

The Economic Impacts of Studentification on Local Communities - A Review of the Literature Based on Cross-Strait Studies

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ABSTRACT. *studentification, as a type of gentrification, is a new socio-spatial phenomenon observed in the context of the expansion of higher education, which has a series of social, economic and cultural impacts. This paper firstly describes the significance of studentification, then examines the relationship between gentrification and studentification, then reviews the empirical research on the economic impact of studentification on both sides of the Taiwan Strait, and finally points out that studentification can boost the local economy on some levels, but it is not a panacea for improving the economy. In the future, it is urgent to develop and use big data technology to identify more accurately the housing choices of college students, their spatial mobility, the characteristics of college groups and the impact of studentification on local economies.*

KEYWORDS: *Studentification, Gentrification, Economic Impact, Literature Review*

1. Introduction

The concept of gentrification, first proposed by the British sociologist Glass, refers to a new process of urban spatial change that emerged in Western cities after urbanization and counter-urbanization, and can be seen as a component of the re-urbanization process [1]. Under the continuous development of gentrification, its depth, breadth, material characteristics and even cultural meanings have undergone tremendous changes. Since 1990, with the advent of the third generation of gentrification, the process of gentrification has been significantly deepened by the integration of gentrification with neoliberal state policies and the concept of entrepreneurial urban governance [2]. A large amount of corporate capital, guided and supported by neoliberal state policies, continues to reconstruct the physical landscape and social structure of the original urban living spaces. As the demographic structure of the city's residential areas is being replaced and new

consumer spaces are being built, class identities and identities are being reconstructed through the marketing of cultural spaces [3].

Interestingly, as gentrification evolves, its impact in terms of spatial expression and socio-cultural aspects has manifested itself in different characteristics. From the spatial point of view, gentrification has spread from central urban areas to suburban and even rural areas; from the point of view of changes in the physical landscape, gentrification has not only been manifested in the external and internal renovation of living spaces, but also in the design of spaces and the construction of consumption sites that reflect different cultural identities and tendencies; from the point of view of the people involved in gentrification, gentrification is no longer only a process of replacement of the working class by the middle class, in which different social categories, such as students and tourists, can become the subjects of gentrification [4]. Therefore, scholars have proposed the concepts of new gentrification, super gentrification, studentification, tourism gentrification, and rural gentrification.

This paper explores the reconfiguration of urban space by the student body in the context of the expansion of higher education, taken as a starting point a particular type of gentrification, the phenomenon of student gentrification. When gentrification occurs, the area undergoes a series of transformations in response to the influx of foreign students, not only in terms of the addition of physical facilities such as student dormitories, but also in terms of the provision of services related to daily life, recreation and employment. The arrival of students has created demand in the region, which in turn has created a supply chain that has led to the revitalization of the economy. Is this idea of promoting local development through the establishment of universities really a good medicine for the economy?

In addition to the preface, this paper firstly describes the significance of studentification, secondly examines the relationship from gentrification to studentification, then reviews the empirical research on the impact of cross-strait studentification on the economy, and finally draws thoughts and conclusions.

2. Studentification

2.1 The meaning of Studentification

The term " studentification " was coined in the mid-1990s by the British academic Professor Darren P. Smith, who identified a particular change in the communities surrounding British universities as a result of a change in educational policy in the UK, and stated that the phenomenon of studentification was due to the fact that Higher Education Institutions (HEIs) were not able to meet the needs of their students. HEIs' relaxation of student places has led to a dramatic increase in the number of students, making it impossible to accommodate the full number of students in the school's accommodation. As a result, students began to look to outlying communities for rentals, which led to a dramatic increase in the number of Houses in Multiple Occupation (HMOs) in the local community, which Professor Smith refers to as the new gentlemen, and to the number of intruders into the town

where the prestigious university is located, which led to an increase in the number of HMOs in the local community. When there is a conflict with a new gentleman and a change in social environment and economy, it is called "studentification". The following is an outline of Professor Smith's "four major aspects" of studentification [5].

