

# The 'Real' Land of Opportunity? Kinship and Multigenerational Persistence of Class in Finland from the 18th to the early 20th Century

PETRI ROIKONEN AND ANTTI HÄKKINEN

*Economic and Social History, Faculty of Social Sciences,  
University of Helsinki, Finland.*

*petri.roikonen@helsinki.fi, antti.hakkinen@helsinki.fi*

## **Abstract**

The equality of economic opportunities is often considered as the fundamental goal of equality. Most studies focus on first and second generations' persistence of socio-economic statuses (especially father and son correlations), and there are only few studies that have investigated fourth or fifth generation socio-economic effects. However, the data constraints are evident; the rapid increase of inequality in recent decades has strengthened the interest to the intergenerational transmission of social and economic statuses. We are studying the question in 200 separate family lines.

This study analyses from a family perspective the intergenerational persistence of occupation and earnings in Finland from the 18th century to the early 20th century. First, we introduce the transition matrices of occupations between multiple generations of different families. Second, we estimate summary-mobility-indexes between generations from these mobility tables, to answer the question of the amount of social mobility and its possible change during the research period. Third, we test whether our results are robust when utilising multigenerational elasticities of earnings. Finally, we compare our estimations with other countries and modern counterparts in Finland, and discuss whether Finland was or still is the 'real' land of opportunity.

We argue that the Finnish case provides an exceptional ground for testing hypotheses considering social mobility and inequality. First, the long run and intricate data provides unique framework for the study: this data consists of over 70 000 individuals of 200 family lines, which based on genealogical records from the year 1700 to the early 20<sup>th</sup> century. Second, the literature suggests that income inequality is correlated with social immobility between generations, which is known as the Great Gatsby curve. In this context, Finland offers an interesting case study: On the one hand, Finland was very unequal in terms of income and wealth in the 19<sup>th</sup> and the early 20<sup>th</sup> centuries, but on the other hand, economic inequality in Finland today is one of the lowest in the world. In addition, Finland was very poor and began to industrialise not until 1860s.

**Keywords:** the 18<sup>th</sup> century; the 19<sup>th</sup> century; 20<sup>th</sup> century; Finland; Social mobility; Intergenerational mobility; Occupational mobility; Social classes; Kinship.

**JEL classification:** J62; J12