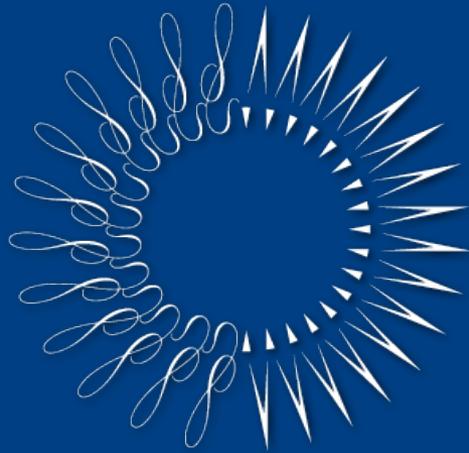


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Economic Mobility Project

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November 30, 2012



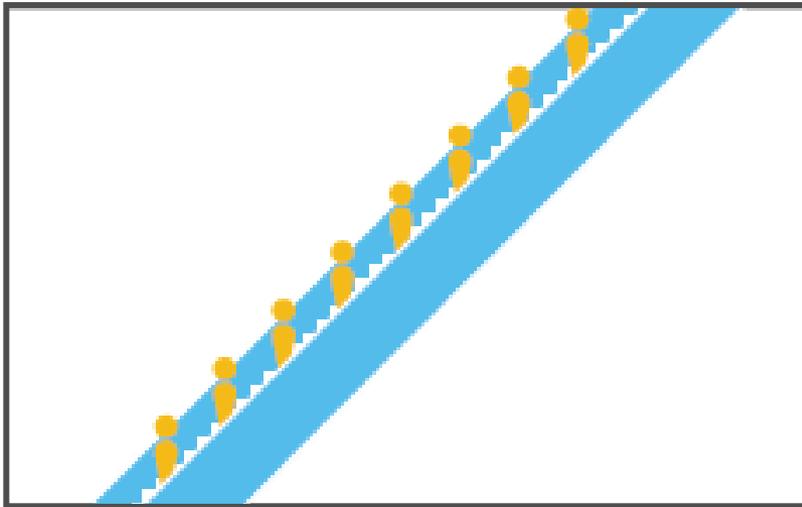
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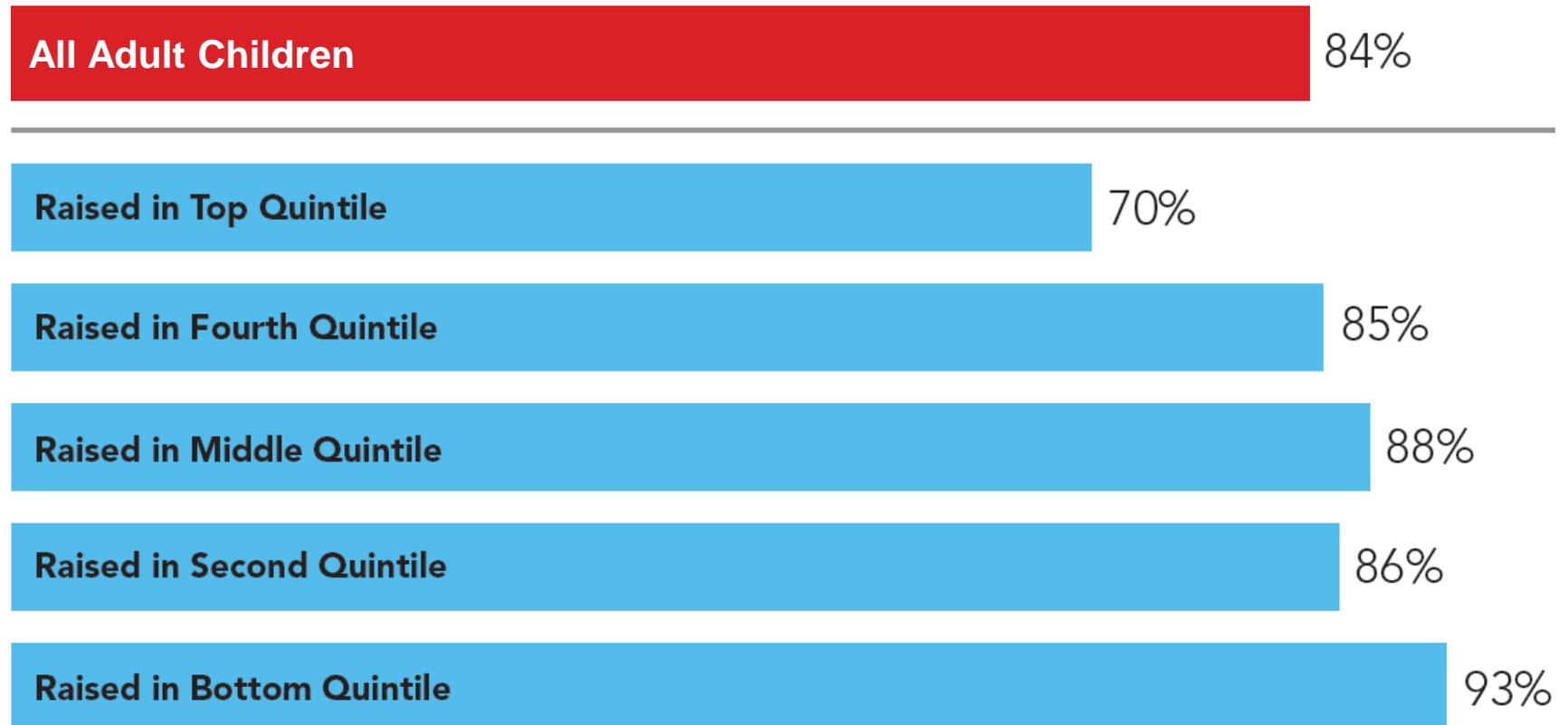
Absolute Mobility



