1. Overcoming barriers to mobility: the role of place in the United States and UK

Alan Berube

In late 2004 and the first half of 2005, the US media elite caught the mobility bug. Within weeks of one another, three newspapers of national record – *The New York Times*, *The Wall Street Journal*, and the *Los Angeles Times* – each independently published a series of articles describing, by various measures, whether and how Americans are 'getting ahead' today.[1] Collectively, the articles offered a re-examination of a powerful narrative in the United States: that of a classless society, with boundless opportunity awaiting those who choose to seize it.

Why these newspapers all chose to examine the issue at the same time is anyone's guess. But one might wonder why the media elite did not place social mobility on the public radar in the run-up to November 2004, when the nation was embroiled in yet another narrowly contested presidential election. It would have been illuminating to watch candidates Bush and Kerry grapple with the policy implications of changing opportunity and mobility in US society, rather than argue about who was going to give the nebulous middle class a bigger tax cut (and reduce the budget deficit at the same time).

For frustrated US researchers, then, it is quite gratifying – and envy-inducing – to see the issue of social mobility assume a central place in the public debate across the Atlantic. In the UK, the discussion is empirically grounded, its implications are acknowledged across the political spectrum, and policymakers connect the issue to a series of domains, including education, health, safety, and employment. Americans who foolishly argue that the UK is not really a 'foreign' country need look no further.

One important strand of the UK mobility discussion has focused on the role of 'place'. The central questions here seem to be (a) 'Does where you live affect your chances in life?' and (b) 'If so, how much?'. The answers could inform a range of policies regarding housing, schools, regeneration, and welfare – and could help policymakers assess the relative importance of reforms in these areas to broader efforts aimed at enhancing social mobility.

---

1 See, for example, the 'Class Matters' series at www.nytimes.com/classmatters, the 'New Deal' series at www.latimes.com/newdeal, and the four-part 'Moving Up' series that ran from May to July 2005 in *The Wall Street Journal*. The series took quite different approaches to the subject, with quite different results. Samantha Henig, 'The Longer View: Two Times and a Journal Look at Class in America', *Columbia Journalism Review*, June 5, 2005.

Notably, the potential influence of place on social mobility received only passing attention in recent US media accounts.[2] But among US sociologists, economists, and policy professionals, the degree to which location might influence life chances – at least for a subset of Americans – has animated a great deal of research, experimentation, and spirited debate. Those efforts have also underpinned a range of US housing policy interventions over the past 10 to 20 years, aimed at breaking the connection between place and poverty.

In that spirit, this chapter offers a brief overview from the US side on what we know about the links between place and social mobility. First, it reviews the evidence on mobility generally, in both the US and the UK, to establish the relative scale of the challenge. Second, it examines both theory and evidence, mostly from the US side, of the role that location might play in determining a series of important outcomes for people. The chapter concludes by assessing the possible implications of US work on this subject for UK research and policy.

Mobility in the United States versus the UK

The phrase 'social mobility' has a pleasant ring to it, partly because it is so vague. It connotes an endless variety of outcomes that might mark transition from one social class to the next. Trends in one's income, wealth, education, occupation, household type, and even values system could be indicative of social mobility. (These various domains are often cited by Americans as indicators of middle-class status (Wolfe 1998).) Understandably, most social science researchers gravitate towards the easily measurable, adopting an economic framework for analysing social mobility.

A second dimension of mobility research concerns timeframe. Some studies focus on transitions within one's lifetime (for example, how a person's earnings in a given year relate to his or her earnings 20 years later) while others focus on intergenerational patterns (relating one's economic status to that of one's parents or grandparents). Both approaches raise important questions for policymakers – and for society as a whole.

The continued prominence of social mobility in the UK policy debate owes a great deal to recent research by Blanden *et al* (2005). Comparing the United States, the UK, and other European nations, they find considerably higher correlations between the earnings of sons and parents in the United States and Britain than they do elsewhere, pointing to lower rates of

2 One *New York Times* story profiled a mother of five, formerly on welfare, whose prospects changed for the better when she met a man, moved her family out of the notorious Robert Taylor Homes on Chicago's South Side, and earned a nursing degree. Isabel Wilkerson, 'Angela Whitiker's Climb.' *New York Times*, June 12, 2005.

intergenerational income mobility in those two countries.[3] Moreover, while in the US mobility seems to have remained static, by their measures it has actually declined in Britain in recent years.

