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Long-Term Gains Seen for Kids Who Leave Poor Neighborhoods

Researchers cite role of school leniency

By **Liana Heitin**

The younger children are when they move out of impoverished neighborhoods, the better their long-term outcomes are, including college-attendance rates and later salary levels, according to two studies released this month.

Those results may derive in part from the likelihood that children in low-poverty neighborhoods are more liable to be given second chances in any number of situations, said a researcher who worked on one of the studies.

"There are less permanent consequences for youthful indiscretion in better neighborhoods and modestly better schools," said Lawrence Katz, an economics professor at Harvard University and co-author of a **new analysis of the Moving to Opportunity program**, a federal anti-poverty initiative from the mid-1990s in which families were randomly selected for vouchers to move to higher-income neighborhoods.

The relative leniency of schools and authorities in lower-poverty areas may have a positive effect on educational outcomes even if the academic programs don't differ significantly, researchers suggested.

Previous analyses of the Moving to Opportunity program were unencouraging. Moving from a high-poverty to lower-poverty neighborhood, they found, had no positive effects on parents' earnings or on students' academic achievement.

But the new analysis by Harvard University researchers Raj Chetty, Nathaniel Hendren, and Mr. Katz indicates that the community where children live has a significant impact over time—and the longer they live in low-poverty neighborhoods, the more opportunities they'll have as adults.

Improved Outcomes

The researchers linked the **data from the Moving to Opportunity experiment**—which was conducted from 1994 to 1998 and included about 4,600 families from Baltimore, Boston, Chicago, Los Angeles, and New York—to federal income-tax records. They found that children who moved

to low-poverty neighborhoods before age 13 earned an annual income as adults that was \$3,477, or 31 percent, higher than their counterparts who stayed in high-poverty neighborhoods.

They were also more likely to attend college and attend a better college, and less likely to live in a low-income neighborhood as adults as well. The women were also less likely to be single parents. "This overturns the conventional wisdom on the effects of the Moving to Opportunity study," said Adam Gamoran, the president of the William T. Grant Foundation, which funds research on how inequalities affect U.S. children, though it was not involved in the new studies. "It's leading us to believe that moving to a new neighborhood does have effects on longer-term outcomes."

However, the effects differed for children who moved later in their childhoods, between ages 13 and 18. Moving to a low-poverty neighborhood at that age had a slightly negative—though not statistically significant—impact on salary and other outcomes. The report's authors interpret that as evidence of a "disruption effect" on social networks that adversely affects older children.

A second and much larger study released by Mr. Chetty and Mr. Hendren this month supports the finding that **neighborhoods have causal effects on social mobility**.

The researchers looked at tax records of more than 5 million individuals who, as children, moved with their families to new counties between 1996 and 2012. Using a quasi-experimental design, they compared siblings from the same families, and found that each year of exposure to a "better" neighborhood improved children's long-term outcomes. They were even able to estimate the effect that spending a year of childhood in a particular county has on a person's later salary.

While neither of the new studies specifically focus on the dynamics of K-12 education, researchers agree that the schools children attend play a significant role in determining their long-term outcomes.

Notably, though, that role may not be the seemingly obvious one of improving student learning.

'Second Chances'

A **2006 analysis of Moving to Opportunity** found that the children who moved out of high-poverty neighborhoods were doing no better on reading and math tests than their peers who did not move. They also fared no better as indicated by behavior, school problems, or school engagement.

And though the neighborhoods that families moved to were substantially less impoverished than their previous neighborhoods, the schools their children attended were only modestly different from their previous schools as measured by poverty rates and test scores.

Yet the new analysis shows that students who relocated went to college at higher rates and to higher-quality colleges.

"Now we're left with a different paradox," said the Grant Foundation's Mr. Gamoran. "Why are long-term outcomes better if schools didn't differ?"

Mr. Katz believes it may be because the consequences for engaging in risky and even criminal behaviors tend to be less harsh in lower-poverty areas.

"A lot of the benefit of better neighborhoods and moderately better schools is that they aren't so overwhelmed by everyone having problems," he said. "You can do some mischievous things and

not be suspended or thrown out of school. ... A lot of this looks like second chances."

James Rosenbaum, a sociology professor at Northwestern University in Evanston, Ill., who worked on a Chicago housing study known as the **Gautreaux program**—the precursor to Moving to Opportunity—finds that explanation plausible.

Along with schools, "police really do have discretion," Mr. Rosenbaum said. "When they face young people [in better neighborhoods] who they believe have good families, they're lenient. They'll trust families to straighten out the kids."

There may also be a peer effect in play, said Mr. Gamoran.

"There are neighborhoods where it's assumed everyone goes to college, and neighborhoods where it's rare people go to college," he said. "It seems likely these kinds of neighborhood norms would affect whether students go to college."

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