Moving out during College

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Es war einmal vor langer langer Zeit in einer weit entfernten Galaxie........zwei
einsam Jedie von der Neugier getrieben und ausgestattet mit SOEP Dataset erforschten
sie die unergrndlichen Weiten des menschlichen Verhaltensweisen. In dem Dschungel der
Daten finden sie auf einmal eine Hhle ber der " Moving out in College" steht. Ein zgern,
ein unsicher ausgetauschter Blick und schon marschieren die beiden mit gezckten
Lichschwertern(laptops) in da

Contents

Introduction

'Both the destination and the timing of young people's home-leaving are .... crucial in determining later life opportunities.' *$Buck_1$993

Higher education defines the reason and therefore determines the destination for many young people leaving home. On the other hand the number of study courses in Germany increased in the last 10 years by 69% (HRK, 2017) and the dispersion of universities across all German cites gives young people the choice to either stay home or move out to achieve tertiary education. In section 2 we will review several papers, which try to identify the timing of leaving by comparing institutions and social environment across countries. Germany has a rich social welfare system, which tries to provide same possibilities for young people independent of their social background. We assume there have to be other driving factors beyond structural and social environment. Furthermore we hope to prove that these factors not only determine the decision process, they are also part of the individual's human capital, which has impact on their labor outcome, e.g. wage. Also the action of leaving could be seen as a facet of human capital itself, because it should widen the individual's social network and therefore endows her with another advantage comparing to the stay home alternative. The German Socioeconomic Panel gives us the chance not only to control for social heterogeneities, but also identify varieties in personality across the observed individuals. If we could access more detailed information on the households location, which was not possible due to the short time of conducting the research, we could also identify the variety in the dimension of the social structural break each leaving individual faces. This leaves us with the following reduced form of a possible research structure on this question: Starting with a review of the related literature in section 2, we continue by introducing a basic Roy framework(ROY, 1951a) for the decision process, section 4 lays out our estimation strategy, section 5 will describe our results and in the last section we gonna conclude and draw further research possibilities.

Literature Review

The relevant literature concentrates in principal on varieties in social, institutional and cultural varieties across countries. This field of literature was initiated by (Kiernan, 1986), comparing the age of moving out and the form of residence of young people in six European countries. She finds that young people in Denmark are the first ones to leave, followed by West Germany, France, the Netherlands, Ireland and the UK. Women leaving earlier than men appears across all of these six.

Several papers proof a systematic difference between geographical regions in Europe. (Holdsworth, 2000) compares Britain and Spain and indicates the patterns Billari2001 find looking at cohorts born around 1960 in whole Europe. He states an increase of the leaving age north to south. While the eastern European countries match the tendency of the southern European countries. The median for leaving parental home in Nordic countries is around 20 for southern and eastern European countries around 27. Germany ranks in this data just behind the Nordic countries and on the same stage as France with a median around 22. Across all countries he finds that women leave earlier than men. The reason, young people leave home also differs systematically. In southern European countries children leave their parent's home in a high share for forming a union with their partner and not before finishing education. In the Nordic countries and central European it is vice versa.

Aassve2002 show the same systematic difference by comparing ECHP data. They try to lead this pattern back to the difference in culture but also on the difference in welfare policies.   They divide Europeo in three different welfare regimes:

Southern European Welfare Regime with low level of support for young people. Conservative Continental welfare regimes, which are France and Germany. The third class

is defined as Liberal and Social Democratic Welfare Regimes, which include the Nordic Countries and the UK. For the Conservative, Liberal and Social Democratic welfare regime, they can't proof a significant pattern for family or individual income. While in southern European countries the individual income is highly significant for men and family income for woman. In anothery paper *Aassve2002a*study US data and find the same reasons for leaving as in southern European countries. Therefore they design a model, similar to the one of job search, to determine the decision of moving out as the successful match on the marriage market. They argue that the income channels through the "good catch effect"(high income individuals get more marriage offers) on the probability to move out earlier.

