Intergenerational Mobility in Hong Kong

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ABSTRACT

This thesis comprises of two main chapters:

(Abstract of Chapter 1)

For years, Hong Kong has ranked among the most unequal cities in the world. Recent statistics show that the city’s top 10% of families earned, on average, 25.7 times more than the bottom 10% in 2010.\(^1\) Inequality is less of a problem, however, if the poor have a good chance of moving up the economic ladder. This chapter seeks to address the issue of intergenerational earnings mobility in Hong Kong during the period 1991-2006. The extent to which a person’s success within the labor market is predetermined by parental earnings is a crucial measure of the distribution of opportunities in a society. In the framework of this study, the impacts of fathers’ earnings on children’s educational attainments are examined using data from the 1991, 1996 and 2006 Hong Kong Population (By-) Census. The results suggest that father’s earnings is a good predictor of the earnings of their children and that intergenerational mobility in earnings has increased between 1991 and 2006.

(Abstract of Chapter 2)

The value of education is well recognized. Equal access to education represents a powerful platform for the less privileged to get out of poverty and prosper. Inequality in educational opportunities is, therefore, of great concern to economists and policy-makers. This chapter seeks to address the issue of intergenerational education mobility in Hong Kong during the period 1991-2006. The extent to which a person’s success within the education sector is predetermined by parental education is a crucial measure of the distribution of opportunities in

\(^1\) Source: Cheung, S. (2011). “Middle class feels the pinch on wages.” South China Morning Post, May 11, 2011
a society. In the framework of this study, the impacts of parents’ education and various household characteristics on children’s educational attainments are examined using data from the 1991, 1996 and 2006 Hong Kong Population (By-) Census. The results suggest that an increase in parental education increases the schooling of their children and that intergenerational mobility in education has declined over the years.
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