The labour market positioning of the European second generation: Vertical and horizontal integration issues
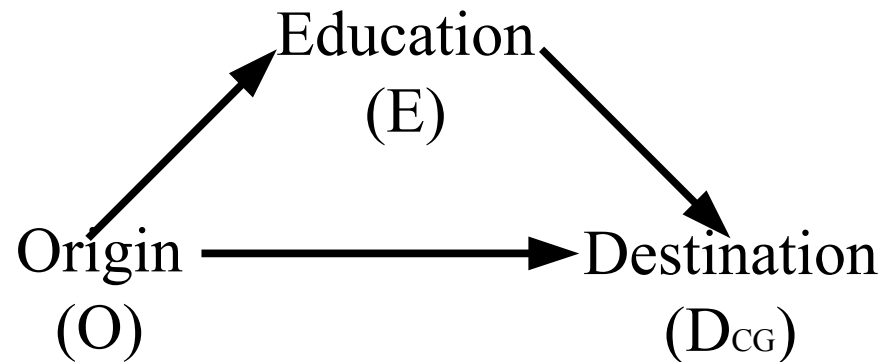
Laurence Lessard-Phillips and Liesbeth Heering
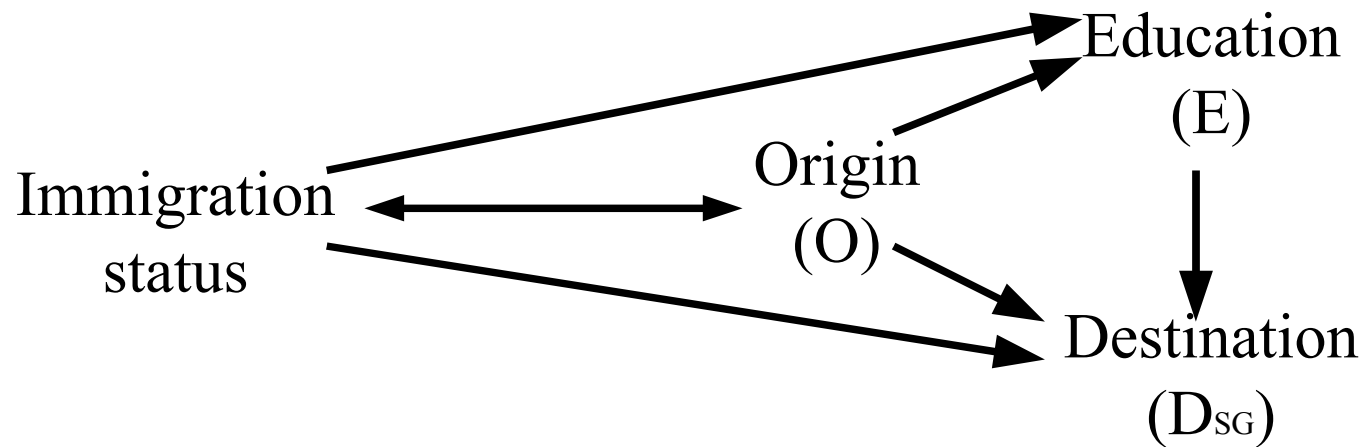**Netherlands Interdisciplinary Demographic Institute (NIDI)**

Introduction

- **Trying to measure immigrant integration via the outcomes of the second generation raises an important issue:**
  - Which benchmark ought to be used to measure the way in which the second generation is becoming integrated?
    - This can influence the conclusions one can reach about second-generation integration

- **Two ways to do this with regard to occupational outcomes:**
  1. Comparing the labour market position of the second generation with the host country-born children of non-immigrants
     - Horizontal integration
  - Comparing the labour market position of the second generation with their parents
     - Vertical integration/mobility

- **This paper will thus attempt to look at both sides of integration simultaneously in a comparative manner**
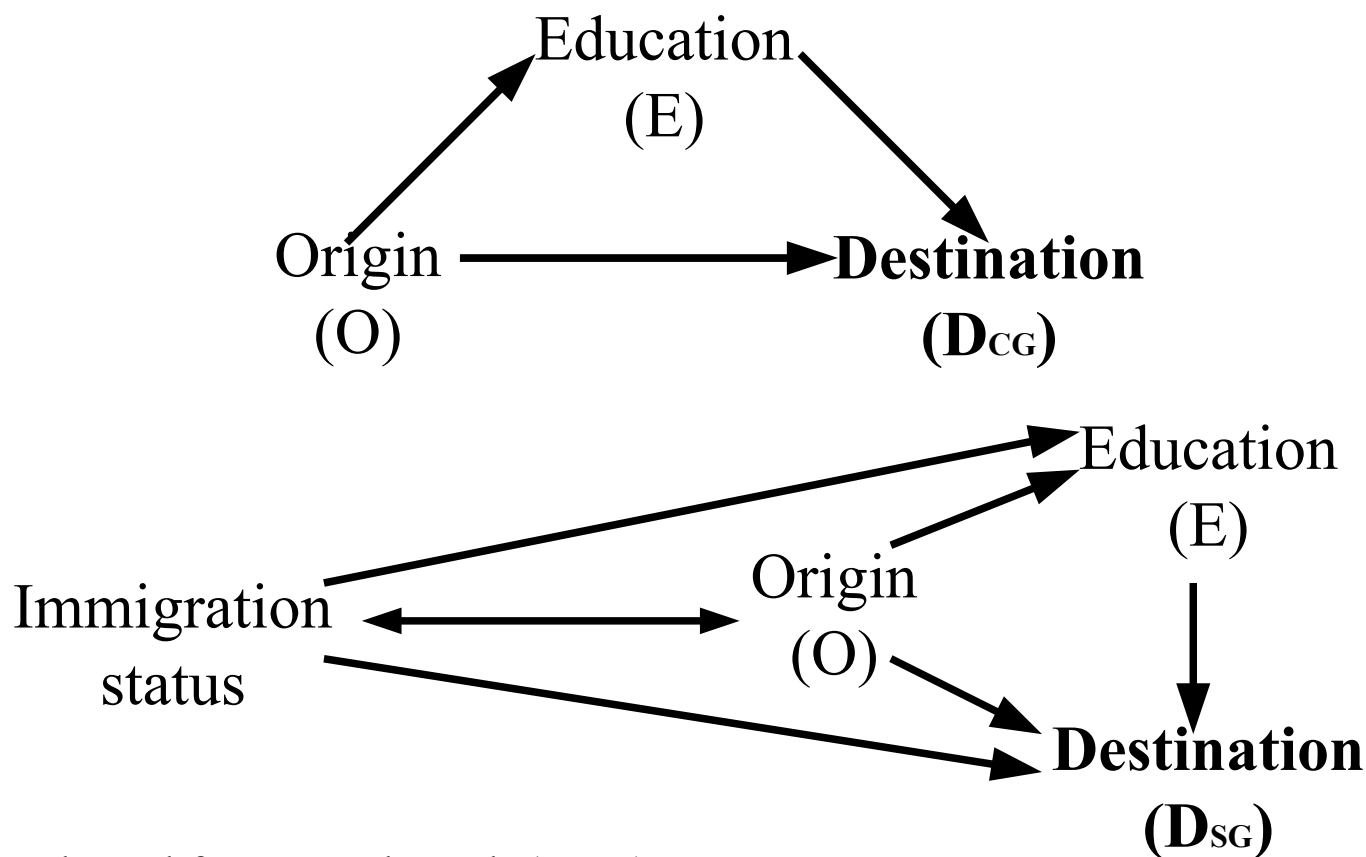
Theoretical underpinnings

