

Inequality in a Dynamic Perspective

Fifth Winter School on Inequality and Social Welfare Theory (IT5)

Lecture “Upward Structural Mobility Measurement: Subgroup Consistency versus Rank Dependency”.

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ABSTRACT

The concept of upward structural mobility will be formalized, and the framework of subgroup consistent mobility measurement will be explained. This framework is used to derive both a relative and an absolute mobility measure that is increasing in upward structural mobility and compatible with the notion of exchange mobility. Next, it will be argued that for some mobility concepts it can be interesting to have mobility measures that depend on the ranks of the individual mobilities. It will be shown that the framework of subgroup consistent mobility measurement does not allow one to do this and is in that sense too restrictive. Using a more general framework, similar to the one used by Bossert (1990) to characterize the S-Gini, we obtain rank dependent relative mobility measures. Both the subgroup consistent and the rank dependent framework are applied to compare mobility between the US and Germany. The conclusion is that the choice between a subgroup consistent or a rank dependent upward structural mobility measure is crucial in this comparison.

READING LIST

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