COMMUNITY PROFILE

Philadelphia, PA *Philadelphia County*

This Community Profile uses Opportunity Insights research to explain economic mobility (whether children grow up to earn[1] more or less than their parents) in Philadelphia[2], and highlights data tools and strategies to help expand opportunity.

KEY ECONOMIC MOBILITY STATISTICS FOR GREATER PHILADELPHIA

Where you grow up in Philadelphia shapes earnings later in life.
Philadelphia ranks in the 5th percentile nationally for economic mobility among children from low-income families. On average, these children earn $27K as adults—but outcomes vary by neighborhood, from $17K in some areas to $62K in others.

$27K — AVERAGE ADULT EARNINGS FOR CHILDREN FROM LOW-INCOME FAMILIES IN PHILADELPHIA

Economic mobility is declining for Philadelphia's low-income children.
Low-income Millennials born in 1992 now earn about $24.7K as adults, compared to $27.4K for their Generation X counterparts born in 1978—a drop of 9.7% (compared to a national decline of 4.2%).

-9.7% — CHANGE IN AVERAGE ADULT EARNINGS FOR CHILDREN BORN IN 1978 VS. 1992 TO LOW-INCOME FAMILIES IN PHILADELPHIA

Local colleges can play a key role in improving economic mobility.
The University of Philadelphia delivers strong outcomes for low-income students but enrolls very few. In contrast, Community College of Philadelphia provides greater access to low-income students but sees weaker mobility results.

TO BOOST MOBILITY, PHILADELPHIA COLLEGES NEED BOTH **ACCESS** AND STRONG **OUTCOMES** FOR LOW-INCOME STUDENTS

Building social capital is key to economic mobility.
Economic connectedness—the extent to which low- and high-income people form friendships—is a key driver of upward mobility. Philadelphia ranks in the 30th percentile nationally, with low-income residents having, on average, 36% of their friends from higher-income households, compared to a national average of 40%.

PROPORTION OF HIGH-INCOME FRIENDS AMONG LOW-INCOME INDIVIDUALS IN PHILADELPHIA

[1] Earnings refer to average annual household income in adulthood, adjusted for inflation. Neighborhood-level statistics from Insight 1 are shown in 2015 dollars and measured at age 35; county-level change statistics from Insight 2 are shown in 2023 dollars and measured at age 27.

[2] For simplicity, we use 'Philadelphia' or 'Greater Philadelphia' to refer to statistics that represent Philadelphia County.

INSIGHT 1

Philadelphia ranks in the 15th percentile nationally for upward mobility among low-income children, with significant variation across neighborhoods.

In Philadelphia, low-income children earn an average of $27K as adults, but outcomes vary widely by neighborhood. Children growing up just blocks apart can experience different financial futures, with average adult incomes ranging from $17K to $62K. These disparities underscore how opportunity is deeply influenced by the neighborhoods where children are raised.