$*Laferr_re_2004lookattherentalassistancereforminFrancein1992. The reform included an extension of the$

$1996rose, compared to same period before the reform, by 3\%. Out of the new formed households the share of househ$

$Laferrere_2004hearguesthatthisrisehastobeinterpretwithcaution, as student numbers increased in the same yea$

Theoretical Framework

This chapter deals with the theoretical basis of our analysis, a simple Roy model setup. Introduced by Roy in 1951 the conceptual framework of the generalized Roy model provides the opportunity to explain self selection behavior by unobserved heterogeneity in the agent's characteristics (ROY, 1951b). We will use this approach to illustrate the decision process of individuals to leave their parent's household during tertiary education. Note that we will follow the notation in $*Heckman_2005.$

The model relies on different basic assumptions. Firstly we assume that the agent behaves such that he or she maximizes its utility function. Secondly the wage of an agent i

has the following form:

$$log(income_i(\omega)) = \mu_\omega(X_i) + \varepsilon_i \tag{1}$$

where X_i is the agent's characteristics that influences the income via a the function μ_ω. The function μ_ω depends on the decision parameter $\omega \in \{0,1\}$ that indicates whether the agent has decided to leave the parental household during tertiary education. ε_i is the change in wages independent of the agent's characteristics. The independent changes ε_i are assumed to be distributed conditional on the agent's characteristics X_i according to a normal distribution with mean 0 and variance σ_ε. Further on it is assumed that the log wage of an individual enters the utility function directly without any additionally transformation.

It should be obvious that leaving your parental household during tertiary education is associated with costs. This costs can be of monetary form but could also be difficult to translate in monetary values. Additionally we assume that the costs depend on the characteristics of an individual i. Because of this the cost function is valued in utility terms and denoted as a function $C(X_i)$. Moreover we will not discuss any functional form of the cost function to keep the framework as simple as possible.

Following this argument the agent i has two different utility states dependent on its decision. $Y_{i,1} = log(income_i(1)) + \theta_i - C(X_i)$

$= \mu_1(X_i) + \varepsilon_i + \theta_i - C(X_i)$

$Y_{i,0} = log(income_i(0))$

$= \mu_0(X_i) + \varepsilon_i$ *The indices 0 and 1 indicate the decision of the agent. The parameter θ_i is the agent's additional non income related utility she obtains for leaving its parental household. It is assumed that $\theta_i \mid X_i \sim N(\delta_\theta, \sigma_\theta)$ with the population mean δ_θ and variance σ_θ. Note that θ_i reflects the heterogeneity regarding the utility surplus of leaving the parental household within the population. In addition we assume independence of θ_i and*

ε_i. *Composing the two states together leads to the utility $Y_i(\omega)$ of the agent as a function of its decision ω.*

$$Y_i(\omega) = \omega \, Y_{i,1} + (1 - \omega) \, Y_{i,0} \tag{2}$$

Next we consider the agent's decision process. An agent i decides to leave its parental household if its surplus S by doing so is positive, or in terms of our framework:

$\omega_i = 1\{S = Y_{i,1} - Y_{i,0} > 0\}$

$\quad = 1\{\mu_1(X_i) - \mu_0(X_i) + \theta_i + \hat{\varepsilon}_i - C(X_i) > 0\}$ *For further analysis we impute that the function $\mu_\omega(X_i)$ is linear in the agent's characteristics and that the decision to leave leads to a change in income by γ.*

$$\mu_\omega(X_i) = \beta X_i + \omega \gamma \tag{3}$$

Simply inserting (2) in (4) leads to the following condition that determines the agent's decision:

$$\beta \hat{X} + \gamma + \theta_i - C(X_i) + \hat{\varepsilon}_i > 0 \tag{4}$$

$\hat{X}$ and $\hat{\varepsilon}_i$ denote the differences in the regarding parameters for each decision state. Decomposing θ_i in its mean δ_θ and a variable parameter ν_i and rearranging (5) leads to

$$\nu_i + \hat{\varepsilon}_i > -\beta \hat{X}_i - \delta_\theta - \gamma + C(X_i) \tag{5}$$

Condition (5) provides the opportunity to check different intuitive assumptions on how the agents behave if different parameters of our model are shifted. With holding all other parameters and assumptions about distributional characteristics constant an increase in δ_θ will potentially increase the number of individuals for which (5) is full filled. In other words, a general increase in utility obtained by leaving the parental household during tertiary education within the population will potentially increase the number of individuals

for who (5) holds.

Vice versa an increase of the costs $C(X_i)$ will work the other way round so that the number of individuals with (5) holding would decreases. This seems to be an intuitive reaction. If costs for leaving your parental household are rising it could be optimal for the individual to decide to stay.

Last but not least an increase in γ, the increase in income associated with leaving your parental household, will also lead to a potentially increase of the individuals that decide to leave their parental household. From this perspective the model seems to be accurate to illustrate intuitive reactions of individuals associated with their decisions.

