**July 2021: Parental Wealth and Household Living Standards in Urban China**

**Summary**

**Data Update**

Some additional data sources on Japan, Taiwan and Korea were researched as below. By reading the questionnaire, none provide as good measures of parental + child wealth as the existing two (CHARLS, FYRST).

* (Japan) Social Stratification and Social Mobility Survey, 2005
* Japan Household Panel Survey(JHPS/KHPS)
* Japanese Study on Aging and Retirement (JSTAR, equivalence of HRS in Japan)
* (Taiwan) Panel Study of Family Dynamics (PSFD)
* Taiwan Social Change Survey
* Korean Longitudinal Study of Aging (KLoSA, equivalence of HRS in Korea)

All data is reported on a subsample of husband among married couples.

**Parental Wealth Measure**

As the key variable in the analysis, parental wealth data in urban countrywide data provides more detail. Figure 1 breaks down components of parental household net worth in each of its quantile. Besides a high level of wealth inequality which is evident from the steepness of the lines, home asset seem to take up the majority of net worth for households across net worth percentiles.

*Figure 1. Parental Wealth and Components in Urban Countrywide.*

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*Note: Home asset includes owner-occupied housing and any other housing properties. Financial asset includes cash, deposit, investments, debt, etc. Other asset includes land and fixed asset such as equipments and consumption durables.*

For Shanghai data, the available measure for parental wealth is the number of homes that parents own, where 45% respondents reported a non-zero value, and 8% respondents reported that their parents own more than one home. While other parental assets are unknown for the Shanghai data, given the observation from Figure 1, it would be safe to assume that this variable may capture the majority of parental net worth.

**Marriage Homogamy**

Household asset and living standard is usually a product of collective familial effort, which requires measurements on both husband and wife, and their respective parents. However, in a society with a high level of marriage homogamy such as China, measures on SES between the husband wide and wife side can be highly correlated, as is the case in the data. The high extent of marriage homogamy in the data can be seen in Table 1.

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| Table 1. Marriage Homogamy in Shanghai | |  |  |  |
| *Husband (Row) and Wife (Column) Education* | |  |  |  |
|  | Up to Senior High | Tertiary & Above | Total |  |
| Up to Senior High School | 446 (35%) | 109 (8.6%) | 555 (44%) |  |
| Tertiary & Above | 109 (8.6%) | 601 (48%) | 710 (56%) |  |
| Total | 555 (44%) | 710 (56%) | 1,265 (100%) |  |
| 0.67 Spearman correlation for years of schooling. | | | |  |
| *Husband's Parents (Row) and Wife's Parents (column) Education* | | |  |  |
|  | Up to Junior High | Senior High & Above | Total |  |
| Up to Junior High School | 818 (65%) | 61 (4.8%) | 879 (69%) |  |
| Senior High School & Above | 75 (5.9%) | 311 (25%) | 386 (31%) |  |
| Total | 893 (71%) | 372 (29%) | 1,265 (100%) |  |
| 0.78 Spearman correlation for years of schooling. | | | |  |
| *Husband's Parents (Row) and Wife's Parents (column) Wealth* | | |  |  |
|  | Not Homeowner | Own 1 Home | Own 2 or More Home | Total |
| Not Homeowner | 660 (52%) | 33 (2.6%) | 7 (0.6%) | 700 (55%) |
| Own 1 Home | 27 (2.1%) | 411 (32%) | 20 (1.6%) | 458 (36%) |
| Own 2 or More Home | 8 (0.6%) | 17 (1.3%) | 82 (6.5%) | 107 (8.5%) |
| Total | 695 (55%) | 461 (36%) | 109 (8.6%) | 1,265 (100%) |
| 0.87 Spearman correlation for number of homes owned. | | | |  |

Among married couples in Shanghai, the odds of one holding a tertiary degree marrying another without (plus the scenario otherwise) is as low as 17%. The homogamy extends to the parental level, where the correlation of years of schooling noted in the table is even higher for the parents than the children. The match between couples in their parental wealth resources seem more surprising: measured by number of homes owned by parents, there are less than 10% individuals marrying another with a different parental wealth level (despite the crudity of this measurement).

For the urban countrywide data, although homogamy at parental level is unobserved, the similarity in education level between couples seems to be the same as the case in Shanghai, if not higher.

