



## CENTER ON URBAN & METROPOLITAN POLICY

# Children in Cities: Uncertain Futures

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*"A growing number of children are at risk of becoming another generation of poor adults and a disproportionate number of these children are located in the nation's inner cities."*

### Findings

A study of children's life prospects in 1976 and 1996 reveals that:

- The proportion of children in the U.S. with good life prospects and the proportion with poor life prospects both increased between 1976 and 1996, at the expense of those with average prospects; this foreshadows an increasingly unequal and divided society in the future.
- Children who live in central cities are twice as likely to be at high risk of bad adult outcomes (such as poverty and unemployment) as suburban children, and half as likely to be at low-risk as their suburban counterparts.
- Central cities are now home to a higher proportion of high-risk kids. In 1996, almost 1 urban child in 5 was "at-risk" of poor adult outcomes, a 50 percent increase since 1976.

### I. Introduction

The migration of middle class families to the suburbs has left central cities with an increasingly poor and less educated population, a declining tax base, and few resources to invest in the services that might stem the loss of these middle-income households. The effects on a city's infrastructure, its civic life, and its fiscal capacity are distressing enough. But what is of even greater concern than balance sheets or bricks and mortar is the future of children in America's urban areas.

A growing number of children are at risk of becoming another generation of poor adults and a disproportionate number of these children are located in the nation's inner cities. Specifically, compared to children in the suburbs, children in cities are twice as likely to be at high risk of having poor adult outcomes such as being in poverty, relying on welfare subsidies, or being unem-

ployed, and half as likely to be at low risk for such outcomes. This has implications not just for cities but for the nation as a whole. For one thing, these children are the labor force of the mid-21st century. Their abilities and opportunities—or lack thereof—will have a significant impact on the nation's economy. They will either contribute payroll taxes to fund the Social Security payments of the large baby-boom generation or they will require federal supports themselves. Also, Americans have long been a geographically mobile population, and contrary to popular opinion, poor families are no less mobile than those with higher incomes.<sup>1</sup> Thus, a high-risk child from Detroit or Philadelphia may end up in the suburbs of Atlanta or Denver; a child growing up in the distressed neighborhoods of New York or Los Angeles may one day live or work in Pelham or Palm

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Springs. These children's prospects are the prospects of our nation.

If we don't like what the numbers in this research survey say about the future of inner-city children, there is still time to change their future circumstances through early education, high quality child care, better schooling, and more community-based activities for youth.<sup>2</sup> Because of where the youth at highest risk tend to live, these programs should be of particular interest to, and directed towards, cities.

## II. Main Findings

### A. Who Are the Children with "Poor" and "Good" Life Outcomes?

A "poor outcome" for a child means becoming an adult who does not work, earns low wages, is poor, or depends on welfare or other forms of social assistance. Careful research done over the past two decades points to a number of factors—"risk factors"—that are associated with poor adult outcomes.<sup>3</sup> In this survey, children's prospects are defined by the extent to which children are exposed to key risks in their pre-school years. These four risk factors include having:

- 1) an unmarried mother;
- 2) a teen mother;
- 3) a mother with less than a high school degree; and
- 4) a family with poverty-level income.

Not all children born into such circumstances will grow up to be disadvantaged, but the risks are far greater than for children born into more favorable circumstances. Growing up in a single-parent family more or less doubles the likelihood that a child will later drop out of school or become a teenage parent.<sup>4</sup> Maternal education is also a powerful influence on children's later success. Children whose mothers did not graduate from high school are half as likely to attend college and almost twice as likely to be

economically inactive at age 24 as children of high school graduates.<sup>5</sup> Daughters of mothers with less than a high school diploma are nearly five times as likely to have a teenage out-of-wedlock birth as other girls.<sup>6</sup> Studies also find that children who spend their early years in poverty are more likely than other children to do poorly in school and to suffer the consequences of this in later life.<sup>7</sup> The risks associated with poor outcomes are often related – that is, these risks tend to come in bundles – and some evidence suggests that having multiple risks is worse than one would expect on the basis of the individual risks alone.<sup>8</sup>

In addition, jurisdictions with large numbers of at-risk children may face fiscal consequences as well. The family environments and social service needs of high-risk children put a particularly large burden on schools and social service agencies in urban areas.

