

Chapter 2

Theorising Residential Relocations and Their Outcomes

When relocating, individuals shift the centre of their action spaces to a new residential location for a considerable duration of time (Boyle, Halfacree and Robinson 1998: 34). Primarily, this raises two questions. *Why do individuals relocate? What are the outcomes of these relocations?* Outcomes of relocations are changes in the quality of the present compared to the last residential location. I define the quality of a location as the degree to which the location improves the chances for an individual to achieve physical wellbeing and social approval. Individuals living in low-quality locations will fare worse regarding these goals compared to individuals in high-quality locations on average, because they live in too small and unhealthy dwellings, in unsafe and polluted neighbourhoods and in economically stagnating regions. The quality of a location depends on its features. I use ‘features’ to refer to objectively observable characteristics of a location, e.g. the density of buildings in a neighbourhood. Features and quality of a location are closely associated and some features will result in better quality than others. I assume that individuals are not always fully aware of the quality of a location, while they may be aware of its features. Individuals are often part of relocating households containing two or more persons with interdependent decisions and outcomes; however households are not constant over time. Therefore, I conceive of and measure residential relocations from an individual perspective.

The first question on the reasons for relocations has received considerable attention for more than a century now. The second question has received less attention explicitly – and is the focus of this analysis. Some expectations can be derived from past theoretical approaches, but there is no coherent theoretical framework explaining variation in outcomes of relocations. The innovative contribution of the present chapter is to draw insights from different theories to develop a framework that treats relocations as genuinely *ambiguous and contingent life course events*. Conditions are derived that determine to which degree relocations improve the chances for an individual to achieve greater physical wellbeing and social approval. The combined

theoretical framework is mainly based on the life course perspective, but also integrates elements from other approaches that draw from work in the fields of demography, economics, geography, (social) psychology and sociology (Section 2.1). The combined framework is presented with regard to the occurrence (Section 2.2) and outcomes of relocations (Section 2.3). I also develop hypotheses to test my theoretical framework empirically.

2.1 Theoretical Approaches Towards Residential Relocations

Early theories of residential relocations mainly explain relocations at the macro level (Section 2.1.1). Macro approaches to the explanation of residential relocations link aggregated relocation behaviour to certain aggregated characteristics of populations and environments. The aim is to explain aggregated relocation flows between origin and destination regions. The *institutional approach* also follows in this tradition, but acknowledges that individuals act within institutional settings and these settings themselves are subject to individual behaviour (Section 2.1.2). In the second half of the 20th century, micro approaches were developed in contrast to the earlier macro approaches. Micro approaches to residential relocations try to explain individual relocation behaviour (Golledge and Stimson 1997: 426). In the *rational choice approach*, residential relocations are analysed as a function of the returns and costs of relocating (Section 2.1.3). The *behavioural approach* builds on rational choice theory. The approach explains relocations on the basis of individual decision making following the idea of bounded rationality and emphasising the importance of individual perception of reality (Section 2.1.4). The *life course perspective* highlights the importance of interdependencies in the life course for residential relocations and is the most influential approach for the theoretical considerations (Section 2.1.5).

2.1.1 Early Theories of Residential Relocations

Common to all historical approaches is the explanation of residential relocations at the macro level, without explicitly considering individual behaviour. Following from this, the approaches reach conclusions that are very limited in their explanatory power for individual behaviour, and are more descriptive than later micro-level theoretical approaches (Kalter 2000: 460). The causes of relocations are superficially covered and expectations about outcomes of relocations can hardly be derived. Therefore, the theories are too limited to be applied in the present analysis. Nonetheless, their presentation helps to understand the development of later theories, and at the same time offers a benchmark to evaluate these approaches.

In three papers in the late 19th century, Ernest Ravenstein developed the first general assumptions about migration and relocation behaviour at an aggregated level (Ravenstein 1876, 1885, 1889). Ravenstein formulated eleven ‘*laws of migration*’ that he mainly derived from analysing data on relocation behaviour in the UK, but supplemented with other international data. He found the following regularities (the list follows Grigg (1977: 42ff): 1) Most movers only relocate a short distance. 2) Relocations proceed step by step. 3) Long distance relocations are mainly aimed at industrial and commercial centres. 4) Relocation streams in one direction generate a counter-stream in the opposite direction. 5) Rural dwellers are less mobile than urban dwellers. 6) Women are more mobile than men. 7) Most movers are adults. 8) Large cities grow mainly through inward-relocations. 9) Relocations increase in numbers as industries and commerce develop and transport improves. 10) The main direction of relocations is from rural areas to industrial and commercial centres. 11) The major causes for relocations are economic. Seeing that these are observations about relocations rather than laws, most of the above regularities stood the empirical test in the 19th century and continue to do so today (Lee 1966; Boyle, Halfacree and Robinson 1998: 60). Basic insights formulated by Ravenstein have been reconsidered by other scholars, e.g. in gravity models, the mobility transition and the neoclassical economics approach.

Building on Isaac Newton’s law of gravity, *gravity models* of social action were formulated. Zipf (1946) formulated an application to relocations:

$$\hat{M}_{ij} = \frac{P_i P_j}{D_{ij}}, \quad (2.1)$$

where \hat{M}_{ij} is the estimated number of relocations between regions i and j , P_i and P_j are the population sizes in the regions i and j , and D_{ij} is the distance between these regions. The distance may be discounted by an exponent b , which can be understood as a “*distance decay* parameter” (Boyle, Halfacree and Robinson 1998: 46, emphasis in original). Theoretically, the measure of distance is used as a proxy for a number of factors, e.g. potential knowledge about the destination and the cost of relocation (ibid.: 46). From this model follows that relocations are rather short than long distance and involve at least one highly populated region, i.e. an urban area. The gravity model mainly rephrases the first, eighth and tenth law of migration formulated by Ravenstein.

The *mobility transition approach* postulates that residential relocations are fundamentally caused by the modernisation of society, which is also stated by the ninth law of migration (ibid.: 60). Similar to the demographic transition that societies go through, a mobility transition can be observed that is deterministic and irreversible. Societies mainly differ in the onset of certain phases in the transition, but all societies are subject to this transition sooner or later. Zelinsky (1971) differentiates five phases where each phase can be characterised by the overall magnitude of mobility, the direction of relocations (urban vs. rural; international vs. internal), the recur-

rence of mobility (recurrent vs. non-recurrent) and, finally, the mode of mobility (communication vs. transportation).

The *neoclassical economics* perspective is part of the family of ‘push-pull’ theories, “because they perceive the causes of migration to lie in a combination of ‘push factors’, impelling people to leave the areas of origin, and ‘pull factors’, attracting them to certain” (Castles and Miller 2003: 22) locations. In neoclassical economics, residential relocations are explained by factor mobility. The factors of production are land, labour and capital, which are sold by individuals and used by firms to produce goods. Factor markets are regionally bounded. As firms are assumed to be rather immobile, individuals become mobile if they can maximise their utility from selling labour on another regional factor market. Relocations are driven by wage differentials. Relocations stop if an optimal allocation of labour has been reached and the wage level is equal across all regional markets. The higher the wage differential between two regional factor markets, the higher the labour mobility between these markets. Thus, the demand of labour and the expected wages are considered the most important push and pull factors (Boyle, Halfacree and Robinson 1998: 61). The approach builds on the eleventh law of migration.

2.1.2 *Institutional Approach*

The institutional approach also explains relocations through macro level factors, but at the same time acknowledges that individuals act intentionally within these opportunities and constraints. Thus, the institutional approach examines the structural context influencing individual residential relocations. The structural context refers to “economic and material circumstances of a society including its political and legal framework” (Cadwallader 1992: 19). The institutional approach assumes that individuals can only act within a set of options that is created by certain institutions. Individual preferences may not be actualised due to institutional constraints (Manion and Flowerdew 1982: 11). Furthermore, institutions shape the importance of residential relocations as a behavioural option. That is to say that relocations may be a more viable behavioural option in particular institutional settings, e.g. settings with low transaction costs for changing residence. Institutions do not only constrain options, but also facilitate certain behaviour and are understood as being partly shaped by decision makers. Institutions develop over time, and they can be affected by private and public organisations (Cadwallader 1992: 15f). Not all individuals are affected by institutions in the same way, e.g. high-income individuals may profit more from tax-benefits for home ownership than low-income individuals, and institutions differ between nations, but also at a regional level (Manion and Flowerdew 1982: 24).

A wide range of institutions can be hypothesised as influencing residential relocations. Here, the focus is on the institutions of the housing market, since they are

assumed to be especially relevant (Flowerdew 1982). The housing market affects the location of dwellings, the features of these dwellings and the conditions for relocating between dwellings. The most important dimension of the housing market is the tenure structure. Rental tenure facilitates relocations, but has certain downsides regarding the features of the dwelling, e.g. on average it offers less space. Owner tenure impedes relocations, but has certain other favourable features, e.g. it is more easily adjusted to individual needs (e.g. Megbolugbe and Linneman 1993). In addition, the overall supply of housing affects the behaviour of individuals. A higher and more diverse supply relative to the demand increases the behavioural options of individuals. Housing markets are structured to a very small-scale spatial level (Simmons 1968; Flowerdew 1982: 221). They differ between nation states and are shaped, among others things, by national housing policies. In this regard, social housing and its role in the market is especially affected by policies. However, not only public agents shape the housing market, private agents such as property developers, real estate managers, banks and consumers themselves also affect this institution (Cadwallader 1992: 16).