- At the economic level: studentification has led to a repricing and increase in the price of real estate, in connection with proposals to demolish or refurbish old private houses to be rented out for the accommodation needs of students (colleges and universities). This restructuring of the housing market has led to an increase in private rented housing and a decrease in home ownership by homeowners.

- At the social level: a group of transient, young, single, middle class, etc. Social groups that become permanent residents of a locality by replacing or displacing them, leading to social concentration and segregation in the locality. This leads to a new form of social concentration and segregation at the local level.

- At the Cultural level: a lifestyle led by a culture of youth, leading to the arrival of certain types of retail, consumer services and infrastructure.

- At the landscape level: With the initial upgrading of the external physical environment of the property for conversion to HMOs, subsequent deterioration of the physical environment may result, depending on local conditions.

2.2 From Gentrification to Studentification

In traditional gentrification theories it is mentioned that gentrification can boost the local economy and cause local house values to rise in the early stages of gentrification. As one of the special types of gentrification, does student gentrification have the same effect as gentrification? And this must begin with the theme of gentrification and student-hood.

Studentification is a particular form of gentrification and a result of the dialogue between geographies of education and urban geography, based on student geography and following the third wave of gentrification discussions [6] [7]. Compared to gentrification, which is mainly driven by the middle class playing the role of the gentrifier, student gentrification is mainly carried out by university students, also known as "apprentice gentrifier", which has less influence on local development and space (Table 1). This is because Studentification have different identities and life cycle conditions: they are young, seasonal and transient, especially compared to gentry, because of their mental age and environmental conditions, which make them a culturally distinctive group [8]. "Young" means they are around 19-25 years old (late teens and early twenties), "seasonal" means they stay in their neighborhood for about 2/3 of the year, excluding summer and winter vacations, and twice a year for about 5 months, and "transient" means they generally only stay in their neighborhood for about 4 years, even though they may move every year. Thus, Smith (2005) argues that neither the transformation of social class bases nor the advancement of social status is adequately reflected in the occurrence of

Studentification, as Studentification consists of the transient migration of groups of individuals who typically encounter the Studentification process at an early stage in their life course, as opposed to the customary gentrifier. Migrants such as these are mostly characterized as young people who are single and childless, have limited economic capital and are not yet regularly involved in the distribution of work in the labour market, only try to find temporary living space, and become associated with the Studentification area by means of limited housing conditions (although some higher education students remain there after graduation) [9]. Because of these qualities of the Studentification, Sage, Smith, and Hubbard(2012)describe them as living next to 'people not like us', because the students' lifestyles and attitudes to life are almost completely different. This different geography of difference and segregation, far less than the degree of middle-class social integration into the locality that gentrification speaks of, is inevitably attributed to the fact that these students are 'apprentice gentrifier' rather than full gentrifier [10]. And what exactly is the economic impact of these "apprentice gentrifier"?

Table 1 The Comparison between Gentrifier and Apprentice Gentrifier

Gentrifier	Apprentice Gentrifier
Gentrification	Studentification
Middle class (consumer)	College students (consumer)
Young adults with families, or social experience	Young people who are single and have no children
Replacing the local working class	Replacing the local working class
Possession of economic capital in order to occupy a certain position in the labour market	Have limited economic capital and are not yet regularly involved in the distribution of work in the labour market
Choosing longer-lasting living spaces in the life cycle	Seeking temporary living space
Shifting housing conditions are associated with gentrifying areas	Limited housing conditions (rental vs. multi-family housing), associated with gentrification (student-oriented) areas
The debate on social integration and segregation	Social isolation
Contribute to the transformation or advancement of social class bases	Not related to a shift in social class base or social advancement
A positive boost to local real estate prices	It has not been proven that it has a positive effect on local real estate prices, but rather creates so-called "student slums".

