

Lifting barriers. Lifting lives.

ATTER

SOCIAL MOBILITY IN THE 50 STATES

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SOCIAL MOBILITY SNAPSHOT

What Is Social Mobility?

Social mobility is the opportunity to better oneself and those around them. While it commonly refers to a person's ability to climb the income ladder and outearn the previous generation, social mobility is also concerned with achievement, aspirations, purpose, and skills development.



BARRIERS TO SOCIAL MOBILITY

People face barriers to social mobility across their lifespans. Artificial barriers are imposed by external forces and can be addressed with public policy, while natural barriers occur at the individual level and often require different interventions.

SOCIAL MOBILITY IN THE 50 STATES

In this index, we rank all fifty US states from best (#1) to worst (#50) based on their overall score for social mobility. Higher scores represent a better environment for social mobility and a better rank.





COMPARISONS TO OTHER MEASURES

We present evidence that our index correlates strongly with other measures of income mobility, income inequality, and poverty.

Overall Social Mobility Ranking

TOP FIVE STATES	BOTTOM FIVE STATES
1 <u>Utah</u>	46 Georgia
2 Minnesota	47 Alabama
3 Montana	48 Arkansas
4 Delaware	49 Mississippi
5 Vermont	50 Louisiana

Four Pillars of Social Mobility

Our index captures the main barriers and leading indicators of social mobility, grouped into four pillars:

I. ENTREPRENEURSHIP AND GROWTH
11. INSTITUTIONS AND RULE OF LAW
iii. EDUCATION AND SKILLS DEVELOPMENT
V. SOCIAL CAPITAL

INTRODUCTION

When people think of the American Dream, they consider the ability to better one's life and achieve one's goals. They are either directly or indirectly speaking about social mobility. In this index, we examine differences across the 50 states in providing an environment where citizens can pursue and reach their individual dreams, through the lens of social mobility.

Social mobility—also known as income, economic, or upward mobility—is one of the defining issues of our time. As such, it is surprising and disheartening that there is no consensus on the main barriers and leading indicators of social mobility. Instead, discussions of social mobility tend to focus narrowly on income measurements and tracking mobility over time—without much consideration for the factors driving these trends.

There are many ways to measure social mobility, which has been the main focus in the economics profession. Intergenerational income mobility is measured by whether individuals surpass their parents' *earnings* at a comparable age (usually in their "prime working years"). This metric can be considered absolute mobility. In contrast, relative mobility focuses on whether individuals surpass their parents' *relative income status or rank* at a comparable age. Intragenerational mobility, however, measures how individuals are able to improve their own status over time. Similar to intergenerational mobility, we can measure relative and absolute mobility. Absolute intragenerational mobility exists when someone's income rises over time; relative intragenerational mobility is when someone's income rank rises over his or her lifespan.

While there are many ways to measure income mobility, we still have a rudimentary understanding of the barriers that prevent social mobility. Here, we take social mobility to be a broader way of thinking about people's ability to improve their own lives and well-being, which includes but is not limited to income.

To create this index, we examined previous scholars' work on this topic to gain a holistic understanding of the causes of mobility. Typically, researchers have focused on a particular topic within the mobility literature, so a broader assessment and taxonomy was needed to understand mobility within the United States. While we consider some areas by top scholars in the field, we also delve into some of the most under-researched aspects of mobility. With few holistic research agendas focused on these questions, there remains a lack of consensus on the leading questions related to social mobility.

Understanding the relationship between mobility and inequality

Understanding social mobility is essential to increasing human flourishing. Unfortunately, it is now routine to casually intertwine the concepts of economic mobility, poverty, and income or wealth inequality. These issues are distinct from one another, and the responses to address them can vary widely. Conflating these concepts is not only misleading, but it can create negative longterm unintended consequences that undermine efforts to boost social mobility and poverty alleviation.

One of the reasons mobility and inequality are often intertwined is the focus on the so-called "Great Gatsby Curve," a widely publicized finding of economist Miles Corak from the City University of New York, named by the late economist Alan Krueger. The curve posits a relationship between income inequality and mobility. While an important consideration, we must point out that other scholars in the field, such as Scott Winship of the American Enterprise Institute, have questioned the existence of this correlation.¹ Before enacting policy responses that treat mobility and inequality as necessarily the same, we must be able to determine their causal connection.

Researchers should allow for the possibility of a causal relationship between social mobility and inequality, but they should also consider a scenario in which both of these variables are endogenous with respect to potentially the same set of other variables. In other words, rather than interpreting the relationship between income inequality and mobility as a causal one, these two issues could simultaneously both be influenced by differences among areas related to more structural variables.

In this debate, there is an inherent risk in identifying disparities as root problems rather than symptoms. One example of this issue can be seen in the work done by Raj Chetty and his colleagues at Opportunity Insights. They show that some neighborhoods are better off than others, leading to policy discussions about providing housing vouchers. But what explains *why* some neighborhoods are better off than others?

Research by James Heckman, Chetty, and others has shown that family structure plays a significant role in driving "good" neighborhoods. For example, outcomes tend to be better in neighborhoods with a majority of two-parent households.

In terms of education, one significant impediment is the presence of underperforming schools, both with respect to academic quality and student outcomes. Individuals with greater financial means often have the ability to explore alternatives like relocating to districts with better schools, paying for private education, or other educational endeavors. Families with fewer financial resources face different constraints in accessing those options. This framing then opens up the questions: Is the core issue underperforming schools or a lack of choices? What role would something like school choice play in providing more opportunities for families from disadvantaged backgrounds?

Turning to entrepreneurship, individuals from upper-middle and upper class households may possess the ability (in terms of time and financial resources) to navigate bureaucratic hurdles. They also tend to benefit from an extended network of family and social support that increases their likelihood of success. Furthermore, they can expend more resources to attain skill sets needed for a new venture or career path. However, those who are disadvantaged have a harder time being able to perform all of the tasks needed, like obtaining an occupational license, for example. This leads us to ponder: Is the challenge fundamentally about time and resources, or is it instead rooted in the excessive barriers that exist to entrepreneurship?

This example represents some of the issues with identifying and addressing the barriers to social mobility that can lead to inequality. There is a hole in the research related to this line of work precisely because many have focused on "band-aid" solutions instead of the root causes of immobility.

BARRIERS TO SOCIAL MOBILITY

One of the main objectives of this index is to generate a satisfactory taxonomy on social mobility that can serve as a guide for future academic research, policy reform, and broad conversations around social mobility. Taxonomies help make sense of the world, and social mobility is one area in desperate need of some clarity.

Social mobility, and the ability of people to successfully climb the income ladder, can be described as a life cycle with two stages. The first stage occurs before an individual enters the labor market. This stage is characterized by family environments and the growth and development of skills, including cognitive and soft skills. The second stage, which is often influenced by broader economic and institutional factors, occurs when an individual joins the labor market.

Perhaps the most influential paper in this field to date is the Becker-Tomes model of intergenerational mobility and human capital transmission. In their seminal 1979 publication,² the authors stress the vital role parents play in maximizing a multi-generational utility function where utility is based on consumption as well as the number and innate characteristics of children affected by their inherited traits, investment from the parents, and their surrounding environments. The essence of the work is that intragenerational mobility is influenced by parental income, the characteristics and skill sets of the parents, how well those characteristics can be inherited by or taught to their children, and the investments that parents make in their children's own human capital. These investments include not just financial resources but also time, effort, and degree of parental involvement.

Childhood development and environment matter not just for their own sake but for how they play into the second stage of the life cycle. Skills begets skills. In addition, labor market conditions influence parents' working years, which affects their ability to earn an income and provide for their children.

However, the labor market itself and the opportunities it generates for social mobility rely heavily on the environment and policies that lead to entrepreneurship and economic growth. This in particular is an understated and unappreciated aspect of the current debates around social mobility. At the same time, entrepreneurship and economic growth (as well as other formal and informal rules of our economy and society) need to be reinforced by strong institutions and the rule of law. This can easily be seen at the international level when we compare social mobility in developing versus developed countries. But there are certainly differences between US states that can also be highlighted. In selecting the indicators for this index, we considered how these institutions vary and work together to create a state's social mobility environment.

Artificial and natural barriers

Another way of looking at barriers to social mobility is to identify artificial versus natural barriers. Artificial barriers are imposed by an external authority and usually affect a class of people. Natural barriers, as their name suggests, occur naturally without any external imposition and typically exist on an individual level. Sometimes these barriers can overlap or influence one another, but if we are to take the problem of social mobility seriously and discuss the best ways to remove these barriers, we must consider both types.

Examples of externally imposed artificial barriers include occupational licensing requirements, restrictive landuse regulations, and burdensome tax policies that stifle the return on economic activity. All of these represent barriers to development and result in unintended consequences that create disincentives and higher transaction

	CHILDHOOD AND YOUTH	ADULTHOOD	
ARTIFICIAL BARRIERS Education quality, minimum wage, marriage penalty hindering family formation		Occupational licensing, competitive markets, regulation, taxes, rule of law, welfare dependency	
NATURAL Barriers	Out of wedlock births, lack of parental engagement, lack of unsupervised play time	Soft skills development, incarceration rates, addiction, discrimination	

 TABLE 1
 BARRIERS TO SOCIAL MOBILITY

costs in the labor market-both in the short and long run.

Natural barriers are those personal barriers that hinder an individual from pursuing a better and more fulfilling life. Some of the most significant natural barriers faced by individuals and families include exposure to major financial shocks resulting from lack of savings, growing up or living in an environment that provides few employment opportunities and fewer meaningful social connections that spur these opportunities, as well as troubles with substance abuse, physical or mental health issues, and unstable relationships.

These are the kinds of barriers that must be overcome on an individual level and are not likely to be solved (at least not in the long term) by top-down policy solutions. So, while there is certainly a role for the public and private sectors to play in helping individuals and families, the transformative effect of overcoming these natural barriers is likely to come from a context of personal agency, social support, and bottom-up solutions. Here, the roles of community, family, and local civic organizations are paramount.³

Taken together, this taxonomy can help frame various academic and policy conversations by clearly describing what stage we are in and what resources should be deployed to remove particular barriers. In addition, we hope this taxonomy will foster mutually reinforcing attitudes to tackle these challenges.

FOUR PILLARS OF SOCIAL MOBILITY

As stated above, a consensus is lacking on the main barriers and leading indicators of social mobility. While we briefly addressed the different types of barriers above, we now turn to some of the most robust indicators of mobility identified in the literature. In the sections that follow, we attempt to bridge silos in academic and policy conversations on the topic, as well as address holes in the existing literature.

This is by no means a comprehensive causal analysis of each indicator; it is simply an attempt to relate many of these indicators to social mobility that could then lead to more robust causal analysis. In the process, we think there is much room for improvement in compiling more original data for many of the indicators listed.

In our work, and based on the taxonomy we discussed in the previous section, we have identified four pillars of social mobility: Entrepreneurship and Growth; Institutions and Rule of Law; Education and Skills Development; and Social Capital.

Entrepreneurship and growth

The most obvious and sustainable way to climb the income ladder is through employment of some kind. The main source of income for most people in the United States is a job. So any meaningful discussion of social mobility must consider factors like economic development, job creation, entrepreneurship, business dynamism, and the labor market. Therefore, one important way to promote social mobility is to improve the climate for entrepreneurship, thereby creating more jobs and better opportunities for people at all levels. Entrepreneurship not only improves mobility for the owner of the firm but also its employees. We can increase entrepreneurship by decreasing barriers to entry and reducing the number of rules and regulations that make it harder to start and operate a businesses. This is especially important for people without a four-year college degree, as entrepreneurship provides an alternative avenue to earn a substantial living.

John Haltiwanger from the University of Maryland and Ufuk Akcigit from the University of Chicago are among the main researchers pointing to increased barriers to entrepreneurship as a leading cause of the United States's decline in business dynamism since the 1970s.

There is no prerequisite to social mobility more important than consistent and sustained economic growth. If we care about improving social mobility, in the words of Tyler Cowen from George Mason University, we need to have a "stubborn attachment" to economic growth.⁴ Economic growth is one of the main preconditions to economic mobility from a theoretical standpoint but also as a matter of empirical evidence.

In a recent survey,⁵ when asked what is the most important factor for higher social mobility, people answered: (1) economic growth and (2) strong labor markets. Education came in third with 24% support. Notably, eco-

TABLE 2 VARIABLES FOR ENTREPRENEURSHIP AND GROWTH PILLAR
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REGULATION	TAXES	BUSINESS DYNAMISM
 Occupational licensing State-level regulation stringency Minimum wage laws Residential land-use regulations 	 Corporate taxes Individual income taxes Sales taxes Property taxes Unemployment insurance taxes 	 Core startup rate Share of workers at firms less than five years old Growth in total firms Patents per 1,000 people Housing permits per 1,000 people Reallocation rate Labor force participation rate Migration rate

nomic growth and strong labor markets, both of which are included in our index, matter more to people looking to climb the income ladder than a low level of income inequality (6%) or a strong government safety net (5%). Additionally, 50% of people surveyed said that a job or employment is the best way to climb the income ladder, far above a college degree (16%), family and social support (15%), or a well-designed government assistance program (8%).

To capture the importance of economic growth for our index, we considered the primary factors that impact growth and how they might influence mobility. These included pro-growth policies like low taxation, sound institutions (discussed in the next section), less burdensome regulations, and high levels of innovation and business dynamism.

Additionally, taxes represent an important impediment to economic growth and mobility. More specifically, the Organization for Economic Cooperation and Development (OECD) published a paper⁶ that found that income taxes tend to hamper economic growth significantly more than other tax instruments. Decades ago, Brookings Institution scholar Arthur Okun showed how workers have the greatest opportunity to realize wage gains when the economy approaches full employment. Investment and economic growth are by far among the best mechanisms (if not *the* best) to boost employment, and, in turn, provide opportunities for workers to gain new skills, experience, and move up the income ladder. Those advocating for increased corporate taxes to combat income inequality must consider these direct tradeoffs.

