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### Inequality in the gentrifying European city

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# CHAPTER 5 – Intergenerational support shaping residential trajectories: Young people leaving home in a gentrifying city

## Abstract

Parental support, in both financial and non-financial ways, is important in explaining the residential trajectories of young people leaving home. For instance, the influence of parental support on the ability to leave home or enter homeownership is well established. This study adds a dimension by investigating how inequalities in terms of parental background – particularly assets – are spatially articulated. More specifically, we study whether parental background influences the types of neighbourhoods young people leaving home move to. Drawing on the case of Amsterdam, we show that these “fledglings”, despite their generally very modest income, disproportionately move to gentrification neighbourhoods. Moreover, fledglings with wealthy parents are even more likely to move to both early gentrifying and expensive mature-gentrification neighbourhoods. Gentrification research should therefore also take into account the importance of middle class social reproduction strategies as well as the potential intergenerational transfer of (financial) resources – rather than merely personal financial situation – in shaping housing outcomes and spatial inequalities of young people leaving home. Drawing on parental support, young people may be able to outbid other households and hence exclude them from gentrifying neighbourhoods. Consequently, parental wealth and other resources can thus contribute to gentrification and exclusion.

## Introduction

Moving out of the parental home to form an independent household is a key moment in the life course. It is a rite of passage from adolescence into adulthood that also involves changes in the relationship between the generations (Jones 1995). The residential mobility of nest leaving also coincides with social mobility and social reproduction (Harvey 1985). Often, leaving home is associated with a step in the working and educational career and fits into broader trajectories of class formation. The rapid rise in participation in higher education has fuelled the numbers of young people that move to university towns to study (Smith & Holt 2007). A key spatial manifestation of this nexus of life course and trajectories of class formation is gentrification: The class based transformation of urban space, commonly associated with young, higher educated households.

Whereas young people used to find affordable rental housing in inner-city locations, often close to universities and other preferred amenities, rising rents and property prices associated with gentrification have rendered ever larger parts of western cities unaffordable (Ley 2003). In addition, the financial crisis of 2008 poses disproportionate housing constraints on this population group. Stricter lending criteria have, for example, restricted their ability to enter homeownership (Andrew 2012; Lennartz et al. 2016).

Generally, endowed with relatively limited economic resources, young people have to make very sharp trade-offs between location, housing quality, and housing costs.

As a consequence, it is suggested that not so much resources of young people themselves, but their parental background is of increasing importance in determining “who gets what” on the housing market (McKee 2012; Sage et al. 2013). This can be in terms of tenure (who can buy a home) but also in terms of place (who can access the most desirable neighbourhoods). This differentiation in residential trajectories and consequently mobility chances may thus increasingly be connected to intergenerational transference of capital (see also Harvey 1985).

The role of parental background in the residential trajectories of young people leaving home has been studied from various perspectives. A large body of literature demonstrates how parental background and wealth transfers can enable young people to enter homeownership (e.g. Helderma & Mulder 2007; Öst 2012; Lyons & Simister 2000). Much less attention is paid to the role of parental background in residential destinations of young people leaving home. Some studies have focused on the neighbourhood outcomes of young people, but they were primarily concerned with the eventual intergenerational transmission of neighbourhood poverty and disadvantage (Vartanian et al. 2007; Van Ham et al. 2014). In terms of locational choices, a range of studies address the role of family background in migration decisions after leaving home, particularly from rural to urban areas (Garasky 2002). However, despite the key role of urban space for the reproduction of class through processes of gentrification, and the importance of the urban experience for a large number of young people in the transition to adulthood, no studies exist that link parental background to young people’s residential mobility to specific neighbourhood types.

This paper addresses this research gap by investigating the neighbourhood outcomes of young people directly following their move out of the parental home. Although we include all young people, the move out of the parental home for education is a key part of this dynamic: About two-third of the home leavers in our population are students. We hypothesise that financial and non-financial forms of parental support play an important role in young people’s neighbourhood of destination after leaving home. Particularly, we suggest parental wealth and parental background may be relevant for young people’s residential trajectories into gentrification neighbourhoods, often the typical residential milieu for young people but also characterised by decreasing affordability. The following research question is central to these analyses:

**How and to what extent does moving to different types of gentrification neighbourhoods by young people leaving the parental home relate to parental (class and financial) background?**

To address this question we draw on the case of Amsterdam for two key reasons: First, Amsterdam is consistently and increasingly a magnet for young people in search of employment and educational opportunities. Amsterdam

hosts a range of institutions for higher education. About 105,000 people follow higher education in the city, of which 40% officially also lives there (ABF research 2014). Furthermore, Amsterdam has the most dynamic labour market of all large cities in the Netherlands and attracts many graduates from other university cities (PBL 2015), also from abroad. Second, due to the influx of young people, alongside international migration and the aging of the local population, demand for housing is high. This pressure inflates rents and property prices, particularly in inner-city neighbourhoods. On top of this, national and municipal governments promote homeownership, liberalisation of rents and the sale of social housing (Boterman & Van Gent 2014). As a result accessibility and affordability of housing in the city is severely reduced, affecting the opportunities for young people. These processes of gentrification cause social divisions between the increasingly affluent centre and the downgrading periphery (see Chapter 4).

Internationally, major cities are becoming increasingly important in providing education and labour-market opportunities to young people. Consequently, issues of housing market affordability and gentrification affect cities in a wide range of contexts (Lees 2012). We hence consider Amsterdam as a rather typical case for how young people both navigate and affect the changing urban social geography of major cities (in the Global North).

