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Mobility for Whom? Local Mobility Structures and the Stratified Impact on Earnings and Poverty

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Introduction

In Sorokin's (1927) classic text, *Social Mobility,* he theorizes about the consequences of social mobility on the individual. Decades later, in *The American Occupational Structure*, Blau and Duncan (1967:431) comment on the *social* consequences of mobility, specifically for the economic well-being of society, stating: "The great potential of society's human resources can be more fully exploited in a fluid class structure with a high degree of mobility than in a rigid social system." This idea, that the fluidity of the class structure (mobility) is an important independent variable that has real consequences on the surrounding social order, is an intuitive thought that is implied in most research on social mobility. After all, a dynamic class structure that fosters mobility is the foundation of the American Dream (Pew Charitable Trust 2012). Still, this thought has remained mostly implicit. The vast majority of research on social mobility is concerned with the *causes* of mobility rather than the *consequences*, and the small literature that has explored the consequences of mobility has been heavily focused on the impacts to the individual. Several empirical studies take on the challenge of testing Sorokin's hypotheses concerning the consequences of mobility on the mental health of the individual, but the social consequences of mobility have received little empirical attention.

Another factor that has received sparse attention is the local context in which social mobility takes place. The conversation on social mobility, both within the research literature as well as in the public discourse, has traditionally been focused on the national level of mobility. The pertinent questions have centered on how the U.S. compares to other nations, and how mobility may have changed in recent U.S. history. But more recent research has shown the

importance of considering the local context of mobility (Chetty and Hendren 2015; Chetty, Hendren Kline, and Saez 2014a; Rothwell and Massey 2015). Beneath the national measures lie substantial variations in mobility from place to place within the United States, a finding that is logical given that mobility occurs primarily through local labor markets.

One thing that has been made clear is the presence of inequality in social mobility. Research has continued to demonstrate that mobility is stratified by race and gender (Bhattacharya and Mazumder 2011; Bloome 2014; Bowles and Gintis 2002; Corcoran, Gordon, Laren, and Solon 1992; Gittleman and Joyce 1995; Hertz 2005; Isaacs 2008a; Pew Charitable Trusts 2014; Sharkey 2009). This suggests that any social consequences that come from mobility are also likely to be highly stratified, but this expectation has yet to be examined in prior research.

It is these understudied areas of the field that are the focus of this paper. It investigates the social consequences of mobility by looking at the impact that occurs within local metropolitan communities and how that impact is stratified by race/ethnicity and gender. The section below introduces the primary concepts used in the social mobility literature. It provides a simple definition of social mobility and an overview of the various ways it is defined and measured. A summary of relevant literature follows, which highlights the key findings of the field. It begins by taking a brief look at the general knowledge that has been acquired on the topic of social mobility in the U.S. at the national level, where most research has occurred. The key findings here have focused on the state of social mobility, trends in social mobility, and causes of social mobility. Next comes a review of the recent studies that take local context into account and investigate how social mobility varies across the U.S. The roles of race, gender, and class in mobility research are then summarized, and the final literature review unit digs into the

limited research concerning the consequences of social mobility. After the literature review, the important contributions this project makes are outlined, and the theory and concepts used to make them are provided. This section also presents the expected relationships and develops a new concept (local mobility structure) that drives the analytical strategy of the project. The paper then continues on the expected course, presenting the data and methods and the results, before finishing with the discussion and concluding remarks.

Social Mobility Concepts

The concept of *social mobility* refers to a change in socioeconomic status. It can refer to a change that occurs during an individual's life (intra-generational mobility), or a change that occurs between generations, when an individual's status is higher or lower than that of their parents (intergenerational mobility). This change in socioeconomic status has also been measured multiple ways, resulting in the commonly used specific terms: *income mobility*, *earnings mobility*, and *occupational mobility*. There are also two distinct ways of classifying these changes that occur: *absolute mobility* and *relative mobility.* Absolute mobility looks at the absolute difference in socioeconomic status between parents and children (or between one point in an individual's life course and another later point in the case of intra-generational mobility). *Relative mobility* refers to the relationship between where a child is ranked in status (occupation for example) relative to her peers in comparison to where her parents were ranked in status among their generation. Finally, *upward mobility* and *downward mobility* refer to changes that increase the child's status or decrease the child's status, respectively.

U.S. Social Mobility[1]

[1] For a recent thorough review of the literature, see Torche (2015).

The three primary goals of U.S. mobility researchers have been to accurately measure the state of social mobility, determine if any trends exist, and identify key causes of mobility. Early studies found the U.S. to be an open and mobile society (Behrman and Taubman 1985; Bielby and Hauser 1977; Sewell and Hauser 1975) with an intergenerational elasticity[2] of only 0.2, but most recent research has converged on an intergenerational elasticity of 0.4 (Solon 1992, 1999; Zimmerman 1992). The research on mobility trends, however, is still somewhat divided. The majority of research finds no significant overall trend (Chetty, Hendren, Kline, Saez, and Turner 2014b; Gittleman and Joyce 1999; Hertz 2007; Hout 1988; Lee and Solon 2009; Sawhill 2008), but some research points to early periods of increased mobility followed by a decrease that has continued to the present (Aaronson and Mazumder 2008; Bradbury 2011), or trends that vary by gender (Beller 2009; Kopczuk, Saez, and Song 2010).

The primary causal factors that have received attention in the field are family structure, personal traits, and education. The research on family structure has found that children from single-parent homes are less likely to be upwardly mobile (DeLeire and Lopoo 2010; Bloome 2014) and more likely to be downwardly mobile (Chetty et al. 2014a). Family disruption, such as divorce or the death of one parent, has also been shown to negatively impact the chances of upward mobility for children who experience it (Biblarz and Raftery 1993; DeLeire and Lopoo 2010). Only a few studies have seriously considered the role of individual traits, finding significant effects for IQ and fatalism (Bowles and Gintis 2002), personality as measured by the Rotter locus of control scale[3] (Groves 2005), and cognitive ability (Bhattacharya and Mazumder 2011). The most established causal mechanism in social mobility research is that of education,

[2] Intergenerational elasticity is a standard measure of relative mobility that regresses the measure of status used for the child on that of the parent. The higher the number, the stronger the correlation between parent and child measures and the lower the social mobility.
[3] See Rotter (1966) for further information on this scale.

especially higher education. A college degree fosters upward mobility and hampers downward mobility (Haskins 2008; Pew Charitable Trust 2012). It also tends to strongly mediate or even negate intergenerational elasticity (Hout 1988; Torche 2011), but, of course, only for those who manage to attain it. Unfortunately, those who would benefit most from a college education are the ones least likely to receive it (Torche 2011), and the income based gaps in college access and completion are continuing to grow (Haveman and Smeeding 2006).

Social Mobility at the Local Level

The present study is more interested in the nature of mobility within the local contexts in which it occurs, and the importance of location has been highlighted in six recent sources that examine mobility at a subnational level. The first is a recent report from the Economic Mobility Project (2012) that examined state level measures to look at the distribution of mobility in the U.S. They find variation across the states, with 17 states having a significantly different average mobility than the U.S. as a whole. Eight of these states have higher upward mobility and lower downward mobility than the national average, and they are primarily New England states, with a few Mideast states as well. The other nine states are those that had lower upward mobility and higher downward mobility than the national average, and they all reside in the South.

Sharkey and Graham (2013) examine 96 U.S. metropolitan statistical areas with data from the National Longitudinal Study of Youth (1979 and 1997) and the Panel Study of Income Dynamics to investigate the influence of economic segregation (the segregation of the rich and poor) on metropolitan mobility. They find that intergenerational elasticity varies from 0.32 to

0.54 across the data sets.[4] Hidden within these overall measures they find considerable variation in mobility across MSAs, which is strongly and significantly predicted by economic segregation.

Rothwell and Massey (2015) link restricted Panel Survey of Income Dynamics data with geographic data from the U.S. Census to test the role of neighborhood income on individual economic mobility in metropolitan statistical areas. Their results suggest that neighborhood income is a significant predictor of economic mobility, and it has about half as much impact on future earnings as parental income.