Education
(E)

Origin
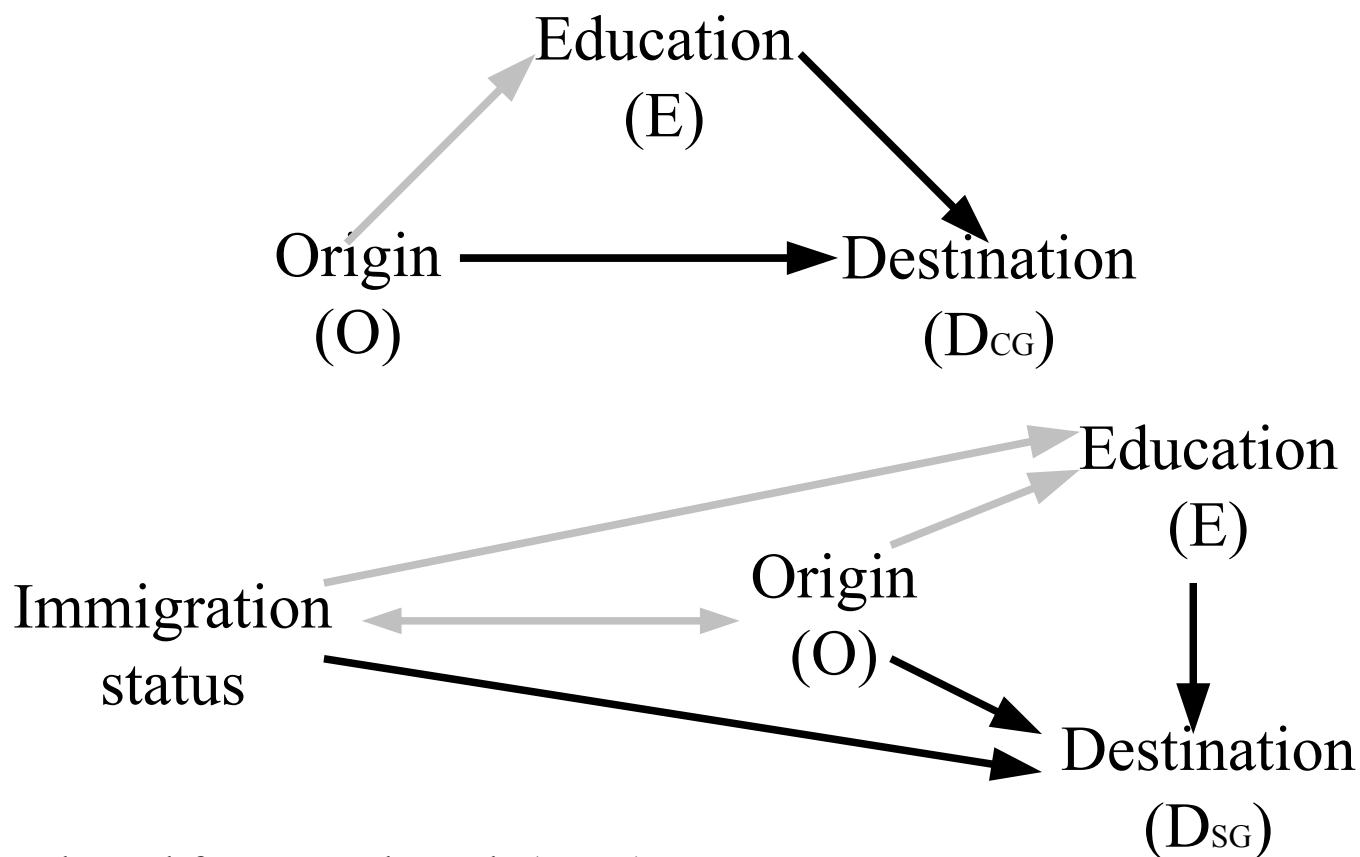(O)

Destination
(D$_{CG}$)

Theoretical underpinnings

Adapted from Heath et al. (2008)

Theoretical underpinnings

Education
(E)

Origin
(O)

Destination
(D_{CG})

Immigration
status

Origin
(O)

Education
(E)

Destination
(D_{SG})

Adapted from Heath et al. (2008)

Theoretical underpinnings

Education (E)

Origin (O) → Destination (D_{CG})

Immigration status

Origin (O)

Education (E)

Destination (D_{SG})

Adapted from Heath et al. (2008)

Research questions and expectations

- **How does the intergenerational reproduction of occupational positioning (social reproduction) works for the second generation, given their lower starting (i.e., parental) position?**

  – Does this vary across groups/countries?

- **We expect that, the lower the occupational position at origin (i.e. of the parents), the higher the rates of upward mobility**

  – Highest for Turkish and Moroccan second generation

  – More stability, and even downward mobility, for the comparison group

  – In countries with strong vocational and apprenticeship systems (such as Germany, Austria and Switzerland), the extent of upward mobility will be lower

Research questions and expectations (II)

- **Above and beyond social reproduction patterns, is there parity between the second generation and the native-born non-immigrant group —the comparison group— in occupational outcomes?**
  - Does this vary across groups/countries?
  - Are the returns to education and parental occupation beneficial for parity in occupational attainment?

- **We expect some convergence in occupational outcomes, with occupational attainment being lower for the second generation, with occupational attainment being more similar once controlling for composition effects, individual and family factors**
  - Progress in and of itself, given upward inter-generational mobility argument, but also artefact of higher school leaving age of the comparison group
  - Countries with strong vocational systems will be less successful in terms of high occupational outcomes
    - Producing more job security than occupational status
  - Chance that discrimination might be at play

Data: The Integration of the European Second Generation (TIES)