Using individual-level register data from Statistics Netherlands (CBS) we analyse and map the neighbourhood outcomes of all individuals that left the parental home and made a start in Amsterdam for the years 2010 and 2011. Multinomial regression analyses are used to disentangle the different individual and parental characteristics and their influence on early housing trajectories. The structure of this chapter is as follows. First, the literature section addresses the topics of young people's residential trajectories, their association with gentrification, and the role of parental support. Then, we address the data and methods used in this chapter. In the third section we present descriptive, GIS and regression analyses to demonstrate the importance of parental background in shaping neighbourhood outcomes. Finally, the conclusion section discusses the consequences of these findings for both individuals and neighbourhoods.

## **Literature**

### **Residential trajectories of young people**

The formation of housing trajectories has often been linked to the life course and life stages of individuals and households (Clark & Onaka 1983). Changes in household composition or changes in earnings may generate dissatisfaction with the current housing arrangement and trigger a move to a different type of dwelling, form of tenure or neighbourhood (Clark & Huang 2003; Mulder 1996). The move out of the parental home to form an independent household is, evidently, a key moment in the life course.

For many young people the period after leaving the parental home represents a transitional period, not in the last place regarding their housing situation. In spite of common belief that fledging from the parental home is a step in a linear housing career, various studies demonstrate that housing

trajectories of young people are often complex, unstable and non-linear, resulting from unplanned events, substantial constraints and limited resources available (Ford et al. 2002; Clapham et al. 2014; Hochstenbach & Boterman 2015). Furthermore, many young people choose not to settle down directly and remain flexible in their housing arrangement (Mulder & Manting 1994).

A distinction can be made here between the residential trajectories of students and non-students: While young people not following higher education may be faced with constraints, students may profit from generally supportive institutional factors, such as the provision of student housing across cities (Rugg et al. 2004). Furthermore, the residential preferences of students and young graduates are commonly associated with specific inner-city facilities, including gastronomy, leisure and nightlife venues (Chatterton 1999). Also the location of higher-education institutions is an important aspect of the urban preferences of young people. Yet, most young people have limited economic capital and hence have to make very sharp trade-offs between housing quality, location and affordability. Students may for instance accept substandard accommodation, anticipating moving to higher-quality dwellings in the future (Chatterton 2010). Sharing accommodation and facilities can also be part of a distinct (student) lifestyle as well as a strategy to pool financial resources (McNamara & Connell 2007). Furthermore, tenure insecurity and temporary contracts are part of regular trade-offs for young people (Hochstenbach & Boterman 2015).

### **Young people and gentrification**

The spatial manifestation of these trade-offs is closely associated with processes of gentrification. Young people are often looking for inner-city locations that boast specific urban amenities, but their generally low income urges them to look for residential niche markets (Clay 1979; Ley 2003). While sometimes these early gentrifiers remain as long-term residents, oftentimes living in these neighbourhoods represents only a temporary phase of their life course. After experiencing income gains or having kids they leave the area again and settle elsewhere (Robson et al. 2008). The stay in a gentrification neighbourhood may thus represent a short-term living arrangement during the transitory phase of young people – towards both adulthood and financial independence (Van Criekingen & Decroly 2003). Due to the fewer constraints and preferences described above, we expect that particularly the residential trajectories of students lead into gentrifying neighbourhoods.

Students can play an important role in (early forms of) gentrification. Although they may economically be a rather marginal group, most of them are on a trajectory into the middle classes and should be seen as ‘apprentices’ to professional middle class gentrifiers. This trajectory entails the learning and embodiment of specific forms of social and cultural capital, and with it the development of residential preferences. Moreover, it is also the “predilection to gravitate to ‘people like us’” (Smith & Holt 2007: 151; Butler 2007). The whole residential and social experience of being a student in the city as a transitional period in the life course is thus crucial for the building of the middle class habitus. This idea of the formation of a specific middle class

habitus coinciding with broader trajectories into the middle classes should be explicitly linked to the massive influx of young people into tertiary city-based education (Sage et al. 2012). The ‘urban experience’ is now an important stage in the residential biographies of almost all higher educated. The urban dimensions of middle class habitus are hence much more pervasive than they used to be and are, in this sense, a spatial manifestation of changing reproductive strategies of the middle classes (Boterman 2012a). In the work of Smith and Holt the focus lies on ‘grooming’ children as apprentices for the middle classes. It is about the transition from youth into adulthood and not so much concerned with how parental background may shape residential trajectories. More generally, we know little about how and to what extent young people’s residential trajectories are influenced by parental support in both financial and non-financial ways. Indeed, the role of intergenerational support has remained understudied across the broader range of gentrification studies as a whole. Especially in high-demand contexts where the housing stock affordable and accessible to young people is small, parental support may be of crucial importance for young people to realize their housing preferences and aspirations, reduce structural barriers and constraints, and minimise trade-offs between housing quality, location, tenure security and other factors. As such parental wealth and class background can play a key role in forging differentiated residential outcomes and, in doing so, sustain class differentiations across generations and space (Harvey 1985).

### **Parental background, support and young people’s housing trajectories**

Outside the gentrification literature, a substantial body of research investigates how parental support plays an important role in the ability of young people to leave the parental home, acquire housing, and the subsequent housing trajectories they may follow (Ermisch & Di Salvo 1997). The role of parental background and parental support has primarily been studied in relation to young people’s ability to access homeownership, which can be enhanced by financial gifts by the parents. This can lead to an intergenerational transmission of homeownership: parents who are homeowners are generally better able to give financial support than those who are renters, since via homeownership they have generally accumulated housing equity (Helderman & Mulder 2007; Lyons & Simister 2000). Indeed, it was found (for The Netherlands) that gift giving (e.g. mortgage support) is substantially more common among home-owning parents than among renting parents, and, similarly, home-owning young adults are more likely to have received such a gift than their renting counterpart (Mulder & Smits 1999). Furthermore, Öst (2012) found that parental assets and the broader parental class affiliation – as for example expressed by parental education levels – influence tenure outcomes of young adults.