The final three studies are recent projects carried out by Chetty and colleagues (Chetty and Hendren 2015; Chetty, Hendren, Kline, and Saez 2013; Chetty et al. 2014a). These authors overcame the challenge of sample size by using recently accessible administrative data on tax records from the IRS. They obtained de-identified tax records for more than 40 million individuals and their parents. They cleaned the income data to compile measures of mobility, including mobility tables and measures of mobility at multiple levels of analysis. Instead of using the standard measure of intergenerational elasticity, they use a comparable measure they call "rank-rank slope," which regresses the child's income distribution ranking on the ranking of the parents.

Chetty et al. (2013) find a positive effect of tax expenditures on intergenerational mobility for U.S. commuting zones.[5] Commuting zones with more tax expenditures and more progressive expenditures experience more intergenerational mobility. In a subsequent study, Chetty et al. (2014a) use these data to more closely investigate the variation and correlates of

[4] The only intergenerational elasticity score reported in the main text is that of the NLSY 79 (0.43). The score of the NLSY 97 is 0.32 and the score of the PSID is 0.54. They point out this is consistent with other research published using the Panel Study of Income Dynamics, which allows for a better average income measure.
[5] Commuting zones are very similar to MSAs, but extend beyond metropolitan communities to cover the entire U.S., including rural locations.

mobility across the country. Like Sharkey and Graham (2013), they find substantial variation in mobility across the U.S., including interesting variations by region, census division, and state. Similar to the Economic Mobility Project (2012), they also find the South to have the lowest upward mobility. Within commuting zones, they find upward mobility to be negatively correlated with the size of the African-American population, racial segregation, income segregation, income inequality, and percentage of single parents, but positively correlated with quality of education and social capital indices intended to measure the strength of the social networks in the commuting zone.

The most recent project, by Chetty and Hendren (2015), continues the exploration of the local context even further by testing for neighborhood effects at both the county and commuting zone level. They focus on investigating families that moved during childhood to adequately surmise the role of place, and they rely on multiple different methods for confirmation and robustness checks. The results confirm prior work on the importance of the community. They find a significant linear relationship between "childhood exposure" to lower quality neighborhoods and children's future outcomes, with each year of exposure increasing the ultimate impact on children's outcomes so strongly that they argue that "at least 50% of the variation in intergenerational mobility across the U.S. reflects the causal effects of childhood exposure" (80).

Race, Gender, and Class in Social Mobility

Race

Of course there are more nuanced relationships happening within these overall mobility patterns (Hout 2015). Racial disparities in mobility were made clear in Blau and Duncan's work

(1967:404-405). Their overall findings characterized America as a relatively mobile society of opportunity brought on by universalism, but one of the few exceptions was the plight of black Americans. "A Negro's chances of occupational success in the United States are far inferior to those of a Caucasian. […] Negroes are handicapped at every step in their attempts to achieve economic success, and these cumulative disadvantages are what produces the great inequalities of opportunities under which the Negro American suffers." Since then, many social and legal changes have occurred that have improved the station of black Americans, but the black-white mobility gap has persisted (Bhattacharya and Mazumder 2011; Bloome 2014; Bowles and Gintis 2002; Corcoran 1995; Corcoran et al. 1992; Hertz 2005; Isaacs 2008a; Pew Charitable Trust 2012; Pomer 1986; Sharkey 2009). Compared to whites, blacks experience less upward mobility and more downward mobility. They are also much more likely to both start at, and end up at, the bottom of the structure (Corcoran 1995; Hertz 2005; Isaacs 2008a; Pew Charitable Trust 2012; Sharkey 2009), with approximately 40% or more of blacks from each of the first four quintiles remaining in, or falling to, the bottom (Isaacs 2008a; Pew Charitable Trust 2012). As of now, the social mobility of Hispanics has not received enough attention to provide any clear knowledge.

Gender

One of the ways gender has been most salient in social mobility research is in the overwhelming focus on the connection between fathers and sons only (Beller 2009; Chadwick and Solon 2002). This limited approach was necessary and justified for early research because the cultural norms surrounding gender and labor meant that the vast majority of career-based occupations were held by men, and consequently most of the family income came from the father. Only in the last few decades have the labor force participation rates and wages of women become robust enough to provide meaningful data. Still, the eventual inclusion of women has

been a slower than necessary process, leading Chadwick and Solon (2002:335) to posit that it is at least partially due to unconscious sexism. Recent research is beginning to correct this shortcoming (Beller 2009; Gittleman and Joyce 1995; Isaacs 2008b; Pew Charitable Trusts 2014), and a few recent works have focused specifically on the role of gender in social mobility (Chadwick and Solon 2002; Isaacs 2008b; Pew Charitable Trust 2014). All but one (Isaacs 2008b) suggest that women experience slightly more mobility than men.

Class

Class has an inherent presence in social mobility work given that by definition the term refers to changes occurring in the distribution of individuals across the class structure. But class also plays a vital role as a predictor of mobility in that the magnitude and direction of social mobility experienced varies greatly depending on one's point of origin within the class structure (Eide and Showalter 1999; Hertz 2005; Mayer and Lopoo 2008; Haskins 2008; Isaacs 2008c; Pew Charitable Trust 2012). This relationship is well documented, especially for those starting at the top or the bottom, in research using mobility tables (Hertz 2005; Haskins 2008; Isaacs 2008c; Pew Charitable Trust 2012). Those who begin at the top are much more likely to end up there than any other group. Likewise, those from the bottom are the most likely to end there. This phenomenon has been referred to as "stickiness at the ends" (Isaacs, Sawhill, and Haskins 2008; Pew Charitable Trust 2012). In this regard, the importance of class is well-established, but some recent research has begun to investigate the role of class more thoroughly using quantile regression (Eide and Showalter 1999), showing that there is still a lot more work to be done if we are to understand this relationship.

Consequences of Social Mobility

Individual Consequences

The effects of social mobility on the individual can be traced back to the theoretical work of Sorokin (1927). Testing the negative impacts hypothesized by Sorokin has been at the heart of most subsequent research on the individual level consequences of social mobility, with research that considers the impact of mobility on mental health and well-being (Hadjar and Samuel 2015; Hollingshead and Kirby 1954; Houle and Martin 2011; Kessin 1971; Simpson 1970), alienation or social isolation from social ties (Bean, Bonjean, and Burton 1973; Bruce 1970; Curtis 1959; Ellis and Lane 1967; Kessin 1971; Stuckert 1963; Vorwaller 1970), political preferences, attitudes, and actions (Bénabou and Ok 1998; De Graaf, Nieuwbeerta, and Heath 1995; Jackman 1972; Knoke 1973; Lopreato 1967; Nieuwbeerta, de Graaf, and Ultee 2000; Piketty 1995), and racial attitudes (Hodge and Treiman 1966).

Social Consequences

Research on the social consequences of mobility has been sparse, and most of the work that has been done occurs in studies on fertility. In the early twentieth century, social mobility became a usual suspect in the causal factors of differential fertility (Berent 1952; Westoff 1953). Investigation into this relationship continued to permeate the literature into the late 20th century (Bean and Swicegood 1979; Blau and Duncan 1967; Hope 1971; Kasarda and Billy 1985; Perrucci 1967; Sobel 1985; Stevens 1981; Tien 1961), with the findings showing continued support for an inverse relationship between upward social mobility and fertility.

However, three recent studies have explored the social consequences of mobility outside of fertility. The first two projects are by economists looking at the relationship between income mobility and income inequality (Fields 2009; Hungerford 2011). Both studies rely on the Panel

Study of Income Dynamics. Fields (2009) argues that income mobility had an equalizing effect for men in the 1970s, but not the 1980s or 1990s, a conclusion that is confirmed and further clarified by Hungerford's (2011) work. Hungerford shows that although the changes in income did have an equalizing effect, in the 1980s and 1990s this effect was overcome by an opposite un-equalizing impact of changes in ranking, leading to a net increase in income inequality in those two decades.

The third project, by Kearney and Levine (2014), focuses on the relationships between high income inequality, low social mobility, and high school dropout rates within U.S. states, particularly for low SES students. They draw on a combination of seven datasets across multiple levels of analysis to carry out the study, and find an inverse correlation between inequality and mobility that supports the "great gatsby curve"[6] across the states. They also find that in states with low mobility, low SES boys are more likely to drop out of high school, net of all controls. But the effect does not hold for low SES girls, or for either gender in high and middle SES groups. They suggest that these relationships might be more meaningful at the local level, and thus run a less defined analysis (only individual level controls) at the MSA level to confirm their findings.

