Upward Social Mobility, Well-being and Political Preferences: Evidence from the BHPS

Andrew Clark†and Emanuela D'Angelo‡*†

April 21, 2010

Abstract

The paper uses 15 waves of BHPS data to provide an integrated analysis of the roles of both individual social status and upward mobility relative to own parents on job and life satisfaction, preferences for redistribution, pro-public sector attitudes and voting. Both greater individual social status and greater mobility with respect to parents are associated with higher levels of satisfaction. However, this symmetric effect disappears for political preferences. While greater social status is associated with less favourable attitudes to redistribution and the public sector, greater upward mobility is associated with more Left-wing attitudes. These attitudes translate into actual reported voting behaviour. Upwards social mobility produces satisfied Left-wingers.

Keywords: Social Mobility, Satisfaction, Redistribution, Inequality, Voting.

JEL classification: A14, C25, D31, D63, J28, J62.

*†Paris School of Economics, Paris, and IZA, Bonn. PSE, 48 Boulevard Jourdan, 75014 Paris, France. Tel.: +33-1-43-13-63-29. E-mail: Andrew.Clark@ens.fr. ‡Dipartimento Economia, Universita' Politecnica delle Marche, Piazzale Martelli 8, 60121 Ancona, Italy. Tel.: +39-71-220-7230. E-mail: e.dangelo@univpm.it.

†We are grateful to Donald Williamson and seminar participants at the IRISS 10th Anniversary Workshop (Luxembourg) and the "Well-being: Are we happy with our standard of living?" Conference (Cassino) for useful comments. Data from the British Household Panel Survey (BHPS) were supplied by the ESRC Data Archive. Neither the original collectors of the data nor the Archive bear any responsibility for the analysis or interpretations presented here.

1 Introduction

At least since the appearance of the Easterlin Paradox in 1974, the relationship between well-being and income has become one of the liveliest research areas across most of the social sciences, producing contributions by sociologists, psychologists and economists. Much of this work has insisted on the possibility that the relationship between income and well-being is somehow mediated by the social context, and the empirical literature on relative utility has fleshed this idea out by showing that income partly matters in relation to a reference level. This reference level may well reflect the income of some relevant others (social comparisons), or the income that the individual themself had earned in the past (adaptation). The level of reference income affects the marginal utility of own income, and is therefore expected to feed through to individual behaviour, and a separate empirical literature has developed attempting to show evidence of such phenomena.

This paper contributes to this research domain by considering one particular type of reference group: the individual's parents. As such, we create a measure of social mobility relative to the one's parents. We then consider the role of both own current social status, and social mobility relative to one's parents in determining both job and life satisfaction. We then consider the relationship of the same two variables to redistributive preferences, pro-public sector attitudes, and voting.

There are three key social status variables in our analysis: the individual's own current socio-economic status, the socio-economic status of the individual's parents, and a measure of social mobility relating the individual's status relative to that of her parents. All of the social status variables are measured on the Hope-Goldthorpe Scale (HGS).[1]

We first show that higher social status is associated with greater job and life satisfaction, less interventionist attitudes and more Right-wing voting. However, the social status of the individual's parents is important too. Individuals with higher social status parents are less satisfied, but also have less interventionist attitudes and are more Right-wing. In terms of the two satisfaction measures, the results are consistent with parents being a reference point. Consequently, the most satisfied are those who have high social status themselves and parents with lower social status, in other words those who have experienced the most upward social mobility. However, in terms of political attitudes, parents' social status reinforces rather than moderates the effect of the individual's own status. Political attitudes and voting are some kind of weighted average of one's own status and parents' social status. Those with low status and low-status parents are the most interventionist and the most Left-Wing; conversely those with high social status and high-status parents are the most Right-Wing. Parents may well act as a reference group for well-being; however, political attitudes do not seem to be determined in the

[1] For further details see Goldthorpe and Hope (1974) and Goldthorpe (1980).

same way. The way in which the individual would prefer to see society, and the way in which they vote, seems rather to be a type of accretion of the individual's and her parents' social outcomes, rather than being determined by the contrast between them.

The remainder of this paper is organized as follows. Section 2 briefly reviews some of the previous literature on mobility, well-being and political opinion. Section 3 introduces our hypotheses, and Section 4 presents the empirical evidence from satisfaction, political attitude, and voting regressions. The final section concludes.

2 Background: Mobility, Well-being, Redistribution and Political Opinion

2.1 Intergenerational Mobility: Income and Social Mobility

There is now a large body of literature on mobility in both Sociology and Economics. However, while sociologists have mainly focussed on social prestige and social class, economists have considered mobility in terms of movements in income or education between generations. A first distinction therefore relates to the subject of the mobility: income, education or something else? Income mobility most usually refers to transitions between income classes or percentiles of the income distribution, while social mobility refers to the extent of changes of individual, household, or group social status in a social hierarchy or stratification.

A second important distinction is often made between intergenerational and intra-generational mobility. Intergenerational mobility refers to how the distribution of some relevant measure of individual standing has changed between different generations in a given society, while the intragenerational component represents status changes within a certain group of individuals, over a given period of their lifetime.

Much work has been carried out on intergenerational mobility. A recent example is Francesconi and Ermisch (2006), who explore how the socio-economic position of children in Britain relates to the socio-economic position of their parents and parents-in-law through the marriage market. Equally, Blanden et al. (1997) study the extent of intergenerational mobility in Britain using data from the national Child Development Survey, covering all individuals born in a certain week in March 1958. They find that the extent of mobility is limited in terms of both earnings and education, while upward mobility from the bottom of the earnings distribution is more likely than is downward mobility from the top.

Our paper focus on intergenerational social mobility. We explore individual socio-occupational changes relative to the individual's own parents, appealing to the Hope-Goldthorpe Scale, which will be described in detail below.

2.2 Well-being and the role of the relative position

One of the keystones of the literature on subjective well-being in Economics is the "Easterlin Paradox", as originally demonstrated in Easterlin (1974), according to which happiness does not increase with national income in time-series data. Following this Paradox, a lively literature has focussed on the determinants of individual well-being, and in particular on the relationship between happiness and income. A distinction has been drawn between the role of own income and that of comparison income, which latter is some kind of benchmark against which the individual's own income is compared. While the relationship between own well-being and own income is expected to be positive, that with comparison income, which acts as a deflator, is exected to be negative.