Following the 2008 financial crisis, levels of homeownership among young people have, notwithstanding local variations, generally dwindled across Europe (Lennartz et al. 2016) due to high unemployment rates and tightened mortgage lending criteria (McKee 2012). Financial support by

parents thus emerges as an increasingly important financial resource to access homeownership or assist in leaving the parental home altogether (Clapham et al. 2014). This widens the inequality between young people whose parents possess substantial (housing) equity and young people whose parents do not.

Some scholars have investigated the relationship between the parental neighbourhood and the type of neighbourhood young people move to after leaving the parental home. Van Ham and colleagues (2014) find evidence for the intergenerational reproduction of “neighbourhood poverty”, which entails that young adults move into neighbourhoods that are in socio-economic terms similar to those they grew up in. Other studies highlight that the intergenerational reproduction of neighbourhood poverty takes place along ethnic lines. Young people with a non-native background are very likely to end up in poor neighbourhoods when they grew up in a neighbourhood with a similar status (Vartanian et al. 2007; Sharkey 2008; Van Ham et al. 2014).

Focusing specifically on the disruptive move of leaving the parental home, we contend that potential parental support (in both financial and non-financial ways), in combination with the spatiality of middle class reproductive strategies, can facilitate and trigger young people to move to gentrifying neighbourhoods.

### **Young people, parental support, and the neighbourhood**

The influx of particular groups of young people can contribute to neighbourhood change, for example by advancing gentrification processes in some neighbourhoods while also shifting the gentrification frontier onwards. Smith and Holt (2007) argue that because higher-education enrolment among young people has substantially increased, the predominance of students in specific neighbourhoods is becoming a more wide-spread phenomenon. Furthermore, ‘student life’ – among which student accommodation and student-related facilities – has become increasingly commodified since private investors have recognized it as a profitable and continuously growing niche market (Chatterton 2010; Smith & Hubbard 2014). Renting out apartments to groups of students (or graduates) may be more profitable than renting to individual families. In addition, high mobility rates among young people allow landlords to readjust (i.e. increase) the rent to current market rates relatively frequently. Hence, despite their low incomes, young people may drive up housing prices in specific neighbourhoods – particularly in the private-rental sector – through home sharing, flexible living arrangements and high turnover rates (Van Criekingen 2010). Even when this does not lead to direct forms of displacement, exclusionary displacement is likely to become an ever more prominent issue (Marcuse 1986). Furthermore, building student housing can also serve as a governmental strategy to rejuvenate disadvantaged neighbourhoods and spark gentrification.

Taking parental background and parental wealth into the equation, the relationship between young people’s residential trajectories and progressing gentrification becomes even more apparent. In the most direct sense, parents can buy up property in (up-coming) neighbourhoods both for their children to live in and as a financial investment strategy (cf. Paris (2009) on second

homes as an investment strategy contributing to gentrification). Other forms of financial parental support, e.g. to buy a home or to pay (part of) the rent, all essentially enhance the ‘purchasing power’ of young people on the housing market vis-à-vis other groups. Hence, wealth transmitted from one generation to the next may play a role in fuelling gentrification as it allows young people to outbid other households. Here, we find that parental capital essentially “urbanizes” as it flows from the parents to their children in the city (cf. Harvey 1985). Via this route, parental wealth can ultimately contribute to processes of direct and indirect exclusionary displacement (Marcuse 1986).

## **Data and methods**

This chapter uses individual-level register data from the Social Statistics Database (SSD) of Statistics Netherlands. This database contains, for all individuals officially living in The Netherlands, information on various social, demographic and economic dimensions. We specifically look at individuals (aged 16 to 35) leaving the parental home (termed “fledglings”) who were registered as a child in a household for at least three years<sup>33</sup>, before forming an independent household in the following year. As an additional clause fledglings must change address when forming a new household. We analyse two waves of fledglings: those who made a start between 2009 and 2010, and those who did so between 2010 and 2011. For these fledglings their first year registered as an independent household is 2010 and 2011 respectively. We look at their neighbourhood outcomes for these specific years. These two “waves” are combined in the following analyses. To account for potential differences between the two years, we include a year variable in the regression analyses. After excluding those cases with missing values on any of the background variables (6%), the total number of fledglings making a start in Amsterdam during these two years stands at 19,571.

Through descriptive analyses and GIS mapping we highlight how the different residential outcomes of fledglings, in spatial terms, are stratified according to parental background (in terms of financial assets). Subsequently, we use multinomial logistic regression analyses to control for other variables potentially influencing neighbourhood outcomes<sup>34</sup>.

Table 5.1 gives a descriptive overview of the variables included in the different models<sup>35</sup>. The parental-background variables are based on the year prior to nest-leaving (i.e. 2009 or 2010), while the individual variables are measured post nest-leaving (2010 or 2011). Included parental variables are the location of the parental home, the average real-estate value in the parental

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33. That is, either the years 2007/2008/2009; or 2008/2009/2010.

34. The neighbourhoods in our study follow the official definition by Statistics Netherlands and are predominantly delineated by natural boundaries, railways or major roads. Scarcely populated areas (<1000 residents, e.g. office parks, industrial areas) and neighbourhoods where less than ten fledglings move to (privacy regulations) are excluded. This leaves 78 neighbourhoods with a population between 1,000 and 25,000.

35. The N reported in Table 5.1 and used in the regression analyses is lower than the 19,571 cases, due to the exclusion of those who live in student-only areas (N=1304, 6.7%).

neighbourhood and, most notably, parental assets (in percentile groups relative to the total Dutch population)<sup>36</sup>. We use assets instead of income, as assets give a more sophisticated insight into the various financial resources parents may draw upon to support their children. Hence, they are more indicative of the potential intergenerational transmission of wealth or poverty. At this point, it is important to stress that in this chapter we do not look at actual financial transfers taking place.

