The Intergenerational Transmission of Context[1]

Patrick Sharkey
New York University

This article draws on the extensive literature on economic and social mobility in America to examine intergenerational *contextual mobility*, defined as the degree to which inequalities in neighborhood environments persist across generations. PSID data are analyzed to reveal remarkable continuity in neighborhood economic status from one generation to the next. The primary consequence of persistent neighborhood stratification is that the racial inequality in America's neighborhoods that existed a generation ago has been transmitted, for the most part unchanged, to the current generation. More than 70% of black children who grow up in the poorest quarter of American neighborhoods remain in the poorest quarter of neighborhoods as adults, compared to 40% of whites. The results suggest that racial inequality in neighborhood economic status is substantially underestimated with short-term measures of neighborhood income or poverty and, second, that the steps taken to end racial discrimination in the housing and lending markets have not enabled black Americans to advance out of America's poorest neighborhoods.

A long and rich tradition of research in the social sciences is devoted to describing and explaining patterns of social and economic mobility in

America (Blau and Duncan 1967; Bowles and Gintis 2002; Jencks et al. 1972; Lipset, Bendix, and Zetterberg 1959; Sewell and Hauser 1975; Solon 1992). As a result, we know a great deal about the extent to which individuals and families advance (or decline) in economic and social status over individual lifetimes and across generations. Much less is known about the extent to which families transition into more or less advantaged social environments over successive generations.

This gap in knowledge exists despite the intense interest in urban neighborhoods generated by William Julius Wilson's work on the concentration of poverty in America's cities. Since Wilson refocused scholarly attention on ghetto poverty with the publication of *The Truly Disadvantaged* (1987), researchers have documented the prevalence of high-poverty neighborhoods and the mechanisms producing change in neighborhood conditions since the 1970s (Jargowsky 1997; Massey and Denton 1993; Massey, Gross, and Shibuya 1994; Quillian 1999), and an extensive literature has formed around the question of whether neighborhood structural disadvantage and social organization affect individual outcomes (Brooks-Gunn, Duncan, and Aber 1997; Goering and Feins 2003; Jencks and Mayer 1990; Sampson, Morenoff, and Gannon-Rowley 2002; Small and Newman 2001). Despite this recent attention on urban neighborhoods, research on the spatial concentration of advantage and disadvantage still has not been brought into line with research on other dimensions of stratification in U.S. society (Mare 2001, p. 484). Specifically, fundamental questions about the persistence and transmission of neighborhood environments remain unanswered. I argue that this knowledge is essential to developing a complete picture of social stratification and mobility in America and for refining theoretical models of how neighborhoods fit into and influence the trajectories of individuals and families.

In this article I draw on the approaches that have been used to describe social and economic mobility to provide evidence on what I term intergenerational "contextual mobility," or the degree to which inequality in neighborhood environments persists across generations.[2] Using data from the Panel Study of Income Dynamics (PSID) and well-developed methods designed to measure intergenerational economic mobility, I find remarkable continuity in the neighborhood environments of successive generations of family members. Specifically, I estimate the intergenerational elasticity of neighborhood income to be at least .64. Although parental income,

[2] The concept of contextual mobility is distinct from other related concepts, such as geographic mobility, which implies a change in region/geography, or residential mobility, which implies a change in residence. By *contextual mobility* I am referring to change in neighborhood status arising from any source. That is, change arising when a family changes residence as well as change in the neighborhood environment that occurs around stationary residents.

education, and occupational status all influence patterns of neighborhood mobility, these and other measures of family background explain well less than half of the intergenerational elasticity of neighborhood income. The type of neighborhood in which an individual ends up does not, therefore, appear to be explained primarily by typical measures of the individual's family background; rather, it is closely related to the type of neighborhood in which the individual lived as a child.

The primary consequence of persistent neighborhood stratification is that racial inequalities that exist in one generation typically linger on to the next. For instance, more than 70% of black children who are raised in the poorest quarter of American neighborhoods will continue to live in the poorest quarter of neighborhoods as adults. Since the 1970s, more than half of black families have lived in the poorest quarter of neighborhoods *in consecutive generations*, compared to just 7% of white families. Black Americans' low rate of intergenerational mobility out of the poorest neighborhoods suggests that the severe racial inequality that exists today represents a continuation of neighborhood inequality that has persisted since the 1970s. This empirical observation leads to the conclusion that neighborhood disadvantage and advantage are, to a large degree, inherited, with implications for the literature on neighborhood effects and for our understanding of racial inequality in America.

THE NEIGHBORHOOD AS A DIMENSION OF STRATIFICATION

The literature on social and economic mobility in the United States is dominated by analyses of income, occupation, and education. One could argue that these dimensions of stratification are the major fault lines by which American society is organized. One might also claim that the stratification of neighborhood contexts is encompassed in these other dimensions of stratification. This analysis rests on the idea that research on individual income, education, and occupation, while essential, is insufficient for developing a complete picture of stratification in America (Massey 2007).

The primary reason why this is so is that inequality does not exist exclusively at the level of the individual or the family; rather, various forms of inequality are organized or clustered in space, and neighborhoods are often the *site* of inequality. A basic yet essential finding in ecological research is that a wide range of social phenomena—such as delinquency, violence, joblessness, and physical and mental health outcomes—are spatially clustered (MacIntyre and Ellaway 2003; Sampson et al. 2002; Wilson 1996). Various aspects of social life are organized by geography, including schools, government and electoral districts, and other local institutions.

Although evidence on the effects of the neighborhood environment on individual behavior is inconsistent,[3] the spatial clustering of social phenomena, economic opportunities, and public institutions has significant implications for the life chances of individuals, whether or not it influences their behavior. For instance, Massey and Denton (1993) argue that residents of segregated neighborhoods have less political influence than residents of neighborhoods with more racial diversity, and Cohen and Dawson (1993) present empirical evidence showing that residents of very poor neighborhoods have less confidence in their ability to influence political decisions. In a similar way, the quality of public schooling, proximity to economic opportunities and employment networks, and the degree of exposure to violence and to unhealthy environments all depend directly on where one lives. Without making any assumptions about the relationship between social settings and individual behavior, the spatial clustering of resources, institutions, and social phenomena means that the life chances of individuals are directly linked to their location in residential space.

Thus, in order to understand inequality in America, I argue that it is necessary to move beyond a purely individual-level perspective and consider the ways in which inequality is organized in space. In doing so, we find that the neighborhood is an *independent* dimension of stratification, in that the residential patterning of American neighborhoods is not explained by other dimensions of stratification, such as income, occupation, or education. An extensive literature demonstrates that after accounting for differences in socioeconomic status and wealth, black Americans live in neighborhoods that are less affluent and more segregated than those occupied by whites of similar status (Alba and Logan 1993; Alba, Logan, and Stults 2000; Crowder, South, and Chavez 2006). This observation is reflective of a consistent set of findings pointing to a racial and ethnic hierarchy in American neighborhoods, where whites live in the most advantaged neighborhoods even after accounting for socioeconomic status, followed by different groups of Asian Americans and Latinos and finally black Americans (Alba et al. 2000; Logan et al. 1996). What this pattern makes clear is that the traditional literature on stratification, which focuses

---

[3] Evidence on whether neighborhoods influence individual behavioral outcomes varies depending on the outcome being examined and the methods used. There are important problems with all approaches that have been used to study neighborhood effects, including the most recent experimental attempt to assess the effects of residential mobility on individual outcomes (for a description of the Moving to Opportunity program, see Goering and Feins [2003]; for a recent critique of the program, see Sobel [2006]). The following sources provide reviews of the neighborhood effects literature: Brooks-Gunn et al. 1993; Ellen and Turner 2003; Jencks and Mayer 1990; Sampson et al. 2002; Small and Newman 2001.

primarily on income, occupation, and education, is not sufficient for describing the stratification of *place*.

In emphasizing this point I am not suggesting that residential contexts are unrelated to other dimensions of stratification. Indeed, an additional justification for studying the stratification of neighborhoods is that developing a clear understanding of persistence and change in individuals' residential environments may be essential to understanding mobility across multiple dimensions. Despite the common conception of America as a nation where every man and woman can become a success no matter their origins, the most rigorous recent work on economic mobility in America suggests that social and economic mobility is much less common than previously thought (Bowles and Gintis 2002; Corcoran 1995; Hertz 2005; Mazumder 2005; Solon 1992). There is a growing consensus in the literature that the idea of America as a uniquely mobile nation is overstated or incorrect (Solon 2002). However, evidence on the *mechanisms* leading to the persistence of wealth and poverty across generations is still sparse (Bowles and Gintis 2002). Although overlooked in the literature on economic mobility, I argue that the neighborhood context may play a prominent role in the reproduction of social and economic status across generations.

I am not the first to raise this as a possibility. Among other classic analyses of poverty that focus either directly or indirectly on the importance of place (Drake and Cayton 1933; DuBois 1899; Hannerz 1969; Harrington 1962; Stack 1974), Liebow (1967) argued that a primary reason why poverty is reproduced across generations, especially among black residents of urban ghettos, is that each generation faces the same lack of economic opportunities, the same discrimination, and the same economic frustration as the one before; the implication of this work is that barriers to economic mobility are rooted in the unique economic and social milieu of the ghetto. More recently, the work of William Julius Wilson (1987, 1996; Sampson and Wilson 1995), Robert Sampson (Sampson, Raudenbush, and Earls 1997; Sampson et al. 2002; Elliott et al. 1996), and their colleagues has focused attention on the ways that structural disadvantage and aspects of social organization within neighborhoods can influence patterns of behavior within the boundaries of the neighborhood, thereby influencing the life course trajectories of neighborhood residents.

The concept of social isolation (Wilson 1996) suggests a segment of the urban populace that is detached from mainstream norms of behavior, value systems, institutional resources, and economic opportunity. Wilson argues that in areas where joblessness is rampant the structure of everyday life and expectations for common norms of behavior are altered. With the absence of role models who have achieved a stable, middle-class lifestyle through steady employment, this model loses its relevance to youths. The

processes by which structural disadvantage and community social organization influence norms of behavior and everyday patterns of life are captured in Sampson and Wilson's (1995, p. 50) conception of "cognitive landscapes, or ecologically structured norms." Sampson and Wilson argue that in neighborhoods with extreme structural disadvantage and minimal social organization, local residents are less "fervent" in their efforts to monitor the activity of local youth and to discourage antisocial behavior, and commitments to mainstream norms of behavior are weakened. This perspective has been referred to as the "socialization" model of neighborhood effects (Jencks and Mayer 1990; Small and Newman 2001).

A second theoretical model of neighborhood effects focuses on the resources that are available to youths and adults in disadvantaged neighborhoods. There is consensus that the most disadvantaged urban areas also feature the lowest quality public schooling, but less obvious is the lack of other types of institutional resources available to residents of poor urban neighborhoods, including parks, libraries, social services, and resources for parents (Briggs 2005; Furstenberg and Hughes 1997; Jencks and Mayer 1990; Small and Newman 2001; Wilson 1987). Combined with diminished political influence associated with residence in poor and segregated areas (Cohen and Dawson 1993; Massey and Denton 1993) and a lack of employment opportunities, the resources available to residents of urban ghettos and the cumulative disadvantages faced by youth growing up in such environments are thought to severely affect their life chances.

