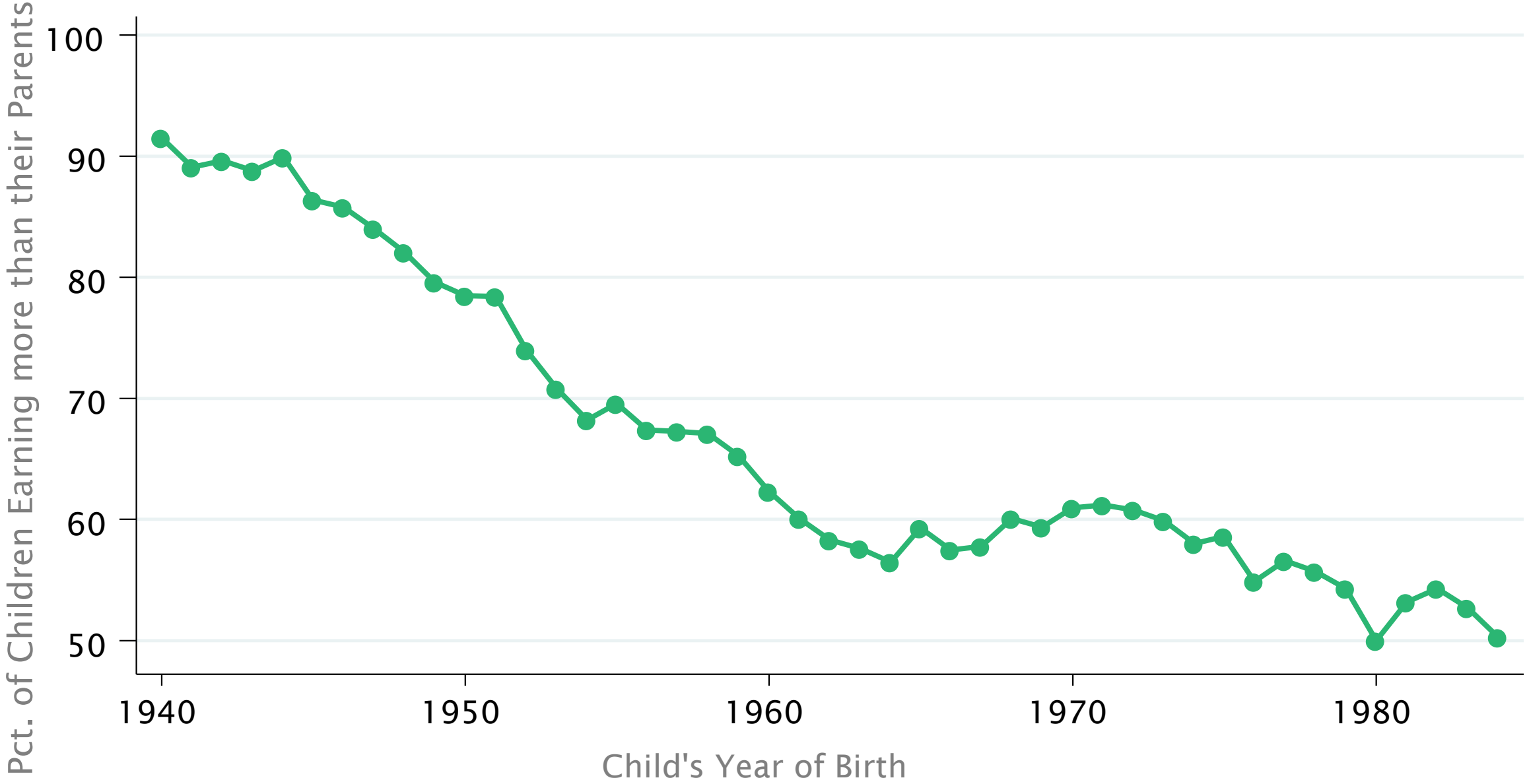
OPPORTUNITY INSIGHTS

Improving Economic Opportunity in America
New Insights from Big Data

Raj Chetty and David Williams
Harvard University and Opportunity Insights

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)

How Can We Restore the American Dream?

We use **big data** to study how to increase upward mobility

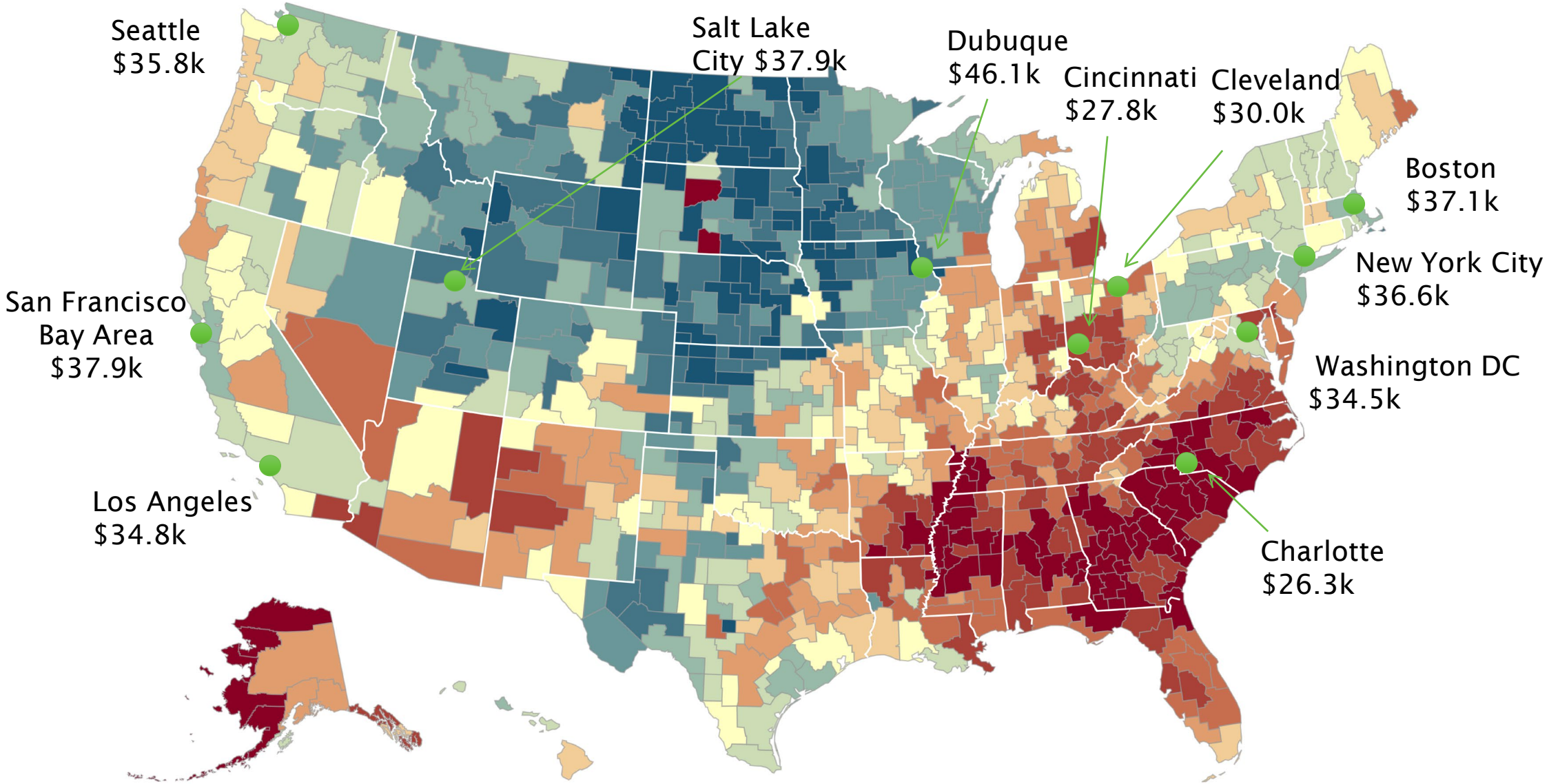
Analyze a broad range of interventions, from **childhood to adulthood**

Starting point: sharp **local** differences in rates of upward mobility

OPPORTUNITY INSIGHTS

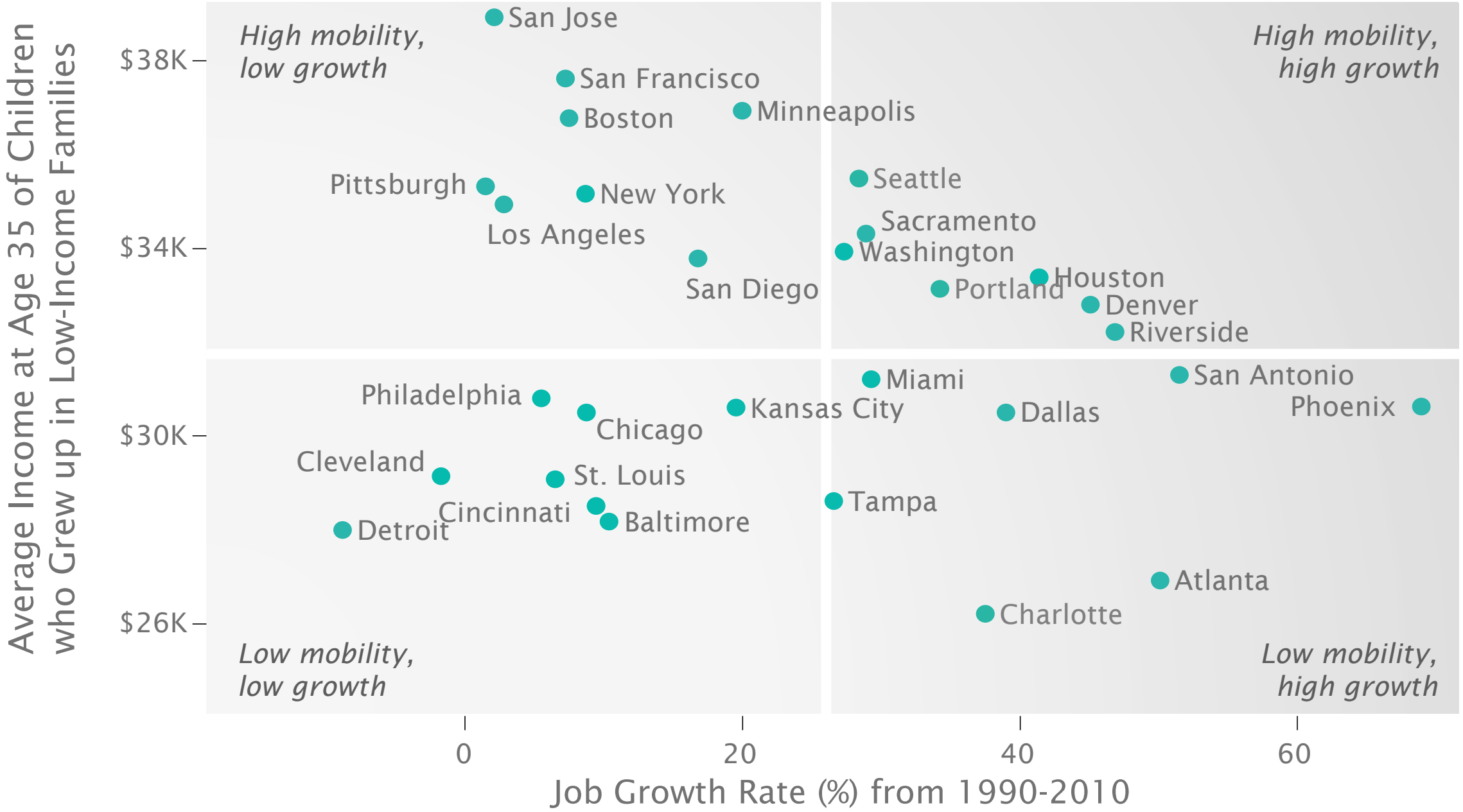
The Geography of Upward Mobility in the United States

Average Income at Age 35 for Children whose Parents Earned $25,000 (25th percentile)



Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Source: Chetty, Friedman, Hendren, Jones, Porter 2018

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



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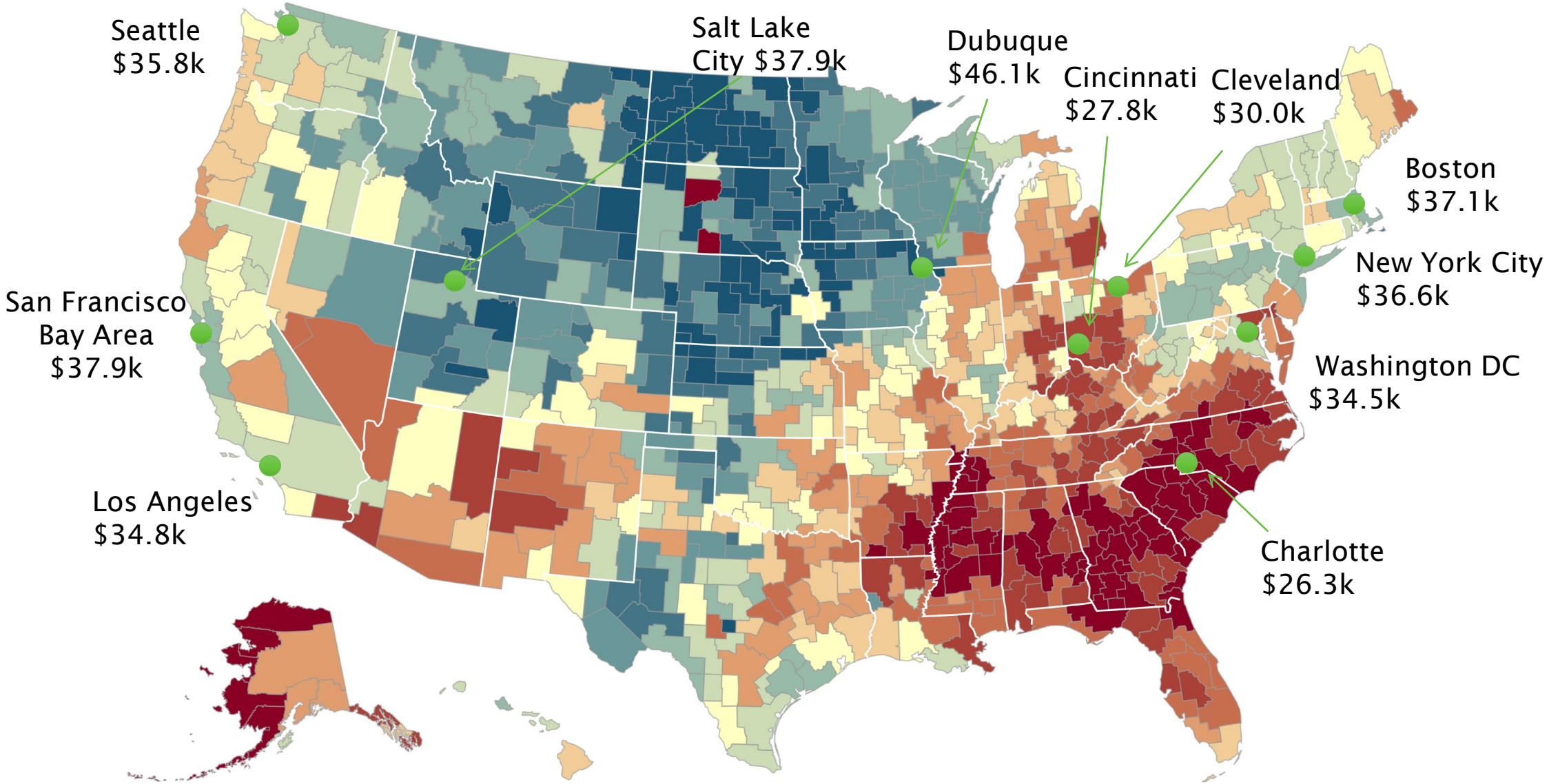

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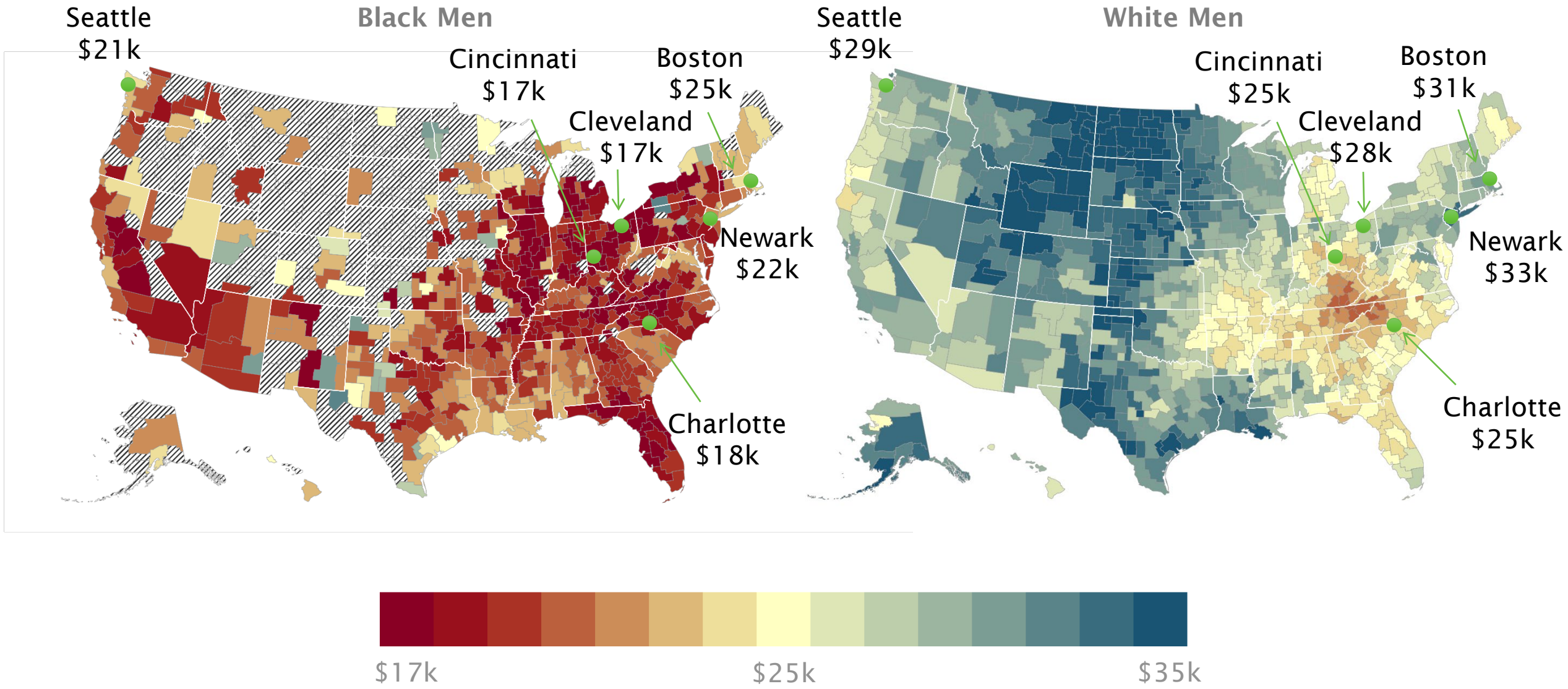
Two Americas: The Geography of Upward Mobility For Black vs. White Men