The flip sides of risk factors are "opportunity factors," which include:

- 1) a married mother;
- 2) a mother who is 26 years of age or older at the birth of her first child;
- 3) a mother who is a college graduate; and
- 4) family income equal to or greater than 4 times the poverty level.

This survey defines children with three or more of the four risk factors to be at "high risk" of poor adult outcomes, and assume on the basis of the research cited above that they have poor life prospects. By contrast, children with three or more of the opportunity factors are defined as being at "low risk" and to have potentially bright futures. This study designates the majority of children, who are in neither category, as those with "average" life prospects. The data analyzed in this paper are drawn primarily from the Census Bureau's Current Population Survey.

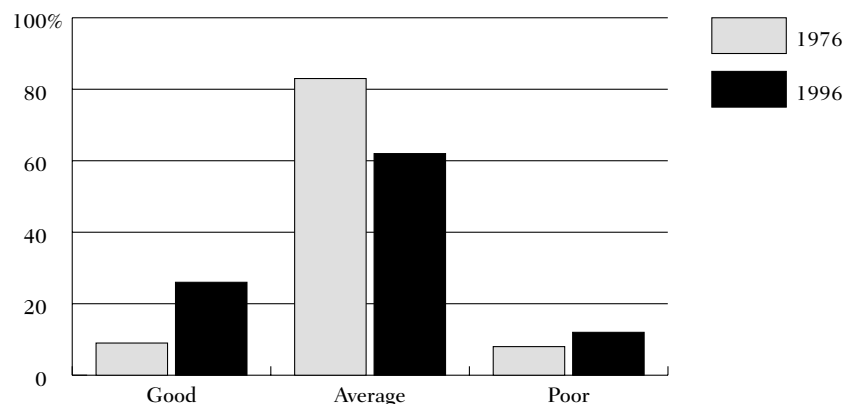
### B. The Number of Children with Bright and Dim Futures Is Rising, While the Number of Children with Average Opportunities Is Shrinking.

There is a bifurcation in children's life prospects that threatens to divide the U.S. into a society of haves and have-nots (See Table 2).<sup>9</sup>

From 1976 to 1996 (Figure 1), the proportion of children with good prospects increased from 9 percent to 26 percent. Most of this growth results from mothers who are now more educated and more likely to

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**Figure 1**  
**Children's Prospects Are Increasingly Unequal**



delay childbearing than they were two decades ago.

However, the proportion of children with poor prospects also rose by 50 percent between 1976 and 1996, from 8 percent of all U.S. children to 12 percent.

The proportion of children with average prospects declined by a quarter in the same two decades, from 83 percent in 1976 to 62 percent in 1996.

**C. Children Increasingly Live in the Suburbs.**

In 1996, there were 20 million children in the United States, aged five or younger.<sup>10</sup> Of these children, 31 percent (6.4 million) lived in central cities; 48 percent (9.8 million) lived in suburbs<sup>11</sup>; and 21 percent (4.2 million) lived in a non-metropolitan or rural area (Figure 3).

Two decades ago, children were more likely to live in rural areas (33 percent) than in cities (28 percent) (Figure 2). Today, the reverse is true. At the same time, however, most of the growth in the child population has occurred in the suburbs as younger families have sought better schools and safer neighborhoods in which to raise their children. Between 1976 and 1996, the percentage of all American children living in the suburbs rose from 39 percent to 48 percent.

**D. Urban Children Face Greater Risks than Suburban Children**

The national bifurcation in children's life prospects has distinct spatial implications. High-risk children are more likely to live in cities, and children with good prospects are more likely to live in suburbs.

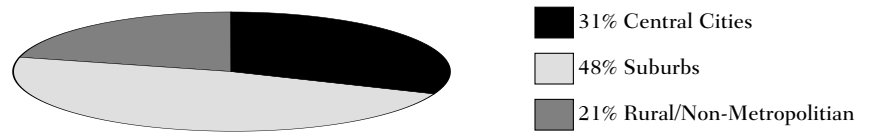
The percentage of children in cities and suburbs with good and poor prospects has risen, but these increases at both ends of the spectrum came at the expense of those with average

