Korpi and Palme (1998) based their typology on the institutional characteristics of welfare states by looking at different countries' capacity to alleviate income inequality and poverty, specifically examining old age pensions and sickness cash benefits. The classification was based on coverage and generosity and generated five different ideal institutional types characterised as the Basic security, the Corporatist, the Encompassing, the Targeted, and the Voluntary State Subsidised types [37, 51].