

SOCIAL MOBILITY

Michael Hout

KEY FINDINGS

- American men and women born since 1980—the millennials—have been less upwardly mobile than previous generations of Americans.
- The growth of white-collar and professional employment resulted in relatively high occupational status for the parents of millennials. Because that transition raised *parents'* status, it set a higher target for millennials to hit.
- This target is not frequently hit, in part because the economy is not providing enough opportunities for millennials in the white-collar and professional sectors.

Americans have been worried about social mobility for a long time. In 1982, Billy Joel nostalgically sang, “Every child had a pretty good shot, to get at least as far as their old man got.” This was a reference to changes in Allentown, Pennsylvania, a rust belt manufacturing city, but of course that city stood in for all of blue-collar America.

The early 1980s were a transitional time for the U.S. economy. The month when Joel’s record came out, the United States had its highest unemployment rate since the Great Depression.¹ Services had become the largest sector in the labor market, as manufacturing depended ever more on robots and computers.² Inequalities in pay, family income, and wealth had increased. Ordinary people felt that the chance to move up the economic ladder had passed them by; experts expected mobility to slow.³

The purpose of this chapter is to examine whether those born during this period—the so-called millennials—indeed experienced less mobility than prior generations. Although estimates of trends in absolute economic mobility have been recently reported, trends in absolute occupational mobility—the focus of this chapter—have not been widely reported.⁴

Trends in mobility

Estimates of upward mobility can be calculated by comparing people’s current occupations with their

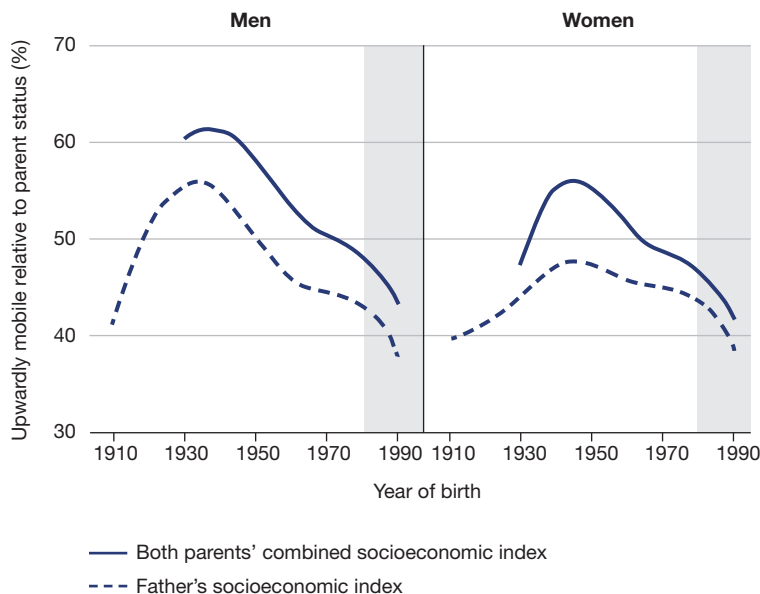
parents’ occupations when they were growing up. These comparisons are based on socioeconomic scores of occupations that measure the general social standing of occupations. If both parents were present and employed, mobility is the difference between the person’s current occupational score and the weighted average of their parents’ occupational scores.⁵ If the father was a sole breadwinner or the only parent in the household, mobility is the difference between the person’s occupational score and his score; if the mother was a sole breadwinner or the only parent in the household, it is the difference between the person’s occupational score and her score.⁶

The resulting estimates confirm that the opportunity to move up declined across cohorts, beginning with the earliest cohorts for which we have full data, those born in the 1930s (Figure 1). The decline occurred slowly and steadily through the most recent data; for men it was nearly linear across cohorts.

Millennials might be the first American generation to experience as much downward mobility as upward mobility, though they are still young enough to make up lost ground. Among Americans born in the late 1980s, 44 percent were in jobs with higher socioeconomic status than their parents, and 49 percent were in jobs with *lower* socioeconomic status than their parents (5% matched their parents’ status).

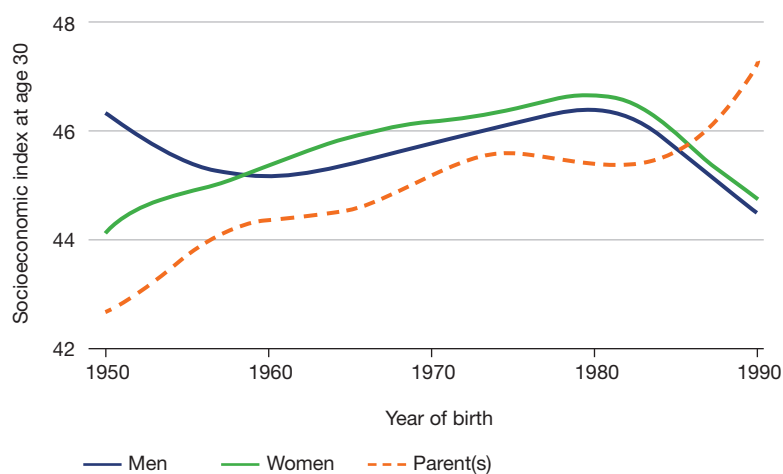
Although millennials are distinctive in the

Figure 1. Millennials experience less upward mobility than previous generations.