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



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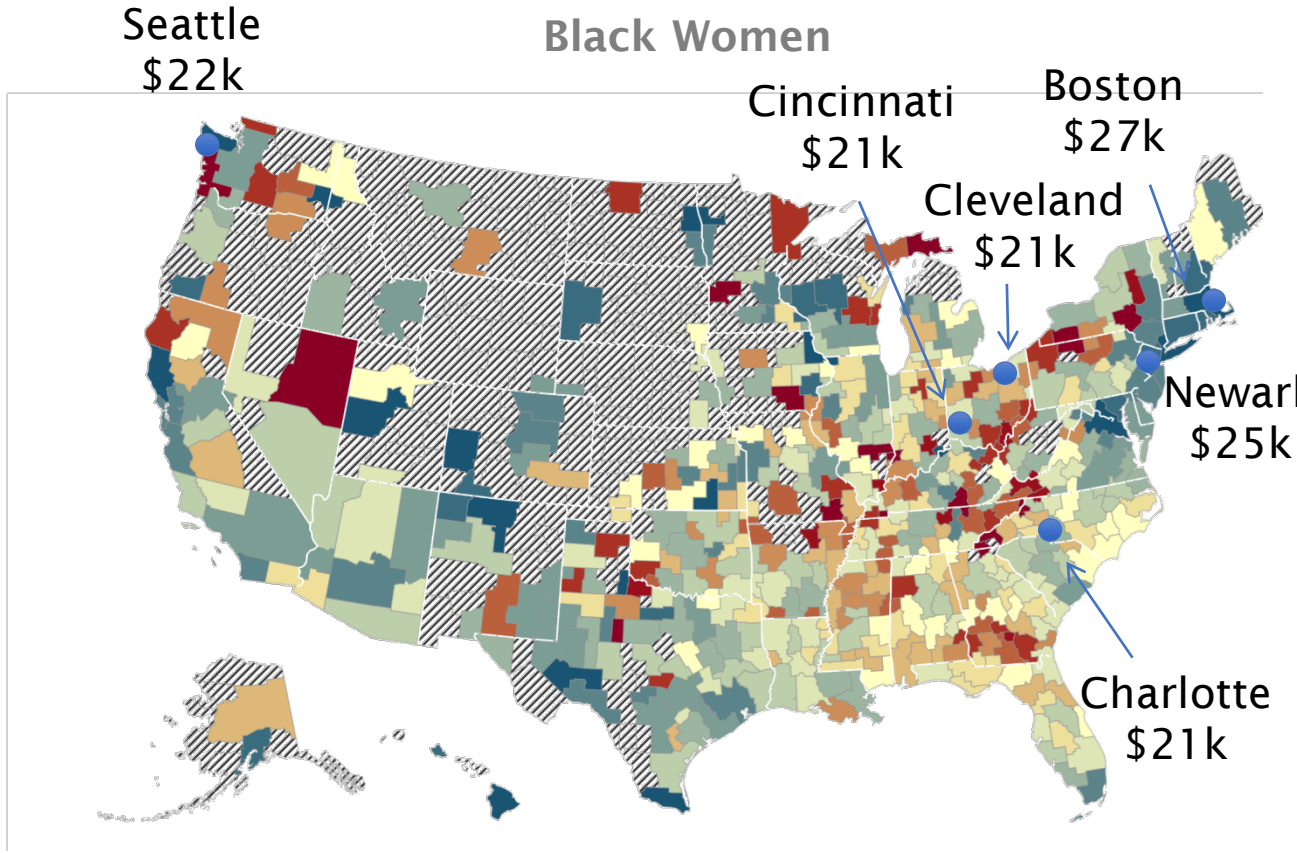
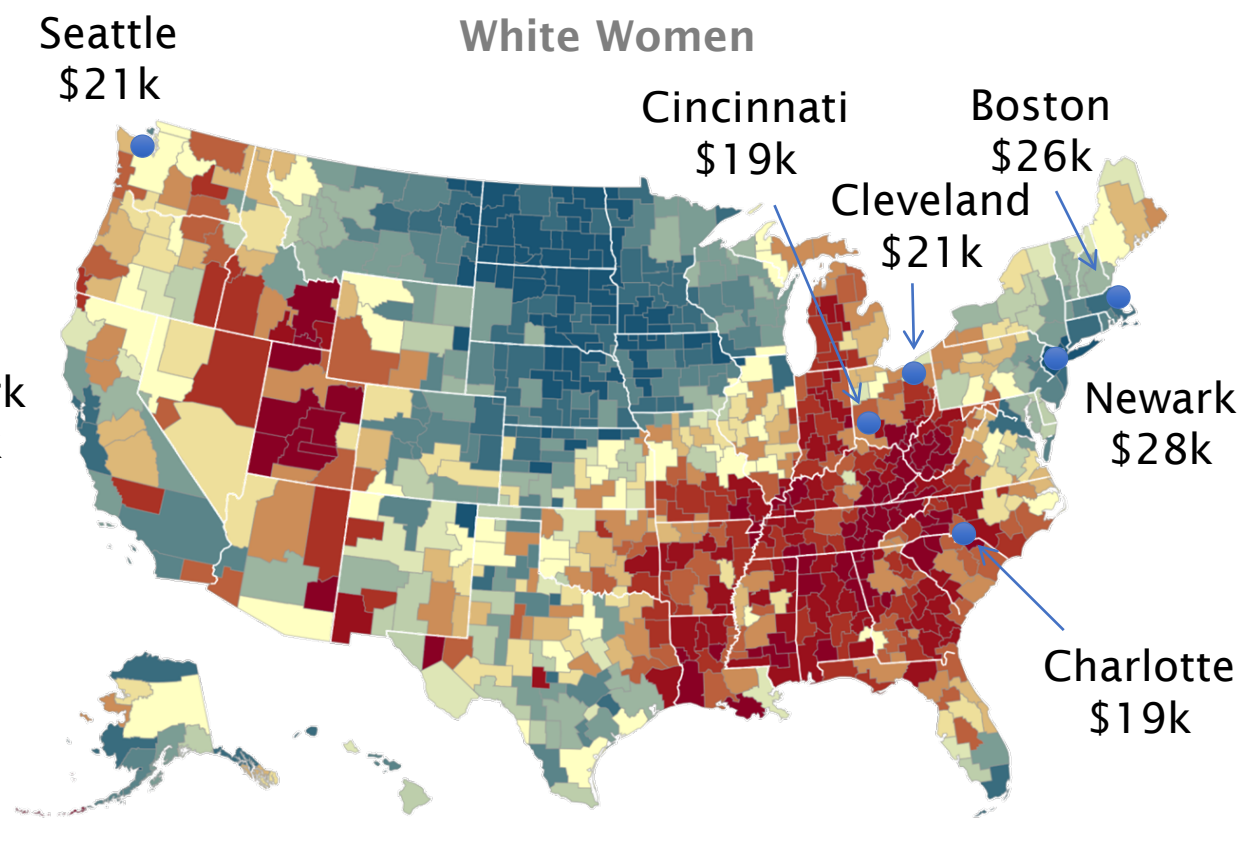
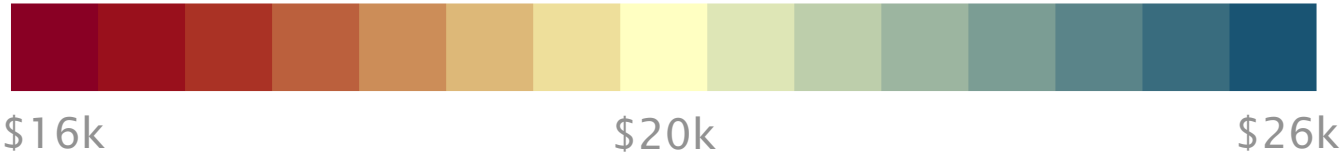
Source: Chetty, Hendren, Jones, Porter 2018

The Geography of Upward Mobility For Black vs. White Women

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







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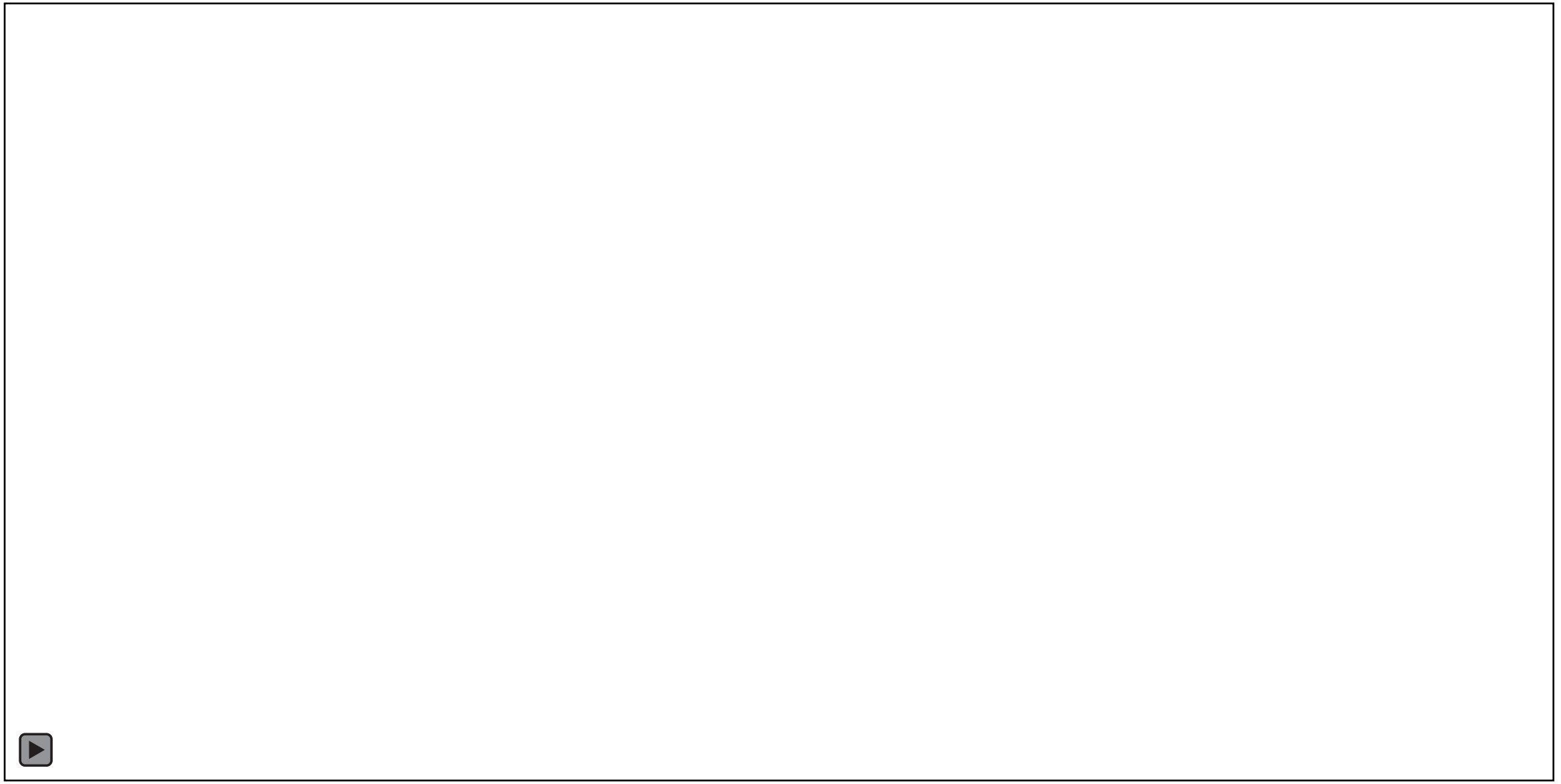
Source: Chetty, Hendren, Jones, Porter 2018

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



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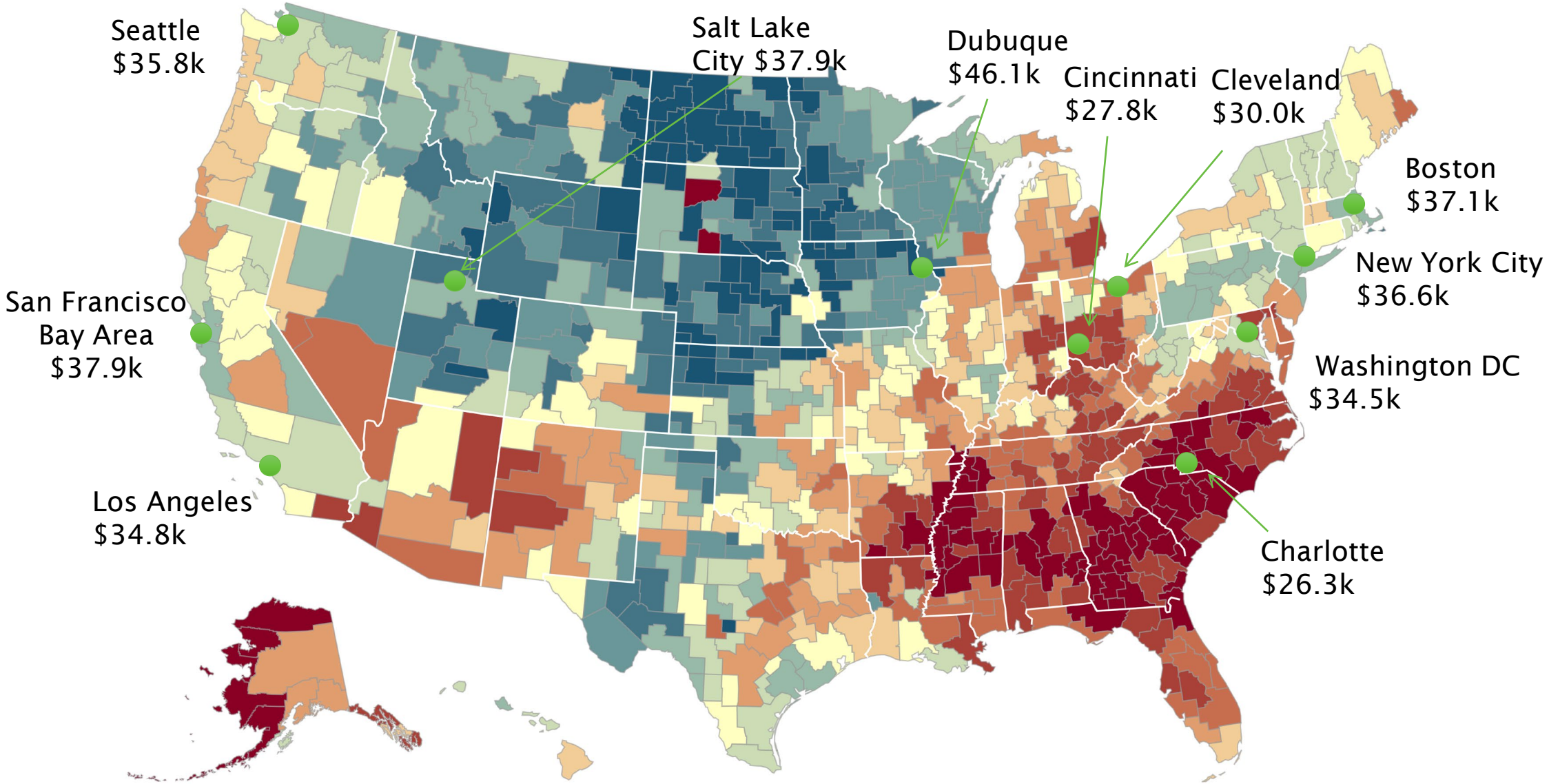

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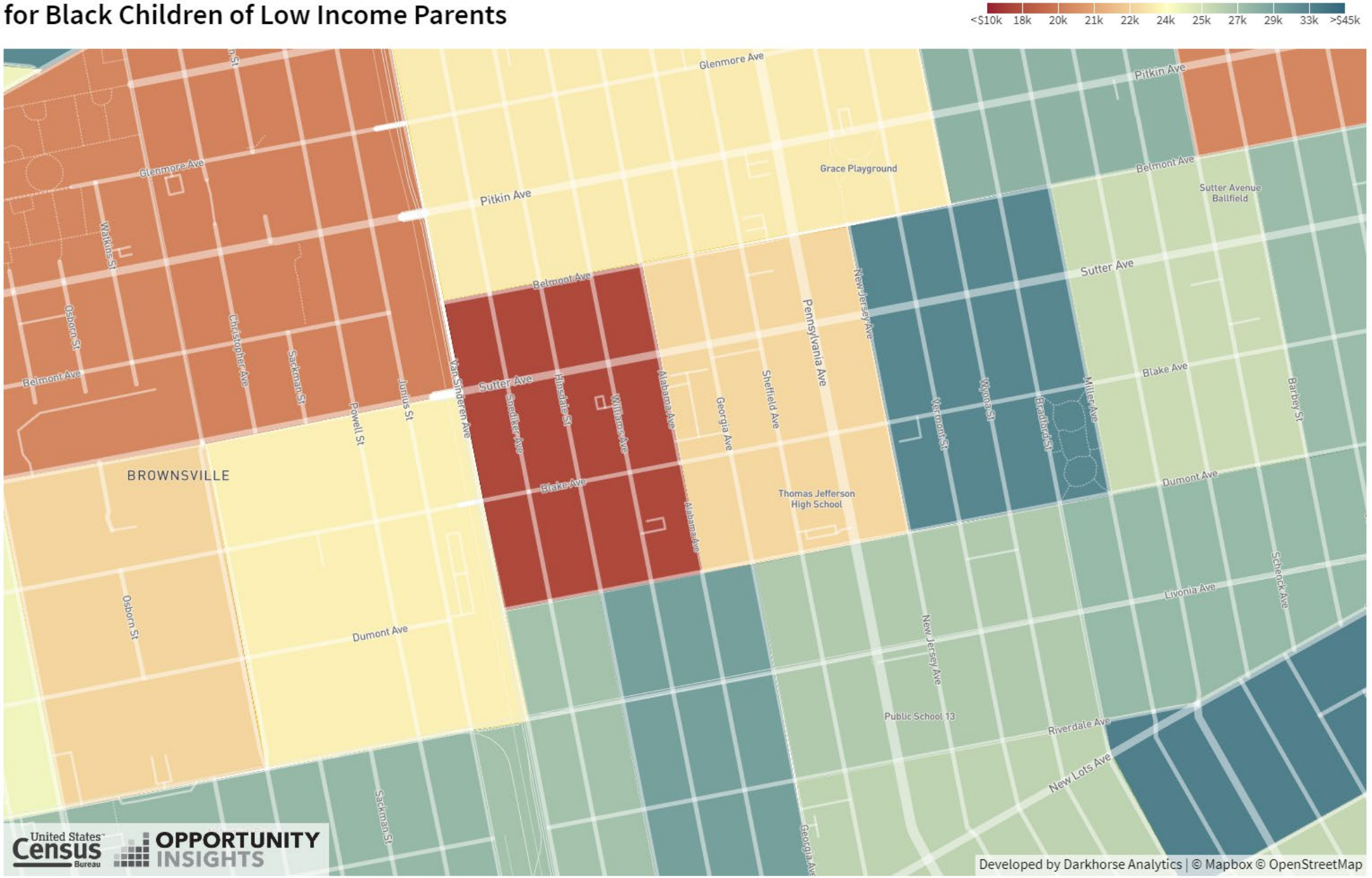
Household Income
for Black Children of Low Income Parents



