

SUMMARY OF KEY FINDINGS: U.S. INTRAGENERATIONAL MOBILITY FROM 1984-2004: TRENDS AND IMPLICATIONS

This report explores how Americans have moved up and down the income ladder over the last two decades, and whether it has been more difficult for Americans to get and stay ahead in the last decade. The report focuses on intragenerational mobility: how individuals change economic positions within their own lifetimes

- **It reveals that intragenerational mobility rates have changed little since the 1980s and that there remains considerable stickiness or immobility at the bottom of the income distribution.**

Comparing data on 25- to 44-year olds from the periods of 1984 to 1994 and 1994 to 2004, the analysis breaks the study population into five equal size income groups (quintiles) and computes the share of the population that moves into, and out of each group over the two ten year periods.

SOME KEY FINDINGS:

- Over both time periods, **more than half of those in the bottom income quintile remained there ten years later**, and seven in ten remain below middle-income status. Less than 4 percent in the top income quintile fell all the way to the bottom. *(See Figures 1 and 3)*
- In the last 20 years, the probability that an individual would leave the bottom quintile was 30 percentage points higher for those with more than a high school diploma compared to those who never graduated, making **education the most significant driver of upward intragenerational mobility**. *(See Figure 5)*
- Working more hours has also drives upward intragenerational economic mobility. Between 1994 and 2004, **working an additional 1,000 hours** over the course of a year increased the probability an individual would leave the bottom quintile by 12.5 percentage points; the probability was just five percentage points in the previous 10-year period. *(See Figure 5)*
- **Marital status and spousal work** are no longer drivers of intragenerational economic mobility; individuals with and without a working spouse have equal likelihoods of entering and leaving the bottom quintile. *(See Figure 5)*
- Being non-white or female is less likely to inhibit one's **upward intragenerational economic mobility** in the most recent period but **the race and gender gaps in mobility** remain an important part of the story.
 - Between 1994-2004, the probability that a white person would move up and out of the bottom quintile was eight percentage points higher than for a non-white person; the probability that a man would leave the bottom quintile remained nearly five percentage points higher than for a woman. *(See Figure 5)*
- **Having a disability and being non-white are the largest indicators of downward intragenerational mobility**.
 - Between 1994 and 2004, individuals with a disability were more than 14 percentage points more likely to fall into the bottom quintile than those without a disability - for the previous ten-year period the difference was only 3.9 percentage points. *(See Figure 6)*
 - Similarly, between 1994 and 2004, being white decreased the chances of experiencing relative downward mobility by 7.7 percentage points; being white did not have a strong influence on reducing downward mobility in the previous decade. *(See Figure 6)*