THE GEO

GRAPHY OF LIFE'S CHANCES

CAN A NEIGHBORHOOD AFFECT THE SUCCESS OF ITS RESIDENTS?

BY MIRIAM WASSERMAN

IN 1966, DOROTHY GAUTREAUX, a civil-rights activist and a resident of the Altgeld-Murray Homes on the far South Side of Chicago, lent her name to a class-action suit that marked the beginning of an extraordinary social experiment. As a result of the lawsuit, an innovative program was created to help low-income African-American families move from deteriorating public housing complexes to more affluent, predominantly white suburbs in the Chicago metropolitan area. The relocation dramatically changed their lives — in some cases in unexpected ways.

Beyond attaining a much better living environment, many of the families who moved saw marked improvements in areas ranging from employment to health and education. These results raised critical questions about the way in which neighborhoods determine the opportunities available to their residents. They also brought to light some of the potential disadvantages of low-income housing policies that tend to cluster low-income families in large, concentrated projects. The evidence

ILLUSTRATIONS BY ORESTE ZEVOLA

WHEN LOW-INCOME FAMILIES MOVED FROM CHICAGO'S PUBLIC HOUSING TO THE SUBURBS, IT RADICALLY CHANGED THEIR LIVES IN UNEXPECTED WAYS

from the experiences of the Gautreaux families was provocative enough to inspire the U.S. Department of Housing and Urban Development (HUD) to design and implement similar programs during the early 1990s in five U.S. cities, including Boston and Los Angeles.

Today, economists and sociologists are still trying to figure out how people's life chances are affected by where they live. The Gautreaux program, and the new research that it has inspired, are providing us with interesting clues.

THE GAUTREAUX EXPERIMENT

The Gautreaux program was not designed to be an experiment, but rather as a way to address racial segregation in Chicago's public housing. It was the outcome of a lawsuit in which the plaintiffs alleged that the Chicago Housing Authority, with the approval of HUD, located public housing complexes in mostly African-American neighborhoods and employed separate waiting lists for African-American and white tenants — placing them in neighborhoods according to their race.

The case against HUD, which went all the way to the U.S. Supreme Court, was finally resolved in 1976 in favor of the residents. Rather than continue with court proceedings, the lawyers for the housing residents and HUD negotiated an agreement to create a program to assist 7,100 families in securing housing in the private market through the use of housing vouchers. The program had the explicit goal of dispersing at least three-quarters of the families into areas with less than 30 percent minority residents. Until its completion in 1998, Gautreaux was managed by the Leadership Council for Metropolitan Open Communities in Chicago, a nonprofit housing agency created as a result of the Chicago Freedom Movement's open housing marches led by Dr. Martin Luther King.

In the beginning, many of the potential participants in the program were skeptical about the idea of moving to mostly white, middle-class suburbs. "Are you crazy?" was the response some of the program administrators heard, write sociologists Leonard Rubinowitz and James Rosenbaum in *Crossing the Class and Color Lines: From Public Housing to White Suburbia*. Many of the movers were to be "racial pioneers," perhaps the first African-American family in the new neighborhood, and thus they feared discrimination and harassment. Moreover, the eligible families differed from their new neighbors not just in their race. The assisted families came from very low-income backgrounds, and the suburban neighborhoods in which many were placed were middle-income areas. In addition, the vast majority were single-parent families headed by women with a lower average level of education than was the norm in the destination suburban neighborhoods.

Soon after the program began, however, the initial skepticism was overcome and demand rose to almost unmanageable levels. The Leadership Council was forced to limit registration for the program to a one-day telethon each year. By the early 1990s, the organization was receiving an estimated 10,000 calls on registration day.

Not all families that managed to apply were selected to participate. Families with more than four children were ineligible because large apartments were scarce in the suburbs. The Leadership Council also checked that families had good credit and rental records, and had counselors visit applicants' homes to eliminate families whose homes showed significant property damage, in order to ensure the success of the program with landlords. Rosenbaum estimates that these three criteria probably eliminated about one-third of applicants. In addition, some

of the families selected to participate decided they didn't want to leave the city after all, and others were unable to do so because they could not secure appropriate housing in the time allotted. All in all, only about 20 percent of the families that were found to be eligible ended up moving, according to Rubinowitz and Rosenbaum.

Once admitted into the program, families became eligible for Section 8 housing certificates or vouchers, which provide rent subsidies to live in private housing, making up the difference between the market rent and a specified percentage of the tenant's income. In addition, Gautreaux families received extensive help in finding housing that met the program's specifications. Leadership Council staff were dedicated full-time to recruiting landlords for the program. Placement counselors notified families when apartments became available, advised them on the benefits of the move, and took them to visit the apartments. Once the families moved, they were subject to the general rules for Section 8 subsidies. This meant that they could continue to receive subsidies so long as they continued to qualify for the program (which provided for five-year renewable contracts with landlords).

