The intergenerational reproduction of inequality is present in every country and welfare regime. Differences between countries regard: the extent and intensity of inheritance, groups that occupy social positions and transmit inequalities, factors producing heredity of inequality/affecting social mobility and possibilities for upgrading one’s low status within the social hierarchy. Transmission of inequalities is a result of intersecting influences of characteristics of the family of origin, socio-economic and cultural context of the society and finally, opportunities available in the local community. When social inequalities are perpetuated by major institutions in society such as economy, family, education, religion, and transmitted from one generation to the next they become part of the social structure. For instance, intergenerational transfer between parents and children as such is a phenomenon that indicates reciprocity and social capital building over time. But where it is the main transfer available to the younger generations, it may also crystallise inequalities and cause social divisions. Social policies which individualise social rights and options are a crucial counter-balance to this risk.

Thus the knowledge concerning transmission of inequalities and policy responses is essential to support activities aimed at counteracting intergenerational transmission of inequality. The hypothesis is that not only family cultures and opportunities available in the local community and the society, but also welfare regimes matter in the way intergenerational inheritance of inequalities is produced.

In many European countries a process of decentralization in the social sphere is under way. Local governance institutions began to play a major role in implementing national policies. In this context it is worth analysing how local policy actors respond to such a complex social problem as intergenerational inheritance of inequalities (IIofI). Thus the question is how combating heredity of social inequality at local level connect local policy actors, and what is at stake for them in terms of common actions and resource definition.

To this purpose, eight case studies (from Bulgaria, Estonia, Finland, Germany, Italy, Lithuania, Poland and United Kingdom) were undertaken within the general framework of the European Project called PROFIT, aiming at identifying the challenges to society that are posed by the existence of an intergenerational transmission of inequalities and poverty. In each country involved in the project, one medium size town (50–80 thousand inhabitants) was selected as a “particularly relevant typical case” on the basis of deprivation criteria such as high rate of unemployment, high poverty ratio, low employment index etc. to carry out empirical study to answer the following questions:

- how are problems of inheritance of inequalities and insecurity addressed through current local policies?
- at which groups (age, gender, ethnicity) are the policies aimed?
- does the evidence show that policies work, and if not, how could they be changed?
- who implements the policies to enhance employability, adaptability, entrepreneurship and promote equal opportunities?
- what is the role of national policy in implementing local social inclusion practices?
In each participant country analysis was done on the basis of the results from focus group interviews, combining two groups of respondents:

- those who formulate policy responses and
- those who implement them in everyday practice

The paper will present the main results of comparative analysis on social capital accumulated in communities under scrutiny and creating opportunities for overcoming IIofI.