The intergenerational transmission of homeownership across Europe

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Abstract

We investigate the extent to which the intergenerational transmission of homeownership varies for different birth cohorts across European countries. Our main hypotheses are that – controlling for historical variations across time and space in the parental homeownership rate – the impact of parental home-ownership on the likelihood and timing of an adult child's entry into homeownership is stronger in countries where homeownership is less accessible (e.g. in terms of individual access to mortgage credit or affordability), where renting is not a feasible alternative to owning, and where the family plays a larger role in the provision of welfare and housing. We perform discrete-time event history analyses of the transition to first-time homeownership using the retrospective SHARELIFE-data for 10 European countries (Sweden, Denmark, the Netherlands, Germany, Switzerland, France, Belgium, Italy, Spain and Greece), collected in 2008/2009. We find that in most countries the likelihood of an adult child's entry into homeownership is 20-30% larger if the parents were owner-occupiers than if they were not. Preliminary results of regression models in which important macro variables are not yet controlled for show that no countries stand out for their particularly strong impact of parental on adult children's home-ownership. Among the few countries where the impact is smaller (Sweden, France and Spain), Sweden is the only one where homeownership is not that difficult to achieve without parental help because mortgages are widely accessible, where renting is a feasible alternative, and where the family is less important in welfare provision.

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Introduction

Living in an owner-occupied dwelling has an indisputable influence on people's daily lives. Not only does homeownership provide for economic security and wealth, it also represents social status (Dietz & Haurin, 2003; Ronald, 2008) and has great emotional value (Saunders, 1990). Homeownership is also one of the areas in which social inequality is reproduced: children of homeowners are more likely to become homeowners than are children of parents who live in rented housing (e.g. Aratani, 2011; Henretta, 1984, 1987; Mulder & Smits, 1999; Mulder & Wagner, 1998; Smits & Mulder, 2008). In fact, it is likely that existing inequalities in households' standards of living and wealth levels are exacerbated as a result of the intergenerational transmission of homeownership (Kurz & Blossfeld, 2004).

The occurrence and timing of the transition to first-time homeownership differs across European countries (Kolb, Müller & Blossfeld, 2011; Scanlon & Whitehead, 2004). Whether and when people make this transition highly depends on the presence of feasible alternatives, and on the accessibility of the homeownership market – there has to be a sufficient supply of affordable dwellings. An important individual characteristic influencing the likelihood of becoming a homeowner is whether one's parents are homeowners. International differences in affluence, homeownership levels, house prices and access to mortgages, as well as differences in the importance of intergenerational transfers are thus likely to partly account for differences in homeownership transitions between countries.

Several studies address differences in access to homeownership in different countries or welfare regimes (Hoekstra, 2005; Kemeny, 1992; Mulder & Billari, 2010). Most of these studies focus on housing provision, mortgage markets or other macro-level factors. With the exception of the literature on the so-called Southern European housing regime – where homeownership is often outright, achieved by self-provisioning through the pooling of family resources (money and labor), and imbedded within the context of the exchange of care for the intergenerational transmission of housing wealth (e.g. Allen et al., 2004; Poggio, 2011) – the role of the family in cross-national differences in access to homeownership has remained somewhat neglected. From the available evidence, it can however be expected that family assistance matters in different ways across different time periods and institutional contexts. Angelini et al. (2013: 89), using SHARELIFE-data, have found sizeable differences in the means of acquiring home-ownership across European countries. Help from family was a more common means in Italy, Greece, Switzerland

Germany, Austria, Poland and the Czech Republic than in Sweden, Denmark, the Netherlands, Belgium, France and Spain.

The inter-generational transmission of home-ownership – that is, the impact of parental home-ownership on their adult children's transitions to homeownership – has mainly been studied for single countries, including the USA (Henretta, 1984, 1987), the Netherlands (Helderman & Mulder, 2007; Mulder, 2004; Mulder & Smits, 1999; Smits & Mulder, 2008), West-Germany (Kurz, 2004), Denmark (Leth-Sørensen, 2004), Israel (Lewin-Epstein, Adler, & Semyonov, 2004), and Italy (Poggio, 2008). There has been only little attention to differences between countries in the importance of parental homeownership to the transition to first-time home-ownership. Mulder and Wagner (1998) found a greater impact of parental home-ownership for West-Germany than the Netherlands. An indication of differences can also be derived from the effects of parental home-ownership found in the country-specific studies in the book edited by Kurz and Blossfeld (2004a). These effects, however, were estimated using data sets that differed in design and in the availability of control variables, so that differences cannot readily be interpreted.