A third, alternative, perspective emphasizes the fact that individuals make choices about the types of role models and peers they surround themselves with and the resources they draw upon and argues that the effects of neighborhoods should be relatively minor or nonexistent as long as children have the ability to make such choices (Jencks and Mayer 1990). This argument implies that with sufficient diversity in the role models available to children and in the lifestyles and peer groups to which they are exposed, they should be able to carve out an environment that is conducive to their own goals and ambitions from what is available to them.

Without attempting to adjudicate among these perspectives on the importance of neighborhoods, I would emphasize that all of them depend on how individuals experience neighborhood contexts over time. For example, Quillian (2003, p. 221) notes the implicit assumption in the social isolation thesis that ghetto residents are trapped in the most disadvantaged communities, with little hope of residential advancement. The implication is that there is little variation in the environment surrounding children over the duration of childhood, including the role models in the neighborhood, the quality of their schooling experience, their exposure to vi-

olence, and so forth. For instance, if a child spends the duration of his childhood in a neighborhood where violence is common, most young adults are jobless, and the local public school offers a deficient learning environment, it seems intuitive that the cumulative influence of the neighborhood would have more lasting effects on his developmental trajectory than it otherwise would have if the same child's family moved during adolescence to a more economically diverse environment with better public schools.

The assumption of *persistent* disadvantage is thus central to the hypothesis that social settings have an influence on individuals' life chances. If patterns of neighborhood mobility reveal that residents of disadvantaged neighborhoods experience substantial variation in neighborhood contexts over time, then one might be skeptical of the idea that the "truly disadvantaged" are truly isolated from mainstream society. If, however, there is a segment of the urban populace that lives in disadvantaged neighborhoods over an extended period and over successive generations, then the social isolation thesis would be substantially strengthened.

To summarize the argument to this point, I am proposing two shifts of thinking with regard to the literature on stratification and mobility in America. The first is a shift from a pure focus on social or economic status *within the home* to a broader focus on the social environments surrounding families. While there now exists a vast literature on neighborhood poverty and community social organization, the neighborhood still has not been conceptualized or studied in the same way as other dimensions of stratification. Specifically, research on neighborhoods has rarely moved beyond a focus on the low end of the distribution of neighborhoods, and we know little about the degree of movement across that distribution over time—the *rigidity* of neighborhood inequality. This latter point is related to the second proposed shift of thinking, which involves moving from a static view of neighborhood disadvantage and inequality at a given point in time to a dynamic view of neighborhood stratification that considers mobility across the distribution of neighborhoods over individual lifetimes and across generations of family members. More succinctly, I am arguing for the need to fully incorporate both *place* and *time* into the literature on stratification in America.

THE PERSISTENCE OF NEIGHBORHOOD INEQUALITY

Neighborhood Inequality over Time

Wilson's (1987) emphasis on processes of migration as a key factor in the changing conditions of ghetto neighborhoods led to a series of articles that examine the aggregate consequences of short-term mobility by mod-

eling the probability that different groups will exit or enter poor neigh-borhoods over an interval of one or two years (Gramlich, Laren, and Sealand 1992; Massey et al. 1994; South and Crowder 1997). Although these articles use slightly different methodological approaches, they reach a common conclusion: blacks from all income groups are much less likely than whites to exit from poor neighborhoods and are more likely to ex-perience downward contextual mobility (e.g., moving from a middle-in-come neighborhood to a poor neighborhood) than upward mobility (Gramlich et al. 1992, pp. 280–81). Race remains a powerful predictor of migration out of high-poverty neighborhoods even after considering a set of individual-level covariates (South and Crowder 1997).

Moving beyond a pure focus on short-term mobility, Quillian (2003) examines multiple indicators of long-term exposure to neighborhood pov-erty and finds that the extent of contextual disadvantage experienced by blacks as compared to whites is substantially underestimated with point-in-time comparisons of neighborhood poverty. Over a 10-year span blacks are not only more likely to be exposed to poor and extremely poor neigh-borhoods, but they are much less likely to exit from such neighborhoods and are more likely to reenter after an exit.

Although these analyses suggest substantial long-term differences in neighborhood disadvantage experienced by blacks and whites, they are limited in what they reveal about the degree of mobility over the full distribution of neighborhoods and over long periods of time. For instance, all of these studies classify neighborhoods on the basis of whether the proportion of poor residents falls above or below a given threshold, thereby obscuring the full extent of variation across the distribution of neighborhoods. Second, with the exception of Quillian's work on "spells" in poor neighborhoods (2003), research on mobility into and out of poor neighborhoods considers intervals of one or two years, providing only a brief glimpse into the patterns of continuity and change across the life course. The current study is the first to provide evidence on the overall persistence of neighborhood economic status across the full distribution of neighborhoods and from one generation of family members to the next.

The Mechanisms Underlying Intergenerational Contextual Mobility

Why might neighborhood economic status be passed down from one gen-eration to the next? This question corresponds to a more general question commonly confronted in the stratification literature, which is, Why is inequality, along any dimension, transmitted across generations? Much of the recent literature on economic mobility approaches the question inductively by incorporating covariates into models of intergenerational mobility and examining how much of the persistence of economic or social

938

status is explained by their inclusion (Blau and Duncan 1967; Bowles and Gintis 2002; Hertz 2005; Osborne Groves 2005). Building on this research tradition, a series of articles have attempted to describe the process of "locational attainment" by examining the relationship between individual socioeconomic status and neighborhood economic status or racial composition (Alba and Logan 1993; Logan et al. 1996). This approach essentially asks whether the same individual- and family-level factors that are commonly thought to predict individual economic outcomes can also explain variation in the quality of families' neighborhood environments. In the current article I extend this approach to consider how much of the similarity in the neighborhood environments of parents and children can be explained by demographic characteristics of families, socioeconomic status, resources, or other aspects of family background.

However, a core element of my argument is that there are unique mechanisms beyond the standard measures of socioeconomic status and family background that explain the persistence of neighborhood inequality. I argue, first, that the neighborhood represents an especially *rigid* dimension of stratification due to a general set of mechanisms linking people to places and, second, that racial inequality that exists at one point in time is likely to be maintained over longer periods, due to a more specific set of mechanisms that facilitate or constrain mobility among whites and nonwhites in different ways and thus serve to maintain racial inequality in residential environments.

A general mechanism leading to continuity in the neighborhood environment is the set of ties, both social and psychological, that connect individuals to places (Altman and Low 1992; Elder, King, and Conger 1996; Fried 1982; Gerson, Stueve, and Fischer 1977; Milligan 1998). Individuals' social and familial ties are often centered around specific places, which may lead to continuity in the types of residential environments that individuals occupy that is not consistent with their economic circumstances. Although the importance of place-centered ties likely exists to some degree for all groups, evidence from the literature on migration shows that social ties appear to influence migration patterns differently for whites and blacks. For example, blacks are less responsive to local labor market conditions than whites (Bound and Holzer 2000) and are more likely to identify family or community as reasons for their residential decisions (Lansing and Mueller 1967). One study of racial gaps in residential mobility finds that black Americans' low rate of mobility relative to whites is entirely explained by the presence of nuclear and extended family members within the household and in the area in which they live (Spilimbergo and Ubeda 2004), further suggesting that familial ties play a particularly important role in influencing the residential decisions of black Americans.

While place-centered ties may influence mobility differently for blacks and whites, the general theoretical mechanism is not race specific. By contrast, there are several mechanisms that facilitate or constrain the mobility of white and nonwhite racial and ethnic groups in different ways, leading to the reproduction of *racial* inequality in neighborhood environments over time. Discrimination is one prominent example of an extremely effective mechanism by which racial inequality was maintained through the 1960s (Massey and Denton 1993). Although discrimination in the housing market was made illegal with the passage of the Fair Housing Act of 1968, audit studies conducted in 1989 and 2000 provide strong evidence that racial discrimination in rental housing and home mortgage lending remains prevalent in American cities, although it has become less common over time (Turner et al. 2002; Yinger 1995). At a more general level, place stratification theory contends that residents and other representatives of neighborhoods that enjoy an advantaged position in the "hierarchy of places" use institutional and informal means to maintain their position, in part by keeping undesirable residents out of the neighborhood (Logan 1978). This perspective is consistent with the literature on "defended neighborhoods" (Green, Strolovitch, and Wong 1998) and the extensive literature documenting the steps taken by residents, the real estate industry, and the government to restrict black Americans to specific sections of urban areas and to maintain boundaries between minority ghettos and white neighborhoods (Dreier, Mollenkopf, and Swanstrom 2001; Massey and Denton 1993; Yinger 1995). The implication is that even if the economic circumstances of nonwhite Americans allow them to move into more desirable neighborhoods, their mobility into such neighborhoods is likely to be limited due to the institutional and informal mechanisms used to keep them out.

Whereas place stratification theory places emphasis on mobility constraints, an alternative perspective focuses on the choices different racial and ethnic groups make that lead to the reproduction of stratified neighborhoods and cities. Part of the impetus for this alternative perspective was the realization that, despite the declines in organized discrimination following the 1960s, America's cities continue to be remarkably segregated by race and ethnicity (Logan, Stults, and Farley 2004; Massey and Denton 1993). Drawing inferences from racial differences in prices paid for housing in different cities, Cutler, Glaeser, and Vigdor (1999) argue that racism became "decentralized" after 1970, meaning whites' personal attitudes toward living with blacks became a more important source of segregation than collective acts of discrimination. This argument relates to a broader debate about the role played by racial and ethnic groups' neighborhood preferences in leading to persistent segregation. A consistent finding from this literature is that blacks are ranked as the least attractive neighbors

by all other racial and ethnic groups (Bobo and Zubrinsky 1996; Charles 2001), although there is debate about whether stated or revealed preferences for neighborhood racial composition reflect attitudes about different racial/ethnic groups directly or whether they reflect more general desires to live among high-status neighbors or in neighborhoods with low crime rates and high property values (Harris 1999, 2001; Krysan 2002)—neighborhood attributes for which racial composition may serve as a proxy (Ellen 2001).