Since we assumed independence of θ_i and ε_i, dividing both sides by $\sigma_{\theta,\hat{\varepsilon}_i}$ will ensure that the left side of the equation follows a normal distribution with mean 0 and variance 1. It follows that the probability that this condition holds is equal to

$$P(moving_i = 1) = 1 - \Phi(o) \tag{6}$$

with $o = \frac{-\beta \hat{X}_i - \mu_\theta - \gamma + C(X_i)}{\sigma_{\theta,\hat{\varepsilon}_i}}$ and $\Phi(\dot{)}$ as the cumulative distribution function of a standard normal distribution.

Some references: (Heckman, 2001; Roy, 1951)

Estimation Strategies

Decission to move out

The evaluate the decision to move out we regress the decision to move out upon etc. . . .

Dependent Variable.

The main problem we were facing during our analysis was that there is no generated variable that could work as a proxy for our topic of interest in the SOEP. Therefore we developed the following strategy to identify, if an individual had left his or her parental household during tertiary education, based on the observation of the individual's household identifier.

We start by filtering all individual who obtained tertiary education from the bio-education data set provided in the SOEP core data. In the next step we restrict the data set to individuals for who we know when they graduated from university. This reduces the number of individuals from 12877 to only 2511.

Further we had to ensure that we observed individuals before they decided to leave their parental households. Not only because we want to integrate different covariates based on the parental characteristics but also to ensure it is possible to identify the year of leaving. We did this by restricting the sample again based on the $stell variable that provides information about the relationship to the head of household. We keep only individuals who we observe as children in their original household before they graduated. This leads to a additional decrease so that we remain with 1363 individuals.

Lastly we created a dummy that indicates whether an individual left his or her parental household by comparing the original household number of the individual with the wave specific household identifier (hhnrakt) in every year until his or her graduation./last year observed in tertiary education We found that from the 1363 individuals 592 stated to left their parental household during their tertiary education.

Independent Variable.

Birth cohorts

(Holdsworth, 2000) points out that reason and destination of young people leaving home has shifted from leaving for marriage and then co-residing with the spouse, to an demand of young people expiriencing independent living, before building up an union with their future companion.

Gender

Across all european countries, policy envoirements and social groups (Billari, Philipov, & Baizán, 2001) and (Aassve, Billari, Mazzuco, & Ongaro, 2002) find that women leave earlier than men. Therefore we need to control for students in Germany as well.

Household income

It is very intuivly that the houshold income at the time of moving out, is a driving factor. On the other side has Germany student subsidy programs, which should provide a income independent decision of residency. *Laferrere2004 shows the househol income 's effect ambiguity on the decision of leaving home. While parent's higher income could result in a less constraint choice of a dwelling, it also can indicate better facilities, i.e. space in the parental home.

Migration Background

We control for a Migration background not only because (Billari et al., 2001) and Aassve2002 find different patterns across European countries, but also $Jeong_2 013 show that immigrants in Canada keep the leaving age tendency of their home country for the first ge$

Parent's educational background

We control for the influence by parental education with dummy variables for the achievement of the highest school diploma in Germany(Abitur). It is well documented in the literature, that a higher parental education raises the probability of the children to go to college. (Holdsworth, 2000) shows that in Britain as well as in Spain higher education of the father raises the probability of moving out to pursue higher education. For Britain she also proves the impact of the mother's education, while in Spain it doesn't have a significant effect.

The variables mentioned above were all subject to studies on the behavior of moving out before. In this paper we use a different approach to explain the decisions of a young adult to move out before college graduation. The approach allows to control for heterogeneity in personality as a driving factor for the decision. We faced for all following Variables the Problem, that they were measured at different at points in time. For members of our treatment group, i.e. for the people moved out during college, we used the data justifiable to be valid at the time of decision taking. For individuals living at home at the end of their study we used data justifiable to be valid 3 years before ending their education. This rule to choose the adequate point of time was also applied for the household income.

Big Five

*Allport$_1$936 startedwith 17, 953 personalitydescribingwordsandreducedthem4, 505 personalityadjectiv

 Caliendo2013 describe the personality traits as follows:

Openness to new experience describes the ability for seeking new experiences and exploring novel ideas. Individuals with high scores should be creative, innovative and curious (McCrae, 1987). It is also strongly correlated to cognitive skills, especially to intelligence related to originality and broad-mindedness *BARRICK$_1$991.