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| Table 2. Marriage Homogamy in Urban Countrywide | | | |
| *Husband (Row) and Wife (Column) Education, Urban Countrywide* | | |  |
|  | Up to Senior High | Tertiary & Above | Total |
| Up to Senior High School | 1,622 (63%) | 158 (6.2%) | 1,780 (70%) |
| Tertiary & Above | 185 (7.2%) | 595 (23%) | 780 (30%) |
| Total | 1,807 (71%) | 753 (29%) | 2,560 (100%) |
| 0.72 Spearman correlation for years of schooling. | | | |

Given the high correlation in the human capital and parental status of husband/wife, the subsequent analysis uses only variables on the husband side (including parental measures) to add simplicity and to avoid highly correlated predictors. In addition, because parental transfer patterns may interact with gender, the analysis filters out wives and only use husbands among married couples in both the Shanghai and urban countrywide sample.

**Home Ownership and Wealth**

Housing market in China has great heterogeneity, with unit price in Shanghai being several times of that in a small city. Therefore, when analyzing housing-related variables, this study pools results from three subsamples: Shanghai (from FYRST), large and medium-sized cities (from CHARLS), and small cities (from CHARLS).

Using these 3 groups, Table 3 shows percentages of homeowners with various levels of parental wealth. At a glance, parental wealth may have some impact on homeownership in Shanghai, while it doesn’t seem to have any impact in cities other than the mega-cities.

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| Table 3. Parental Wealth and Home Ownership. | |  |  |
| *Shanghai* |  |  |  |
|  | Not Homeowner | Homeowner | Total |
| Parents Own No Home | 193 (28%) | 507 (72%) | 700 (100%) |
| Parents Own One Home | 109 (24%) | 349 (76%) | 458 (100%) |
| Parents Own Two/More Homes | 13 (12%) | 94 (88%) | 107 (100%) |
| Total | 315 (25%) | 950 (75%) | 1,265 (100%) |
| P-value = 0.002 (Pearson's Chi-squared test) | |  |  |
| *Medium and Large Cities (Excluding Beijing, Shanghai, Guangzhou and Shenzhen)* | | |  |
|  | Not Homeowner | Homeowner | Total |
| Parental Net Worth 0-25% | 71 (32%) | 152 (68%) | 223 (100%) |
| Parental Net Worth 25-50% | 70 (31%) | 153 (69%) | 223 (100%) |
| Parental Net Worth 50-75% | 74 (29%) | 177 (71%) | 251 (100%) |
| Parental Net Worth 75-99% | 114 (33%) | 234 (67%) | 348 (100%) |
| Total | 329 (31%) | 716 (69%) | 1,045 (100%) |
| P-value = 0.9 (Pearson's Chi-squared test) | |  |  |
| *Small Cities* |  |  |  |
|  | Not Homeowner | Homeowner | Total |
| Parental Net Worth 0-25% | 144 (32%) | 303 (68%) | 447 (100%) |
| Parental Net Worth 25-50% | 154 (37%) | 263 (63%) | 417 (100%) |
| Parental Net Worth 50-75% | 141 (38%) | 226 (62%) | 367 (100%) |
| Parental Net Worth 75-99% | 96 (38%) | 158 (62%) | 254 (100%) |
| Total | 535 (36%) | 950 (64%) | 1,485 (100%) |
| P-value = 0.2 (Pearson's Chi-squared test) | |  |  |

Model 1 through 3 from Table 4 take a closer look at this by modeling ownership with logistic regressions, which suggests similar findings. The only exception was that the number of parental homes owned turns out to be not significant despite the correlation identified, after controlling other characteristics of the husband. In Shanghai, the opportunity to become a homeowner primarily favors those with institutional advantages such as urban hukou holders and public sector workers which may correlate strongly with wealth indicator of the parents, while even household income plays little role. Overall, the multivariate analysis suggests that parental wealth may not have any direct impact on children’s chance to become homeowner.

*(Table 4 attached at the end)*

However, when it comes to total home wealth among homeowners, parental wealth seems to shows an impact in all samples, as Figure 3 reveals that a higher median home wealth for those with higher parental wealth measures, controlling for household income. A closer look at the figures would implicate that the gap of home wealth between housesholds with varying level of parental wealth seem to be smaller in small cities.

