Fertility & economic inequality in Europe – Monday 10 September 4.45pm

The impact of fatherhood on wage inequality among British, Finnish, and German men.

Rossella Icardi, Lynn Prince Cooke, Anna Erika Hagglund; University of Bath

Having children predicts gender wage inequalities. Fatherhood is associated with greater wages that contrast with motherhood wage penalties, but not all fathers benefit equally. In this paper we theorize how the effect of fatherhood across the wage distribution might vary with the constellation of family, state, and market institutions that constitute ‘fatherhood regimes’. Britain and Germany are modified male breadwinner states, although the German labour market enabled more men to support dependent wives and children. Finland is a solidaristic regime, with institutional supports for both dual-earning and greater wage equality among men. Using 2000 to 2014 waves of British, Finnish, and German national panel data and unconditional quantile regression, we compare the fatherhood premium across the wage distribution in each country. We also compare how much of the gross fatherhood wage premium at each quantile is accounted for by observed and stable unobserved characteristics. In all three countries, both gross and net premiums are greater at the 80th than 20th quantile of the wage distribution. At the 20th quantile, observed characteristics account for more of the British fatherhood premium than in the other two countries. In all three countries, however, observed and time-invariant unobserved characteristics account for most of the premium at both the 20th and 50th quantiles. Net of characteristics, there is an unexplained premium only at the top of the distribution that is largest in Germany and somewhat smaller in Finland. We conclude that parenthood sustains only elite men’s advantage, to varying degrees across regimes.

Email: r.icardi@bath.ac.uk

Making ends meet with children: A panel analysis based on EU-SILC data for 30 European countries

Sonja Spitzer1, Angela Greulich2, Bernhard Hammer1; 1Wittgenstein Centre for Demography and Global Human Capital, 2University Paris 1 Sorbonne-Pantheon

The arrival of a child changes household income as well as needs, which consequently alters self-reported income adequacy. We analyse the effect of births on subjective economic wellbeing, hereby capturing the direct and indirect costs of young children. The analysis is based on EU-SILC longitudinal data for 30 European countries from 2004 to 2015, enabling comparisons within and between countries as well as different types of welfare regimes. Our results show that children decrease subjective economic wellbeing in all regions, the first child being the costliest. Indirect costs in the form of income losses vary considerably across country groups, but are offset by public transfers. In the short term, direct costs of children explain most of the drop in self-reported income adequacy.

Email: sonja.spitzer@oeaw.ac.at

Female unemployment and child poverty among immigrants in Denmark, 1980-2017

Anna Tegunimataoka, Centre for Economic Demography, Lund University Sweden

The challenges of immigrant poverty are many. Unemployment and difficulties in escaping economic hardship have long-term negative consequences for individuals and families and influence the well-being of future generations. This paper has two main aims. First, it studies long-term changes in immigrant family poverty in Denmark, with a particular focus on the developments from 2001 onwards that came with a number of policies directly aimed at immigrant families. Second, it studies the link between female labour force participation and the escape from poverty for immigrant children and families, taking country of origin differences in labour force participation of females into consideration, using bivariate probit models and decomposition techniques with register data of the full Danish population. Denmark is chosen as the
setting for this study as it is a country with low general levels of poverty and an extensive social security system. Yet, poverty levels among immigrants are the highest in Scandinavia and seem to be persisting over time. The period of study (1980-2017) is interesting since it is characterized by large (by Danish standards) inflows of immigrants that coincided with major reforms directed towards immigrant families. Initial results show increasing poverty levels for especially non-western immigrants since the early 2000s and that the difference in poverty levels between ethnic groups can be attributed to differences in female labour force participation.

Email: anna.tegunimataka@ekh.lu.se

Every country wants to be Sweden. Divergent fertility outcomes despite EU convergence of family policy instruments

Wendy Sigle & Joanna Marczak, London School of Economics

The persistence of total fertility rate (TFR) at below-replacement level of 2.1 has led to considerable concerns in many European countries about the potentially harmful economic effects of population ageing. There is an agreement in Europe that meeting the demographic challenges requires policies that support higher fertility and high female labour force participation. The EU played an important role in these developments by setting family policy goals, often based on best practice examples from higher fertility EU countries (usually Scandinavia or France), that other member states are encouraged to follow. Despite EU-endorsed converging family policy instruments across member states, TFR persists at very low levels in Central and Eastern as well as Southern Europe. This prompts questions about whether, or in what circumstances family policy instruments implemented in some of the higher fertility European countries, and encouraged by the EU, can indeed provide a ‘blueprint for reform’ for other, low-fertility European nations. In this paper we discuss how the impact of family policies depend on the interaction between a ‘family package’ and the (previous) national public policy logic as well as institutional setting such as the labour or housing market. Overall, we conclude that if governments in some of the very low-fertility nations follow the EU recommendations of introducing policy measures which appeared to maintain high fertility in some of the higher fertility member states, while discounting country-specific institutional setting and wider public policy logic, this may have very limited, or even detrimental, impact on fertility levels.

