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0521827604 - Generational Income Mobility in North America and Europe

Edited by Miles Corak

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Generational Income Mobility in North America and Europe

Labor markets in North America and Europe have changed tremendously in the face of increased globalization and technical progress, raising important challenges for policy makers concerned with equality of opportunity. This book examines the influence of both changes in income inequality and of social policies on the degree to which economic advantage is passed on between parents and children in the rich countries. Standard theoretical models of generational dynamics are extended to examine generational income and earnings mobility over time and across space. Over twenty contributors from North America and Europe offer comparable estimates of the degree of mobility, how it has changed through time, and the impact of government policy. In so doing, they extend the analytical tool kit used in the study of generational mobility, and offer insights for not only the conduct of future research but also directions for policies dealing with equality of opportunity and child poverty.

MILES CORAK is Director of Family and Labour Studies at Statistics Canada. He is also adjunct professor with the Department of Economics at Carleton University, a Research Fellow at the Institute for the Study of Labor (Bonn), and during 2003/04 was a visiting researcher at the UNICEF Innocenti Research Centre. He is the editor of *Government Finances and Generational Equity* (1998) and *Labour Markets, Social Institutions, and the Future of Canada's Children* (1998).

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In loving memory of David Anton Corak

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Preface

This volume contains twelve essays from twenty-three collaborators, and spans – to varying degrees – ten countries in North America and Europe, as well as touching upon the experience of a further five with lower levels of per capita income. It grew out of a substantive concern with the need for internationally comparable results in the analysis of generational income mobility. The early 1990s witnessed a number of data and methodological developments that revitalized research on this topic in labor economics, and which began to complement a long-standing literature in sociology. As more and more studies of the relationship between parental income and the adult labor market success of children became available, concerns about the comparability of the findings both within and across countries began to be expressed. The idea for this volume springs from this concern, and it is intended to present the major findings and methods to researchers in the area but also to a broader audience concerned with mobility across the generations from both a research and policy perspective.

The initial idea and planning for the project sprang from conversations between Anders Björklund, Marco Francesconi, Susan Mayer, and myself. I am, in the first instance, grateful for their collaboration and to the former Canadian International Labour Network for supporting the initial planning by sponsoring our participation at one of its conferences. I would also in particular like to thank Statistics Canada for funding and hosting a workshop that brought the majority of the collaborators together in Ottawa during February 2001 to present and discuss initial drafts of the chapters. Christopher Jencks and Sascha Becker also participated in this workshop and their input to the discussions is much appreciated. Thanks are also due to Gert Wagner and the staff of the Deutsches Institut für Wirtschaftsforschung (DIW) for sponsoring and hosting a follow-up workshop

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