

# 1. Introduction

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The welfare states in the Western Hemisphere are about to face some of the greatest challenges in their history. As the baby-boomers born after the Second World War are retiring, and childbirths have dropped to historically low levels, Western societies are ageing rapidly. These demographic processes are expected to have wide societal repercussions. The composition of the labor force will change, as will a number of economic conditions connected to age-related shifts in consumption, savings and investment. Pressures are building up on various systems of redistribution between generations, such as the family, market and nation state (Lindh and Palme, 2006). The ageing of societies thus has the potential to bring about fundamental changes related to the capacity of welfare states to maintain a just and sustainable distribution of resources between generations by adequately addressing needs and vulnerabilities associated with different stages of life.

On top of demographic transitions, Western countries have experienced sluggish economic growth and persistently high unemployment rates, which have contributed to further reduce the proportion of economically active citizens. Meanwhile, neo-liberal ideas have dominated as templates for economic policy for decades, with consequences for how countries pursue social policies and in other ways tackle social inequalities. In parallel with the ageing crisis, recurrent economic and financial crises are taking their toll on the capacity of maturing welfare states to support social cohesion, as illustrated by the resurgence of old class inequalities in Western societies (OECD, 2011). The Great Recession beginning in 2007/08 is the most dramatic but far from only example. While some countries have recovered fast, others have been caught in recession. However, no matter how Western countries fared during the most recent global financial crisis, the multidimensional challenges to welfare states cannot be fully understood only in terms of social class, gender or ethnicity; generational cleavages must also be brought into the analysis.

Against the backdrop of population ageing and other challenges of welfare states, the ancient question about justice between generations has thus yet again come to the fore. The purpose of this book is to analyse how different welfare states respond to age-related social risks from a

justice-based perspective, focusing on institutional social policy structures (generational welfare contracts), their drivers and outcomes. To approach these matters, we bring together perspectives from two strands of academic research that for too long have been separated in discussions of generational justice: political philosophy and comparative social policy.

The processes discussed above raise a number of issues of relevance for generational justice that we will address in this book, relating primarily to the sustainability of mature welfare states. The moral significance of inequalities between people in different age groups needs to be evaluated in light of wider normative perspectives on social justice for the current and future generations, and the role of the welfare state in supporting relevant principles and values. Our ambition to shed empirical light on these issues motivates us to explore how countries have responded to vulnerabilities appearing in different stages of human life and analyse whether some social policy strategies are better equipped to promote generational equity than others. The nature of distributional conflicts between different age groups is a related issue that will play a central role in this study. In the debate on welfare states and ageing populations it is sometimes assumed that certain age groups are winners while other age groups lose out. Yet, other parts of the discussion nurture hopes of generating virtuous circles in policymaking, supporting forms of intergenerational cooperation that create advantages for all age groups – positive-sum solutions. We will explore how and under what conditions welfare states are adequately designed to reduce the likelihood of accelerating generational conflict, and to sustainably support resource claims of all generations.

In the remainder of this introductory chapter we present academic debates and theoretical concepts that are central to the book. We also discuss the overall theoretical framework and analytical strategies. In the final section of this chapter we provide an overview of the different chapters.

## SOCIAL JUSTICE AND CONTRACT THEORY

Academic debates about social justice are closely entwined with social contract theory, for centuries a central field of study in political philosophy. Broadly speaking, social contract theory derives demands of morality from the idea of agreements that are advantageous or fair for all relevant parties to accept. Over the period from the mid seventeenth century to the mid eighteenth century, several influential thinkers established social contract theory as a general approach to moral and political thought,

including Grotius, Hobbes, Locke, Rousseau and Kant. Despite considerable variety in theoretical approaches, they were all interested in the origin of moral norms and how states receive legitimate authority. After a period of declining research interest (Sayre-McCord, 1999), social contract theory resurged in academia and took a new turn with the emergence of welfare states in the twentieth century (Gauthier, 1986; Rawls, 1971). Research on generational contracts and social justice is one leading example of such new orientations, where many authors allude to the social contract tradition for addressing more specific questions about how welfare states can secure legitimate and stable generational agreements (Laslett and Fishkin, 1992; see also Daniels, 1988; Walker, 1996).

