Exploring the relationship between economic inequality and intergenerational mobility in the UK

Abstract

This essay explores the ways in which economic inequality (i.e., income and wealth inequality) shapes intergenerational mobility in the UK, asking what mechanisms drive this relationship and what policies could, potentially, reduce economic inequality and increase intergenerational mobility in the UK. By placing the focus of the essay o9n understanding differences in mobility for marginalised populations, the essay aims to highlight the flaws in current policy and propose new frameworks that have the potential to offer more equitable opportunities for all. Using classical and heterodox economic theories, the essay finds that income and wealth inequalities significantly impede intergenerational mobility, perpetuating disadvantage. The essay suggests that, to address these issues, which are negatively impacting the fabric of UK society and harming the UK's global competitiveness, progressive policies will be needed, including changes to inheritance tax, universal basic income and mission-driven investment.

Introduction

This essay addresses the research question, "What are the mechanisms through which economic inequality (i.e., income and wealth inequality) impacts intergenerational mobility in the UK, for women and ethnic minorities, and what policies could, potentially, address these disparities by reducing economic inequality and increase intergenerational mobility in the UK?". Economic inequality and the lack of intergenerational mobility are the most pressing social and economic issues facing the UK, given the sharp increase in wealth and income inequality in the UK over the past few decades (Bourquin et al., 2022), and the negative impact this has had on social mobility (Eyles et al., 2022) and regional economic and social disparities (Stansbury et al., 2023).

The UK has one of the highest levels of economic inequality, and the lowest levels of intergenerational mobility, in the OECD nations (OECD, 2022). Increasingly, children's futures are predicted by, and dependent on, their parent's economic position: it is increasingly difficult to achieve social mobility, due to the huge increases in economic inequality. This is not only unfair and immoral from the perspective of the common good (Sandel, 2020), but also has repercussions for society as a whole in terms of undermining meritocracy (Sandel, 2020), entrenching privilege which condemns the poor for generations (De Schutter, 2021), reducing social cohesion (Kawachi and Kennedy, 1997), decreasing productivity (Madsen, 2024), reducing the long-term growth prospects of the UK (Cribb and Waters, 2024) and potential descent into authoritarianism (Jetten et al., 2021).

The essay uses classical economic models (including the Becker-Tomes intergenerational transmission of human capital model (Becker and Tomes, 1986), Becker's theory of discrimination (Becker, 1957) and Bourdieu's model of capital (Bourdieu, 1983)) alongside contemporary, more heterodox economic theories and models (including Mazzucato's (2021) ideas regarding mission-driven public investment and Raworth's (2017) doughnut economics), to identify alternative solutions to address this defining issue of our time. It is a myth of the neoliberalist project that "trickle down" economics will somehow benefit all (Chancel et al., 2022).

Theoretical frameworks

Becker-Tomes intergenerational transmission of human capital model

The Becker-Tomes intergenerational transmission of human capital model (Becker and Tomes, 1986), which was discussed in the lectures for this course, suggests that parents invest money in the development of their children's human capital based on two main factors: their level of income and their preferences. The outcomes of the model, as projected by Becker and Tomes (1986), suggest that the correlation between parental and child outcomes is stronger in poor families than in richer families. This finding has been replicated across multiple empirical and geographical contexts, including the UK (Dearden et al., 1997), the USA (Naga, 2002), Sweden (Osterberg, 2000), Germany (Couch and Dunn, 1997) and Canada (Corak, 2001).

The model suggests that in a market that is perfectly efficient, with no borrowing constraints, mobility should be high for all, because this would mean that all children could access equal opportunities for upward mobility. In reality, however, the market is not perfectly efficient, which means that wealthier families are able to invest more in education and educational support, giving the children of wealthier families an advantage which is persistent across time.