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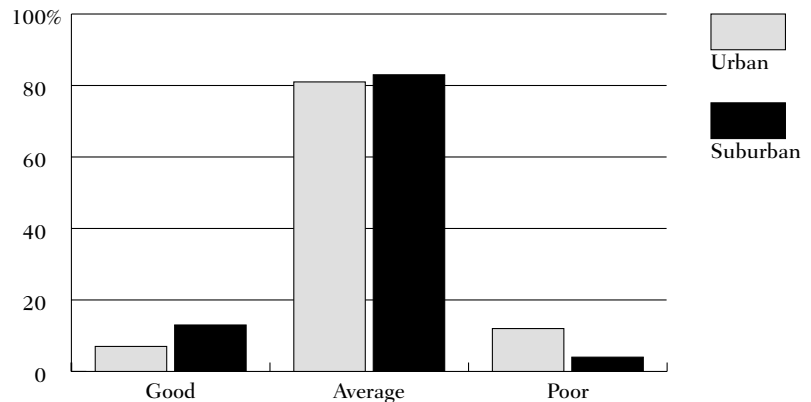
**Figure 2**  
**Location of U.S. Children Under Age 6, 1976**



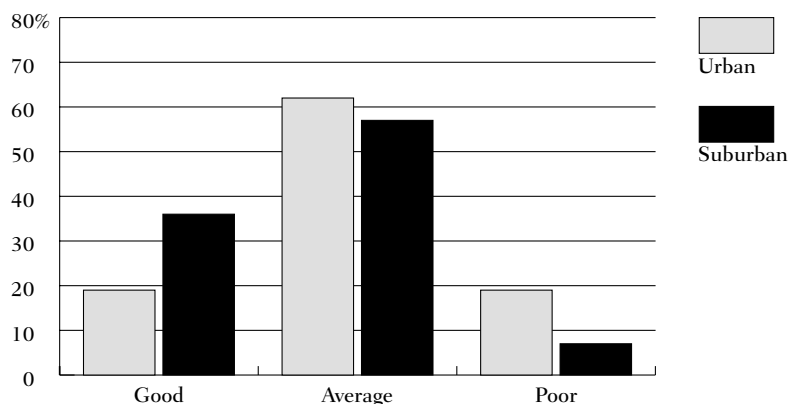
**Figure 3**  
**Location of U.S. Children Under Age 6, 1996**



**Figure 4**  
**Children's Prospects in Central Cities and Suburbs, 1976**



**Figure 5**  
**Children's Prospects in Central Cities and Suburbs, 1996**



prospects (*Figures 4 and 5*). Between 1976 and 1996, the percentage of urban and suburban children with good prospects went up 171 percent and 176 percent, respectively.

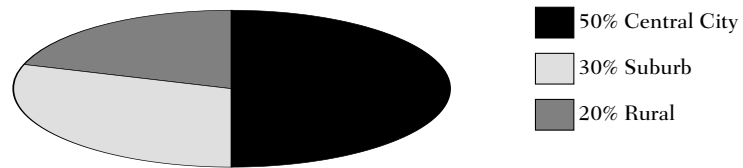
However, although they still comprise a minority of all children in the central city, almost one out of every five urban children is in the high-risk category. In 1976, 12 percent of urban children had poor prospects; by 1996 it was 19 percent—58 percent increase in 20 years. A greater percentage of suburban children are also at risk: 7 percent in 1996 compared to 4 percent in 1976.

While only 31 percent of U.S. children live in cities, half of all children with poor prospects—those with three or more risk factors—live in cities (*Figure 6*). Compared to children in the suburbs, children in cities were twice as likely to be at high risk—19 percent versus 7 percent—and half as likely to be at low risk—19 percent versus 36 percent (*Figure 5*).

