The Not-in-My-Property Syndrome: The Occurrence of Ethnic Discrimination in the Rental Housing Market in Belgium — Source link ↗

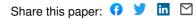Koen Van der Bracht, Ad Coenen, Bart Van de Putte

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The not-in-my-property syndrome: rental housing market discrimination in two Belgian cities

Koen Van der Bracht[1], Ad Coenen en Bart Van de Putte

Department of Sociology, Ghent University

Abstract

This paper aims at achieving a better understanding of rental housing market discrimination against ethnic minorities. There remain substantial lacunae in the scientific knowledge about the association between the concentration of ethnic minorities in the neighbourhood and discrimination, and possible differences in discrimination based on host society language proficiency. Although these associations have been considered in the U.S., they have been neglected in the European context, which is quite different. A telephone survey offered data on 579 properties that is linked to (1) whether the fictitious ethnic minority candidate masters the host society language or not, (2) the rent of the offered unit, (3) the percentage of minorities in the neighbourhood and (4) the socioeconomic background of the neighbourhood. Using multilevel modelling, we found (1) that host society language proficient migrants are discriminated against as often as non-proficient migrants and found (2) a curvilinear association between rent and discrimination, with more discrimination for both cheaper and more expensive rental offers. We found (3) no association between the presence of minorities in the neighbourhood and the occurrence of discrimination, contrary to previous research in the U.S., and found (4) no association between discrimination and the socioeconomic background of a neighbourhood.

Keywords

Discrimination, Rental Housing Market, Ethnic Minorities, Residential Segregation, Field Experiment

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[1] Corresponding author: koen.vanderbracht@ugent.be; 09/2648458; Korte Meer 5, 9000 Ghent, Belgium

Introduction

Previous research has repeatedly demonstrated the persistence of ethnic discrimination in the rental housing market, i.e. the unequal treatment of individuals belonging to certain ethnic groups (Pager and Shepherd 2008; Zick, Pettigrew, and Wagner 2008). Although it is seen as illegal in most countries (De Prins, Sottiaux, and Vrielink 2005), discrimination abounds in both the U.S. (Kuebler and Rugh 2013) and Europe (TNS 2012). The negative consequences of ethnic discrimination are numerous. Perceived ethnic discrimination is, for instance, associated with worse mental and physical health (Missinne and Bracke 2012; Pascoe and Richman 2009). Moreover, discrimination makes the acculturation of ethnic minorities more difficult (Berry, Phinney, Sam, and Vedder 2006) and, when considering labour market discrimination, results in socioeconomic status (SES) disadvantages (Wilson, Tienda, and Wu 1995). Specifically, housing market discrimination makes the search for housing more costly and time consuming for ethnic minorities (Roscigno, Karafin, and Tester 2009).

Ethnic discrimination in the housing market is also considered one of the causes of ethnic residential segregation (Massey and Denton 1988). Landlords and real estate agents may for instance discriminate against ethnic minorities in white neighbourhoods to keep these neighbourhoods white. Although ethnic segregation can have positive effects as well (Fleischmann, Phalet, Deboosere, and Neels 2012), living in a segregated neighbourhood may have negative health outcomes, lead to more experiences with criminality (Sampson, Morenoff, and Gannon-Rowley 2002), have negative SES outcomes (Kasinitz and Rosenberg 1996) and can make acculturation more difficult (Gijsberts and Dagevos 2007). Although theoretically connected and broadly accepted, research that investigates the link between housing market discrimination and ethnic residential segregation is scarce (Dawkins 2004). Moreover, the available body of research that examines the link between discrimination and segregation is limited to the U.S. The European context is highly different, however, with

different migration histories (Zick et al. 2008) and lower levels of ethnic residential segregation (Van Kempen and Murie 2009). Although previous studies have examined the occurrence of ethnic discrimination in the housing market in Europe (Ahmed and Hammarstedt 2008; Baldini and Federici 2011; Bosch, Carnero, and Farre 2010), the link with segregation has not yet been examined.

This article aims at investigating the link between segregation and discrimination, thereby helping to fill one of the major lacunae in knowledge about residential segregation. Furthermore, we aim to add to scientific knowledge by examining discrimination based on ethnic minorities' host society language proficiency. To investigate this link we examine a self-conducted telephone audit study of Flanders' two largest cities, Antwerp and Ghent, in which the two ethnic minority candidates—one with a foreign accent and one without—and an ethnic majority member called landlords or real estate agents to inquire about vacant housing found on the Internet. We apply multilevel models to 579 individual properties to test the association between discrimination and language proficiency, rent and ethnic and socioeconomic residential segregation.

