

Opportunity Trumps Mobility



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Comparative studies mislead us because analysts define “economic mobility” as the degree to which a person’s income differs from his or her parents’. The wider the difference, the greater a country’s mobility – and assumed opportunity. But the American economy especially rewards certain traits – persistence, hard work, love of education – that tend to be passed from parents to children. Technically that implies low mobility, compared with Europe. But immigrants see it as fostering opportunity. That’s why Europeans keep coming here.

Still, we are slipping, especially for those starting out at the bottom.

For a Pew Foundation project on economic mobility, my Heritage colleagues and I identified three crucial “[leading indicators](#)” for upward movement. One is accumulating savings. Our problem is a dearth of personal savings among lower-income Americans when compared with similar households in, say, Asia. Policies like ending the double taxation of savings would help. But we also need a cultural shift in attitudes to saving: [Asian-Americans](#) have [a lot](#) to teach the rest of us.

Americans need more savings, better parenting and affordable higher education.

Second, family breakdown has devastated economic progress for those on the bottom rungs. Improving program incentives and assistance may help counteract this. But it takes a village to sustain the ladder of opportunity. That’s why projects like the Harlem Children’s Zone are critical. This organization links charter schools, parenting workshops and other efforts that reinforce a community-wide culture of upward mobility.

The third is education. It’s almost impossible today to move up the ladder without a college degree. But rising tuition and indebtedness poses huge barriers for many families. The good news: American higher education seems on the brink of a [huge reorganization](#) and cost reduction, thanks to new business models and advances in online education.

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So yes. We need to take action. But the answer isn’t moving to Italy.