More rigorous cross-country comparisons of the effect of parental home-ownership on transitions to home-ownership can only be achieved using internationally comparable, harmonized data on multiple countries that contain information about housing histories, parental home-ownership and longitudinal data on other important factors that might explain the transition to home-ownership. Until recently, no such data were available. The third wave of the Survey of Health, Ageing and Retirement in Europe (SHARE), collected in 2008/2009 and known as SHARELIFE, contains the necessary information in the form of retrospective life histories of individual respondents in 13 European countries, among which detailed housing histories including the transition to homeownership, as well as information on parental homeownership.

The aim of this paper is to investigate country differences in the occurrence and timing of the transition to first-time homeownership. In particular, we analyze the impact of parental homeownership on this transition, and how this impact differs across countries. We conduct discrete-time event history analyses (logistic regression of person-year data) of the transition to first-time homeownership for 10 out of 13 available countries: Sweden, Denmark, the Netherlands, Germany, Switzerland, France, Belgium, Italy, Spain and Greece (Austria, Poland and the Czech Republic were left out because of a particularly great share of respondents who never left the

parental home and for whom the timing of first-time home-ownership could not be determined). [In the final version of the paper, we plan to apply models including fixed effects for country-cohort combinations and interactions between these fixed effects and our indicator of parental home-ownership]

The intergenerational transmission of homeownership

In the literature addressing the intergenerational transmission of homeownership, four mechanisms have been identified through which this transmission takes place: (1) parental housing assistance, (2) tenure transmission as a side effect of socio-economic status transmission, (3) geographical proximity between the two generations, and (4) socialization towards homeownership (Helderman & Mulder, 2007; Lersch & Luijkx, 2014).

Parental assistance towards home-ownership might take the form of gifts (money, land, labor), loans or mortgage guarantees (Helderman & Mulder, 2007; Mulder, 2007). Homeowning parents are more likely to help their adult children financially than are parents who rent their accommodation (Grundy, 2005; Mulder & Smits, 1999; Mulder & Smits, 2013). Parents who are homeowners often have low housing costs because they are outright owners or approaching outright ownership (Haffner, 2008). This gives them the opportunity to accumulate savings and to spend part of their savings on assisting their children. They could also release equity from their home to help a child, or (partly) use their own home as a deposit for their children's mortgage.

The association between parents' and children's homeownership might also be a side-effect of the intergenerational transmission of socio-economic status. Parents with a high socio-economic status are more likely to own their homes than those with a low socio-economic status. They also usually have more resources (income and/or savings) to invest in their children. Consequently, children of high-status parents, and therefore homeowner parents, have better opportunities for acquiring homeownership than children of low-status parents. In a study for the Netherlands, however, the effect of parental home-ownership hardly diminished after taking into account the parents' socio-economic status (Helderman & Mulder, 2007).

Parents and children often do not live far apart (Glaser & Tomassini, 2000; Malmberg & Pettersson, 2007; Michielin & Mulder, 2007), and thus often operate in the same housing market. When owner-occupied homes prevail in a certain area, and

parents and children both live in this same area, it is likely that they are both homeowners. The relationship between parents' and children's housing tenure is therefore partly explained by the tenure structure of the local housing market (Helderman & Mulder, 2007). Homeownership is usually particularly common in rural areas and less common in large cities (Mulder & Wagner, 1998).

Expectations about future living conditions and preferences for certain life styles are developed in an early stage of the life course. It is therefore likely that growing up in an owner-occupied home (which is usually larger and of higher quality than a rented home) might lead to a preference for homeownership later in life (Henretta, 1984; Semyonov & Lewin-Epstein, 2001). Furthermore, children are believed to strive for a social-economic status that is at least equal to that of their parents (Easterlin, 1980; Henretta, 1984). These expectations and preferences towards homeownership form part of a so-called passive socialization process. Socialization might also take the form of an active process. Parents can, for example, actively promote homeownership or stimulate their child to pursue homeownership by informing them about mortgages or by drawing their attention to owner-occupied housing. As Mulder and Smits (2013) argued, homeowner parents might be particularly keen on assisting their adult children in becoming homeowners rather than just giving them money, and therefore give dedicated gifts towards homeownership. Their empirical findings, however, did not provide support for this idea. Lersch & Luijkx (2014) recently tested the socialization hypothesis in a more rigorous way, taking into account the length of parental homeownership and controlling for a whole range of variables aimed at measuring parental wealth. They find that '*the chances to enter homeownership and to be in homeownership in later life are substantially increased by each additional year in homeownership during childhood*' (2014: 30).

