And Yet, It Moves: Intergenerational Economic Mobility in Italy

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Abstract
This paper provides the first comprehensive measurement for Italy of the degree of intergenerational economic mobility (IEM). The empirical analysis is based on unique tax record data for a 10 percent sample of the Italian tax payers (over 2M observations) where one can link the SSN of parents in 1998-1999 to the SSN of their children roughly 15 years later. We report a number of different measures of IEM such as the intergenerational elasticity, the rank-rank relationship, and upward and downward directional rank mobility. We document how these measures vary geographically across regions and across family types. We compare our methodology with the ‘informational content of surnames’ approach developed by Guell and Rodriguez-Mora and recently applied to Italian data. We demonstrate that, geographically, IEM is strongly correlated to a number of socio-economic indicators, in particular quality of public schooling. Finally, we compare our estimates of intergenerational income mobility with estimates using the same methodology for the U.S., Canada, Sweden, and Denmark.