

## Macro Roundup Article

**Headline:** [The Life-Cycle Dynamics of Wealth Mobility](#)

**Article Link:** [https://www.newyorkfed.org/research/staff\\_reports/sr1097](https://www.newyorkfed.org/research/staff_reports/sr1097)

Author(s)	Richard Audoly, Rory McGee, et al.
Publication	Federal Reserve Bank of New York
Publication Date	April 23, 2024

**Tweet:** Norwegian tax records show that individuals born into the top 21% of the distribution or the bottom 42% tend to stay in these groups for life. Inter-generational mobility is primarily driven by movement within the middle of the distribution.  
[@RichardAudoly](#)

**Summary:** Two groups of individuals, which we label “high-ranked” and “low-ranked,” start their lives at the top or the bottom of the wealth distribution and tend to stay there. They make up 21 and 42% of the cohort, respectively. This does not imply that their wealth rank is fully stable but that it tends to stay within the upper or lower part of the wealth distribution, as made clear by the small changes in the interquartile range of the distribution of ranks. The other two groups, which we label “middle-rise” and “middle-fall”, correspond to the remaining 21 and 15% of the cohort, respectively. They stay in the central part of the distribution, but have, respectively, increasing and decreasing wealth rank trajectories. These trajectories lead them to overlap with the high-ranked and low-ranked groups by age 55. Crucially, the reversal of fortune experienced by these groups is the key driver behind the population intragenerational mobility trend. Mobility is not universal; rather, it is limited to segments of the population. Related: Intergenerational Mobility in American History: Accounting for Race and Measurement Error and The Inheritance Of Social Status: England, 1600 to 2022 and France Has Poor Income Mobility Compared to US, Study Shows

**Primary Topic:** Inequality

**Topics:** Academic paper, Database, Inequality, Mobility/Assortive Mating, Wages/Income, Weekly, Workforce

**PDF File URL:** <https://www.edwardconard.com/wp-content/uploads/2024/04/The-Life-Cycle-Dynamics-Of-Wealth-Mobility.pdf>

**Permalink:** <https://www.edwardconard.com/macro-roundup/norwegian-tax-records-show-that-individuals-born-into-the-top-21-of-the-distribution-or-bottom-42-tend-to-stay-in-these-groups-for-life-inter-generational-mobility-is-primarily-driven-by-movement-within-the-middle-of-the-distribution?view=detail>

**Featured Image Link:** <https://www.edwardconard.com/wp-content/uploads/2024/04/Life-Cycle-Dynamics-Of-Wealth-Mobility.png>