For this index, we have identified several indicators relating to entrepreneurship and growth that can be compared across states and serve as a starting point for future discussion. In our taxonomy, most of these variables represent artificial barriers occurring during the second stage of the life cycle.

Institutions and rule of law

It is well documented that excluding individuals from access to stable political, economic, and legal institutions is detrimental to economic development. This point has been researched and confirmed by many leading scholars, such as James Robinson and Daron Acemoglu,⁷ as well as deceased economists Douglas North and Ronald Coase. Those insights are no less relevant when it comes to analyzing the issues of social mobility and income inequality. Every nation has some level of income inequality, but the reason for that inequality matters; inequalities resulting from disparities in effort and skill sets are vastly more tolerated than when inequalities are perceived to be a result of unfairness in the political system.

An international survey of sixty countries, conducted by the Archbridge Institute in 2017,⁸ confirms that most people believe it is more important to ensure everyone has a fair shot at pursuing mobility than it is to address income inequality. However, inequalities due to corruption, weak institutions, and cronyism are detrimental to societal stability and foster further social and economic exclusion of those at the bottom of the income ladder.

Some of our previous work⁹ shows the relationship between the rule of law and property rights protections, economic mobility, and income inequality. It shows that countries with better rule of law measures tend to have greater mobility and less inequality. Interestingly, the top performers in the rule of law ranking are Denmark, Finland, Norway, and Sweden, countries that are also according to the academic literature—the four countries that perform the best on measures of social mobility and income inequality.

PREDATORY STATE ACTION	JUDICIAL SYSTEM QUALITY
• Total fines and fees collected by local governments	• Access to justice
• Corruption perceptions	 Quality of state liability system
• Civil asset forfeiture	

TABLE 3 VARIABLES FOR INSTITUTIONS AND RULE OF LAW PILLAR

Sound institutions are clearly an important piece of this puzzle, and a key indicator of institutional health is low levels of corruption. In the latest edition of Transparency International's "Corruption Perceptions Index," the impact of corruption on inequality and social exclusion is clearly demonstrated. Transparency International's more recent study concludes that "corruption leads to an unequal distribution of power in society which, in turn, translates into an unequal distribution of wealth and opportunity." In our own analysis, a higher ranking on the Corruption Perceptions Index is related to higher levels of economic mobility and less income inequality (a lower Gini coefficient).

In recent work by Justin Callais and Vincent Geloso,¹⁰ social mobility is found to be improved by economic freedom as a whole, but particularly through the channel of legal system quality and the protection of property rights. Essentially, places with better legal systems have greater outcomes, and citizens are better able to take advantage of the educational opportunities provided to them. However, legal system quality is not only important for childhood learning but also lifelong learning and access to technology.

These pillars are critical to developing skills that can provide the types of opportunities necessary for wealth enhancement and life fulfillment. Furthermore, protecting property rights is correlated with better working conditions, likely due to the larger choice sets of employment opportunities granted to those in free countries.

Moreover, Callais and Geloso find that legal system quality and the protection of property rights are also associated with better social protection and more inclusive institutions. While the issue of causality is a key question that was not addressed here, there is a clear positive association between the rule of law and better overall conditions.

Other research by the authors finds that there are two channels in which institutional quality plays a role in intergenerational income mobility. The direct channel is one in which countries with poor institutions (such as insecure property rights) "lock the poor into their socioeconomic conditions." In places with judicial systems that marginalize those at the bottom, the poor have little to no opportunities to thrive. Economic activity and business opportunities are then only provided according to political connections and ability to work through a convoluted bureaucracy, instead of skills relating to providing consumers with goods and services that they demand. While this could hypothetically increase economic activity, this would be in an "unproductive manner," as termed by economist William Baumol.

However, there is also an indirect channel in which institutional quality increases mobility—economic growth. It is already well established that economic freedom and the protection of property rights increases economic growth. This increase in economic growth, even if not uniformly distributed throughout the society, still opens up a larger choice set of opportunities for the poor. In places with better protection of property rights and higher quality legal systems, one's earnings are less determined by the incomes of one's parents.

Other work has made similar links between institutions, mobility, and entrepreneurship. Christopher Boudreaux, an economist at Florida Atlantic University, examined the role that the rule of law has on intergenerational mobility and entrepreneurship. Using data from twenty-five OECD countries,¹¹ Boudreaux finds that mobility is higher in places with higher quality legal systems. He posits that entrepreneurship is one channel through which institutional quality can increase mobility. The institutional environment that allows entrepreneurs to take the risks associated with building a business and competing in the marketplace is an environment that can then allow for those at the bottom to generate wealth.

In our index, we include indicators that capture the importance of these institutions at the state level. Similar to the above section, most of these variables represent artificial barriers during the second stage of the life cycle, although they can also impact the early stages of a person's life.

Education and skills development

One of the areas that has received the most attention and research in this field is education and skills development. (When income mobility measures are not available due to lack of data, educational mobility is often used.) In this index, we focus on education as the primary way people build skills and become productive members of society. If labor markets and a job are the main way people climb the income ladder, then education is how people develop the necessary skills for employment. Most of the literature focuses on four-year degrees and even graduate education, but we believe there is much to learn by including community college and training in technical careers, as these types of education are also useful in helping people achieve mobility.

K–12 education is a major area of research that has increasingly been shown to relate to disadvantages in mobility. Moreover, educational mobility and educational quality are affected by the zip code in which people live. Some of the most recent research by Raj Chetty and his team at Opportunity Insights has shown how school quality and family structure, among five key variables, are correlated to greater levels of social mobility.¹²

Given that many public schools are funded by local property taxes, we can expect to see variation in funding based on parental/household income. So while we want to focus on the quality of schools and the education they provide, we also want to take into consideration a family's ability to choose where their children are educated regardless of geography, including the availability of charter schools, school choice programs, and homeschooling.

Postsecondary education represents an opportunity for people to develop cognitive and technical skills to participate more productively in the labor market. For our index, we want to capture access to postsecondary education, as well as university quality and the return on investment for students. When we want to measure intergenerational mobility, we measure income persistence between generations and how much parental income affects children. One of the earlier models of social mobility by Becker and Tomes, which we discussed above, explores the role of the family in building skills in children. The Becker-Tomes model focuses on how family life plays a crucial role in skills development.

Many inequalities can be observed early in life. Early childhood education and skills development starts at birth (or even before birth) and through the most crucial years of a child's life. In many cases, one of the most important features is parental engagement in their children's lives. The work of Nobel laureate and University of Chicago economist James Heckman is crucial to understanding these mechanisms and how they work through the channel of the family.¹³

Family structure and parental engagement play an important role in determining intergenerational mobility. Although work by Becker, Tomes, and Heckman has highlighted this fact for decades, it often fails to receive the same attention as other findings in the field. However, Melissa Kearney's recent book,14 The Two-Parent Privilege, has reignited some of these debates by demonstrating the importance of family structure on a number of life outcomes. In addition to the greater household income associated with two-parent households, two parents have more time to dedicate to their children, more psychological resources and stamina, and more complementary skills and innate characteristics that increase the parents' ability to raise their children and help them develop the skills and human capital they will need during their lifetimes.

Furthermore, differences at the neighborhood and city levels often reflect parents' abilities to self-sort into neighborhoods that provide better opportunities for their kids. This partially explains different levels of mobility across

EDUCATION QUALITY AND FREEDOM	PARENT ENGAGEMENT AND STABILITY	
 Test scores (NAEP results for 4th and 8th grade) School freedom University quality Community college graduation rates 	 Percent of parents that report reading to their child in the last week Parents' attendance at children's activities Frequency of family sharing a meal together Percent of births in the last year to unmarried women Share of households with single parents 	

 TABLE 4
 VARIABLES FOR EDUCATION AND SKILLS DEVELOPMENT PILLAR

neighborhoods.¹⁵ Overall, parental engagement, family structure, and stable families are critical for skills development, which is why we have included indicators for these items under the education and skills development pillar.

To measure a state's performance in this area, we consider formal education outcomes in childhood and postsecondary education, along with a measure of educational freedom. In addition, we measure parent engagement and stability, which are shown to impact children's economic and social outcomes at all stages of the life cycle. Within our taxonomy, these variables reflect both artificial and natural barriers.

Social capital

For our fourth and final pillar, we consider the importance of social capital in influencing social mobility. There has now been a vast literature on social capital from sociologist James Coleman,¹⁶ economist Glenn Loury,¹⁷ and political scientist Robert Putnam. More recently, the Joint Economic Committee developed a social capital project¹⁸ with research aimed at measuring and understanding the impact of social capital in our daily lives and for the success of local communities.

One issue with discussing social capital is variation in how it is defined. For our purposes, we incorporate some of the most important aspects identified by multidisciplinary experts in the field. At its simplest form, we take social capital as a measure of the networks of relationships held by people in society. It proxies for the ability of individuals to come together to achieve certain goals or to connect with one another. Areas with higher levels of social capital can be expected to have lower costs associated with engaging in productive transactions; in other words, they are able to coordinate more easily.

For this index, we broadly group social capital into two categories: 1) community and neighbors, and 2) charity. For community and neighbors, we wish to distinguish between different types of connectedness, some that are seen as "good" for mobility and others that can actually be harmful. Social capital that *bridges* groups that would not otherwise be connected is seen as good for mobility as it expands one's networks and allows for diverse groups to be connected. Chetty et al. (2022) finds this sort of social capital, which they refer to as "economic connectedness," to be the most important form of social capital for mobility. (For that reason, we include a state-wide measure of economic connectedness in this index.)

On the other hand, another type of *bonding* social capital is "clique-esque" and can be harmful for mobility.¹⁹ Since it is easier for those of a similar group to gather and organize, some may do so to gain political privilege and widen the inequalities between different groups. "Network cohesiveness" deals with bonding between groups that are already similar on many margins. While we do include some bonding measures, we do so with this potential in mind. For example, we include measures of the willingness of neighbors to do favors for each other, which speaks to the bonds they can form to achieve productive tasks; similarly, we capture community engagement through measures on the percentage of people who attend community events.²⁰

We then move on to charity, which we consider as another form of social capital as it captures the community's willingness to help each other in times of need. Charities and nonprofits provide a crucial arm of the independent sector by connecting and supporting people in local communities and complementing other welfare and government services. While we consider commonly used variables to measure charity-such as percent of those who volunteered, percent of those who gave a monetary donation in the last year, and the number of nonprofits and religious congregations-we also want to measure the ease in which one can operate and start a charity. In doing so, we capture the friendliness that states have to the community's abilities to start and operate charities, measured by charity regulations. In areas with more stringent charity regulations, people may be precluded from helping each other. Therefore, we capture both the citizens' willingness to donate and volunteer (as a proxy for community connectedness), as well as the barriers to operating a charitable organization.

The variables in this section differ from the sections above because they reflect both formal rules and institutions (artificial barriers) and individuals' behavior, which often relate to more natural barriers. Some of these measures may be less susceptible to public policy interventions, although they still matter for social mobility.

TABLE 5 | VARIABLES FOR SOCIAL CAPITAL PILLAR

COMMUNITY ACTIVITIES AND NEIGHBORS

 Community event attendance Member organizations per 1,000 people Percent of neighbors doing favors in last year Economic connectedness Obnations of \$25 or more Nonprofit organizations and religious congregations per 1,000 people Volunteerism Charity regulations 		
	 Member organizations per 1,000 people Percent of neighbors doing favors in last year 	 Nonprofit organizations and religious congregations per 1,000 people Volunteerism

STATE RANKINGS

Based on indicators compiled across these four pillars, we calculated a social mobility score for each US state. These scores were then translated into a national ranking. Higher scores represent greater social mobility and therefore a lower rank (1 is best, 50 is worst).

In the appendices, we include a profile for every state showing its breakdown across each pillar and highlighting some key findings. We also outline the methodology and the data sources used to measure each indicator and calculate a state's score. The goal of our analysis is to provide states with a more robust discussion about the barriers to social mobility in their state and to highlight opportunities for potential policy reforms.

CHARITY

TABLE 6 | STATE RANKINGS

SCORE	ORE STATE	
6.24	Utah	1
6.17	Minnesota	2
6.13	Montana	3
6.13	Delaware	4
6.12	Vermont	5
6.10	Wyoming	6
6.04	North Dakota	7
5.97	South Dakota	8
5.97	Nebraska	9
5.95	Alaska	10
5.91	New Hampshire	11
5.85	Iowa	12
5.84	Colorado	13
5.74	Wisconsin	14
5.70	Maine	15
5.67	Idaho	16
5.61	Oregon	17

SCORE	STATE	RANK
5.47	Connecticut	18
5.42	Washington	19
5.40	Kansas	20
5.23	Indiana	21
5.16	Missouri	22
5.16	North Carolina	23
5.16	Maryland	24
5.14	Massachusetts	25
4.96	Virginia	26
4.87	Oklahoma	27
4.86	Rhode Island	28
4.83	Hawaii	29
4.81	Michigan	30
4.78	Pennsylvania	31
4.69	Ohio	32
4.69	Tennessee	33
4.50	Florida	34

SCORE	STATE	RANK
4.50	Arizona	35
4.47	New Mexico	36
4.25	New Jersey	37
4.21	California	38
4.18	Nevada	39
4.17	Illinois	40
4.16	South Carolina	41
4.15	West Virginia	42
4.11	Kentucky	43
4.09	New York	44
4.05	Texas	45
3.98	Georgia	46
3.56	Alabama	47
3.51	Arkansas	48
3.30	Mississippi	49
3.09	Louisiana	50

*Numbers are rounded to the nearest hundredth.

