

**Guided Discussion compiled by: <https://ktpayne.blog/>**

Declaration of Independence: Preamble

*We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.*

That to secure these rights, Governments are instituted among Men, *deriving their just powers from the consent of the governed*, That whenever any Form of Government becomes destructive of these ends, *it is the Right of the People to alter or to abolish it, and to institute new Government*, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established *should not be changed for light and transient causes*; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, *it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.*

1. What does the Preamble mean to you, today, and what role do you believe you have in your government? Is it all still relevant today?

2. What values do you think Americans share in common?

3. What does the American Dream mean to you and what is your American Dream for your future?

Topic Transition.... Let's talk about the quantifiable data associated with the "American Dream"...

Google "Social Mobility Factor"

Social Mobility Factor is the "movement of individuals, families, households within or between social strata in a society. It is a change in social status relative to one's current location within a given society." -Wikipedia

Below is an excerpt from a Business Insider Article:

<https://www.businessinsider.com/the-american-dream-of-social-mobility-2017-3>

*Upward Social Mobility Factor is often defined as "the probability that a child born to parents in the bottom fifth of the income distribution makes the leap all the way to the top fifth of the income distribution."*

*Calculated in this manner, the chances of achieving the American Dream are nearly twice as high in Canada as they are in the US.*

*In the US, children born to parents in the bottom fifth of the income distribution have a 7.5% chance of reaching the top fifth, according to Stanford's Raj Chetty, the paper's author.*

*For the UK, that figure is 9%, while Danish children at the lower rung of the income ladder have an 11.7% chance of climbing to the top. In Canada the figure goes as high as 13.5%.*

Could it be that you are more likely to live out your American dream in Canada?

*While those differences might seem fairly small, Chetty explains why they are actually pretty huge.*

*"When some people initially see these numbers, they sometimes react by saying, 'Even in Canada, which has the highest rates of upward mobility, the rate of success doesn't look all that high. You only have a 13.5% chance of reaching the top if you start out at the bottom,'" Chetty writes.*

*"It is important to remember that, unfortunately, no matter what you do, you can't have more than 20% of people in the top 20%. As such, these differences are actually quite large."*

We can use the data associated with social mobility enhance our understanding of the factors that enable people to move up and down the social/economic ladder. This knowledge can be used to better shape circumstances to our advantage and to the advantage of our children.

As you read about social mobility, focus on the factors within our control. We can choose to "place ourselves" in physical locations where we can more easily find "success."

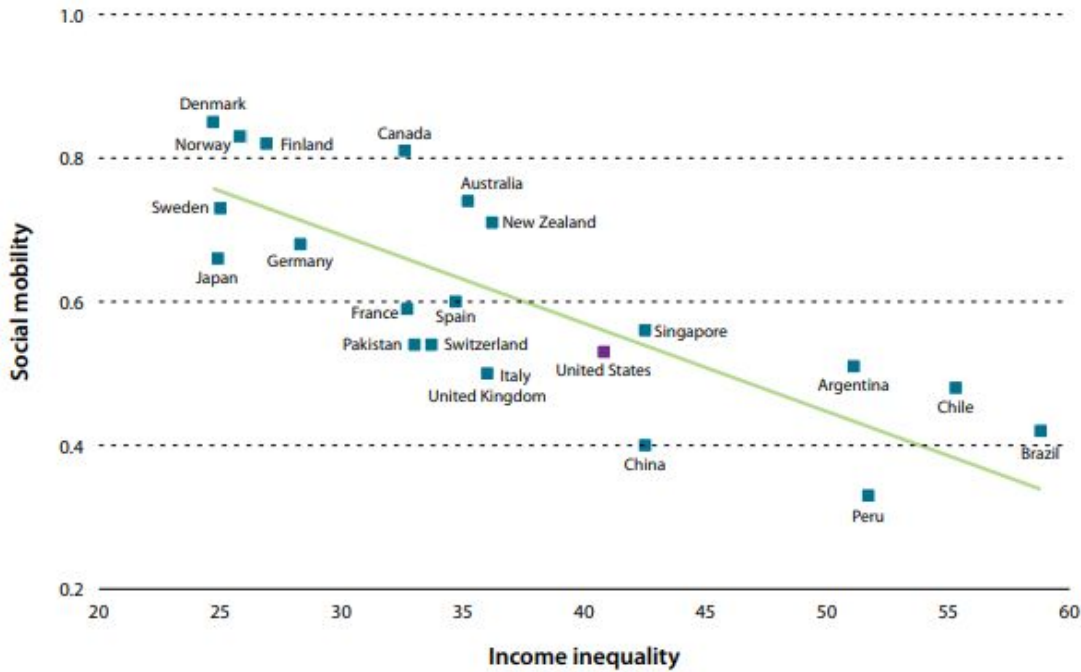
Below are social mobility rates compared across countries and a map of social mobility in the USA:

## Average Social Factor by Country Average

FIGURE 2.

### The Relationship between Income Inequality and Social Mobility

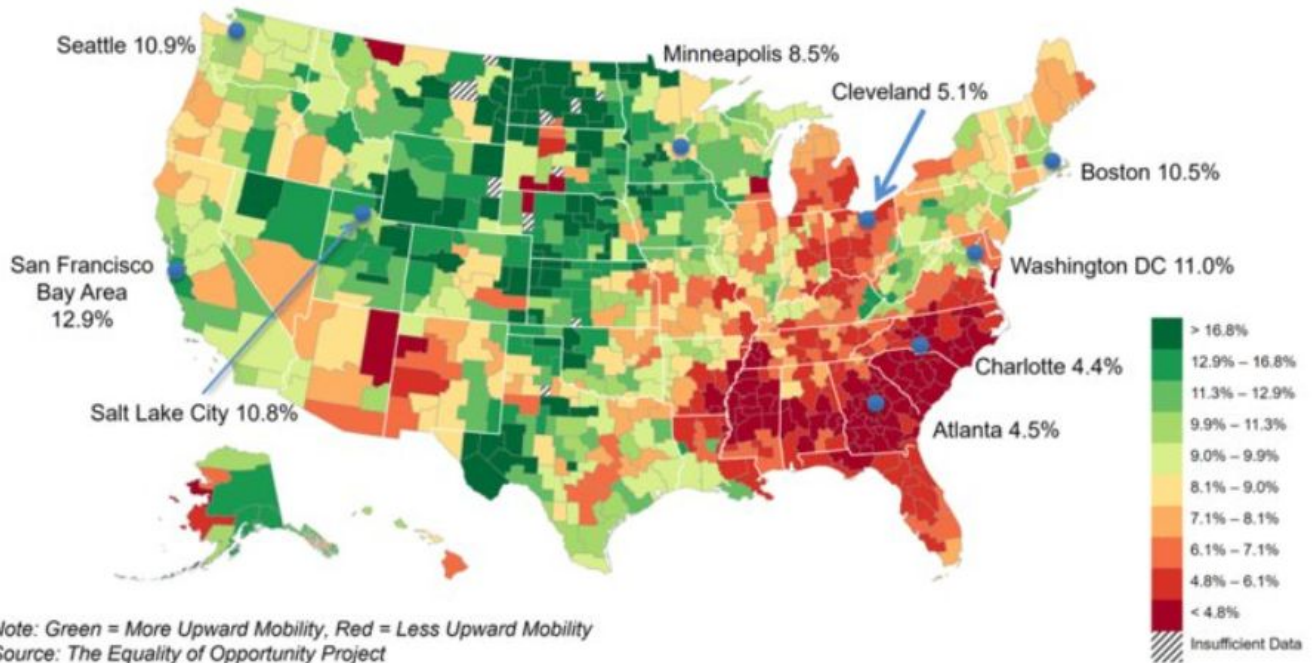
Around the world, high income inequality is associated with low social mobility.



