

HOW INTERMARRIAGE SHAPES IMMIGRANTS' LABOR MARKET OUTCOMES AND WORKPLACE SEGREGATION IN DENMARK?

Kadri Leetmaa

with Ott Toomet and Tiit Tammaru

15.03.2013 Tartu

Our starting position

- Domains of inter-ethnic contacts are related
 - intermarriage contributes to labor market outcomes and workplace segregation
- Swedish results: immigrant women gain less from intermarriage (Strömberg et al. 201x)
 - gender differences might be interesting
- **Is it so in Denmark? What are the mechanisms?**

Literature

(residential segregation and labor market outcomes)

- Workplace segregation is related to but is lower than residential segregation (Ellis et al. 2004)
- Workplace as “social neighborhood”, even more important or complements residential environment (Wellman 1996, Bygren 2010).
- Living in ethnic enclave improves labor market outcomes (Edin et al. 2003; Damm 2009; 2012), but it depends, e.g. on time (Musterd et al. 2008).

Literature

(indicators, measures)

- How different outcomes (employment, wage, workplace segregation, positions) are related? Selection mechanism
 - e.g. hours worked or job-workers match (Damm 2009; 2012)
- Measuring workplace segregation
 - small units' issue (Carrington and Troske 1997)
 - excluding small enterprises or/and a studied person
 - problem with some establishments

Literature

(determinants of labor market outcomes)

- What else leads to workplace segregation, lower employment levels and wage?
 - skills, education, language – Hellerstein and Neumark 2008
 - work-related networks – Aslund and Skans 2010, Bygren 2010
 - economic situation, immigrant status, cohorts – Husted et al. 2001
 - motivation and worker preferences – Kaufmann 2002
 - stereotyping and queuing

Literature (intermarriage)

- intermarriage as an outcome:
 - Bozon and Heran 1989; Kalmijn and Flap 2001; Tsay and Wo 2006
- intermarriage creating new contacts
 - a favorable position to assimilate spatially (Ellis et al. 2012; Alba and Nee 2005)
 - selection hypothesis vs productivity hypothesis (Kantarevic 2004)

Questions asked

- *How the intermarriage influences immigrants' employment, workplace segregation, wage?*
- *Which are the gender differences? How these are produced?*

Danish immigrant society

- 2012 - 597.161 persons (I+II)
- 7% with non-Western origin
- Turkey, Iraq, Lebanon, Pakistan, Somalia, Iran, Afghanistan, Vietnam; neighboring and Nordic countries, FYU, Poland



Short history, geographical location

- Late 1960s until mid-1970s quest-workers
- Later family members, growing number of refugees, ...
- Since mid 1980s rapid increase in number of refugees and asylum seekers; until the turn of the millennium
- Dispersal policy allocating refugees between 1986-1998
- 60% live in social housing sector (1/5 of the total stock)

Data

- Employer-employee matched data
- Total population in Denmark
- First generation immigrants
- Population aged 21–59
- Cohorts entered 1990, (1993), 1995, (1998), 2000

Filters for total population in models

- “Employment” model
 - Total population
 - Employed – 1; Not employed - 0
- “Workplace segregation” model
 - Private sector
 - % of immigrants at the workplace
 - Establishments with 5 and more employees
- “Wage” model
 - Private sector
 - Wage on log scale

Dependent variables in first explorative OLS

- **Employment** models for women (90, 93, 95, 98, 00)
- Employment models for men (90, 93, 95, 98, 00)