COMPARISONS TO OTHER MEASURES

It is extremely difficult to assess causality in the field of social mobility as there are many complex and interdependent variables that come into play. However, in order to assess how closely related our index is to other key measures, we provide some simple scatter plot correlations between this index and other well-known sources.

First, we use Chetty et al.'s measures of income mobility. In **Figure 1**, we consider the relative mobility measure, which is the relationship between parent income mobility rank and child mobility rank. As such, lower scores correspond to greater income mobility, as this suggests that there is less persistence between parents and their children. (Note that the Chetty et al. mobility data is at the MSA-level; we converted their data into a state-level measure using a population-weighted average of the MSA mobility scores). We show that states with higher social mobility index scores have lower levels of income persistence. The r-squared from this figure is 0.21, showing that one-fifth of the variation in relative mobility can be explained by differences in the social mobility index. Similarly, in **Figure 2**, we consider the absolute mobility measure from Chetty et al., defined as the expected income rank of someone born in the 25th percentile. As such, higher scores correspond to greater levels of mobility. We find a strong and positive relationship between our index scores and absolute mobility. One-fourth of the variation in absolute mobility can be explained by differences in the social mobility index.

In **Figure 3**, we use the Census Data's measure of the poverty rate (averaged 2020–2022).²¹ The poverty rate "compares pre-tax cash income against a threshold that is set at three times the cost of a minimum food diet in 1963 and adjusted for family size." The rate is the percentage of people in the state that fall below this threshold and are considered below poverty level. We plot our index scores with the poverty rate and find a strong relationship; the r-squared is 0.56, which is quite high.



SOCIAL MOBILITY AND RELATIVE MOBILITY

FIGURE 1







Similarly, we use the Supplemental Poverty Measure (SPM) from the Census Bureau in **Figure 4**. This is defined as a measure that is "accounting for several government programs that are designed to assist low-income families but are not included in official poverty measure calculations." The SPM also accounts for geographic variation in housing expenses when calculating the poverty thresholds and includes federal and state taxes, work expenses, and medical expenses." Again, the relationship is quite strong: 54% of the variation in SPM can be explained by our index scores.

Finally, in **Figure 5** we consider the level of inequality in a state by looking at the percentage of total income that goes towards the top 10% of earners in a state. This data comes from a study by economist Mark Frank,²² and we use the state's measure as of 2018. This is reported in Figure 5, where we show that income inequality is much lower in areas with higher social mobility index scores; 23% of the variation in inequality is explained by our index scores.

FINAL THOUGHTS

With this index, we have sought to provide a framework on how to think about social mobility holistically. We hope that this effort serves to broaden the conversation and inspire further research. We will certainly seek to improve on this index in future editions based on newly available data and input from scholars in the field.

In these final thoughts, we are compelled to offer a few caveats. First, it is difficult to use our data (which is largely based on 2021 data points) to assess intergenerational mobility comparing generations. Much of the data we have compiled can be seen as influencing mobility in the future rather than in the past.

However, this highlights an interesting dynamic in the research where scholarship is more concerned with intergenerational mobility than intragenerational mobility. Intergenerational mobility compares past generations with future ones, while intragenerational mobility concerns itself with assessing how much an individual's income grows year after year. Intergenerational questions matter as the family plays a crucial role in skills development. But intragenerational measurements also matter after a certain age, mostly after people join the labor market. Whatever skills they have developed at a younger age will continue to develop through adulthood and in the marketplace, so it's important to assess how conditions affect people year to year. For this reason, we require more focus and tracking of intragenerational mobility data, which would be more actionable than what intergenerational data can provide us.

For our methodology, many variables and indicators were omitted due to a lack of proper data for all fifty states. For example, it would be valuable to have an assessment of the benefits cliff in all fifty states. These cliffs represent how people can become dependent on social welfare provision because of the way welfare programs are structured in the state. Other areas where we would like to see more data include soft skills measures, the impact of direct service providers, early childhood development, and parental engagement—some of which would likely require original survey data (or a more recurring data collection process) for all fifty states. Additionally, policies that might be important, like Utah's one-stop-shop for welfare services, are not easily replicated by other states, as current law requires obtaining a federal waiver to implement similar reforms.

The list can go on as social mobility is a complex and heterogeneous area of research. However, we are encouraged by the findings of the previous section, which show that our results correlate with the key existing measures of social mobility, inequality, and poverty.

Measurement of all of these variables can provide guideposts to highlight potential problems like stagnating or declining levels of social mobility or widening inequality gaps. But the main contribution of this index, we hope, will be to lead to robust discussion and development of more research and policy formulation that considers the root causes of upward social mobility. In turn, these efforts can support reforms that lift barriers to social mobility and human flourishing and enable opportunities for people to achieve their fullest human potential.



Utah ranks 1st in the United States for social mobility outlook.

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Regions in the South

social mobility.

have higher barriers to

The **Mountain** and **West North Central** regions have the most supportive environments for social mobility.



Louisiana ranks 50th in the United States for social mobility outlook.

State rankings for Social

Mobility in the 50 States

correlate closely with

other measures.



📕 <u>Alabama</u>

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ALABAMA'S 2023 SOCIAL MOBILITY RANKINGS

AREA / RANK			SUB-CATEGORY / RANK		
			• Regulation	30	
ılı	Entrepreneurship and Growth	37	• Taxes	38	
			• Business Dynamism	40	
4.	Institutions and	40	• Predatory State Action	42	
<u> </u>	Rule of Law	49	• Judicial System Quality	49	
7	Education and	4.6	• Education Quality and Freedom	41	
ų.	Skills Development	40	• Parent Engagement and Stability	44	
•		41	• Community Activities and Neighbors	44	
# 2/	Social Capital	41	• Charity	38	
	小 沦 ②	 Entrepreneurship and Growth Institutions and Rule of Law Education and 	Image: Image of LawEntrepreneurship and Growth37Image of Law49Image of Law49Image of Law46Image of Law46	Image: Social Capital 41 • Regulation • Taxes • Taxes • Business Dynamism • Taxes • Business Dynamism • Predatory State Action • Judicial System Quality • Education and • Skills Development • Social Capital • Community Activities and Neighbors • Community Activities • Community Act	

EAST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Alabama ranks 47th overall in the 2023 Social Mobility Index. Alabama scores in the lower half of states for all areas, and it is one of the 10 worst states for Institutions and Rule of Law (49th), Education and Skills Development (46th), and Social Capital (41st). Only Mississippi ranks worse (49th) in the East South Central region. To improve social mobility, Alabama should consider broad reforms.

Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

Alabama

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

ALASKA 🔍

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ALASKA'S 2023 SOCIAL MOBILITY RANKINGS

AREA / RANK		SUB-CATEGORY / RANK		
		• Regulation	3	
■ ■ ■ Entrepreneurship and Growth	7	• Taxes	4	
		• Business Dynamism	43	
Institutions and	10	• Predatory State Action	17	
Rule of Law	19	 Judicial System Quality 	19	
Education and	16	• Education Quality and Freedom	27	
Skills Development		• Parent Engagement and Stability	12	
• Casial Canital	10	• Community Activities and Neighbors	11	
Social Capital	12	• Charity	12	
	Entrepreneurship and Growth Institutions and Rule of Law Education and	 Institutions and Rule of Law Education and Skills Development Table Skills Development 	Image: Social Capital 12 • Regulation • Taxes • Business Dynamism • Taxes • Business Dynamism • Predatory State Action • Judicial System Quality • Education and • Social Capital • Community Activities and Neighbors	



Alaska ranks 10th overall in the 2023 Social Mobility Index, with the best score in the Pacific region. Alaska performs well in the areas of regulation (3rd) and taxes (4th). Alaska's worst-performing area is business dynamism, where it ranks 43rd. This shows that while Alaska's climate for entrepreneurship and growth is positive overall, there is room for improvement to further support social mobility.

Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

Alabama Alaska

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

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ARIZONA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
1			• Regulation	42
ANK	Entrepreneurship and Growth	15	• Taxes	14
TH			• Business Dynamism	7
	Institutions and	76	• Predatory State Action	35
	Rule of Law	36	 Judicial System Quality 	35
	Education and	17	• Education Quality and Freedom	3
	Skills Development		• Parent Engagement and Stability	33
	Social Capital	47	• Community Activities and Neighbors	50
		4/	• Charity	40

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Arizona ranks 35th overall in the 2023 Social Mobility Index, which is in the bottom half of the US and the Mountain region. It is one of the top 10 states for education quality and freedom (3rd) and business dynamism (7th). However, it performs poorly when it comes to Social Capital, where it scores last (50th) for community activities and neighbors and 40th for charity. Other areas for reform include regulation (42nd), predatory state action (35th), and judicial system quality (35th).

Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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ARKANSAS'S 2023 SOCIAL MOBILITY RANKINGS

AREA / RANK			SUB-CATEGORY / RANK		
			• Regulation	49	
.lı	Entrepreneurship and Growth	50	• Taxes	39	
			 Business Dynamism 	35	
Institutions and	47	• Predatory State Action	48		
/_	Rule of Law	4/	• Judicial System Quality	39	
Å	Education and Skills Development	47	• Education Quality and Freedom	43	
₩¥		4/	• Parent Engagement and Stability	47	
•	Secial Conital	77	 Community Activities and Neighbors 	38	
*	Social Capital	5/	• Charity	37	
	·lı <u>*</u> ©	Image: Entrepreneurship and Growth Image: Education and Education and Education and	 Entrepreneurship and Growth 50 Institutions and Rule of Law Education and Skills Development 47 	Image: Social Capital 50 • Regulation • Taxes • Business Dynamism • Business Dynamism • Predatory State Action • Judicial System Quality • Education and skills Development • Social Capital • Social Capita	

WEST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Arkansas ranks 48th overall in the 2023 Social Mobility Index, above only Mississippi and Louisiana. It ranks in the bottom half of states for all categories and in the worst 10 for regulation (49th), predatory state action (48th), parent engagement and stability (47th), and education quality and freedom (43rd). Overall, this suggests the need for comprehensive reforms to support social mobility.

Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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CALIFORNIA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	50
.S. RANK	Entrepreneurship and Growth	39	• Taxes	41
38TH			• Business Dynamism	8
	Institutions and	24	• Predatory State Action	15
	Rule of Law	24	 Judicial System Quality 	31
	Education and	33	• Education Quality and Freedom	30
SCORE	Skills Development		• Parent Engagement and Stability	32
4.21		46	• Community Activities and Neighbors	46
	Social Capital	46	• Charity	47



OT KEY FINDINGS

California ranks 38th overall in the 2023 Social Mobility Index. This is worse than all of its Pacific region peers but similar to the neighboring Nevada (39th). The bright spot for California is business dynamism, where it ranks 8th in the nation. In contrast, California scores in the bottom 10 for regulation (50th), charity (47th), community activities and neighbors (46th), and taxes (41st). To encourage greater social mobility, policymakers should look to boost Social Capital and Entrepreneurship and Growth in the state.

Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

COLORADO

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COLORADO'S 2023 SOCIAL MOBILITY RANKINGS

AREA / RANK			SUB-CATEGORY / RANK		
			• Regulation	20	
.lı	Entrepreneurship and Growth	9	• Taxes	35	
			 Business Dynamism 	4	
4	Institutions and	15	• Predatory State Action	18	
1	Rule of Law	15	 Judicial System Quality 	13	
Å	Education and	1	• Education Quality and Freedom	7	
ų.	Skills Development		• Parent Engagement and Stability	5	
•			• Community Activities and Neighbors	21	
∉∕	Social Capital	22	• Charity	24	
	·lı <u>*</u> ©	Entrepreneurship and Growth Institutions and Rule of Law Education and	 Institutions and Rule of Law Education and Skills Development Section 2010 	Image: Social Capital 9 • Regulation • Taxes • Taxes • Business Dynamism • Business Dynamism • Predatory State Action • Judicial System Quality • Education and Social Capital 22 • Community Activities and Neighbors	

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Colorado ranks 13th overall in the 2023 Social Mobility Index. Although in the top half of the nation, Colorado ranks in the middle of the Mountain region. It boasts top 10 scores in business dynamism (4th), parent engagement and stability (5th), and education quality and freedom (7th)—making it the best state in the nation for Education and Skills Development. However, Colorado ranks 35th for taxes and may consider ways to improve Social Capital, where it ranks 24th for charity and 21st for community activities and neighbors.

Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

Arizona

Arkansas California

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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CONNECTICUT'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	15
S. RANK	■■■ Entrepreneurship and Growth	32	• Taxes	49
8 th			• Business Dynamism	25
	4 Institutions and	-	• Predatory State Action	3
	Rule of Law	1	 Judicial System Quality 	2
\checkmark	Education and	32	• Education Quality and Freedom	44
CORE	Skills Development		• Parent Engagement and Stability	22
5.47			• Community Activities and Neighbors	28
	Social Capital	31	• Charity	31

NEW ENGLAND REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Connecticut ranks 18th overall in the 2023 Social Mobility Index. Although in the top half of states nationally, Connecticut is outperformed by many of its New England regional peers and neighbors. This is likely due to the state's uneven results. While it ranks 1st in the nation for Institutions and Rule of Law, it ranks in the bottom 10 states for taxes (49th) and education quality and freedom (44th). Policymakers looking to boost social mobility should examine reforms in these areas.