Theory, Concepts, and Contributions

This project provides important contributions to the current literature in multiple ways. First, it adds meaningful findings to the scant empirical research on the consequences of social mobility for the surrounding community. The research reviewed above showed social mobility to have a significant impact on fertility, inequality, and high school completion. In this paper, I

[6]From Krueger 2012. The great Gatsby curve is a term coined to refer to a situation where inequality and mobility follow inverse trends.

draw on the ideas of Blau and Duncan (1967) and study the impact of social mobility, measured as intergenerational income mobility, on the realization of human potential. Because mobility occurs primarily in the labor market, it seems likely that its impact would also be strongest there. Thus, I use two labor market outcomes as indicators of the realization of human potential – median earnings and poverty. Earnings are a tangible result of the application of human potential to occupational goals that is easily measured. Conversely, poverty can be thought of as a symptom of society failing to fully realize the human potential of its citizens.[7]

As revealed earlier, research has demonstrated variation in mobility by race and gender. Race and gender gaps have also been well documented in earnings and poverty (Blau and Kahn 2007; Bloome 2014; Cancio, Evans, and Maume 1996; Elmelech, and Lu 2004; Tomaskovic-Devey 1993). This suggests that these factors will likely play an important role in the impact of mobility as well, but current research has not yet investigated stratification in the social consequences of social mobility. This project goes beyond the influence of mobility on earnings and poverty and proceeds to look deeper into how this relationship varies by race/ethnicity and gender.

The final contribution is in the importance given to class and community context. The presence of mobility varies greatly by where an individual begins in the class structure, and it varies substantially across communities within the U.S. (Chetty et al. 2014a; Rothwell and Massey 2014; Sharkey and Graham 2013). The present work offers meaningful support to these

[7] It is worth pointing out that social mobility is often measured with income, which for most Americans primarily consists of earnings from work. And at first glance, poverty might just look like a lack of upward mobility. But at the community level these are distinct concepts that can vary independently of each other. Mobility looks at a change in income across generations from parents to children, whereas median earnings looks at a static earnings measure at one point in time. It is possible for a community to have overall median earnings that are comparatively high but experience comparatively low movement on the income ladder. Similarly, poverty is merely a measure of how much of the population is currently found at the bottom of the ladder, which is completely different than how much movement occurs on the ladder.

lesser studied areas in the literature using the concept of "local mobility structures." Local mobility structures (LMSs) represent the variation in social mobility across the class structures of local communities. The premise for this concept is that it makes sense for mobility to vary across the wide range of local labor markets in which it occurs. Each labor market would create a unique class structure with varying levels of fluidity, thus allowing varying levels of mobility across the structure. This creates a corresponding mobility structure that represents the unique pattern of fluidity across the class structure in that local community. These are local mobility structures. This concept focuses on local labor markets where mobility occurs, and also follows a nuanced approach to the topic that takes seriously the variation found across the class structure.

The purpose of this study is to explore the impact of the process of mobility, via local mobility structures, on labor market consequences. The investigation into this relationship is driven by two research questions: What impact do local mobility structures have on median earnings and poverty in U.S. communities? And, how does the impact of local mobility structures vary by race/ethnicity and gender?

Given the novelty of this research, anticipating the answers for these questions requires some speculation. Based on what is known about mobility and earnings, mobility is expected to have a strong and positive impact on median earnings. But the relationship with poverty is more difficult to hypothesize. The two extremes of the income distribution tend to experience less mobility than the rest of the population, and this stickiness is especially severe for those at the low end who are experiencing poverty. Because local mobility structures are such that those from the lower end of the class structure often experience less mobility, it seems plausible that local mobility structures (LMSs) would have a milder overall effect on the percentage of people

in poverty. Therefore, I would expect mobility to have a weak, but significant, negative impact on poverty.

Given the race and gender gaps that exist in mobility, earnings, and poverty, it seems likely that there will be analogous gaps in the consequences of mobility. Hence, I expect to find that the positive impact of mobility on earnings is decreased in magnitude and significance for non-whites compared to whites and for females compared to males. I anticipate a similar pattern for poverty, whereby the greatest decrease in poverty will be experienced by white males.

Data

The data for this study come from the METRO-MICRO_2010 data set, which contains a variety of data from public sources (like the American Community Survey or County Business Patterns) for 374 metropolitan statistical areas (MSAs) and 589 micropolitan statistical areas. All micropolitan areas are dropped from the dataset because the mobility variables are available for metropolitan areas only. The eight Puerto Rican MSAs are dropped from the dataset, and the mobility variables are unavailable for five of the remaining MSAs, bringing the total sample size to 361 MSAs. MSAs are geographic units created by the Unites States Office of Management and Budget for the purposes of facilitating the collection and comparison of data for federal statistics (United States Census Bureau 2013). An MSA is centered on a core urban area with a population of at least 50,000 and contains the county of that urban core as well as any neighboring counties that are strongly linked to it by commuting patterns. The boundaries are drawn around counties according to population density and social and economic relationships between counties. Because mobility occurs primarily within labor markets, the ideal context for within-country comparison of mobility is that of local labor markets and the communities in which they reside. MSAs are a good representation of local labor markets within which local

class and mobility structures are built, making them a useful unit of analysis for studying these mobility structures. Below I describe each of the variables used in the analyses.

Dependent Variables

The dependent variables for this study measure median earnings and poverty by race/ethnicity and gender. *Median earnings* measures the median earnings for all full-time white, Hispanic, and black workers in a given MSA.[8] The *poverty rate* provides the percentage of this same group that fall below the national poverty line. Both of these measures are also provided for each of the three race/ethnicity sub-populations, for males and females, and for each subpopulation by both race/ethnicity and gender (white males, white females, Hispanic males, Hispanic females, black males, and black females).

Social Mobility Variables

The key independent variables for this project come from data made public by Chetty et al. (2014a), and were added to the METRO-MICRO_2010 dataset. These scholars derived their measures of intergenerational mobility from income data from de-identified IRS tax records (W-4s and 1040s) for 1996-2012 for over 40 million children and their parents. For their measures they included as children all U.S. citizens who were born between 1980-1991 and had a valid social security number or individual taxpayer identification number. They identify parents as the tax filers who first claimed the child as a dependent and were between the ages of 15 and 40

[8] Normally, it would be necessary to log earnings to deal with skew, but because the earnings variables are already medians at the MSA level, they have very little skew and do not need to be logged.

years old at the time of the child's birth. Consequently, the core sample they use for measuring mobility includes approximately 10 million children (for further details see Chetty et al. 2014a).[9]

To examine local mobility structures properly requires more than a mean elasticity score for the MSA. Values are needed for multiple levels of the class structure. Therefore, absolute mobility measures are used. I use measures to look at income mobility for three different slices of the class structure based on the rank of the parents.[10] *Mobility p10* measures mobility for children who began at the low end of the class structure. Their parents were at the 10th percentile of the national distribution of income for parents (low-income). This variable measures the mean percentile rank in income earned by the adult children from these parents for each MSA. *Mobility p50* measures the average percentile rank of children who began at the middle area of the class structure. Their parents were at the 50th percentile of their income distribution (middle-income). *Mobility p90* measures the average percentile rank of children who began at the top of the class structure. Their parents were at the 90th percentile (high income). Table 1 shows the ten highest-ranked and lowest-ranked MSAs for each level of mobility. These examples will help make clear what these variables are measuring. St. Cloud, MN has the highest Mobility p10 value (49.14). This means that, on average, children whose parents were ranked at the 10th percentile in St. Cloud experience substantial mobility, rising to the 49th percentile, an increase of nearly 40 percentage points. Memphis, TN-MS-AR has the lowest Mobility p10 value (27.46), meaning that, on average, children whose parents were ranked at the 10th percentile in Memphis also experience some mobility, rising to the 27th percentile. The children from low income

[9] They also do checks to show that their data do not suffer from the common economic mobility biases based on the averaging of incomes or timing of the life cycle.