In this study we use average neighbourhood income (in 2004) and income change (between 2004 and 2011) as a proxy for neighbourhood status and gentrification<sup>37</sup>. This proxy is of course a simplification of the complex dynamics of gentrification. Yet, (changes in) other indicators (e.g. real-estate values, education levels) as well as other recent studies point, to a large extent, to the same neighbourhoods (Boterman & Van Gent 2014; Uitermark & Bosker 2014). Although income gains do not necessarily imply gentrification takes place, by and large, these changes at the neighbourhood level do signify gentrification in the case of Amsterdam (Teernstra 2014b). Furthermore, we only include centrally located inner-ring neighbourhoods in the gentrification categories<sup>38</sup>. To be sure, although gentrification tendencies can also be discerned in the outer ring, the process remains more pervasive in the inner ring, as the previous chapter has highlighted. This chapter uses a neighbourhood typology that is similar, but slightly different, to the one used in the previous chapter. The only difference is that apart from socio-economic status and grading patterns, this typology also takes into account centrality because this dimension plays an important role in the residential trade-offs of young people (Hochstenbach & Boterman 2015). The following four neighbourhood types are defined (see Figure 5.1): (1) low-status gentrifying neighbourhoods (income below the municipal average; increase above municipal levels), (2) high-status, centrally located gentrified areas (with a constantly above average income), (3) other low status neighbourhoods (downgrading, stable and/or peripheral), and (4) high status peripheral neighbourhoods. Finally, student-dominated neighbourhoods are separately defined and not included in the regression analyses.

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36. Information about parental income, tenure and housing value are available, but excluded from our analyses due to high levels of correlation with parental assets.

37. Using gross individual income of all residents aged 24 to 65 as to exclude the majority of students, young adults living at home, and pensioners to gain a more realistic view of actual (changes in) neighbourhood status.

38. Amsterdam North, physically detached from the rest of Amsterdam by the IJ river, is also considered an outer-ring borough.

Variable	Share	Mean		Share	Mean
<b>Individual variables</b>			Year (of first address)		
Household type			2010	47.9	
<i>Single person</i>	59.9		2011	52.1	
<i>Couple without children</i>	27.7				
<i>Household with children</i>	3.3		<b>Parental variables</b>		
<i>Other household types</i>	9.1		Parental assets (groups)		
			1st (low: 0-40%)	30.4	
Ethnic group			2nd (middle 40-80%)	34.7	
<i>Native Dutch</i>	64.9		3rd (high 80-100%)	34.9	
Non-Western non-native	25.6				
<i>Western non-native</i>	9.4		Real-estate value parental nbhd quintiles		
			1st (lowest)	20.8	
Personal income (quintiles)			2nd	20.0	
1st (lowest)	65.0		3rd	19.9	
2 <sup>nd</sup>	10.6		4th	19.9	
3 <sup>rd</sup>	10.1		5th (highest)	19.3	
4 <sup>th</sup>	8.4				
5th (highest)	5.8		Location parental home		
			Same borough (as destination nbhd)	12.0	
Student (dummy)	65.9		Amsterdam	20.6	
Self-employed (dummy)	2.6		Amsterdam region	11.9	
			Rest of Netherlands	55.6	
Gender					
<i>Male</i>	47.0				
<i>Female</i>	53.0				
Age		22.9			

TABLE 5.1. Descriptive statistics of the variables included in the model (N=18,267).  
Source: Social Statistics Database, own calculations.



FIGURE 5.1. Neighbourhood typology based on average income (2004) and grading (2004-2011) and inner/outer ring location (divided by the ring road). Source: Social Statistics Database; own calculations.

## Results

### General patterns

Figure 5.2 maps the share of fledglings as percentage of the total population moving into or within<sup>39</sup> Amsterdam's different neighbourhoods in 2010 and 2011. In most cases, fledglings make up a considerable share of the total number of residents moving to or within a given neighbourhood: about 5 to 11 percent (city average: 8%). Comparatively large numbers of fledglings can not only be found in student areas, but also in the (nineteenth-century) neighbourhoods west of the city centre. Although recently affected by gentrification these neighbourhoods are still relatively affordable, also due to the small average size of apartments<sup>40</sup>. Similarly, a large share of fledglings can also be found in some more mature gentrification neighbourhoods in

39. Changing address, but remaining in the same neighbourhood.

40. In 2011, 60% of the dwellings in low-status gentrifying neighbourhoods were smaller than 60 square meters, compared to 37% in the entire city. Real-estate values were on average some 10% below the city average in these neighbourhoods (€223,000 versus €249,000 in 2011). Data provided by Amsterdam's Research and Statistics (O&S), and Statistics Netherlands (CBS).

the south. Affordability of these neighbourhoods has steadily declined over recent years as discussed in the previous chapter. However, proximity to the city centre, university locations and other facilities as well as their trendy reputation, make these neighbourhoods a popular destination for young people, while still cheaper than traditionally affluent areas. Conversely, a low share of fledglings can mainly be found in the outer-ring neighbourhoods (including the north), and the expensive high-status neighbourhoods in the centre or close to the centre. These patterns highlight that many fledglings acquire housing in Amsterdam's gentrifying neighbourhoods, despite decreasing levels of accessibility and affordability of those neighbourhoods.



FIGURE 5.2. Fledglings moving to or within a neighbourhood as percentage of the total movers (into or within) the neighbourhood (in 2010 and 2011). Source: Social Statistics Database; own calculations.

Table 5.2 shows how fledglings with different parental backgrounds – using parental assets to measure inequalities – move to different types of neighbourhoods. The parental assets are grouped in three percentile categories, based on their assets relative to that of *all* Dutch households (0-40<sup>th</sup>, 40-80<sup>th</sup> and 80-100<sup>th</sup> percentiles). It is noteworthy that relatively many fledglings have parents with large assets (35% of fledglings have parents belonging to the top 20% wealthiest Dutch households). This could partly be explained

by the fact that parental households generally represent mature households, where the parents have throughout already spent a considerable number of years on the labour market and have progressed in their life course. It is thus to be expected that this age group is comparatively wealthy. Also, the tight Amsterdam housing market may particularly be a barrier for home leaving for those younger people with relatively poor parents.