As Dearden et al. (1997) report, this is indeed what happens in the UK, with its imperfect market: intergenerational mobility is limited by labour market earnings and years of schooling. When economic inequality increases, the returns on parental investment grow, reducing intergenerational mobility further, meaning that for children born into poor families, it is increasingly difficult for them to become upwardly economically and socially mobile (Van der Erve et al., 2024). As Chetty et al. (2014a; 2014b) discuss, similar policy levers in the US have proven unable to overcome regional variations in economic inequality and intergenerational mobility.

As Eyles et al. (2022) point out, these findings refute Becker and Tomes (1986) suggestion that almost all earnings advantages or disadvantages of ancestors will be wiped out in three generations: in societies with high economic inequality, multigenerational mobility is common, with privilege being entrenched across generations. This appears to result from both a shrinking of the "room at the top" (as wealth becomes concentrated in the hands of fewer families) and a squeeze at the bottom (Eyles et al., 2022), marked by the establishment of the "gig economy", creating income sources with no security, stability, rights or hope of career progression (Elliott Major et al., 2021).

This is only likely to worsen in light of technological advances (such as AI) which, if they remain unfettered by legislation that minimises their negative impact on the labour market and labour market dynamics, are likely to replace middle tier jobs. This, combined with a lack of bargaining power, could potentially lead to a hollowing out of the labour market (Bivens and Zipperer, 2024). Policy that reduces employer power within labour markets could positively influence multiple aspects of inequality in employment opportunities, which would contribute to improving economic inequality and intergenerational mobility (Giupponi and Machin, 2024).

Becker's theory of discrimination

Becker's theory of discrimination (Becker, 1957) explores the idea that individuals who are discriminated against (by "taste-based" discrimination) will be pushed out of workplaces in which discrimination is prevalent and pushed into workplaces where discrimination is least evident. This process reduces the real incomes of those forced out because of discrimination affecting the mean income of the minority group (Becker, 1957), and also leads to the generation of systemic barriers which prevent members of the minority community entering all workplaces, essentially prejudicing their (and therefore their children's) potential for upwardly mobility. In the UK, the effects of this "taste-based" discrimination is seen against ethnic minority and working-class workers.

As Mirza and Warwick (2024) report, there is no single story of advantage or disadvantage in the UK: racial and ethnic inequalities have complex aetiologies and are characterised by their ongoing – continuous – nature, rooted in both their historical origins and ongoing conditions that select against racial/ethnic minority workers. The effect of this is sustained patterns of inequality across minority groups, in a contemporary and generational sense, leading to intergenerational inequality of outcomes. Within minority groups there are, also, intersectional contours of difference in terms of gender, geographical location and class, creating a complex diversity of economic inequality (Mirza and Warwick, 2024).

Platt and Zuccotti (2021) report that these systemic differences cannot be explained away by differences in educational performance, because despite the disadvantages faced, second-generation minority ethnic groups all perform well in education. Employment disadvantage persists, however, with racial/ethnic minority groups, in general, having lower employment rates than white individuals. Some minority groups, namely Indian and Bangladeshi men and Indian/Caribbean women, experience better occupational success, however (Platt and Zuccotti, 2021). Policy aimed at improving social mobility of racial/ethnic minority groups may, therefore, not benefit all groups equally.

As Li (2022) suggests, there are strong effects of parental resources on educational and occupational attainment for socioeconomically disadvantaged whites but weak effects of this for racial/ethnic minorities, suggesting that parental resources have a highly stratified order for whites but limited impact for racial/ethnic minorities. This leads to the suggestion that social mobility is more fluid for racial/ethnic minorities, with determination, aspiration and resilience ("ethnic capital" (Modood, 2005)) contributing to the breakout success of some of the most disadvantaged racial/ethnic minorities, including Indian and Bangladeshi men and Indian/Caribbean women (Platt and Zuccotti, 2021).