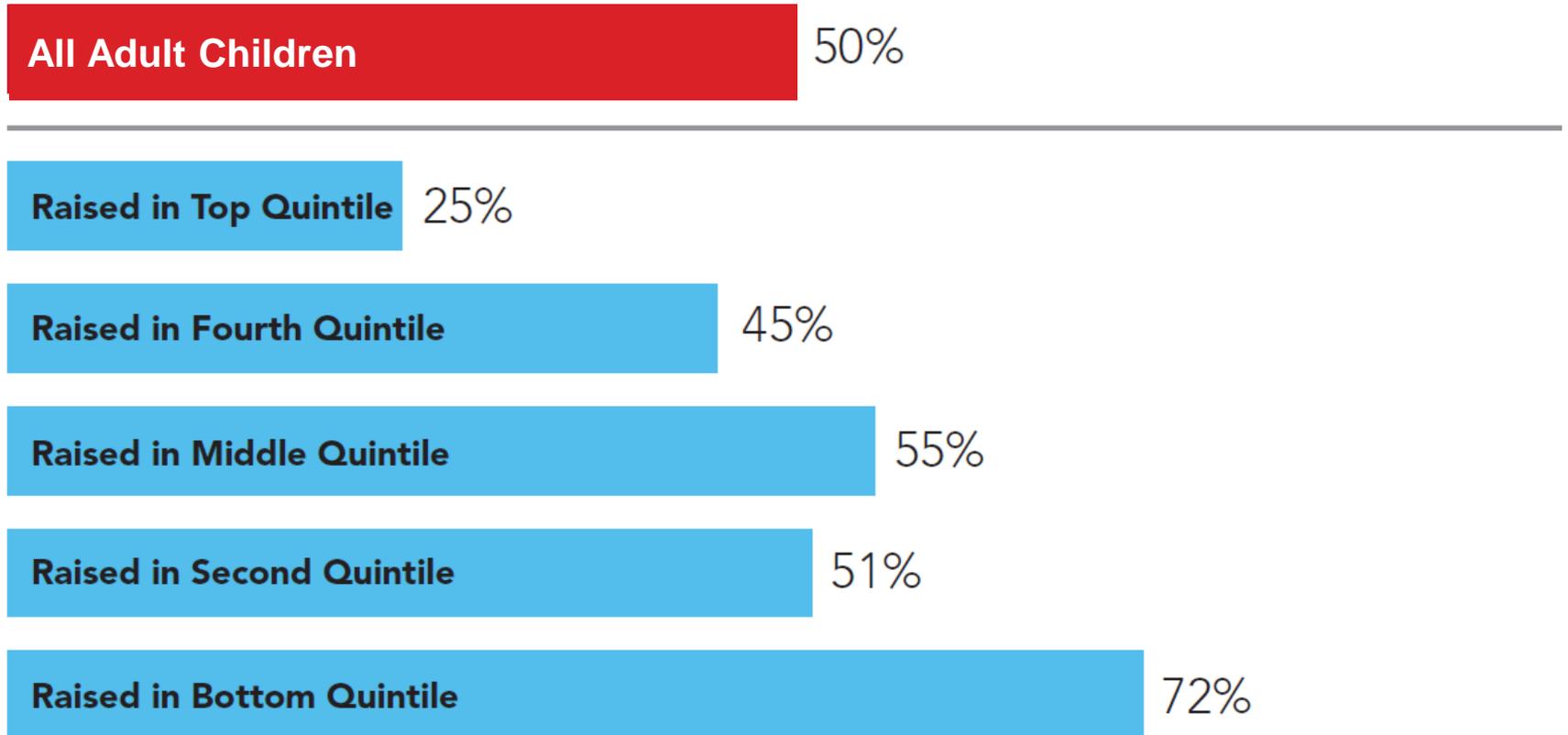
A measure of how much better or worse a person is doing in absolute dollar terms than their parents at the same age or themselves over time.



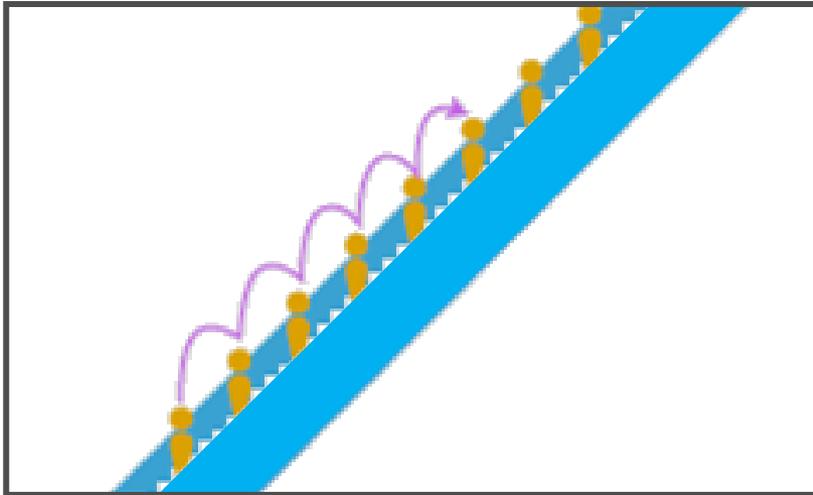
Glass Half Full: 84% of Americans Have Higher Family Incomes Than Their Parents



