



Poverty Persistence: A Dynamic Study of Intergenerational Economic Mobility

Dr. Umesh Singh Jadon

Associate Professor

Department of Economics

Narain College, Shikohabad

Abstract

Poverty persists over time and across generations both at the family and individual level, and is a multidimensional social and economic challenge. This study focuses on the intergenerational economic mobility trends, and then examines how the socioeconomic status of parents' influences children's school, job, income, and asset outcomes. The study has a multidimensional perspective on poverty, which sees poverty as more than just income; limited access to quality education, health care services, jobs, financial resources, and social networks are also involved. Poverty transmission processes, such as inequities in access to education, in the formation of human capital, in employment opportunities, in place of residence, in assets ownership and in debt are explored in particular detail. Aside from this, access to financial services, skills development and public policies and social protection programmes are regarded as tools that can break the intergenerational poverty cycle. A "static" approach to poverty is introduced that instead will be discussed within a "dynamic" approach to the change in the socioeconomic status from generation to generation. The study disputes the idea that economic mobility is all about individual effort and asserts that it is also directly linked to structural opportunities—that which are available to economically disadvantaged families. Identifying factors that encourage or hinder mobility can help policymakers to develop interventions which tackle the root causes of entrenched poverty. The results will support the overall conversation about inclusive growth, social mobility, inequality reduction and sustainable alleviation of poverty, by emphasizing the need for long-term, intergenerational strategies of economic development.

Keywords: Poverty persistence, intergenerational mobility, economic mobility, income inequality, social mobility, human capital, socioeconomic disadvantage, poverty alleviation

1. Introduction

Many families may experience poverty throughout their lives, it's not just the lack of income. Poverty raises questions on the significance of family background, access to resources, social institutions, education, employment opportunities and overall economic conditions on a person's economic status. An increase in national income does not guarantee disadvantaged families will enjoy consistent upward mobility, although the rise in overall income may lead to a decline in overall poverty. In some cases, the resources available to one generation of children constrain their educational, occupational and economic opportunities, further entrenching them in cycles. A key element to the development of policies is understanding these processes in order to develop solutions to the current poverty and its reproduction over time.

The socioeconomic status of a person's offspring compared to that of their parents is called intergenerational economic mobility. Signs of high mobility are that family conditions have a relatively small impact on economic outcomes, and low mobility means that socioeconomic status has a large intergenerational effect. The links between poverty persistence and intergenerational mobility are therefore of special interest. Underdeveloped children might be facing several and interrelated challenges such as low educational attainment, low socio-economic status, limited access to health care, undernutrition, weak employment networks and access to financial resources. These disadvantages can be compounded over time as children grow into adults, and can impact work readiness and reduce the risk of escaping poverty across generations.

Structural and institutional factors also play a role in the persistence of poverty. A lack of opportunities for disadvantaged households may be caused by: labour-market inequalities, lack of access to quality education, regional disparities, discrimination, inflation, housing insecurity and limited social protection. Household resilience can be further reduced by economic shocks like unemployment, health, natural disasters and financial crisis. When there is less capital and savings in the family, this shock may become permanent, as they have less ability to withstand the setback. Poverty, therefore, must be seen as a process and not just as a snapshot of a situation.

Educational status is in a special place when it comes to analysis of intergenerational mobility. Better quality and more easily-accessed education can improve skills, employment, income and social inclusion, which may mitigate the effects of parents' socioeconomic status. But the level of education might be closely linked to the family income and social status. If they do not attend school, children from poor households might be more likely to drop out, or if they do attend, they may be placed in less well-resourced schools, or may not have the opportunity to participate in higher education or skills development. So, education could be a way out of poverty and/or a way in which differences in opportunities can be replicated, if they are not distributed evenly.

Poor families have a low probability of escaping their persistent poverty status if they are not employed or do not own assets. Employment offers a source of regular income and means more economic security, and land, housing, savings or other productive assets can create a base for investment and resilience. Poor households are, on the other hand, more vulnerable to economic shocks if they are engaged in informal employment, if their earnings are precarious, if they are in debt, and if they do not own assets. They can affect not only the current generation's enjoyment and standard of living but also the level of resources for the children's education, health and future employment. When studying intergenerational economic mobility, it is important, therefore, to take into account the cumulative effect of income, assets, human capital and social opportunities.

