

Equality of opportunity — a Canadian dream?

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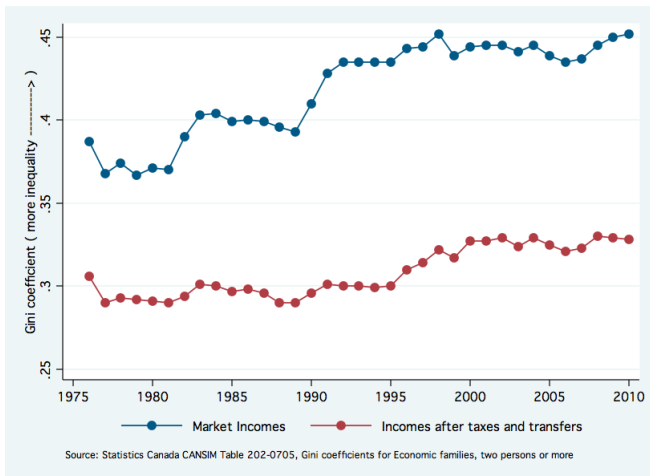
Ottawa Canada, February 26th 2013

The poor stay poor, the rich get rich?

*Everybody knows that the dice are loaded
Everybody rolls with their fingers crossed
Everybody knows that the war is over
Everybody knows the good guys lost
Everybody knows the fight was fixed
The poor stay poor, the rich get rich
That's how it goes
Everybody knows*

... Leonard Cohen

Well, ... inequality has been on the rise



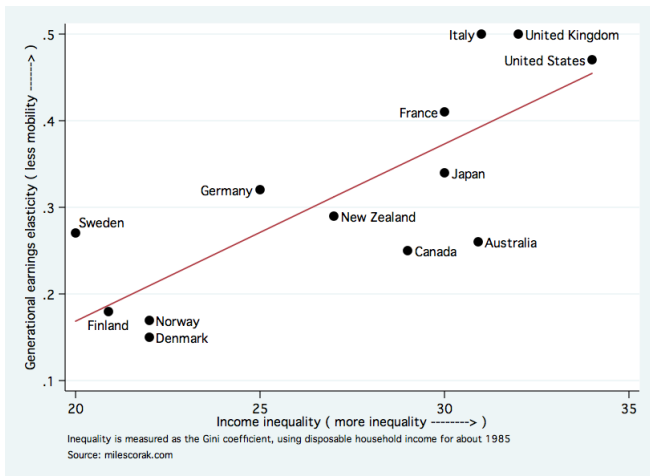
Inequality matters

It matters because it has the potential to shape opportunity

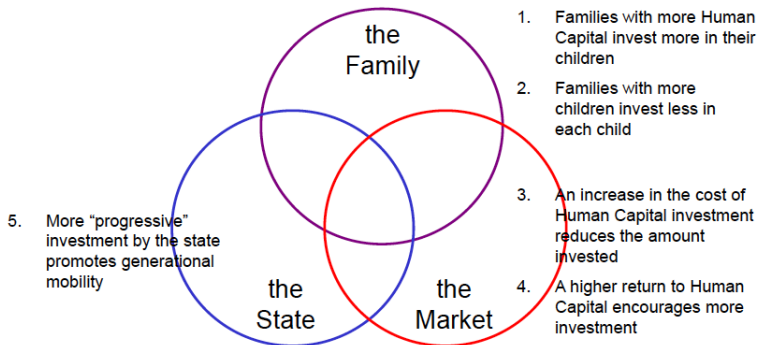
- “The poor stay poor, the rich get rich” is a statement about mobility
- The discussion this evening takes “mobility” to mean “mobility across the generations”, a proxy for equality of opportunity
 - are rich parents likely to see their children become the rich adults of the next generation?
 - are poor parents raising the next generation of poor adults?

Mobility is lower where inequality is higher

does the increase in inequality imply that mobility will be lower?



... but three broad institutions determine life chances
the overlap and interaction between families, markets, and the state together determine social mobility – there is no “silver” bullet



Three stages of public policy making

1 Deny

- has inequality increased?
- even if it has, it doesn't matter because we have mobility

2 Recognize

- inequality is on the rise, but what are the causes?
- how will these factors influence mobility?

3 Respond

- where are the best points to intervene?
- can public policy be effective?
- what are the trade-offs?

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Upward mobility — buy this book!

but being here means you're a policy wonk, so enjoy the discussion and read the background material on the Canada2020 website