The following can be theoretically expected regarding relocations according to the institutional approach. At the aggregated level, a high share of rental accommodation in the housing market relative to owner-occupied accommodations increases residential relocations. A high overall supply of dwellings relative to the demand increases the frequency of relocations as well. Concerning the outcomes of residential relocations, the institutional approach does not inform expectations right away. Although, particular institutional characteristics can be assumed to increase the likelihood of positive relocation outcomes. Individuals are more likely to improve their locations if a housing market is characterised by high overall quality, e.g. due to investment in high-quality social housing or a higher share of home ownership. Relocations are likely to improve locations more, if location choices are less restricted by economic resources, e.g. due to overall lower housing prices. To examine these institutional conditions, different institutional contexts at the regional, but also at the national level should be compared.

The institutional approach is less a theory, but more an analytic perspective that emphasises a certain category of determinants of residential relocations. The institutional approach is an extension of other theoretical frameworks to highlight the importance of institutional context effects. To this end, elements of the institutional approach are used in the theoretical synthesis to grasp the institutional differences between different national settings and a cross-national comparative perspective using data from England and Germany is included. However, the institutional framework does not allow for generalisation outside of each institutional context and brings the danger of *ad hoc* explanations (Flowerdew 1982: 222). The approach overstates external constraints for individual behaviour, while underestimating individual decision processes. The framework does not explain individual choices that are made, but only the choice sets available to individuals can be described. Finally, interaction effects of individual characteristics and institutional environments are

not considered. All in all, the approach is helpful when extended by other theoretical approaches to explain individual behaviour. These approaches are described in the subsequent sections.

2.1.3 *Rational Choice Approach*

Moving from the macro to the micro level of analysis, rational choice theory explains residential relocations as a function of returns and costs. Individuals relocate, if they are better off by relocating than by staying (Sjaastad 1962). Rational choice theory assumes that individuals rationally maximise utility and intentionally decide to relocate (Jong and Gardner 1981: 5). In the basic models, individuals have to choose between finite sets of behaviour options including staying or relocating to different locations. Each option generates a certain utility depending on individuals' preferences, which are constant across the population, i.e. a certain behaviour option is preferred by all individuals in the population. Individuals are fully informed about the consequences of their choices and can rank the choice options according to the utility they will generate. The option with the highest utility will be chosen. The choice is restricted by limited resources (Simon 1957: 241). This basic rational choice model has been extended as is shown in the second half of this subsection.

Becker (1995: 53) conceptualises mobility as an investment in human capital, because the resources spent on relocating are an investment in the career and return higher earnings (cf. also Sjaastad 1962).¹ Todaro (1969: 140) emphasises that instead of momentary wage differentials, the expected lifetime utility after relocation is driving a mover's decision. Therefore, an individual relocates, if

$$U_{ri} = R_{ri} - C_{ri} > U_{si}, \quad (2.2)$$

where U_{ri} is some individual lifetime utility from relocation, R_{ri} are individual returns, i.e. income gains, C_{ri} are individual costs of relocating and U_{si} denotes the lifetime utility of staying at the present location. If there are several potential destinations, a location is chosen that maximises U_{ri} . Individuals are assumed to continually assess alternative locations and compare them to their present location (DaVanzo 1981: 124, endnote 12). Relocation decisions are restricted by C_{ri} and by the investment the individual can afford. Costs are not only material, i.e. the actual cost of making the relocation trip and search costs, but also cover psychological and opportunity costs (Sjaastad 1962). More generally, utility from relocations may not be limited to earning gains, but can rather be understood as an overall place utility. The

¹ That is why the approach is also referred to as the human capital approach.

concept of place utility “refers to the net composite of utilities which are derived from the individual’s integration at some position in space” (Wolpert 1965: 162).^{2,3}

Place utility can be expected to increase over time spent at a certain location, as the integration at this place grows stronger, more local ties exist and local resources are accumulated. This may also result from active investment of individuals in their residential location. Everything else equal, increasing place utility may result in a decreasing chance of relocation over time. In the literature, this phenomenon has been referred to as the cumulative inertia axiom (Clark 1981: 190). This axiom states that the likelihood of relocating decreases with the time spent in the present location. The axiom has been repeatedly supported by empirical evidence (e.g. Fischer and Malmberg 2001). It is one example of path dependencies over the life course that are further described in Section 2.1.5. The cumulative inertia axiom offers an explanation for why individuals are mostly rather immobile and become more immobile the less mobile they have been in the past.

According to the rational choice approach, individuals relocate if the resulting returns exceed costs and lifetime utility can be expected to be higher at the new location. Therefore, younger individuals are more likely to relocate, because they gain from relocations for a longer time. Returns are also likely to be higher for individuals with more human capital. On the other hand, higher costs will reduce the likelihood of residential relocations. Higher costs can be expected, if somebody has strong local ties. Local ties may be social, e.g. family and friends living close by, material, e.g. home ownership, and psychological, e.g. being emotionally attached to a certain location. Higher costs also arise for longer distances of relocation. By definition, the basic rational choice model can only explain positive relocation outcomes. However, the rational choice approach has been extended to account for collective household decision, incomplete information, and limited search behaviour. These extensions help to explain negative relocation outcomes and are presented now.

Mincer (1978) extends the rational choice explanations of relocations to the household context, especially regarding heterosexual couples (cf. also DaVanzo 1981: 112). Instead of analysing individual gains and costs from residential relocations, the aggregated gains and costs for the household are considered. A household relocates, if

$$U_{rh} = \sum U_{ri} = \sum R_{ri} - \sum C_{ri} > U_{sh}, \quad (2.3)$$

where the subscript h indicates the household, which is an aggregate of i individuals. Mincer also raises the point that individual household members may be adversely affected by relocations, but relocate with the other members as tied movers. Household members may also benefit from a relocation, but do not relocate, as the household stays put (tied stayer). Tied moving or tied staying occurs, if U_{ri} for household members differ and “the tied partner is one whose absolute loss (gain) is less than

² See Section 2.1.4 for more details on Wolpert (1965) and the behavioural approach.

³ The concept of place utility is similar to what I have defined as the quality of a location.

the absolute value of gain (loss) of the other partner” (Mincer 1978: 751). In general, costs of relocations increase in higher rates than gains with growing household size. With several potential destinations, it is likely that all members of the household fare worse by relocating collectively than by relocating individually. Female partners in heterosexual couples are assumed to be more likely to be negatively affected by household relocations, on the grounds that male partners are assumed to have more human capital on average and, thus, relocations are mainly undertaken for male partners’ careers (*ibid.*).

Mincer does not further elaborate the adverse effects of relocations for tied movers and stayers as long as the collective utility function is maximised (Abraham, Auspurg and Hinz 2010). Game theoretic bargaining models have been applied by family economists and sociologists to analyse these conflicts of individual interests. Fundamental to this approach is the rejection of the ideas of a unitary utility function and pooled income for the whole family (Thomas 1990; Beblo 2001: 12ff). At the same time, the approach assumes that “cooperative behavior enables an increased welfare production” (Ott 1992: 19) in the family. Thus, individuals prefer to cooperate. Bargaining models assume that family members consider their utility in alternative situations to evaluate their present situation within the family. Thus, individuals prefer cooperation in the present family context, but only as long as they do not have a more rewarding alternative. An example for a bargaining model is the divorce-threat model, in which spouses determine their utility outside of their marriages, i.e. their threat points. If their utility within the marriage falls below this threat point, they would divorce. They can use their threat points in bargaining with their partners to assert their interests. It can also be assumed that individuals consider potential changes in their power when making decisions (Lundberg and Pollak 2003).^{4,5}

Further extensions of the classic rational choice approach highlight the importance of information gathering for residential relocations, which formerly was only an implicit part of this approach. The information that is necessary for residential relocation decisions is extensive and includes knowledge of “future preferences [...]; future outcomes at the present and alternative locations [...]; the range of alternative locations available [...]; and the specific characteristics of alternative destinations” (Goodman 1981: 136). The basic rational choice model assumes that individuals have all this information. However, information gathering is costly (Simon 1957: 248). The search costs increase due to the intensity of search, the time spent on searching, the geographic area covered and the number of locations considered. At the same time, these factors determine the completeness of information for the re-

⁴ The most popular solution for these bargaining models has been formulated by Nash (1953). The Nash solution is characterised by “1) Pareto efficiency, 2) symmetry, 3) invariance with regard to linear transformations and 4) independence from irrelevant alternatives” (Beblo 2001: 16, footnote 10).