These findings are consistent with research from the US suggesting rather low rates of income mobility across generations, and little change in these rates over time. Solon (1992) first challenged the conventional wisdom of the United States as the 'opportunity society', showing intergenerational income correlations of roughly 0.4. One interpretation of this measure is that a US child born into the lowest-income quintile has only a 25 per cent chance of earning above median income as an adult, and only a five per cent chance of moving into the highest income quintile. More recent measures (Lee and Solon 2004) suggest that these rates remained reasonably stable between 1977 and 2000.

Hertz (2004) demonstrates that the persistence in intergenerational poverty in the US is very closely associated with race. In the United States, poor black children are significantly more likely to be poor adults than are poor white children – a finding echoed by Gottschalk and Danziger (1999).

Within generations, there is evidence that US society is becoming somewhat less socially mobile. Bradbury and Katz (2002) find that across the 1990s, about 40 per cent of US families ended the decade in the income quintile in which they began, versus 36-37 per cent in the 1970s and 1980s. More than half of families in the bottom quintile remained there after ten years. Fisher and Johnson (2002) come to remarkably similar conclusions, looking at data on both income and consumption in the 1980s and 1990s.

One factor that increasingly seems to frustrate social mobility in the United States is income inequality. The further apart the rungs of the economic ladder, the more difficult the climb. Economic forces, including globalisation, technological innovation, and immigration, have contributed to a widening income divide among US families over the past 20 years. Between 1979 and 2000, income for the average family in the bottom fifth of the distribution rose just seven per cent. Among the top fifth, by contrast, the rise was 55 per cent, and half again as rapid for the top five per cent (Mishel *et al* 2004). A similar dynamic is likely to affect income mobility in the UK, which today ranks second only to the United States among industrialised Western nations in standard measures of income inequality.[4]

The United States, evidently, is not quite the economically fluid society that many of us believe it to be. Addressing the root causes of low-income mobility should be of equal, if not greater, concern there as it is in Britain.

---

3 Further estimates by the authors suggest even stronger correlations between the earnings of fathers and their sons in the United States than in the UK, and thus lower cross-generation income mobility.

4 Luxembourg Income Study, see www.lisproject.org

The role of 'place'

Myriad factors might account for low levels of income mobility in the United States, as well as in the UK. Inherited traits, such as intelligence or race, might predetermine one's economic station later in life. Parental income may influence the years and/or quality of schooling available to a child, in turn affecting their earning potential. Family financial wealth, too, may provide children with an endowment that enables their future economic success. Bowles and Gintis (2002) find that these factors are all significant, but together explain only one-third of the relationship between the incomes of fathers and those of their sons. Other factors unobservable in the data, such as the influences of behaviour and culture, may be at least as important.

For those curious about the role of place in income mobility, these large, longitudinal studies unfortunately provide little guidance. The data from which they are constructed do not typically permit researchers to distinguish location. Even if one could view the locations of these families in the data, it might be that their choice of location reflects unobservable parental traits and attitudes that together influence later outcomes. Not accounting for these factors might lead one to overstate the impacts of local environment.

Yet there are reasons to believe that where one lives may exert an independent effect on how one turns out. Such an argument is most compelling with regard to deprived neighbourhoods and their residents. The idea that living in a deprived location may itself exacerbate barriers to social mobility is known as the 'area effects' thesis in Britain, or the 'neighbourhood effects' thesis in the United States. These neighbourhoods are proposed to influence several pathways to social mobility, including:

- *Employment.* Living in a deprived area can lead to lower levels of employment by separating people from work geographically, by limiting job networks, or by modifying the social norms surrounding employment so that adults and children attach a lower value to work.
- *Education.* Children from poor neighbourhoods generally attend schools with disproportionate numbers of other children from low-income families, which may reduce the school's capacity to provide quality instruction, and can expose students to negative peer pressure that lowers their educational performance.
- *Crime.* People living in deprived areas face higher levels of economic need. They may feel they have less to lose from forfeiting a legal job and face lower social recrimination for engaging in illicit activities. All these factors may contribute to the higher levels of criminal activity among people living in deprived areas, thereby further limiting their future economic potential.
- *Health.* Health care may be of lower quality in poor neighbourhoods, and the combination of substandard housing conditions, crime-related

stress, reduced access to nutritious food, and lower stigma attached to risky behaviours like drug and alcohol use may contribute to poorer health outcomes for residents.

Put another way, the concept of 'area effects' suggests that a poor individual living in a poor neighbourhood experiences worse outcomes than a demographically and economically identical individual living elsewhere (Ellen and Turner 1997).

Much of the literature about the existence and scale of these effects originated in the United States. In the early 1980s, the extreme levels of deprivation found in US inner cities, particularly in predominantly black communities, drew the attention of researchers to the effects that these places might exert on their inhabitants (especially children). The United States has also been more aggressive in testing neighbourhood effects, using experiments to control for unobserved characteristics that may distinguish residents of poor neighbourhoods from those of middle-class neighbourhoods.