Theory and Hypotheses

Discrimination in the housing market, and other consumer markets, has predominantly been studied by economists (Yinger 1998). Economic theorists distinguish between statistical and taste discrimination (Becker 1957; Phelps 1972). Statistical discrimination occurs when the people who have to make certain decisions lack information to assess the consequences of these decisions. Employers, for instance, decide between job applicants, without reliable information regarding the specific productivity of each candidate. Decisions are then based on, for instance, educational levels and experience in certain jobs. Likewise, lessors need to choose between candidate-renters without reliable information on for instance future employment and hence possible rent payment problems. To counter this lack of information,

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lessors build on ideas of the group to which the candidate belongs to. Lessors could for instance expect higher educated candidates to have less payment problems than lower educated candidates. Taste discrimination, on the other hand, is the case when lessors discriminate based on preferences towards certain groups, regardless of the availability of information (Ahmed et al. 2010). Previous research in Europe has delivered mixed results: providing more information concerning the candidate reduces ethnic minority discrimination in Spain (Bosch et al. 2010), while discrimination of Arabs in Sweden persists (Ahmed et al. 2010).

Host society language proficiency of migrants could be one characteristic which can lead to differences in discrimination, given that differences in language proficiency might signal differences in migrant integration to lessors. Indeed, migrants who master the language of the host society better, attain higher educational levels and have higher employment probabilities (Dustmann and Fabbri 2003). Based on the theory on statistical discrimination, we would expect that lessors tend to discriminate migrants with a lower language proficiency more often, given that they would rely on general ideas about the integration of the average person in the group to which these migrants belong. Previous research indeed found this relationship between the level of language proficiency and rental housing market discrimination in the US (e.g. Hanson and Santas forthcoming).

Therefore, we expect that *better language proficiency is associated with lower levels of discrimination (H1).*

In Western Europe, ethnicity and SES are strongly associated: ethnic minorities often have a lower SES and specific disadvantages compared to the ethnic majority (Heath, Rothon, and Kilpi 2008). According to statistical discrimination theory, lessors might expect migrants to have payment problems, if they base their ideas on the average ethnic minority member. As

this perception of ethnic minorities would create more problems in the higher tier of the rental market, we could expect a higher incidence of discrimination for properties with a higher rent. A tendency towards this process is apparent in the US, where real estate agents steer black candidate-buyers towards lower priced properties (Ondrich, Ross, and Yinger 2003).

Previous studies on the link between housing unit prices and discrimination against minorities offer mixed results. In Europe, Ahmed and Hammarstedt (2008) found that the occurrence of discrimination against Arabs in the rental market in Sweden increased when prices rose, but neither Baldini and Federici (2011) nor Bosch and colleagues (2010) could find a connection between the rent and the occurrence of discrimination against Eastern Europeans and Arabs in Italy or against Moroccans in Spain. While in the American housing market, Hanson and Santas (forthcoming) have found that rental discrimination against non-assimilated Hispanics was higher for the cheapest houses than average-priced units. Ondrich and colleagues (2003) found that African Americans are discriminated against more when the asking price of a unit increases on the sales market. Page (1995) came to the same conclusion for African Americans in both the American rental and sales market, but found no connection when considering differential treatment of Hispanics and Whites.

Therefore, we hypothesize that *discrimination is more prevalent among more expensive rental offers (H2).*

'White flight' describes the process whereby majority-member inhabitants flee (i.e. move away) from ethnically mixed neighbourhoods (Frey 1979). Research suggests there are many factors beyond the size of an ethnic group that explain this tendency (for example, the number of different ethnic groups: Crowder, Pais, and South 2012; or stark increases in the number of ethnic minorities: Frey and Liaw 1998). Still, most scholars argue that the percentage of ethnic minorities in a neighbourhood plays a meaningful role (Crowder and South 2008).

Neighbourhoods with a higher percentage of ethnic minorities (Card, Mas, and Rothstein 2008), they often experience a rapid population turnover caused by the moving out of ethnic majority members. This leads to ethnic minority segregated neighbourhoods. Living in such neighbourhoods is less attractive because, as stated, this can have negative health outcomes, leads to more experiences with criminality (Sampson et al. 2002) and has negative SES outcomes (Kasinitz and Rosenberg 1996). Furthermore, the transition from a predominantly white neighbourhood to an integrated or minority segregated neighbourhood causes drops in housing prices (Chambers 1992). Moreover, landlords or real estate agents may consider this preferred ethnic composition when dealing with renters out of fear of losing other majority-member candidates, thus limiting the pool of candidates even more (Yinger 1986). Therefore landlords or real estate agents may try to avoid increases in the percentage of ethnic minorities in a neighbourhood by offering housing to the ethnic majority only in order to maintain property value, resulting in discrimination against ethnic minorities.

