

Abstract:

We propose a new approach to estimate long-run intergenerational mobility that exploits different degrees of kinship within the same generation. This “horizontal” approach has several key advantages: Socioeconomic status can be measured in the same data source and time period, and because the approach scales well in administrative sources it is more informative about assortative processes, and yields many more kinship moments than a vertical approach. This allows us to fit a more detailed intergenerational model. Using education and other outcomes from Swedish registry and Spanish census data, we flexibly account for the transmission of observable and unobservable advantages via intergenerational, sibling and assortative processes. We find strong persistence in the latent determinants of socioeconomic status, and a striking degree of assortative mating – to rationalize our kinship data, spouses must be far more similar to each other than they are in observable characteristics. We then study the role of genetic and non-genetic pathways. A standard genetic model cannot fit the data. Instead, we fit an extended model that allows simultaneously for genetic and non-genetic latent mechanisms. Genes explain about seven percent of the variation in educational attainment, but assortative mating occurs primarily in non-genetic factors. Matching recent evidence from behavioral genetics, our findings integrate different strands of work from the natural and social sciences.