Problem 1:

PSID is the longest running longitudinal household survey can observe individuals’ lifecycle, which makes it ideally suited for studying intergenerational issues. Mazumder (2016) uses the PSID data to review the intergenerational income elasticity, which is a measurement of the degree of intergenerational income persistence. He estimates the IGE using longtime averages of parent income in addition to deal with lifecycle bias. He uses up to 15-year av. of father’s income and center the time averages of income in each generation at age 40 and obtains an IGE which is higher than 0.6.

I am thinking about to extending the concept of intergenerational income elasticity into the field of gender inequality. Since the gender income gap has been narrowed but still around 0.8, I want to see whether the income gap within a household, typically between husband and wife, will also persistent intergenerationally and what can explain those persistent? Therefore, my research question will be “Is there intergenerational transfer to the income disparities between couples. “

Also, there is a relative paper on the intergenerational gender gap, however, they used a different data set in Norway. Haaland et al (2018), use rich longitudinal registry data between 1970-2009 which covering the entire Norway to investigate the extent to which the gap in employment rates between genders is shaped by the intergenerational transfer of gender norm. They found that the municipality characteristics and a parsimonious set of family measured in children can explain a substantial part of the gender gap, especially on female employment.

Problem 2:

Table 20 in Kuhn (2015) shows the persistence of earning, income and wealth between 2007 and 2009. From the table we can see that there is a highly symmetric mobility patterns across all the distribution. I would like to see how this mobility is related to Economic freedom. That is, moving from a low economic freedom area to a high economic freedom area will increase the mobility of earning from a lower quintile to higher quintile at individual level. Shumway(2018) studied the relationship between economic freedom and migration as well as income change among U.S. metropolitan areas by using EFIMA created by Dean Stansel and the administrative IRS data. They found that metropolitan areas with higher levels of economic freedom tend to have a net in-migration and positive changes in aggregate and per capita income. Comparing to Shumway’s work, I think alternative data set needs to be used since I am looking into the individual level instead of an aggregate level.