The space between? Ethnic differentials in second generation labor market outcomes in fifteen European cities.

Extended abstract

Introduction

Immigration is a long term process that spans many generations; its outcomes are an important topic of inquiry. Interest in the inter-generational impact of immigration via an examination of the outcomes of the children of immigrant born and educated in the host country (the second generation) has increased in recent years, especially with the increase in the flows of 'non-European' migration to Western countries since the 1960s and the fact that, nowadays, the second generation is established in numbers great enough to study its outcomes. Inter-generational immigration issues have been quite widely examined within countries but there is a lack of comparative studies, especially in the European context, where geographical proximity and some homogeneity in the composition of immigrant groups prevail, making the continent a prime field of study for integration issues. The aim of this paper is to help bridge that gap in empirical research.

The level of integration of immigrants and their descendants in the host country can be measured in various ways; it spans many areas such as education, the labor market, voting behavior, family formation, identity and attitudes. This paper will focus on one type of integration that is important in determining various outcomes in one's life and has an impact not only on the individual but also on future generations: integration into the host country's labor market. This will be done via an empirical examination of various indicators of labor market status of the second generation using a recent survey of the second generation in Europe.

The paper will attempt to establish the state of labor market integration of second generation individuals of Turkish, Moroccan and former-Yugoslavian descent in fifteen European cities, using harmonized data from 'The Integration of the European Second Generation' (TIES) project, a recent attempt at providing comparative data on the second generation. The paper will also attempt to assess whether a pattern in ethnic differentials can be uncovered from the analysis of the TIES data.

The paper will be divided as follows. The first section will highlight the theory driving labor market integration research, as well as current European research on the labor market outcomes of the children of immigrants. The second section will discuss the TIES data as well as the statistical methods used to analyze labor market outcomes. The third section will present the results of the analyses, whereas the fourth and final section will discuss the results in light of the previous literature and will also attempt to see whether a clustering of patterns emerges when looking at the net labor market differentials between the second generation groups and their non-immigrant peers and whether this patterns fits established classifications of countries.

Theory and previous research

In the literature, there are many factors which influence the labor market integration of the second generation, with factors ranging from the individual to the national level. Amongst those are social background, social networks, level of aspirations and immigrant mobilization, the social and economic structure, ethnic segregation, and discrimination and racism (Heath, Rothon and Kilpi, 2008). These have been shown to matter to different extent in the current European research.

Generally, European research on labor market outcomes of the second generation has shown that, once controls for education were included, descendants of Turkish and Moroccan immigrants were most disadvantaged (though not in all countries), especially in Belgium, France, Germany and the Netherlands, whereas descendants of (former) Yugoslavian immigrants were slightly better off. There strong are gender differences, especially with regard to labor force participation of women of Moroccan and Turkish ancestry but overall, once in the labor force, the ethnic differentials did not appear to be that strong (Heath and Cheung, 2007; for a detailed list of current research on the labor market outcomes of the second generation in Europe, see Heath, Rothon and Kilpi, 2008).

Most current research on second generation labor market integration is based on analysis of national data, either as stand alone papers or analyzed in a comparative manner with efforts to standardize given variables. What is lacking in European research at the moment is cross-national research based on readily comparable data. This is where the TIES data comes into play as an added-value to the topic of labor market integration.

Data

This paper will use harmonized data from the TIES project to examine the issue at hand. The TIES data gathered various information on the children of Turkish, Moroccan and (former) Yugoslavian immigrants born and educated in the eight participating countries, who were between the ages of 18 and 35 and lived in the following cities at the time of the survey: Vienna and Linz in Austria, Brussels and Antwerp in Belgium, Zurich and Basel in Switzerland, Berlin and Frankfurt in Germany, Madrid and Barcelona in Spain, Paris and Strasbourg in France, Amsterdam and Rotterdam in the Netherlands, and Stockholm in Sweden. A control group comprised of native-born peers of non-immigrant parents (the 'comparison group') was also included in the survey for comparison purposes. The data was collected via CAPI questionnaire that comprised many modules, ranging from educational background to gender role and child care, in order to grasp many facets of immigrant integration.

This paper uses various labor market indicators (economic activity, unemployment, hours worked, and occupational status), as well as demographic (age, gender), family (parental education and occupation) and educational (highest qualification) variables present in the TIES data to assess the level of labor market integration in the TIES cities (or cities within the countries).

Methods

The analyses will focus on net ethnic effects (looking at the size of the ethnic coefficients, in relation to the comparison group, controlling for demographic, educational and socio-economic background; this is also referred to as 'ethnic penalties' in the literature) in labor market status indicators, such as economic activity, unemployment, hours worked and occupational status, via a set of logistic and linear regressions. These will allow to measure, to some extent, the distance between the second generation groups and the comparison group with regard to various labor market indicators in the TIES cities.

The net ethnic effects will also allow seeing whether the groups within the TIES cities can be regrouped according to certain clusters, and whether these clusters 1) appear to match the geographical boundaries (i.e. countries), hence validating the survey's methodology; and 2) match existing country classifications, either based on the structure of the educational system, the labor market and social policies, or on the reception of immigrants. This will be done via cluster analysis based on the net ethnic effects.