Focusing purely on the implications of preferences for neighborhood racial composition, Schelling (1971) uses mathematical models that simulate the aggregate consequences of sequences of residential decisions made by black and white families and demonstrates how seemingly minor racial differences in neighborhood preferences can lead to severe segregation in the aggregate. The implication is that the stability of racial inequality and segregation in American neighborhoods stems in large part from choices made by members of different racial and ethnic groups responding to their divergent preferences. Note that this argument suggests that it is not only whites' preference to avoid neighborhoods with any nontrivial presence of blacks that leads to segregation, but also black Americans' expressed desires to live in neighborhoods where a substantial portion of the residents are also black (e.g., see Charles 2001). Because blacks tend to be concentrated in relatively disadvantaged neighborhoods, preferences for the racial composition of their neighborhood may lead black families to choose residential locations that are less affluent, yet more racially diverse, than many predominantly white neighborhoods that they might be able to afford.[4]

A lingering problem in the literature on residential stratification is the inability to disentangle the relative influence of *choices* and *constraints* in leading to persistent segregation. Part of this difficulty stems from the fact that, from a conceptual standpoint, the two perspectives are difficult to separate. Residential preferences emerge and choices are made within the context of a severely segregated residential structure, in which racial relations are often strained and discrimination remains prevalent. For this reason, it is problematic to attempt to disentangle the relative influence

---

[4] Recent work provides an empirical challenge to the hypothesis that racial preferences can account for the high levels of segregation in U.S. cities. One strand of research includes measures of neighborhood preferences in models predicting neighborhood attainment and finds that preferences play a trivial role in explaining the racial composition of blacks' neighborhoods (Ihlanfeldt and Scafidi 2002). Another article uses actual data on neighborhood preferences to simulate the aggregate consequences of individual residential decisions and finds that when Schelling's assumptions about mobility behavior are altered, very different levels of segregation emerge in the aggregate (Bruch and Mare 2006).

of choices versus constraints, especially using survey data that cannot get at the complex set of factors that might influence individual residential decisions.

The larger point for my purposes is that each of the perspectives I have outlined suggests that neighborhood racial inequality is likely to be especially persistent, whether it is due to constraints or preferences. Further, each of these perspectives suggests that connections to specific places, arising through attachments to place or through an inability to advance out of a given place, likely play an important role in reproducing neighborhood inequality over time. While I am unable in the current analysis to test the specific mechanisms linking people to specific neighborhoods or cities, it is possible to assess the more general hypothesis that connections to places, or geographic continuity, plays an important role in explaining the intergenerational persistence of neighborhood economic status. Specifically, I examine whether similarities in the neighborhood environments of parents and children vary depending on whether the child grows up and remains in the same geographic location.

DATA

The PSID is an ongoing longitudinal survey begun in 1968 with a nationally representative sample of about 4,800 American families. The PSID has attempted to follow all family members of the original sample as they "split off" from the sample family, whether through some family disruption such as divorce or as children entered adulthood and formed their own families. For this reason the PSID is the most commonly used source of data for analyses of intergenerational relationships in America. The study contains an oversample of low-income households, which allows for the reliable comparison of blacks and whites (Hill 1992).[5] Sample

---

[5] A document describing the selection of the low-income oversample of the PSID (often referred to as the Survey of Economic Opportunity, or SEO, sample) raises questions about the procedures that were used to generate the sample (Brown 1996). Although the uncertainties about the original sample selection process are somewhat troubling, attempts to examine whether these procedures have produced problems with the SEO sample have generated no substantive evidence that the PSID sample is unrepresentative of the low-income population when compared with the Current Population Survey (Becketti et al. 1988; Brown 1996; Fitzgerald, Gottschalk, and Moffitt 1998*a*, 1998*b*). To ensure that my estimates of intergenerational elasticity are not being driven by the SEO sample, I estimate the main models with and without the SEO sample, and I find only small differences. For instance, the basic intergenerational elasticity of neighborhood income from table 2 is estimated to be .64 with the SEO sample included, .62 without. I limit the sample to include only whites and blacks because there are only a small number of multigenerational pairs of Latinos or other nonwhite ethnic groups in the sample.

weights are used, which are designed to make the sample representative of the U.S. population as of the first survey year, 1968.[6] These weights are designed to account for sample attrition, which is extensive due to the length of the follow-up. Among all second-generation sample members in original sample families who meet the criteria for inclusion into my sample, 35% are lost due to attrition in the second generation.

Consistent with prior work on sample attrition in the PSID (Fitzgerald et al. 1998*b*), I find that second-generation attritors are more likely to come from families that are more disadvantaged than nonattritors across virtually every dimension of family background. Because the PSID weights are designed to account for these patterns of attrition, the relevant question is whether the pattern influences the representativeness of the second-generation sample or the relationships across generations. Fitzgerald et al. (1998*b*) address these questions directly by comparing the PSID sample in 1989 to the Current Population Survey in the same year and find very little evidence to suggest that attrition has led to an unrepresentative sample.[7] Although it is impossible to provide definitive evidence on whether attrition influences the core relationships in my empirical models, I can generate some suggestive evidence by estimating the basic models among a sample of families that *eventually* attrite from the survey and determining whether results from these models differ from the results obtained among a sample of families that do not attrite. The results of this exercise provide no indication that attrition has led me to overstate the strength of the relationship between parents' and children's neighborhood environments.[8]

The most important feature of the PSID, for my purposes, is the avail-

[6] I use the average sample weight for all years over which the individual is observed as a household head (or the spouse of a household head if in the second generation) in analyses.

[7] Means on most variables are extremely similar in each data set. An exception is welfare participation among female heads, which is lower in the PSID. Other exceptions are the racial and ethnic distributions in each sample, which are attributable to the criteria for sample selection in the PSID. These differences existed even in the first year of the PSID, suggesting that attrition is not the cause. Differences also appear with certain labor market outcomes, but they are small and are likely due to differences in reporting of income and labor market activity between the two surveys (Fitzgerald et al. 1998*b*, pp. 327–28).

[8] Specifically, I estimate the basic model of intergenerational elasticity, described below, but I do so in the years when eventual attritors are between the ages of 18 and 25 and are household heads or wives but before they have left the survey. I then examine whether the estimates of neighborhood income elasticity differ for eventual attritors and those who remain in the survey. I find that the elasticity is actually slightly higher among eventual attritors. Although it is impossible to tell where this group lived after leaving the survey, this exercise provides some indication that my estimates of intergenerational elasticity are unlikely to be biased upward due to attrition.

ability of a restricted-use geocode file that contains census tract identifiers for sample families, from 1968 through 2003.[9] Although tract identifiers for specific years have been available for some time, they have only recently been made available for the full duration of the survey, making it possible to track sample members' neighborhoods as they change over time. Tract identifiers were used to merge the data from the PSID with data from all census tracts in the United States available from the Neighborhood Change Database (NCDB; GeoLytics 2003) for census years 1970, 1980, 1990, and 2000.[10] The NCDB is a file created by the Urban Institute and Geolytics to examine change in the composition of American neighborhoods over time. One nice feature of the database is that it allows the user to examine neighborhoods over time using tract boundaries that are normalized to represent the boundaries of the tract as of 2000; in other words, it is possible to examine the same geographic "neighborhood" over time, even if the boundaries of the official tract have changed.

To construct a file with matched pairs of parents and children, I use the Family Identification and Mapping System available on the PSID Web site (http://psidonline.isr.umich.edu). This interface allows the user to construct a file that contains unique identifiers for the parents (biological or adoptive) of sample members, allowing one to identify any family members (e.g., parents, siblings, children, and grandparents) who were in the sample. Following the literature that has been developed on intergenerational income mobility, I focus on measuring the economic status of individuals' neighborhoods throughout the period of adulthood. Because there is substantial fluctuation in individuals' economic circumstances in the period of early adulthood (from the age of 18 to 25), re-

[9] The data used in this analysis are derived from Sensitive Data Files of the Panel Study of Income Dynamics (PSID), obtained under special contractual arrangements designed to protect the anonymity of respondents. These data are not available from the author.

[10] I use linear interpolation to impute census tract information in the years between each decennial census. About 30% of all census tracts in the year 2000 were not yet "tracted" in 1970, and 20% were not tracted in 1980. As a result, 18% of the first-generation sample is missing neighborhood information because the family lived in an area that was not tracted. Because nontracted areas were primarily rural, the sample is disproportionately urban. To address the influence of missing neighborhood information on my results, I constructed weights that represent the inverse of the probability of living in a tracted neighborhood and reestimated models using (1) the newly constructed weights on their own and (2) the newly constructed weights multiplied by the PSID individual weights described above. No substantive differences in results were found. As another check on the results, I imputed neighborhood characteristics for sample members missing tract information by assigning tract data in the earliest year available or extending the trend of change for their census tract backward in order to impute tract data for the years in which they were missing. Few differences emerged in these models; none of them were substantive.

944

searchers studying economic mobility typically argue that income or earnings in those years does not provide a good representation of adult "permanent" income or earnings (Hertz 2005; Mazumder 2005). There is good reason to believe that the same argument holds true for neighborhood economic status; I therefore measure adult neighborhood income only in the years when the sample member is at least 26 years old.

The sample consists of 4,464 pairs of black or white parents and children with nonmissing neighborhood information in each generation who meet the following criteria: (1) the "parent" was observed as the head of household at age 26 or older in at least one year of the survey in which the "child" was under 18 years old; (2) the "child" was observed again as the head of household, or the spouse or partner of a head of household, at age 26 or older. In essence, the key criteria for inclusion into the sample are that the child is observed in a PSID household under age 18 and that the child is again observed as a household head or the spouse of a household head at age 26 or older. I often refer to parents as members of the "first generation" and to children as members of the "second generation."[11]

The primary outcome for the analysis is *average neighborhood income*, measured as the log of the age-adjusted average income among all families in the individual's census tract and averaged over all years in which the individual meets the criteria for inclusion in the sample (i.e., over all years where the individual is at least 26 and is a head of household or the spouse of a household head if the individual is in the second generation).[12] The untransformed variable is measured in constant 2000 dollars, using the Consumer Price Index to adjust for inflation. Following the methodology of Hertz (2005), I adjust neighborhood income for the age of household heads in each generation by first estimating a regression of neighborhood income on the age of household heads and the squared age of household heads, including family fixed effects. I use the predicted value of neighborhood income at age 40 (plus the family fixed effect), averaged over all years in which the individual is observed in the sample, as the outcome variable. Separate regressions are estimated for whites and blacks and

[11] Because the sample contains multiple parent/child pairs from the same family, I use robust standard errors to account for the clustering of errors among individuals in the same family. I also estimate the same models using only one parent/child pair per family, with identical results.

[12] The multiyear measure of neighborhood income is designed to average out much of the fluctuation in the neighborhood environment occurring over adulthood and thus to minimize measurement error. About half of first-generation sample members lived in only one neighborhood over the period in which they are observed as household head, and another 25% lived in two neighborhoods. The remaining quarter lived in at least three neighborhoods, with only about 5% living in five or more different neighborhoods.

for members of the first and second generations. By estimating four separate regressions, I allow for unique age-neighborhood income profiles for blacks and for whites and for members of each generation. The measure of total *family income* is constructed using the same procedure. The age adjustment is intended to account for the possibility that the neighborhood environment may change over the life course in different ways for blacks and whites and for first- and second-generation household members—the results are not found to be sensitive to this adjustment.

