Stratified by Space: How Housing Prices Shape Residential Outcomes of Taiwan's Internal Migrants

Over the past five decades, Taiwan's rapid industrialization and economic transformation have driven large-scale internal migration, particularly from rural areas to urban centers. This migration has contributed significantly to both urbanization and suburbanization (Lin 2005). More specifically, in 1980, the internal migration rate reached 14.82% and remained between 11% and 13% until 1993 (Hsueh et al. 2007). Although not the sole or most decisive factor, there is little doubt that the pursuit of improved employment opportunities and better livelihoods has been a major impetus for internal migration.

Despite the significance of these migratory flows, the neighborhood outcomes of internal migrants—especially those originating from non-urban backgrounds—within the context of Taiwan's rapid socioeconomic development remain insufficiently understood. Likewise, the processes through which internal migrants in Taiwan convert their individual social characteristics into neighborhood outcomes—commonly referred to as residential or locational attainment (Logan and Alba 1993)—have received limited empirical investigation. This study addresses this gap by investigating both the neighborhood outcomes and residential attainment processes of internal migrants, with particular focus on those who relocated from non-urban areas.

Special attention is given to the role of housing prices in urban areas as a key mechanism of place stratification that may constrain internal migrants from fully realizing favorable neighborhood outcomes, even when they experience upward social mobility (South et al. 2011). Notably, as Taiwan has undergone extensive urbanization and suburbanization, urban housing prices have risen sharply. For example, the average price of newly constructed apartment complexes increased from NT$7,200 per square meter in 1986 to NT$86,600 in 2020 (Ministry of the Interior Real Estate Information Platform 2025). Owing in part to limited urban land supply, Taiwan now ranks among the world's most expensive housing markets, placed ninth globally in terms of price-to-income ratio, at 23.5 (NUMBEO 2024, 2025).

Guided by theories of spatial assimilation and place stratification, this study seeks to answer the following research questions: (1) Are the neighborhood socioeconomic conditions of internal migrants—especially those from non-urban areas—more disadvantaged compared to those of urban natives? (2) Are internal migrants from non-urban origins less able than urban natives to translate their individual socioeconomic resources into desirable residential outcomes? (3) To what extent, and in what ways, do urban housing prices moderate the process of residential attainment among internal migrants, particularly those from non-urban backgrounds?

To address these questions, the study draws on data from the 2015, 2020, and 2022 waves of the Taiwan Social Change Survey (TSCS). The analytical sample is restricted to respondents

residing in urban areas at the time of the survey. The primary dependent variable is neighborhood quality, operationalized as the percentage of village residents aged 15 or older holding a college degree. To capture relative neighborhood standing, this percentage is converted into a percentile rank within each respondent's county of residence, such that higher ranks indicate higher neighborhood quality.

The key independent variables include internal migration background, individual socioeconomic status (SES), and county-level housing prices. Respondents are categorized into three groups: urban natives, internal migrants from urban areas, and internal migrants from non-urban areas, based on the match between current county of residence and that at age 15. SES is derived from respondents' occupations using the International Standard Classification of Occupations (ISCO-08) and classified into high, middle, and low status. County-level housing prices are measured as the average price per square meter based on official sales contract data.

The analysis controls for both individual- and urban-level covariates. Individual-level controls include gender, age, racial/ethnic background, marital status, years of education, duration of residence in the township, and survey year. Including these controls helps mitigate concerns about selection bias. At the urban level, controls include population density (log-transformed), net migration rate, and homeownership rate, which help isolate the effects of place stratification beyond those attributed to housing prices (Crowder et al. 2012). The study employs multilevel modeling techniques to account for the nested data structure.

