SOCIAL MOBILITY

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Life chances are still influenced by family affluence

In the Fourth Industrial Revolution, human capital is the driving force of economic growth. Yet across most economies, children born in less affluent families tend to experience greater barriers to success than those born in more affluent families. These inequalities of opportunity may become entrenched and foster long-term economic inequalities as well as deep economic and social cleavages. Most economies are failing to provide the conditions in which their citizens can thrive, often by a large margin. As a result, an individual's opportunities in life remain tethered to their socio-economic status at birth, entrenching historical inequalities.

This is a major problem not only for the individual, but also society and the economy.

With a score of 74.4, the United Kingdom ranks 21st on WEF social mobility index. Despite a high score on the Education Access pillar (82.5), it lags behind its regional peers in overall Education Quality and Equity (69.1), and has significant disparities in educational quality between schools, and limited social diversity within schools.

A 2020 impact assessment estimates the cost of low levels of social mobility on the economic growth of the United Kingdom. According to this analysis, low social mobility will cost the UK economy £140 billion a year over the period to 2050, amounting to £1.3 trillion in lost GDP over the next 40 years.

Ideas to address the issue include:

- policies that address wealth concentration and broadly re-balancing the sources of taxation can support the social mobility agenda.
- more support for education and lifelong learning and a new agenda for promoting skills development throughout an individual's working life.
- developing a new social protection contract which would offer holistic protection to all workers irrespective of their employment status, particularly in a context of technological change and industry transitions.