Despite significant educational gains made by some ethnic minority groups, wage penalties persist (Hall et al., 2024). When understood alongside the lower occupational mobility of these ethnic minority groups, this suggests that there is, in fact, a decoupling of education (and the potential education is supposed to offer) and economic opportunity (i.e., the ability to become upwardly mobile). This suggests that there is a form of systemic labour market discrimination occurring in the UK: education by itself is insufficient to overcome deeply embedded intergenerational disadvantage.

Ethnic and gendered dimensions of mobility

Becker's theory of discrimination identifies how systemic barriers restrict intergenerational mobility for marginalised individuals, and recent research from the UK recognises the need to include intersectionality within this, i.e., how the intersection of ethnicity, gender and class impacts intergenerational mobility. Friedman et al. (2017), for example, show that working class individuals are under-represented in elite jobs, even after their educational level is controlled for. This suggests that there is a "class ceiling" that prevents working class individuals from accessing higher paid, elite jobs.

Systemic barriers mean that this ceiling is even more pronounced for women and ethnic minority individuals, who experience multiple disadvantages (class, race and gender), which will mean that disadvantage is compounded. Empirical research from Kele et al. (2022) suggests that, indeed, intersectional identity shapes the lived experiences of individuals, and the power relations they experience, in the corporate world, with Black Caribbean women and working class Asian men facing persistent wage gaps, even if they have a higher educational level than their white counterparts.

Li (2022) developed the theory of perverse fluidity to explain how upward mobility can be achieved by these disadvantaged individuals, despite their significant intersectional disadvantages. Li (2022) suggests that upward intergenerational mobility *can* be achieved but that this mobility is perverse because, as these individuals are becoming upwardly mobile, they can do nothing to dismantle the underlying systemic and structural inequalities that cause disadvantage, essentially meaning that, for their communities, disadvantage remains intergenerational. Additionally, whilst such individuals *may* be able to obtain an elite job, with a high paying salary, they will still be subject to ceilings within the labour market, due to the systemic racism present in UK society (Li, 2022).

Education therefore offers only the illusion of access to the UK's meritocracy, because the system in biased against such individuals: even if they are highly educated, they will still reach the ceiling that society dictates they cannot break through. It is clear, when assessing the situation from this vantage point, that as Eyles et al. (2022) suggest, education does not offer a solution to the systemic and structural barriers to equality, because certain sectors of society experience subtle barriers to unencumbered career progression. This is highlighted by the differences in intergenerational income elasticities of white and ethnic minority individuals which show that ethnic minority women have far reduced mobility compared to white men (Blanden, 2019).

It is clear, therefore, from both a theoretical and empirical perspective, that education cannot help those individuals who already do well in school, because these individuals face systemic and structural barriers that prevent them from maximising their potential when in the workforce, preventing upward occupational mobility. This means that policy must be developed that addresses these systemic and structural barriers to upward occupational mobility and, therefore, upward intergenerational mobility. Until such solutions are posited, and implemented, there will continue to be ceilings on occupational mobility for women and ethnic minorities.

Bourdieu's model of capital

Bourdieu's model of capital (Bourdieu, 1983) introduced three forms of capital: economic (money, assets), cultural (education, language, taste) and social (networks and connections). Bourdieu (1983) suggested that these forms of capital are transmitted intergenerationally, through mechanisms such as socialisation and institutional structures, which leads to the reproduction of social class. The higher education system, in particular, favours cultural traits associated with the middle class (students are more likely to be accepted into university, for example, if they have significant extracurricular experience, and are more likely to get better grades on their A-levels if they attend private tutoring). Even if children present the same qualifications on their university application, children from wealthier backgrounds are more likely to be accepted to university, and far more likely to be accepted to an elite university.

Once at this elite university, they are more likely to fit in than a student from a working class background, due to their inherited (accumulated) economic, cultural and social capital. Indeed, as Jack and Black (2024) highlight, lower-income undergraduates from public schools who earn a place at elite universities can face significant cultural mismatch which negatively impacts their sense of belonging and limits their mobility post-university. Even if a child has managed to achieve upward mobility in terms of their higher education opportunities, there will be a ceiling on how far this can take them occupationally: they will never be able to access the same opportunities as students from wealthy families who have significantly higher inherited (accumulated) economic, cultural and social capital, because aside from conferring advantage, such capital is also highly relational in nature (Roaldsnes, 2024).