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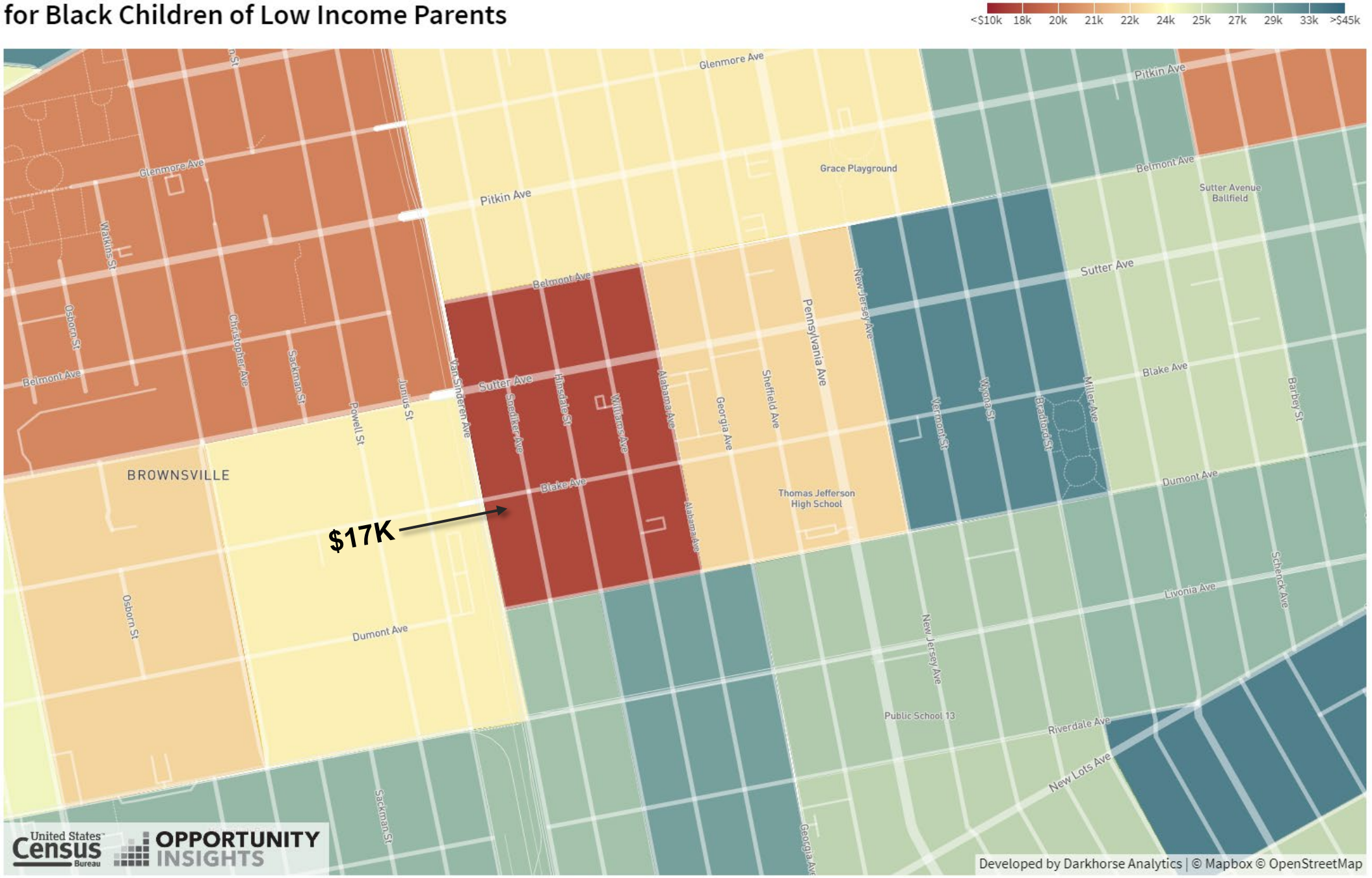

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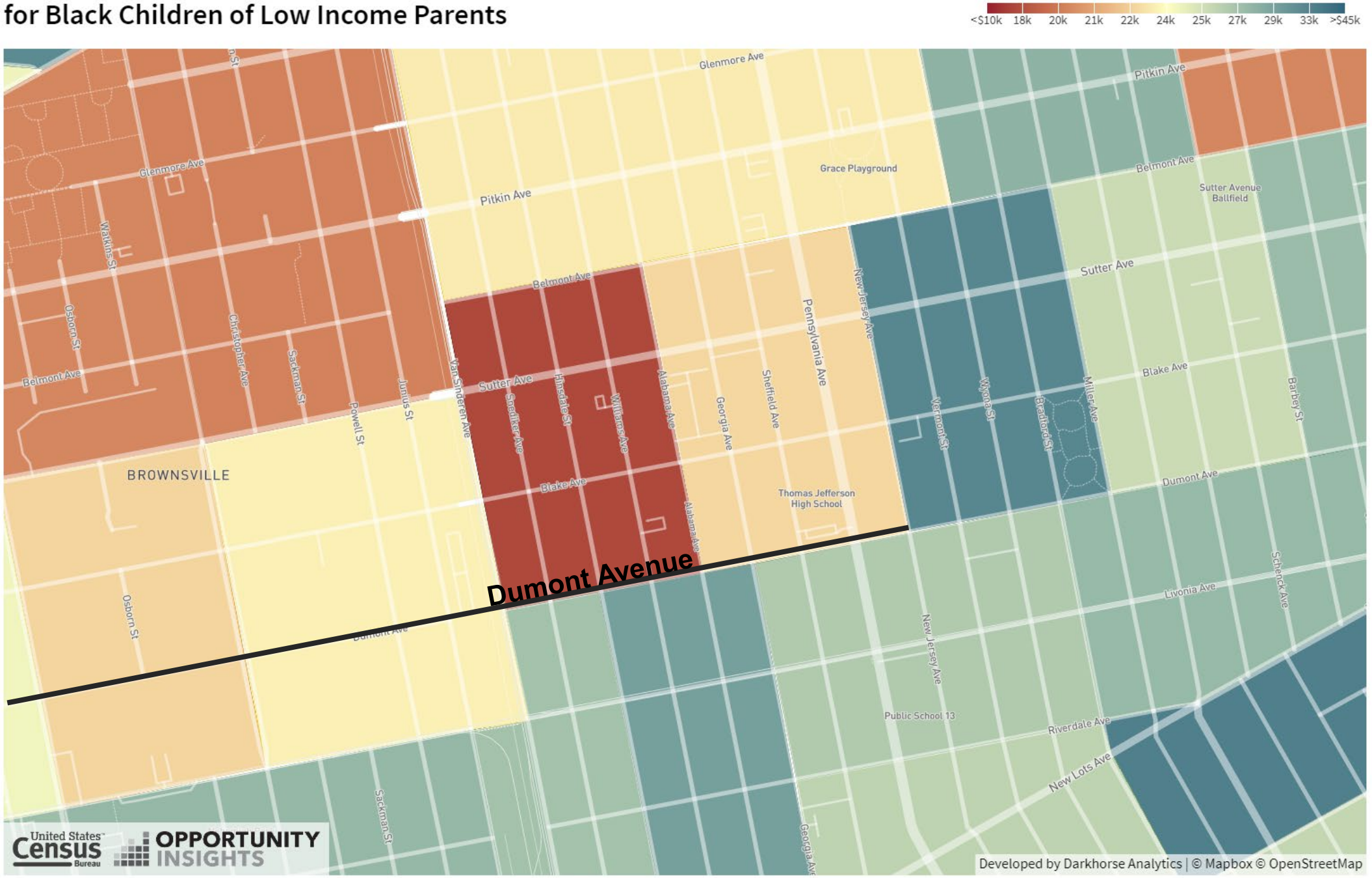

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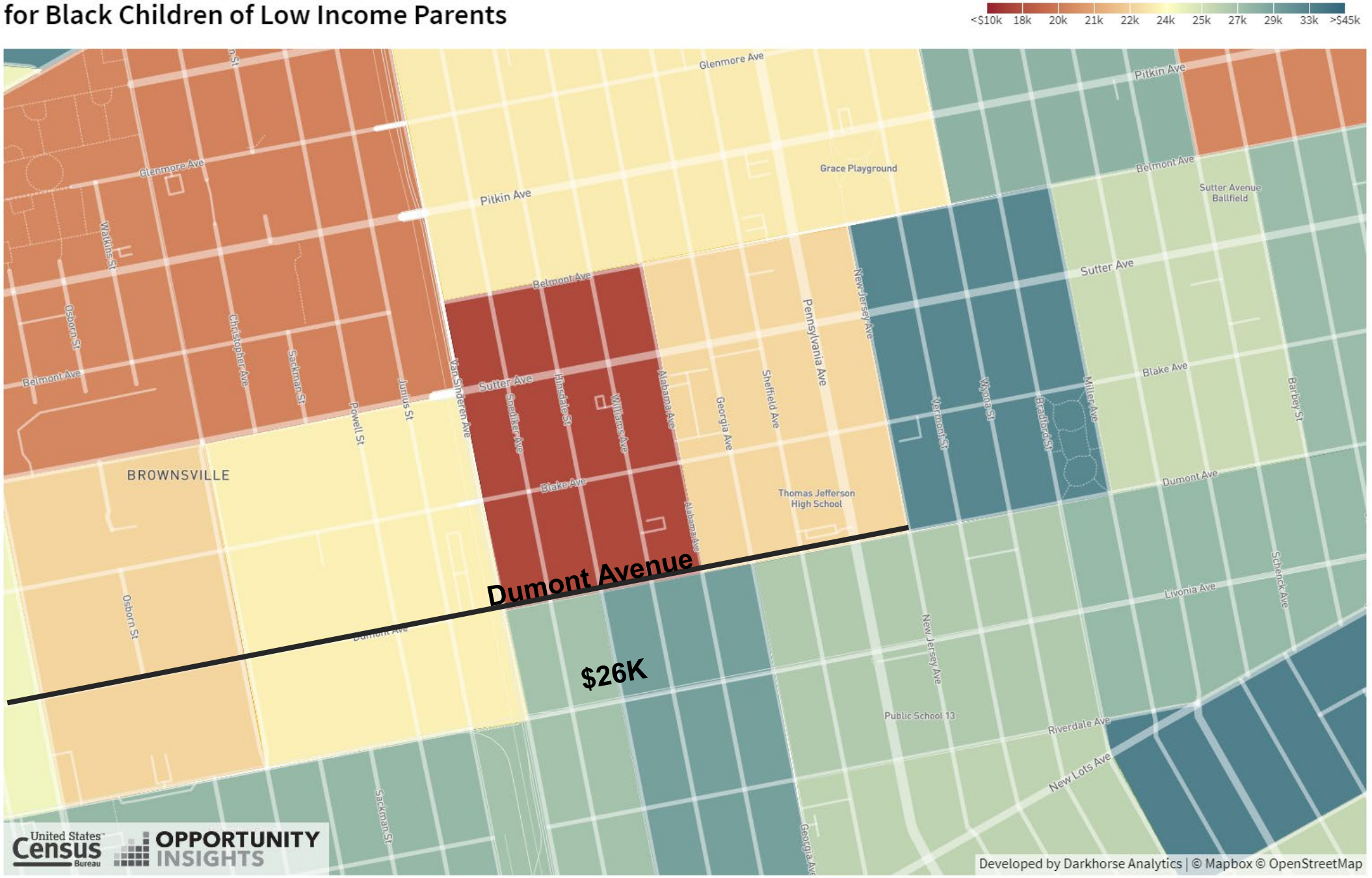

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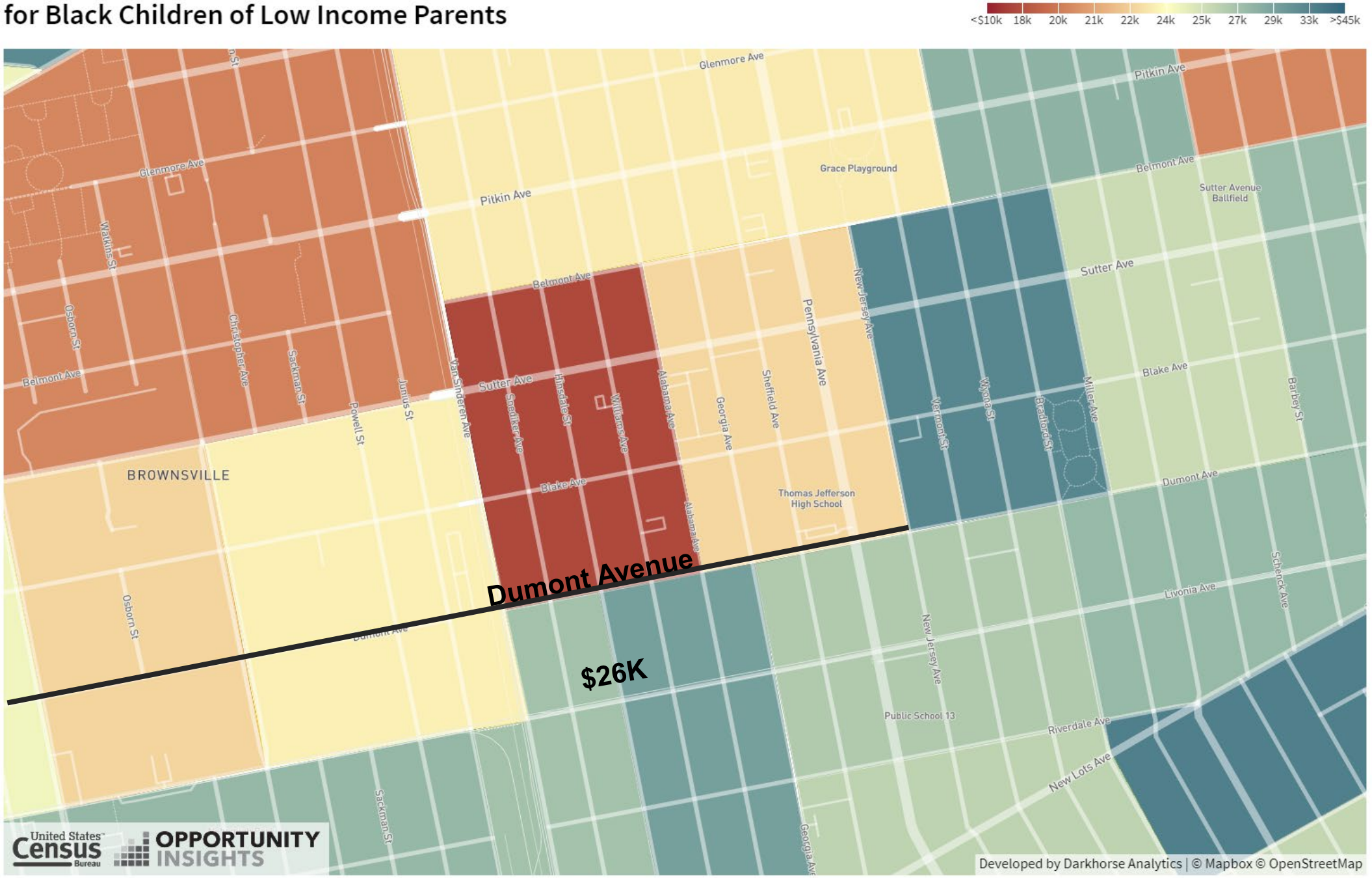

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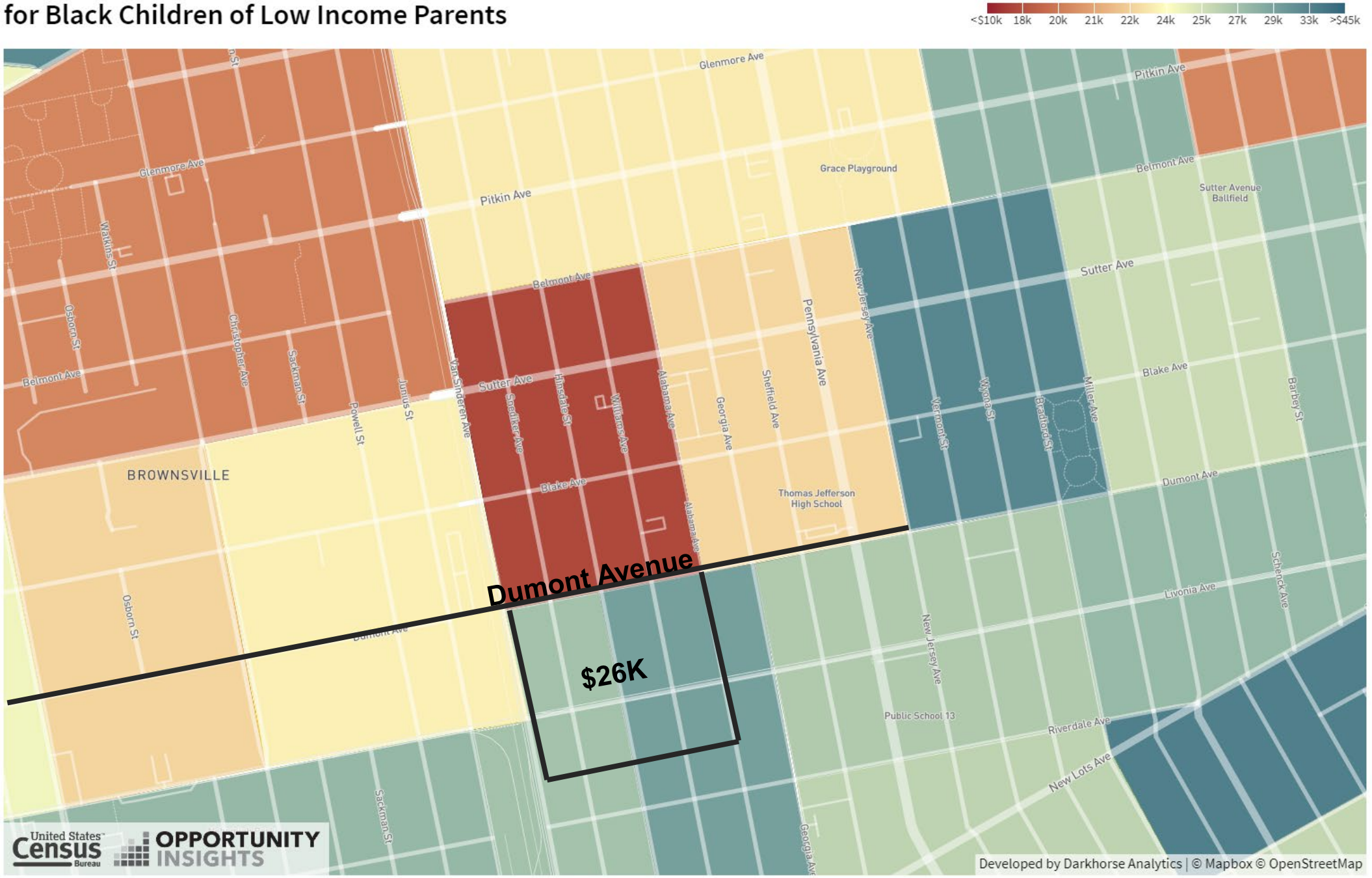

