

# Individual and Community Economic Mobility in the Great Recession Era

Robert J. Sampson

Harvard University

# Spatial Foundations of Income Inequality

- **1. Neighborhood-level Transitions—“Macro Mobility”**
  - (a) All U.S. metro areas, (b) Chicago, and (c) Los Angeles
  - 20 Year Span, Pre → Post Recession
- **2. Individual-level Transitions—“Contextual Mobility”**
  - Childhood to young adulthood (18 years—Chicago)
  - Middle-adulthood transitions (12 years—LA)
  - In both cities: Who moves up? Down? To the middle?

# Mixed-Income Project (MIP):

An Integrated Longitudinal Study of Individuals, Families, & Neighborhoods



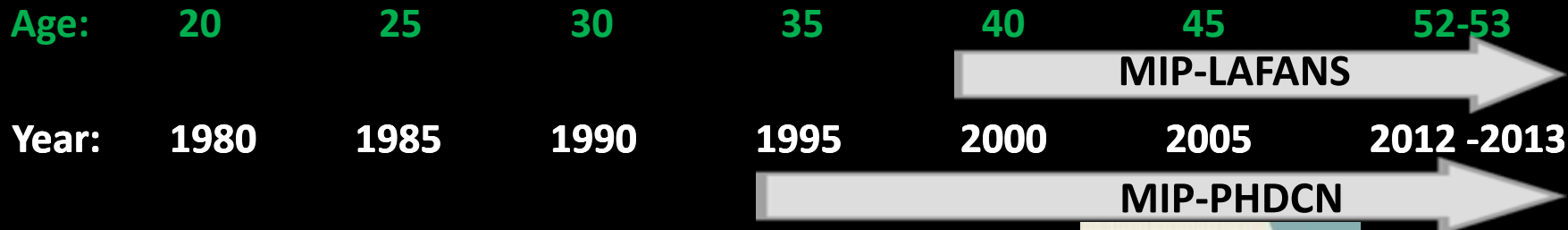
**Project on Human Development  
in Chicago Neighborhoods  
(PHDCN)**



**Los Angeles Family and  
Neighborhood Survey  
(LAFANS)**

# PHDCN (3 Waves) and LAFANS (2 Waves) Design

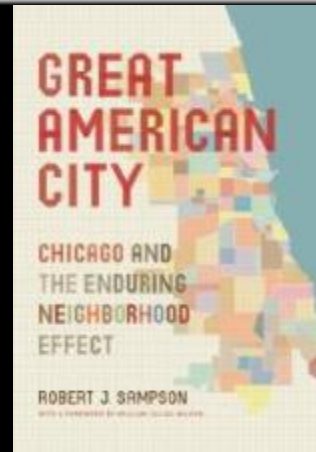
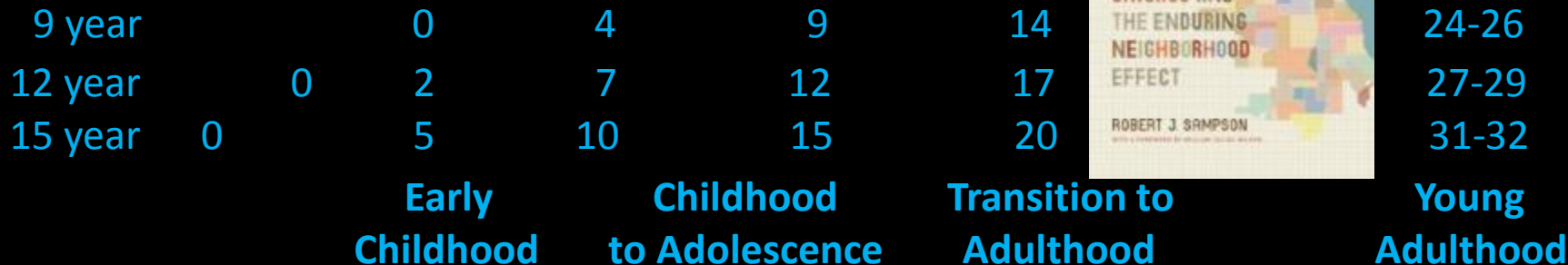
## Los Angeles Adult Cohort