It is clear from the literature that homeownership is transmitted between generations and that the empirical association between parents' and their adult children's homeownership is not fully explained by other factors (see also Aratani, 2011). The main question of this paper regards contextual factors across time and space causing variation in this transmission. This intergenerational transmission is caused by different underlying mechanisms which may either counteract or reinforce each other, and which may be more or less important across European countries and different time periods. To reduce complexity, our individual-level theoretical focus mainly lies with the importance of parental assistance. At the contextual level, we

mainly focus on those differences which influence the need for or the level of parental assistance.

Hypotheses: Contextual variation in the inter-generational transmission of homeownership

Given the various mechanisms through which home-ownership is transmitted between generations, our first hypothesis is that parental home-ownership has a positive impact on the transition to home-ownership in all countries under study. The size of this impact is likely to differ across countries and through historical time. Our hypotheses about how these differences take shape are based on ideas on (1) access to homeownership – and thus the extent to which parental support is necessary or helpful to achieve homeownership –, (2) the extent to which renting forms a feasible alternative to owning, and (3) welfare regimes and family systems – and thus the extent to which institutional and cultural factors are in line with a strong versus weaker role of the parents in the younger generation's homeownership.

Access to homeownership

Our general hypothesis on access to homeownership is that difficult access leads to greater dependence on parents and, therefore, a stronger association between parental homeownership and adult children's likelihood of becoming homeowners. House prices are obviously important to access to homeownership, particularly in relation to income or affluence – the combination of both defines the concept of 'housing affordability'. In periods and countries when and where house prices are high, relative to income, we expect a stronger impact of parental homeownership on transitions to homeownership than when homeownership is more affordable. Affluence itself may also be important. Access to homeownership may be easier in affluent societies. Although this may no longer be true in recent times, the historical increase in homeownership rates is often associated with the rise of economic affluence following World War II (Harloe, 1995; Saunders, 1990). It is however not clear what to expect: when children are more affluent, they are less in need of parental help. Parents may however also be more affluent at the same time as their adult children, which would allow them to pass a larger part of their wealth onto their children, allowing the latter access to better housing market segments. In this paper, our main interest however lies

with the association between parents' and children's tenure across time and space, while controlling for the confounding effect of economic affluence on affordability.

Differences in access to mortgage credit may also partly explain differences in the inter-generational transmission of homeownership. In periods and countries with poorly developed mortgage markets, or where loan-to-value ratios are low and thus down payments high, access to homeownership is restricted to those who have savings and those who receive financial help from family in the shape of gifts, loans or bequests. As Mulder and Billari (2010) have shown, mortgage loans are more readily available in Germany, Switzerland, Sweden, Denmark and the Netherlands than in France, Belgium, Italy, Spain and Greece. It should be noted that in more recent times mortgage deregulation in a number of countries has resulted in a higher availability of credit, driving up house prices and house price volatility (e.g. Andrews & Caldera Sánchez, 2011), so that children might still revert to parents for down payments, co-signing loans or help with mortgage repayments. This is however more of a problem for the younger generations entering homeownership since roughly the 1990s, and less of a problems for the cohorts under study in this paper. We hence stick to our hypothesis that in countries where mortgage credit is more readily available, the association between parents' and children's homeownership will be smaller.

Renting as an alternative to owning

It was Kemeny (1981; 1992) who pointed out that tenure structures are the result of political choices influencing the relative costs and benefits of different tenures. These choices are legitimated by ideological constructs, derived from an underlying preference for either individual or collective solutions to housing provision. In a number of countries, often but not exclusively those with a history of sustained social-democratic hegemony, housing provision is less exclusively focused on homeownership. In countries such as Sweden, Denmark, Germany, Austria and the Netherlands, consumer choice is more tenure-neutral. The competition and often less clear-cut distinction between larger, but more strongly regulated, public and private rental sectors results in good-quality housing across tenures for different income groups (Kemeny, 1981). Costs and benefits of renting versus owning are more similar, and housing subsidies for all stakeholders blur housing-related segregation between social classes. In such more 'integrated' or 'unitary' rental markets private landlords were allowed to enter a state-managed market '*in which rent-setting and tenancy*

rights were overseen and mediated by the wider state in exchange for access to state subsidy' (Lowe, 2011: 139). Most countries with high homeownership rates (be it outright or mortgaged) on the other hand are characterized by a strong divide between an unregulated private rental sector and a small public rental sector (dual rental market), as the latter is targeted at low-income households (Kemeny, 1995). (Private) renting in these countries is more strongly associated with a lower socio-economic position and a less favorable price/quality ratio (Winters & Elsinga, 2011).

