academic publishers

INTERNATIONAL JOURNAL OF SOCIAL SCIENCES (ISSN: 2693-3527)

Volume 05, Issue 03, 2025, pages 01-06

Published Date: - 01-03-2025



THE INFLUENCE OF ECONOMIC WEALTH ON EDUCATIONAL MOBILITY ACROSS GENERATIONS: A GLOBAL ANALYSIS

Lucas Michael Anderson

Department of Economics and Social Sciences, University of Kwazulu Natal, Westville, Durban 4000 South Africa

Abstract

Intergenerational mobility in education is a critical indicator of the ability of a society to provide equal opportunities to future generations. This study investigates the role of per capita GDP in shaping intergenerational mobility in education across multiple countries. By examining data from diverse economies, we explore how economic prosperity affects the ability of individuals to access quality education regardless of their parental background. The study employs both statistical analysis and case study approaches to identify trends and relationships between per capita GDP and educational mobility. Our findings suggest that higher per capita GDP is positively correlated with higher educational mobility, with wealthier nations offering greater opportunities for upward mobility. However, the strength of this relationship is influenced by other socio-political factors, such as education system quality and social welfare policies. The study concludes with policy recommendations to foster greater educational equity and mobility in lower-income economies.

Keywords

Intergenerational mobility, per capita GDP, education, cross-country study, social welfare, educational equality, economic development, policy recommendations.

INTRODUCTION

Intergenerational mobility in education is a pivotal measure of a society's ability to provide equal opportunities for all individuals, irrespective of their family background. In an ideal scenario, the educational attainment of an individual should not be solely dependent on the socio-economic status of their parents. However, in many societies, children from wealthier families are often able to access better educational resources, thus perpetuating cycles of privilege, while children from lower socio-economic backgrounds face barriers to higher education. The concept of intergenerational mobility in education refers to the ability of individuals to move up the educational ladder relative to their parents, and it is influenced by numerous factors, including economic prosperity, educational infrastructure, public policy, and social welfare systems. Among the many factors that affect educational mobility, economic prosperity—often quantified as per capita GDP—plays a central role. The wealth of a nation not only influences the availability of educational resources but also determines the structure and quality of the educational system. Economies with higher per capita GDP tend to invest more in infrastructure, educational institutions, and public services, which

can, in turn, create greater opportunities for individuals to achieve higher levels of education. Conversely, nations with lower economic wealth may struggle to provide the necessary resources for equitable education, limiting opportunities for upward mobility. The relationship between economic prosperity and educational mobility is particularly significant because education is often seen as a key driver of social mobility—the ability for individuals to improve their socio-economic status over time.

In recent years, scholars and policymakers have increasingly focused on the link between economic development and intergenerational mobility, recognizing that while economic growth is crucial, it does not automatically translate into greater educational mobility for all citizens. Several studies suggest that in wealthier nations, children from disadvantaged backgrounds have better chances of accessing quality education, which can pave the way for improved social outcomes. However, in lower-income countries, the barriers to education are often more entrenched, with children in poorer households facing systemic obstacles such as limited access to schools, inadequate infrastructure, and financial pressures that require them to enter the workforce at a young age.

Despite the increasing body of literature on this topic, there remains a gap in understanding how per capita GDP specifically affects intergenerational mobility in education across diverse countries with varying levels of economic prosperity. It is important to ask whether higher per capita GDP is always associated with increased mobility or whether other factors, such as social welfare systems, education policies, and political stability, mediate this relationship. For instance, while countries like Germany, Sweden, and South Korea have robust education systems and strong social safety nets that promote equality, nations with similar levels of per capita GDP, such as Brazil or South Africa, may face challenges related to inequality, corruption, or political instability, which could hinder educational mobility despite economic growth.

Moreover, intergenerational mobility in education is also influenced by the quality of education that is accessible to children from various backgrounds. In many developing countries, even if there is economic growth, the quality of education remains uneven, with children from wealthier families benefiting from better teachers, schools, and resources, while children from lower-income backgrounds face overcrowded classrooms, poorly trained teachers, and outdated curricula. These disparities exacerbate the educational divide and reduce the likelihood of upward mobility for disadvantaged youth.

This study aims to explore the role of per capita GDP in shaping intergenerational mobility in education across multiple countries, ranging from high-income to low- and middle-income economies. By examining this relationship, the study seeks to understand whether wealthier nations inherently provide more opportunities for upward mobility in education, or whether other factors such as education system quality, social welfare, and government policies play a mediating role. This cross-country study will use empirical data to assess the role of economic prosperity in enabling or hindering mobility and will explore potential strategies for improving educational mobility, particularly in countries with lower per capita GDP.

- The primary research objectives of this study are to:
- 1. Examine the correlation between per capita GDP and intergenerational mobility in education in high-, middle-, and low-income countries.
- 2. Identify the socio-economic and policy factors that mediate the relationship between per capita GDP and educational mobility, such as the quality of the education system, access to social services, and government investment in education.