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NAUTICA
npr

25
WELCOME TO
Mother Gaston
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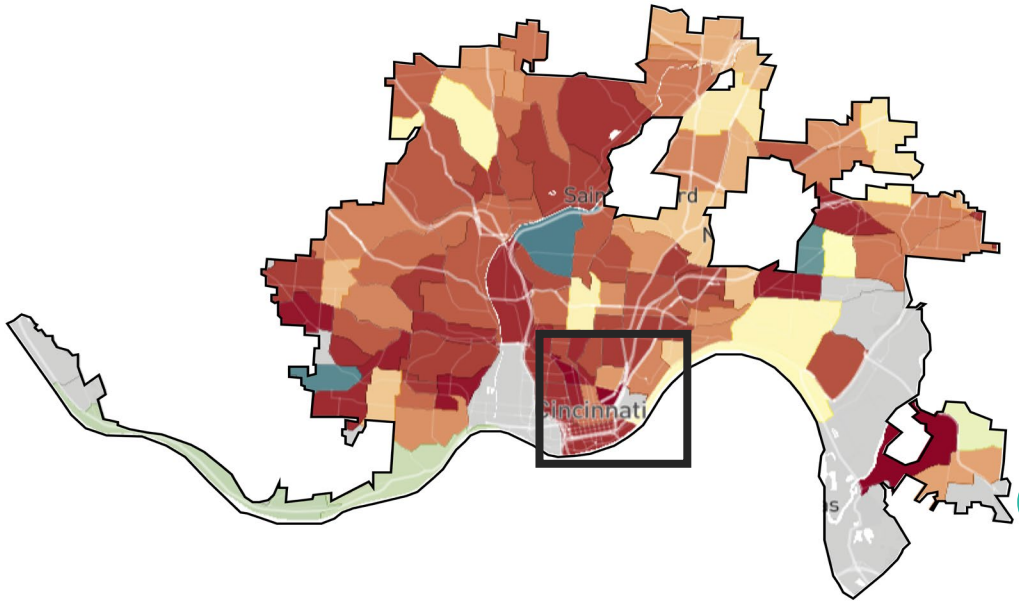
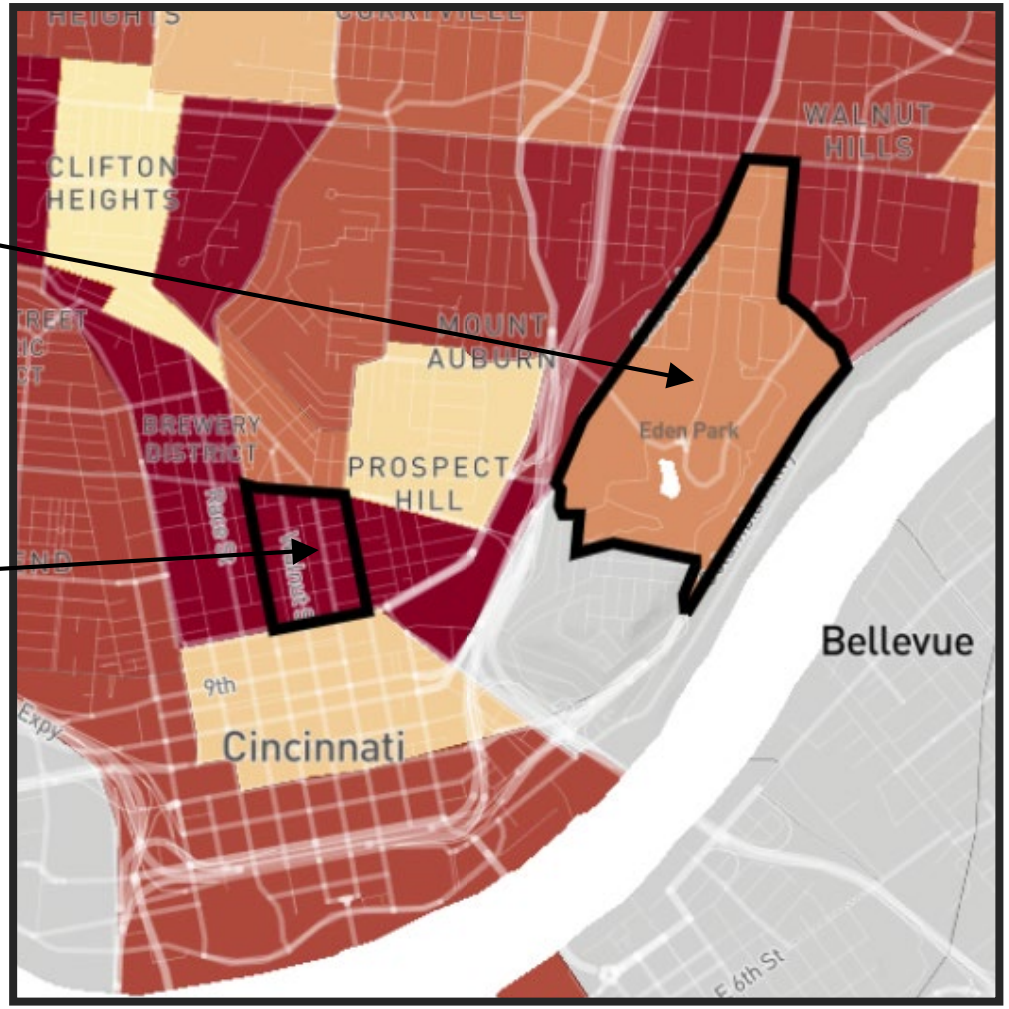
The Geography of Upward Mobility for Black Men in Cincinnati

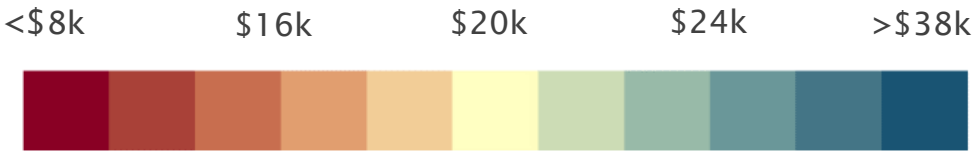
Average Income at Age 35 for Black Men with Parents Earning $25,000 (25th percentile)



Mount Adams $17,000

Over-The-Rhine $6,700



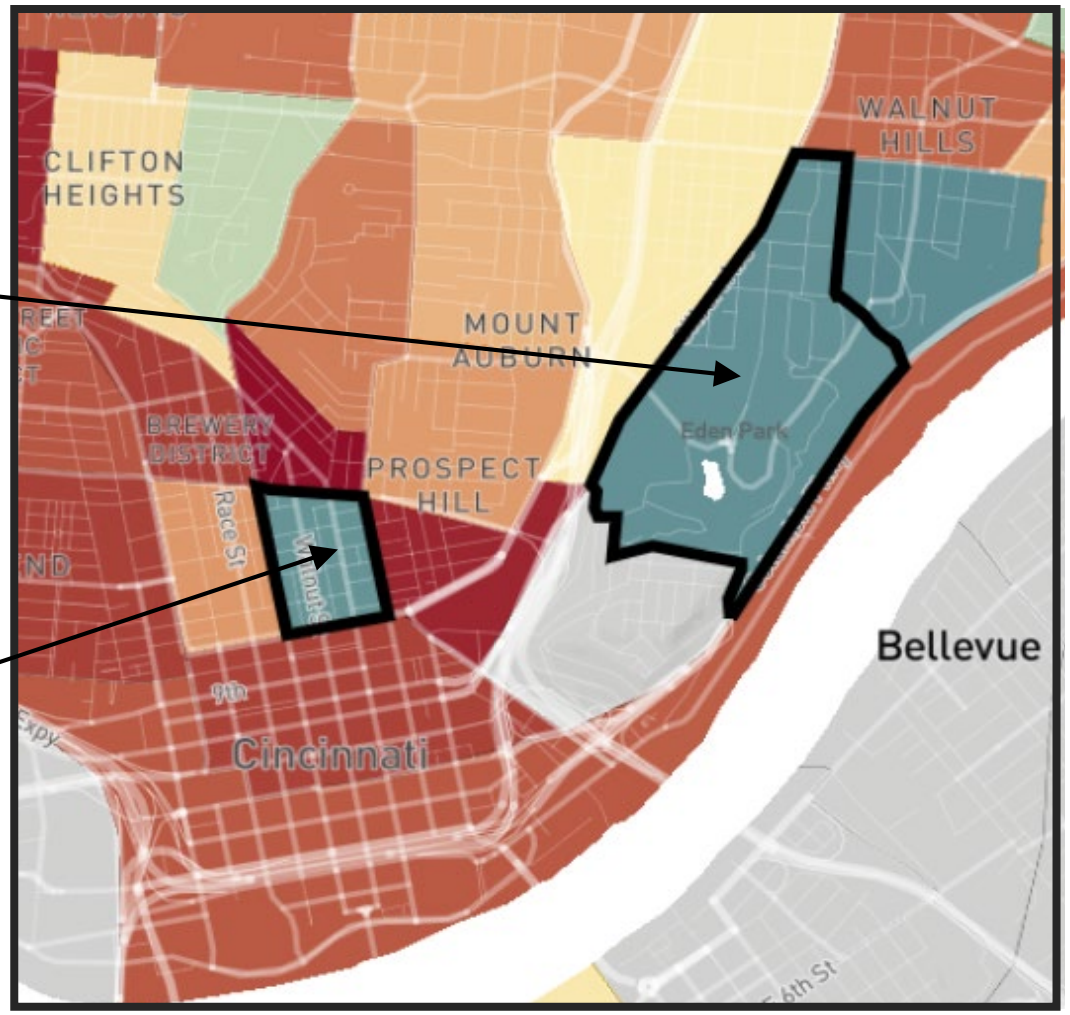


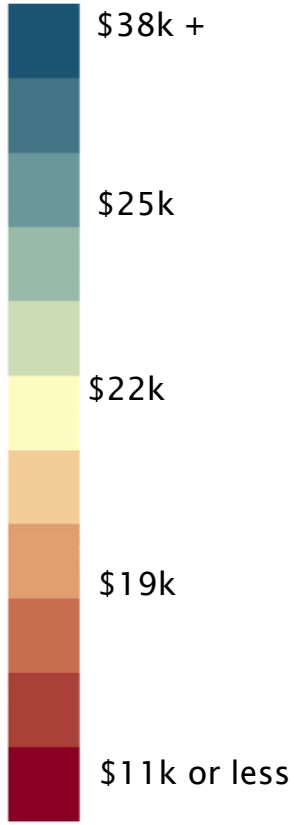
The Geography of Upward Mobility for Black Women in Cincinnati

Average Income at Age 35 for Black Women with Parents Earning $25,000 (25th percentile)

Mount Adams $27,000

Over-The-Rhine $27,000



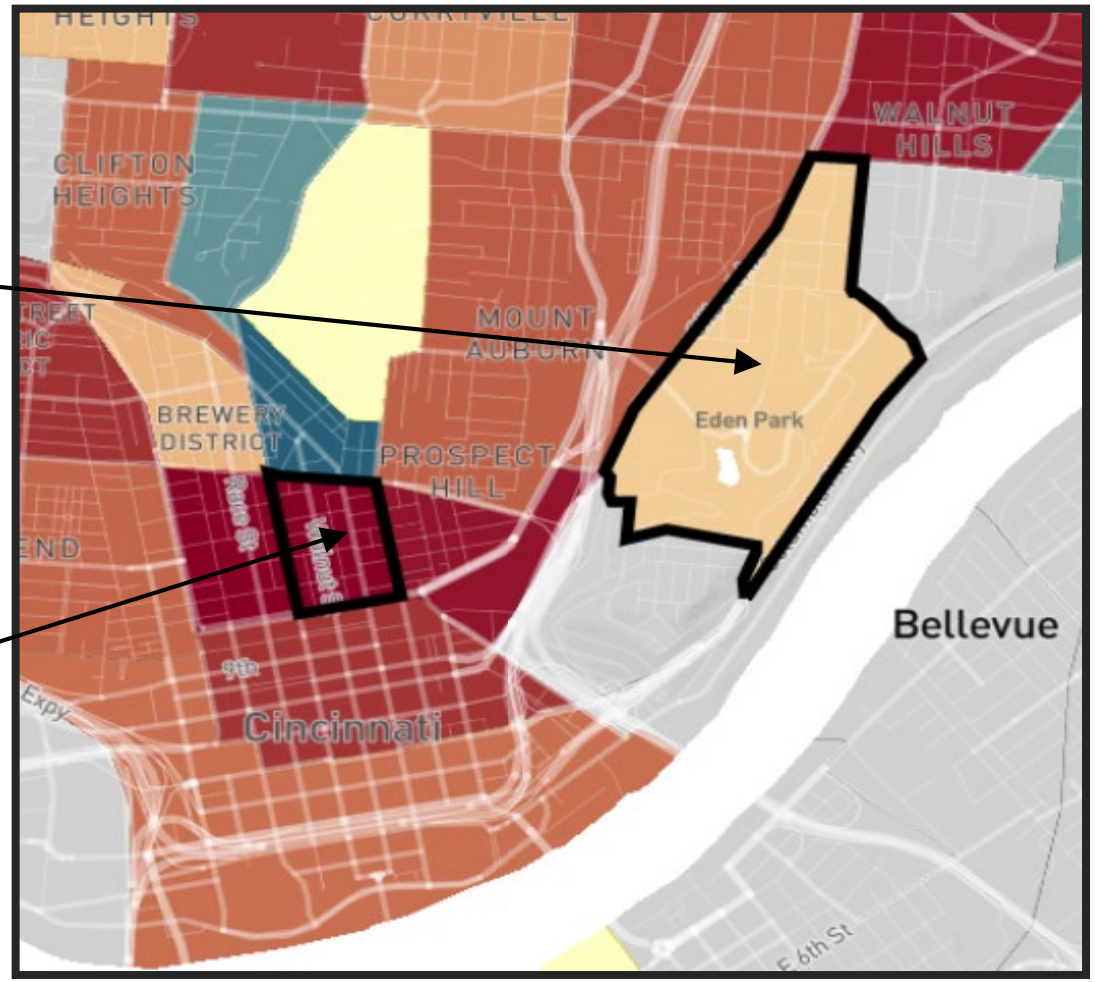


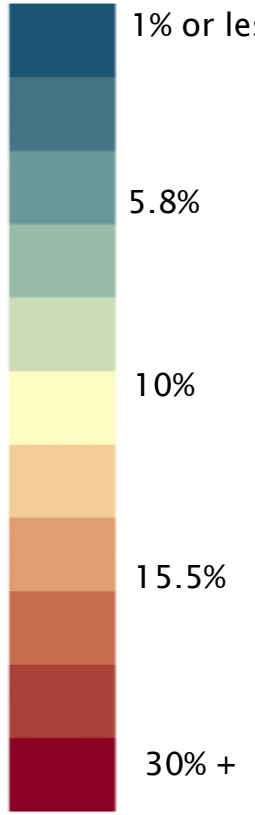
The Geography of Incarceration Rates for Black Men in Cincinnati

Incarceration Rates for Black Men with Parents Earning $25,000 (25th percentile)

Mount Adams 12%

Over-The-Rhine 46%





The Geography of Upward Mobility in Seattle

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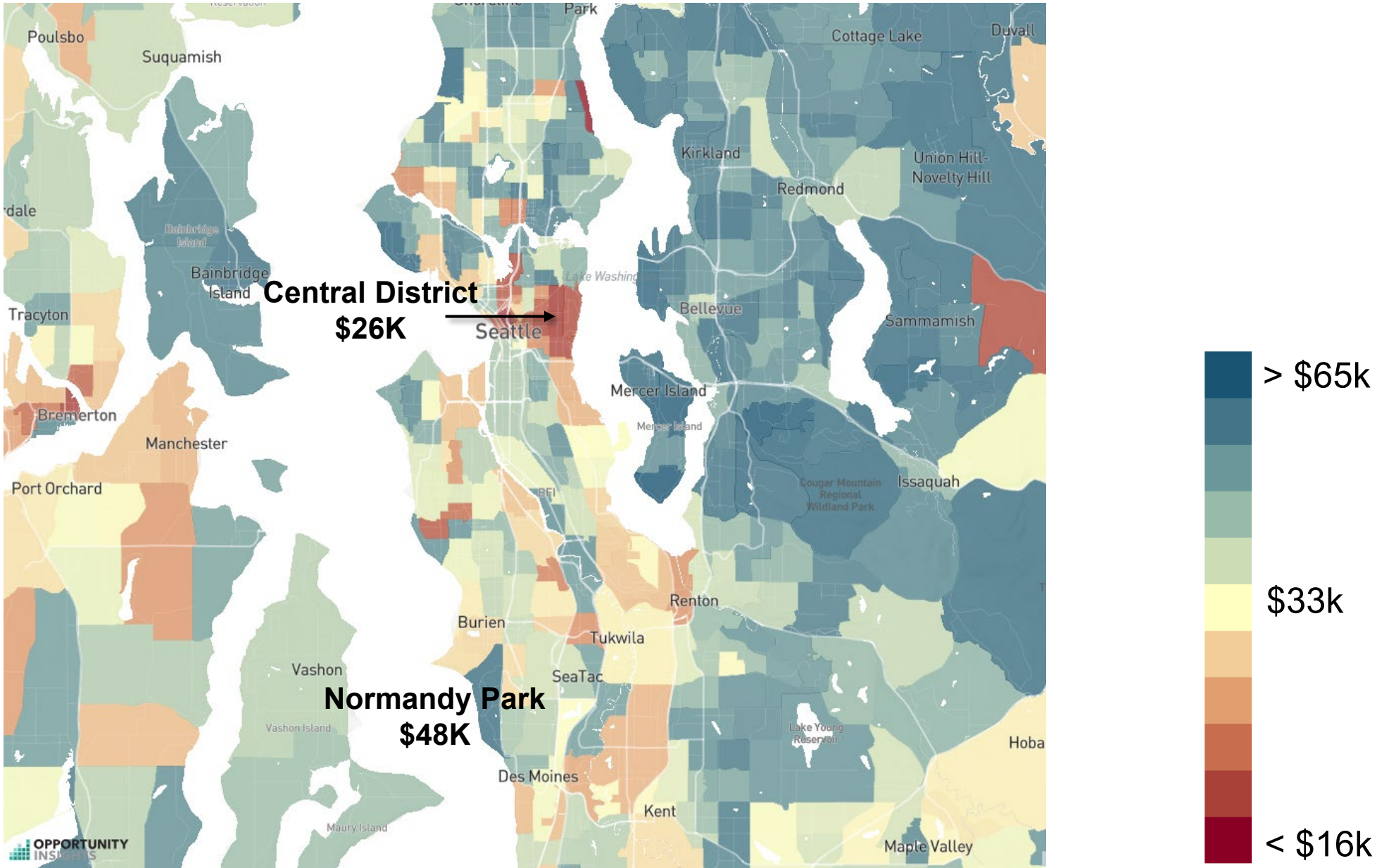
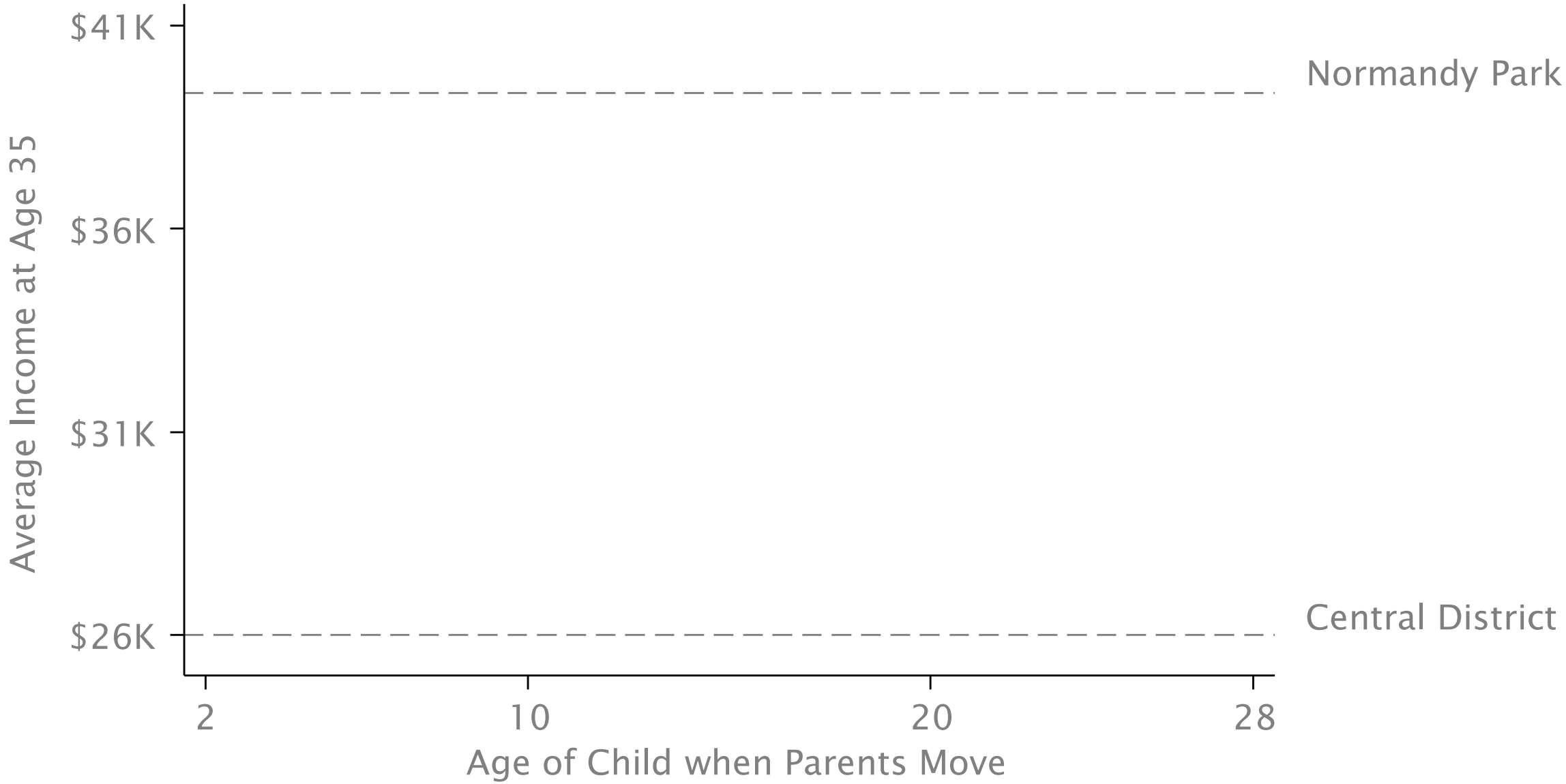