In analogy with the discussion of a social contract, ideas about generational contracts should not be perceived as written and legally signed agreements between those involved (Hickey, 2011). However, although generational contracts can be more or less implicit, they are far from being only of a symbolic nature. In fact, the ideas of justice defined or served by these implicit agreements about generational relations are very much linked to issues of sustainability and the extent to which societies are able to develop without destroying conditions that contributed to social and economic development to begin with. Although environmental concerns, such as exhaustion of natural resources, nowadays is the most widely used example in this discussion of justice or fairness between generations (Woodward, 2000), the role of welfare states and social policies are increasingly in focus as fundamental to questions about generational justice and our obligations to posterity (Lindh et al., 2005).

Notwithstanding the long tradition of debating generational issues in academia, research on generational contracts, social justice and the welfare state remains conceptually complex and theoretically challenging. There is no generally agreed upon and common definition of a generational contract; neither concerning the parties involved nor in terms of the conditions attached. Sometimes reference is made to an implicit agreement between people in different age groups who belong to distinct generations that are “overlapping” or “co-existing” for at least part of their lives. As will be elaborated on further below, our focus in this book is on relations between overlapping generations, as distinct from non-contemporaries. Overlapping generations are able to interact, cooperate and produce benefits for the greater good of all parties involved (Daniels, 1988; Thompson, 2009). With this emphasis on interactions between overlapping generations, it becomes an important task to identify and actively promote forms of intergenerational cooperation that enhance the welfare of all age groups. In contrast, many philosophical debates about generational justice primarily focus on the difficult question of obligations between

non-contemporaries where there is no cooperation for mutual benefit or exchanges in kind (Gosseries and Meyer, 2009).

The aims and conditions attached to generational contracts are also surrounded by ambiguities. In discussing the interests and values at stake in intergenerational relations, philosophical debates often focus on basic liberties deemed necessary for living the life of a free person or citizen (Rawls, 1971). Although the welfare state can be regarded as a collective response to support important basic liberties, not least by providing resources needed to effectively exercise them (Marshall, 1950; Pettit, 2008), discussions about how generational contracts may further these aims seldom provide detailed inference about institutional designs in policy-making. Theoretical and conceptual ambiguities such as these obviously raise analytical obstacles for research, not least when it comes to empirical investigation.

## THE GENERATIONAL WELFARE CONTRACT

This book combines insights from research on social justice developed primarily within political philosophy and political science, and comparative empirical analyses of welfare state institutions and social inequality common to research in social policy and sociology. We believe that there is much to be gained from this marriage. Despite the long tradition in normative political theory of debating principles of social justice and their practical implications, conceptual and theoretical discussions often remain at high levels of abstraction with limited reference to systematic empirical evidence. Comparative welfare state research, for its part, has been reoriented from crude analyses of social expenditures to a more detailed focus on legislative structures and social justice (Kangas and Palme, 2007). Yet, there is no coherent conceptual or theoretical framework that specifies central principles in welfare state program designs of particular relevance for analyses on generational justice.

It is in this context that we use the concept of a generational welfare contract, referring to the ways in which welfare state institutions address age-related social risks. Several of these age-related social risks originate in the labor market and are strongly reflected in countries' organization of social policy. At the turn of the previous century, Rowntree (1901) pointed out periods in life when economic pressures on families and individuals reach their peaks, generating the classical "cycle of poverty" in human lives. Increased household expenditures associated with childhood and parenthood explained two of these peaks, while loss of earned income in old age caused the third one. Although circumstances have changed

during the past century, in part due to the emergence of the welfare state, these life stages still constitute phases of vulnerability that require special attention in research on poverty and social inequality (Kangas and Palme, 2000). However, parallel to socio-economic transformations and processes of deindustrialization we also need to consider stages of the life course characterized by working-age risks, including those that are triggered by loss of income due to unemployment or sickness.

In view of our focus on how welfare states structure cooperation between overlapping generations to cater for needs that appear in different life stages, we conceptualize age-related policies foremost as forging a social contract between contemporary generations, something that certainly also has ramifications for the social conditions pertaining to future generations and welfare state sustainability over the longer term. A more complete and precise (but too cumbersome) label for what we have in mind would be “intergenerational welfare state contracts”, thus separating our arguments about social policy from discussions about generational obligations within the family, such as relations between co-existing children, parents and grandparents, a debate that we do not directly address (Blome et al., 2009; Walker, 1996).