Opportunity Varies by Place

Average household income in adulthood for children from low-income families

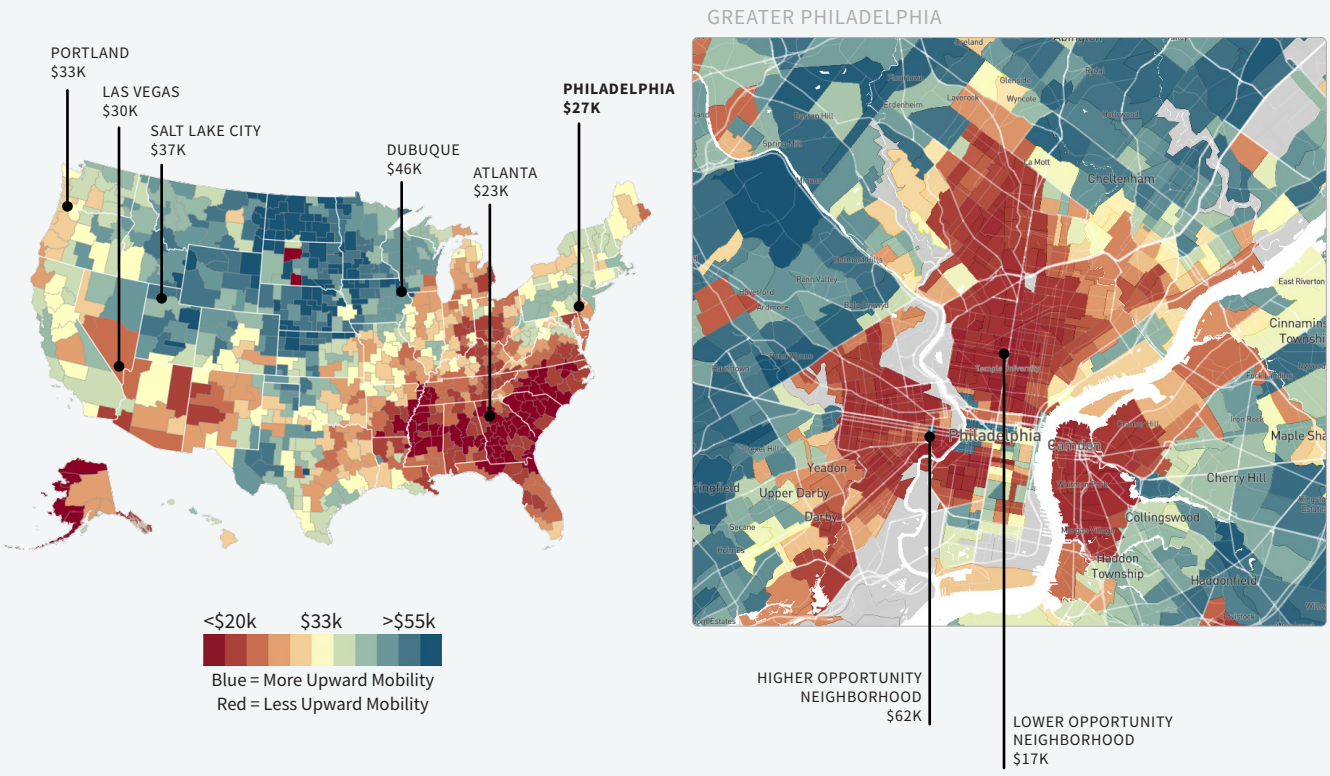


Figure note: These maps highlight how economic mobility varies across U.S. metro areas–and how similar patterns of variation are reflected at the neighborhood level in Philadelphia.

Explore the Opportunity Atlas ↗

Discover how outcomes vary across neighborhoods in the Neighborhood Mobility Outcomes module of the Opportunity Atlas

INSIGHT 2

Mobility for low-income children in Philadelphia is declining.

Low-income children born in 1992 (Millennials) are reaching adulthood with lower incomes than those born just 15 years earlier in 1978 (Generation X)—a sign of declining economic mobility in recent decades. On average, Millennials from low-income families in Philadelphia earn about $24.7K as adults, compared to $27.4K for their Gen X counterparts—a drop of 9.7%, steeper than the national average decline of 4.2%.

These trends are not uniform across all groups. Economic mobility outcomes for children from low-income families vary by race, revealing distinct trends and disparities.

How Economic Mobility Has Changed for Different Groups in Philadelphia

Comparing Adult Earnings of Children from Low-Income Families Born in 1978 vs. 1992

