

Living the American Dream (in Canada)



Timothy M. Smeeding, author of "[*Persistence, Privilege and Parenting*](#)," is the Arts and Sciences Distinguished Professor of Public Affairs and Economics at the University of Wisconsin-Madison and the director of the [*Institute for Research on Poverty*](#).

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Of all the consequences of rising economic inequality, none is more worrisome than the possibility that a growing gap will make it harder for children of low-income and middle-class families to climb the economic ladder. As financial resources have become more unequal in most European and Anglo-Saxon countries over the last three decades, the difference in the abilities of rich and poor families to invest in their children also has become more unequal. This gap is growing just as changes in the labor market increase demand for highly educated workers and decrease opportunities for the less educated.

Unless these inequities are offset by public policies designed to moderate their effects, the children of the rich will have an increasingly better chance of staying rich, and the children of the poor and middle classes will have less chance to advance.

Higher levels of economic inequality are associated with lower rates of mobility. But children are more upwardly mobile in some nations than in others. How do countries like Canada, with above-average inequality and above-average child poverty rates, do so well on mobility outcomes compared with the United States?

Canada has more effective public investments in education, including nearly universal preschool, effective secondary schools and high rates of college completion. And the Canadians are much more generous to low- and middle-income families, including child allowances and tuition breaks for university education.

We must strike a better balance between allowing parents to do what they deem best for their children and supporting social institutions that might provide more equal opportunities. It is possible to provide more equal life chances in the United States in ways that do not violate American norms of parental autonomy. While no society will ever overcome parental influences and fully equalize opportunities, policies that are based on lifting the children at the bottom of the income distribution offer the best chance for success. Unless the U.S. can learn from countries like Canada how to enhance mobility, Americans in search of an equal-opportunity society might just as well move north.

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