The Best and Worst Places to Grow Up: How Your Area Compares

Children who grow up in some places go on to earn much more than they would if they grew up elsewhere. MAY 4, 2015 Related Article

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INCOME PERCENTILE GENDER 25th Boys How much extra Marin money a county Amador +\$250 causes children in poor families to make, compared with children in poor families nationwide Calaveras Contra Costa +\$3,170 San Francisco San Joaquin -\$1,020 +\$4,500 +\$1,500 +SO Diglumge -\$1 500 Alameda -\$1,470 San Mateo -\$4 500

Contra Costa County is very good for income mobility for children in poor families. It is better than about 83 percent of counties.

Mariposa

Location matters - enormously. If you're poor and live in the San Francisco area, it's better to be in Contra Costa County than in San Francisco County or Alameda County. Not only that, the younger you are when you move to Contra Costa, the better you will do on average. Children who move at earlier ages are less likely to become single parents, more likely to go to college and more likely to earn more.

Every year a poor child spends in Contra Costa County adds about \$160 to his or her annual household income at age 26, compared with a childhood spent in the average American county. Over the course of a full childhood, which is up to age 20 for the purposes of this analysis, the difference adds up to about \$3,200, or 12 percent, more in average income as a young adult.

These findings, particularly those that show how much each additional year matters, are from a new study by Raj Chetty and Nathaniel Hendren that has huge consequences on how we think about poverty and mobility in the United States. The pair, economists at Harvard, have long been known for their work on income mobility, but the latest findings go further. Now, the researchers are no longer confined to talking about which counties merely correlate well with income mobility; new data suggests some places actually cause it.

Consider Contra Costa County, Calif., our best guess for where you might be reading this article. (Feel free to change to another place by selecting a new county on the map or using the search boxes throughout this page.)

It's among the best counties in the U.S. in helping poor children up the income ladder. It ranks 2,062nd out of 2,478 counties, better than about 83 percent of counties. It ranks better for poor children than it does for rich children.

Here are the estimates for how much 20 years of childhood in Contra Costa County adds or takes away from a child's income (compared with an average county), along with the national percentile ranking for each.

What a Childhood in Contra Costa County Does to Future Income

For poor kids			For aver	For average-income kids			For rich kids			For kids in the top 1%		
GROUP INC	COME CHG.	NAT. PCT.	GROUP	INCOME CHG.	NAT. PCT.	GROUP	INCOME CHG.	NAT. PCT.	GROUP	INCOME CHG.	NAT. PCT.	
All kids	+\$3,170	83%	All kids	+\$1,020	55%	All kids	-\$1,280	10%	All kids	-\$3,110	3%	
Boys	+\$3,550	84%	Boys	+\$1,250	58%	Boys	-\$1,260	13%	Boys	-\$3,300	4%	
Girls	+\$2,600	79%	Girls	+\$720	48%	Girls	-\$1,340	13%	Girls	-\$3,050	5%	

Find another county (if you want) ...

Across the country, the researchers found five factors associated with strong upward mobility: less segregation by income and race, lower levels of income inequality, better schools, lower rates of violent crime, and a larger share of two-parent households. In general, the effects of place are sharper for boys than for girls, and for lower-income children than for rich.

"The broader lesson of our analysis," Mr. Chetty and Mr. Hendren write, "is that social mobility should be tackled at a local level." Here's where Contra Costa County stands among its neighbors.

How Contra Costa County ranks among places in the San Francisco area

COUNTY	POOR BOYS	POOR GIRLS	AVERAGE BOYS	AVERAGE GIRLS	RICH BOYS	RICH GIRLS	RICHEST BOYS	RICHEST GIRLS	MEDIAN RENT
Contra Costa	1st	1st	2nd	2nd	4th	2nd	6th	3rd	\$1,101
Napa	2nd	2nd	1st	3rd	2nd	3rd	3rd	5th	\$996
San Mateo	3rd	4th	4th	1st	5th	1st	5th	1st	\$1,432
Marin	4th	6th	6th	6th	7th	4th	7th	4th	\$1,473
Solano	5th	5th	3rd	4th	1st	6th	1st	6th	\$949
San Francisco	6th	3rd	7th	5th	6th	7th	4th	7th	\$1,177
Alameda	7th	7th	5th	7th	3rd	5th	2nd	2nd	\$1,045

In some places, the new estimates of mobility conflict with earlier estimates. For example, <u>previous estimates</u> suggested that New York City was a good place for lower-income children to grow up: Children raised in lower-income families in New York had above-average outcomes in adulthood.

But New York appeared above average in part because it has a large number of immigrants, who have good rates of upward mobility no matter where they live: Nothing about New York in particular caused these children to do better.

To remove variation that was simply caused by different types of people living in different areas, Mr. Chetty and Mr. Hendren based the latest estimates on the incomes of more than five million children who moved between areas when they were growing up in the 1980s and 1990s. These estimates are causal: They suggest moving a given child to a new area would in fact cause him or her to do better or worse.

In the new estimates, Manhattan ranks among the worst counties in the country for girls from lower-income families.

Here, better or worse is measured by the household incomes of children in early adulthood. This makes New York look worse than it would if individual

incomes were used, because it, along with Northern California, has some of the lowest marriage rates in the country. Manhattan is actually better than most of the country at raising the *individual* incomes of poor girls. Marriage rates, too, are strongly affected by where children grow up.

For a family with a parent in his or her 40s, the 25th percentile corresponds to an annual income of about \$30,000; the 50th percentile to about \$60,000; the 75th percentile to about \$100,000; and the top 1 percent to more than \$500,000. Estimates are based on children born between 1980 and 1986, and their neighborhoods in the 1980s and 1990s. Median rent is for 2000, in 2012 dollars. At the 25th percentile, the margin of error for each of the county estimates is around \$1,100.

Source: Raj Chetty and Nathaniel Hendren, "The Impacts of Neighborhoods on Intergenerational Mobility"

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