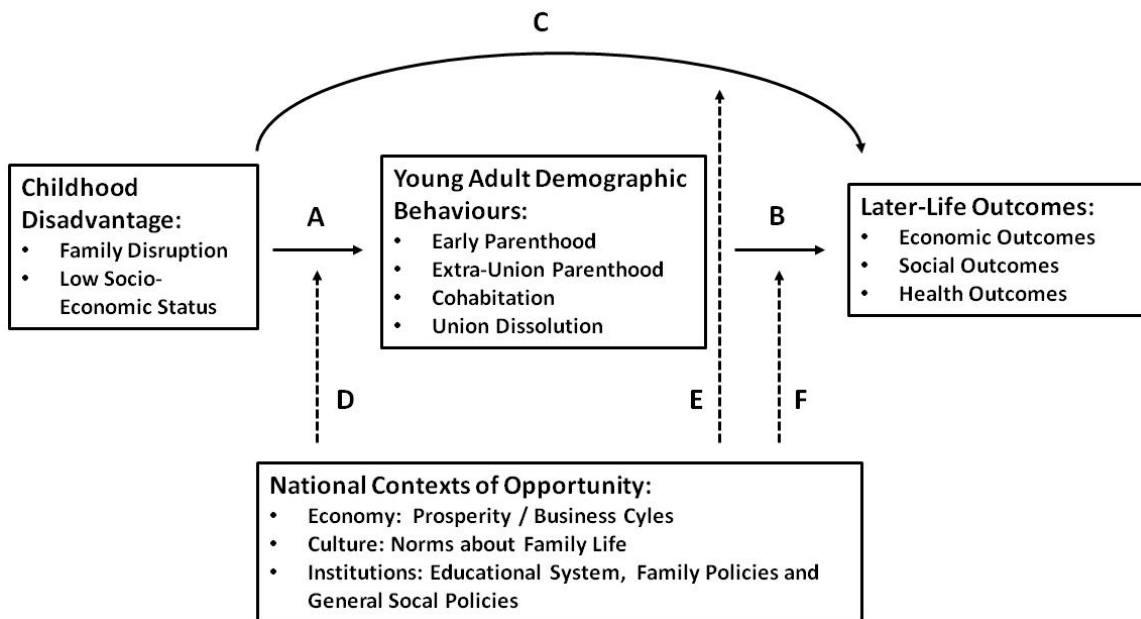


Figure 1 A model of the relationships between childhood disadvantage, young adult demographic behaviour, later-life outcomes and contexts of opportunity

Theoretical framework

To understand the role played by demographic events in reproducing inequalities, and the cross-national variation therein, insights from two perspectives, the *resource perspective* (Hobfoll, 2002) and the *life-course perspective* (Elder et al., 2003), are combined. Both in sociology and psychology, the availability of resources is seen as essential to realize main goals in life, such as physical and psychological well-being. In sociology, the importance of several types of resources - or forms of 'capital' - for people's life chances is a central topic of interest. A key distinction is between economic and cultural capital (De Graaf & Kalmijn, 2001). Economic capital refers to income and financial assets that people have at their disposal to improve their life chances, and cultural capital refers to lifestyles, norms and skills that they can use to improve their life chances. In addition to these two types of capital, social capital is often distinguished as a third major type of capital (Granovetter, 1973). In psychology, a prominent idea is that resources are of prime importance for realizing well-being (Diener & Fujita, 1995): the more resources people have at their disposal the more they will be able to realize goals that contribute to well-being. In addition to the types of resources stressed by sociologists, psychologists emphasize the importance of personal resources – such as self-esteem, coping strategies and planful competence– to realize these goals (Hobfoll, 2002). To fully appreciate the role of demographic events in the reproduction of inequality, the resource perspective has to be complemented by a life-course perspective (Elder et al., 2003). Important insights of the life-course perspective are that the consequences of demographic events for people's future life chances depend on their timing, on their relationship with events in other life-course domains, on the reactions by significant others, on the amount of time that has passed since the event occurred, and on the content and order of subsequent events.

Taken together, these two perspectives offer a unifying framework to understand both the relationship between childhood circumstances and demographic behaviour in young adulthood and the relationship between these demographic behaviours and later-life outcomes. It suggests that the occurrence and timing of demographic events in young adulthood depends on the resources that are available. Low levels of resources will enhance the chances that young adults engage in behaviours that are risky – such as unsafe sex –, that they make demographic decisions that offer short-term

benefits but may negatively affect their longer-run well-being – such as early union formation and parenthood –, or that they will not be able to maintain potentially well-being enhancing relationships. In addition, it suggests why demographic events have an impact on later-life outcomes, over and above differences in prior resources. First, the event itself often leads to a direct loss or gain in available resources (Soons et al., 2009). Second, demographic events often have direct or indirect repercussions for events in other life domains (Aassve et al., 2006). Third, some demographic events may be normatively approved of, whereas others are met with disapproval (Liefbroer & Billari, 2010). And fourth, events can occur on- or off-time (Settersten & Hagestad, 1996). In addition, the framework suggests that negative effects of demographic events may wane as time goes by, and that negative effects of demographic events may be mitigated or strengthened by subsequent life events. Theories of cumulative disadvantage (Dannefer, 2003) suggest that adverse events increase the risk of subsequent adverse events and this accumulation of negative events might eventually lead to poor late-life outcomes.