Conscientious individuals are described as achievement orientated on one side and

on the other as hard workers, efficient and dutiful.

Persons with high scores in extraversion are predicted to be assertive, dominant, ambitious, energetic and seek leadership roles $Judge_1999$.

Agreeableness focuses on interpersonal relationship. People with a high score are forgiving and have a trusting nature, though they are very cooperative. A low score would indicate a self-centered and hard bargaining individuals.

Neuroticism or as a opposite pole emotional stability as Caliendo2013 uses it. Neuroticism in his negative interpretation, so low scores, are individuals characterized as self-confident, relaxed and able to tolerance stress. Though they can manage performance pressure, remain optimistic and maintain relationships towards others.

These five factors are measured in the SOEP in a battery of 15 questions. We use the insights of the factor analysis in *schupp2007 to identify for each of the five the main three items and their algebraic sign on the trait. For the negative items we reverse the ranking and therefore generate each trait by adding the three items and z-normalize them. $In *Cobb_Clark_2012 and Elkins2017 show that for individuals in their adolescence groups a mean-level consistency for at least 4 years. Therefore we can include in the dataset for determining the choice only individ$

$Caliendo_2013 discuss the explanatory value of further non-cognitive traits, e.g. Locus of Control and Willingness to take Risk. Using a factor analysis they show their value to$

Locus of Control

The idea of Locus of control was first introduced by (Rotter, 1966). He uses a two dimensional concept describing the internal locus of control (What happens in my life depends on myself) and the external locus of control (What happens in my life depends on fate, luck and the actions of others).

$*Berger_2016 use SOEP data to construct a one dimensional locus of control score using five items of the quest$ $Berger2016. We again use the work of *$

$Cobb_Clark_2012$ and $Elkins2017$ $toassumeaconsistencyof2to3years.$

Willingness to take Risk

The Willingness to take Risk is measured through a 0 to 10 scale in the

SOEP. $Dohmen_2011showthatthismeasurehasahighcorrelationwithmeasuresofriskinothercontextsTherefo$

Outcome of moving out

To calculate the impact of moving out we use a augmented Mincer equation:

$$log(income_i) = \gamma moving_i + \beta X_i + \alpha C_i + \varepsilon_i \qquad (7)$$

$income_i$ is the annual individual wage. $moving_i$ is our dummy variable indicating moving

out before graduating. X_i are the characteristics in augmented Mincer regression,e.g.

years of education, experience full time, experience full time squared, Big Five, etc. . C_i

are control variables, i.e. state of residence and field of employment.

Descriptive Statistics

In this chapter we will analyse the structure of our samples used to evaluate the

decision and the return to moving out. The sample of people for which we could identify

the decision consists in total of 1,301 individuals. We see that the share of people left

before graduating

*$Feingold1994Heckman_2006$

Results

Decision

For our analysis on the decision we restricted our sample to individuals finishing studys at the age of 35 or younger. We alllrgue that otherwise, the condition to move out before graduating, becomes otherwise irrelevant.

A very intuitive and obvious result is the age of completing education. The later young adults complete tertiary education the higher propensity they show to not live at home at the time of graduation.

Also we observe trends as they were described in the mentioned literature about patterns appearing across all countries. Throughout all sample sizes and after controlling for all possible covariates we find a significant impact of the birth year for people born after 1979. For children born in the nineties this impact gets even larger, stays highly significant and is completely in line with trends in recent history, as described in (Holdsworth, 2000).

The gender variable has throughout all regressions a positive effect on the probability. This is in line with the findings of Billari2001 across all European countries. The insignificance is due to the correlation of gender with personality traits, which will be discussed later.

For the second regression, we include the social background of each individual. This data is missing only for 78 individuals, so we only face a minor reduction. The variables of the first regressions stay, while the only one of significant effect added is the education of the mother. It stays significant except of one regression, which we not gonna grant any further interpretation.

As Locus of Control, Willingness to take Risk and the Big Five were first measured

in the 2000s we exclude the seventies dummy variable for these regressions, because none

of the students at time of measuring was born before 1970.   Otherwise we would our

analysis would suffer a dummy variable trap. Furthermore our sample consists after

including the Big Five of less than half of the original sample, precisely 546 . Including

locus of control and willingness to take risk we end up with minimum sample size of 485

individuals. Due to this restriction our further interpretations have to be considered with

caution. But on the other hand, this reduced sample possibly leaves us with very

constraints possibilities to find significant effects. Due to the questioning, the treatment

and the control group only consist of individuals finishing tertiary education.