Findings reveal that, overall, internal migrants—whether originating from urban or non-urban areas—tend to reside in neighborhoods of higher, rather than lower, quality compared to urban natives. However, the extent to which internal migrants, particularly those from non-urban backgrounds, are able to translate their SES (e.g., occupational standing) into neighborhood advantages is relatively constrained. Moreover, the neighborhood advantages associated with internal migrant status become less pronounced in urban areas with high housing prices. In such high-cost contexts, internal migrants are less able to convert their socioeconomic resources into favorable neighborhood conditions relative to urban natives. Notably, for high-SES internal migrants, their socioeconomic advantages become negligible when housing prices are elevated.

Taken together, this study contributes to the literature on residential attainment by focusing on Taiwan—a society undergoing rapid development, extensive internal migration, and rising housing affordability challenges. It extends theories of spatial assimilation and place stratification by highlighting the conditional nature of internal migrants' residential advantages. In high-cost urban environments, internal migrants not only encounter constrained neighborhood opportunities but also diminished capacity to convert their socioeconomic resources into residential mobility, underscoring the persistent role of housing market stratification in shaping urban inequality.

Table 1. Multilevel Estimates of Neighborhood Quality by Migration Status, SES, and Housing Prices

| | Model 1 | Model 2 | Model 3 | Model 4 |
|---|---|---|---|---|
| Migration Status | | | | |
| Urban Natives | Ref. | Ref. | Ref. | Ref. |
| Urban Migrants | 0.1188*** | 0.1229*** | 0.2648 | 0.2224 |
| | (0.0169) | (0.0196) | (0.1302) | (0.1593) |
| Non-urban Migrants | 0.1037*** | 0.0935*** | 0.2385* | 0.2611* |
| | (0.0177) | (0.0180) | (0.1080) | (0.1116) |
| SES | | | | |
| Low | –0.0890*** | –0.0993*** | –0.8860*** | –0.0731 |
| | (0.0135) | (0.0164) | (0.0134) | (0.1441) |
| Middle | Ref. | Ref. | Ref. | Ref. |
| High | 0.0249 | 0.0413 | 0.0243 | –0.0143 |
| | (0.0211) | (0.0317) | (0.0212) | (0.2079) |
| Housing Prices (ln) | 0.0160 | 0.0144 | 0.0363 | 0.0339 |
| | (0.0594) | (0.0594) | (0.0675) | (0.0640) |
| Urban Migrants × Low | | 0.0089 | | –0.0458 |
| | | (0.0298) | | (0.2277) |
| Urban Migrants × High | | –0.0401 | | 0.1838 |
| | | (0.0416) | | (0.2919) |
| Non-urban Migrants × Low | | 0.0382 | | –0.2131 |
| | | (0.0216) | | (0.2262) |
| Non-urban Migrants × High | | –0.0182 | | 0.1074 |
| | | (0.0245) | | (0.2528) |
| Urban Migrants × Housing Prices (ln) | | | –0.0437 | –0.0299 |
| | | | (0.0371) | (0.0450) |
| Non-urban Migrants × Housing Prices (ln) | | | –0.0412 | –0.0507 |
| | | | (0.0311) | (0.0328) |
| Low × Housing Prices (ln) | | | | –0.0780 |
| | | | | (0.0435) |
| High × Housing Prices (ln) | | | | 0.0164 |

| | | | | |
|---|---|---|---|---|
| | | | | (0.0586) |
| Urban Migrants × Low × Housing Prices (ln) | | | | 0.0159 (0.0715) |
| Urban Migrants × High × Housing Prices (ln) | | | | –0.0651 (0.0831) |
| Non-urban Migrants × Low × Housing Prices (ln) | | | | 0.0756 (0.0693) |
| Non-urban Migrants x High × Housing Prices (ln) | | | | –0.0379 (0.0716) |
| Constant | 0.8100 | 0.8215 | 0.7418 | 0.7385 |
| | (0.8030) | (0.8056) | (0.8355) | (0.8233) |

Coefficients with standard errors in parentheses. All models include individual- and urban-level controls.

