

Working Through Barriers

Host Country Institutions and Immigrant Labour Market Performance in Europe

IRENA KOGAN

University of Mannheim, Germany

CONTENTS

Preface and Acknowledgements	ix
1. Immigrant Labour Market Performance: A European Perspective	1
1.1. Introduction	1
1.2. Research Questions and Rationale	3
1.3. Outline	6
2. Explaining Immigrant Labour Market Inequality	9
2.1. A Micro Approach to the Analysis of the Immigrant Labour Market Situation	9
2.1.1. Human Capital and Migration	9
2.1.2. Discrimination	11
2.1.3. Ethnic or Immigrant Penalty	12
2.1.4. Labour Market Dualism	14
2.1.5. Insider–Outsider Cleavage	16
2.2. The Link Between a Country’s Institutional Arrangements and the Immigrant-Job Allocation Process	17
2.3. Institutional Approach to the Analysis of Immigrant Labour Markets	20
2.3.1. Rationale	20
2.3.2. Institutions Relevant to the Incorporation of Immigrants in the Labour Market	21
3. Immigration Policies and Immigrant Selectivity in Europe	25
3.1. Immigration into European Countries after the Second World War	25
3.1.1. Geo-Political Changes after the Second World War	26
3.1.2. Post-Colonial Immigration	26
3.1.3. Labour Migration	26
3.1.4. Influx of Refugees and Asylum Seekers	28
3.1.5. EU Countries and the Main Migration Streams in the Second Half of the 20th Century	29
3.1.6. Summary	31

3.2.	Immigrants in the European Union	31
3.2.1.	Problems of Typology of Immigrants in the European Union Countries	31
3.2.2.	Types of Immigrants in the European Union Countries	33
3.2.3.	Composition of Immigrants in the European Union Countries	37
3.2.4.	Summary	39
3.3.	Selectivity of Immigration Policies and Socio-demographic Characteristics of Immigrants in the European Union	39
3.3.1.	Selected Demographic Characteristics	40
3.3.2.	Educational Capital of Immigrants	43
3.3.3.	On the Portability of Human Capital	45
3.3.4.	Summary	47
4.	Immigrants and the Labour Market	49
4.1.	The Labour Market Situation in EU Countries in the Late 1990s	50
4.2.	The Effects of Labour Market Structure upon Immigrants' Employment Opportunities	53
4.2.1.	Immigrants' Labour Market Segmentation	53
4.2.2.	Immigrant Niches	55
4.2.3.	Immigrant Entrepreneurship	58
4.3.	Effects of Labour Market Rigidity on Immigrants' Employment Opportunities	60
4.4.	Summary	63
5.	Welfare Regimes and Immigrants' Employment Prospects	65
6.	Empirical Assessment of the Role of Institutions in the Labour Market Outcomes of Male Immigrants in Fourteen European Union Countries	73
6.1.	Hypotheses	73
6.2.	Research Methodology	75
6.2.1.	Data	75
6.2.2.	Variables	77
6.2.3.	Method of Analysis	82
6.3.	Findings	85
6.3.1.	Descriptive Results	85
6.3.2.	Unemployment Risk of Male Immigrants in the EU	87
6.3.3.	Unemployment Risk of Recent Male Immigrants in the EU	91
6.3.4.	The Occupational Status of Male Immigrants in the EU	96
6.4.	Summary and Discussion	99
7.	Employment Careers and Unemployment Dynamics of Male Immigrants in Germany and Great Britain	105
7.1.	Background Conditions in Germany and Great Britain	105
7.1.1.	An Overview of Immigrant Inflow to Germany and the UK in the Second Half of the 20th Century	105

7.1.2.	The Role of Institutions in the Immigrant Labour Market Allocation Process in Germany and the UK	107
7.2.	Research Methodology	111
7.2.1.	Data	111
7.2.2.	Methods: Sequence Analysis Techniques	112
7.2.3.	Methods: Event History Analysis Techniques	116
7.2.4.	Variables	118
7.3.	Empirical Results	121
7.3.1.	Deviation of Career Sequences of Immigrants from a Standard Sequence of the Native-born	121
7.3.2.	Occupational Inclusion or Segmentation? Employment and Occupational Careers of Immigrants in Germany and the UK	126
7.3.3.	Unemployment Dynamics of Immigrants in Germany and Great Britain	133
7.3.3.1.	Unemployment Outflow	134
7.3.3.2.	Unemployment Inflow	146
7.4.	Summary and Discussion	150
8.	Ex-Yugoslavs in the Austrian and Swedish Labour Markets	155
8.1.	Yugoslav Migration to Austria and Sweden	156
8.2.	The Institutional Contexts of Immigration in Austria and Sweden	157
8.2.1.	Immigration, Integration and Citizenship Policies	158
8.2.2.	The Role of the Labour Market	160
8.2.3.	Immigration and the Welfare State	162
8.3.	Hypotheses	162
8.4.	Data and Variables	164
8.5.	Empirical Findings	166
8.5.1.	Descriptive Characteristics	166
8.5.2.	Results of the Multivariate Analysis: Participation in the Labour Force	171
8.5.3.	Results of the Multivariate Analyses: Unemployment Propensity and Occupational Status	175
8.6.	Summary and Discussion	179
9.	Conclusions	183
	Appendix	197
	List of Figures	213
	List of Tables	215