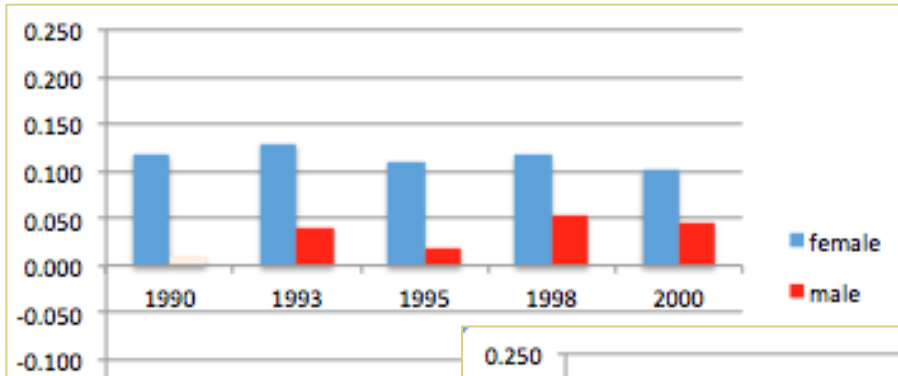
- **Segregation** models for women (90, 93, 95, 98, 00)
- Segregation models for men (90, 93, 95, 98, 00)

- **Wage** models for women (90, 93, 95, 98, 00)
- Wage models for men (90, 93, 95, 98, 00)

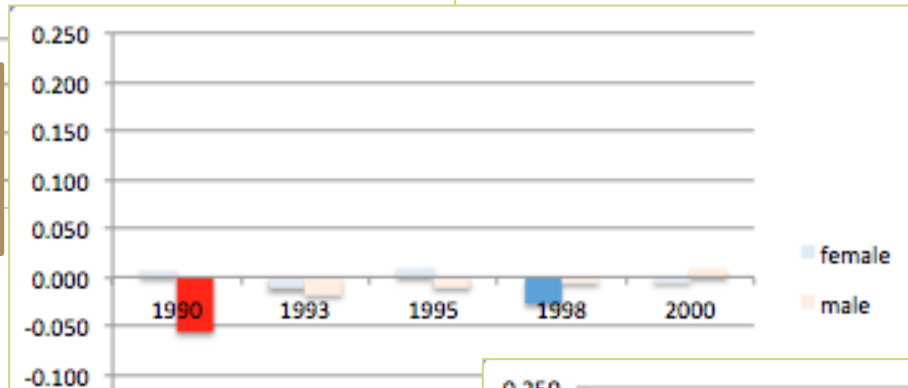
Independent variables in first explorative OLS

- **Native spouse**
- **Other married**
- **Countries of origin** - Western countries, East Europe, FYU, IQ, IR, LB, PK, SO, TK, VN, AF, rest of the world
- **Age** - 20-24, 25-34, 35-49, 50-59
- **Family migrant**
- **Education of the spouse** - education missing, preparatory/primary, secondary, other higher, bachelor and higher
- **Wage quartiles of the spouse** - missing spouse or missing spouse wage, quartiles
- **Measurement year factor** - each year during 5 years after arrival
- **Region** - Mid Jutland, North Jutland, Sealand, South Denmark, Capital city area

