



Keynote 1: Professor Danny Quah
Economic Growth can Foster Social Mobility – Growth Mobility Curve

By Sharanya Shanmugam

The Ministry of Social and Family Development (MSF) and the Institute of Policy Studies (IPS) held the inaugural International Conference on Societies of Opportunity on 29 and 30 April 2025. The conference is a platform for international policymakers, researchers, and practitioners to exchange ideas on creating access to opportunities and fostering social mobility.

Professor Danny Quah, Dean and Li Ka Shing Professor in Economics at the Lee Kuan Yew School of Public Policy, opened the morning session with a keynote address on “Understanding Social Mobility through International Experience”, proposing the Growth-Mobility Curve as a compelling alternative framework for understanding how strong economic growth can foster high social mobility.

Social Mobility Contributes to Social Cohesion and Political Stability

Professor Quah pointed out that social immobility means there is friction in society, where there are barriers to talented, hardworking individuals born into disadvantaged families from achieving their full potential. A society that focuses on social mobility seeks to alleviate poverty, foster dignity in its members and leaves no one behind.

He noted that social mobility is not a characteristic of an individual, but a feature of an entire society. Hence, comprehensively addressing the problem of social immobility requires improving outcomes at both individual and aggregate levels. Aggregate-level social mobility contributes significantly to social cohesion and domestic political stability, reducing the risk of

extremist populism. Social mobility also matters at the international scale, because this ability to recognise and value shared humanity feeds into a nation's foreign policy, promoting multilateral engagement, and building resilience amid growing geopolitical uncertainty.

Singapore Excels across Social Mobility Indicators

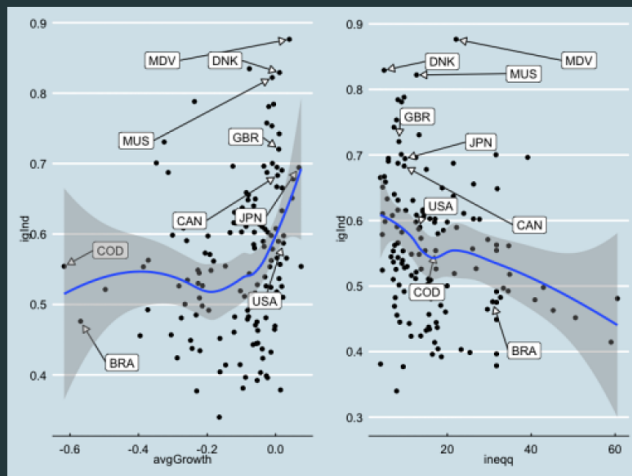
Income across generations tends to be correlated—those from higher-income families pass on advantages to their children. Intergenerational income dependence is the degree to which a child's income is influenced by their parents'. Intergenerational income *independence* is therefore a measure of social mobility, measured by one minus the value of intergenerational income dependence. Data shows a high level of intergenerational independence in Singapore, with a coefficient of 0.81, surpassing that of Canada (0.80), Denmark (0.73), the United Kingdom (0.67), Japan (0.66), and the United States (0.66). Additional empirical evidence of strong upward mobility is observed in income growth between 1993 and 2023: in Singapore, children starting in the bottom 50% of the income distribution saw their incomes grow nearly three times that of their parents, outperforming comparable cohorts in the other countries.

Reimagining Social Mobility: Growth Over Gloom

The conventional approach to social mobility at the aggregate level has centred on the "Great Gatsby Curve," which posits a negative correlation between inequality and social mobility. While this pattern is evident in the data, it puts forth a discouraging narrative compounding two social evils: societies marked by high inequality also experience low social mobility.

Professor Quah introduced an equally powerful alternative whose implications contrast with that of the Great Gatsby Curve. In the Growth-Mobility Curve, past economy-wide growth foreshadows high social mobility. Even if economic growth comes with high inequality, the Great Gatsby effect of high inequality is outweighed by the positive impact of overall growth on mobility outcomes. Economic growth provides opportunity for all members of society to advance, particularly those at the lower end of the income distribution. By offering a more optimistic outlook, the Growth-Mobility Curve (see figure 1) reassures policymakers that a pro-growth agenda is not only compatible with, but essential for, fostering intergenerational mobility.

Key empirical result: The Growth-Mobility Curve



The Growth-Mobility Curve

- High past economy-wide growth strongly foreshadows high social mobility; similarly high incomes predict high social mobility
- This vision contrasts with the Great Gatsby Curve
- Systemic causality triangle in growth, inequality, and social mobility

Figure 1: The Growth-Mobility Curve and the Great Gatsby Curve. Source: author's calculations from GDIM World Bank 2023, World Inequality Database 2025.



Caption for photo: Professor Danny Quah delivering his keynote address.

[Sharanya Shanmugam](#) is a Research Assistant at IPS.

If you have comments or feedback, please email ips.update@nus.edu.sg



© Copyright 2025 National University of Singapore. All Rights Reserved.
You are welcome to reproduce this material for non-commercial purposes and please ensure you cite the source when doing so.