As non-cognitive skills, like the Big Five and Locus of Control play a major role in education

decisions $Heckman_2006$, thereforeourindividualshaveasmallvarianceintheseskills.AlsoWillingnesstotakeRi

Laferrere2004. Forthemigrationbackground, wecanagainapprovethehypothesesofthestrongGermanwelfar

The only facet of the Big Five driving significant the decision to move out is

Agreeableness. Again this only becomes significant, after including all explanatory

variables, which are able for us to control for. This result seems to be intuitive, as a high

score indicates a social compatibility, which is key to adapt in new living arrangements.

Also we would assume further heterogeneiteis driving the decision, but due to the small

varieties in these measure due to the selection of college students, we cannot identify

further factors.

Wage Regression

We run several cross-section and panel regressions in order to see if leaving your

parental household during tertiary education influences an individual's earning .   In both

settings we start with a standard Mincer-regression in which we include our decision

dummy (Mincer, 1974, 1958). Subsequently we augment the standard regression with

measures for cognitive and non cognitive skills.

Cross Section.

With exception of the first two columns we include several control variables like the state of residence, social background information and information regarding the field in which the individual is employed.

As expected the standard mincer factors, years of education, experience and squared experience have sigvaficant effects throughout every of our regressions. This is conform with the impressive importance of the mincer equation in the human capital literature Heckman$_2$003.

Even our decision dummy shows positive significance on the 10% level in the first expansion of the standard mincer regression framework. Unfortunately this effect vanishes as soon as we include the control variables. We suppose that two main reasons drive this results.

First we assume there is a selection bias, because the decision to leave the parental household is associated with a following up process by the GSOEP. This makes it potentially more unlikely for an individual to stay in the GSOEP, if she left home compared to co-residence during tertiary education. Additional our identification is based on the exact reporting of the residence status. As in Germany forming a new household is associated with administration costs, like broadcast contribution or other possible monetary disadvantages, our sample could be exposed to a kind of Social Desirability Bias. That is an incentive to not report, if they already moved out, because it would contradict their official deceleration. Following these arguments our sample could exist of a smaller share of people leaving the household.

Second there is an identification bias. As written in chapter 4, we could only identify for about 10 percent of all individuals, who obtained tertiary education, whether they left their parental household or not. This is due to the fragmentary data from the

BIOEDU data set, which left us creating the dummy variable only for individuals followed through their whole adolescence. Therefore it seems to be likely that our treatment variable doesn't reflect all the individuals left home before graduating.

The results regarding the personality traits summarized by the big fives are ambiguous. Only the coefficients for agreeableness and neuroticism are significant on the 1% level through all regressions in which the big fives are included. We find a negative impact on wages for both factors. An increase of one standard deviation in Agreeableness and Neuroticism leads to an decrease in wages of 3%, respectively 2.8% (see Table columns). This seems to be in line with the previous literature's results. So the reverse of Neuroticism, emotionally stability has a positive impact on wages in

Heineck2011,Judge1999,Mueller$_2$006,Nyhus2005and Boudreau2001.,whereasagreeablenessisassociatedwith

Heineck2010and Judge1999 .Only $*$

Nyhus2005 and Heineck2011 statenonsignificanceforConscientiousnessrespectively Extraversion.

In all our regressions that include Locus of Control as a dependent variable it shows as highly significant on the 1% level. An increase of one unit in Locus of Control leads to an increase in wage by 6.44% (see table column). This seems to be conform with findings by Cebi$_2$007and $*$Heineck$_2$010.

In contrast to Locus of control, the effect of the self reported Willingness to take Risk shows only significantly different from zero as long as the big five are not included in the regression.

Last but not least we included last grades in school in math, German and foreign language as a proxy for cognitive ability. Note that the implementation of this proxy for cognitive skills shrinks the sample size dramatically. Nonetheless we find that only the last grades in math have a significantly different effect from zero. Because of the German grading system that goes from 1 to 6 where 1 indicates the best achievable grade the coefficient is negative. A decline of one level , indicated by an increase in the related

variable by one unit, decreases wages on average by 4.35%.

Panel Regression.