⁵ Bargaining and gender differences within the household are further addressed in Section 2.3.5.

location decision. Individuals will only continue their search as long as they expect the gain from the search to be higher than the costs. It can be assumed that location search has increasing marginal costs, but only decreasing marginal returns. Thus, it is irrational for individuals to gather complete information. It follows that most potential movers consider only a few destinations before making a decision and most of these will be close to the present location (Goodman 1981: 138ff). Thus, residential relocations are decisions under uncertainty. As the individual makes a decision without being fully informed about the consequences and all alternatives, unintended and adverse consequences may occur (DaVanzo 1981: 95).

Following extended rational choice models, relocations occur since individuals expect to increase their life time utility at an alternative location. Variation in relocation outcomes may follow from limited information of movers and their limited capacities to process this information. Movers may end up in worse locations than other individuals, because they were not completely informed about all features of new locations. Even if they were informed about all features, they may not have correctly inferred the quality of the location from this information. In addition, variation in outcomes may result from restricted resources of individuals. As individuals can only relocate to locations that they can afford, these relocations may increase the quality of location less than for individuals with more resources. The concepts of limited information and restricted resources may be important to explain variance in relocation outcomes and are linked with the life course perspective in my combined theoretical framework.

Many scholars have criticised the assumptions of rational choice theory — especially concerning the homunculus deployed (Lindenberg 1983: 10). The focus on intentionally and goal-oriented acting individuals offers simple explanations for individual behaviour, but with the risk of being too simplistic. Extensions of the rational choice framework already recognise many of these critical points that are raised: satisfying instead of maximising behaviour, limited cognitive capabilities of individuals, limited information, divergence between objective and subjective expected utility, heterogeneity of preferences across the population and regional bounded markets. However, the ever growing extensions of the basic rational choice model result in a theoretical framework that loses much of its original rigour. Two major extensions, bounded rationality and satisfying behaviour, are described in more details in the next section.

2.1.4 Behavioural Approach

The behavioural approach explains relocations on the basis of individual choice and decision making of agents. The approach highlights the idea of bounded rationality and emphasises individual perception of reality grounded in the work of Simon (1957: 256) who introduced the idea of “limited knowledge and ability” of the de-

cision making individual (Manion and Flowerdew 1982: 10). The approach was stimulated by the rational choice framework and shifts the focus from the analysis of optimal to actual behaviour (Simon 1957: 241; Cadwallader 1992: 12). While the approach still assumes that individuals act purposefully and with self-interest “to improve or maintain their quality of life” (Lu 1998: 1474), individuals make decisions under uncertainty and imperfect information. Their decisions may be objectively irrational for the reason that they follow an individually bounded rationality. Rationality is bounded, as the human capability to process information is limited and subjective perceptions of objective environments differ. Individuals are also assumed to be satisfied with less than optimal outcomes. Instead of maximising their utility, individuals satisfy particular situation-specific needs (Wolpert 1965; Golledge and Stimson 1997: 8).

The behavioural approach gives more importance to modelling the information processing and actual decision making before relocation than the rational choice approach. The decision process can be split up into the “migration decision, the location search and the choice process” (Golledge and Stimson 1997: 427). Some incongruence between aspirations and achievements in locations triggers the consideration to relocate. The incongruence is caused by events, e.g. childbirth or loss of job. In migration decisions after such events individuals have three choices. First, aspirations may be adjusted. Second, achievements are modified in the present dwelling, i.e. “in situ adjustment” (Jong and Fawcett 1981: 56). Third, individuals improve their achievements through relocation to re-establish equilibrium between aspirations and achievements (Brown and Moore 1970).⁶ If a relocation is decided for, the search process begins. Information about alternative locations is gathered and processed. The information is added to a cognitive map which is constantly constructed by individuals. In cognitive mapping, cognitive representations of places in geographic realities are created to which value judgements are attached (Downs 1981: 109). These cognitive maps guide spatial decision making. Cognitive maps also determine the awareness space of individuals, i.e. the geographic space known to the individual. The extension of this space is shaped by “the effects of race, family income, education, and occupation” (Wolpert 1965: 165). Relevant considerations of location choices are limited to selections from the cognitive map. Finally, a location is chosen that meets some minimal gain in achievement set by the searcher. The outcome of the decision may be re-evaluated and further spatial behaviour triggered (Golledge and Stimson 1997: 473ff).

Wolpert (1965) introduces the concept of residential stress to describe the “‘mismatch’ [...] between a household’s residential needs and preferences and the characteristics of its current housing and neighborhood” (Lu 1998: 1474).⁷ The concept of stress is important for the behavioural approach and indicates its affinity with

⁶ In situ adjustment may also include buying or selling the present dwelling (Mandić 2001).

⁷ Quigley and Weinberg (1977: 57) suggest to operationalise residential stress as the “the amount of money required at the current residential location and quantity of housing consumed required to

psychology: Residential stress can be understood as a form of cognitive dissonance (Festinger 2001 [1957]; Deane 1990). Mismatches are caused by changes in the needs of individuals, e.g. transitions in the family trajectory of the life course, and external changes in the dwelling and neighbourhood, e.g. decay of buildings (Lu 1998: 1474). Furthermore, the normative standards of individuals regarding quality of locations may change and cause stress (Speare 1974: 175). However, residential stress does not directly cause residential relocations, because the satisficer only reacts to stress if it reaches a certain threshold level (Boyle, Halfacree and Robinson 1998: 64). In addition, residential relocations are not the only way to reduce stress. Stress may also be alleviated *in situ* (Brown and Moore 1970). The likelihood for individuals to relocate depends on the levels of satisfaction relative to the levels of stress that they experience and the “capacity to find and obtain access to more satisfactory housing” (Lu 1998: 1474).

The behavioural model predicts that individuals will relocate if they face an increase in residential stress above a certain threshold and have a low overall satisfaction with their residential locations. It can be assumed that individuals with larger awareness spaces are more likely to consider a relocation than individuals with smaller awareness spaces. Again, outcomes of relocations will be a matter of the information gathered by individuals. Individuals can make better informed choices regarding relocations, if they gather more information about potential locations and process this information correctly. If individuals make well informed choices, they are more likely to relocate to better locations, as they are aware of differences in the quality of various locations. Variation in relocation outcomes may also occur due to restricted awareness spaces, as locations in the awareness space of individuals may be worse than outside of the awareness space. In addition, particular dimensions of the quality of locations may compete. That is to say, that individuals may decide to improve one dimension of their location and accept negative outcomes in another dimension as a result (Wolpert 1965).

The behavioural approach offers a helpful extension of earlier rational choice models by highlighting the ideas of bounded rationality and satisfying behaviour. The approach is useful for my theoretical synthesis as the ideas of subjective preferences, limited information and bounded rationality provides appealing explanations for variance in relocation outcomes. However, the approach has certain shortcomings. The empirical operationalisation of the behavioural approach tends to be problematic, as subjective perceptions of reality are difficult to measure (Clark 1981: 194). In addition, the model overstates the decision of the mover and underestimates the conditions set by external forces, which may affect individual choices considerably (*ibid.*: 193). The theoretical framework considers structural constraints of information gathering and processing, but not further limitations of individual behaviour (Golledge and Stimson 1997: 485). The approach assumes that “migration

make the household as well off as it would be if it were currently consuming its preferred quantity of housing services at the optimal location”.

is something that is always there and is a ‘good thing’ because it leads to better living conditions, higher wages and more pleasant residential environments” (Boyle, Halfacree and Robinson 1998: 65). Furthermore, the cornerstone of the behavioural approach is the “*decision-making unit*” (Golledge and Stimson 1997: 33, emphasis in original). For multi-persons households, the behavioural approach ignores the internal power structures of these decision-making units.

Wolpert (1965) linked the behavioural approach to a life cycle model by relating levels of residential stress to certain life cycle stages. The life cycle approach sees the family trajectory as following a set sequence of stages, i.e. marrying, bearing children and an empty nest phase with the same partner, and is rather static in its analysis. At the end of the 1980s and the beginning of the 1990s, the life cycle approach was extended to the life course perspective. This perspective is more dynamic than the life cycle approach and allows for variation in the sequence of events in the family trajectory and places trajectories in their historical times (Elder 1977; Morrow-Jones and Wenning 2005; Geist and McManus 2008). The life course approach is described in more details now.

2.1.5 *Life Course Perspective*

The life course perspective highlights the links between different life domains of individuals and interdependencies with other individuals. Central to the approach is the time dimension of these interdependencies over the span of individuals’ lives (Mayer 2004: 163). One domain of the life course is the residential trajectory. A trajectory is a sequence of states that are linked through transition events (Elder 1985: 31f). Residential locations are states and relocations are transitions in this trajectory. The life course perspective has been joined with aspects of the institutional, rational choice and behavioural approaches in research on residential relocations (Mulder and Hooimeijer 1999: 169). Courgeau (1995: 22) summarises this comprehensive framework: “Individual migratory behaviour [...] develops over time, yet is situated within given historical, geographical, economic and social conditions [...] [and] placed in the time and space of an individual’s life”. Mayer (2004: 166) stresses four pillars of the life course perspective:

- 1) *Embeddedness and interdependence*: Life courses are institutionally, historically and spatially embedded. Especially the institutional embeddedness in the context of particular welfare states has been emphasised by European life course researchers (Settersen and Gannon 2009: 456). “It was and still is the modern nation-state which lays the foundation for biographical decision-making and life course policy, with the consequence of national path dependence” (Heinz et al. 2009: 20) and, thus, the need for comparative cross-national research (Mayer and Schoepflin 1989). Furthermore, life courses are embedded in certain local spaces

and periods (Elder and Rockwell 1979). Life courses of individuals are interdependent (Elder 1977). “Individual lives are always linked lives [...]; one person’s resources, resource deficits, successes, failures, chronic strains, and (expected and unexpected) transitions can become focal conditions, even turning points, in the lives of others” (Moen and Hernandez 2009: 259) and individuals are mostly situated in multi-person households that move as social convoys through time.