Several studies have found an association between the percentage of ethnic minorities in the neighbourhood and the occurrence of housing discrimination. When studying the Boston housing market of 1981, Yinger (1986) found a high level of discrimination against Blacks and Hispanics in completely white neighbourhoods, but almost non-existent discrimination in neighbourhoods undergoing racial transition. Page (1995), Ondrich and colleagues (2003) and Hanson and Hawley (2011) have found a connection between a neighbourhood's share of minorities and discrimination against either Blacks, Hispanics or both in the sales and rental market in the U.S. Finally, Hanson and Santas (forthcoming) have found the same for non-assimilated Hispanics in the U.S. rental market.

Therefore, we hypothesize that *discrimination is more prevalent in neighbourhoods with a lower share of ethnic minorities in the neighbourhood (H3).*

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There are other explanations for white flight as well. Scholars who follow the racial proxy hypothesis (Clark 1986) or the race-based neighbourhood stereotyping (Ellen 2000) ignore the increase of ethnic minority members and point instead to the consequences of these increases—the negative health outcomes of living in segregated neighbourhoods, the higher crime rates or the higher number of welfare-dependent inhabitants living in the neighbourhood—as an explanation for white flight. Many of the negative consequences are connected not only to race or ethnicity, but also to the socioeconomic background of the neighbourhood. Moreover, there are researchers who claim that it is not the ethnicity of neighbourhood inhabitants or factors related to ethnicity, but the lower SES many of these ethnic minority-member inhabitants have that make majority members move away (van Ham and Feijten 2008). Therefore, lessors might discriminate more often in neighbourhoods with a higher SES, based on the assessment that ethnic minorities have a lower SES. This is apparent in the U.S., where Blacks are 'class steered' (Turner and Ross 2005), i.e. directed to neighbourhoods with a lower SES and a higher share of minorities compared to White home seekers with the same SES.

Therefore we predict that *the occurrence of discrimination against minorities is higher in neighbourhoods with a higher SES (H4).*

Context

Antwerp and Ghent are Flanders' two biggest cities, with 511,716 and 247,941 inhabitants, respectively, at the start of 2013. A total of 168,638 inhabitants (32.57%) in Antwerp and of 47,772 inhabitants (19.72%) in Ghent belong to an ethnic minority group that stems from migration. In Antwerp, most migrants originate from Morocco (58,021), Turkey (19,734), Poland (10,892), ex-Yugoslavian countries (8,931) and Russia (6,980). In Ghent, there is also a large representation of both Turkish and Maghreb minorities (15,596 Turkish, 3,231 Moroccan and 1,069 Tunisian inhabitants), and migrants stemming from Bulgaria (6,414),

Slovakia (1,854) and Poland (1,367). The Maghreb and Turkish minorities are an older migrant groups that began arriving as guest workers or via family reunification in the 1960s; the Eastern and Central European migrants arrived only during the last two decades, due to the enlargement of the European Union (2004 and 2007) or the Yugoslavian civil wars (especially the Bosnian War, 1992–1995, and the Kosovo War, 1998–1999).

In both cities, ethnic minorities live residentially segregated, although the segregation of minorities originating from Turkey and the Maghreb and from Eastern and Central European countries is declining. In Ghent, the segregation indices of all groups declined more than 10 percentage points over a period of 10 years (Verhaeghe, Van Der Bracht, and Van de Putte 2012). In Antwerp, the segregation indices of the Turkish and Moroccan migrants declined more than 5 percentage points over a period of 5 years.[2] In Ghent, Turkish, Maghrebi, Bulgarian and Slovakian minorities live concentrated in the same neighbourhoods; in Antwerp, however, the various ethnic groups are concentrated in different neighbourhoods. These segregated neighbourhoods are mostly situated in the most deteriorated parts of town: the nineteenth-century belt in Ghent and the neighbourhoods around the Antwerp traffic belt. This may be explained by lower rent and the presence of industrial infrastructure close to these neighbourhoods. The neighbourhoods with the lowest share of minorities and highest SES are situated in the annexed agglomeration of villages, where the houses are of better quality and higher priced, and housing density is low.

