

Università degli Studi di Milano  
*Dip. di Scienze Sociali e Politiche*

PhD Programme:

*ESLS – Economic Sociology and Labour Studies 35° cohort*

**The occupational integration of migrants in Western Europe.**

**The role of gender and institutions.**

Doctoral dissertation by

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2023

## Abstract

Migrant integration has been investigated regarding various conditions such as individual characteristics including education, gender, ethnicity and second-generation status, as well as through politics, migrant policies and similar. However, there is only little research which explores the association between dominant institutions, such as welfare and production regimes, and migrant integration in the labour market since the dominant regimes are regarded to have a more direct relation to natives rather than migrants. Nevertheless, a number of studies which adopt those dominant regimes also have revealed some limitations, including insisting upon a convergence mechanism following one regime's typology with regard to migrant integration alongside a small number of country cases. Therefore, in order to overcome these limitations and provide insights into the sophisticated effect of the institutions, this study explores migrant occupational integration based on the three regimes including welfare, production and migration across 17 developed countries (16 Western European countries and the US).

The analysis proceeds in two ways. First, a descriptive analysis is conducted in order to analyse migrant and ethnicity penalties with respect to natives based on the association with the dominant regimes (welfare and production) and racialisation in the labour market, respectively. A linear probability model is employed for the analyses at the European average and country-specific levels in terms of migrant and ethnicity penalties in employability and job quality. Meanwhile, the second main analysis investigates the detailed association between institutions and migrant penalty by employing macro policy data alongside a cross-classified multilevel analysis.

In accordance with these analyses, the migrant penalty was reflected in four penalty patterns across the 17 countries. First, a trade-off pattern with low employability and high job quality. Second, the trade-off pattern with high employability and low job quality. Third, the less penalty pattern showing smaller discrimination with respect to natives. Lastly, a double penalty pattern which indicates low performance in either measure. To be specific, Continental Europe strongly produced the trade-off pattern with low employability and high job quality while Mediterranean countries showed the opposite trade-off pattern. A double penalty was shown mostly in Scandinavian countries, whereas the US and Portugal were clearly seen within the less penalised pattern which also included the UK and Germany to a somewhat lower degree.

Beyond migrant penalty, this study found clear racialisation patterns among five ethnicities including Eastern Europeans, Middle Eastern and Northern Africans, Sub-Saharan Africans, Asians and South Americans in association with socio-economic backgrounds. Eastern Europeans were the least penalised in employability despite lower job quality status while Middle Eastern and Northern Africans were penalised the most in both measures. Asians and South Americans showed less penalty although South Americans in the US revealed the highest penalty in job quality. On the other hand, Sub-Saharan Africans showed an in-between position so that their penalty was neither penalised as substantially as Middle Eastern and Northern Africans, nor integrated as favourably as Asians.

Meanwhile, in the multilevel analysis, the moderation effect of each regime on labour market outcomes according to migration status was investigated further to discern the specific impact of institutions. Overall, the welfare regime's effect outweighed the other regimes' effects on migrant penalty. In particular, migrant women's job quality was notably positively affected by the welfare regime under between-country effects. Accordingly, the welfare regime showed clear negative and positive effects on migrants' employability and job quality, respectively. However, the production regime uncovered no significant effect on employability for migrants, while a positive effect on job quality was found despite the meek effect compared to the welfare regime. In terms of the migration regime, the negative association between the migration regime and employability regardless of migration status was observed under within-country effects.

The different institutional arrangements between the countries belonging to the same regime typology, as well as association with migrant penalty, were able to be captured through the two main analyses by employing actual institutional datasets. In accordance with the results, this study overcame the limited explanations of previous research based on the discussion surrounding the convergence of dominant regime typology. It also found some exceptional country cases which were not explained by the typologies. Thus, the empirical results from the descriptive and multilevel analyses mutually supported one another and certainly suggested that a reconsideration of migrant occupational integration strategies is needed considering the association with institutions. This should refer not only to one policy arena or migration policy specifically, but also to complementarity between the three regimes to improve migrant integration in the labour market.

#### Keywords

migrant penalty, ethnicity penalty, welfare regime, production regime, migration regime, gender difference, cross-classified multilevel model

## Riassunto

L'integrazione dei migranti è stata studiata per quanto riguarda varie condizioni come le caratteristiche individuali tra cui l'istruzione, il genere, l'etnia e lo stato di seconda generazione, nonché attraverso la politica, le politiche sui migranti e simili. Tuttavia, c'è solo poca ricerca che esplora l'associazione tra istituzioni dominanti come i regimi di welfare e di produzione e l'integrazione dei migranti nel mercato del lavoro poiché si ritiene che i regimi dominanti abbiano una relazione più diretta con i nativi piuttosto che con i migranti. Tuttavia, una serie di studi che adottano quei regimi dominanti hanno anche rivelato alcuni limiti, tra cui l'insistenza su un meccanismo di convergenza che segua la tipologia di un regime per quanto riguarda l'integrazione dei migranti accanto a un piccolo numero di casi paesi. Pertanto, al fine di superare questi limiti e fornire approfondimenti sull'effetto sofisticato delle istituzioni, questo studio esplora l'integrazione occupazionale dei migranti basata sui tre regimi tra cui welfare, produzione e migrazione, nonché la loro complementarità in 17 paesi sviluppati (16 paesi dell'Europa occidentale e Stati Uniti).

L'analisi procede in due direzioni. In primo luogo, viene condotta un'analisi descrittiva al fine di analizzare le penalità dei migranti e dell'etnia rispetto ai nativi basate rispettivamente sull'associazione con i regimi dominanti (welfare e produzione) e sulla razzializzazione nel mercato del lavoro. Un modello di probabilità lineare viene utilizzato per le analisi a livello medio europeo e a livello nazionale in termini di sanzioni per migranti ed etnia nell'occupabilità e nella qualità del lavoro. Nel frattempo, la seconda analisi principale indaga l'associazione dettagliata tra istituzioni e penalizzazione dei migranti impiegando dati di macropolitiche insieme a un'analisi multilivello classificata in modo incrociato.

In accordo con queste analisi, la sanzione del migrante si è riflessa in quattro tendenze delle penalità nei 17 paesi. In primo luogo, la tendenza di compromesso con bassa occupabilità e alta qualità del lavoro. In secondo luogo, la tendenza di compromesso con elevata occupabilità e bassa qualità del lavoro. In terzo luogo, la minore penalità che mostra una minore discriminazione rispetto ai nativi. Infine, un modello di doppia penalità che indica prestazioni basse in entrambe le misure. Per essere precisi, l'Europa continentale ha fortemente prodotto la tendenza di compromesso con bassa occupabilità e alta qualità del lavoro, mentre i paesi del Mediterraneo hanno mostrato il modello di compromesso opposto. La doppia penalità è stata mostrata principalmente nei paesi scandinavi, mentre Stati Uniti e Portogallo sono stati chiaramente mostrati all'interno del modello meno penalizzato che includeva anche Regno Unito e Germania in misura leggermente inferiore.

Al di là della penalità dei migranti, questo studio ha trovato chiari modelli di razzializzazione tra cinque etnie tra cui europei dell'est, mediorientali e nordafricani, africani subsahariani, asiatici e sudamericani in associazione con background culturali e socio-economici. Gli europei dell'est sono stati i meno penalizzati in termini di occupabilità nonostante lo status di qualità del lavoro inferiore, mentre i mediorientali e nordafricani sono stati i più penalizzati in entrambe le misure. Asiatici e sudamericani hanno mostrato meno penalità, sebbene i sudamericani negli Stati Uniti abbiano rivelato la penalità più alta nella qualità del lavoro.

D'altra parte, gli africani sub-sahariani hanno mostrato una posizione intermedia in modo che la loro penalità non sia penalizzata in modo sostanziale come i mediorientali e nordafricani, né integrata in modo così favorevole come gli asiatici.

D'altra parte, nell'analisi multilivello, l'effetto di moderazione di ciascun regime sui risultati del mercato del lavoro in base allo stato migratorio è stato ulteriormente indagato per discernere l'impatto specifico delle istituzioni. Nel complesso, l'effetto del regime di welfare ha superato gli effetti degli altri regimi sulla sanzione per i migranti. In particolare, la qualità del lavoro delle donne migranti è stata notevolmente influenzata positivamente dal regime di welfare sotto gli effetti tra paesi. Di conseguenza, il regime di welfare ha mostrato chiari effetti negativi e positivi rispettivamente sull'occupabilità e sulla qualità del lavoro dei migranti. Tuttavia, il regime produttivo non ha rilevato effetti significativi sull'occupabilità per i migranti, mentre è stato riscontrato un effetto positivo sulla qualità del lavoro nonostante l'effetto mite rispetto al regime di welfare. In termini di regime migratorio, l'associazione negativa tra il regime migratorio e l'occupabilità indipendentemente dallo stato migratorio è stata osservata sotto gli effetti all'interno del paese.

I diversi assetti istituzionali tra i paesi appartenenti alla stessa tipologia di regime, così come l'associazione con la penalizzazione dei migranti, sono stati catturati attraverso le due analisi principali utilizzando veri e propri set di dati istituzionali. In accordo con i risultati, questo studio ha superato le spiegazioni limitate della ricerca precedente basata sulla discussione sulla convergenza della tipologia del regime dominante e ha trovato alcuni casi di paesi eccezionali che non erano spiegati dalle tipologie. Pertanto, i risultati empirici delle analisi descrittive e multilivello si sono reciprocamente supportati e certamente hanno suggerito che è necessaria una riconsiderazione delle strategie di integrazione dei migranti considerando l'associazione con le istituzioni facendo riferimento non solo a un'arena politica o alla politica migratoria in particolare, ma anche alla complementarità tra i tre regimi per migliorare l'integrazione dei migranti nel mercato del lavoro.

#### Parole chiave

pena migrante, pena etnia, regime di welfare, regime produttivo, regime migratorio, differenza di genere, modello multilivello cross-classificato

Thanks to the Lord, his steadfast love endures forever.

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# **The occupational integration of migrants in Western Europe. The role of gender and institutions.**

## **Chapter 1. The occupational integration of migrants**

### **1. Introduction**

Migrant integration has been a key socio-economic issue across developed countries throughout history. However, since the dawn of post-industrial society a large-scale influx of migrants has been found not only in the ‘old’, but also in ‘new’ receiving countries. Therefore, in this regard, critical questions concerning how levels of migrant integration are different across developed countries and which factors affect these variations have been analysed. Consequently, this study hypothesises that institutions including the welfare, production and migration regimes would affect migrants’ occupational integration. Therefore, this chapter comprehensively reviews previous research regarding the diverse domains of migrant integration. Research that has employed each regime typology in order to analyse institutional effects upon migrant integration, to note, are specifically treated within the next chapter. Some studies, meanwhile, alternatively suggest the need to delve into the association between welfare, labour market and migrant institutions simultaneously for a more precise analysis of migrant integration which extends beyond reference to only one or two of the different regimes (Alba and Foner 2015; Czaika and Haas 2013). However, to date there has not been research analysing the association between the three regimes and any resulting effects on integration.

Therefore, this chapter introduces three main areas so as to outline the approach to migrant integration analysis in this study; these being as follows. Firstly, the background to the massive influx of migrants in post-industrial society is provided. Secondly, the discussion turns to previous research regarding migrant integration where it focuses upon different integration domains which covers three types of integration – namely, economic, social and political – through statistical analyses. Lastly, studies examining migrants’ individual status will be considered, particularly concerning human capital, gender and ethnicity.

On the one hand, institutional effects which are here presumed to serve as a main logic affecting integration variations, are also presented in the following theory chapter. Here, the concept of

institutional complementarity developed by Hall and Soskice (2001) is expected to help explain the association between the three different regimes and, in turn, the complicated integration variations that are possible. Accordingly, previous research regarding institutional complementarity which has been conducted mainly about the welfare and production regimes is reviewed alongside the institutional effect exerted upon migrant integration.

To briefly elaborate on these sections, the advent of post-industrial society has changed economic structures and reinforced labour market dualisms which pose more pull effects for third country migrants. This is because natives in host countries are reluctant to seize the increased job opportunities present within a secondary job market and, in turn, migrants in push countries have been induced to take them. Accordingly, the demand and supply of cheap labour has met the gap between the Global North and South since the unemployment of those in the Global South has been larger (Kacowicz 2007). After post-industrial society, this phenomenon of the influx of migrants to the Global North is commonly found not only in the old host countries, but also in newer host countries such as Italy and Spain (Carmon 1996). In this context, third country migrants are revealed to be largely posited at the bottom of occupational hierarchies; and thus in a marginalised position. In accordance with this, no matter how the integration of migrants has taken place it remains a key issue which needs to be addressed in developed countries in order to achieve societal integrity (Kogan 2007).

With this in mind, the second section delves into how previous research defines migrant integration differently to measure the level of integration. Three dimensions of integration, namely economic, social and political integration, were mainly found in previous analyses. These types convey migrants' socialisation to markets, welfare systems and political participation, respectively. In terms of economic integration, labour market outcomes such as employability, job quality, types of contract and wages have been used as the measures (Pisarevskaya 2018; Ballarino and Panichella 2013, 2017; Ho and Turk-Ariss 2018; Leschke et al. 2016; Panichella 2017; Ryndyk 2020). Meanwhile, political and cultural integration has been analysed through migrants' political participation, as well as natives' negative perception towards migrants (Bartaram 2016; Elmar et al. 2013).

Last but not least, educational attainment, citizenship status, social network and cultural identification, as well as health status, have been measured as reflecting social integration (Fokkema and Haas 2011; Malmusi 2014; Wessel et al. 2017). On the other hand, there are few researchers who analyse these three types of integration simultaneously in their research (Algan

et al. 2009; Bartolomeo et al. 2015; Goodman and Wright 2015; Harder et al. 2018; Helbling 2020). The studies presented here, to underline, specified their definitions of integration and, in line with these, measured the level of migrant integration through cross-country comparisons. Therefore, there are clear inputs and outputs in the existing research. The outputs represent migrant integration divided mainly into the three types as dependent variables. The inputs can be found in various ways as explanatory variables, such as individual characteristics including human capital, gender and ethnicity, or institutional effect pertaining to welfare, production and migrant regimes, respectively.

Accordingly, as one of the major exploratory variables, studies regarding migrant integration which highlight migrants' individual status are the concern of the last section presented below. These migrant characteristics jointly interact with the environment formed by the regimes so that it needs to be controlled in this study in order to clearly define the effects of the institutions; and this will be discussed in the theory chapter. In terms of human capital, therefore, as many migrant studies employ it as one of the determinants of the level of integration, why human capital is used as the prerequisite for citizenship acquisition as well as border drawing needs to be explored.

In this regard, Milanovic (2016) discussed citizenship premiums which demonstrate the nexus between the global inequality of the Global North and South, and the stratified citizenship acquisition of migrants. The citizenship premium in developed countries has been stronger since the class difference or polarisation is lesser than in developing countries. This means that even if migrants ended up being in the lower class within the receiving countries, the standard of living is much higher than in their countries of origin (Milanovic 2016). Therefore, the citizenship premium would last longer and, by extension, the developed world might keep posing strict border drawing policies for the entrance of migrants, while also endowing stratified citizenship acquisition conditions on them. In this vein, Ellermann (2020) specified a form of human capital citizenship reflecting situations in which migrants are favourably granted citizenship according to their respective levels of human capital; relating to skill and education levels.

Gender difference is also a crucial factor which is differently affected by the institutional contexts in host countries. In this regard, Soskice (2005) and Kang (2020) analysed the gender gap according to the institutional complementarity between the production and welfare regimes. In addition to the above, ethnic penalties are employed in studies by scholars in order to

investigate whether there are ethnic differences in terms of integration. This may be related to racism and the presence of a persistent penalty which endures into second-generation experiences (Gracia et al. 2016; Heath and Cheung 2007). However, in this regard, caution is needed since any ethnicity penalty could be the same as the migration penalty, especially for the new receiving countries and non-traditional migrants such as Asian people and South Americans.

This is because these nations have less migrant history compared to old receiving countries, and Africans have resided for a comparably longer time in North American and European countries as a result of forceful migration. In this case, there could be less social capital and a lower accessibility to formal information for migrants who migrate to the new receiving countries, or those that have less migration history. Thus, an ethnicity penalty could be regarded as a migrant penalty regardless of second-generation experiences in certain conditions. Taking the above themes into account, this chapter will now turn to discuss the first of these; namely, migration flows in the post-industrial era.

## **2. Transition to post-industrial society and migrants**

While most European countries were the exporters of migrants, Northern America was the typical importer in which migrants from Europe settled until World War II. However, after the war, European nations also became importers in order to rebuild their economies. Consequently, Northern and Central Europe started to receive migrants, mainly from other European countries such as Italy, Spain, Greece and Portugal, and later expanded to receive Yugoslavs and Turks in the 1960s and 1970s. On the other hand, Northern America expanded to receive third world migrants as well with these accounting for approximately 50% of new arrivals in the 1960s. This contrasted sharply to earlier in the century when migration was mostly comprised of Europeans who represented 95% of migrants (as seen in the 1920s, for example) (Carmon 1996).

This different trend between Northern American and European countries has changed to become somewhat similar in both of these regions since the post-industrial era emerged. This is because migration, especially from third countries, became required in order to treat the five common socio-economic phenomena which those developed regions faced together. First, the age structure had changed consistently due to low birth rates and higher life expectancy. Thus, the proportion of working age people shrunk and the share of older persons in the total

population has kept increasing. Second, innovations in media and transportation gave greater possibilities for people in third countries to migrate with relative ease. Third, industrial change which came from innovations in high technologies, as well as of service sectors, led to the restructuring of economies and, in turn, labour market dualism. Fourth, diversification of life as alternative lifestyle choices is acknowledged and legitimised in society given the influence of the media disseminating globalisation. Last but not least, disparity of wealth across the world has been severe, especially between the Global North and South (Carmon 1996; Kacowicz 2007).

Accordingly, although the pattern of migration has been different in North American and European nations in the post-war period, it can be seen how they encountered similar phenomena which accompanied economic growth and the transition into the post-industrial era. Thus, in order to treat these socio-economic issues, a greater working population from outside of these regions is required. In this context, the 'restructuring of the economy' element among the five phenomena can be especially regarded as the most critical factor which affects the increase in the demand for migrants, and particularly for high-skilled (regarding innovation), and semi- or unskilled workers (for the service sectors).

Given the relatively higher demand for migrants, and especially for unskilled labourers due to the prevalence of care service and manual jobs, third country migrants entered both the 'old' and 'new' receiving countries in the West. Consequently, the proportion of migrants emerging from the Global South soared to account for around 85% of new arrivals in Northern America. Likewise, from the late 1970s, the UK and Continental European countries provided preferable opportunities for Northern African or former colonial nations in efforts to fulfil the demand for low-skilled workers. Moreover, Italy, Spain, Greece and Portugal also joined the list of pull countries by receiving third world migrants (Carmon 1996; Kogan 2007).

The prevalence of disparity between North and South is regarded to be associated with both globalisation as well as industrial change. Consequently, the higher demand for cheap labour in the secondary market within the Global North has been coupled with consistent unemployment in the South, thereby reinforcing legal or illegal migration as well as the informal market (Kacowicz 2007). Therefore, this context influenced the increased number of illegal migrants present in Western countries. In this regard, although the US enacted a migrant act in 1986 which intended to promote the legalisation of undocumented migrants, it was not that successful. This is because there has always been an expansion of low quality, low wage

positions in the job market which have been called ‘McJobs’, along with the contribution of a lack of public care service in the US. Therefore, the sequential demand of cheap labour in the labour market and informal care services could not help but result in the limited success of the attempted legalisation of undocumented migrants.

This is because the supply of cheap labour from undocumented migrants is bound to be compatible with the demand of the private service sector which is not fulfilled by the public sector in terms of welfare and labour market policy (Alba and Foner 2015; Carmon 1996; Kacowicz 2007). On the other hand, the number of illegal migrants is assumed to be smaller in Europe compared to in the US. However, social tension is expected to be higher based on the growing influx of refugees alongside the stereotypical prejudices of majority natives operating against Arab people who are regarded as falling outside of the law (Alba and Foner 2015; Carmon 1996). This differentiated ethnicity penalty according to host country will be discussed more in the third section along with individual characteristics which impact upon migrant integration.

In the context of expanding precarious jobs and migrant populations, although third country migrants were quickly integrated into labour markets, the higher employability of migrants is inevitably leading toward a marginalisation of sorts. Occurring largely under poor work conditions, this marginalisation could be perceived with respect to contracted hours and limited employment protection. This situation can therefore be considered to represent a secondary labour market under dual labour market theory. The shift from traditional industries, where migrants were often employed in industrial society, to a service sector connecting with third country migrants, has continued such marginalisation (Kogan 2007).

Accordingly, dual or segmented labour market theory can be applied in the light of such marginalisation (Piore 1978). To elaborate, under this theory the labour market is divisible into two sections: the primary and the secondary. The primary involves high wages, stability and promotion opportunities, plus overall positive working conditions which often reflect positions within high tech industries and managerial services. Meanwhile, the secondary labour market represents the reverse situation with a predominance of unskilled positions, poor conditions and little protection from exploitation. Furthermore, there is little mobility between these primary and secondary labour market segments since tenuous connections to employers leads to difficulties in achieving better skills or earnings under the work contracts. Consequently, given less institutional constraints on employers in the secondary market, low- and unskilled

migrant workers, including those with little formal education or experience, have a higher chance of employment in the secondary market (Alba and Foner 2015; Kalleberg 2009; Kogan 2007).

Migrant vulnerability pertaining to their unstable status in host countries might nevertheless be considered as an asset to employers focused upon profit maximisation. Therefore, in countries with greater demand for low-skilled workers, employment opportunities for migrants can be hypothesised as being higher on account of their vulnerability and immediate requirement for some form of income; thus reducing the gap with native employability as a result. To offer greater elaboration through an example, from 1995 EU nations experienced an economic upturn which was reflected by increased employment rates, especially in Spain, Ireland, Finland and the Netherlands. Across the EU, this expansion occurred largely within the service sector which is here also referred to as the tertiary sector (including, for instance, repairs and maintenance, leisure, transport and retail). Thus, the positive trend regarding employment, including that for migrants, is visible between 1995 and 2000 with some variation in years and with Greece being the sole EU Member State to witness declining employment, increasing only later in 2000 (Kogan 2007).

However, despite the joint effect stemming from the expansion of the service sector and economic upturn, migrant employment remained negatively affected by economic downturns. In part, this is related to their over-representation in vulnerable work sectors and low-quality jobs. This is because the primary market positions are well-secured thanks to legislated protections, while secondary positions where unskilled migrants are positioned hold the opposite circumstance. Actually, third country migrants have been found to be situated more in the lower end of the occupational hierarchy when compared to natives and EU migrants. This is the case in all of the EU nations considered, with the exception of the UK (with no observable difference in types of work to that of natives) and Ireland (where natives and non-EU migrants are closer to the bottom of the employment hierarchy). Thus, migrants' vulnerability is not only seen in job quality but also in unemployment, especially when there is an economic crisis, and this is relatable to labour market dualization and occupational hierarchies (Kogan 2007).

In line with this dualization after post-industrialisation in the Global North, the specific labour market structure which is further related to institutional difference in host countries is referred to by Alba and Foner (2015). In their research, the size of the low wage sector which

incorporates part-time jobs, temporary agency work and independent contracts was investigated to be more prevalent in the US and the UK, along with what was noted as a higher employment rate than in France and Germany. On the other hand, employment protection and public social expenditure which is related to the market system and how unemployment is treated were found to differ in the case countries. Here, employment protection and public social expenditure were examined to be lower in the US and the UK, while remaining higher in Germany and France. This institutional difference is associated both with their respective market systems and the socio-economic outcomes exerted in the post-industrial era which has been investigated through the frame of the welfare and production regimes. Migrant integration has also been analysed by some researchers with regards to the matter of institutions, and these will be presented in the second chapter alongside the concept of institutional complementarity.

### **3. Previous research regarding migrant integration**

Although the word ‘integration’ could be used in relation to various meanings or domains, Alba and Foner (2015) gave a conceptualisation of integration concerning how migrants could access the better ‘stuff’, such as the opportunity of being employed, obtaining benefits and participating in politics through relevant institutions in order to remain stable in the host country. This definition seems to cover the three dimensions of migrant integration which have been defined according to research, again along the lines of the economic, social and political. Moreover, the specification in terms of socialising institutions mirrors previous research which adopts institutions reflecting welfare, production or migrant regimes as determinants to analyse migrant integration.

Table 1.1 shows the range of ways in which migrant integration has been used as dependent variables in 17 statistical analyses published between 2009 and 2020. Accordingly, in this section, the three types of migrant integration are specifically explained as the outcome of migration processes in the host countries, while the determinants or the inputs of the integration based on individual characteristics and institutions are discussed in the next section and in Chapter 2, respectively.



[Table 1.1] Three dimensions of migrant integration

Economic integration	Social integration	Political integration
<ul style="list-style-type: none"> <li>○ Employability</li> <li>○ Level of unemployment and inactivity</li> <li>○ Job quality</li> <li>○ Overqualification rate</li> <li>○ Working conditions: working time, type of contract, wages, benefit receipt</li> <li>○ Subjective wellbeing such as household income</li> </ul>	<ul style="list-style-type: none"> <li>○ Level of education (mostly focused on second generation)</li> <li>○ Citizenship obtainment</li> <li>○ Network with natives</li> <li>○ Cultural identification</li> <li>○ Social trust</li> <li>○ Perceived discrimination</li> <li>○ Long-term residence</li> <li>○ Family reunion</li> <li>○ Access to nationality</li> <li>○ Spatial and health status</li> </ul>	<ul style="list-style-type: none"> <li>○ Political interest</li> <li>○ Perception of politics</li> <li>○ Difficulty in making political decisions</li> <li>○ Political participation: voting in the last national election, signing a petition, taking part in a demonstration, contacted national politicians</li> </ul>

### 1) Economic integration

As can be seen in Table 1.1, economic integration is elaborated through labour market outcomes such as employability, unemployment rate, job quality, qualification mismatching between education and the job status migrants achieved in the host countries, as well as working conditions such as contract type, working time and wages. Regarding this, Ballarino and Panichella (2013, 2017) specifically analysed occupational integration which is defined as the process by which the migrant population becomes similar to natives in the labour market, as pertains to employability and job quality, while further analysing the differences between migrant men and women. By extension, Panichella (2017) investigated how occupational integration has been affected by the economic recession in 2008. It revealed that migrant men were more vulnerable than women since the recession strongly impacted the occupations in which migrant men are mostly employed, such as in construction and manufacturing.

Pisarevskaya (2018) added overqualification along with employability and job quality as an indicator of labour market integration. This study focused more on humanitarian migrants who emigrate due to safety issues such as war, unrest, famine and persecution of all kinds. Therefore, this author conducted their analysis two times to convey the comparison between migrant from non-EU nations with respect to native populations, and humanitarian migrants with respect to non-EU migrants. Bartolomeo et al. (2015) investigated the three types of integration at the same time and, among them, understandings of labour market integration are expanded through

consideration of the inactivity status of migrants, along with previous measures pertaining to employability, unemployment, overqualification and similar. Furthermore, they created a ‘gap index’ in order to analyse the returns of migrant processes regarding the outcomes of the measures. Thus, the gap index indicated the comparison between migrants and their counterparts who remained in their original countries in terms of employability, unemployment and overqualification. This was placed in relation to an integration index representing the difference of migrant’s labour market status with respect to natives. Ho and Turk-Ariss (2018), meanwhile, conducted an analysis into whether the initial native and migrant employment gaps tend to narrow over time by comparing gender as well as ethnicity differences.

Labour market working conditions were investigated by Leschke et al. (2016) and integration here included benefit receipt, working time, contract type and wages, as well as skill mismatch through overqualification. They assessed the degree of integration by comparing youth migrants from Central Eastern and Southern Europe with native peers. Meanwhile, Goodman and Wright (2015) analysed the three integration dimensions simultaneously. Among them, in terms of economic integration, they established the subjective financial wellbeing of household income and unemployment status as a measurement tool so that migrants judged on the basis of their subjective wellbeing how the household income status is either difficult or comfortable. Algan et al. (2009) investigated how unconditional hourly wages and employment rates are measured under the division of gender, natives and migrants from different origins around which the difference between first and second generations was also applied. Ryndyk (2020) specified migrant labour market integration as the incidents of unemployment and the type of contract held by respondents.

## 2) Social integration

Social integration has been defined by cultural perceptions and the possibility of expanding networks regardless of whether they concern migrant families or natives, as well as social status such as level of education and spatial and health status. Hence, ‘networks’ concern the degree of informal contact with natives while ‘cultural identification’ means how far migrants distinguish themselves from native populations in terms of language, habits, standards and values. In accordance with this, the degree of network and identification with one’s own migrant group alongside social status has been analysed as indicative of socio-cultural integration (Fokkema and Hass 2011; Harder et al. 2018). Relatedly, migrants’ perceptions

regarding social trust and discrimination was analysed by having research participants select levels of trust, and whether they are discriminated against (Helbling 2020; Goodman and Wright 2015). On the other hand, Elmar et al. (2013) were more focused on native perceptions as the outcome of integration by surveying the perceived group threat held by natives towards migrants, and regarding whether natives are permissive of migrants within the host country.

When it comes to education, it is important to note that education or skills was here set as being outcomes of integration rather than determinants which are presented in the third section concerning human capital impacts upon migrant integration. Therefore, the highest educational attainment plus school enrolment rate at age 15-25 and 25-35 were used in order to compare natives and migrants (Bartolomeo et al. 2015). The educational attainment of the second generation with respect to natives was also used to examine the extent to which social status improved compared to first generation by Algan et al. (2009). Furthermore, linguistic integration regarding the ability to read, speak, write and understand the dominant language of the host country is measured as the result of integration (Harder et al. 2018). Additionally, the composition of migrants according to educational level is investigated in terms of their integration in order to analyse how far host countries are generous in the acceptance of those migrants who have lower human capital (Helbling 2020).

Along with education, health and spatial status could be included in social integration. Malmusi (2014) compared the difference of poor status between migrants and natives according to gender while Wessel et al. (2017) examined spatial integration, indicating an increasing mobility toward better neighbourhood status and an exit from residential segregation. By extension, access to citizenship and nationality can be regarded as the factors related to the former status since the easier accessibility to citizenship is, the better opportunity to secure social status from social benefits. Therefore, citizenship acquisition rates and the percentage of naturalised citizens were adopted to analyse the level of migrant integration as well by Bartolomeo et al. (2015).

### 3) Political integration

Political integration reflects how far migrants could possibly participate in political activities within the host countries. In this regard, Goodman and Wright (2015) specified three variables of political integration covering political interest, perception of politics such as how complicated it is, and the level of difficulty in making political decisions. Relevantly, Harder

et al. (2018) confirmed that the degree of understating political issues facing the host countries could be regarded as the measurement of migrant integration since the degree of migrants' interest regarding politics can be seen to reflect the openness of the society, as well as the will of migrants to get involved in the host society. The former was focused more on migrants' perceptions of politics, while Bartaram (2016) employed migrants' actual political involvement by four measurements of political integration, namely: voting in the last national election; signing a petition; taking part in a demonstration; and, contacting a national politician.

#### **4. Individual characteristics which impact migrants' integration**

This section elaborates how migrants' individual aspects would affect integration levels in host countries. There has been much research which adopts human capital, concerning education and skills for instance, as the main factor of migrant integration beyond or rather than institutions' effect. Certainly, this study has the aim to analyse the sole effect of institutions, so that levels of education will be used as a control variable. In addition to this, there are two individual factors which migrants could not choose or develop for their status but which affect migrant integration, especially in economic or labour market outcomes.

The first of these is gender difference which has been analysed under the perspective that there is a clearly different labour market outcome on the grounds of gender according to which welfare or production regime typology categories a given country belongs to. Accordingly, a different integration level between migrant women and men across countries is expected along with the consideration of women's inactivity in the labour market due to the family strategy of migration processes (Ballarino and Panichella 2017), or less favourable market situations for women. This can relate to the role of the caregiver, for example.

Next, the ethnicity of migrants is discussed as the one of individual factors impacting upon the level of integration alongside gender. This has been analysed through the view of statistical discrimination, and especially as an illegitimate penalty, which is based more on racism unlike with gender cases which reflect more closely the differences of regime typology. Therefore, Zschirnt and Ruedin (2016) revealed how migrants' labour market outcomes need to be equivalently investigated with the perspective of racial or ethnic discrimination. Since differential treatment based on race disadvantages particular racial groups more, this naturally covers migrants (Blank et al. 2004). In this regard, additional elaboration is needed to better discern between migrant and ethnicity penalties. A migrant penalty is the labour market

outcome difference of migrants with respect to natives regardless of race, while the ethnicity penalty indicates a comparison between ethnicities regarding differences in their labour market outcomes with respect to natives. Distinguishing between the two is important since, according to ethnicities, migrants experience different levels or patterns of penalty (i.e. a certain ethnicity could have higher employability but low job quality, or the other way around). Accordingly, this study considers these two possible factors and conducts the analysis separately according to gender and ethnicity.

## 1) Human capital stratification

### i. Stratification of citizenship and citizenship premiums

The question as to who would be the first or preferred citizen under country systems was raised by welfare state discussions when explaining the welfare regime and social rights based on citizenship (Esping-Andersen 1999, 2002; Hobson 1990; Hobson and Lindholm 1997). The authors here pointed out how different accessibility to social rights between the genders in certain countries results in women not being able to enjoy the same benefits and employability with respect to men. This can be elaborated through the notion of the male breadwinner as the first citizen regarding labour market opportunities and de-commodification. Consequently, stratified social rights with respect to women made them as secondary citizens and created reliance upon the male breadwinner under certain systems.

This can be found particularly in continental European countries or conservative welfare states, such as Germany and France, where the welfare system is constructed to be beneficial for men labourers to work as the first earner. Social insurances are formed based on a strict contribution system which is advantageous for skilled men labourers, along with high employment protection in relation to labour market institutions. Moreover, work-family reconciliation policies are focused more on family allowance rather than public care services, the former of which induces women workforces to remain as housewives by potentially leaning on the social benefits of the 'first earner' or 'first citizen' which here could be seen as the male breadwinner.