*Figure 3. Parental Wealth and Offspring Home Wealth Among Homeowners.*

*Shanghai*

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*Medium/Large Cities*

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*Small Cities*

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The multivariate analysis in Model 4 through 6 in Table 4 provides similar results where parental wealth seems to significantly lift total home wealth. Compared with the impact from household income (although coefficients are unstandardized), the impact of parental wealth seem to be the largest in Shanghai, significant for medium and large cities, and barely exists in small cities after controlling other variables.

**Second Home Ownership in Shanghai**

This section takes a closer look at through what channel parental wealth facilitate home asset accumulation in Shanghai.

The previous analysis have shown that parental wealth has no impact on acquisision of home, likely the first one, for married couples in Shanghai. Despite the impact on total home asset, Model 7 in Table 5 further shows that for owner-occupied home, parental asset has no impact on the value of the owner-occupied residence. Years of schooling, hukou status, and income plays a major role showing that the family mostly rely on themselves to build up the value of their first home.

*(Table 5 attached at the end)*

However, as many as 42% of homeowners in Shanghai reported having a second home. A simple bivariate analysis in Table 6 shows that parental wealth has a clear association with second home ownership for Shanghai residents, which is confirmed by the multivariate analysis in Model 8 and 9 from Table 5. As a clear contrast from the case of primary home ownership, Parental wealth shows a prominent role in determining the chance for second home ownership as well as the value of the second (and more if any) home. This suggests that acquisition of such can largely rely on the assistance of parents.

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| Table 6. Parental Wealth and Second Home Ownership. Shanghai. | | | |
|  | Not Owning Second Home | Owning Second Home | Total |
| Parents Own No Home | 283 (56%) | 224 (44%) | 507 (100%) |
| Parents Own One Home | 136 (39%) | 213 (61%) | 349 (100%) |
| Parents Own Two/More Homes | 15 (16%) | 79 (84%) | 94 (100%) |
| Total | 434 (46%) | 516 (54%) | 950 (100%) |
| P-value < 0.001 (Pearson's Chi-squared test) | |  |  |

Once one controls for the value of additional homes and models the total home asset again, as in Model 10, it turns out that the effect from parental wealth diminishes. This suggests that Shanghai parents facilitate the asset accumulation primarily through help children acquire a second home, which would be a stock of monetary values as well as a source for property income.

**Impact From Different Wealth Components**

Model 11 from Table 7 suggests that financial asset seems to play a prominent role compared with other types of parental asset in improving total home value of the children. However, this result is not very stable. There may be correlation issues among the variables to be tackled.

*(Table 7 attached at the end)*

**Gifted Home Upon marriage**

Data on medium and large cities approaches the question of how parents assist home asset building from another point of view—direct transfer from parents at marriage. Most parents in the nationwide sample reported giving the child material gift (65%), sometimes in the form of a home purchased from market (21%), when they got married. Such transfer would guarantee homeownership for the children, and could potentially contribute to second home ownership in cases where the couple would afford a home themselves, similar to the case in Shanghai. Figure 4 shows the potential impact of such gift.

*Figure 4. Direct Transfer at Marriage and Offspring Home Wealth Among Homeowners. Medium/Large Cities.*

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The impact of gifted home on total home value seems significant and quite self-explanatory, given that the gifted home worths CNY 453,200, which is a gift of very significant amount. The bottom graph seems to suggest that parents with higher net worth tend to give out gifted home of higher value.

Notably, transfer in the form of gifted home goes almost exclusively to male children, as shown in Table 8. About 19% of husbands received such transfers, while only 2% of wives did. Apart from gender being the primary factor, Model 12 through 13 from Table 7 didn’t reveal other significant determinant of child’s chance receiving such transfer, apart from the education level of the father. The likelihood of receiving a gifted marriage home isn’t associated with the wealth level of parents too much.

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| Table 8. Gender and Gift Upon Marriage. Urban Countrywide. | |  |  |
| *Gifted Home Upon Marriage* |  |  |  |
|  | No Gift Home | Received Gift Home | Total |
| Wife | 2,486 (98%) | 50 (2.0%) | 2,536 (100%) |
| Husband | 2,077 (81%) | 483 (19%) | 2,560 (100%) |
| Total | 4,563 (90%) | 533 (10%) | 5,096 (100%) |
| P-value < 0.001 (Pearson's Chi-squared test) | | | |
| *Other Material Gift At Marriage* |  |  |  |
|  | No Gift | Received Gift | Total |
| Wife | 1,268 (50%) | 1,268 (50%) | 2,536 (100%) |
| Husband | 1,008 (39%) | 1,552 (61%) | 2,560 (100%) |
| Total | 2,276 (45%) | 2,820 (55%) | 5,096 (100%) |
| P-value < 0.001 (Pearson's Chi-squared test) | | | |

Figure 4 also shows that the impact from other material gifts seem to be pretty limited, considering their average worth is only around CNY 28,300, only 3% of the average home value.