We find that the largest share of fledglings with parents in the highest asset quintile move to high-status gentrification neighbourhoods (42.1%), while many also move to low-status gentrification neighbourhoods (24.8%). Conversely, fledglings with asset-poor parents primarily move to other low-status non-gentrifying neighbourhoods (42.8%). Only a small portion of these fledglings move to high-status gentrified neighbourhoods (18.3%). Interestingly, we find that the percentage of fledglings moving to low-status gentrifying neighbourhoods is rather similar across asset groups. Still, fledglings with high-asset parents and – to a lesser extent – those with medium-asset parents are relatively overrepresented here (24.8% and 23% respectively), while those with low-asset parents are underrepresented (20.1%).

Neighbourhood type							
Parental assets in three groups	Low-status gentrifying	Central high status (gentrified)	Other low status	Peripheral high status	Student areas	Total %	Total N
1st (low 0-40%)	20.1	18.3	42.8	14.4	4.3	100	5800
2nd (middle 40 - 80%)	23.0	27.5	29.5	12.1	7.9	100	6877
3rd (high 80 -100%)	24.8	42.1	17.3	8.4	7.4	100	6894
All fledglings	22.8	29.9	29.2	11.5	6.7	100	19571
Total population (2011)*	20.8	28.5	30.8	18.0	2.0	100	778817

TABLE 5.2. The share (in %) of fledglings with different parental backgrounds (in terms of financial assets) moving to different neighbourhood types. Note: the neighbourhood types correspond to the neighbourhoods defined in Figure 5.1. Source: Social Statistics Database and O+S Amsterdam, own calculations. \*This is not counting population living in excluded areas (see Figure 5.1).

### Mapping spatial differences

By mapping the destination neighbourhoods of fledglings with different parental backgrounds, stark differences come to the fore. In Figure 3 we map the destination neighbourhoods of fledglings with low (lowest 40%), medium (40 to 80%) and high parental assets (top 20%). Figure 5.3a shows, per neighbourhood, what percentage of the total number of fledglings moving to or within the neighbourhood have parents with low assets. Here, we find that

these groups are overwhelmingly concentrated in the (post-war) Southeast (A in the map) and the post war extensions located in the city's western periphery ("New-West") (B), as well as in the North borough (C). Although substantial variations between neighbourhoods in these boroughs do exist, the outer-ring neighbourhoods are generally characterized by declining average incomes over the years (cf. Figure 5.1), as well as below-average real-estate values and income levels. Within the ring road fledglings with low asset parents are generally underrepresented, except for some neighbourhoods in the west and east, often not-yet or only very recently gentrifying .

The neighbourhood outcomes for fledglings with medium-asset parents are less marked, although some patterns and trends can be discerned (Figure 5.3b). These fledglings predominantly concentrate in gentrification frontiers to the east (e.g. Indische Buurt (D)) and gentrifying neighbourhoods west of the centre (e.g. Staatsliedenbuurt (E)). Interestingly, fledglings with middle-asset parents are underrepresented in the traditionally affluent boroughs in the centre and south of the city, as well as in the majority of neighbourhoods outside the ring road.

For fledglings with high-asset parents (Figure 5.3c) we find an almost inverted picture of those with low-asset parents. In the city's most popular and up-market neighbourhoods – the city centre's canal belt and the affluent Old South area (F)– this group is heavily overrepresented. Similarly, we find that around 50% of the fledglings moving to mature gentrified neighbourhoods (e.g. Jordaan (G), De Pijp (H)) have parents belonging to the highest quintile in terms of assets. These neighbourhoods are among Amsterdam's earliest and most established examples of gentrification and up to now continue to gentrify. Overall, these maps suggests clear links between parental background (in this case stratified in terms of assets) and destination neighbourhood. Since the majority have very modest incomes (Table 5.1), these outcomes suggest potential parental support can indeed be of great direct importance in shaping the neighbourhood outcomes of young people.

## Modelling the relationship

We have estimated various multinomial logistic regression models to analyse if the relationship between parental background and (type of) destination neighbourhood type (cf. Figure 5.1) persists when controlling for various individual characteristics. Table 5.3 presents two models<sup>41</sup> estimating the likelihood of

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41. We checked the robustness of our results by estimating different models (available from the authors), inter alia by:

- using other parental variables including income, tenure (homeownership), and housing value;
- altering the dependent variable (e.g. by imposing stricter neighbourhood definitions, or by using real-estate values as opposed/in addition to income levels).

Using these alternative dependent and independent variables did not substantially alter the direction, size, and significance of the reported effects. We also investigated subgroups of the total fledgling population: →

fledglings moving to low-status gentrifying neighbourhoods (models 1A and 2A), high-status central gentrified neighbourhoods (models 1B and 2B), or peripheral high-status neighbourhoods (models 1C and 2C) rather than moving to non-gentrifying low-status neighbourhoods (the base category). Given the focus of this chapter on gentrification neighbourhoods, the estimates for models 1C and 2C will not be discussed.

Model 1 includes only individual-level variables. Notably, model 1A indicates that the personal income of fledglings shows only a weak significant relation to the chance of moving to a low-status gentrification neighbourhood rather than other low-status neighbourhoods. Yet, fledglings' personal income is of greater importance in moving to high-status gentrification neighbourhoods (model 1B). Apart from income, models 1A and 1B report similar findings: Fledglings moving to (low-status or high-status) gentrification neighbourhoods are, compared to fledglings moving to low-status non-gentrifying neighbourhoods, more likely to be enrolled in higher education (student), self-employed, older, and female. Conversely, fledglings with children (both single-parent and dual-parent) are less likely to move to low-status or high-status gentrifying neighbourhoods as are fledglings with a non-western non-native.