Income Gain from Moving to a Better Neighborhood

By Child's Age at Move



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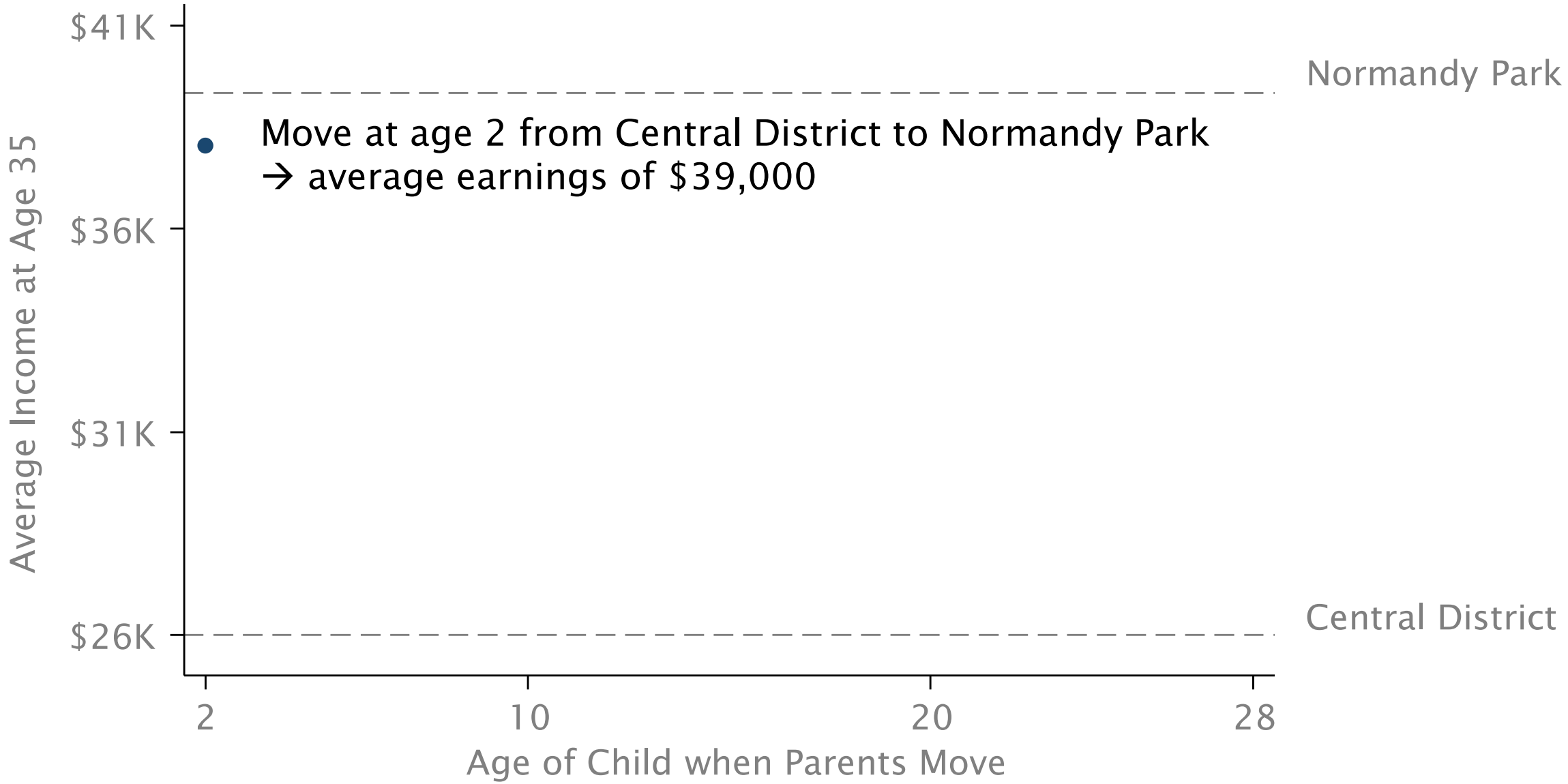

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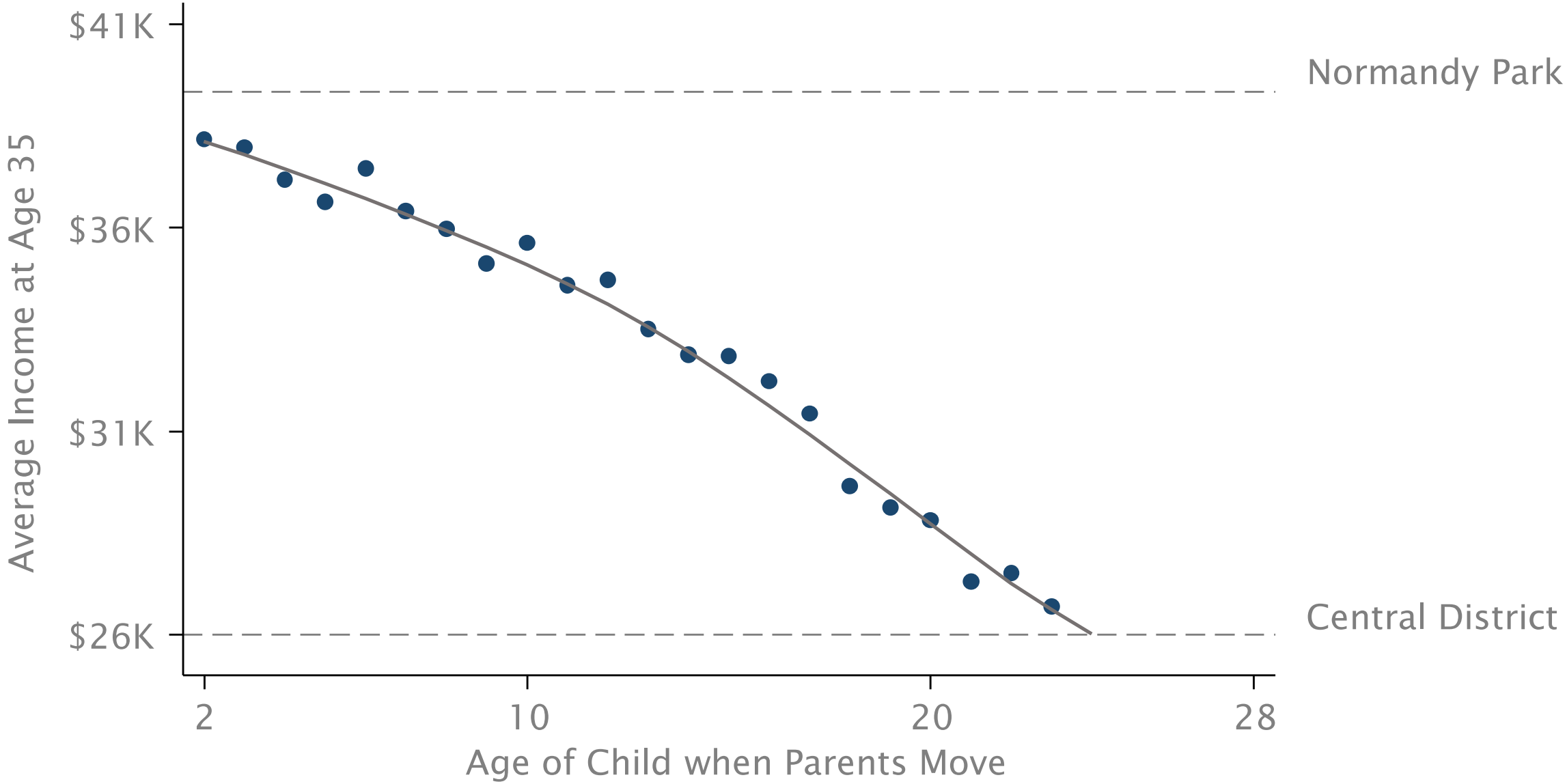

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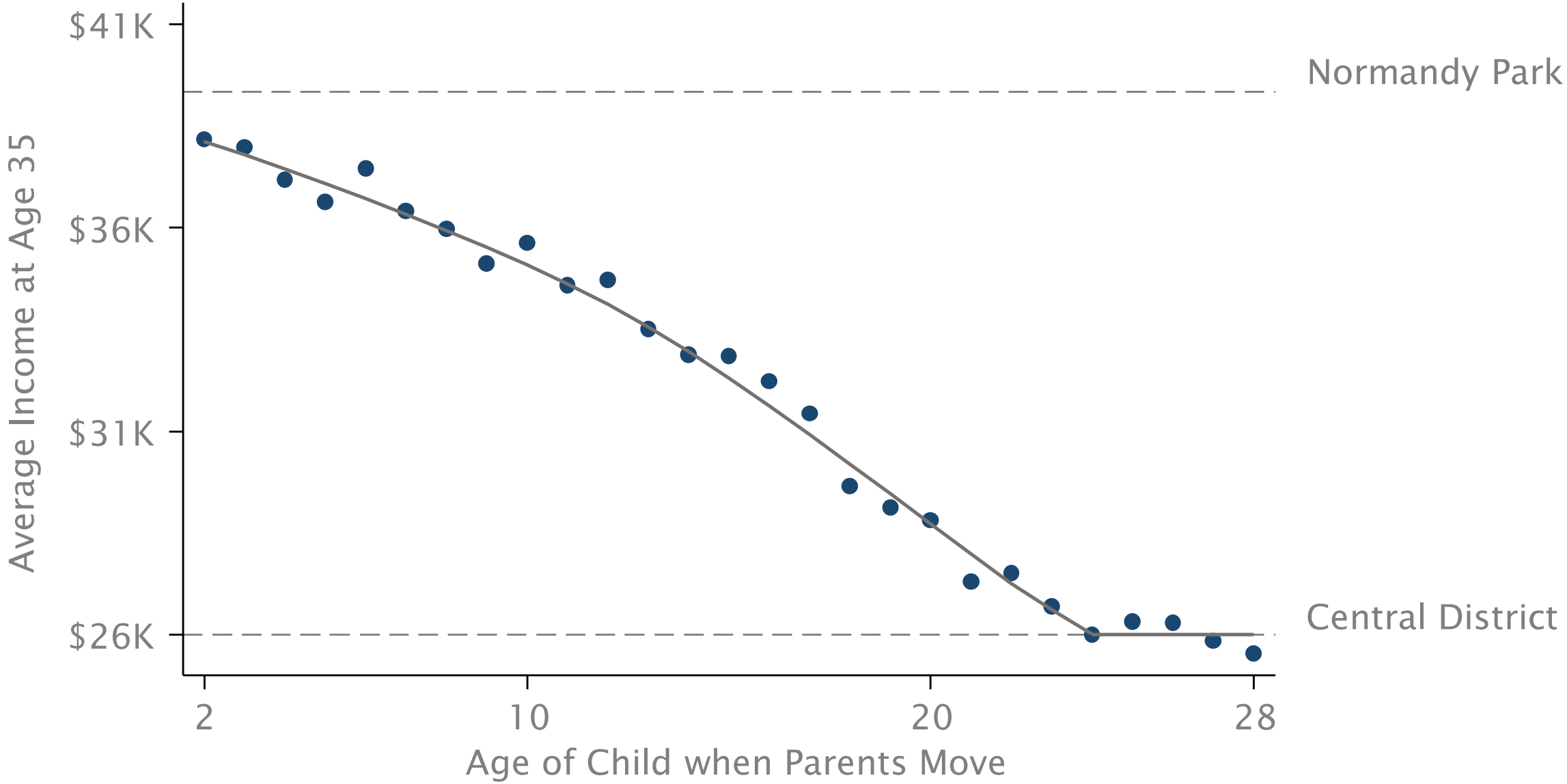
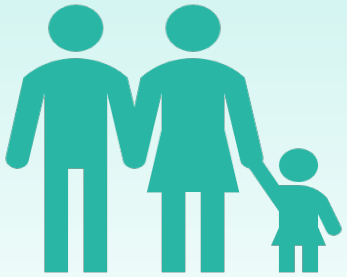


Characteristics of High-Mobility Neighborhoods

Lower Poverty Rates

More stable family structure

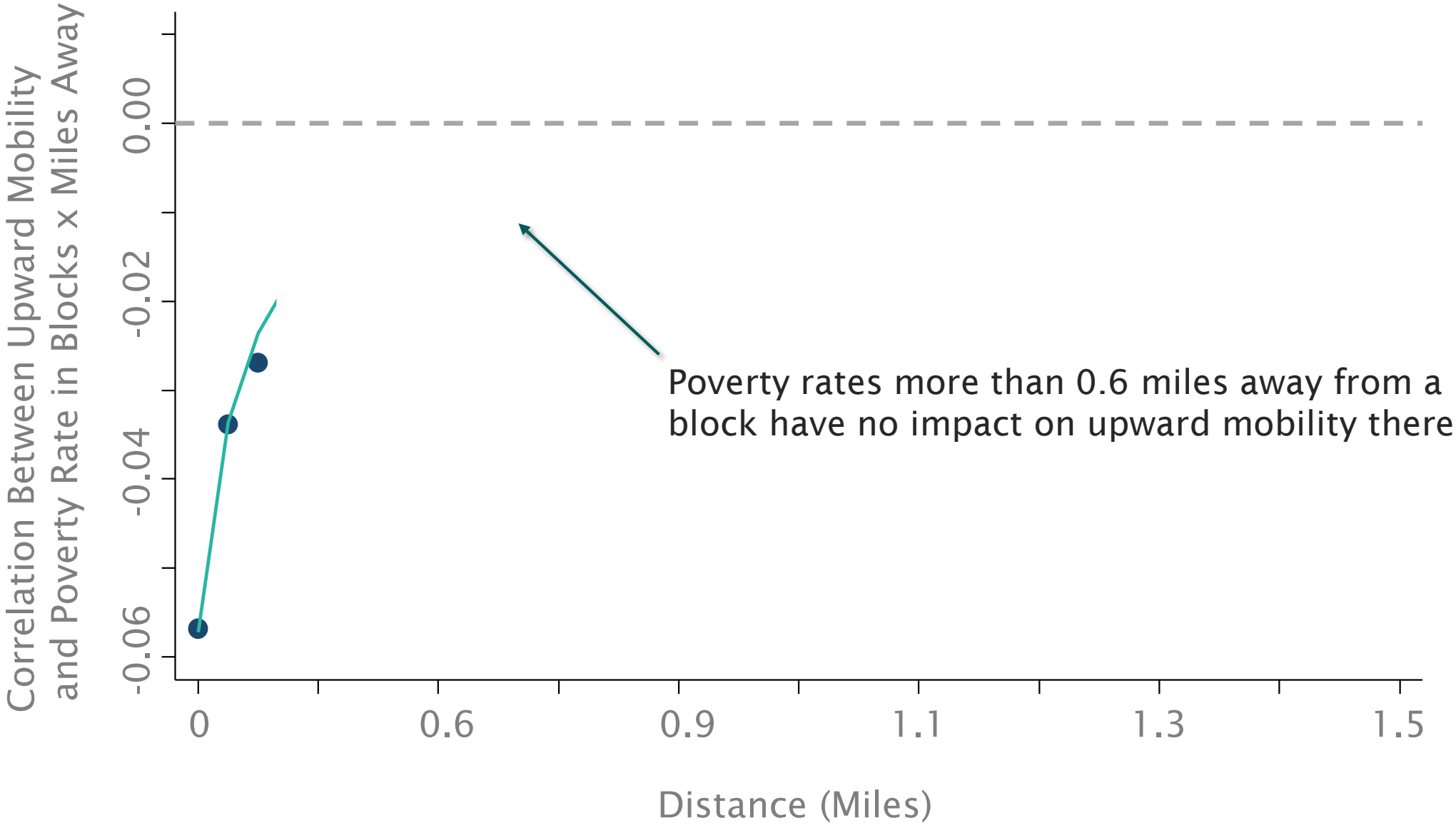


Greater social capital

Better school quality

How Big Is a “Neighborhood”?

Spatial Decay in Association Between Poverty Rates and Upward Mobility



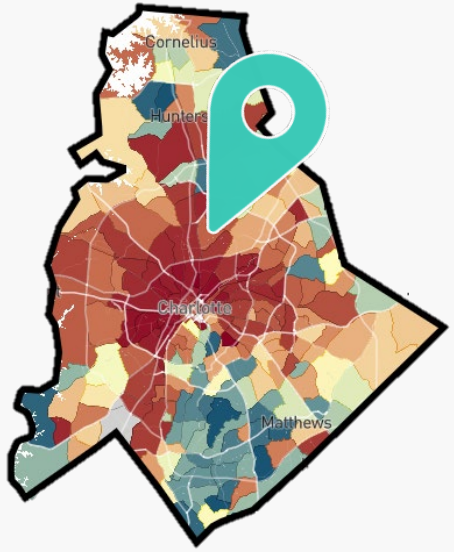
From Research to Policy: Three Pillars

Reducing Segregation

CMTO

Help Low-Income Families Move to High-Opportunity Areas

Place-Based Investments



Increase Upward Mobility in Low-Opportunity Areas

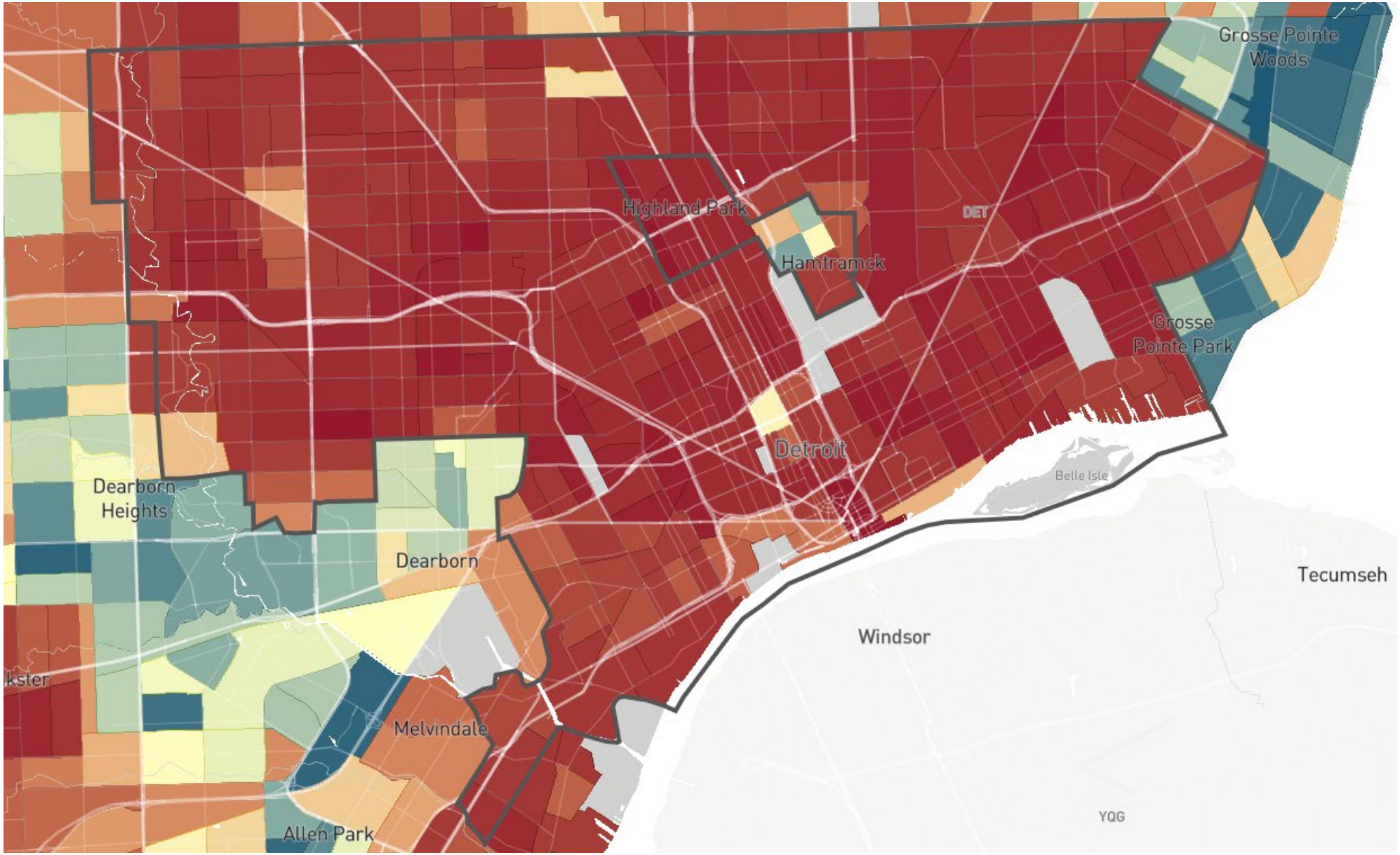
Improving Higher Education

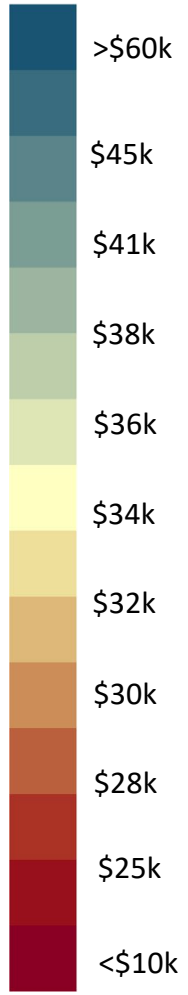
CLIMB

Amplify Impacts of Colleges on Mobility

The Geography of Upward Mobility in Detroit

Average Income at Age 35 for Children with Parents Earning $25,000 (25th percentile)