*** p < .001; ** p < .01; * p < .05

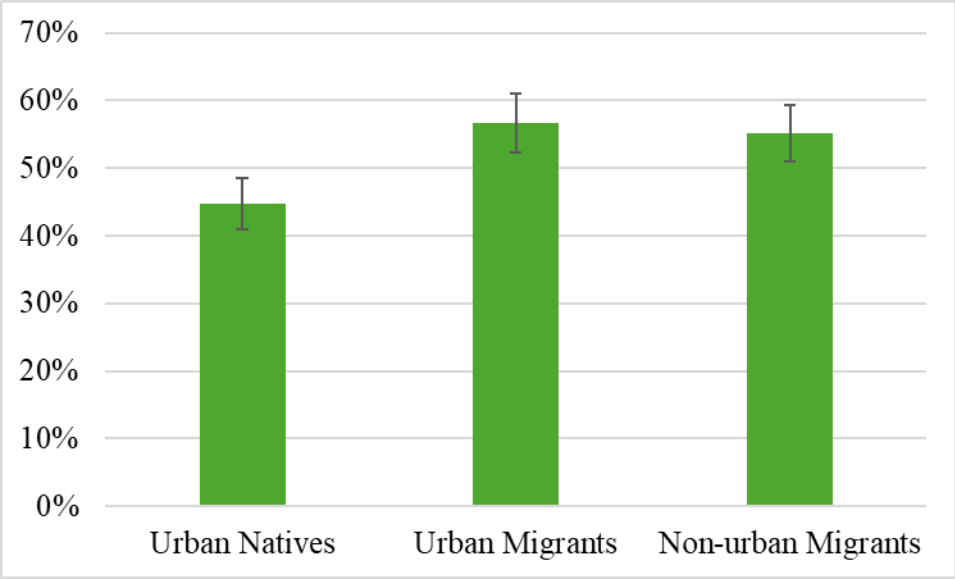


Figure 1. Neighborhood Quality Rank across Internal Migrant Groups (from Model 1)

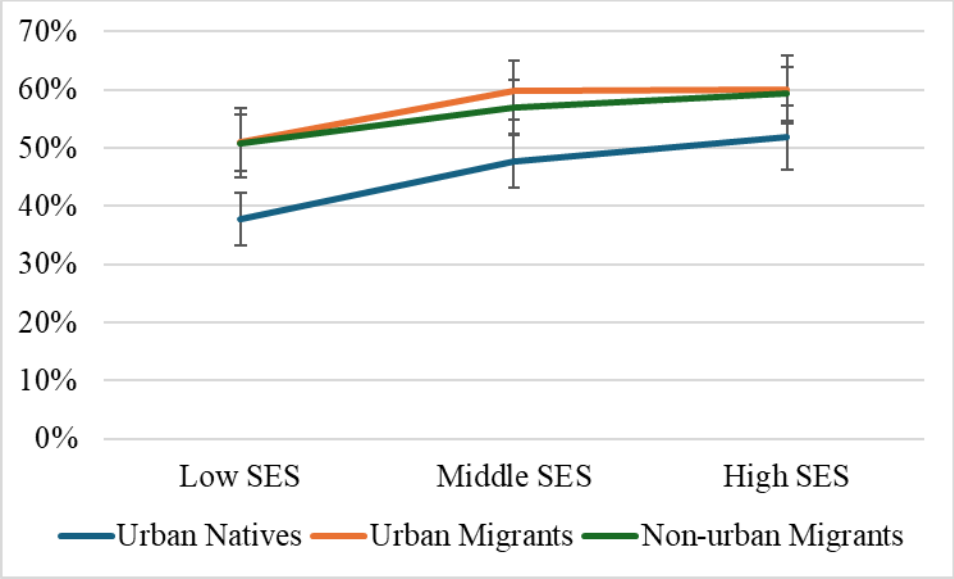


Figure 2. Neighborhood Quality Rank by Individual SES and Internal Migrant Groups (from Model 2)

