

Mobility

Essential to the American Dream is the notion that hard work will create opportunities to succeed regardless of where you start in life or your race, ethnicity, or gender. However, an examination of mobility—movement up and down the income and living standards ladder—shows that turning this dream into reality has not been getting easier.

Moving in place

1945-1954

Families headed by early baby boomers (born between 1945–1954) are the last generation (on average) to achieve higher living standards than the one that preceded them.

<1%

In 1994, 61 percent of families with incomes below about \$28,000 would remain in that position 10 years later, while 16 percent would reach the middle-income position of \$50,000. Less than 1 percent would reach the top-fifth income threshold of about \$117,000 (2011 dollars).

92%

Conversely, more than half of those who started in the top fifth in 1994 remained there in 2004, and 92 percent were in the middle fifth of the income distribution or higher.

73%

Nearly three-fourths (73 percent) of those in the top 1 percent in 1996 had fallen no further than the top 5 percent by 2005.

Disparate outcomes

63%

Among African American children, 63 percent who start out in the bottom fourth of the income scale remain there as adults, compared to 32 percent of white children.

34%

Among black children born into middle-income families, 34 percent are downwardly mobile and end up in the bottom fifth of the income scale, compared to 16 percent of white children.

Spotlight

MOBILITY HIGHER IN EUROPE

According to a 2006 study, 66.7 percent of sons born to low-earning fathers (in the bottom fifth of the earnings scale) in the United States rose no higher than the bottom 40 percent, and only 18.1 percent rose into the top 40 percent. Among peer European countries, around 50 percent of sons born to low-earning fathers rose no higher than the bottom 40 percent, while about 30 percent rose into the top 40 percent.

Education does not solve the mobility dilemma

Students of high socio-economic status (SES) have higher college completion rates than low SES students regardless of academic ability.

2.9%

While 2.9 percent of low test-scoring, *low* SES students complete college, 30.3 percent of low-scoring, *high* SES students do.

28.8%

Among high test-scoring, *low* SES students, 28.8 percent complete college, compared to 74.1 percent of high-scoring, *high* SES students.

Thus, high-scoring students of low socio-economic status are no more likely to complete college than low-scoring students of high socio-economic status.