Impact of “native spouse” to labor market condition

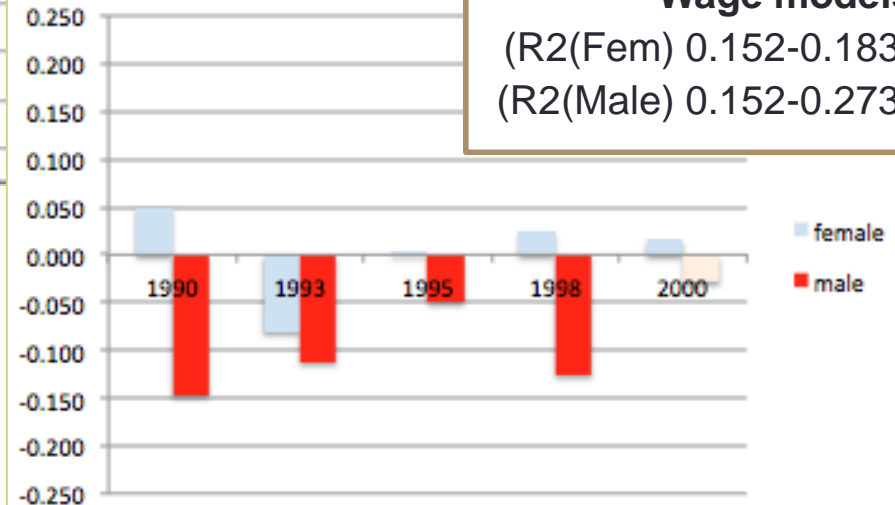


Employment models
 (R2(Fem) 0.150-0.209)
 (R2(Male) 0.138-0.203)

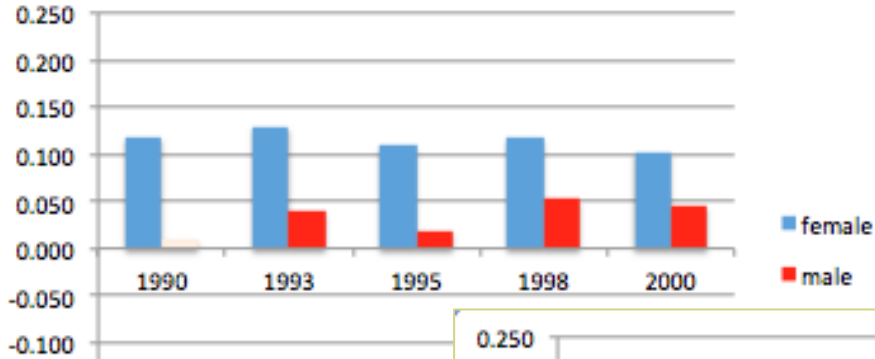


Segregation models
 (R2(Fem) 0.033-0.064)
 (R2(Male) 0.038-0.087)

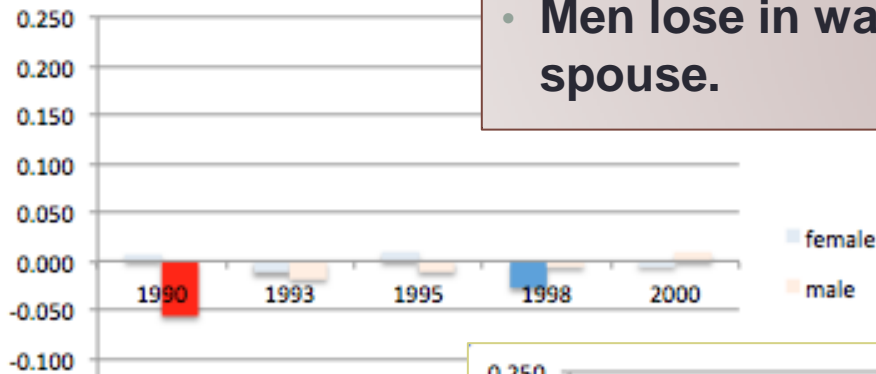
Wage models
 (R2(Fem) 0.152-0.183)
 (R2(Male) 0.152-0.273)