Half of Americans Exceed their Parents' Family Wealth

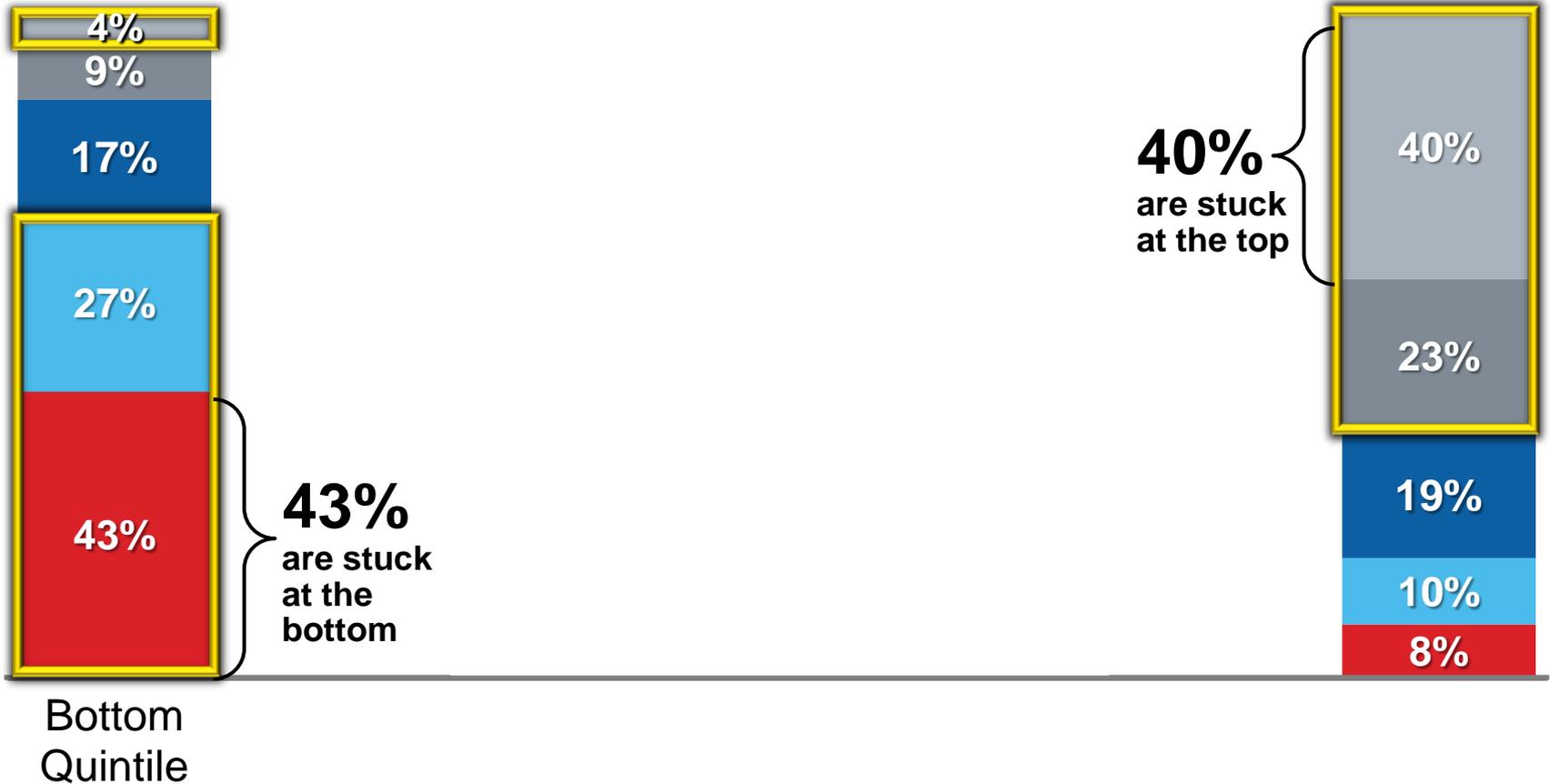


Relative Mobility

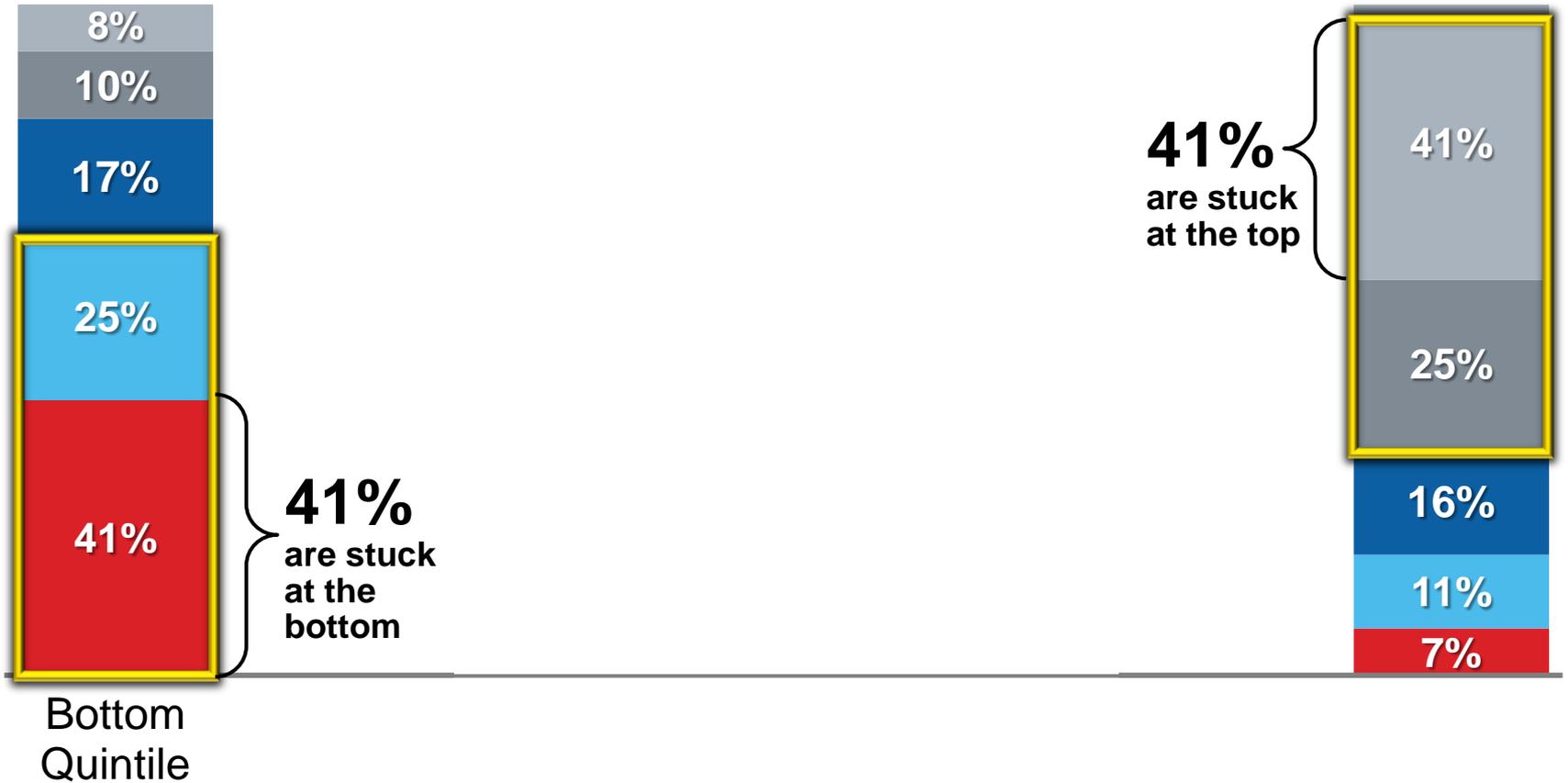


A measure of whether people are able to change their rank in the