Where a family ended up initially was to some extent a matter of chance, depending on where apartments became available when its turn came. Though over half of the families moved to largely white suburbs, some families moved within the city of Chicago to areas that had large minority populations and low average incomes. This fortuitous outcome allowed scientists to study how apparently similar families fared in very different neighborhoods: the city versus the suburbs.

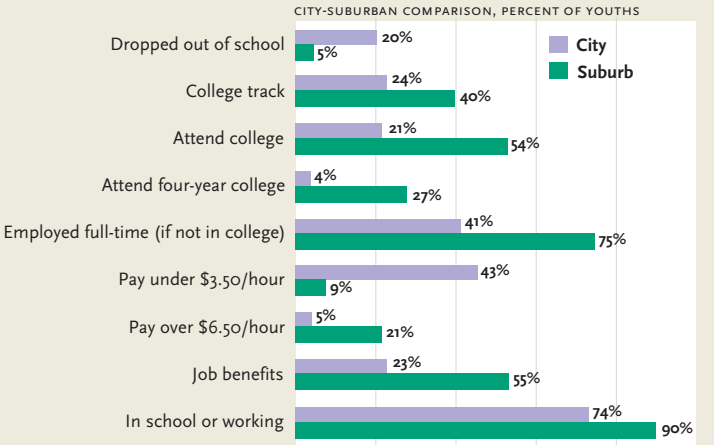
All families that moved, whether it was to the city or the suburbs, experienced an immediate improvement in the quality of their housing and the safety of their neighborhood — though the improvement was greater for the suburban movers. These changes were important, given that crime was a constant concern for the families. Many of the mothers felt unsafe in the nearby streets and the elevators and stairwells of the public housing complexes. But beyond that, the experiences of those who moved to the suburbs differed greatly from those who moved within the city. In the suburbs, many experienced incidents of exclusion and harassment to varying degrees. Rubinowitz and Rosenbaum recount, for instance, how a school bus driver made African-American students sit in the back of the bus. Some incidents even made it to the media. The *Chicago Tribune* reported on the racial tensions that erupted in one community when a white teenager and an African-American Gautreaux teenager became friends. Still, relationships with neighbors were complex. Rubinowitz and Rosenbaum found that even as they had negative experiences, the families that had moved to the suburbs also reported more interaction with their neighbors when it came to things like sharing meals, babysitting, or visiting than did the families that moved within the city. Three-quarters of the suburban movers considered they had at least one friendly neighbor, and harassment declined over time: After four to six years, there was no significant difference in reports of harassment between suburban and city families.

Though some clear costs were associated with moving to the suburbs, Rosenbaum and colleagues found that the families who settled there fared significantly better than those that ended up in the city. The mothers who moved to the suburbs, for instance, were more likely to be employed than those who moved to the city — even though employment rates declined slightly for both groups after the move. Similarly, while there was no difference between families in their participation in Aid to Families with Dependent Children (AFDC) when the program began, the researchers found that families assigned to neighborhoods with more educated residents were much less likely to be on AFDC by 1989.

But the biggest benefits and the most life-changing impacts seemed to accrue to the children. The researchers interviewed a small group of families in 1982 when they had been in the program 32 months on average and then revisited them in 1989 when the children averaged 18 years of age. They found that, compared to the kids who moved to city neighborhoods, the kids who moved to the suburbs were much less likely to drop

Youth education and job outcomes in Gautreaux

Researchers found no change in students' grades after they moved to a suburban area, but found other significant improvements such as lower dropout rates, more frequent college enrollment, and higher pay.



SOURCE: Leonard Rubinowitz and James Rosenbaum, *Crossing the Class and Color Lines*, University of Chicago Press, 2000.

LIVING IN SAFER NEIGHBORHOODS MAY OPEN NEW DOORS FOR PARENTS WHO NEED TO DEVOTE LESS TIME AND ENERGY TO PROTECTING THEIR FAMILIES

out of school, more likely to register in college-track courses, attend college, and enroll in four-year colleges (see the chart). Even those who were not in college seemed to benefit, as they were much more likely to be employed full-time in jobs that paid higher wages and also included some job benefits.

NEIGHBORHOOD EFFECTS

Was it the neighborhood they moved to that determined the very different results for Gautreaux families?