Note: People 25–74 years old, raised in the United States, and born 1910–1990. Excluding people whose parents worked in agriculture. Source data on both parents: General Social Surveys, 1994–2016; source data on fathers: General Social Surveys, 1972–2016.

Figure 2. The occupational status of millennials dropped despite their higher-status origins.



Note: People 28–32 years old, raised in the United States, and born 1950–1990. Excluding people whose parents worked in agriculture. Source data on both parents: General Social Surveys, 1994–2016; source data on fathers: General Social Surveys, 1972–2016.

sense that they are probably experiencing less mobility than prior generations, there is nothing in Figure 1 suggesting a qualitative break in the trend line for millennials. Rather, Figure 1 suggests an ongoing decline in upward mobility, a decline that predates the entry of millennials into the labor market.

Are there gender differences in the trend? For men, the birth cohorts around 1930 had upward mobility rates of about 62 percent, after which there was an 18 percentage-point drop over the full time series. For women, the decline is less prominent. Women born since the mid-1960s have experienced about the same upward mobility as men born in the same year; for earlier cohorts, women had substantially less upward mobility than men. This makes for a less precipitous decline for women than for men.

Older data included information about father’s occupation but not mother’s occupation. The longer time series based on fathers (shown in Figure 1 with dotted lines) indicates that men’s upward mobility increased for cohorts born between 1910 and 1930, and women’s upward mobility increased for cohorts born between 1910 and 1948. The evidence is pretty clear that the most upwardly mobile cohort of American men was born during the Great Depression; the most upwardly mobile women were early baby boomers. The men born during the Depression turned 30 years old in the early-to-mid-1960s; the women born early in the baby boom entered the workforce as women’s employment began to diversify and women often benefited from unprecedented opportunities.⁷

What accounts for these trends?

The preceding gross mobility trends reflect four factors. They reflect, perhaps most important, trends in the status of jobs: Did the available jobs in the U.S. become higher or lower status over time? They also reflect the status of parents’ occupations, age differences between parents and children (at the time of measuring mobility), and, crucially, the degree to which occupational outcomes depend on parents’ status.⁸ In other words, millennials may be less upwardly mobile than baby boomers because (a) the economy is not supporting an ongoing increase in occupational status to the extent that it once was, (b) the millennials come from more accomplished parents than did baby boomers (thus making it more difficult to surpass them), (c) the millennials are younger and just starting out in the world of work (and hence

the opportunity to surpass their parents hasn't yet presented itself), or (d) early-career occupations depend less on parents' status than they once did.

Figure 2 can be used to quantify the role of the first three of these four factors. It shows the average occupational status, at age 30, of men and women born between 1950 and 1990. Unlike Figure 1, this figure thus standardizes on the age at which occupation is measured, with the choice of a relatively young age (i.e., age 30) arising because a young-age measurement is the only one currently available for millennials. This figure also provides the average occupational status for the parents of respondents born between 1950 and 1990. The scale of occupational scores is quite narrow in the chart; the vertical range is only 6 points on a 100-point scale.

This figure suggests that some of the early decline in upward mobility in Figure 1 is an artifact of age, not real cohort change. Up until the mid-1980s, adult children's occupational status was still greater than that of their parents, although the size of the child-parent gap was gradually closing. It follows that there is real occupational upgrading in play during this period.

We do, however, see something quite dramatic happen for millennials. Figure 2 suggests that millennials are truly a special generation in two senses: (a) the occupational status of their parents suddenly shifted upward; and (b) their own occupational status shifted suddenly downward. These two processes reduced upward mobility. As shown in Figure 2, the occupational status of millennial men was approximately two points lower than that of baby boomers, while their parents' occupations were about four points higher than those of baby boomers. The latter shift means that the millennials had to reach higher than baby boomers did just to equal their parents.⁹

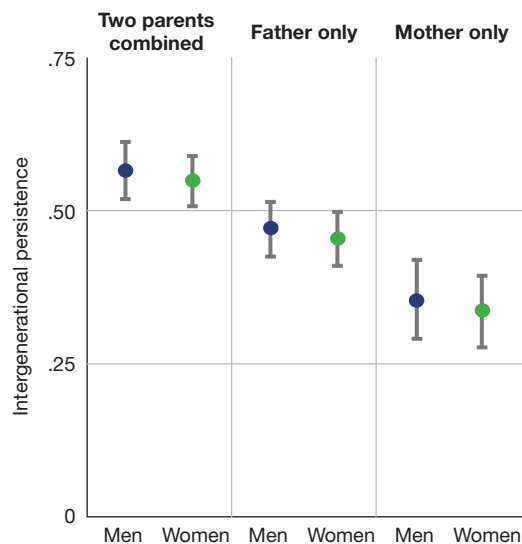
But what about the fourth factor? The fate of millennials also rests on the extent to which their occupation depends on that of their parents. We measure this dependence by fitting a line in a scatterplot and recording the slope of the line. In a world in which every child grew up to work in a job with exactly the same status as that of their parents, the slope would be 1.0; in a world where occupations do not depend at all on parents' status, the slope would be zero. Real data show slopes between these extremes. Recent estimates for the United States have ranged from 0.35 to 0.55.