economic distribution compared to their parents at the same age or themselves over time

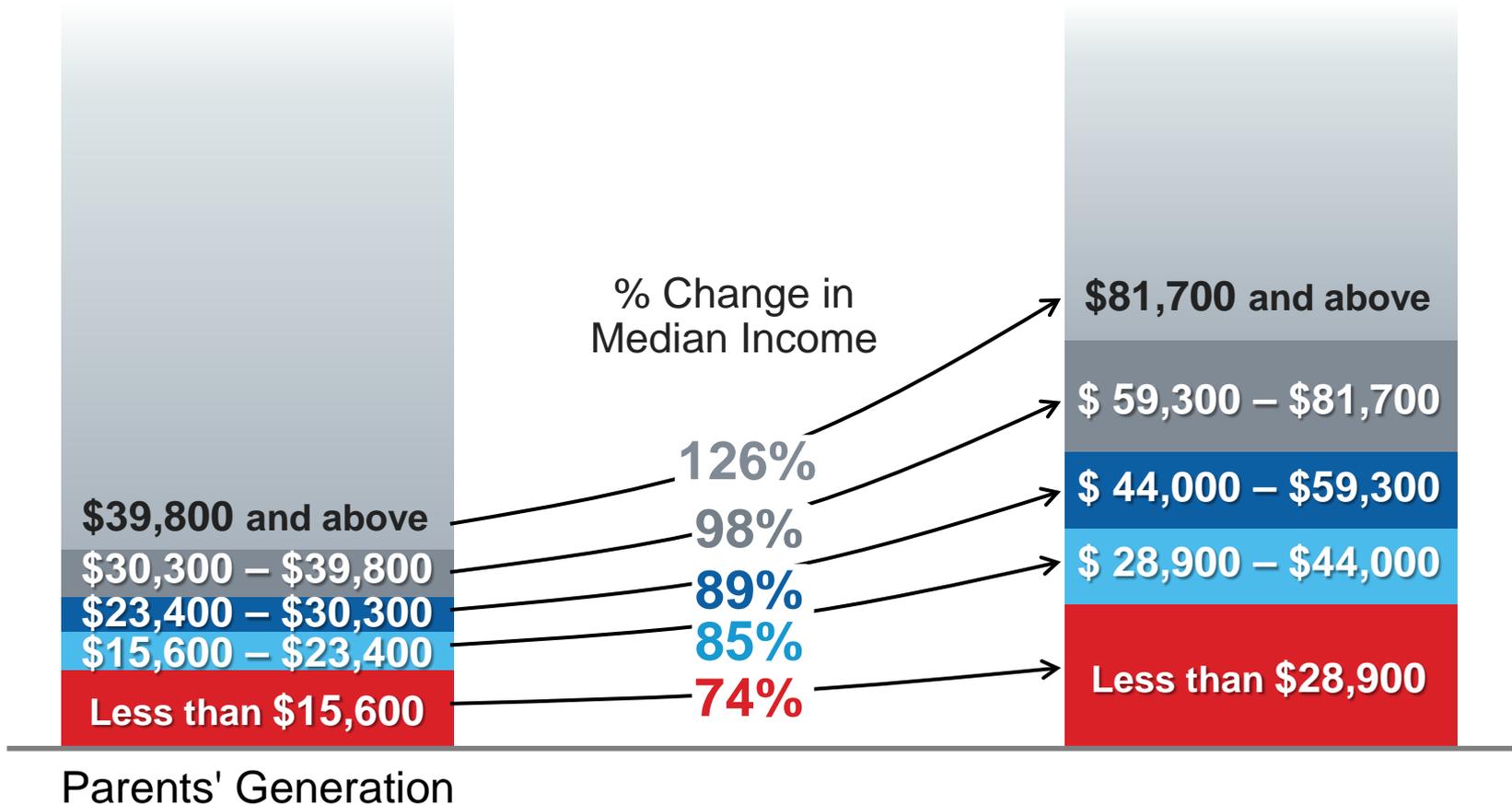
Glass Half Empty: Americans Raised at the Top and Bottom are Likely to Stay There as Adults