In line with this, when it comes to migrants, the situation is much more complicated since the stratified citizenship might be related to a citizenship premium which is affected by global inequalities and social class (especially the level of middle class composition) within countries. The tentative or conditional citizenship of migrants could be expected to be linked with human capital or wealth in the end. In this regard, Milanovic (2015) revealed the relations between the

conditional citizenship of migrants and citizenship premiums by analysing global inequality. This is elaborated on through microdata (household-based) in order to measure the mean per capita income in each percentile, as is expressed in dollars of equal purchasing power across countries. The difference of the mean per capita income is compared by setting Congo as the reference country which is then the baseline for the measurement. The brief result is that the US and Sweden represented the 9,200 and 7,100 percentiles of mean income, while Brazil and Yemen are within the 1,300 and 300 percentiles with relation to Congo, respectively. Thus, the difference across countries provides insights into how those who live in the US and Sweden have a greater possibility to gain a higher mean income compared to those in Brazil and Yemen. Accordingly, if people in Brazil and Yemen seek to be able to enter into a middle-income range, it is better to emigrate to the US and Sweden since there is the higher possibility to be better-off while remaining in the same class.

As such, Milanovic (2016) enlarged the consideration of global inequality more with these 'location and class' components. Although among the countries' inequality has reduced after end of World War II and colonialism, there has still been strong locational inequality. This is since the tendency of reduced locational inequality among countries is based on the drastic economic development in Asia, but not everywhere in the developing world. Therefore, even though location inequality has been reduced gradually in the world, it is not enough to outpace the class component within nations when comparing living standards of the same class but between wealthy and poor countries. Therefore, if people in the developing world emigrate to a wealthy country, they could have the potentiality of a better living status even if they end up posited in the lower class. As was proven by the 2015 research of Milanovic regarding class purchasing power comparisons across countries, migration to wealthy countries is encouraged as a rational choice regardless of processual difficulties.

In this context, the 'citizenship premium' demonstrates that where a person is born is a critical determinant on the living standards and inequalities among countries (Milanovic 2016). This is especially underlined when considering the fact that 97% of the world's population still resides in the same country where they were born, and that this figure remained stable between 1980 and 2000. Nevertheless, it has been surveyed that approximately 10% of the global population, accounting for around 700 million people, would like to move to another country which thus represents more than two times the population that has actually emigrated already (300 million people) (Özden et al. 2011). Therefore, in this situation regarding the prospect of high migrant supply, the citizenship premium is not expected to lose its power.

Then, in this regard, while the free movement of products, technology and ideas are allowed easily, why is labour the only strictly limited movement across countries? Although the positive contribution of migrants to the GDP growth of receiving countries is proven, migrants are often still discriminated against not only in relation to border controls, but also regarding social rights for legal migrants despite undertaking duties resulting in even higher taxation than citizens in the receiving countries (Milanovic 2016; World Bank 2006).

Relatedly, Milanovic (2016) explored plutocracy in the US and populism in Europe in order to explain the discrepancy between the need of migrants for economic growth and the consolidation of citizenship premium. Here, this premium discriminates against migrants based on human capital or wealth, and not from their economic contribution which is also fulfilled by low-skilled migrants. Plutocracy means the rich suppress democracy by creating false consciousness, such as around the hesitancy or uselessness of voting among the middle class and the poor. Actually, one third of the disenfranchised voting age population is Black which represents 2% of the total voting population; and this disenfranchisement is due to committing crimes or incarceration (Deaton 2013). On the top of this, LIS (Luxembourg Income Study, cited in Milanovic 2016) investigated how the middle class has been in gradual decline in the US, from 33% to 27%, while the proportion of total income towards the top 5% has increased from 16% to 18% between the 1980s and 2010.

This background clearly shows the inclination towards a weakening of the middle class in the US and, in turn, indicates how plutocracy has been able to be embedded within society. Accordingly, low-skilled migrants' social benefits or less favourable citizenship condition would not be improved even though their contribution is substantial in terms of low-income service sectors, including private care services in the country. In contrast, under the phenomenon of the increased capital share of national income from 30% to 40% between 1980 and 2013 in the US, the association between the former and the fact that the one who invests in private companies can easily access citizenship cannot be ignored. In this regard, Gilens and Page (2014) revealed how 45% of policy being advocated by the rich was adopted whereas only 18% of the agenda favoured by the non-rich was passed. Consequently, the hegemony of plutocracy is regarded as having been able to be prevalent through the billions of funding spent on political campaigning, along with the increasing power of capital (Milanovic 2016).

As for Europe, populism could be one of the core reasons behind the strengthening of stratified citizenship. When compared to the US, plutocracies could not have been developed since

European states have formed a strong middle class and sturdy democracy with multi-party systems. However, middle class populism or nativism has expanded its power since globalisation brought capital outflows as well as imported goods and migration. This contributed to the middle classes regarding themselves as suffering damages from this. This is because Europe has long been ethnically homogeneous and welfare states have been built based upon ensuring reciprocity between generations in the case of social help (which is in line with the ideas of Polanyi, and this will be discussed in a later section regarding the degree to which heterogeneity is embraced in institutions).

In accordance with this background, the middle class which has received benefits from the welfare schemes could be restless given an influx of migrants and have thus been affected by nationalism, thereby inducing people to think migrants are ‘free riders’ (Milanovic 2016). As Lindert (2014) mentioned, the polarised economic status of White and Black people in the US resulted in a meek welfare state. Meanwhile, the idea of middle class populism in Europe is overall compatible with the antagonistic view against migrants when concerning the historical background around the consolidated welfare state establishment which centred on a homogenous middle class. In this vein, Milanovic (2016) compared the election vote shares received by populist parties in Denmark, Austria, Finland, France, the UK, Sweden, Greece and Belgium between 2000 and 2015. Except in Belgium, every countries’ populist parties enjoyed at least 2 or 3 times more support in 2015 compared to in 2000.

The tendency of stratified citizenship regarding migrants could be highlighted according to Shachar (2009) with regards to the citizenship premium. She pointed towards a notion of *jus nexi* which indicates a broader citizenship based on actual connections to or participation within one’s polity which could denote the ‘real and effective citizenship’. This is contrasted against *jus soli* or *jus sanguinis* which are based on place of birth or bloodline citizenship, respectively. Thus, if *jus nexi* is applicable in conjunction with easier migration from developing to developed countries, by acknowledging the contribution of low-skilled migrants to the economy or their real connection with the society, the citizenship premium could arguably reduce over time (Milanovic 2016; Shachar 2009).

However, as discussed earlier this idea is a far distance from the reality. Strict border controls for low-skilled migrants have continued to last and the return from their migration has been penalised in receiving countries. Nevertheless, the return from migration would be differentiated based upon different welfare and labour market schemes even though the overall



prediction of Milanovic regarding expanding middle class populism is acknowledged. This is because the notion of the welfare scheme has been differently established across European welfare states, as can be found within the welfare regime explanation of the next chapter. Therefore, although welfare reform or retrenchment have been applied after experiences of a welfare state crisis in most European countries, the level of retrenchment or marketisation has proceeded differently based on the countries' welfare and production regimes. Accordingly, the treatment or the level of stratified citizenship towards low-skilled migrants could vary across European countries.

In this regard, how the return of low-skilled migrants could be discerned according to which country they emigrate to needs to be considered. Specifically, this should concern how far low-skilled migrants could end up benefitting from the distributional scheme of the country. Based on Milanovic's (2015) research, people in Sweden who could expect to be in the lowest decile of income are posited within the 10,400 percentile with respect to the same population class in Congo. This figure is much higher when comparing the results of people in a mean income range, standing at the 7,100 percentile in Sweden which means that migrants who have low skill would benefit more than the mid-high skilled migrants in Sweden (Milanovic 2016).

This idea could be supported by looking at how intergenerational class mobility is secured within the country as well. For example, in the US the mobility is decreasing now when compared to in the 19<sup>th</sup> and most of the 20<sup>th</sup> Century (Corak 2013), along with a reduction in the middle class from 33% to 27% between the 1980s and 2000. In contrast, in Sweden the difference regarding the middle class is only 2% (from 47% to 45%) for the same period, although the tendency for a decrease cannot be ignored (Milanovic 2016). Accordingly, Milanovic (2016) argues that Northern Europe could attract low-skilled migrants due to the egalitarian wage moderation which could bring about class mobility, or less inequality between classes. In contrast, in liberal economies such as those found in Anglophone countries, rich or high-skilled migrants could not only be willingly accepted but also encounter a greater return which is possibly much higher than that in Northern Europe when considering the general stratification of society.

## ii. Human capital citizenship

In the US, those who invest at least \$1 million into a US private company can receive a green card and, in some Southern European countries such as Spain, they also widen citizenship to

people who invest in real estate (Milanovic 2016). However, although border drawing around migrants has been improved only for capitalists, the 700 million people in the world who could potentially emigrate do not meet these conditions. Accordingly, another layer of stratified citizenship is strengthened in the perspective of a citizenship premium based upon human capital which only gives high-skilled or highly-educated labourers benefits in citizenship acquisition.

In this regard, Ellermann (2020) specified a 'human capital citizenship' which reflects stratification in the way of acquiring citizenship based on the level of human capital, rather than on economic contribution. Thus, the logic of human capital citizenship rests on the notion that citizens are supposed to be qualified. This means that membership and its benefits are provisional, converting rights into earned privileges through the level of human capital but regardless of how the human capital is actually used within the society (Ellermann 2020). This conditional tendency within migrant admissions stands against social citizenship which is based on the granting of equal status rather than status earned from individuals' good behaviour and effort (Somers 2008).

Human capital citizenship can be found more broadly than capital-based stratified citizenship, especially in the post-industrial era regardless of welfare regime. In the case of Germany which belongs among the conservative welfare states and coordinated market economies under the welfare and production regimes typologies, respectively, conventional employment protection and employment stability has been well-secured along with a strong middle class. However, nowadays it has been reported that the number of working poor labourers has increased since the late 1990s and, in turn, the low pay segment turned out to be the largest in 2019 (Spannagel et al. 2017 cited in Hassel et al. 2019). The changed labour market condition in line with dualism from the 1990s might thus have demanded low-skilled labour or migrants.

Nevertheless, naturalisation in Germany which conventionally follows the notion of *jus sanguinis* it is especially not easily allowed for low-skilled migrants since they have been strictly regarded as being guest (i.e. temporary) workers. Although, during the 1990s the recruitment of temporary foreign workers was significantly expanded corresponding to the fact of the expanding low-income segments mentioned earlier, yet legal benefits were not as great as those for high-skilled migrants. Moreover, there were clear duties for low-skilled migrants to return to their original countries at the end of their stay (Ellermann 2020).

Furthermore, the stratified educational system in Germany, which hardly exhibits flexibility around education tracks, is likely to put migrants' children at a disadvantage. This is because, as a migrant process, there could be difficulties regarding the verification of previous education. Consequently, migrants' children are likely to be posited within the less competitive places in education or vocational training systems. As a result, this stratified education system could not help but affect the marginalisation of the second generation with respect to natives or higher social origin migrants (Alba and Foner 2015). In line with this, more recently the stratified migrant system based on human capital seems have been reinforced according to continually preferable integration policies, such as the introduction of the Green Card for high-skilled ICT workers from 2000. It shows how there is more room for high-skilled migrants to be accepted as future citizens rather than low-skilled migrants (Ellermann 2020).

This kind of propensity also occurred in Canada which belongs to the liberal welfare state and liberal market economy types under the welfare and production regimes, respectively. A traditional migrant country, higher than average skills for migrants were proposed with the passage of a 2001 Act which confirms a human capital-based migration system. The point system has made Canada's migrant flow very selective and, as a result, Asian people and Europeans who have high educational backgrounds are on average ranked as the first and second highest to achieve citizenship, respectively. Therefore, this selectivity strategy of the migrant system in Canada is evaluated to lead to greater migrant integration outcomes by positively selecting migrants who have higher human capital. In particular, it even conditions the entrance of a migrant's family and assisted relatives as potential caregivers by imposing more stern educational requirements upon them (Alba and Foner 2015; Ellerman 2020).

This tendency could be reinforced by the idea of negative selection in which less skilled migrants would in the end be protected by welfare states and so form a burden on their economy (Kogan 2007). On top of this, the negative selection issue is further analysed regarding the diminishing middle class and human capital investment of natives. Brunello et al. (2017) analysed how a sizeable influx of low-skilled migrants is positively related to human capital polarisation in Italy by investigating the educational choice of young natives. It associated the growing number of highly educated native men, as well as high school dropout rates, with the lower returns from lower-intermediate skilled labour due to migrants' taking up the positions. Consequently, the decreased wage in the related work sectors provoked reluctance for further investment in education and instead may incentivise high school dropout; and this pattern was

more clearly found in the men's case rather than the women's. As such, this study concluded that migration is one of the factors involved in the polarisation of human capital that has been less highlighted so far in the existing research which has mostly focused upon globalisation and technological advancement. To be specific, educational polarisation which is attributed to increasing numbers of low-skilled migrants in turn contributes to the expansion of a native underclass. This, in the end, diminishes social cohesion by reducing the size of the middle class while reinforcing the polarisation of education and occupations (Brunello et al. 2017).

The authors revealed that this result contrasts to previous literature which uncovered how investment in higher education by natives is attributed to a growing migration phenomenon and did not technically lead to human capital polarisation. In this regard, the contrasting result could be explained by human capital theory as well as the youth social citizenship which are elaborated upon by Becker (1975) and Chevalier (2020), respectively. Human capital theory demonstrates that young people are likely to invest in human capital based on future wages which are obtainable from the skills or education invested in, and thus represents a greater return on that investment (Becker 1975).

On the other hand, youth social citizenship explores two ways for how youth can possibly access certain social services (Chevalier 2020). First, familialised social citizenship is notably prevalent in conservative welfare states or traditionally Catholic countries so that youth social benefits and security are highly dependent on their parents. Conversely, individualised social citizenship can be found in liberal welfare states or traditionally Protestant countries, and the accessibility of social benefits is independent from parents from around 16 to 18 years old; whereas in familialised citizenship, up to 25 years of age is allowed in which to be dependent on parents. Here, student grants and loans would be the most important among the social benefits that the youth can receive with regards to human capital investment. In familialised citizenship, student maintenance grants and loans are dependent on parental income while individualised citizenship endows youth with the possibility to receive loans or grants regardless of parental income (Chevalier 2020).

Predicated upon these two conditions, the situation of increasing middle- and low-skilled migrant representation in the labour market could be differently applied to the human capital investment of native youth. As future wage expectation is a key source of human capital investment, if the return of middle-skilled positions is gradually reduced due to the high supply of migrants, there would be two options. First, youth might want to invest in themselves

through higher education or specific skills if there are plenty of opportunities to be employed in higher educational positions. Second, if the labour market does not have a larger demand for high-skilled workers along with a high unemployment rate or skill mismatch, youth might not choose higher education or vocational training.

Then, with these two options, the Italian case can be seen as compatible with the second option since there is a high unemployment rate as well as a limited return on higher education given their core industry is not based on innovative industries. The creation of high-skilled jobs is therefore limited (Burroni et al. 2019). Moreover, the youth social citizenship is based on familialisation so that there is less opportunity and independence for youth to think voluntarily about investing in higher skills or education. In accordance with this, the limited number of higher job positions in Italy are mostly pursued by male youths, as the study of Brunello et al. (2017) revealed, particularly when concerning the higher unemployment rate of women and the related welfare schemes which favour men as the first earner. Accordingly, these conditions could discourage youth, and especially those in middle- to low-income households, to pursue further education so that in the end a polarised phenomenon could emerge around human capital.

However, the UK has a large demand for high skills in the financial and ICT sectors and represents a fairly high employment rate compared to Italy. Subsequently, native youth could pursue higher education even though their education is marketized and they may belong to middle- or low-income households. This is because the individualised social citizenship of the UK allows them to have student loans which include maintenance costs, alongside the greater return of higher education within various labour market sectors. Furthermore, in Sweden youths could be induced into investing in their human capital to a greater extent than in the UK. This is since Sweden holds a high technology-based industry as well as an individualised social citizenship which is aimed at reducing education costs for youths. It therefore provides a favourable environment for youths along with public grants and vocational training (Chevalier 2020; Hassel and Palier 2020).

Consequently, the different results surrounding the investment of youth in human capital across countries shows that it could not be interpreted that the negative selection of migrants would be the determinant which leads natives' human capital to be reduced or increased, although there could be a form of association here. This is due to the presence of additional sectors, such as core industries, and social benefits around labour market conditions in addition to an

unemployment rate which affects natives' human capital investment to a much greater degree of determinacy.

While the analysis based on the negative selection of migrants suggests that migration would make the economy rely more on the price of labour rather than innovation, the positive selection perspective proposes a different view. Specifically, it can offer an analysis of how migrants would improve the economy due to their desire to be integrated into the host country, with dedication to obtain the skills which the host country's economy needs. When controlling for education levels, Duleep and Regets (2017) uncovered how migrants, and especially family-based migrants who used to be regarded as low-skilled under the negative selection perspective, actually try to fill specific labour market needs by investing in new human capital to a greater extent than natives. Thus, it was found that in some industrialised regions in the US, the individuals who gain new advanced skills are migrants rather than local natives. This result demonstrates that migrants can be more capable of adapting to changing skill requirements based on the view of positive selection, thereby reflecting the ambitious, risk-taking elements of migrants through the migration process.

As can be seen through previous research, according to the perspective of the study and the country case regarding migrant selection, although human capital citizenship spreads out across receiving countries the interpretation of certain economic phenomena can be different. Therefore, the study at hand investigates whether the outcomes of the different selection perspectives regarding migrants and their human capital might actually be attributed to the industrial structure of each country, rather than to a massive influx of low-skilled migrants. Indeed, previous research regarding human capital has focused on the supply of low-skilled migrants as a key issue and as the cause of either negative or positive impacts upon the economy. However, employment conditions such as job quality, income level and formal contract status vary across countries which could be the greater determinant of any given migration regime or strategy in each country.

This means that even though there is a strong human capital citizenship perspective throughout receiving countries, according to the production and welfare regimes which support the competitiveness of a country, the degree of human capital stratification of migrants could be differentiated. This is since the main industries of a country require different specific skills and supportive institutions, so that the strictness of human capital citizenship, which is of greater favour for highly educated migrants, might also be varied based on the means by which to

secure the competitiveness of the country. Thus, the selection perspective could highly depend upon the capacity of each country to secure their competitiveness in relation to dominant policy domains, such as those of welfare and production.

To be specific, states could give more opportunities for migrants to build human capital and embrace them through access to social benefits and formal contracts, since migrants are helpful to strengthen their competitiveness. However, there might be a critical condition in terms of the level of integration which is related to how institutions secure the heterogeneity of beneficiaries, as much as to embrace the new population, and whether such heterogeneity could continue even following the welfare reforms seen since the 1990s.

Thus, this study would like to highlight the nexus between the heterogeneity of beneficiaries in redistribution schemes and the level of reciprocity towards migrants. The fundamental idea is supported by how it is possible to capture the majority's rational action which determines preferences when there is scarcity; how do they make a choice in order to allocate finite resources within the picture of migrant integration? As the instituted economic process which is formulated by a majority vests unity and stability, it produces a structure regarding how the society is to function (Polanyi 1957). Therefore, the instituted process could work interactively regardless of any specified area. In this research, it will be placed in terms of welfare benefits and labour market policies.

Polanyi (1957) specified only in a symmetrically-organised environment the ways in which reciprocated behaviour is generated and, as a consequence, how the redistributive economy is brought about to integrate society which could be divided into sub-symmetric groups. In line with this concept, elaboration regarding redistribution or preferences towards migrants would be defined along the lines of how the size of a symmetric group is large enough, or how many sub-groups (heterogeneity) exist or are well-connected in the institutions. This is because the embedded institutions regarding redistribution in welfare or labour market opportunities are formulated to cover different levels of heterogeneity. Thus, if the institutions cover more heterogeneity under the redistribution scheme, it would provide more opportunities for migrants to become integrated.

For example, in Northern Europe, social institutions are set to share potential social risks in terms of age, health and care services to highly secure the heterogeneity of beneficiaries. Therefore, reciprocity and social solidarity are known to be notably higher than any other welfare states. In turn, migrants would be welcomed regardless of human capital levels, or

would at least face less restrictions since the public-based social schemes already include different income levels, unlike occupational-based social insurances in Continental or Southern Europe. This could be elaborated further with pension reform through a comparison between Sweden and Denmark.

Pensions in Denmark have been individualised or privatised drastically (around 7% benefits of GDP in 2013) along with a significant liberalisation of financial markets, while Sweden still has a strong public pension and a lesser portion of private pensions (standing at less than 2% of benefits in 2013) (Hassel et al. 2019). In this regard, institutional complementarity within the Danish welfare arena could not be well-secured since the other public benefits and social spending in the welfare arena have still been higher than that seen in the other liberal or conservative welfare states (Avlijaš et al. 2020).

However, the individualisation of the social scheme starting from pensions, and the gradual retrenchment tendency, could contribute to the demise of heterogeneity within the welfare arena. Accordingly, reciprocity could not help but be constrained, and especially for newcomers who would not be welcomed as a result since they are expected to receive social benefits with low or non-existent contributions (i.e. as with low-skilled migrants).

This is because the welfare scheme has not totally been or indeed cannot be individualised in the political economy background which is based on social democracy, unlike in liberal countries such as UK where the integration of migrants is regarded as high. This is since the individualised social and economic schema would not make natives severely reluctant to receive migrants on the grounds that they would not share the risk associated with the social benefit schemes. For this reason, institutional complementarity would be a concept which could provide an insightful account regarding the influences upon migrant integration, and this will be discussed further in the following theory chapter.

This idea can be supported through an analysis of the level of integration which was investigated by MIPEX (2020), uncovering the low level of migrant integration in Denmark which is not clustered with the other Scandinavian countries that are ranked as high integration countries. Moreover, this tendency seems to have continued or become strengthened since, recently, Danish authorities retracted the residency permits of Syrian refugees in order to make them return to their country of origin due to what the national government decided are better security conditions in Syria; the first case of such actions being taken among European countries (McKernan 2021). On the other hand, liberal economy countries have relatively high



migrant integration since the high complementarity of institutions centred on marketisation and less distributional schemes affect better preferences towards migrants based on the notion of individualisation.

In line with the argument of heterogeneity in the welfare schemes especially in Scandinavian states, research in Sweden shows how mobility or migration based on shared skills in the production arena is important for employability and economic growth in the country; and this would support the perspective of the positive selection of migrants. Shared skills, to note, here means that the skill would not be exclusive to an industry or firm but could be relatively easy to transfer to different firms and occupations. Therefore, labour mobility which includes migration would not be a burden on a given nation's economy since the skills are bound to be shared over industries and so create more employment opportunities (Boschma et al. 2014).

To elaborate, as Sweden's skill profile is oriented towards industry-specific skills with less strict employment protection legislation (EPL), these conditions are reinforcing shared skills in the industries by securing heterogeneity. This is since there is a strong background characterised by an alliance between skilled and semi-skilled labourers in wage bargaining so that the employer's federation should be required to augment the skill of low-skilled labourers. For this reason, such industries could gain competitiveness via the expanding and sharing of skills, as well as through proactively retraining low-skilled labourers. Thus, even if the one who could not be competitive in the industry is subsequently laid-off by the employers, they can find another employment chance via a greater accessibility to public vocational training and newly introduced jobs through active labour market policies (Avlijaš et al. 2020).

Hence, predicated upon a preference for labour mobility along with generous provisions regarding education and work skills, the perspective of a positive selection towards migrants could have been institutionally formed in Sweden. When considering the relatively favourable migrant policies in Sweden, the heterogeneity secured in the welfare and production arenas results in less strict human capital stratification, especially with regards to border controls as well as citizenship acquisition. That said, a migrant penalty regarding human capital could exist as part of the migration process within the labour market.

With regards to the production arena, Boschma et al. (2014) analysed polarised human capital investment in Italy. They revealed that less shared skills across relevant industries in Italy potentially affects the country's higher unemployment rates. Italy, where high EPL and a lower mobility of labourers are characteristics of the institutional environment, along with an

industrial background of less innovative industries and a highly developed underground economy, could constantly reinforce a polarised industrial and labour market structure. Moreover, small and medium enterprises which hardly share skills alongside low R&D investment from government could not help but result in less mobility due to the situation of a lower number of opportunities through which to cooperatively generate new innovative positions (Burroni et al. 2019).

In line with this, the unemployed or those who belong to different industries could be limited in possibilities to obtain certain skills required to secure higher mobility since the lack of shared skills, coupled with little-developed active labour market policies for vocational training, would lead them into the same positions which seldom needs skills. Thus, while the full-time employed secure positions with high salaries under high employment protection, the low-skilled could thereby remain with a largely unemployed status or be situated at the bottom end of job hierarchies. Consequently, the polarisation of the labour force and human capital investment is bound to be reinforced in Italy. Hence, again, the phenomenon of human capital polarisation in Italy could be seen to be affected by industrial structures and relevant institutions rather than the substantial labour supply of low-skilled migrants.

## 2) Income distribution and job quality associated with gender

Income distribution has been investigated as being related with economic growth and social class (Galor and Zeira 1993; Soskice 2005). In terms of macroeconomic issues, richer economies tend to have smaller wage differentials and a more equal distribution of income which creates potentially larger middle classes. Thus, it is regarded that economic growth is positively associated with this income distribution (Galor and Zeira 1993). In this regard, Soskice (2005) argued more specifically about how income distribution is interrelated with the production regime and gender differences, the former of which being a foundational system for economic growth, in the broader picture of the middle classes. In LMEs (Liberal Market Economies), for instance, high class inequality but lower gender inequality could be found within income distribution, while less class inequality but greater gender inequality could be found among CMEs (Coordinated Market Economies).

Political representation of the low classes is likely to incline towards the overall size of the middle class since any distributional scheme is a political-economic issue. As such, countries with a stronger middle class have conventionally advocated for redistribution through taxation.

As explained earlier regarding the citizenship premium, a country where the middle class is in decline is likely to become a plutocracy which could suppress mobility between classes and end up resulting in the polarisation of income distribution and class (Milanovic 2016). Therefore, the lower presence of a middle class in LMEs could not help but be less representative of low classes. On the other hand, CMEs have a relatively wider middle class in which various interest groups are included so that the lower class are still better educated and trained than their counterparts in LMEs. In this sense, the class inequality is greater in LMEs compared to CMEs where lower classes could be better situated for opportunities to invest in human capital (Soskice 2005).

However, there are more issues regarding income distribution according to the interaction of gender and class in general. Since lower income groups, regardless of gender, will be absent in collective bargaining within LMEs, there is a greater effect of class inequality rather than gender inequality. Thus, middle and upper-middle class women are significantly represented politically with a general skills preference in the production system. This would prevent statistical discrimination stemming from the potential idea of outdated skills when re-entering labour markets after giving birth, for example. However, although there is lower gender inequality than class inequality, it could not be denied that the women workforces in LMEs who are at the lower end of the classes are more likely to be marginalised than lower class women labourers in CMEs. This is because their income in the labour market and the benefits accrued from public welfare would be much less supportive with respect to CME counterparts (Kang 2020; Soskice 2005).

Meanwhile, as was specified earlier there is less class inequality but a more significant gender gap in terms of income distribution in CMEs. This is because their production regime is inclined towards male-dominated skill preferences such as firm- or industry-specific accumulated skills. However, the gender gap could be differentiated according to the welfare regime in CME countries. Here, women who are in social democratic countries are better represented both electorally and via their public service unions in sectors where women are mostly employed, whereas in continental welfare states women are less represented in general given that there is a higher inactivity rate due to the male-dominated middle class (Kang 2020; Soskice 2005).

In this regard, not only income distribution but also job quality needs to be examined by considering gender and nationality. Although there is a significant inactivity rate for women in

CME/conservative welfare states, there are growing demands for low-skilled positions within the service industry which are likely to be occupied by women. However, those CME/conservative countries may keep holding a lower woman labour participation rate due to the human capital ‘bequest’<sup>1</sup> which depends on less favourable institutions for women. These thereby induce women to act as a second earner in the labour market.

Accordingly, since native women would like to uphold their social status based on higher educational background, there is reluctance for local workers to occupy what could be considered as nasty jobs (Kogan 2007). In this sense, a woman workforce that invests in human capital yet is institutionally restricted in taking up decent work positions could fall under an inactive status (i.e. housewives). Then, considering this situation, how could the labour demand be fulfilled? Soskice (2005) expected that low-skilled migrants would occupy these positions across European countries, especially where the institutional environment towards the woman workforce is not favourable. In this sense, these features need to be investigated further regarding the nexus of low job quality, the different levels of increasing women labour participation rates and migrants.

Although it is not a comparative study focused on gender, Baumann (2002) uncovered that low-skilled service jobs are more formally contracted or legally protected in the UK compared to in Germany. Beyond this, Kogan (2007) also compared the UK and German labour markets, plus their impacts on migrant occupational statuses. Migrants in this study were found to fall more into the unskilled, manual occupations with less employment stability than natives in Germany, while migrants in the UK context held career paths that were not found to be significantly different from natives; nor were the risks of unemployment, along with a similar rate concerning entrance into white-collar/skilled employment for migrants. Ballarino and Panichella (2013) also uncovered similar results in terms of migrant men’s job quality, indicating an almost equal performance with respect to natives although the second generation of migrants were still penalised. Furthermore, they found the same result regarding migrant

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<sup>1</sup> Galor and Zeira (1993) have given an interesting interpretation regarding life course employment related to human capital investment. Specifically, they structure their suggestions around the notion that people live for two periods. First, they may invest in human capital, or may not so as to remain unskilled. Second, people could consume human capital regardless of the investment level (as a skilled or unskilled worker), or just leave it as bequests or a trophy in order to keep their social class in case of underclass mismatch.

women as well. Here, when it came to job quality, the UK holds less penalty compared to CME countries including Germany, the Netherlands and France (Ballarino and Panichella 2017).

These results are reflected in CMEs especially where high employment protection and low labour market flexibility exist. Here, there is a possibility of low-quality or general skilled jobs which would not be protected under the law due to the strong institutional environment of market rigidity. In contrast to Germany, the service industry, regardless of lower and higher positions, has been expanded significantly during the post-industrial era in the UK with the idea of securing market flexibility. By extension and as can be seen in the results of previous research, the working conditions within the low-skilled service sector is relatively well protected under the law and institutions.

However, in Germany the institutions regarding labour market and social insurance have not been developed to be compatible with precarious or temporary jobs. This is because the main industries based on firm-specific skills have strengthened employment protection, thus placing greater weight on skilled workers, but not on atypical employments which have suddenly expanded since 2010 due to the Hartz reform. Consequently, the more recently increased demand related to the lower service sector could arguably not help but lead to a lesser supply of native labourers with the view to avoiding less protected work conditions as well as lower incomes. In accordance with this, low-skilled or possibly more undocumented migrants could be induced into this segment of the labour market as opposed to native women or youth workforces in the German labour market.

In this sense, the recent trend which shows an increasing woman labour participation rate in Germany needs to be analysed in terms of job quality, as well as whether the figure is attributable to migrant women rather than to natives' labour participation since the rate is reported as being higher than that in the UK in 2019 (ILO 2020). According to the various forms of labour market dualism across Europe, therefore, overarching market flexibility could be different in each state in relation to the welfare and production regimes. Formal flexibility in LMEs could be expected alongside a more informal flexibility in some of the conservative and Mediterranean welfare states; flexicurity being witnessable in Northern Europe. Therefore, the different forms of flexibility and dualism in the labour market need to be analysed thoroughly in these regards since low-skilled migrants' integration is arguably affected by these characteristics within host societies.

### 3) Ethnic penalty

Migrants have faced human capital issues according to the various contingencies encountered through the migration process in relation to being better adapted to the host country. This is relatable to how it can be difficult to certify their education and skills when obtained from their country of origin, and there are potential language barriers as well. Subsequently, under the premise of a meritocratic society in host countries, these issues like the 'tracking or standardisation' process of their qualifications could be regarded as a 'legitimised' penalty since this migration penalty is at the frontline for all migrants regardless of their level of education.

Nevertheless, there is another disadvantage which could be viewed as 'illegitimate', such as that existing around discrimination regarding social origin and ethnicity or racial differences. In line with this, ethnic penalty has been defined as discrimination which is not based on human capital but is predicated instead upon the fact that migrants belong to specific ethnicities sharing certain cultures or religions. Thus, an ethnic penalty has been analysed by way of a comparison based on the second generation with respect to natives or Westerners. This is because if the second generation, who have experienced a similar socio-cultural background as natives, are penalised when controlling for human capital, it could be explained as illegitimate discrimination (Gracia et al. 2016; Heath and Cheung 2007).

However, this discrimination could be caused by many unobservable variables and so not only ethnic background related to natives' prejudice, but also from the lack of social capital including accessibility to formal information as well as migrants' own norms or customs which increase the difficulties of being integrated into the destination society, for instance (Kloosterman et al. 1999). Therefore, even though the second generation have been exposed to an environment similar to natives, their performance could have been lower when concerning these variables as well as any illegitimate discrimination.

In line with this, there is a cultural argument in which the discrimination towards specific cultural and religious minorities are justified related to an ethnicity penalty. The argument especially points to any such ethnicity penalty as not only the matter of the difference regarding non-White migrants with respect to White natives, but also how a particular ethnicity could be systematically discriminated against more when compared to the other ethnicities found in host countries (Siebers and Dennissen 2015). For example, Islamophobia in Western Europe has been compared to the US in terms of why European natives are more suspicious about Muslim

populations than natives in the US, including when considering the latter's experiences of 9/11-related terrorism which occurred in the country (Alba and Foner 2015; Carmon 1996).

Regarding this issue, two main reasons could be specified which reflect a particular ethnicity penalty related to the composition of migrant populations and religious commitment, respectively (Alba and Foner 2015). First, when considering migrant populations in Europe, more than 40% of migrants from outside of Europe are held to be Muslim and this is highly associated with both the region's geographical position and the precarious socio-economic situation found in push countries. A similar context can be found in the US with alternative regards to Latin Americans, including Mexicans, since they are reported as the most prominent undocumented migrants within the country. Consequently, Latin American migrants are reported to have the lowest socio-economic status among any other ethnicities while Muslim migrants, by contrast, have better labour market outcomes since they are positively selected in the US; the opposite situation to that in European countries.