More recently, the UK government's focus on disadvantaged communities has encouraged similar (though less 'interventionist') research on how area deprivation may influence a range of social and economic outcomes.

Three US-based policy interventions have been of particular value in assessing the potential impacts of neighbourhoods on short-term and long-term outcomes:

- *The Gautreaux programme* was initiated in the 1970s in response to a US Supreme Court order to remedy segregation in the Chicago Public Housing Authority. Between 1976 and 1998, the programme assisted 7,000 low-income families, mostly in public housing units, to move within the Chicago metropolitan area to predominantly white or racially mixed neighbourhoods, many in the suburbs (Keels *et al* 2003).
- *The Moving to Opportunity (MTO) programme* grew out of research and policy interest in the findings reported from the Gautreaux programme, and in the work of pioneering sociological researchers such as William Julius Wilson, whose work *The Truly Disadvantaged* painted a stark portrait of life in Chicago's ghettos in the 1980s (Wilson 1987).

  In 1992, the US Congress funded the five-city MTO experiment to assist families living in public housing in high-poverty neighbourhoods to move to private rental housing in low-poverty neighbourhoods elsewhere in the metropolitan area. The demonstration featured a rigorous experimental design not present in the Gautreaux programme, to control for unobserved family characteristics that might influence participation in the programme or choice of location. Researchers have conducted several years'-worth of evaluation on the subsequent social and economic well-being of the families involved (Kling 2002).

- *HOPE VI* has since 1992 provided funding for highly distressed public housing projects to be demolished and replaced with high-quality, mixed-finance, mixed-income communities. Many of the families relocated from these projects are provided with housing vouchers (portable rental subsidies for use in the private market) and mobility counselling to help them find stable housing while their former public housing site is renovated. Others choose to relocate to a different public housing project. Some plan to return, but others stay in their new unit. A team of researchers has been tracking outcomes for people who located from a set of five HOPE VI sites (Popkin *et al* 2002).

Several other non-experimental and quasi-experimental studies have helped to shed light on whether and how deprived neighbourhoods might affect the life chances of their residents. Some findings are summarised below.

Employment

Given the radically decentralised nature of US metropolitan economies, and private-sector disinvestment in inner cities, a good deal of research has focused on the extent to which low-income, central-city neighbourhoods predominantly inhabited by members of minority ethnic groups might suffer from a 'spatial mismatch', in other words a lack of suitable employment opportunities for their residents. Reviewing the literature, Ihlandfeldt and Sjoquist (1998) conclude that the research supports this hypothesis, but that barriers go beyond geography alone, and include discrimination and limited information.

In a related manner, Andersson, Holzer, and Lane (2003) show that among low-wage workers who achieved wage gains in the late 1990s, a greater proportion did so by changing employers than by moving up the wage ladder within the same firm. Information and networks thus seem critical to entering and advancing in the labour market. As living in a deprived neighbourhood limits those ties, it may therefore limit employment opportunity.

Evidence from the Gautreaux programme on employment outcomes suggests potentially strong neighbourhood effects. Comparing mothers who used their housing subsidy to move to the suburbs with those who moved within the city of Chicago, Rosenbaum and Rubinowitz (2000) find that 75 per cent of suburban movers ended up in employment, versus 41 per cent of city movers.[5] Rosenbaum and DeLuca (2000) also report lower

5 In principle, families in the Gautreaux programme had a choice as to where they moved, but in practice they were assigned to an apartment either in the city or the suburbs in a quasi-random manner. Rosenbaum and DeLuca (2000: 3) note: 'Apartment availability was unrelated to client interest, and clients got offered a unit according to their position on the waiting list, regardless of their locational preference. Although clients could refuse an offer, few did so, since they were unlikely to ever get another. As a result, participants' preferences for the city or suburbs had little to do with where they ended up moving.'

rates of welfare receipt for movers who ended up in neighbourhoods with more educated residents, suggesting that they may have benefited from local job networks or increased social expectations.

However, evidence from the MTO programme is less promising on the employment front. Roughly five years after relocation, the employment rate among household heads from the experimental group – those relocated to low-poverty neighbourhoods – had risen from 25 per cent to more than 50 per cent. However, the rise was no different from that experienced by control-group household heads. Researchers did detect some evidence that younger adults (under 33 years old) experienced beneficial employment and earnings effects from moving to low-poverty environments, after an initial disruption period. Across the full sample, however, medium-term effects of neighbourhood on adult self-sufficiency were not evident (Kling, Liebman and Katz 2004).

