

# Improving Equality of Opportunity in America

## New Insights from Big Data

John N. Friedman  
Brown University

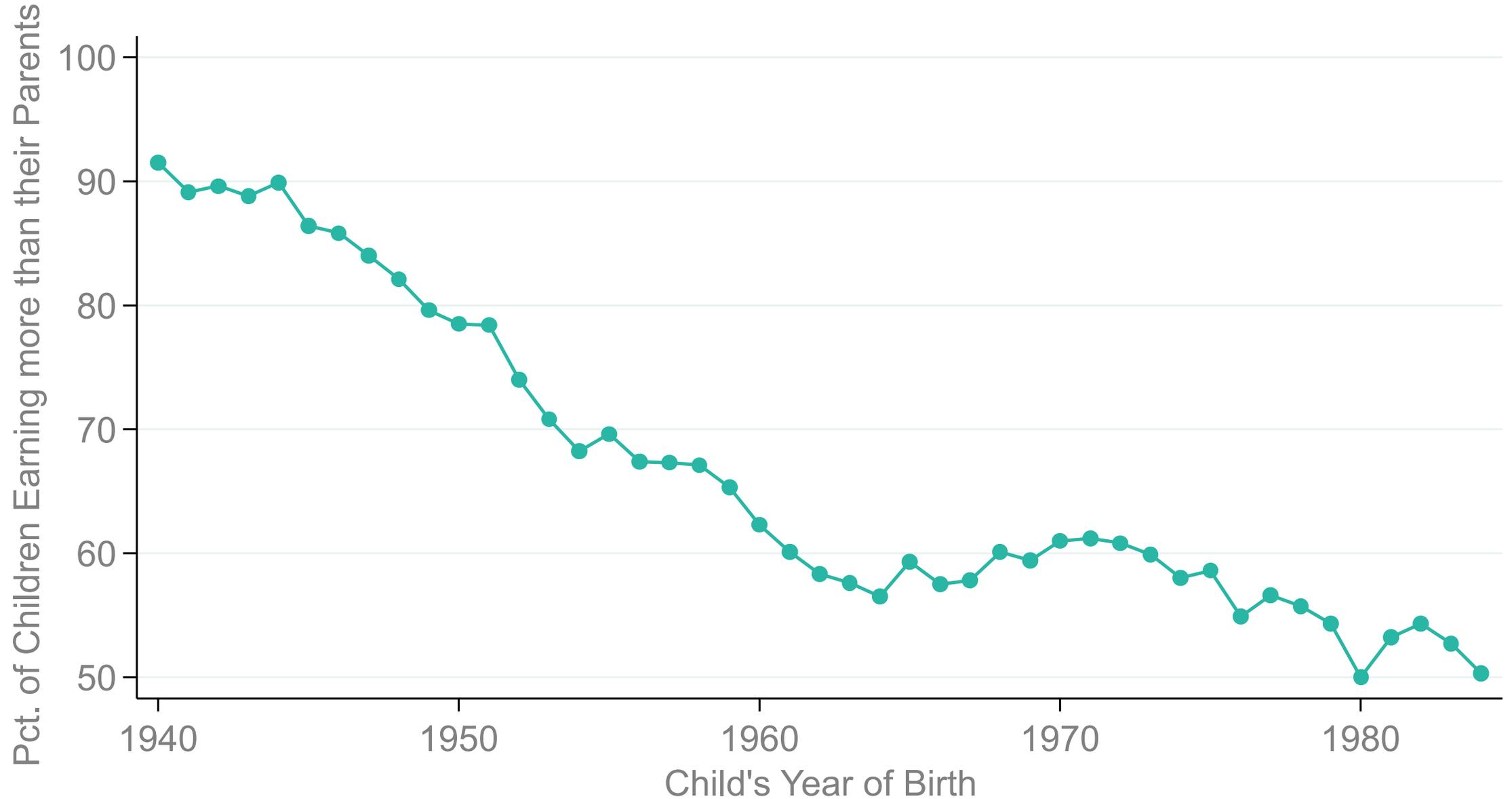


**OPPORTUNITY  
INSIGHTS**

Twitter: @Opplnsights

# The Fading American Dream

Percent of Children Earning More than Their Parents, by Year of Birth



# How Can We Restore the American Dream?



Demonstrate how one can use **big data** to study upward mobility in America



Analyze a broad range of interventions, following children into **adulthood**



Use administrative and survey records from **three federal agencies**

# Data Sources



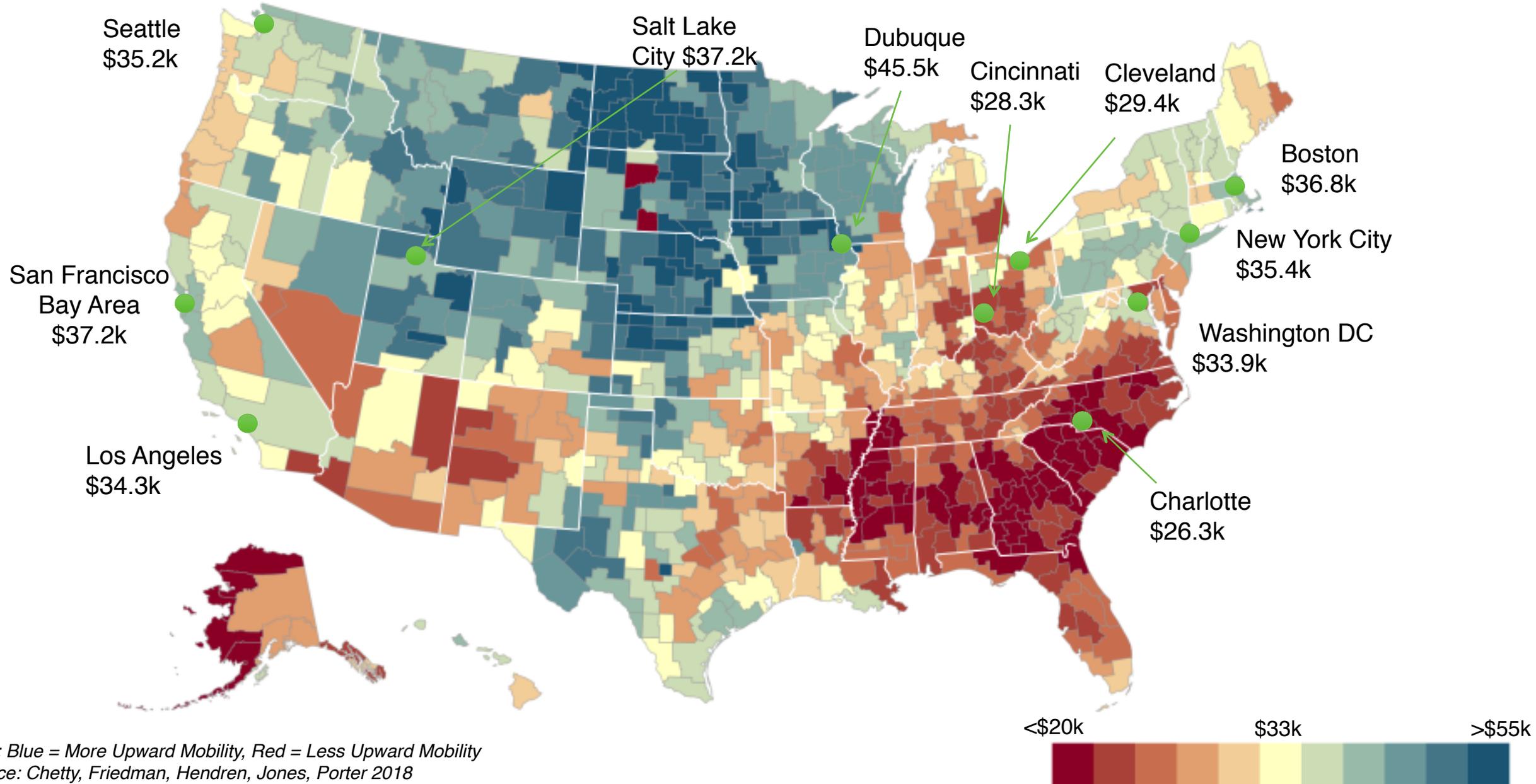
United States™  
**Census**  
Bureau



**IRS**

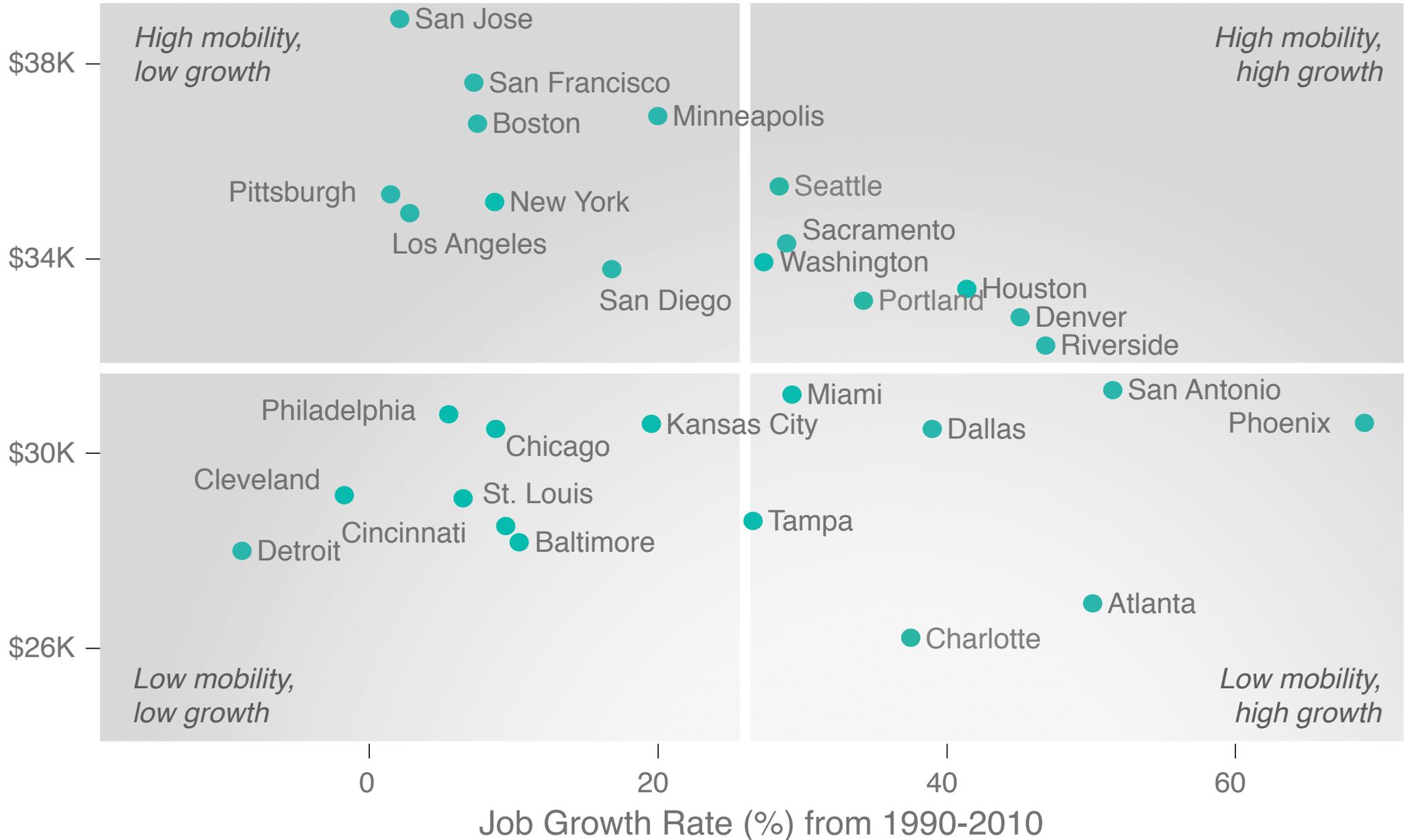
# The Geography of Upward Mobility in the United States