A few more conceptual clarifications are worth emphasizing at this stage. For some research purposes it is important to distinguish between people that belong to a specific generation and people that belong to a particular age group. Every person inevitably belongs to the same generation throughout her life. We are all born at a certain point in time. It is the time of birth that defines a generation. People that are born around the same time in a country and belong to the same “bundle of cohorts”, as Laslett formulates it (1992, p. 46), and in this sense belong to the same generation, will experience the same historical developments and key events in their lives. By contrast, members of each successive generation pass through different age groups, or life stages, as they grow older. Thus, our generational belonging is fixed, while our age changes over the life course. This explains why justice between generations is often distinguished from justice between age groups. The former is often focused on differences in life prospects and long-term expectations between generations or cohorts, reflecting the specific historical circumstances they face, while the latter is mainly concerned with present-day inequalities between people in different life stages (Daniels, 1988; McKerlie, 2013). Our empirical focus is on how welfare states address different age-related social risks among overlapping generations at a given moment rather than how different generations fare over time. At each particular point in time, policies that target different age groups by necessity also address the needs of different generations. Therefore, we will often use the terms “generation” and “age group”

interchangeably in this book (with the exception of Chapter 2, where this distinction and its normative relevance is further discussed).

Philosophical debates on justice between generations mainly concern duties that distinct and non-overlapping generations may owe to one another, as noted above. Indeed, theories of (inter)generational justice have often been characterized – or even defined – as being specifically concerned with relations between non-contemporaries and duties in relation to the distant future (Meyer, 2014). Discussions on the responsibilities of justice between non-contemporaries have also grown rapidly over the past few decades, reflecting the increasing scale and complexity of our impact on the life prospects of future generations (Tremmel, 2009). When necessary we will refer to non-contemporaries or non-overlapping generations to describe situations where our discussion centers on relationships between people not living in the same historical period. This is important for the distinctions between various dimensions of generational justice introduced in the next chapter.

Figure 1.1 outlines our analytical framework for studying the generational welfare contract. We identify demographic, economic and socio-political factors as drivers for how countries have organized social policy to cater for the needs of different age groups, while recognizing that the generational structure of welfare states is likely to have repercussions on outcomes ranging from poverty and employment to subjective well-being

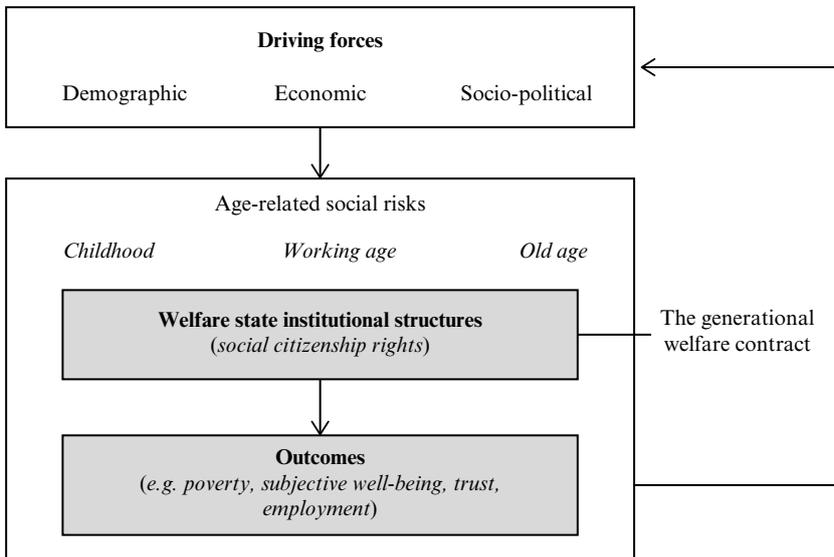


Figure 1.1 The generational welfare contract

and trust. Although it appears fruitful from a justice-based perspective to focus closely on age-related welfare state institutions, our overall analytical strategy is more holistic: we study the generational welfare contract as a central mediating factor linking different kinds of driving forces and distributional outcomes. We will thus focus on the intersection of welfare state institutional structures and outcomes of crucial importance – directly and indirectly – for generational justice. Although welfare states may operate at different levels (Korpi, 1973), we are mainly concerned with conditions attached to positions of individuals in the social structure and the associated segmentation of age-related social risks.