In contexts where renting is a feasible alternative to owning, there is no urgent need for young adults to become homeowners. Rather than reverting to their parents for help, young adults can start their housing careers as renters, and become owners later in their lives, if at all. One would therefore expect less inter-generational transmission of homeownership in countries where renting is a feasible alternative to owning. The share of rented accommodation in the housing stock is likely a good indicator of the extent to which this is the case. In some countries homeownership is so widespread nowadays that rented accommodation is hardly an alternative: Spain, Greece, Italy and Belgium. The homeownership norm is also likely stronger in these countries. In other countries, only slightly more than half of the stock of dwellings is owner-occupied, for example in Germany and Switzerland.

Welfare regimes and family systems

Although Esping-Andersen (1990, 1999) did not address housing in his major contributions to welfare regime theory, his work contributed to the understanding of country differences in the intergenerational transmission of homeownership. He stressed the relationship between state, market and family as the main providers of welfare in social-democratic, liberal and conservative welfare regimes, respectively. A fourth regime can be added to this distinction: the Southern-European regime (Ferrera, 1996). In this regime, the family plays an important role in the provision of welfare, often as a consequence of ineffective state policies (Castles & Ferrera, 1996). The particularly strong role of the family is also stressed in Reher's (1998) work on family systems.

Differences in the extent to which homeownership is transmitted from parents to children are likely to be associated with differences in welfare regimes. Based on the mechanisms of the intergenerational transmission of homeownership and the characteristics of welfare regimes, there are four reasons to expect a greater effect of parents' on their adult children's homeownership in conservative and particularly

Southern European welfare states than in the rest of Europe. First, the role of family help in general, and parental housing assistance in particular, is likely to be greater in countries with a conservative or Southern welfare regime. In these countries, the family plays an important role in the provision of welfare, including housing. In Southern European countries, the family "tends to operate as a clearing-house for the pooling of social and material resources and for their redistribution among its members according to need" (Castles & Ferrera, 1996, p. 181). Thus, a strong family network with high levels of solidarity is crucial to many steps in the younger generation's life-cycle. For making the transition to first-time homeownership, Southern European households are much more dependent on personal savings and family wealth than households in other parts of Europe (Poggio, 2008). Besides financial assistance, other forms of parental *inter vivos* transfers are transfers of in-kind resources (Poggio, 2008). Such resources might be for example plots of land, existing family dwellings, and transfers in the form of labor whilst assisting with the self-building of a home. Parental housing assistance in the form of assistance with self-building is quite common in Southern European countries, particularly in rural areas, since self-building is a practice that occurs much less in urban areas (Poggio, 2008).

Second, the role of socio-economic status transmission, accounting for part of the homeownership transmission, might differ between countries. Socio-economic status transmission can be expected to be smaller in countries with more state support, where social policy is explicitly based on principles of equality and redistribution, counteracting the formation of class-based monopolies and social closure (Esping-Andersen & Myles, 2009; Silver, 1994). In conservative countries, social policies were historically developed to maintain, rather than mitigate differences between classes and satus groups. In liberal countries, parental resources are equally likely to matter more, given the prominence that is given to market provision.

Third, the geographical distance between parents and children is, in general, much smaller in Southern European countries than in other European countries (Hank, 2007). When parents and children live nearby, they operate in the same housing market, which can be dominated by owner-occupied housing. The distance between parents and children does not only reflect differences in housing market characteristics. Large intergenerational distances have also been found to influence the gift-giving behavior of parents: more money is transferred to children who live close (Tomassini, Wolf & Rosina, 2003). It must be noted that the causal direction of

the relation between parental housing assistance and intergenerational proximity is debated (Poggio, 2008). Nonetheless, this association implies that the likelihood of the intergenerational transmission of homeownership decreases with distance; partly as a result of housing market similarities, and partly as a result of parental gift-giving. These distances are smaller in countries with a Southern European welfare regime.

