

“Intergenerational Mobility, Human Capital Transmission and the Earnings of Second-Generation Immigrants in Sweden”

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Abstract: We compare the intergenerational earnings mobility of immigrants with natives in Sweden. We find an overall convergence in average earnings between immigrants and natives. This convergence hides a divergence in average earnings between groups of immigrants with different ethnic origins. We find that, on average, immigrants have a lower intergenerational earnings mobility, also (on average) within groups with similar ethnic backgrounds. Immigrants with a relatively low intergenerational earnings mobility increased their average earnings more in the second generation, thereby supporting the idea that low intergenerational earnings mobility can be interpreted as a high degree of intergenerational transmission of human capital.