In addition to age and family income, several models include a set of variables measuring family demographic characteristics and observable measures of family background. All of the following covariates are measured among household heads in the first generation:[13] the parental household head's *race*, which indicates whether the household head is black (whites are the reference group, and all other race/ethnic groups are excluded); the household head's *gender*; the household head's *educational attainment*, which consists of dummy variables indicating less than high school education, some high school,[14] high school graduate (the reference group), some college education, and a college degree or more; the log of the household head's *occupational status*, which is based on the socioeconomic index (Nakao and Treas 1994) and averaged over all years in which the head is observed; annual *hours worked*, which is measured as the log of the average total annual hours worked for the household head over all years observed; *marital status*, consisting of dummy variables indicating whether the head was always married/cohabiting over the years observed, always single (the reference group), or married/cohabiting for some segment of the years observed; the *number of children* in the household, again averaged over all years in which the individual is observed; and *home ownership*, which represents the proportion of years observed in which the family owned its home.

I also include three additional covariates that are intended to capture outlooks or attitudes of parents that reveal an inclination to invest in and plan for the future and that may facilitate upward mobility for children. The three measures are based on survey items that were asked only from

[13] I also include the gender and the educational attainment of the second-generation family member in certain regression models, as noted in the text. I exclude other second-generation covariates, such as adult family income and occupational status, because these measures are potentially endogenous in models predicting adult neighborhood income. However, even after including these potentially endogenous covariates, the core results do not change in any substantive way. Results with the full set of second-generation covariates are available from the author.

[14] The "less than high school" and "some high school" categories are combined among second-generation respondents due to the small number of individuals without any high school education.

1968 through 1972 and thus are only available for a portion of first-generation PSID sample members. Parental *efficacy* measures respondents' "sense of personal effectiveness, and a propensity to expect one's plans to work out" (Morgan et al. 1974, p. 417). Duncan and Liker (1983) demonstrate that the measure of efficacy is significantly associated with individual earnings, providing evidence of construct validity. *Aspiration/ambition* measures "attitudes and attempts to improve economic well-being" (Morgan et al. 1974, p. 415) and consists of several items describing respondents' expressed desire to advance in economic status. Finally, the *horizon index* measures respondents' self-reported behavior "indicating a propensity to plan ahead" (Morgan et al. 1974, p. 419). This measure includes items measuring the respondent's ideas about his or her own employment, savings, and family plans and also plans for children's education.

All three "attitude" variables are found to be strongly associated with what Ehrlich refers to as a "shock index" measuring unplanned events in individual's lives, including unexpected firings or unemployment, evictions, emergency expenditures, unplanned children, and illness (Ehrlich 1975, p. 190). Both efficacy and time horizons are also significantly associated with parental neighborhood income and child neighborhood income in bivariate analyses. The measure of aspirations is not associated with the level of neighborhood income in a bivariate analysis, but I find that it is negatively associated with downward neighborhood mobility in table 8, model 4, below.

Finally, in certain models I include a measure of total household *wealth* in the first generation. This variable measures the total value of all assets held by the family, minus total debts. The PSID began asking detailed questions about wealth in 1984 and repeated these survey items in the 1989, 1994, 1999, 2001, and 2003 surveys. Because the wealth items were not asked in the early years of the study, the measure of wealth is missing for most of the first generation. Therefore, all analyses that use the measure of wealth are based on a sample of families for which the first-generation sample member met the criteria for selection into the sample in 1984 or later. The sample size for these analyses is $n = 1,057$. Descriptive statistics for all measures are displayed in table 1.[15]

[15] The analyses are conducted using a sample with nonmissing information on race and neighborhood income in each generation. I impute missing data due to nonresponse for other covariates in the models using a regression imputation procedure implemented in STATA by Royston (2004).

947

TABLE 1

DESCRIPTIVE STATISTICS: PANEL STUDY OF INCOME DYNAMICS
INTERGENERATIONAL SAMPLE

	Mean	SD	Min	Max
Dependent variable:				
Second-generation age-adjusted log				
neighborhood income	10.97	.30	9.53	12.16
Primary independent variable:				
First-generation age-adjusted log				
neighborhood income	10.78	.30	9.30	12.25
First-generation covariates:				
Race:				
Black	.14	.35	.00	1.00
White	.86	.35	.00	1.00
Total family income (log)	10.88	.57	7.60	13.21
Age	40.52	6.95	26.00	69.00
Household head is male	.84	.37	.00	1.00
Education:				
< high school education	.09	.29	.00	1.00
Some high school	.18	.38	.00	1.00
High school graduate	.32	.47	.00	1.00
Some college	.19	.39	.00	1.00
College graduate	.22	.42	.00	1.00
Occupational status (log)	8.13	.50	7.06	9.09
Annual hours worked (log)	7.51	.77	2.30	8.49
Marital status:				
Always married/cohabiting	.74	.44	.00	1.00
Sometimes married/cohabiting	.25	.43	.00	1.00
Always single	.01	.11	.00	1.00
Number of children	2.89	1.61	.00	13.00
Home ownership (proportion of years				
owned home)	.72	.38	.00	1.00
Efficacy	3.72	1.38	.00	7.00
Aspirations	3.38	1.25	.00	9.00
Time horizons	5.18	.88	1.50	8.00
Wealth (log)*	10.51	1.72	2.11	14.78
Second-generation exogenous covariates:				
Age	31.72	3.56	26.00	52.00
Male	.49	.50	.00	1.00
Education:				
< or some high school education	.12	.32	.00	1.00
High school graduate	.30	.46	.00	1.00
Some college	.27	.44	.00	1.00
College graduate	.31	.46	.00	1.00

NOTE.—All means are weighted using individual weights.
* The full sample size is 4,464. Because the Panel Study of Income Dynamics did not begin measuring wealth until the 1984 survey, the sample size for the measure of wealth is $n = 1,057$.

METHODS

I use two approaches to analyze intergenerational contextual mobility. The first approach is to estimate the overall persistence in neighborhood income across generations by regressing the measure of log neighborhood income of children (as adults) on the log neighborhood income of parents, as shown in equation (1):

$$Y_{1i} = \alpha_0 + \alpha_1 Y_{0i} + v_i. \tag{1}$$

The dependent variable is the age-adjusted log of neighborhood income of "children" as adults, and Y_{0i} represents the age-adjusted log of neighborhood income of parents. One notable problem in estimating α_1 is the presence of measurement error in parents' neighborhood characteristics, which leads to a downward bias (see Solon [1992] for a discussion of this problem in relation to economic status). Although neighborhood characteristics in the PSID have been shown to be relatively stable over short periods of time (Solon, Kunz, and Page 2003), errors in locating and geocoding the addresses of respondents represent an additional source of error that is not present with family income.

I follow the common approach of using the average neighborhood income of parents and children, measured over all years in which the parent/child is observed as head of houehold (or the spouse of a household head if in the second generation), in order to reduce the potential for bias due to measurement error. I also estimate an additional model in which I use the average neighborhood income for all household heads in the same race/education/occupation/income category as the parents as an instrument for parental neighborhood income. Mulligan (1997) uses a similar instrument (among others) to estimate parental income and earnings in intergenerational models of economic status. Bayer and Ross (2006) also use average neighborhood characteristics of individuals within specific socioeconomic groupings to instrument for various characteristics of individuals' neighborhoods in estimating neighborhood effects on individual labor market outcomes. The justification for using average neighborhood characteristics among similar individuals as an instrument for individual neighborhood characteristics is that doing so removes the correlation between any unobserved individual characteristics that influence residential decisions and their neighborhood attributes (Bayer and Ross 2006, p. 3). The aggregated characteristics are correlated with the individual's neighborhood characteristics, and one can make the argument that they are uncorrelated with unobserved factors in the error term.

After estimating the basic intergenerational elasticity of neighborhood income, I expand the model in equation (1) to consider how much of the association between neighborhood income across generations can be ex-

plained by factors such as race, family income, occupational status, efficacy, and so on. I should note that the primary goal of these analyses is not to identify the *causal* effect of parents' neighborhood environments on children's neighborhood environments but to generate estimates of the rigidity of neighborhood stratification and to provide suggestive evidence on several possible mechanisms by which the neighborhood environment is connected across generations.

Whereas the intergenerational elasticity of neighborhood income provides a summary measure of neighborhood mobility, it does not tell us how mobility patterns vary over the distribution of neighborhoods, nor does it reveal anything about the *direction* of mobility. Transition matrices describe mobility in terms of the probability of movement from one point in the distribution of neighborhoods to another, providing direct evidence on how mobility varies across the distribution of neighborhoods (for examples of transition matrices that describe neighborhood mobility, see Gramlich et al. [1992] and Massey et al. [1994]). To create intergenerational transition matrices I split the sample into quartiles (and then deciles) based on the distribution of neighborhood income in the first generation and the second generation. I then describe the probability that whites and blacks whose parents occupied a given quartile (or decile) end up in each destination quartile (or decile) as adults. Finally, I expand on this analysis by estimating two additional summary models predicting whether individuals in the second-generation experience (1) any upward mobility (i.e., children occupy a higher quartile than their parents) and (2) any downward mobility. These models are again expanded to include the same set of covariates described above in an effort to understand black/white gaps in upward and downward mobility and the processes leading to mobility across the neighborhood income distribution.

RESULTS

The Persistence of Neighborhood Economic Status

Table 2 contains results from the basic model of intergenerational mobility, where the log of the average neighborhood income of parents predicts the log of average neighborhood income of children as adults. Under ordinary least squares (OLS), the intergenerational elasticity is .64,[16] meaning a 1% change in the parent's neighborhood income is associated with a .64%

---

[16] This estimate is not affected by the weights used or by including multiple parent/child pairs from the same family. For instance, the unweighted estimate of intergenerational elasticity of neighborhood income is .63; if I limit the sample to include only one parent/child pair per family, the estimate is again .63; without adjusting for age, the elasticity is .64.

TABLE 2
INTERGENERATIONAL NEIGHBORHOOD INCOME
ELASTICITY

Sample	Estimated Elasticity
All	.64 (.03)
Blacks only	.39 (.06)
Whites only	.58 (.04)

NOTE.—All results significant at $P < .01$; nos. in parentheses are SEs.

change in the child's neighborhood income as an adult.[17] Another way to think about the estimate of overall contextual mobility is to consider how a hypothetical family's neighborhood environment would be expected to change over successive generations. Figure 1 displays the expected trajectory of change for a hypothetical family that begins, in generation 1, in a very poor neighborhood where the average income is half of the national average. The simulation then tracks this family for seven generations. On the basis of the OLS estimate of intergenerational persistence, we would expect that 64% of the gap between the family's neighborhood income in generation 1 and the national average should be transmitted to the next generation. The simulation assumes that this rate of intergenerational mobility is constant in each generation and demonstrates how much closer to the national mean this family could expect to be with each passing generation. For instance, in generation 2 the family can expect to live in a neighborhood where the average income is about 32% below the national average. If we follow the hypothetical family to generation 5, we find that the family can expect to live in a neighborhood where the average income is roughly 8% below the national average. Assuming that a typical generation lasts 25 years, the simulation suggests that it takes a full century before a family starting in a very poor neighborhood can expect to live in a neighborhood that is within 10% of the national average. This is perhaps the best indication of how persistent neighborhood economic status is across generations: inequality that exists in one generation withers away over time, but it does so extremely slowly.