The second main reason concerns differences of cultural background based on religion which reflects secularisation in host countries. The European native majorities as well as institutionalisation are based more upon secularisation which tries to detach socio-political practices from religions, rather than maintaining commitment toward them. However, Americans are more religious. As such, the religious claims and requirements of Muslims are not regarded as suspicious or irreconcilable in the US as they may be by European natives.

Accordingly, when considering constitutional principles in the US, religious participation through the community has been regarded historically and in line with the Protestant congregation, with this congregational practice encouraged under the name of 'Americanisation' in the society. Therefore, the centrality of engagement in religion not only gives legitimacy to the religion but also serves an integrative function in relation to the main society (i.e. of becoming American by becoming Hindu). Moreover, this social acceptance regarding religious practices is considered to be importantly related to the wider system of the US in which public welfare benefits are underdeveloped. This is since religious communities provide diverse services not only for natives or newcomers, but also grant training regarding civic skills for the entry of migrants which is supported by tax exemptions through community groups' consideration as non-profit organisations.

In accordance with these two differences, Muslims which comprise the majority of the migrant population have been conceived as an internal threat more for Europeans with regards to the

perceived risk of an undermining of societal principles or national cultural values which are based on secularisation. On the other hand, in the US, although it has been found that four out of ten people feel a prejudice towards Muslims, it is instead framed as an external threat related to national security and so unlike the perception of European natives which renders Muslims as undermining the fundamental foundations of society (Alba and Foner 2015). In this context, the analysis of different ethnicities' integration related to cultural patterns would be meaningful to discover any existing ethnicity penalty with greater sophistication; reflecting the historical and cultural backgrounds of host countries.

In a related vein, there have been studies of non-white ethnic groups which are subject to a higher penalty with respect to white migrants in terms of labour market outcomes, such as (un)employment and job quality, especially for managerial positions. Within this, EU/Western migrants have been found more in R&D, computers, real estate and recreation industries, plus in the manufacture of machinery and equipment, in a number of EU states. Third country migrants, in comparison, are situated more in manufacture (especially of clothing, plastic and rubber products), the hotel and restaurant sector or, alternatively, hold employment in private households (Khattab and Johnston 2013, 2015; Kogan 2007). However, while these results can be drawn in general, there could be human capital aspects at play within the above since it could be suggested that White migrants from other EU/Western countries may be likely to have higher education and skills overall.

In order to find out whether the labour market operates with such statistical discrimination in terms of ethnic penalty, Modood and Khattab (2016) controlled for human capital and specifically divided migrants according to ethnicity, such as migrants from Europe and North America, India, Pakistan and Bangladesh in the UK. In addition to unemployment rates, they also tested the effect of self-employment which has been used as a strategy by migrants in order to avoid ethnic penalties within labour markets. As could be expected, White migrants showed a much lower unemployment rate which was not too different from that of White British. Meanwhile, Indians, Pakistanis and Bangladeshis, plus other non-White ethnicities, were subject to more than a 10% negative difference in employment with respect to Whites. Indians, however, appeared to represent a fairly less discriminated ethnicity compared to other non-white ethnic groups within the country.

Furthermore, moderation provided by the self-employment strategy was found by Modood and Khattab (2016) to be effective, especially for those from South Asia by lessening the initial



penalty faced by around 2.5%, whereas White, Black and other individuals' unemployment rates remained even higher. Thus, the authors highlighted that there is a clear ethnic penalty, but also how self-employment could not be regarded as a generally applicable strategy nor remedy for addressing ethnic penalties. In terms of the effect of self-employment, moreover, it could be used in order to minimise an ethnicity penalty insofar as the first generation is concerned, yet whether it could be maintained as a strategy still differs according to ethnicity.

In the US, to provide an example, this has been investigated regarding how Korean migrants have made use of the self-employment strategy within the first generation, but their children hardly take up self-employed positions. In the same domestic context, Hispanic migrants by comparison keep running their established businesses through the second generation as well (Zhou 2004). Therefore, migrant integration studies would arguably benefit from delving deeper into ethnicity penalties regardless of whether a quantitative and/or qualitative approach is adopted. Such a suggestion could be made on the grounds that this penalty falls beyond the human capital stratification that has been discussed within the above by associating general employability with diverse ethnic characteristics and the subsequent racialisation of the labour market.

When it comes to the second generation of migrants, they have been used to assess whether there is a strong, enduring ethnic penalty by controlling for human capital levels. Racialisation of ethnic minorities is not connected with biological factors, but instead could be seen to revolve around cultural racism which is potentially related to religious identification as well (Modood and Khattab 2016). In this regard, second generation Moroccans and Turks in the Netherlands have been analysed in terms of whether an ethnicity penalty exists and, if so, whether it lasts in the long run across generations.

The second generations of both ethnicities were found to be substantially disadvantaged regarding employment and job quality when in possession of equal levels of skills and education with respect to the native Dutch, regardless of gender. However, Turkish women were less likely to be employed than Moroccan women when comparing both ethnicities. These results reflect how ethnic penalty definitely can exist in labour market practice but, at the same time and in this case, the cultural effect surrounding women's roles in Turkish society arguably exerted an additional and negative effect upon their employment (Gracia et al. 2016).

In line with this, Kloosterman et al. (1999) elaborated upon the idea of mixed embeddedness, demonstrating the situation of migrants encountering the incorporation of institutions from

both the country of origin and host nation. The incorporated process for migrants to be embedded in the host society could be changeable according to social contingencies. However, they analysed that migrants who lean more on formal embeddedness, which means the host societies' social capital and governance, have shown a successful trajectory for mixed embeddedness.

Accordingly, Turkish women who had to follow an informal embeddedness, such as unfavourable conventions from the country of origin concerning the employability of women, could not help but turn out to be less employed than Moroccan women who incorporate formal institutions more through the mixed embeddedness process. Moreover, the concept can also be supported by recent statistical research which uncovered that migrant women's employment assimilation in 16 Western European countries is strongly associated with their culture of origin compared to migrant men (Lee et al. 2022)

Therefore, as long as it is possible to employ data for specific ethnicities, on the basis of the above it would be beneficial to knowledge of employment contexts and (dis)continuities to assess how different or, indeed, the same ethnicity is integrated to varying degrees across countries, as well as to understand which position such ethnicities hold within respective occupational hierarchies.

Having considered the above, it is clear from the literature that there are numerous interweaving factors which influence the integration of migrants within host societies. These include human capital, gender and ethnicity, as well as different conditions through which citizenship may be acquired, amongst others. To take this discussion further, the following chapter will turn attention to exploring the perspectives on migrant occupational integration which are gainable through the lens offered by prominent regime typologies and the migration policy arena. In so doing, various institutional effects on integration of migrants and an approach drawing upon three regimes simultaneously are now to be considered.

## **Chapter 2. The role of institutions**

### **1. Introduction**

In the previous literature review presented in Chapter 1, the various approaches towards migrant integration research could be found. In line with this, the comments of Czaika and Hass (2013) and Alba and Foner (2015) are notable. They highlighted how ‘non-migrant policies’, such as those concerning macro-economic, labour market and social welfare themes, might play a much larger role than typical migration policies in terms of migrant integration. With regards to this, half of the research presented in this chapter also focused upon non-migrant policies such as the welfare and production regimes as an explanatory variable, and the rest used migrant policy as a main determinant upon the integration of migrants.

In this way, even though Alba and Foner (2015) admitted the effect of non-migrant institutions on migrant integration at certain points, such as with higher employability in liberal market economies than social market economies, they argued that there are some cases which cannot be explained by the institutional effect. They insist that this pertains not only to employability cases, but also concerns the probability of falling into poverty. For example, migrant families in France were revealed to hold a higher possibility to be destitute than those in the US. This is one case which would not be explained clearly by the institutional effect from the compartmentalised focus on social or liberal economy systems. This is since a social economy (France) is likely to protect a person who is possibly falling into poverty under the generous welfare system, unlike in the US. Therefore, Alba and Foner (2015) recommended that in terms of migrant matters and migration policy, as well as labour market and welfare policy, they should be considered at the same time for increasingly precise analyses.

In accordance with these arguments, this study expects that the three prospective regimes are associated with migrant integration and further assumes that as the two dominant regimes – welfare and production – are configured for citizens or majorities within society, the migration regime would be influenced by these two regimes. This is since the migration regime pertains to how the state endows opportunities for migrants or minorities to obtain benefits from welfare systems and work permits, as well as to become legal citizens under the institutions concerning the integration with majorities.

In this regard, Sainsbury (2006) analysed the interplay of the welfare and migration regimes by placing emphasis upon the welfare regime as the background to migrant social rights. She concluded that migrants' social rights converged into the three welfare regime typologies. However, Paul (2013) revealed how there are different migrant integration opportunities across countries which are not compatible with the welfare regime typology. She revealed that Germany and France belong to the same welfare typology, falling namely in a conservative or continental welfare state bracket, but also that the integration outcomes of the two countries did not turn out analogously. This is since they have different migration regimes which are defined as ethnicity and republican regimes, respectively. Therefore, only one regime, such as the welfare regime, is not enough to accurately elaborate upon levels of integration given the differently developed migration regime which also has great potentiality to affect the level of integration.

Accordingly, as Czaika and Haas (2013) highlighted the importance of non-migrant institutions on migrant integration, the production regime needs to be considered in order to analyse the association between the three regimes and the level of integration as well. Consequently, research from Kogan (2007) and Ballarino and Panichella (2013, 2017) are good examples through which to further relay the association between the integration of migrants and the regimes. These researchers analysed the institutional effects on migrant integration in terms of labour market outcomes. At this point, it is important to note that these authors employed different institutional foundations in order to investigate labour market outcomes of migrants. Here, the former employed the welfare regime and the latter used the production regime. Accordingly, when synthesising previous literatures regarding migrant integration, it can be assumed that there are simultaneous effects from the three regimes and that there is an impact exerted over migrant occupational integration as a result. By extension, it is also arguable that a single dominant regime could not fully explain the different integration status observable across countries due to the lack of consideration of complementarity with the other regimes which potentially impacts migrants' socio-economic outcomes.

Therefore, in this chapter, the institutional effect on migrant integration is discussed along with an explanation of the theoretical idea of institutional complementarity. Institutional complementarity, to note, was suggested by Hall and Soskice (2001) with regards to the production regime in order to explain the complementary aspects which can be seen among different institutions. Within this, nations with a particular type of institution in one domain can develop complementary institutions in other spheres to maximise effectiveness. For

example, a country which has industries related to firm-specific skills develops not only vocational training based on firm apprenticeships, but also complementarily higher employment protection legislation so as to maximise the competitiveness of the country by securing effective production capacity (Hall and Soskice 2001).

This concept will be used to explain how the three different regimes will simultaneously affect the occupational integration of migrants in this study. As the concept of institutional complementarity conveys the complementary development of different institutions, there have been ongoing discussions regarding the presence of this between the welfare and production regimes in order to define certain socio-economic phenomena according to respective research areas of interest. This is related to how welfare benefits and labour market policy are closely linked with each other and affect both employment status and levels of de-commodification; the latter regarding welfare provisions for those otherwise unable to work such as through unemployment and illness. Therefore, research which analysed institutional complementarity between the two regimes is also presented in this chapter alongside the nexus between each regime and migrant occupational integration, exploring its possible relation to the influence on migration regimes. It is to these themes the chapter now turns.

## **2. Institutional effects of welfare and production regimes on integration**

As noted, the present study particularly focuses upon institutional effects on migrant occupational integration from three dominant policy arenas (welfare, production and migration regimes). Although industrial changes and individual characteristics such as human capital, gender and ethnicity have been analysed in the literature in terms of the background to the integration of migrants, these studies rarely reach the point at which to examine the institutional effect from different regimes on integration. Furthermore, the complementarities between the regimes which have simultaneously been affected by industrial changes are hardly considered as possible determinants affecting migrant integration.

Accordingly, the policy effects of the three regimes will be tested simultaneously to examine how far this integration tendency can be attributed to the different policy arenas. Consequently, and to build in this direction, the discussion of the present chapter shall now turn to exploring the literature which concerns migrant integration vis-à-vis institutional effects. Thus, this chapter explains the welfare and production regimes with reference to previous research which provided insights into how institutions from the welfare and production arenas affect the

integration of migrants. Migrant policy effects and institutional complementarity between the three regimes are explored in the second and last section, respectively. First of all, however, the welfare regime shall be discussed.

### 1) Welfare regime

Esping-Andersen (1990) defined the welfare state regime, which reflects welfare capitalism pertaining to the issue of employment and macroeconomics, in order to overcome previous research which only referred to social-amelioration policies or social expenditure, as well as to cluster countries captured by similar social and employment structures. In turn, therefore, welfare state development and varying welfare provisions are explained according to regime typologies. To note, this regime refers to the political economy of welfare so that the author provides three different regime typologies in order to explain power and conflict in the development of welfare systems. Within this, the configuration of a welfare system is characterised by the role of markets, including labour and capital, as well as states in the ways stratification is addressed and whether it could be alleviated or produced by the welfare states.

Here, there is the critical concept of ‘decommodification’ which demonstrates how far citizens could be independent of the market through social rights in order to keep certain standards of living. The three regimes are defined as liberal, corporatist and social democratic, and they are coupled with different ways and levels of decommodification. The regimes are compatible with three different welfare configurations pertaining to residual, conservative or universal systems, respectively.

The liberal welfare regime has a market-oriented system so that trade unions have been structurally weakened meaning, in terms of social rights, a needs-based residual system is developed rather than one based on social benefit rights. This can be found in Anglophone countries. Meanwhile, a corporatist or conservative welfare state has a strong Christian democracy or social Catholicism element, and the representative countries are Continental or Southern European states including Germany, France and Italy. Occupational contribution-based conservative systems strengthen the first earner or male breadwinner scheme to decommodify family members. This system highlights the family as a comprehensive unit for social benefits and a care service provider which is based on housewives’ role in the household. Therefore, it is also defined as a familialism welfare system (Esping-Andersen 1990, 2002).

Last but not least, the social democratic regime has been developed following tripartite corporatism so that there are strong unions which are regarded as one of subjects involved in negotiating social rights, as well as in wage bargaining, along with the state and employers. Consequently, the universal welfare system based on egalitarianism could have been developed in Northern European countries including Sweden, Denmark, Norway and Finland. Accordingly, the decommodification level could not help but be differentiated according to the different welfare systems in place, and it has been revealed to be highest in the following order: social democratic; conservative; and, lowest of all, liberal welfare regimes (Esping-Andersen, 1990).

Esping-Andersen (1990) thereby brought a better understanding of how welfare states have been developed by overcoming simple approaches signifying social expenditure or economic growth. Nevertheless, this understanding has been criticised especially by gender and Mediterranean welfare state scholarship. To elaborate, decommodification is measured according to paid worker's social insurance replacement rates (unemployment, pension, sickness), but not unpaid work. However, actually it should not be overlooked that the paid workers' (i.e. typically married men) condition to be able to work and by extension contribute to social benefits or taxes depends mostly on unpaid workers (i.e. housewives). This is since, in order to decommodify themselves, workers firstly need to be free of care duties and subsequently to become commodified. For this reason, some scholarship argued that the broad area of welfare, such as care services, health and social assistance, could not be captured methodologically under the decommodification framework. (Hobson 1990; Hobson and Lindholm 1997; Langan and Ostner 1991; Misra and Moller 2005).

On the one hand, in terms of Mediterranean welfare states, initially Italy was defined as being among the conservative welfare states when concerning occupational-based insurance systems like the other Bismarckian countries (that exist in Continental Europe and incorporate Germany, France, Austria and similar, for instance). However, Southern European nations use cash benefits as the core welfare system, especially with regard to the risk of old age, so that as the system attempts to maintain occupational status, the polarised character of occupations in Southern Europe can be found in the institutional schemes as well. They introduced a guaranteed minimum income quite late alongside family benefits, and services have not been developed sufficiently. These two conditions indicate clear differences with respect to Continental European countries although Italy was classified as one of the conservative welfare states among the three regimes. Moreover, in terms of health care service, the British model

influenced Southern European welfare states towards implementing a universal approach for health systems through a National Health Service so that there is no occupational segregation for receiving health service benefits (Ferrera 2000; Guibentif and Bouget 1997; Moreno 1996).

Accordingly, the study at hand also acknowledges Southern European countries' independent institutional characteristics around their welfare schemes and applies these countries as Mediterranean welfare states, thereby setting them as distinct from conservative welfare states. In addition to this, work-family reconciliation policy also will be considered under the welfare regime in order to investigate gender differences within migrant integration in the labour market, as influenced by the dominant regimes. This is since after post-industrialism, welfare states had to treat 'new risks' beyond the 'old risks' such as unemployment, health and retirees which were mostly addressed through a system supporting the male breadwinner, as elaborated upon earlier. This is because, after the dawn of post-industrialism, the expanded service markets required non-conventional workforces such as women and, in turn, welfare states necessarily designed work-family reconciliation policies in order not only to boost women's labour participation, but also to address the 'new risks' which were caused by the absence of carers in the household (Bonoli 2005; Taylor-Gooby 2004).

Within this context, work-family reconciliation policies have been uniquely developed in a way to supplement the welfare state system predicated upon the typologies. Therefore, liberal welfare states hardly developed family benefits including care services, child allowances and paternal leave. This is since the welfare system relies on individuals exposed to means tests and private insurance so that private-public service or individual networks have to be considered for care duties in liberal welfare states. Meanwhile, child allowances and maternal leave were strongly established in conservative and Mediterranean welfare states rather than care services. This is since the contribution-based welfare benefit system still accentuates the male breadwinner model or dominant labour market and, in turn, women's labour market participation has necessarily been restricted in these countries. Contrastingly, even before post-industrialism, social democratic welfare states have formed public care services as well as well-secured paternal leave for both genders under their universal welfare system by considering women workforces' participation in terms of gender equality. Therefore, higher women's labour market participation has been reported in Northern European countries (Esping-Andersen 2002; Lewis et al. 2008; Ray et al. 2010; Stadelmann 2008; Timonen 2004; Windebank 2017).



## 2) Production regime

The varieties of capitalism studied by Hall and Soskice (2001) provide theoretical structures which liaise between social institutions and the production regime. In short, there were two contrasting perspectives of how the future of capitalism might address the socio-economic change witnessed after post-industrial society; these namely being the convergence and divergence theses. The convergence thesis is based on neoliberalism as a theoretical idea so that it believes the impact of globalisation would lead to the retrenchment of Keynesian welfare states (Cerny 1995). However, the divergence thesis has a contrasting idea with representative studies including that on the welfare state regime from Esping-Andersen (1990) and on the production regime from Hall and Soskice (2001). In this regard, both studies showed that although financialization and marketisation have expanded across countries, there is a different political economy which forms the welfare and production arenas so that varieties of (welfare) capitalism could be realised.

Esping-Andersen (1990) applied labour market issues to the welfare state regime, but the institutions of the production arena could not be comprehensively considered in the discussions around determining welfare regimes. On the contrary, the production regime focuses more on a coordination mechanism between production-related institutions which could be understood as the socio-economic structure of production. To be specific, production could not be simply constructed by the market mechanism based on the invisible hand, but by institutions which have been formed throughout historical, political and socio-economical process (Hall and Soskice 2001).

The institutions here include industrial, financial and labour market structures and relevant policies, which further includes unionisation, vocational training, corporate structure or their associations, macroeconomic policies and similar; and these are (in)directly related to production. The stakeholders of the production regime could also be varied, including individuals, companies, production industrial groups and governments. They are responsive to state competitiveness in terms of innovation or skill formation so that the interaction between them in turn results in various political and economic outcomes such as economic growth, unemployment rates and inflation, as well as income distribution (Hall and Soskice 2001; Scharpf and Schmidt 2000).

Accordingly, the production regime demonstrates how skill formation is managed by not only firms or industries, but also by social protection as well in order to maintain or improve state

competitiveness (Hall and Soskice 2001). This is a substantially critical idea to confute the convergence belief of demising skill-based production or manufacture in advanced economies, as well as to reaffirm the complementarity between production and welfare arenas. In this regard, Estevez-Abe et al. (2001) provide three ideal types of skill profile and the mechanism of how social institutions induce or help to build these certain skills. There are four contingencies concerning how unemployment protection and employment protection are connected and how, under certain contingencies, the skill profiles are preferably constructed.

If unemployment protection and employment protection are both low, labourers would prefer to invest in general skills. This is because there is no motivation driving specific skill investment which takes a long time to become embedded, as well as being difficult to transfer across industries, in situations of less social protection there is a higher risk for them to invest in specific skills due to the expectation of a lesser return from the investment. In contrast to this, if the labour market secures high unemployment and employment protection, people are suggested to invest in industry- or firm-specific skills. Here, since social protection supports workers and firms to develop specific skills even if time and money for skill formation is costly, there is less possibility to lose income in case of unemployment. Furthermore, employment stability from high EPL (employment protection legislation) also secures investment returns for both workers and firms.

Contrarily, in the contingency of low employment protection and high unemployment protection, or the other way around, the skill profiles are likely to turn out as industry- or firm-specific skills, respectively. Industry-specific skills tend to be more transferable between firms within or even between industries, while firm-specific skills are much closer to apprenticeships in which the skills are accumulated within the firm and hardly shared with the wider industry. In accordance with this, relatively low employment protection poses more opportunities for mobility in terms of labourers, as well as of skills between firms and the industries.

Meanwhile, higher unemployment protection also strengthens the possibility to induce workers to invest in specific skills by securing wages in case of unemployment. In the opposite way, if the labour market has relatively high employment protection and low unemployment protection, firms incline towards conserving their own skills in order to avoid transition or firing costs regarding labour. Likewise, workers are also encouraged to invest in firm-specific skills and remain in the firm where they initially became employed since there is less opportunity to

transfer the skills coupled with a limited safety net in case of unemployment (Estevez-Abe et al. 2001).

Alongside the skill profile, the production regime captures two typologies representing LME (Liberal Market Economy), where the equilibrium outcomes are given by the demand and supply conditions of market, and CME (Coordinated Market Economy) in which private and public sectors interact in a more often strategic way to meet the production or competitiveness of the state (Hall and Soskice 2001). Consequently, LMEs could be the prototypical regime for the convergence thesis which describes the retrenchment of the welfare state and the relocation of manufacture production to the developing world, as well as substantial financialization. In line with this, general skills are preferred in LMEs since the representative countries are liberal states, such as Anglophone countries, where welfare systems have technically been developed in the residual system so that less social protection in terms of employment and unemployment can be found.

Therefore, workers pursue general skills in order to correspond to the production regime which is composed of knowledge-based service sectors founded on high education, and low-end service sectors. Moreover, the gradually reduced institutional coverage for social insurance along with increased privatisation of social insurance poses an environment for the unemployed to enter or re-enter the labour market as quickly as possible and to prepare individualised welfare security. In turn, such marketisation of social security would consolidate the LME system by expanding financialization (i.e. regarding private pensions) (Hall and Soskice 2001; Hassel and Palier 2020; Wood 2001).

On the other hand, CME countries show high employment and unemployment protection although there are different levels of combinations and related contingencies, as mentioned earlier, so that these conditions lead people to invest in specific skills (such as industry- or firm-specific skills) by providing income guarantees. In this regard, Wood (2001) evaluated the generous replacement rates of social insurance as representing the core capacity of coordinated market economies to secure or maintain the supply of skilled labourers. In terms of skill profiles, industry-specific skills can be found in Northern Europe where unemployment institutions are relatively stronger so that the possibility of skill transfers within and among industries could be higher than any other countries. Since Continental Europe represented by Germany shows a higher level of employment protection than unemployment protection, firm-specific skills

based on apprenticeships can be developed more prevalently than industry-specific skills (Hall and Soskice 2001).

However, regarding the four different contingencies related to institutional arrangements, except one case of complementarity in terms of low social protection along with general skill formation represented by LMEs, the three contingencies are included in CMEs. Thus, apart from Anglophone countries, the other Western European countries are included in this CME typology even though the skill profiles could be differentiated. This is reasonable in order to explain the coordinated political economic process among stakeholders in the production arena but, as can be seen concerning the welfare regime typology issues, this could be regarded as one of the limitations which hinders a more sophisticated lens through which to refer to specific arrangements of institutions.

Under an analogous perspective, the ‘growth regime’ has recently been studied which highlights the need to update production and welfare regimes based on the complementarity between them, as well as to apply current industrial trends across advanced economies based upon financialization and the knowledge economy (namely ICT: Information and Communications Technology) (Hassel and Parlier 2020). As can be seen in the name of the ‘growth’ regime, this study regards any given national political economy as encountering the production arena first to secure countries’ competitiveness, and this then complementarily reforms the welfare arena according to the initiatives of the state (Hassel and Parlier 2020).

In line with this, there are five growth regimes which are suggested along with their associations to the welfare policy arena. It includes: the export of high quality manufacturing (associated with a dualization of welfare, i.e. in Germany, Continental Europe); export of dynamic services (associated with social investment, i.e. Northern Europe); foreign direct investment (FDI) as financed export-led growth (associated with fiscal and social attractiveness, i.e. Eastern Europe); domestic consumption driven by financialization (associated with the commodification of welfare, i.e. the UK); and domestic consumption driven by wages and welfare (associated with social protection, i.e. Southern Europe and France) (Hassel and Parlier 2020).

The authors demonstrated the need to update Varieties of Capitalism (VoC) (Hall and Soskice 2001) and the Three Worlds of Welfare Capitalism (Esping-Andersen 1990) in order to incorporate the financial and ICT sectors which are neglected within the welfare and production regimes since both are studied based on the Fordist era of economic development (Hassel et al.

2019). The important tendency towards these new industrial sectors in countries cannot be ignored and institutional preconditions for the better accomplishment of the new industries have been addressed in the countries, too (Zysman et al. 2010).

However, VoC and Welfare Capitalism actually referred to the dynamics of the state political economy based on the restructuring of welfare and production arenas after post-industrial industries. Moreover, even though the importance of the new industries has expanded across countries, the main industries and the complementary institutions in both arenas are still dominant and, more importantly, the idea focused on new industrial sectors could unnecessarily lead to the convergence thesis. Therefore, the complementarity between welfare and production regimes needs to be investigated further through empirical analysis along with institutional arrangements grounded on the core industries that have been maintained, and beyond the finance and ICT sectors. Indeed, attention will now turn to exploring institutional effects on migrant integration with regards to the two dominant arenas discussed so far.

### 3) The institutional effect of welfare and production regimes on the occupational integration of migrants

First of all, Kogan (2007) as well as Ballarino and Panichella (2013) have focused upon how the institutional effect of the labour markets in receiving countries influences migrant integration. Here, these two studies tried to capture the variations in institutional effect in relation to different migrant statuses, and particularly for low-skilled and third country migrants (as non-European/Western, specifically). Since European migrants were indicated as experiencing less of a gap with respect to natives in terms of labour market outcomes, migrants from third countries are necessarily required to be separately analysed in order to uncover ethnic discrimination related to human capital issues.

In this regard, both research projects expected that the institutional arrangement of welfare and production regimes would give a special environment for employers' preferences regarding migrants and migrants' related prospects of employability. Accordingly, the background which informs the expectations of both actors (employers and migrants) would interact with various migrant statuses, taken to include human capital, ethnicity and years of residence, consequently resulting in different levels of occupational integration.

In terms of the welfare regime, Kogan (2007) analysed how liberal welfare states grant more opportunities for migrants to have higher job employability than conservative and social

democratic countries. This result is related to the different level of decommodification since the countries where high decommodification is secured from welfare institutions, such as in conservative and social democratic welfare states, are bound to promote long-term relationships based on the high skills shared between employers and employees. Therefore, third country migrants could have better employability and job quality within liberal countries where the decommodification from the welfare arrangements is low so that employers are less biased to employ third country migrants in an environment which does not require long-term contracts nor labour market protections.

Another comparative analysis conducted by Kogan (2007) concerns how welfare coverage levels beyond high decommodification effects the employability and job quality status of migrants in conservative and social democratic states. Social democratic countries' more recent migrants were revealed through this focus to hold a lower employment rate than counterparts in conservative countries since they enjoy similar welfare entitlements with respect to natives. Therefore, in such a context it is possible to have more time to look for a better job opportunity in social democratic environments given the greater universality of welfare provision. Such provision thus provides a degree of (financial) stability that supports a longer time spent outside of employment. Accordingly, in terms of job quality, although the result was not found to be statistically significant, Scandinavian welfare states' migrants possess somewhat higher-level job positions than those in conservative countries even though the longer time outside of employment is reflected in seemingly higher unemployment rates.

On the other hand, Ballarino and Panichella (2013) examined how migrants' occupational integration in old (Sweden, Germany, France and the UK) and new (Italy and Spain) receiving countries varied according to labour market institutions based on the production regime. This study therefore highlighted labour market conditions by indicating the different institutional arrangements of employment protection and market flexibility in LME and CME countries. While strict employment protection may negatively affect migrant employability due to larger firing costs which can make initial employment less desirable for employers, market flexibility would give higher employability for migrants by alleviating the insider-outsider cleavage (Ballarino and Panichella 2013).

To be specific in this regard, insiders who hold a full-time employed status are protected under high EPL, whereas outsiders remain in a lower, segregated market alongside temporary contracts, or have an unemployed status so that they are unlikely to be protected under the law

(Rueda 2007; Vlandas 2013, 2020). Thus, the labour market where EPL is high keeps consolidating insiders' labour status so that migrants, who are outsiders when they initially arrive in receiving countries, could have less opportunity in the labour market since the insiders are mostly natives who have already been employed. Moreover, where the labour market secures flexibility along with low EPL, there are less permanent full-time contracts and it is likely that there would be various types of contract, dominantly including temporary contracts as well. Therefore, employers could also have less reluctance to employ migrants as the labour market secures more flexibility.

Furthermore, Ballarino and Panichella (2013) uncovered an unexpected case which could not be captured via the typical production regime typology and related institutional arrangements. This is since the new receiving countries such as Italy and Spain, which belong to CMEs with well-developed employment protection legislation, were shown to boast higher occupational integration in terms of employability and job quality (the latter found in Spain only). According to the logic of CMEs, both countries hardly secure flexibility but, due to the notable presence of a 'black economy' in the countries, the employability of migrants could be revealed to be higher since unofficial labour market flexibility grants more opportunities, especially for low-skilled migrants.

In general, the UK and Sweden showed higher occupational integration in the long-term by assimilating the labour market outcomes of migrants with respect to natives. Meanwhile, Germany and France were investigated as maintaining persistent discrimination towards migrants regardless of the length of their residence. As such, the hypothesis regarding how the regulated market would hold higher integration in the long run was not met, except in the case of Sweden (Ballarino and Panichella 2013). Thus, further analysis is required in this regard by specifying the level of institutional arrangement since Sweden and Scandinavian countries in general have been expanding market flexibility while holding mid-to-high levels of employment protection.

This long-term result is also related to previous studies with regards to welfare and migration regimes. Preferable welfare provision reflecting residence-based citizenship in social democratic states, to elaborate, induced migrants to search for better jobs and acquire skills so that this results in a higher unemployment rate in the short-term, as noted briefly above. However, in the long-term, migrants could gain higher job statuses than may be possible within conservative countries, since the market has more flexibility as well as a higher accessibility to

skills based on vocational school systems rather than apprenticeships (Kogan 2007; Paul 2013; Sainsbury 2006).

In this regard, Lee et al. (2022) uncovered how market rigidity slowed down migrants' employability across 16 European countries (EU-15 and Switzerland) by employing data regarding EPL and product market regulation. This result particularly revealed the market rigidity's negative effect on migrant employment for both genders, but it could not reflect the skill formation system in the production regime discussion. Therefore, the level of the production regime which contains EPL, unemployment protection and vocational training systems should be measured in order to find the level of the production regime that encompasses flexicurity (i.e. containing a certain level of EPL and an accessible vocational system). This could be the answer to why there were different trends of migrant occupational integration among CMSs, and this will be tested in this study by employing data regarding the production regime.

### **3. Institutional effects of migration policies on migrant integration**

Alba and Foner (2015) and Czaika and Haas (2013) indicated how the migration regime needs to be referred to alongside the other two dominant policy arenas when conducting analyses regarding migrant integration. Accordingly, the nexus between the three regimes and the subsequent effects upon migrant integration will be explained through the concept of institutional complementarity, as well as with explicit regards to the research of Sainsbury (2006) and Paul (2013) in sub-section [3] below. In this part, research which address migration policy as a net effect upon migrant integration is discussed with reference to statistical approaches related to the three types of integration. Since migrant policy is configured for migrants, it is adopted in migrants' integration research as a main determinant; and more so than the welfare and production regimes. Accordingly, migrant policies as a determinant covered a greater variety of integration types compared to the welfare and production regimes which are mostly focused on economic integration.

In this regard, Goodman and Wright (2015) employed mandatory integration policy which requires migrants to acquire country knowledge, language and values as conditions for immigration in order to analyse three dimensions of migrant integration; namely, the political, social and economic. According to the results, mandatory civic integration policy hardly affects migrant integration, neither positively or negatively, except in relation to political integration



regarding migrants' perception of politics, such as how it is complicated or not and whether there is difficulty involved in making political decisions.

This result is somewhat understandable since the policy aim is centred on expanding the cultural value and knowledge of the host country so that it should provide migrants with positive political and cultural perceptions in the countries. Accordingly, economic and social measures of integration, such as financial wellbeing or household income, as well as discrimination by natives which were used as dependent variables in this research, seem to certainly be in need of additional factors to be improved beyond knowledge of the countries and language proficiency.

Meanwhile, how the degree of permissive or restrictive migrant policy differentiates migrants' integration is analysed by Elmar et al. (2013) and Helbling (2020). First, Elmar et al. (2013) employed six migrant policy arenas including access to the labour market, long-term residence, family reunification, political participation, access to nationality and anti-discrimination to analyse the perceived group threat natives hold towards migrants. Among the results, where the countries have more permissive migrant integration policies, less group threat perception to migrants was in turn found. Additionally, Eastern European countries were revealed to have the least permissive integration policies compared to Western European countries so that natives' threats towards migrants were found to be higher in Eastern Europe.