Fourth, as Albertini, Kohli & Vogel (2007) argue, there seem to be different patterns in inter-generational transfers of time and money that largely follow welfare regimes. Transfers from parents to children seem to be less frequent but more intense in the Southern European than the Nordic countries, with the Continental European countries in between.

Other contextual differences and individual factors influencing the transition to homeownership

It should be acknowledged that, besides those we used in our hypotheses, there could be numerous other contextual differences that could influence the intergenerational transmission of homeownership. First of all, it is important to account for changes in levels of home-ownership through time. In countries where home-ownership has increased strongly between generations, the association between parents' and their children's home-ownership just cannot be very strong – people cannot pass on what they do not have. Examples of other contextual differences may be the extent to which homeownership or renting is promoted and supported by the government through tax relief or subsidies (either as a consequence of deliberate policy or as an unintended effect of taxation principles), and the tax treatment of gifts from parents to children.

Several individual and household-level factors are known to influence the likelihood of a transition to homeownership (Henretta, 1984, 1987; Kurz, 2004; Leth-Sørensen, 2004; Lewin-Epstein, Adler, & Semyonov, 2004; Mulder, 2004; Mulder & Smits, 1999; Mulder & Wagner, 1998; Poggio, 2008; Smits & Mulder, 2008), and should be taken into account in the analyses.

Homeownership can only be achieved with sufficient financial resources. The most important source of financial resources is paid work. Whether someone has paid work is important, but also the level of the job, income potential (indicated by level of education) and work experience. Our data pertain to generations in which quite some women were housewives at some point in their lives, and in which women's incomes were often secondary. The impact of employment status will therefore undoubtedly

differ by the gender of the respondent: non-employment of women will likely decrease the likelihood of a transition to homeownership to a lesser extent than non-employment of men.

Age should be accounted for, for example because older people who have not become homeowners yet might belong to a specific category who is not interested in homeownership or cannot afford it. It is also important to account for partnership status and whether someone has children. Cohabiting couples, never-married singles, divorced and widowed singles are known to become homeowners less frequently than married couples. Among those without a partner, women could be less likely to become homeowners than men (Blaauboer, 2010). The presence of children makes owning a home more attractive and therefore more likely, but the cost of children may also compete with the cost of owning. Whether the association between the presence of children and the likelihood of a transition to homeownership is positive or negative might therefore differ between contexts (see also Mulder & Wagner, 1998).

Data and Method

Data

The data were taken from the third wave of the Survey of Health, Ageing and Retirement in Europe (SHARE): SHARELIFE. The SHARELIFE data were collected in 2008/2009 and contain retrospective information on the life-histories of 26,836 older individuals in 13 European countries: Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Italy, the Netherlands, Poland, Spain, Sweden, and Switzerland. People living in institutions were not included in the sample.

In previous studies (e.g. Mulder & Smits, 1999; Mulder & Wagner, 1998; Smits & Mulder, 2008), the transition to homeownership was usually defined as the first time someone moves into an owner-occupied home as a member of an independent household, that is, without their parents. This definition ignores homeownership of those who remain living in their parental home and become owners after their parents die or after the ownership is otherwise transferred from the parent to the child. This could be problematic in countries where many people remain in the parental home until older ages. In most SHARELIFE countries only a small proportion of respondents still lived in the home where they were born when they were interviewed, but this proportion was greater in Austria (12.6%), Poland (15.6%)

and the Czech republic (15.8%). For such respondents it might be difficult to report when, or even whether, they became homeowners. Furthermore, the SHARELIFE questionnaire is not well suited to measure transitions to homeownership that are not accompanied by a residential relocation. Questions were asked about whether a home was owner-occupied, about who else lived in a home besides the respondent, and about when the respondent first formed a household of his or her own, but not about ownership transfers. This implies information is also lacking about transitions to ownership through purchase of a rental home already inhabited by the respondent. This is another reason for omitting Poland and the Czech republic: in former socialist countries, many homes in the public rental sector were privatized around the transformation to market economies and became owner-occupied (Kok, 1999).

Our target population consisted of all respondents who were not recorded as owning a home when they were 18 years old (only very few were). Fortunately there were not too many cases with missing values on the dependent and independent variables, and these were deleted (4.6% of the person-years). Our analytical sample consisted of 20,870 respondents.