Analysis of families relocated from HOPE VI redevelopment sites comes to similar conclusions. Relocatees moved to much less deprived areas (with an average neighbourhood poverty rate of 27 per cent, versus 62 per cent in their former neighbourhood), but overall earnings and employment rates did not improve. Health problems, and the presence of young children in the household, constituted barriers to employment for a significant portion of relocatees (Levy and Kaye 2004).

Education

The US-based evidence of the impact of neighbourhoods on educational performance is similarly mixed. Research suggests several different avenues through which concentrations of children from low-income families may lower student achievement in schools. Some factors result from the backgrounds of individual students, and others from environmental and peer influences (National Research Council and the Institute of Medicine 2004, Lupton 2004).

There is some empirical evidence that a school's economic composition may affect student performance, independently of family background. Controlling for individual ability and family environment, one study finds that attending a middle-class school reduces a child's chances of poverty in adulthood by more than two-thirds (Century Foundation 2002). Increased economic segregation has been found to exacerbate educational inequalities between children from high-income and low-income families (Mayer 2001). It is unclear, though, whether these studies account for the unobservable differences between families that may cause otherwise similar children to attend different schools.

On the experimental side, young people in the Gautreaux programme who moved to the suburbs were much more likely than their city counterparts to enrol in a college preparatory class track, and to subsequently enrol

in either a two-year (polytechnic) or four-year college. Grades for city and suburban movers remained similar, though the higher standards at suburban schools suggest that suburban students probably performed at higher levels. However, some mothers who moved to the suburbs felt that their children suffered from discrimination at their new schools (Rosenbaum and Rubinowitz 2000).

The MTO experiment, on the other hand, finds little impact on student achievement. Four to seven years after the relocation, Sanbonmatsu *et al* (2004) assessed children and young people between the ages of six and 20. They saw no significant changes to the test scores or behaviour problems for any age group.

One factor that could have contributed to this lack of progress was that even though the students in the experimental group moved to much less deprived neighbourhoods, their new schools were similar in quality and demographic profile to their previous ones. The average ranking of the participants' schools (based on reading exam results) was 17th percentile before relocation but still only 25th percentile after relocation, and the schools were still predominantly attended by minority ethnic groups.

Policies designed to increase the possibility for pupils to choose between different state schools operate in and around many MTO cities. They seem to have weakened the relationship between the characteristics of neighbourhoods and the characteristics of schools.[6]

Parents relocating from HOPE VI projects reported significant increases in their children's school quality, and children attended more economically integrated schools than in their old neighbourhoods. However, data on student performance has not yet been analysed (Popkin *et al* 2004).

Crime

The evidence is fairly conclusive that in the US, severely deprived neighbourhoods suffer higher rates of crime – especially violent crime – than other areas. Many of the participants in the Gautreaux programme, and those relocating from HOPE VI redevelopment sites, did so in order to escape dangerous neighbourhoods. Indeed, high crime rates and gang activity in public housing projects provided much of the impetus for the HOPE VI programme itself, which has facilitated the demolition of the nation's most distressed projects. Participating adults perceived significantly improved neighbourhood safety in their new communities, and lower chances of becoming victims of crime (Duncan *et al* 2004).

---

6 Other evidence from Chicago shows that winning a state school lottery, and attending a better high school, had little impact on the academic performance of lower-income students, though it seemed to improve behaviour and reduce involvement in crime (Cullen, Jacob, and Levitt 2005).

Youth delinquency and involvement in crime were also tracked in the MTO experiment. The results for girls were positive and significant, with less frequent arrests both for crimes against property and violence. For boys, however, the results were more mixed, with arrests for violent crime dropping, but an increase in those for property crime. Kling, Ludwig and Katz (2004) offer several hypotheses as to why the ways in which boys respond to new neighbourhood environments could differ from those of girls. Popkin and Briggs (2005) further explore how the behaviour of the female MTO participants might fit more easily into the range of acceptable activities in their new neighbourhoods than that of the boys.

Health

Perhaps the strongest evidence on 'area effects' is in relation to the negative health implications of living in a high-poverty area. Adults in the experimental MTO group experienced significant improvements in mental health. These outcomes may be attributable to lower violence and disorder, or improved community resources (such as schools, housing, and parks) (Leventhal and Brooks-Gunn 2003). Moreover, researchers found that the larger the increase in neighbourhood quality achieved, the greater the improvement in mental health. Overall, they likened the magnitude of the effect to that found in 'some of the most effective clinical and pharmacological mental health interventions' (Kling *et al* 2005).