Secondly, Helbling (2020) investigated three types of integration within 22 European countries according to the degree of their restrictive migration policies in order to compare the difference among European OECD, non-European OECD and non-OECD migrants. The marginal effect of migrant policies on overall integration revealed a positive statistical significance for European OECD and negative significance regarding non-OECD migrants, but found no statistical significance for non-European OECD migrants. This result uncovers how there are selection effects for non-OECD migrants so that, if non-OECD migrants enter restrictive countries, their chances to be unemployed are consequently 14 points higher to those of migrants in the countries which have less restrictive or liberal migrant policies.

Last but not least, Algan et al. (2009) and Malmusi (2014) investigated the impact of different migration regimes on the integration of migrants. Algan et al. (2009) specified three types of migration regime, these being: multicultural (the UK); republican (France); and, ethnic (Germany, allowing citizenship only for those of German descent). They did so in order to compare first and second generation migrants' social (education) and economic (wage and

employability) integration. In terms of education, regardless of host countries the second generation held a lower gap with respect to natives compared to the first generation. With regard to economic integration, meanwhile, the employability gap with respect to natives was similar between the first and second generation of migrants in the UK and Germany. However, the net earnings of the second generation were much improved in the UK, while with France and Germany a difference between the generations could not be found.

In addition to this, Malmusi (2014) also analysed migrants' health inequality by reflecting types of integration policies in European countries based on MIPEX categories such as multicultural (UK, Sweden, Netherlands, Italy and Spain), exclusionist (Austria and Denmark), as well as assimilationist (France, Switzerland and Luxembourg). The highest difference in health status between natives and migrants was expectedly found in exclusionist countries. When it comes to controlling education, highly educated migrants in multicultural countries experienced slightly better health advantages compared to those within assimilationist countries where the integration policy level is investigated as representing an in-between range with respect to exclusionist and multiculturalist countries.

Accordingly, when synthesising the results of these two studies, and although migrant integration is measured differently through education, wage and employability (Algan et al. 2009), as well as health (Malmusi 2014), there are more positive integration results in multicultural systems compared to the republican or assimilationist ones, as well as to the exclusionist migration regimes. This is since a multicultural regime ensures that ethnic minorities' culture, including language and religious practices, can continue without incurring penalties in terms of citizenship acquisition. This is related to the ways in which assimilationist or republican regimes hardly acknowledge ethnic divisions and their culture, and exclusionist regimes are bound to create notable difficulties in obtaining citizenship as well as any types of benefits from welfare and labour market systems. Thus, in the end, larger socio-economic segregation between natives and migrants can be found in both regimes, and most notably in the exclusionist. Therefore, Denmark, which belongs to the exclusionist model, shows the largest differences of health status in which that of migrants stands at around 40% lower than natives' status (Malmusi 2014).

In sum, when considering the comprehensive analyses of the institutional effect regarding welfare, production and migration regimes, there are linkages between the results from each regime in terms of economic integration; especially between production and welfare regimes.

Moreover, it was found that migration regime typologies are not significantly compatible with the typologies of welfare or production regimes in the existing research. This can be seen in the case of Denmark and Austria which are analysed in such a way that they belong to an exclusionist orientation regarding the migration regime, but under the welfare regime can be classed as representative of social democratic and conservative systems, respectively.

Consequently, research has demonstrated that the result of migrant policy and the expected levels of integration are not always followed or met by the dominant welfare or production regime typologies. This is also supported by another research project which assumed that similar integration levels would be expected within the same welfare typology but concluded that this hypothesis has been proven wrong (Pisarevskaya 2018). This is since the level of migrants' economic integration had been revealed to be far different in Norway and Sweden which are supposed to be similar when concerning the universal welfare system of social democratic welfare states. Sweden, to note, showed a pronouncedly lower migrant employment at a level similar to that of Germany and Switzerland which belong among conservative welfare states.

Accordingly, these results from previous research reiterate the need to conduct migrant occupational integration analyses under a comprehensive frame by considering the three core regimes simultaneously. This is because the recent research which adopted migrant labour market integration policy from MIPEX revealed that the hypothesis assuming a positive association between labour market access programmes and the employability of non-economic migrants, relating to family reunification and refugees, turned out to not be statistically significant. However, they also found better employability or less disadvantage of those migrants with respect to economic migrants, particularly in the countries which have generous worker's rights and social provision policies (Kanas and Steinmetz 2021). Therefore, what we can see here, even if the direct migrant labour market policy is implemented, their effect could be less significant compared to general labour market policy, welfare and production institutions.

In accordance with this, the institutional effects from institutional complementarity between the three policy arenas will be considered in order to help build a more sophisticated understanding of migrant integration phenomenon later within this study and, consequently, this will be explained in the following sections.

#### **4. Institutional complementarity**

Institutional complementarity is introduced by Hall and Soskice (2001) who explain the phenomenon in terms of the analogous forms of institutions developed in order to sustain coordination between different spheres. This suggests that nations with a particular type of institution in one domain (e.g. in the economy) develop complementary institutions in other spheres to maximise effectiveness (Hall and Soskice 2001). To be concrete, Amable (2003) specified four different options which can be found when analysing institutional complementarity in the labour market.

First, if there is institutional complementarity, when the labour market is deregulated this will arguably be met with a similar deregulation of the production market, and vice versa. Second, both areas follow the same direction insofar as securing complementarity is concerned, such as whether they are both regulated or deregulated; or, additionally, both areas have a different direction which does not secure complementarity, representing a situation in which the production market is deregulated while the labour market is regulated, or again vice versa. Third, the logic behind institutions within the one area holds an influence over the other area. Fourth, when the institutions share the same logic, it is deemed that there is complementarity.

Although institutional complementarity arguably endows researchers with a powerful analytical framework regarding the development and effect of institutions, there have been critiques from some scholars. Among these, they insist that institutional isomorphism could be described as representing a compatibility of different spheres, rather than a complementarity (Boyer 2005; Höpner 2005). In addition to this, there are methodological challenges encountered in efforts to demonstrate complementarity empirically with mutual enhancement attributed to institutional complementarity (Rothstein et al. 2017).

Nevertheless, the concept has a clear analytical stance in terms of demonstrating the development of institutions and the certain phenomenon or effects which could be influenced by institutions in the other spheres. The criticism has been based on the institutional compatibility between different spheres which may – or may not – have been realised coincidentally. Then, the premise of the criticisms levelled against institutional complementarity approaches are related to the highlighting of the unilateral effects of institutions in a single sphere. In so doing, the principle of institutional construction in which institutions can influence each other in different spheres is denied. Accordingly, although there is a need for more empirical analyses regarding institutional complementarity, it is argued here to give a

potentially better interpretation regarding phenomena which could be mutually influenced in line with the effect of different spheres' institutions.

### 1) Complementarity of welfare and production regimes

There have already been somewhat critical discussions in terms of integrating welfare and production regimes because industrial and welfare policies are affected by the 'hegemonic belief systems' within a given society (Lehmbruch 2001: 41). In these hegemonic belief systems, society produces analogous principles which formulate not only production but also welfare arrangements (Ebbinghaus and Manow 2001; Schroder 2008). Therefore, there are many studies which insist upon the presence of a compatibility or complementarity between the two regimes and it can be found not only at the level of the hegemonic regime, but also at the level of institutions.

Schroder (2008) in this sense proposed an integration of welfare and production regimes under the premise of acknowledging each regime's characteristics and typology. Accordingly, the study showed the different epistemologies in terms of the configuration of each regime's typology. Within this, the production regime was based on a functionalistic explanation of institutions which support competitive advantage. Thus, the function of these institutions is oriented towards the liberal market economy which is pervasive, including with the idea of market efficiency, and a coordinated market economy where the market is organised in order to configure certain production strategies; both introduced above.

On the other hand, the welfare regime does not rely on functionalism but is predicated instead upon class conflicts. According to how any given country constructs its middle class by centring the coalition between classes in terms of welfare benefits, welfare states are clustered in three types. First, a wide middle class was able to be formed within social democratic welfare states through the coalition between well-organised farmers and working classes. Therefore, the provision of a high quality of social service and public jobs has been developed through this wider middle-class solidarity. Second, under liberal welfare states such as in the UK and the US, the middle class should take care of themselves in the market so that the welfare state provides residual welfare provision only for the poor. Lastly, conservative welfare states which are commonly constituted by continental European nations form a middle class which is tied to labour-related contributions within the social insurance system. As a result, the highest segmentation of welfare programmes along occupational status lines exists under this third type.

To summarise, the analysis of the production regime shows how the production system would be influenced by institutions and so reinforces these institutions mutually according to two ideal and typical ways (LME or CME). The welfare regime, meanwhile, elaborates upon how states provide welfare benefits according to an individual's duty and rights, with this organised under one of the three distinctive types introduced earlier. Even though there were trials held by other scholars in order to assess the contemporary capitalist states' diversity, the results revealed a more or less similar classification which remains compatible to the welfare and production regime typology analysed most prominently by Esping-Andersen (1990) as well as Hall and Soskice (2001). Within this, the authors tried to overcome the confined regime classifications which are diverged into only two or three possibilities (Amable 2003; Boyer 2005). However, the results are clustered analogously to prior research apart from the suggestion for a distinction concerning Mediterranean and Asian capitalism, both of which were proposed by other welfare state scholars in order to secure greater accuracy within the discussion surrounding the typologies.

In this regard, Mares (2001) and Estevez-Abe et al. (2001) argued that institutional complementarity between the welfare and production arenas could determine the typologies of the regimes. Here, the welfare state could have generous social provision with a higher decommodification level based on high unemployment protection which pertains to unemployment benefits and active labour market policies (ALMP). If so, it protects not only labour forces including the unemployed but also employers from the risk of investment in certain skills (namely industry-specific skills) by providing provisions in the eventuality of unemployment.

Subsequently, accessibility of skill acquisition through ALMP has been investigated to reduce the poverty level of vulnerable populations such as women, youths and migrants, especially in Northern Europe which has developed ALMP the most among the developed economies (Hemerijck et al. 2016; Knuth 2014; Martins and Pessoa e Costa 2014; Ronvy 2014). Thus, it can be seen how social protection and welfare provision interact complementarily with skill formation and, in turn, mutually reinforce each other. The former case, consequently, could be presented as pertaining to CMEs with industry-specific skills in the production regime, and as social democratic welfare states in the welfare regime.

Soskice (2005) used such a combined typology with production and welfare regimes in order to explain women's occupational outcomes as well. He did so with the view to examine the

combined effect of institutions which are relevant to both regimes based upon labour market and welfare benefits. The three categories he defined are referred to as CMEs/conservative welfare states, CMEs/social democratic welfare states and LMEs/liberal welfare states. Although the author introduced work-family reconciliation policy differences between the categories to increase the accuracy of the analytical tool, the interpretation of the phenomenon of different labour market outcomes for women is centred on the interaction of an institutional configuration strategy between the two regimes.

In addition to this, Kang (2020) also used exactly the same combined typology between the two regimes so as to analyse the wage gap between genders across developed countries. This research also employed work-family reconciliation policies and assessed how the effect of these policies could be moderated under the combined regimes. Accordingly, both studies legitimised the concept of institutional complementarity by adopting the underlying premise concerning how the complementarity between the regimes would affect women's labour market outcomes.

## 2) Complementarity between welfare and migration regimes

There has also been discussion as to whether the welfare regime and the migration regime interplay and affect migrant integration as a result. The migration regime has been conveyed through different typologies and terminologies such as the migration policy regime, migration incorporation regime and migration governance or border drawing-related schemes, according to time periods alongside regional and historical contexts (Comte 2018; Lucassen 2019; Paul 2013, 2015, 2018; Sainsbury 2006, 2012).

However, it could be normally defined according to two criteria. The first of these concerns how it would be possible to regulate migrants by specific rules and norms in order to either include or exclude them within broader society. The second revolves around the way in which a host country defines migrants, particularly through the entry categories associated with various forms of migration. The migration regime has thus been diversified through several models, including an ethnic regime in which certain ethnic groups are given more possibilities or benefits related to social rights or citizenship, as well as a decolonisation regime such as that observable with commonwealth migrants in the UK, or Maghrebins in France. Relevantly, the multicultural regime acknowledges ethnic diversity beyond assimilationist models,

simultaneously overcoming the special treatment which has been seen to be granted to certain ethnic or colonial era citizens (Lucassen 2019; Sainsbury 2006).

On the other hand, entry categories or border drawing regimes impose a hierarchical differentiation of migrants according to legal or illegal conditions placed in terms of migrant status (Paul 2018; Sainsbury 2006). When it comes to the conceptualised hierarchical conditions regarding entry categories, Paul (2018) specified how each state uses institutionally-produced 'high'- or 'low'-skilled migrant distinctions in order to secure their own competitiveness in contemporary capitalist economies. Therefore, the legal distinction which differently endows rights and benefits upon migrants, including work permits and family reunions, is not determined by any natural laws but structured instead by existing institutions related to the productivity of the state.

Nevertheless, both criteria ultimately have the same idea as to how to divide migrants in order to identify those who would be preferable to include within society. In this regard, the variance found in migrant integration concerning the complementarity between welfare and migration regimes has been investigated according to Esping-Andersen's welfare typology (Sainsbury 2006), as well as the welfare policy logic specifically for Bismarckian welfare provision (see Koopmans 2010; Paul 2013, 2018).

In terms of the interplay between the welfare regime typology and the migration regime, Sainsbury (2006) summarised the latter into two dimensions, namely of inclusion and exclusion, rather than drawing upon the various conventional regimes mentioned above since the character or level of selectivity regarding migrants is a common feature to them; although the regimes do highlight different conditions. Consequently, she analysed the diverse levels of social rights in accordance with the complementarity between welfare and migration regime typologies through three representative countries.

First, the US was used as an example to explain the interplay between a liberal welfare regime and an inclusive migration regime. The social rights within a liberal welfare state are claimed in relation to need and, therefore, according to a selectivity based on means tests. In addition to this, the acquisition of citizenship is based on an individual's country of birth so that those conditions are expected to provide a less discriminatory environment for migrants since social provisions are restricted even for natives on the grounds of need (Sainsbury 2006).

Moreover, while citizenship is related to work permits and political rights, it is relatively easier to acquire. Nevertheless, the benefits provided by employers are very low compared to natives



so that integration is expected to be low on the whole. This is because, although migrants in the US are relatively well employed in the labour market, they take up the bottom line of employment hierarchies where there is no social protection and the firing costs for employers are relatively low (Esping-Andersen 1990; Kogan 2007; Sainsbury 2006).

That said, the German case represents the collaboration of a conservative welfare state and exclusionary migration regime. As a result, the claim to social rights is alternatively grounded in work-based contributions and citizenship attainment; the latter being limited since it is exclusively acquired by those with German lineage. However, Sainsbury (2006) highlighted that even though migrants are likely to remain non-citizens in this context, they could enjoy quite high social entitlement since it is based on work. This is therefore unlike the tight eligibility conditions found in other systems such as in the US.

On the other hand, Sweden, which represents a social democratic welfare state where universal welfare provision based on citizenship coordinates with a more inclusive migration regime, consequently endows citizenship on the grounds of residence (Sainsbury 2006). Accordingly, social rights coverage is higher than in any other country since the universal scheme and inclusive citizenship policies pose less barriers to access social benefits. This results in a situation whereby recently arrived migrants are embraced by a rather generous welfare provision from early on (Kogan 2007; Sainsbury 2006).

Sainsbury (2006) points here to how, although the social rights entitlement of migrants is higher in both Scandinavian and conservative welfare states, there are two differences in both regimes concerning the interplay with the migration regime. First of all, there is a gender difference between the two countries. The work-based contribution scheme for social benefits in Germany poses a precarity for migrant women in obtaining social benefits independently, especially when they hold an inactive status, since their right to receive benefits depends on their husband's social rights according to the familialism system of the conservative welfare state. This is unlike the context in Sweden where entitlement is based on citizenship regardless of contributions under the universal welfare system. This means that migrant women are treated as individuals who can receive benefits independently. Secondly, there is a tension regarding the social protection of migrants between the welfare and migration regimes in Germany because of the interplay between the difficulty of holding full employment and exclusive benefits based on a select ethnicity (German lineage).

Although this study revealed the association between migration and welfare regimes, it can also be seen that the interpretation regarding migrant integration is significantly inclined towards the welfare regime. Therefore, the US is defined as operating on a less integrated model due to how the tightened eligibility requirements for social rights poses the possibility of less social right coverage for migrants. However, the lesser social right entitlement is applied to not only migrant status, but also to natives as well in the US as a result of the residual welfare system which is based on means tests. Therefore, even if people hold citizenship, they have very limited accessibility to social benefits. In accordance with this, the interpretation regarding migrants' less secured social rights integration cannot help but be seen to follow the welfare regime rather than highlighting migrants' higher employability based on lenient work permits and citizenship acquisition which is provided through the inclusive migration regime.

Germany, to continue, is regarded as providing greater social rights entitlement since the welfare coverage rate is higher in general than in the US, while also being at a compatible level with social democratic welfare states. Although Sainsbury (2006) defined the level of 'higher integration opportunity' in Germany as a 'tension' which is attributed to exclusive citizenship but generous decommodification from work-based contributions, it is questionable as to whether it is proper to interpret a 'better' or 'analogous' integration when compared to the US and Sweden, respectively. Accordingly, in this regard clarification and further comparison might be needed with respect to natives, particularly by reflecting upon the labour market environment and migrant skill levels which are critical to the welfare entitlements related to migration policy, rather than on the conclusions drawn through an apparent 'convergence' of migrants' social rights to welfare regime typologies.

Paul (2013), meanwhile, analysed the Bismarckian welfare policy logic regarding migrant integration with conceptualisations around border drawing concerning human capital levels. She specified that although Germany and France belong to the same welfare regime typology and Bismarckian policy logic, the results of integration are different according to respective migration regimes. As France has a relatively lenient migration regime through a post-colonial republican model, there are less migrants in France than in Germany due to higher levels of naturalisation. However, when considering the ethnicity-based citizenship acquisition in Germany, the conditions created are expected to result in a lesser portion of migrants who are naturalised.

Paul consequently interpreted this phenomenon in conservative welfare states from a different point of view unlike that of Sainsbury (2006) who defined the German case as a tension in which welfare and migration regimes are not quite compatible with each other. Since Paul adopted a view relating to human capital, the Bismarckian welfare policy logic is seen to be well-harmonised with the norms of citizenship in Germany which makes it difficult for migrants to obtain without years of contribution through work. Contrastingly, the French case is interpreted as comprising ‘conflicts’ since the lenient republican post-colonial civic citizenship runs against the form of national competitiveness governance represented by Bismarckian entitlement logic.

Since contribution-based welfare policy logics place a greater value on high-skilled workers, this in turn positively links to high-skill migrants. The post-colonial regime could not be as well coordinated because the vast majority of former colonies’ migrants fall into the low-skilled category. Accordingly, Paul (2013) showed quite an opposite view against that of Sainsbury (2006) regarding conservative welfare states. This is visible with the German case through presenting the corresponding welfare regime as well-suited with the migration regime which requires strong work contributions by tying most migrants (except those of German lineage) to the stratified labour market for social benefits and citizenship. Therefore, this result showed that convergence to the dominant welfare typology is not always appropriate for analyses when referring to specific migration regimes. Obviously, the migration regime in France could be regarded as ‘exclusionary’, but the level of exclusion is higher in Germany so that the complementarity with the conservative welfare system corresponds to a greater extent in Germany than in France.

To summarise, this section has referred to institutional effects through the concept of institutional complementarity between the welfare and production regimes, as well as the welfare and migration regimes, respectively. The research relayed throughout the previous sections which adopts as its focus the institutional effect from one regime among the three were able to find some exceptional cases which are beyond the expected level of integration under the regime typologies. Therefore, it certainly shows the need to see the complementarity between these different regimes which could jointly affect migrant integration. In this regard, not only has the institutional complementarity between welfare and production regimes been proven, but the association between the two regimes and women’s labour market outcomes have also been verified through previous research.

Beyond this, although the complementarity between the welfare and migration regimes and its association with migrant integration were interpreted far differently according to the researchers, and prone to follow the welfare regime, it also proved that there is a certain complementarity between the regimes and the effect on migrant integration. Subsequently, this study suggests that the existing literature reiterates the possibilities which can be seen between the three regimes' institutional complementarity, as well as around its potential effects upon migrant occupational integration. Therefore, this study also acknowledges the complementarity between the three regimes and investigate how the three regimes could be simultaneously associated with migrant occupational integration in the labour market. The methodological approach adopted by this study in order to investigate these themes will consequently now be discussed.

## Chapter 3. Research questions, hypotheses and methodology

### 1. Research questions and hypotheses

#### 1) Migrant and ethnicity penalties

The first analysis investigates migrant and ethnicity penalties across 17 developed economies following the research questions: *how could the pattern of migrant penalty in the labour market be associated with dominant regimes and their typologies, including welfare, production, and migration and which extent can gender difference in migrant penalty be expected according to the different work-family reconciliation policies based on the welfare regime?* Furthermore, with regards to ethnicity penalties, *how far could the occupational integration of different ethnicities among the migrants vary in relation to their socio-economic backgrounds?* According to these research questions, the descriptive analysis' hypotheses are divided into three parts: 1. the migrant penalty; 2. gender difference; and, 3. ethnicity penalty.

1. The pattern of migrant penalty in labour market outcomes is associated with the institutional effects from welfare, production and migration arenas with respect to natives. As Iversen and Soskice (2001) investigated, specific skills could not be invested in without social policy which supports income in the event of unemployment. This hypothesis thus concerns how institutions surrounding employment status would be associated with the pattern of migrant occupational integration.
  - a) Trade-off (high job quality and low employability): if CMEs support firm-specific skills with occupational-based social insurance and less active labour market policies (ALMP) in the welfare and production arenas, along with strong human capital migrant policies, there would be a trade-off pattern in terms of migrants' labour market outcomes. Here, such a trade-off would represent low employability but high job quality. This is because there is a lack of flexibility within the job market which poses little opportunities for migrants to be employed under high EPL. Yet, the demand for high-skilled labourers from state initiatives oriented towards innovative production, as well as the occupational-based welfare benefits system, could prefer

high-skilled migrants only. Continental European nations such as Germany, France, Switzerland and similar could reflect this case.

- b) Trade-off (high employability and low job quality): a country among CMEs which does not have strong innovative production initiatives but has SMEs (small and medium sized enterprises) as the main source of production along with an occupational contribution welfare scheme, would have polarised an insider and outsider cleavage under strong employment protection. In line with this, a highly developed black market would give greater possibility for low-skilled migrants to be employed while well-preserving insider positions under high EPL would not endow opportunities for skilled migrants to be employed. Southern European countries would be included in this case.
- c) Less penalty (high employability and high job quality): LME countries have both labour demand in terms of low-end service jobs and high-end financial and innovative service sectors. Moreover, privatised welfare schemes would not generate severe native prejudice towards migrants, such as under perceived 'free rider' situations, so that migrants would be less discriminated against in employability and job quality. Thus, these conditions might interact with relatively less strict migrant policy in terms of border drawing, work permit and citizenship acquisition, and produce less penalty for migrants.
- d) Double penalty (low employability and low job quality): Social democratic countries' institutions have heterogeneity which covers different class beneficiaries so that universal public institutions in the production and welfare arenas could have been developed along with industry-specific skills. As Milanovic (2016) argued, low-skilled migrants could benefit from these conditions to a greater extent than high-skilled migrants in Northern Europe. Thus, it could be assumed that low-skilled migrants could stay in an unemployed status or in low-skilled positions for longer since the living standard of low-skilled labourers would not be greatly different compared to those holding high-skilled position. Moreover, it takes a longer time for low-skilled migrants to develop the required specific skills, although there could be opportunities to participate in vocational training through ALMP. Therefore, the lower inequality between classes via wage bargaining, as well as the time for industry-specific skill acquisition, might result in migrants being unemployed for longer, or for them to remain in low job quality sectors. Accordingly, the labour market outcomes of migrants with respect to natives could be lower than those in the

other countries thanks to the egalitarian scheme alongside less strict migration policies.

2. Gender difference based on work-family reconciliation policies: the above hypotheses regarding the patterns of migrant integration would apply regardless of gender, although migrant women are expected to be penalised to a greater extent than migrant men. However, the gender difference could vary notably according to the welfare regime, especially in relation to work-family reconciliation policies.
  - a) In liberal countries, migrant women's employability would be much lower than men counterparts' while, in terms of job quality, it would still be high compared to in other countries. This is since there is a lack of public care services so that, unless women earn a high salary, it would be better to remain in the household for the performance of care services.
  - b) The gender difference within Scandinavian welfare states would be lowest in both employability and job quality among subject countries due to highly developed public care services.
  - c) Familialism welfare systems in Southern and Continental Europe would induce native women to remain in the household since family allowances have predominantly been developed, but public care services have not been. However, there are increasing demands regarding atypical contracts in the labour market and private care services, so migrant women could be employed in this area rather than natives who are mostly well-educated and protected under the conservative welfare scheme. Therefore, migrants' employability would not be penalised drastically with respect to natives when compared to men counterparts and migrant women in LMEs. However, in terms of job quality, less penalty might be found in Continental Europe rather than Southern Europe which reflects more demand in terms of new innovative industries as well as high-skill-favouring migration schemes.
3. The effect of cultural and economic differences from origin countries on the ethnicity penalty among migrants.
  - a) Locational inequality: based on location and class within the inequality discussion (Milanovic 2016), economic growth in Asian countries has been substantial when compared to that of other developing nations. This fact could give Asian migrants

much higher material resources with regards to stratified citizenship and human capital investment. Thus, the labour market outcomes for both measures would be much higher than with the other ethnicities. On the other hand, the most penalised ethnicities would originate from the Middle East and North Africa, and South America, in Europe and the US, respectively. This assumption is also based on locational adjacency factors and class difference. Since low-skilled migrants have less resources to emigrate further distances, MENA and South American migrants are likely to move to the nearest advanced countries situated in Europe or North America. Therefore, the number of people from these particular ethnicities among the lower classes could be much higher on both continents and might be penalised most compared to the other ethnicities.

- b) Homogeneity issue in Europe: as found in the literature from Alba and Foner (2015), as well as Milanovic (2016), European countries have traditionally been emigration countries and racially homogeneous. Therefore, it is regarded that there has been much difficulty in accepting non-white races. In this regard, when it comes to employability which reflects employers' preferences, Eastern Europeans (EE) would be least penalised compared to the other ethnicities.
- c) Mixed embeddedness on gender: in the mixed embeddedness discussion, if migrants follow the institutions of receiving countries more rather than those of the country of origin, there is a higher chance to be integrated into the host society (Kloosterman et al. 1999). In this regard, migrant women from MENA would be the most penalised since there could be significant norms that they should follow from the origin country. These could be a greater obstacle for employment or human capital investment. Therefore, in both employability and job quality, the highest gender difference could be observable with the MENA ethnicity alongside the highest penalty with respect to natives when compared to that of the other ethnicities.



## 2) The role of institutions on migrants' labour market integration

Based on the literature review, the research questions of the second analysis are: *how far are the labour market outcomes between natives and migrants differently affected by institutional regimes regulating welfare, production and migration? And, are there gender differences in this?*

The detailed hypotheses of the second analysis are presented as follows according to Table 3.1. Unlike with the descriptive analysis, this multilevel model analysis draws upon actual institutional data for each regime so that each regime's possible effects upon migrant labour market outcomes are organised according to employability and job quality, respectively. Therefore, there are three hypotheses regarding how the three regimes and the labour market outcomes of migrants are associated differently according to gender and in general regarding the effect of institutions on migrants irrespective of gender difference. In accordance with this and based on the reviewed literature, general effects are expected under the migration regime, while welfare and production regimes are related more to gender differences.

[Table 3.1] Hypotheses regarding the association between institutions and migrants' labour market outcomes by gender

Institutions	Outcomes	General	Migrant men	Migrant women
Welfare	Employability	H1a		H1b
	Job quality	H1c		H1d
Production	Employability		H2a	H2b
	Job quality	H2c		
Migration	Employability	H3a		
	Job quality	H3b		

Hypothesis 1 (H1): Welfare generosity would have an opposite direction in association with migrant employability and job quality, respectively, concerning the decommodification and trade-off argument.

(H1a) Welfare generosity would negatively affect migrant employability since migrants can be protected to a greater extent under welfare generosity, while less welfare generosity would lead migrants to commodify themselves. In turn, migrant employability would necessarily be higher than those in generous welfare states.

(H1b) Welfare generosity would negatively affect migrant women's employability more than men counterparts as migrant women are often tied movers as well as care givers so that higher decommodification including family benefits would increase the inactivity of migrant women.

(H1c) Welfare generosity would positively affect migrant job quality since migrants could be selected more in generous welfare states as well as supported by better access to skills, such as through state-funded vocational training.

(H1d) Migrant women could be more positively affected by welfare generosity than migrant men. This is since they are already selected more than men for skilled jobs, even if they are low-skilled, because welfare benefits are higher and there could be more opportunities to achieve upskilling without livelihood or care duty crises.

Hypothesis 2 (H2): A production regime closer to that of the CMEs would differently affect migrant employability according to gender while, regarding job quality, both genders are positively affected as the level of coordination increases.

(H2a) The lower employability of migrant men with respect to natives can be expected in higher CMEs since labour market rigidity consolidates insiders (natives).

(H2b) Migrant women's employability would be positively affected within highly developed CMEs since there could be more unfilled positions in the secondary service market for migrant women to take. This would be similar to those in LMEs which notably developed the service market in both high- and low-end industries.

(H2c) Accumulated skill acquisition would give better opportunities for migrants to be placed in skilled jobs as they are selected more in CMEs, while the effect on job quality would be less than with welfare generosity since extreme levels of CME accompany stronger insider protection which could restrict access to skill acquisition in the labour market.

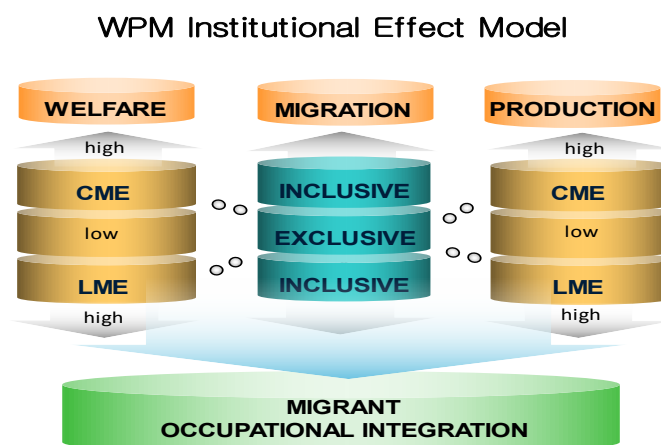
Hypothesis 3 (H3): Migration regime openness would not affect labour market outcomes meaningfully compared to the welfare and production regimes.

(H3a) As migration policy openness was investigated to be associated with welfare generosity, the direction of the migration regime’s effect on migrants’ labour market outcomes would be the same to that of the welfare regime.

(H3b) The degree of effect from the migration regime on labour market outcomes would be lower than those of the welfare and production regimes since the resources needed for migrants to be settled are much more related to the welfare and production regimes rather than the migration regime.

The hypotheses follow the nexus between the level of institutional effects regarding welfare, production and migrant regimes and migrants’ occupational integration. This uses country-specific institutional datasets which are elaborated upon in next methodology section, as well as micro individual data (EU-LFS). The hypotheses of this analysis are organised in order to investigate the institutional effects on migrant labour market outcomes according to migration status and the hypotheses are visualised in Figure 3.1. It is important also to elaborate on the relevant research questions alongside the hypotheses for this second main analysis.

[Figure 3.1] The model of institutional effects regarding welfare, production and migration regimes



Source: Author’s elaboration.

## 2. Analytical design

Based on the literature reviews in Chapter 1 and 2, this study conducts two main analyses to address the research questions. To note, the terminology of institutional ‘effects’ or ‘impacts’ in this study indicates the association between institutions and labour market outcomes rather than causality between them. In the first analysis, migrant occupational integration is analysed by utilising microdata concerning the differences in migrants’ labour market performance with respect to natives. This will provide a sophisticated lens through which to see not only the association between migrant penalty and the dominant regimes, but also the differences by ethnicity between migrants; especially for women who could be influenced by the norms of their origin countries.

Thus, this initial analysis is conducted in two ways. Firstly, by comparing migrants’ labour market outcomes to natives, by looking specifically at two indicators: employability and job quality. Secondly, by considering the labour market outcomes of five different ethnic migrant groups pertaining to Eastern European (EE), Middle Eastern and North African (MENA), Sub-Saharan African (SubAf), Asian and South American (SA) categories. The first sub-analysis regarding migrant penalty would provide insights into how the different institutional backgrounds of receiving countries based on the regimes’ typologies are associated with occupational integration of migrants in labour market outcomes. In contrast, the second sub-analysis regarding ethnicity penalty will show how socio-economic background of different ethnicities are related to their labour market outcomes in the destination countries.

While the first analysis is conducted by investigating the level of migrant and ethnicity penalties across 17 countries (16 European countries and the US) regarding the regime typologies, the second analysis considers the association between institutions and labour market outcomes by migration status by employing actual institutional data. Therefore, the three regimes, i.e., welfare, production and migration, are analysed by using statistical models to understand the extent to which the variations of the policy arenas would affect labour market outcomes differently according not only to migration status, but also to gender difference.

The hypotheses from the two main analyses are examined through a linear probability model (LPM) and cross-classified multilevel analysis. First, the descriptive analysis employs a linear probability model which could measure labour market outcome differences between natives and migrants. This will draw upon microdata from the European Union Labour Force Survey

(EU-LFS) at both the Europe average and country level. Therefore, as this analysis using LPM measures the probability for migrants to be employed and in skilled positions with respect to natives, it will reveal the specific migrant and ethnicity penalties' level according to each country.

Second, institutional effects on labour market outcomes by migration status are analysed through a cross-classified multilevel model alongside LPM. The different level of institutions regarding the three policy arenas is expected to vary migrant penalty specifically in the labour market across the 16 European case countries (excluding the US case). Thus, the results of first and second analyses will be complementarily explained in the conclusion section by referring to each analysis' results.