California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama

Arkansas

Alaska Arizona

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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OVERALL U.S. RANKING

Minnesota

Montana

Delaware

Vermont

Wyoming

CONNECTICUT'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	19
ılı	Entrepreneurship and Growth	2	• Taxes	5
			 Business Dynamism 	1
Institutions and Rule of Law	-	• Predatory State Action	22	
	Rule of Law	3	 Judicial System Quality 	1
Skills Develop	Education and	75	• Education Quality and Freedom	14
	Skills Development	35	• Parent Engagement and Stability	41
		16	• Community Activities and Neighbors	26
¢,	Social Capital	10	• Charity	8
	·lı <u>*</u> ©	 Entrepreneurship and Growth Institutions and Rule of Law Education and	 Institutions and Rule of Law Education and Skills Development 	Image: Social Capital 2 • Regulation • Taxes • Business Dynamism • Taxes • Business Dynamism • Predatory State Action • Judicial System Quality • Education and skills Development Social Capital 16

SOUTH ATLANTIC REGION



Delaware ranks 4th overall in the 2023 Social Mobility Index, with the best score in the South Atlantic region. It ranks first nationally for business dynamism and judicial system quality, in addition to ranking in the top 10 for taxes (5th) and charity (8th). Its worst-performing area is parent engagement and stability, where it ranks 41st. This suggests that while Delaware generally does a good job supporting social mobility, there are still areas where reforms should be considered.

Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

Arizona

Arkansas California

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

FLORIDA

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FLORIDA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	31
RANK	Entrepreneurship and Growth	5	• Taxes	2
4 TH			• Business Dynamism	10
•	Institutions and	40	• Predatory State Action	16
	Rule of Law	40	 Judicial System Quality 	48
\checkmark	Education and	10	• Education Quality and Freedom	1
.50	Skills Development	12	• Parent Engagement and Stability	42
		50	• Community Activities and Neighbors	45
	Social Capital	50	• Charity	50

SOUTH ATLANTIC REGION

OVERALL U.S. RANKING



VA 26

NC 23

SC 41

0

GA 46 DE 4

MD

24

FL 34

OT KEY FINDINGS

Florida ranks 34th overall in the 2023 Social Mobility Index. Its rank reflects an overall mixed result for policies that encourage social mobility. For example, Florida ranks best in the nation for education quality and freedom and 2nd for taxes, but it has the lowest national score for charity. Other low-performing areas include judicial system quality (48th), community activities and neighbors (45th), and parent engagement and stability (42nd).

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

GEORGIA

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GEORGIA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	7
лк Н	■■■ Entrepreneurship and Growth	10	• Taxes	30
			 Business Dynamism 	13
	Institutions and	40	• Predatory State Action	47
	Rule of Law	42	 Judicial System Quality 	32
	Education and	41	• Education Quality and Freedom	13
	Skills Development		• Parent Engagement and Stability	46
	Social Capital	49	• Community Activities and Neighbors	49
	Social Capital		• Charity	48
	Education and	41	 Education Quality and Freedom Parent Engagement and Stability Community Activities and Neighbors 	13 46 49

SOUTH ATLANTIC REGION



OVERALL U.S. RANKING



Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana Iowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska

Alabama Alaska

Georgia ranks 46th overall in the 2023 Social Mobility Index. As one of the lowest-scoring states in the nation, Georgia also

ranks at the bottom of the South Atlantic region. Bright spots for the state include regulation (7th), business dynamism

(13th), and education quality and freedom (13th). However, Georgia ranks in the bottom 10 states for community activities

and neighbors (49th), charity (48th), predatory state action (47th), and parent engagement and stability (46th). While

there are several areas policymakers could target for improvement, reform is especially needed to boost Social Capital.

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

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HAWAII'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK			SUB-CATEGORY / RANK	
				• Regulation	43
RANK	ılı	Entrepreneurship and Growth	48	• Taxes	29
g th				• Business Dynamism	49
	Institutions and Rule of Law	•	• Predatory State Action	23	
		Rule of Law	8	 Judicial System Quality 	4
	5	Education and	70	• Education Quality and Freedom	49
ERALL Core	₩¥	Skills Development	38	• Parent Engagement and Stability	21
.83	Social Capital		20	• Community Activities and Neighbors	18
		28	• Charity	39	



Hawaii ranks 29th overall in the 2023 Social Mobility Index. It performs especially well in judicial system quality, where it ranks 4th in the nation. However, it scores in the bottom 10 states for business dynamism (49th), education quality and freedom (49th), and regulation (43rd). To improve its score, Hawaii should target these and other areas for reform.

California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama

Arkansas

Alaska Arizona

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



IDAHO'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK		
u.s. rank 16™				• Regulation	12	
		repreneurship Growth	6	• Taxes	25	
				 Business Dynamism 	3	
	Inst	Institutions and	25	• Predatory State Action	21	
	Rule	e of Law	25	• Judicial System Quality	28	
	Edu	cation and	15	 Education Quality and Freedom 	33	
5.67	Skil	ls Development	15	• Parent Engagement and Stability	7	
		ial Capital	17	 Community Activities and Neighbors 	19	
	500	Social Capital	17	• Charity	17	

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Idaho ranks 16th overall in the 2023 Social Mobility Index. Although it ranks in the middle of the Mountain region, its scores are similar to neighbors Colorado (13th), Oregon (17th), and Washington (19th). Wyoming performs in the top 10 states for business dynamism (3rd) and parent engagement and stability (7th). Its worst-performing area is education quality and freedom, where it ranks 33rd. An area of possible improvement is Institutions and Rule of Law, where it ranks 28th for judicial system quality and 21st for predatory state action.

Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

ILLINOIS'S 2023 SOCIAL MOBILITY RANKINGS

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	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	32
RANK	Entrepreneurship and Growth	44	• Taxes	46
O TH			• Business Dynamism	39
	Institutions and	48	• Predatory State Action	49
	Rule of Law	40	• Judicial System Quality	37
erall ore 17	Education and	27	 Education Quality and Freedom 	12
	Skills Development		• Parent Engagement and Stability	34
	Social Capital	30	• Community Activities and Neighbors	30
		30	• Charity	29

EAST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Illinois ranks 40th overall in the 2023 Social Mobility Index, with the lowest score in the East North Central region. Education quality and freedom (12th) is the only area where Illinois scores in the top half of states. Moreover, it ranks in the bottom 10 for predatory state action (49th) and taxes (46th). While Illinois should consider improvements across the board, reforms are especially needed in the categories of Institutions and Rule of Law and Entrepreneurship and Growth.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

INDIANA'S 2023 SOCIAL MOBILITY RANKINGS

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	A	REA / RANK		SUB-CATEGORY / RANK	
!				• Regulation	6
ANK		preneurship rowth	14	• Taxes	8
ST				• Business Dynamism	31
	Instit	utions and	26	• Predatory State Action	13
	Rule of	of Law	26	• Judicial System Quality	36
ALL	Educa	ation and	23	• Education Quality and Freedom	5
RE	Skills	Development	23	• Parent Engagement and Stability	38
3	Social	Social Capital	21	• Community Activities and Neighbors	23
		Capitai	21	• Charity	21

EAST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Indiana ranks 21st overall in the 2023 Social Mobility Index. In the East North Central region, it scores below only Wisconsin (14th). Indiana ranks in the top 10 nationally for education quality and freedom (5th), regulation (6th), and taxes (8th). However, low scores in parent engagement and stability (38th), judicial system quality (36th), and business dynamism (31st) suggest room for broad improvements.

Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska IOWA

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IOWA'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
X				• Regulation	10
ANK		epreneurship Growth	33	• Taxes	42
TH				• Business Dynamism	42
	Insti	tutions and	16	• Predatory State Action	14
	Rule	of Law	10	 Judicial System Quality 	20
	Educ	cation and	6	• Education Quality and Freedom	6
	Skills	s Development	0	• Parent Engagement and Stability	15
35	Socie	al Capital	5	• Community Activities and Neighbors	10
		ai Capitai	3	• Charity	3

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Iowa ranks 12th overall in the 2023 Social Mobility Index. Despite being one of the top states in the nation, Iowa is outranked by several of its regional peers. It performs well in charity (3rd) and education quality and freedom (6th), but its worstperforming areas, taxes and business dynamism, rank 42nd in the nation. This suggests the key area for improvement is Entrepreneurship and Growth.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

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KANSAS'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK		
				• Regulation	2	
к		Entrepreneurship and Growth	13	• Taxes	28	
				 Business Dynamism 	30	
	1	Institutions and	37	• Predatory State Action	24	
	<u> </u>	Rule of Law	57	 Judicial System Quality 	43	
.L	*	Education and	10	• Education Quality and Freedom	24	
	بچ د	Skills Development	10	• Parent Engagement and Stability	9	
	•	Social Capital	15	• Community Activities and Neighbors	15	
	¢,	Social Capital	15	• Charity	15	

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Kansas ranks 20th overall in the 2023 Social Mobility Index. Although in the top half of states, Kansas is at the bottom of the West North Central region—above only Missouri (22nd). Kansas finds bright spots in regulation (2nd) and parent engagement and stability (9th). However, its worst-performing area, judicial system quality, ranks just 43rd in the nation. Other possible areas for improvement include business dynamism (30th) and taxes (28th).

Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama Alaska

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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KENTUCKY'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	23
		38	• Taxes	36
			 Business Dynamism 	47
4 . I	nstitutions and	41	• Predatory State Action	43
F I	Rule of Law	41	 Judicial System Quality 	38
	Education and	40	• Education Quality and Freedom	35
	skills Development	40	• Parent Engagement and Stability	35
•		75	• Community Activities and Neighbors	35
	social Capital	55	• Charity	34
			Image: Second system Image: Second system <td< td=""><td>Image: Social Capital 38 ^o Regulation ^o Taxes ^o Business Dynamism ^o Business Dynamism ^o Predatory State Action ^o Judicial System Quality ^o Education and Social Capital 38 ^o Predatory State Action ^o Judicial System Quality ^o Education and Skills Development 40 ^o Education Quality and Freedom ^o Parent Engagement and Stability ^o Community Activities and Neighbors ^o Community Activities and Neighbors</td></td<>	Image: Social Capital 38 ^o Regulation ^o Taxes ^o Business Dynamism ^o Business Dynamism ^o Predatory State Action ^o Judicial System Quality ^o Education and Social Capital 38 ^o Predatory State Action ^o Judicial System Quality ^o Education and Skills Development 40 ^o Education Quality and Freedom ^o Parent Engagement and Stability ^o Community Activities and Neighbors

EAST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Kentucky ranks 43rd overall in the 2023 Social Mobility Index. It is one of the 10 worst states in the nation, but it ranks in the middle of the East South Central region. Regulation (23rd) is the only area where Kentucky scores in the top half of states. Its worst-performing areas are business dynamism (47th) and predatory state action (43rd).

Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



LOUISIANA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
		29	• Regulation	17
U.S. RANK	Entrepreneurship and Growth		• Taxes	33
50 th			 Business Dynamism 	44
	Institutions and	50	• Predatory State Action	46
	Rule of Law	50	 Judicial System Quality 	50
	Education and	50	• Education Quality and Freedom	48
OVERALL SCORE	Skills Development	50	• Parent Engagement and Stability	49
3.09	Social Capital	44	• Community Activities and Neighbors	40
	Social Capital	44	• Charity	46

WEST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Louisiana ranks 50th overall in the 2023 Social Mobility Index, the lowest in the nation. Although Louisiana ranks 17th in regulation and 33rd in taxes, it scores in the bottom 10 states for nearly all other areas. It ranks last for Institutions and Rule of Law and Education and Skills Development. This suggests policymakers should consider broad and comprehensive reforms to improve social mobility in the state.

Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont

Virginia

Washington West Virginia Wisconsin Wyoming

Alabama

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



MAINE'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
		Entrepreneurship and Growth	40	• Regulation	36
U.S. RANK	ılı			• Taxes	37
15 ™				 Business Dynamism 	37
	.	Institutions and	5	• Predatory State Action	1
	<u></u>	Rule of Law	3	 Judicial System Quality 	23
	ā	Education and Skills Development	19	• Education Quality and Freedom	39
5.70	₩.			• Parent Engagement and Stability	8
	Social Capital		14	• Community Activities and Neighbors	14
		Social Capital		• Charity	16

NEW ENGLAND REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Maine ranks 15th overall in the 2023 Social Mobility Index, with a score in the middle of the New England region. It ranks best in the nation for predatory state action and 8th for parent engagement and stability. However, it does not fare as well when it comes to education quality and freedom (39th). Its lowest category is Entrepreneurship and Growth, suggesting reform efforts could focus on taxes (37th), business dynamism (37th), and regulation (36th).

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana

Maine

Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

The Archbridge Institute 34

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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MARYLAND'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
				• Regulation	37
.S. RANK	ılı	Entrepreneurship and Growth	41	• Taxes	43
24 TH				 Business Dynamism 	27
	4	Institutions and	•	• Predatory State Action	4
	/	Rule of Law	2	 Judicial System Quality 	5
\checkmark	A	Education and		• Education Quality and Freedom	46
SCORE	٩	Skills Development	44	• Parent Engagement and Stability	30
5.16	•		26	• Community Activities and Neighbors	25
		Social Capital	26	• Charity	27

SOUTH ATLANTIC REGION



Maryland ranks 24th overall in the 2023 Social Mobility Index. It boasts top 10 scores in predatory state action (4th) and judicial system quality (5th), making it one of the best states for Institutions and Rule of Law. However, it does not perform as well when it comes to education quality and freedom (46th) and taxes (43rd), both of which are among the bottom nationally. Policymakers seeking to improve social mobility could target these and other areas for reform.

Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

Alabama

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

MASSACHUSETTS'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	40
.S. RANK	Entrepreneurship and Growth	43	• Taxes	48
25 ™			• Business Dynamism	20
	Institutions and	17	• Predatory State Action	34
	Rule of Law	13	 Judicial System Quality 	3
\checkmark	Education and		• Education Quality and Freedom	32
SCORE	Skills Development	22	• Parent Engagement and Stability	17
5.14		~~	• Community Activities and Neighbors	17
	Social Capital	20	• Charity	25

NEW ENGLAND REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Massachusetts ranks 25th overall in the 2023 Social Mobility Index. While in the middle nationally, it ranks toward the bottom of the New England region—above only Rhode Island (28th). Massachusetts' best-performing area is judicial system quality (3rd). Its biggest areas for improvement include taxes (48th) and regulation (40th). These two areas contribute to Massachusetts' lowest category being Entrepreneurship and Growth, where it ranks 43rd in the nation.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming


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MICHIGAN'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
-	Entropyonourship		• Regulation	16
- 11	Entrepreneurship and Growth	25	• Taxes	21
			• Business Dynamism	32
4	Institutions and	07	• Predatory State Action	26
/_	Rule of Law	23	• Judicial System Quality	22
5	Education and	20	• Education Quality and Freedom	34
\mathbf{O}	Skills Development	29	• Parent Engagement and Stability	24
•		77	• Community Activities and Neighbors	32
	Social Capital	33	• Charity	42

EAST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Michigan ranks 30th overall in the 2023 Social Mobility Index. Its best-performing area is regulation, where it ranks 16th nationally. Its worst-performing area is charity (42nd), alongside low scores in education quality and freedom (34th), business dynamism (32nd), and community activities and neighbors (32nd). Broad reforms across all four categories should be examined to boost social mobility in the state.

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico

New York

North Carolina

North Dakota

Ohio

Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota

Tennessee Texas

Utah

Vermont

Virginia

Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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MINNESOTA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	33
5. RANK	■ Entrepreneurship and Growth	31	• Taxes	44
7 ND			• Business Dynamism	19
	4 Institutions and	-	• Predatory State Action	12
✓	Rule of Law	7	 Judicial System Quality 	6
	Education and	_	• Education Quality and Freedom	10
ERALL Core	Skills Development	3	• Parent Engagement and Stability	6
R.17		~	• Community Activities and Neighbors	7
J11/	Social Capital	6	• Charity	5

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Minnesota ranks 2nd overall in the 2023 Social Mobility Index, below only Utah in the nation. Minnesota's strong performance can be attributed to its high scores across the board for Education and Skills Development, Social Capital, and Institutions and Rule of Law. However, policymakers can further support social mobility by considering reforms in Entrepreneurship and Growth, where Minnesota ranks 44th in taxes, 33rd in regulation, and 19th in business dynamism.

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Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota

Ohio

Oklahoma

Tennessee Texas

Utah

Vermont

Virginia

Washington West Virginia Wisconsin Wyoming

Oregon Pennsylvania Rhode Island South Carolina South Dakota

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

MISSISSIPPI

MISSISSIPPI'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	28
u.s. rank 49TH	Entrepreneurship and Growth	42	• Taxes	22
			• Business Dynamism	48
	Institutions and	46	• Predatory State Action	33
overall score 3.30	Rule of Law	46	 Judicial System Quality 	47
	Education and	48	• Education Quality and Freedom	21
	Skills Development	40	• Parent Engagement and Stability	50
	Social Capital	45	• Community Activities and Neighbors	41
	Social Capital	45	• Charity	49

EAST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Mississippi ranks 49th overall in the 2023 Social Mobility Index, which is the second lowest in the nation and last in the East South Central region. Mississippi performs in the top half of states for only education quality and freedom (21st) and taxes (22nd); it ranks in the bottom 10 for parent engagement and stability (50th), charity (49th), business dynamism (48th), judicial system quality (47th), and community activities and neighbors (41st). As one of the worst-performing states in all categories, Mississippi should consider broad reforms to improve social mobility.

Alabama Alaska Arizona Arkansas California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota

Mississippi

Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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MISSOURI'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RA	ANK	SUB-CATEGORY / RANK	
1			• Regulation	9
ANK	Entrepreneur and Growth	rship 17	• Taxes	7
ND			 Business Dynamism 	36
	Institutions a	nd 20	• Predatory State Action	5
	Rule of Law	28	 Judicial System Quality 	45
ALL	Education an	^d . 24	 Education Quality and Freedom 	20
RE	Skills Development	pment 24	• Parent Engagement and Stability	26
6	Social Capital	19	• Community Activities and Neighbors	24
		19	• Charity	19

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Missouri ranks 22nd overall in the 2023 Social Mobility Index. Although in the top half of states nationally, Missouri has the lowest score in the West North Central region. It ranks in the top 10 states for predatory state action (5th), taxes (7th), and regulation (9th). Its worst-performing areas are judicial system quality (45th) and business dynamism (36th).

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri

Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

MONTANA

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MONTANA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	34
RANK	■ ■ Entrepreneurship and Growth	12	• Taxes	6
RD			• Business Dynamism	14
	4 Institutions and	10	• Predatory State Action	19
	Rule of Law	18	 Judicial System Quality 	16
\checkmark	Education and		• Education Quality and Freedom	40
ERALL ORE	Skills Development	14	• Parent Engagement and Stability	2
13		3	• Community Activities and Neighbors	3
	Social Capital		• Charity	1

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Montana ranks 3rd overall in the 2023 Social Mobility Index, with only Utah (1st) performing better in the Mountain region. Montana boasts several scores in the top 10, such as charity (1st), parent engagement and stability (2nd), community activities and neighbors (3rd), and taxes (6th). This makes Montana a national leader for Social Capital. However, there is room for improvement when it comes to education quality and freedom (40th) and regulation (34th) in the state.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri

Montana

Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

NEBRASKA

NEBRASKA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	14
U.S. RANK	Entrepreneurship and Growth	24	• Taxes	27
g th			• Business Dynamism	26
	Institutions and	11	• Predatory State Action	9
overall score	Rule of Law		 Judicial System Quality 	21
	Education and	18	 Education Quality and Freedom 	16
	Skills Development		• Parent Engagement and Stability	20
	Social Capital		• Community Activities and Neighbors	8
	Social Capital	4	• Charity	4

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Nebraska ranks 9th overall in the 2023 Social Mobility Index, falling just below several of its West North Central regional peers. Nebraska scores well across the board-including ranking 4th overall for Social Capital, boasting strong scores in charity (4th) and community activities and neighbors (8th). The only areas where Nebraska does not perform in the top half of the nation are business dynamism (26th) and taxes (27th), leading to a lower overall score in Entrepreneurship and Growth.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana

Nebraska

Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

NEVADA'S 2023 SOCIAL MOBILITY RANKINGS

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	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	26
RANK	Entrepreneurship and Growth	8	• Taxes	15
g th			• Business Dynamism	6
	4 Institutions and	70	• Predatory State Action	40
	Rule of Law	39	 Judicial System Quality 	40
\checkmark	Education and	70	• Education Quality and Freedom	4
ERALL ORE	Skills Development	39	• Parent Engagement and Stability	48
.18		48	• Community Activities and Neighbors	48
	Social Capital		• Charity	45

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Nevada ranks 39th overall in the 2023 Social Mobility Index. It performs especially well in education quality and freedom (4th) and business dynamism (6th). However, with the lowest overall score in the Mountain region, Nevada shows a need for improvement in many categories. Policymakers should consider reforms to boost Social Capital and Institutions and Rule of Law, where it ranks among the worst in the nation for all areas. Another possible area for reform is parent engagement and stability, where Nevada ranks 48th.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska

Nevada

New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

NEW HAMPSHIRE'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	8
NK	■■■ Entrepreneurship and Growth	16	• Taxes	17
ł			 Business Dynamism 	23
	Institutions and	20	• Predatory State Action	10
1	Rule of Law	20	 Judicial System Quality 	34
	Education and	7	• Education Quality and Freedom	15
	Skills Development		• Parent Engagement and Stability	10
	Social Capital	9	• Community Activities and Neighbors	4
	Social Capital	9	• Charity	11

NEW ENGLAND REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

New Hampshire ranks 11th overall in the 2023 Social Mobility Index, which is below only Vermont (5th) in the New England region. New Hampshire boasts top 10 rankings in community activities and neighbors (4th) and regulation (8th). Education and Skills Development and Social Capital are bright spots overall for the state. Its worst-performing area is judicial system quality (34th), the only area where it scores in the bottom half of states.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada

New Hampshire

New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming



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NEW JERSEY'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
				• Regulation	47
.S. RANK	.lı	Entrepreneurship and Growth	49	• Taxes	50
37™				• Business Dynamism	16
	4	Institutions and	71	• Predatory State Action	45
	//	Rule of Law	31	 Judicial System Quality 	15
	7	Education and Skills Development	26	• Education Quality and Freedom	25
SCORE	()			• Parent Engagement and Stability	27
4.25	•		76	• Community Activities and Neighbors	36
	∉∕	Social Capital	36	• Charity	41

MIDDLE ATLANTIC REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

New Jersey ranks 37th overall in the 2023 Social Mobility Index. Its best-performing areas are judicial system quality (15th) and business dynamism (16th). However, it performs in the bottom 10 states for taxes (50th), regulation (47th), predatory state action (45th), and charity (41st). To encourage social mobility, improvements should be considered for these and other areas.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire

New Jersey

New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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NEW MEXICO'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	38
S. RANK	Entrepreneurship and Growth	28	• Taxes	9
36 ™			• Business Dynamism	34
	4 Institutions and		• Predatory State Action	2
	Rule of Law	4	 Judicial System Quality 	12
\checkmark	Education and		• Education Quality and Freedom	50
VERALL SCORE	Skills Development	49	• Parent Engagement and Stability	43
4.47	•	47	• Community Activities and Neighbors	42
	Social Capital	43	• Charity	43

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

New Mexico ranks 36th overall in the 2023 Social Mobility Index. However, it is the second-worst state in the Mountain region, ahead of only Nevada (39th). New Mexico's scores reveal strengths in Institutions and Rule of Law, where it ranks 2nd for predatory state action and 12th for judicial system quality, and weaknesses in Social Capital and Education and Skills Development, where it ranks in the bottom 10 states for all areas. This suggests New Mexico should focus reform efforts in these areas to better support social mobility.

Alabama Alaska Arizona Arkansas California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico

New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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NEW YORK'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	41
.lı	Entrepreneurship and Growth	45	• Taxes	47
			• Business Dynamism	29
4.	Institutions and	7.4	• Predatory State Action	50
<u> </u>	Rule of Law	54	 Judicial System Quality 	9
*	Education and	77	• Education Quality and Freedom	36
ų.	Skills Development	57	• Parent Engagement and Stability	28
•		40	• Community Activities and Neighbors	33
~ /	Social Capital	40	• Charity	44
	·II 2 (2) 2	 Entrepreneurship and Growth Institutions and Rule of Law Education and 	Image: Second system Entrepreneurship and Growth 45 Image: Second system Image: Second system 34 Image: Second system Education and skills Development 37	Image: Social CapitalA15• Regulation • Taxes • Business Dynamism45• Regulation • Taxes • Business Dynamism***********************************

MIDDLE ATLANTIC REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

New York ranks 44th overall in the 2023 Social Mobility Index. As one of the lowest-scoring states in the nation, New York ranks last in the Middle Atlantic region and below its neighbors. It scores in the bottom 10 for predatory state action (50th), taxes (47th), charity (44th), and regulation (41st). Although it ranks 9th overall for judicial system quality, all other areas should be examined for possible public policy reforms.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina

North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

NORTH CAROLINA'S 2023 SOCIAL MOBILITY RANKINGS

SUB-CATEGORY / RANK	
• Regulation	22
• Taxes	11
• Business Dynamism	21
• Predatory State Action	6
 Judicial System Quality 	27
• Education Quality and Freedom	26
• Parent Engagement and Stability	31
• Community Activities and Neighbors	34
• Charity	26
	 Regulation Taxes Business Dynamism Predatory State Action Judicial System Quality Education Quality and Freedom Parent Engagement and Stability Community Activities and Neighbors

SOUTH ATLANTIC REGION



OVERALL U.S. RANKING



North Carolina ranks 23rd overall in the 2023 Social Mobility Index. It scores below only Delaware (4th) in the South Atlantic region. North Carolina performs well in predatory state action (6th) and taxes (11th), while it shows room for improvement in the areas of community activities and neighbors (34th) and parent engagement and stability (31st), among others.

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina

North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

NORTH DAKOTA

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

NORTH DAKOTA'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
				• Regulation	4
.S. RANK		Entrepreneurship and Growth	11	• Taxes	13
7 TH				• Business Dynamism	28
	4	Institutions and	30	• Predatory State Action	32
	<u> </u>	Rule of Law	30	• Judicial System Quality	26
	1	Education and	11	• Education Quality and Freedom	22
SCORE	٩	Skills Development	11	• Parent Engagement and Stability	11
6.04	Social Capital	Secial Conital	1	• Community Activities and Neighbors	2
		1	• Charity	2	

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

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North Dakota ranks 7th overall in the 2023 Social Mobility Index. Its West North Central regional peers rank similarly well, including neighbors Minnesota (2nd) and South Dakota (8th). North Dakota ranks best in the nation for Social Capital, with strong scores in community activities and neighbors and charity. Another bright spot is regulation, were North Dakota ranks 4th. However, the state should examine reforms to improve predatory state action (32nd), business dynamism, (28th), judicial system quality (26th) and education quality and freedom (22nd).

