

# Moving to More Affluent Neighborhoods Improves Health and Happiness Over the Long Term among the Poor

*Results from the Moving to Opportunity experiment find strong improvements in health and happiness, but few improvements in employment or children's schooling outcomes.*

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**T**en to fifteen years after low-income, inner-city families were given vouchers to move to lower-poverty neighborhoods as part of the Moving to Opportunity program, the results show that while health and happiness improved after the move, employment and children's schooling outcomes did not. The results suggest that housing mobility policies alone are not a panacea for the complicated problems low-income families face.

How can families break the cycle of poverty when nearly 9 million Americans live in neighborhoods of extreme poverty, where crime, environmental dangers, poor housing, poor schools, and isolation from mainstream jobs are a daily battle? The negative effects of these conditions on children and families have long been thought to be serious, and lasting. As if poverty weren't enough, families living in these neighborhoods might be doubly disadvantaged by the neighborhood itself.<sup>1</sup>

Policymakers have created housing programs designed to

### 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.

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.<sup>2</sup> 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.<sup>3</sup> 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.<sup>4</sup>

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.<sup>5</sup> 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.<sup>6</sup> 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.<sup>7</sup> Moving to better circumstances could also lessen feelings of isolation or anomie.<sup>8</sup>

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.<sup>9</sup>

## 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.<sup>10</sup> 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.<sup>11</sup> 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.<sup>12</sup> Career Academies in high schools have produced sizable long-term (eleven-year) earnings gains for low-income urban youth.<sup>13</sup>

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

1. For a good review of previous research on neighborhood's role in perpetuating poverty see Robert Dietz, "The Estimation of Neighborhood Effects in the Social Sciences," *Social Science Research* 31 (2002): 539-75; Ingrid Ellen and Margery A. Turner, "Does Neighborhood Matter?" *Housing Policy Debate* 8(4) (1997): 833-66; Ichiro Kawachi and Lisa F. Berkman, eds., *Neighborhoods and Health* (New York: Oxford University Press, 2003); Tama Leventhal and Jeanne Brooks-Gunn, "The Neighborhoods They Live In: The Effects of Neighborhood Residence of Child and Adolescent Outcomes," *Psychological Bulletin* 126 (2000): 309-37.
2. The brief draws from the larger study by Ludwig et al., "Neighborhood Effects on the Long-Term Well-Being of Low-Income Adults," *Science* 337 (no. 6101) (September 21, 2012): 1505-10.
3. 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).
4. See also, U.S. National Advisory Commission on Civil Disorders, "The Kerner Report" (Washington, DC: 1968).
5. James Rosenbaum and Susan Popkin, "Employment and Earnings of Low-Income Blacks Who Move to Middle-Class Suburbs." In *The Urban Underclass*, edited by Christopher Jencks and Paul Peterson. (Washington, DC: Brookings Institution, 1991).
6. Jens Ludwig et al., "Neighborhoods, Obesity, and Diabetes—a Randomized Trial," *New England Journal of Medicine*, 365 (2011): 1509.
7. Nancy Adler et al., "Biology of Disadvantage: Socioeconomic Status and Health," *Annals of the New York Academy of Sciences*, 1186 (2010).
8. Robert Sampson and Dawn Jeglum Bartusch, "Legal Cynicism and (Subcultural?) Tolerance of Deviance: The Neighborhood Context of Racial Differences," *Law and Society Review* 32 (1998): 777-804; Browning and Cagney, "Neighborhood Structural Disadvantage."
9. Lisa Gennetian et al., "The Long-Term Effects of Moving to Opportunity on Youth Outcomes," *Cityscape* 14 (2013).
10. Lisa Gennetian et al., "Impacts of the Moving to Opportunity for Fair Housing Demonstration Program After 10 to 15 Years." Vol. 1. (Washington, DC: U.S. Department of Housing and Urban Development, 2012).
11. James Riccio, "Sustained Earnings Gains for Residents in a Public Housing Jobs Program: Seven-Year Findings from the Jobs-Plus Demonstration." MDRC Policy Brief. (New York: MDRC, January 2010). <http://www.mdrc.org/publications/542/policybrief.pdf>
12. Sheila Maguire et al., "Tuning In to Local Labor Markets: Findings from the Sectoral Employment Impact Study" (New York: Public/Private Ventures, July 2010).
13. James Kemple, "Career Academies: Long-Term Impacts on Labor Market Outcomes, Educational Attainment, and Transitions to Adulthood" (New York: MDRC, June 2008).

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## ABOUT THE HOW HOUSING MATTERS TO FAMILIES AND COMMUNITIES RESEARCH INITIATIVE

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