- 2) *Multidimensionality*: Different life course trajectories are closely linked and interrelated. The residential trajectory is intertwined with other life course trajectories — foremost the job and family trajectory (Heinz et al. 2009: 25). The job trajectory has a fundamental influence on the structure of life courses. The job trajectory divides life courses in a pre-work phase of education, a work phase and a post-work phase in late life (Kohli 2009: 67). In addition, wages are major sources of income for most households. The place of work also restricts the potential places of residence depending on how much commuting an individual accepts. The family trajectory links together life courses of different individuals and influences their behaviour, e.g. due to child care responsibilities.
- 3) *Self-referential process*: Past developments in trajectories influence future transitions (Elder 1985: 31). Individuals act “on the basis of prior experiences and resources” (Mayer 2004: 166). For example, regarding residential relocations, past research shows that the probability of a relocation decreases with the time spent at a location.⁸ This may be caused by the accumulation of resources over time that can not be transferred to other locations, but also by the experiences gained at the present location.
- 4) *Individual agency*: Individuals creatively shape their life courses. That is to say that they *ex ante* act purposefully and intentionally to follow certain goals. At the same time they contribute to the reproduction and change of social structures they are embedded in. Thus, on the one hand, individuals are subject to the social structures that they have internalised and are simultaneously enabled and constrained in their actions by them. On the other hand, social structures are also shaped by actions of individuals (Settersen and Gannon 2009: 458).

As relocating is costly in various ways, individuals will not relocate without significant trigger events, i.e. substantial changes in their lives (Quigley and Weinberg 1977). Triggers are mostly important transitions in other life courses trajectories which induce new needs and preferences regarding residential locations (Myers 1999: 873). Dieleman (2001: 253) lists the following triggers: partnering, birth, union dissolution, death of a partner, entering or finishing stages in one’s education and job changes that induce income changes or changes in commuting distance. The residential trajectory is instrumental and subordinated to other trajectories in the life course (Mulder 1993: 23). Different events can trigger distinct forms of residential relocations concerning the destination, e.g. housing adjustments after childbirth are assumed to trigger mainly short distance relocations (Courgeau 1985).

⁸ See cumulative inertia axiom in Section 2.1.3.

A trigger alone is not sufficient to explain residential relocations. Mulder and Hooimeijer (1999: 163) direct attention to the situation in which an individual is confronted with a trigger event. This situation is defined by the resources (enabling conditions at the micro level, e.g. material resources), opportunities (enabling conditions on the macro level, e.g. available housing), restrictions (limiting conditions at the micro level, e.g. interdependence with other individuals) and constraints (limiting conditions on the macro level, e.g. discrimination on the housing market). The situational conditions determine whether individuals relocate in response to trigger events. The final decision to relocate is modelled using approaches similar to the rational choice (cf. Section 2.1.3) or behavioural approach (cf. Section 2.1.4).

Regarding restrictions of the relocation decision, the family trajectory is very influential. The lives of individuals in a household are linked through events in the family trajectory. The presence of a partner or child (-ren) in the household as well as their characteristics significantly influence the decisions of individuals to relocate. Especially important in shaping relocation decisions for couples is the employment status of the partner. Household members must negotiate a mutual agreement concerning relocations or split — at least temporarily (Mincer 1978; Nivalainen 2004).⁹ The past residential trajectory can provide resources as well as restrictions for relocating. Resources may result from past experiences with relocations. For example, the mobility socialisation in childhood years affects later life relocations (Courgeau 1985; Myers 1999). The likelihood of relocations increase with the number of past relocations (Clark and Huang 2004). Local social networks and other links to a location that grow over time may restrict relocations. The experience with particular locations in the past shapes the pool of potential future locations (Roseman 1983; McHugh, Hogan and Happel 1995). More generally, the past life course affects the present resources and restrictions of individuals. For example, an individual's economic capital is affected by the past job trajectory. These dynamics of social inequality have been an important theme in life course research as is shown below. Finally, opportunities and constraints of relocations in the life course perspective are similar to what has been described in the institutional approach (cf. Section 2.1.2).

In recent years, the life course perspective has increasingly been linked to sociological theories of social stratification (e.g. Dannefer 2003; Pallas and Jennings 2009; Diewald and Mayer 2009). This is especially promising for the present analysis, in which the dynamics of social inequality due to residential relocations are examined. Inequalities *of* the life course and inequalities *over* the life course can be differentiated.

“The former concerns the manner in which the relationships between the state, the market and the family generate social differentiation and social inequality between different population groups on the basis of various criteria, such as age [...] and gender. The latter refers to processes of differentiation or heterogeneity that unfold during the life course” (Dewilde 2003: 122).¹⁰

⁹ See also description of bargaining models in Section 2.1.3.

Regarding inequalities *over* the life course, relocations may be turning points in individuals residential trajectories that substantially affect the stratification of the quality of location. Turning points are “events or milestones that substantially alter the direction and/or slope of a trajectory” (George 2009: 169). Thus, turning points delineate distinct and discontinuous phases in trajectories. A turning point indicates an abrupt change between these two phases (Abbott 1997: 92). Turning points “may be crucial opportunities in which an accumulation of resources, for some, and a plateau or a decrease of resources, for others, may eventually create great inequalities between individuals of a single cohort” (Burton-Jeangros and Widmer 2009: 184). The effects of these turning points depend on the resources of individuals, e.g. income, on the social position in various life domains, e.g. the family status, and the general life stage as well as the past experience of individuals (Dewilde 2003; Elder and O’Rand 2009: 440). Some relocations that change relevant characteristics of the residential location are likely to be turning points in residential trajectories, e.g. from rental accommodation into ownership or relocations over long distances. The outcomes of these relocations are undetermined and contingent as such. Only the conditions of these relocations determine the direction that the residential trajectory takes after the event, i.e. the nature of the turning point. The within-changes in quality of locations also implies inequalities between different points in time for the same individual.

Regarding inequalities *of* the life course, residential trajectories of groups within one country may diverge. For example, the residential trajectories of different social classes may follow divergent shapes over the whole life course irrespective of single relocation events. Inequalities of the life course may also occur across nations due to divergent institutional contexts. For example, the role of home ownership in a national housing market will co-determine the age at which individuals seek to buy their first home and may have distinct effects on the overall shape of the residential trajectory. To uncover these cross-national differences, life courses from different countries must be compared.

Following the life course approach, residential relocations will be more frequent in life course stages with many transitions in other life course trajectories (Courgeau 1985; Mulder 1993: 25). For example, the stages between leaving the parental home until establishing a family and leaving school until starting the first job will probably have the highest number of residential relocations. It can also be expected that residential relocations are impeded, if different life courses are intertwined, e.g. in multi-person households. The life course approach does not explain relocation outcomes *per se*. However, it can be assumed that disruptive life course events, e.g. union dissolutions, trigger urgent relocation responses. These relocations may be less beneficial than relocations with longer prior search periods. Individuals may not compare several potential locations and decide for the best ones, but just relocate as

¹⁰ Inequalities *of* the life course would rather motivate cross-national research, while inequalities *over* the life course motivates longitudinal research (Dewilde 2003).

quickly as possible to the first available location (Dieleman 2001: 256). In addition, the interdependence of life courses in a household makes variance in relocation outcomes more likely, since a new location will only rarely meet the preferences of all household members at the same time (Mincer 1978). Particular life course stages such as the growing family phase may be associated with better relocation outcomes than other stages due to stronger preferences for good locations of parents with children and the willingness to make long-term investments in housing. The research on social inequalities and turning points also shows that outcomes of relocations are likely to depend on individuals' resources, e.g. income, their social positions, e.g. life course stage, and their past biographical experiences. Finally, variance in relocation outcomes may result from the institutional context in which relocations take place. To analyse this variance, cross-national research must be conducted to disentangle institutional context effects from other explanatory variables.

The life course approach is a perspective rather than a fully developed theoretical framework (Mayer 2009), but it is a perspective that is hardly contested in contemporary research on residential relocations. It has — more or less explicitly — become a dominant theoretical instrument to explain residential relocations (Kley and Mulder 2010). The approach is popular, as it offers a comprehensive explanation for the occurrence and non-occurrence of residential relocations. The life course perspective's attractiveness is also grounded in its flexibility and compatibility with other approaches. The life course framework improves on the other presented approaches in a number of ways: 1) Biographical dependencies within individual life courses are taken into account. 2) The timing of relocation events in certain life stages and in relation to particular life events is taken into consideration. 3) The life course perspective has been used to analyse social stratification over time. 4) Also, the life course perspective is based on the concept of individual agency, but at the same time acknowledges embeddedness in particular places, times and societies. Due to these strengths, the life course perspective is better suited to explain variance in relocation outcomes than the other approaches alone.