In one of the early studies to use a subjective well-being measure, Clark and Oswald (1996) use data from the first wave of the BHPS to show that job satisfaction is positively correlated with absolute income, but also depends negatively on some measure of comparison income and on the level of education. The negative relation between job satisfaction and comparison income is consistent with relative deprivation resulting from the comparison of one's own income to that in the reference group. Easterlin (2001) demonstrates that well-being varies positively with income but negatively with material aspirations. People have similar material aspirations at the start of adult life, but over the life-cycle these aspirations seem to increase proportionally with income, so that rising individual income does not bring greater well-being. This fast-growing literature is surveyed in Clark et al. (2008).

In this paper, we suggest that individuals my not, in fact, start out with the same reference group (or aspirations), as their parents situation when the respondents were young provides a natural benchmark against which their own situation is compared. We therefore show that own well-being is related to own social status, as is standard, but also to own upward mobility with respect to one's parents. This mobility effect is also found for political preferences and voting.

2.3 Political opinion: Preferences for Redistribution and Inequality-Aversion

The literature on political opinions and redistribution is by now substantial, and has produced a wide variety of results. We here focus on the roles of inequality, both social and income mobility, and future expectations on the demand for redistribution and voting decisions.

One of the first relevant contributions here is that of Persson and Tabellini (1994), who both propose a theoretical model and present some empirical results with respect to the median-voter theorem. The median here refers to the distribution of some economic or social variable, for example income, skills (as measured by the education level), or age. Indi-

vidual voting preferences depend on their position in that distribution.[2]

Alesina et al.(2004) show that the effect of inequality on happiness is larger in value in Europe than in the USA; in addition, the poorer and more Left-wing in Europe are more negatively affected by inequality, while in the USA no such correlation is found and the well-being of the richer is positively correlated with inequality. Alesina et al. argue that this difference reflects the greater extent of social mobility in the USA than in Europe, and greater European preferences for redistribution.

Piketty (1995) develops a theoretical model to explain why, in the long run, Left-wing dynasties in the lower class are more supportive of redistributive policies, while Right-wing dynasties who are in the upper-middle classes are less or not at all favorable to redistribution. The multiplicity of those steady-state equilibria explains why persistent disparities in social mobility may generate different redistributive policies across countries.

Finally, analysing the determinants of redistributive preferences, Alesina and La Ferrara (2005) stress the importance of individual expected future income as an objective measure of the future expected gains and losses resulting from redistribution. It's not just what you get today that is important, but also where you think you might end up in the future. In the well-being literature, research has typically focussed on the negative status effects of the income of others in the reference group. However, an opposing positive signal effect of others' income has also been identified when there is a large enough chance of the individual acceding to the reference group's income in the future (Senik, 2004, and Clark et al., 2009).

3 Our Hypotheses

Our main interest in this paper is the role of intergenerational mobility in social status - where the latter is measured by a socio - occupational prestige scale - in influencing job and life satisfaction, individual redistributive preferences and political opinions. In particular, we test the hypothesis that upward social mobility (defined as higher social status than one's parents) produces higher job and life satisfaction scores, greater preferences for redistribution, and more Left-wing voting.

[2]The median-voter theorem is a model of voting which is typically representative of majority elections. It is based on the following assumptions: voter policy preferences can be represented as points along a single dimension (for example, income, age, education); all voters vote deterministically for the politician who commits to the policy position closest to their own preferences; and there are only two politicians. Politicians who wish to maximize the number of votes they receive should commit to the policy position preferred by the median voter. This strategy is a Nash equilibrium and results in voters being indifferent between candidates, and casting their votes for either candidate with equal probability. In expectation each politician will receive half of the votes. If either candidate deviates and commits to a different policy position, she will receive less than half of the vote (and thus lose the election).

Our empirical analysis of these different dependent variables will control for a standard set of individual characteristics. The key right-hand side variables are three different levels of socio-occupational prestige: the individual's own socio-economic position; their parents' socio-economic position (identified separately for fathers and mothers); and a measure of upward social mobility for having a higher social position than one's parents.

The first of these three variables, the individual's own socio-economic position, is arguably the most standard. We expect this to be positively correlated with job and life satisfaction: all else equal individuals like to occupy higher-prestige positions. At the political level, we might expect higher social position to be associated with more conservative attitudes, either because those who have succeeded in life may be more likely to attribute their success to their own hard work (and thus others' lesser success to their lack of hard work), or because those towards the top of the distribution have more to lose from redistribution.

These hypotheses have attracted a fair amount of attention in previous theoretical and empirical literature, although most often well-being and political preferences are considered separately, rather than jointly. In the model proposed by Persson and Tabellini (1994), a median voter with higher skills, who is at the top of income distribution, wil be less supportive of taxation and redistribution. Along these lines, Alesina and La Ferrara (2005) show that that wealthier individuals are less favorable to redistribution. Piketty (1995) also proposes a theoretical model according to which individual income is related to political opinion. Individuals with higher incomes are more right-wing and less favorable to redistributive policies, while those with lower incomes are more likely to vote for left-wing parties and to be in favor of redistribution.

This simple snapshot correlation between status and preferences is nuanced in the "prospect of upward mobility" (POUM) literature, which explicitly appeals to individuals' future prospects of social mobility. In this context, poorer individuals may well oppose redistribution if they expect their own income to improve in the future[3].

Our second central right-hand side variable covers the effect of parents's background (as reflected in their social position) on their children's well-being and political opinions. It is key to note that we appeal to this second variable while continuing to control for the individual's own social position (so that parents' social status is not acting as an instrument for that of the respondent). There is a substantial literature in Political Science on the intergenerational transmission of political preferences. It is likely that at least part of this transmission occurs because parents transmit their social position to their children. Equally, any effect of parent's status on their children's well-being might accrue to the transmission of income or education. Using the respondent's social position

[3]Benabou and Ok (1996) explain theoretically and empirically that the POUM hypothesis works to limit the extent of redistribution in democracies.

as a right-hand side variable ensures that this type of transmission is controlled for. As such, our empirical analysis asks, given the individual's current social position, does it matter whether their parents were of higher or lower social class?