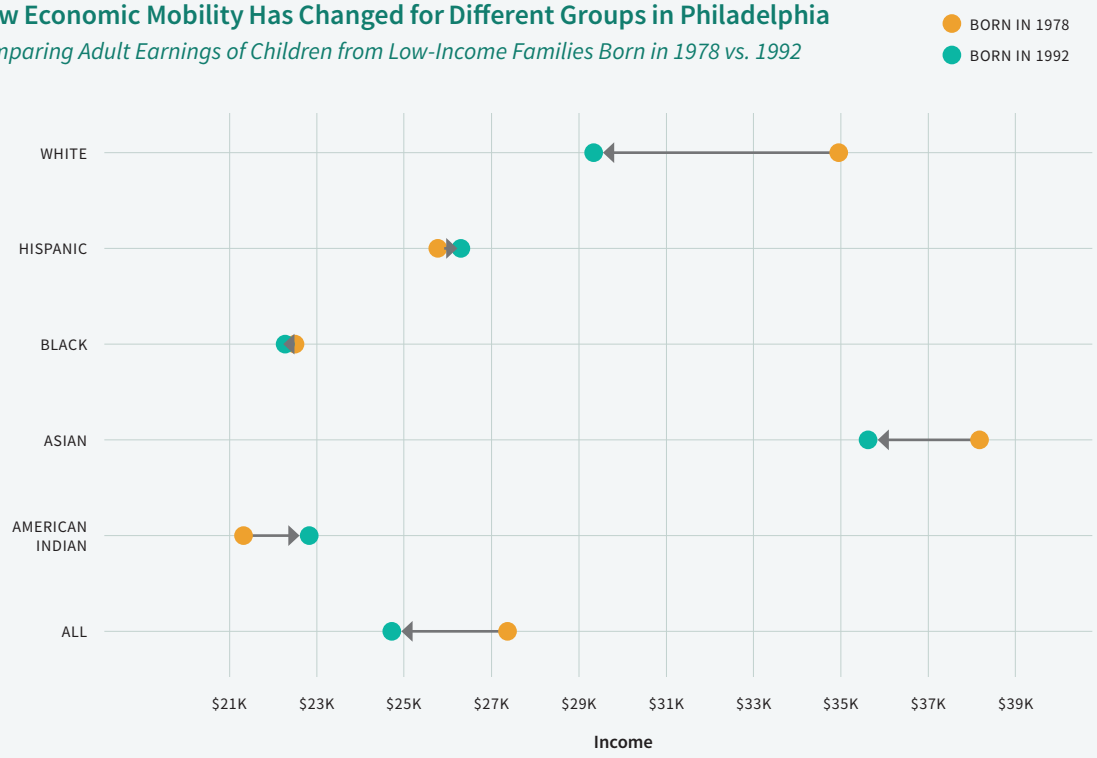


Figure note: This figure shows changes in economic mobility outcomes by race for Gen X (born in 1978) vs. Millennial (born in 1992) children who grew up in Philadelphia.

Explore the Opportunity Atlas ↗

Discover how opportunity is changing in the County & Metro Mobility Trends module of the Opportunity Atlas

INSIGHT 3

Local colleges can play a pivotal role, but face challenges in advancing economic mobility at large.

Higher education institutions can play a crucial role in promoting economic mobility. Attending selective schools, in particular, often leads to excellent long-term outcomes for low-income students. However, these highly selective institutions typically enroll very few students from low-income backgrounds. In contrast, community colleges and other less selective programs enroll a higher proportion of low-income students, but they are less likely to propel students from lower- to higher-income brackets.

To be an engine of upward mobility, colleges must do two things: ensure broad access for students from diverse backgrounds and support those students in achieving economic success. One without the other is not enough to contribute to economic mobility at large.

In Philadelphia, institutions like the University of Philadelphia provide strong outcomes for their low-income graduates, but few low-income students attend. On the other hand, schools like the Community College of Philadelphia enroll many more low-income students, though the outcomes for these students are weaker.