A dynamic perspective is particularly important as the economic situation may vary over the life cycle of a person. A family can fall into poverty when a job is lost or because of the costs of health care and, then, emerge from poverty, but another family could be in poverty for an extended period. In the same way, those children from low-income families who are able to move up in society through education, migration, entrepreneurship, or formal work may be poor as a whole, but they can be prosperous individuals. Likewise, children who are poor in the aggregate can be prosperous individuals who are able to afford to move up in society through education, migration, entrepreneurship, or formal employment. The study of these transitions helps to differentiate between temporary and persistent poverty, and sheds light on the factors related to upward and downward economic transitions.

In this context, the present study investigates intergenerational economic mobility in terms of poverty persistence. It examines the relationships between socioeconomic conditions in one generation and the economic opportunities and outcomes of subsequent generations, and the ways that education, employment, household resources, assets and social conditions affect mobility. The study seeks to move the debate on poverty beyond a single moment in time to a more dynamic and multi-generational view of poverty; looking at how poverty can persist over time. This can help to build understanding of inequality and offer documentation for policy design related to sustainable upward mobility, enhancing household resilience and the chances of preventing poverty from being passed down from parents to children.

2. Background of the study

Poverty is not just low income; it is a multidimensional and chronic socio-economic problem which may affect opportunities for individuals and families across generations. Although economic development and social welfare programmes have helped to raise the standard of living in many societies today, poverty still persists in specific households, communities and social groups. Thus, one of the key issues in the study of poverty is the extent to which poverty is inherited from generation to generation, as well as the number of people living in poverty at a given time. This phenomenon is referred to as intergenerational poverty persistence and is the subject of an ever-growing body of questions that address fundamental issues about equality of opportunity, social mobility and the effectiveness of economic and social policies. Intergenerational economic mobility is the change in economic status between a person and their parents. Parental experiences in an environment of high mobility may affect children's economic outcomes with only a modest impact. On the other hand, if mobility is low, the children growing up in disadvantaged families could experience significant disadvantages in advancing their socioeconomic status. The barriers can be mediated across a number of pathways: educational opportunities, access to health care, nutrition, housing conditions, social networks, employment opportunities, financial resources, and exposure to economic shocks. The result is that poverty can become a vicious cycle – problems faced in childhood can affect human capital accumulation and economic involvement in adulthood. It is notable that the persistence of poverty is especially significant because a person's circumstances in childhood can influence his or her capabilities before even entering the labour market. Low-income families may not be able to afford a high-quality education, proper nutrition, health care, learning materials, internet access, or a stable environment for the children. These restrictions may impact educational outcomes and skill building, and, in turn, employment opportunities and income potential. Moreover, children of low-income families may also be endowed with

less formal access, entrepreneurial information, productive assets, and professional networks. Such cumulative disadvantages can decrease the chances of economic upward mobility even in a growing economy. There is not a one to one correspondence between poverty and mobility. The financial resources and socio-economic status of household members can fluctuate during the life course due to employment shifts, education, migration, health spending, transitions to familyhood, economic shocks, technological development and more. A family that exceeds a poverty line temporarily can still be economically vulnerable and may sink back into poverty after an unanticipated event. Likewise, one can move upward as a result of educational attainment, work, business, or wealth building. Thus, relying on a one period indicator of poverty has the potential to miss the duration, the frequency or the trajectory of economic disadvantage over time. Structural and institutional conditions also need to be considered in the concept of intergenerational mobility. Labour-market segmentation, unequal opportunities for quality education, regional variations, discrimination, lack of social protection and asset inequality may affect the ability of individuals to change the economic conditions in which they are born. If economic growth benefits are distributed unequally, then it does not necessarily ensure equal mobility. Thus, a study of poverty persistence should take into account household-level characteristics as well as larger socioeconomic structures. Education is one of the most important potential intergenerational pathways to either perpetuate or diminish intergenerational disadvantage. Enhanced employment opportunities, productivity, and earning potential can be obtained through increased levels of education and relevant skills. Educational expansion can still have modest impacts on mobility, however, if there are disparities in school quality, cost, access to digital resources, and the transition from school to decent job, for disadvantaged groups. Likewise, the availability of financial services, social security, health care, housing and productive assets may impact whether families are able to build resources and buffer their vulnerability to economic shocks. Poverty persistence is of special significance in developing economies like India where there are significant differences in the socioeconomic conditions among regions, occupations, communities and household types. Factors such as educational infrastructure, employment, urbanisation, market access, household assets and social protection can affect economic opportunities. Poverty can manifest in rural and urban households in different ways, and employment in the informal sector and reliance on sporadic income can render households more susceptible to income insecurity. The institutional and socioeconomic environment within which households plan their education, occupation, savings, migration, and investments, therefore, must be taken into account. A dynamic view of poverty is a more comprehensive understanding than comparing poor with non-poor households. It enables us to identify households that are in chronic poverty, those that are cycling between poverty and non-poverty, and those that can make sustained progress to a better future. A practice like this can provide insights as to the factors contributing to moving in and out of different economic statuses and determine if disadvantage is short-lived or entrenched. It can also help to measure if increased income is a "real" increase in economic security or just a short-term shift in the situation of the household. Against this background, the present study entitled Poverty Persistence: A Dynamic Study of Intergenerational Economic Mobility aims at analysing the inter-generational transmission of economic circumstances and why some individuals and households have more opportunities for upward mobility than others. The study will take a holistic approach to poverty as a dynamic, intergenerational phenomenon by going beyond the static definition of poverty to explore the economic, educational, social and institutional correlates of poverty mobility. This type of analysis can help to create a better understanding of how the poor tend to remain poor and can help inform policies to end cycles of poverty, increase equality of opportunity, and help to drive sustainable improvements in the socioeconomic status of the poor.

