The American Dream?
Chance that a child born into a low-income family becomes a high-income adult

USA

UK

Denmark

Canada

Sweden
<table>
<thead>
<tr>
<th>Country</th>
<th>Study Reference</th>
<th>Chance (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>Chetty, Hendren, Kline, Saez 2014</td>
<td>7.5%</td>
</tr>
<tr>
<td>UK</td>
<td>Blanden and Machin 2008</td>
<td>9.0%</td>
</tr>
<tr>
<td>Denmark</td>
<td>Boserup, Kopczuk, and Kreiner 2013</td>
<td>11.7%</td>
</tr>
<tr>
<td>Canada</td>
<td>Corak and Heisz 1999</td>
<td>13.5%</td>
</tr>
<tr>
<td>Sweden</td>
<td>Heidrich 2017</td>
<td>15.7%</td>
</tr>
</tbody>
</table>
The Fading American Dream
Percent of Children Earning More than Their Parents, by Year of Birth

Source: Chetty, Grusky, Hell, Hendren, Manduca, Narang (Science 2017)
We use big data to study how to increase upward mobility.

Analyze a broad range of interventions, from childhood to adulthood.

Study the roots of the problem locally to develop tailored solutions.
Focus on kids living in low-income families
Determine their childhood neighborhoods
Measure their adult socioeconomic outcomes in recent years
Show averages for each census tract in the U.S.

OpportunityAtlas.org
The Geography of Upward Mobility in the United States
Average Income at Age 35 for Children whose Parents Earned $27,000 (25th percentile)

- **Charlotte**: $26.3k
- **Washington DC**: $33.9k
- **New York City**: $35.4k
- **Boston**: $36.8k
- **Chicago**: $30.6k
- **Dubuque**: $45.5k
- **Salt Lake City**: $37.2k
- **San Francisco Bay Area**: $37.2k
- **Seattle**: $35.2k
- **Los Angeles**: $34.3k
- **Cleveland**: $29.4k

**Note**: Blue = More Upward Mobility, Red = Less Upward Mobility

Source: Chetty, Friedman, Hendren, Jones, Porter 2018
Two Americas: The Geography of Upward Mobility For Black vs. White Men
Average Individual Earnings at Age 35 For Men Whose Parents Earned $27,000 (25th percentile)

Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Source: Chetty, Hendren, Jones, Porter 2018
Two Americas: The Geography of Upward Mobility For Black vs. White Women
Average Individual Earnings at Age 35 For Women Whose Parents Earned $27,000 (25th pctile)

Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Source: Chetty, Hendren, Jones, Porter 2018
Income Mobility for Black vs. White Men Raised in High-Income Families

Follow the lives of these 19,940 Americans and see where they end up as adults:

- **Rich adult**
  - **Black men**: 852 (26%)
  - **White men**: 1,411 (43%)

- **Upper-middle-class adult**
  - **Black men**: 705 (22%)
  - **White men**: 741 (23%)

- **Middle-class adult**
  - **Black men**: 646 (20%)
  - **White men**: 488 (15%)

- **Lower-middle-class adult**
  - **Black men**: 541 (17%)
  - **White men**: 298 (9%)

- **Poor adult**
  - **Black men**: 554 (17%)
  - **White men**: 254 (8%)

**Source:** Chetty, Hendren, Jones, Porter 2018; New York Times 2018
The Geography of Upward Mobility in New York City
The Geography of Upward Mobility in New York City
The Geography of Upward Mobility in New York City
Low-Income Children in NYC Grow Up to Make about the National Median
Household Income for Black Children of Low Income Parents

$17K
Household Income for Black Children of Low Income Parents

Dumont Avenue

$17K

$26K
**Income Gain from Moving to a Better Neighborhood**

By Child’s Age at Move

- **Brownsville**
- **Nehemiah Houses**

**Source:** Chetty, Friedman, Hendren, Jones, Porter 2018
Income Gain from Moving to a Better Neighborhood
By Child’s Age at Move