The Contribution of Philadelphia Area Colleges to Economic Mobility

Upward Mobility vs. Low-Income Access

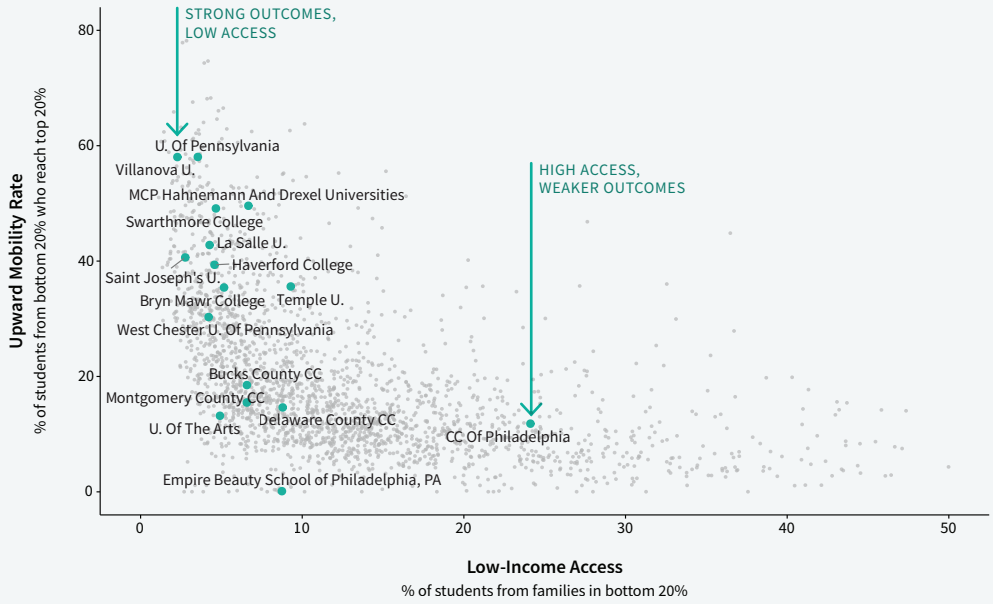


Figure note: This figure shows all U.S. colleges as gray dots and a selection of Philadelphia-area colleges as teal dots, plotted along two dimensions. The horizontal axis represents access, indicating the proportion of students from low-income families. The vertical axis represents economic mobility outcomes, showing the share of those students who reach the top of the income distribution after graduation.

Explore College Data ↗

Discover school-specific trends with an interactive tool from The New York Times

INSIGHT 4

Philadelphia ranks in the 30th percentile nationally for social capital, with significant variation across neighborhoods.

Economic connectedness, or the interaction between low- and high-income individuals, is the strongest predictor of upward mobility identified in economic mobility research. Communities with higher economic connectedness tend to have better outcomes for low-income residents. This can be broken down into two key factors: Exposure and Friending Bias.

Exposure

The extent to which high- and low-income individuals are in the same places.

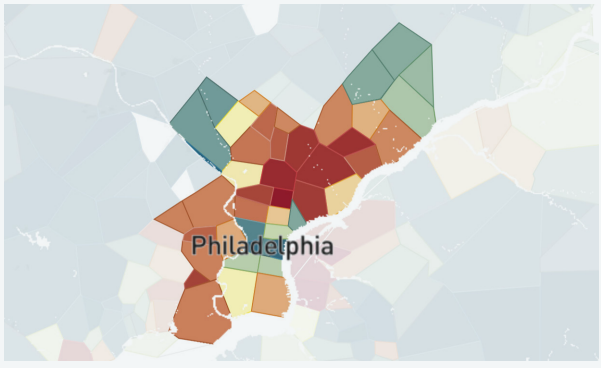
Friending Bias

The likelihood that individuals from different socioeconomic backgrounds will form meaningful relationships.

In Philadelphia, economic connectedness is relatively low. For low-income children, 36% of their friends are high-income, compared to a national average of 40%. However, this varies significantly across neighborhoods, with some areas showing strong economic connectedness and others much lower. These variations in economic connectedness are strongly correlated with rates of upward mobility.

Economic Connectedness

By ZIP code in greater Philadelphia



Upward Income Mobility

By ZIP code in greater Philadelphia

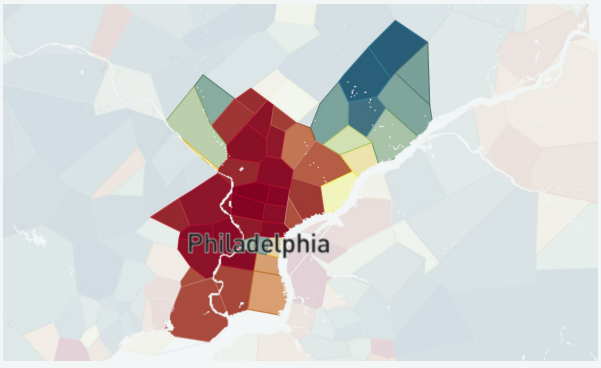


Figure note: These maps, sourced from the Social Capital Atlas, show two measures by ZIP code in Philadelphia: Economic Connectedness (left panel) and upward mobility rates for children from low-income families. The outcome of Economic Connectedness is based on an analysis of 21 billion Facebook friendships among 72.2 million U.S. users aged 25–44, measured as of May 28, 2022.