## Chicago Birth Cohort



## Older Cohorts:



# Neighborhood Income Status

---

- \$\$ Metric: Median Family Income
- Index of Concentrated Extremes (ICE)
  - $\frac{A_f - P_f}{T_f}$ , where  $A$  = Affluent and  $P$  = Poor (income quintiles)
  - Range: -1 (isolated poverty) to 1 (isolated affluence)
  - 0 centered on mixed-middle income neighborhoods

# National-Level Neighborhood Transitions in the 2000s

		2000 Median Family Income Quintiles					Total
		1	2	3	4	5	Total
2008-12 Income Quintiles	1	7,727	2,124	249	28	5	10,133
		<b>76.26</b>	20.96	2.46	0.28	0.05	19.96
LA – 69% Chicago - 77%	2	1,943	5,287	2,584	338	12	10,164
		19.12	52.02	25.42	3.33	0.12	20.02
	3	311	2,303	4,992	2,395	159	10,160
		3.06	22.67	<b>49.13</b>	23.57	1.56	20.01
	4	79	342	2,116	5,779	1,851	10,167
		0.78	3.36	20.81	56.84	18.20	20.03
	5	45	103	218	1,628	8,145	10,139
		0.44	1.02	2.15	16.06	<b>80.07</b>	19.97
Total		10,105	10,159	10,159	10,168	10,172	50,763
		100	100	100	100	100	100

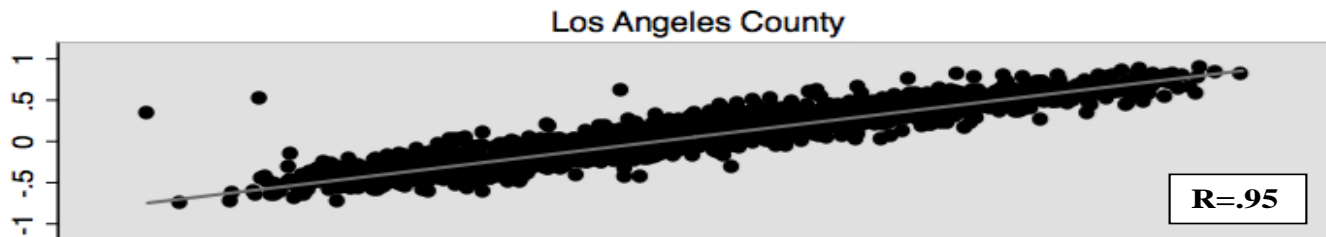
# Relationship Pre and Post Recession for ICE: Chicago, Los Angeles County, and the United States

ICE 08-12

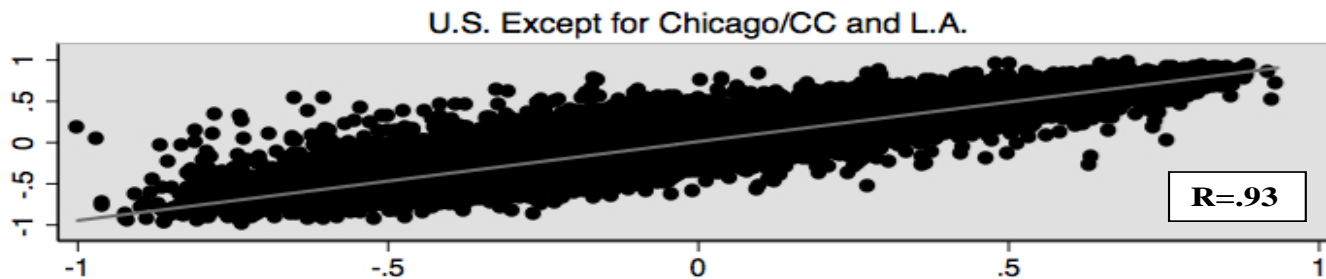


Median  
Income:

R=.87



R=.93



R=.91

ICE 2000

# CONTEXTUAL MOBILITY IN **CHICAGO**: Individual-level Transition Matrices, Adolescence to Young Adulthood, 1995-2013

A.		Chicago Wave 1 ICE Quintiles					
		1	2	3	4	5	Total
Wave 4 ICE	Quintiles						
	1	140 <b>60.56</b>	50 34.42	30 18.89	6 5.66	4 11.08	229 34.14
	2	53 23.17	35 24.36	46 29.27	18 17.5	2 6.24	155 23.06
	3	23 9.96	36 24.65	33 <b>20.76</b>	15 14.79	3 7.76	109 16.27
	4	9 3.99	14 9.73	26 16.69	35 34.61	12 <b>33.53</b>	97 14.46
	5	5 2.32	10 6.84	23 14.39	28 27.45	15 <b>41.39</b>	81 12.07
	Total	231 100	145 100	157 100	101 100	37 100	671 100