The exact linkages in the causal chain between welfare states and outcomes are complex and we may often expect recursive processes and two-way causality. Under such conditions there is no single direction of causality, as cause and effect may sequentially shift positions at given points in time. This dynamic perspective on social policymaking with its close focus on mutually enforcing processes carries great potential in terms of identifying and better understanding important distributive mechanisms in welfare states (Moene and Wallerstein, 2001). It is also essential for the analysis of generational justice, as it may help us to formulate hypotheses about potential consequences of different institutional designs.

Policy feedbacks appear for different reasons and may be reinforced by demographic transitions or changes in macro-economic conditions (Esping-Andersen, 1985; Korpi, 1983; Pierson, 1996; Skocpol and Amenta, 1986; Thelen, 1999). Other feedback loops relate to socio-political factors and particularly processes of coalition formation between major interest groups in society. It is important to recognize here that welfare states not only provide resources to people in different periods of life, but may also encourage (or discourage) broader popular support for social policy that cuts across generational interests. In the presence of such positive-sum solutions, each age group gains from generational politics, with far-reaching implications for the political economy of the welfare state and the overall comprehensiveness of social policy.

Although our theoretical framework, as well as empirical analyses, very much concern how welfare state institutional structures affect different outcomes, it is important to emphasize that legislative policy frameworks are seldom perfectly mirrored in the conditions that are tied to social positions. Utilitarian principles would here imply that social policies should be evaluated solely in terms of their outcomes. We remain skeptical about fundamental utilitarian principles maximizing total welfare without due consideration of how welfare is distributed between individuals, or without recognition of fundamental individual rights (Bentham, 1789 [1970]; Mill, 1861 [1906]). However, we do subscribe to the idea that closer

attention should be paid to the quality of life that citizens actually enjoy. As Barry (2005, p. 7) succinctly formulates it, “institutions are not an end in themselves: they are a means to getting things done”. Thus, both institutional structures and outcomes could be seen as part and parcel of a more ambitious attempt to investigate how societies respond to requirements of social justice, including the challenge of combining redistributive concerns and efficiency (Freeman, 2000). Sen (2009) similarly calls for an extended analysis of relationships between actual institutions and real life outcomes while criticizing the preoccupation with highly stylized and abstract reasoning in contemporary thinking about social justice:

Any theory of justice has to give an important place to the role of institutions, so that the choice of institutions cannot but be a central element in any plausible account of justice. However, . . . we have to seek institutions that promote justice, rather than treating the institutions as themselves manifestations of justice, which would reflect a kind of institutionally fundamentalist view . . . Of course, the institutions themselves can sensibly count as part of the realizations that come through them, but they can hardly be the entirety of what we need to concentrate on, since people’s lives are also involved. (Sen, 2009, p. 82)

A more holistic perspective on social justice warrants us to place the relationship between institutional arrangements and social outcomes at the center of attention in our analyses of the generational welfare contract.

## FROM SOCIAL EXPENDITURES TO SOCIAL CITIZENSHIP RIGHTS

Conceptual issues are not only fundamental in the debate about generational justice in political philosophy; they are also of critical importance when it comes to comparative welfare state research. One controversial issue in the comparative welfare state literature is how to conceptualize and empirically measure social policy. It may be tempting to dispatch such issues to the long list of methodological obstacles characterizing social science in general, and welfare state research in particular. However, our concepts and their measurements certainly deserve more serious reflection. The ways in which welfare states are conceptualized and measured have important implications, not only for theory building but also for the empirical analysis of policy as well as the political discourse that is informed by research findings (Clasen and Siegel, 2007).

It is to this day common in comparative research to analyse welfare states based on spending patterns. Although social expenditures indeed may be relevant for some research purposes, it is doubtful whether analyses

of social spending alone are able to expose fundamental generational structures of welfare states. The problems associated with social expenditures are well known (Adema, 2001; Esping-Andersen, 1990; Gilbert, 2009; Goodin et al., 1999; Korpi, 1989). Besides being heavily influenced by demographic transitions, social expenditures are also vulnerable to other changes in need, not least appearing along with changes in business cycles and macro-economic transformations (Kangas, 1991).