Unfortunately it would be to restrictive to construct a balanced panel from the 2005, 2010 and 2015 wave because that would lead to a immense decrease in the number of individuals in our group of interest. Additionally an unbalanced panel poses the risk of an sample selection bias, because the response rate could be dependent on an individuals characteristics. Therefore we have to abstain from a fixed effects estimation approach. We try to compensate for this by including random effects to account for unobservable heterogeneity and time fixed effects in our regressions. Note that the random effects approach relies on the assumption that the individual specific effect is independent from all independent variables. We argue that the variety of variables that we include in our regression represent a considerably amount of an individual's characteristics. Following this argument we assume that the random effects estimator is consistent.

The results from the panel regressions confirm the cross section results. As before all Mincer coefficients are significantly different from zero on the 1% level throughout all regressions. In the pooled OLS regressions in which we excluded the control variables our decision dummy shows significant on the 1% level. Nonetheless the effect disappears when adding family background, state of residence and fields of industry as control variables. As mentioned before this could be associated with the different biases we were facing during the identification process.

However when we include all control variables, the locus of control, own willingness to take risk and the big five in a random effects regression the coefficient for our treatment dummy shows significantly different from zero on the 1% level. This means that an individuals that are part of our treatment group earn on average a 7.06% higher wage (see

Table 3 column 7).

The results for the big five seem to be accord with the cross section analysis. As before the coefficients of Agreeableness and Neuroticism are significant on the 1% level throughout every regression.

A increase of one standard deviation in Agreeableness and Neuroticism leads to an decrease in wages of 2.75% respectively 2.04%. As mentioned before this seems to be in line with previous literatur's results (Boudreau, Boswell, & Judge, 2001; Mueller & Plug, 2006; Judge, Higgins, Thoresen, & Barrick, 1999; Heineck, 2011). Unlike in the cross section regressions, Conscientiousness has a positive significant effect on the 5% respectively the 10% level even if locus of control and own willingness to take risk is included. It becomes insignificant when we include last grades in school as a proxy for cognitive skills.

In contrast to the cross section regressions, own willingness to take risk has also an significant effect on the 1% level even if the big five are included. An increase of one level in own willingness to take risk increases an individual's wage on average by 0.7%.

Including last grades in math, German and foreign language decreases the number of observations from 15519 to 8102. Nonetheless the patterns look similar to the previous regressions. Last grades in math are still significant on the 1% level, grades in German are significant on the 10% level but only in the pooled OLS regression whereas foreign language skills doesn't show significantly different from zero at all.

Conclusion and Research Proposal

The analysis of the decision and the outcome of moving out can not be concluded with clear results. We tried to find differences across non-cognitive characteristics which determine the choice to move out. The main problem we faced, was that our data set had no clear identification possibility for all students finishing tertiary education. Therefore we had to rely on the individuals followed from their highs school graduation to their tertiary education degree. This caused a biased sample, which possible suffers from the following deficiencies: First the share of people leaving home is lower(Selection and Social Desirability Bias). Second the treatment and the control group only exists of a fraction of the people graduating of college(Identification Bias). On this sample we still proofed the structural patterns, which where already stated in the literature, but results beyond this layer where very poor. By including personality parameters we again faced a huge cut in the sample, as those where only measured in the middle of the 2000s, except the first measure of Locus of control in 1999. Therefore besides proofing the by the literature indicated structural and social patterns, we only proofed an impact of Agreeableness on the the choice. We tried to proxy for the dimension of the break in social environment by a probit regression on the decision to leave the federal home state. But due to the selection

bias, we only got a very small treatment group and therefore couldn't identify any significant parameters. For a closer look at that topic, the GSOEP could be in the more distance future a appropriate data source, as the DIW increases right now the sample size every year and therefore the group, for which the identification is possible, will grow and maybe drive the impact of the biases back.

In the wage regression, we faced the same problems with our sample. But as a lot of individuals in our sample are not yet integrated in the labor market, the GSOEP could be already in the near future appropriate. Also we assumed that the new social environment and therefore larger network of a individual leaving, could have a positive impact. Due to the short time of research we couldn't include the geographical data of every household and therefore couldn't integrate a measure of the dimension of the networks.

This caused a biased sample which suffers at the following possible deficiencies: First the treatment and the control group only exists of a fraction of the people graduating of college.(Identification bias) Second the share of people leaving is smaller due to the hazard of following up children left the household (Selection Bias). Third individual's, moved out, but didn't declare this to the registration office will make false statements(social desirability) and therefore the share of people moved out will be lower.

We find for the decision to move out, beyond the by the literature predicted social background parameters, only the big five facet Agreeableness as a significant factor. We face some very strong biases we can't control for and therefore can't really

Appendix

No cite w(2017, n.d.)

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