Email: j.marczak@lse.ac.uk

Variations in wellbeing within countries – Tuesday 11 September 11.00am

How underwork in Europe affects wellbeing: gender and age effects

Shireen Kanji, University of Birmingham

Underwork, when workers’ hours of work are below their desired hours, has received renewed attention in Europe since the Great Recession. The adverse effect of underwork in terms of wellbeing, including depression, has particularly impacted younger workers, for example in the UK (Bell and Blanchflower, 2011). The adverse effects of underwork on wellbeing have been established for the UK by Heyes et al (2017) and for Germany by Wunder and Heineck (2013). Findings from these previous studies are unexpected in that women have been found to be more adversely affected by underwork than men. This article explores further the gender and age differences in the impact of underwork on wellbeing using data from the European Social Survey’s rotating module on work and family from 2010. We analyse life satisfaction as a measure of wellbeing, examining its associations with the mismatch in working hours (overwork, matched hours, underwork). In line with other studies we find that underwork is associated with diminished wellbeing for men and a stronger negative effect for women. The u-shaped effect of age on wellbeing, which has been widely found in studies, interacts with underwork so that at all ages workers who report they experience underwork also report lower levels of wellbeing. Having a partner raises wellbeing of itself but it does not compensate for underwork. However, the subjective evaluation of household income is closely related to underwork in its effect on wellbeing, demonstrating how underwork is tied to social inequality.

Email: s.kanji@bham.ac.uk
Birth cohort size and wellbeing of United Kingdom citizens  
*Yiwan Ye, Xiaoling Shu, University of California, Davis, Department of Sociology*

We investigate the relationship between patterns of population growth and subjective wellbeing of different birth cohorts. Using eight waves of United Kingdom national data from European Social Survey from 2002 to 2016 (N = 17,153), we examine the association between birth cohort size and well-being (sense of happiness, income class, education attainment, and employment) of United Kingdom citizens who were born from 1914 to 2000. Using Age-Period-Cohort (APC) multilevel model, we found happiness varied significantly across birth cohorts. Preliminary results suggest individuals from low birth cohorts tend to have a higher sense of happiness than individuals from high birth cohorts net of individual age effect, period effect, socioeconomic status, health condition, and other demographic controls. Although income class, education, and employment status differ significantly across birth cohorts, birth cohort size does not seem to have an impact on these wellbeing indicators. Birth cohort size and income class interactions show that individuals from higher income classes suffer less from the negative effects of large cohort size, while neither gender nor minority status mitigates this cohort effect. We discuss methodological limitations and policy implications.

Email: ywyeye@ucdavis.edu

Age at arrival and the integration trajectories of childhood refugees  
*Ben Wilson1,2*, *Linna Marten3*, *Moritz Marbach3*, *Dominik Hangartner4 5* and *Jens Hainmueller6*;  
1Stockholm University, 2London School of Economics, 3Stanford University, 4ETH Zurich

A sizeable literature has shown that in most high-income countries, immigrants who arrive in early childhood experience a series of socio-economic advantages over those who arrive during late childhood or adolescence. However, studies have yet to examine whether this is also true for refugees, and how the effect of age at arrival varies over their early adult life course. This is a timely question, particularly in Sweden, and many other European countries, where there has been a significant growth in asylum seeker inflows during recent years and governments are struggling with the question how best to integrate refugees and their children. Using Swedish register data, we examine the impact of age at arrival on refugee integration, by focusing on a comparison of siblings who arrive as children at different ages. The results show that arrival after early childhood constrains the acquisition of human capital, decreases the probability of obtaining citizenship, and reduces earnings prospects over time. Our findings highlight the particular integration challenges that older childhood refugees are facing and suggest the need for targeted policies to support this particularly vulnerable group.

Email: ben.wilson@sociology.su.se

Inequalities among the subcastes of scheduled castes in Maharashtra, India in the context of higher education and employment  
*Vini Sivanandan, Vinod Sivanandan; Gokhale Institute of Politics and Economics*

The present study is a preliminary analysis and gives a summary of findings with regard to the characteristics of employment among the highly educated population of scheduled castes (SCs) of Maharashtra. Although, with affirmative action the representation in employment has increased, the question arises as to whether this has reached across all the subcastes of SCs equally. The objective of this study is to understand the pattern of employment among the subcastes of the SC population in Maharashtra who are graduates and above and absorbed into the workforce. Data for the study is from Census 2011, India and theil index is used to examine the differential in representation as a primary worker in different sectors of employment. Overall result indicates that on the one hand, there is least inequality between subcastes in terms of representation in various sectors of employment, whereas at the other end the representation of SCs by sectors of employment are linked to their traditional occupation. The study also indicates that the mere provision of affirmative action without consideration of background of communities may not yield the desired outcome.