Explore the Social Capital Atlas ↗

Discover the factors shaping economic connectedness in your community

Approaches to improve economic mobility

Start in Childhood

Children who grow up in thriving environments—characterized by good health and nutrition, high-quality education and housing, stable families, and positive social influences—are much better positioned for success later in life. Each additional year of exposure to a better environment during childhood enhances outcomes in adulthood. Once people reach adulthood, changing their life trajectories becomes much more difficult. A key indicator of a community's environment is poverty concentration. Effective strategies to reduce poverty concentration may include increasing opportunities for families to move to lower-poverty neighborhoods, promoting mixed-income housing solutions, and investing in place-based efforts to address poverty directly.

90th Percentile

FOR POVERTY CONCENTRATION

Philadelphia ranks in the **90th percentile** for poverty (worse than the median U.S. city), with an average poverty rate of 26% (based on 2012–2016 ACS data). Neighborhood rates vary, climbing to 62% in some areas

Focus on Communities

When children move to better neighborhoods, especially earlier in childhood, their outcomes improve significantly, even if their parents' financial status remains unchanged. Similarly, when community conditions improve—such as an increase in the fraction of parents working—children fare better, even if their own family circumstances do not change. This evidence supports a place-based approach to enhancing economic opportunity, targeting specific areas and subgroups that lack opportunity rather than uniformly supporting families across communities.

83rd to 49th Percentile

FOR PARENTAL EMPLOYMENT

Between 1978 and 1992, Philadelphia fell from the **83rd to the 49th percentile** nationally in parental employment, as the share of parents with jobs declined from 69% to 62%.

Build Social Capital

The strongest predictor of differences in economic mobility across neighborhoods is the degree of connection between low- and high-income individuals. In communities where low-income people have many high-income friends, those born into poverty are much more likely to rise economically. These connections are crucial for various reasons, including shaping aspirations, providing job referrals, and navigating complex decisions like where to live, attend college, or start a business.

30th Percentile

FOR ECONOMIC CONNECTEDNESS

Philadelphia ranks in the **30th percentile** nationally for economic connectedness. On average, 36% of the friends that low-income residents have are high-income.

Ways to use the data to inform local strategies

Explore the Data

Use the data to understand what opportunity looks like within your community. Challenge your local understanding of community conditions and start forming hypotheses about why mobility outcomes appear as they do in specific areas and for certain subgroups.

Catalyze Support

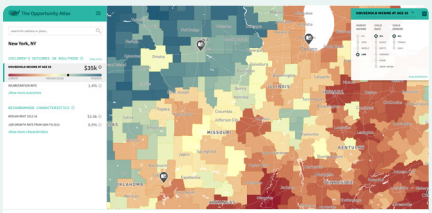
The data can help build support and buy-in for economic mobility initiatives. Since no single organization or policy solely determines economic mobility outcomes, the Opportunity Atlas and other data tools can highlight shared goals and foster collaboration toward common objectives.

Target Investments

By identifying where and for whom opportunity exists or is lacking, the data can guide the strategic allocation of community resources to support economic mobility outcomes.

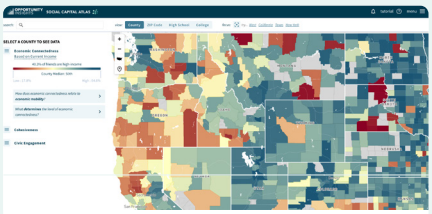
Case Examples ↗
See how others are using OI research and the Opportunity Atlas in their communities

Tools to explore data in your community



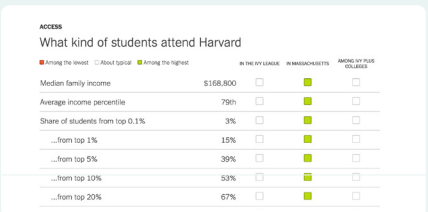
Opportunity Atlas ↗

Economic mobility data for every neighborhood in America.



Social Capital Atlas ↗

Measures of social capital for every ZIP code, high school, and college in America.



College Mobility Report Cards ↗

Statistics on economic diversity and student outcomes at America's Colleges and Universities.

OPPORTUNITY INSIGHTS

Opportunity Insights is a research-to-policy lab based at Harvard University whose mission is to identify barriers to economic opportunity and inform scalable solutions that will empower people throughout the United States to rise out of poverty and achieve better life outcomes.

Contact Opportunity Insights ↗

Explore OI's Research ↗

Sign up for Office Hours ↗