To recapitulate, the institutional approach is neglecting individual agency. The rational choice approach does not sufficiently account for contextual conditions and is too much focussed on individuals' utility maximising. The behavioural approach already provides a more appropriate explanation for relocation behaviour than the rational choice approach, but still does not sufficiently account for contextual factors, the biographical dependencies in individual life courses or the links between individuals in social convoys. The life course perspective combined with elements from the other approaches overcomes these shortcomings.

However, the shortcomings of the life course perspective itself should be considered as well. The flexibility of the approach is a strength, but may also turn into a problem, since the life course approach offers loosely linked theoretical concepts rather than a coherent and rigorous theoretical framework. Due to its vagueness, the framework is problematic to falsify. The approach's possibility to explain residential relocations may therefore result in a rather shallow account, without describing any

one explanatory factor in depth. In addition, the life course approach presents empirical challenges because it calls for very comprehensive and complex life history data to do justice to the concept of biographical dependencies.

2.1.6 Conclusion

The presented theoretical approaches are very elaborate with regard to the causes of residential relocations. A main shortcoming of the presented approaches is that they mostly do not explicitly consider the outcomes of relocations. Most approaches that were presented subscribe to the implicit assumption that voluntary relocations are life course events that yield some kind of positive return for the movers. Instead, I argue that relocations are contingent events in individuals' life courses. Whether relocations become positive or negative turning points with regard to the quality of locations or have no substantive effect at all depends on several conditions. It is important to acknowledge this ambiguous nature of relocation events. Only then is it possible to fully understand the effect that relocations may have on individuals' lives. To this end, I combine elements of the just described theories to develop a combined theoretical framework in the remainder of this chapter. The framework draws mainly from the life course perspective, but incorporates elements from the rational choice, the behavioural and the institutional approaches.

The framework is based on the following basic assumptions about individuals' behaviour. I assume that individuals' behaviour is situated in the flow of time of the life course and always relates to not only the past, but the present situational context and potential futures. Individuals shape their lives by actively and creatively navigating through their life courses to pursue physical wellbeing and social approval (Lindenberg 1996: 169; Emirbayer and Mische 1998; Heinz et al. 2009). However, life courses are only partly "the result of active and free choices, partly created within a fixed set of possibilities and partly imposed from outside" (Settersen and Gannon 2009: 471). As individual behaviour is multi-conditioned, "decision-making becomes indeterminate and must be understood from the point of view of situational options, biographical experiences and individual life course expectations" (Heinz 2009: 477, emphasis in original). The situational options are defined by individuals' resources and restrictions as well as constraints and opportunities at the macro level, i.e. regional and national contextual factors (Mulder 1993: 20f). I now describe the determinants of residential relocations (Section 2.2), before turning to the explanation of variation in relocation outcomes (Section 2.3). Whether my theoretical framework is able to contribute to the explanation of variation in the outcomes of relocations is tested in the subsequent empirical chapters.

2.2 Explaining Residential Relocations

Individuals have preferences regarding their locations shaped by biographical experiences and develop in relation to the housing situations of others. Therefore, preferences are conditional on the historical and social context. Housing situations that are considered appropriate may be very different across different societies and historical times (Mulder and Wagner 1998; Rowlands and Gurney 2000). Preferences are dynamic and change over the life course as individuals grow older and their families, job situations and social statuses change. Locations may also change their characteristics over time as dwellings deteriorate, new neighbours move in or regional labour markets change. If individuals live at locations that do not meet their preferences, they experience stress which they want to alleviate if it reaches a certain threshold. To alleviate stress, individuals may relocate to locations that offer better fits with their preferences (Sirgy, Grzeskowiak and Su 2005). These voluntary relocations occur after intentional decision processes. In contrast, involuntary relocations occur, if movers do not have a choice to relocate, e.g. if they receive a notice by their landlord or are evicted. Even in the latter cases, I assume that individuals in European societies can intentionally decide where to relocate to within social, economic, geographical and practical limits.¹¹

Not every mismatch between preferences and actual location will trigger a voluntary relocation. First, stress must reach a certain level before it becomes relevant for the individual. Second, choices regarding relocations are costly and consequential and, thus, individuals will take this into account when considering to relocate. Costs are monetary and non-monetary and arise from one-time costs of relocating, localised capital that cannot be transferred to new residential locations and the risk and uncertainty attached to relocations (Goodman 1981: 138; DaVanzo 1981: 116; Lu 1998: 1476). Thus, individuals only relocate, if they have the necessary resources to meet the costs and they expect that the benefits from relocating will outweigh the associated costs. Individuals' expectations about benefits and costs are confounded by their intellectual capacities, incomplete information and habitual dispositions. Relocations can bring about fundamental changes in the living situations of individuals. Therefore, individuals are likely to weigh the pros and cons of their choices in some ways and make strategic calculations within the limits of their incomplete information and intellectual capacities.¹² The options of individuals are constrained by institutional conditions, e.g. the availability of suitable dwellings.

In their decisions about relocation, individuals also consider the alternative of in situ adjustment (cf. Section 2.1.4). When adjusting in situ individuals stay put, but

¹¹ However, certain subpopulations are deprived of their freedom of movement in European societies, e.g. illegalised immigrants or institutionalised individuals. This highly important issue is not considered in the present analysis.

¹² Jong and Fawcett (1981: 46) argue that residential relocations are more "amenable to a decision-making analysis than almost any other demographic behavior".

alter the residential location in some way to reduce discrepancies, e.g. by renovating the dwelling. This alternative will be more likely for individuals that would bear high costs in case of relocation, e.g. owners, or individuals that have strong habitual links to their location. Finally, individuals may adapt their subjective preferences to reduce stress. However, I assume that this alternative is chosen less frequent than the others, because of the habitually anchored preferences. Only if individuals have no other option, they will try to adapt their preferences. This is also done by legitimising their present situation to others and themselves. The habitual dispositions of individuals codetermine to what extent relocations are considered a viable behaviour at all (Myers 1999). For some, relocations is a goal in itself that is associated with new experiences and a desirable 'mobile' life style. For others relocations may be ruptures in their life courses that are avoided as much as possible.

In most cases, individuals are members of multi-person households living together with their partners, children, relatives or other individuals. Then, the relocation decision is made in the 'social convoy' of these households (Moen and Hernandez 2009). Thus, individuals must coordinate their behaviour if they want to stay together. They have to decide whether they want to relocate at all and where they want to relocate to. Finally, whether individuals relocate depends on the conditions on the housing market. Individuals can only relocate if sufficient numbers of locations are available and they only want to relocate if these locations meet their preferences. The characteristics of the housing market also determine the conditions under which individuals can relocate. For example, if transaction costs for buying property are low and only small down payments are necessary, home owners may be more likely to relocate than in housing markets in which transaction costs and downpayments are high. Finally, certain individuals may be discriminated in the housing market, e.g. migrants, and their relocations may be deterred.

2.3 Explaining Variation in Relocation Outcomes

Relocations are ambiguous and contingent life course events, i.e. there is strong variation in the outcomes of relocations.¹³ Following from the discussed theoretical approaches, five sets of conditions are identified that may explain the variation in outcomes after relocations: 1) *individual life course conditions*; 2) *economic resources*; 3) *situational conditions of decision making*; 4) *structural conditions in housing markets*; and 5) *gendered roles in couples*. Each set of conditions is de-

¹³ From a utility maximising perspective it could be argued that an optimal location exists for each individual. Under this assumption, any relocation to somewhere other than the optimal location would have a negative outcome, because the individual gained less than would have been possible. However, due to restrictions and constraints the optimal location is generally out of reach for individuals and the optimal location is merely of theoretical importance. Here the interest is in identifying conditions that cause individuals to relocate to more or less suboptimal locations.

scribed in the following subsections where hypotheses about the effects of these conditions on outcomes of relocations are derived. The set of conditions are not exclusive and overlap partly. This also implies that some of the processes behind these hypotheses are difficult to disentangle in the empirical analysis. Some hypotheses explicitly refer to the effects of relocations. Other hypotheses refer to general divergence in the quality of locations, but make implicit claims about relocations that lead to this divergence in quality. Hypotheses that refer to cross-national divergence anticipate the description of institutional differences given in Section 4.1. Thus, only important institutional differences are mentioned here.