- Survey conducted amongst a sample of almost 10,000 adult (18-35) children of immigrants from Turkish, Moroccan, and former Yugoslavian descent, as well as individuals from the comparison group in 15 European cities (clustered in 'aggregates'):
  - **Vienna and Linz (Austria - AT)**
  - **Brussels and Antwerp (Belgium - BE)**
  - **Zurich and Basel (Switzerland - CH)**
  - **Berlin and Frankfurt (Germany - DE)**
  - **Madrid and Barcelona (Spain - ES)***
  - **Paris and Strasbourg (France - FR)**
  - **Amsterdam and Rotterdam (Netherlands - NL)**
  - **Stockholm (Sweden - SE)**
- Survey covers many modules, including information about the respondents' parental background
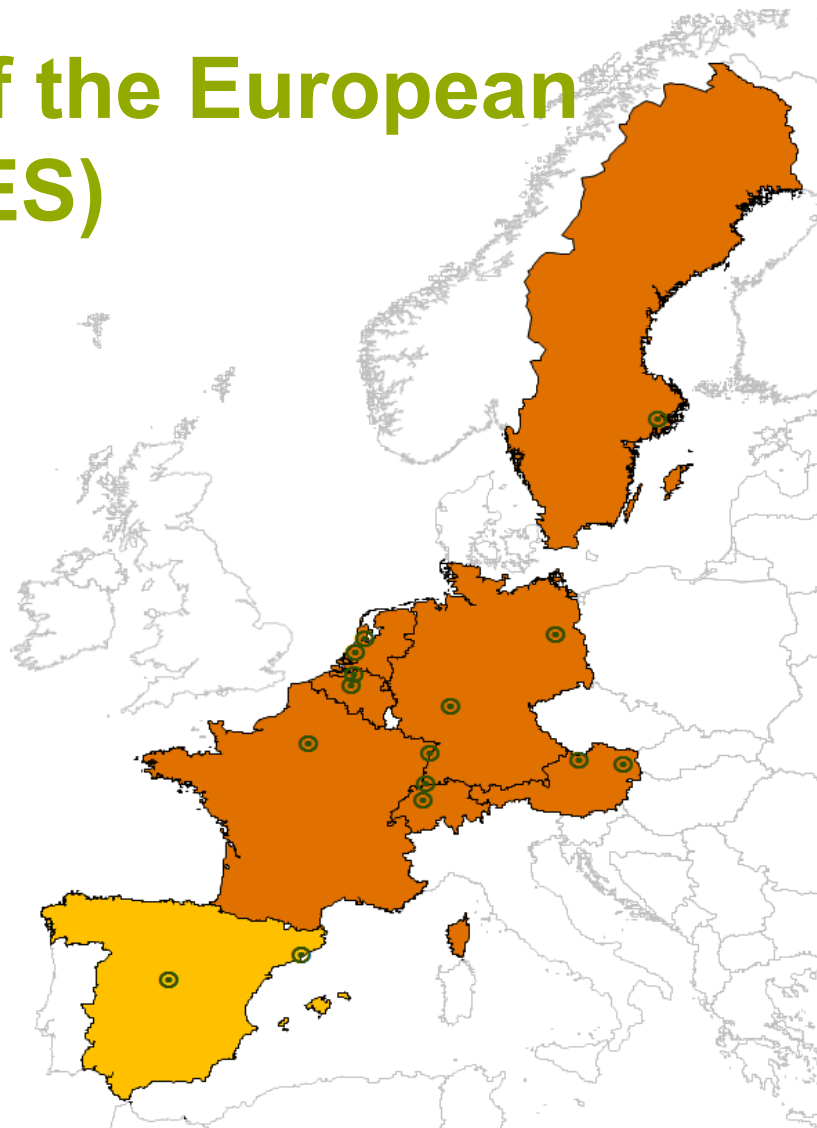
Variables and Methods

Outcomes

- **Inter-generational mobility**
  - Difference between respondent's occupation and highest parental occupation (often father's) at respondent's age 15 (based on EGP class scheme)
    - Downward: Level of parental occupation higher
    - Stable: Level of respondent's and parental occupation similar
    - Upward: Level of respondent's occupation higher

- **Occupational attainment**
  - Respondent's occupational status (based on EGP class scheme)
    - Executives/Professionals
    - White collar
   - Blue collar

Variables and Methods (II)

- **Analyses performed using generalised ordered logistic regression with partial proportional odds (Fu, 1998; Williams, 2006)**
  - Similar as ordered logistic regression
    - Allowing for violations of proportional odds assumptions
- **Analyses performed per aggregate**
- **Models controlling for:**
  - Descent; city; age; sex; and marital status: **gross effects**
  - Descent; city; age; sex; marital status; respondent's education; labour market experience (age at first job)*; *highest parental occupation at respondent's age 15; mother's labour force participation*: **net effects**
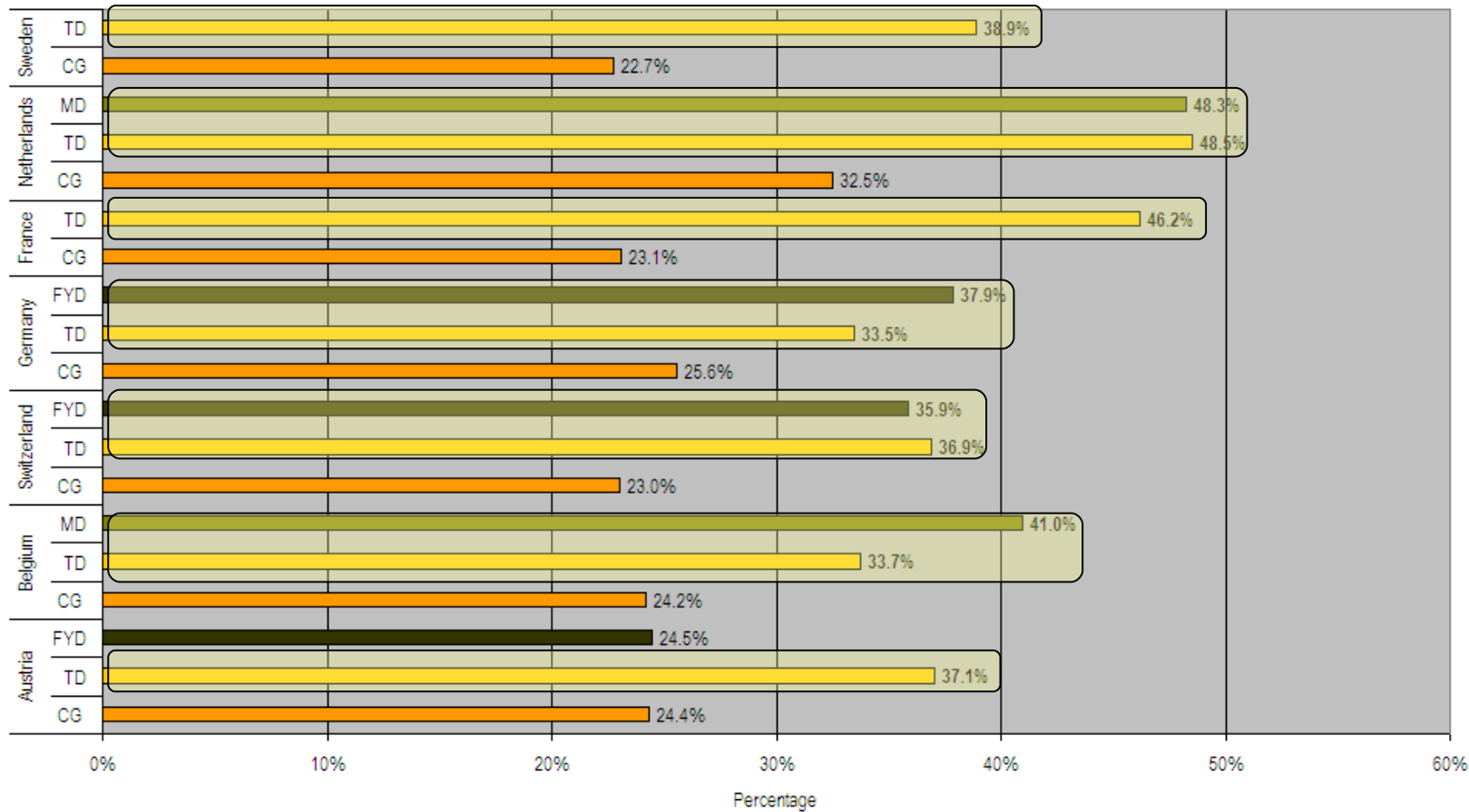
Results
1. Descriptive results