Kate Raworth's doughnut economics

Whilst not specifically discussed in the course, Raworth (2017) posited a new (and highly relevant) economic model – doughnut economics – to meet the needs of all (in terms of food, housing, healthcare and having political decision-making power). Raworth (2017) recognises that the planet has a limit to its life-supporting capacities, and identifies nine planetary boundaries, alongside twelve social dimensions based on the Sustainable Development Goals. In the space created by these boundaries, there is an environmentally safe and socially just space in which all of humanity can thrive, leaving no one behind (Raworth, 2017).

The doughnut model recognises seven main principles, including changing the economic goals humanity is working towards, nurturing systems of creation based on regeneration and being agnostic about growth so that thriving with enough, and not striving for more, becomes normalised. The model, with its focus on fair distribution of resources, addresses the economic inequality at the heart of the current politico-economic system (Raworth, 2017). Critics of the doughnut model suggest that its apolitical nature (Schokkaert, 2019) and its political naivety render the model useless in practical terms (Horwitz, 2017). Milanovic (2018) suggests that the lack of acknowledgement of different interests is also problematic, complicating its operationalisation in real-world situations.

Mazzucato's mission-driven policy approaches

Whilst Mazzucato does not suggest models that could address the issue of economic inequality, and whilst this framework was not specifically discussed in the course, it is highly relevant. Mazzucato (2021) and Mazzucato and Penna (2020) highlight the importance of challenging the assumption that markets are efficient allocators of opportunity. The entrepreneurial state framework developed by Mazzucato (2021) posits that public investment should be mission-driven to shape markets towards desirable social and economic goals, including: redirecting investment towards marginalised regions and communities; democratising innovation and access to the fruits of technological advances (thereby socialising public returns, levelling the playing field for the currently economically disadvantaged); and creating quality, regulated, jobs in new sectors, including the development/production of sustainable technology (which would also have multiple environmental benefits).

Mazzucato (2021) also argues that mission-driven economic policy and public investment could rewrite the rules of the game, leading to a redistribution of wealth through rebuilding the economic system and addressing, directly, the structural causes of inequality. This would address the root causes of economic inequality, rather than trying to use policy to redistribute wealth after the current market system has created inequality. Reframing the issue of economic inequality as a design problem, not as a distributional problem, offers an innovative approach to addressing economic inequality: creating inclusive markets through mission-driven public investment.

Empirical evidence from the UK context

Trends in mobility

Intergenerational income elasticity (IIE) is used to determine the percentage of income advantage that is passed to children. IIE in the UK is 0.535 (Van der Erve et al., 2024), compared to an average IIE of 0.25 in Nordic countries, which have much lower levels of economic inequality (Jantti, 2024). Between 1995-2008, 60-65% children in the UK earned more than their fathers, decreasing to 44% (2010) and 42% (2020) (Van der Erve et al., 2024). Additionally, Macmillan (2014) reports that intergenerational joblessness has increased in the UK with sons born in 1970 much more likely to be jobless than sons born in 1958. Upward mobility has stalled in the UK since the 1970s (OECD, 2018).

Although education is widely accepted as one of the most effective tools to improve a child's chances of achieving upward mobility, Eyles et al. (2022) conclude, following their study of social mobility in the UK, that the education system has failed to act as a great social leveller. Eyles et al. (2022) report that specific educational schemes can be transformative in the lives of children but that, on the whole, improving educational opportunities for children, whilst necessary, is not sufficient to tackle low national levels of social mobility. Children's home environments have a significant impact on future life chances, with home environments being at least as important as education in determining the social mobility of children (Eyles et al., 2022).

