

Studying Social Inequality with Data Science

INFO 3370 / 5371
Spring 2023

Opportunity

As measured by economic mobility

Learning goals for today

By the end of class, you will be able to

- ▶ argue about economic mobility as a measure of opportunity
- ▶ frame economic mobility as a prediction question

Before class, you read the intro and discussion of:

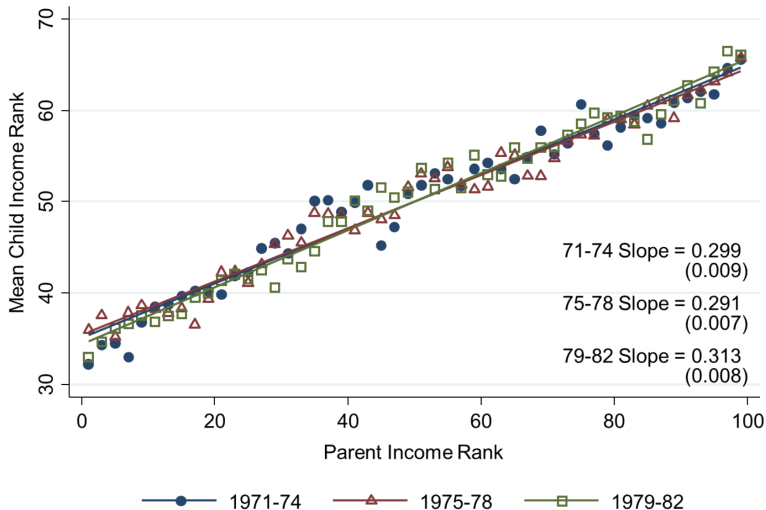
- ▶ Chetty et al. 2014. [Is the United States Still a Land of Opportunity? Recent Trends in Intergenerational Mobility](#). American Economic Review 104(5):141–147.

Let's discuss

- ▶ The ladder metaphor
- ▶ Changes in inequality
- ▶ Changes in rank-based mobility

Then we will look at figures

Figure 1. Child Income Rank vs. Parent Income Rank by Birth Cohort



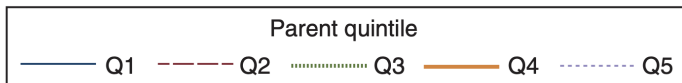
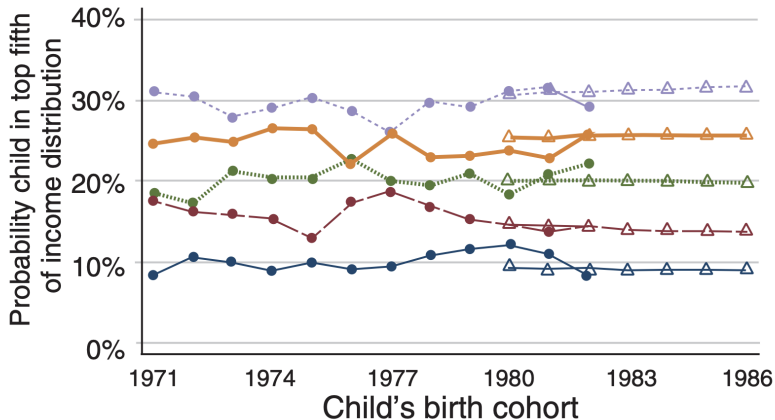


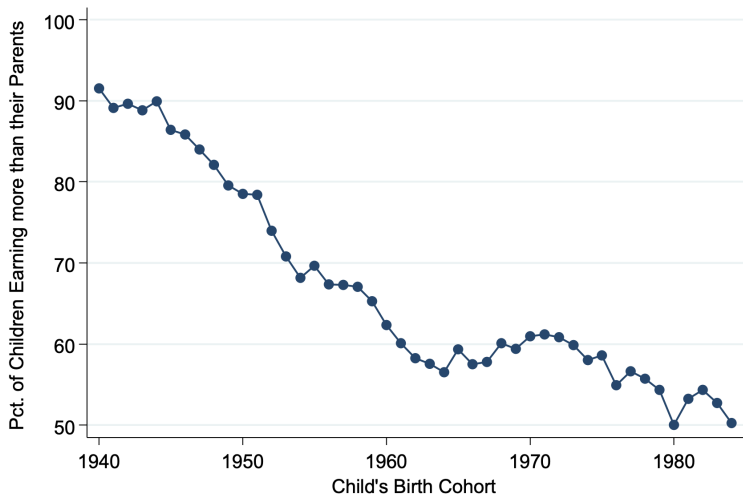
FIGURE 3. PROBABILITY OF REACHING TOP QUINTILE AT AGE 26 BY BIRTH COHORT

Additional evidence from a paper you did not read:

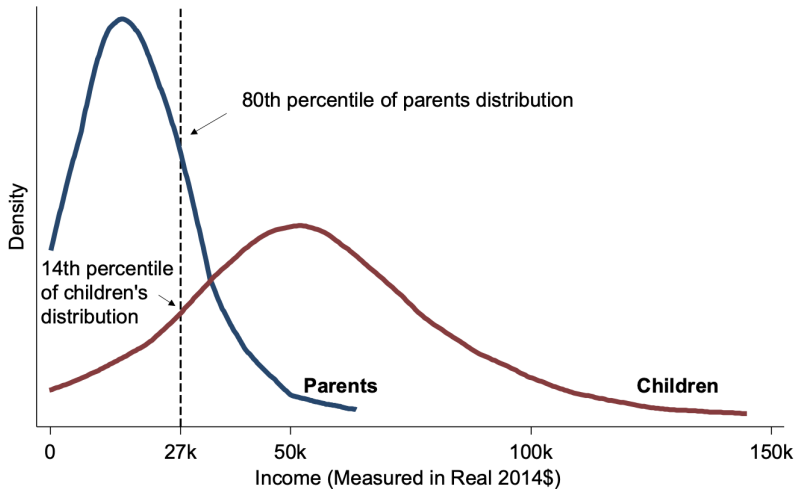
- ▶ Chetty et al. 2017. [The fading American dream: Trends in absolute income mobility since 1940](#). Science 356.6336:398-406.

This paper

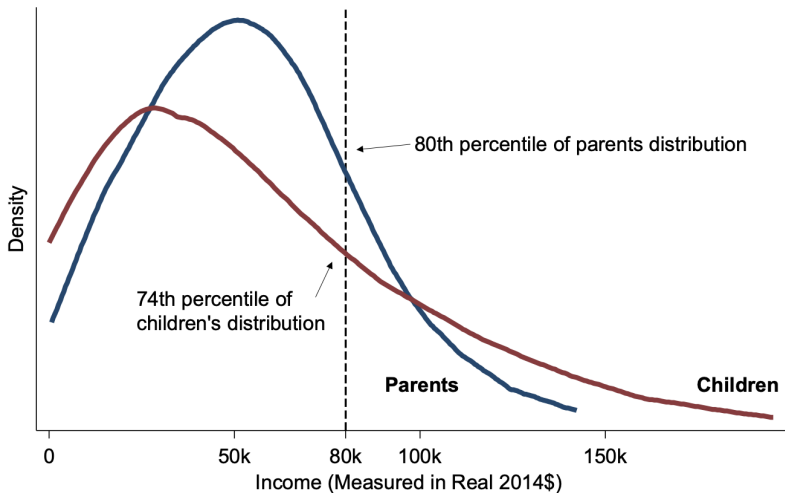
- ▶ assumes that rank-based mobility was constant
- ▶ given that assumption, focuses on **absolute** mobility