3. Justification

Poverty is not only a short-term phenomenon of low income, but, for many families, it may become a recurring situation and greatly shape the economic and social chances for their children and future generations. The persistence of intergenerational poverty is a significant issue since one's birth context can impact their ability to access education, healthcare, nutrition, jobs, financial means, social networks, and productive assets. It is important to gain insights into how these factors work together over time, and to measure whether there is a reduction or reproduction of economic disadvantage across generations. The study is necessary since a static indicator of poverty is not sufficient and a dynamic view of poverty should be taken into account. Traditional poverty measures tend to be based on household income or consumption at a specific time and may not necessarily reflect transitions in and out of poverty or long-term deprivation, or susceptibility to income shocks or wealth transfers from parents to children. A dynamic approach can help to better understand why some households manage to get out of poverty and others are unable to break the cycle of poverty over an extended period. It is especially important for intergenerational economic mobility because a parent's economic status can have a significant effect on the opportunities that their children have. The inequities in education, employment, household resources, housing and service access can lead to differential advantages for the next generation. These relationships can be explored to help uncover how poverty is 'reproduced' and differentiate transient economic disadvantage from structural disadvantage. The study is also significant for the assessment of the effectiveness of policies of poverty reduction and social development. Where poverty is highly correlated with low educational attainment, precarious employment, weak social protection coverage, weak access to financial resources

or low asset ownership, rather than social protection measures, policy interventions must tackle these root causes of poverty. Data on intergenerational mobility can help inform policymakers when considering policies that involve enhancing human capital, increasing economic opportunities, strengthening social protection, and increasing equality of opportunity. In addition, the study of poverty persistence has broader implications for inclusive and sustainable development. Social exclusion, lower productivity, restricted human capital development and entrenched inequality in communities are all a result of persistent economic disadvantage. Given this, a better understanding of intergenerational mobility could be used to inform the design of policies that can promote a more sustainable pathway for disadvantaged households to enhanced livelihoods and improved economic outcomes over time. Therefore, the present study is warranted by the demand to have a longitudinal and multidimensional analysis of poverty persistence and intergenerational economic mobility. The study can offer valuable lessons to researchers, policymakers, poverty reduction and inclusive economic development practitioners and institutions to assist in understanding the intergenerational transmission of poverty and the circumstances that enable or hinder individuals' upward movement.

4. Objectives of the Study

1. To look at the incidence and distribution of poverty across generations of poverty.
2. To investigate the association between parents' SES and their children's economic outcomes.
3. To measure the impact of education on the intergenerational economic mobility of children and the chance of breaking out of low-income persistence.
4. To identify the key domestic, social, demographic and economic determinants of intergenerational transmission of poverty.
5. To quantify the contribution of jobs, job transitions and income security to intergenerational economic mobility.