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Preliminary and expected results

Preliminary results, mostly via descriptive statistics, have shown that second generation's labor market integration appears to vary between groups within the TIES cities (see Tables 1a and1b for some descriptive statistics), as well as by gender and age group.

Table 1a: Economic activity (%) by City, Ethnic Group and Sex.

			Group					
			Turkish Descent		(Former) Yugoslavian Descent		Comparison Group	
			Men	Women	Men	Women	Men	Women
Austria	Vienna	Economically inactive	17.8	48.9	10.6	25.4	18.0	38.8
		Economically active	82.2	51.1	89.4	74.6	82.0	61.2
		N	107	141	123	130	133	116
	Linz	Economically inactive	15.7	32.7	26.4	36.8	20.7	27.3
		Economically active	84.3	67.3	73.6	63.2	79.3	72.7
		N	102	104	106	136	92	139
Switzerland	Zürich	Economically inactive	11.6	17.0	6.8	12.2	6.0	17.8
		Economically active	88.4	83.0	93.2	87.8	94.0	82.2
		N	103	102	125	110	92	109
	Basel	Economically inactive	10.5	20.1	10.6	16.8	18.9	19.4
		Economically active	89.5	79.9	89.4	83.2	81.1	80.6
		N	130	114	83	106	146	119
Germany	Berlin	Economically inactive	15.6	40.2	11.3	33.3	9.6	20.7
		Economically active	84.4	59.8	88.7	66.7	90.4	79.3
		N	141	112	97	102	136	111
	Frankfurt	Economically inactive	11.9	34.0	10.2	21.7	7.8	19.5
		Economically active	88.1	66.0	89.8	78.3	92.2	80.5
		N	101	147	98	106	102	149
Sweden	Stockholm	Economically inactive	11.9	28.3	.	.	19.1	19.2
		Economically active	88.1	71.7	.	.	80.9	80.8
		N	124	127	.	.	123	127

Column percentages total 100% within cities
.=missing
Source: TIES 07/08. Weighted results. Unweighted N.

Gender differences appear to be greater with regard to economic activity, whereas the occupational status of women, especially of the second generation women, appears to be quite high. Given these preliminary results, and also given the fact that the level of parental human capital is lower for the second generation (especially for those of Turkish and Moroccan descent), analyses of the net ethnic effects, once the appropriate controls are added, will be able to assess the state of the labor market integration of the TIES second generation. It is hypothesized that, even net of demographic and parental characteristics, the second generation of, especially, Turkish and Moroccan descent still lags behind the comparison group in terms of integration into the labor market.

Table 1b: Economic activity (%) by City, Ethnic Group and Sex.

			Group					
			Turkish Descent		Moroccan Descent		Comparison Group	
			Men	Women	Men	Women	Men	Women
Belgium	Brussels	Economically inactive	20.8	43.3	15.9	37.3	18.0	18.8
		Economically active	79.2	56.7	84.1	62.7	82.0	81.2
		N	178	180	156	154	153	148
	Antwerp	Economically inactive	17.7	40.7	32.7	47.2	39.3	38.6
		Economically active	82.3	59.3	67.3	52.8	60.7	61.4
		N	125	121	126	121	135	124
Spain	Madrid	Economically inactive	.	.	28.0	48.0	37.0	53.3
		Economically active	.	.	72.0	52.0	63.0	46.7
		N	.	.	127	123	100	150
	Barcelona	Economically inactive	.	.	9.9	30.1	16.8	21.8
		Economically active	.	.	90.1	69.9	83.2	78.2
		N	.	.	127	123	129	121
France	Paris	Economically inactive	31.4	44.0	.	.	16.2	29.5
		Economically active	68.6	56.0	.	.	83.8	70.5
		N	150	110	.	.	93	98
	Strasbourg	Economically inactive	14.2	42.4	.	.	25.6	30.8
		Economically active	85.8	57.6	.	.	74.4	69.2
		N	103	137	.	.	79	80
Netherlands	Amsterdam	Economically inactive	15.1	28.1	14.8	24.0	5.6	14.6
		Economically active	84.9	71.9	85.2	76.0	94.4	85.4
		N	31	39	61	56	284	352
	Rotterdam	Economically inactive	11.3	32.5	31.9	35.6	14.3	12.2
		Economically active	88.7	67.5	68.1	64.4	85.7	87.8
		N	53	51	29	29	262	258

Column percentages total 100% within cities

.=missing

Source: TIES 07/08. Weighted results. Unweighted N.

The results of the cluster analysis will allow to see whether there are clusters of integration that form, and whether these follow established national boundaries, or whether it is the case that the distance between the second generation and the comparison group in the different cities follows more an 'ethnic path' than a geographical one.

References

Heath, A. F., Rothon, C. Kilpi, E. (2008) The second generation in Western Europe, Education, unemployment, and occupational attainment. *Annual Review of Sociology,* 34, pp. 211–235.

Heath A. F. and Cheung, S. Y. Eds.(2007) *Unequal chances, Ethnic minorities in Western labour markets.* Oxford: Published for The British Academy by Oxford University Press.