Email: vinisivanandan@gmail.com
Evaluating policy interventions – Tuesday 11 September 4.45pm

The effectiveness of current labour market integration and job counselling trajectories for newly arrived immigrants and individuals with a migration background in Belgium

Jonas Wood, Karel Neels; University of Antwerp

Between 2015 and 2030 welfare states throughout Europe will face the long-term implications of the babybust. The UN and OECD have estimated that a significant increase in migration is required to maintain the size of the working age population in Europe. However, migrants typically have employment rates that are significantly lower than natives, fuelling scepticism in the public debate with respect to replacement migration. Unfortunately only a limited body of research has assessed the uptake and impact of general and migrant-specific active labour market programmes and integration policies on labour market outcomes of first and later generation migrants. This study links longitudinal register data from integration, employment and social security offices to analyse the uptake of labour market and integration policies and labour market trajectories of the resident migrant population (first and second generations) and new migrants settling in Belgium in 2005-2016 (first generation, including asylum seekers). Results for the resident migrant population indicate that first and (most) second generation migrant groups are more likely to witness job counselling measures of control and sanction (obligatory job interviews, benefit reduction), that first generation migrants are less likely to witness stimulating job counselling (job announcements), and that both groups are less likely to take up courses or training on the job compared to groups without a migration background. The results for new migrants indicate that groups which are obliged to follow (at least one module) of language training or integration courses exhibit considerably higher language proficiency and integration certificates.

Email: jonas.wood@uantwerpen.be

Socio-economic differentials in the uptake of (in)formal childcare in Belgium and their effect on subsequent family formation

Naomi Biegel, University of Antwerp

The positive association between fertility and female employment in OECD countries suggests that family policies have played an important role in reducing the ‘parent-worker’ conflict. The empirical literature, however, finds only small positive effects of family policies on fertility, but has typically failed to consider eligibility and uptake of family policies at the individual level, as well as population heterogeneity in the uptake and effect of these policies. Using longitudinal individual-level data from the 2001 Census and the National Register, we document socio-economic and educational differentials in the uptake of formal childcare (kindergarten, day care centre, family day care) and informal childcare arrangements (family or household members) in Belgium in 2001 and analyse the effect on subsequent parity progression in the period 2002-2005. This linkage allows us to model uptake of (in)formal childcare arrangements in 2001, controlling for individual and household-level characteristics, as well as proximity and characteristics of grandparents. Additionally we include contextual data on availability and characteristics of formal childcare arrangements at the municipality level. Preliminary results indicate a strong positive educational gradient in uptake of formal care. The uptake of informal childcare is higher among mothers with a degree in secondary education, and lower among higher educated mothers, compared to mothers with no or only primary education. Controlling for local childcare availability, employment opportunities, and working and health status of the grandmother weakens the educational gradient. There is a positive effect of uptake of (in)formal childcare on 2nd birth hazards in the period of 2001-2005.

Email: Naomi.biegel@uantwerpen.be
Social cash transfers, generational relations and youth poverty trajectories in rural Lesotho
Thandie Hlabana¹, Nicola Ansell², Lorraine van Blerk³, Elsbeth Robson⁴, Flora Hadju⁵, Evance Mwathunga⁶ and Roeland Hemsteed;¹ National University of Lesotho, ²Brunel University, ³University of Dundee, ⁴University of Hull, ⁵Swedish University of Agricultural Sciences, ⁶University of Malawi

Social cash transfers (SCTs) schemes have been introduced in many African countries as a means of addressing poverty and inequality. Some of these schemes target individuals or households on the basis of their extreme poverty; others target groups that are deemed vulnerable due to aging (and unable to work) or young (and need investment in their futures). Although, there is strong evidence that SCTs address symptoms of poverty in target populations, these evaluations have focused on targeted beneficiaries. Understanding poverty through a relational lens, we investigate the indirect impacts of cash transfers on young people’s poverty trajectories. We argue that developmental interventions are likely to have wider impacts beyond the targeted beneficiaries. Using a rural village in Lesotho as a case study, we draw on in-depth interviews with young adults, and with people of diverse ages in grant-recipient households, along with a series of participatory group activities with young people, we explore how these social cash transfer schemes are reshaping relationships between generations within and between households in rural communities.

Email: tk.hlabana@nul.ls