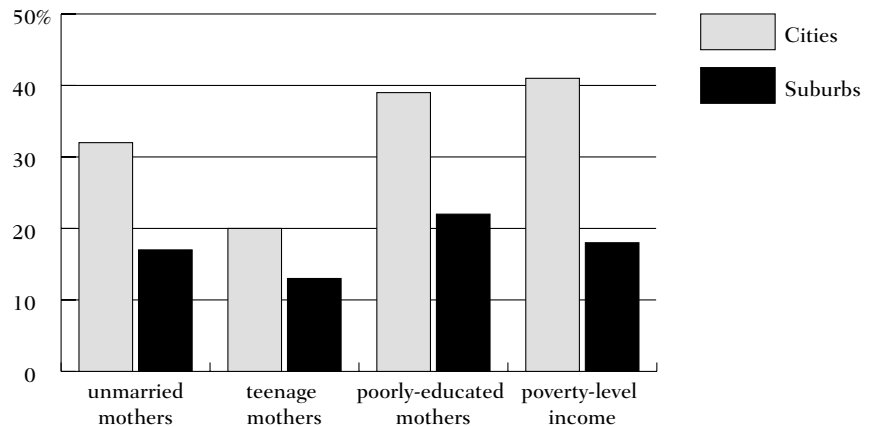
When looking at the risk factors one at a time (*Table 1 and Figure 7*), children in cities experienced them at roughly double the rate of children in suburbs. According to 1996 figures, 32 percent of urban children were born to unmarried mothers, compared to 17 percent of suburban children. Twenty percent had teenaged mothers, and 39 percent had mothers who had not completed high school, versus 13 percent and 22 percent in the suburbs. Forty-one percent of children in central cities lived in families with income below the poverty line, compared to 18 percent in suburbs.

High-risk inner-city children also tend to be predominantly minorities. Fifty percent of these children are black, 34 percent are other minorities, and 16 percent are white. Compared to 1976, when far more of these children were white, the central cities are increasingly home to a predomi-

**Figure 6**  
**Location of High Risk Children, 1996**



**Figure 7**  
**Children's in Cities or Suburbs in 1996 with...**



nantly minority population of very high-risk youth (*Table 3*).

### III. Conclusion

This analysis shows that children, on average, are better off than they were in the 1970s, but that families are increasingly splitting into two groups: those whose children have a good chance of future success, and those whose children are vulnerable to failure. This growing bifurcation in children's early environments may foreshadow greater inequality of adult incomes in the future. This analysis also suggests increased problems for the nation's cities. High-risk children are more concentrated in urban areas, especially in the largest cities. These

children will need strong schools and possibly other interventions in order to grow up to be educated and productive citizens. America's cities, already struggling with the cost of poverty, may face increasing fiscal distress if their population of at-risk youth grows.



Appendix A:

Table 1:  
Number (in thousands) and Proportion of Children with Risk Factors by Location, 1976 and 1996

	1976						1996					
	Urban		Suburban		Rural		Urban		Suburban		Rural	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>Unmarried Mother</b>	1,003	5.6	534	3.0	508	2.8	2,018	9.9	1,630	8.0	963	4.7
<b>Teenaged Mother</b>	2,044	11.3	2,217	12.3	2,737	15.1	1,297	6.3	1,309	6.4	641	3.1
<b>Poorly-educated Mother</b>	1,645	9.1	1,334	7.4	1,843	10.2	2,498	12.2	2,130	10.4	1,062	5.2
<b>Poverty-level Income</b>	1,194	6.6	770	4.3	1,157	6.4	2,594	12.7	1,752	8.6	1,235	6.0

Table 2:  
Number (in thousands) of Children with Good, Average, and Poor Prospects, 1976 and 1996

	1976				1996			
	Urban	Suburban	Rural	Total	Urban	Suburban	Rural	Total
<b>Good Prospects</b>	339	919	323	1,581	1,222	3,534	595	5,351
<b>Average Prospects</b>	4,015	5,867	5,159	15,041	3,991	5,594	3,181	12,766
<b>Poor Prospects</b>	617	291	543	1,451	1,187	711	460	2,358

Table 3:  
Characteristics of Urban High-Risk Children, 1976 and 1996

	1976		1996	
	Number <sup>1</sup>	Percent <sup>2</sup>	Number <sup>1</sup>	Percent <sup>2</sup>
<b>Income below poverty line</b>	601	97.4	1,161	97.8
<b>Northeast</b>	160	25.9	304	25.6
<b>Midwest</b>	179	29.0	290	24.4
<b>South</b>	202	32.8	310	26.1
<b>West</b>	77	12.4	284	23.9
<b>City &gt; 2.5 million</b>	212	34.3	678	57.1
<b>Immigrant</b>	N/A	N/A	36	3.0
<b>Welfare Recipient</b>	N/A	N/A	402	33.9
<b>Black</b>	356	57.7	593	50.0
<b>White</b>	256	41.5	188	15.8
<b>Other</b>	5	0.8	406	34.2

<sup>1</sup>Number of children in thousands

<sup>2</sup>Percent of all urban high-risk children under age 6

Source: Current Population Survey data, 1976 and 1996.

