

Neighborhood Effects on Economic Self-Sufficiency:  
A Reconsideration of the Moving To Opportunity Experiment

Abstract

In this paper we revisit the Moving to Opportunity housing mobility experiment, which heretofore has not provided strong evidence to support the hypothesis of neighborhood effects on economic self sufficiency among adults. We undertake a conceptual and empirical analysis of the study's design and implementation to gain a better understanding of the selection processes that occur within the study. We show that the study is potentially affected by selectivity at several junctures: in determining who complied with the program's requirements, who entered integrated versus segregated neighborhoods, and who left neighborhoods after initial relocation. Furthermore, in previous analyses, researchers have not found an experimental treatment effect on adult economic self-sufficiency, relative to controls. We propose an alternative approach that involved measuring the cumulative amount of time spent in different neighborhood environments, and when this is done we find evidence that neighborhood is associated with outcomes such as employment, earnings, TANF receipt, and use of food stamps.