

California's Geography of Opportunity: Intergenerational Mobility in the Golden State

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Executive Summary

In anticipation of the next twenty-five years of civil rights policy in California, this work investigates social mobility in the Golden State between the last two generations to gain insight into which groups could be best served by civil rights policy interventions (*the first aim of the paper*). This study used a publicly accessible database created by Opportunity Insights which employed data from the U.S. Census Bureau and Internal Revenue Service (Chetty, Hendren, Kline, & Saez, 2014; Chetty, Hendren, Kline, Saez, & Turner, 2014) to geospatially analyze the social mobility of children born in the Golden State relative to their parents. Furthermore, this study leverages a complementary dataset from IPUMS USA (Ruggles, 2019) to provide evidence that *Hispanic and Asian mobility is likely mischaracterized in California when non-legal permanent residents (non-LPR) are excluded*.

Study Findings:

- When median household incomes of the entire Hispanic population – including non-LPRs – is considered, they more closely resemble those of the Black population, though are lower (median household income of \$84,000 for Hispanics and \$90,000 for Blacks). *This result, in particular, underscores the importance of including Hispanics who are non-LPRs.*
- Hispanic household incomes have generally increased *in constant dollars* over time (\$69,346 in 1980 to \$84,247 in 2010), but the incomes for Hispanic non-LPRs have declined (\$67,422 in 1990 to \$59,171 in 2010). Respective Asian household incomes have generally increased over time (\$88,630 in 1980 to \$143,087 in 2010), with the incomes

for Asian non-LPRs not far off and also increasing (\$89,062 in 1990 to \$135,039 in 2010).

- Bachelor's degree attainment is low for foreign-born Hispanics (3.83% in 1980 to 8.46% in 2010) and lower for non-LPRs (5.12% in 1990 and 4.54% in 2010). However, non-LPRs Asians have higher educational attainment (36.21% in 1990 and 72.22% in 2010) than all foreign-born Asians (20.65% in 1980 and 61.99% in 1990).
- General migration and migration of non-LPRs are predominantly Hispanic, with the largest regions of origination being Mexico and Central America.
- Although Mexico, Central America, and South America dominate migration patterns in California, during the study period there had been considerable recent Asian migration from China, the Philippines, India, Vietnam, and Korea.
- The omission of non-LPRs from the geospatial analysis of mobility strongly suggests that policy recommendations made for the Hispanic and Asian populations based on Opportunity Insights data in California should be treated with far greater caution.
- When considering only LPRs, the racial hierarchy of household income has shifted between the last two generations: Asians replaced Whites at the top, and Blacks declined to the lowest category.
- Intergenerational transmission of median household income is strong. For each one (1.00) percentage point increase in parents' incomes, there was a 0.91% increase in children's incomes.
- Parents' incomes are ranked in the following order: White, Other, Asian, Black, Hispanic, and Native American.

- Children’s incomes are ranked differently: Asian, White, Other, Hispanic, Native American, and Black.
- Asians are the most notably upwardly mobile (national household income percentile increased from 49 to 59).
- Blacks are the most notably downwardly mobile (national household income percentile decreased from 42 to 37).
- Hispanics (with legal status) are shown to be upwardly mobile (national household income percentile increased from 45 to 48).
- Each one (1.0) percentage point increase in Hispanic parents’ (excluding non-LPRs) median household income is associated with a 1.75 percentage point increase in Hispanic children’s income.
- The White population was downwardly mobile in terms of relative mobility (national household income percentile decreased from 59 to 54).
- There was no net change in the national household income percentile in California.
- 2,394 Census tracts experienced upward mobility compared to 2,699 tracts that experienced downward social mobility.
- Geospatial analysis reveals that Whites and Hispanics are nearly ubiquitous across California.
- Asians and Blacks are geographically isolated and more often situated in California’s urban areas.
- Mobility patterns by racial and ethnic group vary across regions and metro areas.