Model 2 subsequently includes parental assets, the average real-estate value of the parental neighbourhood, and the location of the parental home. While parental assets indicate the extent to which parents may be able to directly provide financial support to their children (more so than parental income), the variable on parental neighbourhood status may also be indicative of broader class orientation and affiliation. Models 2A and 2B show that inclusion of the parental variables contribute to an improvement of the model fit (from 12% to 19%), while the effects of individuals' characteristics remain largely the same. Adding the parental variables does lead to a reduction of the importance of personal income as well as enrolment in higher education. Nevertheless, the models show that even when controlling for parental background and other personal variables, being a student is positively associated with moving to a low- or high-status gentrifying neighbourhood. Interestingly, these models demonstrate that fledglings with low-asset parents are significantly less likely to move to both low-status gentrifying and high-status gentrified neighbourhoods (compared to moving to other low-status neighbourhoods) than fledglings with parents belonging to the highest asset group.

- 
- we estimated separate models for only those fledglings moving into homeownership; and for those moving to a rental dwelling;
  - we estimated separate models only including students as well as only including non-students to acknowledge the potential influence of student housing scattered throughout the city.

Both for homeowners versus renters and students versus non-students we found that the estimated models returned highly similar results. The direction, size and significance of the key independent variables (particularly those related to parental background) did not substantially change.



FIGURE 5.3A. Fledglings with parents with low assets (percentiles 0-40) as share (%) of the total number of fledglings per neighbourhood (2010 and 2011). Source: Social Statistics Database; own calculations.



FIGURE 5.3B. Fledglings with parents with medium assets (percentiles 40-80) as share (%) of the total number of fledglings per neighbourhood (2010 and 2011). Source: Social Statistics Database; own calculations.

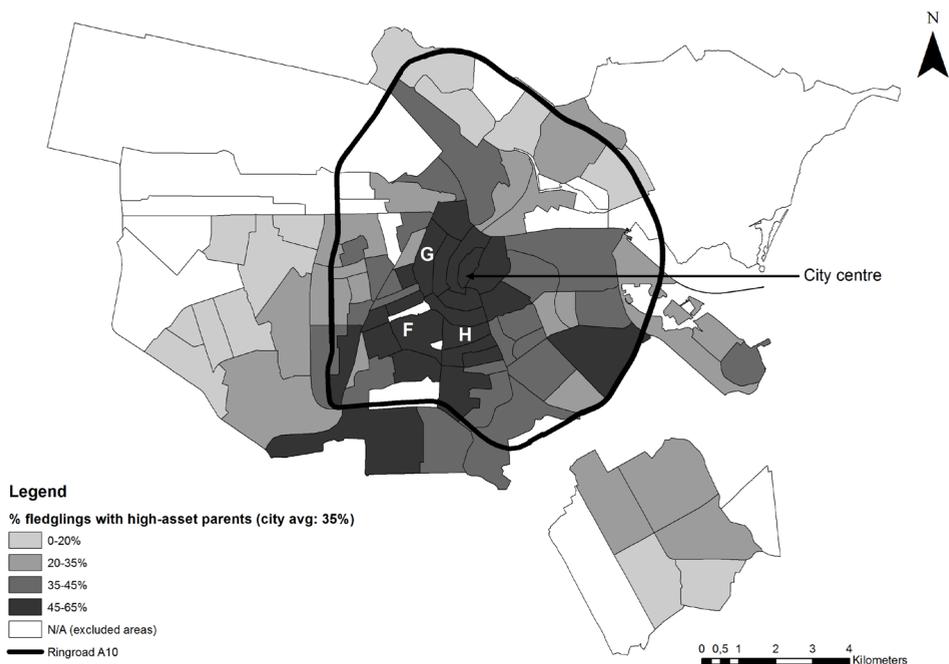


FIGURE 5.3C. Fledglings with parents with large assets (percentiles 80-100), as share (%) of the total number of fledglings per neighbourhood (2010 and 2011). Source: Social Statistics Database; own calculations

Using predicted probabilities, Figure 5.4 visually illustrates the relationship between parental assets and destination neighbourhood, keeping all other variables included in model 2 constant. It shows that fledglings with high-asset parents are relatively more likely to move to both low-status gentrifying and high-status gentrified neighbourhoods, while for fledglings with low-asset parents there is a higher probability to move to other low-status neighbourhoods in particular. The predicted probabilities for fledglings with medium-asset parents fall in between the other two categories for all neighbourhood types.

Additionally, parental neighbourhood status (in terms of real-estate value) also poses a significant influence: Lower real-estate values (quintiles) show progressively lower odds ratios of moving to a (low- or high-status) gentrification neighbourhood. Finally, the location of the parental home returns some interesting results. Compared to fledglings who move in from outside Amsterdam, those fledglings who remain in the same borough after nest-leaving are significantly less likely to move to a low- or high-status gentrification neighbourhood. Yet, fledglings with parents living in Amsterdam (but in another borough) are significantly more likely to move to low-status gentrification neighbourhoods.

To be sure, although models 2A and 2B report similar estimates for parental-background variables, we find that – looking at the odds ratios and predicted probabilities – the influence of parental assets and parental neighbourhood status are substantially stronger on the likelihood of moving to a high-status gentrification neighbourhood (rather than to a non-gentrifying neighbourhood), than on moving to a low-status gentrification neighbourhood. In other words, parental background is of greater importance in facilitating the residential move to high-status gentrified neighbourhoods than to low-status gentrifying neighbourhoods.