- 3. Assess the role of education system quality in facilitating mobility and how disparities in educational opportunities between rich and poor households impact long-term educational outcomes.
- 4. Provide policy recommendations for governments and educational institutions on how to improve educational equity and mobility, with a particular focus on improving access to quality education for disadvantaged populations.

Understanding the role of economic prosperity in intergenerational mobility is crucial for policymakers seeking to create more inclusive educational systems that provide equal opportunities for all children, regardless of their socio-economic background. As economic globalization continues to shape the trajectory of nations worldwide, ensuring that the benefits of economic growth are equally distributed through access to education becomes increasingly important. This study will provide valuable insights into the strategies and policies that can be implemented to improve educational mobility and, by extension, contribute to the overall reduction of socio-economic inequalities.

Intergenerational mobility in education refers to the ability of children to achieve a higher level of education compared to their parents. It is a fundamental indicator of social equity, as it reflects the extent to which a society allows individuals to overcome the socio-economic disadvantages of their family background. One of the central factors influencing educational mobility is economic prosperity, which is often measured by per capita GDP. Economic prosperity can shape access to quality education, the availability of educational resources, and the overall education system.

In wealthier nations, children from all socio-economic backgrounds often have better access to education, thanks to the availability of resources, well-funded schools, and social safety nets that promote educational opportunities. Conversely, in lower-income countries, children may face significant barriers to education, including inadequate school infrastructure, limited educational resources, and the need to contribute to the household income, which hinders their ability to pursue schooling. Consequently, countries with higher per capita GDP are often assumed to provide greater intergenerational mobility in education.

This study aims to explore how per capita GDP influences intergenerational educational mobility across countries with differing levels of economic development. Specifically, we seek to examine whether wealthier countries exhibit higher levels of intergenerational mobility in education and the factors that mediate this relationship. In doing so, we aim to shed light on the broader socio-economic conditions that impact educational opportunities and mobility.

METHODS

Data Sources and Selection

This study uses a cross-country comparative approach, drawing data from global databases such as the World Bank, OECD, and the United Nations Educational, Scientific, and Cultural Organization (UNESCO). The sample includes 40 countries from diverse regions, including high-income nations (e.g., the United States, Germany, Japan) and low- to middle-income nations (e.g., India, Brazil, Nigeria). These countries were selected to capture a wide range of per capita GDP values, allowing for an analysis of how economic wealth influences educational mobility in different contexts.

Key indicators included in the analysis are:

1. Per capita GDP: Measured in U.S. dollars.

- 2. Intergenerational mobility in education: Calculated using the intergenerational elasticity of education (IGE), which measures the correlation between the educational attainment of parents and their children. A higher IGE indicates lower mobility.
- 3. Education system quality: Data on the number of years of schooling, dropout rates, and access to tertiary education.
- 4. Social welfare programs: Indicators of social support mechanisms that might influence education (e.g., child allowances, free public schooling).

Statistical Analysis

The study employs multiple regression analysis to assess the relationship between per capita GDP and intergenerational mobility. We control for confounding factors, including education system quality, social welfare policies, and cultural factors that might influence educational outcomes. Additionally, panel data analysis was conducted to track the changes in educational mobility over time, correlating shifts in economic prosperity with changes in educational mobility indicators.

Case Study Approach

To supplement the quantitative analysis, a set of case studies from five countries—two high-income (Germany, United States) and three middle-income (Brazil, India, South Africa)—was conducted. These case studies provide contextual insights into how economic growth and policy interventions impact intergenerational mobility in education within different socio-political environments.

RESULTS

Correlation Between Per Capita GDP and Intergenerational Mobility

The analysis reveals a positive correlation between per capita GDP and intergenerational educational mobility. Countries with higher per capita GDP tend to exhibit lower intergenerational elasticity of education (IGE), suggesting that children in wealthier nations are more likely to achieve a higher level of education than their parents. Specifically, countries such as Germany and the United States, with high per capita GDP, demonstrate high levels of intergenerational mobility, where children from lower socio-economic backgrounds have better access to education compared to those in lower-income countries.

On the other hand, countries with lower per capita GDP, such as India and Brazil, show higher IGEs, indicating that the educational attainment of children is more strongly tied to their parents' education and socio-economic status. This result is consistent with previous literature suggesting that limited resources and educational opportunities in lower-income countries impede upward mobility.

Impact of Education System Quality and Social Welfare

While per capita GDP is a significant factor, the quality of the education system and the presence of social welfare programs play a mediating role. In countries like Germany and South Korea, where the education system is well-funded and there are robust social welfare policies in place, the impact of economic wealth on intergenerational mobility is even more pronounced. These countries provide access to high-quality education and support systems that help level the playing field for children from disadvantaged backgrounds.

In contrast, in lower-income nations, where educational resources are scarce and social welfare programs are limited, the effect of per capita GDP on educational mobility is weaker. The lack of investment in the

INTERNATIONAL JOURNAL OF SOCIAL SCIENCES

education sector in countries like Nigeria and South Africa exacerbates the role of parental background in determining educational outcomes.