Average Income at Age 35 for Children whose Parents Earned \$27,000 (25<sup>th</sup> percentile)



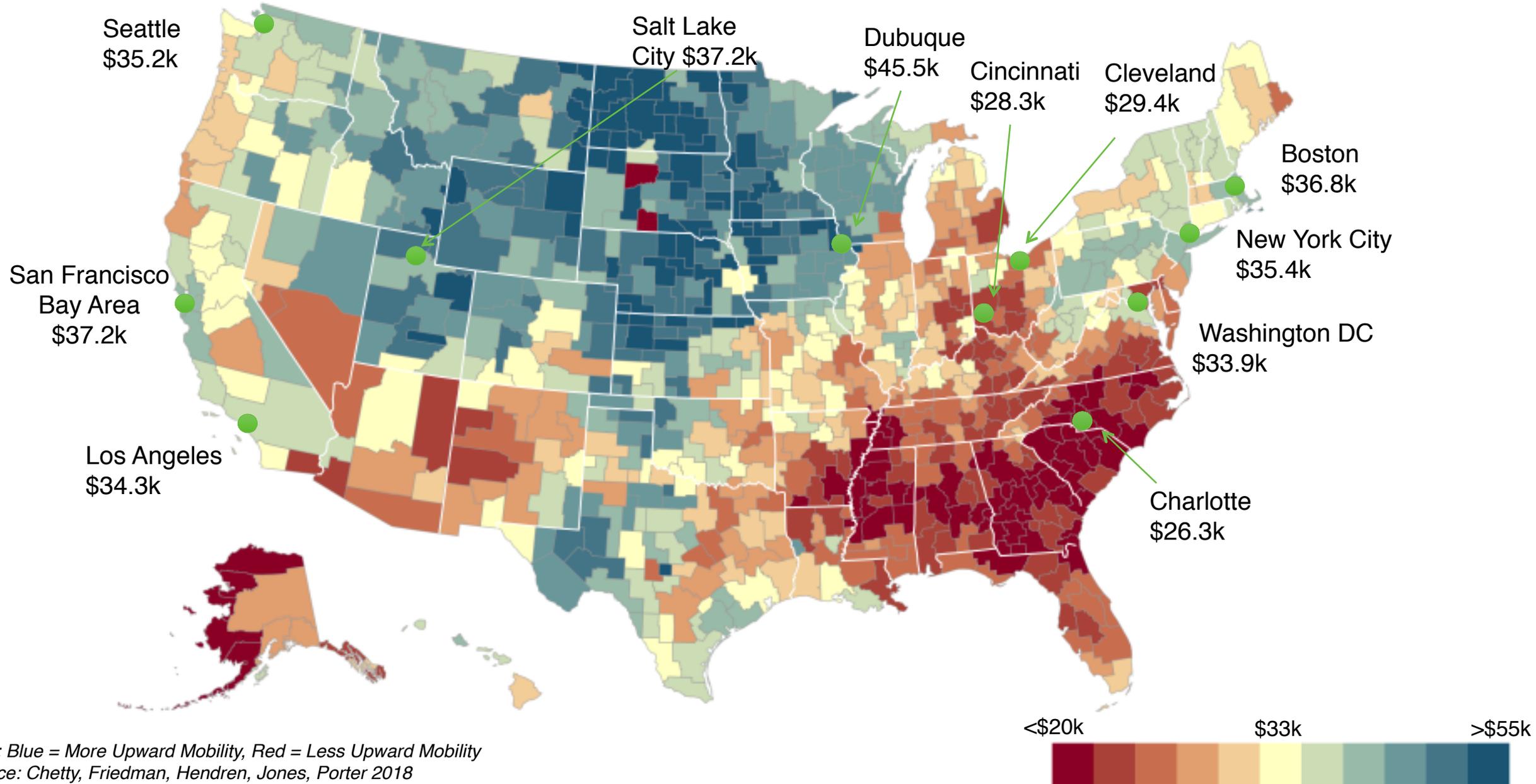
# Upward Mobility vs. Job Growth in the 30 Largest Metro Areas

Average Income at Age 35 of Children who Grew up in Low-Income Families



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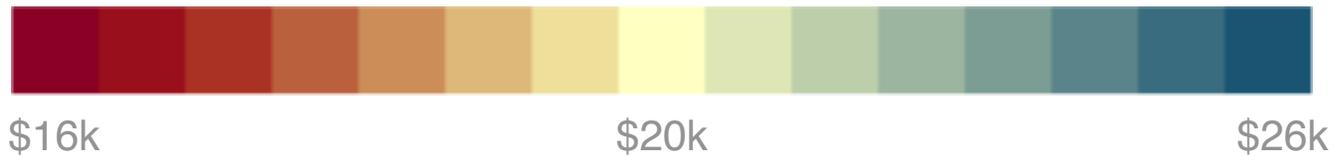
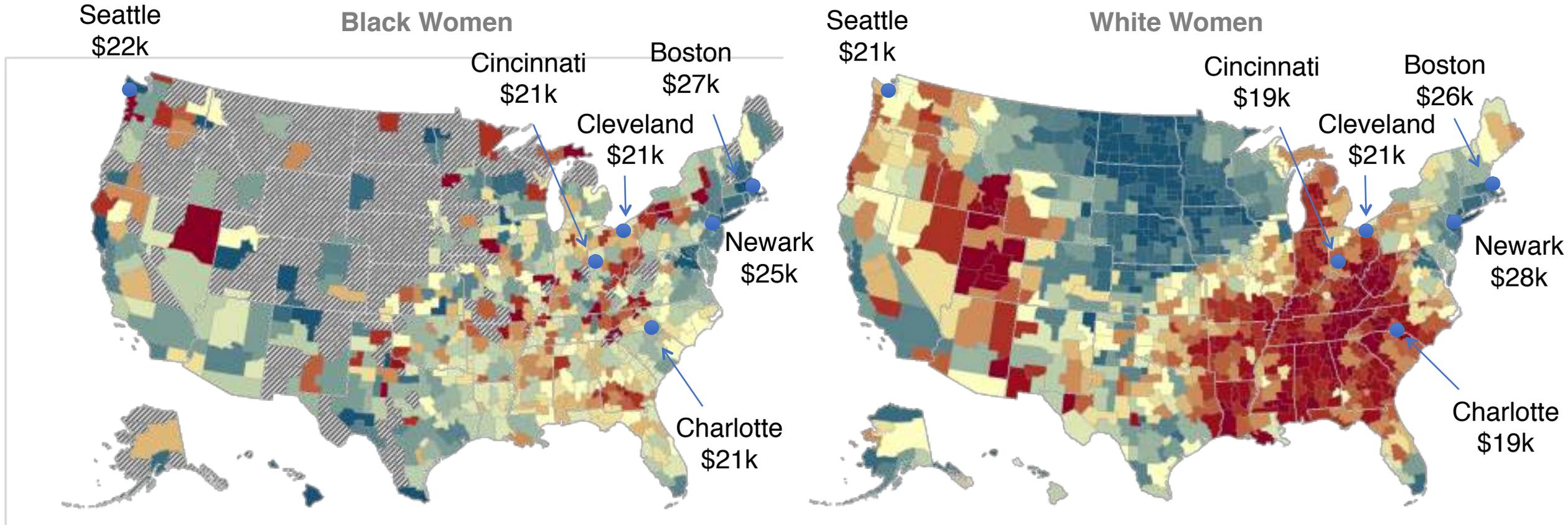
Average Income at Age 35 for Children whose Parents Earned \$27,000 (25<sup>th</sup> percentile)





# The Geography of Upward Mobility For Black vs. White Women

Average Income at Age 35 For Women Whose Parents Earned \$27,000 (25th percentile)

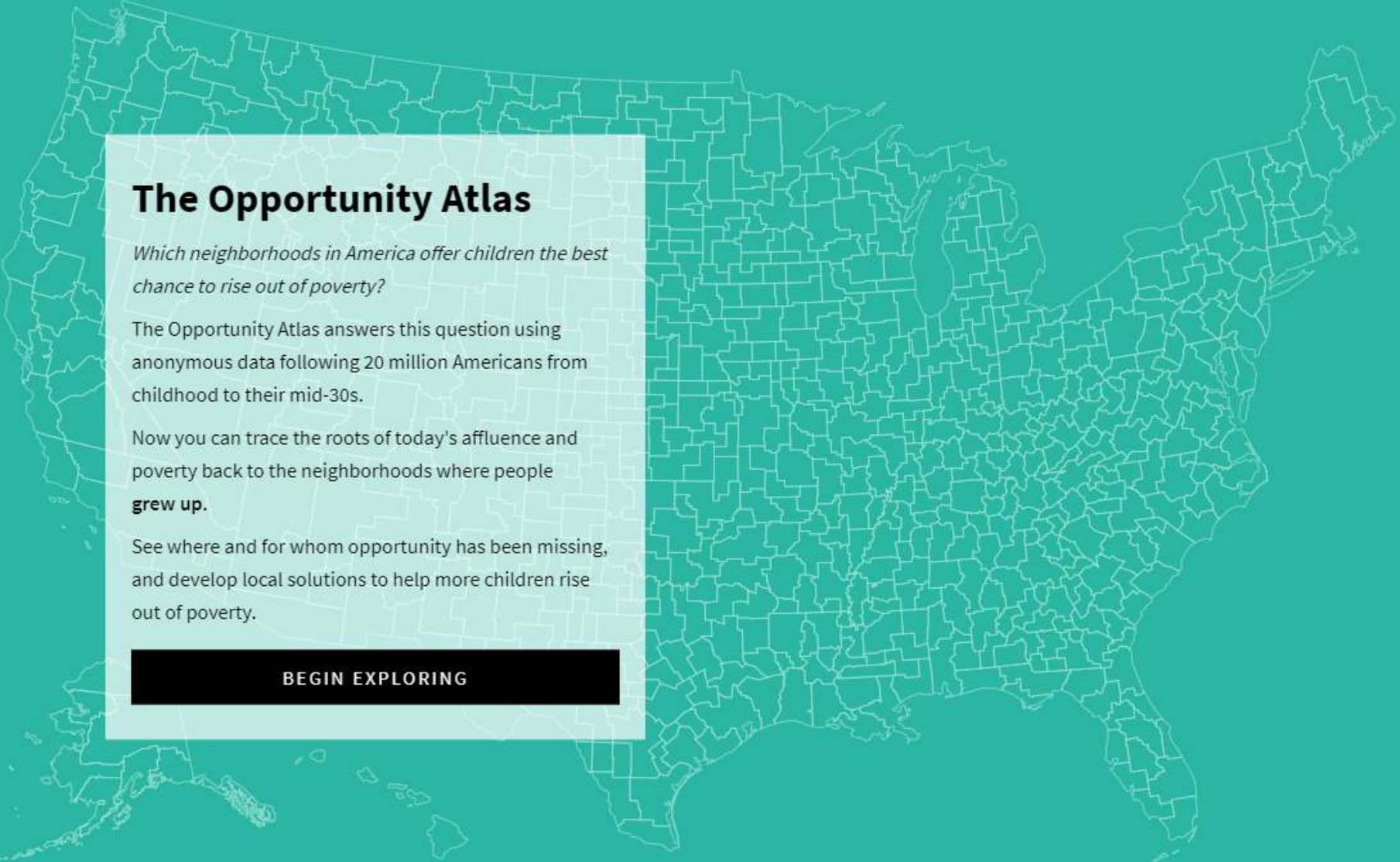


Note: Blue = More Upward Mobility, Red = Less Upward Mobility

Source: Chetty, Hendren, Jones, Porter 2018

# Income Mobility for Black vs. White Men Raised in High-Income Families

- Black men
- White men



## The Opportunity Atlas

*Which neighborhoods in America offer children the best chance to rise out of poverty?*

The Opportunity Atlas answers this question using anonymous data following 20 million Americans from childhood to their mid-30s.

Now you can trace the roots of today's affluence and poverty back to the neighborhoods where people **grew up**.