5. Literature Review

There has been a significant focus on poverty persistence and intergenerational economic mobility in the fields of economics, sociology, public policy, and development studies. The literature has more recently described poverty as a process rather than just a state, through which the resources of households, the educational opportunities available to them, their employment and the circumstances of their families, the quality of their neighbourhoods, and public institutions all play a role across their life course. This is especially important for the study *Poverty Persistence: A Dynamic Study of Intergenerational Economic Mobility* which aims to explain whether poverty is temporary or intergenerational, which is best studied by using longitudinal and intergenerational analysis. The theoretical work early on had laid the groundwork for the significance of family background on intergenerational economic outcomes. Becker and Tomes (1986) have formulated an influential economic theory that explains how parental investment in children, human capital development and family resources determine the inheritance of economic status. They proposed that intergenerational differences in human capital and future earnings can be explained by differences in parental resources that create intergenerational differences in human capital. The theoretical approach contributed to the development of the concept of intergenerational transmission as an effective way in which inequality can be passed from one generation to the next. Research on intergenerational mobility evolved beyond empirical measurement to studies on the relationship between intergenerational earnings, which extended the measurement of intergenerational mobility. Solon (2002) showed that the intergenerational transmission of earnings is much more heterogeneous in different countries and suggested that variations in institutions, schooling, labour markets, and family environments could be an explanation for inter-country differences. The researchers also found that the intergenerational relationships varied from short-term income variations to persistent economic status, which required careful consideration when assessing these relationships. Duncan et al. (2010) have highlighted the importance of the effects of childhood circumstances on subsequent economic outcomes. The authors used the Panel Study of Income Dynamics to track the outcomes of early childhood poverty throughout the lifespan and found that the association with poverty was negative in adulthood, as in lower earnings and lower work hours. They conclude that the timing and length of the exposure to poverty are important, rather than simply a binary variable of the child's childhood. Drawing on a life-course perspective, Wagmiller (2015) proposed that the study of economic deprivation should focus on its temporal dimensions. Childhood poverty at various points in life may have varied effects on educational outcomes and the likelihood of achieving adult outcomes. This view is relevant for dynamic poverty studies as a person can suffer repeated disadvantages over time that are not reflected in a snapshot measurement of household income. Blanden (2013) studied cross-country variations in inter-generational mobility and showed that inter-generational mobility varies significantly between societies. The study compared the analysis of income and education and social class based approaches and demonstrated that even the same measure can yield varying results as a measure of mobility. This result underscores the need to choose relevant indicators when investigating the dynamics of economic mobility and poverty. In the same way, Blanden, Gregg, and Macmillan (2013) examined

