
Intergenerational wealth mobility and the role of inheritance: Evidence from multiple generations

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Abstract

This study estimates intergenerational correlations in mid-life wealth across three generations, and a young fourth generation, and examines how much that can be explained by inheritances. Using new unique Swedish evidence we find parent-child rank correlations of 0.3–0.4 with little additional impact coming from grandparents. Correlations are attenuated when using a young age, illuminating previous findings in the literature. Bequests and gifts strikingly account for between half and three fourths of the wealth correlation while income and education explain little. We are also the first to compare estimates using wealth in mid-life to estimates using wealth at death.

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