Alabama Alaska Arizona Arkansas California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota

Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming



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OHIO'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
!				• Regulation	39
ANK	ılı	Entrepreneurship and Growth	36	• Taxes	20
ND				• Business Dynamism	38
	1	Institutions and	32	• Predatory State Action	36
	~	Rule of Law	32	• Judicial System Quality	29
	Educ	Education and	25	• Education Quality and Freedom	11
E	٩	Skills Development	25	• Parent Engagement and Stability	36
]	•	Social Capital	23	• Community Activities and Neighbors	29
		Social Capital	23	• Charity	20

EAST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Ohio ranks 32nd overall in the 2023 Social Mobility Index. It performs well in education quality and freedom (11th), while its worst-scoring areas include business dynamism (38th), predatory state action (36th), and parent engagement and stability (36th). As one of the lowest ranked states in the East North Central region—above only Illinois (40th)—Ohio has room for improvement across the board to promote social mobility.

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota

Ohio

Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

OKLAHOMA

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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

OKLAHOMA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	29
RANK	Entrepreneurship and Growth	22	• Taxes	12
711			• Business Dynamism	22
	Institutions and	20	• Predatory State Action	39
	Rule of Law	29	• Judicial System Quality	18
	Education and	71	• Education Quality and Freedom	19
ERALL Core	Skills Development	31	• Parent Engagement and Stability	39
.87	• Cogiel Copital	27	• Community Activities and Neighbors	31
	Social Capital	27	• Charity	22

WEST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



KEY FINDINGS От

Oklahoma ranks 27th overall in the 2023 Social Mobility Index, with the best score in the West South Central Region. Oklahoma's best-performing area is taxes, where it ranks 12th in the nation. Its worst-performing areas are predatory state action and parent engagement and stability, both of which rank 39th. Overall, Oklahoma shows some mixed results with room for improvement in many areas.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma

Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming



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AK + HI have been moved to

represent the entire region visually

OREGON'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	48
S. RANK	Entrepreneurship and Growth	30	• Taxes	16
17 TH			• Business Dynamism	15
	4 Institutions and	10	• Predatory State Action	11
	Rule of Law	10	 Judicial System Quality 	11
verall score 5.61	Education and	28	• Education Quality and Freedom	47
	Skills Development		• Parent Engagement and Stability	14
			• Community Activities and Neighbors	12
	Social Capital 1	10	• Charity	9



CA 38

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OVERALL U.S. RANKING



OT KEY FINDINGS

Oregon ranks 17th overall in the 2023 Social Mobility Index. It has the second-best score in the Pacific region, behind only Alaska. Oregon performs in the top half of states for most areas, including its highest-scoring area of charity (9th). However, Oregon ranks in the bottom five for both regulation (48th) and education quality and freedom (47th).

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon

Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

PENNSYLVANIA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	21
ılı	Entrepreneurship and Growth	34	• Taxes	31
			• Business Dynamism	41
4.	Institutions and	75	• Predatory State Action	38
Rule of Law	33	 Judicial System Quality 	33	
Education and	Education and	20	• Education Quality and Freedom	17
¥	Skills Development	20	• Parent Engagement and Stability	23
•		24	• Community Activities and Neighbors	22
Social Capital	24	• Charity	28	
	・II 冬 ②	 Entrepreneurship and Growth Institutions and Rule of Law Education and	Image: Second state of the second s	Image: Social Capital 24 • Regulation • Taxes • Business Dynamism • Business Dynamism • Business Dynamism • Predatory State Action • Judicial System Quality • Education and Social Capital • Social Capital • Community Activities and Neighbors

MIDDLE ATLANTIC REGION



OVERALL U.S. RANKING



KEY FINDINGS От

Pennsylvania ranks 31st overall in the 2023 Social Mobility Index. Although in the bottom half of states nationally, Pennsylvania has the best score in the Middle Atlantic region. Its best-performing area is education quality and freedom, where it ranks 17th. It performs below average in business dynamism (41st), predatory state action (38th), judicial system quality (33rd), and taxes (31st), among others. This suggests there is room for across the board improvements to better support social mobility.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island

South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

RHODE ISLAND'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
N			• Regulation	45
RANK	Entrepreneurship and Growth	46	• Taxes	40
8 th			• Business Dynamism	46
	4 Institutions and	27	• Predatory State Action	29
	Rule of Law	27	• Judicial System Quality	24
	Education and	47	• Education Quality and Freedom	45
RALL ORE	Skills Development	43	• Parent Engagement and Stability	29
.86		13	• Community Activities and Neighbors	9
	Social Capital		• Charity	13

NEW ENGLAND REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Rhode Island ranks 28th overall in the 2023 Social Mobility Index. However, it has the lowest score in the New England region. Rhode Island performs well in Social Capital, where it scores 9th for community activities and neighbors and 13th for charity. To improve social mobility, the state should consider improvements in business dynamism (46th), regulation (45th), education quality and freedom (45th), and taxes (40th).

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas

Utah

Vermont

Virginia

Washington West Virginia Wisconsin Wyoming



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

SOUTH CAROLINA'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK	
				• Regulation	18
S. RANK	ılı	Entrepreneurship and Growth	18	• Taxes	34
41 ST				• Business Dynamism	12
	4	Institutions and		• Predatory State Action	41
	Rule of Law	Rule of Law	44	 Judicial System Quality 	44
	Education and	45	• Education Quality and Freedom	38	
VERALL SCORE	٩	Skills Development	45	• Parent Engagement and Stability	40
4.16	Social Capital		70	• Community Activities and Neighbors	39
		38	• Charity	33	

SOUTH ATLANTIC REGION

VA 26

SC 41

FL 34

GA 46 DE 4

MD

OVERALL U.S. RANKING



OT KEY FINDINGS

South Carolina ranks 41st overall in the 2023 Social Mobility Index. As one of the lowest-scoring states in the nation, South Carolina shows a need for improvements across all four categories. Its best-performing areas are business dynamism (12th) and regulation (18th). For all other areas, South Carolina ranks in the bottom half of states, including judicial system quality (44th) and predatory state action (41st). To improve social mobility, policymakers should consider a variety of reforms targeted at multiple areas.

Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee

Texas

Utah

Vermont

Virginia

Washington

West Virginia Wisconsin Wyoming

Alabama

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SOUTH DAKOTA

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

SOUTH DAKOTA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	5
S. RANK	Entrepreneurship and Growth	3	• Taxes	3
8 TH			• Business Dynamism	17
	4 Institutions and	70	• Predatory State Action	30
	Rule of Law	38	• Judicial System Quality	41
\checkmark	Education and	2	• Education Quality and Freedom	2
VERALL SCORE	Skills Development	2	• Parent Engagement and Stability	19
5.97		-	• Community Activities and Neighbors	5
	Social Capital	/	• Charity	10

WEST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

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South Dakota ranks 8th overall in the 2023 Social Mobility Index. In the West North Central region, it is behind only Minnesota (2nd) and North Dakota (7th), while being just ahead of Nebraska (9th). South Dakota ranks in the top 10 for Education and Skills Development, Entrepreneurship and Growth, and Social Capital, boasting strong scores across several areas. However, there is room for improvement in Institutions and Rule of Law, where South Dakota ranks 41st for judicial system quality and 30th for predatory state action. Policymakers looking to further support social mobility should consider reforms to these areas.

Alaska Arizona Arkansas California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota

Alabama

Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

TENNESSEE

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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

TENNESSEE'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
X			• Regulation	24
RANK	■■■ Entrepreneurship and Growth	21	• Taxes	19
RD			• Business Dynamism	18
	Institutions and	-01	• Predatory State Action	28
	Rule of Law	21	 Judicial System Quality 	14
	Education and	76	• Education Quality and Freedom	28
RALL ORE	Skills Development	36	• Parent Engagement and Stability	37
69	• Casial Capital	39	• Community Activities and Neighbors	43
	Social Capital	39	• Charity	30

EAST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Tennessee ranks 33rd overall in the 2023 Social Mobility Index, with the best score in the East South Central region. Tennessee's best-performing areas are judicial system quality (14th), business dynamism (18th), and taxes (19th), while its worst-performing areas are community activities and neighbors (43rd) and parent engagement and stability (37th). There is room for Tennessee to make improvements in all categories to encourage social mobility.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee

Texas Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming



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TEXAS'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
X			• Regulation	44
RANK	Entrepreneurship and Growth	19	• Taxes	24
TH			 Business Dynamism 	5
	Institutions and	45	• Predatory State Action	44
	Rule of Law	45	 Judicial System Quality 	42
	Education and	40	• Education Quality and Freedom	23
RALL DRE	Skills Development	42	• Parent Engagement and Stability	45
05	Social Capital	40	• Community Activities and Neighbors	47
	Social Capital	42	• Charity	36

WEST SOUTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Texas ranks 45th overall in the 2023 Social Mobility Index. One bright spot for the state is business dynamism, where it ranks 5th in the nation. However, as one of the lowest-scoring states, Texas should look for improvements in all categories. It performs in the bottom 10 for community activities and neighbors (47th), parent engagement and stability (45th), regulation (44th), predatory state action (44th), and judicial system quality (42nd)-all of which could be targeted for policy reform.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas

Utah Vermont Virginia Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

UTAH

UTAH'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	27
U.S. RANK	Entrepreneurship and Growth	4	• Taxes	10
ST			• Business Dynamism	2
•	Institutions and	17	• Predatory State Action	27
	Rule of Law	17	 Judicial System Quality 	10
	Education and	5	• Education Quality and Freedom	29
6.24	Skills Development		• Parent Engagement and Stability	3
	Secial Conital	8	• Community Activities and Neighbors	13
	Social Capital		• Charity	6

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Utah ranks 1st overall in the 2023 Social Mobility Index, the best in the nation. Utah performs well in several key areas, including business dynamism (2nd), parent engagement and stability (3rd), and charity (6th). However, Utah could further support social mobility by addressing its lower scores for education quality and freedom (29th) and predatory state action (27th), both of which rank in the bottom half of the nation.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah

Vermont Virginia Washington West Virginia Wisconsin Wyoming



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VERMONT'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
X			• Regulation	11
RANK	■■■ Entrepreneurship and Growth	35	• Taxes	45
TH			• Business Dynamism	45
	A Institutions and	•	• Predatory State Action	8
	Rule of Law	9	 Judicial System Quality 	17
	Education and	•	• Education Quality and Freedom	42
RALL ORE	Skills Development	9	• Parent Engagement and Stability	1
.12		2	• Community Activities and Neighbors	1
	Social Capital		• Charity	7

NEW ENGLAND REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Vermont ranks 5th overall in the 2023 Social Mobility Index, with the best score in the New England region. Vermont scores best in the nation for community activities and neighbors and parent engagement and stability. Other bright spots include charity (7th) and predatory state action (8th). However, Vermont ranks in the bottom 10 states for taxes (45th), business dynamism (45th), and education quality and freedom (42nd), suggesting there is still room for reform.

Alabama Alaska Arizona Arkansas California Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia

Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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VIRGINIA'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
rank GTH			• Regulation	13
	Entrepreneurship and Growth	23	• Taxes	32
			• Business Dynamism	24
	Institutions and	22	• Predatory State Action	20
	Rule of Law	22	 Judicial System Quality 	20 25 31
RALL ORE 96	Education and	• Education Quality and Freedom	31	
	Skills Development	21	• Parent Engagement and Stability	16
	• Conicl Conitel	74	• Community Activities and Neighbors	37
	Social Capital	34	• Charity	32

SOUTH ATLANTIC REGION





Virginia ranks 26th overall in the 2023 Social Mobility Index. While it scores in the middle of the pack for most areas, it ranks 13th for regulation and 16th for parent engagement and stability. Areas for improvement include community activities and neighbors (37th), charity (32nd), taxes (32nd), and education quality and freedom (31st).

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont

Virginia

Washington West Virginia Wisconsin Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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WASHINGTON'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	46
ılı			• Taxes	46 23 9 25 7 9
			 Business Dynamism 	9
4	Institutions and		• Predatory State Action	25
	Rule of Law	14	• Judicial System Quality	7
Education and Skills Development	•	• Education Quality and Freedom	9	
	Skills Development	8	• Parent Engagement and Stability	
Social Capital	0 F	• Community Activities and Neighbors	27	
	25	• Charity	23	
	<u>*</u>	 Image: Entrepreneurship and Growth Institutions and Rule of Law Education and Skills Development 	 Institutions and Rule of Law Education and Skills Development 	Image: Social Capital 26 • Regulation • Taxes • Business Dynamism • Taxes • Business Dynamism • Predatory State Action • Judicial System Quality • Judicial System Quality • Education and skills Development 8 • Education Quality and Freedom • Parent Engagement and Stability • Community Activities and Neighbors • Community Activities and Neighbors



Washington ranks 19th overall in the 2023 Social Mobility Index. Its score sits in the middle of the Pacific region states, representing the mixed nature of its results. For example, Washington performs in the top 10 for judicial system quality (7th), business dynamism (9th), and education quality and freedom (9th). However, its worst-performing area, regulation, ranks 46th in the nation. One possible category for improvement is Social Capital, where Washington ranks 27th for community activities and neighbors and 23rd for charity.

Alaska Arizona Arkansas California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia

Wisconsin Wyoming

Alabama

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



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RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

OVERALL U.S. RANKING

WEST VIRGINIA'S 2023 SOCIAL MOBILITY RANKINGS

AREA / RANK		SUB-CATEGORY / RANK	
		• Regulation	35
Entrepreneurship and Growth	47	• Taxes	18
		 Business Dynamism 	50
A Institutions and	43	• Predatory State Action	31
Rule of Law		 Judicial System Quality 	46
Education and	- 4	• Education Quality and Freedom	37
Skills Development	34	• Parent Engagement and Stability	37 25
	20	• Community Activities and Neighbors	20
Social Capital	29	• Charity	35
	 Entrepreneurship and Growth Institutions and Rule of Law Education and	 Institutions and Rule of Law Education and Skills Development A7 	Image: Social Capital 47 • Regulation • Taxes • Business Dynamism • Taxes • Business Dynamism • Predatory State Action • Judicial System Quality • Education and Social Capital • Social Capital • Community Activities and Neighbors

SOUTH ATLANTIC REGION

Illinois 40 - DE 4 41 South Carolina VA 26 MD West Virginia NC 23 43 Kentucky SC 41 New York 44 GA 46 FL 34 OT KEY FINDINGS

West Virginia ranks 42nd overall in the 2023 Social Mobility Index. With one of the lowest scores in the nation, West Virginia ranks below all of its South Atlantic regional peers except Georgia (46th). Its best-performing areas are taxes (18th) and community activities and neighbors (20th), while its worst include judicial system quality (46th) and business dynamism, where it ranks last in the country. Policymakers looking to improve social mobility in the state should examine broad reforms across all four categories.

Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

Alabama



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WISCONSIN'S 2023 SOCIAL MOBILITY RANKINGS

		AREA / RANK		SUB-CATEGORY / RANK		
				• Regulation	25	
.S. RANK	ılı	Entrepreneurship and Growth	27	• Taxes	26	
14 TH				• Business Dynamism	33	
	4	Institutions and	~	• Predatory State Action	7	
	R	Rule of Law	6	• Judicial System Quality		
\mathbf{i}	Education and Skills Development	17	• Education Quality and Freedom	8		
SCORE		Skills Development	13	• Parent Engagement and Stability	18	
5.74	Social Capital	Secial Conital	10	• Community Activities and Neighbors	s 16	
		18	• Charity	18		

EAST NORTH CENTRAL REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Wisconsin ranks 14th overall in the 2023 Social Mobility Index, with the best score in the East North Central region. Wisconsin boasts top 10 scores nationally in predatory state action (7th), judicial system quality (8th), and education quality and freedom (8th). Its worst-performing areas are business dynamism (33rd), taxes (26th), and regulation (25th). This suggests reform efforts should focus on improving Entrepreneurship and Growth in the state.

Alabama Alaska Arizona Arkansas Colorado Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Wyoming

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst

WYOMING

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WYOMING'S 2023 SOCIAL MOBILITY RANKINGS

	AREA / RANK		SUB-CATEGORY / RANK	
			• Regulation	1
ılı	Entrepreneurship and Growth	1	• Taxes	1
			• Business Dynamism	11
12	Institutions and	77	• Predatory State Action	37
	Rule of Law	33	• Judicial System Quality	30
٢	Education and		• Education Quality and Freedom	•••••
	Skills Development	4	• Parent Engagement and Stability	4
•		11	• Community Activities and Neighbors	6
~	Social Capital		• Charity	14
	·II 冬 ③	 Entrepreneurship and Growth Institutions and Rule of Law Education and	 Entrepreneurship and Growth Institutions and Rule of Law Education and Skills Development 	Image: Social Capital 1 • Regulation • Taxes • Taxes • Business Dynamism • Business Dynamism • Predatory State Action • Judicial System Quality • Education and skills Development • Parent Engagement and Stability • Community Activities and Neighbors

MOUNTAIN REGION



OVERALL U.S. RANKING



OT KEY FINDINGS

Wyoming ranks 6th overall in the 2023 Social Mobility Index. While it is bested by Utah (1st) and Montana (3rd), Wyoming outperforms all other Mountain region peers and neighboring states. It does this partially by being best in the nation for Entrepreneurship and Growth, where it scores 1st for regulation and taxes and 11th for business dynamism. Other bright spots include parent engagement and stability (4th) and community activities and neighbors (6th). However, Wyoming should consider addressing Institutions and Rule of Law, where it ranks 37th for predatory state action and 30th for judicial system quality.

Alaska Arizona Arkansas California Connecticut Delaware Florida Georgia Hawaii Idaho Illinois Indiana lowa Kansas Kentucky Louisiana Maine Maryland Massachusetts Michigan Minnesota Mississippi Missouri Montana Nebraska Nevada New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Oklahoma Oregon Pennsylvania Rhode Island South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington West Virginia Wisconsin

Alabama

RANK: 1=best; 50=worst | SCORE: 10=best; 0=worst



We scale all of the raw variables into 0-10 indices, with higher scores indicating higher levels of social mobility. We largely group each variable into two categories: "bad" variables, where larger numbers in the raw data correspond to worse mobility; and "good" variables, where larger numbers in the raw data correspond to better mobility.

If a "bad" variable (larger number corresponds to worse mobility), then the index for state "x" is determined by:

 $[(\text{Score}_{\text{max}} - \text{Score}_{x})/(\text{Score}_{\text{max}} - \text{Score}_{\text{min}})]*10$

If a "good" variable (larger number corresponds to better mobility), then the index for state "x" is determined by:

 $[(\text{Score}_{\min} - \text{Score}_{x})/(\text{Score}_{\min} - \text{Score}_{\max})]^*10$

Unless otherwise noted, the scores are used as one of the above. We label each variable in the section below as a good or bad variable.

II AREA 1 ENTREPRENEURSHIP AND GROWTH

Here, we consider the environment for entrepreneurship and economic growth. As such, we include variables that are either policy considerations that determine entrepreneurship rates, the overall entrepreneurial climate, or both. We know that entrepreneurship is one major way in which people can improve their own mobility. However, societal economic growth can accomplish the same thing. When an area experiences economic growth, it typically increases across the income distribution, raising standards of living for all. This is especially seen through market institutions.²³ In fact, entrepreneurship has been found to be one of the main drivers of economic growth.

For Area 1, we measure the *regulatory environment*, *tax environment*, and *business dynamism*.



REGULATORY ENVIRONMENT

The regulatory environment is measured using data sources for four sub-components: occupational licensing, state-level regulation stringency, minimum wage laws, and residential land-use regulation.

Occupational licensing (number of barriers and licenses)

Occupational licensing scores come from the Archbridge Institute's "State Occupational Licensing Index" (2023). They consider both occupational licensing barriers (the number of tasks associated with receiving a license) and the total number of licenses (out of 345 occupations) that a state places on its citizens. According to the report, "Licensing requirement is anything beyond a registration fee that is not voluntary. Licensing requirements include required education or degrees, exams, apprenticeships, required experience or on-the-job training, and continuing education requirements." Here, higher scores mean more burdens and therefore lower mobility. We simply invert the index (10 minus the score) so the higher score corresponds to higher levels of mobility.

State-level regulation stringency

Our second sub-component considers the stringency of regulations that states impose upon themselves. This data is retrieved from the Mercatus Center's QuantGov. The regulation variable is the "Total number of restrictions (sum of the number of times the words <shall, must, may not, required, prohibited> show up in the regulatory text) imposed by regulations for the period in the jurisdiction." For most states, this data is available for 2021. However, for seven states, data is available in 2022 but not 2021: Alaska, Connecticut, Hawaii, Louisiana, New Jersey, Utah, and Vermont. We use the 2022 data in those cases. In Arkansas, no state-level regulation data is provided in those years, so we do not include it. Here, higher scores correspond to a more restrictive regulatory environment, harming mobility. Therefore, we use the bad variable scaling as outlined in the methodology.

Minimum wage laws

For this index, minimum wage laws reflect restrictions on hiring. This data comes from the Fraser Institute's "Economic Freedom of North America Index." As stated in the report, "This component was calculated as minimum wage multiplied by 2,080, which is the full-time equivalent measure of work hours per year (52 weeks multiplied by 40 hours per week) as a percentage of per-capita income." This is done to consider the fact that an equal minimum wage law is more restrictive in a low incomestate like Mississippi than a high-income one like Texas. For states that do not have their own minimum wage laws, the federal rate of \$7.25/hour is used. We use their 2022 annual report, which has data for 2020, the most recent year. We scale the 0-10 score by using the good variable scaling as outlined in the methodology, as the score is already scaled in such a way where higher scores indicate greater levels of freedom.

Residential land-use regulation

Land-use regulations make housing less affordable for citizens, hindering potential mobility. We follow the Cato Institute's "Freedom in the 50 States" and include a measure of land-use regulation. We consider the "Wharton Residential Land Use Regulation Index," which has compiled responses from a national survey of residential land use regulations in over 26,000 communities. The raw data is collected from the Cato Institute's 2021 annual report, which has data for 2019. Here, higher scores are again more restrictive to mobility. Therefore, we use the bad variable scaling as outlined in the methodology.



TAX ENVIRONMENT

The tax environment is measured using data sources for five sub-components: corporate taxes, individual income taxes, sales taxes, property taxes, and unemployment insurance taxes.

Each of these measures comes from the Tax Foundation's "State-Level Business Tax" report. We use their 2021 data as it considers tax policies for the 2021 fiscal year. The Tax Foundation scores each state on a 0-10 scale, with higher scores meaning more competitive tax rates. We make two changes from their original index. Given that they use multiple years but we use only one year, we re-weight the score to where the best score this year is given a 10, and

the worst score in this year is given a o. (Therefore, we use the good variable scaling as outlined in the methodology.) Second, for the purposes of our index, we equally weight each subcomponent to get the measure "B: Tax Environment." This contrasts with the Tax Foundation's overall measure, which does not weigh them equally. We equally weight it for consistency across our entire index.



BUSINESS DYNAMISM

Business dynamism is measured using data sources for eight sub-components: core startup rate, share of workers at firms less than five years old, growth in total firms, patents per 1,000 people, housing permits per 1,000 people, reallocation rate, labor force participation rate, and migration rate.

Each of these measures comes from the Economic Innovation Group's "Index of State Dynamism" from its most recent year, 2020. According to the report, core startup rate measures the new companies that form in the state, while share of workers at firms less than five years old tells us how those younger firms are able to grow. Growth in total firms accounts for closing of firms, which tells us the overall health of the state's business environment; patents per 1,000 people proxy for the amount of innovation in the area. Housing permits per 1,000 people accounts for the ability to both take in new residents and the ability for current residents to find new housing. Reallocation rate proxies for the dynamic and competitive nature of firms in the state, essentially capturing the churn of employees and ideas in the state. Labor force participation rate tells us the share of those engaged in the labor force (both employed and unemployed) out of those that could potentially be in the workforce. Higher scores here indicate a more active labor force. Migration rate accounts for net migration (the number of people who moved to the state minus the number of people who left the state), which also gets an estimate of the state being an environment that people want to move to. In this area, each of the measures corresponds to greater mobility. Therefore, we use the good variable scaling as outlined in the methodology.



Here, we consider the institutional environment as it pertains to the legal system. As such, we include variables that tell us the ways in which governments are securing property rights and providing a legal structure that is fair and unbiased.

For Area 2, we consider two broad areas: *predatory state action*, which accounts for the ways in which states hinder economic opportunity through the legal system; and *judicial system quality*, which tries to proxy for measures of equal protection under the law.



PREDATORY STATE ACTION

Predatory state action is measured using data sources for three sub-components: total fines and fees collected by local governments, corruption perceptions, and civil asset forfeiture.

Total fines and fees collected by local governments

This measure tells us how states collect revenues directly through law enforcement, rather than through taxes that are decided through the political process. (Note that since we account for taxes in Area 1, we are capturing the other ways in which governments collect revenues from its citizens). Overly excessive fines and fees are exploitive to its citizenry, which is especially true at the local level. We collect this data from a Reason Magazine report (Nastasi 2023), which uses the Census Bureau's "Annual Survey of State and Local Government Finances" to gather this information. This includes fines collected by the state and local authorities, and is adjusted by population, and is measured for 2020. Here, higher measures correspond to less economic mobility, so we adjust the scores to where higher scores are states that are less reliant on law enforcement to collect revenues. Therefore, we use the bad variable scaling as outlined in the methodology.

Corruption perceptions

We consider two variables to measure the "Corruption Perceptions" sub-component: legal corruption perceptions and illegal corruption perceptions. These measures come from The Institute for Corruption Studies' "Corruption in America Survey" conducted by corruption experts Oz Dincer and Michael Johnston. They survey news reporters involved in state politics and investigative reporters who work in the field of corruption from most states in the United States. They solicited responses from about 1,000 reporters and received 240 responses. When they ask reporters how prevalent corruption is in the state, they define illegal corruption as "the private gains in the form of cash or gifts by a government official, in exchange for providing specific benefits to private individuals or groups" while illegal corruption is "political gains in the form of campaign contributions or endorsements by a government official, in exchange for providing specific benefits to private individuals or groups, be it by explicit or implicit understanding." Reporters are asked how common it is on a scale of "not at all common" to "extremely common." For both measures, this is done for the executive, legislative, and judicial branches. Higher scores correspond to worse corruption (and therefore lower mobility), so we adjust the scores such that higher scores are those areas that are perceived as the least corrupt. For both measures, we use the most up-to-date year (2018). Therefore, we use the bad variable scaling as outlined in the methodology.

Civil asset forfeiture

The Institute for Justice's report "Policies for Profit: The Abuse of Civil Asset Forfeiture" scores states based on their civil asset forfeiture. Much like total fines and fees, civil asset forfeiture can be used in an abusive manner that harms residents by taking their property. The use of such practices can be especially restrictive to innocent victims, as the actual guilt or innocence of the party is irrelevant to whether or not the state can seize these assets. The scores are based on 2018 data, and the Institute for Justice gives grades ranging from A to F. Scores are based on standard of proof, innocent owner burden, and financial incentive. For standard of proof, states are given higher scores if the proof leans more heavily on actual criminal (or heavily likely criminal) activity as opposed to just probable cause. For innocent owner burden, states are graded more favorably if the government has to prove beyond reasonable doubt that these funds were used in a criminal activity. They receive lower scores if the owner of the property has to bear the burden of proof that these assets were received legally. Finally, financial incentives scores are based on the percentage of proceeds that are kept by law enforcement. Higher scores are given to states where law enforcement receives less of the funds.