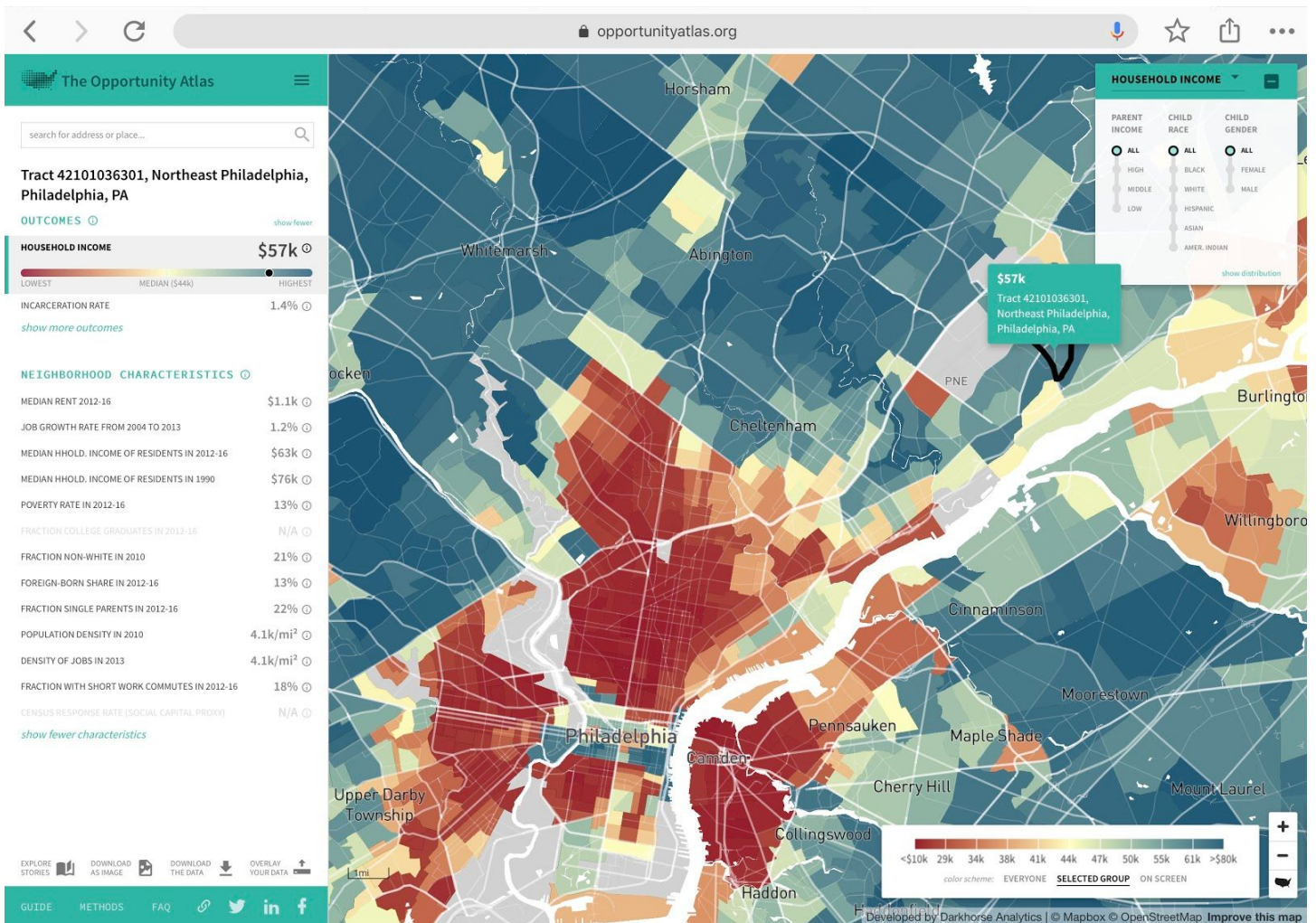
## Variability in Social Mobility across the USA

### The Geography of Upward Mobility in the United States

Chances of Reaching the Top Fifth Starting from the Bottom Fifth by Metro Area



You can search you city or county for a variety of factors with:  
<https://www.opportunityatlas.org/>



**\*\*\*Key point from the country and US Map of Upward Mobility:  
Where you live can impact your ability and your kids' ability to move up the social ladder**

But location isn't the only factor that impacts social mobility. According to the Hamilton Project, these other factors play a role:

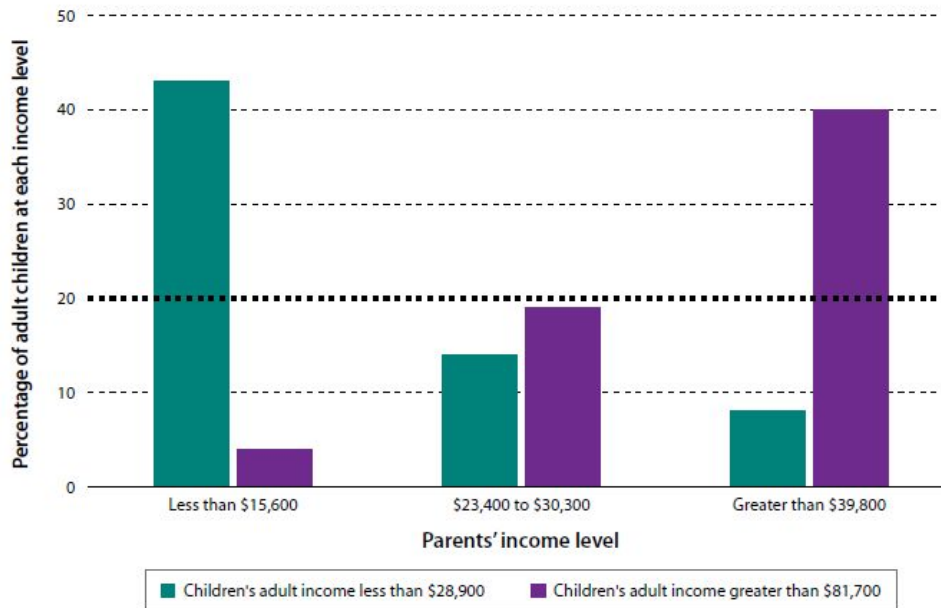
1. Family incomes have declined for a third of American children over the past few decades.
2. Countries with high income inequality have low social mobility.

### 3. Upward social mobility is limited in the United States.

FIGURE 3.

#### Probability of Children's Income Level, Given Parents' Income Level

Children born into low-income families are likely to remain at the low end of the income distribution as adults.



### 4. The children of high- and low-income families are born with similar abilities but different opportunities.

FIGURE 4.

#### Effect of Socioeconomic Status on the Cognitive Ability of Young Children

Income level seems to have a very small effect on the mental function of children under age one.



5. There is a widening gap between the investments that high- and low income families make in their children.

FIGURE 5.

### Enrichment Expenditures on Children

High-income families spend about seven times more on their children than low-income families.

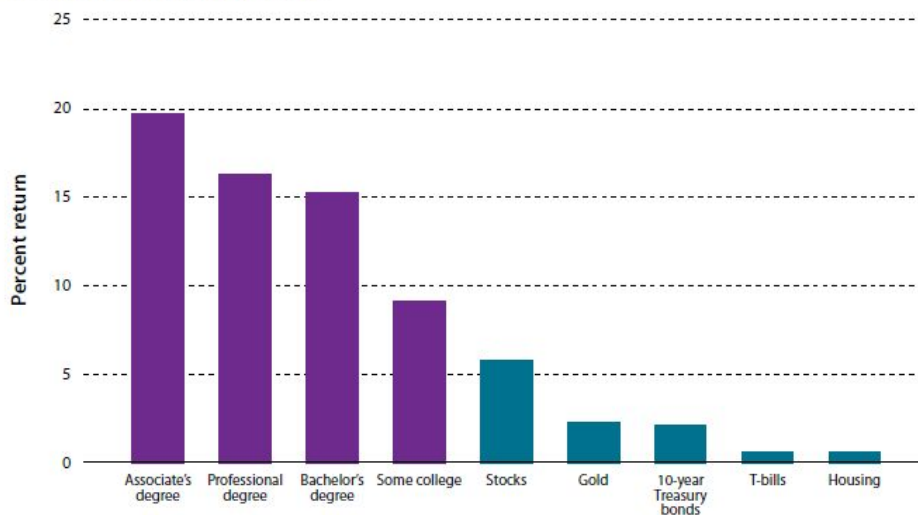


6. The achievement gap between high- and low-income students has increased.
7. College graduation rates have increased sharply for wealthy students but stagnated for low-income students.
8. High-income families dominate enrollment at America's selective colleges.
9. A college degree can be a ticket out of poverty.
10. The sticker price of college has increased significantly in the past decade, but the actual price for many lower- and middle-income students has not.
11. Few investments yield as high a return as a college degree.