Proportion of upward mobility by group and country
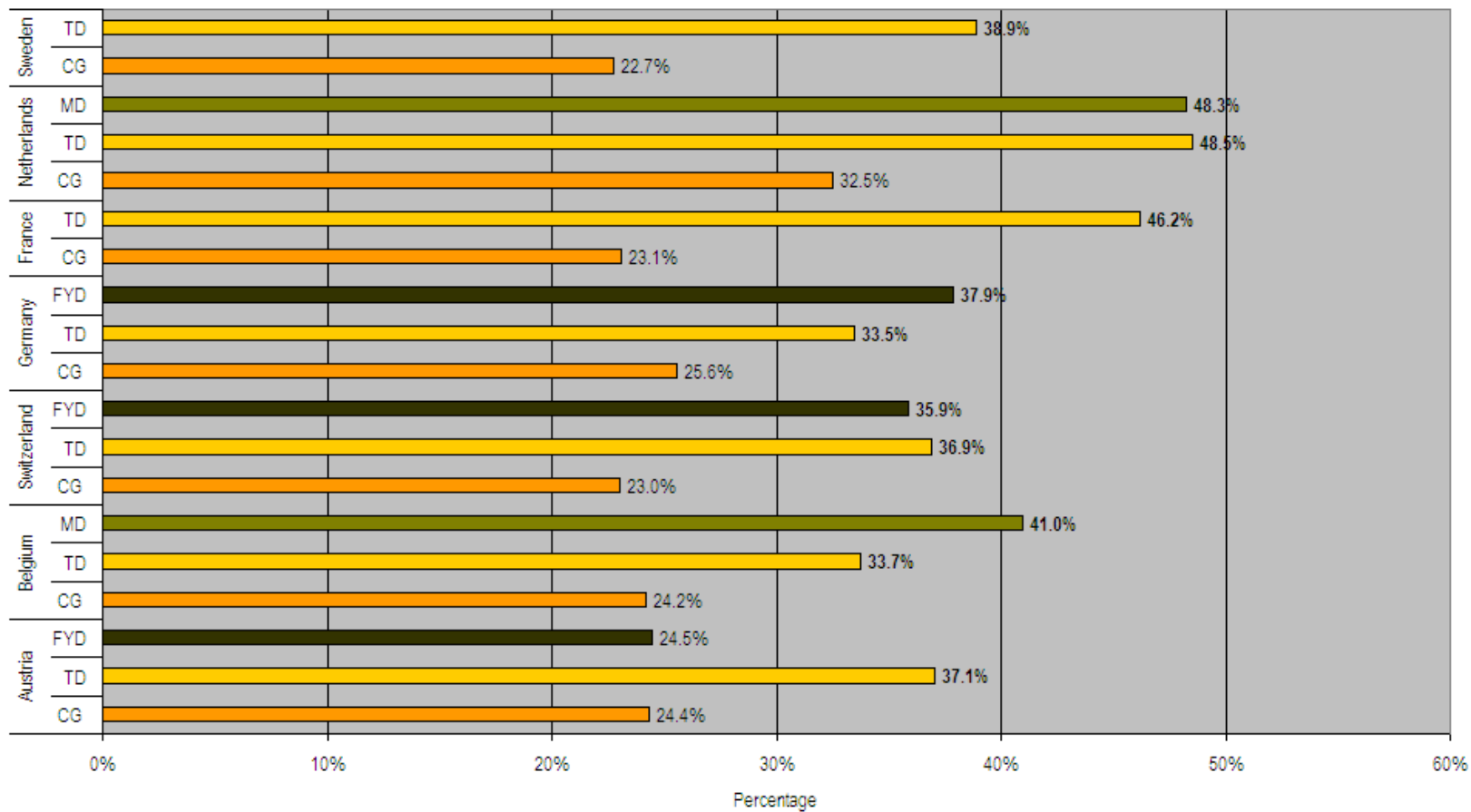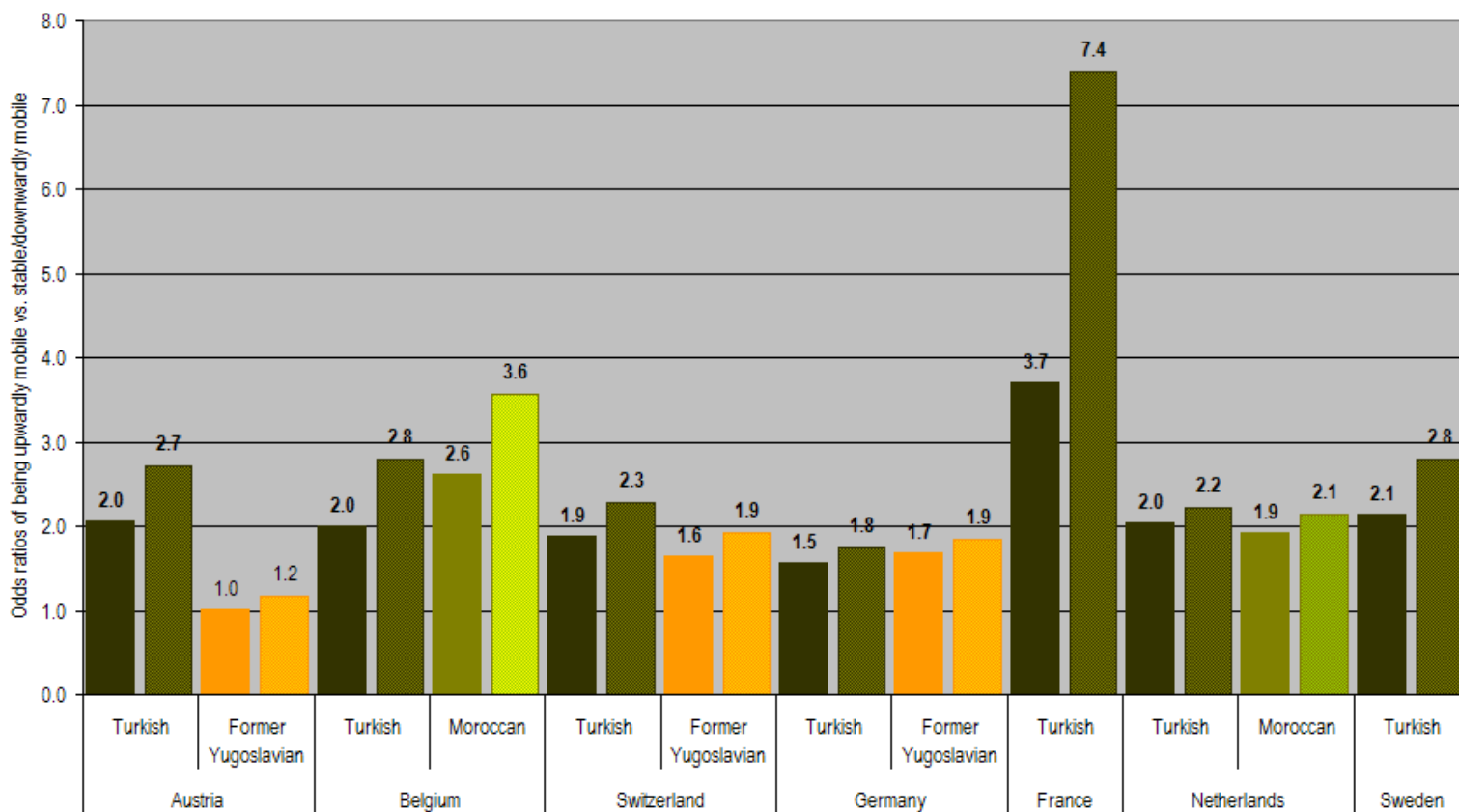