**Familial patterns in asset building support: comparing local and migrants in urban China**

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We aim to understand how the preference for intergenerational transfer would shape children’s opportunity to accumulate home wealth. More precisely, we conduct a specific comparison between children living close to their parents (same city/county/district) and children otherwise living far away from their parents. For both sub-populations, using regressions analysis we control for attributes of child and spouse in the family and observe the direct impact of parental socio-economic status. The result shows that among urban residents, children living closer to their parents received significant support in housing asset accumulation, while those far from their parents tend to rely on their self-achievements.

Parental support operates through multiple channels, and we try to specify two channels to capture them. The first channel is observable in the data: parents might buy their children a house from the real estate market as a gift upon their marriage, as they would need to move out of the original family and form a new one. This channel shows a strong gendered pattern as transfers occur almost exclusively between only male children and their parents. 544 out of 3,608 male children (15%) received such transfer, while only 37 out of 4,120 female children (1%) received it. Besides, living closer to parents would increase the likelihood of receiving the transfer, shown by the first column of coefficients in logistic regression.

The second channel represents other channels that we cannot directly observe in the data. Parents can also finance mortgages, down payments, or transfer property ownership to the children. We assume such indirect transfer can be observed by whether parents’ financial capacity (net worth) and other status has a significant impact on children’s homeownership or value controlling other factors.

The result shows strong parental support for children close to parents, yet no parental impact on children who have migrated outside their town. For children who live in the same city/county/district with their parents (the second and third column of coefficients), factors in their parental family are significant in determining their chance of homeownership than many self-achievements. Nevertheless, the extent of support would vary by child’s original family (e.g. different number of siblings and rank of birth order) and parent’s capacity (e.g. level of education, net worth). On the contrary, for children living far away from their parents (last two columns of coefficients), none of the parental factors show significance, indicating parental support plays little role in their asset accumulation. On the other hand, their own urban hukou status, CCP membership, and income are contributing much more to their home asset status. In other words, they rely much more on self-achievement to accumulate home wealth.

Multiple explanations stand behind the varying parental support between children close to versus far away from their parents. First, parents might favor children closer to them due to an exchange motive for future care from children (as opposed to altruistic motive). Second, parents might have more capacity to support children living closer to them, by ways such as transferring their local property. Besides, many migrants in Chinese society (usually rural-to-urban) experience upward social mobility, which makes parents less likely to support them given their superior achievement among their siblings (This might be verified by further constructing variables regarding their relative position to their siblings since the data is available about all children).