Data

We conducted a telephone audit study among real estate agents and private landlords who rented out residential property in Antwerp or Ghent during April and May 2013. Available property was selected from IMMOWEB, one of the major real estate advertising websites in Belgium with, according to their website, over 150,000 real estate advertisements. All

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[2] Own calculations, based on http://www.antwerpen.buurtmonitor.be, cfr. infra.

properties with a rent below €2,000 per month were eligible for the study. Eventually a total of 3,102 properties were recorded as eligible. To minimize suspicion among real estate agents and landlords, landlords or real estate agents were contacted about only one property. If lessors had more than one property available, we randomly selected one advertisement from the list. We retained 1,129 different advertisements after this selection. Those lessors were contacted by telephone. Nonresponse, that is, lessors who could not be contacted by all three test persons, was avoided by maximizing contact attempts: each test person attempted a maximum of five contacts per advertisement. A total of 4,997 successful and unsuccessful contact attempts by three different test persons were registered. This resulted in a response rate of 88%. Given that lessors indicated that the property was no longer available for a substantial 41.5% of the 994 successfully contacted properties, the total number of properties for which data on ethnic discrimination could be gathered was 579.

Each of these 579 lessors was contacted by three different test persons. The three test persons represent three different profiles: (1) an ethnic minority member with a noticeable foreign accent, (2) an ethnic minority member without a foreign accent and (3) an ethnic Belgian. All three test persons were male. For the first test person, we selected a first-generation migrant. This test person's mastery of Dutch was sufficient to pursue academic education and he exhibited a noticeable foreign accent in spoken Dutch. This person was also given a fictitious Arabic-sounding name. The second test person was an ethnic Belgian who was given an Arabic-sounding name. This way, we made sure he had perfect language mastery and no foreign accent. Including these two test persons enabled us to disentangle the influence of having less host society language proficiency and a foreign accent from having a foreign name. The third test person was an ethnic Belgian who was given a fictional Belgian name. As already indicated, a substantial number of properties had already been rented out at the moment of contact, though the advertisement was still displayed. Housing market

discrimination is often subtle (Ondrich, Ross, and Yinger 2000). Ethnic minority candidates are, for example often inaccurately told that the property which they applied for is no longer available. By including this third test person, who served as a control person, we were able to assess whether the property was really unavailable. Therefore, the third test person contacted a lessor only after each of the first two test persons successfully contacted the lessor. To minimize the risk that properties became available again between the telephone calls of the ethnic minority test persons and the third test person, the time between these telephone conversations was minimized to a few hours.

Each test person was given an identical fictitious identity: the only variation was the name and accent. We performed conservative tests of ethnic discrimination by creating profiles for which discrimination was unlikely. According to this fictitious identity, each candidate had Belgian nationality, was married, had neither children nor pets, was a non-smoker, had a stable, full-time employment contract and was part of a dual earning household with a combined net income of €3,000 per month.[3] These candidates were considered good candidates for all properties with a rent below €2,000. The test persons were instructed to begin each telephone contact by introducing themselves by their name. Subsequently, they had to ask whether the property was still available for rent and if it would be possible to visit the property. If the answer was positive, test persons were instructed not to make an actual appointment to visit the property, to reduce discomfort for lessors. No further information regarding the aforementioned fictitious identity was supplied unless specifically asked for by the lessors. If asked, test persons recorded which questions were raised. All answers by landlords, both negative and positive, were fully recorded in writing in the words of the test persons. Each test person was adequately trained to follow these instructions and was evaluated frequently during the fieldwork.

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[3] Which is around the average net income for people living in Flanders (ADSEI 2013).

Working with telephone audits has some advantages over e-mail audits, which have become increasingly popular in the research literature over the last few years (Ahmed and Hammarstedt 2008; Hanson and Hawley 2011). First, the use of spoken language enables us to disentangle the effect of having a foreign accent from simply having a foreign-sounding name. Although there have been attempts to simulate this in written language, we are convinced that the distinction due to host society language proficiency can be made more accurately based on spoken language. Second, real estate markets in Belgium, and possibly abroad also, still operate primarily by telephone, less often via e-mail. Moreover, nonresponse is generally lower for telephone contacts, as is reflected in our response rate of 88%.

We chose for a matched pair audit, in which each test person called each lessor, to maximize the sample size. Moreover, given that a high share of the properties was already rented out at the time of the telephone calls, it would be difficult to disentangle actually rented out properties from ethnic discrimination. Furthermore, matched pair audits are quite common in research into labour and housing market discrimination (Heckman 1998).

One of the major disadvantages is that the behaviour of test persons is less standardized than in the case of completely identical e-mail messages. The impact of this limitation was reduced by closely monitoring the behaviour of our different test persons. A second disadvantage is that the ethnic origin of the second test person was signalled to lessors only by his name. If the name itself was misunderstood during the telephone conversation, it could result in an underestimation of ethnic discrimination for ethnic minorities without a foreign accent. This would mean we overestimated the gap in ethnic discrimination due to language proficiency.