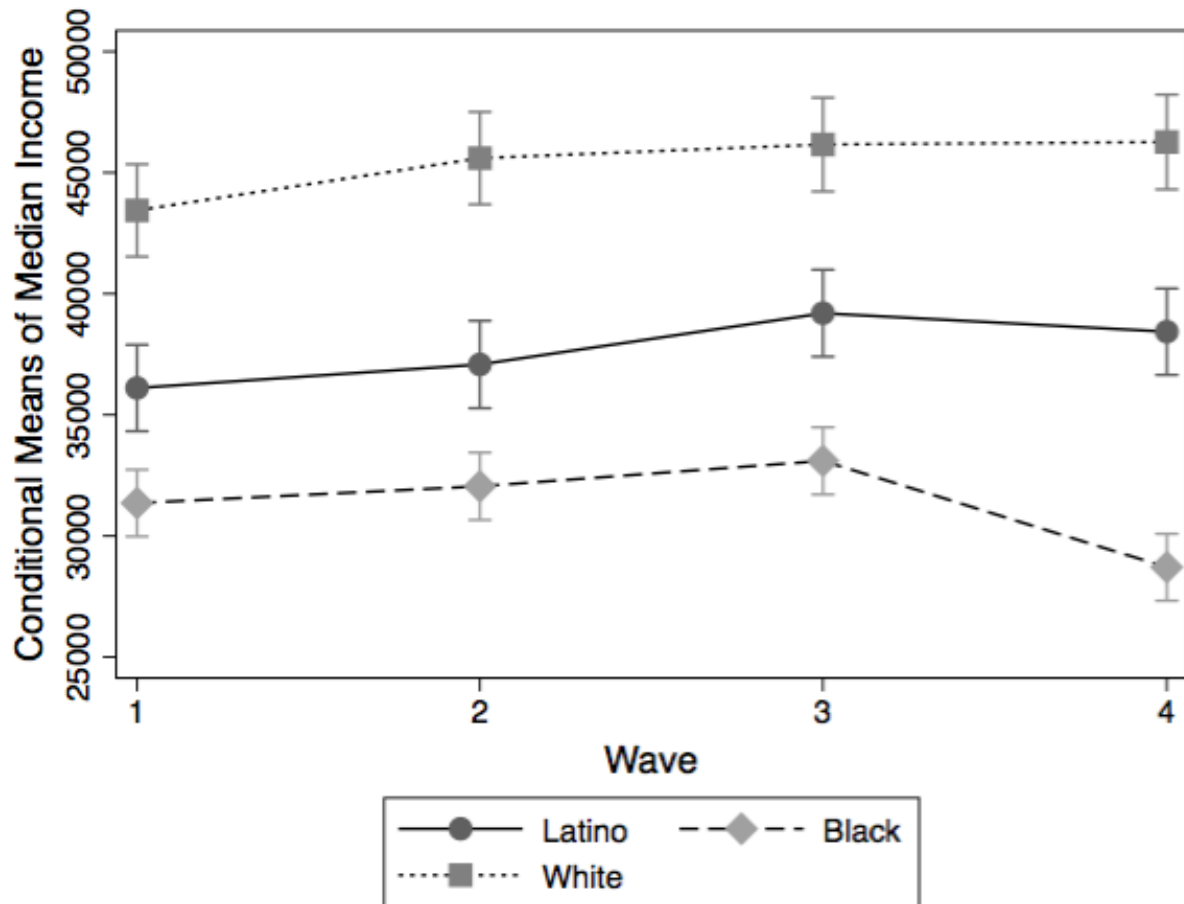


# CONTEXTUAL MOBILITY IN **LOS ANGELES**:

## Individual-level Transition Matrices, Middle Adulthood, 2000-2013

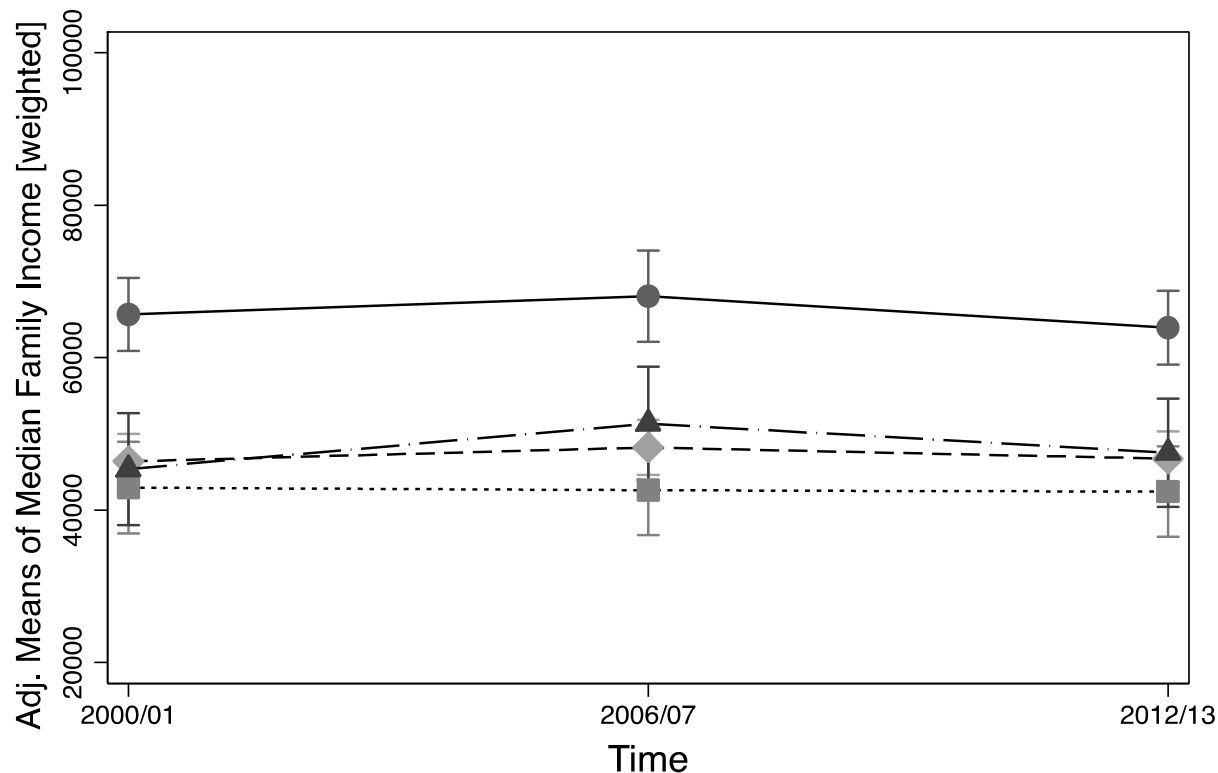
B.		Los Angeles Wave 1 ICE Quintiles					
		1	2	3	4	5	Total
Wave 3 ICE	Quintiles						
	1	112 <b>59.98</b>	13 12.02	1 1.36	2 3.04	0 0.00	128 21.00
	2	38 20.17	73 65.50	29 33.50	11 14.85	9 6.08	160 26.18
	3	23 12.11	20 17.51	33 <b>37.89</b>	10 13.75	3 2.07	88 14.44
	4	12 6.48	2 2.04	23 26.35	32 42.48	40 <b>26.25</b>	109 17.84
	5	2 1.26	3 2.94	1 0.91	20 25.89	100 <b>65.60</b>	126 20.55
	Total	186 100	112 100	86 100	76 100	152 100	612 100

# Chicago Median Income Trajectories of Young Adulthood Sample

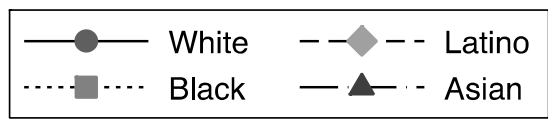


Adjusting for Age, Sex, Length of Residence, Residential Mobility, Immigrant Generation, Education, Employment, Family Income, HH Size, and Marital Status (95% CI)

