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## Cumulative Exposure to Disadvantage and the Intergenerational Transmission of Neighbourhood Effects

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### Abstract:

Studies of neighbourhood effects typically investigate the instantaneous effect of point-in-time measures of neighbourhood poverty on individual outcomes. It has been suggested that it is not solely the current neighbourhood, but also the neighbourhood history of an individual that is important in determining an individual's outcomes. The effect of long-term exposure to poverty neighbourhoods on adults has largely been ignored in the empirical literature, partly due to a lack of suitable data. Using a population of parental home-leavers in Stockholm, Sweden, this study is innovative in investigating the effects of two temporal dimensions of exposure to neighbourhood environments on personal income later in life: the parental neighbourhood at the time of leaving the home and the cumulative exposure to poverty neighbourhoods in the subsequent 17 years. Using unique longitudinal Swedish register data and bespoke individual neighbourhoods, we are the first to employ a hybrid model, which combines both random and fixed effects approaches, in a study of neighbourhood effects. We find independent and non-trivial effects on income of the parental neighbourhood and cumulative exposure to poverty concentration neighbourhoods. The intergenerational transmission and exposure effects suggest the need for a more dynamic formulation of the neighbourhood effects hypothesis which explicitly takes temporal dimensions into account.

**Text:** See [Discussion Paper No. 6794](#)



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