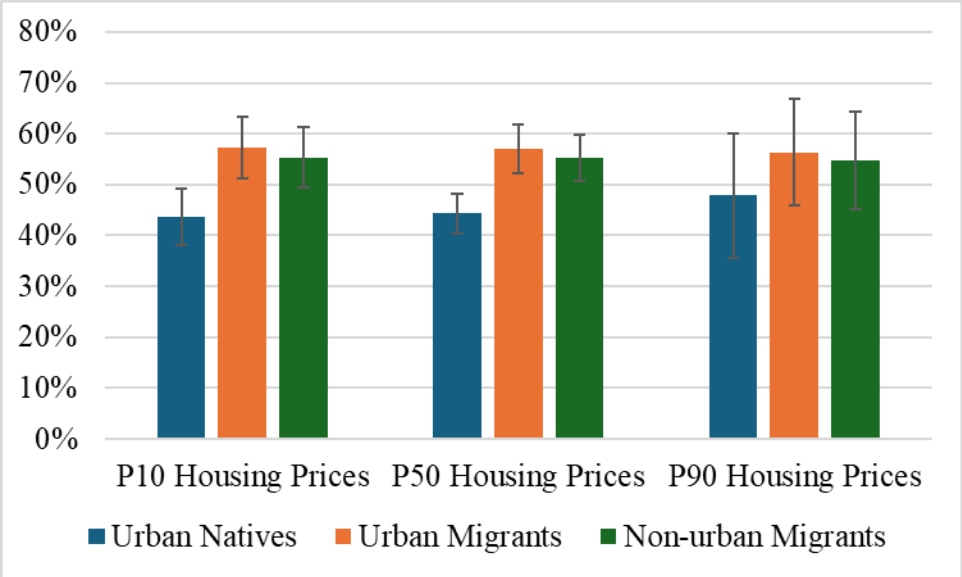


Figure 3. Neighborhood Quality Rank by Housing Prices and Internal Migrant Groups (from Model 3)

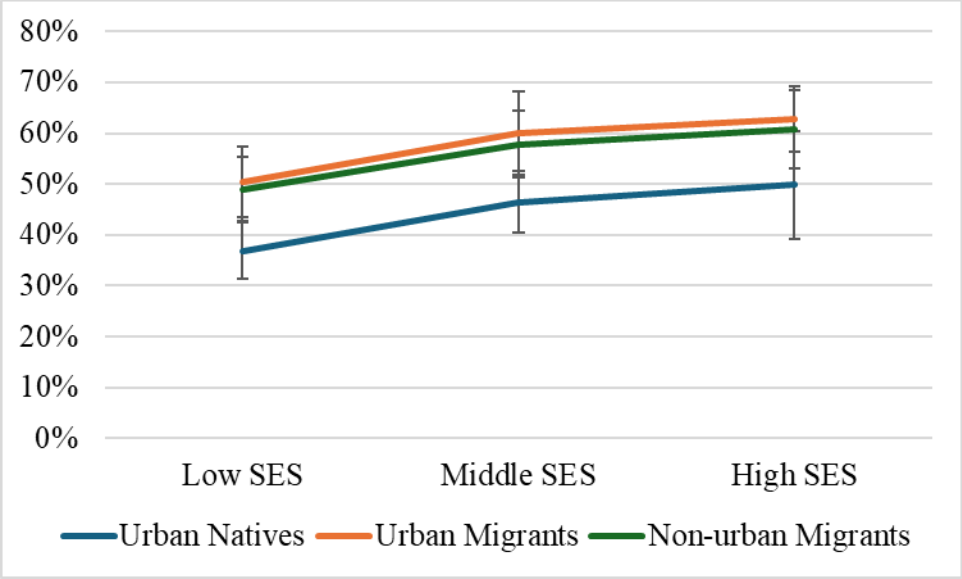


Figure 4. Neighborhood Quality Rank by Individual SES and Internal Migrant Groups within the Bottom 10% Housing Price Stratum (from Model 4)

