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Center on Urban & Metropolitan Policy

Is Housing Mobility the Key to Welfare Reform? Lessons from Chicago's Gautreaux Program

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Finding

Since 1976, the Gautreaux program in Chicago has helped thousands of inner-city low-income black families move to new neighborhoods within the city itself and in the outlying suburbs. Rosenbaum and De Luca find that low-income minority families who moved into communities with more-educated neighbors were much more likely to leave public assistance after the move than their counterparts in areas with less– educated residents.

I. Introduction

Ithough American society makes extensive efforts to help people leave public aid, most efforts are narrowly focussed on changing individuals' educational and skill levels, not on changing social contexts. Job availability and peer influences vary by neighborhood, so it is possible that neighborhoods are an important influence on unemployment and welfare dependence.² If neighborhoods have strong effects, then efforts to enhance employment that consign people to neighborhoods where most people are unemployed, poorly educated and fearful of violent crime may yield little value.

Over the past three decades, the number of these distressed neighborhoods has increased dramatically as better-educated, employed black families have left the inner city for the suburbs. William Julius Wilson contends that such neighborhoods—with high concentrations of low-income, poorly-educated individuals who lack knowledge of mainstream society and its labor markets—have strong negative effects on their residents.³ If Wilson is correct, then better neighborhoods may be an important ingredient in reducing dependence on welfare and improving families' futures.

Unfortunately, Wilson's contention is hard to test. While many studies have examined correlations between neighborhoods and residents' outcomes, most studies cannot separate *place*-based effects from the effects of the *people* who live there. When researchers find that black employment is higher in suburbs, it is hard to tell whether the suburbs increase black employment or



whether the black residents in suburbs are more employable (or moved to the suburbs as a *result* of being employed).⁴

The best way to separate these effects is through demonstration programs in which families are randomly assigned to different types of neighborhoods. This is the approach used by the federal Moving to Opportunity Program (MTO). MTO randomly assigned low-income families to receive either a housing voucher restricted to use in low poverty areas (plus mobility counseling); a regular unrestricted housing voucher; or nothing at all (meaning that the family would likely remain in a high poverty area). This program began in the mid-1990s, and studies of the early results in Los Angeles, Boston and Baltimore suggest that moves to low poverty neighborhoods have led to some gains in employment and earnings in Los Angeles, but not in the other cities.⁵ However, the authors of the latter studies suggest that two years may not be sufficient time to assess changes in employment. It may take many more years before the full effects of the MTO program materialize.

The Gautreaux Program, a predecessor to MTO, operated in Chicago between 1976 and 1998. The program assigned low-income black families to various neighborhoods in the city or suburbs by a quasi-random procedure. The program was specifically devised by the courts to address racial discrimination by the Chicago Housing Authority (CHA). It was not designed to reduce welfare dependence, nor did the program provide any employment assistance. Yet Wilson's model suggests that some kinds of neighborhoods might reduce the incidence of families' receipt of welfare. This study examines this hypothesis.

Of course, debating neighborhood effects is irrelevant if people cannot change their neighborhood. However, in recent years, many residential mobility programs, like MTO and Gautreaux, have been launched.

Federal policy has embraced the idea of mobility for the poor, increasingly shifting its emphasis from providing public housing to offering housing vouchers for residential choice in the private rental market. Across the U.S., hundreds of high-rise public housing buildings will be demolished over the next ten years and, while some new units will be built, many families will receive housing vouchers. Hundreds of families are being moved out of these buildings and into private apartments nearby or in new neighborhoods.⁶ In informal comments, some top housing administrators have stated that it does not matter where residents are placed—apparently presuming that all neighborhoods have the same benefits. Yet demolishing high-rise public housing may have minimal benefits if families merely move from high-rise vertical ghettos to less dense horizontal ghettos.

II. The Gautreaux Program

he Gautreaux program was the result of a 1976 Supreme Court consent decree in a lawsuit against the CHA and the U.S. Department of Housing and Urban Development (HUD) on behalf of public housing residents. The suit charged "that these agencies had employed racially discriminatory policies in the administration of the Chicago low-rent public housing program."7 Administered by the non-profit Leadership Council for Metropolitan Open Communities in Chicago, the Gautreaux program allowed public housing residents (and those on the waiting list) to receive Section 8 housing certificates (or vouchers) and move to private-sector apartments either in mostly-white suburbs or within the city of Chicago. Two full-time staff recruited landlords to participate in the program. Placement counselors notified families as apartments became available, counseled them

about the advantages and disadvantages of these moves, and took them to visit the units and communities. Between 1976 and 1998, over 7000 families participated, and over half moved to suburbs.

