AFFORDABLE HOUSING ENABLES MOVING TO OPPORTUNITY, WHICH IMPROVES LONG-TERM LIFE OUTCOMES

Economic mobility and anti-poverty advocates ARE housing advocates. Safe, affordable housing enables low-income people to climb up the income ladder and achieve the American Dream.

A landmark study by Harvard economist Raj Chetty demonstrates the enormous positive impact that affordable housing can have on upward economic mobility for low-income children. Chetty analyzed the long-term adult outcomes for low-income children whose families used a housing voucher to move to lower poverty neighborhoods through HUD’s Moving to Opportunity experiment.

FOR LOW-INCOME CHILDREN WHO MOVED BEFORE AGE 13

Poor children who move to lower-poverty neighborhoods do much better as adults

31% higher annual incomes
$302,000 higher lifetime earnings
32% more likely to attend college
26% girls less likely to become single mothers

Source: Chetty et al., 2015

https://www.opportunityhome.org/
Because of this, future children and grandchildren were more likely to be raised in a better neighborhood by two parents who have more education and more income, which helps break the cycle of generational poverty.

“Young adults who had lived in public or voucher-assisted housing as teenagers had higher earnings and lower rates of incarceration than young adults from unassisted low-income households. The study suggests that housing vouchers and public housing provide low-income parents with greater financial resources to devote to their children’s development, which improves adult outcomes later in life.” (Andersson, Haltiwanger, & Kutzbach, 2016).

Quoted from NLIHC, A Place to Call Home.

“In 2012, housing assistance programs such as rental vouchers and public housing lifted 4.0 million people above the poverty line.”

Quoted from Center for Budget and Policy Priorities, 2015.

Affordable housing can help children in poor families to grow up in neighborhoods with better opportunities, which helps them to succeed as adults.

Places with higher rates of upward mobility for low-income children have less segregation and more residential diversity. As Harvard professor Nathaniel Hendren states: “In places where kids of different economic backgrounds are mixing in the same environment, those tend to be places where kids from low-income backgrounds rise up further in the income distribution.”

“Research shows that increasing access to affordable housing is the most cost-effective strategy for reducing childhood poverty in the United States”

NLIHC, A Place to Call Home

https://www.opportunityhome.org/