One mechanism through which this might turn out to be important works via social comparisons, where the parents act as a reference group for their own children. In this context, individuals may evaluate their own level of social prestige not in any absolute sense, but rather relative to that of their parents. If this indeed occurs, then parents' social status will act as a deflator for the individuals own current social status. In the mirror image of the relationships with the respondent's own social status sketched above, satisfaction will rise and political preferences will be more Right-wing the lower was the parents' social status, for a given level of the respondent's own social status. As we shall see below, only one of these two hypotheses receives empirical support.

There is however another reading of intergenerational mobility, as proposed in Alesina et al. (2004). Individuals who are averse to social inequality will be more favorable to redistributive policies in order to reduce this inequality. Improving one's own lifestyle and social prestige relative to those of one's parents is synonymous with rising social stratification between generations (children and parents). Inequality-averse individuals with upwards social mobility will then be more favorable to redistribution.

The last key explanatory variable explicitly combines the first two to create just such an indicator variable of social mobility, defined as having a higher social position than ones parents, which is then related to measures of satisfaction and political preferences. The results we obtain with respect to the latter differ from those in Alesina and La Ferrara (2005), who find a negative relationship between upward mobility (defined as own job prestige being higher than the individual's father's) and preferences for redistribution.

The following section provides more detail about our data, the main variables, and our central empirical results.

4 Empirical Evidence and Results

4.1 Variable Description, Data, and Empirical Strategy

We use data from Waves 1 to 15 (1991 - 2005) of the BHPS to estimate the effect of our three social status variables on well-being, preferences for redistribution and pro-public sector attitudes, and voting.

The BHPS does not include explicit information on the income history of respondents' parents.[4] However, it does record both parents'

[4]Except for the small number of parents who have children who subsequently become full panel members. These latter are not representative for age reasons.

socio-occupational positions, and it is this information that we will use to construct our measures of social mobility. The standard right-hand side variables in the well-being and political preference equations include age and age-squared, hours worked per week, marital status, education, gender, household size, and ethnicity. We do not control for the individual's income, since this will be very strongly correlated with their social position (which might be thought of as a permanent income measure).

Our key right-hand side variable is social position: this is measured by the Hope-Goldthorpe Scale (HGS), an index defined over a continuous scale from lower to higher prestige. The HGS is an occupational index that reflects the job's reputation and classifies jobs according to their social desirability. It was originally devised for men, but is now applied for both sexes See Goldthorpe and Hope, 1974). The HGS is derived from a survey of the social standing of occupations, which ranks jobs according to their reputation. The occupational groups in this survey are collapsed into 36 categories and ranked in order of desirability. These categories are assumed to provide a substantial degree of differentiation in terms of both occupational function and employment status. The resulting scale ranges from a minimum value of 0, reflecting an unavailable occupation or employment status, to 82.05 for the job with the highest reputation.[5] We use the HGS as a proxy for individual social status: this scale is available in all waves of the BHPS. Critically, the BHPS also includes information on both mother's and father's social position, measured on the same scale, at the time the respondent was aged 14.

We have two measures of well-being: overall job satisfaction and life satisfaction. These are derived respectively from the following BHPS questions: *(*"All things considered, how satisfied or dissatisfied are you with your present job overall using the 1-7 scale?", and *(*"How dissatisfied or satisfied are you with your life overall". Here 1 corresponds to not satisfied at all, and 7 to completely satisfied. Job satisfaction data are available over all fifteen of the waves, while life satisfaction data are available from waves 6 to 10, and from waves 12 to 15.

Our second central set of dependent variables refer to the respondent's political attitudes. We have three variables here. The first two cover individual attitudes with respect to first income distribution and then the public sector; the third records allegianace. Specifically, preferences for redistribution are measured by the following question in the BHPS: *(*"People have different views about the way governments work. The government should place an upper limit on the amount of money that any one person can make". Answers to this question are on a 1-5 scale, where 1 represents complete disagreement and 5 complete agreement. This variable, greater values of which reflect more interventionist anti-market views, is present in waves 2, 4, 6, 8, 11, and 13.

Pro-public sector attitudes come from the following question: *(*"People

[5]The scores have been collapsed into the 36 categories of the Hope-Goldthorpe scale, which is the basis for the Goldthorpe classes, of which there were 7 in 1971.

have different views about society. Major public services and industries ought to be in state ownership", the replies to which are on a 1-5 scale, where 1 corresponds to complete disagreement and 5 to complete agreement. This variable is available in waves 1, 3, 5, 7, 10, and 14. Again, higher values reflect greater support for Government intervention.

Voting is measured by a question on which political party the individual supports, available in wave 1 and from waves 3 to 15. We have recoded the resulting variable to produce a ranking with values 1 for Left-wing parties, 2 for a centre party, and 3 for a conservative party.

As all of the dependent variables are ordered, the regressions are estimated via ordered probit techniques. We have repeated observations on the same individual, and as such the standard errors are clustered at the individual level. There are three specifications for each dependent variable, according to which social status variables are included. Parents social status information is entered separately for the respondent's father and mother.

The basic specification for each dependent variable is the following:

$$Prob(Y_{i,r,t}) = \beta \cdot x_{i,r,t} + \iota \cdot z_{i,r,t} + \delta_r + \gamma_t + \epsilon_{i,r,t}$$

where Y is in turn job satisfaction and life satisfaction, redistribution, pro-public sector attitudes and political-party preferences. The subscripts refer to individual "i" living in region "r" at time "t". The β coefficients capture the effect of standard individual variables, the ι to that of individual "i"'s social status, and δ and γ represent region and time dummies respectively.

The second specification adds parents' social status:

$$Prob(Y_{i,r,t}) = \beta \cdot x_{i,r,t} + \iota \cdot z_{i,r,t} + \eta \cdot k_{i,r,t} + \delta_r + \gamma_t + \epsilon_{i,r,t}$$

where Y, β, ι, δ and γ are as in the first specification, while the η coefficient picks up the effect of parents' social status.

In the third specification, we replace parents' social status by a dummy variable for upward social mobility:

$$Prob(Y_{i,r,t}) = \beta \cdot x_{i,r,t} + \iota \cdot z_{i,r,t} + \lambda \cdot w_{i,r,t} + \delta_r + \gamma_t + \epsilon_{i,r,t}$$

Here λ captures to the effect of upward mobility, measured by a dummy variable taking value 1 when individual "i"'s social status is higher than that of their parents.