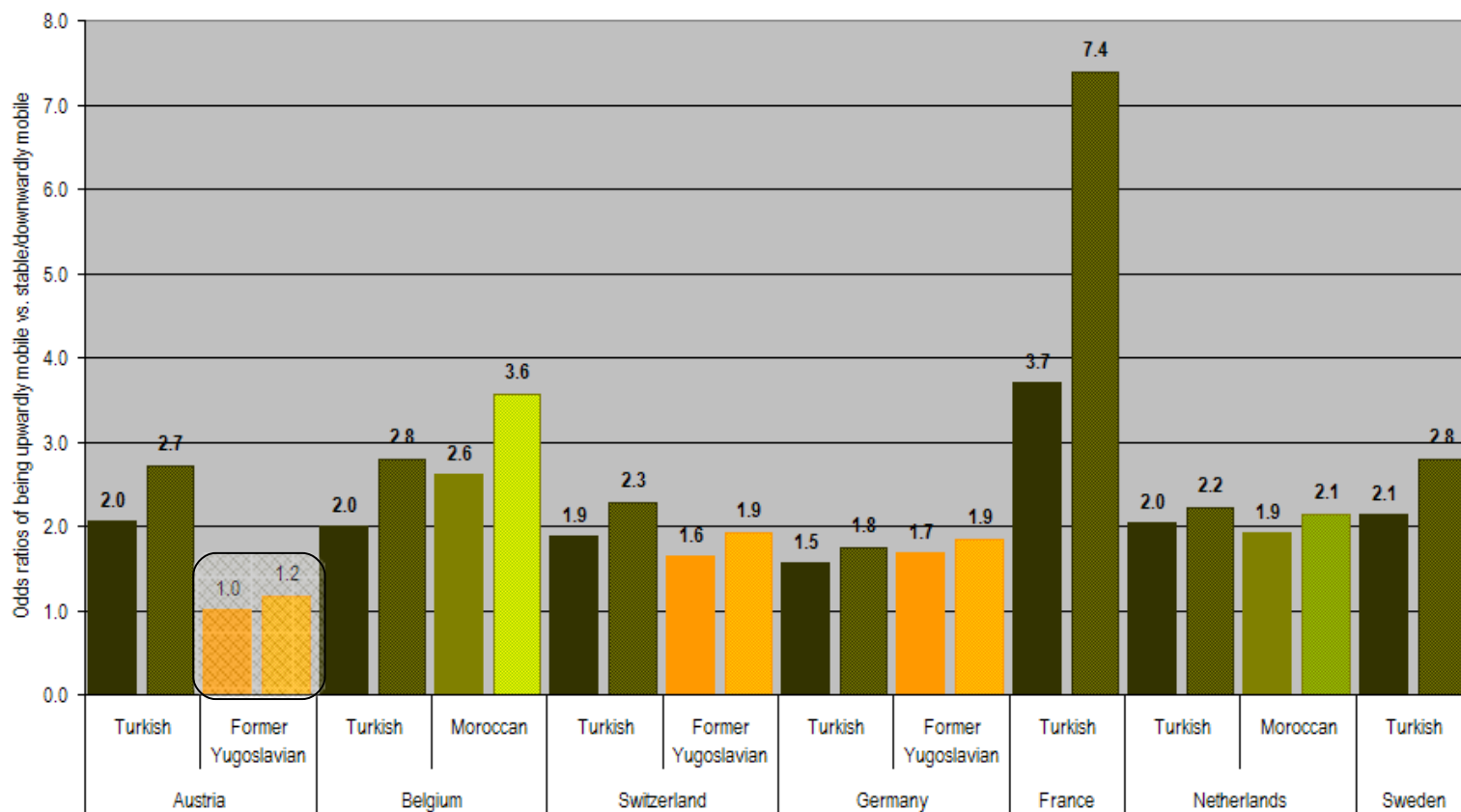
Proportion of upward mobility by group and country
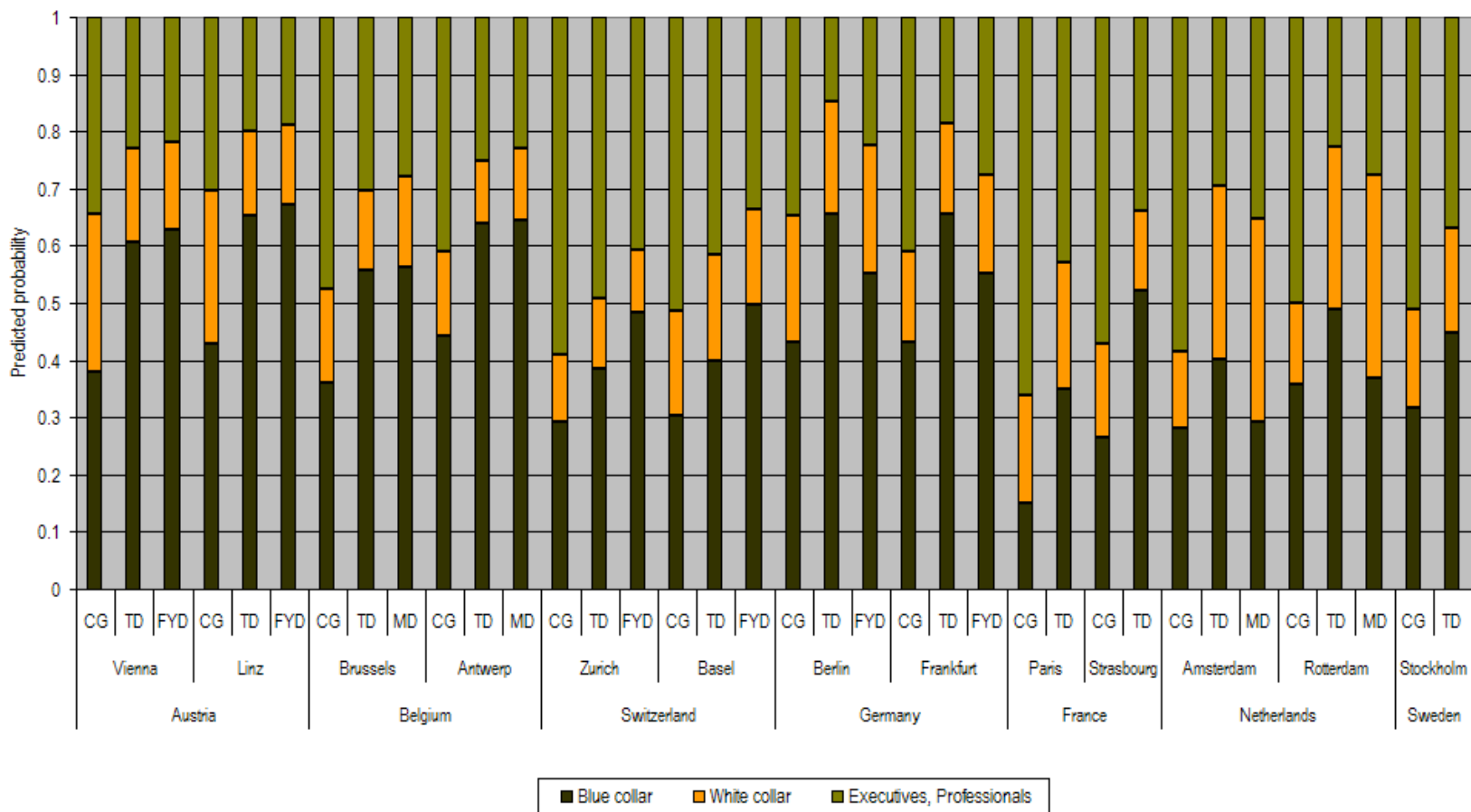
Results
2. Regression results

