The American Dream: One Block Can Make All The Difference

By Jasmine Garsd October 4, 2018 5:35 PM ET

Block by block, the place you were born and raised, can determine how far you get ahead in life.

A new online tool shows that geography plays an outsized role in a child's destiny.

Called the Opportunity Atlas, it was developed by Harvard economist Raj Chetty and his colleagues. It's a map that uses tax and U.S. Census data to track people's incomes from one generation to the next.

Take the New York City neighborhood of Brownsville in Brooklyn. In this low-income neighborhood, the map starkly shows the divide between areas where kids did better than their parents and those who didn't. Nearly 40 percent of Brownsville lives below the poverty rate. The unemployment rate is 16 percent.

If you zoom into parts of the neighborhood using the Opportunity Atlas, the results are unsurprising: Patches of deep red show that black kids raised on certain blocks about 30 years ago now make the same as their parents, about $17,000 a year. But just south on the map, across Dumont Avenue, it suddenly changes to blue, showing black kids from the same exact background doing better than their parents, making around $26,000 a year.
So the key question is: What happened on the other side of Dumont Avenue?

This map, a screenshot from The Opportunity Atlas, shows household income in 2014-2015 for African-Americans born between 1978 and 1983 to low-income parents.

Back in the 1980s, the south side of that street was abandoned. New York City had weathered a devastating financial crisis, and was grappling with the AIDS and crack cocaine epidemics. The city sold over 16 square blocks of Brownsville to East Brooklyn Congregations, for just one dollar. The government also agreed to pay for infrastructure in the area and to offer cash subsidies for over 1,000 affordable homes. Starting at $30,000 each, they were called Nehemiah homes, after the man in the bible who rebuilt parts of Jerusalem.

That's how the Palacio family ended up living here.

Audra Palacio was born in the Linden Houses, a massive public housing structure near the Brownsville border that's home to thousands of families. When people find out where she's from, they often react in disbelief. "Almost as if it's like, 'I can't believe you made it out!'" she says. She now works for the New York City Housing Authority, and is deeply proud of her Brownsville roots.

Her parents came to New York City as teenagers, fleeing poverty in their native Belize and Honduras. Peter Palacio, a sweet, gentle man in his 70s chuckles at the recollection
that none of his factory co-workers used to dare come near Brownsville, for fear of its reputation as a rough spot. His wife, Ruth, is kind, but firm and proud. She says she's grateful for the help and community that public housing provided; she just never saw it as a permanent solution.

By the late 1970s, life in public housing began to unravel. An economic crisis practically left the city bankrupt. Ruth Palacio says when she started having children, she began to worry about the crowding.

"I didn't like elevators, up and down the elevators for my children. Because it was a lot of people living in the housing projects," she says.

The Rev. David K. Brawley, one of the leaders of East Brooklyn Congregations, says the situation was dire. He recalls that some elected officials referred to Brownsville and the surrounding neighborhoods as "the beginning of the end of civilization: Burnt-out homes, empty lots, people were leaving the city in droves."

Stung by that negative image, East Brooklyn Congregations decided to tackle the issue of affordable housing. Church leaders identified a part of town that had been particularly abandoned: across from Dumont and Livonia avenues.

About 40 percent of the first Nehemiah homeowners migrated from government housing. The Palacios made the move in 1983, when Audra was 6. "I remember when we moved into the Nehemiahs. We were so excited. We had rooms. We had space. We had a backyard!"

In their new online tool, economist Raj Chetty and his colleagues at Harvard University found that the sooner kids move out of an area with such limited opportunity, the better they will fare.

When the Palacio family moved, they didn't just get a backyard. They shifted their future, like a ship changing course.

A lot of factors determine a child's success: having a mom like Ruth Palacio, tough but loving, is definitely one of them. But can moving from one block to another truly determine a child's future?

Ruth Palacio, a bilingual school psychologist, has spent time working with children who live in government housing. She knows that kids there often live in cramped conditions, doing homework in stairways. It can be noisy and stressful.