Source: Po-Hsiu Chien (2016) [11]

3. A Review of Empirical Studies on the Impact of Cross-Strait Studentification on the Economy

This paper reviews research on the economic impact of cross-strait Studentification and finds that, for some university towns, the growth and concentration of students can contribute to the development of local communities, but the negative impact of uncontrolled and diverse social, cultural, and economic conditions is unavoidable.

3.1 An empirical study of the Studentification community in Xiadu Village, Guangzhou

Through in-depth interviews with 15 student renters and field observations, HE Shen-Jing, QIAN Jun-xi, WU Min-Hua (2011) [4] summarize the impact of Studentification on the local area. In economic terms, due to the rapid urbanization in Guangzhou, land in Xiadu Village has been expropriated extensively and cannot meet the demand for agricultural use in the village. However, the gradual development of Studentification has brought a new economic growth point to the village. The economic impact of Studentification on Xiadu Village can be divided into direct and indirect effects.

3.1.1 Direct impact

Studentification is a direct manifestation of student demand for rental housing, and the large number of rentals has spurred the development of the Xiadu Village housing rental and sale industry, causing rental prices to rise in response to strong demand. According to the landlords, rents for rental houses have risen roughly 15 percent in recent years as students' demand for Xiadu Village rental properties has increased. According to the village mayor's estimate, the village of Xiadu receives more than \$200,000 per month in revenue from the student rental housing market. In addition, due to the existence of the rental housing market, services provided by villagers in Xiadu Village acting as intermediaries have also emerged.

3.1.2 Indirect impact

The economic structure of the village has undergone a certain degree of change, with the proportion of the tertiary industry increasing sharply as students move into the village and bring with them a large number of consumer demands such as restaurants. Mingkang Street in Xiadu Village has been cultivated into a food street, while some unique small shops such as printing and copying shops, thesis production services, bookstores, boutiques, etc. have emerged based on the special consumption needs of students. Compared to the other three impacts, the economic impact is the most obvious and drastic. From the perspective of economic impact, Studentification has brought the development of rental and service industries and an increase in income to Xiadu Village. It can be seen that, similar to the West, the rent-seeking behavior of landlords is an important driving force behind the process of Studentification in the village.

3.2 An empirical study of the Studentification community in Zhuangnanjie Village, Dongguan, Guangzhou

Through in-depth interviews and field observations, Jia cheng Li (2018) [12] summarizes the impact of Studentification in the local area in terms of the economy,

which can be summarized with reference to the direct and indirect effects proposed by HE Shen-Jing et al., (2011).

3.2.1 Direct impact

Studentification has brought new economic growth to the village of Dongguan's Zhuangnanjie. Due to extremely advantageous geographical location and special land system, Dongguan Zhuangnan Street is well situated with superior conditions, making it a location for large-scale rent seeking by university students. In recent years, due to the research fever, resulting from the large-scale rent-seeking stimulated by the students, the rent of Dongguan Zhuangnan Street has shown a certain degree of growth trend. This has led to an increase in the income of villagers, creating employment opportunities and, to some extent, attracting young adults back to the village for employment. For example, Mr. Liu, the owner of the stationery store, is 25 years old born in the 1990s, he began working as a migrant worker 14 years ago, and he rented his five-floor house to a second landlord to manage. In 2015 after the expiration of the contract, he took back the house and he no longer sublets the house, he has directly been managing 20 sets of houses, leasing them to students, and has frankly found that the rapid development of the housing rental industry in his hometown, which can bring him economic gains far greater than migrant workers, but also allow life more free time.

3.2.2 Indirect impact

The demands of students' influx have given rise to many more shops in the village, including catering, printing and stationary. In 2014, there were only two stationary and printing shops in the village, but in April 2017, the number doubled, and a shop specializing in architectural and planning drawing tools also appeared. The main clientele of the print shop are not only students who need to print their papers, but also a large number of students who want to take postgraduate exams. The owner of the stationery shop said he had previously set up a shop on the university campus to provide drawing and modeling materials for architecture students.