### **3. Data and methods**

#### 1) Data

Microdata, which can show the difference between natives and migrants in labour market outcomes, is employed for the first analysis. More specifically, the Labour Force Surveys from the EU<sup>2</sup> and the US are adopted. Among the 16 European countries, data from Austria, Belgium, Germany, Denmark, Spain, Finland, France, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Sweden, Switzerland and the United Kingdom are explored from 2005 to 2015. In order to analyse the US case, this study employs the US labour force survey (US-LFS) reports from 2000 to 2019 which are publicly accessible through the Bureau of Labor Statistics. Given

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<sup>2</sup> The EU-LFS was obtained through Eurostat and authorised for use in this research by the European Commission under the reference number: [RPP 373/2020-LFS]. As the EU-LFS is confidential data since it includes individuals' information, its use has been permitted to conduct statistical analysis for scientific purposes. Accordingly, this project declares that the ethnical examination and justification of the usage of the microdata was successfully assessed by Eurostat for the project entitled: 'Beyond dominant regime typology: can institutional complementarity of welfare, production and migration regimes explain migrant integration?'. In addition to this, the ethical guidelines concerning the safe-keeping of the data were followed by using the University of Milan's internal intranet system to share the obtained data with the co-investigators registered within the Eurostat system.

the limited accessibility of the US microdata, the difference between natives and migrants in labour market outcomes is measured through a comparison between the employability and job quality rates of White people and the other races. To be specific, the accessible data provided information from which it is possible discern ethnicity difference only with respect to White individuals as there is no technical migrant-native distinction in the US-derived statistics.

This is since the division in the provided data instead focused broadly on White, Black, Asian and Hispanic individuals. Additionally, the official labour force data regarding South American and Asian people were included from 1973 and 2000, respectively, as these two ethnicities have a relatively shorter history of immigration to the US. Moreover, it is notable that the majority of the labour force is comprised by White respondents (64%) (Bureau of Labor Statistics 2020). Accordingly, distinguishing migrants and natives along these lines could be justified by comparing other ethnicities with respect to Whites individuals. Meanwhile, in terms of Europe, the subjects of the 16 European countries within the EU-LFS includes those aged from 25 to 60, and they are distinguished as natives and migrants based on country of birth; apart from in Germany where this difference is only provided through nationality.

In this sense, the US case is separately analysed for the first analysis but excluded from the second which is conducted based on the 16 European countries' macro policy data and micro individual data. This is because the results of the first analysis are comparable between the US and Europe since the analysis is conducted separately according to each country despite the data limitation. However, the second analysis regarding the association of policy and labour market outcomes necessarily requires that the macro and micro datasets between countries are aggregated. Therefore, the second analysis exclusively proceeds with the 16 European countries' micro and macro datasets.

The 16 EU countries' macro data are employed according to three policy arenas: namely, the welfare, production and migration regimes. In terms of the welfare and migration regimes, the datasets adopted are the CWED (Comparative Welfare Entitlement Data version 2) and MIPEX (migration policy index), respectively. On the other hand, the production regime data is not provided as a complete dataset like the welfare and migration regimes, but is accessible through the OECD labour database. Accordingly, employment and unemployment protection, vocational training and active labour market policies are employed to operationalise the production regime (see Table 3.2).

As can be seen in Table 3.2, CWED covers the three forms of social insurance including unemployment, sickness and pensions. These were used by Esping-Andersen (1990) for the classification of the welfare regime and its decommodification conditions, such as replacement rate, period of benefits and coverage rates. On the other hand, the OECD labour database provides production regime indicators such as employment and unemployment protection, as well as vocational training and active labour market policy (ALMP). The former thereby directly reflects the theory of Hall and Soskice (2001), which explains skill profiles according to the complementarity between employment and unemployment protections. In this regard, general skill is associated with a low-level attainment in both employment and unemployment protection, while firm-specific skills are related to low unemployment and high employment protection. When both measures are higher, meanwhile, then firm- or industry-specific skills can be found (Estevez-Abe et al. 200).

Furthermore, ALMP can be seen in relation to the characteristics of skill profiles as well, since the level of ALMP could be developed more with firm- or industry-specific skills, rather than in general skill profiles. In the OECD statistics, the US and UK show the least development regarding ALMP among the subject countries of this project. There is roughly a 7 times lower public expenditure in these nations (0.1 for the US, but none for the UK) when compared to Germany (0.68), and 10 times less than Sweden (1.1) according to 2018 public expenditure on ALMP based on a percentage of GDP (OECD 2021).

Likewise, in terms of vocational training, the UK showed the lowest participation rates regarding apprenticeships and education training compared to Germany and Sweden. According to the World Indicators of Skills for Employment, in 2013 Sweden and Germany indicated 28.2% and 24% adult participation in skill training respectively, whereas the UK showed participation rates standing at 16.37% (OECD 2021). Accordingly, the indicators proposed here regarding ALMP and vocational training are also well compatible with the production regime in relation to the skill profile distinctions according to LMEs (liberal market economies) and CMEs (coordinated market economies) defined by Estevez-Abe et al. (2001). In terms of the migration regime, the overall score from MIPEX is employed. This represents eight policy areas pertaining to: labour market mobility; family reunion; education; health; political participation; anti-discrimination; permanent residence; and access to nationality.

[Table 3.2] Policy data regarding welfare, production and migration regimes

<p><b>Welfare regime</b> (Comparative Welfare Entitlement Data v2)</p>	<p><b>Welfare state decommodification score</b></p> <ul style="list-style-type: none"> <li>• Three social insurance programmes <ul style="list-style-type: none"> <li>○ Unemployment, sickness, pensions</li> </ul> </li> <li>• Three elements of decommodification <ul style="list-style-type: none"> <li>○ Net income replacement rates</li> <li>○ Qualifying conditions (number of periods for the benefit)</li> <li>○ Coverage rates</li> </ul> </li> </ul>
<p><b>Production regime</b> (OECD labour database)</p>	<p><b>Vocational training</b></p> <ul style="list-style-type: none"> <li>• Participation in apprenticeships</li> <li>• Participation in education and training by adults (EU-LFS)</li> </ul> <p><b>Employment protection</b></p> <ul style="list-style-type: none"> <li>• Strictness of employment protection: individual and collective dismissals (regular contracts)</li> <li>• Strictness of employment protection: temporary contracts</li> </ul> <p><b>ALMP</b></p> <ul style="list-style-type: none"> <li>• Public expenditure and participant stocks on LMP (ACTIVE MEASURES)</li> </ul> <p><b>Unemployment protection</b></p> <ul style="list-style-type: none"> <li>• Public expenditure and participant stocks on LMP (PASSIVE MEASURES)</li> </ul>
<p><b>Migration regime</b> (MIPEX migrant policy index)</p>	<ul style="list-style-type: none"> <li>• Measuring level of migrant integration policies</li> <li>• 8 policy areas: labour market mobility; family reunion; education; health; political participation; anti-discrimination; permanent residence; access to nationality</li> </ul>

## 2) Methods

### i. First analysis: migrant and ethnicity penalties

A linear probability model is used for the first analysis concerning the difference in labour market outcomes between natives and migrants. To note, this model provides the comparison of outcomes between different groups in a characteristic that is operationalised as a binary or dichotomous variable. Logit and probit models could be used for group comparison as well but there are some literature disputes regarding the accuracy of coefficient differences between groups since they are regarded to be methods applied in line with latent or unrealistic assumptions (Greene 2011; Holm et al. 2015; Long 2009). However, there was an argument



that no greater differences were found in the results between LPM and logistic regression based on an experiment (Blady et al. 2017). Nevertheless, it is still acknowledged that LPM is much more beneficial to interpret the coefficient given it is comparably straightforward (Blady et al. 2017; Breen et al. 2018; Mood 2010). This is particularly the case for interaction terms in multilevel models compared to the odds ratios calculated by logistic models (Blady et al. 2017).

Therefore, as the first analysis is based on the different labour market outcomes according to demographic heterogeneities such as natives, migrants and ethnicities observed in the Labour Force Surveys, a linear probability model is the most appropriate method for this investigation which reflects realistic measurements of the subject countries. Furthermore, in line with this, the second analysis which needs to include an interaction term in the multilevel model employs LPM as well so as to investigate group difference in employability and job quality between migrants and natives in association with the three regimes. Accordingly, the dependent variable regarding labour market outcomes is distinguished through binary conditions such as employed or unemployed, and skilled or unskilled, respectively.

Specifically, employability is organised into binary data by setting '1' as employed and '0' as an unemployed status which also includes inactivity. In terms of job quality, '1' is set as skilled employees and '0' as unskilled according to the occupation classification which is divided into four levels within the ISCO classification from the ILO. The lowest level is elementary occupations (9) and the second includes plant, craft, skilled agriculture and service workers (coded 5 to 8), as well as clerical support staff and clerks (4). The third level is comprised of technicians, and the highest is professionals (1 to 3). In this regard, since clerical support (4) represents public administration as well as bankers, they are included among the skilled jobs (from 1 to 4, excluding the military) alongside professionals and technicians, while the other positions coded from 5 to 9 are distinguished as unskilled.

In terms of the independent variable, migration status is defined by country of birth and, in turn, individuals who are born in the destination country are set as natives and coded '0', while those born in other countries are set as migrants and are coded '1'. Within this, migrants from Western countries including the EU-15, EFTA, North America and Oceania are treated as a residual category in the data to account for their contribution at the denominator, but without the results being shown in the statistical analysis. On top of this, in order to analyse ethnicity penalty third country migrants were distinguished through five different ethnicities, including: Eastern European (coded 1); Middle Eastern and North African (2); Sub-Saharan African (3);

Asian (4); and, South American (5). In the same way as migration status, natives are also used as the reference category (0) regarding ethnicity.

Models are adjusted by several variables: education (EDU), age (AGE), marriage status (MRRG), year (YR) and country (COUNTRY) terms. Level of education is categorized based on ISCED-97: up to lower secondary, upper secondary and tertiary. Age is categorized as 25-34, 35-44 and 45-66. Marriage status is categorized as divorced/widowed, single or married<sup>3</sup>. When it comes to the year and country terms, since the data is aggregated and comprises a time span of 11 years (from 2005 to 2015) in 16 countries, the terms are employed particularly to control for specific time and country effects.

Along with these variables, the first main analysis proceeds in two ways based on the hypotheses on migrant and ethnicity penalties. Therefore, migration and ethnicity penalties with respect to natives are analysed in the labour market at Europe average and country-specific levels across 16 Western European nations. The penalties are analysed regarding employability and job quality and the analyses are separately conducted according to gender. Due to the data limitations of the US case, as explained earlier, the ethnic differences are the available ethnicities (Black, Asian and Hispanic individuals) with respect to White individuals and, resultantly, the US analysis is conducted separately.

In line with this, eight model specifications which treat migrant and ethnicity penalties across the 16 European countries are presented below. Models 1, 2 and 4, 5 investigate the Europe average level of migrant and ethnicity penalties, respectively. Meanwhile, the country-level model is conducted 16 times according to the 16 separate subject countries, including Models 3, 4 (migrant penalty) and 7, 8 (ethnicity penalty), also according to gender. In terms of control variables, the Europe average level models include the *COUNTRY#YR* term rather than a singular year term since the penalties at this Europe average level are analysed through clustered data with not only the 11 years' timespan, but also with 16 countries unlike with the country level which only needs to control for year. Furthermore, robust standard errors are applied in order to reduce standard error bias. The models can be formalised as follows:

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<sup>3</sup> Cohabitation could not be distinguished in marriage status since the question regarding cohabiting is a retrospective in the questionnaire, asking about the sequent number of spouses or cohabiting partners, so that it cannot not reflect the current status of whether respondents are presently in a couple or single.

Model 1. Men's migrant penalty at the Europe average level

$$E(X|Y) = \alpha + \beta_1 MIG + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 COUNTRY\#YR + \varepsilon$$

Model 2. Women's migrant penalty at the Europe average level

$$E(X|Y) = \alpha + \beta_1 FMIG + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 COUNTRY\#YR + \varepsilon$$

Model 3. Men's migrant penalty by country

$$E(X|Y) = \alpha + \beta_1 MIG + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 YR + \varepsilon$$

Model 4. Women's migrant penalty by country

$$E(X|Y) = \alpha + \beta_1 FMIG + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 YR + \varepsilon$$

Model 5. Men's ethnicity penalty at the Europe average level

$$E(X|Y) = \alpha + \beta_1 METH + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 COUNTRY\#YR + \varepsilon$$

Model 6. Women's ethnicity penalty at the Europe average level

$$E(X|Y) = \alpha + \beta_1 FETH + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 COUNTRY\#YR + \varepsilon$$

Model 7. Men's ethnicity penalty by country

$$E(X|Y) = \alpha + \beta_1 METH + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 YR + \varepsilon$$

Model 8. Women's ethnicity penalty by country

$$E(X|Y) = \alpha + \beta_1 FETH + \beta_2 EDU + \beta_3 MRRG + \beta_4 AGE + \beta_5 YR + \varepsilon$$

ii. Second analysis: The role of institutions on migrants' labour market integration

The data for the second analysis is the combined dataset of micro (individuals) and macro (policy) data so that a hierarchical structure can be found in which individuals and policies are nested in years and clustered in 16 countries. Therefore, the different levels of the variables need to be accounted for within the analysis since the inference could vary according to the higher level (random sample), such as year and country, so that in cases where the presence of

the structure is ignored there could be a higher possibility to estimate incorrect standard errors, confidence intervals and significance tests (Goldstein 2011; Sommet and Morselli 2017).

In this sense, a cross-classified multilevel model is adopted for the second analysis. This model treats the data structure of this mixed effect analysis which indicates country-years as cross-classified within countries and years, and individuals as strictly nested in country-years. To be specific, the workforce that responded in each survey year is supposed to be affected by the policy implemented in the same country-specific year. Therefore, this approach recognises that individuals would be more similar given the country by survey year compared to individuals from different country-specific years and therefore the residual of the error terms in the models are likely to be correlated. Thus, this multilevel model could take into account the cross-classified structure while providing precise standard errors for the mixed effects between macro and micro measures (Heisig et al. 2017; Huijts and Kraaykamp 2012; Raudenbush and Bryk 2002; Schmidt-Catran and Fairbrother 2016; Zagel and Lanker 2022).

Accordingly, the combined dataset can be regarded as repeated cross-national cross-sectional data which refers to comparative longitudinal research designs since individuals (micro level) within the EU-LFS are not sequentially observed, but the policy data (macro level) are registered repeatedly according to year and country. Therefore, a cross-classified multilevel model that includes between- and within-country effects is preferred here. This is because individuals are cross-classified to country-year and macro explanatory variables (the institutional data) are divided into between- and within-country components. To be specific, between-country effects indicate the cross-time mean for each country while within-country effects convey the mean-differenced time-varying components at the country level (Jeannot 2019; Lekie 2013; Schmidt-Catran and Fairbrother 2016). Therefore, despite the comparative longitudinal survey data, if the between and within components are not applied in the model, the results could be misleading in cases where the two effects are different (Raudenbush and Bryk 2002; Schmidt-Catran and Fairbrother 2016). Consequently, this study applied between and within country effects to investigate the different effects following the policy data structure.

Under the multilevel analysis, LPM is also used like in the first descriptive analysis in order to estimate the average migrant penalty across the 16 countries with the mixed effects. The model includes the welfare, production and migration regimes simultaneously in order to estimate their relationship with the labour market outcomes by controlling for the other regimes. Moreover, an interaction term is included in the models to estimate the moderation effect of

policy measures on labour market outcomes by migration status. In other words, the inclusion of an interaction term between the regimes and migration status could provide insights into how the different institutions can affect labour market outcomes differently when distinguishing between natives and migrants.

The dependent variables are two indicators of labour market integrations: employability and job quality. For each outcome, models are estimated separately. The independent variables both belong to the macro-institutional level and micro-individual level. Micro-level individual variables include migration status defined as it was for the first analysis. The macro-level institutional variables include the welfare, production and migration regimes and their total score given by the data providers is used. This is because this study focuses on how the three regimes could affect labour market outcomes by migration status, so the total score which summarises the listed policies under the regime can be the proxy to reflect each regime correctly rather than using sub-policy data of each regime listed in Table 3.2 since the sub-policies comprise only elements of the regimes. However, as stated in the data section, because the production regime's total score is not provided, a confirmatory factor analysis is employed to produce a scale representative of the production regime by summarising the listed policy data.

All models are adjusted for a series of variables: share of migrant working population which reflects the proportion of migrant workers among the total population who reported to be employed or unemployed according to year in each subject county; individual characteristics, that is, educational level, marriage status and age as they are categorised for the first analysis. The combined dataset drawing on the macro and the micro is also collected from 2005 to 2015 like with the first analysis. It is impossible for computational reasons to run the multilevel model with the total sample of 16 million observations that was used in the first analysis. Accordingly, the largest sample size with which it is possible to successfully proceed with the multilevel model is a randomised 10% of the original sample (see Tables 1 and 2 in the Appendix for detailed demographic information regarding this).

The multilevel analysis is conducted predicated based on the model specification below. Specifically, each variable is included in the models as *MN* (migration status), *SMWP* (share of migrants in the working population), *EDU* (education), *MRRG* (marriage), *AGE* (age), *W* (welfare regime), *P* (production regime) and *M* (migration regime). In terms of between- and within-country effects,  $regime_l$  and  $regime_{jkl}$  indicate between-country effect and within-

country effect, respectively. To be specific, welfare regime's within-country and between-country effects indicates  $W_l$  and  $W_{jkl}$ , and those of production regime are  $P_l$  and  $P_{jkl}$  and, finally, the migration regime's within- and between-county effects are shown in  $M_l$  and  $M_{jkl}$ , respectively.

$$\begin{aligned}
y_{ijkl} = & \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_l \# MN_{ijkl} + \beta_4 W_{jkl} + \beta_5 W_{jkl} \# MN_{ijkl} + \beta_6 P_l + \beta_7 P_l \# MN_{ijkl} + \beta_8 P_{jkl} \\
& + \beta_9 P_{jkl} \# MN_{ijkl} + \beta_{10} M_l + \beta_{11} M_l \# MN_{ijkl} + \beta_{12} M_{jkl} + \beta_{13} M_{jkl} \# MN_{ijkl} \\
& + \beta_{14} EDU_{ijkl} + \beta_{15} MRRG_{ijkl} + \beta_{16} AGE_{ijkl} + \beta_{17} SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}
\end{aligned}$$

As explained earlier, a cross-classified multilevel model is employed to analyse macro policy and micro individual data across 16 European countries regarding labour market outcomes effected by the three regimes including welfare, production and migration. The final sample for the second analysis is 1,641,380 observations including men (798,480) and women (842,900) from the 16 countries (see detailed demographic information in Appendix Table 1 and 2). Nevertheless, stepwise models including 12 models by gender, extending from an empty model to the final model by incrementing regimes and interaction variables, are conducted in order to provide information regarding the best model fit. Accordingly, Model 1 shows migrant penalty without individual characteristics controlled for, while Model 2 controls these factors. Models 3 to 5 reveal the effects of each regime – welfare, production and migration – respectively without controlling the other regimes. Model 6 includes welfare and production regimes and, finally, Model 7 investigate the three regimes simultaneously.

Therefore, Models 3 to 7 add macro institutional variables and investigate how these macro measures affect labour market outcomes. These models are distinguished as sub-models 'a' and 'b'. Sub-model 'a' shows the institutional effects on the labour market outcomes by including a sole regime variable. Meanwhile, sub-model 'b' introduces an interaction term between regime and migration status and, in turn, it uncovers the moderation effects which show how the regimes differently affect labour market outcomes according to migrant status. Overall, the models are comprised of four sets according to gender (men and women) and the two labour market outcomes (employability and job quality) with 12 different models (Models

1-7 including sub-models a and b from Model 3 to 7) and, as a result, a total of 48 models are conducted (the stepwise models' specifications are presented in the Appendix in Table 3).

The detailed specifications regarding the 7 models and their results can be seen in appendix Tables 3-5, which includes AIC and BIC to investigate the best model fit among the models. The model fit can be interpreted in such a way that the smaller the number, the better. In general, from the empty model to Model 7 the AIC and BIC scores gradually reduced regardless of employability, job quality and gender. To be specific, as a single regime model (3 to 5), interaction sub-model b revealed a better model fit than sub-model a that was without an interaction term between regimes and migration status. Moreover, among the different regimes in sub-model b, the welfare regime (3b) showed higher scores compared to the other models such as 4b (production) and 5b (migration). Meanwhile, incrementally introducing variables to the final model (7b) produced the best fit in every model regardless of employability and job quality. Accordingly, 7b was used as the representative model which includes the three regimes simultaneously followed by the model specification.

### iii. Missing data imputation

The data are provided between 2005 and 2012 for the welfare regime and from 2007 to 2015 for the migration regime within the time frame of this study which is between 2005 and 2015. There is also no observed ALMP data which belongs to the production regime for Greece. Consequently, a missing value analysis was completed in order to secure statistical power and to reduce bias which is likely to occur when adopting listwise or pairwise deletion. This is because listwise deletion removes every row which contains missing values, so that the degrees of freedom for model estimation are necessarily reduced and this deters reliable inference from the model by this deletion of valid data points (Kropko et al. 2014). Accordingly, this study adopted a multiple imputation (MI) method. Although single imputation (SI) methods such as using the mean and median could be an option, these are bound to underestimate variance and, in turn, inflate confidence intervals and significance tests (Kropko et al. 2014; Little and Rubin 2002; Stata 2021).

However, multiple imputation corrects this issues by accessing more information about the data so that the sampling variability could be considered more than with SI. Through this, the

imputer can create a more accurately imputed dataset (Little and Rubin 2002; Stata 2021). In particular, multivariate normal (MVN) MI assumes a joint normal distribution in which multivariate normal augmentation is used to impute missing values. This means that each variable is regarded as unconnected while also formed in continuous values (Kropko et al. 2014; Schafer 1997). Accordingly, MVN MI is adopted since the institutional data is based on discrete programmes and collected using continuous values.

#### iv. Factor analysis for the production regime

After the missing value analysis, a confirmatory factor analysis was conducted to produce the production regime scale as a latent variable. The idea of factor analysis is to decompose data and summarise its highly correlated variables by using linear combinations (Bandalos and Boehm-Kaufman 2009; Keith 2015; Krabbe 2016). The indicators, including employment and unemployment protection, ALMP and vocational training, are necessary in order to convey the production regime's total scale so that confirmatory factor analysis (CFA) rather than explanatory factor analysis (EFA) was chosen. This is because there is no reason to explore whether there are removable indicators like EFA aims to do since all of the employed indicators are semantically assumed to have covariance as well as their own specific variance by forming a latent variable for the production regime. Therefore, CFA is conducted with the SEM (structural equation model) method and a single measurement model was employed as only one latent 'production' variable needs to be summarised.

According to MVN MI and CFA analyses, the three regimes' scales are confirmed and the mean value of each regime is organised below alongside the standardised scale of the three regimes (see Table 3.3). This is since each regime has a different unit so that the standardised units between the regimes would facilitate comparisons between each regime's effect on labour market outcomes. In line with this, the standardised scales for the three regimes were ultimately employed to conduct the cross-classified multilevel analysis.

The mean value of the regime scales well-represents its value by covering each country's institutional traits following the three regimes across the 16 case countries. As can be seen in Table 3.3, the UK shows the lowest welfare and production regime score which represents liberal welfare states and liberal market economies, and these figures are followed by



Mediterranean welfare states. Meanwhile, a higher level of both the welfare and production regimes was revealed in Continental European countries, whereas Northern European countries showed a moderate level of the production regime, but higher welfare regime scores. These macro-level scales will be referred to when interpreting the results of first and second analyses.

However, interestingly there are some countries which are not quite clustered in accordance with the conventional dominant typologies. For example, Ireland is regarded as belonging among the liberal welfare states and LMEs, but their welfare regime score is much more similar to some of the CME countries rather than the UK; a representative LME country. These unexpected policy-level findings can be used to shed light upon the analysis results since these different policy levels are hardly found in previous research that follows the conventional regime typologies rather than employing or measuring policy differences. Therefore, a more articulated analysis can be possible by referring to the policy level of each country and the association between the regimes and migrant labour market outcomes.

[Table 3.3] The mean of the three regimes and their standardised values by country

Country	Welfare regime	Production regime	Migration regime	Standardised welfare	Standardised production	Standardised migration
AT	34.28	-0.15	38.08	0.08	-0.68	-1.64
BE	42.01	0.15	72.27	2.13	0.01	0.89
CH	37.04	-0.51	44.97	0.81	-1.53	-1.13
DE	32.04	-0.12	57.87	-0.51	-0.62	-0.17
DK	34.07	-0.20	45.91	0.02	-0.81	-1.07
ES	35.38	0.25	55.51	0.37	0.26	-0.35
FI	34.00	-0.08	80.03	0.01	-0.52	1.47
FR	38.00	0.73	56.72	1.07	1.40	-0.26
GR	29.40	0.28	44.96	-1.21	0.32	-1.13
IE	35.41	-0.63	59.49	0.38	-1.82	-0.05
IT	29.78	0.23	57.06	-1.11	0.22	-0.23
NL	38.41	-0.01	65.39	1.18	-0.36	0.38
NO	43.12	0.51	75.09	2.43	0.88	1.11
PT	33.71	0.97	82.98	-0.07	1.98	1.69
SE	36.04	0.01	86.94	0.55	-0.31	1.98
UK	27.85	-0.73	63.95	-1.62	-2.05	0.27
<b>Total</b>	33.97	0.14	60.28	0.28	-0.23	0.11

## **Chapter 4. The migration occupational penalty: A descriptive analysis**

### **1. Introduction**

According to the methodology chapter, the descriptive analysis' hypotheses are tested based on a linear probability model (LPM). LPM is used for the analysis of migrant and ethnicity penalties with respect to natives, and the individual level of migrant penalty is firstly analysed through Models 1 and 2 according to gender and regardless of country unit. The country-level migrant penalty is investigated separately according to each country, based on Models 3 and 4. Additionally, short-term and long-term resident migrants are compared in order to highlight the institutional association with migrant labour market outcomes in relation to assimilation perspectives. In terms of ethnicity penalty, migrants are divided according to regional bases such as Eastern Europe (EE), the Middle East and North Africa (MENA), Sub-Saharan Africa (SubAf), Asia and South America (SA), and Models 5 to 8 are applied in this regard. Similarly, Models 5 and 6 reveal the European average level of ethnicity penalty while Models 7 and 8 investigate the country-level of ethnicity penalty. Accordingly, migrant penalty is presented below first.

### **2. Migrant penalty**

Based on the research question regarding the dominant regimes' association with migrant penalty, particularly for welfare and production, the four patterns of migrant penalty are expected in both labour market outcomes (see Chapter 3 for more elaboration; here, the hypotheses regarding the migrant penalty patterns are briefly summarised). The first of these four patterns is a trade-off regarding low employability and high job quality which is assumed to be found in Continental Europe. Second, Southern European countries would reveal a high employability and low job quality trade-off pattern. Third, a less penalty for migrants in both employability and job quality would be expected in Liberal Market Economies. Fourth, a double penalty with respect to natives is expected to be revealed in Scandinavian countries. In this regard, the labour market outcomes of short- and long-term migrants is additionally tested since the theory regarding welfare and production regimes is related to the nationwide programmes of each country. These programmes cover the whole population and continue to

last decades if not subject to drastic reforms so that migrant labour market outcomes could be affected more in the case of long-term residence.

Hence, the migrant penalty pattern could be different according to residence periods in association with the dominant regimes. For example, the double penalty is expected to be found in universalist welfare states associated with generous welfare benefits as well as ALMP, alongside complementarity with a production regime which prefers specific skills. As this study has more interest in low-skilled migrants, those who have so far had short-term residence could be penalised more than long-term migrants with respect to natives due to the generosity of benefits and the time required for skill acquisition. This is because these conditions could induce migrants who need a longer time to acquire specific skills for industry to hold an unemployed status without risking any serious livelihood crisis (Ballarino and Panichella 2013; Esping-Andersen 1990; Hall and Soskice 2001; Kogan 2007). Therefore, short- (1 to 10 years residence) and long-term (more than 10 years residence) migrants' employability and job quality status are compared across countries to be sure of institutional association by considering the different characteristics of the regime typologies. This will be performed after analysing the total migrant penalty to give an idea of long-term residence effect and how it varies across countries.

#### 1) Descriptive analysis regarding variables

The total sample for the 16 European countries from the EU-LFS is 16,413,798. This is comprised of native men (43.1%), migrant men (5.5%), native women (44.9%) and migrant women (6.5%). In terms of migrant penalty, every country secures strong statistical power judging by the sample size for migrants, which ranges from around 6,000 to 200,000 by country and gender (see Table 4.1). In terms of ethnicity, the proportion of natives among the population is 88% and among the five ethnicities analysed migrants from Eastern Europe are the largest population, standing at 628,797 subjects (3.8%). It is followed by Middle East and North Africa (290,987; 1.8%), Asia (180,444; 1.10%), Sub-Saharan Africa (162,949; 1%) and South America (147,280; 0.9%). Moreover, the residual category including those from the EU-15 and EFTA (Norway, Switzerland, Iceland and Lichtenstein) alongside North America and Oceania account for 3.13% (see Table 4.2). In addition to this, as specified in Chapter 3, the US case employed a separate dataset which is provided by the US Bureau of Labor Statistics from 2000 to 2019. According to their reports, the average annual sample is of around 260,000

subjects and the composition of the labour force is investigated along the lines of White (64%), Hispanic or South American (17%), Black or African American (13%) and Asian (6%) individuals.

[Table 4.1] Demographics according to gender and migrant status

Country	Native men	Migrant men	Native women	Migrant women	Total
AT	421,176	75,349	429,413	88,508	1,014,446
BE	230,505	47,081	235,197	52,573	565,356
CH	102,560	79,915	115,751	85,711	383,937
DE	530,382	7,694	528,734	6,142	1,072,952
DK	208,592	17,304	234,056	21,269	481,221
ES	375,676	31,660	389,566	36,982	833,884
FI	130,217	5,490	132,758	6,376	274,841
FR	907,032	132,186	966,631	154,208	2,160,057
GR	629,812	61,875	651,247	66,307	1,409,241
IE	441,904	85,044	466,678	89,255	1,082,881
IT	1,430,927	151,304	1,489,914	192,658	3,264,803
NL	323,770	30,962	332,163	39,943	726,838
NO	81,259	9,183	80,433	9,816	180,691
PT	375,997	30,948	407,649	36,993	851,587
SE	672,459	108,604	676,516	128,522	1,586,101
UK	213,222	34,712	236,171	40,857	524,962
<b>Total</b>	<b>7,075,490</b>	<b>909,311</b>	<b>7,372,877</b>	<b>1,056,120</b>	<b>16,413,798</b>

[Table 4.2] Demographics according to ethnicity

Ethnicity	Freq.	Percent
<b>Native</b>	14,448,367	88.0
<b>Eastern European (EE)</b>	628,797	3.8
<b>Middle Eastern and North African (MENA)</b>	290,987	1.8
<b>Sub-Saharan African (SubAf)</b>	162,949	1.0
<b>Asian</b>	180,444	1.1
<b>South American (SA)</b>	147,280	0.9
<b>EU-15 and EFTA</b>	510,588	3.1
<b>North American and Oceanian</b>	44,386	0.3
<b>Total</b>	<b>16,413,798</b>	<b>100.0</b>

To be specific in terms of the EU-LFS, there is no data regarding country of birth for Germany, as specified earlier in Chapter 3. As a result, migrants were distinguished based on nationality only for the German case. Consequently, when compared to other subject countries, there are less migrants in Germany, especially from Sub-Saharan Africa, Asia and South America. Therefore, these small sample sizes would result in the absence of statistical significance in terms of ethnicity penalty when reflected in the figures for Germany (see the descriptive analysis below). This should be taken into account when interpreting the results of the first analysis.

[Table 4.3] First analysis demographics according to ethnicity by country

Country	Native	EE	MENA	SubAf	Asia	SA	EU-15, EFTA	North America	Total
<b>AT</b>	850,589	108,484	5,955	1,972	8,211	2,664	35,195	1,376	1,014,446
<b>BE</b>	465,702	20,708	19,796	12,525	6,010	2,815	36,818	982	565,356
<b>CH</b>	218,311	40,620	5,031	5,743	8,578	8,268	93,258	4,128	383,937
<b>DE</b>	1,059,116	7,301	124	9	75	8	6,116	203	1,072,952
<b>DK</b>	442,648	10,048	5,104	1,828	7,498	1,073	10,518	2,504	481,221
<b>ES</b>	765,242	10,664	10,569	2,344	1,902	29,675	13,042	446	833,884
<b>FI</b>	262,975	5,026	797	558	1,401	221	3,581	282	274,841
<b>FR</b>	1,873,663	30,484	111,337	42,671	20,570	14,092	63,884	3,356	2,160,057
<b>GR</b>	1,281,059	93,804	14,381	1,148	6,019	531	9,317	2,982	1,409,241
<b>IE</b>	908,582	55,987	2,910	11,122	16,759	3,332	76,279	7,910	1,082,881
<b>IT</b>	2,920,841	143,050	44,557	18,632	36,235	34,811	59,836	6,841	3,264,803
<b>NL</b>	655,933	13,518	11,248	4,501	10,555	15,846	13,161	2,076	726,838
<b>NO</b>	161,692	4,519	1,885	1,420	3,968	885	5,534	788	180,691
<b>PT</b>	783,646	6,794	401	30,598	942	13,949	13,448	1,809	851,587
<b>SE</b>	1,348,975	64,370	53,265	14,451	27,547	15,451	58,239	3,803	1,586,101
<b>UK</b>	449,393	13,420	3,627	13,427	24,174	3,659	12,362	4,900	524,962
<b>Total</b>	14,448,367	628,797	290,987	162,949	180,444	147,280	510,588	44,386	16,413,798

Predicated upon labour market status regarding employability and job quality, the tables below show how binary data is set in both measures. Employed status is coded as 1, and unemployed as 0 (including inactivity). Meanwhile, skilled is set as 1 and unskilled is 0 in job quality. Among the employed, those who did not respond to the survey regarding skill status according to ISCO classification are treated as missing values along with the unemployed (see Table 4.4 and 4.5).