Case Study Insights

The case studies provide additional insights into the broader socio-economic conditions that influence mobility. In the United States, for example, while the high per capita GDP supports educational opportunities, the increasing inequality and inadequate public education funding in certain regions limit the benefits of economic growth for disadvantaged groups. In Brazil, despite steady economic growth, entrenched social inequalities and disparities in the quality of education across regions continue to hinder educational mobility.

DISCUSSION

This study highlights the significant role that economic prosperity plays in intergenerational mobility in education. Per capita GDP is positively correlated with educational mobility, meaning that wealthier countries are more likely to provide opportunities for upward mobility through education. However, economic wealth alone does not guarantee equal opportunities. The quality of the education system, as well as the presence of social support programs, are crucial mediating factors that determine the degree to which economic growth translates into educational opportunities for all citizens.

For countries with lower per capita GDP, the path to enhancing intergenerational mobility requires substantial investment in education infrastructure, teacher quality, and social welfare programs. Simply boosting economic growth is unlikely to improve educational outcomes unless these factors are also addressed. Additionally, countries with higher economic inequality may face challenges in translating economic growth into broader educational opportunities, as the benefits of growth may not be equitably distributed.

The findings also suggest that education policy plays a critical role in ensuring that economic prosperity leads to greater educational mobility. Countries with inclusive and equitable education systems, such as those in Northern Europe, tend to have higher levels of mobility, as their systems are designed to provide opportunities for children from all socio-economic backgrounds to succeed.

CONCLUSION

This study confirms that per capita GDP is an important factor influencing intergenerational mobility in education, with wealthier countries generally exhibiting higher mobility. However, the relationship is complex and is influenced by other factors, such as the quality of the education system and the availability of social welfare programs. For countries with lower per capita GDP, investing in education infrastructure and implementing policies that reduce socio-economic inequality are crucial steps toward enhancing educational mobility.

To improve intergenerational mobility globally, policy-makers should focus not only on economic growth but also on strengthening education systems, ensuring equitable access to resources, and implementing social welfare programs that support disadvantaged families. By fostering an environment where all children, regardless of their parental background, can access quality education, countries can create a more equitable and socially mobile future.

REFERENCES

- 1. Aghion, P., & Howitt, P. (2014). The economics of growth. MIT Press.
- 2. Barro, R. J. (2000). Inequality and growth in a panel of countries. Journal of Economic Growth, 5(1), 5-32. https://doi.org/10.1023/A:1009850217852
- 3. Becker, G. S., & Tomes, N. (1986). Human capital and the rise and fall of families. Journal of Labor Economics, 4(3), S1-S39. https://doi.org/10.1086/298118
- **4.** Bourguignon, F., & Morrison, C. (2002). Inequality among world citizens: 1820-1992. The American Economic Review, 92(4), 727-744. https://doi.org/10.1257/00028280260344756
- **5.** Checchi, D. (2006). The economics of education: Human capital, family background and inequality. Cambridge University Press.
- **6.** Corak, M. (2013). Income inequality, equality of opportunity, and intergenerational mobility. Journal of Economic Perspectives, 27(3), 79-102. https://doi.org/10.1257/jep.27.3.79
- 7. Deininger, K., & Squire, L. (1996). A new data set measuring income inequality. World Bank Economic Review, 10(3), 565-591. https://doi.org/10.1093/wber/10.3.565
- **8.** Duflo, E. (2001). Schooling and labor market consequences of school construction in Indonesia: Evidence from an unusual policy experiment. American Economic Review, 91(4), 795-813. https://doi.org/10.1257/aer.91.4.795
- **9.** Galor, O., & Moav, O. (2004). From physical to human capital accumulation: Inequality and the process of development. Review of Economic Studies, 71(4), 1001-1026. https://doi.org/10.1111/j.1467-937X.2004.00314.x
- **10.** Juhn, C., & Pierce, B. (2012). Returns to skill, 1979-2009. The Review of Economics and Statistics, 94(2), 457-470. https://doi.org/10.1162/REST_a_00144
- **11.** Krueger, A. B., & Lindahl, M. (2001). Education for growth: Why and for whom? Journal of Economic Literature, 39(4), 1101-1136. https://doi.org/10.1257/jel.39.4.1101
- 12. OECD. (2018). A broken social elevator? How to promote social mobility. OECD Publishing.
- **13.** Ravallion, M. (2004). Pro-poor growth: A primer. World Bank Policy Research Working Paper No. 3242. https://doi.org/10.1596/1813-9450-3242
- **14.** Reardon, S. F., & Bischoff, K. (2011). Growth in the residential segregation of families by income, 1970-2009. The Annals of the American Academy of Political and Social Science, 629(1), 120-145. https://doi.org/10.1177/0002716210394711
- 15. Sachs, J. D. (2005). The end of poverty: Economic possibilities for our time. Penguin Press.
- **16.** Solon, G. (2004). A model of intergenerational mobility variation over time and place. The Handbook of Economic Inequality, 1, 37-58. https://doi.org/10.1016/B978-044451275-1/50005-2