4.2 Descriptive Statistics

Table 1 shows the distribution of our sample of 76, 721 job satisfaction observations and 73, 801 life satisfaction observations over the 1991-2005 period. The distribution of both these satisfaction variables are right-skewed, as is often found. Around 15% of the sample report the highest job satisfaction level of 7, and almost half of the sample report job satisfaction of at least 6. On the contrary, only 11% report job satisfaction of three or less. Similar patterns pertain in the distribution of life satisfaction. There is something of a gender difference in these satisfaction variables. Women notably report higher job satisfaction scores than do men, with respective mean job satisfaction scores of 5.5 and 5.2, whereas there is no such difference in life satisfaction scores, where both sexes' mean satisfaction scores is 5.2.[6]

We also analyse the relationship between social mobility and political opinions, measured by individual attitudes and political party preferences. Regarding the latter, Table 2 shows that around 50% of the sample support Left-wing parties, 22% are in the Centre, and 29% are more Right-wing. Attitudes towards redistribution are skewed towards "nfavourable", with only 24% of the sample agreeing that the government should place an upper limit on the amount of money that any one person can make. On the contrary, pro-public sector attitudes are more evenly spread.

Turning now to our main explanatory variable, social status, Table 3 shows the quartile distribution of the Hope-Goldthorpe Index for our sample of 86,746 observations, of which 42, 732 are men and 44, 014 are women. The overall distribution of HGS is spread out, with some male-female differences. The distribution of the HGS scale for women is left-skewed, as female workers tend to be found in the first (30%), second (25%) and third quartiles (27%), while for men the opposite holds, as they are over-represented in the third and fourth quartiles. Women are therefore more likely to be found in lower status jobs than are men.

The average social prestige score is 47.46, split up into 45.83 for women and 49.04 for men. With respect to respondents' parents, the average mothers' social prestige score is 39.22 and 45.66 for fathers. Men therefore occupy higher prestige score jobs than do women in both generations. There is also evidence of rising social prestige across generations, with the Hope-Goldthorpe Scale score for women today being similar to that for men one generation beforehand.

Table 4 adds some more detail by showing the average HGS scores by ten-year birth cohorts (apart from the last cohort, which covers five years only). This score is listed both for the respondent and for his/her mother and father. The social status of male respondents is higher than

[6] Clark (1997) suggests that the gender gap in job satisfaction may reflect different levels of expectations between women and men: for a given job, women may be more satisfied because their expectations were lower. This is a kind of relative utility interpretation, where outcomes are compared to expectations

that of their father for all cohorts except the last two (those respondents born in 1975-'84 and 1985-'89). The same pattern pertains for female respondents and their mothers. This can be read in two ways. Either more recent cohorts are disadvantaged, and will have difficulty in doing better than their parents;[7] or those born after 1975 have not yet reached their full potential in the labour market, and will likely eventually outperform their parents.

4.3 Status, Social Mobility and Well-being

Tables 5 and 6 show the estimation results for job and life satisfaction respectively. The estimated coefficients on the social status variables are all statistically significant. The basic specification, shown in column (1), includes the individual-level demographic variables and individual social status, as measured by the HGS score, as well as the dummy variables for region and year. The coefficients on the demographic variables reveal that men report lower job and life satisfaction, and a distinct U-shaped relationship with age in both Tables.[8] Household size is positively correlated with job satisfaction, but negatively correlated with life satisfaction, and firm size is negatively correlated with job satisfaction. As found in previous work (see Clark and Oswald, 1996) greater education is associated with lower job satisfaction (although it should be noted that the regression holds social status, which is a proxy for income, constant: greater education for the same status/income may well produce dissatisfaction).

The coefficients that interests us the most here are those on the social status variables. This is positive and significant at the 5% level in both the job and life satisfaction equations. Since social status is likely highly correlated with individual income, this result is perhaps to be expected. The second and third columns of Tables 5 and 6 add parent's social status, for mother and father respectively. In all four cases, the estimated coefficient is negative and significant at the 5% level at least. To our knowledge these are the first results showing that social position relative to parents is a significant driver of individual well-being. High-status parents likely transmit a great deal to their children; one of the less-welcome transitions is a greater "reference level", so that all of the children's achievements will be more harshly judged (not by the parents, but rather by the children themselves)

Columns (4) and (5) reinforce this conclusion by including a binary variable for "having done better than one's parents", rather than the cardinal distance between the two HGS scores that was implicit in columns (2) and (3). The results here confirm that moving up relative to one's parents, in terms of social status, is associated with higher levels of both

[7] Perhaps reflecting decreasing job quality for younger cohorts linked to greater use of temporary contracts: see Segal and Sullivan (1997), Ichino and Riphahn (2001), and Engellandt and Riphahn (2005).

[8] For further details see Clark et al. (1996).

job and life satisfaction. All of the upward-mobility coefficients are statistically significant, with the exception of mother's HGS score in the life satisfaction regression.

4.4 Status, Social Mobility and Politics

Tables 7 and 8 repeat the exercise for satisfaction described in the above sub-section, but now for two different measures of political preferences: attitudes towards redistribution and the public sector. The estimated coefficients on the demographic control variables show that men are less keen on redistribution and the public sector than are women, and larger households are more in favor of redistributive policies. The role of education is of interest here. While the higher-educated in Table 7 are less favourable to redistribution, they are more pro-public sector in Table 8.

We again would like to know how social status and social mobility affect political preferences. The estimated coefficients show that own social status is associated with less–favorable attitudes towards both redistribution and the public sector. As income and social status are correlated, these results are consistent with previous work which has shown that richer people are favourable to redistribution.[9]

Political preferences are thus correlated with own social status. But parents' social status matters as well. Those with high-status parents are also less favorable to redistribution and the public sector, compared those whose parents were lower status. The signs on own and parents' status are the same. The size of the estimated coefficient on parents' status in Table 7 is about half of that on own status (so that parents' outcomes matter half as much as my own outcomes determining redistributive attitudes), while in Table 8 the estimated coefficients are of equal sign and magnitude.

The last two columns in each Table underline the role of upward social mobility relative to one's parents. Doing better than one's parents makes individuals more favourable to redistribution and more pro-public sector. These results are partially in contrast with those in Alesina and La Ferrara (2004), who find that upward mobility negatively affects redistribution preferences, even if at the same time they show that the gap in education gap between children and their fathers is positively correlated with the children's attitudes towards redistribution. We also find that upward social mobility increases pro-public attitudes. One reading of this finding is that individuals who see that their own status has improved may be more confident that government investment in public services such as education and health does allow individuals to get forward, and as such are more in favour of the public sector.

