

**Housing regimes and intergenerational mobility:
Home ownership as a facet of social reproduction?**

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Extended Abstract (859 words)

Recent research emphasizes the important of wealth besides income and occupation as a stratifying dimension (Skopek et al 2014, Pfeffer and Killewald 2015, Skopek 2015). Homeownership is a crucial step in wealth accumulation, and could reveal a new facet of socioeconomic inequality. We argue that home ownership is strategic in the intergenerational transmission of resources and thus a potential additional aspect of intergenerational rigidity.

Much research has shown that homeownership is transmitted across generations: children of homeowners are more likely to be homeowners than children of renters (Aratani 2011, Boehm and Schlottman 199, Henretta 1987, Mulder and Smits 1999, Smits and Mulder 2008, Mulder et al 2015). However, most of them focus on single countries, comparative studies are rare (Mulder et al 2015). More importantly, country level variations in wealth and housing inequalities differ from those in income (Skopek et al 2014) and cannot be explained with existing typologies of welfare states (Kurz and Blossfeld 2004, Pfeffer and Hällsten 2012, Pfeffer and Killewald 2015).

The variation of home ownership rates across countries has been attributed to housing regimes. Housing provision systems, mortgage markets and other macro-level factors (Mulder and Billari 2010) aim to explain the incidence and timing of homeownership across countries. The seminal work by Kemeny (1995) distinguishes between ‘dual’ and ‘unitary’ housing systems. English speaking countries (USA, Canada, Australia, New Zealand, UK, Ireland) as well as Belgium, Finland, Iceland, Italy, Norway are part of this cluster, where governments create incentives for home ownership leading to high homeownership rates across all income groups including lower income classes (Kemeny 2006). Conversely, in the unitary system such as in Germany, Sweden, the Netherlands, Switzerland, Austria, Denmark and France, housing policy is ‘tenure neutral’ and home-

ownership rates are relatively low and particularly among low income groups. Recent work has, however, highlighted the complex interaction of these diverging housing regimes with sociodemographic (aging, family structure, urbanization, geography) and hierarchic factors (class of origin, education, social mobility, migration status, etc.) (Norris and Winston 2012; Lennartz et al 2015).

Welfare states seem to define the purchasing function of wealth (through generous social benefits and education), while they are not able to suspend the insurance function against unfavorable outcomes (see also Chetty et al 2014). Therefore, it is necessary to consider home ownership as a dimension of inequality and its interaction with welfare regimes (Kurz and Blossfeld 2004).

However, large cross-national comparisons investigating the link between housing/welfare regimes and social mobility are necessary to better understand the nature of the variation across countries. The objective of the present study is thus to investigate to what extent parental home ownership is a stratifying dimension *on top of* social class in a comparative perspective.

To this end, we make use of the EU-SILC 2011 module on the intergenerational transmission of disadvantages, which includes information on parents' home ownership. We define home ownership – among parents as well as adult children – in two different ways: (1) a narrower concept of full home ownership including only those owning a home without paying mortgages and (2) a wider concept of home ownership including those that are paying a mortgage for their home. The association between the variable among parents and children represents the intergenerational home ownership persistence (or mobility).

Our log-linear models (*unidiff*) and multilevel regressions confirm strong patterns of intergenerational rigidity, and strong variability of determinism across European countries. We find a strong parents-to-kid intergenerational rigidity in homeownership over and above of parents' class, class of destination, up/downward mobility, age, immigration status, sibling and economic wellbeing at age 14.

Our findings suggest moreover that the degree of intergenerational transmission does generally not seem to follow housing or welfare state regime patterns. Southern countries plus Poland show deep reproduction patterns while Nordic countries are more fluid. Unitary housing systems with supposedly lower home ownership rates, e.g. Denmark, can have high degrees of intergenerational persistence of home ownership but so can dual housing systems. While many Scandinavian welfare states with high levels of

decommodification can be found among those with low intergenerational reproduction, Denmark is characterized by a strong intergenerational persistence of home ownership. Eastern European countries as well as Ireland and the UK can also be found at different sides of the spectrum questioning the relevance of welfare state typologies in intergenerational home ownership transmission.

However, it is more complex to assert housing status as such is a facet of class systems. On the one hand, there is considerable overlap between EGP and homeownership transmission regimes when mortgage-paying owners in the children generation are considered in addition to full owners. However, when only the full owners are considered, the link to social class is not given. In other words, in countries with a high/low degree of intergenerational persistence in terms of social class, also a high/low degree of home ownership reproduction can be observed when also mortgage payers are considered.

In conclusion, we were able to show that the intergenerational rigidity of home ownership shows intergenerational transmission of durable resources and capital, which extent does neither vary with the established housing nor welfare state regimes. Home ownership seems to constitute a separate dimension of inequality, which should be further investigated.

Keywords: home ownership, social stratification, intergenerational reproduction, EU-SILC

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