Some physical health improvements were evident as well, with participating adults exhibiting lower rates of obesity, possibly due to self-reported higher rates of exercise and eating healthy foods (Kling *et al* 2005). Other research has identified the physical characteristics of poor neighbourhoods as contributing to physical health deficiencies. Similarly, higher levels of neighbourhood abandonment in US cities are associated with higher disease rates and premature mortality (Cohen *et al* 2003). HOPE VI participants achieved significant improvements in housing quality – such as less mould and peeling paint – that could lead to improved physical health in the future (Comey 2004).

For children participating in MTO, health effects mirrored those for crime. Girls achieved significant gains in mental and physical health, but they were offset by adverse mental health outcomes for male youth. Girls in the experimental group were less likely to engage in risky behaviours than their control-group counterparts, while males were more likely to (Kling and Liebman 2004).

Additional considerations

So, how important are 'area effects' to social mobility? The literature reviewed here hardly covers the possible range of effects. Further important research is needed into the ways in which deprived neighbourhoods affect people's attitudes, social capital, market prices and the quality of local services. Moreover, the focus here is on recent experimental and quasi-

experimental evidence. As such, it leaves aside a rich historical literature that has attempted, with varying degrees of success, to estimate the effects of neighbourhoods, controlling for all the possible characteristics that could influence life outcomes.

Nevertheless, there is general agreement across recent and earlier literature that outcomes are more affected by individual and family characteristics than by neighbourhood characteristics. The question for policymakers is whether the potential benefits to residents of improving the neighbourhood quality of highly deprived environments outweigh the costs. In light of the evidence presented above, two points seem critical.

First, some have interpreted findings from MTO as proving that 'neighbourhoods don't matter much'. This is a bit of an oversimplification. The empirical findings from MTO compare the outcomes for those families that were offered the treatment (a voucher to move to a low-poverty neighbourhood and associated mobility counselling) with control families who were not offered the treatment. Only about half of the families offered the treatment used the voucher under the terms of the programme.

This approach – focusing on those who were offered vouchers rather than those who actually used them – was appropriate for the MTO research design. It answers the question of what we could expect from a similar, more widespread policy intervention, and it controls for unobservable differences in the characteristics of families who used the experimental voucher, and those who did not use it. But the programme fell far from achieving universally better neighbourhood conditions for the experimental group. Indeed, even many who managed to move ended up in areas geographically proximate to their original neighbourhoods, which may have enabled the young males to sustain their negative social ties.

Similarly, the Gautreaux programme lacked some elements of a rigorous experimental design. However, its results at least suggest that giving poor families from deprived communities access to the sort of neighbourhoods that most middle-class Americans take for granted can generate positive, lasting outcomes for those families.[7]

Second, Americans interested in neighbourhood effects have largely focused on the quantifiable, forward-looking outcomes explored above. But this approach inevitably disregards the historical impacts of concentrated poverty, which may have modified attitudes, behaviours, and parenting skills in ways that frustrate upward mobility. MTO families who were never exposed to such deprived neighbourhoods in the first place

7 This is consistent with research by Galster (2002) suggesting that interventions must produce real step changes in neighbourhood conditions to significantly improve residents' life chances.

might have fared quite differently. And as Fitzpatrick (2004) notes in a review of studies carried out in the United States and the UK, the qualitative evidence on area effects is now quite strong with respect to neighbourhood stigma, limiting social networks, and social conflict and disorder. Clearly, the lack of 'bridging' social networks among residents of New Orleans' poorest neighbourhoods gave many nowhere to turn when Hurricane Katrina approached in 2005 (Berube and Katz 2005).

Put simply, day-to-day quality of life in highly deprived neighbourhoods is generally much worse than it is in middle-income neighbourhoods. Some new MTO research sheds further light on this. Popkin and Briggs (2005) investigate why girls taking part in the scheme seemed to do much better than boys on mental health, risky behaviour and delinquency. Their analysis of interview data paints a stark portrait of life for teenage girls in deprived inner-city neighbourhoods. Girls in the control group (those whose families were not offered the opportunity to move with a voucher) were more likely to face pressure from older men in the neighbourhood for early, risky sex; to report being sexually harassed when they walk down the street; and to have experienced sexual violence or coerced sex.

In contrast, the girls who relocated seemed far safer from this type of predation and its long-term psychological effects, and from possible shorter-term effects, such as premarital childbirth. This sort of evidence reminds us that policies to help low-income families in highly deprived neighbourhoods to access better local environments can be defended on social justice grounds as well as social mobility ones.