Inequality measures

As reported by OECD (2022), the UK has high income inequality compared to other developed nations, ranking 9th for unequal income amongst the 38 OECD countries. The UK's Gini coefficient for 2023/24 is 35% based on income before housing costs and 39% based on income after housing costs (Francis-Devine, 2025), which means that the UK has a higher Gini coefficient (i.e., a higher level of income inequality) than most European OECD members (OECD, 2022). The Office for National Statistics (ONS) (2022) report that the top 20% of earners in the UK are paid 36% of the UK's income and hold 63% of the UK's wealth, with the bottom 20% of earners being paid only 8% of the UK's income and holding just 0.5% of the UK's wealth.

The mean income in the UK was £32,300 in 2022, after direct taxes including income and council tax, with the majority of working people earning below this mean income (ONS, 2023a). Incomes for the poorest 20% in the UK fell by 7.5% in real terms in 2022 (to a mean total income of £13,218) and incomes for the richest 20% increased by 7.8% in real terms (to a mean total income of £83.687) (ONS, 2023a). The richest 20% of the UK receive an income over twelve times that of the income of the poorest 20% of the UK (Equality Trust, 2023).

Wealth is even more unequally distributed than income in the UK with the ONS (2023c) reporting that the richest 10% of UK households hold 43% of all the UK's wealth, and the poorest 50% of UK households holding only 9% of the UK's wealth. Between 1984 and 2013, the wealth held by the top 1% richest people in the UK doubled, from 4.5% to 9% of the UK's total wealth (Equality Trust, 2023). As of 2021, the richest fifty families in the UK, with an estimated wealth of £466 billion, hold more wealth than 50% of the UK's population (than 34.1 million people) (Tippet et al., 2021). If this continues unabated then by 2035 the wealth of the richest 200 families in the UK will be greater than the GDP of the UK (Equality Trust, 2023). As Nolan et al. (2022) discuss, an increasing number of British families are receiving substantial intergenerational gifts, with this increasing intergenerational transfer of wealth (prevalence and size of transfer) contributing to increasing economic inequality.

Mechanisms linking economic inequality and intergenerational mobility

Education

Education has been posited as the great equaliser (Bernardi and Plavgo, 2019). Pickett and Wilkinson (2010) report a correlation between low scores in maths and reading and economic inequality across nations. As Eyles et al. (2022) report, however, education does not act as a great social leveller in the UK, as children's home environments were found to have a more significant impact on future life chances than education. As Pickett and Wilkinson (2010) report, low levels of interpersonal trust in economically unequal societies leads to poorer social/family relationships which negatively impacts the quality of learning and educational attainment. Despite government investment in education, inadequate home environments in economically disadvantaged communities undermines the gains, offered by education, that could support upward mobility.

Farquharson et al. (2022) note that higher levels of education are correlated with better labour market prospects: employment rates for people with GCSEs are far lower than for university graduates. People with few qualifications also have slower earnings growth over their lifetimes (Farquharson et al., 2022). Within the population with a university education, place of study significantly impacts earnings and social mobility, which, as Bourdieu's model of capital (Bourdieu, 1983) recognises, is tied to family background: families with higher levels of inherited (accumulated) economic, cultural and social capital have access to better universities and better networks, improving the chances of their children finding much higher paid, more secure, employment. Bourdieu's model of capital perhaps explains why, in the UK, despite decades of policy directed towards education, there has been no significant change in the disadvantage gap in GCSE attainment: children who are eligible for free school meals remain about 27 percentage points less likely than their more affluent peers to get five or more GCSEs (Farquharson et al., 2022).

As Eyles et al. (2022) report: education is not a great leveller, because other aspects of disadvantage, caused by failing to address economic inequality, also contribute to poor academic achievement. Indeed, as Farquharson et al. (2022) point out, household income is not only correlated with poor academic achievement in the poorest households, but also in more affluent families: children in the top 10% richest families in the UK are more than twice as likely as children from middle-class families to achieve at least one A* grade at GCSE. The link between education and intergenerational mobility is, therefore, nuanced and complex, influenced by factors that relate directly to the high levels of economic inequality in the UK, including household income and access to family capital (economic, cultural and social).