How does the rate of mobility differ for blacks and whites? The last rows in table 2 reveal that the intergenerational elasticity is lower for

[17] To address the possibility of measurement error I estimate an additional using the average neighborhood income of household heads in the same race/education/occupation/income group as an instrument for parental neighborhood income, as described previously. The estimated elasticity is .92, which is very high and should be thought of as providing an upper bound on the estimated intergenerational elasticity of neighborhood income.
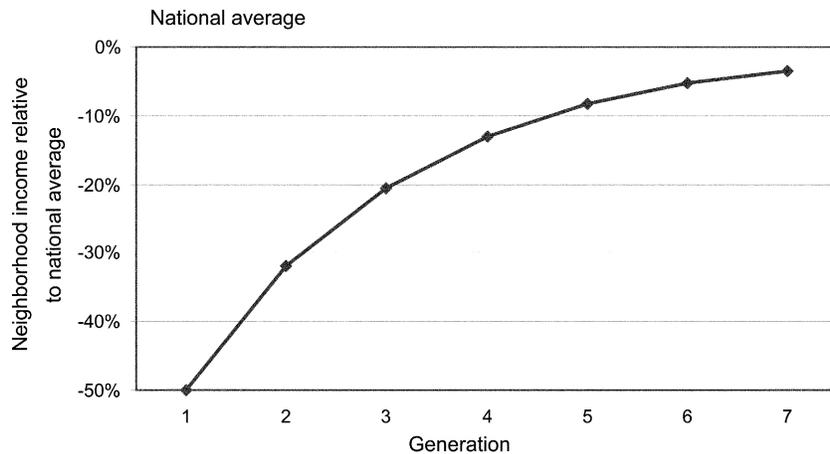
National average

FIG. 1.—Simulation of the persistence of neighborhood disadvantage over seven generations

blacks than for whites, meaning there is more persistence in neighborhood income for white families than for black families. Although this result is somewhat counterintuitive, it is consistent with classic and more recent work on racial differences in economic mobility (Duncan 1968; Hertz 2005), which has been interpreted to suggest that black families that have been able to attain a relatively advantaged position in the income distribution are unable to pass on their advantageous position to the next generation (Duncan 1968, pp. 95–96). This pattern makes more sense if one thinks about black and white families' mobility patterns as occurring in two separate distributions. There is considerable mobility among black families *within the distribution of black families*. However, when we consider patterns of black mobility within the full distribution of blacks and whites we find that black Americans have been unable to make substantial advances that would allow them to live in neighborhoods comparable to whites, and families who have escaped the racial boundaries of America's residential structure in one generation are not able to pass on their position to offspring.

These complex patterns of mobility are obscured when contextual mobility is described with a single parameter. An alternative way of examining these dimensions of mobility is to use transition matrices, which describe directly the probability of movement from one point in the distribution of neighborhoods to another. Among the families originating in each quartile of the neighborhood income distribution, table 3 reports the proportion of black and white children that remain in the same quartile as adults and the proportion that transition into a different quartile. Table

TABLE 3
INTERGENERATIONAL CONTEXTUAL MOBILITY: "OUTFLOWS"

| ORIGIN QUARTILES | DESTINATION QUARTILES | | | | ROW TOTAL (Unweighted) |
	Bottom	Second	Third	Top	
Blacks:					
Bottom	72	19	7	2	1,475
Second	53	33	7	7	290
Third	39	34	5	22	78
Top	8	11	46	35	36
Whites:					
Bottom	40	35	18	8	514
Second	17	32	34	17	679
Third	5	23	39	32	713
Top	2	9	26	63	679

NOTE.—Figures represent row percentages; all rows sum to approximately 100%. All figures are weighted using individual weights. "Origin" quartiles are first generation; "destination," second generation.

4 then shows the overall proportion of black and white families occupying a given cell in the matrix.

From the first matrix in table 3, representing black mobility, I find that 72% of black Americans whose parents reside in the lowest quartile of neighborhoods remain there as adults. Persistence of neighborhood economic status is much less common at the top of the distribution. Among the small number of black families who live in the top quartile of the distribution in the first generation, only 35% remain there in the second generation. By themselves, these figures reveal the striking persistence of neighborhood disadvantage among black families. When compared with the corresponding transition matrix for white families in table 3, the results are even more startling. Whereas 40% of whites whose parents occupied the lowest quartile of neighborhoods remain there as adults, 63% of white families originating in the top quartile of the neighborhood distribution continue to live there in the second generation. White families exhibit a high rate of mobility out of the poorest neighborhoods and a low rate of mobility out of the most affluent neighborhoods, and the opposite is true among black families.

Table 4 examines the same data with a slightly different focus; here I describe the overall concentration of black and white families in different cells in the matrix. The figures in table 4 represent cell percentages, rather than row percentages. Among the full sample of black parent/child pairs, 52% live in the bottom quartile of neighborhoods in each generation. Thus, the most common experience for black families since the 1970s has been to live in the poorest American neighborhoods over consecutive generations. By contrast, persistent neighborhood *advantage* is virtually

953

TABLE 4
INTERGENERATIONAL NEIGHBORHOOD ADVANTAGE AND
DISADVANTAGE: OVERALL CONCENTRATION

	DESTINATION QUARTILES			
ORIGIN QUARTILES	Bottom	Second	Third	Top
Blacks:				
Bottom	52	14	5	1
Second	11	7	1	1
Third	2	2	<1	1
Top	<1	<1	1	1
Whites:				
Bottom	7	6	3	1
Second	4	8	9	4
Third	2	7	11	9
Top	<1	3	8	18

NOTE.—"Origin quartile" is first generation; "destination quartile" is second generation. Figures represent cell percentages. All figures are weighted using individual weights. Cell percentages total approximately 100% per matrix.

nonexistent for black families. Roughly 1% of black families live in the top quartile of neighborhoods for more than one generation. Among whites, persistent *disadvantage* is extremely uncommon: only about 7% of the white sample lived in the poorest quartile of neighborhoods in both generations. However, white families are most heavily concentrated in the most affluent neighborhoods. The group of families occupying the top quartile in each generation represents 18% of the white sample as a whole, indicating substantial persistence of neighborhood advantage among whites.

Although these results provide strong evidence of the persistence of neighborhood inequality across generations, the wide range of neighborhood income *within* quartiles of the distribution may obscure black/white gaps in neighborhood economic status. To examine this possibility I split the neighborhoods of first- and second-generation sample members into deciles rather than quartiles, and I focus primary attention on intergenerational persistence at the bottom and at the top of the distribution.

As displayed in table 5, 55% of blacks whose parents occupy the bottom decile of neighborhoods remain there as adults; 25% of all black families lived in the poorest decile of neighborhoods in both generations. There are too few black families living in the top decile of neighborhoods to analyze. Among whites, 19% of families originating in the bottom decile remain there in the second generation, accounting for just 1% of the sample of white parent/child pairs. By contrast, white families at the top of the distribution of neighborhoods tend to pass on their advantaged position to children. Almost half (45%) of white families that live in the

TABLE 5
Persistence of Extreme Advantage and Disadvantage

Persistence	Blacks	Whites
At the bottom:		
% remaining in poorest decile*	55	19
% in poorest decile in each generation†	25	1
At the top:		
% remaining in most affluent decile*	NA‡	45
% in most affluent decile in each generation†	NA‡	5

* Denominator is all white/black family pairs originating in the most affluent/poorest decile of neighborhood income.
† Denominator is all white or black family pairs.
‡ Only 17 black families lived in the top decile in the first generation; two of these families remained there in the second generation.

top decile of neighborhoods in the first generation continue to live in the top decile in the second generation; 5% of all white families live in the most affluent tenth of neighborhoods in consecutive generations, by far the heaviest concentration of whites in the matrix. Thus, the true depth of racial inequality in neighborhood environments only becomes clear when we consider the extreme ends of the distribution of neighborhoods. It is not uncommon for successive generations of black family members to live in America's poorest neighborhoods, while persistent exposure to the poorest neighborhoods is extremely rare among whites.

Why Is Neighborhood Inequality So Persistent?

The remainder of the analysis focuses on the mechanisms by which neighborhood economic status is transmitted from parents to children. I begin by considering a set of family- and individual-level demographic characteristics and indicators of socioeconomic status that might be thought to explain the similarities in the neighborhood environments of parents and their children—results from models incorporating these covariates are displayed in table 6. Model 1 gives the unconditional estimate of intergenerational elasticity, .641, which will serve as the reference point for the remainder of the models in table 6. In model 2 second-generation log neighborhood income is predicted by only a race indicator; this model provides an estimate of the unconditional gap between the neighborhood environments of blacks and whites in the second generation of the PSID. I find that black Americans live in neighborhoods with roughly 31% lower average income than whites.[18] Model 3 includes both the race indicator

[18] The percentage gap between blacks and whites is calculated using the formula: $100[\exp(-.369) - 1]$.

TABLE 6
DECOMPOSITION OF NEIGHBORHOOD INCOME ELASTICITY

	Model 1	Model 2	Model 3	Model 4
First-generation covariates:				
Neighborhood income (log)	.641 **		.557 **	.396 **
Black		−.369 **	−.155 **	−.133 **
Total family income (log)				.065 **
Male				−.051 *
Education (high school graduate is reference):				
< high school education				−.049 **
Some high school				−.038 *
Some college				−.023
College graduate				.024
Occupational status (log)				.024
Annual hours worked (log)				.000
Marital status (single is reference):				
Always married/cohabiting				−.014
Sometimes married/cohabiting ...				−.061
No. of children				−.005
Home ownership (proportion of years owned home)				−.037 *
Efficacy				.007
Aspirations				.011 *
Time horizons				−.006
Second-generation covariates:				
Male				.010
Education (high school graduate is reference):				
< high school education				−.032 *
Some college				.023 *
College graduate				.124 **

NOTE.—Dependent variable is second-generation neighborhood income (log); SEs excluded to save space.
* $P < .05$.
** $P < .01$.

and the measure of log parental neighborhood income. The coefficient for parental neighborhood income is slightly smaller than the unconditional estimate from model 1 (.557 compared to .641); however, the black/white gap in neighborhood income is reduced by almost 60% when compared with model 2 (−.155 compared to −.369). Conditional on first-generation neighborhood income, the black/white gap in second-generation neighborhood income is only 14%. This result demonstrates that current racial inequality in neighborhood economic status is largely explained by inequality that was present in the previous generation.

