Social mobility in the UK: what does the evidence tell us?

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In November last year the Prime Minister's Strategy Unit asserted that recent research demonstrated that government policy was improving social mobility in the UK. The particular study compared the number of GCSEs passed by a cohort of children born in 1970 and a cohort of children born in 1990 and found 'a statistically significant decline in the importance of family background for educational attainment'. Of course, the study said absolutely nothing about social mobility and the researchers themselves were much more cautious about the implications of their evidence. All it did demonstrate was something about educational attainment at age 16. However, the attention given to it by the Government did demonstrate the importance of the notion of social mobility in contemporary politics and governance. But what does research actually tell us about the reality of social mobility now or, more correctly since the evidence is always retrospective, in the recent past? David Byrne **examines the evidence.**

To answer this question, we first have to establish what we mean by social mobility. Academic discussion of this topic distinguishes between absolute social mobility and relative social mobility. Absolute social mobility is about changes in the actual social structure of a society in relation to the degree of inequality in that society, with inequality usually understood in terms of material resources as measured by income. So an improvement in absolute social mobility is rather well expressed in that old labour movement slogan: 'Rise with your class, not from it'. In other words, one aspect of absolute social mobility is a change in the distribution of income so that the ratio of high to low incomes changes. In democratic societies we expect it to become more equal. However, absolute social mobility may also happen if the whole social structure changes in some significant fashion. Here, change is usually understood in terms of changes in the occupational structure of a society. For example, the massive changes in the UK since the 1970s as a consequence of the decline (or even destruction) of much of its industrial base accelerated the post-war trend towards a growth in the proportion of white collar jobs in the labour force. Entry into white collar employment has generally been based on the possession of formal educational qualifications – hence the significance attached to GCSE pass rates. Of course, de-industrialisation has also led to a massive growth in poorly paid pink collar jobs in consumer services, but the increase in the number and proportion of 'desirable' jobs up to the early 1990s was considerable. So, the labour force, as a whole, moved up.

This movement was measured essentially by occupational classification. So the child of a coal miner who became a nurse or primary school teacher would be considered to have moved up. However, this would not necessarily be true in terms of income. Skilled manual workers in industrial societies frequently earn as

much, or even more, than semi-professionals or those in lower professional occupations. This is often, but not always, a matter of gender – for instance, the salaries of male skilled industrial workers may be as high, or higher, than those of a female nurse or teacher. Nonetheless, the fact that, as Adam Smith noticed in the 1770s, Durham and Northumberland pitmen earned four times the wages of a 'common labourer' and more than most Church of Scotland ministers remains significant. Occupational category and earnings are related, but by no means exactly so and the shift to a post-industrial occupational structure has weakened that relationship.

And now we have moved into the realm of relative social mobility because that concept describes not changes in the whole income and/or occupational structure, but movement of individual units within that structure. Usually for methodological reasons, this movement has been understood in terms of the movement of individuals in relation to occupation. This has been the focus of social mobility studies by sociologists and related academics for the past fifty odd years, with education understood as fundamental to occupational achievement. Here, occupation has been understood to stand not only as something important in itself, but also as a proxy for income. However, economists have tended to focus directly on income itself and have, therefore, been interested not so much in individuals as in households, since it is households which are the significant social units for resources (measured in terms of income and even to some extent wealth). The very large increase in female participation in the labour market, which has been a general tendency since the second world war but which accelerated, despite the loss of many female industrial jobs, with de-industrialisation, has reinforced the significance of the household. Now, most non-retired households with more than one adult, including those households with dependent children, have two income earners.

The important point to grasp is that it would be possible to have considerable relative social mobility in a society in which there was no significant change at all in the social structure if there was a weak link between social origin and social destination. For instance, in a complete meritocracy in which personal occupation and even income are based solely on ability and merit there could be a complete reversal of social location generation on generation. The idea of meritocracy has considerable political salience, even if the term itself is usually considered pejorative. Political programmes supporting absolute social mobility are about equality full stop. The support of meritocratic policy in relation to relative social mobility is about equality of opportunity – about equal opportunity to become unequal. So meritocratic relative social mobility is an important legitimating principle in unequal societies. If there is real meritocratic social mobility, your children have a fair chance to do well – based not on acquired advantage, but on their own efforts supported by you.

The main evidence base for studies of relative social mobility has been provided by cohort studies, studies which select a panel of children at birth and re-visit them at subsequent stages in their lives. The first was set up with children born in a week in March 1946, but there has been a series of subsequent panels and comparison between the experience of these cohorts has been important in looking at changes in relative mobility over time. A crucial point is that, since the cases in the database are individuals, these studies have focused on individuals. They have been good at measuring educational and occupational category, but have not, in general, dealt with income, nor with most aspects of household status and income. It was only with the establishment of the British Household Panel in the early 1990s that a database was established that could track the trajectories of households through time in the way that the cohort studies tracked individuals.