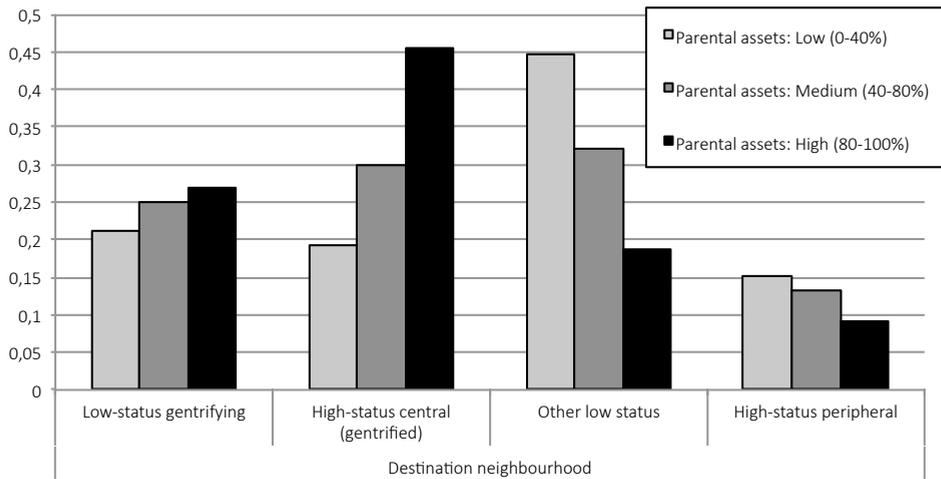


FIGURE 5.4. Predicted probabilities for the effect of parental assets on destination neighbourhood type. Note: Based on the variables included in model 2 (see Table 5.3), average predicted probabilities estimated by computing the group means of individual predicted probabilities. Source: Social Statistics Database; own calculations.

TABLE 5.3. Multinomial logistic regression analyses (N=18,267). Dependent variable is destination neighbourhood (base category = “moves to other low status neighbourhoods”). Note: \*p<0.05; \*\*P<0.01; \*\*\*p<0.001. See footnote 41 for conducted robustness checks. Source: Social Statistics Database, own calculations. →

	Model 1: individual variables						Model 2: individual and parental variables					
	Model 1A: Moves to low-status gentrifying		Model 1B: Moves to central high status		Model 1C: Moves to peripheral high status		Model 2A: Moves to low-status gentrifying		Model 2B: Moves to central high status		Model 2C: Moves to peripheral high status	
	B	Exp(B)	B	Exp(B)	B	Exp(B)	B	Exp(B)	B	Exp(B)	B	Exp(B)
<b>Individual variables</b>												
<b>Household type</b> (ref: single person household)												
<i>Couple without children</i>	.051	1.053	-.259	.772***	-.080	.923	.041	1.042	-.251	.778***	-.081	.922
<i>Household with children</i>	-.398	.671**	-.419	.657**	.230	1.259*	-.281	.755*	-.250	.779	.253	1.288*
<i>Other household types</i>	.239	1.269**	.196	1.216**	.035	1.035	.206	1.229**	.148	1.160*	.026	1.026
<b>Ethnic group</b> (ref: native Dutch)												
<i>Non-Western non-native</i>	-.913	.401***	-1.671	.188***	-.309	.734***	-.478	.620***	-1.038	.354***	-.155	.857*
<i>Western non-native</i>	-.099	.906	-.017	.983	-.023	.977	.003	1.003	.123	1.130	.021	1.021
<b>Personal income quintiles</b> (ref: 5th (highest))												
<i>1st (lowest)</i>	-.030	.971	-.426	.653***	-.592	.553***	.013	1.013	-.364	.695***	-.588	.555***
<i>2nd</i>	-.270	.764*	-.925	.396***	-.806	.447***	-.137	.872	-.735	.480***	-.791	.454***
<i>3rd</i>	-.232	.793*	-.685	.504***	-.493	.611***	-.110	.896	-.515	.598***	-.482	.617***
<i>4th</i>	-.318	.728**	-.829	.437***	-.318	.728**	-.225	.799	-.691	.501***	-.305	.737*
<b>Age</b>												
<i>Age</i>	.055	1.057***	.020	1.020*	-.004	.996	.051	1.053***	.016	1.017*	-.007	.993
<b>Student</b> (ref: no student)	.330	1.391***	.362	1.437***	-.150	.860*	.154	1.167*	.136	1.146*	-.190	.827**
<b>Self-employed</b> (ref: not self-employed)	.302	1.353*	.384	1.469**	-.034	.966	.207	1.229	.243	1.275	-.083	.920
<b>Female</b> (ref: male)	.116	1.123**	.141	1.151***	.042	1.043	.128	1.136**	.169	1.184***	.048	1.049
<b>Fledgling in 2011</b> (ref: in 2010)	-.135	.874**	-.140	.869***	-.172	.842**	-.139	.870**	-.138	.871**	-.176	.839***



## Discussion

This chapter has addressed how young people leaving the parental home move to specific neighbourhoods in Amsterdam. Particularly, we show how fledglings disproportionately locate in both low-status gentrifying and high-status gentrified neighbourhoods, despite their generally very modest incomes. This suggests that fledglings may be able to realise or approach their housing preference, at least in terms of destination neighbourhood, possibly because they are willing to accept lower quality housing and prioritise location over other preferences.

More specifically, this chapter has highlighted the important role parental background, especially parental wealth, plays in determining the housing opportunities and destination neighbourhoods of young people. Simply put, this chapter has shown that after controlling for individual characteristics fledglings with wealthy parents are more than twice as likely to move to high-status gentrified neighbourhoods than those with low-asset parents. Fledglings with low-asset parents disproportionately locate in the city's outer ring neighbourhoods; more than twice as often as fledglings with high-asset parents. Hence, parental background does seem to allow young people to minimise constraints and make a start in popular inner-ring neighbourhoods. In this regard, two points deserve specific attention. These points focus on differences in individual residential trajectories and on processes of neighbourhood change respectively.