Because of its design, the Gautreaux program presents an unusual opportunity to test the effects of helping low-income families move to better neighborhoods with better labor markets and better schools. Socio-economic and racial integration of neighborhoods is rare in the U.S., so we generally do not know how lowincome blacks are affected by living in middle-income white neighborhoods. Even when such integration exists, we suspect that low-income families who move into middle-income neighborhoods are exceptional people and that their subsequent attainments reflect more about themselves than about the effects of neighborhoods. Gautreaux participants circumvented the typical routes to living in suburbs, not by their jobs or personal finances, but by acceptance into the program and random assignment to the suburbs. The program gave them rent subsidies that allowed them to live in suburban apartments for the same cost as public housing, but did not provide employment or transportation assistance to participating families. Moreover, unlike the usual case of black suburbanization—working-class blacks living in working-class suburbs-Gautreaux permitted low-income blacks to live in middle-income white suburbs. Participants moved to more than 115 suburbs throughout the six counties surrounding Chicago. Suburbs with a population that was more than 30 percent black were excluded by the consent decree, and a few very high-rent suburbs were excluded by funding limitations of Section 8 certificates. Yet these constraints eliminated only a small proportion of suburbs. The "receiving"





suburban communities were from 30 to 90 minutes driving time away from voucher recipients' former homes.

The program had three selection criteria that were intended to assure landlords that they would get good tenants and to make it more likely that participants would be able to remain in these apartments. The program tried to avoid overcrowding, late rent payments, and building damage by not admitting families with more than four children, large debts, or unacceptable housekeeping. None of these criteria was extremely selective. Because 95 percent of AFDC families have four or fewer children, the overcrowding restriction eliminates only a few eligible families. Moreover. Gautreaux administrators estimate that about 12 percent of applicants were rejected by the credit check or rental record and only 13 percent were rejected by counselors' home visits to look for property damage. Thus, all three criteria reduced the eligible pool by less than 30 percent and the participants were not a "highly creamed" group.9

While all participants came from similar low-income black city neighborhoods (usually public housing projects), some moved to mostly-white suburbs, while others moved to mostly-black city neighborhoods. In principle, participants had choices about where they moved, but in actual practice participants were assigned to city or suburban locations in a quasirandom manner. 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, and analyses indicate that the two groups were nearly identical.¹⁰

Housing mobility programs do not always accomplish their integration

goals. In the federal Section 8 housing voucher program, low-income black families tend to move to black, lowincome neighborhoods similar to the ones they left.¹¹ The Gautreaux program was mandated to move families to census tracts which were not over 30 percent black, and it was hoped that these moves would lead to social class mixing. However, the mandate allowed some moves to revitalizing urban areas, less integrated areas that were thought to be improving in conditions.

III. Methodology

wo prior studies of the Gautreaux program compared family outcomes in mostly white suburbs and mostly black city neighborhoods.¹² First, a small study of children's outcomes found that, by the time they were young adults, those children who moved to the suburbs were much more likely to graduate from high school, attend college, attend fouryear colleges (vs. two-year colleges), and (if they were not in college) to be employed and to have jobs with better pay and with benefits. Second, a larger study of Gautreaux mothers found that suburban movers had higher employment rates than city movers, and the difference was especially large for adults who were unemployed prior to the program. The present study examines a related outcomeparticipation in Aid to Families with Dependent Children (AFDC), commonly known as "welfare"-but it does so for a vastly larger sample of Gautreaux program participants. This study also examines more detailed neighborhood attributes than the simple city/suburb distinction.

This study is distinctive in its use of administrative records. While such records limit our analysis to a single outcome—AFDC receipt—it is an important outcome, and these records have some significant advantages. While previous Gautreaux studies were based on surveys that had acceptable response rates (67 percent), anything short of a perfect response rate raises potential concerns about accuracy. By merging the Gautreaux program files with information on later AFDC receipt from official public aid administrative files, this study can examine AFDC outcomes with a vastly better "response rate" than most surveys and fewer risks of mistaken reports than surveys.

We used program records to examine where families were actually placed in the Gautreaux program.