2.3.1 *Individual Life Course Conditions*

At the micro level, individual behaviours are shaped by their “*individual life course expectations*” (Heinz 2009: 477, emphasis in original), resources and restrictions. *Expectations* or preferences mainly follow from habitual dispositions, period- and society-specific social norms and social comparisons with others (Morris, Crull and Winter 1976). *Resources* are material and non-material objects that are of societal importance and can be used to reach subjective goals. Resources are mainly economic, cultural, social and symbolic forms of capital (Bourdieu and Wacquant 1992: 119).¹⁴ Resources depend on past biographical experiences (Elder 1985). *Restrictions* are individual conditions that hinder the actualisation of subjective goals. Restrictions may result from a lack of resources and from life course interdependencies. The latter follows from two processes. First, biographical dependencies within individual life courses restrict present behaviour. Past choices restrict the potential present choices and past choices make particular present choices more likely. Second, inter-individual relations within and beyond the household restrict behaviour, because individuals have to coordinate their behaviour with others. While individuals are in pursuit of their own goals, they also cooperate with other individuals and their life course are linked to others. This link is especially strong within couples living together and individual behaviour cannot be understood without considering these interdependencies.

Preferences regarding locations differ strongly by life course stage (Lindberg et al. 1992; Jansen 2012). On average, couples have preferences for better locations than singles for several reasons. First, the location is an important component of settling down together as a couple and ‘building a nest’ (Rossi 1955: 178; Rowlands

¹⁴ Economic capital has the form of material assets and income. Cultural capital can be incorporated, i.e. in the form of dispositions, taste and the knowledge of how to act appropriately in a given situation, objectified, i.e. in the form of books or art works, and institutionalised, i.e. in the form of educational degrees. Social capital refers to the social networks of individuals and the resources they can access through these networks. Symbolic capital “is the form that the various species of capital assume when they are perceived and recognized as legitimate” (Bourdieu 1989: 17).

and Gurney 2000; Kearns et al. 2000). Second, couples put more weight on the quality of their residential locations, as they are less mobile than singles. If they relocate they will try to improve their locations more than singles who may anticipate to relocate again soon. Couples may be more willing to invest into their locations, since they are likely to live there for longer than singles. This may be even more so for married couples, on the grounds that they may expect to stay together for longer than cohabiting couples (Mulder and Wagner 1998; Holland 2012). Third, couples are able to pool their resources and are more likely to afford to relocate to more expensive high quality locations than singles (DeLeire and Kalil 2005). Children may have an additional effect on preferences of parents regarding the quality of locations. Parents will strive to provide good quality locations for their children, e.g. in safe neighbourhoods (Brun and Fagnani 1994). However, children also put financial stress on families. After childbearing, families may not be able to afford good locations or they have to relocate to less expensive areas, e.g. suburban areas. This will be the case foremost for low income families. I formulate the following hypotheses, which should be true on average.

H 1.1. *Relocations of singles to form a couple household and relocations of couples improve the quality of locations more than relocations of singles.*

H 1.2. *Partners live in better locations if they are married than before and after being married.*

H 1.3. *a) Individuals improve the quality of their location if they have children and b) the positive effect of children on quality of location will increase with income.*

Individuals will live in worse locations after union dissolution, since, first, they do not pool their economic resources any longer and the dissolution may have decreased the individual economic resources due to foregone economies of scale. Second, individuals decide about relocations under stronger uncertainty about their future family trajectory than while being in stable relationships. Third, for childless ex-partners, different preferences about locations may apply that put less weight on particular features of locations such as safe neighbourhoods. Finally, individuals that dissolved their unions have to relocate quickly and do not have time for a thorough strategical calculation of the benefits and costs of various residential locations. It may be expected that union dissolutions have a lasting effect on the quality of locations. Economic resources may be reduced permanently, ex-partners may be less likely to form a new union and they may be less inclined to invest again in building a ‘nest’ if they already lost one. These processes may differ by gender, because typical life courses of men and women differ. Traditionally, women in couples with children are more engaged in household work and child care than in paid work on the labour market (Bussemaker and Kersbergen 1999: 18). In case of union dissolution, women are often left with less financial resources than the male partner — also in childless couples (Christopher et al. 2002). Due to child care responsibilities that are mainly left with the mother after dissolution, engaging in paid work is

more difficult for women in the post-dissolution phase. Women are less likely to re-partner after dissolutions than men with increasing age (Jaschinski 2011). All these factors may cause relocations in association with union dissolutions to have stronger negative effects on women than on men.

H 1.4. *a) Individuals reduce the quality of their locations, if their relocations are associated with a union dissolution. b) This effect is stronger for women than for men, and c) is persisting over the life course.*

Important events in the work trajectory can cause relocations to become turning points in the residential trajectory (Feijten and Mulder 2005). Becoming unemployed may cause a relocation to be a negative turning point, due to the loss of income, income security and status. Upward or downward job mobility may change the income and, thereby, the economic resources that can be used for relocations. Job mobility may also affect the preferences regarding locations. After significant promotions, individuals may want to represent their new social positions by relocating into better residential locations (Rossi 1955: 179). Personal characteristics of individuals may be related to changes in the job trajectory and relocations at the same time. For example, individuals may strive for high incomes and high quality locations simultaneously as a result of their competitive and ambitious character. Income losses in case of unemployment may be cushioned by the welfare state through wage replacement. If the wage replacement is high and close to the former labour income, individuals that become unemployed are more likely to stay in their location. If the wage replacement is low, individuals are more likely to relocate to reduce housing costs. In the latter cases, individuals are likely to reduce the quality of their location.

H 1.5. *Transitions into unemployment and demotions reduce the quality of locations on average, while individuals that become employed or experience a promotion in their job are more likely to improve the quality of their locations than individuals that do not experience the respective job mobility.*

Life courses in England are less stable and homogeneous than in Germany on average, i.e. individuals experience more heterogeneous transitions and changes in their life courses in England than in Germany. Individuals are more likely to experience transitions in their family trajectories, i.e. union forming and dissolution as well as childbearing, in England than in Germany (cf. Section 4.1.3). Thus, changes in their room needs and general residential preferences are more likely for individuals in England than in Germany. English individuals are more at risk to experience downward social mobility than German individuals on average due to weaker job security and social protection in England (cf. Section 4.1.3). English individuals are also more likely to experience disruptive family events on average. Therefore, it may be expected that English individuals are also more likely to experience downward residential relocations that reduce the quality of locations. It follows that the quality

of locations for English individuals may be more volatile over the life course than for Germans. This cross-national divergence will be especially strong in mid- and late-life, when German individuals experience even fewer changes in their preferences and needs compared to English individuals due to their more stable life courses. In the early life course, the divergence will not be as strong, because Germans also experience frequent transitions in their family trajectories.

H 1.6. *The quality of locations is more stable over the life course in Germany than in England on average, especially in mid- and late-life.*

The quality of locations is closely associated with housing tenure. Ownership is associated with better quality of locations on average compared to social housing and privately rented tenure (cf. below). In England, individuals are more likely to buy property earlier in the life course than in Germany and in England individuals are also more likely to relocate to more than one owned home over the life course than in Germany (Voigtländer 2009: 366ff). In England, home ownership is not as directly linked to marriage and family formation as in Germany (Mulder and Wagner 1998: 707).¹⁵ Thus, it can be expected that English individuals are likely to increase the quality of locations earlier in their lives and regardless of their family status, while German individuals relocate to better locations later in life and are likely to relocate to better locations especially if they are married or form a family.

H 1.7. *Changes in quality of locations over the life course follow distinct patterns in England and Germany: a) on average improvements in the quality of locations through relocations are more likely for young singles and childless individuals in England than in Germany; b) improvements in the quality of location through relocations are more likely in the growing-family phase in Germany than in England; and c) downward relocations are more likely in England than in Germany.*

2.3.2 *Economic Resources*

To reach their goals of physical wellbeing and social approval, individuals constantly compete for scarce material and symbolic objects. Since these objects are rare, only some individuals can use them to meet their goals. As a result, life courses of individuals are unequal in the sense that the degree of goal attainment varies between individuals and for individuals over time. Individuals compete for high quality residential locations in housing markets. The supply of locations is limited and, in general, the scarcity of locations increases with higher quality. Thus, only a limited number of individuals will be able to relocate to high quality locations. In most European countries, housing markets are mainly characterised by free market

¹⁵ Also cf. Section 4.1.1.

exchange. Thus, access to scarce locations is mainly limited through the price of locations. The better a location, the higher its price will be everything else equal. The price of a location is either the rent in rental tenure or the house price respectively land price and construction costs in the owned tenure. Individuals that can afford to pay high prices can relocate to high quality locations. Thus, if individuals have more economic resources, they are more likely to improve the quality of their location on average to increase their degree of goal attainment and relocations will have better outcomes than for individuals with less economic resources.

H 2.1. *a) Individuals that increase their incomes improve the quality of their location through relocations; b) relocations have an increasingly positive effect on the quality of locations with higher incomes.*

The access to different housing tenures depends highly on current and potential income (Kendig 1984; Buck 2000a).¹⁶ On average, quality of location is strongly correlated with housing tenure. Owned dwellings offer the best quality, dwellings rented privately offer less quality and social housing offers the least quality (Easterlow, Smith and Mallinson 2000; Mulder 2006). Owners can better adapt their dwellings to their needs and for many owners home ownership offers a feeling of security (Megbolugbe and Linneman 1993). The reason for these differences are manifold. First, since owners commit for a longer time than tenants to their dwelling, they invest more economic capital. Second, because of lower land prices owned houses are more likely to be situated in less densely populated areas, which offer better neighbourhood quality. Social housing is often associated with the worst locations, as the investment in the dwellings is relatively low as only small returns can be expected.