Wealth transmission/inheritance

In the UK, wealth begets wealth, with the richest 10% of UK households owning 43% of the UK's wealth (ONS, 2023c). The "wealth begets wealth" status of the UK is maintained because families with significant assets transmit these assets to their children either directly (through inheritance) or indirectly (through educational support, buying second or third homes and/or supporting entrepreneurship), with a relatively low tax rate on inheritance. Indeed, inheritance tax in the UK is extremely limited in scope and can be circumvented by setting up trusts or transferring money offshore (CenTax, 2024). Whilst the stated inheritance tax rate is 40% for estates over £325,000, in reality most estates do not pay this tax rate, with the mean effective tax rate for estates over £10 million being around 9% and 22% of estates over £10 million paying less than 4% in inheritance tax (CenTax, 2024).

These calculations do not take into account “missing wealth” not included in the heritable estate, as many wealthy families place wealth in trusts, offer gifts more than seven years before death, or move assets into offshore accounts, none of which is taken into account at the moment of inheritance for tax purposes (CenTax, 2024). Wealthy families therefore pay very little in inheritance tax. This leads to wealth accumulation in wealthy families and to a loss of taxes for the UK as a whole, which could contribute to redressing economic inequality across the UK. As Atkinson (2015) discusses, a tax system built on some form of progressive lifetime receipts tax would redress this imbalance.

Labour market discrimination

As discussed with reference to Becker’s (1957) model, labour market discrimination continues to shape income, lifetime earnings and employment opportunities which, in turn, shape the potential for upward intergenerational mobility in the UK. In particular, certain ethnic minorities (Hall et al., 2024) and women (Brynin, 2019) face significant wage penalties that cannot be explained by either educational level or experience in the workplace. As the Wise Campaign (2024) suggests, in the UK, the gendered pay gap is worse for women with the highest level of education, with the UK’s gender pay gap being 1% higher than the OECD mean of 13.5% (PwC, 2024). Discriminatory practices in the UK labour market not only limit income, and wealth generating capacity, but also limit occupational mobility and also perpetuate inequality intergenerationally (Friedman et al., 2017), supporting Becker’s theory. As Friedman et al. (2017) report, joblessness is now an intergeneration reality in the UK for many people who have been systematically discriminated against in the UK.

Policies attempting to address the effect of economic inequality on intergenerational mobility

Tax reform

It is clear that reform is needed to wealth and inheritance tax because the current tax system prohibits any redistributive power for the assets currently held by the upper echelons of UK society. Atkinson (2015) recommends replacing inheritance tax with some form of lifetime receipts tax, to ensure that wealth is transferred out of wealthy families, in a progressive manner, and redistributed across UK society. Piketty et al. (2023) show that such progressive wealth taxes could reduce economic inequality in the UK without harming economic growth. As Mattauch (2019) argues, importantly, such changes to the tax system would also not negatively impact the capacity and capability of the wealthiest families in the UK to continue to generate high levels of income. There is growing public support for such measures, given the increasingly noticeable negative impacts of economic inequality on the day-to-day lives of the non-wealthy in the UK (Oxfam, 2025).

Universal basic income

Policy introducing universal basic income (UBI) could also redress economic inequality, and improve intergenerational mobility, in the UK. UBI has been shown, through simulations, to redress economic inequality and reduce mental health inequalities (Thomson, 2024), with Hasdell (2020) arguing that whilst a fully universal and unconditional basic income has never been implemented at scale, the evidence from cash transfers from developed nations to developing nations shows that such an income model can reduce economic inequality and improve intergenerational wealth transfer, improving intergenerational mobility.