From Gautreaux records, we selected a 50 percent sample of female-headed households who moved before 1990 (approximately 1500). To determine where families were initially placed, we coded Gautreaux placement addresses using 1980 census information. In the time period studied, 1976-1989, almost exactly half of all Gautreaux families were placed in suburban areas, nearly all of whom (94 percent) were placed in census tracts that were less than 30 percent black, based on 1980 census information (Table 1).¹³ In contrast, the city moves were often to mostly black tracts (39.0 percent of city moves were to tracts that were over 85 percent black).¹⁴ We also found that the suburban moves were mostly to areas with highly educated neighbors, while city moves were mostly to areas with less educated neighbors (Table 2), although this difference is not as large as for racial composition.¹⁵

After determining the characteristics of the placement neighborhoods, we examined the long-term effects of these moves on whether families received AFDC in 1989, the end of the study period hereafter referred to as "Later AFDC."

Percent Black in Placement Tract 6-21% 0-2% 3-6% 22-29% 30-69% 70-85% 86-99% Total Suburban 735 Number 266 228 170 27 22 12 10 Movers 36.2% 3.7% 3.0% 1.6% 100.0% % 31.0% 23.1% 1.4% City Number 22 68 133 103 104 20 288 738 Movers % 3.0% 9.2% 18.0% 14.0% 14.1% 2.7% 39.0% 100.0% Total Number 288 296 303 130 126 32 298 1473 2.2% 20.2% % 19.6% 20.1% 20.6% 8.8% 8.6% 100.0%

Table 1. Proportion of Gautreaux Participants Moving to Low to High Percentage Black Census Tracts by 1989

Table 2. Proportion of Gautreaux Participants Moving to High to Low Education Census Tracts* by 1989

		Education Level Of Census Tract*					
		1 Highest Quintile	2.00	3.00	4.00	5	Total
						Lowest Quintile	
Suburban	Number	201	193	163	122	79	758
Movers	%	26.5%	25.5%	21.5%	16.1%	10.4%	100.0%
City	Number	109	148	105	165	215	742
Movers	%	14.7%	19.9%	14.2%	22.2%	29.0%	100.0%
Total	Number	310	341	268	287	294	1500
	%	20.7%	22.7%	17.9%	19.1%	19.6%	100.0%

* Note: Educational quintiles are operationalized as the percentage of adults over age 16 with no more than 12 years of education, based on 1980 Census information. Tracts with a high percentage of adults with such low education are considered low education tracts.

IV. Finding: Do Assigned Neighborhoods Affect AFDC Outcomes?

hen the placement addresses were compared with administrative data on AFDC receipt, we found that census-tract placement strongly predicted later AFDC incidence. Moreover, the census-tract effect occurred in both the city and suburbs (Table 3). Later AFDC strongly increased as the education level of neighborhoods decreased, both in the suburbs and in the city. For suburban movers, only 25.9 percent of families who moved to the most educated neighborhoods received AFDC in 1989, while 39.2 percent of families

moving to the least educated suburban neighborhoods received AFDC at the end of the period examined. Of intracity movers, 22.9 percent of families in the most educated city neighborhoods received AFDC in 1989, while 35.3 percent of families in the least educated city neighborhoods received AFDC in the same period. The increase not only occurred at the extremes (the highest and lowest quintile neighborhoods for education level); it also occurred in every successive category in the city and over most categories in the suburbs.¹⁶ Nationally, nearly half of all households with children living in public housing also received AFDC.17

The previous simple associations ignore the influence of other attrib-

utes.¹⁸ To eliminate those effects, we examined whether neighborhood variables could explain which women were on AFDC in 1989, after statistical controls for initial personal attributes. Even after statistically controlling for mothers' age, years since Gautreaux placement and initial AFDC receipt, neighborhood educational composition still had strong effects on later AFDC (Table 4).¹⁹

In sum, although families assigned to various neighborhoods had equal incidence of AFDC at the outset, we find that families assigned to neighborhoods with more educated residents were much less likely to be on AFDC at the end of the period.²⁰



		Education Level Of Census Tract					
		1	2.00	3.00	4.00	5	Average
		High Education Low Education					
Suburban	% of movers						
Movers	in tract on						
	AFDC in 1989	25.9%	25.4%	32.5%	28.7%	39.2%	29.0%
	(Total in Tract)	(201)	(193)	(163)	(122)	(79)	(758)
City	% of movers						
Movers	in tract on						
	AFDC in 1989	22.9%	28.4%	28.6%	33.3%	35.3%	30.7%
	(Total in Tract)	(109)	(148)	(105)	(165)	(215)	(742)

Table 3. AFDC in 1989 by Education of Census Tract (in quintiles) for Suburb and City Movers

Because this analysis only looked at initial neighborhood placement, it would not reflect the impact of subsequent moves to new neighborhoods.