Model 4 incorporates a set of covariates measured in the first generation,

as well as exogenous covariates measured in the second generation (gender and education), in an attempt to understand the mechanisms by which parents' neighborhood environments are transmitted to the next generation. Parental income, education, home ownership, aspirations, and the gender of the household head all influence the type of neighborhood in which children end up as adults. Individuals with parents who are relatively affluent or who have high economic ambitions/aspirations tend to live in neighborhoods with high income as adults, while those who come from families where the parents are poorly educated or where the family owned the home are likely to live in less affluent neighborhoods as adults.[19] Educational attainment is also clearly important for neighborhood attainment, as well-educated individuals live in more affluent neighborhoods even after considering their family background.[20] Together with the race indicator, these covariates explain 38% of the association between neighborhood income of parents and their children (.396 compared to .641).

Collectively, the results presented in table 6 reveal an extremely strong association between the neighborhood environments of successive generations of family members, most of which is not attributable to family background. While substantial racial inequality in neighborhood income exists among second-generation household members, close to 60% of this "current" racial inequality is explained when we consider the neighborhood environments of their parents. Thus, the racial inequality that is prevalent in the second generation of the PSID is largely a continuation of inequality that existed in the preceding generation.

[19] The relationship between home ownership and downward contextual mobility appears in multiple analyses and is a puzzling finding for which I have no convincing explanation. One possibility is suggested by Pattillo-McCoy's (1999) ethnographic work in Chicago neighborhoods, in which the author documents how homes are often passed on from middle-class parents to downwardly mobile children. This is only one potential explanation for an unanticipated result, however.

[20] In a separate model not shown, I incorporate a measure of total household wealth in the first generation. Because detailed questions on wealth were not asked until the 1984 survey of the PSID, the measure is missing for most first-generation respondents, and the model is based on a sample size of $n = 1,057$. I find that parental wealth is a significant predictor of second-generation neighborhood income in models that do not include parental income; when parental income is included, wealth is no longer significant. Incorporating the measure of wealth also does not reduce the association between parental neighborhood income and child neighborhood income much, suggesting that wealth is not driving the strong intergenerational association.

The Importance of Place: Geographic Mobility and Contextual
Mobility

After considering various dimensions of family background as well as
children's educational attainment, most of the association between par-
ents' and children's neighborhood economic status remains unexplained.
What the models presented to this point have not considered is how
geographic mobility relates to contextual mobility; in other words, how
do individuals' prospects for advancement or decline in neighborhood
status relate to continuity and change in their geographic location? Earlier
I suggested several unique mechanisms by which individuals are con-
nected to places, whether due to social ties established in a particular
place or to constraints on mobility. In this section I examine whether such
connections to places, in the form of geographic continuity from one gen-
eration of family members to the next, help explain the persistence of
neighborhood economic status across generations.

Table 7 shows results from four models predicting second-generation
log neighborhood income that are similar to the basic models of inter-
generational elasticity already presented, except that in these models I
interact the measure of parental log neighborhood income with a di-
chotomous indicator for whether children lived in the same county as
their parents.[21] In these models, the coefficient attached to the measure
of log parental neighborhood income represents the intergenerational elas-
ticity of neighborhood income for children who, as adults, live in a dif-
ferent county from their parents; the coefficient attached to the interaction
term indicates the difference between the elasticity for children who end
up in the same county as their parents and children who move on to a
different county.

The first column of results in table 7 demonstrates the close connection
between *geographic* mobility and *contextual* mobility. Without considering
any other covariates, the intergenerational elasticity for children who
move on to a different county is estimated to be .50; the estimated elasticity
is .75 for children who remain in the same county (.499 + .252). The
interaction term demonstrates clearly that if children remain in the same
county into adulthood, they typically live in a neighborhood that is ex-
tremely similar to the one in which they were raised. To what extent is
this result driven by children who do not move at all? To answer this

[21] I use counties, rather than cities or metropolitan statistical areas (MSAs), because
not everyone in the sample lived in a city or MSA in the first generation. The results
are very similar when I use an indicator for residence in the same town/city or MSA.
To identify whether children remain in the same county and tract as their parents, I
use the single county and tract in which the individual lived for the most years while
observed in the sample as an adult.

TABLE 7
Contextual Mobility and Geographic Mobility

PARENTAL NEIGHBORHOOD INCOME (PNI)	UNCONDITIONAL MODEL		FULL MODEL[a]	
	Full Sample	Different Tract[b]	Full Sample	Different Tract[b]
PNI Logged	.499*	.499*	.312*	.298*
	(.039)	(.039)	(.035)	(.034)
PNI × Same county[c] ...	.252*	.208*	.190*	.129*
	(.045)	(.048)	(.037)	(.039)

Note.—Dependent variable is second-generation neighborhood income (log); SEs in parentheses.

[a] Includes all first-generation covariates plus exogenous second-generation covariates (gender and education).

[b] These models exclude respondents who, as adults, live in the same census tract where they lived as children.

[c] Refers to second-generation family members who live in the same county as children and adults.

* Significant at $P < .01$.

question I estimate the same model after excluding respondents who live in the same census tract as a child and as an adult. As the second column of results in table 7 reveals, the basic finding remains the same—children who stay in the same county overwhelmingly live in neighborhoods that are very similar to their neighborhoods of origin, even if they have moved out of the actual neighborhood in which they were raised. The third and fourth columns of results repeat these analyses while controlling for the full set of covariates and demonstrate that the patterns I uncover are not attributable to observable measures of family background.

These results make clear that connections to specific places play a central role in the reproduction of neighborhood inequality across generations. I explore this finding further by modeling the probability of upward and downward mobility across the neighborhood income distribution directly (table 8). The outcome in models 1 and 2 in table 8 is a dichotomous measure coded positively if the second-generation household members occupied a higher quartile of the neighborhood income distribution than their parents (individuals originating in the highest quartile are excluded). The outcome in models 3 and 4 indicates downward mobility (individuals originating in the lowest quartile are excluded). All of the models include a measure of log parental neighborhood income as a covariate, in order to control for the actual position of families within the distribution of neighborhoods.

Table 8, model 1, shows that the odds of upward mobility among second-generation sample members who remain in the same county are slightly more than half those of second-generation respondents who move on to a different county. In model 2, I include the full set of covariates and find that the odds of upward mobility among children who remain

TABLE 8

Upward and Downward Mobility across Quartiles of the Neighborhood
Income Distribution

	Upward Mobility[a]		Downward Mobility[b]	
	Model 1	Model 2	Model 3	Model 4
Geographic stability:				
Same county as child and adult	.538 **	.709 **	1.105	.904
First-generation covariates:				
Black		.301 **		3.563 **
Total family income (log)		1.285		.420 **
Male		.795		1.538
Education (high school graduate is reference):				
< high school education		.643		1.953 *
Some high school		.898		1.095
Some college		.921		1.571
College graduate		1.459		1.173
Occupational status (log)		1.139		.811
Annual hours worked (log)		1.162		1.078
Marital status (single is reference):				
Always married/cohabiting		.697		1.292
Sometimes married/cohabiting		.832		2.122
No. of children		.954		.982
Home ownership (proportion of years owned home)		1.048		1.720 *
Efficacy		1.018		.888
Aspirations		1.075		.875 *
Time horizons		.928		1.093
Second-generation exogenous covariates:				
Male		1.054		.918
Education (high school graduate is reference):				
< or some high school education		.797		1.171
Some college		1.307 *		.796
College graduate		1.882 **		.374 **

Note.—Odds ratios are reported; SEs have been excluded to save space.

[a] The dependent variable is a dichotomous measure of whether the second-generation household member lived in a higher quartile of the neighborhood distribution than his or her parents. Sample members originating in the top quartile are excluded.

[b] The dependent variable is a dichotomous measure of whether the second-generation household member lived in a lower quartile of the neighborhood distribution than his or her parents. Sample members originating in the bottom quartile are excluded.

* $P < .05$.

** $P < .01$.

in place are still only .71 times those of geographically mobile individuals. The stark racial gap in upward contextual mobility is also clear from model 2. The odds of upward mobility for blacks are only .30 times the odds for whites, reinforcing the findings from the transition matrices presented earlier. Educational attainment also plays an important role in upward contextual mobility, as children who go to college themselves have much better odds of advancing into more affluent neighborhoods.

Moving on to consider downward mobility, models 3 and 4 demonstrate that remaining in the same county has no association with downward mobility. Race is, again, the best predictor of downward mobility, as the odds of downward mobility for black Americans are 3.6 times as large as the odds for whites. Children from families with relatively high family income are less likely to be downwardly mobile, as are children with parents who have high aspirations or ambitions. This finding suggests that the influence of what parents transmit to their children is not limited to typical measures of family background but also includes an orientation toward the future or an outlook that emphasizes upward mobility. Children from families where the household head has less than a high school degree are more likely to be downwardly mobile, as are children from families where the parents owned their home. Finally, I again find that second-generation family members who obtain a college degree have lower odds of experiencing downward mobility.

By considering the direction of mobility, we uncover a more refined picture of the relationship between geographic mobility and contextual mobility. Specifically, remaining in the same geographic area reduces the odds of advancing into a more affluent neighborhood, although it does not influence the odds of downward contextual mobility. I should note that this analysis is preliminary, in the sense that I am not able to sort out the mechanisms leading respondents to remain in the same places over time or to depart their hometown for a new destination. To do so would require extensive information on respondents' decision-making processes as they decide upon a geographic destination and a neighborhood within that destination, including the strength of their social networks in their neighborhood or city of origin and the importance of these networks in influencing residential decisions, the extent to which discrimination in the housing and lending markets constrains residential decisions, respondents' perceptions of how they would be treated in potential destinations, and so forth. Such information is difficult to capture with survey data.

In the absence of such data, the results provide evidence that is consistent with the general hypothesis that connections to places—whether the result of constraints on mobility, selection due to social ties or preferences, or some combination—play an important role in leading to con-

tinuity in the social environments surrounding families and thereby in reproducing neighborhood inequality. The results also raise several intriguing questions about the relationship between racial inequality and place. Considering the large racial gaps in geographic mobility, one might ask how individuals' economic prospects are linked to the fortunes of their neighborhoods or hometowns. For example, what do strong connections to places mean for black families who migrated to rust belt cities that have experienced substantial declines in manufacturing employment over the last several decades? These questions relate to the broader project of integrating neighborhoods and places into the larger literature on stratification and mobility in America, and the results I have presented set the stage for a broader research agenda focused on this task.

DISCUSSION

The overriding conclusion from this analysis is that the neighborhood is an extremely rigid dimension of racial stratification in America. This claim is supported by the strong relationship between the neighborhood income of parents and that of their children and by the extraordinary persistence of neighborhood disadvantage among black families. Family income, education, and occupational status help to account for the persistence of neighborhood income from one generation to the next; however, the destination neighborhoods of children appear to have much more to do with their origin neighborhoods than with other aspects of their family background or any advances made in educational attainment.