[Table 4.4] Employment status by country

Country	Unemployed	Employed	Total
AT	188,136	826,310	1,014,446
BE	140,255	425,101	565,356
CH	59,442	324,495	383,937
DE	182,969	889,983	1,072,952
DK	70,456	410,765	481,221
ES	258,400	575,484	833,884
FI	47,498	227,343	274,841
FR	488,452	1,671,605	2,160,057
GR	458,757	950,484	1,409,241
IE	304,763	778,118	1,082,881
IT	1,057,906	2,206,897	3,264,803
NL	122,049	604,789	726,838
NO	26,279	154,412	180,691
PT	217,637	633,950	851,587
SE	230,189	1,355,912	1,586,101
UK	109,668	415,294	524,962
<b>Total</b>	<b>3,962,856</b>	<b>12,450,942</b>	<b>16,413,798</b>

[Table 4.5] Skill status by country

Country	Unskilled	Skilled	None	Total
AT	395,770	427,922	190,754	1,014,446
BE	165,569	256,023	143,764	565,356
CH	122,539	200,770	60,628	383,937
DE	335,928	548,014	189,010	1,072,952
DK	155,389	253,808	72,024	481,221
ES	322,245	250,452	261,187	833,884
FI	55,998	67,679	151,164	274,841
FR	753,726	899,156	507,175	2,160,057
GR	539,284	398,510	471,447	1,409,241
IE	352,819	418,296	311,766	1,082,881
IT	1,091,567	1,091,988	1,081,248	3,264,803
NL	202,146	394,350	130,342	726,838
NO	65,780	86,729	28,182	180,691
PT	390,660	240,843	220,084	851,587
SE	578,636	769,967	237,498	1,586,101
UK	165,807	247,496	111,659	524,962
<b>Total</b>	<b>5,693,863</b>	<b>6,552,003</b>	<b>4,167,932</b>	<b>16,413,798</b>

There are three control variables regarding education, age and marital status. Among the three levels of education and age brackets, upper secondary education (Education 2) and 45 to 60 are the most represented among the data population, standing at 42.3% and 45.7% respectively (see Table 4.6 and 4.7). To be specific, up to secondary education (Education 1) shows 30.6% achievement among the respondents while tertiary education is the least possessed at 26.9% of the total sample. On the other hand, in terms of marital status, married status accounted for more than half of the responses, standing at 61%, with the remainder comprised of divorced or widowed and single status (see Table 4.8).

[Table 4.6] Education level by country

Country	Education 1	Education 2	Education 3	Total
AT	169,798	638,888	205,760	1,014,446
BE	156,712	208,009	200,635	565,356
CH	58,019	185,153	140,765	383,937
DE	100,321	663,386	309,245	1,072,952
DK	87,914	206,985	186,322	481,221
ES	397,078	175,012	261,794	833,884
FI	39,762	124,596	110,483	274,841
FR	592,307	928,379	639,371	2,160,057
GR	536,500	551,029	321,712	1,409,241
IE	282,106	397,718	403,057	1,082,881
IT	1,436,310	1,352,681	475,812	3,264,803
NL	179,015	309,448	238,375	726,838
NO	28,464	85,538	66,689	180,691
PT	581,229	140,722	129,636	851,587
SE	255,088	778,193	552,820	1,586,101
UK	135,614	209,096	180,252	524,962
<b>Total</b>	<b>5,036,237</b>	<b>6,954,833</b>	<b>4,422,728</b>	<b>16,413,798</b>

[Table 4.7] Age distribution by country

Country	25-34	35-44	45-60	Total
AT	234,010	316,514	463,922	1,014,446
BE	142,164	166,752	256,440	565,356
CH	84,547	129,075	170,315	383,937
DE	251,846	289,270	531,836	1,072,952
DK	98,686	133,458	249,077	481,221
ES	211,942	259,414	362,528	833,884
FI	63,422	75,286	136,133	274,841
FR	519,068	632,082	1,008,907	2,160,057
GR	356,285	420,902	632,054	1,409,241
IE	306,686	341,866	434,329	1,082,881
IT	734,920	1,022,463	1,507,420	3,264,803
NL	165,288	221,650	339,900	726,838
NO	44,609	55,787	80,295	180,691
PT	191,282	250,033	410,272	851,587
SE	414,456	471,262	700,383	1,586,101
UK	133,908	162,368	228,686	524,962
<b>Total</b>	<b>3,953,119</b>	<b>4,948,182</b>	<b>7,512,497</b>	<b>16,413,798</b>

[Table 4.8] Marriage status by country

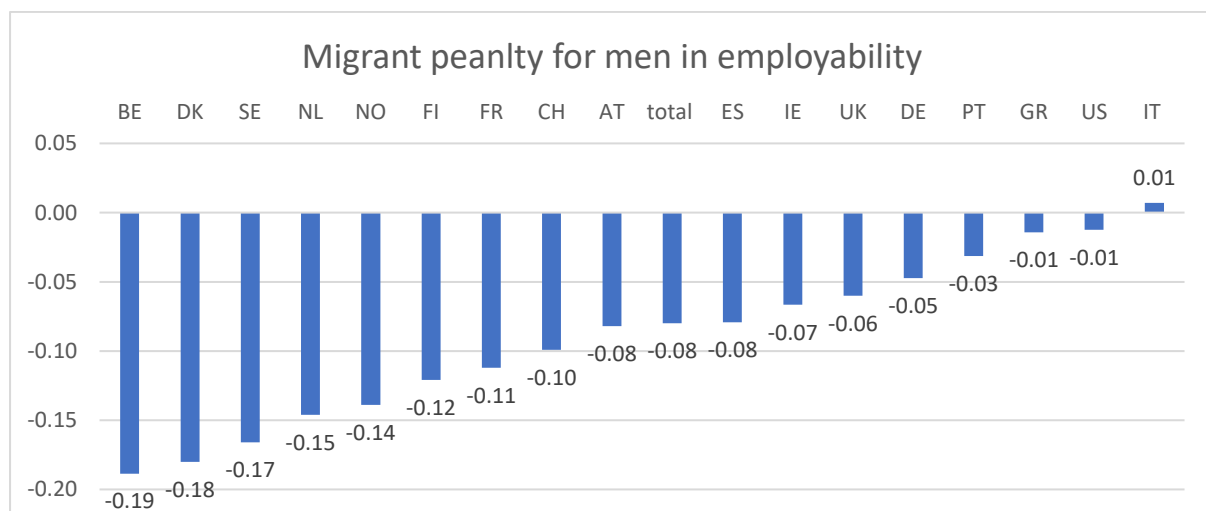
Country	Divorced or widowed	Single	Married	Total
AT	115,024	284,518	614,904	1,014,446
BE	77,139	158,250	329,967	565,356
CH	49,633	94,969	239,335	383,937
DE	118,870	347,819	606,263	1,072,952
DK	47,051	135,806	298,364	481,221
ES	63,530	233,981	536,373	833,884
FI	29,279	78,758	166,804	274,841
FR	229,589	760,138	1,170,330	2,160,057
GR	84,469	343,613	981,159	1,409,241
IE	72,100	343,636	667,145	1,082,881
IT	252,255	877,963	2,134,585	3,264,803
NL	64,965	176,816	485,057	726,838
NO	23,842	59,378	97,471	180,691
PT	74,478	188,125	588,984	851,587
SE	151,416	699,538	735,147	1,586,101
UK	75,477	142,581	306,904	524,962
<b>Total</b>	<b>1,529,117</b>	<b>4,925,889</b>	<b>9,958,792</b>	<b>16,413,798</b>



## 2) Men's migrant penalty

The estimated migrant penalty is presented by the below bar graphs according to employability and job quality, and patterns of migrant penalty are analysed through quadrant matrixes which merges both measures as scatterplots. Figure 4.1 indicates men's migrant penalty, which combines the five ethnicities (Eastern European, Middle Eastern and North African, Sub-Saharan African, Asian and South American) in terms of employability and is organised by ascending order. Mostly, Continental and Northern Europe showed a higher employability penalty within the total analysis, especially in Belgium alongside Denmark and Sweden, standing at -19pp (percentage points), -18pp and -17pp, respectively. Meanwhile, Mediterranean countries except Spain, in addition to the UK, revealed less penalisation with respect to being employed (i.e. in Italy, migrants experienced 1pp higher employability with respect to natives). Similarly, the US stands at -1pp difference between White individuals and the other ethnicities. The total figure represents migrant penalty at a European level, which stands at -8pp with respect to natives in the 16 European case countries.

[Figure 4.1] Migrant penalty for men in employability by country

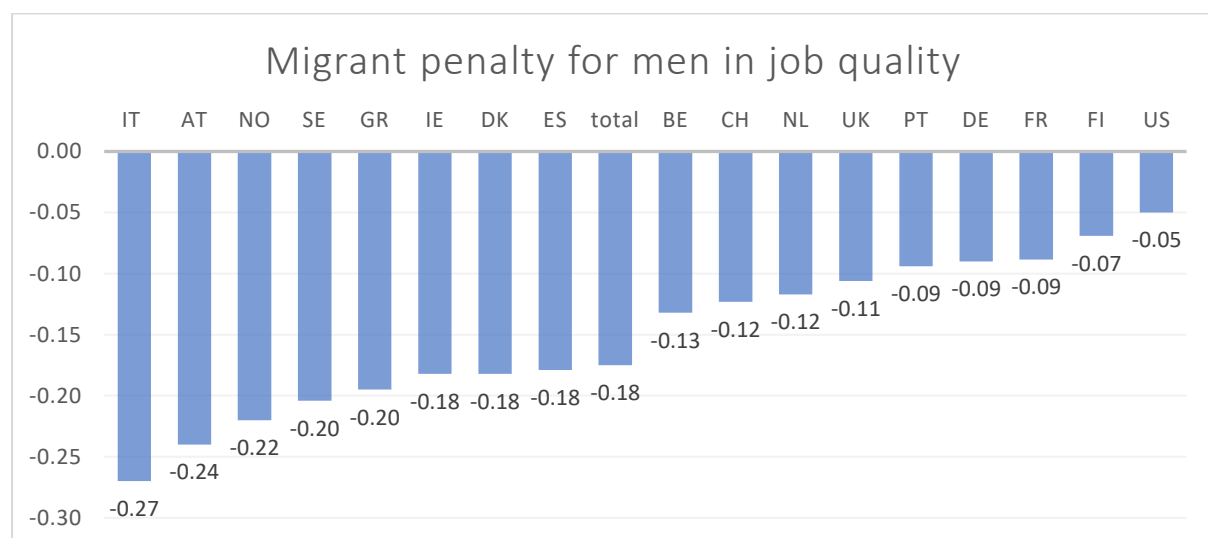


Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

In terms of job quality, migrants in Italy, Greece, Spain, Norway, Sweden, Denmark, Austria and Ireland were shown to be the most penalised through a difference ranging from 18pp to 27pp lower than natives regarding entry into skilled jobs. On the other hand, Denmark, Belgium,

Switzerland, the Netherlands and the UK revealed a middle range of migrant penalty from a -11pp to -13pp difference with respect to natives. The countries with less penalty were uncovered to be Portugal, Germany, France and Finland, as well as the US, with figures indicating a less than a 10pp difference. The total figure shows how far migrants could be penalised regarding the possession of skilled positions with respect to natives in the 16 European countries, excluding the US due to data accessibility limitations. The level of penalty is around -18pp and this figure is larger than the employability penalty which stands at -8pp on the individual level. It can consequently be regarded that migrants are in general penalised more in job quality than in employability.

[Figure 4.2] Migrant penalty for men in job quality by country



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

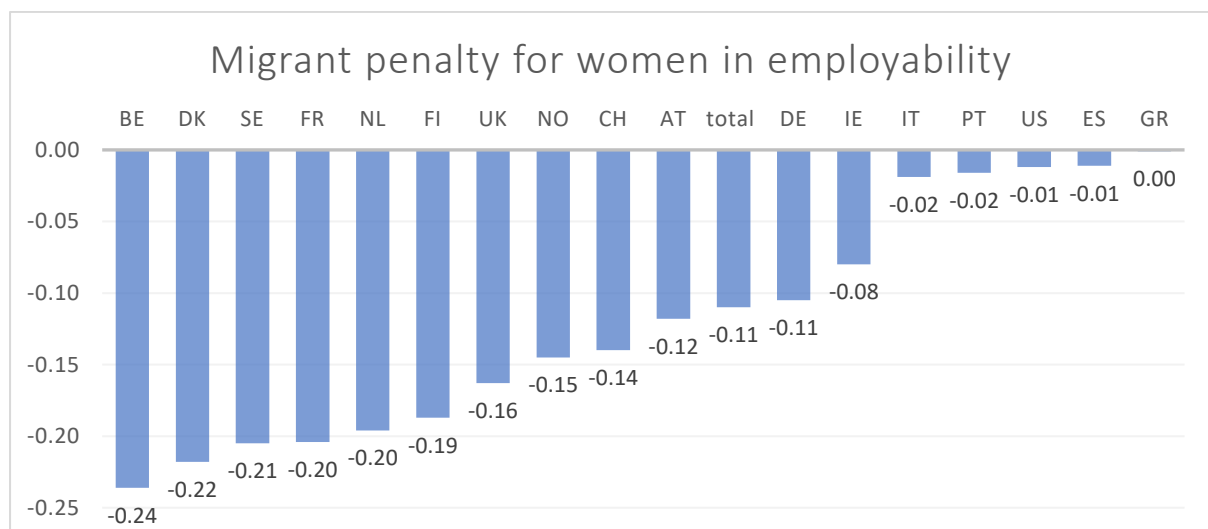
### 3) Women's migrant penalty

In terms of women's migrant penalty in employability, at the Europe average they have an 11pp lower chance to be employed with respect to native women. Furthermore, when compared to migrant men, migrant women experienced a 3pp higher penalisation with respect to natives. Interestingly, this is more noticeable in the UK. Although migrant women in the UK could be classified as falling within the middle range of penalisation among the case countries, alongside Norway and Switzerland with respect to native women, when compared to migrant men (-6pp) they are highly penalised (-16pp). It represents a -10pp difference between gender, which is a

larger figure than that found in France and the Netherlands (-9pp and -5pp differences, respectively). The results for Continental Europe could be expected to have a larger gender difference when considering market flexibility and conservative welfare benefit structures.

Therefore, the case of the UK could indicate the presence of a different reason behind the gender difference which covers specific migrant characteristics, or relates to a different institutional explanation. These elements may concern tied movers (see Ballarino and Panichella 2017) or work-family reconciliation policy, for instance. This is discussed through the following gender difference hypothesis which specifically falls in line with institutional difference. As work-family reconciliation policy is hardly developed in LMEs, it could make migrant women much more penalised in terms of employability when considering how to utilise care services, along with less information and social capital. Still, Mediterranean countries stand as the less penalised countries with respect to natives (0 to -2pp difference), as well as regarding gender difference (0 or +/- 1pp), except in the case of Greece for which there was no statistical significance.

[Figure 4.3] Migrant penalty for women in employability by country

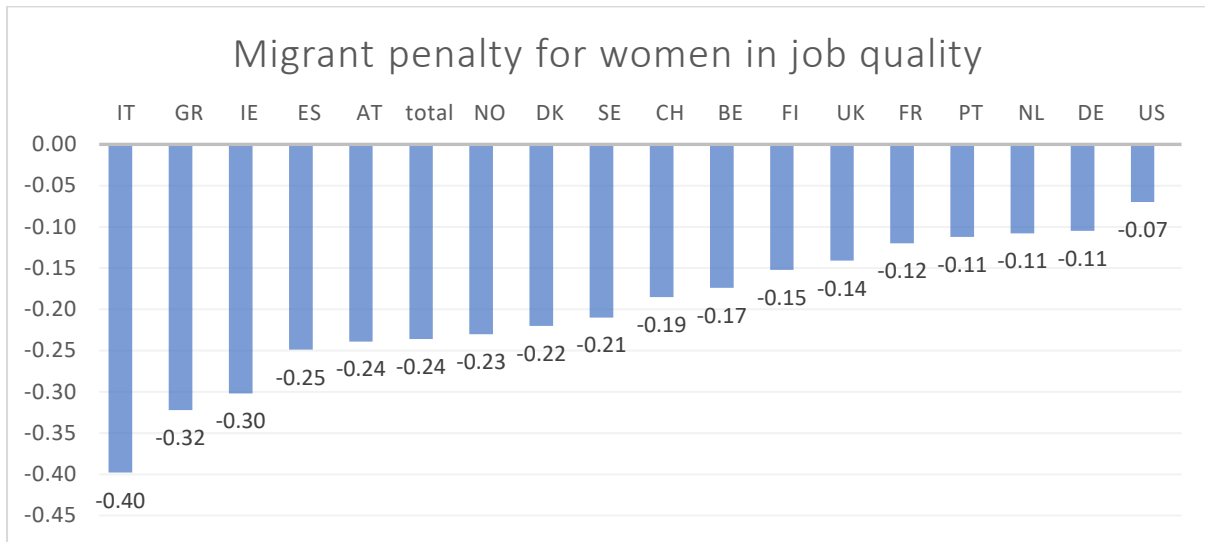


Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

Similarly, in terms of the total figures, job quality also shows more penalisation for migrant women compared to migrant men, and the countries with the highest penalties are revealed as Mediterranean countries (except Portugal). They are followed by Scandinavian countries,

excluding Finland. The least penalised countries are Portugal, the Netherlands and Germany, each standing at a -11pp difference, and the US which holds the lowest difference of -7pp. Interestingly, although the UK revealed very low employability, better performance was seen in terms of job quality by standing as the fourth least penalised country, coming after France.

[Figure 4.4] Migrant penalty for women in job quality by country



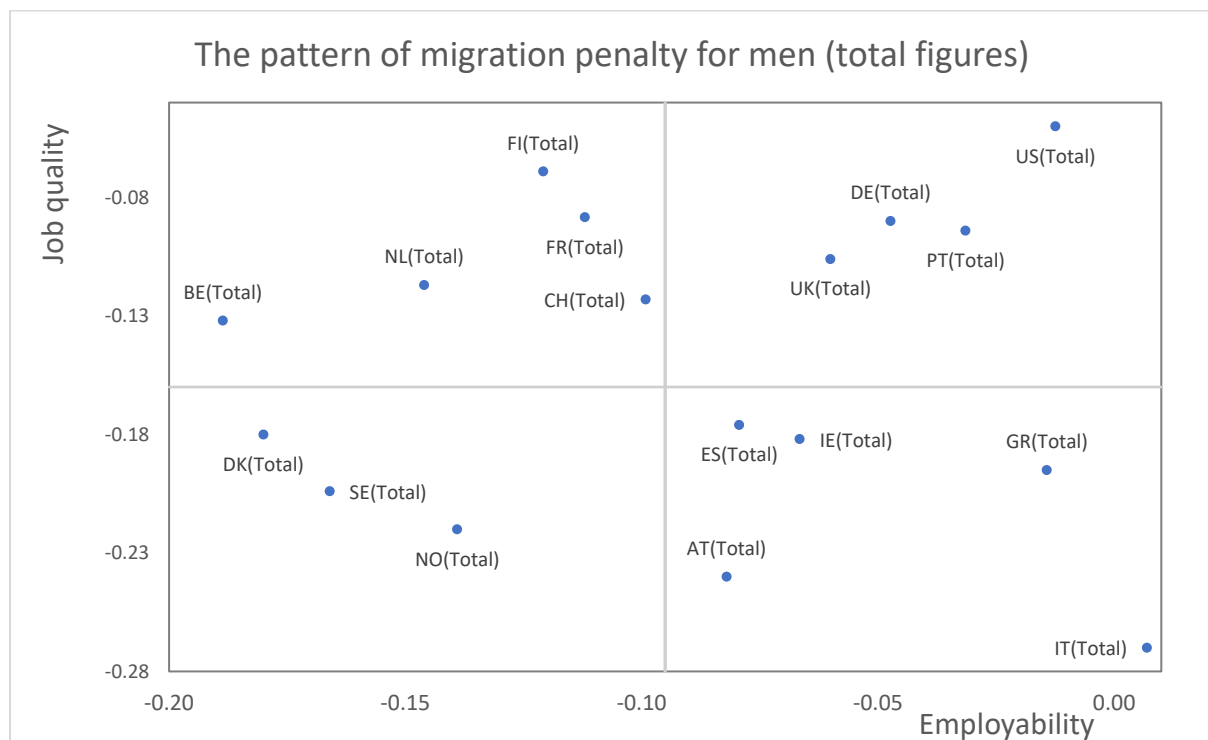
Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

#### 4) The pattern of migrant penalty

The quadrant matrix chart below (see Figure 4.5 and 4.6) shows four trends when synthesising the results for both labour market outcomes (job quality and employability) in order to specifically investigate the pattern of migrant penalty. Firstly, reading from left to right and top to bottom, there is a trade-off phenomenon which indicates a high penalty in employability and low penalty in job quality or, indeed, the other way around. The former can be found in the first quadrant square and the latter is posited the fourth quadrant square. The second and third quadrants represent less penalty and double penalty, respectively. Although the results of the LPM from Models 1 to 4 provide the above four graphs which can discern the level of migrants' labour market status across countries, it is difficult to structurally investigate patterns of migrant penalty. Therefore, this quadrant matrix was employed for a better, more precise analysis in this regard.

The pattern of migrant men’s penalty can be seen in Figure 4.5. Some of the Northern and Continental European nations such as Finland, France, the Netherlands, Switzerland and Belgium are present in the trade-off pattern regarding low employability and high job quality. The opposite trade-off regarding high employability and low job quality is shown in the bottom-right and pertains particularly to Mediterranean countries such as Italy, Spain and Greece, as well as to Austria and Ireland. In terms of the third trend, the less penalised countries which stand at high performance in both outcomes can be seen in the upper-right quadrant and includes the UK, Germany, Portugal and the US. Fourth, a double penalty in both measures, which is seen with Norway, Sweden and Denmark, could be found in the bottom-left quadrant.

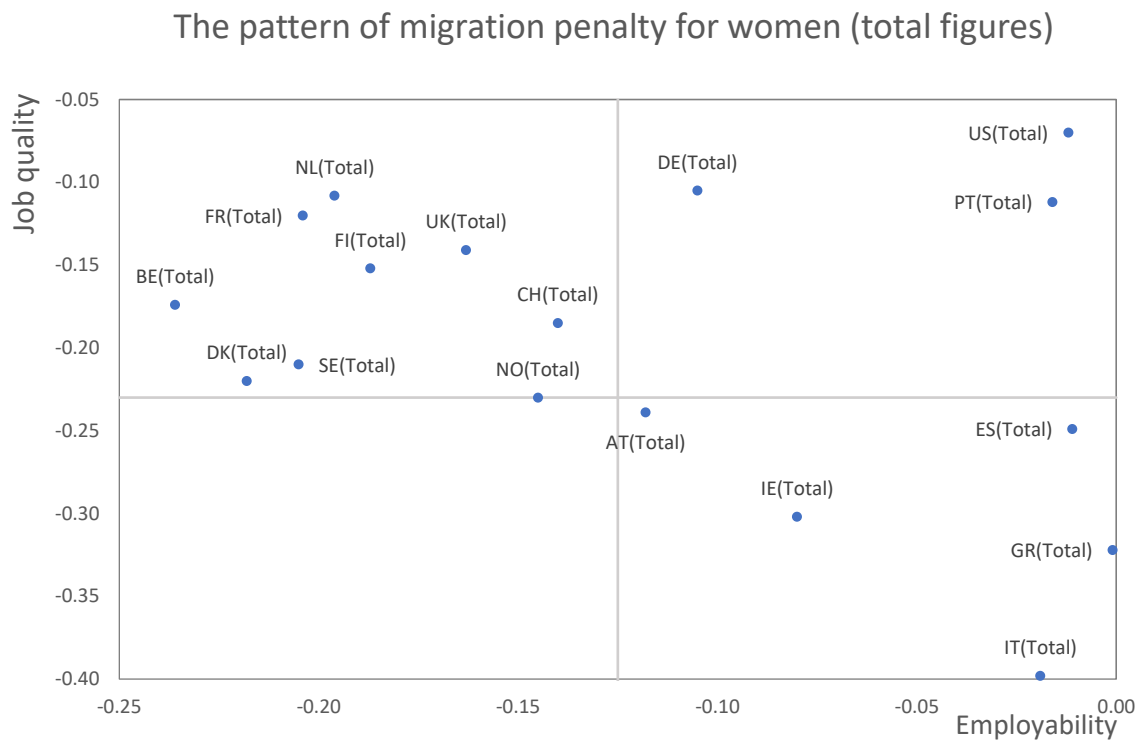
[Figure 4.5] Quadrant matrix regarding the pattern of migrant penalty for men



In contrast to the figures for migrant men, a double penalty pattern could not be found for migrant women in Figure 4.6. However, the other patterns are retained with countries grouped similarly to how they were with the men’s figures. Mediterranean countries (except Portugal), plus Ireland and Austria, show a trade-off pattern with high employability and low job quality; although the degree of such a trade-off is much higher in Mediterranean countries than in the other two. The opposite trade-off pattern with low employability and high job quality is found

in half of the case countries including Belgium, France, the Netherlands, Denmark, Sweden, Finland, the UK, Switzerland and Norway with an order based on the level of this pattern, from the upper-left to the lower-right edges of the matrix square. On the other hand, the lower penalty countries which stand at high performance in both outcomes can be seen to include Portugal, Germany and the US.

[Figure 4.6] Quadrant matrix regarding the pattern of woman migrant penalty



However, caution is needed around the interpretation of the German results since it required the use of the nationality condition to distinguish migrant status. This is instead of country of birth which remains unavailable for this country within the EU-LFS. Consequently, this means that less migrants can be observed compared to the other countries, along with the possibility of a greater selection bias since the second generation could be removed from consideration as migrants. As a result, there is a high chance of a positive selection bias for migrants because work permits in the country are strict compared to the other countries.

Nevertheless, there is recent research which supports this result, including from Di Stasio and Lancee (2020). They experimented around how much non-White ethnicities could secure call-

backs and receive an invitation for an interview after applying for job positions in the labour markets of Spain, Germany, the UK, Netherlands and Norway. Among them, Germany was revealed as the least discriminating country and this result was in line with other meta-analyses (see Zschirnt and Ruedin 2016). Therefore, whether the high performance of migrant status regardless of gender in Germany could be related to positive selection linked with the promotion of skilled migrants based on their migrant regime, or other recent labour market trends, needs to be investigated further.

[Table 4.9] Correlation between employability and job quality according to gender

<b>Men</b>	Employability	Job quality
Employability	1.00	
Job quality	.01	1.00
<b>Women</b>		
	Employability	Job quality
Employability	1.00	
Job quality	-.33	1.00

In addition to Figures 4.5 and 4.6, a correlation analysis between migrant penalty in employability and job quality was conducted in order to analyse how dispersed the pattern of the scatterplots are (see Table 4.9, above). Accordingly, when applying this with 17 observations, the coefficient turned out as .01 and -.33 for the men and women figures, respectively. This means that there are positive and negative relations between job quality and employability for migrant men and women respectively, and the degree of the correlation is revealed to be much higher for the woman migrant penalty than that of men. As a clearer, negative linear trendline can be seen with the woman quadrant matrix, a moderate degree of negative relationship can be defined between employability and job quality. This is because the coefficient, falling between  $\pm 0.30$  and  $\pm 0.49$ , is regarded as a moderate degree while, if the coefficient is below  $\pm 0.29$ , it is defined as a low degree of correlation. Therefore, it could be concluded that there is a moderate trade-off pattern for migrant women between employability and job quality across the 17 countries, whereas there is a low degree of positive correlation or no relation in the men's case since the coefficient is .01. This is close to 0, indicating no relation.

## 5) Migrant penalty based on residence period

Based on the assimilation perspective, short-term resident migrants could be penalised more than longer residents since they have a greater lack of information and less resources to be utilised in the destination country. Therefore, whether the short-term migrants who have resided less than 10 years in the receiving countries could be penalised more in general is checked through the total figures at a European average level concerning employability and job quality, as well as according to gender. To note, the US case is omitted here because of the lack of data availability regarding short-term resident migrants.

Firstly, the comparison proceeded between the total figures for migrants across the 16 countries who have residence periods of either more than 10 years, or less than 10 years. In the results, there is a 1pp (-9pp in short- and -8pp in long-term residence) and 9pp (-23pp in short and -14pp in long) more penalisation for short-term compared to long-term migrant men in employability and job quality, respectively. On the other hand, short-term migrant women are comparably the more penalised than short-term migrant men by standing at the lower figures of -6pp (-15pp in short and -9pp in long) and -14pp (-32pp in short and -18pp in long) differences compared to long-term migrant women. Therefore, judging by this comparison, the assimilation perspective could be supported through the empirical results which reveal that a migrant who has a long residence time (more than 10 years) is much less penalised with respect to natives than short-term migrants at the European average level (see Figures 4.7 to 4.10 regarding the total figure).

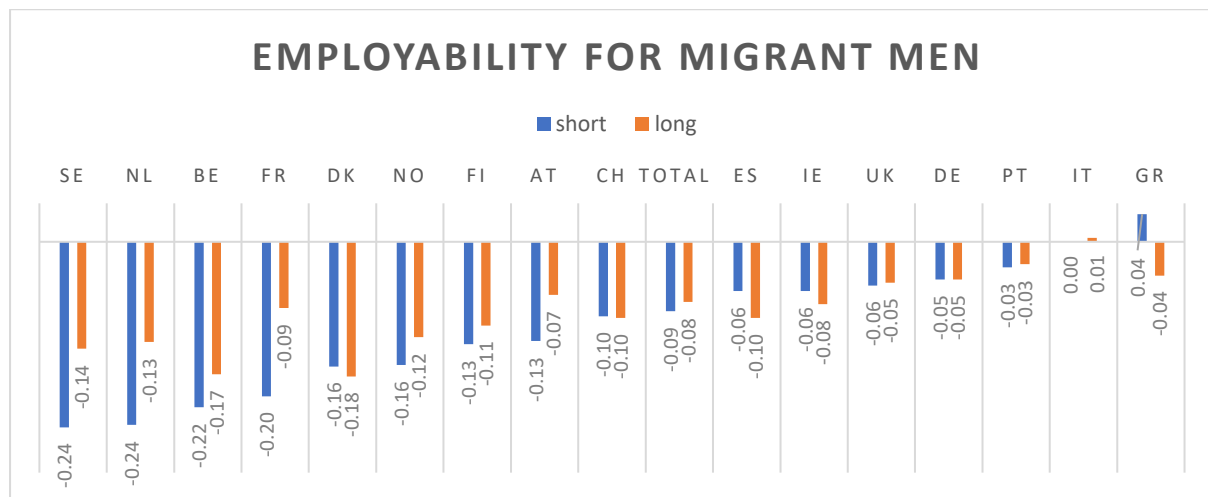
Secondly, as this study is based on the institutional effects of the dominant regimes, a country-level assimilation perspective is tested in the expectation of different results according to variations in regime typologies. In order to compare the influence of dominant regimes on migrant penalty according to residence time difference, this analysis divided migrants who have stayed in the country from 1 to 10 years, and those residing in the receiving country for more than 10 years. This is since the longer resident migrants have been exposed to or influenced by the destination countries' institutions more so that their labour market outcomes are likely to be more strongly affected. The results for migrant penalty are presented in Figures 4.7 to 4.10, and further differentiated according to country by gender.

As can be seen in Figure 4.7, France, the Netherlands and Sweden show significant differences between short- and long-term resident migrants by presenting around a 10pp lower penalty for long-term migrants. Following these figures, long-term migrants in Austria, Belgium and



Norway also experienced a decrease of around 5pp in migrant penalty compared to that felt by short-term migrants. However, there are seldom changes in Mediterranean and Liberal countries, apart from Spain, Greece and Ireland in which a 4pp, 8pp and 2pp increased penalisation was found; even for longer residence migrants. Of course, short-term migrants could be penalised more than longer-term migrants due to lack of language, information and social capital along with skills and similar factors. Therefore, no difference between short- and long-term residence and an increased penalisation for longer residence in LME and Mediterranean countries does not meet assimilation assumptions.

[Figure 4.7] Migrant penalty for men based on residence periods regarding employability

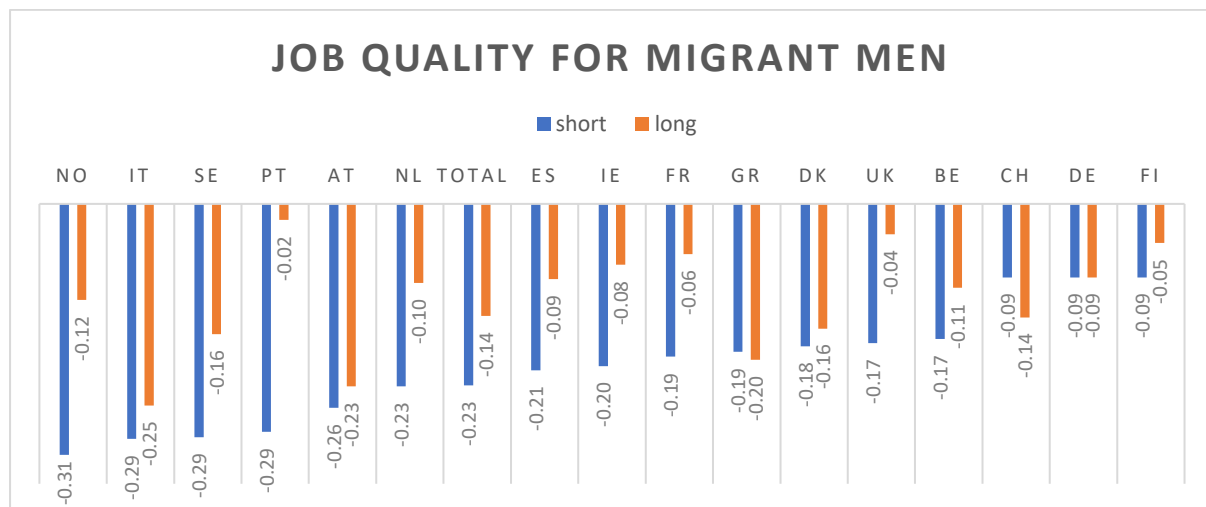


Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

Furthermore, some CME countries such as those in Continental and Northern Europe necessarily require specific skills (Hall and Soskice 2001), so that short-term resident migrants were penalised more than those with longer residence to acquire certain skills. However, LME and Mediterranean countries secure flexibility in the labour market and the labour market conditions regarding general skills and secondary or black market prevalence would not require accumulative skills (Ballarino and Panichella 2013; Hall and Soskice 2001). Therefore, under these conditions neither benefits for longer residence migrants, nor penalty for short-term resident migrants, can be found in LME and Mediterranean countries whereas a clear penalty for short-term migrants is revealed in CMEs. The latter is also especially the case among Scandinavian countries.