Variables

Dependent Variable

Our dependent variable is based on a difference in the answers given by the lessors. If either one or both ethnic minority candidates were not invited to visit the property, but the ethnic Belgian candidate received an invitation during a telephone conversation at a later time, we consider this ethnic discrimination. We therefore constructed a dichotomous variable—*ethnic discrimination*—that indicated whether discrimination took place (i.e. value 1) or not (i.e. value 0).

To assess a difference in discrimination due to host society language proficiency among ethnic minorities, we also constructed two dichotomous variables which indicate discrimination against each test person separately: *with accent* and *no accent*. These variables are comparable to the dependent variable: a score of 0 indicates no discrimination, whereas a score of 1 means direct discrimination.

Independent Variables

The independent variables regarding the property are based on the self-administered information supplied by the lessors. We recorded information only from the standard information fields of the IMMOWEB website. These include *type*, *rent*, *size*, *lessor* and *city*.

Type is a categorical variable with three categories: studio apartment, apartment and house.

Rent is a metric variable indicating the monthly fee to rent the property. This rent excludes additional costs for water, electricity and heating. The rents range from €325 to €1,950 per month, with an average of €762.6. We divided the rent by 100 so that the order of magnitude of the variance corresponds more closely to the odds of the dependent variables (Hox 2010).

Size is a numerical variable, indicating the number of bedrooms for each property.[4] For studio apartments, which usually have no separate bedroom, lessors often do not disclose the number

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[4] Although information on the surface could be provided in the online submission system of the real estate website we used, this was, contrary to number of bedrooms, not required. As a consequence, information on the

of bedrooms. Therefore, we assigned a number of 0 bedrooms to studio apartments. The number of bedrooms ranges from 0 to 6.

Lessor is a dichotomous variable, indicating whether the property is rented out by a real estate agent or a private landlord.

City is a dichotomous variable with two categories: Antwerp and Ghent.

In most cases, lessors also provided an exact address for the property. If they did not, the last test person inquired after the address. This address enabled us to assign each property to a statistical sector. Statistical sectors are the smallest unit of the Belgian territory for which socioeconomic statistics are calculated. In total, Belgium has 19,781 statistical sectors, with Antwerp having 299 and Ghent 201. With an average of 0.68 km² in Antwerp and 0.78 km² in Ghent, this territorial subdivision corresponds best with what constitutes a neighbourhood.

The availability of socioeconomic information at this neighbourhood level also enables us to test whether neighbourhood characteristics influence housing market discrimination against migrants. The variables were collected externally from the 'Buurtmonitoren', publically available statistics websites containing information at the neighbourhood level, derived from the federal statistics department.[5]

Percentage migrants is a metric variable, indicating the percentage of inhabitants without Belgian nationality per neighbourhood. Because a considerable percentage of ethnic minorities have attained Belgian nationality, the percentage of foreign nationals is an underestimation of the percentage of ethnic minorities. Antwerp and Ghent have different definitions of ethnic origin and hence ethnic minority status, meaning that a comparable

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surface was often missing. Therefore, we relied on the number of bedrooms as an indicator of size. However, surface and number of bedrooms were correlated 0.676, which indicates that number of bedrooms is a good proxy to determine the size of property.
[5] Available at http://www.antwerpen.buurtmonitor.be/ and http://gent.buurtmonitor.be/.

ethnic minority variable is unavailable for the two cities. However, the two different ethnic minority variables of Ghent and Antwerp are both highly correlated with the percentage of foreign nationals per neighbourhood in each city.[6] Therefore, the percentage of migrants is a good approximation of the percentage of ethnic minorities in a neighbourhood.

Median income is a metric variable, indicating the median net yearly income of all inhabitants in the neighbourhood. The variable is expressed in euros, and divided by 10,000 so that the order of magnitude of the variance corresponds more closely to the odds of the dependent variables (Hox 2010). This variable gives an indication of neighbourhood wealth.

Method

Given that properties are nested within neighbourhoods, we apply multilevel models. Therefore, we present two-level models: the (1) 579 properties are nested within (2) 199 different neighbourhoods.[7] Since our dependent variables are dichotomous, we estimate logistic multilevel models. Models were estimated using the MLwiN software package by applying the second-order penalized quasi-likelihood algorithm. We present two different models. First, we present a null-model, containing only the intercept, which enables us to decompose the variance at each level. In other words: this enables us to assess which proportion of the odds of being discriminated against is due to the neighbourhood where the property is situated on the one hand and which proportion is due to the property itself on the other hand. In the second model, we introduce all variables at the property- and the neighbourhood-level. For each model we display log odds, variance components and the standard errors of both. Log odds can be interpreted as the likelihood that an event occurs versus the likelihood that an event does not occur. A log odds higher than zero indicates that

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[6] For Ghent, 83.3% and for Antwerp, 86.1%.
[7] Although there are on average relatively few properties per neighbourhood, additional analyses limited to the neighbourhoods with at least 3 properties reveal the same results. Analyses not shown but available upon request from the authors.

being discriminated against is more likely than not being discriminated against. A negative log odds of, for instance, size means that for properties with a higher number of bedrooms, the likelihood of being discriminated against is lower than for properties with a lower number of bedrooms. To assess problems with multicollinearity, we tested additional models that did not simultaneously include the rent, the percentage of migrants and the median income of the neighbourhood, but the results from these additional models were similar.[8] All metric variables have been grand-mean centred.