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| Table 1. Determinants of children’s home wealth accumulation (\*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05) | | | | | |
|  | **All children** | **In the same city/county with parents** | | **In different city/county than parents** | |
|  | **Home gift at marriage** | **Homeownership** | **Home value** | **Homeownership** | **Home value** |
| (Intercept) | 0.58 (1.60) | -1.05 (1.28) | -3.21 (3.55) | -2.93 \* (1.40) | -12.69 |
| (Intercept 2) |  |  | -0.49 \*\*\* (0.14) |  | 2.03 \*\*\* (0.02) |
| *Controls* |  |  |  |  |  |
| Average housing price in child's place of residence | -0.10 (0.18) | -0.49 \*\*\* (0.14) | -1.17 \*\*\* (0.40) | -0.38 \* (0.16) | -1.12 \* (0.57) |
| *Respondent (child) characteristics* |  |  |  |  |  |
| Age | -0.04 \*\*\* (0.01) | 0.07 \*\*\* (0.01) | 0.19 \*\*\* (0.02) | 0.08 \*\*\* (0.01) | 0.27 \*\*\* (0.03) |
| Female (base is male) | -3.64 \*\*\* (0.30) | -0.05 (0.11) | -0.15 (0.30) | 0.42 \*\*\* (0.11) | 1.40 \*\*\* (0.40) |
| Number of children | -0.20 (0.11) | 0.21 \* (0.09) | 0.69 \*\* (0.24) | 0.23 \*\* (0.09) | 1.09 \*\*\* (0.30) |
| Urban hukou status | 0.11 (0.16) | -0.08 (0.13) | -0.18 (0.36) | 0.41 \*\* (0.14) | 1.80 \*\*\* (0.50) |
| Not in CCP | 0.10 (0.17) | -0.04 (0.19) | -0.01 (0.46) | -0.52 \*\* (0.19) | -1.39 \* (0.61) |
| Years of schooling | 0.02 (0.02) | 0.02 (0.02) | 0.08 (0.05) | 0.01 (0.02) | 0.04 (0.07) |
| Managerial elites (base is other occupations) | 0.12 (0.21) | 0.45 (0.24) | 0.91 (0.53) | 0.12 (0.25) | 0.20 (0.77) |
| Household income (logged) | 0.08 (0.06) | 0.19 \*\*\* (0.04) | 0.77 \*\*\* (0.12) | 0.28 \*\*\* (0.05) | 1.34 \*\*\* (0.19) |
| *Spousal characteristics* |  |  |  |  |  |
| Years of schooling | 0.00 (0.02) | 0.05 \* (0.02) | 0.15 \*\* (0.05) | 0.06 \*\* (0.02) | 0.20 \*\* (0.07) |
| *Parental characteristics* |  |  |  |  |  |
| Parents living in a different city/county/district (base: same) | -0.52 \*\*\* (0.13) |  |  |  |  |
| Number of siblings of the child in orignal family | -0.12 (0.17) | -0.14 \*\* (0.05) | -0.41 \*\* (0.14) | -0.05 (0.05) | -0.28 (0.19) |
| Birth order of the child in orignal family | -0.06 (0.07) | 0.25 \*\*\* (0.06) | 0.69 \*\*\* (0.14) | 0.10 (0.06) | 0.42 \* (0.20) |
| Years of schooling | 0.03 (0.02) | 0.03 \* (0.02) | 0.12 \*\* (0.04) | -0.01 (0.02) | 0.01 (0.06) |
| Public sector job (base is private sector) | -0.04 (0.16) | -0.19 (0.14) | -0.64 (0.37) | -0.21 (0.15) | -0.82 (0.52) |
| CCP member | -0.01 (0.23) | -0.24 (0.19) | -0.58 (0.48) | -0.07 (0.25) | -0.22 (0.82) |
| Household net worth (logged) | -0.01 (0.02) | 0.05 \*\* (0.02) | 0.20 \*\*\* (0.05) | 0.00 (0.02) | 0.08 (0.06) |
| N | 4022 | 2141 | 2141 | 1863 | 1863 |
| Goodness of fit (Pseudo R2 for logit, Log-likelihood for Tobit) | 0.27 | 0.11 | -5248.70 | 0.18 | -4381.14 |