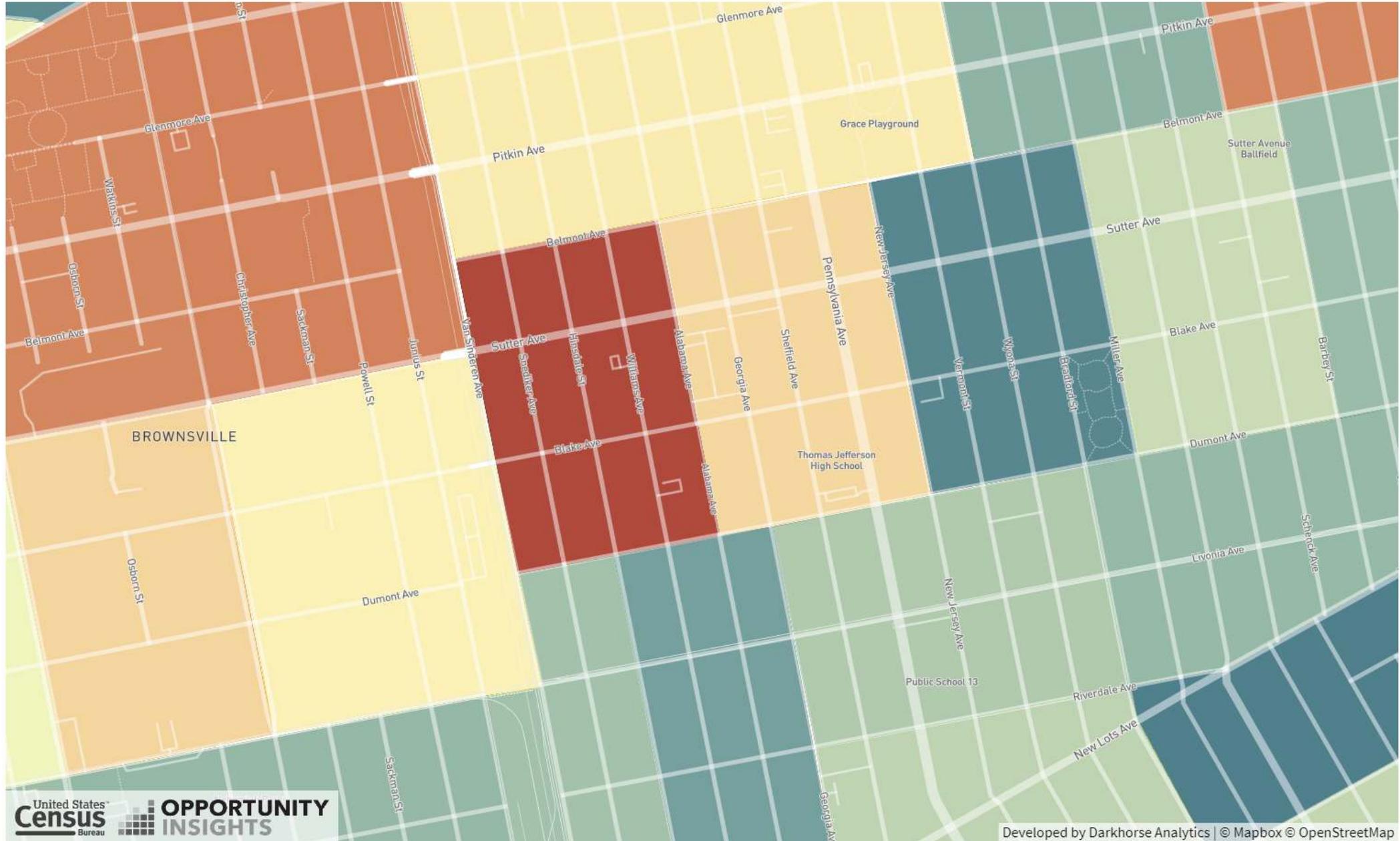
See where and for whom opportunity has been missing, and develop local solutions to help more children rise out of poverty.

**BEGIN EXPLORING**

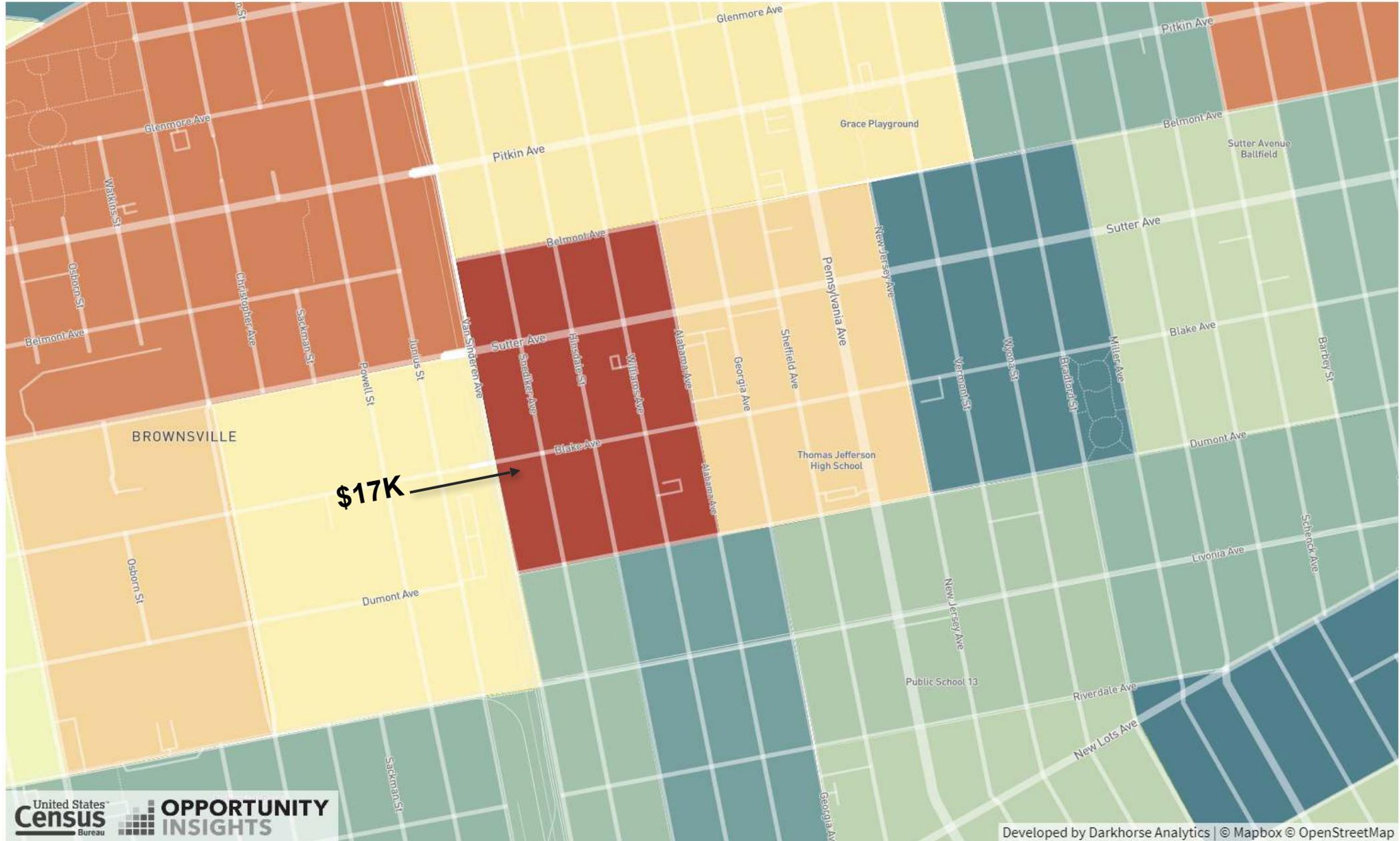


npr

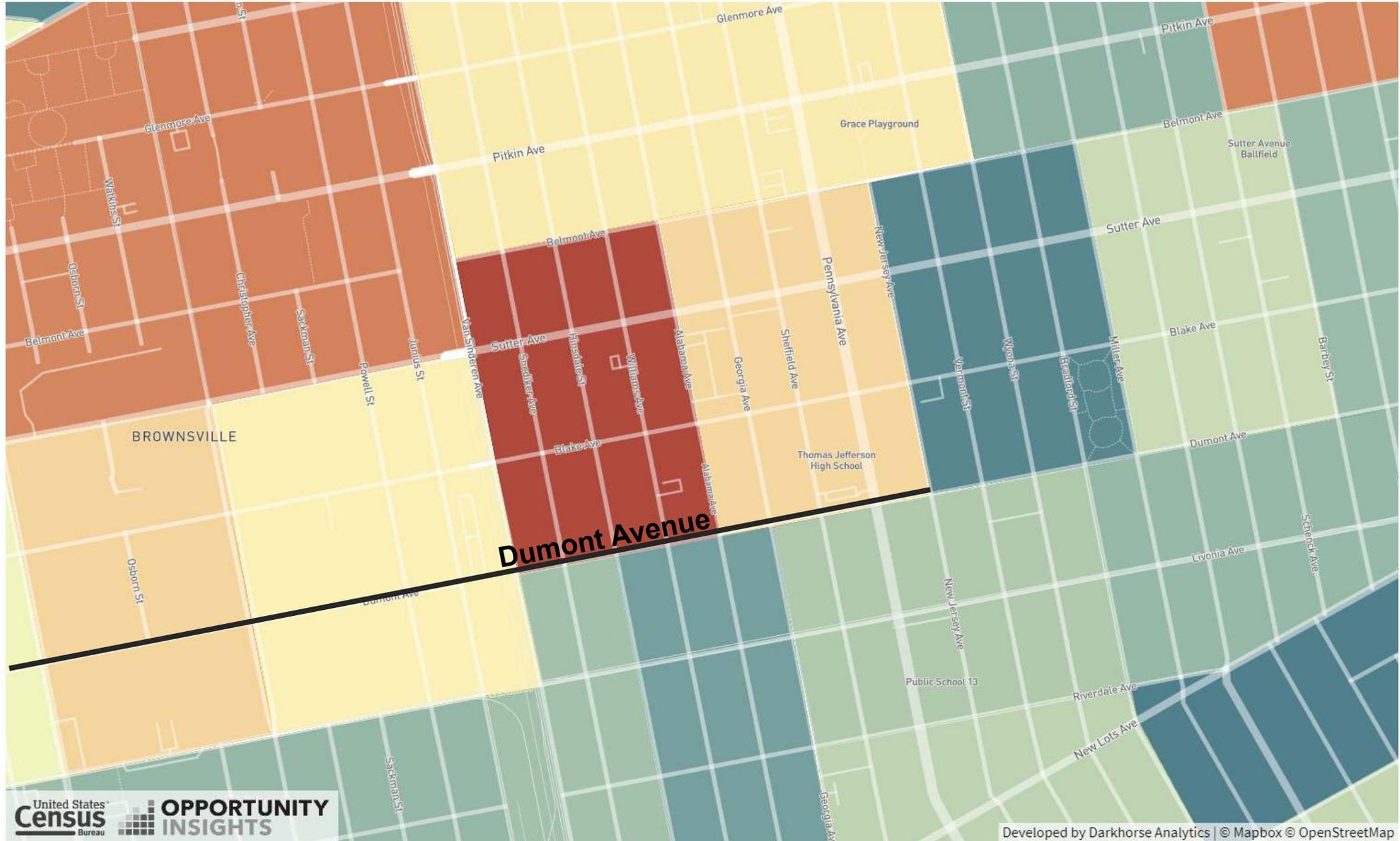
# Household Income for Black Children of Low Income Parents