The moderating role of ‘contexts of opportunity’

As has been mentioned before, the key aim of this project is to study how contexts influence the relationships between childhood disadvantage, young adult demographic behaviour and later-life outcomes (arrows D, E, and F in Figure 1). The ‘contexts of opportunity hypothesis’ posits that contexts that offer opportunities to young children, young adults, and their families to improve their life situation in terms of the availability of economic, cultural, social and personal resources will weaken the links between childhood disadvantage, demographic behaviour and later-life outcomes. This ‘contexts of opportunity’ hypothesis is a *general* hypothesis. It could be used to study temporal changes in the links between childhood disadvantage, young adult demographic behaviour and later-life outcomes within one specific geographical unit, and to study differences in these links across geographical units at one point in time. The importance of the geographical dimension has been stressed by geographers in the ‘geography of opportunity’ literature (Galster & Killen, 1995). In that literature, the emphasis is on variation in opportunities at the level of neighbourhoods. In this project, the emphasis is on differences in contexts of opportunity at the level of nation states. The choice for a focus on the country level is based on the fact that it is the most appropriate level to test the potential role of government policies. In addition, variation in economic and cultural factors is also often larger at the country level than at lower geographical levels. Given that the project will mainly use cross-sectional datasets, its focus is mainly on explaining geographical variation.

In studying geographical and temporal variation, this project will pay attention to three types of national ‘contexts of opportunity’. First, the general economic situation is expected to be important (Fischer & Liefbroer, 2006). In times or in places with poor overall economic prospects, those with a bad starting position are usually hit hardest by an adverse economic climate. Second, cultural factors are expected to be important. In particular, norms and attitudes concerning family life and social disadvantage are deemed to be crucial (Soons & Kalmijn, 2009). In societies where people in disadvantaged positions – the poor, the unemployed, single parents, the divorced, etc. – are stigmatized, it will be more difficult for the disadvantaged to escape their situation, either as a result of covert discrimination or as a result of the disadvantaged themselves developing a low self-image. Third, institutional arrangements are expected to matter (Van Damme et al., 2009). Within the project, particular attention will be paid to a number of institutional factors. The openness of the educational system is one of these factors. The lower the financial hurdles within an educational system are, and the better prepared that system is to reduce initial differences in cultural resources – e.g. by low levels of tracking –, the more likely it is that an educational system will stimulate upward mobility among those of a disadvantaged social background (Hanushek & Wössmann, 2006). Family policies and general social policies also are important institutional factors. Policies that support families and people in disadvantaged situations may facilitate them or their children to escape poverty or dampen the most adverse consequences of social disadvantage (Esping-Andersen, 1990).

Data

The Generation and Gender Programme (GGP) is the main data source that will be used to test the 'contexts of opportunity' approach. The GGP, initiated in 2000, is a system of cross-nationally comparative panel surveys and contextual databases which aims at improving the knowledge base for social science research on population-related issues in Europe and developed countries elsewhere. To date, at least one wave of a Generations and Gender Programme Survey (GGS) has been conducted in eighteen countries, with more countries preparing to join the programme. In twelve countries, two waves of the GGS have been conducted and two countries, one of which is the Netherlands, have as yet conducted three waves. The GGS includes information on each of the three sets of factors of key interest to this proposal. It includes information on childhood factors, such as educational attainment and occupational status of the parents and changes in living arrangement during childhood. It also includes information on the full marriage, cohabitation and parenthood histories of respondents. Finally, it includes a wealth of information on other socio-economic and social outcomes, such as income, employment status, social support, loneliness, depression and mental and physical health. For societies that do not participate in the GGP, harmonized data sets based on other surveys that have a strong structural resemblance to the GGP, such as Understanding Societies in the UK and the National Survey of Families and Households in the US, will be constructed. In all, harmonized data files will be available for at least 20 countries.

Macro-level information to test the importance of the different 'contexts of opportunities' will mostly be derived from the Contextual Database of the GGP. This is a comparative collection of approximately 200 contextual variables at the national and regional level for up to 60 countries. In addition, country-level measures on stigmatization of social disadvantage will be constructed by aggregate individual-level information on norms available from other cross-national survey programmes like the European Social Survey (ESS) and the International Social Survey Programme (ISSP). Information on family policies will be derived from the Comparative Family Policy Database developed by Anne Gauthier.

Methodology

The methodological approach to the topic of this project has four defining characteristics. First, given the focus of the project on 'contexts of opportunity', multi-level analysis will be a standard tool. Multi-level analysis will allow (a) to assess the extent to which demographic behaviour and later-life outcomes varies across individuals and across nations, (b) to include contextual variables to explain cross-national variation in these outcomes, and (c) to test the 'contexts of opportunity' hypothesis by including cross-level interactions between key independent variables and these contextual variables. Second, the role of selection will be explicitly modelled. Selection could be at work both at the individual and at the country level. At the individual level, it could be that unobserved factors explain part of the observed relationships between childhood characteristics and young adult demographic behaviour. To estimate whether this is the case, simultaneous equation models that allow to explicitly model unobserved heterogeneity will be estimated (Aassve et al., 2006). In addition, a latent variable approach will be used, in which observed variables are viewed as indicators of latent constructs (Rabe-Hesketh & Skrondal, 2004). At the country level, selection could play a role as well. It could be that in some countries, for instance in those with better social policies, far fewer people and families will be in a social disadvantaged position than in other countries. Within the project, these compositional differences will be examined, and sensitivity analyses based on propensity score matching techniques will be applied to examine whether selection operates. Third, to examine the role of cumulative disadvantage in understanding the links between childhood disadvantage and later life outcomes, sequence analysis will be applied (Liefbroer & Elzinga, 2011). Fourth, retrospective and prospective designs will be used. Most of the analyses will use the fact that the GGS has retrospective information on partnership and parenthood careers. However, the prospective panel information available in the GGS will be used to examine some of the mechanisms that link social background and young adult demographic decision-making and to examine relatively short-term consequences of that behaviour.

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