[10] The measures are specifically income not class. It would be problematic to attempt to delineate class boundaries, but the class structure and income structure are certainly related. Because the measures are taken at low-income, middle-income, and high-income levels, it is reasonable to say that they occur across different classes.

families here were still able to move up an average of 17 percentage points in the national distribution of income. The highest and lowest values on Mobility p50 belong to Dubuque, IA (59.58) and Albany, GA (43.74) respectively. Children in Dubuque who began in middle income families (parents were ranked at the 50th percentile) tend to experience upward mobility, whereas children in Albany starting from the same position tend to experience downward mobility. For the final mobility measure, Mobility p90, Johnstown, PA (72.20) and Hinesville-Fort Stewart, GA (55.03) represent the high and low end of the spectrum. The LMSs of both places cause children from high income parents to experience downward mobility, though to very different degrees. Overall, the pattern that emerges can be described as a regression to the mean. Those at the bottom tend to experience upward mobility; those in the middle often rise or fall, but stay close to the center where they began; and those at the top tend to experience a downward pull towards the middle.

[Table 1 about here]

Control Variables

I use variables in my analyses to control for several important demographic and economic characteristics of the MSAs. For demographic controls I first include dummy variables for the nine census divisions. These controls help to eliminate the effect of any exogenous factors that might vary regionally such as cost of living. *Population* represents the log of the population. *Median age* is the median age of the MSA population. *Percent black* and *percent Hispanic* refer to the percentage of blacks and Hispanics in the MSA. Similarly, *foreign-born* is the percentage of foreign-born individuals. *Percent college-educated* is the percentage of population over age 25 with a bachelor's degree. *College town* is a dummy variable for MSAs with ten percent or more of the population enrolled in colleges that have at least 5,000 students. And there are two

residential segregation variables: *dissimilarity wb* and *dissimilarity wh.* These refer to the dissimilarity index values for whites-blacks and whites-Hispanics, respectively.[11] The final variables are economic variables. *Economic growth* is the change in gross domestic product for the MSA (2007-2010) and *unemployed* represents percent unemployed.

Methods

Ordinary least squares (OLS) regression is used to investigate the impact of LMSs on median earnings and poverty. Figure 1 provides a conceptual model of the breakdown used for the numerous regressions that are run for the analyses. I regress median earnings and poverty on each of the three mobility measures (Mobility p10, Mobility p50, Mobility p90) for all groups combined as well as for each sub-population. The models present the overall impact of LMSs on earnings and poverty, as well as the significance and magnitude of the regression coefficients for each sub-population to understand how the impact of LMSs are stratified by race/ethnicity and gender in these metropolitan areas.

[Figure 1 about here]

I start my analyses by running these regressions for white males only, with all controls included. This first table is the only one that shows the control variables, thus serving as a template of what all subsequent models actually account for and what the general relationships are for all variables. I chose white males as the group because they occupy the most privileged position in society and thus serve as a reference group for comparison. To investigate these

[11] The dissimilarity index is a measure of residential segregation that measures the ratio in the distribution of one race/ethnicity to another within a geographic area (in this case MSA). Evenness occurs when the percentage of racial groups is distributed evenly across the MSA (Massey and Denton 1989). For example, if blacks make up 20 percent of an MSA's population and whites comprise 70 percent, then a perfectly even distribution in that MSA would be if every neighborhood contained 20 percent blacks and 70 percent whites. These measures represent the average of index values across the neighborhoods in the MSA.

comparisons, I run seemingly unrelated regression models to test the coefficients of each group to white males to determine if the effect for that group is significantly different from that of white males. Finally, I run regressions of each dependent variable for each sub-population across all 100 mobility levels. These results are presented graphically to demonstrate the complete impact of local mobility structures.

Results

Descriptive statistics for all variables are shown in Table 2. The average of median earnings for all MSAs is $42,898, and the average median earnings for the different demographic groups follow an expected pattern, starting at $50,973 for white males and ending with $31,843 for black females; creating a hefty range of $19,130 between them. Poverty has an overall mean of 16%, and then follows the expected reverse pattern as earnings in regards to the demographic groups, with average poverty at 10.2% for white males and rising to 32.4% for black females.

[Table 2 about here]

The mean values of the three mobility variables show the overall regression to the mean present in Table 1. Children whose parents were low income (Mobility p10) tend to experience upward mobility, reaching an average percentile rank of 36%; and those from upper income parents (Mobility p90) tend to experience modest downward mobility (63%). Table 1 demonstrated that those who began in middle income families (Mobility p50) may experience modest mobility in either direction. This table shows that this results in an overall average that stays at the middle (50%).

Table 3 displays the effects of local mobility structures on median earnings and poverty rates for white males only. Models 1 through 3 look at the impact of mobility on median earnings

for white males from low-income (Mobility p10), middle-income (Mobility p50), and high-income (Mobility p90) parents, respectively. Models 4 through 6 continue by presenting the impact of mobility on poverty for white males from low-income (Mobility p10), middle-income (Mobility p50), and high-income (Mobility p90) parents, respectively. The significance levels are derived using two-tailed tests.

[Table 3 about here]

Model 1 demonstrates that for every one percentile increase in an MSA's Mobility p10 value the expected median earnings of white males increase by $468.16, controlling all other covariates. At the Mobility p50 level, shown in Model 2, the earnings benefit becomes stronger, reaching $832.65, and this effect drops slightly at the Mobility p90 level (Model 3) to $762.90.

Figure 2 Panel A provides a concrete example of this effect for the p10 level. The mean of Mobility p10 values for all MSAs is 36.38 (displayed in Table 2 above). As also seen earlier in Table 1, the MSA with the highest Mobility p10 value is St. Cloud, MN (49.14). Subtracting the mean Mobility p10 value from that gives a difference of 12.76. This multiplied by the $468.16 per percentile increase given in Table 3 results in a benefit to white males of $5,973.72 ([49.14 – 36.38] x 468.16) in increased median earnings provided by the local mobility structure of St. Cloud, MN as compared to the MSA average.

[Figure 2 about here]

LMSs have a milder effect on poverty rates for white males than they do on earnings. Table 3 model 4 shows that at the Mobility p10 level, every percentile increase in mobility results in a .43 percentage point decrease in poverty. At the Mobility p50 level (Model 5) this effect increases to -.60 and then decreases to -.38 at the p90 level (Model 6). Panel B of Figure 2

repeats the example used in Panel A to provide a concrete example of the impact of LMSs on poverty rates for white males. Multiplying the difference in Mobility p10 between St. Cloud, MN and the mean (12.76) by the given effect (.43) reveals a 5.49% decrease in poverty rate as the benefit provided to white males by the St. Cloud LMS compared to the MSA average ([49.14 – 36.38] x .43).

Table 4 provides regression coefficients for median earnings regressed on each of the three mobility values for each race/ethnicity and gender category. The significance levels denoted by asterisks are the results of two-tailed tests. The table also marks any coefficient that is significantly different than that of white males by formatting that coefficient as bolded, italicized, and underlined.[12] At the top of the table in row A are the overall impacts of local mobility structures on earnings for all race/ethnicities and genders combined. Each percentile increase in an MSA's Mobility p10, p50, and p90 values produces an expected boost in median earnings in that MSA of $316, $589, and $567, respectively.

The coefficients presented by race/ethnicity and gender categories show that the earnings benefit is clearly stratified. When broken down by race/ethnicity, this benefit decreases in both size and significance as it travels from whites to Hispanics to blacks. Row D shows that for whites, this earnings boost is significant at all levels of the class structure, providing a benefit of $386, $633, and $525 for the three mobility levels. For Hispanics, shown in row G, this benefit drops to about one-third that of whites and loses significance entirely. The same occurs for blacks (row J), who also receive no significant benefit at any level from LMSs.

[12] As mentioned in the methods section, seemingly unrelated regressions were used (not shown) to test the coefficients for each race/ethnicity and gender group to determine if they were significantly different than those of white males.

[Table 4 about here]

A similar stratification of benefits occurs between the genders, with strength and significance dropping as the table moves from males to females. At the Mobility p10 level, females (row C) experience a benefit of $115 for each increase in an MSA's Mobility p10 value, compared to $398 for males (row B). The increase for males is nearly four times that of females and more highly significant. At the Mobility p50 level and p90 level, the male benefit becomes 3.8 times and 3.3 times that of females, respectively.