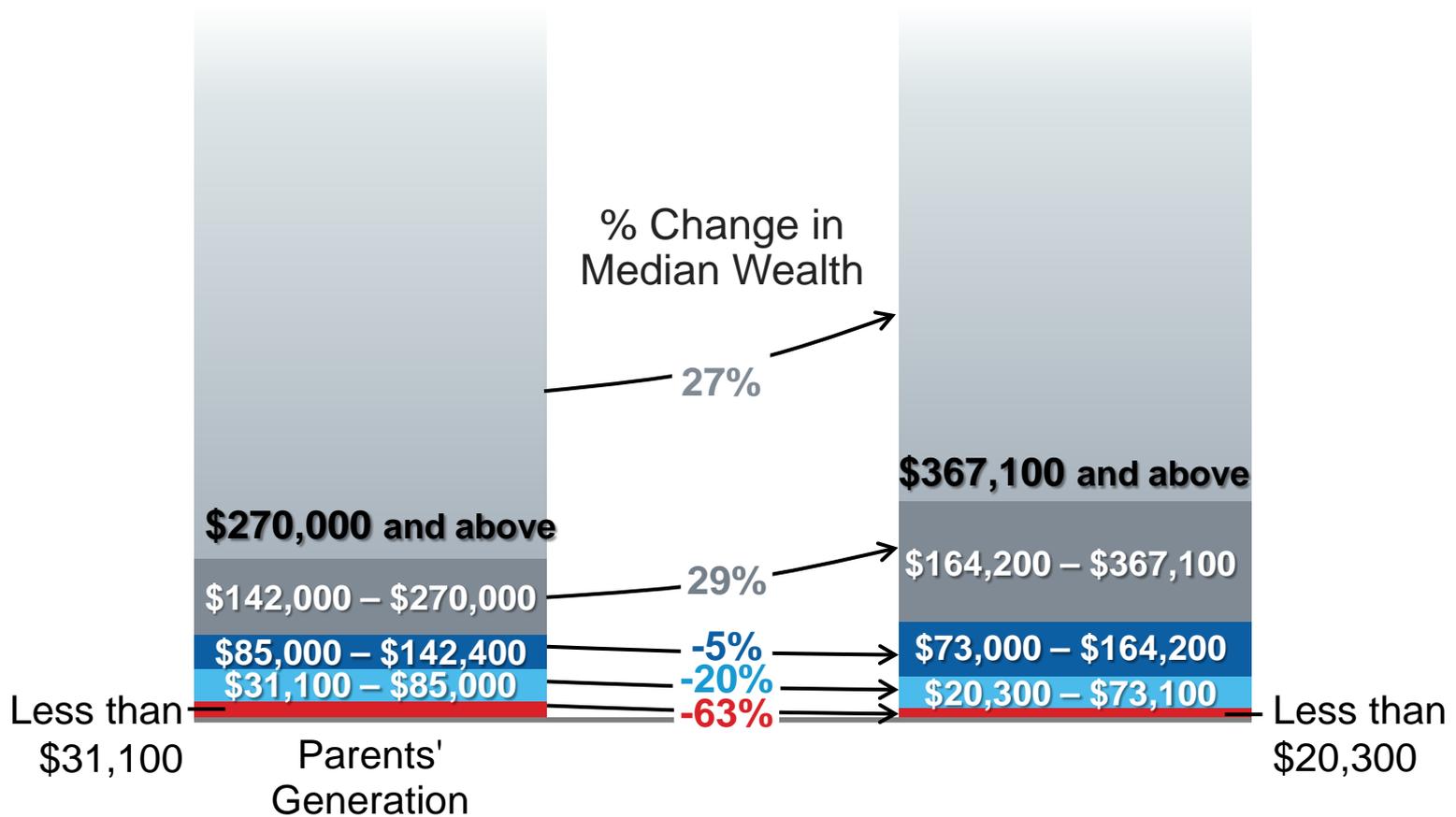
There is Stickiness on the Ends of the Wealth Ladder



The Distance Between the Rungs of the Income Ladder Has Widened Over the Past Generation



The Bottom Rungs of the Wealth Ladder Have Compressed



Measuring State Economic Mobility

Embed



PEW CENTER ON THE STATES INTERACTIVE

This study measures economic mobility over a 10-year period using three measures: absolute, relative upward, and relative downward. **Absolute mobility** measures residents' average earnings growth over time. **Relative mobility** captures residents' rank on the earnings ladder relative to their peers, as well as **upward** or **downward** movement along that ladder. "Peer groups" are defined using the *national earnings distribution*, which includes all people in the nation (*National tab*), and the *regional earnings distribution*, which includes only people in the same region (*Regional tab*).

Key Findings

National

Regional

The key findings use the national earnings distribution and aggregate results from all three mobility measures to identify those states where economic mobility is most distinct from the national average.

Better Mobility

Eight states, primarily in the Mideast and New England regions, have consistently higher upward and lower downward mobility compared to the national average:

MD, NJ, NY: Better mobility on all 3 measures

CT, MA, PA, MI, UT: Better mobility on 2 of 3 measures

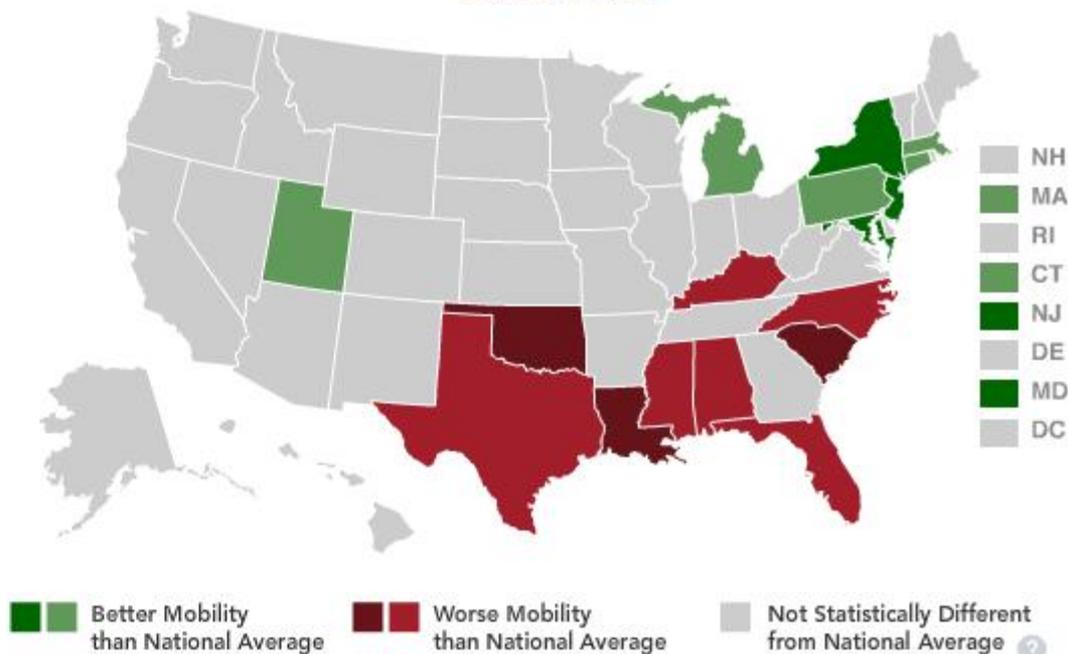
Worse Mobility

Nine states, all in the South, have consistently lower upward and higher downward mobility compared to the national average:

LA, OK, SC: Worse mobility on all 3 measures

AL, FL, KY, MS, NC, TX: Worse mobility on 2 of 3 measures

Roll over a state



* Due to small sample sizes, nine states were combined into three groupings: (1) Maine and Vermont; (2) Iowa, North Dakota, and South Dakota; (3) Alaska, Idaho, Montana, and Wyoming.

[Summary](#) [Data Table](#) [FAQ](#) [Methodology](#)

Economic Mobility of Texas and its Neighbors

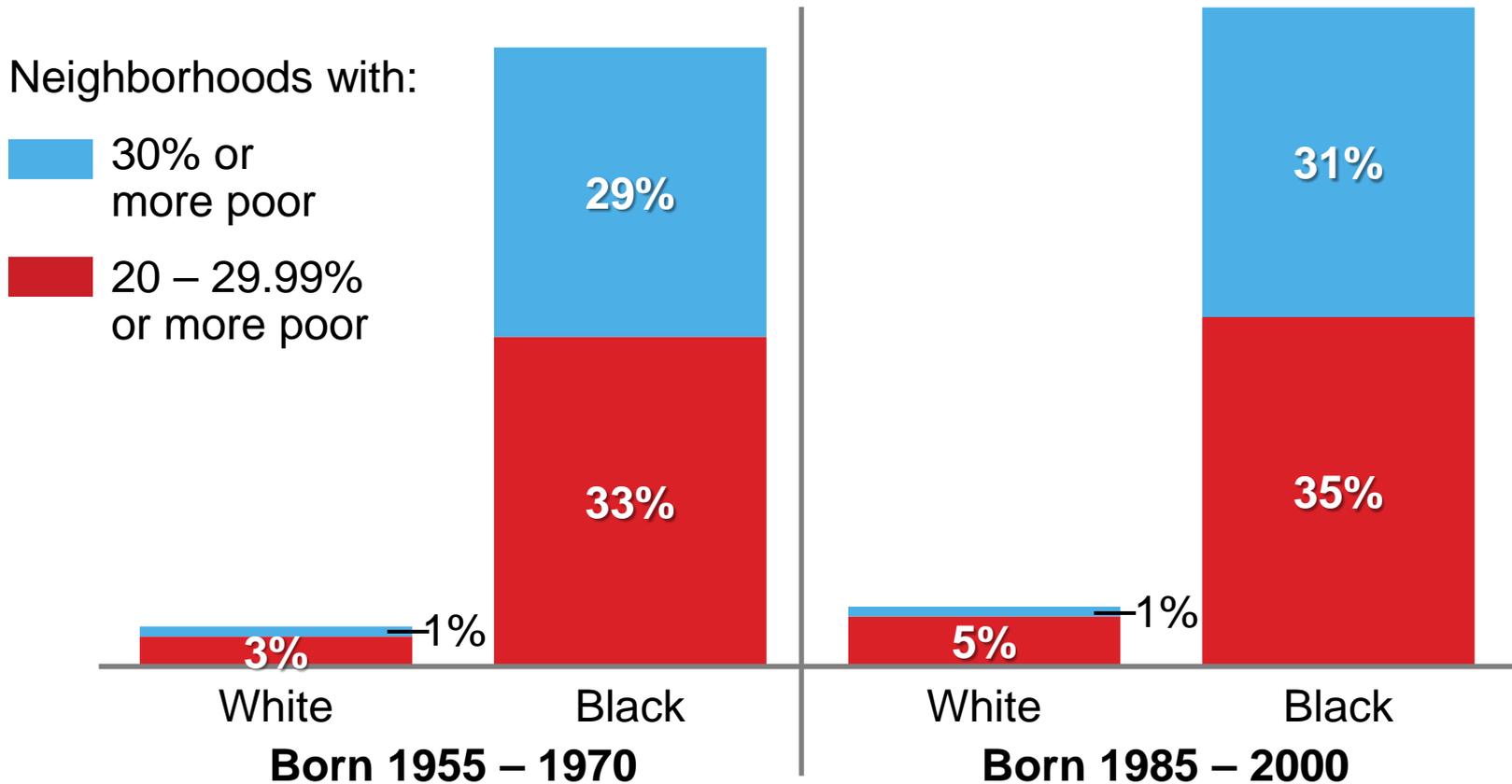
	Absolute	Relative Upward	Relative Downward
NATION	17%	34%	28%
Texas	■ 15%	■ 31%	30%
New Mexico	14%	34%	35%
Oklahoma	■ 14%	■ 30%	■ 33%
Arizona	15%	36%	■ 33%
Louisiana	■ 13%	■ 28%	■ 36%
Arkansas	16%	■ 27%	32%
Mississippi	17%	■ 26%	■ 36%
Alabama	■ 12%	■ 27%	32%