More troubling, I find that the racial inequality that characterized American neighborhoods in the 1970s has been transmitted, in large part unchanged, to the current generation. Whereas white families have been able to preserve their advantaged position in the distribution of neighborhoods, a quarter of multigenerational black pairs in the sample lived in the poorest 10% of neighborhoods in both the first and the second generations. More than half lived in the poorest quarter of neighborhoods in both generations. Thus, the most common experience for black families since the 1970s has been to be surrounded by poverty over consecutive generations. This type of persistent contextual disadvantage is nonexistent for whites.

One primary implication of these results is that racial inequality in neighborhood environments is substantially underestimated by point-in-time, or even single-generation, measures of neighborhood income or poverty. This should lead us to question whether the many studies estimating "neighborhood effects" are truly capturing the influence of the neighborhood environment for black and white families through the use of short-

term measures that focus on the low end of the neighborhood distribution—most commonly the neighborhood poverty rate—as the causal treatment of interest. This approach overlooks the fact that for white families, living in the low end of the neighborhood distribution is a temporary state. Most white families who live in a poor neighborhood at a single point in time will not live in a similar neighborhood in the next generation. For black families, the opposite is true: the families living in today's poorest neighborhoods are the same families that lived in the poorest neighborhoods of the 1970s. Considering the dramatic racial inequality in persistent exposure to poor neighborhoods, researchers studying neighborhood effects might shift their focus and investigate how the influence of living in a poor neighborhood *over successive generations* differs from short-term residence in such a neighborhood, instead of simply comparing individuals who live in a disadvantaged neighborhood at a single point in time to those living in relatively advantaged neighborhoods.

Similarly, the persistence of neighborhood income from one generation to the next complicates interpretations of findings from residential mobility experiments such as the Moving to Opportunity experiment (MTO), in which public housing residents from several cities are randomly provided the chance to enter private housing in relatively low-poverty neighborhoods (Goering and Feins 2003). The difficulty with interpreting the results from MTO as estimates of "neighborhood effects" lies in the conceptualization of a move to a new neighborhood as a point-in-time "treatment." This perspective ignores the possibility that the social environments surrounding families over generations have any lagged or cumulative influence on family members, and it ignores the complex pathways by which this influence may occur. For instance, the neighborhood may have an influence on an individual's educational attainment in one generation, in turn influencing the individual's occupational status and income as an adult, the quality of the home environment in which that individual raises a child, and the developmental trajectory of that child. These indirect pathways are obscured in observational studies that control for a set of covariates such as education or the quality of the home environment, and they are impossible to assess in experimental approaches such as MTO. For this reason, interpreting estimates from MTO as "neighborhood effects" is not consistent with a conception of the neighborhood as a developmental context that is experienced over long periods of time and that offers unique resources, risks, opportunities, and constraints that have the potential to alter the life course trajectories of residents.

The broader point is that theories explicating the influence of neighborhoods on individual lives, and the methods used to assess this influence, may need to be refined in light of the strong persistence in neighborhood

income from one generation to the next. That parents and children spend much of their lives in similar residential environments suggests, for instance, that there is the potential for "ecologically structured norms" (Sampson and Wilson 1995) to extend across generations. Wacquant's (2001) work on the ghetto as an instrument for social exclusion, and Wilson's (1996) concept of social isolation become more powerful when we consider that the vast majority of black families living in America's poorest neighborhoods come from families that have lived in a similar environment for generations. In this sense, continuity of the neighborhood environment, in addition to continuity of individual economic status, may be especially relevant to the study of cultural patterns and social norms among disadvantaged populations.

Finally, the results I have presented make clear the need to broaden the analysis of inequality and mobility by taking seriously the idea of the neighborhood context as an independent dimension of stratification. Almost four decades have passed since the passage of the 1968 Fair Housing Act, which was designed to eliminate discrimination in the housing and lending markets and thereby to eliminate the racial inequalities that characterized America's residential structure. The results of this analysis show that the first generation of black Americans to enter adulthood at a time when discrimination was illegal have not made any substantial advancements in neighborhood status and remain concentrated in the low end of the neighborhood distribution. This reality reflects the failure to achieve the ideals of the Fair Housing Act. We know, for instance, that discrimination remains prevalent in both the housing and lending markets and that fair housing legislation has never been enforced adequately (Massey and Denton 1993; Turner et al. 2002; Yinger 1995). However, I would argue that the persistent racial inequality in America's neighborhoods should be seen not only as a policy failure but as a failure to conceptualize the role that places play in the production and maintenance of inequality across multiple dimensions.

Families sort themselves into places, and become connected to places, for reasons other than the resources or housing needs that they bring to the market. The places in which they locate themselves offer a unique set of advantages, such as quality schooling, and a unique set of risks, such as the presence of gangs and violence, that have the potential to dramatically alter the life course trajectories of children and adults and that can serve to reproduce stratification across multiple dimensions. Although this article stops short of assessing the role that multigenerational neighborhood disadvantage and advantage play in structuring social norms, educational and economic opportunities, health trajectories, and social networks, the findings I have presented raise the possibility that researchers have overlooked a crucial dimension of neighborhood strat-

ification—that of time. What can be said with some certainty is that neighborhood inequality that existed in the 1970s has been passed on to the current generation of Americans, and the persistence of neighborhood poverty in the lives of black Americans represents an enduring dimension of racial inequality.

REFERENCES

Alba, Richard D., and John R. Logan. 1993. "Minority Proximity to Whites in Suburbs: An Individual Level Analysis of Segregation." *American Journal of Sociology* 98: 1388–1427.

Alba, Richard D., John R. Logan, and Brian J. Stults. 2000. "The Changing Neighborhood Contexts of the Immigrant Metropolis." *Social Forces* 79:587–621.

Altman, Irwin, and Setha M. Low, eds. 1992. *Place Attachment, Human Behavior, and Environment: Advances in Theory and Research*, vol. 12. New York: Plenum.

Bayer, Patrick, and Stephen L. Ross. 2006. "Identifying Individual and Group Effects in the Presence of Sorting: A Neighborhood Effects Application." Working Paper no. 12211. National Bureau of Economic Research, Cambridge, Mass.

Becketti, Sean, William Gould, Lee Lillard, and Finis Welch. 1988. "The Panel Study of Income Dynamics after Fourteen Years: An Evaluation." *Journal of Labor Economics* 6:472–92.

Blau, Peter M., and Otis Dudley Duncan. 1967. *The American Occupational Structure*. New York: Free Press.

Bobo, Lawrence D., and Camille L. Zubrinsky. 1996. "Attitudes on Residential Integration: Perceived Status Differences, Mere In-Group Preference, or Racial Prejudice?" *Social Forces* 74:883–909.

Bound, John, and Harry J. Holzer. 2000. "Demand Shifts, Population Adjustments, and Labor Market Outcomes during the 1980s." *Journal of Labor Economics* 18: 20–54.

Bowles, Samuel, and Herbert Gintis. 2002. "The Inheritance of Inequality." *Journal of Economic Perspectives* 16:3–30.

Briggs, Xavier de Souza, ed. 2005. *The Geography of Opportunity: Race and Housing Choice in Metropolitan America*. Washington, D.C.: Brookings Institution.

Brooks-Gunn, Jeanne, Greg J. Duncan, and J. Lawrence Aber, eds. 1997. *Neighborhood Poverty*. Vol. 1, *Context and Consequences for Children*. New York: Russell Sage.

Brooks-Gunn, Jeanne, Greg J. Duncan, Pamela K. Klebanov, and Naomi Sealand. 1993. "Do Neighborhoods Influence Child and Adolescent Development?" *American Journal of Sociology* 99:353–95.

Brown, Charles. 1996. "Notes on the SEO or Census Component of the PSID." Unpublished report, Panel Study of Income Dynamics.

Bruch, Elizabeth, and Robert Mare. 2006. "Neighborhood Choice and Neighborhood Change." *American Journal of Sociology* 112:667–709.

Charles, Camille Zubrinsky. 2001. "Processes of Residential Segregation." Pp. 217–71 in *Urban Inequality: Evidence from Four Cities*, edited by Alice O'Connor, Chris Tilly, and Lawrence Bobo. New York: Russell Sage.

Cohen, Cathy, and Michael Dawson. 1993. "Neighborhood Poverty and African-American Politics." *American Political Science Review* 87:286–302.

Corcoran, Mary. 1995. "Rags to Rags: Poverty and Mobility in the United States." *Annual Review of Sociology* 2:237–67.

Crowder, Kyle, Scott J. South, and Erick Chavez. 2006. "Wealth, Race, and Inter-neighborhood Migration." *American Sociological Review* 71:72–94.

Cutler, David M., Edward L. Glaeser, and Jacob L. Vigdor. 1999. "The Rise and Decline of the American Ghetto." *Journal of Political Economy* 107:455–506.

Drake, St. Clair, and Horace R. Cayton. 1933. *Black Metropolis: A Study of Negro Life in a Northern City*. Chicago: University of Chicago Press.

Dreier, Peter, John Mollenkopf, and Todd Swanstrom, eds. 2001. *Place Matters: Metropolitics for the Twenty First Century*. Lawrence: University of Kansas Press.

DuBois, W. E. B. 1899. *The Philadelphia Negro*. New York: Lippincott.

Duncan, Greg J., and Jeffrey Liker. 1983. "Disentangling the Efficacy-Earnings Relationship among White Men." Pp. 218–48 in *Five Thousand American Families: Patterns of Economic Progress*, vol. 10, edited by Greg J. Duncan and James N. Morgan. Ann Arbor: University of Michigan Institute for Social Research.

Duncan, Otis Dudley. 1968. "Inheritance of Poverty or Inheritance of Race?" Pp. 85–110 in *On Understanding Poverty*, edited by Daniel Patrick Moynihan. New York: Basic.

Ehrlich, Everett. 1975. "Involuntary Disruptions of 'Life-Cycle' Plans." Pp. 189–220 in *Five Thousand American Families: Patterns of Economic Progress*, vol. 3, edited by Greg J. Duncan and James N. Morgan. Ann Arbor: University of Michigan Institute for Social Research.

Elder, Glen H., Valarie King, and Rand D. Conger. 1996. "Attachment to Place and Migration Prospects: A Developmental Perspective." *Journal of Research on Adolescence* 6:397–425.

Ellen, Ingrid Gould. 2001. *Sharing America's Neighborhoods: Prospects for Stable Racial Integration*. Cambridge, Mass.: Harvard University Press.

Ellen, Ingrid Gould, and Margery Austin Turner. 2003. "Do Neighborhoods Matter and Why?" Pp. 313–38 in *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*, edited by John Goering and Judith D. Feins. Washington, D.C.: Urban Institute.

Elliott, Delbert S., William J. Wilson, David Huizinga, Robert J. Sampson, Amanda Elliott, and Bruce Rankin. 1996. "The Effects of Neighborhood Disadvantage on Adolescent Development." *Journal of Research in Crime and Delinquency* 33:389–426.

Fitzgerald, John, Peter Gottschalk, and Robert Moffitt. 1998*a*. "An Analysis of the Impact of Sample Attrition in Panel Data: The Michigan Panel Study of Income Dynamics." *Journal of Human Resources* 33:251–99.