It is well known that unemployment, welfare dependence, teenage childbearing, and the chances of dropping out of high school, among other problems, are more pronounced in some neighborhoods than others. This is not surprising, given that they are closely associated with poverty. And, of course, the public housing many Gautreaux families moved from requires that tenants have low incomes and thus artificially congregates people with greater likelihood of having these outcomes.

But, might the neighborhood itself have something to do with it? Can living in an area of concentrated poverty reduce a person's possibility of success? This is a difficult question to answer — and it has become increasingly important, as the number of people living in census tracts with poverty rates of 40 percent or more nearly doubled from four to eight million in the United States between 1970 and 1990, according to University of Texas Professor Paul Jargowsky.

In theory, there are many possible ways in which neighborhood conditions can contribute to specific problems. The quality of local services such as schools and medical care can affect the probabilities that a young person will grow up to lead a healthy and productive life. Similarly, people who live in high-crime neighborhoods are more likely to be victimized or injured. A high-crime environment can potentially traumatize children, lead them to crime, or reduce families' opportunities if, in order to protect themselves, families feel that they need to lock themselves in at home and withdraw from public spaces.

A neighborhood's location or relative isolation may also affect the employment opportunities available to its residents. Researchers have argued that as people increasingly moved to the suburbs, so too did jobs. This can create a "location mismatch" between workers who are poor and can't afford to move from inner cities and the suburban jobs that they can't reach because of lack of transportation. Indeed, economists Kathy O'Regan and John Quigley found that physical access to jobs was important in determining youth employment in some New Jersey cities — especially for minority teenagers.

In addition, neighborhoods might also help determine residents' opportunities through the type and variety of social contacts available. Children's expectations and ambitions may be shaped in part by the adults who surround them. Growing up in areas with high unemployment, where relatively few adults have been successful in finding and retaining good jobs, could lead children to feel that there is no reward to working.

Likewise, the attitudes and behaviors of other young people they interact with may affect their options. Peers can potentially influence adolescents in making very different life choices, such as joining a gang or applying to college. Indeed, when they studied adolescents from high-poverty neighborhoods in Boston, economists Lawrence Katz and Ann Case found that youths living within a few blocks of each other had a significant impact on each other's behavior. A higher involvement of neighboring youths in crime, gangs, or drug and alcohol use increased a teenager's probability of participating in similar activities — independent of their family background and personal

characteristics. (The same was true for church attendance: A teenager was more likely to go to church if neighboring youths attended church regularly.)

Adults may also find their opportunities diminished, not so much because of the effects that social interactions might have on their attitudes and values but, rather, through the support they receive from others. Someone who has been to college or found employment might provide advice, guidance, and assistance to others who would like to pursue a similar path. And where you live can also provide access to social networks that can open doors to jobs, since research shows that a lot of job finding is via word of mouth.

While these theories may all be plausible, social scientists have experienced great difficulty measuring neighborhood effects. In part, this is because the effects themselves are hard to isolate. The different ways that neighborhoods may affect their residents' lives need not be mutually exclusive. In fact, all channels of influence may be operating at the same time, reinforcing each other or interacting in complicated ways. It may also be that a neighborhood attribute only affects residents after a certain level is reached. So, for instance, crime in a neighborhood would not have broader consequences until after a certain threshold is passed.

Personal or family characteristics could potentially have a bearing on how much neighborhood attributes matter. The extent to which any of these factors can affect an individual would likely depend on whether that person has sources of support or resources that extend beyond their neighborhood, say researchers Ingrid Gould Ellen and Margery Austin Turner. A broader social network may compensate for what the neighborhood lacks, and a higher income may allow a family to avoid the negative consequences of poor-quality schools by sending the children to private school. Moreover, a neighborhood's influence could depend on an individual's personality. Being in a "good" neighborhood need not always be positive. It could be that being surrounded by a more affluent environment leads a child or an adult from an underprivileged family to feel weak as a competitor and become discouraged and disengaged.

But the biggest problem for researchers has been proving definitively that neighborhood effects exist. It is very difficult to differentiate the outcomes that result from neighborhood attributes from personal and family characteristics. For the most part, people and families do not end up in random neighborhoods. Income, race, and education often play a role in where people live. Thus, it is difficult to distinguish the extent to which unemployment or dropping out of high school is a result of living in a particular neighborhood or, instead, of the personal or family characteristics that led the individuals to be in those neighborhoods in the first place. So, for instance, if parents invest in living in a place with good schools, are their child's good grades the result of the school? Are they the result of the high importance the parents place on education? Or both?

Because Gautreaux placed families in neighborhoods randomly, the program seemed to provide an experiment to test the effect of neighborhoods independently of families' characteristics. The overwhelmingly positive results that James Rosenbaum and his colleagues found in their study of Gautreaux families over time appeared to bolster the claims that neighborhoods were important and inspired similar policies in other cities.