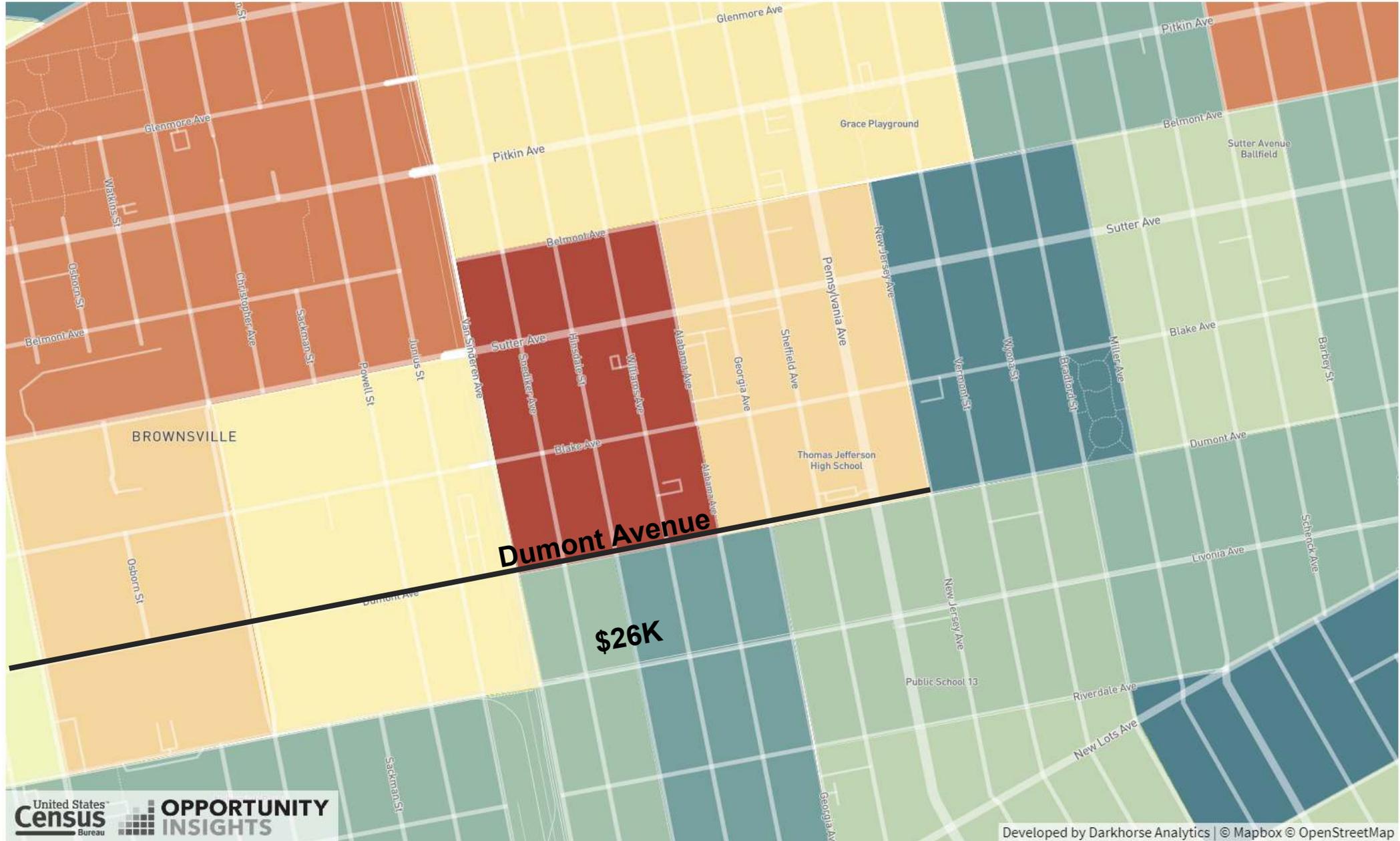
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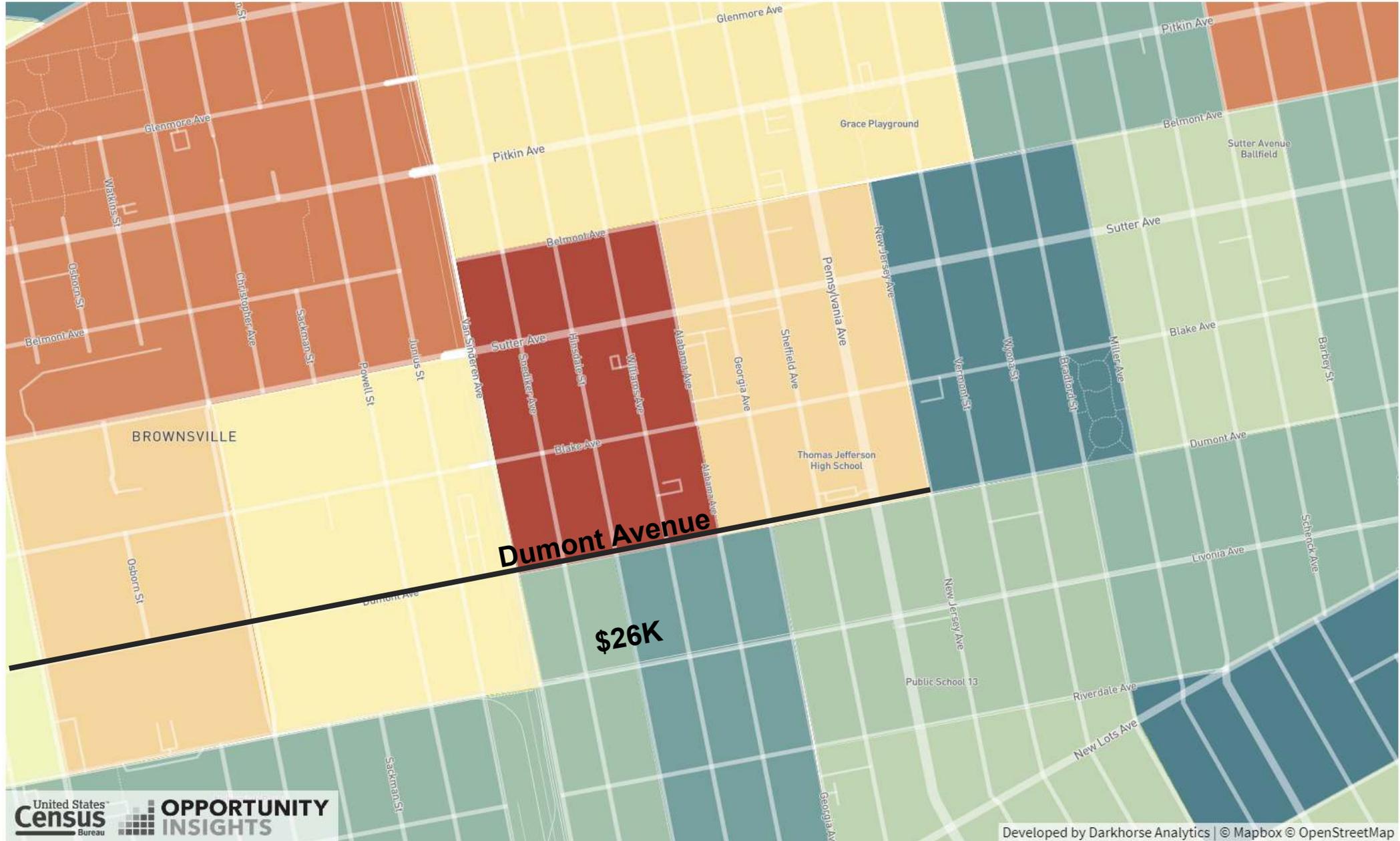
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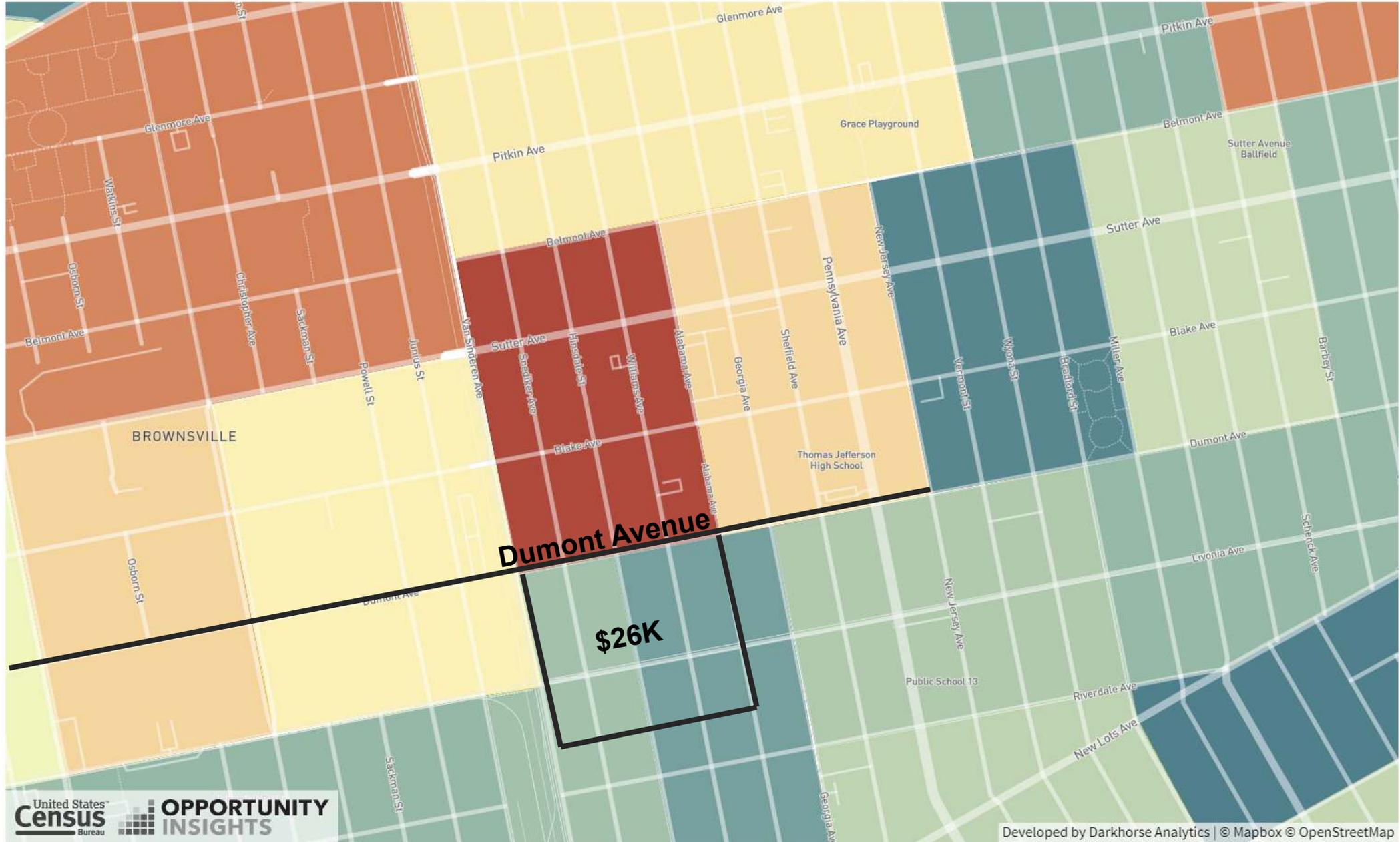
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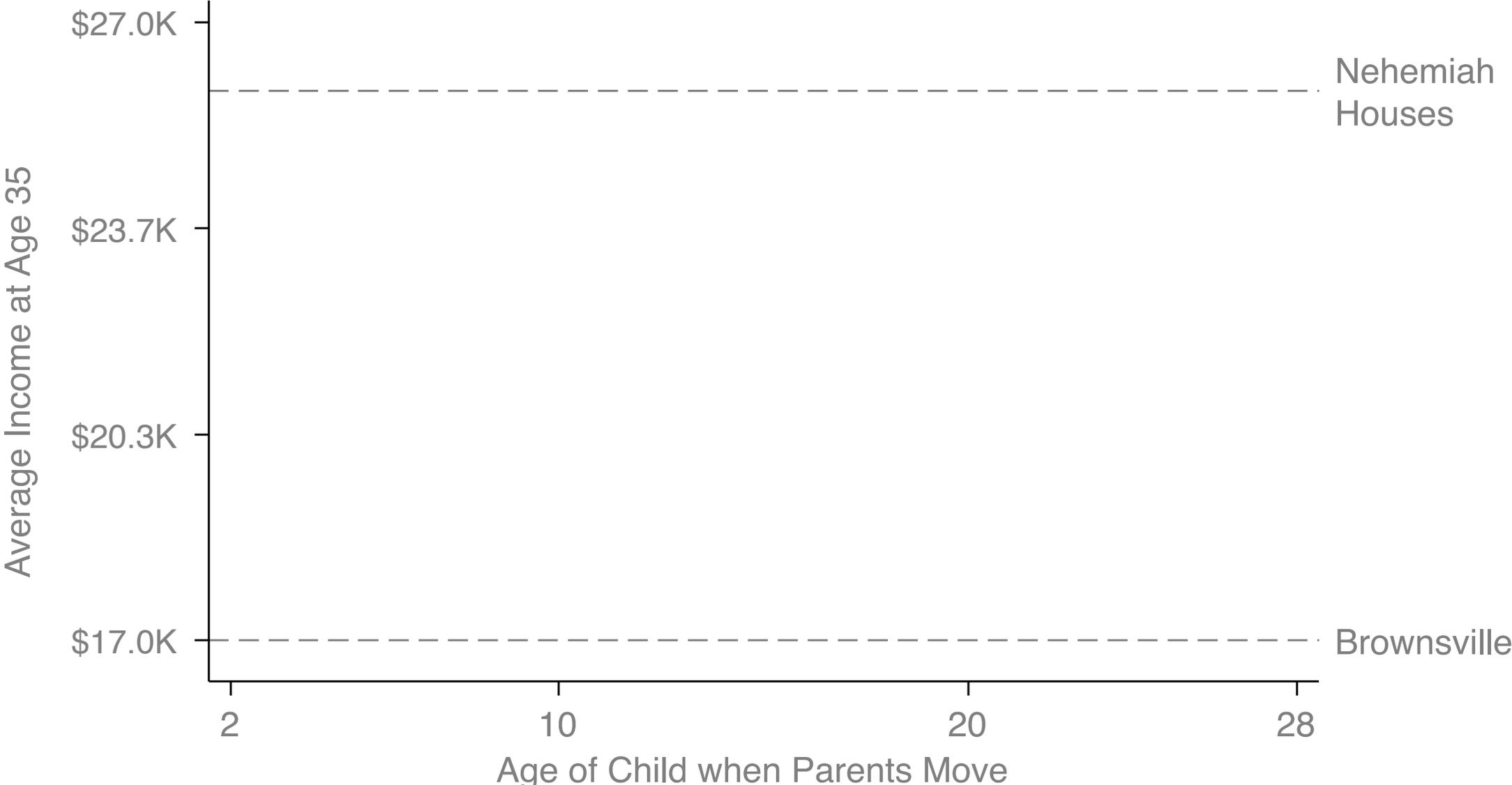