Impact of “native spouse” to labor market condition

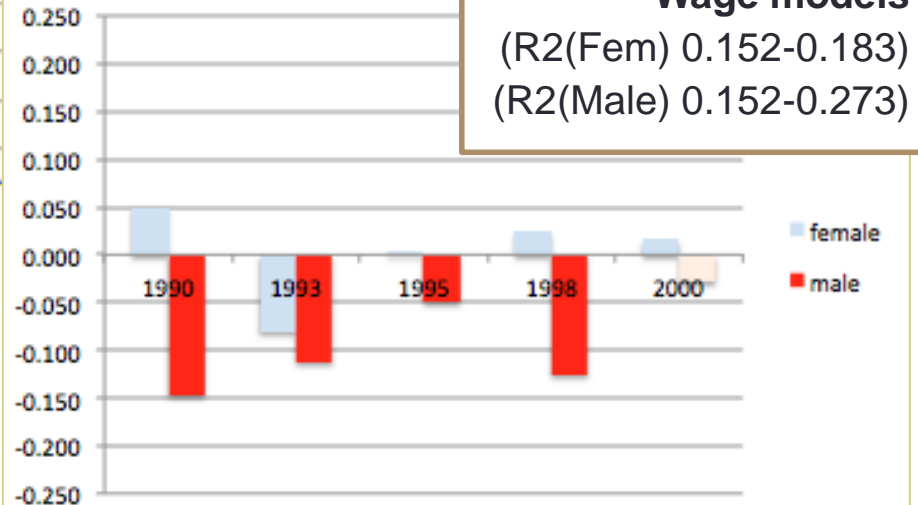


Employment models
 (R2(Fem) 0.150-0.209)
 (R2(Male) 0.138-0.203)



Segregation models
 (R2(Fem) 0.033-0.064)
 (R2(Male) 0.038-0.087)

- Both women and men work more while being married with a native.
- Women win more in employment from a native spouse.
- Not able to explain segregation.
- Men lose in wage from a native spouse.



Wage models
 (R2(Fem) 0.152-0.183)
 (R2(Male) 0.152-0.273)

Being a family migrant ...

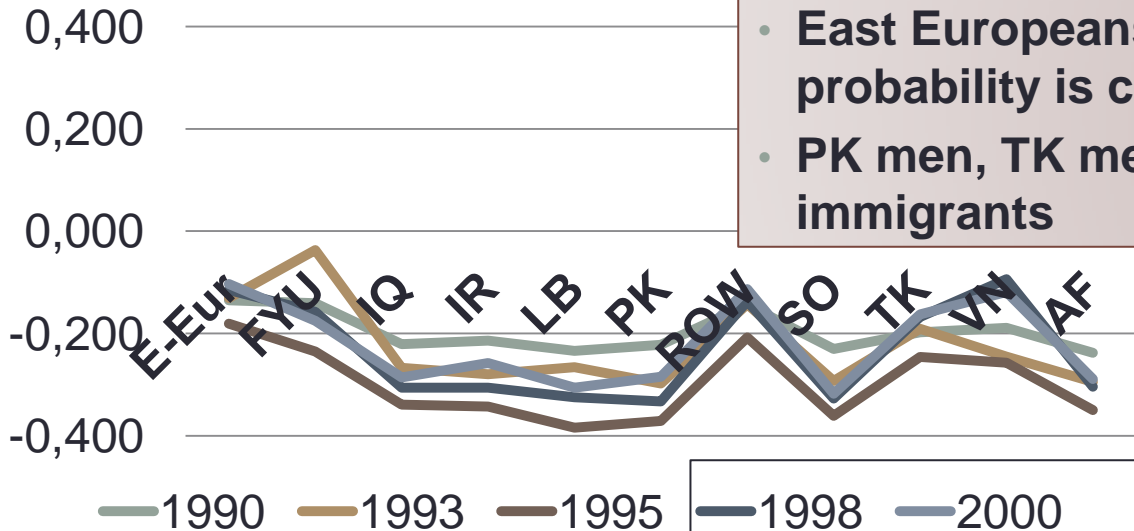
(compared to those arrived alone or with their immigrant spouse)

Immigrants who are family migrants (joined to smb. while arriving) may have modest career ambitions (e.g. women) or have better networks to get a better job (e.g. men).