Finally, Table 9 reports our results for the estimation on voting. This is an ordered probit estimation of voting choice, where higher numbers

[9] see Piketty (1995), Persson and Tabellini (1996), and Alesina and La Ferrara (2005).

refer to more Right-wing voting. There is a U-shaped relationship between voting choice and age. The married and the better-educated are more Right-wing, while non-White respondents and those living in larger households are more likely to be Left-wing.

The estimated coefficient on own social status is positive and significant in this regression: those with higher status are more Right-wing. This is consistent with individuals voting in their own self-interest. Due to the relationship between income and social status, those with lower social status are likely to be those with the most to gain from redistribution. As with the political preference estimations in Tables 7 and 8, these attitudes are not moderated but rather reinforced by parents' social status. Conditional on own social status, those with higher-status parents are more Right-wing as well. The last two columns bring these two results together by showing that upwards social mobility relative to parents makes individuals more Left-wing.

5 Conclusion

This paper has attempted to provide a unified analysis of social status and social mobility on individual well-being and political opinions. Our analysis of fifteen waves of BHPS data allows us to confirm a number of previous results, but also present some new ones. We consider three types of social status: ones own, that of one's parents, and a dummy variable signifying upwards social mobility relative to one's parents.

The empirical results show that, conditional on own social status, parents' status affects well-being and political attitudes. Some of the results are consistent with the hypothesis of relative position. While it might be thought that status, as measured by the HGS, is already a relative scale, we have here shown that the respondent's own HGS score compared to that of their parents is an important determinant of both well-being and politics.

We have two main findings. First, individual social status is correlated with higher job and life satisfaction, but is also correlated with political attitudes that are less redistributive and less pro-public sector, and voting that is more Right-wing. Second, these relationships are modified by parents' social status, but not in the same way. With respect to well-being, parents' social status seems to act as a reference level or a benchmark, as in the burgeoning literature on relative utility. While most of this latter literature has concentrated on comparisons relative to work colleagues, neighbours, or other people who share the same demographic characteristics, we here have evidence which is consistent with comparisons regarding social status relative to one's parents. The relative standing of parents then seems to act as a poisoned chalice for the satisfaction of their children.

The effect of parents' social status is not confined to satisfaction, but also affects political preferences. However, while parents' social status

deflated the effect of children's social status on well-being, it acts rather as a multiplier regarding politics. As such, those with the most Right-wing attitudes (and votes) are those with high social status and whose parents were high social status too. While well-being is affected by comparisons, political opinions are not. The mere fact of doing better than my parents makes me happier, but not more Right-wing. Putting the two effects together, greater upwards mobility should make for satisfied Left-wingers. It is fairly well-known in political science and psychology that conservatives are happier than are those towards the left of the political spectrum. According to the results presented in this paper, and if BHPS respondents are typical, this Right-wing happiness advantage should fall as upwards social mobility rises. Finding a dataset that would allow us to test this prediction may not be straightforward, but would allow us to further integrate the study of well-being, comparisons and politics.

References

[1] Alesina A., Di Tella R., MacCulloch R., (2004). Inequality and happiness: are European and Americans different?, Journal of Public Economics, Vol. 88, pp. 2009-2042.

[2] Alesina A., La Ferrara E.,(2005). Preferences for redistribution in the land of opportunities, Journal of Public Economics, Vol. 89, pp. 960-980.

[3] Benabou R., Ok Efe A., (2001). Social Mobility and the Demand for Redistribution: the POUM Hypothesis, Quarterly Journal of Economics Vol. 116, No.2, pp. 447-487.

[4] Blanchflower D.G., Oswald A.J.,(2004). Well-being over time in Britain and the USA , Journal of Public Economics, Vol. 88, pp. 1359-1386.

[5] Blanden J., Goodman A., Gregg P., Machin, S. (2004). Changes in intergenerational mobility in Britain, in (M. Corak, ed.), Generational Income Mobility in North America and Europe, pp. 122-146, Cambridge: Cambridge University Press.

[6] Blanden J., Gregg P., Macmillan L., (2007). Accounting for Intergenerational income persistence: noncognitive skills, ability and education, Economic Journal, 117 (March)

[7] Blanden J., Machin S., (2003). Cross-Generation Correlations of Union Status For Young People in Britain, British Journal of Industrial Relations, vol. 41(3), pp.391-415

[8] Blanden J., Machin S., (2004). Educational inequality and the expansion of UK higher education, Scottish Journal of Political Economy, vol. 51(2)

[9] Checchi D., Ichino A., Rustichini A., (1999). More equal but less mobile? Education financing and intergenerational mobility in Italy and in the US, Journal of Public Economics 74

[10] Clark A.E., (1997). Job satisfaction and gender: Why are women so happy at work? Labour Economics, Vol. 4, pp. 341-372.

[11] Clark A.E., Frijters P., Shields M., (2008). Relative Income, Happiness and Utility: An Explanation for the Easterlin Paradox and Other Puzzles, Journal of Economic Literature, Vol. 46, pp. 95-144.

[12] Clark A.E., Kristensen, N., Westergï¿½rd-Nielsen, N., (2009). Job Satisfaction and Co-worker Wages: Status or Signal?, Economic Journal , Vol. 119, pp. 430-447.

[13] Clark A.E., Oswald A.J., (1996). Satisfaction and comparison income, Journal of Public Economics, Vol. 61, pp. 359-381

[14] Clark A.E., Oswald A.J., Warr P.B., (1996). Is job satisfaction U-shaped in age?, Journal of Occupational and Organizational Psychology, Vol. 69, pp. 57-81.

[15] Dearden L., Machin S., Reed H., (2007). Intergenerational Mobility in Britain, The Economic Journal, Vol. 107 (440), pp. 47-66

[16] Easterlin R., (1974). Does Economic Growth Improve the Human Lot? Some Empirical Evidence, in Nations and Households in Economic Growth: Essays in Honour of Moses Abramowitz, edited by P.A. David and M.W.Reder, Academic Press, New York and London

[17] Easterlin R., (2001). Income and Happiness: towards a unified theory, Economic Journal, Vol. 111, pp. 465-484.

[18] Engellandt A., Riphahn R.T., (2005). Temporary contracts and employee effort, Labour Economics, Vol. 12, pp. 281-299.