Many people worried that these families would find these suburbs so uncomfortable that most would quickly move back to the city. To test this, we located the current addresses of virtually all families (we obtained zipcodes for all but 2 families). We discovered that only 29.7 percent of those who moved to suburbs between 1976-1990 had returned to the city by 1999—an average of 14.4 years after they first moved to the suburbs. This is an impressive finding. Despite the long distances they moved and the difficulties they experienced in the suburbs,²¹ less than 30 percent of suburban movers returned to the city 14 years later.

Unfortunately, we could not discover participants' 1989 addresses, so we could not study how AFDC in 1989 was affected by concurrent neighborhoods. Nonetheless, given the low portion of suburban movers returning to the city by 1999, we may expect that even fewer did 10 years earlier (in 1989). Therefore, those placed in suburbs were probably still in suburbs in 1989. (We also find very strong correlations between placement and 1999 tracts in educational level and percentage black.)

While administrative data do not explain why these effects occurred, our interviews with samples of participants in 1990 and 1997 reveal several ways that neighborhoods affected employment. All suburban participants mentioned the greater number of jobs in the suburbs. Even in 1990, when the economy was slower than it is now, many prosperous areas had difficulty hiring enough people for semi-skilled jobs. The second most mentioned factor was improved physical safety. Mothers reported that when they lived in dangerous neighborhoods, they did not work because they feared being attacked on the way home from work, or they feared that their children would get hurt or get in trouble with gangs while they were at work. Moves to safer neighborhoods allowed mothers to feel free to go out and work. Many participants also mentioned that positive role models and social norms inspired them to work and showed them how to do it. Upon seeing neighbors work, Gautreaux participants reported that they felt that they too could have jobs, and they wanted to try. Some noted that they learned what it took to get a job: how to dress for work, what attitude was required, how to handle child care, how to deal with transportation, etc. Several mentioned that they learned better time management in the suburbs which helped

them to hold jobs. In city areas with low employment, few adults saw neighbors working and it did not seem like something they could do.

In sum, whatever caused people to be on welfare in the past—lack of skills or lack of motivation—was not irreversible. Many people left welfare after moving to better neighborhoods. These neighborhoods helped close the job gap between low-income black adults and their white neighbors.

V. Conclusions and Policy Implications

hese results suggest that neighborhoods matter. In the Gautreaux program, lowincome black families were assigned to neighborhoods in a quasirandom manner, and these moves had strong effects on whether they were on welfare at the end of the period. These findings support Wilson's contention that certain kinds of neighborhoods make it difficult for families to escape poverty and dependence on public aid, and they also suggest that residential mobility programs have great potential for freeing people from these negative neighborhood influences and helping them to become self-sufficient. It is





also possible that similar benefits might occur by diversifying the economic mix of people moving into low-income neighborhoods (via economic development or mixed-income housing), although there is little evidence on this point.²²

While this study took place before recent efforts to reform the welfare system, it indicates that *neighborhoods can affect the success of welfare reform*. These findings suggest that welfare reform-related efforts to provide job training or work incentives may be frustrated by negative neighborhood influences if families remain in areas with high concentrations of poorly educated residents. Welfare reform could be far more effective if combined with new initiatives for residential mobility.

Residential mobility programs can be effective in moving low-income families to better neighborhoods; however, such moves are not inevitable. Under a federal mandate to tear down public housing, thousands of families are being moved out of public housing projects across the country. In their haste to empty buildings, many officials are not giving much thought to where families are moving. Officials contend that these moves will improve residents' lives, but a recent study finds that families are being moved into low-income, mostly black areas, which are very similar to the neighborhoods they left.²³ While these rapid willy-nilly moves out of public housing seem to be merely displacing families into equally bad neighborhoods that will have little benefit, the Gautreaux program shows that a carefully administered program can move poor families to neighborhoods that have positive influences on their lives.