To evaluate the development and possible effects of generational welfare contracts, we need to go beyond mere analysis of social expenditures and focus on institutional structures, including the degree to which welfare states address the needs for income protection at distinct phases in life when particular age-related social risks appear. Instead of formulating questions such as “how much social spending goes to the elderly or the young?”, we pose the question, “how comprehensive are social entitlements that welfare states offer citizens in response to major age-related social risks?”. In so doing we provide an institutionally oriented analysis of generational equity and the welfare state where the focus is on social citizenship rights.

According to Marshall’s (1950) seminal work on the development of citizenship, the expansion of social rights in the twentieth century followed the evolutionary logic and sequential development of civil and political rights in preceding centuries. Civil rights in particular concern equality before the law, whereas universal suffrage is central to the development of political rights. The three types of citizenship rights are closely interwoven. Crucial to social rights is that they provide people with resources to effectively exercise their civil and political rights. Alongside education and health care, the role of income redistribution, including pensions and unemployment benefits, were recognized as essential instruments to reduce inequalities associated with a capitalist society. In fact, social citizenship was defined quite broadly to include objectives ranging from “the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilized being according to the standards prevailing in society” (Marshall, 1963, p. 74). Marshall’s historical narratives on the evolution of citizenship rights provide important conceptual clarifications for the comparative analysis of welfare states, not least by directing research towards an analysis of institutional structures capturing the very content of policies.<sup>1</sup>

As noted above, and illustrated in Figure 1.1, we will focus on social citizenship rights associated with three particular stages of the life course in this book: childhood, working age and old age. The childhood category comprises the two vulnerable life phases related to the presence of young children in the household as identified by Rowntree (1901). Even if social

rights are provided due to the presence of young children, it is important to recognize that only under special circumstances are benefits paid directly to the child. One could of course argue that our analytical distinction between age-related social risks could be more fine-grained and include also transitional life stages when people's positions and roles in society change. These transitional stages are often widely recognized in society and culturally approved as constituting separate phases of the life course. One example is adolescence and the period of youth, when young people are about to leave their family of origin and establish a life of their own. In the aftermath of the global financial crisis appearing in 2008, unemployment among youth emerged as a major social problem, particularly in many European countries severely hit by the economic downturn (Bell and Blanchflower, 2011).

We do not question the importance of analysing the extent to which welfare states can be reorganized to better encompass social risks of young adults. However, policies are seldom organized exclusively to target social risks attached to such transitional stages of the life course. The largest share of state budgets allocated for social purposes are still spent on programs targeting the three broader phases in life noted above, although countries may have introduced special clauses within existing policy frameworks to tackle the circumstances of more narrow age groups. Another issue concerns the relevance of our age categories. It could be argued that other phases in life than the three we have identified are more important today and therefore in the future. For example, the "youth question" has become of critical importance in Europe after the global financial crisis. Reforms in old-age pension systems over the past decades, in combination with increased difficulties of older workers to stay in employment, have made early labor market exits an additional important phase. However, there is a strong resemblance between how countries treat their pensioners and pre-retirement elderly, suggesting that our results are likely to apply for both groups (Palme et al., 2009). There is also a reasonably strong connection between the extensiveness of unemployment benefits and social assistance (Nelson, 2004), which is highly relevant in analyses on youth transitions.

## THE COMPARATIVE APPROACH

The need to move from descriptive to causal analyses of social change has long been recognized by social scientists. However, challenges in research occur more often when we aim to explain the ins and outs of phenomena rather than merely describe what is going on. In laboratories and clinical

research, randomized control trials are often used to establish the effects of drugs and other types of treatments. Nowadays, experimental research designs are also increasingly applied in the social sciences to assess policy impacts, for example, in the area of health. Although randomized control trials (or quasi experiments) have become important tools in the social sciences to analyse causality, the focus is very much on whether certain policy interventions work, and not necessarily on why they work (Heckman and Smith, 1995). Thus, the institutional mechanisms remain obscure. The strong focus in intervention studies to establish causal effects therefore often comes at the price of reduced knowledge about which particular aspects in policy designs that actually make a difference.