Subgroup Scaling, Low-Income, All Races | Census Tracts

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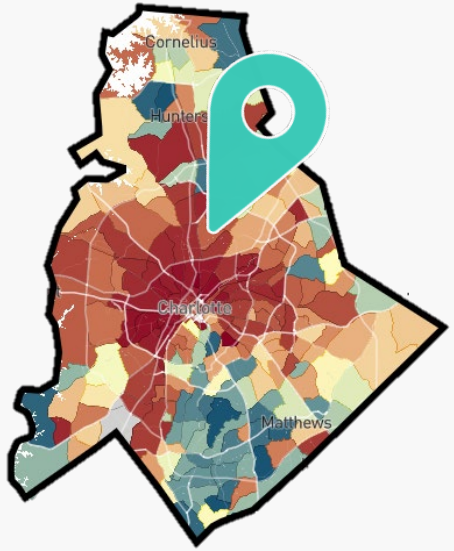

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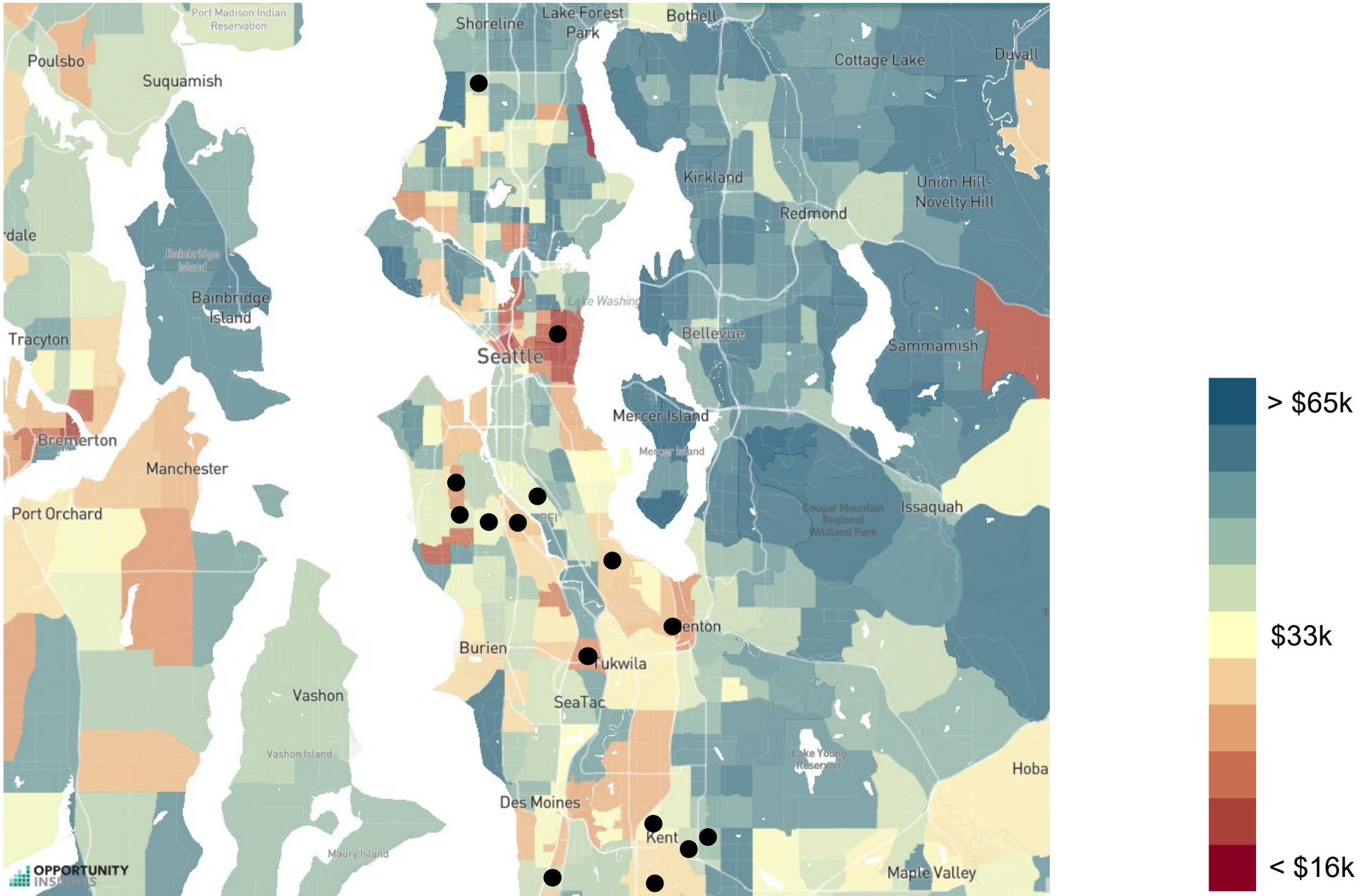
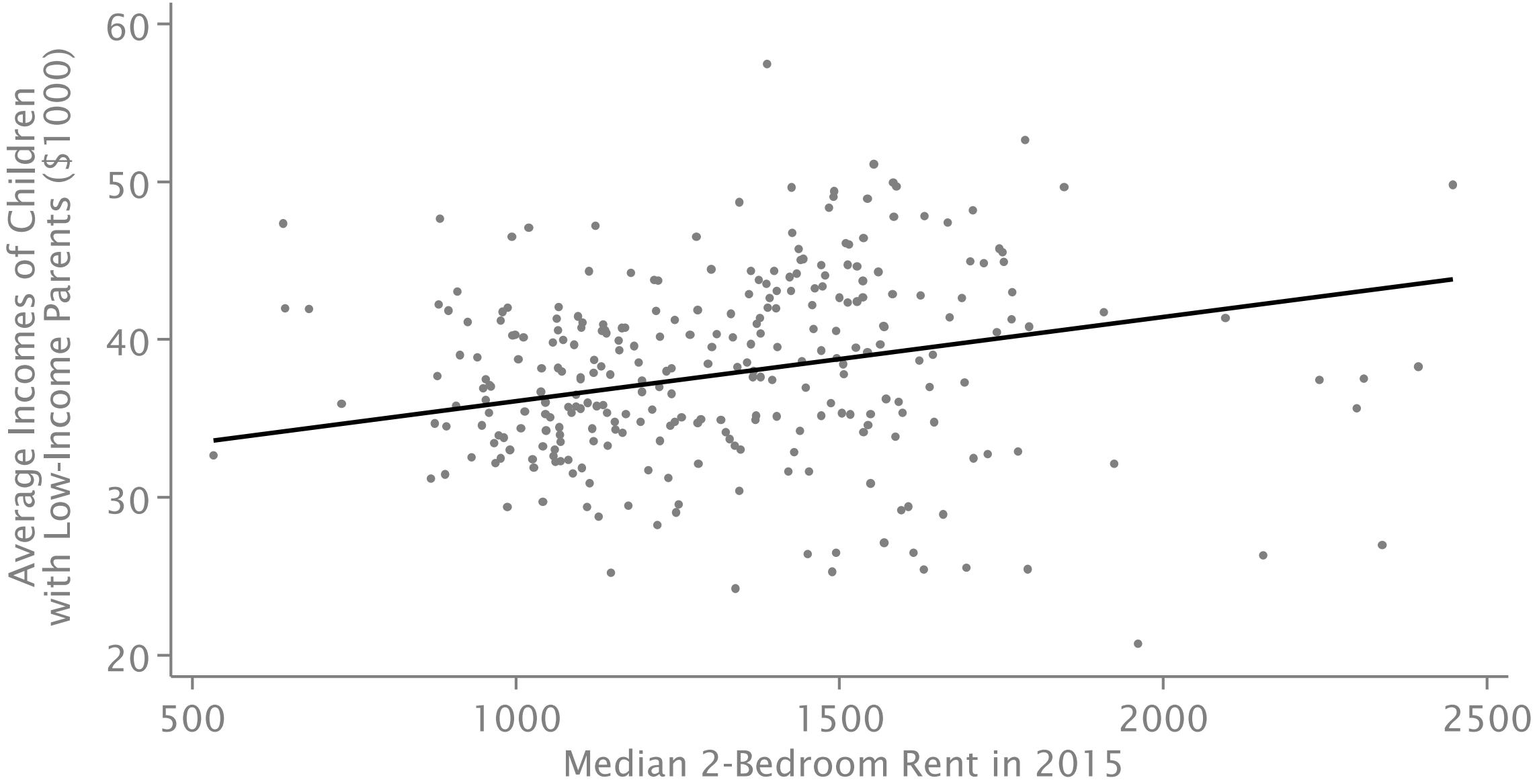
Is Affordable Housing in Seattle Maximizing Opportunities for Upward Mobility?

Most Common Current Locations of Families Receiving Housing Vouchers



The Price of Opportunity in Seattle and King County

Upward Mobility versus Median Rent by Neighborhood



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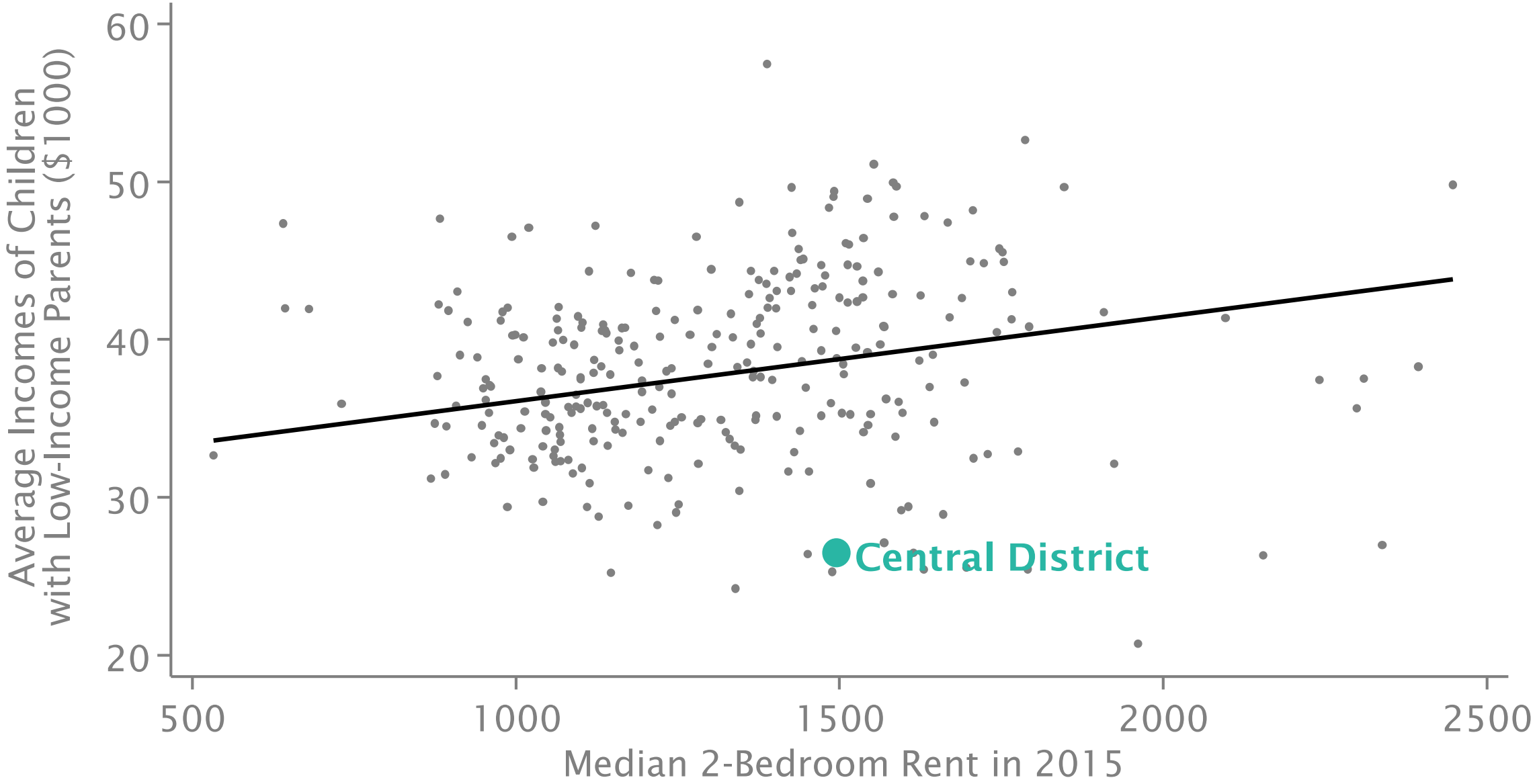

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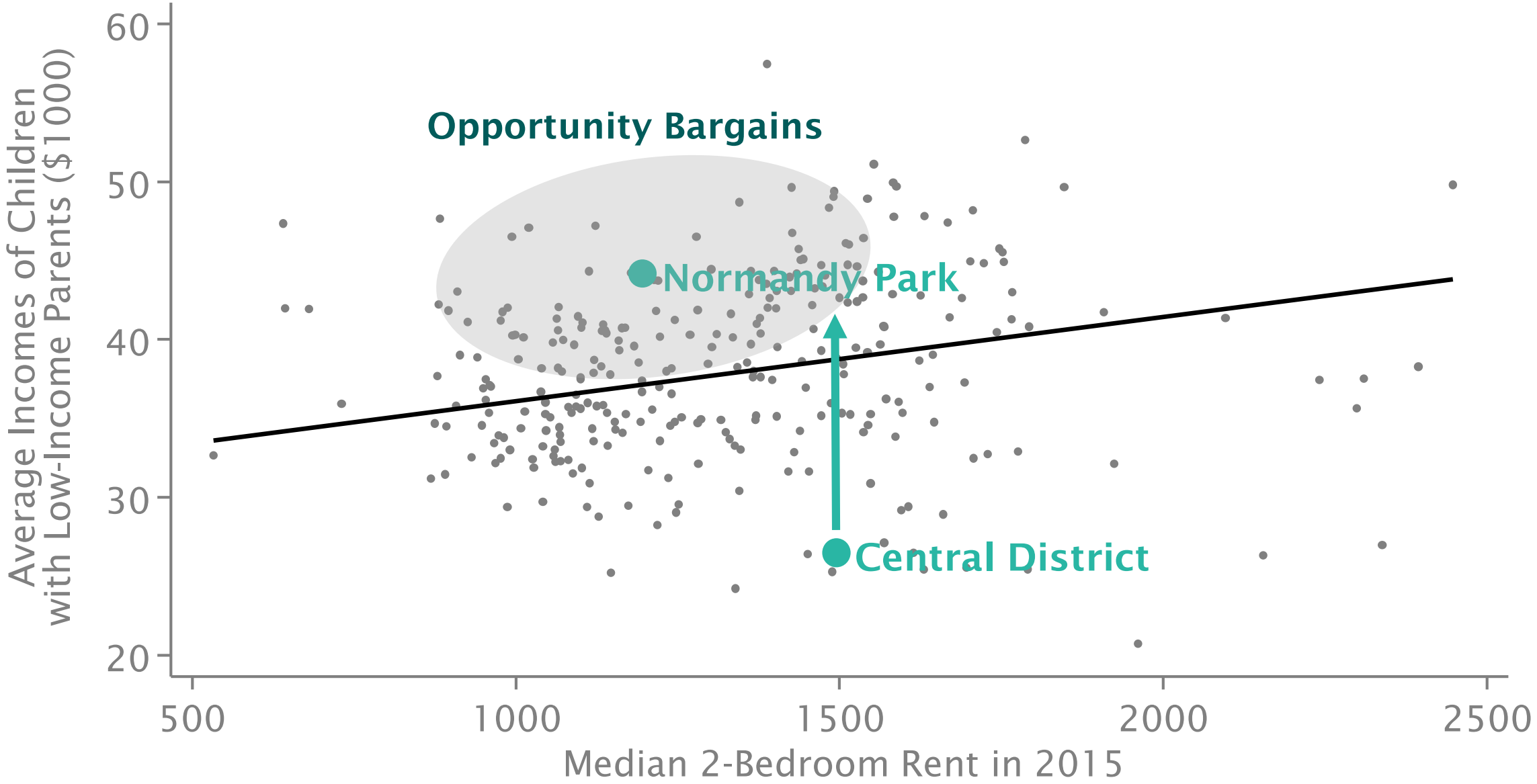