Some critics have argued that such a program cannot serve many families. In order to maintain low visibility and low impact on receiving communities, the Gautreaux program avoided moving more than two or three families to any single neighborhood.²⁴ However, the program could be greatly expanded without having large impact. In Chicago, for example, about four million people live in the region's suburbs, and the vast majority of suburbs are over 80 percent white. Even if all of Chicago's public housing families were widely scattered among these suburbs, they would reduce the white proportion in any given suburb by only one or two percent.

These findings also suggest some of the preconditions for making residential mobility effective. First, a residential mobility program does not need to be highly selective to be acceptable to landlords and to have the observed benefits. The Gautreaux program used mildly selective criteria which included about 70 percent of the pool of low-income housing project residents, and it seems to have been adequate and effective.

However, some selectivity may be needed, perhaps combined with training and counseling to help families meet the selection criteria. Recently, in implementing its public housing demolitions, the Chicago Housing Authority did not use any selection criteria for allocating Section 8 certificates to families, and a frontpage article in the *Chicago Tribune* described families with histories of property vandalism and crime who were being moved into private apartments. Even though such families may not be typical of housing project residents (since the Gautreaux home inspections found that only 13 percent of families showed indications of property damage), a few families with such problems makes landlords reluctant to lease to any families in the CHA program. Failure to screen out families who seem unprepared for the move may doom those families to failure while stigmatizing the entire effort. Gautreaux's selection criteria may be necessary to make mobility programs viable, and Lawrence Vale reports that successful public housing developments have used screening to greatly

improve living conditions.²⁵ However, selection criteria are not just a mechanism to eliminate potential participants; they can be used to identify troubled families in need of training or counseling. In the 1990s, the Gautreaux program gave families with poor credit histories a training program in credit management. Training in housekeeping skills may also be effective.

Finally, and perhaps most important, this study reflects the interconnection between poverty and place. To date, welfare reform has centered on people to the exclusion of place, and in the process has missed the larger point: that place affects poverty and dependence. Neighborhoods where educated neighbors are scarce and that are spatially and culturally isolated from outlying employment centers can impede the transition from welfare to work. Other neighborhoods—with better-educated residents and better schools-can have the opposite effect and can help connect families to educational and economic opportunities.

Participants in the Gautreaux program were randomly assigned to different neighborhoods, so that every neighborhood had similar participants at the outset. Despite these initial similarities, families assigned to different neighborhoods varied greatly in their AFDC outcomes; yet the program did not provide skills training, job encouragement, or any employment services. The neighborhoods made the difference. Rather than exclusively focusing on improving individuals' skills and motivation, social policy may improve families' lives by focusing on places as well as people, and by helping families move out of neighborhoods that limit their achievement and into neighborhoods that expand their opportunities.

B

APPENDIX: Methodology

e obtained the computerized files of the Gautreaux program. We selected a 50 percent sample to use, which we corrected against the original paper records. We examined only families moving before 1990, the period when the program randomly placed families in apartments. (After that year, families mostly searched for their own housing, and so we would not expect placements to be random.) We restricted our analysis to female-headed households to study AFDC receipt. Thus, our sample is a 50 percent random sample of all female-headed families moving before 1990. The total number of female household heads in this sample is 1507. Program records indicate address of placement and attributes of heads of households, including gender, age, and AFDC status at time of placement.

We obtained 1980 U.S. census information on the census tracts to which families first moved. Michael Johnson coded

Gautreaux placement addresses into census tracts, first using a software converter, and then hand-coding the remaining hardto-code addresses. We were unable to code a few addresses for census tract, although we have zipcode information for nearly all placement (and 1999) addresses. For these preliminary analyses, we characterize census tracts by their education composition, operationalized as percentage of adults in the tract with no more than 12 years of education, based on 1980 census information. Tracts with high percentage of adults with such low education are considered as low education tracts. In addition, we looked at racial composition (percent of tract who were black). We also located current addresses for nearly all families. We obtained zipcode information for 1505 of the 1507 families.

We obtained welfare records from the Illinois Dept. of Human Services, which provided information on incidence of public aid in 1989. These data were authorized by the Dept. of Human Services. Robert Goerge and Bong Joo Lee at Chapin Hall conducted the match, and they report a 99 percent success rate with matches using this procedure. Anyone who was on AFDC was likely to be identified, and anyone not identified in the records was not on AFDC.