The problems characterizing randomized control trials in policy analysis are well known and widely debated, including issues of generalizability and external validity (Deaton, 2010). One example concerns equilibrium effects that operate on a large scale, which are often absent in pilot programs. Outcomes here may be different when everyone is in treatment instead of just a limited number of persons, as is often the case in randomized control trials of policy interventions. Due to moral and logistic concerns of organizing randomized control trials in research on social policy, scholars often have to rely on other strategies to improve causal analysis of central processes in modern societies. A promising and frequently used alternative to experimental research designs is the one used throughout this book – comparative analysis (Sekhon and Titiunik, 2012).

Intervention studies and randomized control trials have certainly contributed to policymaking and influenced how research on welfare states and social inequality are carried out. However, the comparative analyses of welfare states, social citizenship rights and generational relations employed in this book have the potential to offer an alternative and complementary perspective that adds to our understanding of why some policies seem to work in areas where other policies fail. If performed systematically, comparative analysis may help to evaluate general mechanisms in the institutional configuration of social policies and shed light on why and in which contexts policy interventions can be expected to work.

Comparative analyses at country level are anything but new to the social sciences, but go back over a century to early sociological scholars. For example, Durkheim (1897) used cross-national comparative methods to show how suicide is linked to religious beliefs, while Weber (1920 [1958]) compared countries to explain the emergence of capitalism in Western Europe. Within welfare state research, comparative approaches have become increasingly common, often following the seminal studies of Flora (1986), Korpi (1989), Esping-Andersen (1990) and others. By comparing countries, we may learn more from historical developments as different

socio-political strategies can be contrasted and evaluated against each other. We also increase variation both in our dependent and independent variables, something that allows for more sophisticated statistical analysis and improves the possibilities for causal inference.

Welfare states are well suited for comparative research because countries have often followed different trajectories in social policy development that can be used as “natural experiments” in evaluating hypotheses about driving forces and outcomes of social policy. This does not imply that we have solved all problems of endogeneity in causal analyses of institutional effects. There might still be a common underlying factor affecting institutions and outcomes in the same direction. However, the comparative perspective provides different opportunities to deal with such uncertainties in causal inference, something that we will return to in the different empirical chapters.

Comparative welfare state analysis is often restricted to policy developments in a handful of countries over limited periods of time. We deviate from this strategy and instead analyse developments in a larger number of countries over several decades. To accomplish this task, we follow the “most comparable cases” approach (Lijphart, 1975) and include countries that are similar in a large number of important background characteristics to allow meaningful comparisons, while being different in terms of social policy. Our empirical analyses thus include long-standing welfare states with an unbroken democratic record since the Second World War: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States.<sup>2</sup>

Systematic comparative investigations covering more than a handful of countries need to be flexible to accommodate insufficiencies in data and make best use of contextual differences. The empirical chapters in this book are therefore based on different comparative datasets from various sources. We have as far as possible tried to analyse developments over a long period of time, in particular, focusing on the half century between 1960 and 2010. However, the exact time periods used for analysis differ somewhat between chapters depending on research questions and availability of good quality comparative data.

Our analytical strategy is to combine descriptive data analysis and regression techniques to study outcomes and drivers of age-related social citizenship rights and generational welfare contracts. This form of triangulation of analytical methods for comparative research is as much a means to improve presentation, interpretation and robustness of our results as a way to most effectively make use of qualitative and quantitative dimensions of our data (Shalev, 2007). Our descriptive data analyses incorporate

key elements of a more qualitative case-oriented approach, where countries can be easily identified, visualized and compared by ocular inspection, thus overcoming the most unattractive limitation of regression analyses to report results based on largely anonymous data. The advantages of statistical regression are improved possibilities to take into consideration all variation in our data, across time and space, while allowing for testing of alternative explanatory factors.

## OVERVIEW OF THE BOOK

The book deals with a complex subject matter. In the interest of making the results of the book accessible while not losing sight of all complexities inherent to a more holistic study of the generational welfare state, we avoid going into detail of the substantial body of previous academic debates in each chapter. Throughout this book we will instead make references to further research engaging with similar questions, albeit from different viewpoints and research purposes. Our intention is that theoretical frameworks and empirical results should be accessible not only to experts within narrow academic sub-fields, but also for scholars and students within broader academic spheres, as well as for policymakers and a wider audience interested in social policy. One consequence of these ambitions is that we have as far as possible tried to keep each chapter relatively short. At the end of each chapter we also provide a brief summary of our main arguments and findings.