- Move at age 2 from Brownsville to the Nehemiah Houses → average earnings of $25,000

Source: Chetty, Friedman, Hendren, Jones, Porter 2018
Income Gain from Moving to a Better Neighborhood
By Child’s Age at Move

Source: Chetty, Friedman, Hendren, Jones, Porter 2018
Income Gain from Moving to a Better Neighborhood
By Child’s Age at Move

- Age of Child when Parents Move
- Income Gain from Moving to a Better Neighborhood

Average Income at Age 35

Source: Chetty, Friedman, Hendren, Jones, Porter 2018
From Research to Policy: Three Pillars

**Reducing Segregation**
Help Low-Income Families Move to High-Opportunity Areas

**Place-Based Investments**
Increase Upward Mobility in Low-Opportunity Areas

**Improving Higher Education**
Amplify Impacts of Colleges on Mobility
Is Housing Policy Maximizing Opportunities for Upward Mobility?

Most Common Current Locations of Families Receiving Housing Vouchers in Seattle

25 most common tracts where voucher holders lived in 2015-17

Source: Chetty, Friedman, Hendren, Jones, Porter (2018)

Source: Chetty, Friedman, Hendren, Jones, Porter (2018)
Creating Moves to Opportunity in Seattle

Randomized trial to help families with housing vouchers move to high-opportunity neighborhoods

Housing search assistance, landlord recruitment, short-term financial assistance

Effect of CMTO on Fraction of Families who Moved to High-Opportunity Areas

Historical mean rate: 11.6%
Effect of CMTO on Fraction of Families who Moved to High-Opportunity Areas

Share of Households Who Have Moved to High Opportunity Areas

Control

14.3%

Historical mean rate: 11.6%
Effect of CMTO on Fraction of Families who Moved to High-Opportunity Areas

Treatment Families Are Nearly 4x More Likely to Move to High Opportunity Neighborhoods

- Share of Households Who Have Moved to High Opportunity Areas

Control: 14.3%

Treatment: 54.3%

Historical mean rate: 11.6%
Neighborhoods Chosen by Families in Control vs. Treatment Group

High-Oppportunity Area

Control

Treatment

Neighborhoods:
- North Seattle
- West Seattle
- Central District
- South Lake Union
- Inglewood
- Lake City
- Rainier Valley
- Des Moines
- Kent
- Lea Hill, Auburn
- Issaquah
- Cougar Mountain
- Northeast Seattle
- Magnolia
- East Hill
- Rainier Valley
- Lake City
- Inglewood
- West Seattle
- Central District
- South Lake Union
- North Seattle

Neighborhoods Chosen by Families in Control vs. Treatment Group.
Satisfaction with New Neighborhoods
Based on Surveys Conducted Six Months After Move

“Very Satisfied” with New Neighborhood?

<table>
<thead>
<tr>
<th></th>
<th>Control</th>
<th>Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pct. Very Satisfied with New Neighborhood</td>
<td>28.6%</td>
<td>62.2%</td>
</tr>
<tr>
<td>Difference: 33.6 pp</td>
<td>SE: (11.6)</td>
<td></td>
</tr>
</tbody>
</table>

“Very Sure” Will Stay?

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<thead>
<tr>
<th></th>
<th>Control</th>
<th>Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pct. Very Sure They Will Stay in New Neighborhood</td>
<td>20.0%</td>
<td>49.5%</td>
</tr>
<tr>
<td>Difference: 29.5 pp</td>
<td>SE: (10.7)</td>
<td></td>
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</tbody>
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Family Stability and Opportunity Vouchers Act of 2019

- Introduced by U.S. Senators Chris Van Hollen (D-Md.) and Todd Young (R-Ind.) in December 2019
- Creates an additional **500,000 housing vouchers** for low-income, high-need families with young children
- Families qualify if they have a **history of homelessness** or housing instability
- Provides supports for families to move to **high opportunity neighborhoods**
From Jasmine, 7 years old, whose family moved to a high-opportunity area in Seattle in the Creating Moves to Opportunity study.