On the one hand, job quality shows somewhat different results unlike employability (see Figure 4.8). The distinct differences are found in half of the total countries where the penalty decreased by over 10pp, such as with Portugal (27pp), Norway (19pp), the Netherlands (13pp), France (13pp), the UK (13pp), Sweden (13pp), Ireland (12pp) and Spain (12pp). As the number of years of residence grows, there are more opportunities to obtain high skills, regardless of general or specific skill types, alongside language and social network development, for instance.

[Figure 4.8] Migrant penalty for men based on residence periods regarding job quality

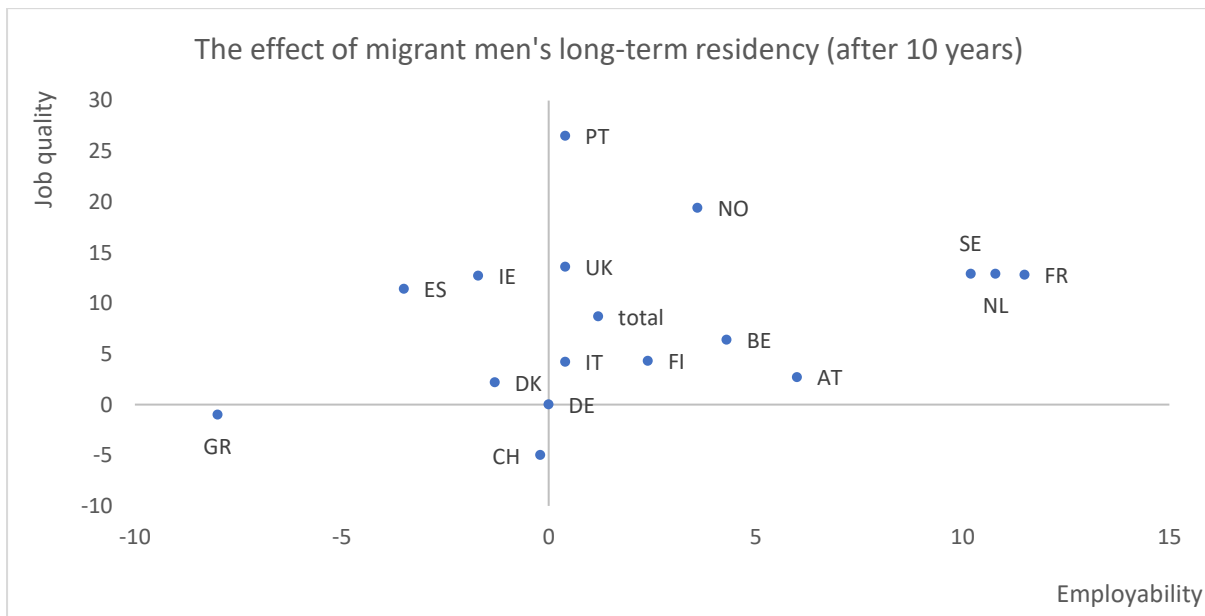


Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

Hence, therefore, how the decreased migrant penalty regarding skilled positions could be linked to the employability difference. This could provide better explanations through which to discern the different results according to the production and welfare regimes. In this regard, when combining both outcomes from employability and job quality, the Netherlands, France, Sweden and Norway are the only countries where the increase in high-skill possession is actually associated with an increase in employability (see Figure 4.9). These results also prove the institutional effect regarding different regime typologies on migrant penalty since Mediterranean (Portugal, Spain) and LME (the UK, Ireland) countries, which show increased skilled positions for longer-term migrants, did not correspond to an increase in employability at the same time.

An interesting point which can be found in the quadrant matrix (see Figure 4.9) is the negative effect of long-term residency. Based around the origin of the graph, it shows the difference between long- and short-term migrants in which employability and job quality is represented by the x- and y-axes, respectively. Accordingly, along the axes extending from the origin, if any country falls under quadrants 1, 3 or 4 of the matrix it demonstrates disadvantages for longer residence. In this regard, Denmark, Spain and Ireland can be found in the first quadrant in terms of decreased employability, even though there is an increased skill status. Meanwhile, Greece and Switzerland are clustered in the second quadrant which indicates a double penalty in employability and job quality after 10 years' residency. However, Germany is situated at the origin, indicating that there is no difference between short- and long-term residency. Lastly, apart from the previous six countries, the other 10 are clustered in the second quadrant which means that longer-term migrants are advantaged in terms of both measures.

[Figure 4.9] The effect of migrant men's longer residency (after 10 years)

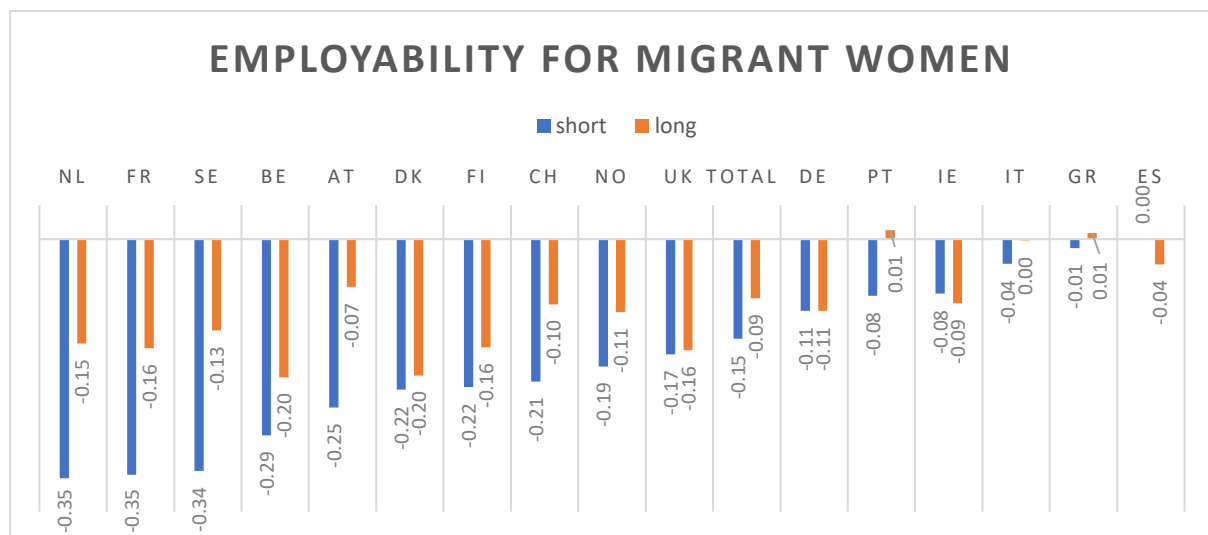


Here, the institutional explanation based on the production regime is much more persuasive according to the scattered position of Portugal, the UK and Italy. This is because, even though they are classified as falling within the second quadrant with increased job quality, they are on the same line of employability which stands at 1%. Therefore, increased skill hardly exerts positive effects upon employability while Finland, Belgium, Austria and Norway show a

middle-range of improvement in employability in relation to increased job quality. This logic can more clearly be found in Sweden, the Netherlands and France which show around a 10% increase in both measures after 10 years of residency.

When it comes to women’s labour market outcomes (see Figure 4.10 and 4.11), the drastically reduced penalty for employability can be seen in Sweden (21pp), the Netherlands (20pp), France (19pp) and Austria (18pp), and these are followed by Switzerland (11pp) and Belgium (9pp). Similarly, outcomes in LME and Mediterranean countries hardly change between short- and long-term migrants, although this is somewhat understandable when considering that the employability-linked migrant penalty is already much smaller in Mediterranean countries, even for short-term migrants.

[Figure 4.10] Migrant penalty for women based on residence periods regarding employability

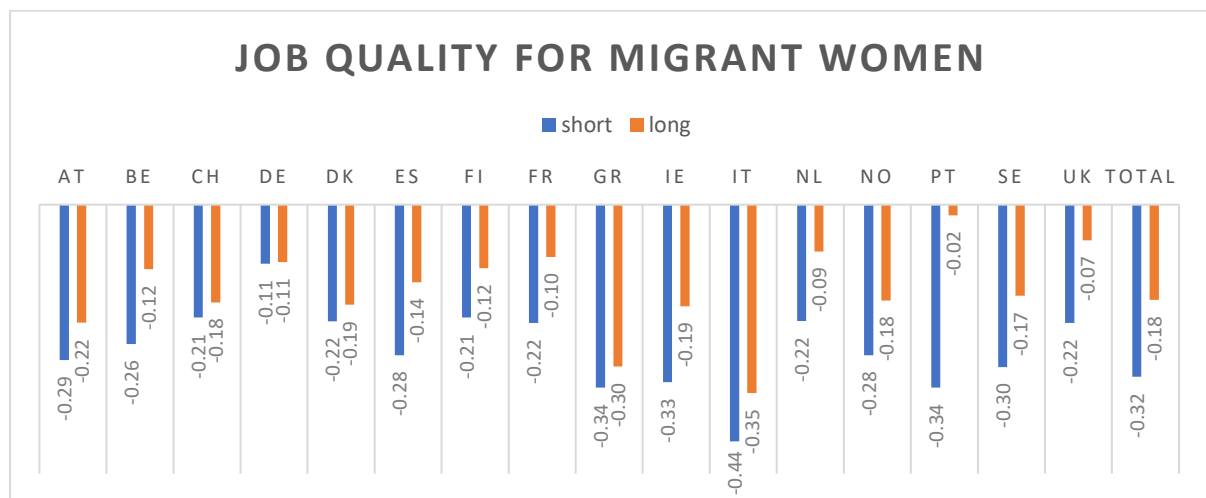


Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

In terms of women’s job quality (see Figure 4.10), Portugal (32pp), Austria (18pp), the UK (15pp), Ireland, Spain and Belgium (14pp), Sweden and the Netherlands (13pp), as well as France (12pp) reveal a noticeably decreased penalty. Therefore, in this case, migrant women in the above countries except the UK, Ireland and Spain had higher employability followed by increased job quality, which is similar to the results for migrant men. As an interesting case, Germany needs to be highlighted since the results between short- and long-term migrants have not changed in employability and job quality (see Figure 4.12). This result could be related to

the previous explanation regarding high performance in both measures, regardless of gender, with the perspective of a strong positive selection of migrants. Plus, Denmark also shows analogous results to Germany, along with seldom fluctuating figures between short- and long-term migrants regardless of gender, even though employability decreased for long-term migrant men.

[Figure 4.11] Migrant penalty for women based on residence periods regarding job quality



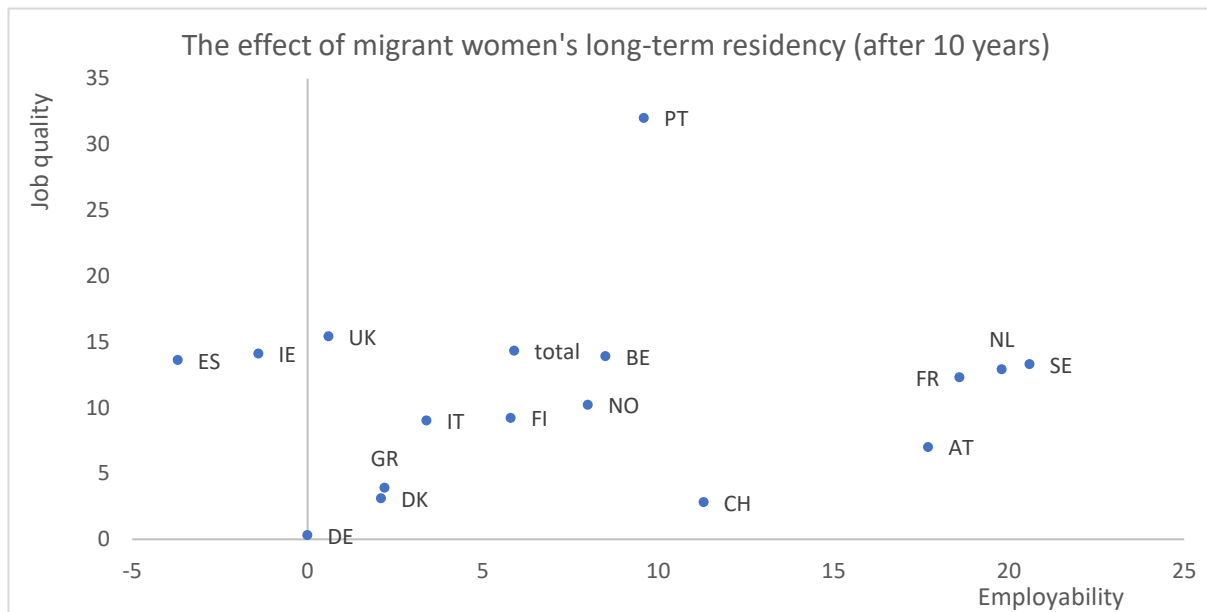
Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

Accordingly, it could be regarded that there is a constant and certain level of migrant penalty in employability and job quality irrespective of residence periods within these two countries. This could be a very important result since Denmark shows a clearly different pattern unlike its peer Scandinavian countries which alternatively show clear improvement regarding migrant penalty for longer residence within the nexus of skill and employability. This means there is less accessibility in terms of skill acquisition for migrants with respect to natives so that, even if migrants stay longer, the opportunity to be employed could still be restricted unlike in the other Scandinavian countries.

As a similar pattern like that for migrant men, Spain and Ireland are still positioned in the first quadrant; demonstrating that long-term migrants are more penalised in terms employability despite increased job quality. Unlike with men, Greece, Denmark and Switzerland correspond to the more advantaged pattern for longer residence, while LME and Mediterranean countries except Portugal still remain in the same trend in which increased job quality hardly affects

better employability. However, the strong nexus in both measures can still be found in Sweden, the Netherlands, France and Austria, and the middle degree of positive relation is seen in Portugal, Finland, Norway, Belgium and Switzerland. Overall, according to the results of the comparison between gender through the quadrant matrix in Figures 4.11 and 4.12, long-term migrant women show larger improvement than migrant men by reducing migrant penalty with respect to natives after 10 years of residence in the destination countries.

[Figure 4.12] The effect of migrant women’s longer residency (after 10 years)



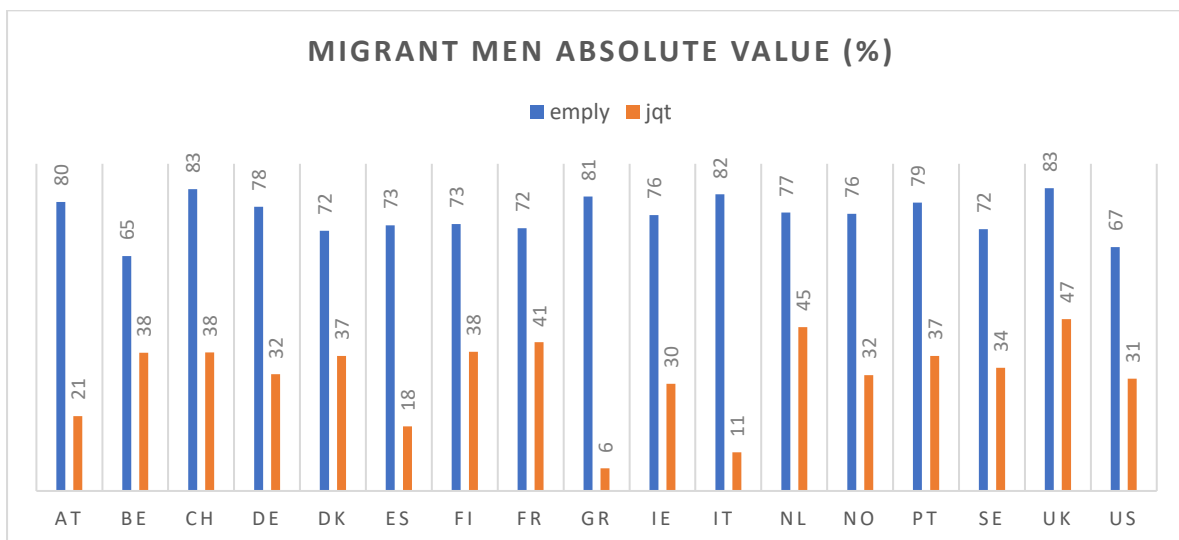
#### 6) Absolute value of migrants’ employability and job quality

The first hypothesis is about migrant penalty with respect to natives, so that the result is in relative values regarding labour market outcomes through the estimation of the difference between migrants and natives. Therefore, although the analysis conveys how far migrants are penalised in the labour market with respect to natives, it could not provide the absolute labour market outcomes of migrants. In this regard, then, there is a low migrant penalty in terms of employability in some countries such as Italy, regardless of gender. Could this be regarded as indicating that there is better performance across countries? This question could be answered according to the following figures, predicated upon absolute migrant labour market outcomes in employability and job quality (see Figure 4.13 and 4.14). The absolute value is estimated

based on the same conditions which are used for migrant penalty in both measures and, in turn, the results are conducted through proportion analysis which estimates migrant’s employment and skilled job acquisition rates without comparison to natives.

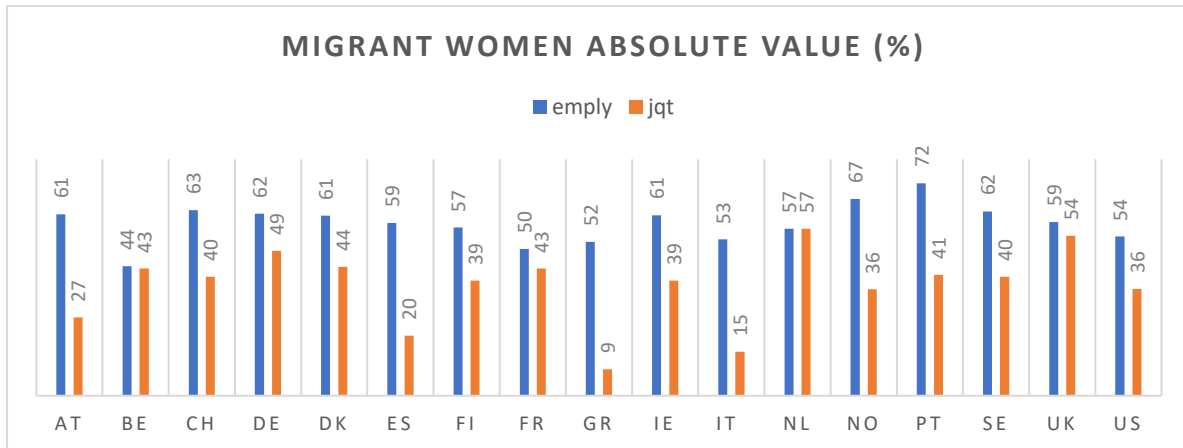
Based on the results, and regardless of gender under the relative measures with respect to natives, in Italy the low employability penalty corresponds differently to the absolute values according to gender, as can be seen in Figures 4.13 and 4.14. Migrant men still have high performance in the absolute value, with Italy ranked as the third highest country, while migrant women show the country to be in the fourth lowest position among the 16 European nations in terms of employment rate. This means that there is less migrant penalty in Italy with respect to natives, but that the actual employment rate of migrant women is much lower than in countries such as Norway which showed high migrant penalty but remained the second highest regarding employment rates with the absolute values. Therefore, care is needed to discern the difference of absolute and relative values since low migrant penalty does not necessarily secure better outcomes in the absolute values regarding actual migrant labour market outcomes across countries.

[Figure 4.13] Absolute labour market outcomes of migrant men regarding employment and skilled job rates



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

[Figure 4.14] Absolute labour market outcomes of migrant women regarding employment and skilled job rates



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

As can be seen in the case of Italy, this differing result can be found more distinctively with women cases rather than those of men. Scandinavian and some of the Continental European countries, which revealed higher migrant penalty, actually resulted in better performance in both measures compared to LMEs and Mediterranean countries, excluding Portugal. These results certainly demonstrate once again that the institutional effects need to be analysed differently, especially according to gender issues. This is since the migrant penalty pattern which is assumed by dominant regimes, such as the welfare and production regimes, were able to project men's outcomes more precisely than those of women. However, in terms of the women's results, work-family reconciliation policy is a powerful determinant to explain the phenomenon of migrant labour market outcomes regardless of absolute or relative values, alongside the welfare and production regimes.



## 7) Conclusion regarding migrant penalty

The pattern of migrant penalty with respect to natives regarding labour market outcomes is analysed through the perspective of institutional effects from welfare, production and migration arenas via LPM according to gender. As one of the aims of this study is to reveal exceptional cases which do not correspond to the results based on regime typologies, a few cases which are not expected under the regime-derived hypotheses were able to be uncovered through the results of this analysis. First of all, the sub-hypotheses regarding the four patterns of migrant penalty were supported since the expected migrant penalty patterns attributed to the dominant regimes were mostly consistent with the LPM analysis results presented through the quadrant matrixes.

Therefore, it can be concluded that the dominant regimes, and particularly the welfare and production regimes, are meaningfully associated with migrant penalty. This is especially the case for men. This is since, in terms of the women's case, there was no double penalty pattern while results leaned much more towards trade-off patterns 1 and 2. This means they are more selected than migrant men in the destination countries, as can be seen in the correlation analysis between employability and job quality according to gender (see Table 4.9). Thus, Northern European countries which are expected to be classified in the double penalty pattern turned out to be in trade-off pattern 1 (low employability and high job quality) like the other Continental European countries in the women's case, and unlike the men's. This is why this project separately conducted analyses according to gender as it was expected that the dominant regimes were configured for conventional workforces such as the male breadwinner. Therefore, in this regard, a further investigation is conducted according to the gender difference hypothesis in the next section.

Based on the sub-hypothesis regarding trade-off pattern 1 (low employability and high job quality), Continental European countries were allocated in this migrant penalty pattern. Therefore, the labour market background concerning a lack of flexibility in the labour market under high EPL (Ballarino and Panichella 2013), as well as contribution-based welfare benefit systems (Kogan 2007), indeed led migrants to be penalised more in employability but less in job quality. However, as this project expected to observe 'the exceptional cases' beyond the dominant regime typologies, Finland, as a social democratic welfare state, is classified also in this pattern as an exceptional case regardless of gender.

Regarding trade-off pattern 2 (high employability and low job quality), Southern European countries are allocated in this pattern according to the hypothesis. Thus, the prevalent black-market economies and a highly rigid labour market (Ballarino and Panichella 2013), alongside a contribution-based welfare system (Kogan 2007), are likely to restrict migrants' possibilities for having a good job. However, these backgrounds opened more opportunities to be employed despite these positions being unskilled. Here, Austria and Ireland were grouped in this trade-off pattern as well, regardless of gender. They are classified under conservative welfare states/CMEs and liberal welfare states/LMEs, respectively, so both cases also do not meet typology expectations.

On the other hand, LMEs and liberal welfare states are assumed to be allocated to the less penalty pattern where the UK and US were included, as expected, since they have a flexible labour market as well as means-tested welfare systems which do not require contribution for the benefit under employment contracts (Ballarino and Panichella 2013; Kogan 2007). However, in the case of women, the UK was allocated in trade-off pattern 1 which will be discussed more through the gender difference hypothesis in the relation to work-family reconciliation policy. Besides this, Germany and Portugal were also classified in the less penalised grouping beyond expectations and irrespective of gender.

Last but not least, Scandinavian countries turned out to fall within the double penalty pattern as hypothesised; excluding Finland noted above for the men's case. Therefore, a highly developed universal welfare system did not impose a livelihood crisis upon third country migrants (Sainsbury 2006) and, in turn, low employability with respect to natives was observed. A high job quality penalty attributed to the specific skills which need time to be acquired for migrants was also found in these countries as well. Nevertheless, according to the analysis regarding residence period difference, long-term migrants drastically caught up with the skilled positions. This means that although migrants can find it difficult to obtain destination countries' industry-specific skills, there are generous state-funded vocational training courses (Hall and Soskice 2001; Hemerijck et al. 2016; Knuth 2014; Martins and Pessoa e Costa 2014; Ronvy 2014) to which migrants could also have access so that, ultimately, long-term migrants had a notably decreased migrant penalty in job quality regardless of gender.

Furthermore, when it comes to gender difference, a double penalty pattern in the quadrant matrix could not be found regarding the woman migrant penalty in contrast to the outcomes for migrant men. It is noticeable that the unexpected cases which do not meet the hypotheses

of institutional effects within the four patterns can be seen more in the figures for migrant women than those of men. A trade-off pattern with high employability and low job quality includes Mediterranean countries (except Portugal) plus Ireland and Austria. Here, the definite trade-off pattern is much higher in Mediterranean countries than in the other two. The opposite trade-off pattern with low employability and high job quality, meanwhile, is found in half of the case countries including Belgium, France, the Netherlands, Switzerland, Denmark, Sweden, Finland, Norway and the UK. Apart from Continental European countries, Northern European countries and the UK were expected to be respectively designated under the double penalty and less penalty patterns according to the hypotheses.

Accordingly, this low employability and high job quality pattern could be regarded as the most prevalent pattern for migrant women since more than half of the cases (9 countries) are classified there. This means that a more positive selection than that for migrant men could occur for migrant women, especially in these CME countries apart from Mediterranean nations. On the other hand, the lower penalty countries which stand at a high performance in both outcomes can be seen to include not only the US, which was hypothesised, but also more unexpected cases such as Portugal and Germany.

Besides this and in relation to long-term residence effects on migrant penalty, Germany and Denmark can be additionally highlighted. In Germany, the absence of difference concerning migrant penalty between short- and long-term migrants seems to relate to the sample selection, which is based on nationality for distinguishing migrants, as well as to German migrant policy which promotes high-skilled migrants. Therefore, in the end there is a consistent result demonstrating the presence of a less migrant penalty pattern alongside no difference between short- and long-term residence migrant penalty, regardless of gender.

Furthermore, Denmark revealed a penalty for long-term resident migrant men, and less difference between short- and long-term migrant women, which is similar or more significant than with Mediterranean countries. This result reflects the findings of MIPEX (2020) which revealed a much lower migrant integration policy level in Denmark compared to Scandinavian peer countries. As this study is focused on analysing migrant penalty based on institutional effects, the second multilevel analysis hypothesis regarding the effect of the three different policy arenas predicated upon actual institutional data is therefore rendered more convincing on the basis of this empirical result. This is since it has shown how the Danish welfare state

has constantly expanded welfare retrenchment or restructuring based on individualised private social security schemes (Hassel and Palier 2020).

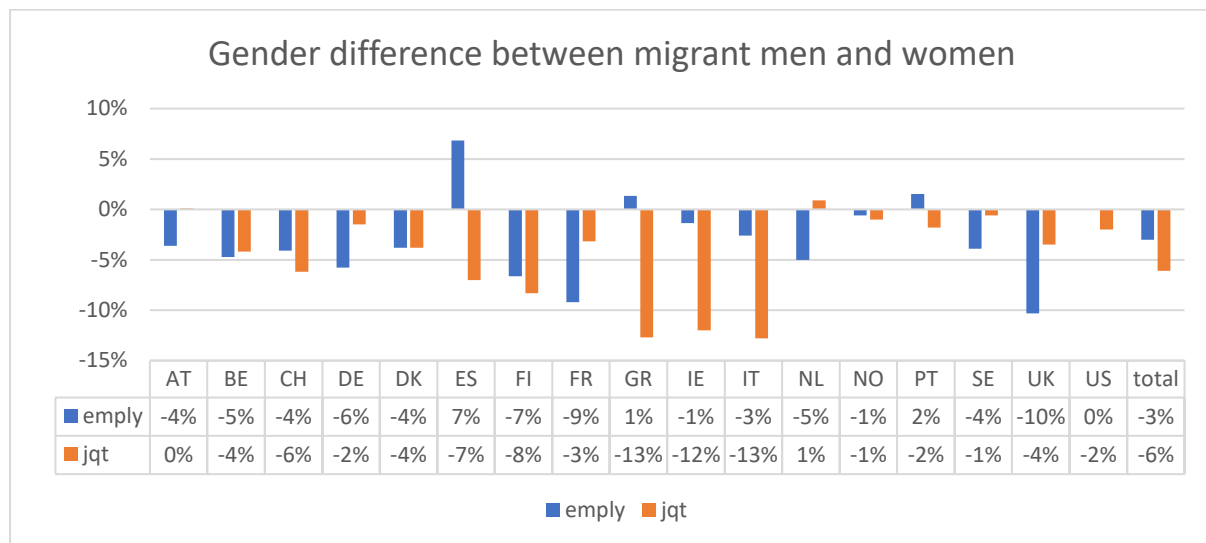
### **3. Gender difference**

The hypotheses regarding gender difference adopts work-family reconciliation policy as the key condition contributing to the difference between migrant men and women in employability and job quality. This is both in relation to the welfare regime as well as the production regime. There are three sub-hypotheses under the premise that there is more penalty for migrant women compared to migrant men, and these can be analysed using Figure 4.15 which shows gender difference calculated based on the results of Model 3 and 4 from the LPM.

The first sub-hypothesis assumes that migrant women's employability would be much lower than migrant men's due to a lack of public care services (Esping-Andersen 2002), while job quality would be similar between them since high-skilled women would not be penalised in a labour market preferring general skills (Hall and Soskice 2001). As expected, the UK shows the largest difference between men and women in employability, indicating a -10pp lower figure for women's outcomes, while Ireland and the US revealed a -1pp and 0pp difference between the genders. On the other hand, job quality between the genders is similar in the UK (-4pp) and the US (-2pp), but not in Ireland which has shown a higher penalty for migrant women through a difference of -12pp. Therefore, a higher penalty in employability only occurred in the UK and the lower difference in job quality is found in LME countries, with the exception of Ireland.

The second sub-hypothesis postulates that the gender difference in Scandinavian welfare states would be lowest in both employability and job quality among the subject countries. This would be due to the highly developed public care services for which there are no barriers for migrants to access as well (Sainsbury 2006, 2012). As can be seen, the difference in migrant penalty between genders is from -1pp to -4pp in both employability and job quality, except for Finland where the figures stand at -7pp and -8pp, respectively. Resultantly, the effects of work-family reconciliation policy could be regarded as exerting a positive affect which reduces the gender difference not only in employability, but also for job quality by supporting the woman workforce to be involved in the labour market. This opportunity is also provided publicly through well-developed ALMP.

[Figure 4.15] The migrant gender difference regarding employability and job quality



Last but not least, the familialism welfare system in Southern and Continental Europe is tested based on the fact that the dominant development of family allowances, rather than public care services, could make natives remain in the household (Esping-Andersen 2002; Ray et al. 2010; Stadelmann 2008; Windebank 2017). In turn, migrants would have more atypical contracts in the labour market (Soskice 2005). Consequently, the difference of migrant penalty regarding employability between migrant men and women is assumed not to be larger in both regions' countries. However, based on the main industrial difference between Continental and Mediterranean Europe, migrant women in Southern Europe, which particularly promotes innovative skills less compared to Continental Europe (Burroni et al. 2019; Hassel et al. 2019), would be more penalised in job quality than in Continental Europe.

According to this hypothesis, some Continental European countries such as Austria showed around a -4pp difference and every Mediterranean nation shows less difference between gender (IT -3pp), or lower employability penalty (GR 1pp, PT 2pp, ES 7pp) for women compared to migrant men. However, migrant women in France are notably penalised compared to migrant men (-9pp difference). On the other hand, migrant penalty in job quality is penalised much more for women in Mediterranean countries, especially in Greece and Italy, standing at a -13pp difference between genders. This too was assumed by the hypothesis.

#### **4. Ethnicity penalty**

Ethnicity penalty is investigated through the LPM, as well as according to gender, in Models 5 and 6. The ethnicities which are included in this analysis consisted of Eastern European (EE), Middle Eastern and North African (MENA), Sub-Saharan African (SubAf), Asian and South American (SA). Here, the LPM provides the differences between ethnicities based on the reference group (natives). Therefore, ethnicity penalty is estimated through the difference in employability and job quality based on each ethnic group with respect to natives. The results are presented in the bar graphs below according to each ethnicity and gender. Plus, the quadrant matrix of the five ethnicities is provided in order to compare the pattern of migrant penalty in the labour market according to each ethnicity.

The analysis is connected to three hypotheses based on research question regarding how the socio-economic backgrounds of five different ethnicities could vary their labour market outcomes. First, predicated upon locational inequality (Milanovic 2016), economic growth in Asian countries could give Asians better material resources than the other ethnicities with regards to stratified citizenship and human capital investment. Plus, this investment could also be relevant to cultural factors, which is supported by the long-term tradition of schooling in Asia as one example. These factors would result in labour market outcomes which are much higher than those of other ethnicities, especially in job quality. On the other hand, since low-skilled migrants have less resources to emigrate further distances, MENA and SA are likely to move to the nearest advanced countries situated in Europe and the US, respectively. As a result, these particular ethnicities could be penalised most compared to the other ethnicities in each continent.

The second hypothesis is related to the homogeneity issue in Europe. European countries have traditionally been emigration countries and racially homogeneous so that accepting other races apart from White migrants is regarded to be difficult (Alba and Foner 2015; Milanovic 2016). Accordingly, Eastern Europeans would be least penalised in terms of employability compared to the other ethnicities. Lastly, according to the discussion of Kloosterman et al. (1999) regarding mixed embeddedness and gender, migrant women from MENA are expected to be the most penalised since there could be greater religious norms that they should follow from the origin country's religion, including specifically as women. As Islam is the most prevalent religion in the MENA area, this could be a significant obstacle for employability and human capital investment, especially for woman members in the migrant family even though they may

live for a longer time within a foreign country. Following these hypotheses, the results are interpreted according to each ethnicity and gender.

Tables 4.10 and 4.11 below show the synthesised results of ethnicity penalty regarding employability and job quality according to the five different ethnicities, alongside gender. To note, there is no US figure in the Eastern European column since, with the US case, the penalty is based on White individuals rather than natives so there is no result for EE which alternatively falls under this ‘white’ category. Therefore, the US figures for MENA and SubAf are treated as the same as Black individuals, so that the results of the US case are interpreted as the difference between White individuals and the other ethnicities available within the US-LFS (namely, Black, Asian and Hispanic individuals).