What has been the reality of social mobility in the UK in the post-war years? Ianelli and Patterson, referring to social mobility in Scotland since in the middle of the twentieth century, summarise it as follows. Other studies show it is applicable to the UK as a whole.

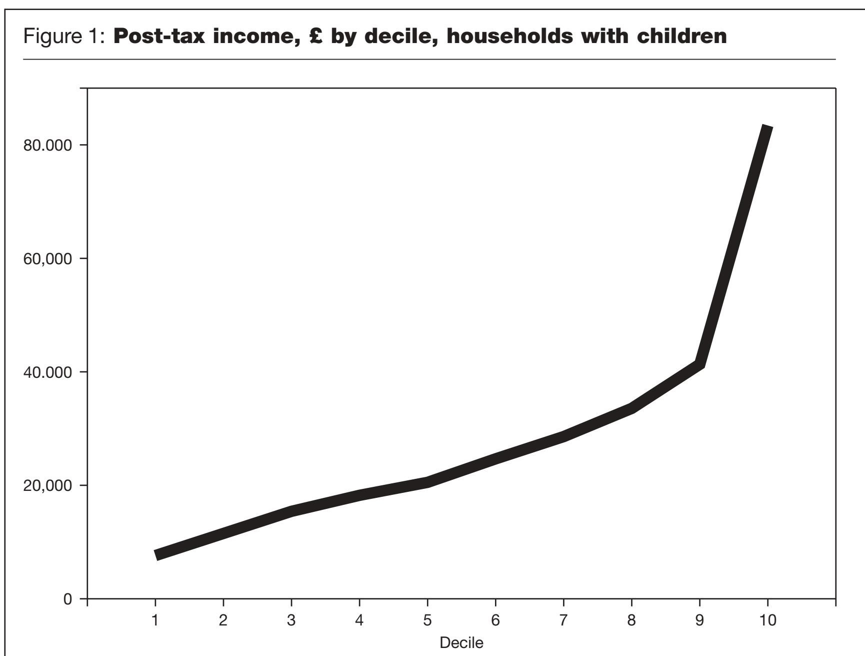
> *Most mobility has been upward and most of that has been explained by occupational change – by the rise in the proportion of the labour force which works in service class [white collar] jobs and the decline in the proportion of manual jobs. This pattern may now be changing because parents of younger cohorts (people born since the 1960s) have themselves benefited from upward mobility and so there is less scope for further upward movement by their offspring.*[1]

Looking at data from a 2001 source, these researchers found that upward mobility continued to predominate at that point, but it was lower in younger cohorts than in older. Mobility was measured in occupational terms. Although there has been a good deal of argument within the research community about whether relative

Relative mobility is declining… for people born since the 1980s

mobility is declining as the occupational structure stabilises into its post-industrial form, the overwhelming conclusion is that this has been the case for people born since the 1980s. However, we have to consider whether occupational mobility has been associated with income mobility to the degree that these occupationally focused studies have tended to assume. One thing is absolutely clear. Since the 1980s the incomes of UK households have become more unequal. The post-tax income *Gini co-efficient* increased from 0.30 in 1980 to 0.39 in 2006/07.[2] The rise happened under Conservative governments, but New Labour has not reversed it to any significant degree. Much of this inequality has been associated with a significant relative rise in the household incomes of the top 10 per cent of households and a drop in the incomes of the bottom 10 per cent. However, this data applies to all households, and only distinguishes between retired and non-retired households and, within the latter category, between households with and without children. For non-retired households with children the *Gini co-efficient* for post-tax incomes is 0.36. Most importantly, the ratio of the top decile of household incomes to the next most affluent decile is 2.03. Figure 1 shows that the top decile of non-retired households with children is massively more affluent than the deciles below it and that incomes for this decile move rapidly away from those below in contrast with the shifts between deciles 1-9, where change is much more gradual.