Results

Table 1, which contains the descriptive statistics, shows that discrimination against ethnic minorities on the rental market is quite common: at least one of the ethnic minority test persons was discriminated against in 19.0% of the properties. This is somewhat lower than numbers of net discrimination against Arabic men in Sweden, with figures of up to 1/4 of the cases (Ahmed and Hammarstedt 2008), but comparable to discrimination of Moroccan men in Spain (Bosch et al. 2010). On the one hand, this difference might be partially attributed to the difference in methodology—a telephone versus Internet audit—but on the other hand, it might be attributed to the conservative test we conducted. By providing a very suitable fictitious identity, we reduced the likelihood of ethnic discrimination to a minimum. Although no information was supplied unless specifically asked for, our ethnic minority test persons were asked questions about various background characteristics—employment, income, marital state, children and so forth—more often than the control person. If we add this form of unequal treatment to the direct discrimination, our ethnic minority test persons were treated unequally in 33.6% of the properties. Given that we supplied a positive fictitious identity, it is not unlikely that ethnic discrimination would be higher for ethnic minorities with less favourable background characteristics. Previous research indeed reported a reduction in ethnic

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[8] Analyses not shown but available upon request from the authors.

discrimination if background information is supplied (Bosch et al. 2010). Therefore, it is more likely that we have underestimated rather than overestimated discrimination against ethnic minorities in the rental housing market.

TABLE 1 ABOUT HERE.

To test our first hypothesis, which predicted less discrimination for ethnic minorities who master the host society language better (H1), we look at the proportions discrimination against ethnic minorities with and without accent in table 1. Ethnic minorities with an accent are discriminated against in 15.5% of the properties, whereas ethnic minorities without an accent are discriminated somewhat less often, in 12.4% of the properties. This difference of 3.1% is, however, insignificant ($z = 1.522$; $p = 0.128$). This finding is in contradiction with previous research in the U.S., where Hispanic candidates with a lower English proficiency are discriminated more often (Hanson and Santas forthcoming). Therefore, we conclude that our first hypothesis is not supported by our results: host society language mastery does not protect against ethnic discrimination. Apparently, perceived differences in migrant integration do not lead to a lower occurrence of ethnic discrimination against second-generation migrants.

TABLE 2 ABOUT HERE.

To test our second hypothesis, which posed a higher occurrence of ethnic discrimination for the top tier of the rent segment (H2), we look at the relationship between rent and discrimination. Our models indicate that there is a curvilinear relationship between the rent of a property and the odds of being discriminated against as an ethnic minority. Figure 1 gives an illustration of this relationship. The log odds of being discriminated against are highest for the cheapest properties, lowest for more expensive properties and again higher for very expensive properties. This is contrary to our expectations and therefore we reject our second hypothesis as well. This effect of rent might have important socioeconomic implications for ethnic

minorities, however: because of the increased discrimination in the cheaper segments of the housing market, the choice of available properties is more restricted for minorities with weaker socioeconomic positions. This may force ethnic minorities into renting more expensive properties, thus further weakening their socioeconomic position.

FIGURE 1 ABOUT HERE.

To test our third hypothesis—whether discrimination is more common in neighbourhoods where less ethnic minorities live (H3)—we looked at the effect of the percentage of migrants in the neighbourhood. To test the occurrence of so-called 'tipping points' we test a curvilinear relationship between the percentage of ethnic minorities in the neighbourhood and discrimination.[9] There appears to be no association between neighbourhood segregation and discrimination against ethnic minorities. Contrary to previous research in the U.S. (Hanson and Hawley 2011; Ondrich et al. 2003; Page 1995), ethnic minorities do not run a greater risk of being discriminated against in neighbourhoods with fewer ethnic minorities. In the U.S., ethnic discrimination in the housing market may be due to lessors trying to prevent neighbourhoods crossing the tipping point (Hanson and Hawley 2011); this is not the case here. Therefore, we conclude that our third hypothesis is not supported by the results and that ethnic discrimination is not linked to ethnic residential segregation.