H 2.2. *Individuals that relocate into social housing will improve the quality of their locations the least, individuals relocating into dwellings rented privately will improve the quality moderately and individuals that relocate into ownership with or without mortgage will improve the quality the strongest.*

Within each housing tenure there may be high variation in quality — especially across countries. If a housing tenure has a high share in the housing market, it is likely that dwellings in this tenure are more heterogeneous to cater for a wider group of the population. For example, the high share of owner occupied dwellings in England implies that there are more own homes with relatively low quality compared to the owner sector in Germany (cf. Section 4.1.1). To the contrary, the high share of rented dwellings in Germany implies that there are more high-quality rented dwellings in Germany than in England. Thus, Germans that relocate between two rented accommodations may be more likely to improve the quality of their locations than similar movers in England. At the same time, English movers that live

¹⁶ Wealth is an important type of economic resources that may improve outcomes after residential locations (Di Salvo and Ermisch 1997; Mulder and Wagner 1998). Due to problems of measuring wealth over time with the data used in the present analysis, no hypotheses regarding wealth are formulated.

in their own homes before and after a relocation may be more likely to improve the quality of their locations with these relocations. Germans are likely to relocate only once to ownership over their life course, while individuals are more likely to relocate between own homes in England. For Germans, it may be expected that this rare event is thoroughly planned and utilised to increase the quality of location more strongly than for individuals in England.

H 2.3. *a) Transitions from rented dwellings to home ownership, and b) relocations between privately rented dwellings improve quality of locations stronger in Germany than in England. c) Relocations between own houses improve quality stronger in England than in Germany.*

2.3.3 Situational Conditions of Decision Making

Information about potential locations is essential in making a relocation decision, but individuals are not fully informed about all alternatives and consequences in their decision making. This is a matter of the costs of searching and the available time for searching. Costs of information increase with the distance between the present and the potential locations that information is acquired for. The information about distant locations will be limited considerably, but particular forms of information about locations is easier to obtain than others. For example, information on the available rooms of a dwelling is easier to acquire than information on features of the neighbourhood.

H 3.1. *a) Individuals that relocate farther away improve the quality of their locations less than individuals relocating short distances and b) this effect is stronger for changes in neighbourhood quality than for changes in room stress.*

My discussion so far has mainly focussed on voluntary relocations. Involuntary relocations occur, if movers do not have a choice to relocate, e.g. if they receive a notice by their landlord or are evicted.¹⁷ It can be expected that these events have strong negative effects on individuals, since individuals have to relocate without being able to plan the relocation thoroughly. They cannot evaluate different potential locations, but have to relocate somewhere quickly. Thus, the outcome may be more negative than if they would have controlled the situation and would have made a deliberate decision about relocating. In addition, involuntary relocations may be more

¹⁷ At this point, it has to be noted that structurally triggered involuntary relocations, e.g. social and ethnic invasion-succession processes in neighbourhoods, are not explicitly accounted for in the present analysis. In recent years, the gentrification debate has highlighted the consequences of such processes (e.g. Millard-Ball 2002). For example, low-income renters may be driven out from neighbourhoods that are subject to gentrification processes and may have to relocate to lower quality neighbourhoods. I do not explicitly analyse these processes because of problems with measuring neighbourhood-level change in my data.

likely for specific groups of the population, which are more prone to deteriorate the quality of their location through relocating. For example, evictions and resulting involuntary relocations may be more likely for individuals that could not pay their rent and these individuals may also be discriminated against by potential landlords who do not want to rent to individuals associated with the risk of not paying rent.

H 3.2. *Individuals improve the quality of their location less on average, if they relocate involuntarily compared to relocating voluntary.*

2.3.4 Structural Conditions in the Housing Market

Similar to the institutional approach, I assume that individual behaviour over the life course is also shaped by the institutional context (Mayer and Schoepflin 1989). “Institutionalization of life courses refers to the process by which normative, legal or organizational rules define the social and temporal organization of human lives” (Brückner and Mayer 2005: 32). These rules may hinder the actualisation of subjective goals and constitute constraints. Rules may also facilitate goal attainment and offer opportunities to reach subjective goals. Institutions may affect individuals’ life courses differently. For example, the institutional context in the labour market and the welfare system facilitate the genderisation of women’s and men’s typical life courses (Krüger and Baldus 1999).

In general, the quantity and characteristics of locations available in the housing market will determine the opportunities that individuals have to relocate to better locations. The more high quality locations are available in a housing market, the better are the chances that an individual may relocate to one of these high quality locations, as they are not scarce and thus their price will be modest compared to housing markets in which high quality locations are scarcer. This reflects a fundamental axiom in life course research: “the structural availability of open positions is simply the precondition to participate: without vacant positions there is no career mobility” (Diewald and Mayer 2009: 7). Besides supply, the demand in the housing market is important. Tight housing markets due to high demand of housing will offer less opportunities for individuals, since the competition for high quality locations is strong. If the competition is strong, prices will rise for vacant dwellings and fewer individuals will be able to afford relocating to these locations. Less tight housing markets, on the other hand, will offer more opportunities, because prices for dwellings decrease.

H 4.1. *Relocating to housing markets with high demand for housing reduces the chances for individuals to improve the quality of their locations, while relocating to housing markets with high supply of housing increases the chances for individuals to improve the quality of their locations.*

H 4.2. *Individuals will improve the quality of their location more on average, if they relocate in a housing market with many high quality locations compared to a housing market with few high quality locations.*

Housing markets are examples for very imperfect markets.¹⁸ Welfare states heavily intervene in housing markets, due to these limitations of the market and the political goal to provide everybody with adequate housing (Buck 2000a: 135). Housing policies influence the supply, prices and quality of locations and thereby distort the potential direct link between individuals' incomes and their quality of locations.¹⁹ The intervention of the welfare state in housing markets aims at reducing disparities in the quality of locations for individuals. Welfare states differ in the extent to which they intervene on the housing market and, thus, in the extent to which they distort the income-quality link (MacGuire 1981: 115; Balchin 1996a: 9ff; Oxley and Smith 1996: 25ff; Lampert and Althammer 2004: 337). More regulation will result in a weaker effect of income on the quality of the location. In Section 4.1.1, I show that the housing market in Germany is slightly more regulated and the income-quality link is weaker than in England. With regard to other aspects of the welfare state, England can also be characterised as being less decommodified, e.g. with regard to unemployment protection (cf. Section 4.1.3).²⁰

H 4.3. *Changes in the quality of locations through relocations will depend more on changes in income in England than in Germany.*

Ascribed statuses such as ethnicity of immigrants can be associated with discrimination in the housing market and may constitute a strong constraint for individual relocation behaviour (Flowerdew 1976: 56). On average, ethnic minorities live in lower quality locations than the native population (e.g. Özüekren and Kempen 2002; Drever and Clark 2002). There are three main causes for these disparities.

¹⁸ First, housing markets are characterised by price inelasticity of supply. Second, due to the fragmented character of housing markets, the high number of sellers and buyers and the high diversity of dwellings, the housing market only has a low market transparency. Housing markets are also regionally fragmented and conditions for relocations will be very different across regional borders of housing markets. Third, consumers in the housing market are mostly limited in their geographic mobility. Thus, their search is locally bounded and only covers a small fraction of the overall market. Fourth, most locations are not substitutable (Herlyn and Herlyn 1983: 127ff; Mayer 1998: 37).

¹⁹ First, welfare states define legal standards of housing that are supposed to guarantee a minimum quality of dwellings. Second, welfare states provide subsidies and tax benefits for home owners, and pay housing assistance to renters. Thereby, individuals are enabled to improve their locations beyond their individual labour market income and assets. Third, private providers of dwellings are supported financially through subsidies and tax benefits. Fourth, welfare states engage in urban and regional planning. Fifth, states regulate the market exchange between consumers and providers, e.g. by introducing rent regulation and legal protection of renters.

²⁰ Decommodification describes the degree to which life chances of individuals are independent from market forces.

1) Preferences of ethnic minorities regarding features of locations may be different from natives. For example, ethnic minorities may prefer ethnic enclaves. While ethnic concentration in a neighbourhood is not a criterion of neighbourhood quality in itself, it may be a feature associated with low neighbourhood quality on other dimensions (Harris 1999). In the present analysis, I assume that immigrants and natives share similar preferences for residential locations.²¹ This is a strong assumption that should be further validated in future research, but past research supports the credibility of this assumption (e.g. Bolt and Kempen 2002; Wiesemann 2008). 2) Immigrants may be constrained in the actualisation of their preferences, because immigrants on average have less economic capital. 3) Actualisation of preferences may also be impeded through discrimination on the housing market. In this case, gatekeepers such as landlords or real estate agents prefer natives over immigrants. The latter can only relocate to locations that are not preferred by natives (South and Crowder 1998a; Quillian 2003; Schaake, Burgers and Mulder 2010). Discrimination is likely to affect all individuals that live together with an immigrant in the same household, even if they are natives themselves. Even if immigrants relocate to better residential locations, the relative difference to the residential quality of the native population may not change as long as natives improve their locations to a similar or even greater degree. Immigrants may also, on average, fare worse concerning their location outcomes, because of structural inequalities in access to resources. Spatial assimilation, i.e. reaching the same quality of location as natives, is a function of the time that an immigrant has lived in a country and the degree of assimilation into the mainstream society (Bolt, Kempen and Ham 2008). Therefore, it can be expected that first generation immigrants differ stronger from natives than second generation immigrants.