Gross and net odds ratios of upward mobility (compared to stable/downward mobility) in relation to the comparison group, by group and country
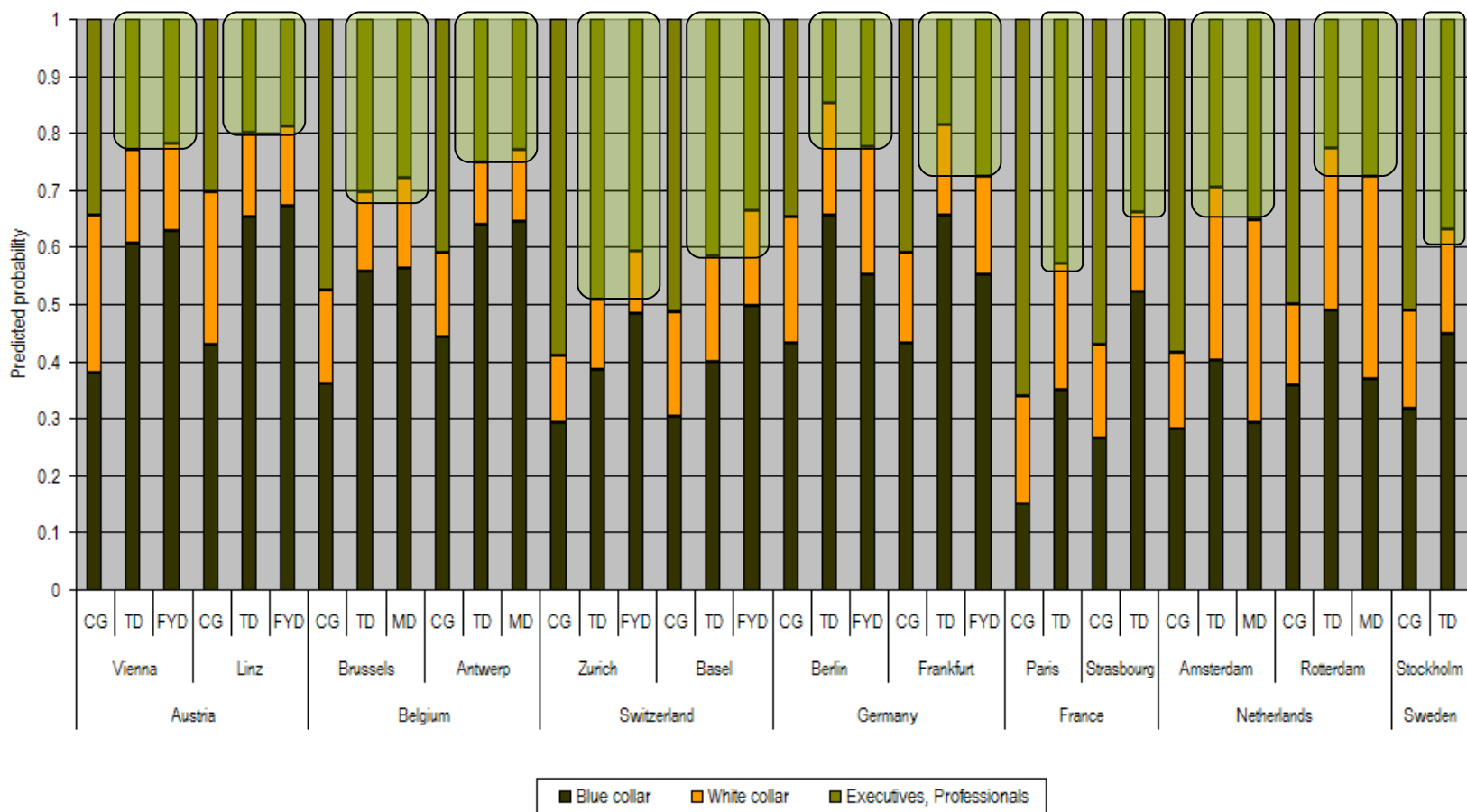
Gross and net odds ratios of upward mobility (compared to stable/downward mobility) in relation to the comparison group, by group and country

