

Social policy and « luck egalitarianism »

Why a monetary capital for young adults is legitimate ? The case of France

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The transmission of inequality through the family

Three main ways of inequality transmission from parents to children (see e.g. Swift, 2005)

- **genetics** : transmission of ADN from parents to Children ;
- **personality** : education, affection and behavior of parents towards children contribute to the construction of personality ;
- **identity** : tastes and preferences

Consequences of such a transmission

- It implies **for some children** : flourishing personality, happiness...
- but **for others**, it can imply anxiety and social difficulties (friendship, school) with consequences many years later

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Others associated ways of inequality transmission

- **Transmission of health through education to health in the childhood that is called « *early life course hypothesis* »** : health status once became adult depends on the education given during childhood (Wadsworth, 1999)
- **Transmission of income and wealth from parents to children** : opportunities in life today and tomorrow depend drastically of such a transmission (many economic studies : Bowles, Gintis, Osborne, 2005 ; Goux, Maurin, 2002)

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Luck egalitarianism 1/2

A way to understand how social policy could be committed to fight inequality transmission ?

« **Luck egalitarianism** » (see Arneson, Cohen Dworkin, 1981, 2000, 2002 ; Roemer, 2002) :

- distinction between « free choice » for which people can be taken as responsible for and « circumstances » beyond the control of the individuals
- some « bad circumstances » can be linked to family

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Luck egalitarianism 2/2

A way to understand how social policy could be committed to fight inequality transmission ?

- **Consequences of “family bad luck”** are particularly important at the early childhood and when children just become adults
- But how is it possible **to compensate bad luck** when it is recognized that
 - family is an association to which every democrat and liberal individual is attached (Rawls, 1993) and that
 - in average, family is undoubtedly the best way of education of children in the societies ?

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The possible answers of a « luck egalitarian »

- To set up a **public childhood service** to help parents to educate their children (financial assistance but also psychological and educative advice) without invasion of privacy
- To **help young people who are becoming autonomous adults** to fulfill projects whatever the conception of good they have in life (when respecting laws) and whatever the family they come from
- A possibility to do this : by **allowing them a monetary capital** (Le Clainche, 2007)

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A Monetary Capital for Young people

- Such a **proposition has been made** for some years (see Ackerman, Anstott, 1999 for the USA) :
“80.000 \$ distributed between 18 and 21 year-old”
 - but once the capital is received, **young people are taken to be responsible** for what can happen to them (either bad or good)
 - **such a conception of « responsibility » is to hard** (see Fleurbaey, Scheffler, 2005) : bad luck can occur during the rest of life
 - **solidarity through welfare state has to be maintained** whatever the distribution of such a capital (Le Clainche, 2007)

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The funding of the Capital : the case of France

- **An evaluation has been made** : several scenarios (see Le Clainche, with collaboration of Allegre, 2007)
 - **15.000 euros at 18** (with a possibility of distribution in three times : at 18, 21 and 25)
 - annual cost : 12.2 billion euros
 - one possibility of funding : 1/ **inheritance tax** (about 4 bi€) ; 2/ **reallocation of family allowances** (2.7 bi€) ; 3/ **an increase of income tax** (5.5 bi€)