

Abstract

In various macro-studies, home-ownership is found to hamper job mobility and to increase unemployment. This paper addresses similar issues, but uses a micro-econometric framework where both individual job mobility, as well as the probability of being homeowner are modeled simultaneously. Using a panel of individual labor and housing market histories for the period 1989-1998, we estimate a nonparametric model of both job durations and home-ownership. We do not find homeowners to change less from jobs than tenants. Instead, our results suggest that the housing decision is driven by job commitment, and not the reverse. We do however find homeowners to be less vulnerable for unemployment.