Gross predicted probabilities of occupational attainment by group and city, men: mean characteristics

Gross predicted probabilities of occupational attainment by group and city, men: mean characteristics
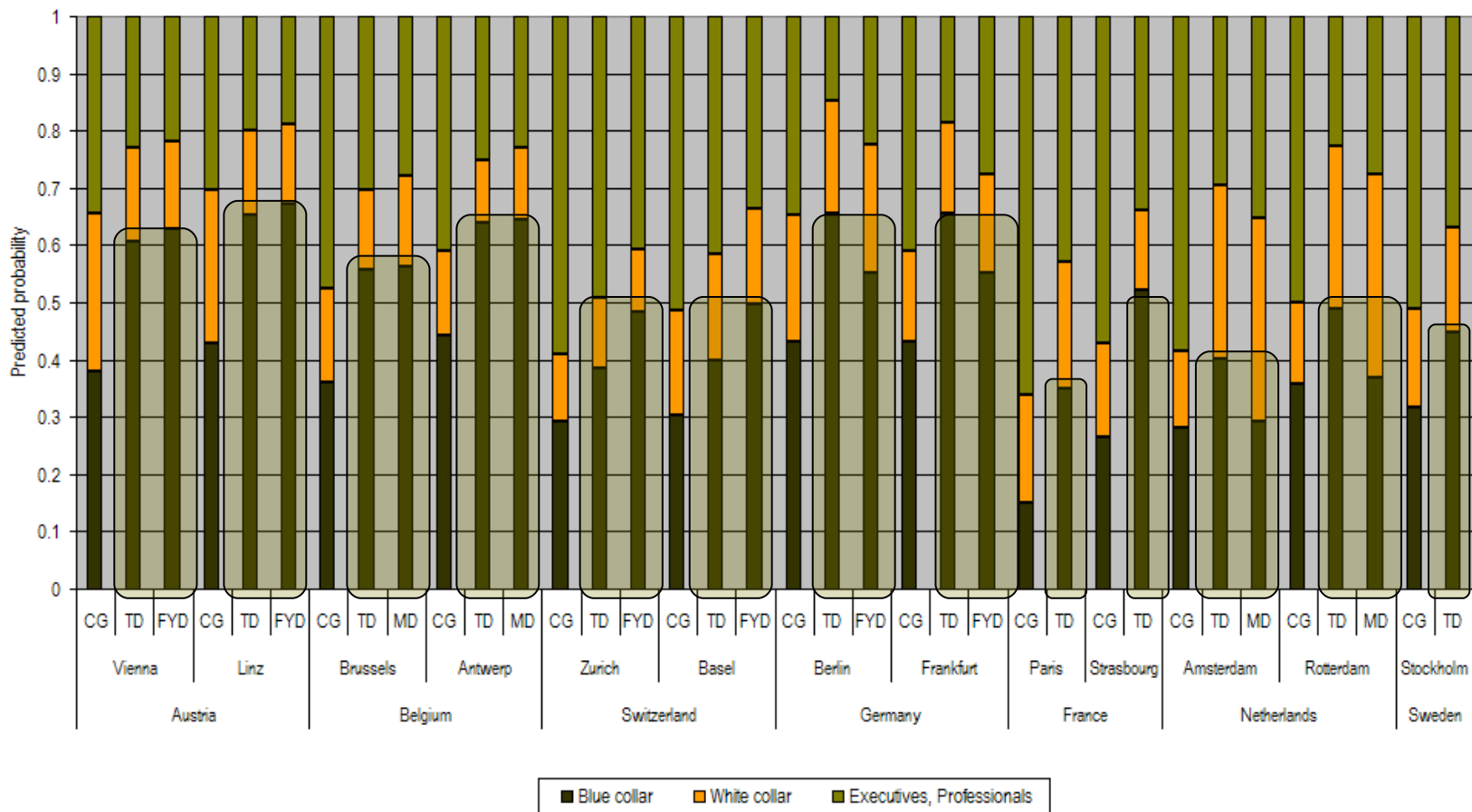
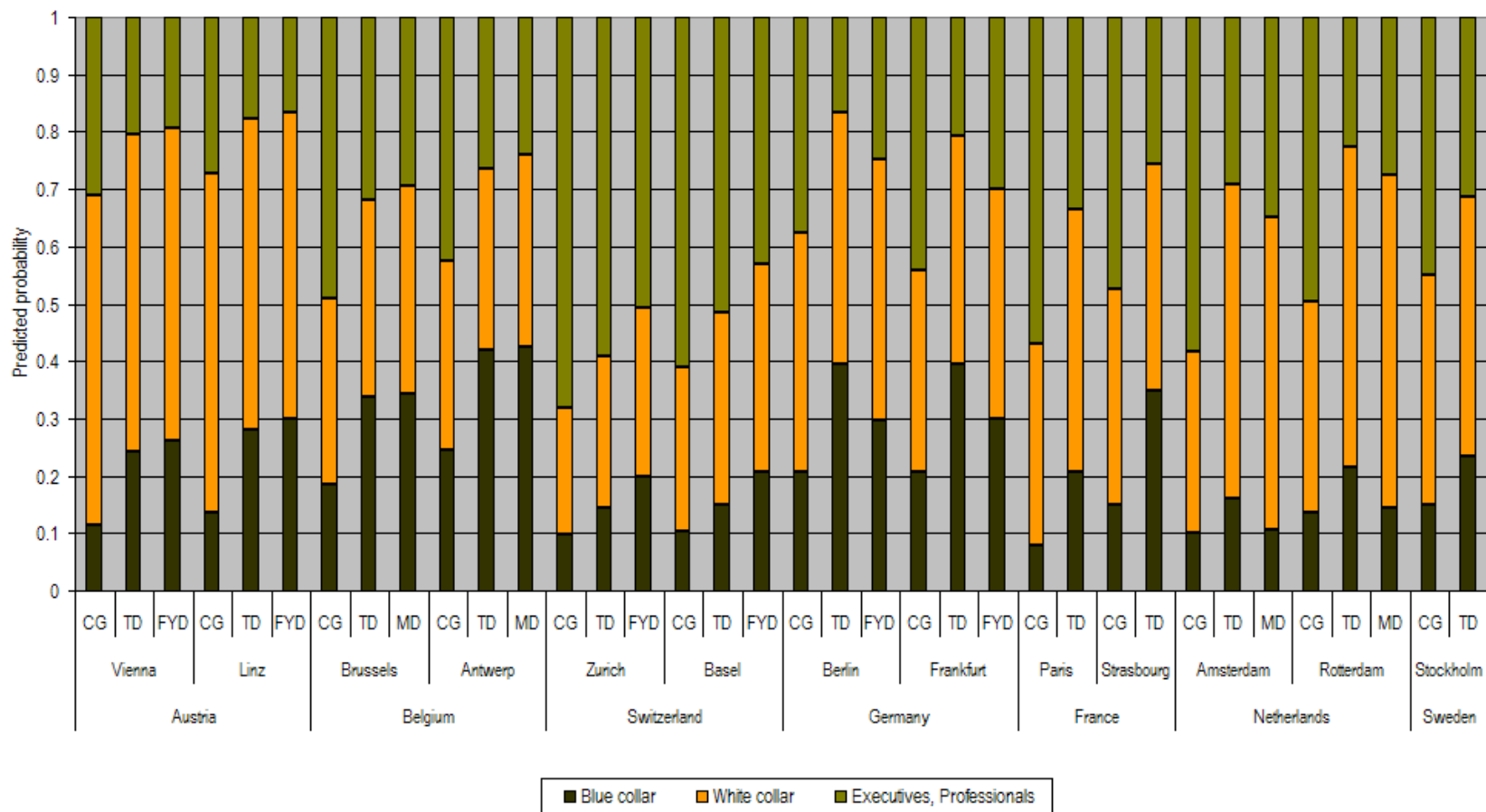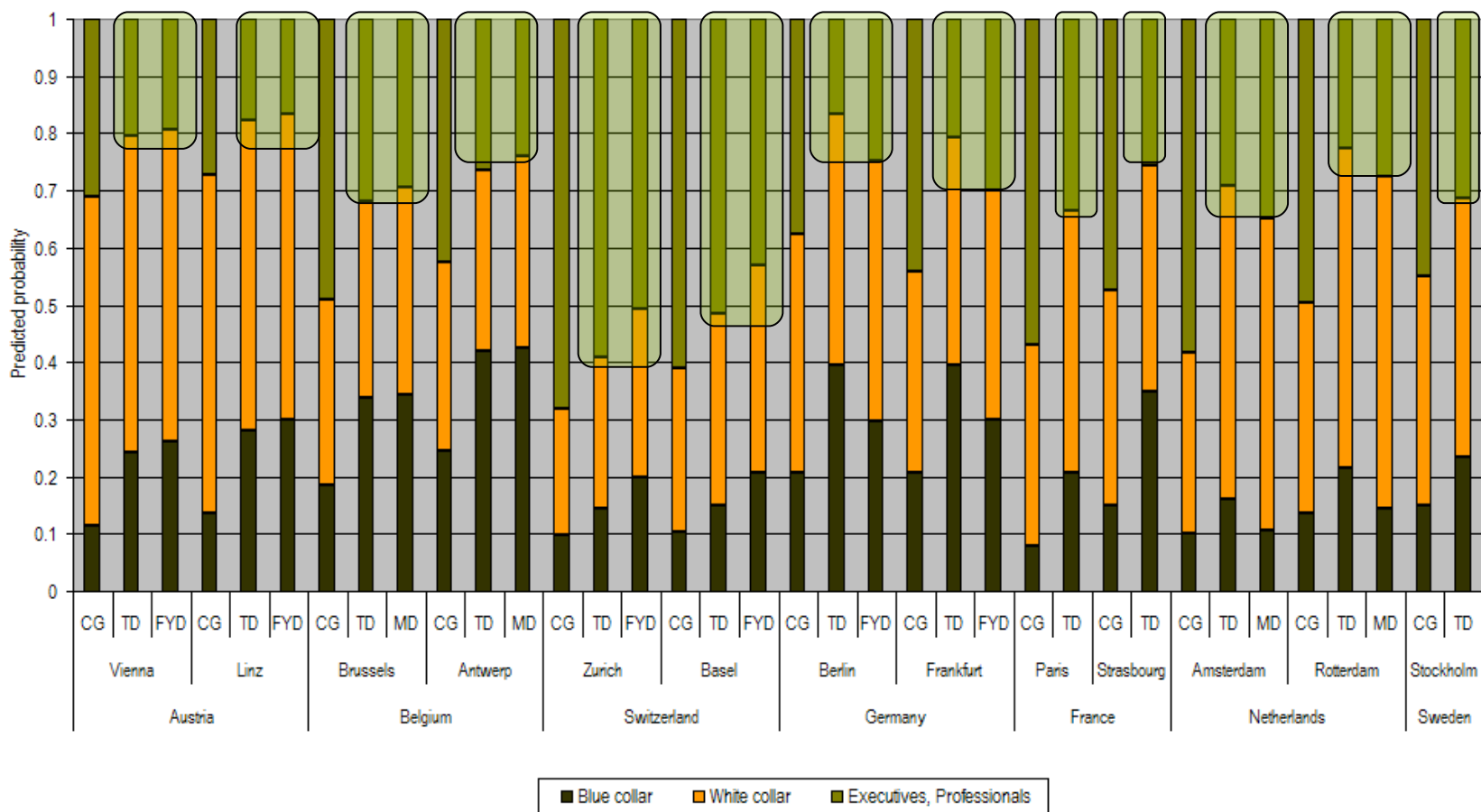Gross predicted probabilities of occupational attainment by group and city, men: mean characteristics