We adjust the grades to a 0–10 scale and use the good variable scaling as outlined in the methodology.

TABLE 7 GRADE ADJUSTMENT FOR CIVIL ASSET FORFEITURE SCORES

SCORE	POINTS
Α	10 points
в-	9 points
B+	8 points
в /в-	7 points*
C+	6 points*
с	5 points
C-	4 points
D+	3 points
D	3 points
D-	1 points
F	o points

*No state received this score



JUDICIAL SYSTEM QUALITY

Judicial system quality is measured using data sources for two sub-components: access to justice and quality of state liability system.

Access to justice

The National Center for Access to Justice reports an "Access to Justice Index." This measure captures the differences amongst states in their residents' ability to have equal justice under the law. Higher scores indicate greater access and thereby higher mobility. There are five categories considered: access to an attorney, self-representation, language access, disability access, and fines and fees. Each of these is scored on 0-100 scale, and the overall composite score is then the average of the five areas. We use the good variable scaling as outlined in the methodology.

Quality of state liability system

The US Chamber of Commerce's Institute for Legal Reforms reports a "State Liability Systems" score, and we use the most up-to-date report from 2019, which has data as of 2017. Over 1,300 in-house general counsels, senior litigators or attorneys, and other senior executives at companies (with at least \$100 million of annual revenue) that are knowledgeable on litigation matters were surveyed across all fifty states. They were asked to grade (A through F) their states in the following areas: enforcing meaningful venue requirements; overall treatment of tort and contract litigation; treatment of class action suits and mass consolidation suits; damages; proportional discovery; scientific and technical evidence; trial judges' impartiality; trial judge's competence; juries' fairness; and quality of appellate review. Since the scores from the survey are based on A–F rankings, higher scores correspond to higher quality state liability systems. They are then converted to 0–100 scores for each state. We use the good variable scaling as outlined in the methodology.

© area 3 EDUCATION AND SKILLS DEVELOPMENT

In this area, we consider formal education outcomes in many different stages of one's life (early childhood, university, and community college), along with a measure of education freedom which allows for parents to be more engaged in their children's learning. We also then considered parental engagement and stability, which has been shown to be important for children's outcomes. We measure how engaged a parent is in the child's life, as well as the stability of the family, which again matters for social and economic outcomes.

For Area 3, our measures cover two broad areas: *education quality and freedom* and *parental engagement and stability*.



EDUCATION QUALITY AND FREEDOM

Education quality and freedom is measured using data sources for four sub-components: test scores, school freedom, university quality, and community college graduation rates.

Test scores (NAEP results for 4th and 8th grade)

We use composite scores from the National Assessment of Education Programs (NAEP) for both 4th and 8th grade students. We take the average test scores for 4th and 8th graders in a given state. These measures are then scaled individually 0–10 (where higher scores indicate greater mobility). We use the good variable scaling as outlined in the methodology. Then, the two scores are averaged to create the variable "Test Scores." While an imperfect measure on its own, it is (to the best of our knowledge) the best of the available options. The 2022 scores are used for this measure.

School freedom

Accounting for school freedom is important as it measures a parent's ability to be actively involved in their child's education. We take the motivation for this measure from the Heritage Foundation's "Education Freedom Report Card." Heritage's report does not create their own variables, so we mention the original database when applicable below. We use six variables that they consider, average them, and create the variable "School Freedom."

The first of six measures is Education Savings Account (ESA) laws. This is a simple binary variable from EdChoice's (2022) "ABC of School Choice." States are given a score of 10 if they offer state-funded and tax-credit-funded ESAs, and a score of 0 if not. Also from EdChoice's (2022) "ABC of School Choice" is the percentage of K–12 students who are eligible for a private

school choice program. This includes ESAs, tax-credit scholarships, and school vouchers. We convert a O-1Oscale by dividing the percentage of students eligible by 10. For example, if 100% of students are eligible for a private school choice program, they receive a score of 10. We use this measure as opposed to proportion of students who participate since we are trying to measure parental choice; therefore, the choice not to actually participate is also an option given to parents.

The next two variables deal with charter school laws and quality. Charter school law scores are from the Center for Education Reform's (2021) "National Charter School Law Rankings & Scorecard." Most states are given an A, B, C, D, or F. Higher letter grades are given to states that allow for more "operational autonomy" by charter schools. If they are given an A, they receive 10 points; B, 8 points; C, 5 points; D, 3 points; and F, o points. There are four states not given a grade (Montana, Nebraska, North Dakota, South Dakota, Vermont) and are counted as missing. We then measure charter schools' quality from the Education Freedom Institute's (2022) "Charter School Ecosystem Ranking." We take the Raw Index Score from Table 10 of their report, where higher scores indicate a worse charter school ecosystem. The score equals the sum of the rankings in tables 5-9 of their report (where tables 8-9 are counted as double).

The Education Freedom Institute's report includes rankings on: percent of students enrolled in charter schools; percent of students with charter schools in their zip code; growth in percent of students enrolled in charter schools; charter school "cohort" test scores; and charter school "value-added" test scores. To account for higher schools being worse for charter school quality, we use the bad mobility score outlined in the methodology section. Some states are counted as missing because they do not have data on every variable considered in their ranking. However, some states are missing because they do have a charter school law and are given a score of o since they do not (at time of the release of these reports) have a charter school eco-system to rank.

The fifth variable considered here are laws on homeschooling. The Home School Legal Defense Association scores each state based on its homeschool laws. Those coded as "no regulation" are given a 10, "low regulation" states are given a 7, "moderate regulation" states are given a 4, and "high regulation" states are given a 0.

Finally, we consider regulations on teachers. Specifically, we account for full reciprocity for out-of-state teachers. Data is collected from the Education Commission of the States' "50-State Comparison: Teacher License Reciprocity" report. If the state grants full reciprocity for teachers with an out-of-state certification, they receive a score of 10; if not, 0.

University quality

To measure university quality, we rely on two measures from the Foundation for Research on Equal Opportunity (FREEOPP). We use the median return on investment (ROI) on a four-year degree from the public universities within the state, along with the percentage of students that had a negative ROI on a four-year degree obtained at a public university within the state. By ROI, they account for their lifetime earnings attributed to the degree as well as the costs (tuition and their opportunity cost, or the foregone earnings from their time in college).

The higher the median ROI variable, the greater the score. Therefore, we scale this variable using the good mobility measure outlined in the methodology; however, a higher score in the percent with negative ROI means a worse mobility measure. For that variable, then, we scale using the bad mobility measure outlined in the methodology.

Community college graduation rates

As the final variable for education quality and freedom, we consider community college graduation rates. The best measure we could find was the graduation rate at two-year postsecondary institutions (within 150% of normal time). We take this measure by state using 2018 data. Higher scores indicate a greater graduation rate, and thereby greater chances at achieving mobility. We transform this measure on a 0–10 scale using the good mobility variable outlined in the methodology.

All six variables are equally weighted to create the "School Freedom" variable. For each of these measures, we use the most recent data available as of 2022.



PARENTAL ENGAGEMENT AND STABILITY

Parental engagement and stability is measured using data sources for two sub-components: parental engagement (percent of parents reading to child last week, parents' attendance at children's activities, shared meals with household members) and family stability (percent of births in last year to unmarried women, share of households with single parents).

Parental engagement

To gather data on parental engagement, we consider three variables. All of these come from the 2021 National Survey of Children's Health.

First, we use the percent of parents who report reading to their child last week. Parents are asked, "During the past week, how many days did you or other family members read to this child, age 0–5 years?" We code their response as equal to 1 if they responded "every day" or "4–6 days"

and code their response as equal to 0 if they responded "1–3 days" or "0 days." Then the average within a given state is taken.

Next, we measure a parent's attendance at children's activities. Parents are asked, "During the past 12 months, how often did you attend events or activities that this child participated in, age 6–17 years?" If they respond "always" or "usually," they are coded as equal to 1; responses "sometimes," "rarely," and "never" are coded as equal to 0. Within a state, this variable is then averaged.

We then measure how often the family shares a meal together. Parents are asked, "During the past week, on how many days did all the family members who live in the household eat a meal together?" We code their response as equal to 1 if they responded "every day" or "4–6 days" and code their response as equal to 0 if they responded "1–3 days" or "0 days." Then the average within a given state is taken.

Higher scores indicate more mobility, and thus the good mobility scaling is used. The three scaled variables are equally weighted to create the variable "Parental Engagement."

Family stability

Two variables are used to create a "Family Stability" variable. From the American Community Survey (2021) "Social Characteristics," we examine the percent of births in the last year to unmarried women, along with the share of households with single parents.

The percent of births in the last year to unmarried women is calculated by:

(Unmarried women who had births in last 12 months)/(Number of women who had births in last 12 months)

Share of households with single parents in calculated by:

(Number of males with no spouse and a child + number of females with no spouse and a child)/ (Total number of households)

Higher scores indicate worse mobility, so the bad mobility scaling outlined in the methodology is used.

area 4 Social capital

For Area 4, we consider two broad areas: *community activities and neighbors* and *charity*, both of which represent the flow of social capital in a state. Community activity measures the engagement that one has with their community, which tells us something about the interest one has in the well-being of their area; neighbors proxy the way in which individuals can come together to achieve goals. Finally, charity both gets at the charitable behaviors and activities by people within a state, as well as measures of charity regulations.



COMMUNITY ACTIVITIES AND NEIGHBORS

Community activity and neighbors is measured using data sources for four sub-components: community event attendance, member organizations, neighborly favors, and economic connectedness.

Community event attendance

We use the Community Population Survey's "Volunteering and Civic Life Supplement in 2017" to measure the percentage of people who attended a community and civic-based event in the past year. Participants are asked, "In the past 12 months, did (you/NAME) attend a public meeting, such as a zoning or school board meeting, to discuss a local issue?"

If they responded yes, they are coded as a 1; if they responded no, coded as a 0. Any other response is counted as missing. Then the average within a given state is taken. Higher scores indicate greater civic engagement, so the good mobility scaling is used.

Member organizations

We measure member organizations per 1,000 people from the "Social Capital Index" from the Social Capital Project initiated by the Joint Economic Committee. They use data from the American Community Survey's "2015 County Business Patterns." This is one of their variables used to measure community health. Higher scores indicate more member organizations, so the good mobility scaling is used.

Neighborly favors

We use the Community Population Survey's "Volunteering and Civic Life Supplement in 2017" to measure the percentage of people who attended a community and civic-based event in the past year. Participants are asked, "In the past 12 months, how often did (you/NAME) and (your/his/her) neighbors do favors for each other?"

If they responded "basically every day," "a few times a week," "a few times a month," or "once a month," they are coded as a 1; if they responded "less than once a month" or "not at all," they coded as a 0. Any other responses are coded as missing. Then the average within a given state is taken. Higher scores indicate more favors being done, so the good mobility scaling is used.

Economic connectedness

The "Social Capital Atlas" data collected by Raj Chetty et al. (2022) is found to be a strong correlate of economic mobility. Using data from social media, they create a cross-type connectedness category, "economic connectedness," which is defined as the "share of high or above median income friends among people with low or below-median incomes." Cross-type connectedness is tied to bridging groups that are different from one another in terms of income status. The county-level economic connectedness data is then averaged by state. Higher scores indicate greater connectedness (and therefore greater mobility), so we scale it by the good mobility method outlined in the methodology.



CHARITY

Charity is measured using data sources for four sub-components: donations of \$25 or more, non-profit organizations and religious congregations, volunteerism, and charity regulations.

Donations of \$25+

We use the Community Population Survey's "Volunteering and Civic Life Supplement in 2017" to measure the percentage of people who made a donation in the past year. Participants are asked, "In the past 12 months, did (you/NAME) give money or possessions with a combined value of more than \$25 to a non-political group or organization, such as a charity, school, or religious organization?"

If they responded yes, they are coded as a 1; if they responded no, coded as a 0. Any other response is counted as missing. Then the average within a given state is taken. Higher scores indicate greater donating rates, so the good mobility scaling is used.

Nonprofit organizations and religious congregations

We measure nonprofit organizations and religious congregations per 1,000 people from the "Social Capital Index" from the Social Capital Project initiated by the Joint Economic Committee. They combined nonprofit organization data from the IRS via the National Center for Charitable Statistics with congregation data from the Association of Religious Data Archives. This is one of the variables used to measure community health. Higher scores indicate more nonprofits and religious congregations, so the good mobility scaling is used.

Volunteerism

We use the Community Population Survey's "Volunteering and Civic Life Supplement in 2017" to measure the percentage of people who volunteered in the past year. Participants are asked, "In the past 12 months, did (you/ NAME) spend any time volunteering for any organization or association?"

If they responded yes, they are coded as a 1; if they responded no, coded as a 0. Any other response is counted as missing. Then the average within a given state is taken. Higher scores indicate greater volunteering rates, so the good mobility scaling is used.

Charity regulations

We measure charity regulations from the Philanthropy Roundtable Dataset. Five major areas are considered and equally weighted to create this variable: start-up regulations, annual reporting/filing, paid solicitor fees and regulations, audit requirements, and oversight regulations. Within each area, many variables are considered. These individual variables are hand scaled by us and are available upon request. Higher scores mean less regulations, so the good mobility scaling is used for each individual variable, and is then averaged equally amongst the five areas.

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Growing up around the world in Uruguay, Israel, Ecuador, and Bolivia, Gonzalo saw firsthand how poverty and socioeconomic challenges affect individuals and societies. This led him to a lifelong curiosity about what leads people to flourish and achieve their fullest potential. In 2016, Gonzalo pursued his own American Dream and founded the Archbridge Institute, an organization dedicated to removing barriers that prevent individuals across the globe from bettering their lives.

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