Model 16 and 17 added these measures into the model predicting total home worth of the children with two formulatios indicating whether the husband received such gift at marriage and how much amount if so. It turns out that gifted home from parents significantly lift home wealth in both formulations. However, the coefficient for parental wealth barely changed, suggesting that they influence the asset outcome through channels other than the gifted marriage home.

**Parental Wealth Impact on Other Dimensions of Living Standard**

Model 18 through 20 in Table 8 summarizes multivariate analysis of parental wealth on a few other indicators of living standard for Shanghai residents, where subjective evaluation of socio-economic status seems to be affected by parental wealth, whereas there isn’t any too strong relationship between parental wealth and consumption and automobile ownership.

*(Table 8 attached at the end)*

**Thoughts on Next Steps**

*Evaluating the analytical framework*

The above sections hopefully illustrated a more rich body of findings with detailed elaborations. I have tested that the findings are robust to data filters (e.g. different age groups, male vs. females) and modeling method (e.g. OLS vs. Tobit). If they would seem interesting to a reader as well, I’d like to think that some of them can appear in a paper in some form.

By now, the models are carefully tuned but are mostly built around exploratory purposes, which involves mostly primitive ways of statistical reasoning that add predictors to models and observes the change to significance. Although a few interesting conclusions come out of the exploration, they may be verified with a better design of modeling method (say, path analysis) that I haven’t been thinking a lot about.

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| Table 4. Parental Resources Impact on Offpsring Wealth. | | | | | | |
|  | Home Ownership | | | Total Home Asset (Logged) | | |
|  | Shanghai | Med/Large Cities | Small Cities | Shanghai | Med/Large Cities | Small Cities |
|  | Model 1 | Model 2 | Model 3 | Model 4 | Model 5 | Model 6 |
| *Parental Wealth Indicator* |  |  |  |  |  |  |
| Number of Parental Homes Owned | 0.19 (0.11) |  |  | 0.30 \*\*\* (0.05) |  |  |
| Parental Household Net Worth (logged) |  | 0.04 (0.03) | -0.03 (0.02) |  | 0.07 \*\*\* (0.02) | 0.03 \* (0.01) |
| *Controls (Husband)* |  |  |  |  |  |  |
| Age | 0.02 (0.01) | 0.11 \*\*\* (0.01) | 0.08 \*\*\* (0.01) | 0.02 \* (0.01) | -0.03 \*\*\* (0.01) | -0.03 \*\*\* (0.01) |
| Years of Schooling | 0.61 \*\*\* (0.16) | -0.19 (0.17) | 0.15 (0.14) | 0.29 \*\*\* (0.09) | 0.25 \*\* (0.09) | 0.27 \*\* (0.08) |
| Urban Hukou (ref: Rural Hukou) | 0.10 \*\*\* (0.03) | 0.08 \*\*\* (0.02) | 0.05 \*\* (0.02) | 0.08 \*\*\* (0.02) | 0.07 \*\*\* (0.01) | 0.07 \*\*\* (0.01) |
| Public Sector Occupation (ref: private sector) | 0.66 \*\*\* (0.18) | 0.07 (0.30) | 0.30 (0.26) | 0.15 (0.09) | 0.26 (0.14) | -0.01 (0.12) |
| Party Member | -0.03 (0.25) | 0.11 (0.21) | 0.38 \* (0.18) | -0.07 (0.12) | 0.08 (0.11) | 0.04 (0.09) |
| Household Income (logged) | 0.05 (0.05) | 0.25 \*\*\* (0.06) | 0.24 \*\*\* (0.04) | 0.17 \*\*\* (0.03) | 0.13 \*\*\* (0.04) | 0.14 \*\*\* (0.03) |
| *Controls (Husband Father)* |  |  |  |  |  |  |
| Years of Schooling | -0.02 (0.02) | 0.01 (0.02) | -0.04 \*\* (0.02) | 0.02 (0.01) | -0.00 (0.01) | 0.02 (0.01) |
| *(Intercept)* | -1.57 \* (0.73) | -7.57 \*\*\* (0.94) | -4.80 \*\*\* (0.63) | 0.56 (0.43) | 1.84 \*\*\* (0.54) | 1.53 \*\*\* (0.39) |
| N | 1255 | 1045 | 1485 | 942 | 716 | 950 |
| R2 |  |  |  | 0.19 | 0.24 | 0.23 |
| Pseudo R2 | 0.10 | 0.16 | 0.15 |  |  |  |
| AIC | 1337.48 | 1190.23 | 1786.24 | 2971.24 | 2100.03 | 2749.55 |
| BIC | 1383.69 | 1234.79 | 1833.97 | 3019.72 | 2145.77 | 2798.11 |
| \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05. | | | | | | |

