Policymakers have created housing programs designed to help poor families relocate to better neighborhoods on the assumption that doing so will help break the grip of poverty. This brief looks at one of the most rigorously studied efforts, the Moving to Opportunity experiment, up to 15 years after the original families were offered the chance to move to lower-poverty neighborhoods. The findings show that although health and happiness improve after the move, employment and children’s schooling outcomes do not.

Can Families Break the Cycle of Poverty by Moving?

One of the first efforts to relocate poor families that was subject to study was the Gautreaux housing mobility experiment in Chicago. Under court order, African-American families were provided vouchers to move to less segregated neighborhoods in the 1970s. Racial segregation has long been thought to undermine life chances, in part because, as Gunnar Myrdal argued nearly 70 years ago, such segregation has allowed policymakers to ignore the quality of social services—or for that matter local business development, jobs, and housing—for blacks without affecting whites.

**KEY FINDINGS**

- The MTO “treatment” was powerful; families moved to neighborhoods with poverty rates that were, on average, 18 percentage points lower than families of the control group.
- Moving to lower-poverty neighborhoods led to some important improvements in physical and mental health.
- Moving had no significant long-term effect on earnings or work effort.
- The moves had little detectable effect on children’s school outcomes, even among children who moved when they were preschoolers.
- Mobility policies are not enough to address every problem related to poverty. Families need additional supports if they are to overcome their circumstances.
Indeed, the benefits of moving seemed to be quite remarkable. In 1988 the families who moved saw higher rates of employment among women, and better school outcomes for children, among other advantages. Other similar “mobility” efforts would follow, but none would have the same consistently positive results.

The “Moving to Opportunity” Program

Many of these studies faced a difficult problem: it’s hard to know whether it is neighborhoods per se or something about the people who seek out a voucher to move that is behind the outcomes.

The Moving to Opportunity project—with its random assignment design—solved this problem. The experiment randomly gave some families but not others a voucher to move from high- to low-poverty areas. By virtue of random assignment, the two groups of families should start out identically on average in every way.

Eligibility for MTO was limited to families with children who were living in public housing or in project-based Section 8 housing located in high-poverty areas in Baltimore, Boston, Chicago, Los Angeles, and New York. Most households were headed by a black or Hispanic female. Fewer than 40 percent had finished high school. Most signed up to get away from drugs and gangs.

Now, 10–15 years after the program began, researchers have compared a range of outcomes, including earnings, number of hours worked, health, mental health, and subjective happiness across three groups:

- Those who received a housing voucher that stipulated that at least their initial move be to a lower-poverty neighborhood,
- Those who received a housing voucher but were free to move anywhere, and
- A control group who received no voucher.

Moving to Lower-Poverty Neighborhoods Improves Health and Happiness

Families whose vouchers stipulated they move to a lower-poverty neighborhood were living in new neighborhoods with poverty rates that were, on average, 18 percentage points lower than those of the control group, a significant change that is equal to a 46% reduction. Though less poor, the neighborhoods were still largely racially segregated.

Those who moved to lower-poverty neighborhoods showed some improvements in broad measures of physical and mental health, as reported in a paper published in Science. Earlier analysis that appeared in the New England Journal of Medicine found a strong decline in obesity and diabetes among women. Heads of household who moved were also happier.

Although moving to neighborhoods with better health care access or greater access to healthier foods and exercise could conceivably improve health, another plausible explanation is the impact moving had on stress and safety, particularly given that the majority of MTO participants said they wanted to move away from gangs and drugs. Safer neighborhoods may have reduced chronic stress, with its pernicious effects on health. Moving to better circumstances could also lessen feelings of isolation or anomie.

Like many earlier studies, the MTO experiment found no significant long-term effect on earnings or work effort. One reason is perhaps because, as past analysis of MTO had found, the families were not necessarily moving to places where jobs were much more plentiful. MTO did seem to have some effect on improving the social connections to people who could be good sources of job referrals, but the families may not have been tapping those resources for jobs.

The moves also had little detectable effect overall on children’s school outcomes—math or reading scores or school completion—even among those who moved when they were preschoolers.

Policy Implications

For policymakers seeking the most effective way to allocate scarce resources, the MTO findings offer several insights. A first is the value of reducing economic segregation on the health and overall well-being of poor families. Fostering communities that offer a mix of incomes and role models may be key. Perhaps most important could turn out to be the neighborhood attribute that the MTO families themselves have cared the most about since the beginning—safety.

One area where moving had no impact was on earnings and jobs. As the ten-year analysis noted, families might need more support in finding a job and advancing up the career ladder. Specifically, high-quality education, training, and employment services programs, such as the Jobs-Plus program, have been shown to lead to sustained earnings increases for inner-city, disadvantaged adults and youth. Industry-specific training programs to prepare less skilled workers for better positions and connect them with employers have also led to substantial earnings gains for disadvantaged adults in large U.S. cities. Career Academies in high schools have produced sizable long-term (eleven-year) earnings gains for low-income urban youth.

Creating avenues for families trapped in high-poverty neighborhoods to seek a better life is imperative if we are to break
the cycle of disadvantage that grips too many families in our nation’s cities. The MTO experiment, however, reveals that mobility programs alone are not enough. Families need additional supports if they are to overcome their circumstances.

Endnotes


2. Gautreaux was the result of a lawsuit against the Chicago Housing Authority (CHA) charging discrimination owing to black segregation in public housing projects. See Leonard S. Rubinowitz and James E. Rosenbaum, Crossing the Class and Color Lines: From Public Housing to White Suburbia (Chicago: University of Chicago Press, 2000).


Jens Ludwig is McCormick Foundation Professor of Social Service Administration, Law, and Public Policy in the School of Social Service Administration and the Harris School; Director, University of Chicago Crime Lab. Greg Duncan is Distinguished Professor, School of Education, University of California, Irvine. Lisa Gennetian is Research Affiliate, Institute for Human Development and Social Change, New York University and Senior Researcher at the National Bureau of Economic Research. Lawrence F. Katz is the Elisabeth Allison Professor of Economics at Harvard University and a Research Associate of the National Bureau of Economic Research. Ronald Kessler is the McNeil Family Professor of Health Care Policy at Harvard Medical School. Lisa Sanbonmatsu is a Senior Research on the Moving to Opportunity study at the National Bureau of Economic Research. The authors gratefully acknowledge Barbara Ray of Hired Pen, Inc. for assisting the authors in drafting this brief.
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This brief summarizes research funded by the John D. and Catherine T. MacArthur Foundation as part of its How Housing Matters to Families and Communities Research Initiative. The initiative seeks to explore whether, and if so how, having a decent, stable, affordable home leads to strong families and vibrant communities. By illuminating the ways in which housing matters and highlighting innovative practices in the field, the Foundation hopes to encourage collaboration among leaders and policymakers in housing, education, health, and economic development to help families lead healthy, successful lives. The views expressed herein are not necessarily those of the MacArthur Foundation.

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John D. and Catherine T. MacArthur Foundation
140 South Dearborn St., Suite 1200
Chicago, Illinois 60603-5285
Telephone: (312) 726-8000

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