Welfare states structure individual life chances and influence social inequality in various ways and along several dimensions. Although generational belonging, socio-economic status and gender are intertwined with social inequality in intricate ways, our chief focus in this book on welfare state institutions and age-related social risks is welcome, and addresses an important gap in the literature. Even if our main analytical perspective departs from citizens' chronological age and generational relations, issues of social class and gender are more directly addressed in some of the chapters. The generational perspective on welfare state institutions, contracts and justice outlined in the book should not be seen as an alternative to mainstream theoretical perspectives dealing with welfare states, social inequality and sustainability. Rather, our contribution to contemporary debates and research adds new knowledge on central generational facets of welfare states that have long awaited more systematic comparative analysis.

The book continues with two theoretical chapters in which we discuss the moral significance of generational welfare contracts and detail the positive-sum solution hypothesis that guides much of our empirical

analyses in subsequent chapters. In Chapter 2, we situate our analysis on generational welfare contracts in normative debates on values and principles of justice between persons born at different points in time. Three major perspectives on generational justice are outlined: the prudential lifespan account; relational equality; and just savings for the future. In Chapter 3, we outline our dynamic perspective on welfare states and position our analysis on generational welfare contracts in the perspective of contemporary debates on generational conflict. In relation to different age-related social risks, we formulate our hypothesis about positive-sum solutions in generational politics, and detail its relevance for generational justice. The age-related structure of social citizenship is analysed in Chapter 4, where we also categorize countries into different groups based on the institutional structure of their generational welfare contracts, as defined by major age-related social insurance schemes.

In Chapters 5 to 8, we analyse social outcomes that are of relevance for debates on generational justice and welfare state sustainability. In each of these empirical chapters, the multifaceted consequences of age-related social citizenship rights and generational welfare contracts are explored. In Chapter 5, our focus is on poverty. Poverty reduction is a long-standing objective of social policy with obvious connections to perspectives on generational justice. In this chapter we go beyond common strategies in analyses on social policy and income distributions and suggest a more refined institutional approach, where data on the generational structure of social citizenship is combined with relative poverty estimates.

In Chapter 6, we complement our analysis of objective poverty outcomes by developing a closer focus on generational welfare contracts and subjective well-being, including both life satisfaction and happiness. Although there are good reasons to assume that the generational structure of social citizenship is of relevance in an analysis of subjective well-being, we approach life satisfaction and happiness in different age groups mainly as unintended consequences of social policy. In Chapter 7, we expand our analyses on generational welfare contracts to political and social trust. Both dimensions of trust provide central clues for understanding how generational politics can receive broad popular support, as well as how just welfare state institutions can be promoted and maintained. In Chapter 8, we continue our analysis on generational welfare contracts by devoting close attention to employment outcomes and sustainability. The combination of well-functioning labor markets and effective redistribution very much underpins our ideas about positive-sum solutions in generational politics. In this chapter, we therefore explore how generational welfare contracts are linked to market performance, both in terms of labor force participation and unemployment among men as well as women.

In Chapter 9, we shift focus from welfare state outcomes to driving forces. Theoretically, we argue that positive-sum solutions in policymaking are more likely to arise in countries where age-related claims are effectively subsumed into class politics. Thus, we hypothesize that partisan politics, and particularly (but not exclusively) mobilization in left parties, is a decisive factor to take into consideration when asking questions about the formation of generational welfare contracts. In Chapter 10, we draw up our main conclusions from the analyses on generational welfare contracts and discuss implications of our findings for public policy, as well as for future research. The generational welfare contracts are interpreted as providing different scenarios for the future. Challenges for welfare state sustainability are further discussed and placed in the perspective of various economic, political and social considerations that are important to recognize in normative debates about generational justice, including alternatives that go beyond deterministic predictions of generational conflict.

## NOTES

1. Marshall does not necessarily provide an exhaustive account of citizenship rights. One example is the absence of cultural rights in Marshall's original work (Kymlicka, 2002, chapter 7).
2. Micro-states with less than one million inhabitants have thus been excluded.