Housing inequality and status competition across and within countries

Nora Waitkus

November 28, 2023

1Tilburg University und London School of Economics (n.m.waitkus@tilburguniversity.edu).
Introduction

- Renewed interest in housing within social stratification and comparative political economy literature
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  - Housing wealth
  - Housing prices
  - Tenure inequality
    (Dewilde and Waitkus, 2023)
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» However, there is more to it ...
  » Class
  » Status
Housing as Class Inequalities

▸ Marxist: Housing is secondary to individual position in the Productive sphere (Wright, 1997)

▸ Weberian: Housing situations as class situations (Adkins et al., 2020, 2021)

▸ Bourdieusian housing habitus: institutionalized, objectified and incorporated form of capital (Bourdieu, 2005)
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Housing Class Inequalities across Countries

- Measuring housing class with LWS data
Housing Class Inequalities across Countries

- Measuring housing class with LWS data
  - LWS provides ex-post ante harmonized data on wealth, housing, and other economic indicators
  - Occupational class: 1) managers/professionals 2) skilled workers 3) labourers
  - Asset class: 1) Investors, 2) Owners 3) Renters
  - Wave XI
Housing Class Inequalities across Countries I
Housing Class Inequalities across Countries II

![Graph showing housing class inequalities across countries.](image-url)
Housing Class Inequalities across Countries III

Ratio

si it gr sk au fi de uk ee at es ca lu us

Renters vs Investors Owners vs Investors
Housing as Status

- Status - next to power and resources - neglected dimension of inequality (Ridgeway, 2014; Weber, 1978)
- Consumption and lifestyles reflect social status (Bourdieu, Elias, Veblen) (Fligstein et al., 2017)
- Rising income and wealth concentration – 'keep up with the Muellers' (Frank, 2013; Dwyer, 2009), 'expenditure cascades' (Frank et al., 2014), 'positional arms races' (Frank, 2005), 'McMansionalization'
- Housing (size) is a key positional good, reflecting status!
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Housing Size Development

Coefficient (a) Income ˂60% on Housing Size

Coefficient (b) Income 60-80% on Housing Size

Coefficient (d) Income 150-200% on Housing Size

Coefficient (e) Income ˃200% on Housing Size

Percentiles of the Housing Size Distribution

Reference category is (c) income 80-150%
Housing Size Increase

Coefficient Year on Housing Size

Income (a) Income ˂60%

Income (b) 60-80%

Income (d) 150-200%

Income (e) Income ˃200%
Housing Status Competition?

<table>
<thead>
<tr>
<th>Einkommen</th>
<th>Total</th>
<th>&lt;5.000</th>
<th>5-50.000</th>
<th>50-100.000</th>
<th>&gt;100.000</th>
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<tr>
<td>&lt;60</td>
<td>-0.003</td>
<td>-0.104</td>
<td>-0.073</td>
<td>-0.171</td>
<td>-0.072</td>
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<tr>
<td>60-80</td>
<td>0.033</td>
<td>-0.005</td>
<td>0.153</td>
<td>-0.148</td>
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<td>0.130</td>
<td>-0.014</td>
<td>0.041</td>
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<td>120-200</td>
<td>0.142</td>
<td>0.078</td>
<td>0.238</td>
<td>0.191</td>
<td>0.147</td>
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<tr>
<td>&gt;200</td>
<td>0.175</td>
<td>0.369</td>
<td>0.146</td>
<td>0.402</td>
<td>0.298</td>
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<tr>
<td>Total</td>
<td>0.092</td>
<td>0.048</td>
<td>0.145</td>
<td>0.031</td>
<td>0.022</td>
</tr>
</tbody>
</table>

*Fett* p<0.001  *Fett und kursiv* p<0.01  *Kursiv* p<0.1
Conclusion

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- Bringing in class and status in enables a *relational* perspective on housing inequalities and makes us sensitive for the context in which individuals operate
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- Bringing in class and status in enables a *relational* perspective on housing inequalities and makes us sensitive for the context in which individuals operate
- Investing in housing as the economically *reasonable* (not necessarily rational) reaction to rising economic inequalities
THANK YOU.
Appendix
Hypotheses

- McMansionization hypothesis: housing sizes increased equally across income groups over time
- ’Keeping up’ hypothesis: housing sizes increased more in the middle of the distribution than at the top
- Pulling away hypothesis: housing sizes increased more at the top of the income distribution
Housing as Wealth Inequalities

The diagram illustrates the relationship between Gini coefficients and various countries, with points representing housing equity and net wealth. The countries listed along the x-axis include sk (Slovakia), it (Italy), gr (Greece), si (Slovenia), au (Australia), lu (Luxembourg), fi (Finland), es (Spain), uk (United Kingdom), ca (Canada), ee (Estonia), at (Austria), de (Germany), za (South Africa), and us (United States). The y-axis represents the Gini coefficient ranging from 0 to 1.
Housing as Wealth Inequalities
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Gini

- Gross Housing
- Mortgage
- Net Wealth
Bibliography I