# Income Gain from Moving to a Better Neighborhood

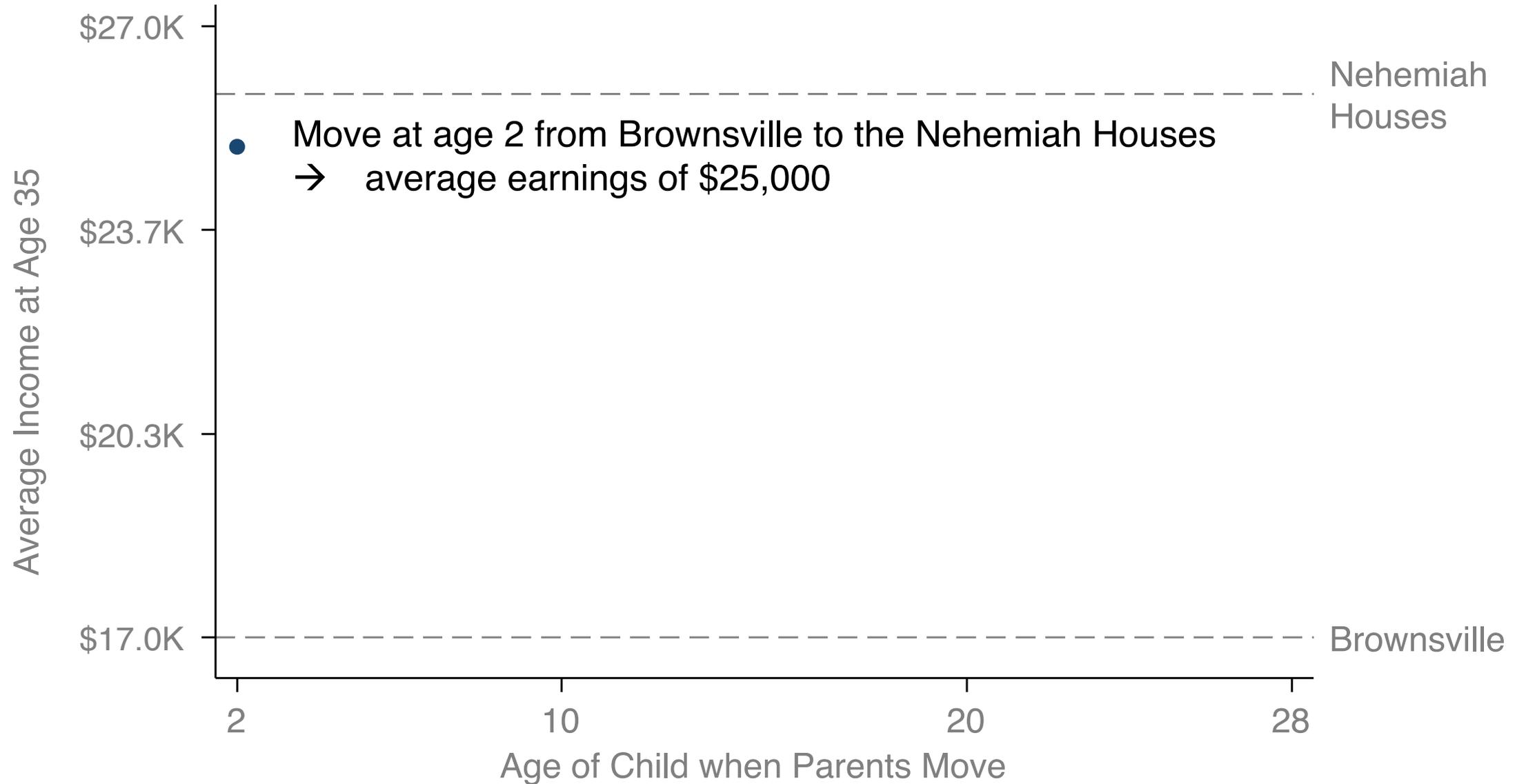
By Child's Age at Move



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

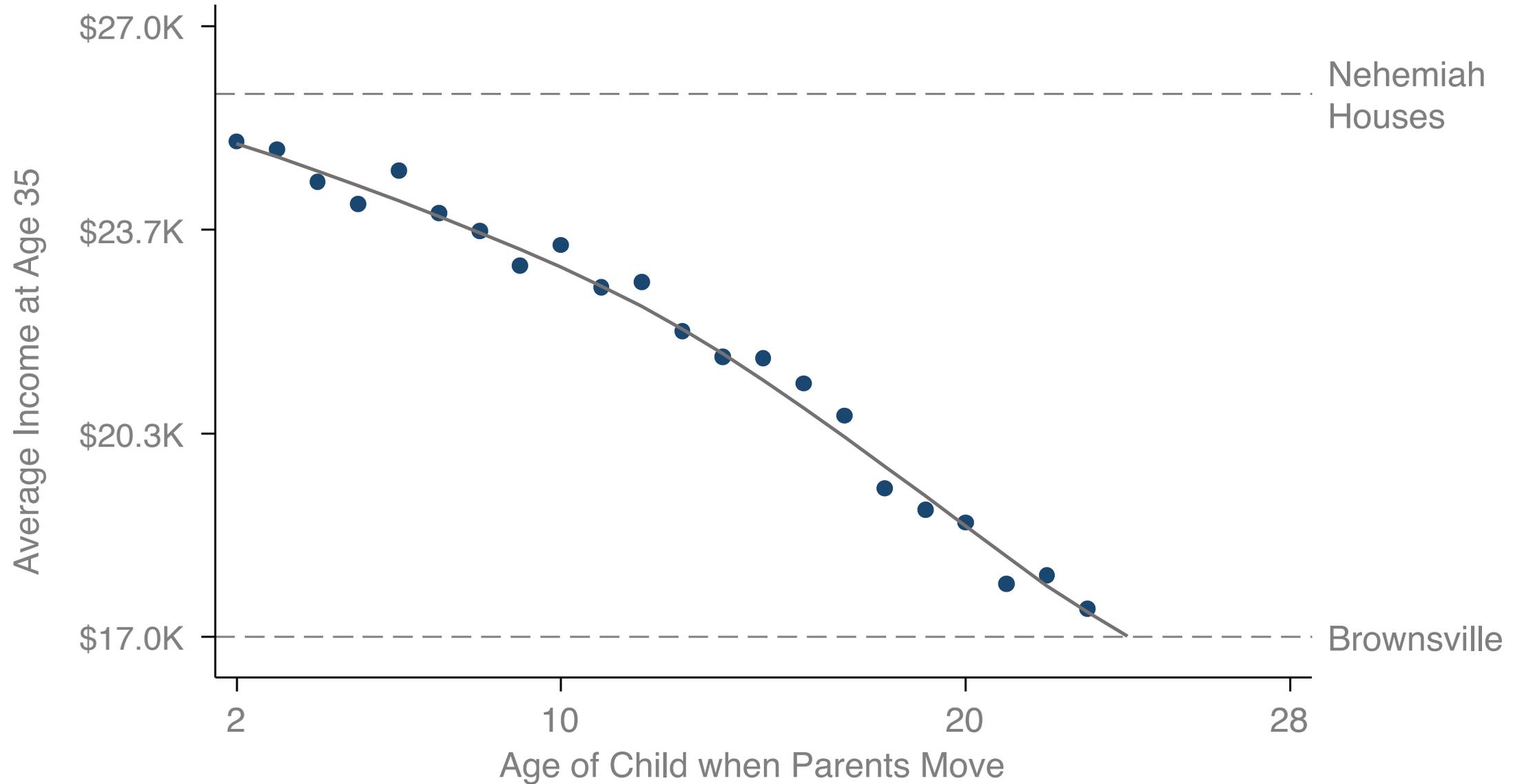
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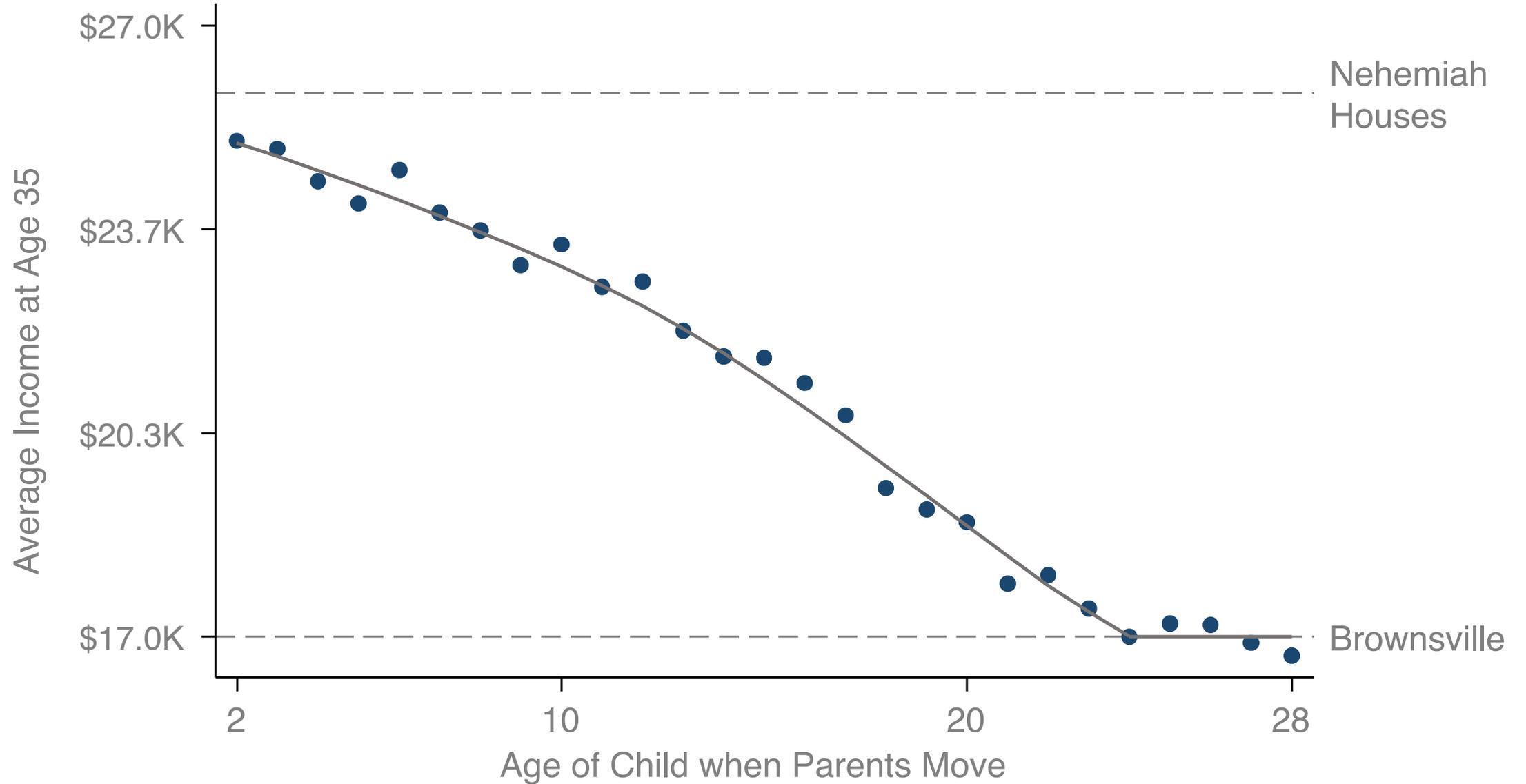
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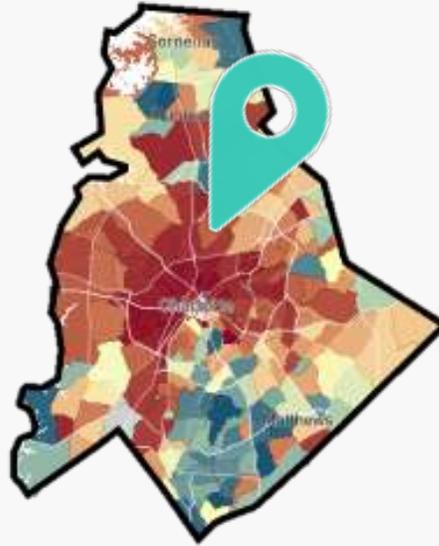
# From Research to Policy: Three Pillars