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| Appendix. Summary statistics of variables by full sample and two subgroups  \*values in brackets indicate quantiles for numeric variable and % for categorical variable | | | |
|  | **Full Sample** | **Parents living in the same city/county/district** | **Parents living in a different city/county/district** |
| **N** | 7775 | 4057 | 3718 |
| ***Respondent characteristics*** | | | |
| **age** |  |  |  |
| minimum | 19 | 19 | 19 |
| median (IQR) | 39 (32.00, 46.00) | 41 (34.00, 47.00) | 36.00 (30.00, 43.00) |
| mean (sd) | 39.44 ± 9.44 | 41.31 ± 9.50 | 37.40 ± 8.93 |
| maximum | 115 | 115 | 77 |
| **sex** |  |  |  |
| 1 Male | 3,608 (47) | 1,772 (44) | 1,836 (50) |
| 2 Female | 4,120 (53) | 2,260 (56) | 1,860 (50) |
| Unknown | 47/7,775 (1) | 25/4,057 (1) | 22/3,718 (1) |
| **number of children** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 1.00 (1.00, 2.00) | 1.00 (1.00, 2.00) | 1.00 (1.00, 2.00) |
| mean (sd) | 1.35 ± 0.72 | 1.36 ± 0.69 | 1.35 ± 0.75 |
| maximum | 7 | 7 | 6 |
| Unknown | 2/7,775 (0) | 1/4,057 (0) | 1/3,718 (0) |
| **hukou status** |  |  |  |
| 1 Agricultural Hukou | 3,959 (52) | 1,720 (43) | 2,239 (62) |
| 2 Non-Agricultural Hukou | 3,666 (48) | 2,273 (57) | 1,393 (38) |
| Unknown | 150/7,775 (2) | 64/4,057 (2) | 86/3,718 (2) |
| **CCP membership** |  |  |  |
| 1 In ccp | 1,102 (14) | 587 (15) | 515 (14) |
| 2 Not in ccp | 6,511 (86) | 3,391 (85) | 3,120 (86) |
| Unknown | 162/7,775 (2) | 79/4,057 (2) | 83/3,718 (2) |
| **years of schooling** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 9.00 (9.00, 12.00) | 9.00 (9.00, 12.00) | 9.00 (6.00, 15.00) |
| mean (sd) | 10.23 ± 4.06 | 10.22 ± 3.87 | 10.23 ± 4.27 |
| maximum | 21 | 21 | 21 |
| Unknown | 37/7,775 (0) | 25/4,057 (1) | 12/3,718 (0) |
| **occupation** |  |  |  |
| managerial elites | 594 (8) | 352 (9) | 242 (7) |
| **household income last year (logged)** | | | |
| minimum | 3.91 | 3.91 | 3.91 |
| median (IQR) | 10.60 (10.13, 11.23) | 10.60 (10.13, 11.23) | 10.60 (10.13, 11.23) |
| mean (sd) | 10.41 ± 1.37 | 10.30 ± 1.40 | 10.55 ± 1.33 |
| maximum | 13.12 | 13.12 | 13.12 |
| Unknown | 1,796/7,775 (23) | 889/4,057 (22) | 907/3,718 (24) |
| **parents buy home upon marriage** | | | |
| yes | 585 (8) | 351 (9) | 234 (6) |
| **home ownership** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 1.00 (0.00, 1.00) | 1.00 (1.00, 1.00) | 1.00 (0.00, 1.00) |
| mean (sd) | 0.71 ± 0.45 | 0.76 ± 0.43 | 0.66 ± 0.47 |
| maximum | 1 | 1 | 1 |
| Unknown | 80/7,775 (1) | 41/4,057 (1) | 39/3,718 (1) |
| **home value (logged)** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 11.92 (0.00, 12.90) | 12.21 (0.00, 12.90) | 11.51 (0.00, 13.02) |
| mean (sd) | 8.19 ± 6.04 | 8.83 ± 5.73 | 7.50 ± 6.29 |
| maximum | 16.12 | 16.12 | 16.12 |
| Unknown | 1,315/7,775 (17) | 711/4,057 (18) | 604/3,718 (16) |
| ***Spousal characteristics*** | | | |
| **years of schooling** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 9.00 (9.00, 12.00) | 9.00 (9.00, 12.00) | 9.00 (9.00, 15.00) |
| mean (sd) | 10.23 ± 4.00 | 10.18 ± 3.75 | 10.28 ± 4.25 |
| maximum | 21 | 21 | 21 |
| Unknown | 1,816/7,775 (23) | 924/4,057 (23) | 892/3,718 (24) |
| **hukou status** |  |  |  |
| 1 Agricultural Hukou | 3,899 (62) | 1,853 (56) | 2,046 (68) |