———. 1998*b*. "An Analysis of the Impact of Sample Attrition on the Second Generation of Respondents in the Michigan Panel Study of Income Dynamics." *Journal of Human Resources* 33:300–344.

Fried, Marc. 1982. "Residential Attachment: Sources of Residential and Community Satisfaction." *Journal of Social Issues* 38:107–19.

Furstenberg, Frank F., and Mary Elizabeth Hughes. 1997. "The Influence of Neighborhoods on Children's Development: A Theoretical Perspective and Research Agenda." Pp. 23–47 in *Neighborhood Poverty*, vol. 1, *Policy Implications in Studying Neighborhoods*, edited by Jeanne Brooks-Gunn, Greg J. Duncan, and J. Lawrence Aber. New York: Russell Sage.

GeoLytics. 2003. *CensusCD Neighborhood Change Database, 1970–2000 Tract Data*. New Brunswick, N.J.: GeoLytics.

Gerson, Kathleen, C. Ann Stueve, and Claude S. Fischer. 1977. "Attachment to Place." Pp. 139–61 in *Networks and Places: Social Relations in the Urban Setting*, edited by Claude S. Fischer, Robert M. Jackson, C. Ann Stueve, Kathleen Gerson, Lynne McCallister Jones, and Mark Baldassare. New York: Free Press.

Goering, John, and Judith D. Feins, eds. 2003. *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*. Washington, D.C.: Urban Institute.

Gramlich, Edward, Deborah Laren, and Naomi Sealand 1992. "Moving into and out of Poor Urban Areas." *Journal of Policy Analysis and Management* 11:273–87.

Green, Donald P., Dara Z. Strolovitch, and Janelle S. Wong. 1998. "Defended

Neighborhoods, Integration, and Racially Motivated Crime." *American Journal of Sociology* 104:372–403.

Hannerz, Ulf. 1969. *Soulside: Inquiries into Ghetto Culture and Community*. New York: Columbia University Press.

Harrington, Michael. 1962. *The Other America: Poverty in the United States*. New York: Macmillan.

Harris, David R. 1999. "'Property Values Drop When Blacks Move in, Because . . . ': Racial and Socioeconomic Determinants of Neighborhood Desirability." *American Sociological Review* 64:461–79.

———. 2001. "Why Are Whites and Blacks Averse to Black Neighbors?" *Social Science Research* 30:100–116.

Hertz, Tom. 2005. "Rags, Riches, and Race: The Intergenerational Economic Mobility of Black and White Families in the United States." Pp. 165–91 in *Unequal Chances: Family Background and Economic Success*, edited by Samuel Bowles, Herbert Gintis, and Melissa Osborne Groves. New York: Russell Sage.

Hill, Martha. 1992. *The Panel Study of Income Dynamics: A User's Guide*. Newbury Park, Calif.: Sage.

Ihlanfeldt, Keith R., and Benjamin Scafidi. 2002. "Black Self-Segregation as a Cause of Housing Segregation: Evidence from the Multi-City Study of Urban Inequality." *Journal of Urban Economics* 51:366–90.

Jargowsky, Paul A. 1997. *Poverty and Place: Ghettos, Barrios, and the American City*. New York: Russell Sage.

Jencks, Christopher, and Susan E. Mayer. 1990. "The Social Consequences of Growing Up in a Poor Neighborhood." Pp. 111–86 in *Inner-City Poverty in the United States*, edited by Lawrence E. Lynn Jr. and Michael G. H. McGreary. Washington, D.C.: National Academy.

Jencks, Christopher, Marshall Smith, Henry Acland, Mary Jo Bane, David Cohen, Herbert Gintis, Barbara Heyns, and Stephan Michelson. 1972. *Inequality: A Reassessment of the Effect of Family and Schooling in America*. New York: Basic.

Krysan, Maria. 2002. "Community Undesirability in Black and White: Examining Racial Residential Preferences through Community Perceptions." *Social Problems* 49:521–43.

Lansing, John, and Eva Mueller. 1967. *The Geographic Mobility of Labor*. Ann Arbor, Mich.: Institute for Social Research.

Liebow, Elliot. 1967. *Tally's Corner: A Study of Negro Streetcorner Men*. Boston: Little, Brown.

Lipset, Seymour Martin, Reinhard Bendix, and Hans L. Zetterberg. 1959. "Social Mobility in Industrial Society." Pp. 11–81 in *Social Mobility in Industrial Society*, edited by Seymour Martin Lipset and Reinhard Bendix. Berkeley: University of California Press.

Logan, John R. 1978. "Growth, Politics, and the Stratification of Places." *American Journal of Sociology* 84:404–16.

Logan, John R., Richard D. Alba, Tom McNulty, and Brian Fisher. 1996. "Making a Place in the Metropolis: Locational Attainment in Cities and Suburbs." *Demography* 33:443–53.

Logan, John R., Brian J. Stults, and Reynolds Farley. 2004. "Segregation of Minorities in the Metropolis: Two Decades of Change." *Demography* 41:1–22.

MacIntyre, Sally, and Anne Ellaway. 2003. "Neighborhoods and Health: An Overview." Pp. 20–42 in *Neighborhoods and Health*, edited by Ichiro Kawachi and Lisa Berkman. Oxford: Oxford University Press.

Mare, Robert D. 2001. "Observations on the Study of Social Mobility and Inequality." Pp. 477–88 in *Social Stratification: Class, Race, and Gender in Sociological Perspective*, edited by David B. Grusky. Boulder, Colo.: Westview.

Massey, Douglas S. 2007. *Categorically Unequal: The American Stratification System*. New York: Russell Sage.

Massey, Douglas, and Nancy Denton. 1993. *American Apartheid: Segregation and the Making of an Underclass*. Cambridge, Mass.: Harvard University Press.

Massey, Douglas, Andrew B. Gross, and Kumiko Shibuya. 1994. "Migration, Segregation, and the Geographic Concentration of Poverty." *American Sociological Review* 59:425–45.

Mazumder, Bhashkar. 2005. "The Apple Falls Even Closer to the Tree than We Thought: New and Revised Estimates of the Intergenerational Inheritance of Earnings." Pp. 80–99 in *Unequal Chances: Family Background and Economic Success*, edited by Samuel Bowles, Herbert Gintis, and Melissa Osborne Groves. New York: Russell Sage.

Milligan, Melinda J. 1998. "Interactional Past and Potential: The Social Construction of Place Attachment." *Symbolic Interaction* 21:1–33.

Morgan, James N., Katherine Dickinson, Jonathan Dickinson, Jacob Benus, and Greg Duncan, eds. 1974. *Five Thousand American Families: Patterns of Economic Progress*, vol. 1. Ann Arbor: University of Michigan Institute for Social Research.

Mulligan, Casey B. 1997. *Parental Priorities and Economic Inequality*. Chicago: University of Chicago Press.

Nakao, Keiko, and Judith Treas. 1994. "Updating Occupational Prestige and Socioeconomic Scores: How the New Measures Measure Up." *Sociological Methodology* 24:1–72.

Osborne Groves, Melissa. 2005. "Personality and the Intergenerational Transmission of Economic Status." Pp. 208–31 in *Unequal Chances: Family Background and Economic Success*, edited by Samuel Bowles, Herbert Gintis, and Melissa Osborne Groves. Princeton, N.J.: Princeton University Press.

Pattillo-McCoy, Mary. 1999. *Black Picket Fences: Privilege and Peril among the Black Middle Class*. Chicago: University of Chicago Press.

Quillian, Lincoln. 1999. "Migration Patterns and the Growth of High-Poverty Neighborhoods, 1970–1990." *American Journal of Sociology* 105:1–37.

———. 2003. "How Long Are Exposures to Poor Neighborhoods? The Long-Term Dynamics of Entry and Exit into Poor Neighborhoods." *Population Research and Policy Review* 22:221–43.

Royston, Patrick. 2004. "Multiple Imputation of Missing Values." *Stata Journal* 4:227–41.

Sampson, Robert J., Jeffrey D. Morenoff, and Thomas Gannon-Rowley. 2002. "Assessing 'Neighborhood Effects': Social Processes and New Directions for Research." *Annual Review of Sociology* 28:443–78.

Sampson, Robert J., Stephen W. Raudenbush, and Felton Earls. 1997. "Neighborhoods and Violent Crime: A Multilevel Study of Collective Efficacy." *Science* 227:918–24.

Sampson, Robert J., and William J. Wilson. 1995. "Toward a Theory of Race, Crime, and Urban Inequality." Pp. 37–54 in *Crime and Inequality*, edited by J. Hagan and R. Petersen. Stanford, Calif.: Stanford University Press.

Schelling, Thomas. 1971. "Dynamic Models of Segregation." *Journal of Mathematical Sociology* 1:143–86.

Sewell, William H., and Robert M. Hauser. 1975. *Education, Occupation, and Earnings: Achievement in the Early Career*. New York: Academic Press.

Small, Mario L., and Katherine S. Newman. 2001. "Urban Poverty after the Truly Disadvantaged: The Rediscovery of the Family, the Neighborhood, and Culture." *Annual Review of Sociology* 27:23–45.

Sobel, Michael E. 2006. "What Do Randomized Studies of Housing Mobility Demonstrate? Causal Inference in the Face of Interference." *Journal of the American Statistical Association* 101:1398–1407.

Solon, Gary. 1992. "Intergenerational Income Mobility in the United States." *American Economic Review* 82:393–408.

———. 2002. "Cross-Country Differences in Intergenerational Earnings Mobility." *Journal of Economic Perspectives* 16:59–66.

Solon, Gary, Jim Kunz, and Marianne Page. 2003. "Are Point-in-Time Measures of Neighborhood Characteristics Useful Proxies for Children's Long-Run Neighborhood Environment?" *Economics Letters* 79: 231–37.

South, Scott J., and Kyle D. Crowder. 1997. "Escaping Distressed Neighborhoods: Individual, Community, and Metropolitan Influences." *American Journal of Sociology* 102:1040–84.

Spilimbergo, Antonio, and Luis Ubeda. 2004. "Family Attachment and the Decision to Move by Race." *Journal of Urban Economics* 55:478–97.

Stack, Carol. 1974. *All Our Kin: Strategies for Survival in a Black Community*. New York: Harper & Row.

Turner, Margery Austin, Stephen L. Ross, George C. Galster, and John Yinger. 2002. *Discrimination in Metropolitan Housing Markets*. Washington, D.C.: U.S. Department of Housing and Urban Development.

Wacquant, Loïc. 2001. "Deadly Symbiosis: When Ghetto and Prison Meet and Mesh." *Punishment and Society* 3:95–134.

Wilson, William J. 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago: University of Chicago Press.

———. 1996. *When Work Disappears: The World of the New Urban Poor*. New York: Knopf.

Yinger, John. 1995. *Closed Doors, Opportunities Lost: The Continuing Costs of Housing Discrimination*. New York: Russell Sage.