## 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

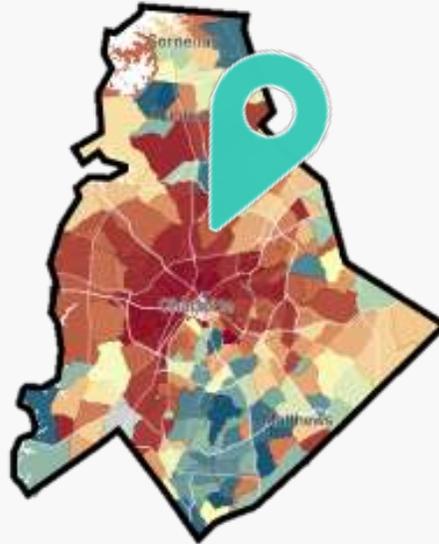
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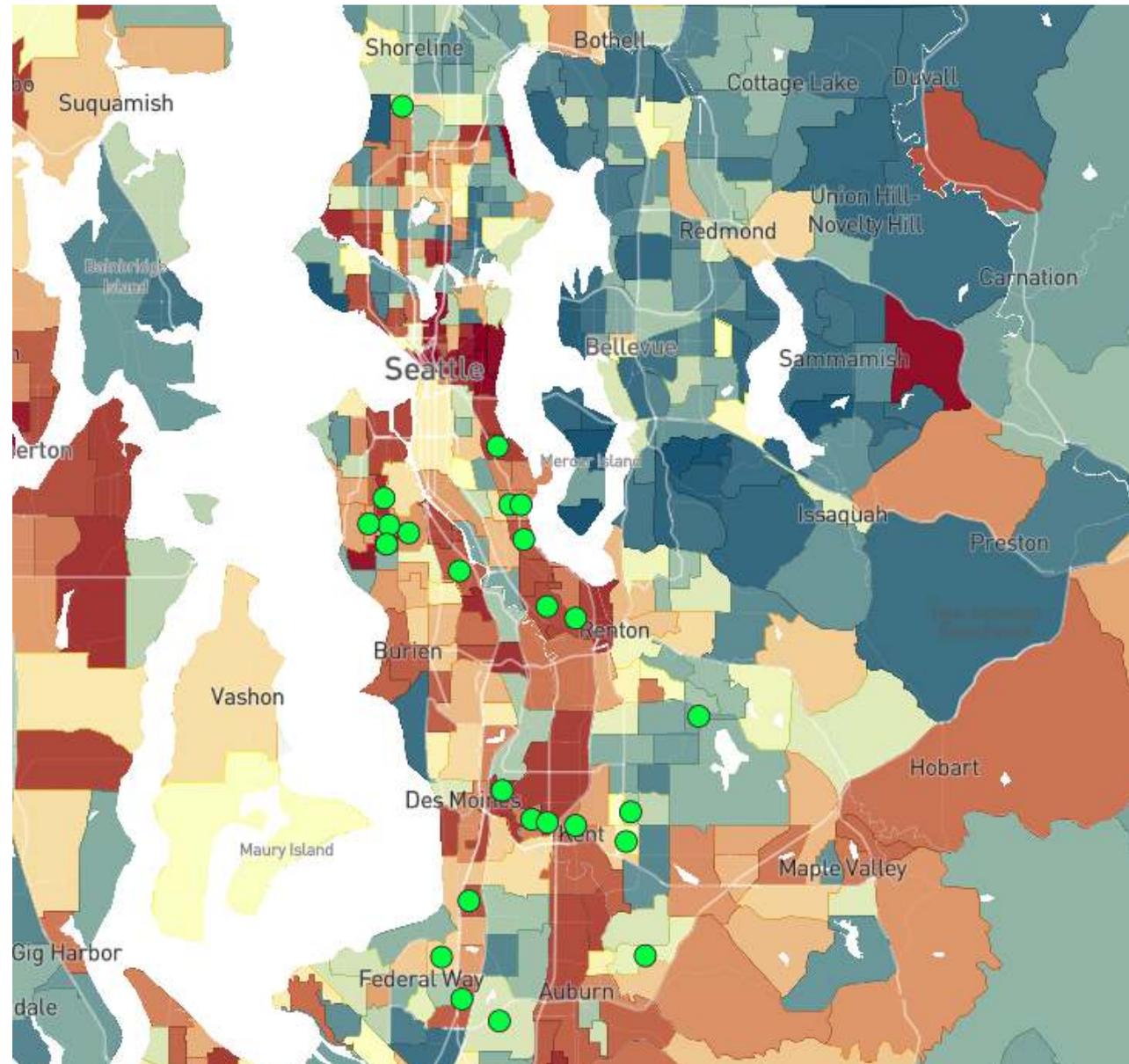
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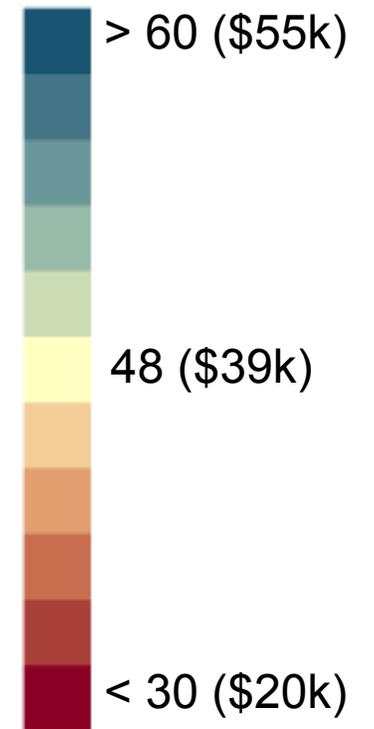
# Is Affordable Housing in Seattle Maximizing Opportunities for Upward Mobility?

## Most Common Current Locations of Families Receiving Housing Vouchers in Seattle



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

Percentile Rank in Adulthood



# Creating Moves to Opportunity in Seattle

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

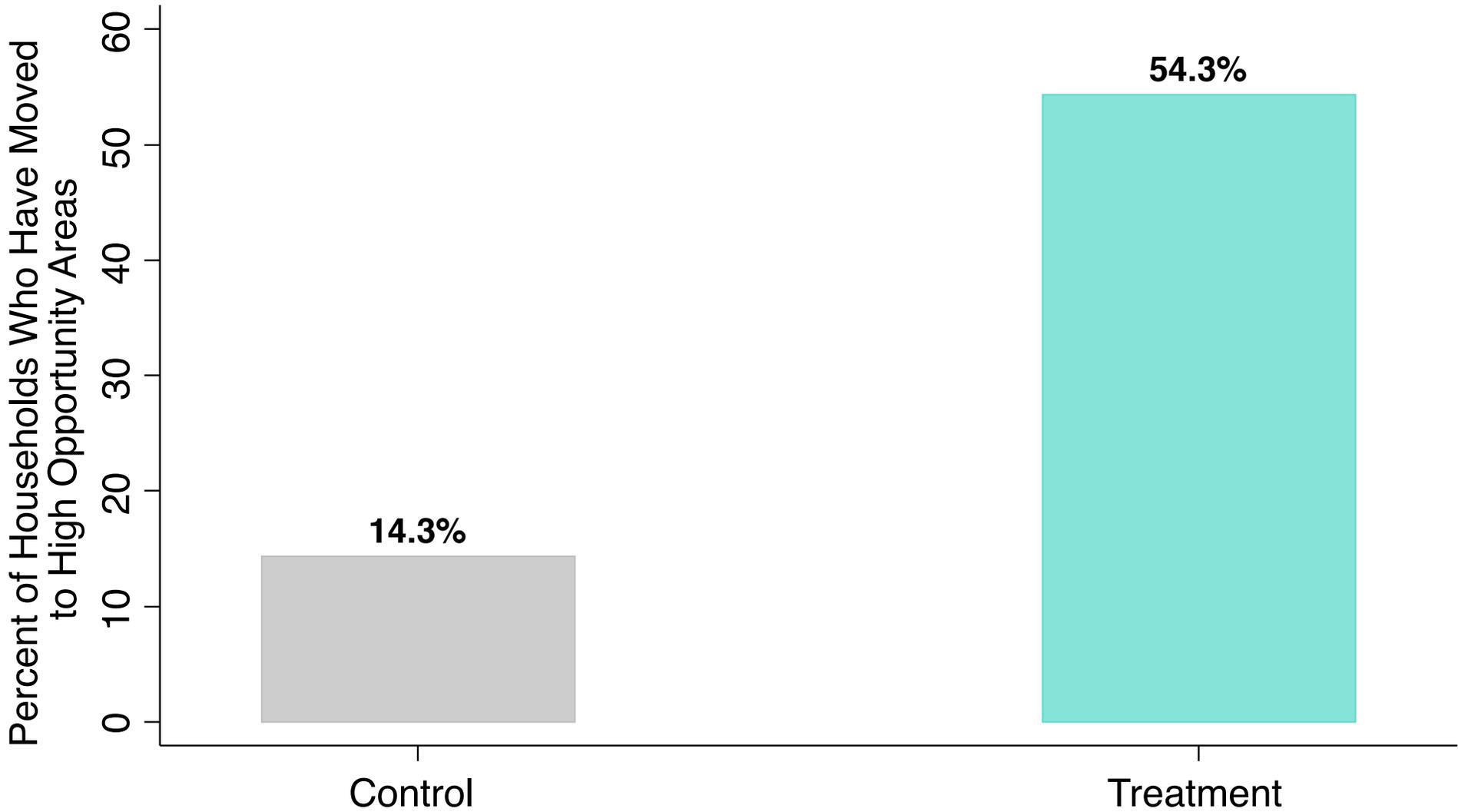
CUSTOMIZED  
SEARCH  
ASSISTANCE

DIRECT  
LANDLORD  
ENGAGEMENT

SHORT-TERM  
FINANCIAL  
ASSISTANCE



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



Difference: **40.0 pp**  
SE: (5.2)

