

Brookings

Fred Dews | June 2, 2015 1:58pm

### **These maps from Raj Chetty show that where children grow up has a major impact on their lifetime earnings**

"Your chances of achieving the American Dream are almost two times higher ... if you are growing up in Canada than in the United States," said Harvard's **Raj Chetty** at a [Center on Children and Families \(CCF\) event](#) held on Monday. Chetty, the Bloomberg Professor of Economics and a leading scholar on opportunity and intergenerational mobility, presented his latest research on how where one grows up has a huge impact on success later in life. In his presentation, Prof. Chetty focused not on international comparisons, but on variations within the United States, where, he said, upward mobility varies even more. Chetty and colleagues calculated upward mobility for every metro and rural area in the United States.

**The heat map below shows the chances that a child born in the bottom fifth of the income distribution in that particular place will reach the top fifth later in life:**

I couldn't get the map here. South east and Midwest less opportunity for advancement of income prospects. Lighter colors=more upward mobility, Download statistics for your area at [www.equality-of-opportunity.org](http://www.equality-of-opportunity.org)

Why does upward mobility vary so much across places? Prof. Chetty explored two explanations: (1) that people are different, and (2) that places themselves have a causal effect. Prof. Chetty showed an example of how, in the Washington, DC-Baltimore region, children growing up in low-income (25th percentile) families have different social mobility outcomes depending on where they are growing up. In the map below, for example, a child growing up in a low-income family in Fairfax County will earn 15.4 percent more than the average child, while those children in the darker shaded areas will experience lower earnings than the average.

I couldn't insert map that shows causal effects of growing up in different counties on earnings in Adulthood. Lighter colors show areas where children from low income families have the opportunity to earn more as adults depending on when their families moved.

**Download Prof. Chetty's entire presentation here** and watch the full event video below, moderated by Senior Fellow **Richard Reeves**, policy director of CCF, who, with Allegra Pocinki, wrote an analysis of the event and solutions presented there: "**Space, place, race: Six policies to improve social mobility.**"

Richard V. Reeves and Allegra Pocinki | June 2, 2015 4:49pm

### **Space, place, race: Six policies to improve social mobility**

Place matters: that's the main message of Professor [Raj Chetty's latest research](#). This supports the findings of a [rich body of evidence from social scientists](#), but Chetty is able to use a large dataset to provide an even stronger empirical foundation. Specifically, he finds that children who move from one place to another have very different outcomes, depending on whether they move to a low-opportunity city or a high-opportunity one.

The local factors bearing on upward mobility chances include segregation, housing, transportation, family formation, schools, jobs, and institutional racism, to name but a few. So what can be done? At [our recent event featuring Professor Chetty](#) and an expert panel, a number of concrete policy solutions were put on the table (click on the link to jump to that part of our discussion):

1. **Target housing vouchers more effectively.** Currently, families with small children are often put on a waiting list for housing vouchers. Chetty suggested that [vouchers should target families with younger children](#), who would get the most benefit from moving, since each year of 'childhood exposure' counts. In addition, Chetty pointed out that

the [Moving to Opportunity project](#) was most effective when it required families to move to low-poverty areas; this aspect of the program should be replicated.

2. **Build public housing in low-poverty areas, instead of high-poverty ones.** In fact, [as Chetty argued](#), mixed-income neighborhoods are not only beneficial to low-income families, but can produce *better* outcomes for the rich.
3. **Reform exclusionary zoning laws.** The current housing market is much more exclusionary than buyers realize. According to [our Brookings colleague Jonathan Rothwell](#), a free market would be better than [the current situation](#) (although not ideal).
4. **Better enforcement of fair housing rules by HUD.** Margery Turner of the Urban Institute pointed to a [new HUD proposed rule, Affirmatively Furthering Fair Housing](#), which would require states and localities receiving HUD funding to more effectively enforce fair housing laws.
5. **Invest in infrastructure.** The Washington Post's [Emily Badger argued for policies that would increase transportation](#) options and [invest in infrastructure](#) for the integration of neighborhoods. Moving low-income families to better neighborhoods can improve their life chances, but only if they have easy, affordable access to jobs.
6. **Promote school choice.** Children should not be forced to attend failing schools if their families do not have the opportunity to move to a better area, argued Rothwell. He proposed [increasing opportunities for school choice](#)—providing vouchers, building charter schools, or bussing students to schools to which they would not otherwise have access.

#### **No single policy can do it all**

[Diane Bell-McKoy highlighted the scale of the challenge](#): what breaks people is 'broken systems' in high-poverty areas like much of Baltimore. Clearly it will take much more than a handful of policies to turn the tide in such places. And many will only succeed if we make progress in reducing institutional and structural racism. We can hope, along with Professor Chetty, that simply learning about the reality of opportunity gaps in so many U.S. cities will mean more [cities adopt such policies](#), and take up the challenge of promoting opportunity across America.

**Please watch short Video:**

**Place, opportunity, and social mobility: What now for policy?**

**Streamed live on Jun 1, 2015**

Today, the Center on Children and Families hosts a discussion with Professor Raj Chetty, the leading scholar in social mobility, who will present his latest research.

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