[To be added: description of the data used to construct macro indicators]

Variables

To establish whether and when the transition to first-time homeownership took place, we used information on the complete housing history of the respondent. This information was gathered retrospectively. For up to 29 former and current homes, it was recorded in which year the respondent moved in and whether this was an owner-occupied home or not. Respondents could indicate whether they were the owner, member of a cooperative, or tenant of the home, or whether they lived there rent-free or otherwise. We only considered the first option (being an owner) as an indicator of homeownership, not being a member of a cooperative [membership of a cooperative might be explored in a later version of the paper]. Like in previous research, the year in which the respondent moved into the first owner-occupied home was used to measure the timing of the transition. Respondents were removed from the observation after the transition to homeownership. In case the respondent did not make the transition, the observation was censored at the time of interview. The final person-year file consisted of 503,503 person-years.

To measure the extent to which homeownership was transmitted from parents to their children, we used an indicator of whether parents were homeowners when the

respondent was aged ten, using the same indicator for the parents' as for the respondent's homeownership.

We introduced the following macro indicators for period-country combinations: level of home-ownership and changes therein, house prices measured in years of income, GDP, mortgage debt and maximum loan-to-value ratio. [Add description of how we derived the macro indicators]

The parent's occupational status at respondent's age ten (the only time for which it was available in the data) was used as a measure of one of the mechanisms through which the intergenerational transmission of homeownership may take place: as a side-effect of socio-economic status transmission. The respondent was asked for the occupation of the parent who was the main breadwinner. In the questionnaire, the following answering categories were used: (1) legislator, senior official or manager; (2) professional; (3) technician or associate professional; (4) clerk; (5) service, shop or market sales worker; (6) skilled agricultural or fishery worker; (7) craft or related trades worker; (8) plant/machine operator or assembler; (9) elementary occupation; (10) armed forces. These were grouped into four new categories indicating the level of skills needed to perform the job: skill level 1 (category 9), skill level 2 (categories 4 through 8), skill level 3 (category 3) and skill level 4 (categories 1 and 2). A separate category was used to indicate that respondents reported that there was no main breadwinner parent, that they did not know what their parent's occupation was, when the answer was missing, or when the breadwinner was in the armed forces.

Degree of urbanization at the respondent's age 10, in three categories, was used as an indicator of having grown up in a particular type of housing market with likely more ownership (rural areas and villages) or less ownership (smaller towns; large cities).

Various time-varying indicators of the respondent's own resources were included. The first was the skill level of the respondent's current or, if the respondent did not work, the last job. This was measured in the same way as the parent's job level, but with separate categories for the armed forces and for when the respondent had never had a job. The meaning of employment status likely differs between male and female respondents. In the generations under study, women's jobs were frequently secondary and quite some women were housewives. We therefore use the following categories: employed man, employed woman, non-employed man, non-employed woman, and in education. Work experience was measured as the number of years the respondent had spent in paid work. Level of education was measured using the

number of years the respondent spent in full-time education from age 12 up to the year of observation.

We included the respondent's age as a control variable. The partnership history of the respondent was used to determine whether the respondent was in a partnership at each point in time. Using the years of entering and ending a partnership, we created a series of dummy variables indicating whether the respondent was married, cohabiting unmarried, never partnered, widowed or divorced in each successive year of the person-period file. In the analyses, this measure was combined with the respondent's gender, resulting in a four-category variable: (1) married, (2) never partnered man, (3) never partnered woman, (4) cohabiting unmarried, (5) widowed/divorced. Whether the respondent had children was also introduced as a time-varying variable, measured in three categories: no children, one or two children, more than two children.

-please insert Table 1 here [to be added in final version]-

Method

To get an idea of the associations between parental homeownership and the likelihood of adult children becoming homeowners, we first performed bivariate logistic regression analyses of the transition to first-time homeownership, separately for each country. Next, we estimated multivariate logistic regression models per country. [In the final version of the paper, we plan to apply models including fixed effects for country-cohort combinations and interactions between these fixed effects and our indicator of parental home-ownership. Description to be added]

-please insert Table 2 here-

Results

[This section will be expanded and rewritten and after the fixed-effects models have been estimated]