Implications for the UK

The research explored in this chapter largely comes from the United States because the magnitude of the US problem commanded researchers' attention much earlier than was the case in the UK. The levels of deprivation observed in some US inner cities suggest that area effects in the UK may not be as large in magnitude or as persistent over time. Still, the emerging UK-based literature does signal the importance of such effects, as shown in Chapter 2 of this book. Moreover, the relative scale of area versus individual effects does not suggest that policy should address either one in isolation. Instead, it needs to balance efforts to improve outcomes for disadvantaged people with those to address distressed communities as a whole.[8]

In reviewing the evidence on the role of place in social mobility, the UK must not overlook the consistent and significant presence of race on the US side. Most of the US inner-city neighbourhoods that have given rise to research and policy experiments are overwhelmingly black – the legacy of

8 Atkinson and Kintrea (2001) propose a robust research agenda on neighbourhood effects in the UK.

legalised segregation. Introducing a poor family from the inner city into a suburban neighbourhood would provoke complex responses in any society. In the US, racial dynamics can complicate this picture tremendously. This is not to suggest that race relations and racial disparities hold no importance to the place debate in the UK, but the nation's history and contemporary experience with minority ethnic groups remains distinct from that in the United States.

Nevertheless, it is worth asking whether the UK still has neighbourhoods of such severe deprivation that they might merit interventions similar to those in the United States – such as helping poor families to move out (as with MTO, Gautreaux, or the housing voucher programme), or demolishing public housing and starting anew (as with the HOPE VI programme).

It is difficult to find comparable, small, area-based economic measures in the two countries, but rough proxies indicate the existence of a small number of highly deprived areas in each nation. US researchers such as Wilson (1987) and Jargowsky (2003) have defined extreme-poverty neighbourhoods as those in which at least 40 per cent of the population lives below the poverty line (a threshold itself equivalent to roughly 40 per cent of median income). In 2000, about three per cent of the US population lived in such neighbourhoods.

In 2001, based on the receipt of means-tested benefits (income support or job seekers allowance) as an imperfect substitute, England had 58 wards in which at least 40 per cent of residents lived in such households, containing just one per cent of the overall population. A work-poverty-based approach, such as that employed by Lupton (2005), reveals 140 wards in England where at least 40 per cent of adults are not in work or education – comprising 2.5 per cent of the overall population.

Since US-based interventions focus on families in poor public housing, we might also look more closely at the neighbourhood conditions of families in social rented accommodation in the UK. In England in 2001, only three per cent of households in the social sector lived in high-poverty wards (with more than 40 per cent on benefits), compared to nearly half of households in US public housing prior to reform in 1990. However, because England has a much larger social housing sector than the US, roughly as many social-sector households live in these high-poverty local areas in England (125,000) as did in the six per cent of US public housing labelled 'highly distressed' in 1992 (targeted subsequently by the HOPE VI programme). As such, social-sector households in high-poverty areas do represent a significant, if small, minority in the UK.

Of course, economic measures alone are insufficient to identify the types of areas in which 'neighbourhood effects' may really hold back social mobility. It seems that US efforts achieved the most meaningful impacts for families who escaped areas with high levels of crime and disorder. Thus,

policies aimed at breaking the link between poverty and place in the UK need to go beyond economic conditions to consider quality-of-life factors, such as crime, which debilitate residents mentally and physically, and expose young people (especially girls) to risky behaviours that threaten their longer-term prospects. As Gibbons *et al* demonstrate in Chapter 2, crime is concentrated in certain areas of Britain, with high levels of persistence through time.

It seems, then, that for a relatively small number of families in highly deprived areas, gaining access to a much better neighbourhood may be a necessary precondition to achieving longer-term social mobility, and simply living a healthier life. In view of this, the US experience suggests a couple of possible avenues for housing policy in the UK, aimed at reducing the incidence and severity of concentrations of deprivation.

First, the UK might experiment with a more portable form of housing benefit for families in deprived communities, along the lines of the Housing Choice Voucher Programme in the United States. Wider adoption of the Housing Benefit Pathfinder scheme could improve the mobility of low-income families, but the Government needs to consider structuring the benefit to give families access to housing in other jurisdictions.

Five elements might accompany such a demonstration:

- An enhanced benefit value to open up additional housing and neighbourhood opportunities to these families
- Intensive counselling for families along the lines of that offered in the MTO programme, to help them find new housing and adjust to life in their new community
- Active outreach to landlords in the private rented and social sectors, to increase acceptance of the benefit
- Rigorous quantitative and qualitative evaluation of family and community outcomes
- Continued support for these families to help prevent possible 'backsliding' into highly deprived communities.[9]

Second, fostering greater economic integration may improve some of the negative area effects seen in deprived areas. Studies of mixed-income communities in the United States find that they provide a safer environment for families than high-poverty communities, because residents display greater collective efficacy to address issues around crime and behaviour (Sampson and Morenoff 2004, Joseph *et al* 2005).