The absence of a relation between the presence of ethnic minorities in the neighbourhood and ethnic discrimination may be due to the relation between discrimination and socioeconomic segregation. In our fourth hypothesis, we predicted a positive association between neighbourhood wealth and ethnic discrimination (H4). We assessed the influence of the median income of the neighbourhood on the odds of discrimination. Again, as with the result for ethnic segregation, we can find no association between socioeconomic segregation and

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[9] A linear effect of the percentage of migrants in the neighbourhood is also insignificant. Analyses not shown but available upon request from the authors.

ethnic discrimination. Contrary to our predictions, discrimination does not occur more frequently in neighbourhoods where inhabitants have stronger socioeconomic positions. Therefore, we can conclude that this hypothesis is also not supported by the results and we find no indications of an association between the socioeconomic background of the neighbourhood and ethnic discrimination. Additional analyses[10] revealed that the link between segregation and discrimination is also absent without controlling for rent.

Conclusion and Discussion

In this paper, we focused on ethnic discrimination in the rental housing market. We assessed the prevalence of discrimination, possible differences in discrimination due to host society language proficiency, rent and the link between ethnic and socioeconomic residential segregation and discrimination. A telephone audit survey was conducted, resulting in data on 579 properties for rent in Antwerp and Ghent. The data for this survey were analysed using logistic multilevel models to simultaneously model the influences on ethnic discrimination for ethnic minorities. The results led to three interesting conclusions.

First, discrimination of ethnic minorities in the rental housing market occurs quite frequently. Even from the initial telephone contact, almost 1 in 5 properties ethnic minorities were discriminated against: whereas ethnic Belgians were invited to visit the property, an ethnic minority candidate was not. These figures are somewhat lower than the findings of previous research in Sweden (Ahmed and Hammarstedt 2008), but comparable to findings regarding discrimination of Moroccan men in Spain (Bosch et al. 2010). However, if we consider other forms of unequal treatment, like asking additional information, our results are comparable to the higher numbers in Sweden. Given that we performed a conservative test of ethnic

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[10] Not shown but available upon request from the authors.

discrimination and only focused on the first telephone contact, our findings probably represent an underestimation of ethnic discrimination during the whole trajectory of a candidate's housing search. Notwithstanding the illegal status of discrimination, the high prevalence and the widely known negative consequences of ethnic discrimination should impel policy makers to tackle this important issue.

Second, contrary to our expectations, discrimination against migrants who master the language of the host society better is not less common than it is for those who have lower language proficiency. Moreover, the characteristics of the property and the neighbourhood of the property affect discrimination against both migrant groups in a similar way.[11] A perfect mastery of the local language does not protect against discrimination. Although previous research in the U.S. did find an association between assimilation and ethnic discrimination (Hanson and Hawley 2011; Hanson and Santas forthcoming), our results are in line with research regarding Arab minorities in Italy (Baldini and Federici 2011), for whom written-language mastery did not reduce discrimination. Given that host society language proficiency is often associated with being a recent immigrant or a more integrated immigrant, this indicates that integration does not affect the probability of being discriminated against. As public discourse warrants against a rejection of the Western culture by second generation migrants (Lucassen 2005), this might cause the absence of a difference due to language proficiency. Since negative effects of perceived ethnic discrimination are often worse for better integrated second- than for first-generation migrants in a wide spectrum of different domains (Alba 2005), ethnic discrimination in the housing market might have even more detrimental effects for those better integrated second- generation migrants.

Third, we did not find an association between the percentage of ethnic minorities or neighbourhood wealth and ethnic discrimination. This contradicts the findings of previous

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[11] Analyses not shown but available upon request from the authors.

research in the U.S. (Hanson and Hawley 2011; Ondrich et al. 2003; Page 1995), where discrimination tends to be higher in neighbourhoods at the tipping point of ethnic residential segregation. The fact that we do not find the same effect in Europe may be due to the lower levels of ethnic residential segregation (Van Kempen and Murie 2009). Awareness of segregation may therefore be lower and attempts by lessors to reduce segregation around this tipping point, less common. If a relation between segregation and discrimination is found, this is assumed to influence segregation in the long term: when discrimination occurs more often in white neighbourhoods, segregation will be perpetuated through time. Given that we did not find this relationship, it seems unlikely that persistence of segregation through time is caused by ethnic discrimination in the rental market. We did find a socioeconomic gradient in spite of the absence of a relation between discrimination and socioeconomic segregation. This may indicate another negative effect of ethnic discrimination for minorities. Discrimination occurs more frequently for cheaper property. This may increase housing costs for ethnic minorities at the bottom of the rental housing market, creating additional difficulties for those in an already weak position.

