Assessing the Intergenerational Correlation in Disability Pension Recipiency

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A disturbing phenomenon in modern welfare states is the positive correlation in the probability of receiving disability benefits across generations. Understanding the intergenerational transmission mechanism is crucial, especially in times when the proportion of the working aged population receiving public benefits or support is increasing in most OECD countries. Using data from Norway, a country where around 10% of the working-age population rely on disability benefits, this paper addresses whether children’s exposure to parents receiving disability benefits induces a higher probability of receiving such benefits themselves.