Source: Bergman, Chetty, DeLuca, Hendren, Katz, Palmer (2019)

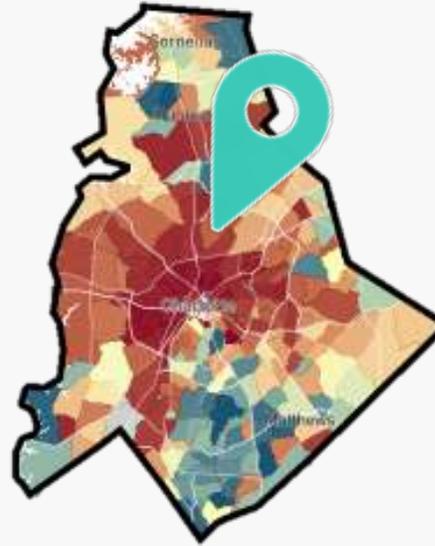
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# A Wake-Up Call for Charlotte-Mecklenburg

## Land of opportunity? Not by a long shot

Charlotte is nation's worst big city  
for climbing out of poverty

The Charlotte Observer

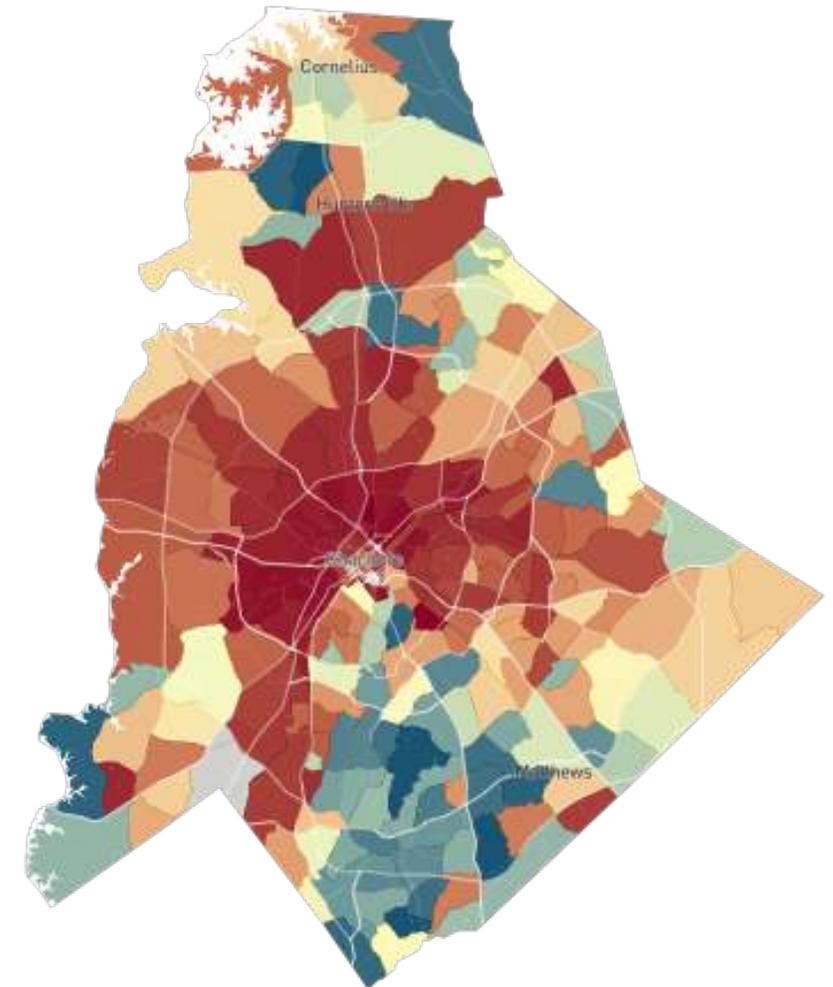
Over the last several decades, Charlotte-Mecklenburg has transformed from a small southern town to one of the country's largest and most dynamic communities. We continue to attract people—nearly 50 a day— who move here to take advantage of our strong business climate, favorable weather and

geographic location, and our reputation as a great place to live and raise a family.

Accolades from the outside regularly tell us how tall we stand among other communities. As recently as February 7, 2017, U.S. News and World Report ranked us as the 14th best place to live in the country.<sup>i</sup>

Yet, in 2013 when the headline broke about the Harvard University/UC Berkeley study that ranked Charlotte-Mecklenburg 50th out of 50 in upward mobility<sup>ii</sup> for children born into our lowest income quintile, many in our community responded with disbelief. **How, on the one hand, can we be such a vital and opportunity-rich community, and on the other, be ranked dead last in the odds that our lowest income children and youth will be able to move up the economic ladder as they become adults?**

# The Geography of Opportunity in Charlotte



# A Life-Course Approach to Place-Based Investment



 **CARE RING**  
THE HEART OF COMMUNITY HEALTH

 **ParentChild+**  
Equal Possibilities From The Start

 **MECK Pre-K**  
MECKLENBURG COUNTY SCHOOLS

 **Read**  
CHARLOTTE

 **HEART**  
MATH TUTORING  
Connecting Students & Volunteers  
for Results that Count.

 **HARMONY PROJECT**  
EST. 2001 • LOS ANGELES, CA

 **Communities  
In Schools**

 **the Y**  
FOR YOUTH DEVELOPMENT\*  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

 **BAM**  
YOUTH GUIDANCE

 **CREDIBLE MESSENGER  
JUSTICE CENTER**

 **MBK**

 **College  
Advising  
Corps**

 **PEER  
FORWARD.**

 **NC  
PROMISE**

 **MYEP**  
MAYOR'S YOUTH EMPLOYMENT PROGRAM

 **ONE SUMMER  
CHICAGO**

 **NCWorks  
NEXTGEN**  
POWERED BY CHARLOTTE WORKS

 **yearup**

# Evidence on Place-Based Policies: The American Opportunity Study

- **American Opportunity Study**: New project to analyze impacts of place-based policies (currently in fundraising phase)
- Build a longitudinal dataset covering all Americans from 1950 to present by digitizing and linking tax and Census records
- Use these data to study the impacts of place-based interventions on **prior residents**
  - What types of interventions improve prior residents' outcomes rather than simply displacing them?



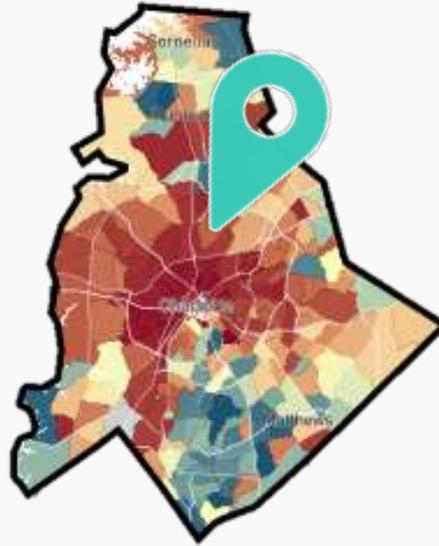
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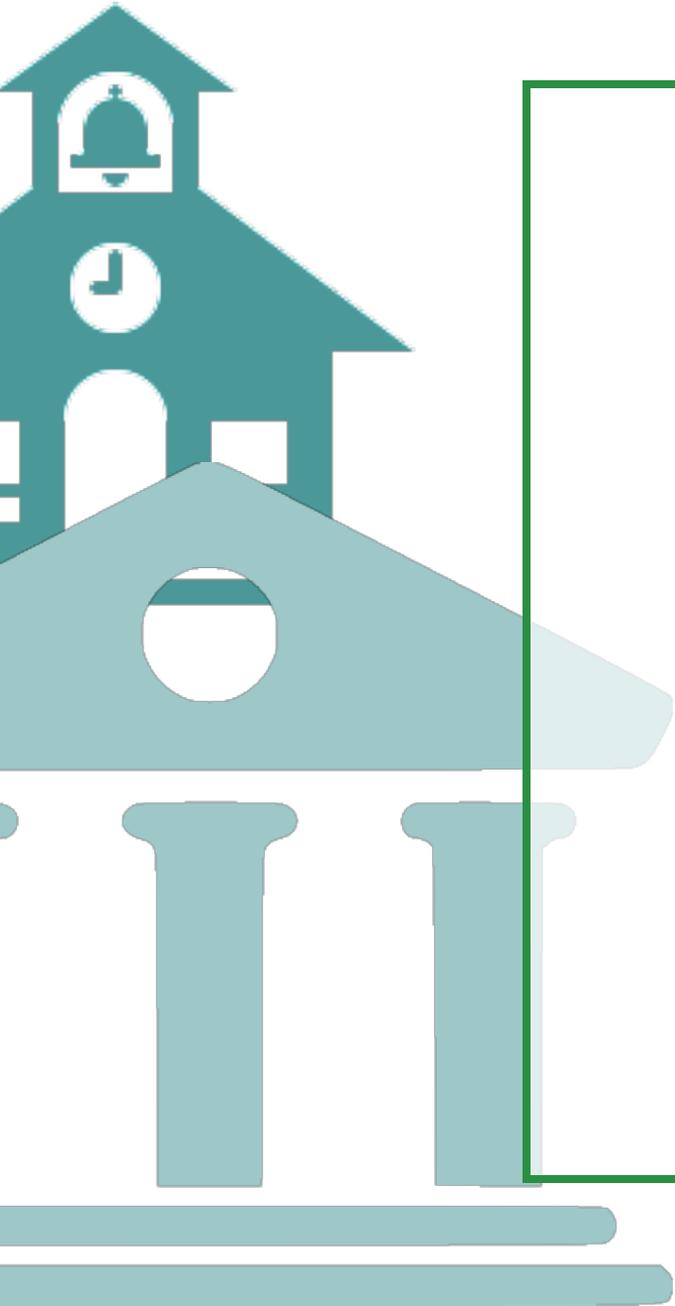
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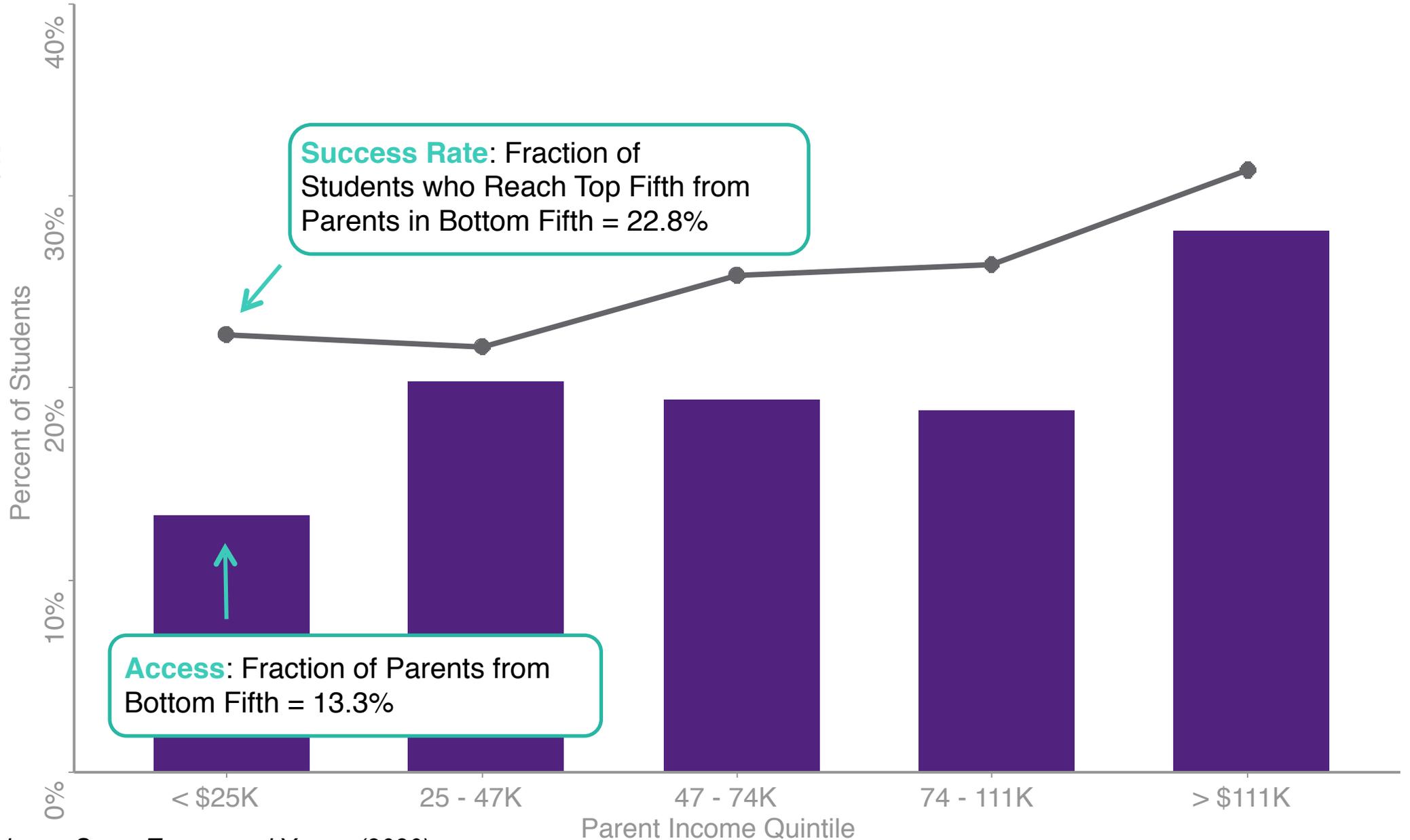