Our analyses also considered whether the program assigned families to neighborhoods in a random manner. Although program procedures appeared to be random, we examined the data to check this. Program records provide information on nearly all families, but they have only a few items of information. In Table 4, we consider two baseline attributes of heads of household: age and initial AFDC (whether heads of households were on AFDC at the time they entered the program). Neither of these personal attributes is related to city/suburb placement or census tract composition.²⁶ Thus, we conclude that families who moved before 1990 are randomly assigned to city/suburb and to types of census tracts, at least on basis of families' prior AFDC status and age.

Table 4. Logistic Regression of AFDC in 1989 by Initial Placement,Controlling For Initial AFDC

Variable	В	S.E.	Sig.	Exp(B)
Tract Education	1.1563	0.4442	0.0092	3.1782
Years in 1989	-0.1793	0.0233	0.0000	0.8359
Age in 1989	-0.0521	0.0094	0.0000	0.9493
AFDC at Entry	1.4873	0.1903	0.0000	4.4251
Constant	0.3832	0.3806	0.3140	



Endnotes

- 1 James Rosenbaum is a Professor of Sociology, Education and Social Policy at Northwestern University and a Faculty Fellow at the Institute for Policy Research. Stefanie DeLuca is a graduate student in the Human Development and Social Policy program at Northwestern University. The authors thank Greg Duncan, Christopher Jencks, and Jens Ludwig for comments on earlier drafts of this paper. We are indebted to Robert Goerge and Bong Joo Lee at Chapin Hall for help with data merging. Support for this work was provided by the Brookings Center on Urban and Metropolitan Policy, the Spencer Foundation, and the Institute for Policy Research at Northwestern University. The opinions expressed here are solely those of the authors.
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- 4 Briggs, Xavier de Souza (1998). "Brown kids in white suburbs: Housing mobility and the many faces of social capital." Housing Policy Debate, vol. 9, no. 1, pp. 177-221; Brooks-Gunn, Jeanne, G. Duncan, and J.L. Aber (1997). Neighborhood Poverty: Context and Consequences for Children, Vol. I & II. New York: Russell Sage Foundation; Jencks, C. and S. E. Mayer (1990). "The Social Consequences of Growing Up in a Poor Neighborhood." <u>Inner-Poverty in the</u> <u>United States</u>, edited by L.E. Lynn and M.G.H. McGeary. Washington D.C.: National Academy Press; Sampson, Robert J., S.W. Raudenbush, and F. Earls (August 1997). "Neighborhoods and violent crime." Science, vol. 277, pp. 918-24; Turner, Margery A. and I.G. Ellen (1997). "The effects of neighborhood on families and children: What can we learn from MTO?" Presented at the Moving to Opportunity research conference in Washington DC, November 20-21, 1997.
- 5 Hanratty, Maria, S. McLanahan, and E. Pettit (1997). "The impact of the Los Angeles Moving to Opportunity program on residential mobility: Neighborhood characteristics, and early child and parent outcomes."; Katz, Lawrence F., J. Kling, and J. Liebman (1997). "Moving to Opportunity in Boston: Early impacts of a housing mobility program."; Ladd, Helen F. and J. Ludwig (1997). "The effects of

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- 1 "CHA to be torn up, rebuilt," *Chicago Tribune*, p. 1, Sec. 1 (Feb. 6, 2000).
- 7 Peroff, K.A., C.L. Davis, and R. Jones (1979). "Gautreaux Housing Demonstration: An Evaluation of Its Impact on Participating Households." Washington, D.C.: Division of Policy Studies, Office of Policy Development & Research, U.S. Department of Housing and Urban Development.
- 8 U.S. Dept of Health and Human Services (1986). "Characteristics and Financial Circumstances of AFDC Recipients." Washington: US Dept of Health and Human Services.
- 9 Gautreaux participants are similar to a random sample of Chicago AFDC recipients in their length of time on public assistance (about seven years) and their marital status (about 45 percent never married, 10 percent currently married. However, Gautreaux participants are less likely to be high school dropouts (39 percent pre-move vs. 50 percent), tend to be older (median age of 34 vs. 31), and have fewer children (mean of 2.5 vs. 3.0). However, they are more likely to be second-generation AFDC recipients (44 percent vs. 32 percent). In sum, although Gautreaux participants may be of slightly higher socioeconomic status than the average public assistance recipient, most differences between them are not large.). Popkin, Susan J. (1988). "Welfare: A View from the Bottom." Unpublished dissertation, Northwestern University.

We must note that the above discussion does not apply to the program after 1990. Before 1990, few participants found their own units, but after 1990 most did, and we would expect that low-income blacks able to convince landlords to take them would have capabilities that might not be present in those placed in earlier years.

