Changing Opportunity

How Changes in Children’s Social Environments Have Increased Class Gaps and Reduced Racial Gaps in Economic Mobility

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NONTECHNICAL SUMMARY FIGURES
Growing Class Gaps, Shrinking Race Gaps - Changes Between Children Born in 1978 and 1992

This figure shows 1) the change in average adult income for Black and white children born to high- and low-income parents in 1978 and 1992 along with the starting average incomes for children born in 1978 (left table), 2) the change in the income gap between white individuals who grew up in low- versus high-income families, or the class gap (center chart), and 3) the change in the income gap between Black and white individuals who grew up in low-income families, or the race gap (right chart).

Source: Chetty, Dobbie, Goldman, Porter, Yang.
The Persistence of Poverty Has Declined for Black Children and Increased for White Children; Chance of Reaching Upper Income Remain Unchanged

Figure Description
This figure shows how rates of persistence of poverty – defined as the fraction of children born to parents in the bottom fifth of the income distribution who remain in the bottom fifth as adults – and rates of reaching upper income – defined as the fraction of children born to parents in the bottom fifth of the income distribution who reach the top fifth as adults – have changed for white and Black children. Black children’s chances of reaching upper income remained the same between 1978 and 1992.

Source: Chetty, Dobbie, Goldman, Porter, Yang.
The Changing Geography of Economic Opportunity in America

Incomes in Adulthood for White Children Born to Low-Income Parents (25th Percentile) in 1978 and 1992

1978

Household Income in Adulthood

$18.8K $21.2K $25.6K $30.8K $33.7K $40.9K

1992

Incomes in Adulthood for Black Children Born to Low-Income Parents (25th Percentile) in 1978 and 1992

1978

Household Income in Adulthood

$18.8K $21.2K $25.6K $30.8K $33.7K $40.9K

1992

Figure Description
These maps show how opportunity has changed across places in America for Black and white individuals born in 1978 and 1992. The color scales for the Black vs. white maps are distinct to help visualize changes for each demographic group. The fact that two color scales are necessary underscores how wide remaining racial gaps are. Dollar values are measured in 2005 and 2019 for the 1978 and 1992 birth years, respectively, and are inflation adjusted to 2023 dollars.

Source: Chetty, Dobbie, Goldman, Porter, Yang.
Changes in Household Income Percentiles
for White Children from Low-Income Families

Change in Household Income Percentiles for Black Children from Low-Income Families

Source: Chetty, Dobbie, Goldman, Porter, Yang.
Changes in Children’s Outcomes Are Closely Related to Community-Level Changes in Parental Employment Rates

Figure Description
This figure shows the relationship between changes in childhood environment (on the x-axis) and changes in average household income rank (on the y-axis) across large metropolitan areas with at least 10K children within each race and parental income demographic set.

Social Interaction Matters — Children’s Outcomes Are Influenced by Changes in Employment Rates of Parents of Other Children in Their Own Grade Rather than Surrounding Grades

Figure Description
The teal line shows the impacts of changes in the employment rates of parents of children in their own birth cohort vs. surrounding birth cohorts. The orange line shows the share of high school friends that children have in their own grade vs. other surrounding grades.