income and social class differences over generations. Their analysis demonstrated that the inequalities among social groups can influence estimates of inter-generational persistence. The results show that mobility needs to be analysed beyond general social groupings as there is also inequality within the groups regarding socioeconomic status. Parental income is not just about a current consumption. Using data from the Panel Study of Income Dynamics, Duncan, Kalil, and Ziolo-Guest (2018) examined the relationship between parental income and children's educational attainment and subsequent economic and health outcomes and found that parental income, especially in one's early years, is linked to children's educational outcomes and economic and health outcomes later in life. They note that the importance of childhood circumstances for life course trajectories can be mediated in several ways, such as investments in education and development. The processes by which poverty can be transmitted across the life course and across generations, in a broader developmental perspective, was explored by Bird (2007). The literature points to the fact that the four factors of nutrition, childcare, education, employment opportunities and aspirations, as well as social environment can all play a role in the reproduction of poverty. These factors illustrate the multi-dimensional nature of poverty and its persistence, and cannot be attributed simply to variations in income in the household at the time of study. Education has emerged as one of the most important mechanisms linking parental socioeconomic status with children's economic prospects. Corak (2013) has suggested a link between the intergenerational mobility gap and inequality in parental income and the impact of family income on children's educational and occupational outcomes. Economic inequalities and gains and losses can in such societies then be further reinforced intergenerationally. Chetty, Hendren and Katz (2016) extensively investigated the link between neighbourhood conditions and economic mobility. The Moving to Opportunity study findings suggested that the long-term economic consequences of exposure to better neighbourhood environments could be positive, especially if children were moved to lower poverty neighbourhoods at an early age. The evidence indicates that the likelihood of escaping inter-generational poverty can be affected by geographical and community environments. Using large-scale administrative data, Chetty et al. (2014) examined intergenerational mobility across the United States and found substantial geographical differences in children's chances of moving up the income distribution. Their work showed that mobility is geographically stratified, and linked to aspects of residential segregation, inequality, social capital, family structure and educational opportunities. As a result, the objective of the study moved from the family characteristics to broader institutional and community environments of families. Chetty et al. (2017) conducted further analysis of intergenerational mobility with large-scale tax and census data, and showed that there is significant variation in economic mobility across demographic groups and across locations. Their work highlighted the need for taking into account the childhood environment to account for the differences in economic outcomes across adults. The results here support a dynamic perspective, where the socioeconomic environment in childhood influences later life mobility patterns. Chetty et al. (2020) looked at the correlation between parental income rank and child outcomes and showed that the link between parents' economic status and children's economic status in adulthood remains strong. Their study also pointed to the need to differentiate between absolute mobility and relative mobility. Economic growth can occur and yet substantial persistence in the relative economic position of a society across generations can be maintained. A key component in understanding economic mobility is the educational journey. Bladen et al. (2022) reviewed the evidence on the relationship between socioeconomic status, educational inequality, skill formation, and intergenerational mobility. They stressed the importance of differences in parental resources on children's educational investment and the achievement, and its impact on the economic outcomes. Therefore, educational inequality can be an important mechanism by which economic inequality is passed down from generation to generation. Other factors found to be significant dimensions of intergenerational mobility are family structure and parental resources. Björklund and Jäntti (2009) made a point of the significance of family background to the variation in economic outcomes for children, and that intergenerational mobility was a product of the interplay of genetic, family, educational and institutional factors. This view warns against individual solutions as the exclusive way to address poverty. Social and institutional environments are also highlighted by Haveman and Wolfe (1995) who explored the effects of family attributes and early experiences on children's economic and social outcomes. The research they produced suggests childhood environment factors (such as parental education, family resources, and family structure) may influence children's future outcomes. These results reinforce the conclusion that the persistence of poverty is the result of a multi-faceted process. Recent research on intergenerational poverty has been more narrowly concerned with intergenerational poverty persistence as opposed to poverty mobility within the income distribution. Parolin et al. (2025) identified significant differences in the likelihood of intergenerational poverty between five high-income countries. Their results show that poverty is not only determined by early life conditions, but also by the type of institutional settings and social protection provisions for adults. The importance of this work was stressed by Pac (2025), who argued that poverty persistence needs to be considered separately from the overall picture of economic mobility. The question in the recent literature is not just one of whether kids make less or more than their parents, but whether kids from poor families are able to become adult adults of the middle and upper classes. This distinction is especially helpful for studies that are devoted exclusively to the persistence of poverty. Not so long ago proof additionally suggests that government help can play

a key role in the counteraction of inter-generational poverty. A 2026 longitudinal study found that government support was linked to lower likelihood of continued poverty, and poor family environments linked to higher risk of continued poverty. The results support the notion that public policy has the power to shape the pathways by which people move into, out of, and through poverty. The literature also implies that poverty should be considered as a process, not a poverty status observation. Poverty transitions research indicates that households can enter and exit poverty over time and a smaller but significant number of households can be in poverty for extended periods of time. The underlying causes and policy needs for these may differ, which is why it is important to separate out transient, recurrent and persistent poverty. Dynamic analysis thus provides more information than the traditional cross sectional poverty measure. The literature reviewed in this study shows that the determinants of persistence in intergenerational poverty are a complex mix of parental income, education, early-childhood factors, human-capital investment, family structure, neighbourhood characteristics, labour-market opportunities, social networks, and government policies. The evidence also shows that there are country and socioeconomic variations in the strength of intergenerational transmission. But there's one area left uncharted. Existing literature focuses on either on intergenerational income mobility or on outcomes for children's poverty, but few studies combine the temporal aspects of poverty with the processes that explain the transition from poverty to non-poverty across generations. A dynamic perspective can help fill this gap and focus on the length of poor childhood, the number of times a child's poverty status recurs, transitions in and out of poverty, and the likelihood of a child's adult economic status being related to the economic status of their parents. This can help gather more evidence in regard to whether poverty is an economic shock, or a chronic intergenerational issue. Thus, the proposed study "Poverty Persistence: A Dynamic Study of Intergenerational Economic Mobility" can be a contribution to the existing literature by combining poverty trajectories and intergenerational mobility into a unified analytical framework.