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| Table 5. Parental Resources Impact on Offpsring Wealth in Shanghai. Husbands only. | | | | |
|  | Value of Owner-Occupied Home (Logged) | Second Home Ownership | Value of Additional Home(s) (Logged) | Total Home Asset (Logged) |
|  | Shanghai | | | |
|  | Model 7 | Model 8 | Model 9 | Model 10 |
| *Parental Wealth Indicator* |  |  |  |  |
| Number of Parental Homes Owned | 0.10 (0.05) | 0.79 \*\*\* (0.11) | 0.21 \*\* (0.07) | 0.06 (0.05) |
| *Additional Variables of Interest* |  |  |  |  |
| Value of Additional Home(s) (logged) |  |  |  | 0.27 \*\*\* (0.01) |
| *Controls (Husband)* |  |  |  |  |
| Age | 0.02 \*\* (0.01) | -0.01 (0.02) | 0.02 (0.01) | 0.02 \*\* (0.01) |
| Years of Schooling | 0.35 \*\*\* (0.08) | -0.22 (0.16) | 0.32 \* (0.13) | 0.29 \*\*\* (0.07) |
| Urban Hukou (ref: Rural Hukou) | 0.09 \*\*\* (0.02) | -0.06 \* (0.03) | 0.09 \*\*\* (0.02) | 0.08 \*\*\* (0.01) |
| Public Sector Occupation (ref: private sector) | 0.13 (0.08) | 0.03 (0.16) | 0.16 (0.13) | 0.12 (0.07) |
| Party Member | -0.08 (0.12) | 0.22 (0.22) | -0.17 (0.18) | -0.10 (0.10) |
| Household Income (logged) | 0.13 \*\*\* (0.03) | 0.16 \*\* (0.05) | 0.21 \*\*\* (0.04) | 0.11 \*\*\* (0.02) |
| *Controls (Husband Father)* |  |  |  |  |
| Years of Schooling | 0.02 (0.01) | 0.03 (0.02) | -0.02 (0.02) | 0.01 (0.01) |
| *(Intercept)* | 0.41 (0.43) | -0.90 (0.82) | 0.11 (0.71) | 0.71 (0.37) |
| N | 942 | 942 | 533 | 942 |
| R2 | 0.16 |  | 0.15 | 0.29 |
| Pseudo R2 |  | 0.11 |  |  |
| AIC | 2938.06 | 1235.46 | 1790.20 | 2856.72 |
| BIC | 2986.54 | 1279.09 | 1832.98 | 2910.05 |
| \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05. | | | | |