[19] Ermisch J., Francesconi M., (2004). Intergenerational mobility in Britain: new evidence from the BHPS, in (M. Corak, ed.), Generational Income Mobility in North America and Europe, pp. 147-189, Cambridge: Cambridge University Press.

[20] Ermisch J., Francesconi M., Siedler T., (2006). Intergenerational Mobility and Marital Sorting, Economic Journal, 116, pp. 659-679.

[21] Ermisch J., Nicoletti C., (2005). Intergenerational earnings mobility: changes across cohorts in Britain, ISER Working Paper 2005-19, University of Essex.

[22] Frey B, Stutzer A, (2000). Happiness, Economy and Institutions, Economic Journal, Vol. 110, pp. 918-938.

[23] Frey B., Stutzer A., (2002). Happiness and Economics, Princeton University Press.

[24] Goldthorpe J.H., and Hope K., (1974). The Social Grading of Occupations: A New Approach and Scale, Oxford: Clarendon Press.

[25] Ichino A., Riphahn R.T. (2005). The Effect of Employment Protection on Worker Effort: Absenteeism During and After Probation, Journal of the European Economic Association, Vol. 3, pp. 120-143.

[26] Oswald A.J., (1997). Happiness and economic performance, Economic Journal, Vol. 107, pp. 1815-1831.

[27] Peiro A., (2006). Happiness, satisfaction and socio-economic conditions: Some international evidence, Journal of Socio-Economics, Vol. 35, pp. 348-365.

[28] Persson T., Tabellini G., (1994). Is Inequality Harmful for Growth?, American Economic Review, Vol. 84, pp. 600-621.

[29] Piketty T., (1995). Social Mobility and Redistributive Politics, Quarterly Journal of Economics, Vol. 110, pp. 551-584

[30] Ravallion M., Lokshin M., (2000). Who Wants to Redistribute?The Tunnel Effect in 1990ï¿½s Russia, Journal of Public Economics, Vol. 76, pp. 87-104.

[31] Senik C., (2004). When information dominates comparison: A panel data analysis using Russian subjective data. Journal of Public Economics, Vol. 88, pp.2099-2123

[32] Segal L.M., Sullivan D.G., (1997). The growth of temporary services work, Journal of Economic Perspectives, Vol. 11 (2), pp. 117-136.

[33] Solon G., (1999). Intergenerational mobility in the labor market, in (O. Ashenfelter and D. Card, eds), Handbook of Labour Economics, Volume 3A, pp. 1761-1800, Amsterdam: North Holland.

Table 1: The Distribution of Job and Life Satisfaction

JOB SAT.		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**TOT**
Overall	**Freq.**	1,223	2,102	5,114	5,883	16,579	34,842	10,978	76,721
	%	1.59	2.74	6.67	7.67	21.61	45.41	12.31	
Female	**Freq.**	566	937	2,317	2,361	7,857	18,853	6,908	39,799
	%	1.42	2.35	5.82	5.93	19.74	47.37	17.36	
Male	**Freq.**	657	1,165	2,797	3,522	8,722	15,989	4,070	36,922
	%	1.78	3.16	7.58	9.54	23.62	43.3	11.02	
LIFE SAT.									
Overall	**Freq.**	982	1,654	4,488	10,505	23,051	24,862	8,259	73,801
	%	1.33	2.24	6.08	14.23	31.23	33.69	11.19	
Female	**Freq.**	581	923	2,453	5,883	11,666	13,073	4,991	39,570
	%	1.47	2.33	6.2	14.87	29.48	33.04	12.61	
Male	**Freq.**	401	731	2,034	4,621	11,384	11,788	3,268	34,227
	%	1.17	2.14	5.94	13.5	33.26	34.44	9.55	

Note: 1=Not satisfied at all; 4=Neither satisfied nor dissatisfied; 7=Completely satisfied

Table 2: The Distribution of Political Opinions

Redistributive Preferences		**1**	**2**	**3**	**4**	**5**	**Total**
Overall	**Freq.**	4,991	18,555	5,484	7,384	1,739	38,153
	%	13.08	48.63	14.37	19.35	4.56	
Female	**Freq.**	1,916	9,680	3,443	4,335	858	20,232
	%	9.47	47.84	17.02	21.43	4.24	
Male	**Freq.**	3,075	8,875	2,041	3,049	881	17,921
	%	17.16	49.52	11.39	17.01	4.92	
Pro-Public Attitude							
Overall	**Freq.**	1,552	11,564	12,521	14,184	2,681	42,502
	%	3.65	27.21	29.46	33.37	6.31	
Female	**Freq.**	502	5,174	6,219	6,588	1,083	19,566
	%	2.57	26.44	31.78	33.67	5.54	
Male	**Freq.**	923	5,209	4,153	6,208	1,364	17,857
	%	5.17	29.17	23.26	34.77	7.64	

Vote Decision		**Left**	**Centre**	**Right**	**Total**
Overall	**Freq.**	51,805	22,099	29,536	103,440
	%	50.08	21.36	28.55	
Female	**Freq.**	27,356	11,967	14,837	54,160
	%	50.51	22.10	27.39	
Male	**Freq.**	24,449	10,132	14,699	49,280
	%	49.61	20.56	29.83	

Note: 1=Strongly Disagree; 2=Disagree; 3=Neither Agree nor Disagree; 4=Agree; 5=Strongly Agree.

Table 3: The Quartile Distribution of the Hope-Goldthorpe Scale

HGS		Q1	Q2	Q3	Q4	Total
Overall	**Freq.**	21,871	21,972	22,146	20,757	86,746
	%	25.21	25.33	25.53	23.93	
Female	**Freq.**	12,848	11,242	11,141	7,501	42,732
	%	30.07	26.31	26.07	17.55	
Male	**Freq.**	9,023	10,730	11,005	13,256	44,014
	%	20.50	24.38	25.00	30.12	
Mothers' HGS	**Freq.**	14,337	14,566	12,671	13,851	55,425
	%	25.87	26.28	22.86	24.99	
Fathers' HGS	**Freq.**	25,457	22,271	23,631	23,595	94,954
	%	26.81	23.45	24.89	24.85	

Note: Split into quartiles based on the overall distribution. The remaining lines of the Table show the split of different groups according to the population decomposition.