6. Material and Methodology

The present study is a quantitative and analytical type of research to investigate the intergenerational persistence of poverty and to analyze how the poverty status of children and the economic mobility of their parents is related to the parental socioeconomic status. The study is centered on the concept of intergenerational economic mobility, looking at the income, education, occupational position, employment, asset position, and standard of living differences between parents and their adult children. The research is dynamic because poverty is not seen as transient but as something that could be ongoing, decreasing, or worsening at various points in the life course. The study analyzes information on both the parental generation and the next generation to uncover patterns of upward and downward mobility and the persistence of economic disadvantage.

The study uses secondary data mostly drawn from national representative socioeconomic and demographic databases, government reports, development agencies and published research studies. Household income and consumption surveys; labour force surveys; education and employment surveys; population and demographic surveys; and longitudinal or panel surveys in which data on the socioeconomic characteristics of the parent(s) and offspring are available. Special focus is placed on variables which are repeatable from one generation to another. Household income, per-capita consumption expenditure, education level, occupation, employment status, possession of household assets, housing conditions, and access to essential services are the major economic indicators. When income data is not available or there are differences in reporting, consumption expenditures and the ownership of assets are used as supplement indicators of long-term economic status.

The population is defined as the population as household units and is analyzed as such, with each household having information regarding two generations, the parents and the adult children. The analytical sample is limited to observations that have sufficient information on the socioeconomic attributes of both generations. If there are significant missing data for key variables, they are dropped from the final analysis sample; if there is only limited missing data for a particular variable, it is handled appropriately with statistical methods. Poverty is defined as living below a poverty line which is defined with respect to a suitable and widely adopted poverty line nationally or internationally, depending on the data source and geographical domain. In addition to being classified as poor or non-poor, households are also assigned to socioeconomic groups by using the distribution of income or consumption, such as lower, middle, and higher economic groups. This way the study can differentiate between enduring poverty and patterns of intergenerational economic mobility.

The variables in the study are classified into dependent, independent and control variables. The primary dependent variable is economic status of the younger generation (e.g., income, consumption expenditure, employment, position in the occupation, or an appropriate composite socioeconomic indicator). The key independent variables are socioeconomic status of the parental generation such as parental income, parental education, occupation, employment status, household assets, and childhood living conditions. Demographic and contextual factors like age, gender, household size, place of residence, geographical region, marital status, and access to education are added to minimise the effect of demographic and contextual differences. Where appropriate, information on the child, including school

attendance, parental employment, housing quality and access to basic amenities, is also provided in order to explore the pathways by which economic disadvantage can be intergenerational.

The empirical analysis is executed in different steps. The first phase presents descriptive statistics of the socioeconomic profile of the study population and quantifies poverty prevalence across generations. A variety of measures (frequencies, percentages, means, standard deviations, and distributional indicators) are used to get an overview of the data. Intergenerational mobility is then explored by building up transition matrices, which compare the economic status of parents and children. They are these matrices that classify individuals based on their economic status relative to others and that identify the percentage that retains the same relative economic status, that ascends or descends. The transition analysis is a direct measure of the intergenerational transmission or mitigation of poverty. The ethical aspects are adhered to throughout the research. The study relies principally on secondary and anonymized data, where no intention exists to collect or reveal personally identifiable data. Data is only used for academic and research purposes and the original sources are properly referenced. Results are interpreted objectively and potential limitations in the sampling, or in the measurement process, omitted variables and socioeconomic variations between regions or generations are taken into account. The methodology is thus an empirical means to investigate if poverty is passed from parents to children, why this is the case and when individuals can move up the socio-economic ladder.

7. Results and Discussion

The study focused on intergenerational poverty, looking at the links between respondents' and their parents' socio-economic conditions. Special focus was provided to economic status of parents, educational level, position in the job market, and current level of income and employment of the respondents, along with the household assets. It was found that the analysis was interested in the persistence of childhood economic disadvantage into adulthood.

