

**Dynastic Human Capital, Inequality and Intergenerational Mobility**  
**Mikael Lindahl University of Gothenburg**

**Abstract:**

We study the importance of the extended family – or the dynasty – for persistence in human capital and inequality across generations. We use data including the entire Swedish population, linking four generations. This data structure enables us to - in addition to parents, grandparent and great grandparents - identify aunts and uncles and their spouses, as well as parents' cousins and parents' aunts and uncles. We use three different indicators of social status – years of schooling, average earnings and an index of occupational status. Our results suggest that both the inclusion of several indicators as well as the dynastic “group effect” are important, and that traditional intergenerational persistence estimates misses about half the persistence across generations estimated by the extended model.