When the effects are broken down further by both race/ethnicity and gender, the pattern of stratification becomes even clearer. The coefficients for the reference group, white males (row E), are the ones presented earlier in Table 3. A percentile point increase at the low end of an MSA's LMS (Mobility p10) results in a boost to the expected median earnings of white of $468. This benefit is over two times as much as white females ($188, row F) and 1.5 times as much as Hispanic males ($312, row H). Hispanic females (row I) actually experience a significant *decrease* in expected earnings of $223, meaning the increase in mobility for those at the bottom is actually detrimental to the median earnings of Hispanic females. The benefit ratio of white males over black males (row K) and females (row L) at this mobility level is immeasurable because blacks experience no significant benefit at all. At the Mobility p50 level, the boost to white males ($833) is over 2.5 times that of white females ($312), over 1.5 times that of Hispanic males ($499), and again immeasurably larger than that of Hispanic females, black males, or black females (nonsignificant). At the top of the mobility structure, the Mobility p90 level, the only comparison groups that get a significant benefit at all are white females ($265) and Hispanic males ($400). White males dominate again with a benefit that is nearly 3 times more than that of white females and almost twice as much as Hispanic males. At this level, the local

mobility structure provides no significant benefit at all to the median earnings of Hispanic females or either gender among blacks, and there is a significant difference between the effects for white males and every other demographic group.

Figure 3 provides clear examples of how this stratification in the impact of mobility on earnings translates into real disparities in MSAs. Panel A looks at how these disparities play out for the Mobility p10 level, using the previously used example of the highest scoring MSA on Mobility p10, St. Cloud, MN. As computed and shown in Figure 1 earlier, the LMS of St. Cloud, MN provides a boost in the median earnings of white males of $5,974 in comparison to the mobility structure of an MSA at the average Mobility p10 level. For white females, this benefit translates into a $2,394 boost in median earnings. Hispanic males living in St. Cloud can expect a boost of $3,978 above what their median earnings would be if they lived in an MSA with a LMS that provided the average amount of mobility. The significant negative impact for Hispanic females translates into an expected decrease in median earnings of $2,848, and for black males and females the LMS of St. Cloud offers no significant benefit.

[Figure 3 about here]

Panel B provides the same earnings benefit breakdown for the Mobility p50 level. Here, Dubuque, IA has the highest value, and the LMS of this MSA provides an increase in the median earnings of white males ($8,177) that is over 2.5 times that of white females ($3,067) and over 1.5 times that of Hispanic males ($4,895). Hispanic females and blacks of both genders receive no significant benefit. At the top mobility level (Mobility p90), displayed in Panel C, the inequality of impact is similar in that only whites and Hispanic males benefit from mobility. The top MSA at this level is Johnstown, PA. Johnstown's LMS at the Mobility p90 brings an

expected earnings benefit to white males of $6,912, to white females of $2398, and to Hispanic males $3,628, again offering no benefit to Hispanic females or blacks of either gender.

The impact of local mobility structures on poverty rates is not as strong and clear as it is on earnings, as shown in Table 5. Row A points out that for all demographic groups combined a percentile point increase in mobility at the low, middle, and high levels result in an overall decrease in poverty of .52%, .70%, and .43% respectively in a given MSA. A better way to conceptualize this might be to point out that a ten percentile increase in the mobility of an MSA at the low, middle, and high levels would decrease the expected poverty rate for all groups in that MSA combined by 5.2%, 7%, and 4.3% respectively. The significance of the impacts of mobility on poverty rates follows a similar pattern to that of mobility on earnings. The significance levels tend to decline as the table progresses towards females or minorities. However, the variations in magnitude of the effects is much smaller than it is with earnings, and tests show that only the impact on black males differs significantly from white males, and only for the Mobility p10 and p50 levels. The impact for all other demographic groups is not significantly different from white males. The benefit of decreased poverty for white males (row E) is 5.2 times that of black males (row K) at the Mobility p10 level (.52 / .10) and 4.4 times that of black males at the p50 level (.70 / .16).

[Table 5 about here]

The prior tables offered an important look into how mobility and its impacts vary at three points in the class structure. Figure 4 completes the picture, showing the impact of local mobility structures in their entirety by graphing the coefficients for median earnings regressed across all 100 Mobility p levels for each sub-population to show how this impact varies across the class structure for each group. The first apparent pattern that appears is a gender divide, with the top

three lines (by starting point) representing white males, Hispanic males, and black males respectively, and the bottom three lines representing white females, black females, and Hispanic females respectively, but a closer look reveals that the important nuances are based on race/ethnicity as well as the intersection of race/ethnicity and gender.

[Figure 4 about here]

White males receive expected earnings benefits that are significant at every Mobility p level, starting at $404. The impact for white males reaches its apex at $900 (Mobility p66) and ends with an expected earnings boost of $658. Hispanic males also experience an impact that remains significant at every level, starting at $275, peaking at $517 (Mobility p61), and ending at $332. But the impact for black males moves only slightly, from $221 to $141, and is non-significant at every level.

White females are the only female group with an impact that remains significant at every level, starting at $164, peaking at $329 (Mobility p63), and finishing at $223. The impact for black females actually starts negative, with an expected decrease in median earnings of $12, and continues to fall to -$270, but the effect is non-significant for all levels. The trend for Hispanic females is unique in that it begins with a significant negative impact of -$211, but the significance only holds until the Mobility p35 level (-$238), shortly before the effect trends up and actually finishes with an expected positive impact of $32.

Although the male patterns tend toward the top and the female patterns to the bottom, race/ethnicity actually plays a more important role, as does intersectionality. Whites are the only race/ethnicity group that experience a significant earnings benefit across all levels for both genders. The intersection of minority race/ethnicity and being female presents the worst expected

impacts, as demonstrated by the clear isolation of the lines belonging to black females and Hispanic females in comparison to the other groups. These two sub-populations experience effects that are almost entirely negative and mostly insignificant. With both white genders experiencing significance at every level and both black genders experiencing no significance at any level, the case of Hispanics is unique, with Hispanic males receiving an expected earnings boost that is solid and significant at every level while Hispanic females actually experience a significant loss in expected earnings at the bottom third of the class structure and no significant impact at all across the top of the class structure.

The impact of LMSs on poverty across all mobility levels for each group is shown in Figure 5. The effects displayed in this graph operate opposite those in the earnings graph. The deeper the trough, the greater the decrease in poverty, and the greater the benefit. The trend lines here are clearly clustered by race, with black males and females at the top receiving the least benefit, white males and females in the middle, and Hispanic males and females at the bottom.

[Figure 5 about here]

In terms of poverty, Hispanics actually experience the greatest benefit at the bottom end of the class structure. Hispanic males have an expected decrease in poverty of 0.6%. This effect reaches its trough, and maximum impact, at -0.7 (Mobility p44), then begins a steep incline that ends at -0.2. Not only does the impact quickly lessen, but it also loses significance at -0.4 (Mobility p87). The pattern for Hispanic females follows a similar path, beginning at -0.5, bottoming at -0.6 (Mobility p35), and ending at 0, losing significance even earlier than the pattern for Hispanic males (-0.4 Mobility p69).

White males and females receive a smaller benefit than their Hispanic counterparts at the bottom of the structure, but their effects eventually surpass those of Hispanics at the upper end of the class structure, and they also remain significant at all levels. White males begin with an expected decrease in poverty of 0.4%, and the greatest decrease is 0.6% (Mobility p53). Their line surpasses Hispanic females at approximately -.5 (Mobility p50) and Hispanic males at -.5 (Mobility p75), ending at -0.3. The trend for white females is a close parallel, beginning at -0.4, reaching a trough of -0.6 (Mobility p53), surpassing Hispanic females around -0.55 (Mobility p55), surpassing Hispanic males at -0.4 (Mobility p82), and ending at -0.3.

Blacks are the clear outlier on this graph. The expected trends for black males and females are much less than the other groups and remain nonsignificant at every level. The black male trend begins at -0.1 and ends at the same value. The line for black females also starts around -0.1 and ends around -0.2. Similar to the trend lines for earnings, both white genders experience significant effects across the class structure and both black genders experience no significant benefit at all. And Hispanics are once again the unique group, experiencing the strongest impacts at the bottom of the class structure, but no significant impacts at the upper end of the structure.