| 2 Non-agricultural Hukou | 2,421 (38) | 1,465 (44) | 956 (32) |
| Unknown | 1,455/7,775 (19) | 739/4,057 (18) | 716/3,718 (19) |
| ***Parental characteristics*** | | | |
| **number of siblings in orignal family** | | | |
| minimum | 1 | 1 | 1 |
| median (IQR) | 3 (2.00, 5.00) | 3 (2.00, 5.00) | 3.00 (2.00, 4.00) |
| mean (sd) | 3.63 ± 1.78 | 3.70 ± 1.79 | 3.55 ± 1.76 |
| maximum | 12 | 12 | 12 |
| **birth order in orignal family** | | | |
| minimum | 1 | 1 | 1 |
| median (IQR) | 2 (1.00, 3.00) | 2 (1.00, 3.00) | 2.00 (1.00, 3.00) |
| mean (sd) | 2.25 ± 1.42 | 2.26 ± 1.43 | 2.25 ± 1.42 |
| maximum | 11 | 10 | 11 |
| **years of schooling** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 6.00 (3.00, 9.00) | 6.00 (3.00, 9.00) | 6.00 (3.00, 9.00) |
| mean (sd) | 6.23 ± 4.26 | 6.32 ± 4.32 | 6.13 ± 4.19 |
| maximum | 16 | 16 | 16 |
| Unknown | 743/7,775 (10) | 398/4,057 (10) | 345/3,718 (9) |
| **job sector** |  |  |  |
| 1 Private | 4,857 (72) | 2,310 (65) | 2,547 (79) |
| 2 Public | 1,910 (28) | 1,230 (35) | 680 (21) |
| Unknown | 1,008/7,775 (13) | 517/4,057 (13) | 491/3,718 (13) |
| **hukou status** |  |  |  |
| 1 Agricultural Hukou | 4,587 (77) | 2,100 (70) | 2,487 (85) |
| 2 Non-agricultural Hukou | 1,336 (23) | 901 (30) | 435 (15) |
| Unknown | 1,852/7,775 (24) | 1,056/4,057 (26) | 796/3,718 (21) |
| **CCP membership** |  |  |  |
| 0 non party member | 6,352 (91) | 3,251 (89) | 3,101 (94) |
| 1 party member | 622 (9) | 411 (11) | 211 (6) |
| Unknown | 801/7,775 (10) | 395/4,057 (10) | 406/3,718 (11) |
| **whether have any net worth** | | | |
| minimum | 0 | 0 | 0 |
| median (IQR) | 0.00 (0.00, 0.00) | 0.00 (0.00, 0.00) | 0.00 (0.00, 0.00) |
| mean (sd) | 0.09 ± 0.29 | 0.09 ± 0.29 | 0.09 ± 0.28 |
| maximum | 1 | 1 | 1 |
| Unknown | 78/7,775 (1) | 51/4,057 (1) | 27/3,718 (1) |
| **net worth (logged)** |  |  |  |
| minimum | 0 | 0 | 0 |
| median (IQR) | 11.14 (9.16, 12.39) | 11.28 (9.05, 12.53) | 11.02 (9.24, 12.26) |
| mean (sd) | 10.03 ± 3.71 | 10.06 ± 3.79 | 10.00 ± 3.62 |
| maximum | 16.47 | 16.47 | 16.12 |
| Unknown | 78/7,775 (1) | 51/4,057 (1) | 27/3,718 (1) |
| **(parental) place of residence** | | | |
| 1 Main City Zone | 1,719 (24) | 1,290 (34) | 429 (13) |
| 2 Combination Zone Between Urban and Rural Areas | 479 (7) | 373 (10) | 106 (3) |
| 3 The Town Center | 591 (8) | 414 (11) | 177 (5) |
| 4 ZhenXiang Area | 165 (2) | 69 (2) | 96 (3) |
| 5 Special Area | 28 (0) | 17 (0) | 11 (0) |
| 6 Township Central | 88 (1) | 23 (1) | 65 (2) |
| 7 Village | 4,088 (57) | 1,614 (42) | 2,474 (74) |
| Unknown | 617/7,775 (8) | 257/4,057 (6) | 360/3,718 (10) |
| ***Controls*** | | | |
| **(child's) place of residence** | | | |
| 1 Main City Zone | 5,302 (68) | 2,601 (64) | 2,701 (73) |
| 2 Combination Zone Between Urban and Rural Areas | 1,217 (16) | 590 (15) | 627 (17) |
| 3 The Town Center | 1,256 (16) | 866 (21) | 390 (10) |
| 4 ZhenXiang Area | 0 (0) | 0 (0) | 0 (0) |
| 5 Special Area | 0 (0) | 0 (0) | 0 (0) |
| 6 Township Central | 0 (0) | 0 (0) | 0 (0) |
| 7 Village | 0 (0) | 0 (0) | 0 (0) |
| **average housing price in child's place of residence** | | | |
| minimum | 7.89 | 7.89 | 7.89 |
| median (IQR) | 8.30 (8.13, 8.52) | 8.30 (8.16, 8.55) | 8.30 (8.12, 8.49) |
| mean (sd) | 8.40 ± 0.39 | 8.42 ± 0.40 | 8.37 ± 0.38 |
| maximum | 10.42 | 10.42 | 10.42 |