## Appendix B: Data and Methods

### Data

We used the 1976 and 1996 March Current Population Surveys (CPS). The CPS is a national survey of approximately 50,000 households, designed to produce estimates that are representative of the entire U.S. population. In its March supplement, the CPS collects data on income by source and annual weeks of employment for the preceding calendar year, and collects both demographic information and current employment information for the week of the survey. Demographic information includes educational attainment, household and family characteristics, and marital status. Thus in the March CPS, information on family composition and data on work and employment focus on different time periods. In general, more information is available in the 1996 CPS than the 1976, but we used variables that were present in both years.

### Methods

The basic unit of analysis is the child. Thus, for 1996, our sample consists of children under age 6, and we use individual weights. Our sample excludes a small number of children with no parent present in the household and those for whom metropolitan status was not identified. For 1976, we had to use the household as the unit of analysis and the household weight times the number of children under age 6 in the household.

In order to determine whether the child's mother was a teenager when her first child was born, we took the age of the oldest child in the household and subtracted it from the mother's age. If this is less than 20, the mother is coded as a teenage mother. The child in question had to be categorized as a dependent, so we underestimate the percentage of children with mothers

who were teenagers at the birth of their first child if the mother had an older child that is no longer in the household. However, since we cannot distinguish biological children from stepchildren, we may overestimate the percentage of children with mothers who were teenaged at the birth of their first child if the mother is the stepmother of an older child in the household.

A child lived in a family with income below the poverty level, if the family income divided by the needs standard

was less than 1. We used the needs standards, based on family size, from Table H-2 of the 1998 Green Book.

Education levels in the 1996 CPS for people with less than nine years of education are grouped. We took the midpoint of each group as the value for the education level. Since we are mainly looking at people as members of one of three categories (high school drop-out, high school graduate, and college graduate), this shouldn't affect the results.

### Endnotes

- 1 U.S. Department of Commerce, Bureau of the Census. 1998. Statistical Abstract of the United States. Table 32. Washington D.C.: Government Printing Office.
- 2 Sawhill, Isabel V. April 1999. "Investing in Children." In Children's Roundtable Policy Brief No. 1. Brookings Institution.
- 3 Haverman, Robert, and Barbara Wolfe. December 1995. "The Determinants of Children's Attainments: A Review of Methods and Findings." *Journal of Economic Literature* Vol. 33: 1829-78; McLanahan, Sara, and Gary Sandefur. 1994. *Growing Up with a Single Parent: What Hurts, What Helps*. Cambridge, Mass.: Harvard University Press; Duncan, Greg J. and Jeanne Brooks-Gunn. 1997. "Income Effects Across the Life Span: Integration and Interpretation." In *Consequences of Growing Up Poor*. New York: Russell Sage. pp 596-610.
- 4 Gottschalk, Peter, Sara McLanahan, and Gary D. Sandefur (1994), "The Dynamics and Intergenerational Transmission of Poverty and Welfare Participation." In *Confronting Poverty: Prescriptions for Change*, edited by Sheldon H. Danziger, Gary D. Sandefur and Daniel H. Weinberg. Cambridge, Mass.: Harvard University Press, pp. 85-108.
- 5 Haveman and Wolfe (1995), pp 100 and 102.
- 6 Haveman and Wolfe (1995), p. 101.
- 7 Duncan and Brooks-Gunn, 1997, p. 604.
- 8 U.S. Department of Commerce, Bureau of the Census. September 1997. "America's Children at Risk." In *Census Brief*. CENBR/97-2; Zuckerman, Barry, and Robert Kahn. 1998. "Early Child Health And Development: Pathways Linking Neurodevelopment to Social Context." (mimeo).
- 9 For more discussion of the changes in family life that have given rise to this pattern, see Sawhill, Isabel V. 1999. "Families at Risk." In *Setting National Priorities: The 2000 Election and Beyond*, edited by Henry A. Aaron and Robert D. Reischauer, Brookings Institution.
- 10 We exclude children not living with at least one parent. Also, since this report examines where children live, we exclude children whose Metropolitan Statistical Area (MSA) status is not identified in the Current Population Survey.
- 11 Balance of MSA.

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