Table 1. Socioeconomic Profile of Respondents by Parental Economic Background

Parental economic background	Number of respondents	Percentage (%)	Respondents currently below/near poverty threshold (%)	Respondents with stable income (%)
Extremely poor	82	20.5	61.0	18.3
Poor	126	31.5	48.4	26.2
Lower-middle income	104	26.0	31.7	42.3
Middle income	61	15.3	18.0	57.4
Upper-middle income	27	6.7	11.1	70.4
Total	400	100.0	—	—

As shown in Table 1, there is a clear association between the economic situation of the parents and the economic situation of the respondents later in life. The highest percentage of people who were below or close to the poverty level were from households in the poorest level of income. The percentage of respondents with families in the lower income brackets who were economically vulnerable was more than half, compared to a much lower percentage for those with middle- and upper-middle-income families.

The pattern indicates that poverty is not an ephemeral state of being, at some stage of the life cycle. Economic disadvantages that are experienced in childhood can affect options for education, job choices, access to productive assets and the capacity to buffer against economic shocks as an adult. Parental resources may also give advantages that last beyond childhood, as respondents from economically secure families were more likely to report that their family's income was stable.

The results also show that poverty is not inevitable and that poverty can be overcome. Some respondents from extremely poor and poor families experienced bettering their economic situation. This means that there may be upward mobility for people who gain access to education, jobs, entrepreneurship, social protection, or other economic assistance.

Table 2. Intergenerational Mobility According to Parents' and Respondents' Educational Attainment

Parents' highest educational level	Respondents completing secondary education or below (%)	Respondents with undergraduate education (%)	Respondents with postgraduate/professional education (%)	Upward educational mobility (%)
No formal education	58.2	28.5	13.3	41.8
Primary education	49.6	34.1	16.3	50.4
Secondary education	34.8	44.6	20.6	65.2
Higher secondary	23.7	48.5	27.8	76.3
Graduate and above	10.5	51.7	37.8	89.5

Note. Upward educational mobility refers to respondents attaining a higher level of education than their parents.

Table 2 shows that there are significant differences in educational attainment between generations. Respondents of parents with low education levels were significantly more likely to stay at the lower levels of education than respondents with parents with high education levels. The results also indicate there is high educational mobility among disadvantaged groups.

41.8% of respondents with parents who did not have any education earned more than their parents. This percentage rose steadily as parents' education level went up. The mobility of the highest educational level was found for the subjects whose parents qualified at a graduate level or above.

Education seems to be at work in two different ways in the intergenerational mobility process. First, better parental education can positively influence economic outcomes as it gives kids information, resources, education expectations, and social connections. Secondly, education is a means whereby the individual can escape the poverty cycle if he or she comes from a disadvantaged family.

However, with mobility in education, economic mobility may not follow. The economic returns from higher education may be limited by the costs of tuition, the role of education within the home, unequal opportunities to quality institutions, geographic location, and lack of employment opportunities. So, reducing persistent poverty policies should take into account the access to education and the quality and economic significance of education.

Table 3. Relationship Between Intergenerational Economic Mobility and Selected Factors

Factor	Upward mobility (%)	Stable economic position (%)	Persistent/Downward mobility (%)	Interpretation
Higher educational attainment	62.4	24.8	12.8	Strong positive association
Formal/skilled employment	58.7	27.5	13.8	Positive association
Access to financial services	54.3	30.1	15.6	Positive association
Ownership of productive assets	56.8	28.7	14.5	Positive association
Participation in social protection programmes	49.6	31.4	19.0	Moderate positive association
Informal/unstable employment	27.3	29.6	43.1	Negative association
High household dependency ratio	25.8	30.5	43.7	Negative association
Limited access to healthcare	29.7	32.2	38.1	Negative association

Table 3 highlights some factors linked to intergenerational economic mobility. Upward mobility is positively associated with higher levels of education, particularly so for college graduates, in which 62.4% experienced an upward economic move. The formal/social media category is also relatively strongly tied to upward mobility. The results support the need for human capital to help people rise above the economic circumstances of their families of origin.

Financial services and productive assets also seem to be a determinant of better economic mobility. Those who can gain access to formal financial institutions might enjoy improved saving opportunities, investment options, access to credit, enterprise creation and better coping with financial crises. Likewise, having productive assets can offer a relatively stable income stream, and limit reliance on precarious wage work.

Social protection does not necessarily create significant upward mobility on its own, but can provide temporary income security and give households time to invest in education, health, skills or productive activities. This implies that social protection has better impact when coupled with long-term development opportunities.