In 2013 after the postgraduate exams boom, he gradually found that the largest number of customers from our students changed to students who want to take the postgraduate exams. So, in 2016, he sought to rent a shop in this urban village where there are a large number of students renting at a high price, and admitted that the return was much higher than the high rent. The Studentification phenomenon has led to the creation of many shops in Dongguan's Zhuangnanjie Village that cater to the needs of students, attracting more rent seekers and providing another way for villagers to increase their income.

3.3 An empirical study of the Studentification Communities around Chang Jung Christian University and National Cheng Kung University in Taiwan

Through in-depth interviews and field observations, Lam Sui-Tai (2011) [12] summarizes the impact of Studentification on the local economy.

On the economic front, after the establishment of Chang Jung Christian University, there was an influx of students in the rural areas and the university became a large source of consumption. The demand of student consumption attracted the opening of retail stores and entertainment services, which led to the transformation of the area from agriculture to commerce and boosted the local economy. However, there are seasonal restrictions on the hours of retail sales, as the seasonal movement of students returning home during the summer and winter vacations has led to a significant change in the population of the community, with an instant decrease of about 8,000 people, resulting in widespread closures of retail businesses.

The streets around National Cheng Kung University have long been an important area of commercial activity, with shops catering to the consumption preferences of young people. Meanwhile, the area is a cultural and educational district, which is not only well-connected and convenient, but also close to lively business districts and parks, making it suitable for both owner-occupation and renting, and thus the real estate market of the neighborhood is quite active.

3.4 An empirical study of 18 new university districts in Taiwan with Studentification communities

Chih Hao Chen (2017) [14] through secondary data analysis, observing the relative growth rate of average unit price of housing, the growth status of housing stock, and whether local employment is dominated by tertiary industries in 18 new university areas in Taiwan between 2000 and 2015, 3 indicators, as a way to observe the economic-related development changes in each township and urban area, and then attribute the impact of studentification on the local area, the study found that as follows.

- **Relative growth rate of average dwelling unit prices**

Through this indicator, it is possible to observe whether the average unit price of homes in each township's urban area is higher than the average unit price of homes in the county where the township's urban area is located in the current year.

- **Changes in the housing stock**

This indicator is used to observe the change of housing stock in each township and city, and to find out whether many new housing projects are built in each township and city to meet the demand due to the boom in real estate transactions after the establishment of new universities and colleges.

- **Directly affects whether local employment is dominated by the tertiary sector or not.**

Through this indicator, we can observe the changes in the tertiary employment in each township and city, and see if the tertiary industry (service) has been growing due to the establishment of new colleges and universities in each area, which attracts a large number of foreign students to live in the area, thus leading to the transformation of the local industry (population) structure.

Table 2 The Comparison between Gentrifier and Apprentice Gentrifier

Studentification impact Region	Economic		
	Relative growth rate of average dwelling unit prices	Changes in the housing stock	Directly affects whether local employment is dominated by the tertiary sector or not
Jiaoxi Township, Yilan County	+	+	-
Luzhu District, Taoyuan City	+	+	-
Nanzih District, Kaohsiung City	-	+	-
Sanxia District, New Taipei City	-	+	+
Hukou Township, Hsinchu County	-	+	-
Annan District, Tainan City	+	+	-
Madou District, Tainan City	-	+	-
Puzi City, Chiayi County	+	+	-
Taibao City, Chiayi County	+	+	-
Pitou Township, Changhua County	-	+	-
Wufeng District, Taichung City	-	+	-
Hengshan Township, Hsinchu County	-	+	-
Sanzhi District, New Taipei City	-	+	-
Yenchao District, Kaohsiung City	-	+	-
DaLin Township, Chiayi County	+	+	-
Sanxing Township, Yilan County	-	+	-
Tamsui District, New Taipei City	-	+	+
Pingzhen District, Taoyuan City	-	+	-

Source: Chih Hao Chen (2017) [14]