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| Table 7. Parental Resources Impact on Offpsring Wealth. Husbands only. | | |  |  |  |  |  |
|  | Total Home Asset | Gifted Home at Marriage | Gifted Home Value at Marriage (logged) | Gift at Marriage | Gift Value at Marriage (logged) | Total Home Asset (Logged) | Total Home Asset (Logged) |
|  | Medium/Large Cities | | | | | | |
|  | Model 11 | Model 12 | Model 13 | Model 14 | Model 15 | Model 16 | Model 17 |
| *Parental Wealth Indicator* |  |  |  |  |  |  |  |
| Parental Household Net Worth (logged) |  | 0.05 (0.04) | 0.01 (0.03) | 0.05 (0.03) | 0.04 \*\*\* (0.01) | 0.07 \*\*\* (0.02) | 0.07 \*\*\* (0.02) |
| *Additional Variables of Interest* |  |  |  |  |  |  |  |
| Net Parental Financial Asset (logged) | 0.05 \*\* (0.02) |  |  |  |  |  |  |
| Negative Parental Financial Asset (ref: non-negative) | 0.51 \* (0.26) |  |  |  |  |  |  |
| Parental Home Asset (logged) | 0.03 \* (0.01) |  |  |  |  |  |  |
| Other Parental Asset (logged) | -0.01 (0.02) |  |  |  |  |  |  |
| Gift Upon Marriage (ref. no gift) |  |  |  |  |  | 0.02 (0.08) |  |
| Value of Gift Upon Marriage (logged) |  |  |  |  |  |  | 0.11 (0.06) |
| Gifted Home Upon Marriage (ref: no gifted home) |  |  |  |  |  | 0.35 \*\*\* (0.09) |  |
| Value of Gifted Home Upon Marriage (logged) |  |  |  |  |  |  | 0.19 \*\*\* (0.03) |
| *Controls (Husband)* |  |  |  |  |  |  |  |
| Age | -0.03 \*\*\* (0.01) | -0.04 \*\* (0.01) | -0.11 \*\*\* (0.01) | -0.03 \*\* (0.01) | -0.05 \*\*\* (0.00) | -0.02 \*\*\* (0.01) | -0.01 (0.01) |
| Years of Schooling | 0.24 \* (0.09) | 0.35 (0.18) | 0.42 \* (0.16) | -0.36 \* (0.16) | 0.06 (0.06) | 0.23 \* (0.09) | 0.19 \* (0.09) |
| Urban Hukou (ref: Rural Hukou) | 0.07 \*\*\* (0.01) | 0.04 (0.03) | 0.06 \* (0.02) | -0.04 (0.02) | 0.01 (0.01) | 0.07 \*\*\* (0.01) | 0.06 \*\*\* (0.01) |
| Public Sector Occupation (ref: private sector) | 0.27 (0.14) | 0.33 (0.27) | -0.14 (0.21) | -0.04 (0.25) | 0.06 (0.09) | 0.25 (0.14) | 0.24 (0.13) |
| Party Member | 0.10 (0.11) | -0.27 (0.22) | 0.07 (0.18) | -0.03 (0.19) | 0.08 (0.07) | 0.09 (0.10) | 0.09 (0.10) |
| Household Income (logged) | 0.14 \*\*\* (0.04) | 0.07 (0.08) | 0.10 (0.08) | 0.06 (0.06) | 0.01 (0.02) | 0.13 \*\*\* (0.04) | 0.13 \*\*\* (0.04) |
| *Controls (Husband Father)* |  |  |  |  |  |  |  |
| Years of Schooling | -0.01 (0.01) | 0.08 \*\*\* (0.02) | 0.04 \* (0.02) | 0.09 \*\*\* (0.02) | 0.01 (0.01) | -0.01 (0.01) | -0.02 (0.01) |
| *(Intercept)* | 1.86 \*\* (0.56) | -2.57 \* (1.05) | 4.11 \*\*\* (0.97) | 0.40 (0.84) | 2.15 \*\*\* (0.31) | 1.62 \*\* (0.54) | 1.19 \* (0.53) |
| N | 716 | 1045 | 223 | 1045 | 678 | 716 | 716 |
| R2 | 0.24 |  | 0.49 |  | 0.33 | 0.25 | 0.29 |
| Pseudo R2 |  | 0.10 |  | 0.07 |  |  |  |
| AIC | 2106.61 | 1030.68 | 625.36 | 1321.82 | 1257.98 | 2089.26 | 2055.15 |
| BIC | 2166.07 | 1075.25 | 659.43 | 1366.39 | 1303.18 | 2144.15 | 2110.04 |
| \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05. |  |  |  |  |  |  |  |