This is all to suggest that in principle the slope in this regression matters. In understanding this dynamic, it is important to bear in mind that a

key change for millennials is that they were increasingly raised in mother-only families. This matters because, within mother-only families, the slope tends to be relatively weak (see Figure 3). For two-earner families, intergenerational persistence slopes were at the high end of the range: .57 for men and .55 for women. Father-only families had only slightly less persistence: .47 for men and .45 for women. In mother-only families, intergenerational slopes were at the low end of the range found in other data: .35 for men and .34 for women.

This variation is relevant because the growing prevalence of mother-only families pulls down the overall intergenerational persistence among millennials, relative to that of the other generations. All else equal, this makes it harder for millennials to reproduce the occupational status of their parents. It effectively means they rely more on "luck" (that is, the average "starting point" for millennials assuming there is no intergenerational persistence). But Figure 2 makes it clear that this has not helped them because the occupational status of their parents is relatively high and the market isn't providing enough opportunities to compensate for that increasingly high standard

Figure 3. Intergenerational persistence is lower in mother-only families.



Note: Intergenerational persistence coefficients by gender and family type: People 25–74 years old, raised in the United States, and born 1930–1990. Circles indicate coefficients for median regression of current socioeconomic status on the socioeconomic status of parents, controlling for farm origin; vertical lines indicate the 95 percent confidence interval for each coefficient.

set by their parents. The upshot is that millennials are facing challenges on many fronts.

We have no evidence, it should be stressed, of change in intergenerational persistence slopes *within* any of these family subgroups (two earner, father only, mother only).¹⁰ The problem that the millennials face—when it comes to intergenerational persistence—is wholly a compositional one in the sense that millennials increasingly emanate from a type of family (i.e., mother only) that is characterized by reduced persistence.

Conclusions

At least since the 1980s, Americans have worried that the United States is no longer the “land of opportunity” it once was. Data presented here show a slow, steady decline in the probability of moving up. Even for the most mobile cohorts, upward mobility was far from universal—only about 60 percent of men born in the 1930s had better jobs than their parents.

Data

All data are from the General Social Survey (GSS), a biennial survey of a representative sample of U.S. households. Employed people answer these questions: “What kind of work do you do? That is, what is your job called? What do you actually do in that job? Tell me, what are some of your main duties?” Formerly employed people answer similar questions asked in the past tense. Total sample size was 20,509; for single-year cohorts, samples were between 69 and 625. All data were smoothed using locally estimated regression (LOWESS) methods because the sampling errors varied so much in the observed data. Details about occupational coding and family types are in Hout, 2018.

Notes

1. Hout, Michael, Asaf Levanon, and Erin Cumberworth. 2012. “Job Loss and Unemployment.” In *The Great Recession*, eds. David B. Grusky, Bruce Western, and Christopher Wimer. New York: Russell Sage Foundation, 59–80.
2. Fernandez, Roberto M. 2001. “Skill Biased Technological Change and Wage Inequality: Evidence from a Plant Retooling.” *American Journal of Sociology* 107, 273–320.
3. See Hout, Michael. 2004. “How Inequality May Affect Intergenerational Mobility.” In *Social Inequality*, ed. Kathryn M. Neckerman, Ch. 26, for a dissenting view. New York: Russell Sage Foundation.
4. See Chetty, Raj, David B. Grusky, Maximilian Hell, Nathaniel Hendren, Robert Manduca, and Jimmy Narang. 2017. “The Fading American Dream: Trends in Absolute Income Mobility Since 1940.” *Science* 356(6336), 398–406.
5. Hout, Michael. 2018. “Americans’ Occupational Status Reflects the Status of Both of Their Parents.” *Proceedings of the National Academy of Sciences* 115 (38), 9527–9532.
6. Occupational scores for farmers are controversial, so the calculations exclude people whose parents were farmers.
7. England, Paula, Andrew Levine, and Emma Mishel. 2019. “Is the Gender Revolution Stalled? An Update.” *Proceedings of the National Academy of Sciences*, forthcoming.
8. Hout, Michael. 2015. “A Summary of What We Know About Social Mobility.” *Annals of the American Academy of Political and Social Sciences* 657, 27–36.
9. Hout, 2015.
10. Hout, 2018.

This translates into a mobility problem for millennials. The growth of white-collar and professional employment was a major factor in past mobility and resulted in relatively high occupational status for the parents of millennials. Because that transition raised parents’ status, it set a higher target for millennials to hit.

When it comes to absolute mobility, a key problem that millennials face is thus the success of their parents. Although we usually think it’s good for children to be born into privilege, it poses an absolute mobility problem in an economy, such as our own, that is not generating enough ongoing occupational upgrading. Without this ongoing growth, it is now especially difficult to ensure that the current generation does better than the one preceding it.

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