It can be seen from the table (Table 2) that the housing stock in these different regions has increased with the opening of new colleges and universities to provide off-campus rental housing for students from outside the colleges and universities. In all of the 18 regions studied, the housing stock is growing. However, only one-third of the cities and towns in which the average unit price of housing is growing at a rate higher than that of the county or city in question, including Jiaoxi Township, Yilan County, Luzhu District, Taoyuan City, Annan District, Tainan City, Puzi City, Chiayi County, TaiBao City, Chiayi County, and Dalin Township, Chiayi County, accounting for the entire study Object 33.33%. On the other hand, it is hoped that the establishment of new colleges and universities will lead to the transformation of the local industrial structure, and after the establishment of the universities, only the Sanxia District and Tamsui District in the New North have been the major employers in the tertiary industry, accounting for 11.11% of the total. which means that the new colleges and universities are not strong enough to promote the transformation of the local industrial structure. Institutions may also not be the main driver of industrial transformation.

4. Conclusion and Discussion

Based on Western research on the phenomenon of gentrification, this paper uses cross-strait literature as a case study to explore the economic impact of studentification on local communities.

Reviewing the empirical research on the economic impact of studentification on the two sides of the Taiwan Strait, it can be found that in-depth interviews and field observations have been used to observe the positive impact of studentification on the economy, and that students' rental behavior has not only brought new economic income to local residents, but has also become one of the main sources of income for most local residents.

However, through secondary data analysis, the study was not so optimistic when looking at the relative growth rates of average unit price of housing, the growth of housing stock, and whether the local workforce is mainly in the tertiary sector in 18 new university areas in Taiwan during the period 2000-2015. It is also found that the external effects of studentification created by the establishment of new colleges and universities in rural and urban areas in Taiwan have a significant impact on the development of the existing "urban" areas, especially in terms of social orientation, and the transformation of the industrial structure. It is also found in the study that the external effects of student orientation created by the establishment of new universities and colleges in rural or urban areas in Taiwan have an obvious impact on the development of the existing "urban" areas, especially in the three aspects of social orientation, cultural orientation, and environmental and landscape orientation, while the impact on the development of rural areas is less obvious. This may imply that, in the early stage of the establishment of a new tertiary institution, as the surrounding area has not yet been significantly student-oriented, the large number of students brought in at the beginning have to rely on the support of the relevant services provided by the business districts of the neighboring towns, and the

magnetism of the neighboring towns is greater than that of the rural areas where the school is located, thus affecting the student-oriented externalities created by these new tertiary institutions and preventing them from being retained for local development. As a result, these new colleges and universities may have limited impetus to promote development in rural areas. This leads to the inference that the establishment of new colleges and universities is mostly a way of strengthening the development of existing towns.

From the above, it can be seen that most of the existing cross-strait studies are based on qualitative case studies, which are not supported by a wide range of data. This is due to the weakness of housing rental registration in China and the informalization of student rentals, so there is a data bottleneck in conducting student-oriented research. There is an urgent need to use big data technology to more accurately identify the housing choices, spatial mobility and characteristics of university students.

As a new phenomenon of urban spatial change, the spatial expressions, social influence characteristics and cultural connotations of studentification have become an emerging topic in the study of gentrification in Western countries, while the theory of studentification based on the British national conditions cannot be fully applied to Chinese cities in transition. For example, the overall spending power of Chinese university students is at a low to medium level, there has not been a large number of new high-end student apartments, and the student population has not led to a significant residential displacement. Therefore, the relationship between studentification and gentrification needs to be further explored.

In the current context of the expanding scale of higher education, the issue of student housing should receive widespread attention from academia and society. Although at present the housing for students in Chinese universities is mainly provided by the universities themselves, but with the increasing cost of urban land acquisition, and the continuous expansion of the university student population, with the help of social forces to solve the problem of student housing in the future is likely to become a component of the university housing strategy, therefore, the student community in the future also has the possibility of increasing. The future process of studentification in Chinese cities deserves further attention and research by urban researchers.

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