When she moved her family to the Nehemiah houses, they didn't just get a beautiful backyard and spacious living room. They got a place to play safely with their friends; a quiet area to do their homework; a good night's sleep.

They got a neighborhood that wasn't struggling to survive day-to-day.
Location matters, and the Opportunity Atlas spells it out starkly: A lot of kids who moved here from public housing did a lot better than those they left behind. Brawley beams when he hears that Audra Palacio and her sister, Shantel, are working on their masters and Ph.D.

"When people have ownership of their properties, ownership of their community," he says, "you have a better chance of addressing all core issues, such as education and quality of life.”

Brawley says a cycle of poverty has been broken: Those quaint, $30,000 Nehemiah houses, built on land once sold for a dollar, are now valued at as much as $500,000. "Families now have wealth that they can pass down generationally,” he says.

And that's just what the Palacios did — they passed their Nehemiah home on to their daughter, Shantel.

Shantel Palacio was born into the Nehemiah houses. She has a master's in public policy and administration, and is pursuing a doctorate in education policy. When she sees the Opportunity Atlas map, she gets goosebumps. She's deeply proud of her neighborhood, and even has a blog dedicated to telling Brownsville's stories, through which she wants to advocate for the community.

As she walks through the neighborhood, Shantel reminisces fondly about block parties, dance groups, bakery runs and playing house. She says that every day, she gets a letter in the mail, a phone call or a visit, from a speculator offering to buy the house. Some neighbors speak of prospective buyers showing up with bags filled with cash. For all its progress, this is a low-income neighborhood, and Shantel wonders about the people in her community who will take that money and go away.

A few minutes' walk way is Livonia Avenue — another street that marks a strong division between children who progressed and those who didn't, according to the Opportunity Atlas.

What about all the kids, born about 30 years ago, on that side of the neighborhood?

Latrice Walker represents Brownsville in the New York State Assembly. Her district includes 29 public housing developments. She herself grew up in one.

She's a bubbly, jovial woman who jokes with her staff as she heads into her office. But when she sees the Opportunity Atlas, a sadness washes over her face. Much of the area she presides over shows little progress between generations.

The Nehemiah homes, she says, which are still being built in New York, have helped the community so much. But they didn't do much for her family.
Walker's parents came to New York City as part of the Great Migration of African-Americans who left the rural South. Her mother was a seamstress. "My dad, he told me he had a maybe sixth-grade [education],” she says. They lived in a public housing development called Prospect Plaza, where Walker was born and raised.

The Walkers didn't have the $30,000 necessary to access a Nehemiah house. "My family sort of sat outside the radar," she reminisces. "We were looking at them being built, but we had no idea how to access the opportunity."

Instead, the Walkers lived through the terrors of New York public housing in the 1980s and '90s. She gets emotional when speaking of her experience. "Most people don't have the expectation that a little girl, who grew up on the fifth floor in a [public housing] development, who lost her brother to gun violence, who had another brother who succumbed to the crack and cocaine epidemic, a mom working as a domestic, a dad whose unemployed, would ever become a lawyer," she says.

Walker says she was inspired to become a lawyer by what happened in the year 2000: The Prospect Plaza houses were closed down, with a government promise of renovation. Over a thousand families were displaced.

Nearly 20 years later, the houses have still not been opened back up. "For the people of Prospect Plaza," Walker says, "the end result was homelessness, displacement, breaking down of families, breaking down of communities, people being lost, a neighborhood being devastated."

"While everything was going great down below Livonia [Avenue],” Walker says, several blocks up, she watched her neighborhood "go from a place which I knew, and loved, and trusted, to emptiness.”

Her office is located in the part of Brownsville you tend to hear about in the news: impoverished and struggling — the "for sale" signs on some houses show speculators have been taking bites off the land.

A few blocks away is Livonia Avenue, which the Opportunity Atlas shows is one of the dividing lines between children who grew up to do better than their parents and those who did not.

On the map, it looks jarring, but in person, it's completely unspectacular. People hustle on their way to work, kids head home from school, and cars zoom by. Just another New York City street. It means nothing. But what side you're on means everything.