

UNIVERSITY OF COPENHAGEN
FACULTY OF SOCIAL SCIENCES



Parental Investments and the Reproduction of Socioeconomic Status

Four empirical, methodological, and theoretical
essays on intergenerational transmissions

PHD DISSERTATION 2016
ANDERS HJORTH-TROLLE

PhD Dissertation

Anders Hjorth-Trolle

Parental Investments and the Reproduction of Socioeconomic Status

Four empirical, methodological, and theoretical essays on intergenerational transmissions

Name of department: Department of Sociology
Author: Anders Hjorth-Trolle
Title / Subtitle: Parental Investments and the Reproduction of Socioeconomic Status. Four empirical, methodological, and theoretical essays on intergenerational transmissions
Supervisor: Mads Meier Jæger
Submitted: April 29th 2016
Word count: 43.267

PhD Dissertation © Anders Hjorth-Trolle
Printed book ISBN 978-87-93476-41-7
E-book ISBN 978-87-93476-45-5
Printed by SL grafik, Frederiksberg C, Denmark (www.slgrafik.dk)

Summary in Danish and English

Summary

Intergenerational transmissions are a widely studied subject within sociology, economics, and demography. Both industrialized and developing countries exhibit stable and large correlations between parents' and children's educational attainment, earnings, and life chances in general. Additionally, recent research has shown large socioeconomic differences in parental investments, i.e. the resources and time which parents devote to their children. This dissertation analyzes the role of parental investments as a mechanism for intergenerational transmissions.

In this dissertation I combine insights from sociology, economics, and demography and make three contributions. First, I propose a formal model which integrates the role of parents' beliefs about the returns on their investments. Second, I analyze the impacts of demographic factors on parental investments and the socioeconomic gradient in how children react to signals of academic ability. Third, I present a new type of statistical model which can yield new insights in the processes of intergenerational transmissions.

Resumé

Intergenerationel transmission af ressourcer rangerer blandt de mest studerede emner indenfor sociologi, økonomi og demografi. Overalt i verden ser man stadig substantielle korrelationer mellem forældres og børns uddannelsesniveau, indkomst og livschancer i det hele taget. Nyere forskning har endvidere vist store socioøkonomiske forskelle i hvor meget forældre investerer i deres børn, altså hvor mange ressourcer og hvor meget tid de bruger på og med deres børn. Denne afhandling analyserer forældreinvesteringer som en mekanisme for intergenerationel transmission af ressourcer.

I denne afhandling kombinerer jeg fund og viden fra sociologi, økonomi og demografi og bidrager til forskningen på tre måder. Først præsenterer jeg en formel model, som inkorporerer forældres overbevisninger om afkastet af deres investeringer. Dernæst analyserer jeg betydningen af demografiske faktorer for forældreinvesteringer samt den socioøkonomiske gradient i hvordan børn reagerer på signaler om egne akademiske evner. Sluttelig præsenterer jeg en ny type statistisk model til analyse af processerne bag intergenerationelle transmissioner.

Acknowledgements

I would like to take this opportunity to thank my supervisor, Mads Meier Jæger. For the past three years he has unfailingly assisted me with everything from career planning to writing papers and he has given me a unique opportunity to grow both as a researcher and as an individual. My sincere thanks for all the feedback which you have always delivered (in spades) with the utmost professionalism and kindness. I also want to thank my co-authors Anders Holm and Stine Møllegaard for excellent collaboration and for being great colleagues for the past many years. I am deeply indebted to you, Anders, for hiring me as a student assistant back in 2009 and introducing me to the fantastically frustrating world of academia.

I would also like to thank Prof. Jan Jonsson for hosting my visits at both Oxford University and SOFI, Stockholm University. Your company is always a pleasure. Further, I extend my heartfelt thanks to my colleagues abroad that have made my stays as enjoyable as they have been. Thanks to Florian Rabuza for the many coffee breaks at the JCR in Nuffield. A special thanks also goes to Per Engzell and Polina for letting me sleep on their couch in Stockholm and keeping me well-fed and entertained during my stay at SOFI. Also, a warm thanks to the attendees of the meetings of the RC28 research committee for constructive criticism and excellent company.

During the writing of this dissertation, I have had the pleasure of working among a host of delightful colleagues and friends in the Department of Sociology at the University of Copenhagen. In particular, the resident PhD group as well as my co-workers at the UNITRAN project have been a steady supplier of professional feedback and informal chats over a beer on the Fridays. If some consider the life as a PhD student a lonely one, you are proof of the opposite.

I am also grateful for the funding this research has received from the European Research Council under the European Union's Seventh Framework Programme (FP/2007-2013)/ERC Grant No. 312906. Furthermore, I would like to thank the Augustinus Foundation, Knud Højgaard's Foundation, and the Oticon Foundation for their generous financial support during my research stay at Oxford University.

Outside of the university's walls, I am blessed with the most wonderful friends that any man could wish for. Listing them all would be pointless (and, as we say, out of scope of the present document), but each of you have helped keep me (somewhat) sane throughout the process of writing this dissertation. Being in the colorful company of musicians, metalheads, artists, adventurers, vampires, and planeswalkers has proved invaluable!

Considering the topic of my dissertation, how children come to resemble their parents, I must also profess my deepest gratitude to my mother and father, Jette and Bo. I have been blessed with the best childhood and youth anyone could ever dream of, and even in my adult life you both continue to generously offer your warmth and support at every opportunity. As always, I cherish our talks, our trips, and the quiet hours we spend reading in our nooks in Ristinge. Thank you so much!

Lastly, my deepest and most humble thanks go to my wife, Tine. More than anyone, you have helped me become not just a PhD, but also the person that I wish to be. Every day you continue to inspire and impress me with your attentiveness, your patience, and your devotion. I have made many decisions in the past three years, and marrying you has, by far, been the best of them all. Without you by my side, this entire project would not only be impossible to accomplish, but also utterly devoid of meaning. Jeg elsker dig.