A recent experiment in Kenya, which gave people a universal basic income, showed that the provision of UBI led to substantial economic expansion in the experimental region, including improved economic equality in the community through the proliferation of new enterprises (Banerjee et al., 2023). A similar experiment in Germany showed that those individuals provided with a UBI changed job to a better job and reported increases in their wellbeing (Grenier, 2025). None of the individuals provided with a UBI in Kenya or Germany suddenly became lazy and stopped working: all used the income to improve their lives and, in the case of Kenya, the social mobility of their entire community. As Perkins et al. (2022) suggest, however, such a policy would require changes to the social and psychological contracts that society is currently organised around.

Rethinking "economic success"

As Raworth (2017) implies, changing the narrative surrounding 'economic success' might slowly change the way that the 'economic success' of the UK is understood and measured. Extractive capitalism has, after all, led to the increasingly extreme economic inequality in the UK, which has benefitted a small minority at the cost of the income, wealth-generating capacity, intergenerational mobility, and physical and emotional wellbeing of the majority of the UK population. Post-capitalist, participatory economic models, and policy could, for example, lead to significant and much-needed reform in terms of how concepts such as 'economic success' and 'economic health' are understood, conceptualised and then operationalised (Albert and Hahnel, 2020). The lack of a new narrative around these concepts could be argued to be the root cause of the failure of policies such as *No child left behind* which aim to break down educational barriers for vulnerable children. Until economic inequality is addressed in the UK, children will still be failed: investment in education will never show returns unless families are helped to move beyond their current income situation (Social Value UK, 2024).

How current policies fail ethnic minorities and women

Universal basic income and inheritance tax have the potential to reduce economic inequality but are unable to address persistent disadvantage due to systemic and structural barriers which, as discussed, negatively impact ethnic minorities and women. Discrimination in the labour market, if unaddressed, will continue to undermine the educational achievements of such individuals, given the post-education ceiling that actively prevents occupational mobility. Attempting to address these systemic and structural barriers by offering educational grants and access schemes will also fail: these measures do not, and cannot, dismantle systemic and structural disadvantage for individuals at the intersection of multiple axes of disadvantage. This is clear from the empirical findings (Li, 2022): educational access does not translate into equal opportunity. This means that policy needs to go beyond redistribution, to actively address the systemic and structural barriers to occupational, and therefore intergenerational, mobility.

Conclusion

This essay asked the research question, "What are the mechanisms through which economic inequality (i.e., income and wealth inequality) impacts intergenerational mobility in the UK, for women and ethnic minorities, and what policies could, potentially, address these disparities by reducing economic inequality and increase intergenerational mobility in the UK?", finding that the relationship between economic inequality and intergenerational mobility in the UK is deeply entrenched and mutually reinforcing.

The essay therefore contributes to the literature regarding intergenerational mobility in the UK, as it reframes the issue of a lack of intergenerational mobility not as a general inequality that impacts everyone equally but, rather, as an intersectional issue, with individuals living at the intersection of various axes of disadvantage being currently unable to overcome these multiple systemic and structural disadvantages. Attempting to address this intersectional disadvantage through isolated policy targeted to changing, for example, education and/or taxation, will be insufficient to precipitate real sustainable change to the current levels of intergenerational mobility in the UK.

It is important to recognise that these challenges cannot be solved from within the same system that created these challenges. To solve these issues, which are curtailing the economic prosperity of the UK as a whole, and reducing its competitiveness globally, there needs to be a shift away from neoliberalism towards mission-driven public investment. This could take the form of a universal basic income, progressive tax reforms to wealth and income tax and/or strategic reforms to regional economic investment.

Structural reform, and participatory models, have the potential to reverse the economic inequality which is harming large swathes of the UK population, and harming the UK's economic prosperity. The dual crises of economic inequality and lack of intergenerational mobility can only be solved by addressing their root causes, which are political. Political reform is, therefore, not only necessary but long overdue.

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