



Community and Economic Development in North Carolina and Beyond Blog: 'Getting Ahead' in North Carolina May Be Harder Than You Think

By CED Guest Author

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Three weeks ago, the Pew Center on the States' Economic

Mobility Project released the findings of the first 50 state analysis of American's economic mobility, i.e. citizens' ability to move freely up and down the earnings ladder. North Carolina, along with five of its southern counterparts — *AL, FL, KY, MS and TX* — did not fair well in the assessment. Each was deemed to have "worse mobility than the national average" with regard to *absolute mobility* and *relative upward mobility*. Only Louisiana, Oklahoma and South Carolina received lower rankings.

The Economic Mobility of the States report utilizes three measures — *absolute mobility, relative upward mobility and relative downward mobility* — to classify states according to the degree to which they foster environments that enable their citizenry to "move up or down the income ladder or the earnings ladder over their lifetimes and across generations."

Specifically, the report measures economic mobility in three ways: the earnings growth a state's residents experience (*absolute*); the percent of residents earning less than the U.S. median who move up the earnings ladder by 10 or more percentiles (*relative upward*); and the percent of residents in the top half of earners who fall down by 10 or more percentiles (*relative downward*). North Carolina's upward mobility rating is just 26% compared to a national average of 34%, while its absolute mobility is 14%, three points shy of the national rate. The state's relative downward mobility rating equals the national average of 28%.

This information places an interesting twist on recently released Census data identifying the Raleigh-Cary and Fayetteville metropolitan areas among the 50 fastest growing locales between 2010 and 2011.

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