In extremely deprived estates that suffer from high levels of crime and

9 Briggs and Keys (2005) demonstrate that black and white families leave high-poverty neighbourhoods quite often, but that black families are much more likely to re-enter such neighbourhoods. Their findings are further supported by evidence from the MTO demonstration.

disorder, where residents are socially isolated and face negative stigma, a radical intervention along the lines of HOPE VI may be the necessary precursor to fostering greater economic integration.[10] In Britain's much higher proportion of moderately deprived areas, more active monitoring of neighbourhood conditions, additional investment in public services, and concerted strategies to attract somewhat higher-income households may help sustain, and perhaps strengthen, economic integration.

As a strategy to promote social mobility within and across generations, improving neighbourhoods is relevant for only a minority of people in the United States and the UK. It cannot take the place of larger public policies concerning university admissions, early childhood interventions, workforce development, and lowering teenage pregnancy. At the same time, our societies do owe those families whose progress is most inhibited by the current social order a shot at something far better. Relieving concentrated deprivation seems a logical place to start.

References

Andersson F, Holzer H and Lane J (2003) *Worker Advancement in the Low-Wage Labor Market: The importance of 'good' jobs*, Washington DC: Brookings Institution

Atkinson R and Kintrea K (2001) *Neighbourhoods and Social Exclusion: The research and policy implications of neighbourhood effects*, Glasgow: University of Glasgow

Berube A (2005) *Mixed Communities in England*, York: Joseph Rowntree Foundation

Berube A and Katz B (2005) *Katrina's Window: Confronting concentrated poverty across America*, Washington DC: Brookings Institution

Blanden J, Gregg P and Machin S (2005) *Intergenerational Mobility in Europe and North America*, London: LSE Centre for Economic Performance

Bowles S and Gintis H (2002) 'The inheritance of inequality', *Journal of Economic Perspectives*, vol 16 (3): 3-30

Bradbury K and Katz J (2002) 'Women's labor market involvement and family income mobility when marriages end', *New England Economic Review*, Q4: 41-74

Briggs X and Keys B (2005) 'Did exposure to poor neighborhoods change in the 1990s? Evidence from the Panel Study of Income Dynamics', paper presented at the Annual Meeting of the Association for Public Policy Analysis and Management, Washington DC, 3 November 2005

Century Foundation Task Force on the Common School (2002) *Divided We Fail: Coming together through public school choice*, New York: Century Foundation

10 The possible implications of HOPE VI for housing policy in Britain are further explored in Berube (2005).

Cohen D, Mason K, Bedimo A, Scribner R, Basolo V, Farley TA (2003) 'Neighborhood physical conditions and health', *Journal of American Public Health*, vol 93 (3): 467-471

Comey J (2004) *An Improved Living Environment? Housing quality outcomes for HOPE VI relocates*, Washington DC: Urban Institute

Duncan G, Clark-Kauffman E and Snell E (2004) 'Residential Mobility Interventions as Treatment for the Sequelae of Neighborhood Violence', working paper, Evanston: Northwestern University

Ellen, IG and Austin Turner M (1997) 'Does neighborhood matter? Assessing recent evidence', *Housing Policy Debate*, vol 8 (4): 833–866

Fisher J and Johnson D (2002) 'Consumption mobility in the United States: evidence from two panel data sets', paper presented at Conference on Economic Mobility in America and Other Advanced Countries, Jerome Levy Economics Institute of Bard College, Annandale-on-Hudson, NY, October 18-19 2002

Fitzpatrick S (2004) 'Poverty of place', Keynote address to Joseph Rowntree Foundation centenary conference, Poverty and Place: Policies for Tomorrow, University of York, 14 December 2004

Galster G (2002) 'An economic efficiency analysis of deconcentrating poverty populations', *Journal of Housing Economics*, vol 11: 303-329

Gottschalk P and Danziger S (1999) *Income Mobility and Exits from Poverty of American Children*, Boston College Working Papers in Economics, Boston: Boston College Department of Economics

Hertz T (2004) 'Rags, riches, and race: the intergenerational economic mobility of black and white families in the United States' in Bowles S, Gintis H and Osborne M (eds), *Unequal Chances: Family background and economic success*, New York: Russell Sage/Princeton University Press