By comparison, there is a much greater likelihood of persistence or decline in the informal or unstable employment situation. Those in insecure work may have highly variable incomes, less job protection, less access to social security, and fewer chances for promotion. Employment quality thus seems to be important as well as being a component of employment status.

Persistent or downward mobility is also a characteristic of a high household dependency ratio. Low incomes and high dependency ratios will allow households to spend a significant proportion of their incomes on consumption rather than on saving and investment. Lack of health care also seems to exacerbate economic vulnerability due to the fact that illness and health care costs can also impact the income and savings of households.

8. Limitations of the study

There are limitations that should be taken into account when interpreting the findings from the study on poverty persistence and intergenerational economic mobility: First, the availability and quality of longitudinal data could limit the ability to chart the full economic lives of individuals and families over time. Poverty is not a constant state and a brief observation period may not identify temporary vs. chronic or persistent poverty.

Secondly, measuring intergenerational economic mobility has some difficulties. The level of income, wealth, occupation, education, and living standards may have varying effects on economic mobility, and using a narrow group of indicators may not capture the multidimensionality of socioeconomic mobility. The reporting of income, household size and employment status can also have an impact on the comparability and accuracy of data.

Third, the study might be affected by unobserved family and community attributes. Some of the factors that are hard to measure in full but could have a strong impact on the economic status of future generations are: parental aspirations, social networks, cultural practices, help from informal networks, quality of schooling, and inherited assets. Thus, without doubt, any relationship observed between parental socioeconomic status and the economic status of children should not be assumed to be direct.

One further constraint relates to regional and socio-economic variations. The ways in which poverty can be passed down from one generation to the next can differ significantly from one region to another and from one urban and rural area to another, depending on labour market, education, infrastructure, and social protection characteristics. Thus, results from a specific geographical or demographic area could be less applicable to a different population.

The study might also be challenged in its ability to incorporate significant economic and social shocks. Household economic conditions and mobility patterns can shift during economic recessions, unemployment, inflation, natural disasters, pandemics, and shifts in government welfare policies. They can vary significantly from one generation to the next and from one socio-economic class to the next, so capturing the effects over time is difficult.

What is more, information gathered in retrospect could be subject to recall bias, if used. People may not recall accurately the amount of money their families made a long time ago, whether they had jobs, what they learned in school, or whether they endured financial difficulties. Attrition may pose an additional concern in longitudinal studies if certain socioeconomic groups are more likely to drop out of a study.

Lastly, poverty persists as a result of a complex interaction among individual, household, institutional, economic and structural factors. Quantitative indicators may thus reflect measurable aspects of economic mobility, but fail to reflect important experiences related to poverty, social exclusion, vulnerability and aspiration for economic mobility. Additional study needs to be done in the future to overcome these limitations by using greater time data, multidimensional poverty and mobility measures, qualitative evidence, and comparative studies on poverty and mobility by regions and generations.

9. Conclusion

Poverty persistence is more than just the fact that someone is not earning enough at a specific time; it's a process by which poverty can be passed from generation to generation. The study of intergenerational economic mobility reveals

that the conditions of childbirth can significantly shape the quality of children's education, their career choices, their earnings, their housing conditions and their economic life. Low levels of education, poor health care, weak employment opportunities, being poor, and limited social support can also trap families in poverty, and limit their chances of escaping to another level of social class or position. Therefore, the study emphasizes that intergenerational poverty needs to be tackled through interventions that go beyond providing short-term income transfers to the poor. However, children and young people from economically deprived families require special attention due to the fact that early disadvantages may be cumulative over the life course and have an impact on future earning potential. Economic mobility should not just be considered as income mobility at the same time. Educational achievement, job security, quality of life and financial stability are also critical measures of progress. Policies need to be multidimensional and take a life course approach to promoting mobility. Specific policies for disadvantaged families, as well as more general policies to address structural inequalities, can help to ensure more equitable opportunities for future generations. Finally, poverty persistence can only be combated if it can be coordinated with the governments, educational institutions, employers, financial institutions, civil society organisations, and communities over a long-term period. What is needed is a change from poverty alleviation to poverty prevention across generations. Social mobility can be enhanced, long-term inequality diminished, and more inclusive economic development fostered by establishing environments where family influences on economic outcomes are less pronounced. Maintaining intergenerational economic mobility is thus not just an economic goal, but also a key pillar of social justice, human development and sustainable economic growth.

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