



Mobility and the Metropolis

How Communities Factor Into Economic Mobility

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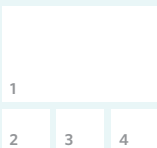
External Reviewers

The report benefited from the insights and expertise of two external reviewers: Paul Jargowsky, professor of public policy and director of the Center for Urban Research and Urban Education at Rutgers University, Camden; and Alexandre Mas, professor of economics and public affairs at Princeton University. These experts have found the report's approach and methodology to be sound; neither they nor their organizations necessarily endorse its conclusions.

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Overview

In a 2011 public opinion poll, The Pew Charitable Trusts asked Americans how important they thought a number of factors were in determining whether people in the United States get ahead or fall behind economically. More than 80 percent of respondents identified factors such as hard work, ambition, and access to education as key drivers of upward mobility, while less than half viewed growing up in a good neighborhood as an important factor.¹ On the contrary, respondents strongly agreed that a young person with drive, ambition, and creativity growing up in a poor neighborhood is more likely to get ahead economically than someone growing up in a more affluent neighborhood who lacks those attributes.

Contrary to these perceptions, however, evidence is building that location actually matters a great deal and that Americans' economic mobility prospects vary by state, locality, and even neighborhood.

For example, a 2009 Pew study indicated that a person who experienced high neighborhood poverty throughout childhood had a much higher risk of moving down the economic ladder as an adult.² Other recent research examining mobility among metropolitan areas, including nearby towns and rural areas, showed that economic mobility varied widely across these localities.³ And, in a 2012, first-of-its-kind analysis of Americans' economic mobility at the state level, Pew found that a number of states, primarily in the Mideast and New England regions, had higher mobility than the national average, and other states, primarily in the South, had lower mobility.⁴

This report adds to the growing body of research as it examines economic mobility across 96 U.S. metropolitan areas and the role of place in Americans' prospects of moving up or down the economic ladder.⁵ It also offers insight on why and how location matters. Although a host of factors, such as state and local policies and labor market conditions, could influence mobility, this analysis considers one: neighborhood economic segregation, or the degree to which the poor and the wealthy live apart from each other. To begin to answer this question, Pew commissioned original research that, using three longitudinal data sets, measures differences in economic mobility across American metro areas over the last generation and identifies above-average-, average-, and below-average-mobility areas.⁶ The analysis then looks at whether metro areas' rates of economic segregation are related to their rates of economic mobility. This report explores key findings from that research, including:

- **Economic mobility varies considerably across U.S. metro areas.** Across the United States, mobility outcomes for otherwise similar families differ widely.
- **Some metro areas are more economically segregated than others.** U.S. communities vary substantially in the degree to which the neighborhoods of the poor are distinct from the neighborhoods of the rich.
- **Rates of neighborhood economic segregation in U.S. metro areas have increased**, suggesting powerful implications for Americans' mobility prospects.
- **Neighborhood economic segregation is linked to economic mobility.** American metro areas with distinct pockets of concentrated wealth and concentrated poverty have lower economic mobility than places in which the wealthy and the poor are more integrated.

This last finding breaks new ground in understanding the factors that influence Americans' mobility prospects,⁷ and the report concludes with a discussion of its implications for public policy. In particular, it identifies the need for research that focuses on regional and local drivers of mobility and strategies and policies that reduce neighborhood economic segregation by expanding residential options for low-income families.

As state and local legislators work to consider ways that states, cities, and neighborhoods can promote rather than hinder upward mobility, understanding the characteristics of high- and low-mobility metropolitan areas is critical.