But Gautreaux was not designed to be an experiment. Because of the way families were selected, it is likely that those most prone to fail were eliminated from the program. Moreover, researchers were only able to study a small sample of all families. And, when the Gautreaux families were interviewed for the second time in 1989, they were able to find only about 60 percent of the original families (68 out of 114 for the suburbs and 29 out of 48 for the city movers — ten "comparable" families were added to the city sample to make 39). This means that the results could have been biased if, for instance, the sociologists were only able to find those families that had managed to "survive" in the suburbs and, thus, were different from other families in terms of their resolve and endurance. Still, Rosenbaum believes that even if this were true, it would not eliminate the suburban advantage. And it is difficult to know whether the results were in fact biased — it is also possible that families did *so* well that they no longer required public help and that was why researchers were unable to find them.

As far as housing policy is concerned, the recommendations that stem from Gautreaux are also unclear. If the program selected the most motivated and capable people for the move, then we don't know if such a program would have an impact on just any individual. On the other hand, if especially motivated people would not have been able to achieve success without the program's help, this may be enough justification for instituting similar policies. Still, whether or not such programs are good for society is a different question. We don't know whether the original neighborhoods were harmed by having more motivated people move out, or whether their new neighbors suffered any negative consequences.

MOVING TO OPPORTUNITY

In order to reach more conclusive answers to the questions raised by Gautreaux, HUD designed a program called Moving to Opportunity (MTO) that is being implemented in Baltimore, Boston, Chicago, Los Angeles, and New York. Unlike Gautreaux, the program does not move people according to race, but rather according to income. Public or assisted housing residents in these five cities were offered the opportunity to receive rent subsidies. Families that applied to the program were assigned by lottery into one of three groups. One received Section 8 housing vouchers that could only be used to move to private market housing in neighborhoods with poverty rates be-

four years for most of the evaluations (compared to an average of almost ten for Gautreaux), the short-term effects on the families seem to support the notion that neighborhoods do indeed matter. But the picture that is emerging is not quite what researchers expected.

Based on the legacy of Gautreaux, researchers were very interested in studying differences in the mothers' employment and welfare dependence. At this early stage, however, there is no clear evidence that moving to a more affluent neighborhood increases a family's economic self-sufficiency. It was not that families failed to experience any improvement. On the contrary, a study of families in the Boston MTO program, for instance, saw tremendous gains: The employment rate rose from 29 to 49 percent and welfare receipt fell from 73 to 40 percent in the four years between 1994 and 1998, according to economists Lawrence Katz, Jeffrey Kling, and Jeffrey Liebman. But the improvements were equivalent for all the groups — regardless of

WITH TIME, THE RELATIONSHIPS AND TIES FAMILIES DEVELOP IN THEIR NEW NEIGHBORHOODS MAY HELP SHAPE THE LONG-TERM EFFECTS OF THEIR MOVE

low 10 percent. They were also given special counseling and assistance in finding apartments. A second group received regular Section 8 vouchers that allowed them to move to private market housing without restrictions on the type of neighborhood. The third group did not receive vouchers to move to private market housing but was allowed to continue in public housing. Researchers hope to be able to compare the outcomes of these families and be able to separate the influence of the neighborhoods. The program was implemented between 1994 and 1998, and HUD plans to track the families for about a decade.

A lower percentage of the families that were required to move to low-poverty neighborhoods managed to move — perhaps because this requirement made finding housing more difficult. But the type of assistance they were given did make a difference in where families moved. The largest share of those who were required to move to low-poverty neighborhoods moved to areas that had a poverty rate under 10 percent. In contrast, only about 10 percent of the families that were given vouchers without restrictions moved to such neighborhoods, while the vast majority ended up in areas with poverty rates between 10 and 40 percent. Those who were not provided with moving vouchers were living in areas with poverty rates over 40 percent.

Although they had been in their new neighborhoods less than whether or not they moved or the type of neighborhood to which they moved. There were some slight differences among the groups in a few of the other cities. In New York, for example, mothers who were unemployed and received vouchers to move were about 10 percent more likely to be employed after two years than the mothers who were not given moving assistance. And, in Baltimore, researchers found that the opportunity to move to a more affluent neighborhood reduced welfare use by about 6 percentage points on average. But overall, it seemed that broader forces, such as welfare reform and the tightness of local labor markets, had a greater influence on the outcomes than residential location, says Liebman.