Gross predicted probabilities of occupational attainment by group and city, women: mean characteristics

Gross predicted probabilities of occupational attainment by group and city, women: mean characteristics

Gross predicted probabilities of occupational attainment by group and city, women: mean characteristics
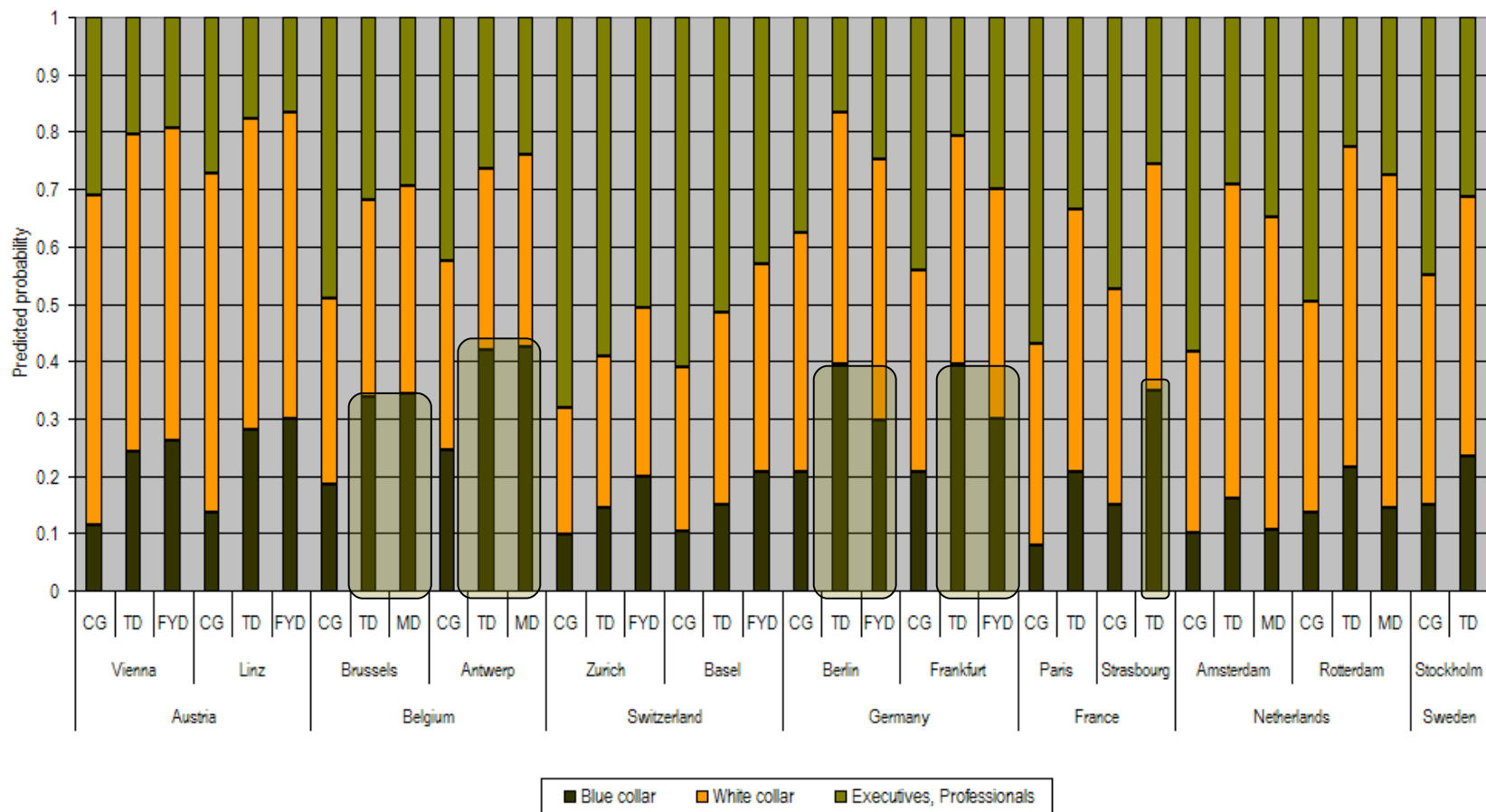
Net second generation differentials in occupational attainment at the highest level

		Gross	Net-Individual	Net-Parental
Austria	Turkish	**-0.9**	-0.2	-0.2
	Former Yugoslavian	**-0.9**	**-0.5**	**-0.5**
Belgium	Turkish	**-0.8**	**-0.4**	-0.1
	Moroccan	**-0.9**	**-0.6**	-0.1
Switzerland	Turkish	**-0.4**	0.0	0.1
	Former Yugoslavian	**-0.8**	**-0.5**	**-0.4**
Germany	Turkish	**-1.1**	**-0.7**	**-0.5**
	Former Yugoslavian	**-0.6**	-0.3	-0.2
France	Turkish	**-1.2**	-0.3	-0.2
Netherlands	Turkish	**-1.2**	**-0.7**	-0.5
	Moroccan	**-1.0**	-0.5	-0.4
Sweden	Turkish	**-0.6**	-0.4	-0.9

Discussion

- **Upward mobility is more present among the second generation**
  - More upward mobility amongst the groups with low social background at origin
- **No big differences in mobility between the countries with strong apprenticeship systems**
  - But slightly lower (except for the Turks in Austria)
- **Yet, respondents still newcomers on the labour market**
  - Wait until they reach age of 'optimal' occupation to see extent of mobility

Discussion (II)

- **With regard to mobility, results are quite positive.**
- **In terms of occupational attainment, the second generation has not been able to reach parity with the comparison group**
    - But more parity for second-generation women
- **There is a polarization of occupational status in Belgium, Germany and Austria, especially amongst men**
    - (Some) support for impact of apprenticeship system
- **Controls for human capital and social background does mitigate the second-generation effect**
    - But still negative in most cases
- **Here, also need to wait until all respondents (especially from comparison group) have left the school system**
    - Level of parity might even be harder to reach

Discussion (III)

- **The type of outcome one investigates when attempting to assess second generation integration does tell a different story**
  - One that can be more positive if examining the inter-generational process
- **Yet, even if positive, results seem to indicate that some social reproduction might be more prevalent in some countries**
- **Hence, some sort of vertical integration is taking place**
  - But horizontal integration does not seem within reach

The question remains…

What are the factors that determine the level and the degree of horizontal and vertical integration?

Thank you!

Questions? Comments?
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