In the bivariate regressions, the impact of parental homeownership on adult children's homeownership was positive except for Spain (where it was slightly negative), and most of these positive effects were statistically significant. In the

multivariate models all effects were positive and all but two (those for Sweden and Spain) were statistically significant; some effects were greater than the bivariate effects, others were smaller. The overall picture is that in most countries the likelihood of an adult child's entry into homeownership was 20-40% greater if the parents were owner-occupiers than if they were not. In three countries the impact was smaller: Sweden, Spain and France. The greatest impacts were found in Greece and Switzerland. It is noteworthy that neither the countries where the impact of parental homeownership was smaller nor where it was greater belong to specific welfare regimes, to categories of countries where mortgage markets are either restrictive or facilitating, where the family is less or more important in welfare provision, where homeownership is less or more widespread, or where parents and children usually live close to or far from each other. In the countries belonging to the conservative welfare regime (Germany, Switzerland, France and Belgium), the multivariate effect of parental homeownership differed between 0.11 and 0.36. In two countries we consider here as social-democratic (Denmark and the Netherlands) the effect was almost the same (0.24), but in Sweden it was much smaller and insignificant. In Southern-European countries, it differed between small and insignificant (Spain) via 0.21 (Italy) to 0.40 (Greece).

Discussion

[to be expanded and rewritten]

Parental homeownership is known to be positively associated with the likelihood of adult children of becoming homeowners. We investigated to what extent this association differs between 10 countries in Europe.

Although we found differences in the effect of parental homeownership across countries, these differences could not in any way be attributed to type of welfare regime, type of mortgage market, or any other grouping of countries we could think of. Apparently, differences in the inter-generational transmission of homeownership are caused by other factors than the 'usual suspects' of comparisons across countries in Europe.

To turn things around, one could also say that the inter-generational transmission of homeownership is a near-universal phenomenon that is found irrespective of welfare regimes and housing-market contexts.

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Table 1 Descriptive statistics [to be made]

Table 2 Effects of parental homeownership from bivariate logistic regressions and full models per country

	Bivariate models	Sig.	Full models	Sig.
Germany	0.089	0.096	0.174	0.012
Switzerland	0.256	0.000	0.360	0.000
France	0.199	0.000	0.110	0.030
Belgium	0.202	0.002	0.195	0.000
Sweden	0.076	0.119	0.068	0.237
Denmark	0.262	0.000	0.244	0.000
The Netherlands	0.228	0.000	0.248	0.000
Italy	0.300	0.000	0.209	0.000
Spain	-0.033	0.560	0.075	0.216
Greece	0.300	0.001	0.398	0.000

Table 3 Logistic regression of the transition to homeownership, full models (all respondents and per country)

	ALL	GER	SWI	FR	BEL
Parents homeowner age 10	**0.330**	0.174	**0.360**	0.110	**0.195**
Parent's job age 10 elementary (ref.)					
Clerk etc.	-0.025	0.105	0.092	-0.014	0.030
Technician etc.	0.019	0.242	0.185	-0.033	0.121
Professional etc.	0.041	0.230	0.267	0.052	0.041
Unknown/armed forces/ no breadwinner	-0.078	0.067	0.358	0.068	-0.003
Rural/village age 10 (ref.)					
Moderately urban	-0.001	-0.164	-0.001	**–0.154**	**-0.159**
Large city	**-0.156**	**-0.327**	**-0.425**	-0.190	**-0.439**
Respondent's job elementary (ref.)					
Clerk etc.	0.022	0.115	0.217	0.098	0.000
Technician etc.	**0.165**	0.086	0.456	**0.360**	0.145
Professional etc.	**0.307**	0.256	0.419	0.271	0.059
Unknown/armed forces	-0.087	0.170	--	-0.104	-0.071
Never in paid work	-0.039	-0.035	0.187	-0.122	-0.117
Employed man (ref.)					
Employed woman	0.034	-0.102	0.133	0.131	0.133
Non-employed man	**-0.413**	-0.706	-0.258	-0.298	**-0.882**
Non-employed woman	-0.078	0.253	0.133	0.210	0.116
In education	**-0.747**	**-0.991**	-0.534	**-1.338**	**-0.927**
N years work experience	0.003	0.003	**0.022**	**0.025**	**0.018**
N years in education	**0.034**	**0.065**	**0.058**	**0.089**	**0.072**
Time of financial hardship	**0.176**	**0.699**	**0.370**	0.158	**0.338**
Age	**-0.042**	**-0.041**	**-0.033**	**-0.036**	**-0.054**
Married (ref.)					
Never partnered man	**-3.119**	**-3.135**	**-2.212**	**-2.265**	**-3.399**
Never partnered woman	**-3.194**	**-2.857**	**-2.674**	**-2.145**	**-3.160**
Cohabiting unmarried	**-0.206**	-0.180	**-0.549**	**-0.626**	-0.271
Widowed/divorced	**-0.703**	**-0.518**	**-0.813**	**-0.810**	**-1.192**
No children (ref.)					
1-2 children	**-0.526**	**-0.416**	-0.119	0.039	-0.019
3 or more children	**-0.632**	**-0.436**	**-0.423**	-0.087	-0.015
Constant	**-1.454**	**-2.528**	**-3.349**	**-2.606**	**-1.546**
N	503503	56883	40949	55435	55869
pseudo R square	0.030	0.014	0.012	0.022	0.042
Model chi-square	15374.53	815.87	476.64	1255.08	2399.98
Significance	0.000	0.000	0.000	0.000	0.000
Df	26	26	26	26	26

