

Can residential mobility programs improve **human capital**?

Comparing social mechanisms in different mobility programs



James Rosenbaum

Northwestern University, Evanston, IL.

j-rosenbaum@northwestern.edu

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Defining terms

Human Capital

Moving to Opportunity

Gautreaux



Competing Hypothesis

Moving to Opportunity (MTO) Hypotheses:

1. Moves to low poverty tracts will improve children's education, adult employment, and other outcomes.

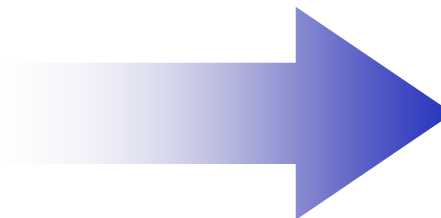
Social Experience Hypotheses:

- 2a. Moves to areas where children attend **high-achieving schools** will improve their achievement.
- 2b. Moves to **labor markets** with stronger demand for their skills will improve adults' employment.
- 2c. Moves to **safer** areas will improve mental health.
- 2d. Moves to areas where their interaction with old friends declines will improve **social ties** & retention.



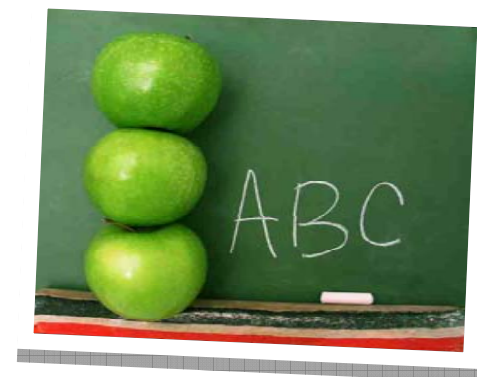
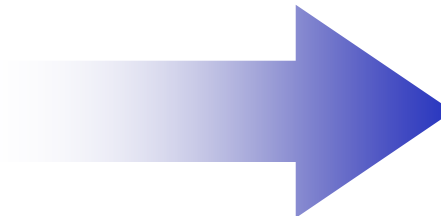
Placements and Social Influences Differ in Two Mobility Programs

	MTO (movers)	Gautreaux (suburb)
Census tract attribute		
Poverty Rate	12.4%	5.3%
40% black areas	38%	5%
Micro-neighborhoods		
Prevent enclaves?	No	Yes
Created enclaves?	?	No
Moving Distance		
Moves less than 10 miles	84%	10% (25 mile ave.)



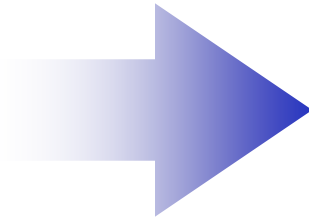
Placements and Social Influences Differ in Two Mobility Programs

	MTO (movers)	Gautreaux (suburb)
Social Experiences		
School district change	20%	Nearly all
School above average	10%	88%
Labor Market Change		
Labor market comparison	strong to strong	weak to strong
Safety	yes	yes
Social ties w/former peers?	often-boys?	rare
Retention rate in treatment	44% after 5 yrs	66% after 14 yrs





Mobility



Social Influences



Human Capital Outcomes

Social Experience Outcomes:

2a. Mobility --> Better Schools --> **Children's Education**

	MTO (movers)	Gautreaux (suburb)	MTO (movers)	Gautreaux (suburb)
School above average	10%	88%	little gain	big gain

2b. Mobility --> Better Labor Markets --> **Increased Demand for HC**

Different Labor Market	No?	Yes	little gain	big gain
Labor Market Comp.	strong to strong	weak to strong		

2c. Mobility --> Feel Safe? --> **HC Less Impaired**

Feel safe?	Yes	Yes	Less depressed	?
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2d. Mobility --> Contact with prior peers? --> **Less retention**

Contact prior peers?	Yes (boys?)	No	Short stay	Long stay
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Gautreaux provided moves that led to **changed social experiences** in each domain, and found improvements in children's achievement, adults' employment, social ties in the new neighborhood, and strong retention.



MTO provided moves that did **not change social experiences** in some domains, and consistent with hypotheses, found minimal improvements in predicted outcomes.



On the **3rd hypothesis**, both programs **improved safety**, and MTO provided evidence that the move lead to less anxiety, depression, and obesity.



Procedures that may enhance human capital

Real estate staff who locate housing units can make a difference

1. Identify units not in low-income enclaves.
2. Identify units 25 miles from old address.

Counseling advice can make a difference.

3. Identify locations with above-average schools.
4. Identify locations with better job opportunities.

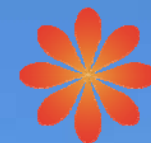
Mothers can limit boys "traveling radius"

5. Moms prevent boys from returning to old neighborhood.

Thank You.



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