FIGURE 11.

### Returns to Education Compared to Other Investments

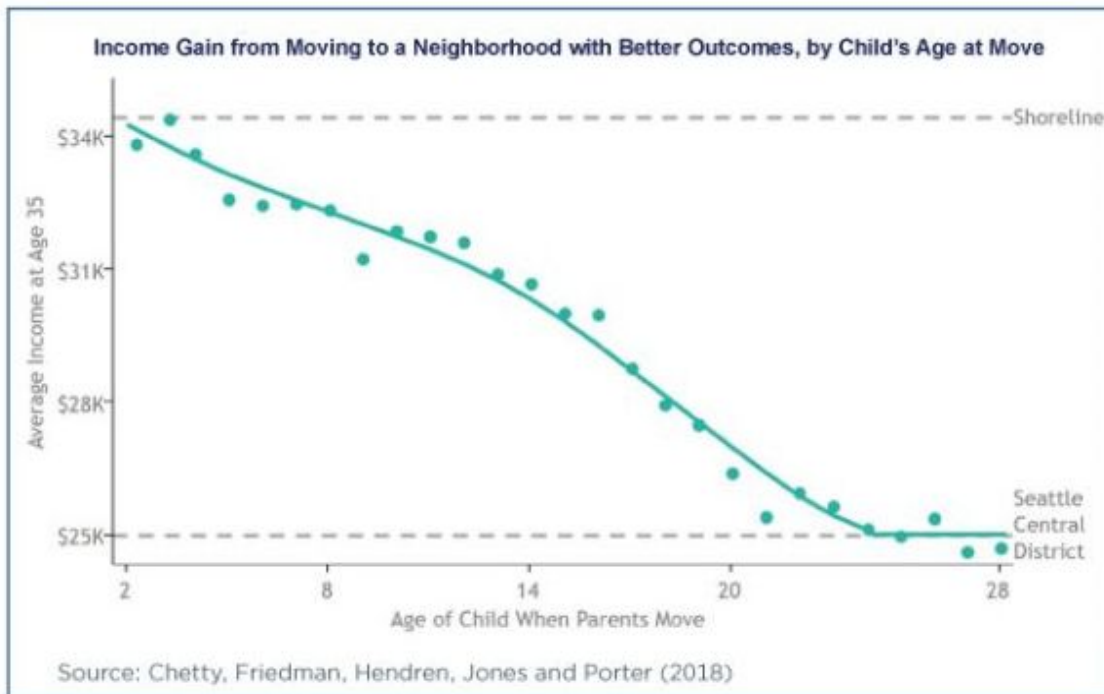
The average returns to earning a degree are high, and even the returns to starting college and not finishing are still higher than the returns to any other traditional investment.



- 12. Students are borrowing more to attend college—and defaulting more frequently on their loans.
- 13. New low-cost interventions can encourage more low-income students to attend, remain enrolled in, and increase economic diversity at even top colleges.

According to the US Census, moving to a better area can influence your children’s earnings in the future.  
<https://www.census.gov/library/stories/2018/10/opportunity-atlas.html>

The figure below shows the predicted earnings at age 35 of children who move from the Central District of Seattle (a low-upward-mobility area) to Shoreline (a high-upward-mobility area).



Which factors can you influence for yourself and your children? What can we control? Influence what we can influence and ignore the factors that we cannot influence.

How do your lifestyle choices impact your social mobility?

\*\*\*Other good reads on this topic:

<https://www.brookings.edu/research/thirteen-economic-facts-about-social-mobility-and-the-role-of-education/>

<https://www.opportunityatlas.org/>

<https://www.businessinsider.com/income-inequality-upward-mobility-map-us-2018-2>

<https://www.npr.org/2018/10/01/649701669/the-american-dream-is-harder-to-find-in-some-neighborhoods>

<https://www.census.gov/library/stories/2018/10/opportunity-atlas.html>