On the other hand, researchers at the various cities found large and significant effects on the safety and health of the families. In Boston, families who received assistance to move to more affluent neighborhoods were significantly less likely to have heard gunfire, or to have seen people using or selling drugs, and their children were less likely to have been victims of personal crimes or to have seen someone with a weapon. Moreover, the children were significantly less likely to need medical attention for injuries caused by falls, fights, and accidents with needles or glass, among other nonsport-related reasons. And they were also less likely to have to visit a doctor be-

cause of an asthma attack. Boys showed significant decreases in problem behaviors such as disobeying parents and teachers, hanging around troublemakers, and bullying others. Not surprisingly, parents reported feeling significantly calmer and "more peaceful."

Families who were given vouchers but not required to move to more affluent areas also saw some gains in their safety but, with the exception of a reduction in property crime, the improvement was smaller. The children did not experience significant improvements in their physical health. But the problem behaviors among boys did decrease and parents also reported feeling calmer and more peaceful relative to those who were not given moving assistance.

Aside from leading to an immediate increase in the families' quality of life, such effects could lead to other improvements down the road. Freed from the fear of crime, mothers may be able to access a whole range of opportunities, note Katz, Kling, and Liebman. Mothers in the Boston MTO program told the economists how prior to enrolling in MTO they organized their whole day around keeping the children safe. Shelly Brown (not her real name), for instance, described how she happened to leave her kids alone in her old neighborhood one Sunday and when she came back the police were everywhere. "I couldn't jump the van fast enough to see if my kids were OK. They had my car taped out and everything. They had a shootout next door... I said to my kids, 'You're not staying home by yourselves no more.'"

Ms. Brown's experience was not unique. One-quarter of the parents said that, prior to moving, someone who lived with them had been assaulted, beaten, stabbed, or shot within the previous six months. The majority of parents who signed up for MTO said their main reason for moving was to get away from drugs and gangs. In order to protect the children from violence, mothers would rarely let them stray from sight. "Watching their children always took precedence over attending English or GED classes, job training, or job search," report Katz, Kling, and Liebman. Although there is no evidence of this yet, perhaps mothers will be more likely to participate in these other activities in the future. Ms. Brown, for one, told the researchers that after the move she is considering searching for a full-time job when her youngest enters the ninth grade.

There is some evidence that moving is also altering children's long-term prospects, at least for the younger ones. Economists Jens Ludwig, Helen Ladd, and Greg Duncan studied the reading and math test scores for children in the Baltimore MTO program. They found that children whose families received vouchers to move to more affluent areas were nearly 18 percentage points more likely to pass a standardized Maryland reading test and had significantly higher reading and math scores than the children whose families were not offered subsidies to move. The results for the older children were less positive. The researchers had less information available and were unable to find significant differences in the test scores of children who were 12 and older when their families signed up for MTO. However, they found that these children were more likely to be held back grades than the children whose families were not given moving assistance. Why this happened is not clear. The move could have negatively affected the older children, the standards at the new schools may have been higher, or teachers could have been prejudiced against program children, among other potential reasons.

On the other hand, additional research following the Baltimore teenagers found significant reductions (on the order of 30 to 50 percent) in arrests for violent crimes among those who were offered the opportunity to move. And the reduction was larger for teens who moved to low-poverty neighborhoods. Interestingly, Ludwig and his colleagues found that the mothers of children with higher pre-program arrest rates were more likely to move when given the offer. This means that prior studies might have been understating the gains from moving to less poor areas, says economist Jens Ludwig.

UNANSWERED QUESTIONS

It is still too early to tell whether moving to more affluent neighborhoods will improve the education and employment opportunities of MTO parents and their children. And we still don't know what other long-term effects of moving might be for the parents and children participating in the program. But there seems to be clear evidence that neighborhoods can have quite dramatic impacts in the short term on the health, safety, and well-being of residents. Although families experienced costs in terms of adjusting to their new environments, the balance seemed to be overwhelmingly positive for them. At the very least, the families that managed to move out of concentrated poverty through the Gautreaux and MTO programs were able to improve their living conditions in ways that mattered to them. And, the evidence from MTO shows that very few of the families would have moved if there hadn't been a program to help them, and fewer still would have moved to more affluent areas.

Though the studies seem to indicate that neighborhoods do matter, we still know fairly little about the specific ways in which they affect people's lives. A clearer idea of the different mechanisms would give us a better sense of which policies to promote: whether, for instance, to invest in improving the quality of services such as schools, health centers, and law enforcement in high-poverty neighborhoods (and how to do this most effectively), or, whether the effects of being exposed to different role models and peers are so strong as to give good reason for other types of programs that try to change the mix of people who live together. The answers will not come easily, but the questions are important. They go to the heart of equal access to opportunity and the very fabric of American society. ❊