B. Family Income Distributions: 1940 Birth Cohort

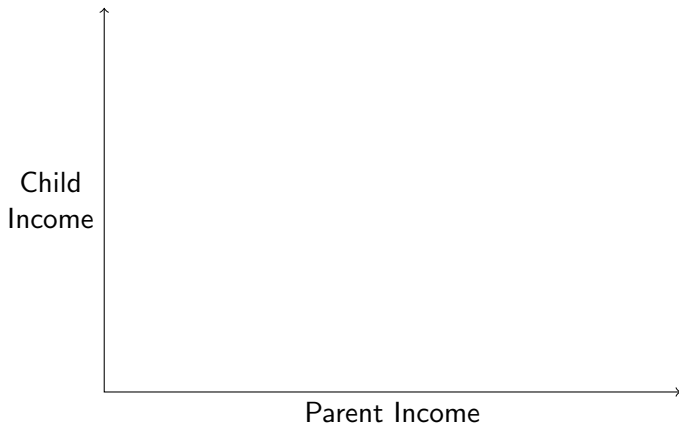


C. Family Income Distributions: 1980 Birth Cohort

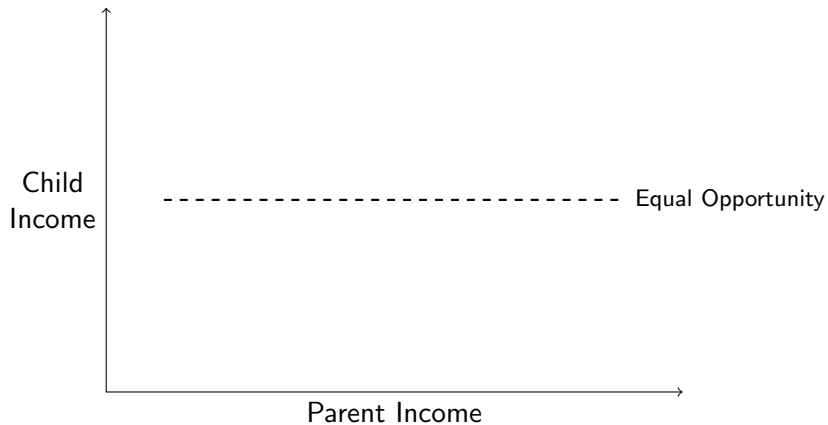


The probability that a child out-earns their parent has fallen

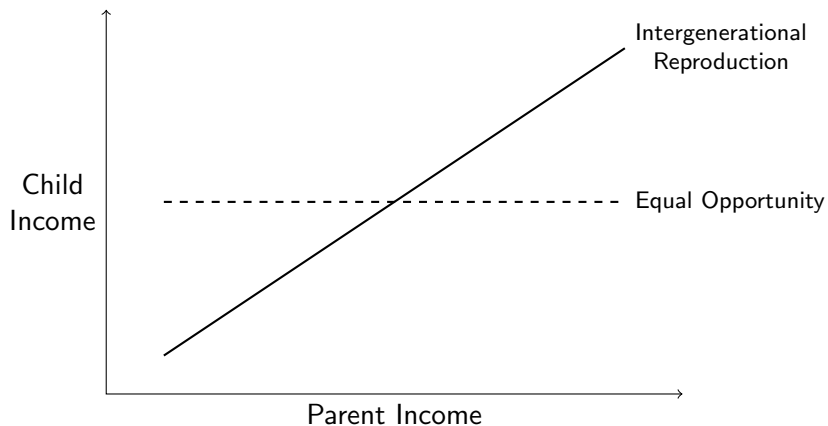
Generalizing these ideas



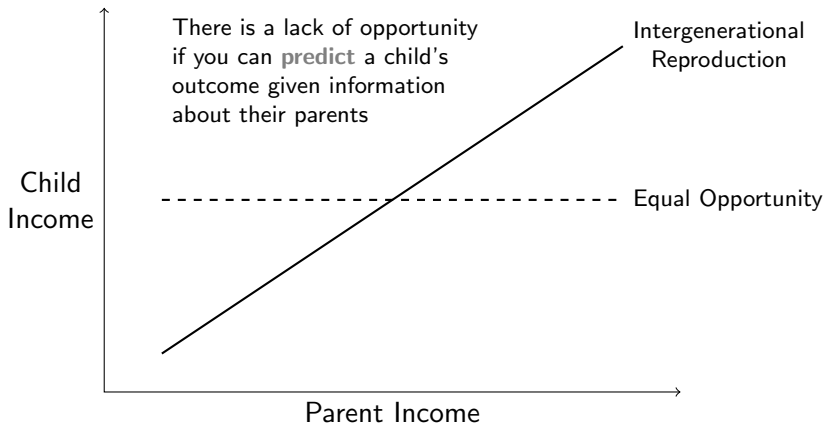
Generalizing these ideas



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