	Lose	No effect	Win
Employment (women)		x	
Employment (men)			x
Workplace segregation (women)			(x)
Workplace segregation (men)			(x)
Wage (women)		x	
Wage (men)		x	

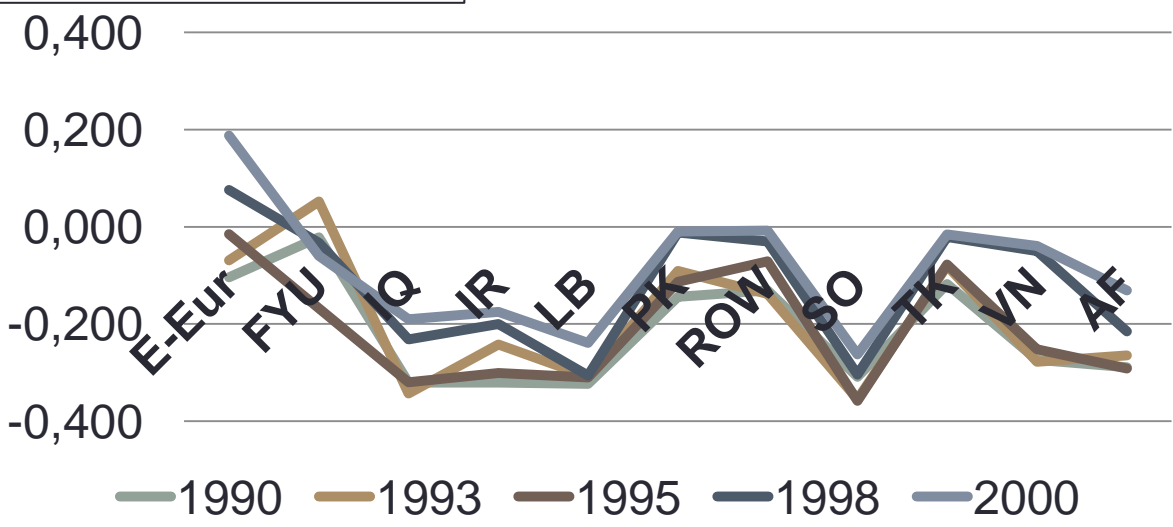
Immigrants by countries of origin (employment models)

Women



- IQ, IR, LB, SO, AF, work less probably, plus PK and TK women.
- East Europeans and FYU immigrants working probability is close to Western immigrants.
- PK men, TK men, work as often as Western immigrants

