

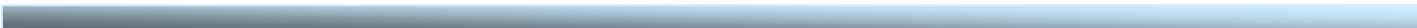
United Nations
Department of Economic and Social Affairs

Population Division

Expert Paper
No. 2011/10

**Leaving Home: Independence,
togetherness and income in Europe**

Maria Iacovou



This page is intentionally left blank

Population Division

Expert Paper

No. 2011/10



**Leaving Home: Independence,
togetherness and income in Europe**

Maria Iacovou
Essex University



United Nations New York, 2011

NOTE

P

This page is intentionally left blank

LEAVING HOME: INDEPENDENCE, TOGETHERNESS AND INCOME IN EUROPE

Maria Iacovou
Institute for Social and Economic Research
Essex University, United Kingdom

The progression from childhood to adulthood is often conceptualised as consisting of a series of transitions, which includes finishing one's education, finding a job, moving out of the parental home, setting up home with a partner and becoming a parent oneself (Furstenberg and others, 2005). Not everyone makes all of these transitions: some people live all their lives in their parents' home, some never find permanent employment, and many people who are currently young adults will never have children—some through circumstance, many by choice. Nevertheless, in the European context, these transitions are generally considered to be important markers of the journey towards adulthood. Hence, they are transitions to which most young people aspire; and the majority of people make most of those transitions at some time between their late teens and their early thirties.

This paper focuses on one transition, that of leaving the parental home. Leaving home has recently become an important focus of research and media debate because over recent decades young people in many countries have tended to remain in the parental home for longer periods of their lives. This development is considered to be the outcome of problematic circumstances as, for instance, the high levels of unemployment or precarious employment among young people or the low wages that young people receive when employed. It is also considered to be associated with adverse outcomes, both for the young people, who are deprived of independence in early adulthood, and for their parents, who are must support their offspring for longer periods.

The paper provides a statistical overview of variations in home-leaving behaviour across Europe, which are substantial and are related to complex factors, including historical differences, social and cultural norms, institutional frameworks, and both macro-level

Figure II shows patterns of leaving home in more detail for four countries chosen to illustrate the different regional patterns in Europe. Denmark is typical of the Nordic countries; Germany is an example of the North-Western countries; Italy is typical of Southern Europe, and Bulgaria is an extreme case of the Eastern European pattern. For each country, the percentage of young people living in one of four situations—with parents but without a partner;

age 30, only about 35 per cent of young men live with a partner and by age 35, only 55 per cent do so.

In Bulgaria men leave home almost as late as in Italy. Until the late twenties, ages at home-leaving in Bulgaria are similar to those in Italy but after the late twenties, Bulgarian men are more likely than Italian men to be living with their parents. However, the postponement of home-leaving is not associated with an equivalent delay in partnership formation: after the mid-twenties, about 15 per cent of Bulgarian men live with a partner in the same house as their parents and, consequently, the proportion of Bulgarian men living with a partner is similar at all ages to the equivalent proportions in Denmark and Germany.

B. WHAT DETERMINES THE AGE AT LEAVING HOME?

Most studies of the determinants of leaving home are based on data from a single country. The largest number of such studies refer to the United States but there are also studies about Australia, Canada, Italy, Sweden and the United Kingdom. More recently, there have been several comparative studies. Because data about the new Member States of the European Union in Eastern Europe have only become available recently, most of the studies carried out consider only the first 15 Member States of the European Union (EU-15) and focus primarily on the causes of late home-leaving in the Southern European countries.

Several factors have been put forward to explain delays in leaving home among young people in countries of Southern Europe, including those that make independent living less affordable in those countries than in their counterparts in Northern Europe. The factors considered include the scarcity of affordable rented accommodation (Martínez-Granado and Ruiz-Castillo, 2002); the lack of a well-functioning mortgage market (Martins and Villanueva, 2006); and high rates of unemployment among young persons plus low wages among those employed (Aassve and others, 2002). Chiuri and del Boca (2010) have explored whether the effects of institutional factors related to labour and mortgage markets differ by sex and have found that women are more affected by them than men.

Income plays an important role in decisions relating to the timing of leaving home, a fact corroborated by all studies of the subject. Leaving home costs money and young people with more money than their peers are expected to leave home at earlier ages, other things being equal. This hypothesis is consistently validated by empirical studies. However, the picture becomes more complicated when we consider the relationship between parental income and the timing of home-leaving. The remainder of this section reports on two studies (Iacovou, 2010; Skew and Iacovou, 2012), which have examined the complex relationships between parental income and a young persons's income and the timing of home leaving from a cross-national perspective.

