



Transnationalism–integration nexus: Examining the relationship between transnational housing investment and homeownership status in Canada



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ABSTRACT

The housing outcomes of immigrants in Canada vary mainly along ethnicity. However, many other factors including place of birth, length of stay in Canada, labour market outcomes, and discrimination among others also play a role. Although general patterns are observable at broad ethnic group levels, vast intra-group differences exist—with housing outcomes potentially being influenced by specific group behaviours such as transnational (housing) activities. This study investigates the relationship between homeownership in Canada and Ghanaian immigrant transnational housing investment. Logistic regression models are fitted on survey data collected among Ghanaian immigrants resident in the Greater Toronto Area. The results show an association between homeownership status in Canada and transnational housing investment. Interestingly, we found that immigrants with on-going housing projects in Ghana were more likely to own a house in Canada. Theoretically the findings demonstrate the importance of including a transnational perspective in immigrant housing integration research. The findings show that it is possible to simultaneously engage in transnational activities and remain integrated in the society of destination areas. This has wider implications for the transnationalism–integration debate within immigrant receiving nations across the world. Recognition of transnationalism as a possible conduit for enhancing integration in destination societies should result in eschewing alarmist perspectives which have been relied on to formulate anti-immigration policies.

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1. Introduction

This paper focuses on the relationship between immigrant homeownership in Canada and their transnational housing investment behaviours. Existing scholarship on immigrant housing experiences tends to focus on recency, income, educational differentials, employment and labour market access. However, these variables are internally oriented—only considering factors within national boundaries. Such methodological nationalism (Schiller, 2005) paints a picture which suggests immigrants are removed from engagement in activities such as investing in homes in origin countries, sending remittances and other transnational activities which directly affect all aspects of their lives in destination societies including housing outcomes. A study of transnational activities such as remittances and investment in housing in origin

countries is necessary for obtaining a more complete understanding of immigrant housing outcomes.

Although housing outcomes of recent immigrants in Canada vary vastly depending on many factors, place of birth and ethnicity, in particular, emerge as a strong predictors. Available evidence indicates that African immigrants are at the bottom of homeownership rates in Canada with European immigrants at the top (Darden, 2015). Darden suggests that the observed differences in homeownership rates among immigrant groups based on place of birth are the result of internal characteristics such as race and external characteristics (namely discrimination in housing and mortgage lending practices). For the most part, people from the same geographical area may share similar characteristics including ethnicity or race and socio-economic status among others. As such, immigrants with racial characteristics closer to the dominant group tend to have lower disparity in homeownership rates and the gap gets wider as racial characteristics get more pronounced. It is therefore not uncommon to find studies which examine

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ethnic/racial disparities in homeownership rates (Darden and Kamel, 2000; Haan, 2007a).

As noted by some scholars, studies of immigrant housing experiences usually lump minority ethnicities together in attempts at offering explanations for observed trends (Darden and Kamel, 2000; Haan and Perks, 2008; Teixeira, 2008). This usually is an over simplification of minority group dynamics. As Hulchanski (1997) rightly indicates minority groups are heterogeneous and have differentiated incorporation within society. As such, the housing experiences of immigrants may vary due to specific practices within diverse ethno-racial groups. According to Teixeira (2008) housing experience of Blacks in particular has not been given enough attention by previous studies. Teixeira argues that the general treatment of Blacks as a homogenous group in addition to the overall little attention given to researching their housing experience means that limited knowledge about housing experience of different Black communities is available. One major and urgent research task in the area of immigration and settlement involves the identification of barriers to successful settlement. Such research need to be undertaken and must be designed to cater for specific group practices which might be important for explaining integration patterns. In the case of Ghanaian immigrants, transnational housing investment is one such group specific practice that requires research attention.