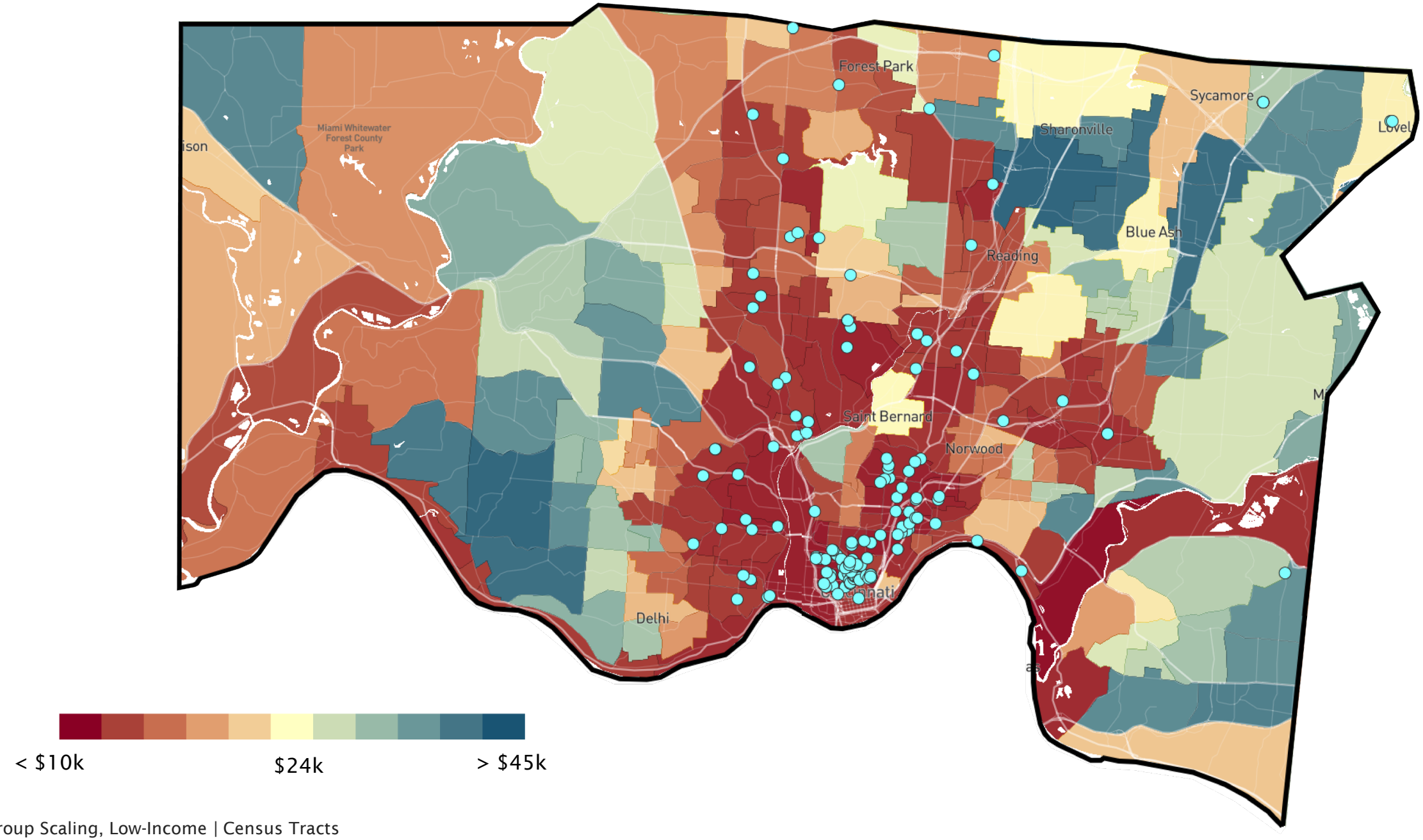
Creating Moves to Opportunity

Pilot study to help families with housing vouchers move to high-opportunity areas in Seattle using three approaches:

- Providing information to tenants
- Recruiting landlords
- Offering housing search assistance

Bergman, Chetty, DeLuca, Hendren, Katz, Palmer 2019

Location of LIHTC Developments in Hamilton County



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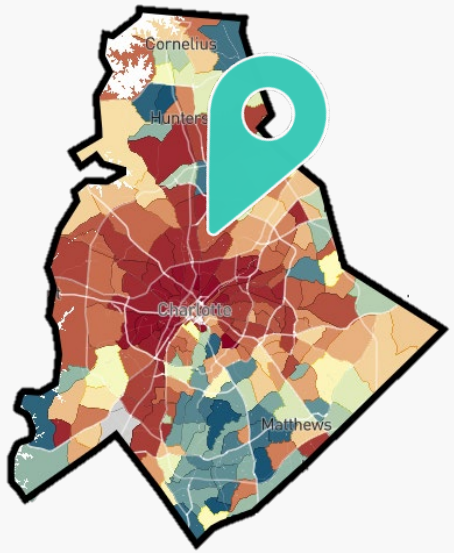

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Amplify Impacts of Colleges on Mobility

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 · NORTH CAROLINA

Read CHARLOTTE

HEART MATH TUTORING
Connecting Students & Volunteers for Results that Count

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FOR YOUTH DEVELOPMENT®
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YOUTH GUIDANCE

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MBK

College Advising Corps

PEER FORWARD

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CHARLOTTE MYEP
MAYOR'S YOUTH EMPLOYMENT PROGRAM

ONE SUMMER CHICAGO

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POWERED BY CHARLOTTE WORKS

yearup

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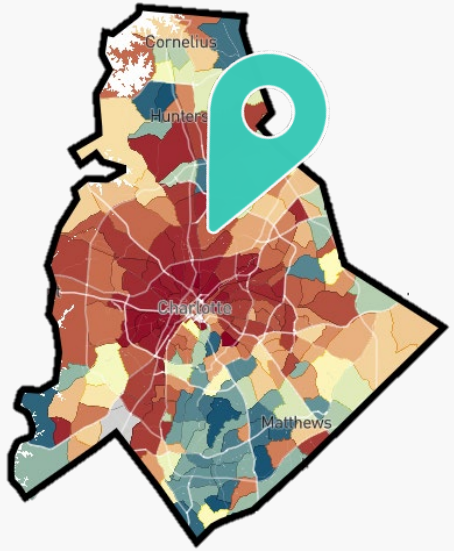

Increase Upward Mobility in Low-Opportunity Areas

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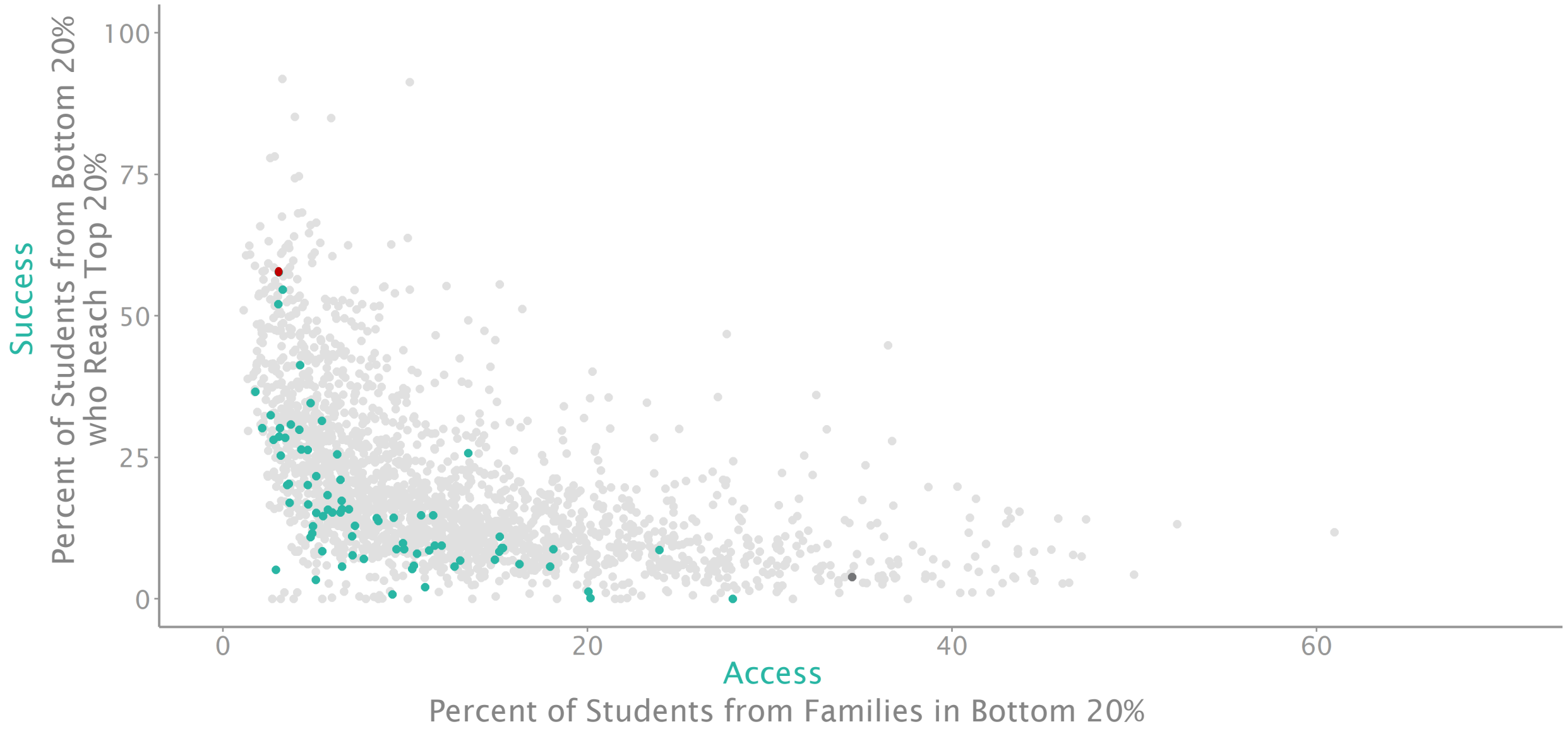
Which Colleges Help Move Low-Income Students to the Top of Income Ladder?

Success Rates Versus Low-Income Access by College, Highlighting Schools in Ohio



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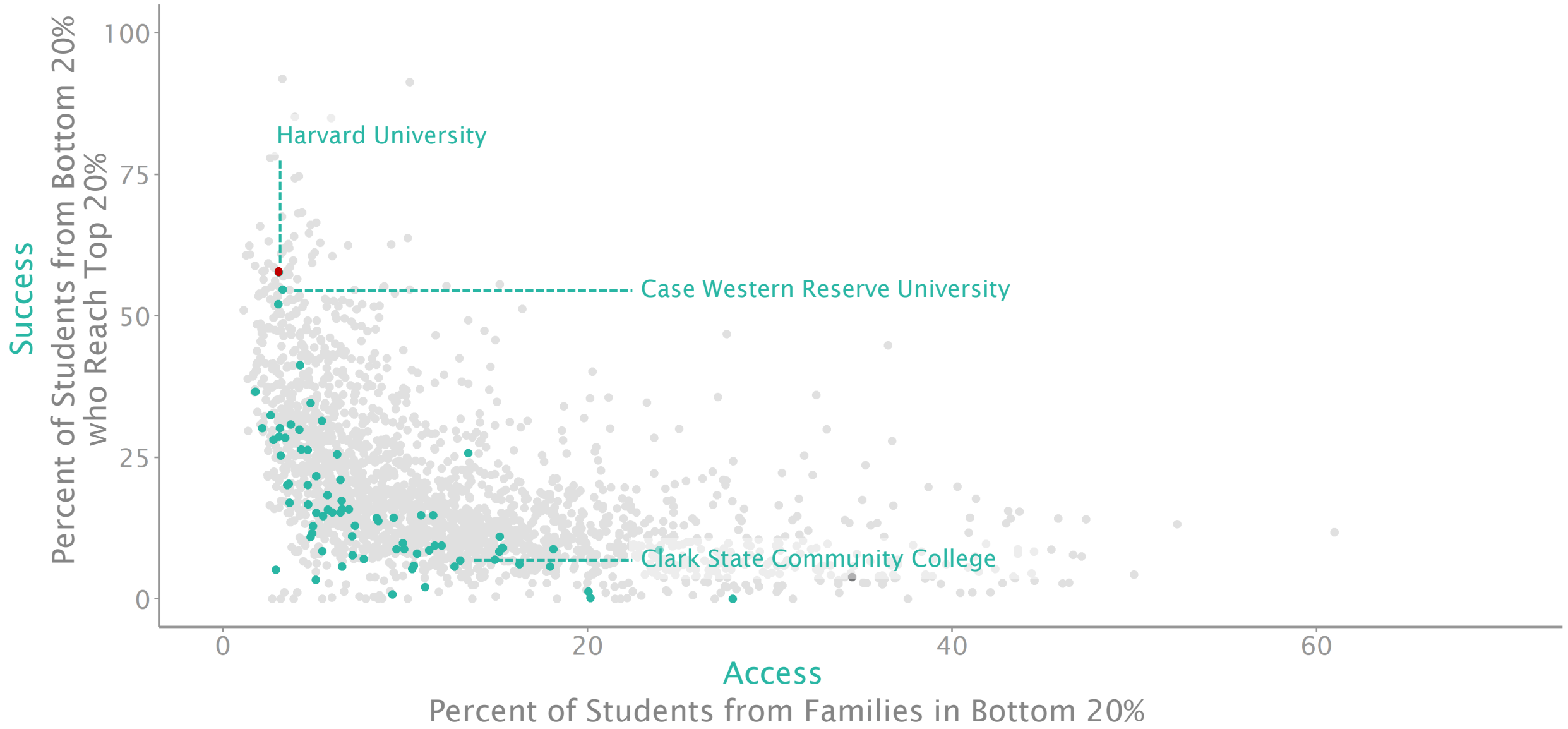

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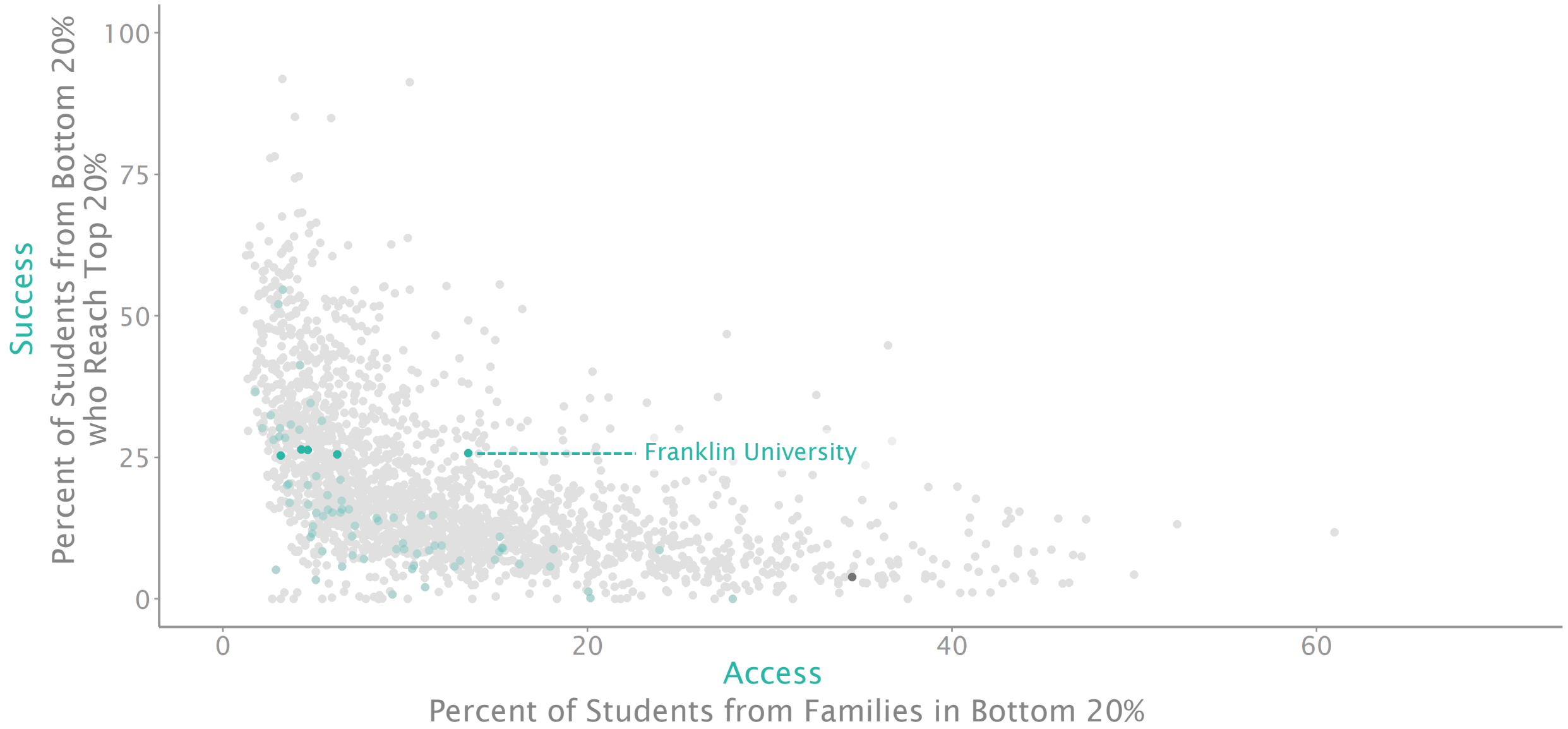

Collegiate Leaders in Increasing Mobility

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

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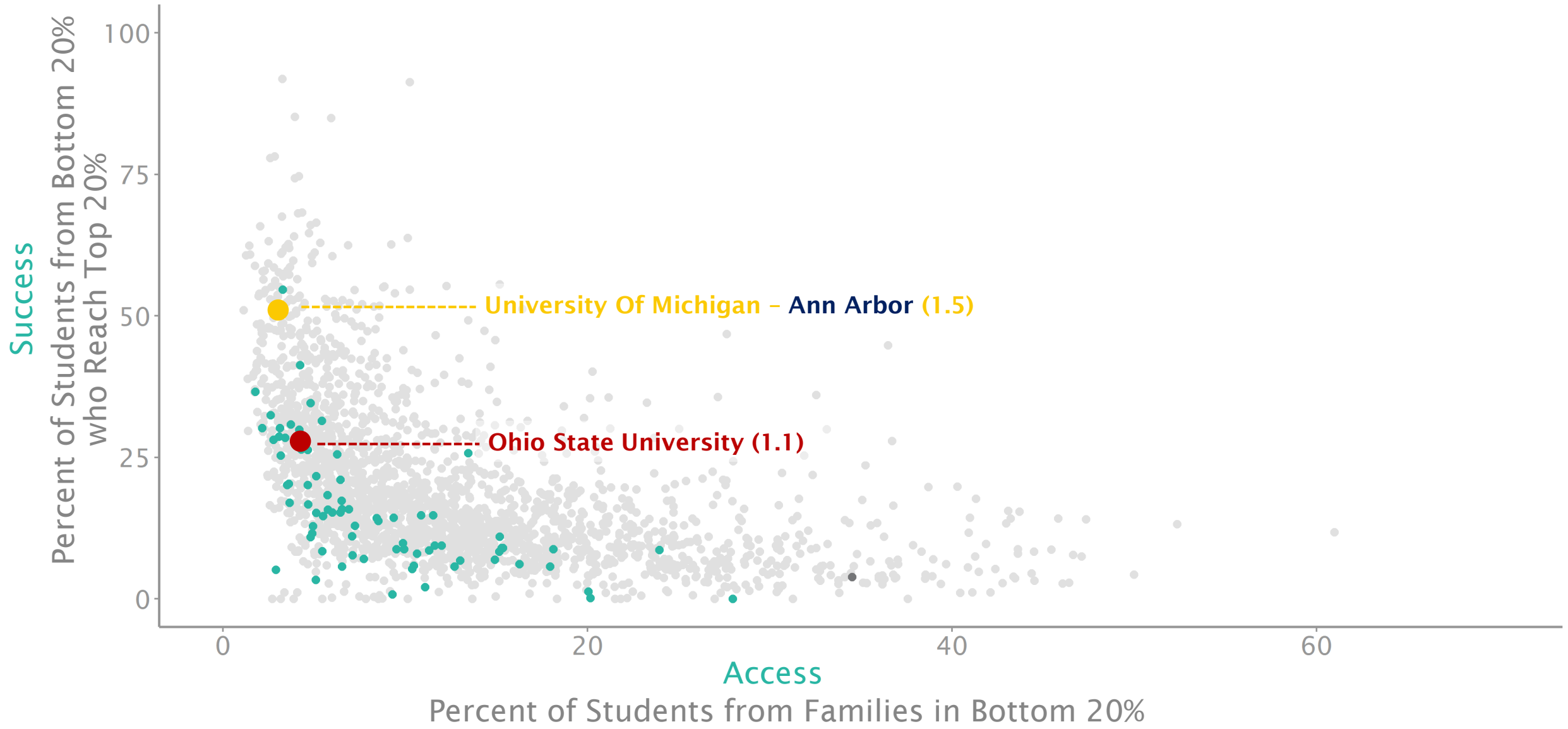