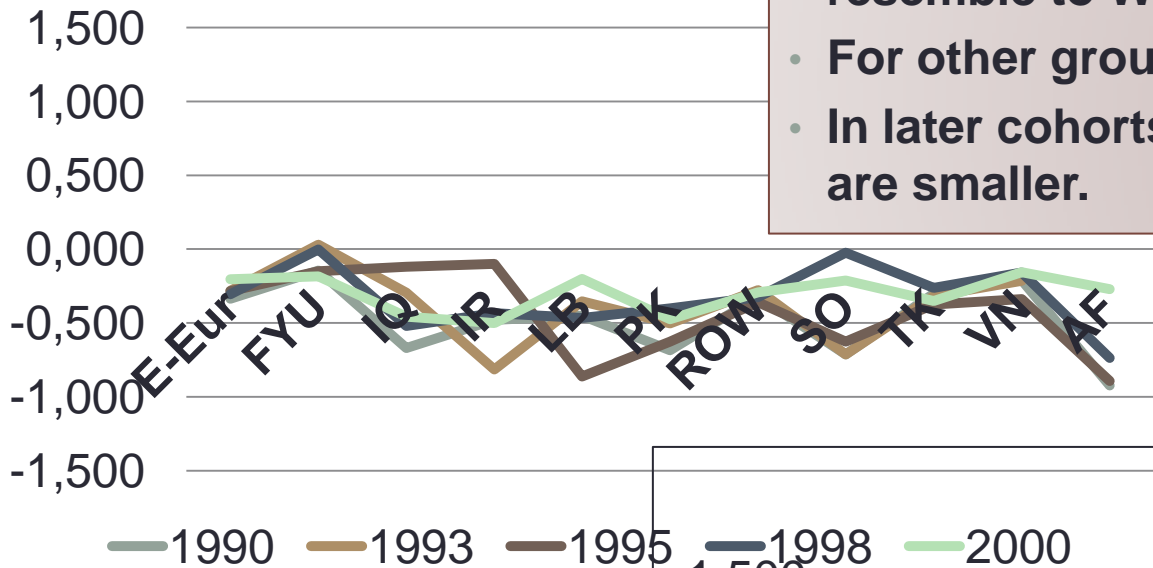
Men



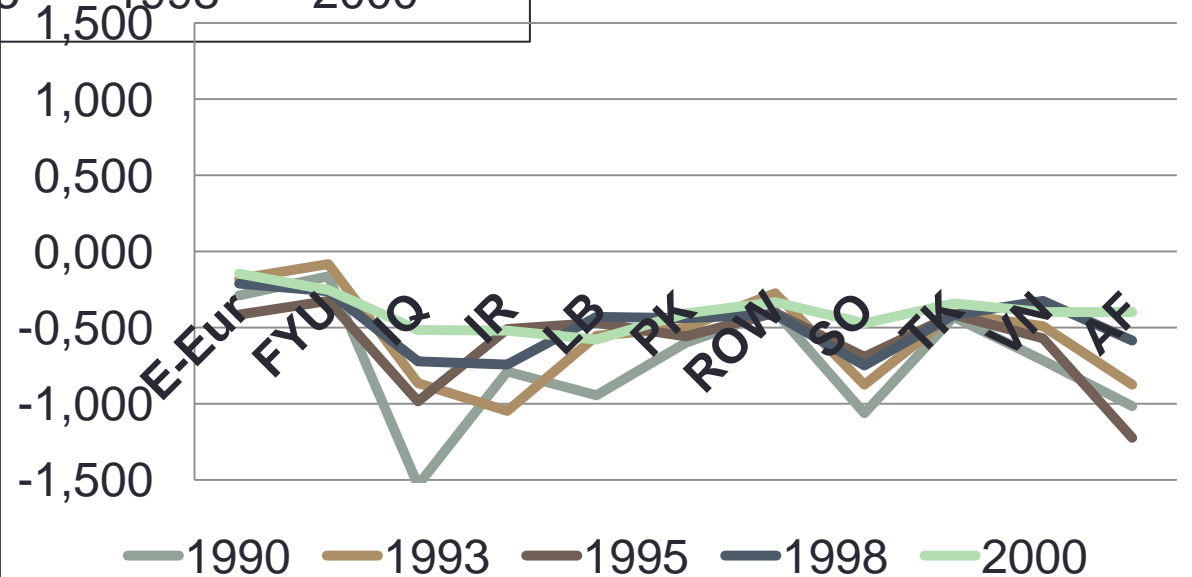
Immigrants by countries of origin (wage models)

Women

- While working Eastern Europeans and FYUs resemble to Western immigrants.
- For other groups, differences in cohorts.
- In later cohorts ethnic differences in wage are smaller.



Men



What if spouses have higher education level?

Higher education level of a spouse may increase access to labor market through networks.

	Lose	No effect	Win
Employment (women)	x		
Employment (men)		x	
Workplace segregation (women)		x	
Workplace segregation (men)		x	
Wage (women)		x	
Wage (men)			(x)

What if spouses have higher wages?

Higher wage of a spouse may decrease work related aspiration (partners earn well enough) or demonstrate the effect of social networks.

	Lose	No effect	Win
Employment (women)			x
Employment (men)			x
Workplace segregation (women)			x
Workplace segregation (men)			x
Wage (women)			x
Wage (men)			x

Learned so far 😊 and further steps

In a society with heterogeneous immigrant population ...
... segregation patterns and labor market adjustment
patterns are diverse, group-specific, cohorts-specific ...

- **Interactions of immigrant groups and native spouse impacts**
- **To add more from residential environment**

Thank you !

We welcome any comments and suggestions 😊

Kadri
Ott
Tiit