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| Table 8. Parental Resources Impact on Other Living Standards. Husbands only. | | |  |
|  | Subjective Socio-Economic Wellbeing | Total Consumption (Logged) | Automobile Ownership |
|  | Shanghai | | |
|  | Model 18 | Model 19 | Model 20 |
| *Parental Wealth Indicator* |  |  |  |
| Number of Parental Homes Owned | 0.08 \*\* (0.03) | 0.09 \* (0.04) | 0.22 \* (0.09) |
| *Controls (Husband)* |  |  |  |
| Age | 0.01 \* (0.00) | 0.03 \*\*\* (0.01) | 0.02 (0.01) |
| Years of Schooling | -0.11 \* (0.05) | -0.02 (0.07) | -0.37 \*\* (0.14) |
| Urban Hukou (ref: Rural Hukou) | 0.02 \* (0.01) | 0.04 \*\*\* (0.01) | 0.10 \*\*\* (0.02) |
| Public Sector Occupation (ref: private sector) | -0.00 (0.05) | 0.07 (0.07) | 0.21 (0.14) |
| Party Member | 0.08 (0.07) | 0.22 \* (0.10) | 0.13 (0.20) |
| Household Income (logged) | 0.11 \*\*\* (0.01) | 0.20 \*\*\* (0.02) | 0.28 \*\*\* (0.06) |
| *Controls (Husband Father)* |  |  |  |
| Years of Schooling | 0.01 (0.01) | -0.00 (0.01) | 0.02 (0.02) |
| *(Intercept)* | 0.78 \*\*\* (0.23) | 7.52 \*\*\* (0.34) | -5.71 \*\*\* (0.79) |
| N | 1255 | 1255 | 1255 |
| R2 | 0.08 | 0.12 |  |
| Pseudo R2 |  |  | 0.10 |
| AIC | 2731.55 | 3703.95 | 1635.94 |
| BIC | 2782.90 | 3755.30 | 1682.15 |
| \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05. |  |  |  |