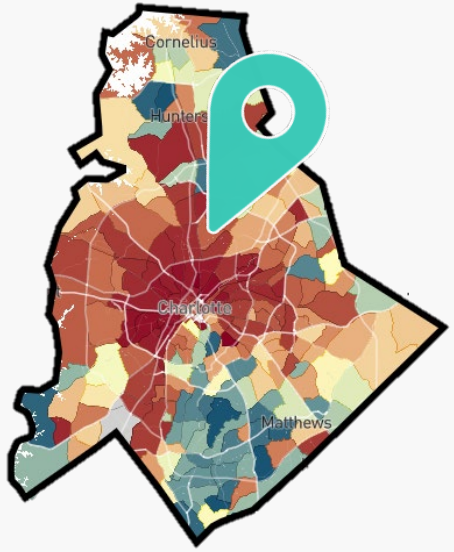
From Research to Policy: Three Pillars

Reducing Segregation

CMTO

Help Low-Income Families Move to High-Opportunity Areas

Place-Based Investments



Increase Upward Mobility in Low-Opportunity Areas

Improving Higher Education

CLIMB

Amplify Impacts of Colleges on Mobility

A Wake-Up Call for Charlotte-Mecklenburg

Land of opportunity? Not by a long shot

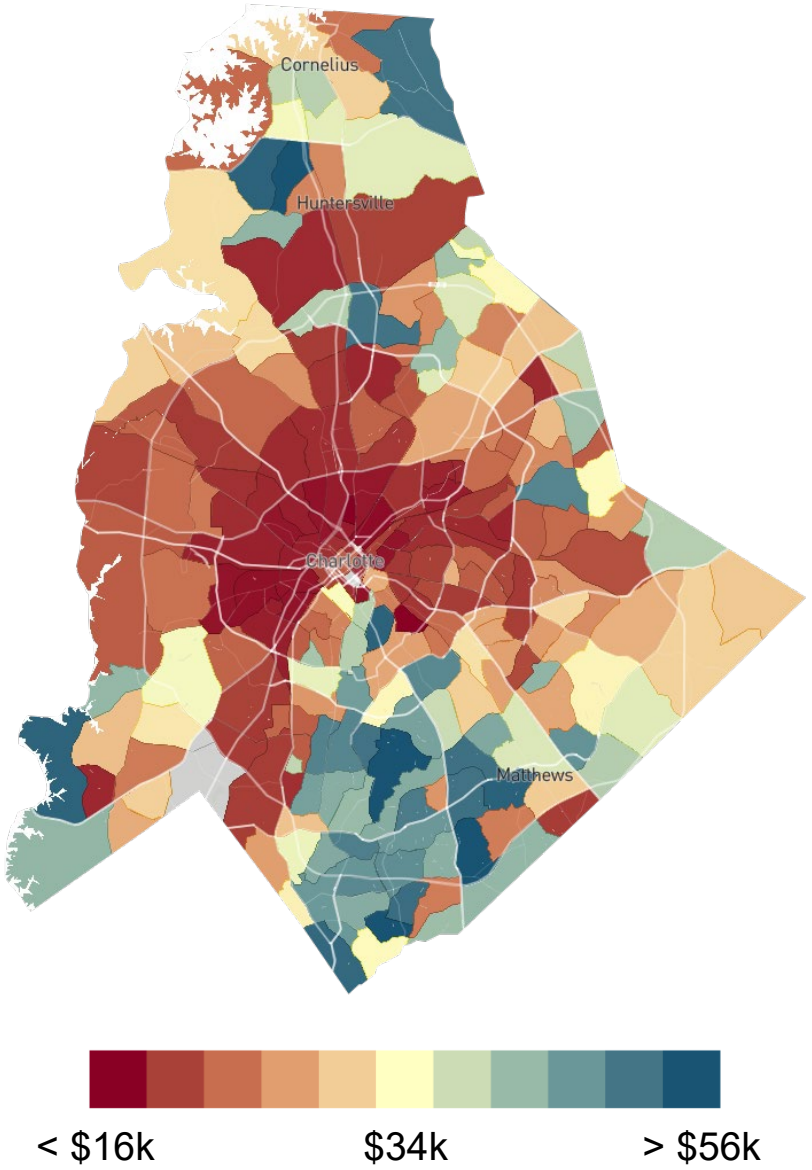
Charlotte is nation's worst big city for climbing out of poverty

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.[i]

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[ii] 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



OPPORTUNITY INSIGHTS

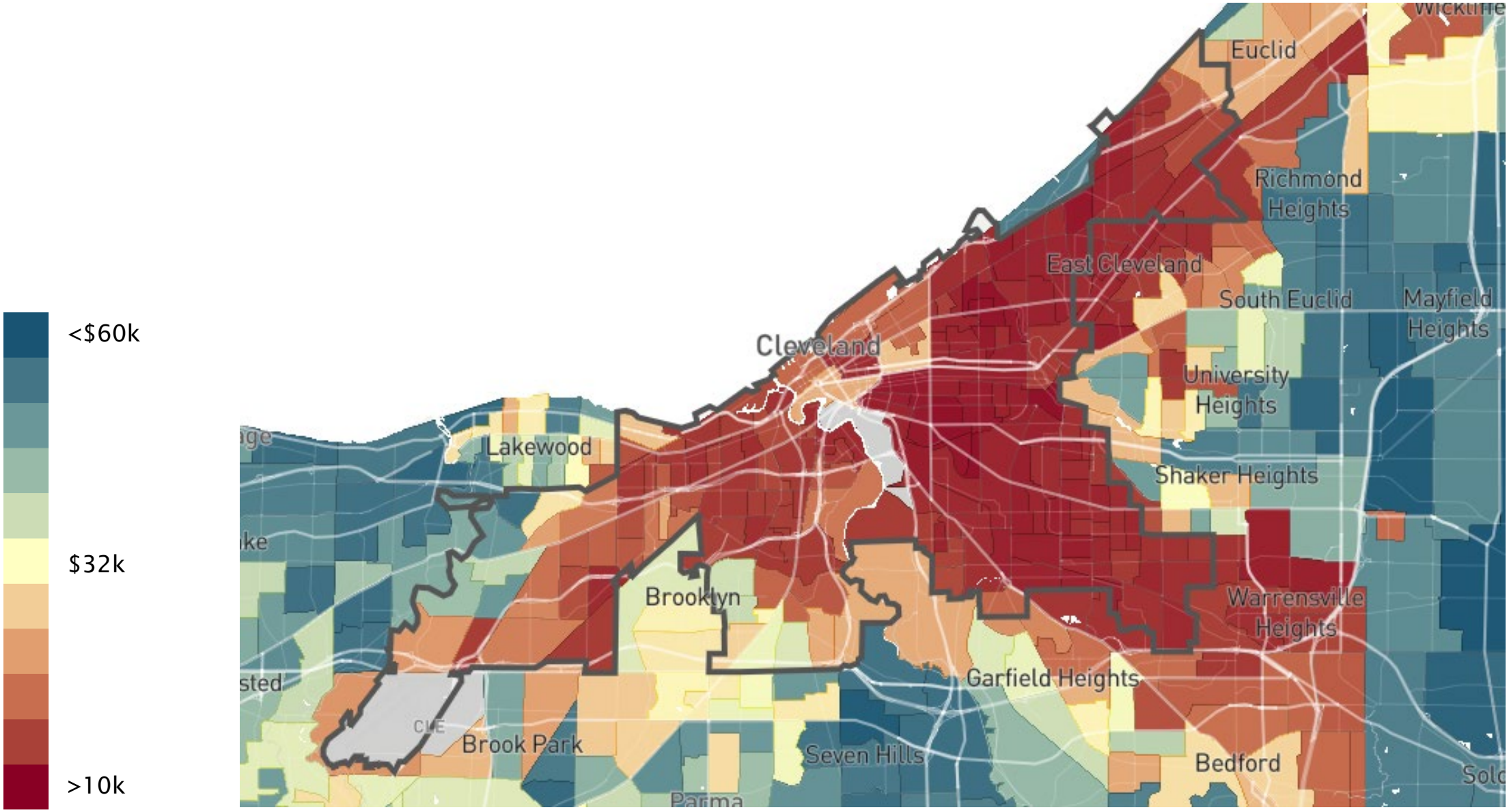
Web: www.opportunityinsights.org

Twitter: @OppInsights

Email: policy@opportunityinsights.org

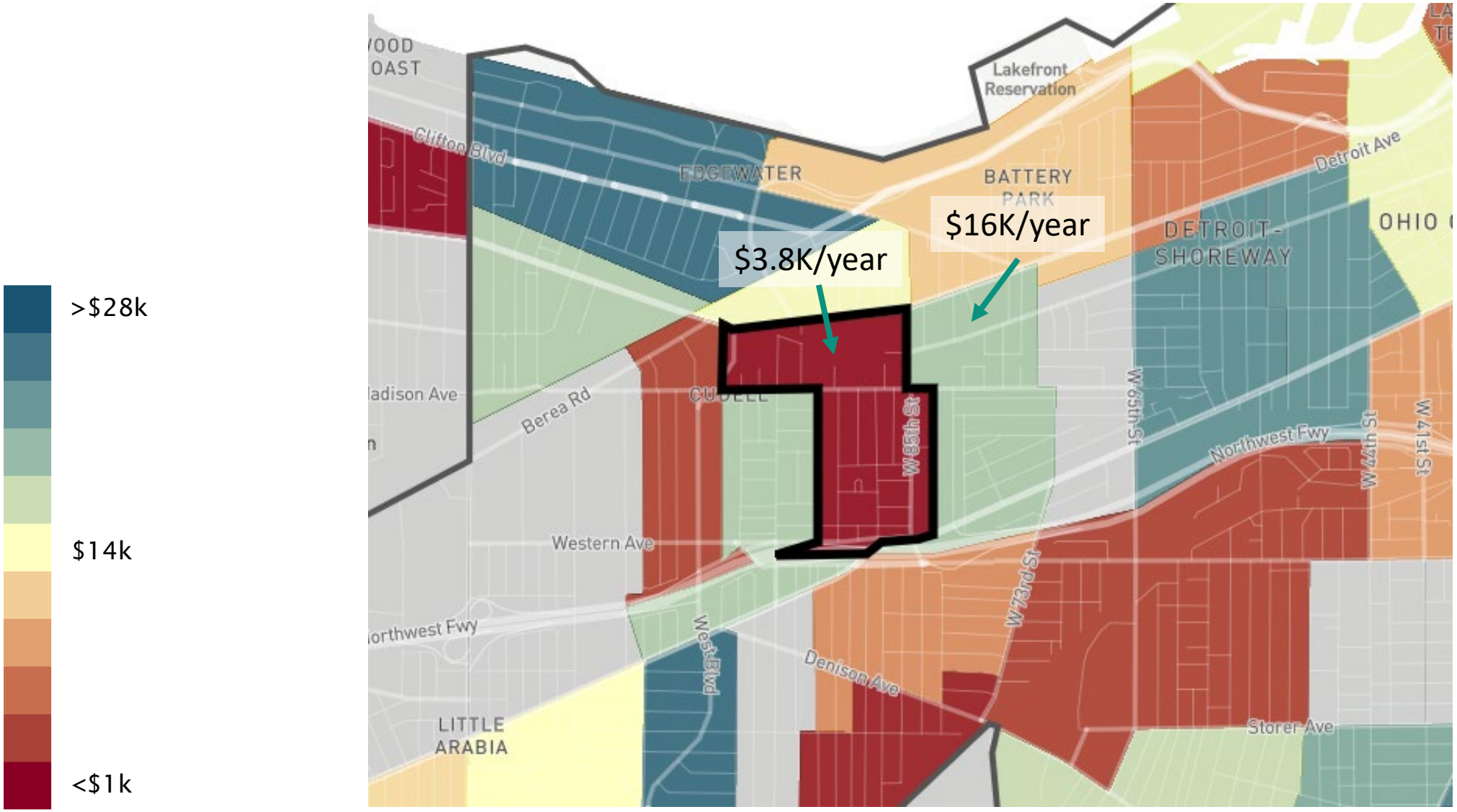
Opportunity Atlas

Income in Adulthod for Children who Grow up in Low Income Families



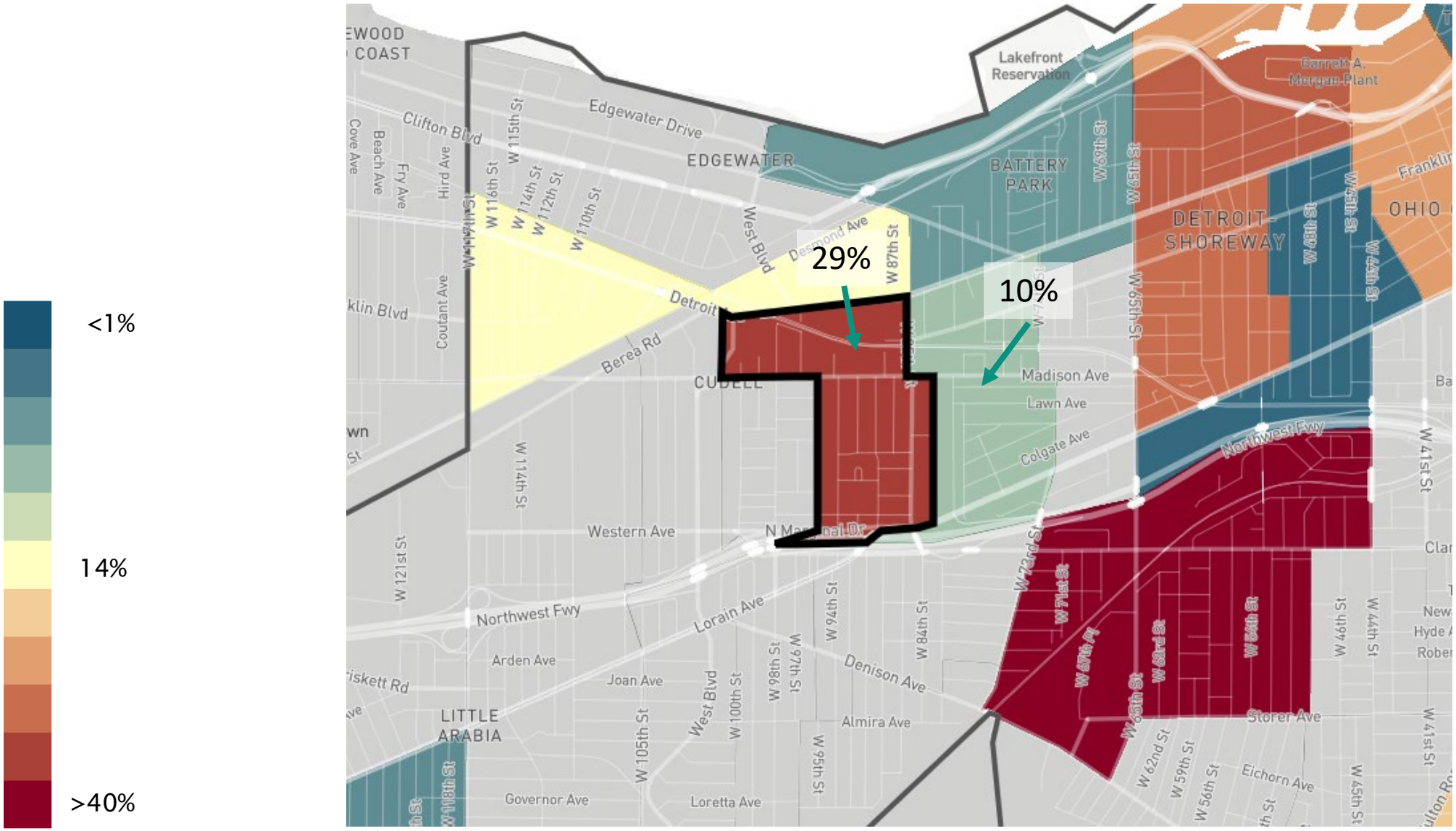
Opportunity Atlas

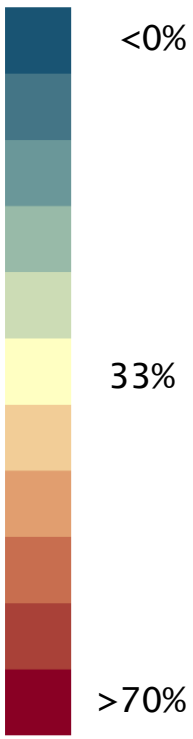
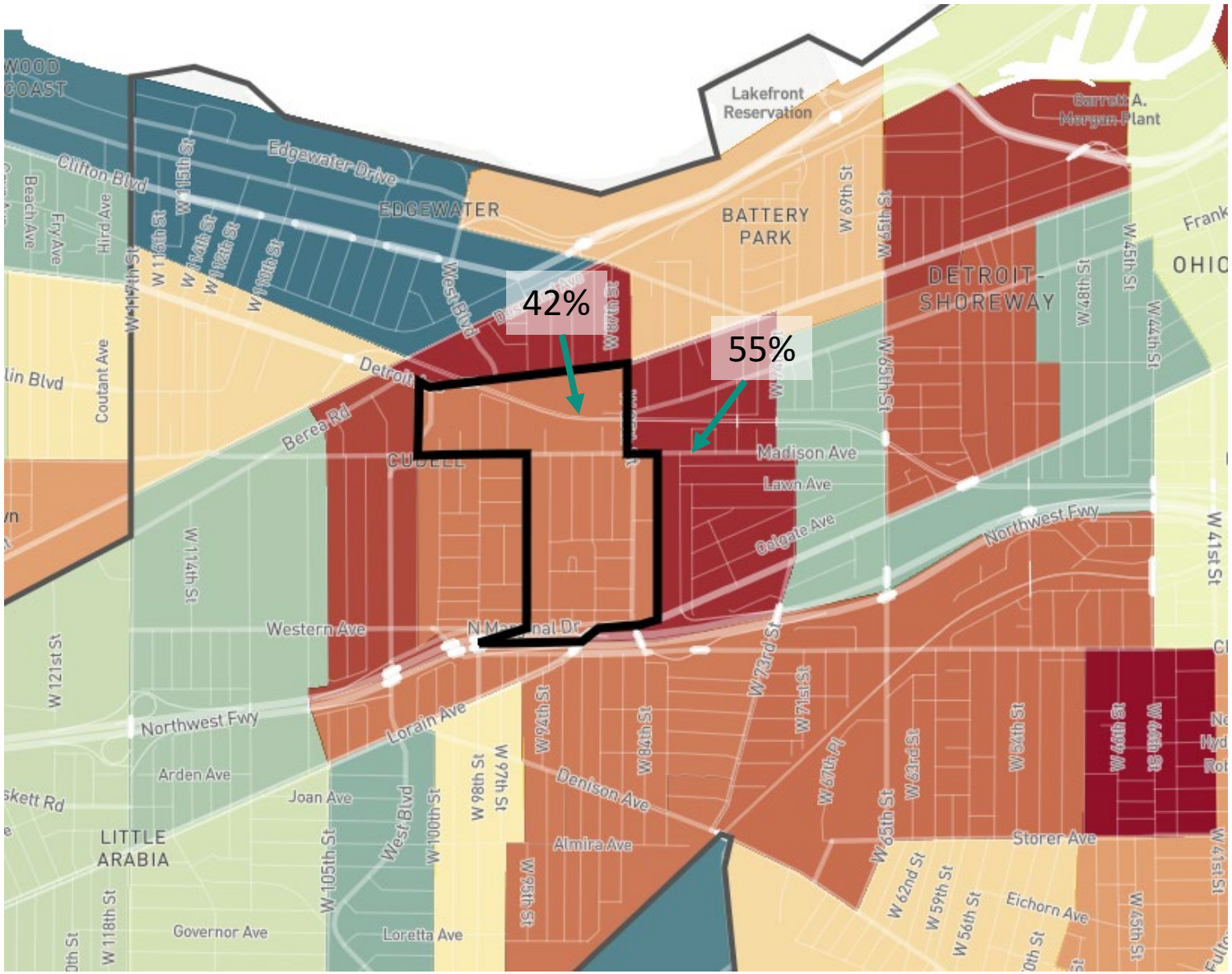
Income in Adulthod for Black Men who Grow up in Low Income Families



Opportunity Atlas

Incarceration Rates for Black Men who Grow up in Low Income Families



Opportunity Atlas

Poverty Rates