

UNEMPLOYMENT DURING THE ECONOMIC CRISIS.CLASS INEQUALITY TRENDS IN EUROPE

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ABSTRACT

In recent years, the economic crisis has been the subject of a great number of studies and researches. The first studies, and in particular those of international organizations, have focused on the period 2007-2009, attributing the economic crisis to a mix of factors including a loose monetary policy, weak financial regulation and a reduced perception of risk (Verick and Islam 2010). In the years 2008-2009, governments have adopted active policies and increased public spending in order to reduce the effects of the crisis on the population, especially by adopting different solutions to support income and to avoid a strong impact on the labour market (Vaughan-Whitehead 2011). This strategy of "social investment" (Hemerijck, 2012, Palier 2013) is interrupted in December 2011, giving way to stringent austerity policies to face the problem of the sovereign debt of some European countries.

These policies have heavily affected the labour market in most European countries. However, unemployment has risen unevenly among different categories of workers. In general, in many countries, older and younger workers, together with low skilled and foreign-born, have been the most affected. In some countries (eg. France, Germany) there was a reduction of working hours, but less people have lost their jobs. In other countries (Spain, Baltic countries, UK, Sweden) external flexibility was preferred, with different policies aiming at supporting income or finding a new job (Vaughan-Whitehead 2011).

Less is known about the role of social class in affecting the probability of being unemployed. Using EU-Silc data for 2005-2013, my paper will show how class inequalities in the chance of being unemployed have changed during time and among European countries. 20 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, the Netherlands, Poland, Portugal, Slovenia, Spain, Sweden, United Kingdom) have been taken into account. These countries differ in their socio-economic model, in the impact of the crisis on their economy and in the implemented strategies to face to crisis.

Using the EGP class scheme, it is possible to answer some relevant questions: 1) Has the economic crisis increased or decreased class inequality in unemployment in Europe? 2)



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Which classes have been the most affected by unemployment? Are there significant differences among countries? 3) Does these differences relate to specific socio-economic models?

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