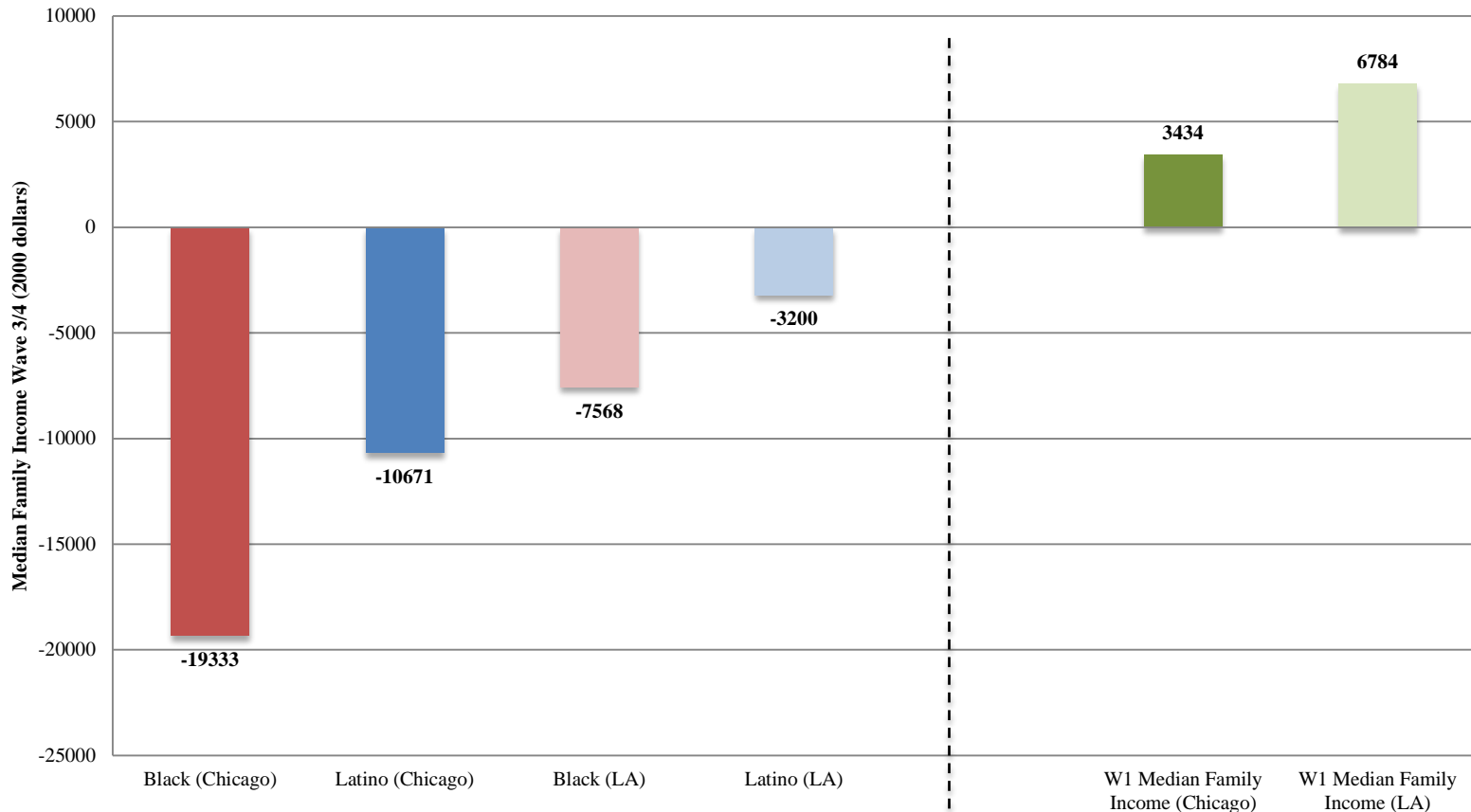
# Los Angeles Median Income Trajectories of Middle Adulthood Sample



Adjusting for Age, Sex, Length of Residence, Residential Mobility, Immigrant Generation, Education, Employment, Family Income, HH Size, and Marital Status (95% CI)



# Path Dependence (Change Model): Racial “Penalties” and Returns to Neighborhood Income, by City



The coefficients on Wave 1 Median Family Income have been re-scaled by 10,000.

# The Policy Challenge of Persistent Spatial Inequality

---

- Need Focus on Contextual Mobility, not just Individual Mobility
- Salience of Compounded Deprivation
- Need Durable Community or Place-Based Interventions
- Racial Penalties too Persistent and too Large to Set Aside
- Affirmative Action for Neighborhoods?
  - Yes, but combine person- and place-based interventions
  - Income/job support to poor persons in poor neighborhoods