Discussion and Conclusion

The primary goal of this project is to shed light on a mostly untraveled pathway in mobility research and begin the journey for further insights. Social mobility has been shown to have measurable social consequences, and the results here suggest that those consequences extend to important economic conditions within the local community. Local mobility structures have a significant, beneficial impact on both median earnings and poverty rates within an MSA. Unfortunately, this work also offers evidence that the distribution of these benefits is

significantly stratified, ultimately undermining the meritocracy they are supposed to represent. The expected median earnings of whites are increased substantially more by mobility than those of Hispanics and blacks, as are the median earnings of males in comparison to females. This results in white males accruing a significantly greater expected earnings benefit from LMSs than other demographic groups, and the disparities tend to increase with the level at which mobility is measured. The effects on poverty show no significant variation by gender and little difference between whites and Hispanics. However, the reduction in poverty is significantly smaller for all blacks and black males than it is for white males. When mobility is measured across the entire class structure, the disparities are made clear.

This research has made some meaningful contributions to current literature. The most prominent of these are the expansion of the little knowledge available concerning the real impact of social mobility on the local community, and the expansion into the uncharted territory of how the benefits of social mobility are unequally experienced. This research reveals a significant relationship between mobility and earnings and poverty, and suggests that the benefits of this relationship are highly stratified. It also highlights the importance of local context and social class in understanding this phenomenon. The relationship between mobility and earnings or mobility and poverty varies across local class structures, making the concept of local mobility structures a useful tool for directing future analysis. The literature would benefit greatly from more research that moves beyond an overall mobility measure to look more closely at how the explanations, or impacts, of mobility might vary across the class structure.

There are plenty of ways in which future studies can extend this research. For example, it is likely that mobility influences other outcomes at the community level which may also be studied. Another great step forward would come from research that uses multilevel data. This

could provide rich information not only for this new path of research, but also for the current research examining explanations of mobility. It is my hope that this study will spur critique and progress into future research, and I look forward to seeing the insights yet to come.

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Tables

Table 1. Ten MSAs with Highest and Lowest Mobility for Each Mobility Level

Mobility p10		Mobility p50		Mobility p90	
MSA Name	*Mobility p10*	*MSA Name*	*Mobility p50*	*MSA Name*	*Mobility p90*
Highest		**Highest**		**Highest**	
St. Cloud, MN	49.14	Dubuque, IA	59.58	Johnstown, PA	72.20
Logan, UT-ID	48.64	St. Cloud, MN	58.86	Bismarck, ND	70.71
Dubuque, IA	48.54	Bismarck, ND	58.63	Dubuque, IA	70.62
Ames, IA	47.12	Johnstown, PA	57.76	Houma-Bayou Cane-Thibodaux, LA	70.47
Odessa, TX	46.82	Ames, IA	57.64	Fond du Lac, WI	70.22
Bismarck, ND	46.55	Odessa, TX	57.42	Waterloo-Ceder Falls, IA	70.07
Provo-Orem, UT	46.40	Midland, TX	57.17	Midland, TX	69.49
Rochester, MN	46.33	Grand Forks, ND-MN	57.13	Reading, PA	68.87
Grand Forks, ND-MN	46.21	Fargo, ND-MN	56.81	Fargo, ND-MN	68.85
Wausau, WI	46.05	Casper, WY	56.79	Williamsport, PA	68.76
Lowest		**Lowest**		**Lowest**	
Hickory-Lenoir-Morganton, NC	29.65	Columbus, GA-AL	44.68	Flint, MI	57.79
Charlotte-Gastonia-Rock Hill, NC-SC	29.64	Wilmington, NC	44.66	Salinas, CA	57.73
Durham-Chapel Hill, NC	29.58	Durham-Chapel Hill, NC	44.54	Medford, OR	57.67
Montgomery, AL	29.20	Fayetteville, NC	44.26	Flagstaff, AZ	57.60
Athens-Clarke County, GA	29.11	Brunswick, GA	44.26	Santa Cruz-Watsonville, CA	57.36
Albany, GA	28.78	Hinesville-Fort Stewart, GA	44.23	Punta Gorda, FL	57.19
Greenville, NC	28.78	Memphis, TN-MS-AR	44.18	Brunswick, GA	57.18
Macon, GA	28.52	Macon, GA	44.16	Las Vegas-Paradise, NV	56.58
Rocky Mount, NC	28.51	Flint, MI	43.99	Sante Fe, NM	55.76
Memphis, TN-MS-AR	27.46	Albany, GA	43.74	Hinesville-Fort Stewart, GA	55.03

Table 2. Descriptive Statistics for Variables

Variables	*Mean*	*S.D.*	*Min*	*Max*	*Description / Coding*
Dependent Variables					
Earnings - All					
Median Earnings	$42,898	$6,003	$26,822	$72,158	Median earnings of white, Hispanic, and black workers in MSA
Median Male	$46,176	$6,173	$30,712	$75,577	Median earnings of male white, Hispanic, and black workers in MSA
Median Female	$35,211	$4,916	$24,741	$56,030	Median earnings of female white, Hispanic, and black workers in MSA
Earnings - Whites					
Median White	$44,858	$7,081	$32,914	$85,040	Median earnings of white workers in MSA
Median White Male	$50,973	$8,305	$33,207	$97,758	Median earnings of white male workers in MSA
Median White Female	$37,964	$6,159	$29,130	$67,521	Median earnings of white female workers in MSA
Earnings - Hispanics					
Median Hispanic	$29,303	$4,955	$20,143	$50,287	Median earnings of Hispanic workers in MSA
Median Hispanic Male	$31,500	$6,416	$18,068	$61,389	Median earnings of Hispanic male workers in MSA
Median Hispanic Female	$27,547	$5,129	$7,692	$46,354	Median earnings of Hispanic female workers in MSA
Earnings - Blacks					
Median Black	$33,875	$7,509	$17,423	$77,644	Median earnings of black workers in MSA
Median Black Male	$36,548	$8,257	$18,173	$80,449	Median earnings of black male workers in MSA
Median Black Female	$31,843	$8,395	$8,929	$100,825	Median earnings of black female workers in MSA
Poverty - All					
Poverty	16.0	4.1	7.6	35.5	% of whites, Hispanics, and blacks below national poverty line in MSA
Poverty Male	14.3	3.9	7.0	32.9	% of male whites, Hispanics, and blacks below national poverty line in MSA
Poverty Female	17.0	4.3	8.6	37.0	% of female whites, Hispanics, and blacks below national poverty line in MSA
Poverty - Whites					
Poverty White	11.4	3.2	4.2	25.0	% of whites below national poverty line in MSA
Poverty White Male	10.2	3.1	3.8	22.7	% of white males below national poverty line in MSA
Poverty White Female	12.4	3.4	4.6	27.3	% of white females below national poverty line in MSA
Poverty - Hispanics					
Poverty Hispanic	27.3	7.0	7.7	53.7	% of Hispanics below national poverty line in MSA
Poverty Hispanic Male	25.1	7.1	7.4	50.0	% of Hispanic males below national poverty line in MSA
Poverty Hispanic Female	29.6	7.7	8.1	57.6	% of Hispanic females below national poverty line in MSA
Poverty - Blacks					
Poverty Black	30.7	9.1	10.0	73.3	% of blacks below national poverty line in MSA
Poverty Black Male	28.9	9.0	3.6	64.8	% of black males below national poverty line in MSA
Poverty Black Female	32.4	10.8	0.0	82.3	% of black females below national poverty line in MSA
Key Independent Variables					
Mobility p10	36.38	4.22	27.46	49.14	Average rank of children whose parents were ranked at 10%
Mobility p50	49.76	2.92	43.74	59.58	Average rank of children whose parents were ranked at 50%
Mobility p90	63.14	3.07	55.03	72.20	Average rank of children whose parents were ranked at 90%
Control Variables					
New England	…	…	0	1	1 = MSA is in census division 1 - New England (reference group)
Middle Atlantic	…	…	0	1	1 = MSA is in census division 2 - Middle Atlantic
East North Central	…	…	0	1	1 = MSA is in census division 3 - East North Central
West North Central	…	…	0	1	1 = MSA is in census division 4 - West North Central
South Atlantic	…	…	0	1	1 = MSA is in census division 5 - South Atlantic
East South Central	…	…	0	1	1 = MSA is in census division 6 - East South Central
West South Central	…	…	0	1	1 = MSA is in census division 7 - West South Central
Mountain	…	…	0	1	1 = MSA is in census division 8 - Mountain
West	…	…	0	1	1 = MSA is in census division 9 - West
Population	12.69	1.06	10.92	16.76	Natural log of MSA population
Median Age	37	4	25	56	Median age of MSA population
% Black	11.7	10.9	0.6	52.9	% of MSA population that identifies as black
% Hispanic	12.4	15.6	0.7	95.7	% of MSA population that identifies as Hispanic
% Foreign Born	7.9	6.7	0.9	38.2	% of foreign born in MSA
% College Educated	25.9	7.9	12.2	58.0	% of MSA population that has a bachelor's degree
College Town	…	…	0	1	1 = MSA is a college town
Dissimilarity WB	44.94	13.00	15.13	79.61	Dissimilarity index score between whites and blacks
Dissimilarity WH	35.63	10.93	9.59	68.72	Dissimilarity index score between whites and Hispanics
Economic Growth	182.80	105.24	1.00	365.00	Change in MSA's GDP (2009 - 2011)
% Unemployed	10.6	3.8	3.9	42.6	% of unemployed in MSA