First, the relationship between parental background and destination neighbourhood can be established in various ways. Parents may give direct financial support to their children to buy a home, pay the monthly rent, or pay other housing-related expenses. However, parental assets and parental neighbourhood status are also closely related to other dimensions of social class. Middle-class parents are also more likely to provide their children with specific non-financial resources, such as for example social networks or knowledge of the housing market (Boterman 2012b). Furthermore, housing preferences, the choices for particular types of housing, tenure and residential environment, are affected by historical experiences in the parental home and residential environment. Parents do not just support their children directly via economic transfers or by brokering housing, they have also passed on various forms of cultural capital to their offspring. This is not solely related to taste or aesthetic dispositions (Smith & Holt 2007), it may also be forms of symbolic capital that are related to urban space itself (Boterman 2012a). Parental wealth may allow young people to make a start in now expensive gentrified neighbourhoods and in doing so reproduce this particular 'urban experience'. After moving in, the stay in a gentrification neighbourhood may further enhance the residential preferences and contribute to the formation of the middle class habitus of these "apprentice gentrifiers" (Smith & Holt 2007). Here, it is important to also consider structural factors including the provision of specific forms of housing. The supply of student housing can play a role in exacerbating inequalities between young people. It eases the often middle-class student trajectories out of the parental home while effectively excluding non-student trajectories. On the other hand, student housing can

dampen housing-market inequalities between students, since (in the Dutch context) it mostly consists of relatively affordable apartments and rooms, reducing the need for parental support.

Ultimately, differences in parental (class) background contribute to inequalities that are expressed in urban space; for example via the exclusion of fledglings with parents with a working class background by fledglings with wealthy parents. While the latter group is then able to realize or approach their housing preferences, the former group is disproportionately confined to housing in lower-status neighbourhoods or may not be able to leave the parental home at all. Differentiated access to housing and space is then reproduced across generations as parental wealth and support can effectively reduce constraints and enhance mobility chances in terms of education, labour market but also space (Harvey 1985). This corresponds with findings from Van Ham and colleagues (2014) who demonstrate that parental neighbourhood background plays an important role in shaping and reproducing spatial opportunities of young people. While we found a clear effect of parental asset background, we also confirm the independent effect of neighbourhood background. This is not to imply any deterministic relationship between residential neighbourhood and life chances. Neighbourhoods are not homogeneous and may mean different things to different people in different stages of their lives (Pratt & Hanson 1988). The intergenerational reproduction of neighbourhood status should in our opinion be explained by broader perspectives on residential trajectories over the life course and the role of space and neighbourhood in social reproduction. Gentrification as a spatial strategy in the reproduction of the middle classes, is one of the key residential trajectories that connect intergenerational transfers of economic, social and various forms of cultural capital to neighbourhood choice.

We suggest that a second, related, finding is the potential effect of individual trajectories on processes of neighbourhood change. The findings of this chapter touch upon the importance of parental wealth and background in specific forms and expressions of gentrification. In this regard, it is relevant to link our findings to previous studies on marginal gentrification. In these studies, marginal gentrifiers are conceptualised as young, low-income but upwardly-mobile residents moving to gentrifying neighbourhoods as a spatial strategy to negotiate between the preferences and benefits of central-city living on the one hand, and keeping housing costs down on the other (Rose 1984; Rérat 2012; Van Criekingen & Decroly 2003). In doing so, they ultimately contribute to rising rent levels and subsequent processes of (indirect) displacement (Van Criekingen 2010).

However, in addition, this chapter shows that many fledglings have parents who possess, compared to the Dutch average, large amounts of wealth. Although this does not necessarily imply intergenerational financial support, it does suggest parental support is of substantial importance. Hence, we pose that these fledglings should not only be considered low-income, upwardly-mobile marginal gentrifiers, but also the *potential* carriers of additional wealth into these neighbourhoods. For example, intergenerational wealth transfers can allow fledglings to pay otherwise unaffordable rents or may even be part

of (parental) investment strategies in housing in gentrifying areas where returns may be relatively high. We expect that such potential parental support may also be important for other groups of marginal gentrifiers, such as young university graduates (who have already left the parental home). Via these ways, parental wealth could effectively be put to use to outbid other households and household types, contributing to their exclusion or displacement – ultimately advancing the gentrification process by bringing more money into these neighbourhoods. These patterns can be amplified by investors who recognise the opportunity of providing housing aimed at young people backed by parental financial support (cf. Chatterton 2010)

Given the growing importance of parental support in facilitating young people's housing opportunities in a range of contexts, it is imperative for gentrification scholars to take this form of wealth into account as a useful additional capital form to acquire housing in gentrifying neighbourhoods. From an international perspective Amsterdam is not unique in the sense that housing market accessibility and affordability have decreased and parental wealth is becoming of growing importance to make a start on the housing market or acquire secure housing later on (McKee 2012; Clapham et al. 2014). Particularly in major (capital) cities that are increasingly popular, London being a prime example, it is likely that parental wealth will become more important in facilitating young in-movers to outbid other households and thus contribute to the direct or indirect displacement of various other residential groups despite their potentially modest incomes. This ultimately facilitates further gentrification.

Further research should investigate the extent to which actual inter-generational wealth transfers contribute to gentrification processes, potentially as a dimension of parental financial investment strategies. Also, qualitative studies can potentially find explicit evidence of an intergenerational transmission of the gentrification aesthetic – the preference for specific old, diverse inner city neighbourhoods. Extending beyond gentrification research it would be useful to more fully investigate intra-generational inequalities emerging between young people on the basis of other factors than parental background following decreasing housing access. Overall, by linking intergenerational inequalities to gentrification research, this chapter has shown how and to what extent these inequalities are reshaped in the neighbourhood outcomes of fledglings. Moreover, in doing so, we have made a first step in analysing how gentrification may also be influenced by the inflow of “intergenerational” capital (parental wealth) rather than solely those forms of capital possessed by in-moving residents themselves.