Table 4: Mean Hope-Goldthorpe Score by Cohort, 1991-2005

Cohort	HGS Overall	HGS - Female	HGS - Male	Mothers' HGS	Fathers' HGS
1925-1934	43.11	41.63	44.20	34.11	41.00
1935-1944	46.31	43.60	48.50	34.68	42.36
1945-1954	48.52	45.80	51.31	38.00	44.51
1955-1964	49.22	47.33	51.00	39.29	46.63
1965-1974	48.15	47.74	48.57	41.26	47.80
1975-1984	42.84	42.27	43.44	42.66	50.32
1985-1989	34.54	33.97	35.17	41.85	45.26
Total	47.46	45.83	49.04	39.22	45.66

Table 5: Job Satisfaction Estimates

	(1)	(2)	(3)	(4)	(5)
Household Size	0.030***	0.031***	0.029***	0.029***	0.032***
	(0.005)	(0.008)	(0.006)	(0.006)	(0.008)
Second job	-0.018	-0.044	-0.021	-0.021	-0.042
	(0.019)	(0.027)	(0.021)	(0.021)	(0.027)
Male	-0.188***	-0.180***	-0.184***	-0.184***	-0.180***
	(0.015)	(0.022)	(0.018)	(0.018)	(0.022)
Medium Firm	-0.147***	-0.168***	-0.157***	-0.157***	-0.167***
	(0.014)	(0.021)	(0.017)	(0.017)	(0.021)
Large Firm	-0.200***	-0.219***	-0.217***	-0.215***	-0.218***
	(0.015)	(0.023)	(0.018)	(0.018)	(0.022)
Divorced	0.081**	0.074*	0.103***	0.104***	0.073*
	(0.027)	(0.037)	(0.030)	(0.030)	(0.037)
Married	0.099***	0.115***	0.103***	0.104***	0.116***
	(0.020)	(0.027)	(0.022)	(0.022)	(0.027)
Med Education	-0.153***	-0.107**	-0.142***	-0.147***	-0.108***
	(0.021)	(0.032)	(0.025)	(0.025)	(0.032)
High Education	-0.194***	-0.163***	-0.177***	-0.185***	-0.165***
	(0.022)	(0.034)	(0.026)	(0.026)	(0.033)
Hours Worked	-0.007***	-0.007***	-0.008***	-0.007***	-0.007***
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Age	-0.039***	-0.038***	-0.041***	-0.041***	-0.038***
	(0.004)	(0.006)	(0.005)	(0.005)	(0.006)
Age^2	0.535***	0.502***	0.544***	0.541***	0.501***
	(0.049)	(0.079)	(0.060)	(0.060)	(0.079)
Respondent's HGS	0.378***	0.432***	0.401***	0.271***	0.324***
	(0.045)	(0.065)	(0.052)	(0.061)	(0.075)
Mother's HGS		-0.162*			
		(0.069)			
Father's HGS			-0.216***		
			(0.056)		
Father's Mobility				0.055**	
				(0.018)	
Mother's Mobility					0.053*
					(0.023)
Region dummies	Yes	Yes	Yes	Yes	Yes
Wave dummies	Yes	Yes	Yes	Yes	Yes
Obs.	74146	36412	58716	58716	36412
Log-likelihood	-110101.4	-54036.3	-86927.1	-86937.4	-54037.8
Log-likelihood at zero	-111959.6	-54862.7	-88508.8	-88508.8	-54862.7

Notes: Standard errors clustered at the individual level in parentheses; *, ** and *** indicate significance at the 10%, 5% and 1%.

Table 6: Life Satisfaction Estimates

	(1)	(2)	(3)	(4)	(5)
Household size	-0.021**	-0.043***	-0.029***	-0.029***	-0.042***
	(0.007)	(0.011)	(0.008)	(0.008)	(0.011)
Second job	-0.057*				
	(0.023)				
Male	-0.013	-0.039	-0.013	-0.013	-0.039
	(0.018)	(0.026)	(0.021)	(0.021)	(0.026)
Hours worked	-0.001	-0.001	-0.001	-0.001	-0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Age	-0.069***	-0.060***	-0.072***	-0.072***	-0.060***
	(0.005)	(0.008)	(0.007)	(0.007)	(0.008)
Age^2	0.815***	0.662***	0.835***	0.833***	0.661***
	(0.062)	(0.101)	(0.079)	(0.079)	(0.101)
Respondent's HGS	0.187***	0.269***	0.192**	0.070	0.170
	(0.053)	(0.076)	(0.061)	(0.072)	(0.088)
Mother's HGS		-0.174*			
		(0.082)			
Father's HGS			-0.191**		
			(0.068)		
Father's Mobility				0.052*	
				(0.022)	
Mother's Mobility					0.047
					(0.028)
Region dummies	Yes	Yes	Yes	Yes	Yes
Wave dummies	Yes	Yes	Yes	Yes	Yes
Obs.	46072	22792	35868	35868	22792
Log-likelihood	-67156.2	-33017.6	-52127.0	-52131.2	-33020.5
Log-likelihood at zero	-67842.2	-33369.6	-52698.3	-52698.3	-33369.6

Notes: Standard errors clustered at the individual level in parentheses; *, ** and *** indicate significance at the 10%, 5% and 1% levels respectively.