Ghanaian immigrants were selected for this study for a number of reasons. First, a study based on the index of dissimilarity demonstrated that Ghanaian immigrants have the highest level of concentration within a small low income geographical area in Toronto compared to other groups (Owusu, 1999). In recent studies, researchers have found similar housing consumption and homeownership patterns among Ghanaians in Toronto (Mensah and Williams, 2013). According to the latest data from the 2011 National Household Survey, the Toronto area has the highest concentration of all Ghanaians in Canada (about 63%) relative to other locations. It is worthwhile pointing out that Toronto along with Vancouver are the most expensive housing markets in Canada—a factor which might be important in housing consumption decisions. Second, Ghanaian immigrants were selected due to the ubiquitous nature of the practice of transnational housing investment among members of this group in Canada and other parts of the world (Asiedu and Arku, 2009; Arku, 2009; Firang, 2011; Kuuire et al., 2016b; Obeng-Odoom, 2010; Owusu, 1998; Smith and Mazzucato, 2009). The pervasiveness of the practices raises questions of how it relates to various aspects of lives in destination areas including homeownership. Finally, research suggest that participation in social and religious networks (e.g. membership of ethnic/hometown associations and churches) encourage engagement in transnational practices (Chort et al., 2011; Grieco, 2004). This is because such networks offer avenues through which the traditional norms and practices of immigrants' origin are constantly re-enacted, leading to the growth and strengthening of transnational ties. The prominence of ethnic/hometown associations and Church membership are an integral part of the lives of Ghanaian immigrants in Toronto; these networks predispose them to engagement in transnational activities including housing investments (Mensah and Williams, 2014; Mensah, 2008; Owusu, 2000a, 1998).

Along with the growing influence of migration on both receiving and sending countries, previously held views of limited interaction between migration sending and receiving areas has significantly declined (Basch et al., 1994; de Haas, 2006; Moskal, 2015). Thus, the growth in the importance of transnationalism particularly in the recent decades compels its inclusion in the immigrant integration discourse. Yet, scholars interested in immigrant housing integration (particularly homeownership) tend to focus predominantly on factors such as ethnicity, residency type, length

of residence in Canada, geographical area of origin and their socio-economic status including education, income and marital status (Haan, 2005, 2007a,b; Murdie, 2003; Teixeira, 2008). Studies which examine the relationship between immigrant housing outcomes in Canada and their transnational engagements in general and transnational housing investment in particular are non-existent. To address this research gap, this study addresses the following question: is there a relationship between housing investment in Ghana and homeownership status in Canada? This is the first study to address this question among Ghanaian immigrants in Canada.

1.1. Explaining immigrant housing experiences and outcomes in Canada

Homeownership and occupancy standards are two important measures of immigrant housing integration. The former is generally used because it indicates immigrants have decided to settle and have a commitment to their new location (Darden, 2015). Therefore, home purchase by immigrants is not only a sign of residential integration but a symbolic and material marker of socio-economic achievement in their new environment. For example, in Canada 90% of ethnic minorities are foreign born and therefore homeownership is an important indicator of integration. Rising numbers in foreign born populations has increased general population diversity and in the wake of this, uneven homeownership rates along ethnic lines are also persistent (Darden, 2015; Haan, 2007b; Yu and Haan, 2012). For example, Yu and Haan found that in 2006 Black immigrants in Toronto had significantly lower homeownership rates (i.e.40%) relative to other foreign born ethnicities (Yu and Haan, 2012). Homeownership rates among other ethnicities ranged from over 50% among Mexicans to over 80% among Asian Indians. Similar patterns of low homeownership has been observed among immigrants from Africa across major cities in Canada (Darden, 2015).

Generally, immigrant housing careers improve over time—usually starting from lower levels such as moving from various forms of renting towards ownership (Preston et al., 2009). Although the housing careers of immigrants tend to improve with increasing length of stay in Canada, some scholars point to a general decline in overall performance on the housing market over the last three decades (Haan, 2005). Despite the increasing immigrant population over the past three decades, evidence points to a decreasing homeownership levels among immigrants in Canada's gateway cities of Montreal, Toronto and Vancouver (Haan, 2005). The observed decline has been attributed to cohort effects—i.e. a shift in immigrant compositional characteristics from a predominantly White-European migrant population, to non-white minority immigrants. Less privileged economic origins of recent immigrants has been suggested as an explanation for their inability to achieve similar homeownership as observed in earlier cohorts. Other reasons for the decreasing trend include reduction in labour success of immigrants as well as the subtle role played by issues such as educational attainment and immigrant recency. Some scholars have also argued that the predominantly non-white immigrants of recent decades are confronted by a pre-existing racial order which makes it impossible to mimic homeownership rates attained by previous cohorts of immigrants. For example, Murdie (2002), found that Polish immigrants to Toronto live in better neighbourhoods and progressed in the housing career better than Somali immigrants given similar dates of first arrival in Canada. Teixeira (2008), also demonstrates the important role played by race in the Toronto rental housing market using the housing experience of Portuguese speaking immigrants and refugees from Angola, Cape Verde and Mozambique.

Arguing against the racial-order viewpoint, other scholars suggest that segmented assimilation or ethnic enclaves may offer a

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