

INTERGENERATIONAL MOBILITY AND REGIONAL INEQUALITY IN BRAZIL

Eduardo Cenci

Professor do Departamento de Economia da University of Utah. E-mail: educenci@gmail.com

Daniel Lopes

Pesquisador do Observatório da Indústria da Confederação Nacional da Indústria (CNI).
E-mail: dafl1822@gmail.com

Leonardo Monasterio

Técnico de planejamento e pesquisa na Diretoria de Estudos e Políticas Regionais, Urbanas e Ambientais do Instituto de Pesquisa Econômica Aplicada (Dirur/Ipea); professor do mestrado em economia do Instituto Brasileiro de Ensino, Desenvolvimento e Pesquisa (IDP), em Brasília; e pesquisador do Conselho Nacional de Desenvolvimento Científico e Tecnológico (CNPq).
E-mail: leonardo.monasterio@ipea.gov.br

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Intergenerational mobility measures the ability of individuals to move up or down the socioeconomic ladder relative to their ancestors. This study presents a comprehensive estimation of long-term intergenerational mobility in Brazil by mesoregion, using an innovative methodology based on surname distribution. The main objective is to investigate how social mobility relates spatially to historical factors and current socioeconomic development indicators.

The study employs the methodology developed by Güell, Mora and Telmer (2015) and Güell et al. (2018), which uses the Informational Content of Surnames (ICS) as a proxy for intergenerational mobility. The approach is based on the principle that in societies with low social mobility, rare surnames tend to concentrate in certain income brackets, while in societies with high mobility, surnames are distributed uniformly across all income levels. The primary data source is the Annual Social Information Report (Relação Anual de Informações Sociais – RAIS) 2019, which constitutes a reliable census of formally employed workers in Brazil, covering more than 4.5 million individual observations and 238,000 unique surnames.

The main methodological innovations include the use of machine learning algorithms for ancestry classification based on surnames. This approach allows circumventing limitations of traditional studies that require paired data between parents and children across generations. The results confirm that intergenerational mobility in Brazil is low when compared to developed economies, corroborating previous studies. The median ICS found is similar to that of Spain and about half of that observed in Italian provinces. Unlike studies in other countries that show clear regional divisions, Brazil does not present clear geographic patterns in the distribution of social mobility among its mesoregions.

Low intergenerational mobility (high ICS) is correlated with lower per capita income and higher poverty rates, lower schooling and lower high school graduation rates, higher adult illiteracy, higher fertility rates, and lower electoral participation. These findings suggest that regions with lower social mobility face multiple socioeconomic challenges simultaneously.

A counter-intuitive finding of the study is the absence of positive correlation between current

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inequality and low social mobility. Unlike other studies, the traditional “Gatsby Curve” in Brazil shows a predominantly flat trend, contrasting with patterns observed in Italy and other Brazilian studies. This result suggests that the relationship between inequality and mobility may be more complex in middle-income countries like Brazil.

The historical analysis reveals robust and statistically significant correlations between past factors and current mobility. Land concentration in 1920 and the high proportion of enslaved population in 1872 are positively correlated with low contemporary mobility. On the other hand, higher historical GDP per capita in 1920 and the presence of foreign immigrants in 1920 show positive correlation with mobility, although the latter is less consistent across specifications.

The results demonstrate the long-term persistence of colonial institutions in Brazil. Regions historically characterized by large estates and land concentration, greater dependence on slave labor, and lower investment in public goods such as education and health still show lower social mobility today, perpetuating inequalities across generations. Low mobility in historically unequal regions can be explained by limited access to quality education, lower availability of health services, less developed formal labor markets, and lower political participation and civic engagement.

For regions with historically low mobility, the results suggest the need for targeted investments in quality education and universal access, strengthening of formal labor markets, improvement in access to health services, promotion of political participation and civic engagement, and structural interventions to break historical barriers to mobility. The future research agenda should include deeper investigation of causal mechanisms connecting historical factors to current mobility, analysis of the effectiveness of specific policies to increase social mobility,

extension of the analysis to the informal sector through complementary databases, and longitudinal studies to validate the temporal persistence of identified patterns.