

## **Switzer-Land of Opportunity: Intergenerational Income Mobility in the Land of Vocational Education**

This study documents intergenerational income mobility in Switzerland and analyzes the role of educational tracks, local policies, and socio-demographic characteristics. We match the universe of labor incomes over generations and add census and survey data. Using over 900,000 observations from 18 cohorts (1967-1984), we show that income mobility in terms of rank-rank slope (0.14) is higher than in the US and even higher than in Nordic countries. At the same time, educational mobility is low. This shows that low educational mobility does not need to translate into low income mobility. We find high income mobility for individuals with vocational education and training (VET), suggesting that the divergence between educational and income mobility is due to the prominent VET system. Further, children of immigrants show higher mobility rates than children of Swiss born parents. Besides, regions with higher public expenditures, lower tax rates, and higher income inequality exhibit greater income mobility.