Note: N = 361.

Table 3. Linear Regressions - Median Earnings and Poverty on Mobility p10, p50, and p90 for White Males

	Earnings						Poverty			
	Model 1		Model 2		Model 3		Model 4		Model 5		Model 6	
Variable	*B*	*SE*	*B*	*SE*	*B*	*SE*	*B*	*SE*	*B*	*SE*	*B*	*SE*
Mobility p10	468.16	(95.42) ***					-.43	(.04) ***				
Mobility p50			832.65	(126.94) ***					-.60	(.06) ***		
Mobility p90					762.90	(125.46) ***					-.38	(.06) ***
Middle Atlantic	-3424.43	(1444.54) *	-3999.43	(1410.97) **	-4477.88	(1430.07) **	.93	(.65)	1.35	(.65) *	1.46	(.71) *
East North Central	-132.96	(1420.57)	-335.99	(1376.05)	-1295.65	(1382.06)	-1.05	(.64)	-.71	(.63)	-.05	(.68)
West North Central	-6215.43	(1481.42) ***	-6757.18	(1449.87) ***	-6674.00	(1461.41) ***	.55	(.67)	.81	(.66)	.50	(.72)
South Atlantic	-4103.68	(1424.02) **	-3525.39	(1394.66) *	-3905.94	(1398.42) **	1.18	(.64)	.98	(.64)	1.54	(.69) *
East South Central	-2892.78	(1566.73)	-2373.66	(1529.90)	-3074.71	(1526.72) *	1.18	(.70)	1.09	(.70)	1.87	(.75) *
West South Central	-2793.00	(1581.62)	-2868.51	(1540.98)	-3194.04	(1552.89) *	2.17	(.71) **	2.29	(.71) **	2.51	(.77) **
Mountain	-934.70	(1526.81)	-134.22	(1490.74)	691.29	(1518.08)	-.04	(.69)	-.66	(.68)	-.94	(.75)
West	5437.80	(1490.03) ***	6375.33	(1452.08) ***	7501.23	(1486.04) ***	.46	(.67)	-.31	(.67)	-.76	(.73)
Population	165.58	(380.78)	217.58	(370.87)	75.02	(372.01)	-.64	(.17) ***	-.63	(.17) ***	-.50	(.18) **
Median Age	239.08	(77.25) **	268.16	(75.62) ***	263.19	(76.21) **	-.23	(.03) ***	-.24	(.03) ***	-.22	(.04) ***
% Black	269.36	(37.17) ***	279.94	(35.19) ***	220.59	(32.82) ***	-.19	(.02) ***	-.18	(.02) ***	-.13	(.02) ***
% Hispanic	162.20	(25.57) ***	189.60	(25.03) ***	219.37	(26.30) ***	-.05	(.01) ***	-.07	(.01) ***	-.08	(.01) ***
% Foreign Born	.00	(.00) **	.00	(.00) **	.00	(.00) ***	.00	(.00) **	.00	(.00) *	.00	(.00)
% College Educated	613.26	(48.92) ***	650.14	(47.94) ***	684.54	(49.30) ***	.05	(.02)	-.07	(.02) **	-.08	(.02) **
College Town	-3786.65	(920.98) ***	-3664.16	(898.31) ***	-3724.58	(905.18) ***	3.38	(.41) ***	3.33	(.41) ***	3.43	(.45) ***
Dissimilarity WB	76.29	(32.54) *	65.64	(31.74) *	54.45	(32.12)	.02	(.01)	.03	(.01) *	.03	(.02) *
Dissimilarity WH	96.62	(31.05) **	78.48	(30.35) *	61.29	(30.98) *	-.07	(.01) ***	-.06	(.01) ***	-.05	(.02) **
Economic Growth	-.14	(2.68)	2.24	(2.66)	2.77	(2.72)	.00	(.00)	.00	(.00)	.00	(.00)
Unemployment	23.70	(99.66)	77.16	(97.98)	60.08	(98.49)	.17	(.04) ***	.15	(.04) **	.19	(.05) ***
Constant	-3124.01	(7099.12)	-30794.33	(9334.84) **	-34803.42	(10452.92) **	44.95	(3.19) ***	60.16	(4.28) ***	50.80	(5.17) ***
R-Squared		.73		.73		.83		.60		.60		.53
F-Statistic		50.76 ***		49.68 ***		88.40 ***		27.63 ***		28.18 ***		21.20 ***

Note: N = 361. * p < .05 ** p < .01 *** p < .001.

Table 4. OLS Unstandardized Regression of Median Earnings on Mobility p10, p50, and p90 by Race/Ethnicity and Gender

		Mobility p10		Mobility p50		Mobility p90	
Row	*Sample Group*	*B*	*SE*	*B*	*SE*	*B*	*SE*
A	All	316.39	(66.64) ***	589.24	(88.29) ***	566.59	(86.79) ***
B	All Males	398.06	(79.35) ***	728.48	(105.02) ***	688.10	(103.50) ***
C	All Females	115.01	(49.58) *	211.56	(67.21) **	200.90	(65.96) **
D	All Whites	386.16	(71.91) ***	632.81	(96.26) ***	525.46	(96.07) ***
E	White Males	468.16	(95.42) ***	832.65	(126.94) ***	762.90	(125.46) ***
F	White Females	***187.62***	(55.24) **	***312.33***	(74.75) ***	***264.68***	(73.76) ***
G	All Hispanics	***100.27***	(86.53)	***181.35***	(117.90)	***169.19***	(115.64)
H	Hispanic Males	311.75	(117.76) **	498.52	(160.08) **	***400.46***	(157.70) *
I	Hispanic Females	***-223.16***	(96.96) *	***-214.17***	(132.84)	***-12.31***	(130.74)
J	All Blacks	***49.12***	(133.52)	***32.22***	(182.22)	***-26.00***	(178.67)
K	Black Males	243.98	(157.80)	326.99	(215.36)	***191.95***	(211.63)
L	Black Females	***-28.97***	(161.69)	***-174.41***	(220.79)	***-280.85***	(215.19)

Note: N = 361. * p < .05 ** p < .01 *** p < .001. Models also include all control variables.
Coefficients that are significantly different from white males are ***bolded, italicized, and underlined*** (p < .05)

Table 5. OLS Unstandardized Regression of Poverty on Mobility p10, p50, and p90 by Race/Ethnicity and Gender

		Mobility p10		Mobility p50		Mobility p90	
Row	*Sample Group*	*B*	*SE*	*B*	*SE*	*B*	*SE*
A	All	-.52	(.05) ***	-.70	(.07) ***	-.43	(.08) ***
B	All Males	-.51	(.05) ***	-.69	(.07) ***	-.42	(.07) ***
C	All Females	-.49	(.05) ***	-.64	(.07) ***	-.35	(.08) ***
D	All Whites	-.42	(.04) ***	-.58	(.06) ***	-.37	(.06) ***
E	White Males	-.43	(.04) ***	-.60	(.06) ***	-.38	(.06) ***
F	White Females	-.40	(.04) ***	-.56	(.06) ***	-.35	(.06) ***
G	All Hispanics	-.59	(.13) ***	-.66	(.17) ***	-.22	(.17)
H	Hispanic Males	-.60	(.13) ***	-.72	(.18) ***	-.31	(.18)
I	Hispanic Females	-.57	(.14) ***	-.59	(.20) **	-.11	(.20)
J	All Blacks	***-.10***	(.16)	***-.17***	(.22)	-.15	(.22)
K	Black Males	***-.10***	(.17)	***-.16***	(.23)	-.13	(.22)
L	Black Females	-.08	(.20)	-.19	(.28)	-.22	(.27)