As an aside, people have commented that the Gautreaux families featured on television reports (<u>Sixty Minutes, CNN, ABC</u> <u>World News Tonight</u>) are articulate and don't seem like typical housing project residents. That is true, and they aren't typical Gautreaux participants either. The reason why articulate families appear on television is because television producers want to feature articulate families. Average families don't make good TV.

- 10 A prior study of 330 families found the two groups were similar in age, education, marital status, AFDC, long-term AFDC receipt, and second-generation AFDC, and the current study finds no correlation between mothers' attributes (age and initial AFDC) and placement attributes (city/suburb, tract percent black, percent in poverty, percent unemployed, or percent low education). Rosenbaum (1995b).
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- 13 Table 1 indicates the percent of residents in a census tract who were black, grouped into 5 equal sized categories. The six percent who seem to be in tracts with more than 30 percent black may have been placed in the program's early years based on the 1970 census, which could have changed by the 1980 census.
- 14 We did not try to examine whether these were "revitalizing areas," which would be hard to operationalize. Our casual inspection of addresses indicated that they tended to be in areas where some economic development was occurring (portions of Chicago's south side) rather than in areas where little was happening.
- Table 2 indicates the percent of residents 15 in a census tract with "low education" (residents with no education above a high school diploma), grouped into five equal sized categories. The distribution indicates that the top quintile of families moved to areas which have less than 27 percent of the tract with low education, while the bottom quintile have more than 53.3 percent of the tract with low education (the quintile breaks on this variable are-0-.269; .270 -.354;.355-.436; .437-.533, .534-.788). In both city and suburbs, families moved to both high and low educated neighborhoods. In contrast, in terms of black percentage, only about one percent of suburban families is in the highest quintile and only three percent of city families are in the lowest quintile.



Endnotes (continued)

- 16 The one dip in this progression in the suburbs may indicate that other factors have influences.
- Figures range from 45 percent in the Panel Study of Income Dynamics—Assisted Housing Database for 1993 to 48 percent from Paul Burke. See Burke, Paul (1995). "A picture of subsidized households in June 1995." Washington, DC: US Department of Housing and Urban Development, Office of Policy Development and Research, October 3. See also Newman, Sandra J. (1999). <u>The Home Front: Implications of Welfare Reform for Housing Policy</u>. Washington, D.C.: Urban Institute Press.
- 18 Of the 1507 female heads of household, we could analyze 1349 who had no missing data on the variables in the model. Thus, these multivariate analyses can only study 90 percent of sample, which is still much better than most surveys.
- 19 We ran similar analyses with tract percent black and tract percent below poverty level. In similar multivariate analyses, tract percent black has significant influence on AFDC89, after controls for age, years since move, and initial AFDC (Exp(B)=1.56), p=.009), however, the tract composition variable Wilson (1987, 1996) hypothesized to be important, percent below poverty level, did not have significant influence in these analyses. We tried to enter more than one tract variable in the same analysis, but no combination produced significance on both variables, and education was the one that retained significance when either of the other two was added.
- 20 Previous findings of survey data found employment was significantly higher in suburbs than in the city. Since people can be employed and also be on AFDC, the lack of relationship between suburbmoves and AFDC89 outcomes does not necessarily contradict previous findings. Rosenbaum, J. and S.J. Popkin (1991). "Employment and Earnings of Project Blacks Who Move to Middle-Class Suburbs." <u>The Urban Underclass</u>, edited by C. Jencks and P. Petersen. Washington, D.C.: The Brookings Institution.
- 21 Rubinowitz and Rosenbaum (2000).

- 22 For a review of literature on mixed-income housing, see Rosenbaum, J., L. Stroh and C. Flynn (Winter 1998). "Lake Parc Place: A Study of Mixed-Income Housing." Housing Policy Debate, vol. 9, no. 4, pp. 703–740.
- 23 Fischer, Paul (1999). Unpublished data. Lake Forest College, Lake Forest, IL.
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- 26 Among female heads, the age of heads of household and the incidence of initial AFDC are not significantly correlated with moves to city (vs. suburbs) or any censustract composition variable, even though the sample is large enough to give significance with small correlations. For instance, the correlations between initial AFDC and city-suburb, census tract educational level, and tract percent black are all small and insignificant (r=-.045, p=..092; r=..042, p=..116; r=..027, p=..312).

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