H 4.4. *a) Individuals in immigrant households improve the quality of their locations less than natives through relocations. b) The difference to natives is stronger for individuals in first than for individuals in second generation immigrant households.*

2.3.5 Gendered Norms of Behaviour

Individuals in dual-earner couples are constrained in their residential relocations, as their life courses are linked and both careers have to be considered in the decision whether and where to relocate (for linked lives cf. Elder 1998). Since job opportunities are dispersed in geographical space and job offers emerge at relatively random times, it is unlikely that both partners will receive equally good job offers at a new location at the same time (Mincer 1978). Therefore, long-distance relocations can

²¹ I make this assumption, because my data does not allow to measure locational preferences.

be expected to have divergent effects on labour market outcomes of both partners. Long-distance relocations can be assumed to have a stronger effect on labour market outcomes than short-distance relocations, on the grounds that after long-distance relocations the distance to the old place of work will increase substantially in most cases and as individuals usually prefer to limit their commuting they are more likely to change their jobs after long-distance relocations (Mincer 1978; Smits 1999).

Gender is an institution which structures social life (Lorber 1994: 6). Individuals are categorised as women or men and faced with societal norms about gender-appropriate behaviour and (re-) produce their gender identities in daily interactions with others. Thus, individuals do their gender in a constant process and gender is not a static feature of individuals (West and Zimmerman 1987; Gildemeister 2008). Traditional gender norms of male breadwinners and female family caretakers are still highly relevant in modern societies. According to these norms, women are more engaged in family work than in paid work on the labour market and even in childless couples men's careers are mostly prioritised (Hochschild 1989; Bussemaker and Kersbergen 1999). In their everyday behaviour, women and men are affected by these norms. Even couples in which partners have non-traditional gender role attitudes live in a gendered social structure and a social environment that mostly follows these gender norms. Thus, even the behaviour of partners with non-traditional gender role attitudes is constrained, e.g. due to better average labour market conditions for men (Risman 2004). Following this perspective, decisions to relocate are not rationally maximising the economic returns for the couple as predicted by the rational choice approach, in which the partner with more human capital is assumed to dominate the relocation decision (cf. Section 2.1.3). Relocation decisions are also not the result of explicit bargaining between partners as predicted by the bargaining models, which assume that partners with more relative power will assert their interests (cf. Section 2.1.3). Instead, the priority of men's careers in relocation decisions is subtle and based on implicit gender norms (Bielby and Bielby 1992; Cooke 2008b; Abraham, Auspurg and Hinz 2010). Women's potential losses after relocations are considered to be less important than men's gains and his career will often be prioritised in the decision to relocate.

Following this argument, I expect couples to prioritise men's careers on average irrespective of both partners' human capital and occupational position as well as the partners' share of the couple's labour income as an indicator for relative resources. Thus, I expect that residential relocations of dual-earner couples benefit men's careers more than women's careers. In addition, I expect women to be tied movers on average. That is to say that their individual careers are adversely affected by the relocation compared to staying put. I derive the following hypotheses.

H 5.1. *Partnered women that relocate are negatively affected in their careers compared to women staying put.*

H 5.2. *In couples, men will profit more from long-distance relocations than women with regard to their careers — even controlling for both partners' human capital and past work history.*

Gender as a social institution varies between countries and as a result conditions for female labour participation diverge (cf. Section 4.1.4 for a detailed description of these conditions). Thus, one can expect the effect of long-distance relocations on women's careers to vary by country. Tax, welfare and family policies do not hinder women's continuous labour force participation in England. Nonetheless, women are mainly supplementary contributors to the family income and the labour division in the household is more traditional than for example in the Scandinavian countries (Kilkey and Bradshaw 1999: 149; Sainsbury 1999: 250; Crompton and Lyonette 2006; Cooke 2011: 31ff). In Germany, tax policies, extensive family policies and welfare policies that focus on single breadwinners in the family hinder women's continuous employment. Women are pushed into the role of family caretakers and the division of labour in German families follows the male-breadwinner model on average (Bussemaker and Kersbergen 1999: 18; Sainsbury 1999: 247; Blossfeld and Drobníč 2001: 40; Apps and Rees 2005). Societal norms about gender roles differ between England and Germany, but also within Germany. Treas and Widmer (2000: 1421) categorise East Germany as having "work oriented" gender norms, where attitudes are more favourable for working mothers than in other countries. West Germany and England belong to the cluster of countries with "family accommodating" (ibid.: 1422) gender ideology, where mothers of young children are expected to stay home and mothers of school-age children are expected to work only part-time.

The two countries are also highly divergent cases in respect to their labour markets (cf. Section 4.1.2). Germany is a coordinated market economy, while England is a liberal market economy (Hall and Soskice 2001: 8ff). As a result, one can observe higher job mobility in England compared to Germany. Due to the higher overall job mobility and better opportunities for taking up new jobs, relocations may be less disruptive for careers in England than in Germany. As a result of the slightly higher labour market involvement of women in England, more egalitarian gender role norms and the slightly less gendered family policy, I expect long-distance relocations in England to affect women's careers less adversely than in Germany. I also expect West German women to be stronger adversely affected by relocations than East German women, because of the differences in gender norms between East and West Germany. These expectations lead to the following hypothesis:

H 5.3. *Gender inequality in effects of long-distance relocations on careers will be weakest in England, modest in East Germany, and strongest in West Germany on average.*

2.4 Summary

The presented combined theoretical framework extends previous theoretical approaches by treating relocations as ambiguous and contingent life course events. The occurrence of relocations has been thoroughly theorised in the past, but the variation in relocation outcomes has been mostly neglected. My theoretical framework explicitly aims at explaining this variation. It mainly draws from the life course perspective to explain the occurrence and outcomes of relocations, but also incorporates elements from the institutional approach, the rational choice approach and the behavioural approach. I follow the life course approach in the assumption that individuals actively navigate through their life courses to reach certain goals. I also use the concept of an embedded and self-referential life course that consists of several interdependent trajectories and which is linked to other life courses. Life courses are embedded in institutional contexts at the regional and national level that shape the occurrence and the outcomes of relocations as described in the institutional approach. Following the behavioural approach, it is assumed that individuals have preferences regarding their locations and that they want to alleviate stress that results from incongruity of their preferences and actual location by relocating. It is assumed that individuals make intentional decisions about their relocations by weighing costs and benefits of a relocation, but individuals only have limited information for their choices and restricted resources to relocate as shown in the rational choice approach.

Regarding the occurrence of relocations, it is assumed that individuals consider a voluntary residential relocation, as their present locations do not meet their preferences any longer. Mostly, this happens after individuals have experienced transitions in their family and job trajectories. Individuals can decide to relocate to another location, adjust their present location or adjust their preferences. Individuals strategically calculate the pros and cons of this decision in the limits of the available information and their intellectual capacities. The decision is further shaped by individuals' habitus, resources, and restrictions as well as opportunities and constraints at the contextual level. The decision is embedded in the flow of time over the life course. Individuals in multi-person households must coordinate their relocation behaviour in some way, or split.

Relocations may impact individuals' life chances very differently depending on the conditions of these relocations. Five sets of conditions are identified that may affect this variation in outcomes. To recapitulate, these sets of conditions are:

1. Individual life course conditions: The residential trajectory is instrumental and depends on transitions in other life course trajectories, e.g. the family trajectory. These instrumental relocations will be shaped by triggering transitions. Especially important are turning points, such as union dissolution, which may have adverse effects on relocation outcomes. Further, life courses of individuals are linked to other individuals and these interdependencies may affect variation in relocation outcomes.

2. Economic resources: Housing is a good traded in a market and, therefore, outcomes will be strongly determined by the price that individuals can pay in this market. Individuals may use their current incomes or take on mortgages to relocate to better locations. Depending on which housing tenure they relocate into, the quality of location will differ with home ownership offering the best locations.
3. Structural conditions in the housing market: Some individuals are discriminated against in the housing market, e.g. because of their ethnicity. Furthermore, the outcomes of relocations are shaped by the quantity and quality of the supply in the housing market as well as the demand.
4. Situational conditions of decision making: The information about potential locations are limited and the processing of this information may be impeded by individuals' capacities.
5. Gendered roles in couples: Due to traditional gender norms, men's careers are likely to be prioritised if couples consider long-distance relocations. Therefore, men are likely to benefit more from long-distance relocations than women. Women may also be adversely affected by long distance relocations in their careers compared to stayers.

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