1. *“Independence” and “togetherness”*

It is assumed that all people put some value on two attributes in their lives: “independence” (the ability to support oneself, make one’s own decisions or spend time alone) and “togetherness” (a sense of belonging or kinship). Those two goals are not mutually exclusive—many people construct their lives so that they can have both—but for young adults, there is often a trade-off between the two. Living at home provides a greater sense of “togetherness” with one’s family of origin but also a correspondingly lower sense of

“independence”, while the reverse holds for young people who live away from the family home.

The relative importance attached to independence and togetherness varies between societies. In his study of the strength of family ties in Western Europe, Reher (1998) describes a “Northern” cluster, which includes the Nordic countries, Belgium and the Netherlands, the United Kingdom and much of Austria and Germany, as characterised by “weak” family ties, early home-leaving and a sense of social rather than familial solidarity

are presented in table 1. The parameters presented are the estimated logit coefficients and therefore do not relate directly to probabilities. However, larger coefficients are associated with more powerful effects.

TABLE 1. THE RELATIONSHIP BETWEEN INCOME AND THE PROBABILITY OF LEAVING HOME
IN EUROPEAN COUNTRIES—COEFFICIENTS FROM MULTIVARIATE LOGIT REGRESSIONS

<i>Nordic cluster</i>		<i>Northern cluster</i>		<i>Southern cluster</i>	
<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>

TABLE 2. THE RELATIONSHIP BETWEEN INCOME AND THE PROBABILITY OF LEAVING HOME FOR DIFFERENT DESTINATIONS, SELECTED EUROPEAN COUNTRIES—COEFFICIENTS FROM MULTIVARIATE LOGIT REGRESSIONS

	<i>Nordic cluster</i>		<i>Northern cluster</i>		<i>Southern cluster</i>	
	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>	<i>Male</i>	<i>Female</i>
<i>Leave in order to live on one's own</i>						
Own income	0.018***	0.019***	-0.001	0.004	0.004*	0.006*
Parental income	0.005	0.005	0.005*	0.012***	0.001	0.004
<i>Leave for cohabitation or marriage</i>						
Own income	0.014**	0.012**	0.008***	0.008**	0.005***	0.005***
Parental income	0.002	0.005	0.005**	-0.001	-0.006***	-0.003*
<i>Leave for education</i>						
Own income	-0.001	0.004	0.002	0.005	-0.007	0.009**
Parental income	0.010*	0.010**	0.007*	0.012***	-0.002	0.008**

Source: Adapted from Iacovou (2010).

NOTES: Statistical significance denoted by asterisks: *5 per cent; **1 per cent; ***0.1 per cent.

The countries included in each cluster are listed in Annex table 2.

The sex indicated is that of the young people.

In both the Nordic cluster and the Northern cluster, young people's own incomes are not significantly related to the probability of

cluster, parents use their incomes to discourage their children from leaving home to start cohabitation or marriage when they are younger than 20, but to encourage home-leaving after

Figure III. Relationship between own in

REFERENCES

Aassve, A., F. C. Billari and F. Ongaro (2001). The impact of income and employment status on leaving home: Evidence from the Italian ECHP sample. *Labour: Review of Labour Economics and Industrial Relations*, vol. 15, No. 3, pp. 501-529.

Avery, R., F. Goldscheider and A. Speare Jr. (1992). Feathered nest/gilded cage: Parental income and leaving home in the transition to adulthood. *Demography*, vol. 29, No. 3, pp. 375-388.

Chiuri, M. C. and D. del Boca (2010). Home-leaving decisions of daughters and sons. Institute for the Study of Labour, Discussion Paper No. 4867, IZA: Bonn.

Eurostat (2011). Description of target variables: cross-sectional and longitudinal. http://circa.europa.eu/Public/irc/dsis/eusilc/library?l=/guidelines_questionnaire/operation_guidelines_4/silc065_version/EN_1.0_&a=d. Accessed 25 June 2011.

Furstenberg, F. F., R. G. Rumbaut and R. A. Settersten (2005). On the frontier of adulthood: Emerging themes and new directions. In *On the frontier of adulthood: Theory, research, and public policy*, R. A. Settersten, F. F. Furstenberg, and R. G. Rumbaut, eds. University of Chicago Press: Chicago.

Iacovou, M. and L. Parisi (2009). Leaving Home. In *Changing Relationships*, J. Ermisch,