Table 7: Redistributive Preferences Estimates

	(1)	(2)	(3)	(4)	(5)
Male	-0.208***	-0.186***	-0.210***	-0.186***	-0.206***
	(0.019)	(0.028)	(0.022)	(0.028)	(0.022)
Age	-0.004	-0.004	-0.006	-0.004	-0.006
	(0.005)	(0.009)	(0.007)	(0.009)	(0.007)
Age^2	0.135*	0.125	0.154	0.128	0.149
	(0.064)	(0.106)	(0.079)	(0.106)	(0.079)
Houshold size	0.016*	0.031**	0.020*	0.032**	0.021*
	(0.007)	(0.011)	(0.009)	(0.011)	(0.009)
Divorced	-0.022	-0.030	-0.042	-0.030	-0.037
	(0.037)	(0.051)	(0.042)	(0.051)	(0.042)
Married	-0.078**	-0.102**	-0.102***	-0.100**	-0.100***
	(0.027)	(0.038)	(0.030)	(0.037)	(0.030)
Black	-0.134	-0.209	-0.170	-0.201	-0.166
	(0.104)	(0.167)	(0.132)	(0.167)	(0.131)
Asian	0.264**	-0.146	0.322**	-0.133	0.318**
	(0.087)	(0.167)	(0.107)	(0.164)	(0.106)
Med education	-0.123***	-0.161***	-0.080**	-0.169***	-0.094**
	(0.025)	(0.037)	(0.029)	(0.037)	(0.029)
High education	-0.174***	-0.166***	-0.115***	-0.176***	-0.135***
	(0.027)	(0.040)	(0.032)	(0.040)	(0.031)
Respondent's HGS	-0.851***	-0.768***	-0.788***	-0.967***	-1.097***
	(0.062)	(0.089)	(0.070)	(0.103)	(0.084)
Mother's HGS		-0.406***			
		(0.096)			
Father's HGS			-0.522***		
			(0.080)		
Mother's Mobility				0.090**	
				(0.031)	
Father's Mobility					0.131***
					(0.024)
Region dummies	Yes	Yes	Yes	Yes	Yes
Wave dummies	Yes	Yes	Yes	Yes	Yes
Obs. Number	27037	13059	21670	13059	21670
Log-likelihood	-35719.0	-17181.0	-28432.4	-17192.4	-28453.8
Log-likelihood at zero	-36503.4	-17540.4	-29134.3	-17540.4	-29134.3

Notes: Standard errors clustered at the individual level in parentheses; *, ** and *** indicate significance at the 10%, 5% and 1% levels respectively.

Table 8: Pro-Public Sector Attitude Estimates

	(1)	(2)	(3)	(4)	(5)
Male	-0.036*	-0.028	-0.046*	-0.027	-0.043*
	(0.018)	(0.027)	(0.021)	(0.027)	(0.021)
Age	-0.000	-0.005	-0.008	-0.005	-0.008
	(0.005)	(0.008)	(0.006)	(0.008)	(0.006)
Age^2	-0.018	0.038	0.068	0.039	0.065
	(0.063)	(0.103)	(0.076)	(0.103)	(0.076)
Household Size	0.005	0.003	0.005	0.003	0.005
	(0.007)	(0.011)	(0.009)	(0.011)	(0.008)
Divorced					
Separeted	-0.052	-0.048	-0.049	-0.048	-0.047
	(0.035)	(0.050)	(0.040)	(0.050)	(0.040)
Married	-0.046	-0.074*	-0.057*	-0.073*	-0.056
	(0.025)	(0.036)	(0.029)	(0.036)	(0.029)
Black	0.274**	0.040	0.319**	0.044	0.320**
	(0.095)	(0.165)	(0.122)	(0.164)	(0.121)
Asian	0.174*	0.231	0.182	0.235	0.182
	(0.076)	(0.171)	(0.101)	(0.171)	(0.101)
Med Education	0.029	0.001	0.045	-0.001	0.036
	(0.024)	(0.036)	(0.027)	(0.036)	(0.027)
High Education	0.071**	0.083*	0.094**	0.079*	0.079**
	(0.026)	(0.040)	(0.030)	(0.040)	(0.030)
Respondent's HGS	-0.306***	-0.240**	-0.271***	-0.235*	-0.425***
	(0.060)	(0.089)	(0.069)	(0.103)	(0.080)
Mother's HGS		-0.082			
		(0.098)			
Father's HGS			-0.313***		
			(0.077)		
Mother's mobility				-0.009	
				(0.031)	
Father's mobility					0.059*
					(0.023)
Region dummies	Yes	Yes	Yes	Yes	Yes
Wave dummies	Yes	Yes	Yes	Yes	Yes
Obs. Nr	26676	12222	20815	12222	20815
Log-likelihood	-36654.1	-16743.4	-28636.0	-16744.1	-28647.7
Log-likelihood at zero	-36860.6	-16857.0	-28847.0	-16857.0	-28847.0

Notes: Standard errors clustered at the individual level in parentheses; *, ** and *** indicate significance at the 10%, 5% and 1% levels respectively.

Table 9: Political Party Preference Estimates

	(1)	(2)	(3)	(4)	(5)
Male	0.039	0.019	0.029	0.019	0.022
	(0.023)	(0.033)	(0.026)	(0.033)	(0.026)
Age	-0.024***	-0.034***	-0.025***	-0.035***	-0.026***
	(0.006)	(0.009)	(0.007)	(0.009)	(0.007)
Age^2	0.367***	0.506***	0.390***	0.506***	0.402***
	(0.068)	(0.111)	(0.082)	(0.111)	(0.082)
Household Size	-0.028***	-0.013	-0.024*	-0.014	-0.025**
	(0.008)	(0.012)	(0.009)	(0.012)	(0.009)
Divorced	0.094*	0.153**	0.114*	0.152**	0.108*
	(0.040)	(0.056)	(0.044)	(0.056)	(0.044)
Married	0.146***	0.183***	0.157***	0.182***	0.151***
	(0.029)	(0.041)	(0.033)	(0.041)	(0.033)
Black	-1.054***	-1.249***	-1.217***	-1.256***	-1.211***
	(0.134)	(0.250)	(0.140)	(0.247)	(0.143)
Asian	-0.632***	-0.425	-0.562***	-0.443	-0.557***
	(0.107)	(0.242)	(0.137)	(0.244)	(0.137)
Med Education	0.227***	0.189***	0.185***	0.198***	0.207***
	(0.033)	(0.048)	(0.037)	(0.048)	(0.037)
High Education	0.140***	0.073	0.054	0.085	0.092*
	(0.033)	(0.049)	(0.038)	(0.049)	(0.037)
Respondent's HGS	0.569***	0.430***	0.440***	0.734***	0.866***
	(0.065)	(0.093)	(0.075)	(0.111)	(0.091)
Mother's HGS		0.594***			
		(0.113)			
Father's HGS			0.820***		
			(0.091)		
Mother's Mobility				-0.141***	
				(0.035)	
Father's Mobility					-0.174***
					(0.028)
Region dummies	Yes	Yes	Yes	Yes	Yes
Wave dummies	Yes	Yes	Yes	Yes	Yes
Obs.	73063	35949	58983	35949	58983
Log-likelihood	-72688.3	-35651.5	-58706.7	-35703.7	-58873.0
Log-likelihood at zero	-76318.3	-37426.9	-61873.9	-37426.9	-61873.9

Notes: Standard errors clustered at the individual level in parentheses; *, ** and *** indicate significance at the 10%, 5% and 1% levels respectively.