**HED**

Against a rising chorus of concern about rising income inequality, some economists have pushed back, suggesting that it is not [income inequality we should be concerned about but rather income mobility](http://www.nytimes.com/2015/04/05/upshot/its-not-the-inequality-its-the-immobility.html). Income mobility describes the ability of individuals to move up and down the income distribution over some period of time. As long as mobility is healthy, [they argue, society can remain egalitarian in the face of inequality](http://money.cnn.com/2014/01/21/news/economy/income-inequality-mobility/), because the poor can move up and the rich down.

Intuitively, some observers assume that higher income inequality should be correlated with decreased income mobility as the rich build a bigger lead on the rest of society. But economists who have studied the issue have generally found that income mobility has remained flat since the 1980s. Equitable Growth grantees Michael D. Carr and Emily E. Wiemers used a new dataset to revisit measurement of income mobility. Contrary to existing studies, their results suggest that income mobility has in fact increased in recent years.

The reason Carr & Wiemers' results differ from the academic consensus is that they use a new data source that they contend has some advantages over data used in previous articles. They use the SIPP (Survey of Income and Program Participation) to obtain demographics on a large number of workers over a long period of time. Merging this data with administrative from the IRS and the Social Security Administration gives them accurate data on earnings and benefits for each worker. This approach yields a large, nationally representative sample size with demographic information on each individual in the data set. Better still, individuals are followed for a long period of time.

The authors construct a snapshot of income mobility in two time periods: 1981 to 1996, and 1993 to 2008. In each one, workers are observed at the beginning and end of the time period to capture income mobility over a 15-year span. Workers are divided into ten income buckets (each representing 10% of the income distribution) and categorized at the beginning and end of the 15-year span. Use the interactive below to explore their results in each of these two time periods.

- inter1

To see how income mobility has changed in recent years, Carr & Weimers look at how the probability of rising or falling on the income ladder has changed for each decile of earners between the two periods. As the interactive below shows, they find that most workers are less likely to move up the income ladder now, and a bit more likely to fall down the income ladder. The exception is earners at the very top of the income distribution. These workers cannot rise up the income ladder any farther, but they are less likely to fall down it than they used to be.

- inter2

How should we interpret results that don't agree with an existing academic literature? Economics is undergoing a kind of data revolution as administrative datasets become more common (link to equitablog). This will no doubt lead to some findings that are inconsistent with existing literature. It may be some time before we can say with certainty what is happening to income mobility in America, but this research provides an important counterpoint to the existing literature.