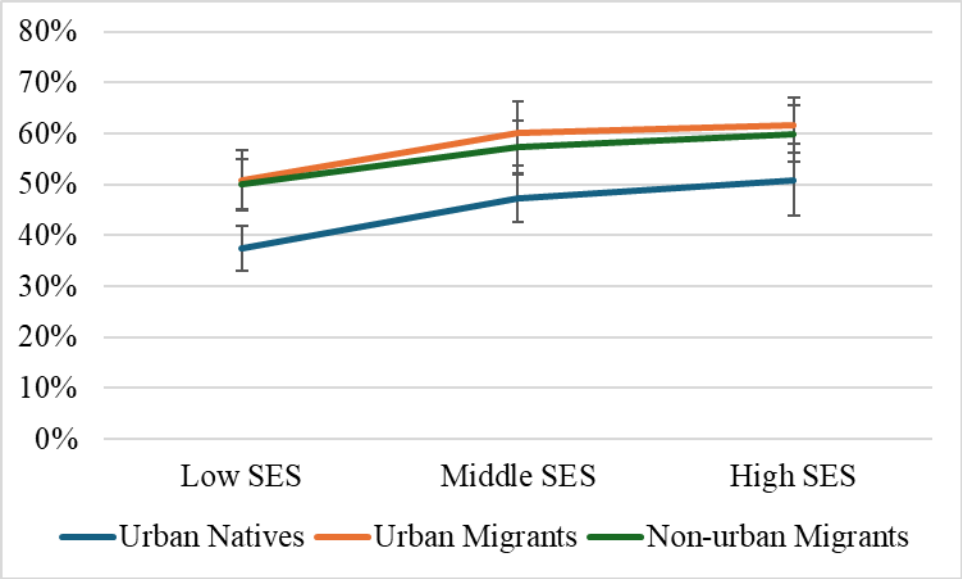


Figure 5. Neighborhood Quality Rank by Individual SES and Internal Migrant Groups within Median (P50) Housing Price Stratum (from Model 4)

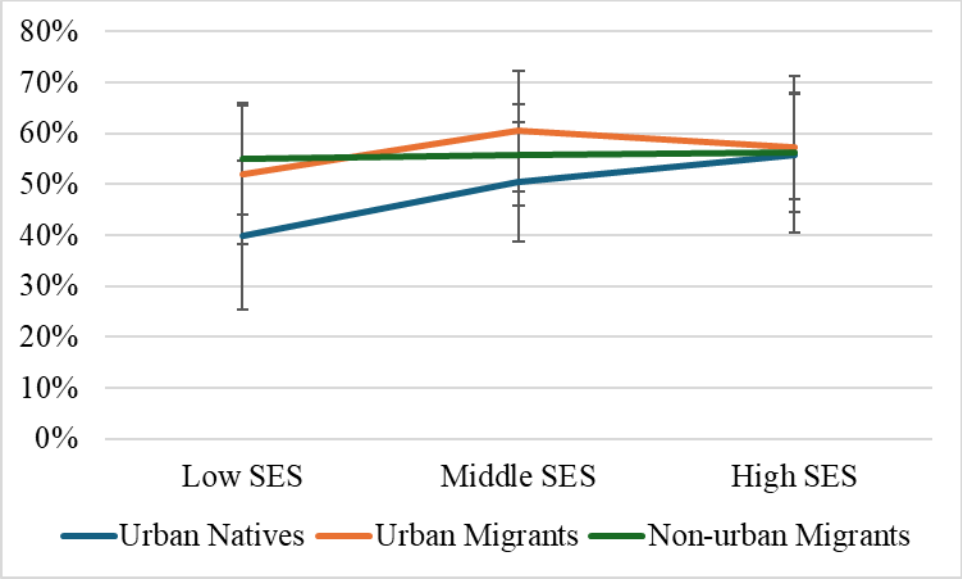


Figure 6. Neighborhood Quality Rank by Individual SES and Internal Migrant Groups within the Top 10% Housing Price Stratum (from Model 4)