Key Mobility Drivers

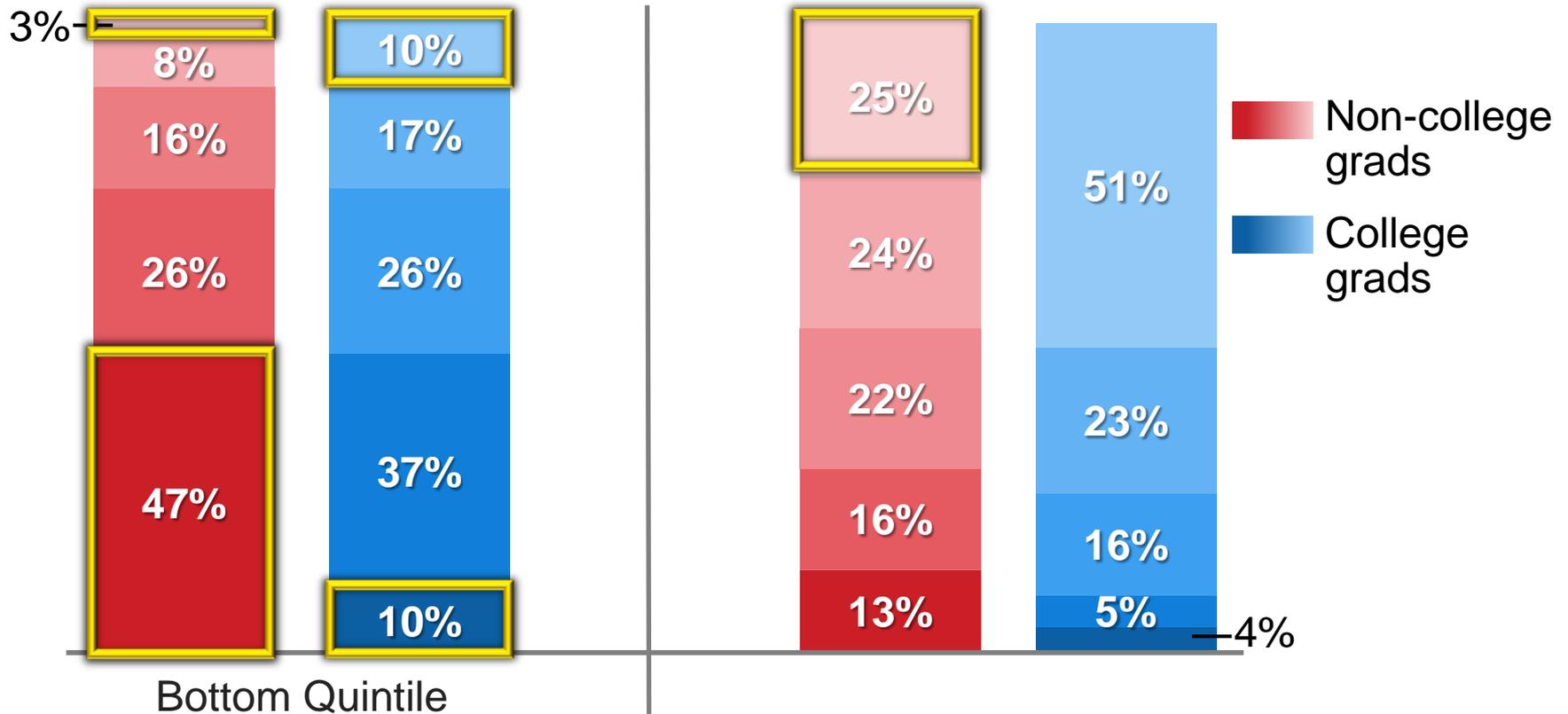
- Human Capital
- Financial Capital
- Social Capital



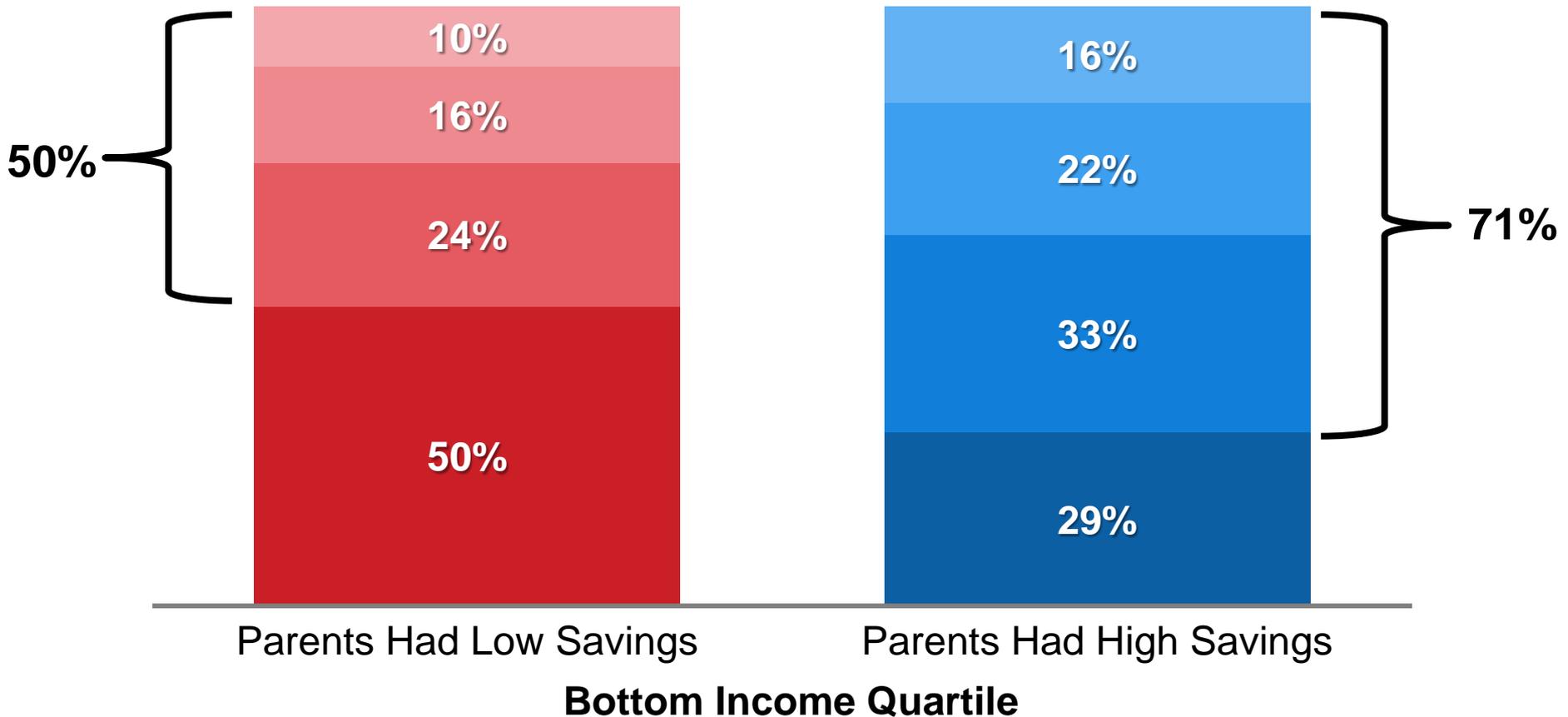
Social Capital: A Majority of Black Children Live in High-Poverty Neighborhoods



