Inequality and Equality of Opportunity

three motivating pictures

Miles Corak
Department of Economics
The Graduate Center, City University of New York
MilesCorak.com @MilesCorak

Economics 85600
September 12th, 2018
1. Inequality is on the rise

Top income shares rising

20% of total market income accruing to the top one per cent


United States 20.2
Canada 13.1
Japan 10.4

2014:
2. Intergenerational mobility varies across countries

Higher Inequality (disposable income Gini in 1985)

Fraction of inequality passed on to the children's generation (%)
3. Intergenerational mobility varies within the US

B. Relative Mobility: Rank-Rank Slopes \( \frac{\tilde{r}_{100} - \tilde{r}_0}{100} \) by CZ

Corr. with baseline \( \tilde{r}_{25} = -0.68 \) (unweighted), -0.61 (pop-weighted)

Figure 1:
Miles Corak
Graduate Center, City University of New York
@MilesCorak
A full paper and associated appendices are available at MilesCorak.com/equality-of-opportunity