Amplify Impacts of Colleges on Mobility

# Which Colleges and Universities Best Promote Upward Mobility?



# Mobility Report Cards: Montgomery College



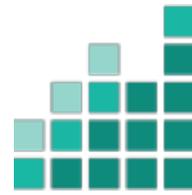
Source: Chetty, Friedman, Saez, Turner, and Yagan (2020)

# Collegiate Leaders in Increasing Mobility



**Partnership** between Opportunity Insights and **400 colleges** across the U.S. that seeks to help colleges:

- Increase access to qualified low-income students
- Maximize the success of students from disadvantaged backgrounds



# OPPORTUNITY INSIGHTS



Web: [www.opportunityinsights.org](http://www.opportunityinsights.org)



Twitter: @OppInsights



Email: [info@opportunityinsights.org](mailto:info@opportunityinsights.org)



*From Jasmine, 7 years old, whose family moved to a high-opportunity area in Seattle in the Creating Moves to Opportunity study*

# Characteristics of High-Mobility Neighborhoods

**Lower Poverty Rates**



**More stable family structure**



**Greater social capital**

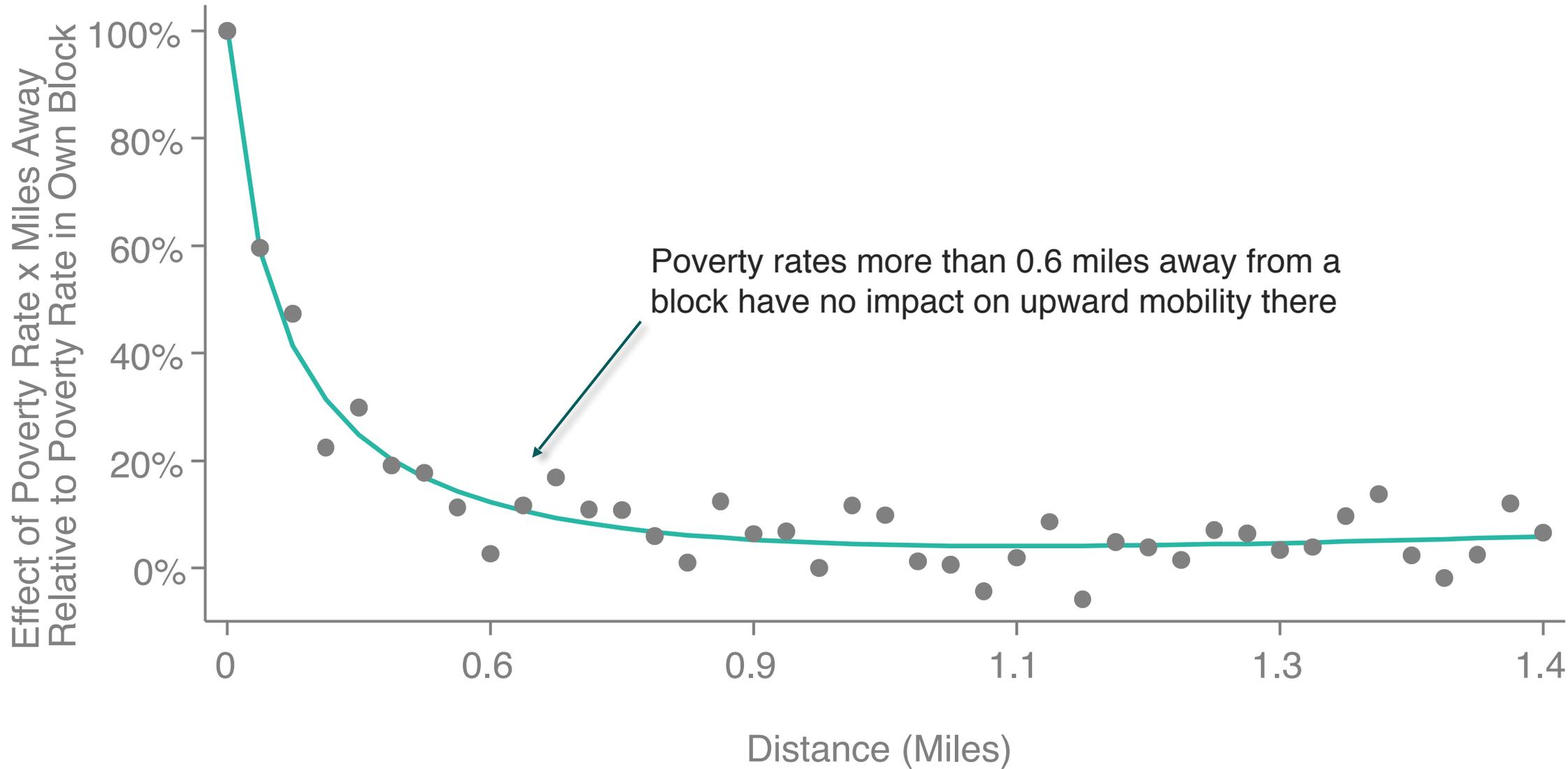


**Better school quality**



# How Big Is a “Neighborhood”?

Spatial Decay in Association Between Poverty Rates and Upward Mobility



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

# Mobility Rates

Measure a college's *mobility rate* (MR) as the fraction of its students who both come from bottom fifth and end up in top fifth

Mobility rate equals access times success rate:

**Mobility Rate = Access x Success Rate**

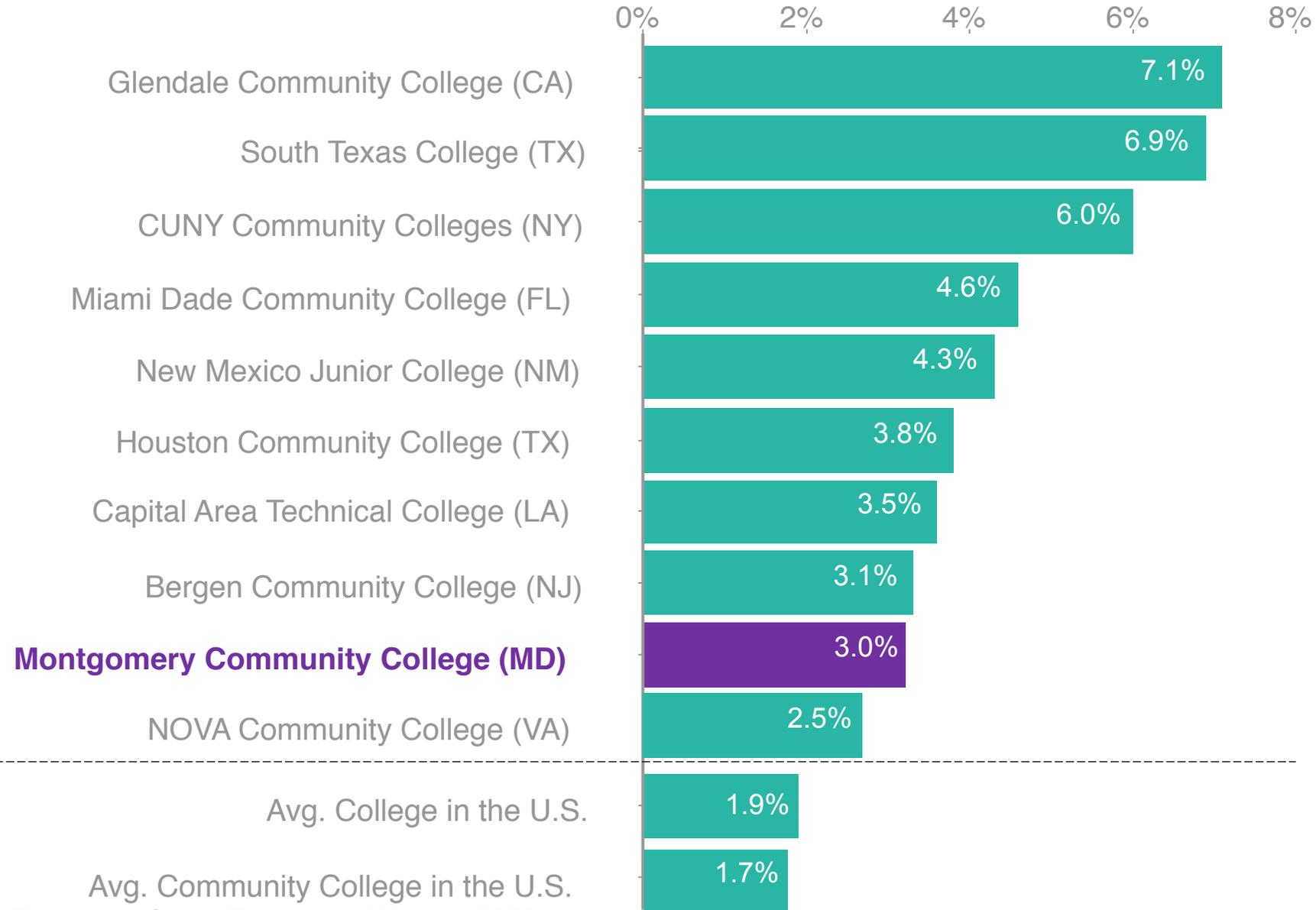
$$3.0 \% = 13.3\% \times 22.8\%$$

**At Montgomery CC**



# Exemplary Community Colleges in America for Upward Mobility

## Fraction of Bottom-to-Top Success Stories



Source: Chetty, Friedman, Saez, Turner, and Yagan (2020)