Ihlanfeldt K and Sjoquist D (1998) 'The spatial mismatch hypothesis: a review of recent studies and their implications for welfare reform', *Housing Policy Debate*, vol 9 (4): 849-892

Jargowsky P (2003) *Stunning Progress, Hidden Problems: The dramatic decline of concentrated poverty in the 1990s*, Washington DC: Brookings Institution

Joseph M, Chaskin R and Webber H (2005) 'The theoretical basis for addressing poverty through mixed-income development', paper presented at the annual meeting of the Association for Public Policy Analysis and Management, Washington DC, 3 November 2005

Keels M, Duncan G J, DeLuca S, Mendenhall R, Rosenbaum J (2003) *How Permanent Are Successes in Residential Relocation Programmes?*, JCPR Policy Brief 5 (2), Evanston: Joint Center for Poverty Research

Kling J (2002) *Moving to Opportunity: Background*, Cambridge, MA: National Bureau of Economic Research

Kling J and Liebman J (2004) *Experimental Analysis of Neighborhood Effects on Youth*, NBER Working Papers, Cambridge MA: National Bureau of Economic Research

Kling J, Liebman J and Katz L (2004) *Moving to Opportunity and Tranquility: Neighborhood effects on adults' economic self-sufficiency and health from a randomized housing voucher experiment*, Working Paper Series, Boston: Harvard University

Kling J, Liebman J and Katz L (2005) *Experimental Analysis of Neighborhood Effects*, NBER Working Papers, Boston: National Bureau of Economic Research

Kling J, Ludwig J and Katz L (2004) *Neighborhood Effects on Crime for Female and Male Youth: Evidence from a randomized housing voucher experiment*, working paper, Princeton: Industrial Relations Section, Princeton University

Lee C-I and Solon G (2004) *Trends in Intergenerational Income Mobility*, working paper, Ann Arbour: University of Michigan

Leventhal T and Brooks-Gunn J (2003) 'Moving to opportunity: an experimental study of neighborhood effects on health', *American Journal of Public Health*, vol 93: 1576-1582

Levy DK and Kaye DR (2004) *How Are HOPE VI Families Faring? Income and Employment*, Washington DC: Urban Institute

Lupton R (2004) *Schools in Disadvantaged Areas: Recognising context and raising quality*, London: LSE Centre for the Analysis of Social Exclusion

Mayer S (2001) *How Economic Segregation Affects Children's Educational Attainment*, working paper 235, Evanston, IL: Joint Center on Poverty Research

Mishel L, Bernstein J and Allegretto S (2004) *The State of Working America 2004/2005*, Ithaca and London: Cornell University Press

National Research Council/Institute of Medicine (2004) *Engaging Schools: Fostering high school students' motivation to learn*, Washington DC: National Academies Press

Popkin S and Briggs X (2005) 'Girls in the 'hood: risky behavior and parenting in a randomized housing experiment', paper presented at the Annual Meeting of the Association for Public Policy Analysis and Management, Washington DC, 3 November 2005

Popkin S, Eiseman M and Cove E (2004) *How Are HOPE VI Families Faring? Children*, Washington DC: Urban Institute

Popkin S, Levy D, Harris L E, Comey J, Cunningham MK, Buron L (2002) *HOPE VI Panel Study: Baseline report*, Washington DC: Urban Institute

Rosenbaum J and DeLuca S (2000) *Is Housing Mobility the Key to Welfare Reform? Lessons from Chicago's Gautreaux programme*, Washington DC: Brookings Institution

Rosenbaum J and Rubinowitz L (2000) '"Geography of opportunity" for public housing residents?' *Institute for Policy Research News*, vol 21 (1), Summer

Sampson RJ and Morenoff J (2004) 'Durable inequality: spatial dynamics, social processes, and the persistence of poverty in Chicago neighborhoods', in Bowles S, Durlauf S, and Hoff K (eds), *Poverty Traps*, Princeton: Princeton University Press

Sanbonmatsu L, Kling JR, Duncan G J and Brooks-Gunn J (2004) *Neighborhoods and Academic Achievement: Results from the moving to opportunity experiment*, working paper, Princeton: Industrial Relations Section, Princeton University

Solon G (1992) 'Intergenerational income mobility in the United States', *The American Economic Review*, vol 82 (3) June: 393-408

Wilson WJ (1987) *The Truly Disadvantaged: The inner city, the underclass, and public policy*, Chicago: University of Chicago

Wolfe A (1998) *One Nation, After All: What middle-Class Americans really think about: God, country, family, racism, welfare, immigration, homosexuality, work, the right, the left, and each other*, New York: Viking Press