Figure 1: **Post-tax income, £ by decile, households with children**



This matters a lot for social mobility because real mobility is now about access to this separated elite. If we consider the relationship between educational attainment and income we have to take into account the enormous shift since the 1960s in the proportion of people obtaining not just higher level but actually any formal general educational qualifications. In 1965, less than 20 per cent of my age cohort, the 'bulge' born in the immediate post-war years (the US baby boomers), got five O levels and less than 10 per cent went to university. Now, the comparable figures are nearly 60 per cent and over 40 per cent. Throughout this period there has been an increasing 'credentialisation' of much employment. We can see this clearly in relation to the UK civil service. When the 62-year-old author of this article was a 16-year-old, the clerical grades of the civil service could be entered with five O levels (equivalent to five grade A-C GCSEs); the executive grades required two A levels. Now, almost all executive grade entry and most clerical grade entry is graduate, and indeed many of the jobs do not have full civil service status, but are in Next Steps agencies with considerably less occupational protection and long-term rights. This pattern applies generally across the private as well as the public sector. In other words, graduates coming to the end of their working life have experienced a situation in which their degree meant much more relatively than it does for someone with the same formal qualifications entering the labour market today. The same is true at every educational level. It is also worth noting that part-time education, particularly part-time technical education, has become much less significant than it was then. For example, the major route to chartered engineer status is now through a degree, whereas most professional engineers in previous generations began as apprentice craft workers or in the drawing office and went to night school for their ONC or HNC.

If we look at this in terms of income, we have to recognise that many graduates enter occupations that are relatively less well remunerated than was the case for skilled industrial manual work. This is particularly true, of course, for women (where the female clerk with five O levels is now the female graduate call centre agent), but it also applies to many young men. Given the massive increase (until very recently) in the cost of housing, this meant that young adults seeking to establish independent lives, and especially independent lives which included having children, faced much higher costs relative to their earnings than did their parents, or

now increasingly their grandparents, at the same stage in their lives. This already has had an enormous demographic impact, since the cost of foregone female earnings in having and bringing up a child is so high and the UK is not now reproducing its own population. The development of mass owner-occupation has transformed the pattern of wealth distribution and inheritance in the UK. For inheritance, this applies only if your parents or grandparents do not encounter confiscation of their assets in old age to pay for care costs, but it still matters in that inheritance is now a more generalised source of inequality than in any other modern period.

So, if we put together household income data on inequality and cohort-generated data on social mobility, and relate this to what we know about the distribution of income in relation to the contemporary occupational structure, we see a pattern in which absolute mobility is increasingly closing down – because the most affluent are pulling away from the rest of us. At the same time, the expansion of more desirable occupational roles (I am very glad indeed not to have spent my working life hewing coal as did my grandfather and great-grandfathers) has come essentially to a halt, even if we consider a call centre agent to be a better job than a skilled fitter and turner (which I, for one, do not). No longer are there more good jobs to go around. What is the social reality of all this in relation to mobility?

Surprise, surprise. Those in elite positions are engaging as hard as possible to ensure their own children inherit their privileged and well remunerated occupational roles in senior management, the professions and (at least in the very recent past) financial services. They do this primarily through secondary education, by purchasing private education from their very high post-tax incomes, which in turn leads to entry to elite universities. Typical day school fees at former direct grant schools run at about £9,000 per year. Educating two children would cost more than 40 per cent of the income of the second highest decile, but less than 20 per cent of the income of the highest decile. To put it crudely, as relative social mobility has become a zero sum game (no one goes up without someone else going down), the affluent elites have reinforced the walls of the fortress of privilege. Good examples are provided by the Blairs who forced the Labour Party to abandon its opposition to opted-out 'grant maintained' schools so that their own children could attend one; Harriet Harman sending her children to a grammar school outside her London borough of residence; and 'left-winger' Diane Abbot's decision to have her son privately educated. Important research by Whitty demonstrates that while attendance at a private school gives only limited advantage in terms of A level scores, the networking and preparation which derive from a private education offer disproportionate benefits in terms of entry into 'elite' universities and the best remunerated positions in the labour market.[3] Elite positions in terms of income and influence are now increasingly monopolised by the children of those who already occupy them, in contrast with the 1950s to1980s when there was considerable upward movement into them. I am always mildly shocked to find the children of my grammar school contemporaries are being or have been privately educated, but find it more often that not. In my social circle, the married woman who teaches in a state school to pay her own child's private school fees from a second household income has been a reality for twenty years.

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So let us recognise that a shift in the pattern of relationship between parental household income and GCSE achievement means very little in relation to social mobility. If we saw a shift in the pattern of relationship between parental income and achievement of a good degree at an elite university, then that would mean something. A shift in the pattern of relationship between parental relative income and one's own relative income would mean even more. Of course, some of us remain levellers and would like to see more equality full stop. But that is another story. ■

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1 Ianelli and Patterson, 'Social Mobility in Scotland Since the Middle of the Twentieth Century', *Sociological Review*, 54/3, 2006, p520 (abstract)
2 'The Effects of Taxes and Benefits on Household Incomes 2006/07', *Economic & Labour Market Review*, Vol 2, No 7, July 2008, Table 27
3 'Education, Social Class and Social Exclusion', *Journal of Educational Policy*, 16/4, 2001, pp287-95