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| Appendix 1. Summary Statistics. Married Husbands. | |  |  |
|  | Shanghai | Medium/Large Cities | Small Cities |
| N | 1,265 | 1,045 | 1,485 |
| ***Individual Level*** |  |  |  |
| Age |  |  |  |
| Mean (SD) | 29.46 (3.39) | 38 (7) | 38 (7) |
| Minimum,Median,Maximum | 0.00,30.00,39.00 | 23,38,50 | 23,37,50 |
| Years of Schooling |  |  |  |
| Mean (SD) | 14.37 (3.08) | 11.4 (3.9) | 10.5 (4.0) |
| Minimum,Median,Maximum | 0.00,15.00,22.00 | 0.0,12.0,22.0 | 0.0,9.0,22.0 |
| Urban Hukou Holder | 760 (60%) | 430 (41%) | 533 (36%) |
| Party Membership | 113 (8.9%) | 188 (18%) | 267 (18%) |
| Public Sector Occupation | 279 (23%) | 90 (8.6%) | 111 (7.5%) |
| Household Income (￥) |  |  |  |
| Mean (SD) | 124,256 (150,802) | 85,056 (87,475) | 60,182 (60,688) |
| Minimum,Median,Maximum | 0,100,000,3,000,000 | 0,75,000,500,000 | 0,40,000,500,000 |
| Household Income (Logged) |  |  |  |
| Mean (SD) | 11.23 (1.42) | 10.93 (1.17) | 10.51 (1.42) |
| Minimum,Median,Maximum | 3.91,11.51,14.91 | 3.91,11.23,13.12 | 3.91,10.60,13.12 |
| Home Ownership | 950 (75%) | 716 (69%) | 950 (64%) |
| Total Home Wealth (10k CNY) |  |  |  |
| Mean (SD) | 177 (647) | 60 (93) | 33 (62) |
| Minimum,Median,Maximum | 0,100,22,070 | 0,30,980 | 0,15,960 |
| Total Home Wealth (Logged) |  |  |  |
| Mean (SD) | 3.97 (2.05) | 2.78 (2.01) | 2.23 (1.85) |
| Minimum,Median,Maximum | 0.00,4.62,10.00 | 0.00,3.43,6.89 | 0.00,2.77,6.87 |
| Primary Residence Value (10k CNY) |  |  |  |
| Mean (SD) | 91 (106) |  |  |
| Minimum,Median,Maximum | 0,80,1,000 |  |  |
| Primary Residence Value (Logged) |  |  |  |
| Mean (SD) | 3.25 (2.16) |  |  |
| Minimum,Median,Maximum | 0.00,4.39,6.91 |  |  |
| Own Second Home | 536 (42%) |  |  |
| Subjective Socio-economic Wellbeing |  |  |  |
| Mean (SD) | 2.64 (0.74) |  |  |
| Minimum,Median,Maximum | 1.00,3.00,5.00 |  |  |
| Household Consumption (CNY) |  |  |  |
| Mean (SD) | 119,358 (178,592) |  |  |
| Minimum,Median,Maximum | 0,84,300,3,632,920 |  |  |
| Household Consumption (Logged) |  |  |  |
| Mean (SD) | 11.26 (1.12) |  |  |
| Minimum,Median,Maximum | 3.91,11.34,15.11 |  |  |
| ***Parental Level*** |  |  |  |
| Father Urban Hukou Holder | 495 (39%) | 360 (34%) | 427 (29%) |
| Father Party Membership | 194 (15%) | 214 (20%) | 287 (19%) |
| Father Years of Schooling |  |  |  |
| Mean (SD) | 9.17 (3.16) | 7.0 (3.9) | 6.4 (4.2) |
| Minimum,Median,Maximum | 0.00,9.00,22.00 | 0.0,6.0,19.0 | 0.0,6.0,16.0 |
| Father Public Sector Occupation |  |  |  |
| 1 Private | 861 / 1,245 (69%) | 750 / 1,045 (72%) | 1,148 / 1,485 (77%) |
| 2 Public | 384 / 1,245 (31%) | 295 / 1,045 (28%) | 337 / 1,485 (23%) |
| Number of Parental Homes Owned |  |  |  |
| Mean (SD) | 0.54 (0.69) |  |  |
| Minimum,Median,Maximum | 0.00,0.00,4.00 |  |  |
| Parental Household Net Worth (CNY) |  |  |  |
| Mean (SD) |  | 736,993 (1,238,199) | 412,171 (1,010,805) |
| Minimum,Median,Maximum |  | -424,200,356,300,25,231,500 | -1,690,950,178,200,21,416,650 |
| Parental Household Net Worth (Logged) |  |  |  |
| Mean (SD) |  | 12.25 (2.52) | 11.55 (2.65) |
| Minimum,Median,Maximum |  | 0.00,12.78,17.04 | 0.00,12.09,16.88 |
| Parental Net Financial Asset (CNY) |  |  |  |
| Mean (SD) |  | 52,293 (174,150) | 24,876 (270,119) |
| Minimum,Median,Maximum |  | -1,238,150,13,000,2,303,000 | -1,991,000,5,000,7,734,200 |
| Parental Net Financial Asset (Logged) |  |  |  |
| Mean (SD) |  | 8.7 (3.6) | 7.8 (3.7) |
| Minimum,Median,Maximum |  | 0.0,9.5,14.6 | 0.0,8.5,15.9 |
| Parental Home Asset (CNY) |  |  |  |
| Mean (SD) |  | 639,898 (994,597) | 338,263 (648,142) |
| Minimum,Median,Maximum |  | 0,300,000,15,000,000 | 0,150,000,13,000,000 |
| Parental Home Asset (Logged) |  |  |  |
| Mean (SD) |  | 11.2 (4.2) | 10.6 (3.9) |
| Minimum,Median,Maximum |  | 0.0,12.6,16.5 | 0.0,11.9,16.4 |
| Parental Other Asset (CNY) |  |  |  |
| Mean (SD) |  | 44,802 (357,074) | 49,032 (555,724) |
| Minimum,Median,Maximum |  | 0,8,410,10,021,500 | 0,9,600,20,153,650 |
| Parental Other Asset (Logged) |  |  |  |
| Mean (SD) |  | 8.76 (2.18) | 8.82 (2.11) |
| Minimum,Median,Maximum |  | 0.00,9.04,16.12 | 0.00,9.17,16.82 |
| Gifted Home Upon Marriage |  | 223 (21%) | 254 (17%) |
| Gifted Home Value (CNY 10k) |  |  |  |
| Mean (SD) |  | 10 (54) | 5 (37) |
| Minimum,Median,Maximum |  | 0,0,850 | 0,0,800 |
| Gifted Home Value (Logged) |  |  |  |
| Mean (SD) |  | 0.61 (1.32) | 0.42 (1.07) |
| Minimum,Median,Maximum |  | 0.00,0.00,6.75 | 0.00,0.00,6.69 |
| Other Material Gift Upon Marriage |  | 678 (65%) | 859 (58%) |
| Other Material Gift Value (CNY 10k) |  |  |  |
| Mean (SD) |  | 1.81 (3.61) | 1.63 (3.38) |
| Minimum,Median,Maximum |  | 0.00,0.50,40.00 | 0.00,0.20,30.00 |
| Other Material Gift Value (Logged) |  |  |  |
| Mean (SD) |  | 0.65 (0.76) | 0.58 (0.76) |
| Minimum,Median,Maximum |  | 0.00,0.41,3.71 | 0.00,0.18,3.43 |