One of the main limitations of our survey is inherent to the applied research design. Telephone audits have been subject to some criticism (Pager 2007): working with real test persons is less standardized than Internet surveys, which have become increasingly popular in recent years. Furthermore, if informed of the purpose of the research, test persons may adapt their behaviour. However, we reduced the influence of both the lack of standardization and the tendency to adapt behaviour by actively screening the test persons during the course of the research. Moreover, telephone surveys are more appropriate than written conversations for testing differences based on accents and language proficiency in discrimination.

A second shortcoming of our study is that we mapped only the very early stages of a candidate's effort to rent a property. Discrimination may occur at any time throughout the

rental process, from first contact to the end of the rental period. Previous research has also indicated that discrimination is common during other steps in the process (Roscigno et al. 2009). Because of feasibility issues, however, we were unable to monitor the whole process.

The third shortcoming is related to the structure of the housing market in Belgium. Given that Belgium is predominantly a buyers' market, we monitored discrimination only in a limited segment of the housing market. Further research would do well to examine ethnic discrimination for candidates who intend to buy as well, and could be extended to examining discrimination among credit institutions (Pager and Shepherd 2008).

The fourth and final shortcoming is that we were unable to verify the ethnic background of landlords and real estate agents. Only if the test persons discerned a noticeable accent during the telephone calls, a possible foreign background of lessors was registered. This was the case in only 9 properties. However, ethnic minority lessors might be situated more in neighbourhoods with a higher percentage of ethnic minorities. Therefore, a higher number of ethnic minority lessors might obfuscate the relation between discrimination and segregation, as we would expect ethnic minority discrimination to be less common among ethnic minority lessors. However, given that we have gathered a real-time sample of available property, our results should reflect the real-life circumstances of trying to rent a property for ethnic minorities, including from ethnic minority lessors.

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Table 1. Descriptive statistics

	Range	N (%) Ave. (Std.)	
Dependent			
Ethnic Discrimination			
No direct discrimination	0/1	469	(81.0%)
Direct discrimination	0/1	110	(19.0%)
With Accent			
No direct discrimination	0/1	489	(84.5%)
Direct discrimination	0/1	90	(15.5%)
No Accent			
No direct discrimination	0/1	507	(87.6%)
Direct discrimination	0/1	72	(12.4%)
Independent			
Type			
Studio Appartment	0/1	57	(9.8%)
Appartment	0/1	447	(77.2%)
House	0/1	75	(13.0%)
Rent	325-1,950	762.5	(240.80)
Size	0-6	1.74	(0.85)
Lessor			
Real estate agent	0/1	186	(32.1%)
Landlord	0/1	393	(67.9%)
City			
Antwerp	0/1	356	(61.5%)
Ghent	0/1	223	(38.5%)
Neighborhood characteristics			
Percentage migrants	1.3-79.4	30.9	(32.8)
Median income	12,044-32,167	20,009.00	(3,188.10)

Table 2. Logistic multivariate multilevel models of ethnic discrimination in the rental

housing market

	Null-model		Full model	
	Coef.	(Std. Err.)	Coef.	(Std. Err.)
Intercept	-1.567***	(0.129)	-2.436***	(0.474)
Property characteristics				
Type				
Studio apartment			0.226	(0.414)
Apartment			0.451	(0.590)
House			Ref.	
Rent			-0.310***	(0.091)
Rent²			0.031**	(0.012)
Size			0.216	(0.190)
Real estate agent			0.154	(0.281)
Ghent			1.053**	(0.397)
Neighbourhood characteristics				
Percentage migrants			0.010	(0.015)
Percentage migrants²			0.000	(0.000)
Median income			0.059	(0.623)
Variance				
Neighbourhood	0.511	(0.276)	0.324	(0.623)
Property	3.290		3.290	

* $p<0.05$; ** $p<0.01$; *** $p<0.001$ (two-sided); $N_{properties} = 579$; $N_{neighbourhoods} = 199$.
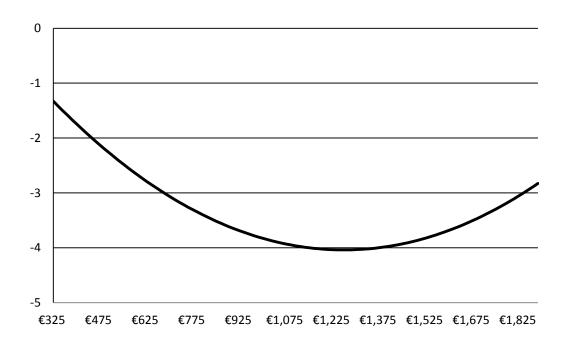
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Figure 1. The effect of rent on the log odds of being discriminated against for ethnic minorities