Human Capital: A College Degree Promotes Upward Mobility and Prevents Downward Mobility

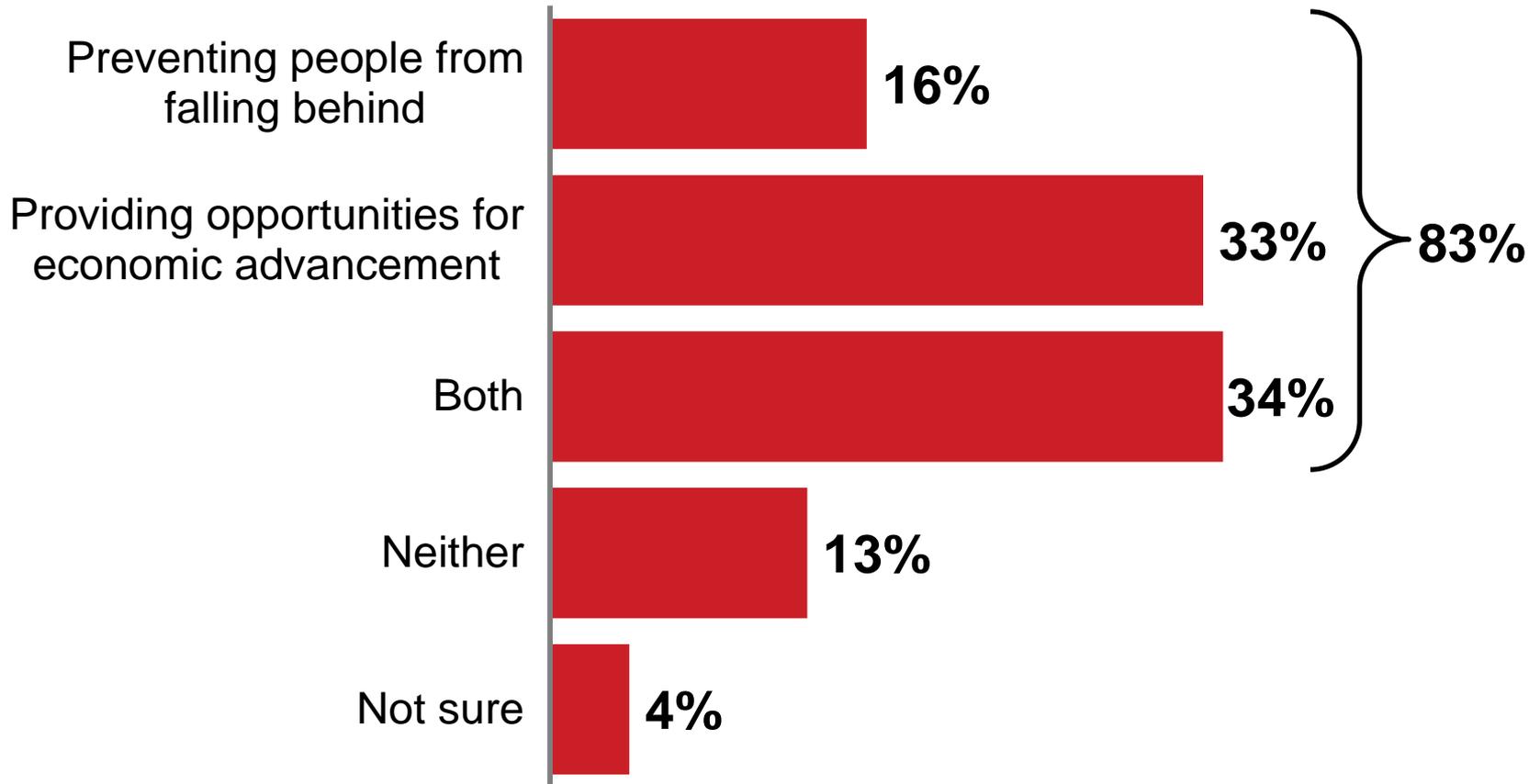


Financial Capital: Personal Savings Promotes Upward Mobility from the Bottom

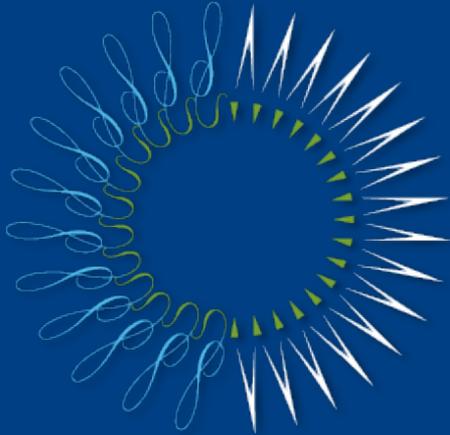




The Public Supports a Role for Government







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www.economicmobility.org