***p*<.01,** *p*<.05

-- number of cases too low

Table 3 Logistic regression of the transition to homeownership, full models (continued)

	SWE	DK	NL	IT	SP	GR
Parents homeowner age 10	0.068	**0.244**	**0.248**	**0.209**	0.075	**0.398**
Parent's job age 10 elementary (ref.)						
Clerk etc.	0.110	**0.239**	0.073	0.039	0.068	0.020
Technician etc.	0.202	0.331	0.271	0.199	0.187	-0.242
Professional etc.	0.046	0.194	0.126	0.354	-0.186	0.031
Unknown/armed forces/ no breadwinner	0.151	0.014	0.039	-0.166	-0.480	0.072
Rural/village age 10 (ref.)						
Moderately urban	-0.017	**-0.190**	-0.071	-0.051	0.157	-0.044
Large city	**-0.295**	**-0.395**	-0.162	**-0.414**	0.246	**-0.252**
Job level resp. elementary (ref.)						
Clerk etc.	0.251	0.151	0.341	0.069	0.151	0.108
Technician etc.	**0.426**	**0.325**	**0.471**	0.066	0.226	0.032
Professional etc.	**0.468**	**0.607**	**0.618**	0.327	0.114	0.187
Unknown/armed forces	0.156	-0.280	-0.366	-0.224	0.291	-0.046
Never in paid work	-0.097	-0.094	-0.049	0.278	-0.049	0.014
Employed man (ref.)						
Employed woman	0.008	-0.050	**0.212**	**0.171**	0.055	0.048
Non-employed man	-0.282	**-1.119**	-0.205	**-0.632**	0.005	-0.131
Non-employed woman	-0.190	**-0.539**	0.100	-0.316	-0.208	0.038
In education	**-0.459**	**-1.057**	**-1.301**	-0.612	-0.738	-0.628
N years work experience	-0.008	-0,014	0.001	0.004	-0.008	**0.012**
N years in education	**0.017**	**0,048**	**0.080**	**0.026**	0.027	**0.040**
Time of financial hardship	**-0.202**	**0,492**	-0.074	0.134	0.117	-0.177
Age	**-0.031**	**-0,039**	**-0.044**	**-0.033**	**-0.032**	**-0.048**
Married (ref.)						
Never partnered man	**-2.347**	**-2.487**	**-2.494**	**-4.010**	**-5.216**	**-3.820**
Never partnered woman	**-2.178**	**-2.904**	**-2.741**	**-4.819**	**-4.781**	**-4.067**
Cohabiting unmarried	-0.028	-0.020	0.137	-0.492	**-0.842**	**-0.893**
Widowed/divorced	**-0.698**	**-0.640**	**-0.463**	**-0.944**	**-0.652**	**-0.589**
No children (ref.)						
1-2 children	0.150	**-0.280**	**-0.500**	**-0.896**	**-1.191**	**-1.389**
3 or more children	0.180	**-0.670**	**-0.689**	**-0.987**	**-1.355**	**-1.272**
constant	**-1.918**	**-1.212**	**-2.032**	**-1.496**	**-0.871**	**-0.746**
N	34393	32882	51716	65445	48185	61746
pseudo R square	0.032	0.062	0.032	0.028	0.050	0.050
Model chi-square	1102.22	2093.23	1671.58	1889.22	2486.22	3180.84
Significance	0.000	0.000	0.000	0.000	0.000	0.000
df	26	26	26	26	26	26

***p*<.01,** *p*<.05