Although we know that neighborhood influences health, education, work, and other factors, what is less understood is how they affect those outcomes. Getting inside the black box of “neighborhood effects” can help policymakers better target their limited funds. Indeed, it is risky for policymakers to design strategies to intervene without knowing the exact pathway that influences travel in a neighborhood.

This brief, based on “The Mechanism(s) of Neighborhood Effects: Theory, Evidence, and Policy Implications,” a chapter in Neighborhood Effects Research, identifies a set of factors that stand out as important pathways that connect neighborhoods to personal outcomes. Although researchers have not yet reached a consensus about the relative contribution of each of these factors, agreement is emerging that these factors do wield considerable influence.

Neighborhood Forces Thought to Influence Outcomes

Past research has identified four main forces driving the impact of neighborhoods on life outcomes. The first encompases the social processes at work in neighborhoods, such as the extent of social networks, collective socialization around norms or role models, the influence of peers, competition for resources between groups, or “relative deprivation,” a form of keeping up with the Joneses.

KEY FINDINGS

- Four neighborhood factors—social cohesion, social control, spatial mismatch, and environmental hazards—have the strongest effect on personal outcomes.
- There is a direct line from exposure to neighborhood violence and pollution to poorer health.
- Peer effects and role models among disadvantaged teens are particularly influential in later outcomes.
- Having more affluent neighbors can help inspire more positive norms among residents, but not as much as “bad influences” can undermine positive norms.
- The chronic stress of living in dangerous or rundown neighborhood can affect parenting styles, which can in turn affect children.
- Less clear is the effect of stronger social networks, perhaps because there is less socializing across socioeconomic lines than one might expect.
Environmental factors, such as exposure to violence or the area's physical surroundings, from broken windows to environmental pollutants, can also be in play. Geographical forces are a third element, such as the distance of the neighborhood to good jobs or its relative isolation in the city. Finally, neighborhood resources such as day care, schools, medical clinics, and the types of stores and amenities in the neighborhoods, from supermarkets to liquor stores, may have a connection to individual outcomes.

Neighborhood Factors That Seem to Matter the Most

Of these elements, the following surface in multiple studies as key factors in “neighborhood effects.”

The clearest effect of neighborhoods on outcomes is in their impact on health. There is a direct line from exposure to violence to psychological consequences. Likewise, there is a clear line between neighborhood environmental pollutants and poor health. The question remains, however, how much violence or pollution does it take to have an effect and how long does the effect linger?

Social cohesion and informal social control (norms and role models) appear to wield considerable influence on outcomes, although neither fully explains them. Peer effects and role models among disadvantaged teens seem particularly influential. Studies have found links between deviant peer groups and teens’ grades, mental health, antisocial behavior, and substance abuse. There is less connection to job outcomes, however. Also, the presence of more positive role models or higher-income youth does not seem to provide ballast against more negative influences.

Beyond teens, having more affluent neighbors can help inspire more positive norms among residents, but not as much as “bad influences” can undermine positive norms. Further, collective social norms only seem to take hold after a substantial share of neighbors enforcing these norms becomes dominant.

It is also no coincidence that neighborhoods cut off from jobs and quality public services—spatial mismatch—have higher unemployment and less educational progress among residents. These forces play a nontrivial role in explaining labor force and educational outcomes.

Another fairly clear link between neighborhood and child outcomes comes through the effects on parenting. The chronic stress and strain of living in a neighborhood that is dangerous, chaotic, and rundown can seep through in parenting styles, which can in turn affect children. Parents’ sense of efficacy can also wane, and their health and mental health can be compromised, which indirectly affect children.

Less clear is the effect of stigma that attaches to a neighborhood, local politics, or the type of amenities in the neighborhood, such as a prevalence of liquor stores and a lack of high-quality supermarkets. Also less clear is the effect of stronger social networks (the “who you know, not what you know” factor), perhaps because there is less socializing across socioeconomic lines than one might expect. Affluent and poorer neighbors are not moving in the same social circles.

More Work Is Needed to Help Policymakers Better Target Resources

Given the complexity of neighborhoods’ effect on life outcomes, there is yet far too little evidence to claim that a certain condition or attribute causes children to drop out of school or young adults to drop out of the workforce. Approaches that target a myriad of conditions and barriers are likely most promising. The Obama Administration’s 2014 initiative, Promise Zones, for example, acknowledges that neighborhoods and their residents face complex and interrelated problems.

Promise Zones will coordinate the ongoing efforts of multiple federal programs, from housing to education and criminal justice. Over the next four years, up to 20 hard-pressed neighborhoods (with poverty rates 20 percent and higher) will benefit from tax credits and federal personnel on the ground to help groups streamline the many available programs across departments. The coordinated programs include the Promise Neighborhoods efforts, modeled after Geoffrey Canada’s Harlem Children’s Zone with cradle-to-career programs. They also include Choice Neighborhood programs, which redevelop distressed public housing and the surrounding neighborhoods. Crime and violence will be targeted as well via criminal justice programs under the Byrne Criminal Justice Initiative. In all efforts, it will be important to ensure that neighborhoods are not pitted against one another in seeking funding and resources.

To advance our understanding of neighborhood effects, research must turn to more nuanced methods, including longer-term horizons and a broader palette of neighborhood measures. Better data are also needed. Studies should more often couple administrative data on crime, low birth weight, or child maltreatment, for example, with data on local institutions, schools, facilities. These in turn should be coupled with measures of pollution at a fine-grained local scale.
Without better studies and more definitive answers, policymakers risk misdirecting already scarce resources. Doing so courts, at best, inefficiencies in programs and spending, and at worse, unforeseen negative consequences for children and families.

Endnotes


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ABOUT THE HOW HOUSING MATTERS TO FAMILIES AND COMMUNITIES RESEARCH INITIATIVE
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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