Note: N = 361. * p < .05 ** p < .01 *** p < .001. Models also include all control variables.
Coefficients that are significantly different from white males are ***bolded, italicized, and underlined*** (p < .05)

Figures

Figure 1. Conceptual Model of Analyses

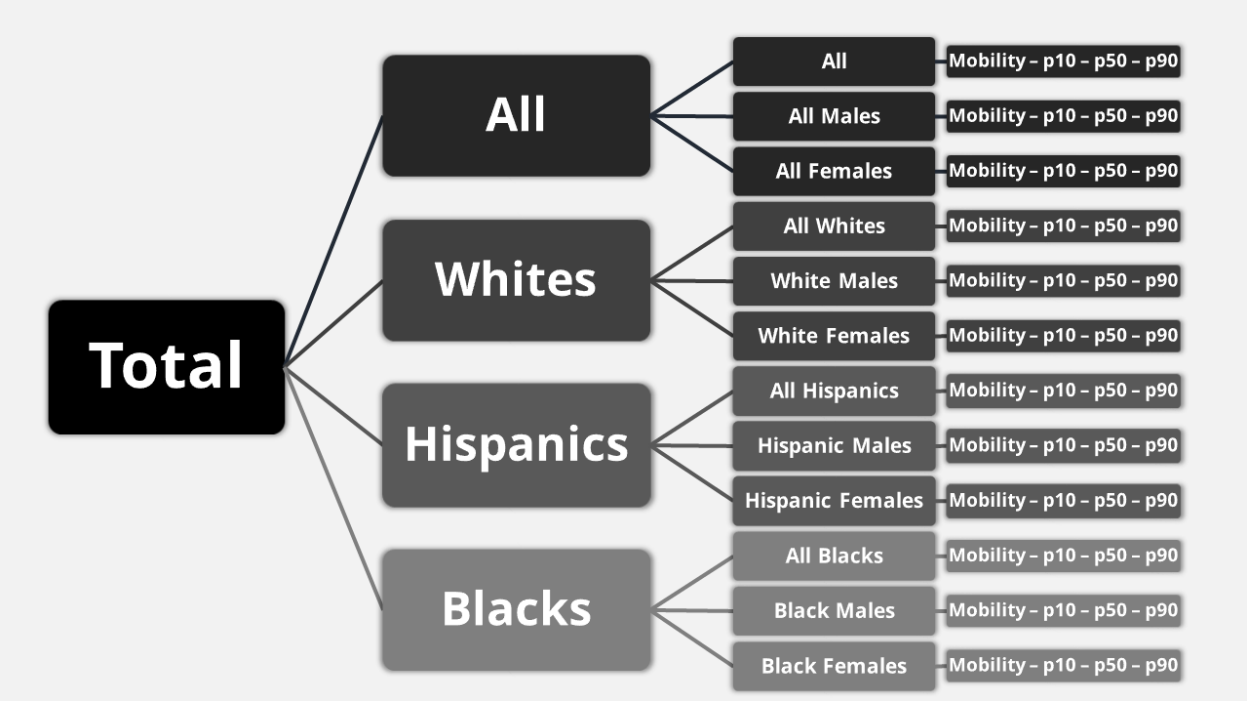

Figure 2. Examples of LMS Benefits to Expected Earnings and Poverty for White Males

Mean of Mobility p10 = 36.38 **St. Cloud, MN Mobility p10 = 49.14** (49.14 – 36.38) x 468.16 = The LMS of St. Cloud, MN increases the median earnings of white males **+ $5,973.72** Panel A	Mean of Mobility p10 = 36.38 **St. Cloud, MN Mobility p10 = 49.14** (49.14 – 36.38) x .43 = The LMS of St. Cloud, MN decreases white male poverty **- 5.49%** Panel B

Figure 3. Stratification of LMS benefits to earnings in St. Cloud, MN as opposed to the average of MSAs

St. Cloud, MN Mobility p10 = 49.14

White Males	**+ $5,973.72**
White Females	**+ $2,394.03**
Hispanic Males	**+ $3,977.93**
Hispanic Females	**- $2,847.52**
Black Males	+ *$3,113.18*
Black Females	- *$369.66*

Panel A

Dubuque, IA Mobility p50 = 59.58

White Males	**+ $8,176.62**
White Females	**+ $3,067.08**
Hispanic Males	**+ $4,895.47**
Hispanic Females	- *$2,103.15*
Black Males	+ *$3,211.04*
Black Females	- *$1,712.71*

Panel B

Johnstown, PA Mobility p90 = 72.20

White Males	**+ $6,911.87**
White Females	**+ $2398.00**
Hispanic Males	**+ $3,628.17**
Hispanic Females	- *$111.53*
Black Males	+ *$1,739.07*
Black Females	- *$2,544.50*

Panel C

Note: *italicization and underlining* indicates non-significant effects

Figure 4. The Change in Expected Earnings for Each Sub-population across the Class Structure

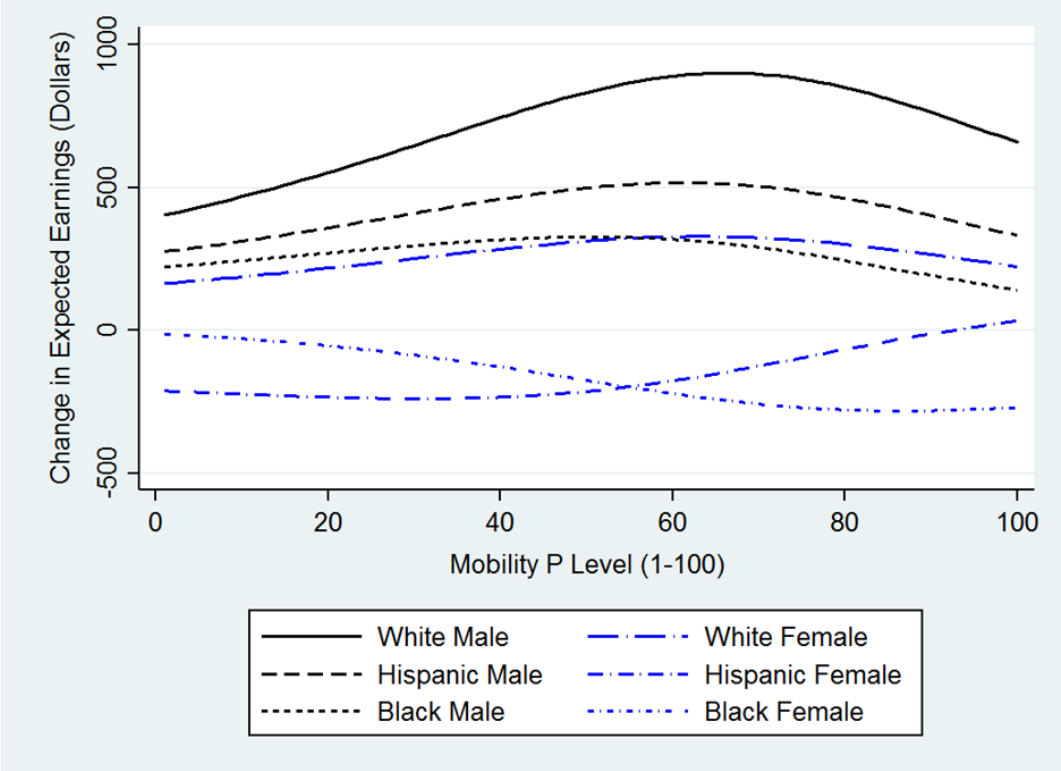

Figure 5. The Change in Expected Poverty for Each Sub-population across the Class Structure