[Table 4.10] Ethnic penalty regarding employability by gender, country (pp)

Country	EE		MENA		SubAf		Asians		SA	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
<b>AT</b>	-0.08	-0.11	-0.18	-0.34	-0.14	-0.13	-0.08	-0.16	-0.08	-0.15
<b>BE</b>	-0.17	-0.22	-0.23	-0.34	-0.19	-0.17	-0.11	-0.19	-0.15	-0.16
<b>CH</b>	-0.10	-0.12	-0.15	-0.23	-0.12	-0.12	-0.04	-0.17	-0.09	-0.16
<b>DE</b>	-0.05	-0.10	-0.23	-0.26	-0.20	-0.08	-0.14	-0.14	-0.08	-0.71
<b>DK</b>	-0.16	-0.20	-0.28	-0.41	-0.20	-0.23	-0.10	-0.15	-0.14	-0.12
<b>ES</b>	-0.08	-0.01	-0.16	-0.22	-0.14	-0.12	0.03	0.04	-0.04	0.05
<b>FI</b>	-0.06	-0.15	-0.28	-0.42	-0.20	-0.33	-0.14	-0.21	-0.11	-0.12
<b>FR</b>	-0.11	-0.25	-0.13	-0.23	-0.10	-0.12	-0.05	-0.17	-0.12	-0.24
<b>GR</b>	-0.01	0.00	-0.08	-0.03	0.04	0.03	0.07	0.03	-0.24	-0.20
<b>IE</b>	-0.02	-0.03	-0.30	-0.40	-0.22	-0.22	-0.09	-0.09	-0.04	-0.14
<b>IT</b>	0.00	0.00	-0.02	-0.19	0.01	0.02	0.06	0.01	0.00	0.02
<b>NL</b>	-0.16	-0.24	-0.24	-0.38	-0.15	-0.20	-0.10	-0.15	-0.08	-0.09
<b>NO</b>	-0.09	-0.10	-0.24	-0.29	-0.23	-0.23	-0.12	-0.13	-0.12	-0.12
<b>PT</b>	-0.05	-0.08	-0.08	-0.23	-0.03	0.03	-0.03	-0.15	0.00	0.07
<b>SE</b>	-0.11	-0.16	-0.26	-0.33	-0.22	-0.24	-0.14	-0.17	-0.06	-0.11
<b>UK</b>	0.01	-0.06	-0.19	-0.39	-0.06	-0.11	-0.06	-0.24	-0.07	-0.08
<b>US</b>			-0.10	0.00	-0.10	0.00	0.02	0.00	0.04	-0.03
<b>Total</b>	-0.06	-0.07	-0.16	-0.25	-0.10	-0.10	-0.04	-0.13	-0.05	-0.06

In addition, the total figure indicates the European level, including the 16 European countries but excluding the US. As can be seen, the results highlighted in red within the figures below indicate the absence of statistical significance, and it could be relevant to the smaller sample sizes which were found in the descriptive analysis concerning the demographic information of the ethnicities by country (Table 4.3). Based on this fact, the non-statistically significant cases in Germany can be explained since the sample size of each ethnicity is less than 150, apart from for Eastern Europeans, but especially for SubAf and South Americans which have sample sizes of 9 and 8 respondents, respectively. These are not therefore appropriate with regards to statistical power. When considering that the German sample occupies quite a large portion of the total sample, country of birth needs to be investigated for better data usage in order to conduct specific ethnicity research. By cross-checking the sample sizes and the non-significant cases, apart from Germany, the other cases are sufficient to secure statistical power in the sample size for all of the five ethnicities.

[Table 4.11] Ethnic penalty regarding job quality by gender, country (pp)

Country	EE		MENA		SubAf		Asians		SA	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
<b>AT</b>	-0.25	-0.24	-0.12	-0.22	-0.13	-0.19	-0.19	-0.23	0.01	-0.17
<b>BE</b>	-0.17	-0.22	-0.16	-0.18	-0.07	-0.11	-0.07	-0.18	-0.11	-0.19
<b>CH</b>	-0.17	-0.21	-0.05	-0.11	-0.08	-0.20	-0.07	-0.12	-0.02	-0.18
<b>DE</b>	-0.09	-0.11	-0.08	-0.12	0.22	-0.33	-0.07	-0.05	0.02	
<b>DK</b>	-0.21	-0.22	-0.17	-0.20	-0.19	-0.25	-0.17	-0.24	-0.04	-0.10
<b>ES</b>	-0.33	-0.37	-0.12	-0.15	-0.12	-0.14	-0.02	-0.15	-0.16	-0.23
<b>FI</b>	-0.07	-0.15	-0.06	-0.08	-0.20	-0.17	-0.04	-0.21	0.21	0.01
<b>FR</b>	-0.12	-0.16	-0.08	-0.08	-0.10	-0.17	-0.05	-0.11	-0.08	-0.15
<b>GR</b>	-0.20	-0.31	-0.21	-0.42	-0.07	-0.08	-0.11	-0.28	-0.06	-0.19
<b>IE</b>	-0.23	-0.39	-0.03	-0.14	-0.08	-0.22	-0.11	-0.10	-0.11	-0.31
<b>IT</b>	-0.33	-0.45	-0.24	-0.29	-0.24	-0.28	-0.21	-0.33	-0.19	-0.33
<b>NL</b>	-0.19	-0.16	-0.19	-0.15	-0.12	-0.15	-0.06	-0.12	-0.04	-0.05
<b>NO</b>	-0.29	-0.23	-0.20	-0.20	-0.19	-0.18	-0.14	-0.26	-0.12	-0.18
<b>PT</b>	-0.48	-0.50	-0.21	-0.25	0.00	0.00	-0.02	-0.01	-0.10	-0.19
<b>SE</b>	-0.21	-0.18	-0.23	-0.22	-0.22	-0.29	-0.14	-0.23	-0.14	-0.19
<b>UK</b>	-0.25	-0.27	-0.03	-0.04	-0.03	-0.07	-0.08	-0.12	-0.06	-0.10
<b>US</b>			-0.11	-0.09	-0.11	-0.09	0.16	0.06	-0.18	-0.17
<b>Total</b>	-0.24	-0.30	-0.15	-0.16	-0.10	-0.14	-0.13	-0.19	-0.12	-0.21



According to Table 4.10, the most penalised ethnicity regarding employability is MENA, regardless of gender. The least penalised ethnicity is Asians for men and this is followed by South Americans, Eastern Europeans, Sub-Saharan Africans and then MENA. For migrant women, meanwhile, South Americans are the least penalised and this in turn is followed by Eastern Europeans, Sub-Saharan Africans, Asians and MENA at the European level. The most penalised ethnicity in terms of job quality is Eastern European, whereas the least penalised ethnicity is Sub-Saharan African in figures for both men and women (see Table 4.11). Based upon this brief result at the European level, a very clear trade-off pattern for Eastern Europeans regarding low job quality and high employability can be identified, while migrants from Sub-Saharan Africa could be positively selected in the European continent. More specific results can be found below, along with visualisation through the different types of graphs which were used in the previous migrant penalty section.

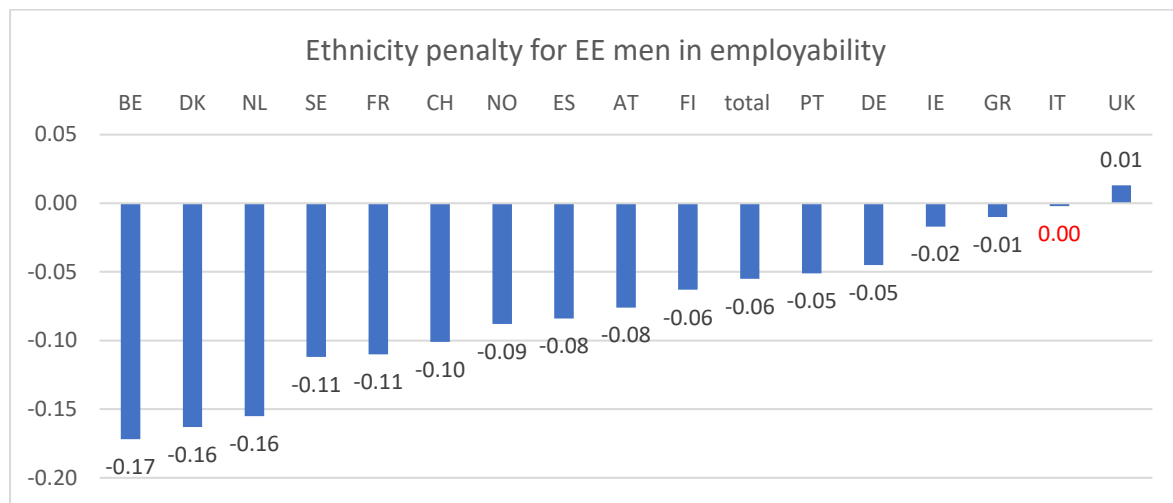
#### 1) Ethnicity penalty of Eastern Europeans

As migrant men from EE could be mostly White migrants, there are no figures for EE in the US data since it is collected based on race. Meanwhile, and except for Italy in employability, every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0). Taking this into account and examining the results, there are similar trends for EE like with migrant penalty.

Specifically, findings showed a higher penalty regarding employability in Continental and Northern Europe, but less penalisation in Mediterranean countries. Interestingly, in the UK, the employability of EE is higher than natives', standing at 1pp (see Figure 4.16).

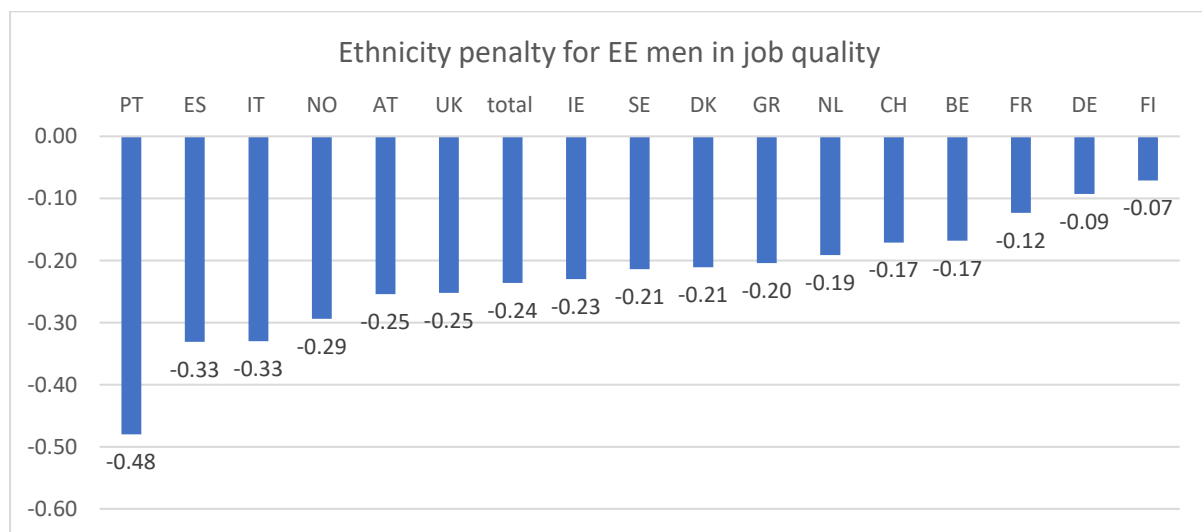
In terms of job quality, the highest penalisation among the 16 case countries is in the Mediterranean countries, except for Greece. Meanwhile, Germany and Finland revealed the lowest EE penalty with respect to natives by showing differences of -9pp and -7pp, respectively (see Figure 4.17).

[Figure 4.16] Eastern European men’s ethnicity penalty in employability



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

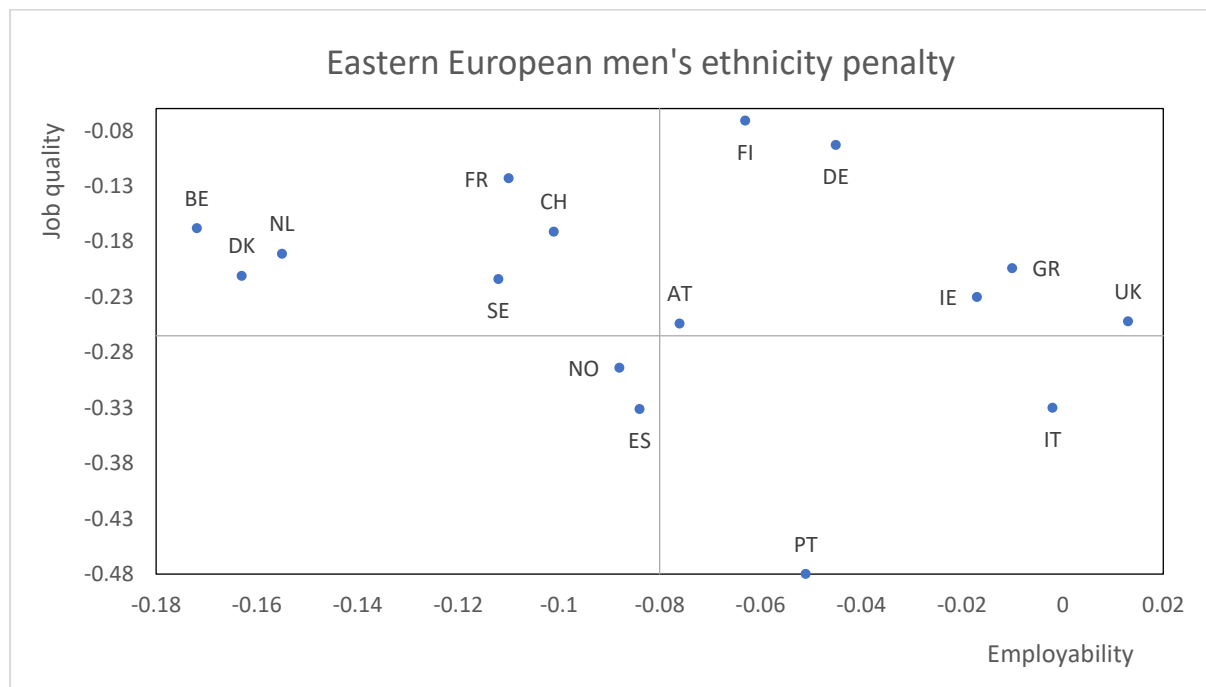
[Figure 4.17] Eastern European men’s ethnicity penalty in job quality



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

According to the quadrant matrix and correlation analysis coefficient (-.26), a clearly low degree of negative relationship between job quality and employability can be found across countries. In general, therefore, migrant men from EE have the tendency to trade-off in either way in terms of labour market outcomes (with low or high employability and job quality) in the 16 European countries (see Figure 4.18 and Table 4.12).

[Figure 4.18] Eastern European men's ethnicity penalty quadrant matrix



[Table 4.12] Correlation between employability and job quality for EE men

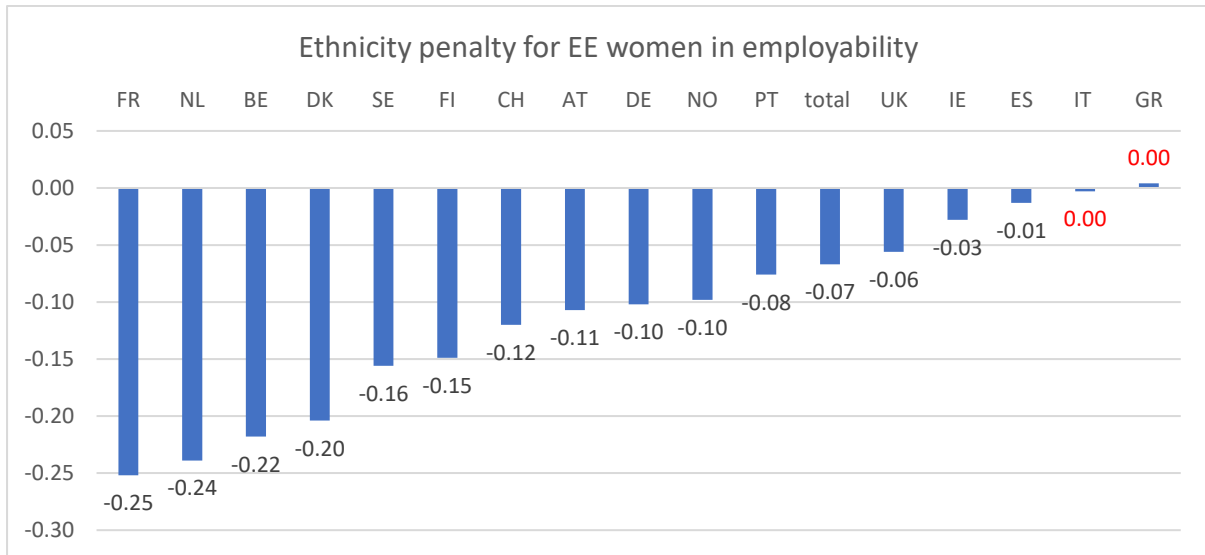
Men	Employability	Job quality
Employability	1.00	
Job quality	-.26	1.00

EE migrant women also showed a strong trade-off pattern regarding high employability and low job quality, especially in the Mediterranean countries, even though the figure of employability in Italy and Greece is not statistically significant ( $p > .05$ , CI overlapping with 0). Interestingly, the penalty regarding job quality in Portugal is revealed to be the highest at -48pp (man) and -50pp (woman) regardless of gender, while the employability penalty was revealed to be highest in Continental Europe rather than Northern Europe when women are compared to migrant men. This could also reflect the benefits received from work-family reconciliation policies for woman workforces (see Figures 4.19 and 4.20).

Similarly to migrant men, migrant women from EE showed a negative relationship between employability and job quality across the 16 countries in the quadrant matrix. Plus, the degree of the coefficient in the correlation analysis showed a much larger negative relationship (-.69) than with migrant men (-.26). This can be interpreted as an indication that EE migrant women

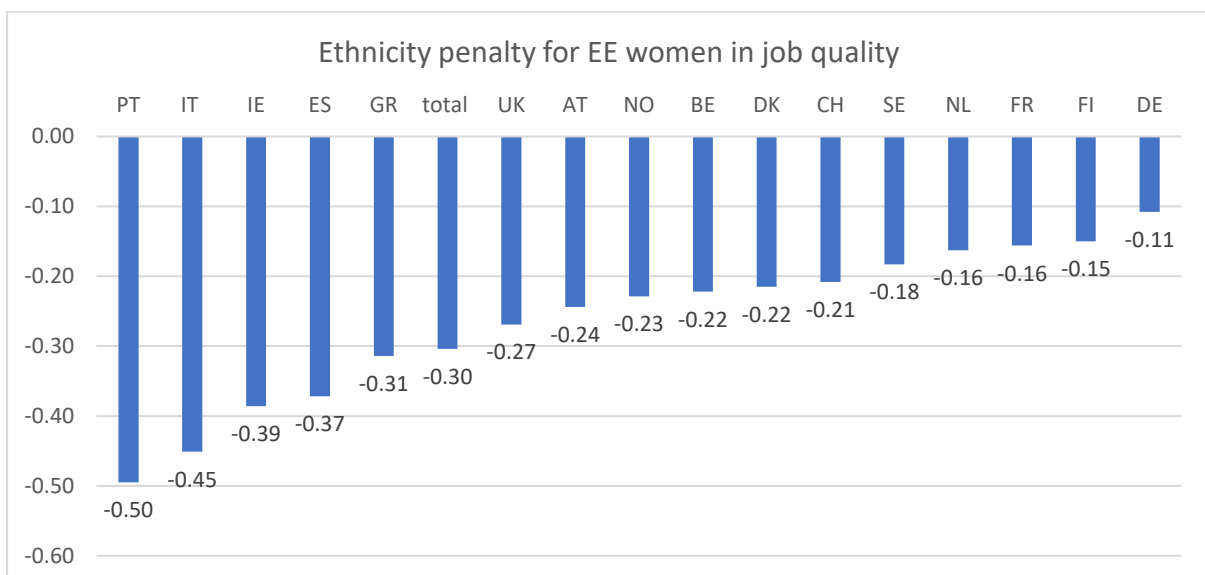
have a stronger trade-off tendency than EE migrant men between employability and job quality across European countries (see Figure 4.21 and 4.13).

[Figure 4.19] Eastern European women’s ethnicity penalty in employability



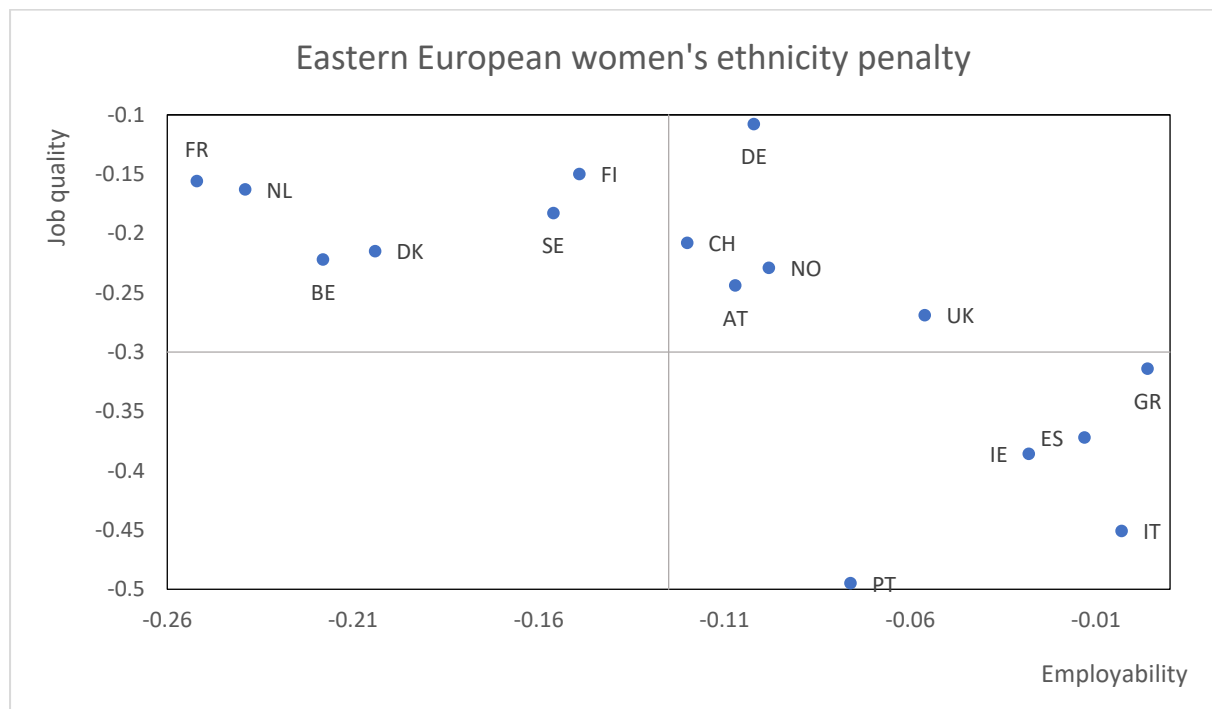
Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.20] Eastern European women’s ethnicity penalty in job quality



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

[Figure 4.21] Eastern European women’s ethnicity penalty quadrant matrix



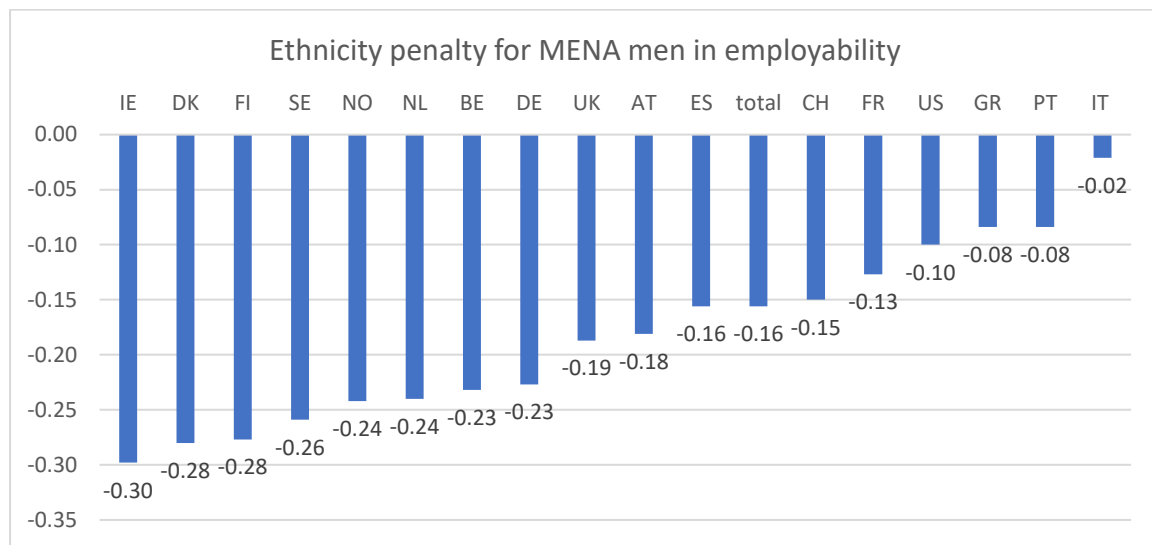
[Table 4.13] Correlation between employability and job quality for EE women

Women	Employability	Job quality
Employability	1.00	
Job quality	-.69	1.00

## 2) Ethnicity penalty of Middle Eastern and North Africans

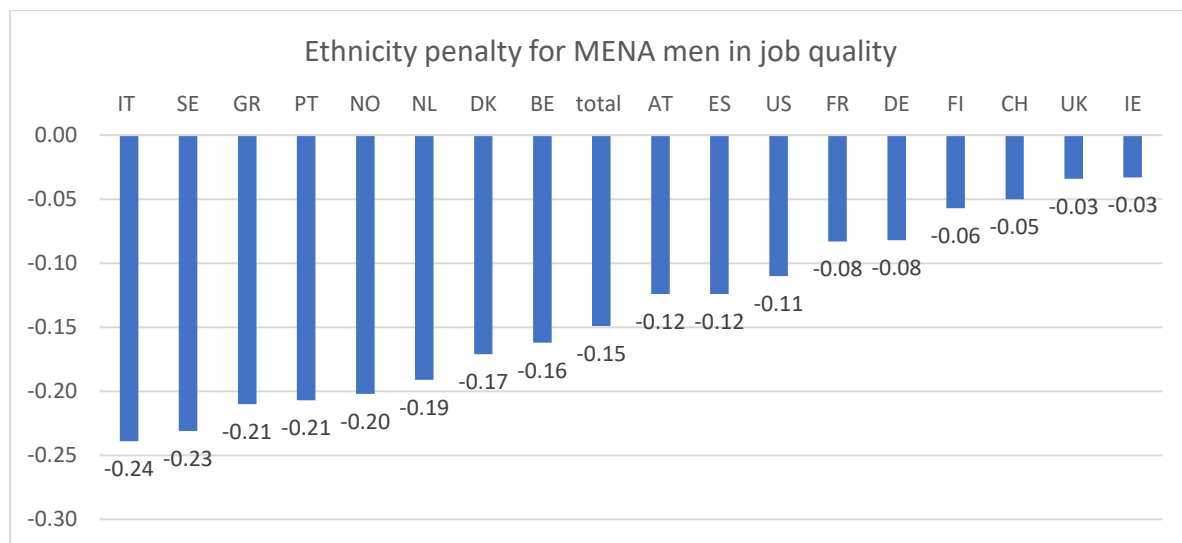
The second ethnicity considered is that of Middle Eastern and North African (MENA) migrants which is expected to be the most penalised in European countries based on locational inequality, as can be seen in the first hypothesis. The range of the penalty with respect to natives turned out to be larger than with EE migrant men (-17pp to 1pp), ranging from -30pp to -2pp in employability (see Figure 4.22). In terms of job quality, MENA migrant men are posited in a better situation of between a -24pp and -3pp penalty compared to EE counterparts (with a -50pp to -11pp penalty for the latter) (see Figure 4.23).

[Figure 4.22] Middle Eastern and North African men’s ethnicity penalty in employability



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

[Figure 4.23] Middle Eastern and North African men’s ethnicity penalty in job quality



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

In terms of the migrant penalty pattern, the quadrant matrix and correlation analysis show a negative relationship (-.28) between employability and job quality. This means that MENA migrant men also show a low degree of trade-off pattern like EE, but they are much more

penalised in terms of employability so that a double penalty can be found for MENA (see Figure 4.24 and Table 4.14).

[Figure 4.24] Middle Eastern and North African men’s ethnicity penalty quadrant matrix



[Table 4.14] Correlation between employability and job quality for MENA men

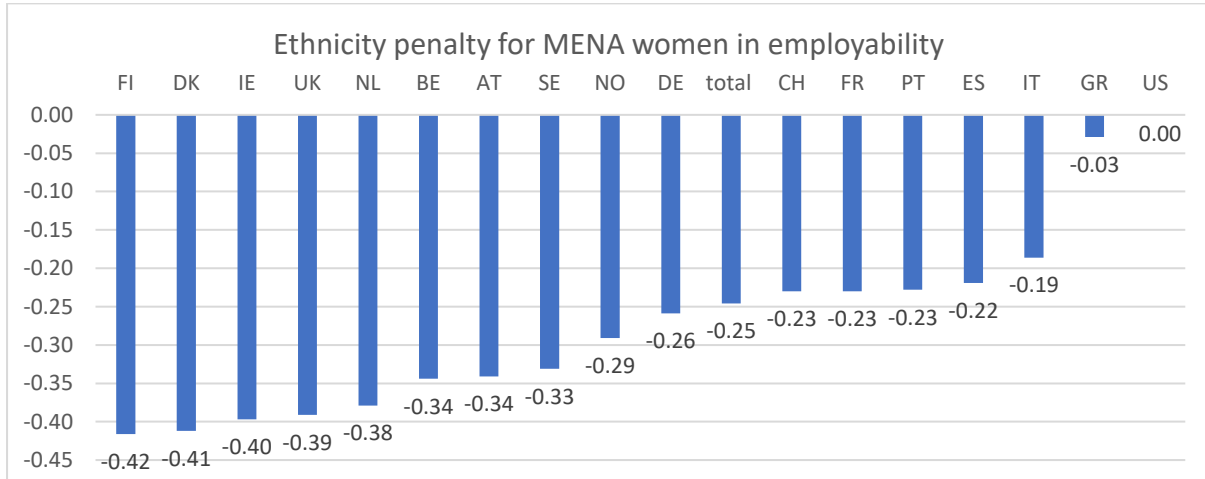
Men	Employability	Job quality
Employability	1.00	
Job quality	-.28	1.00

MENA migrant women are much more penalised with respect to natives than migrant men (-30pp to -2pp), ranging from the low of -42pp to 0pp, apart from in the US and Greece in terms of employability. An impressive point here is that, even though MENA migrant women are constantly penalised throughout 15 European countries with penalties ranging from around -40pp to -20pp, only in Greece is the penalty drastically reduced (see Figure 4.25).

However, in terms of job quality (see Figure 4.26), migrant women in Greece occupy unskilled job positions most among the subject countries, standing at -.42pp. This is more than with MENA migrant men (-21pp), although the figure for woman employability in Greece is higher

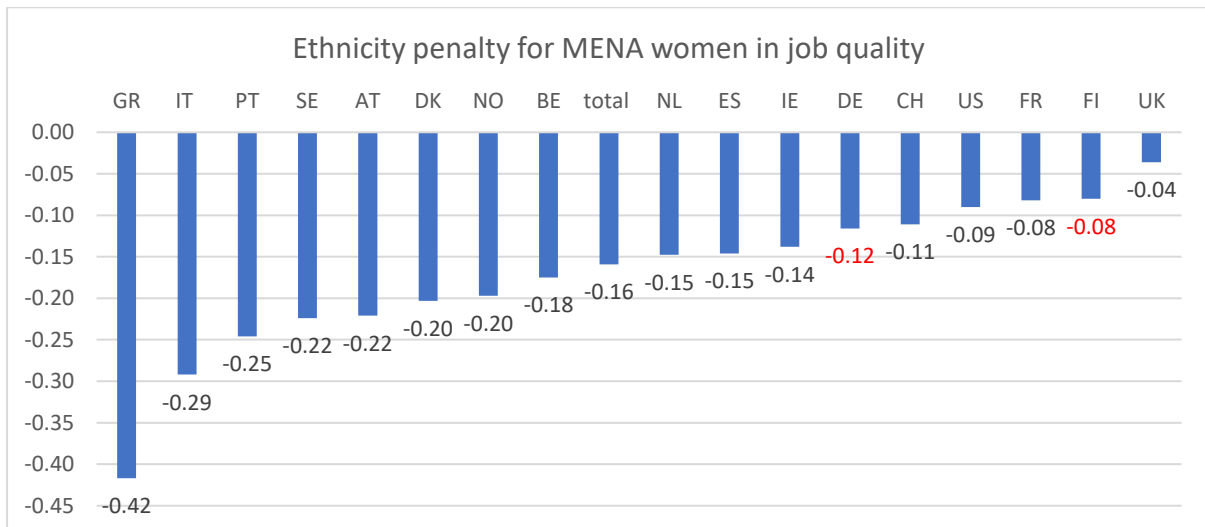
(-.3pp) than the men's (-.8pp). The figures for Germany and Finland are not statistically significant ( $p>.05$ , CI overlapping 0) for job quality.

[Figure 4.25] Middle Eastern and North African women's ethnicity penalty in employability



Note: Every coefficient is statistically significant ( $p<.05$ , CI not overlapping 0)

[Figure 4.26] Middle Eastern and North African women's ethnicity penalty in job quality



Note: The red colour indicates the absence of statistical significance ( $p>.05$ , CI overlapping 0)

According to the quadrant matrix, the dispersion of the plots revealed a negative relationship (-.37) between employability and job quality and the correlation is stronger than with migrant



men (-.28). Hence, the positive selection of MENA women in the labour market can be expected more than with men counterparts (see Figure 4.27 and Table 4.15).

[Figure 4.27] Middle Eastern and North African women’s ethnicity penalty quadrant matrix



[Table 4.15] Correlation between employability and job quality for MENA women

Women	Employability	Job quality
Employability	1.00	
Job quality	-.37	1.00

### 3) Ethnicity penalty of Sub-Saharan Africans

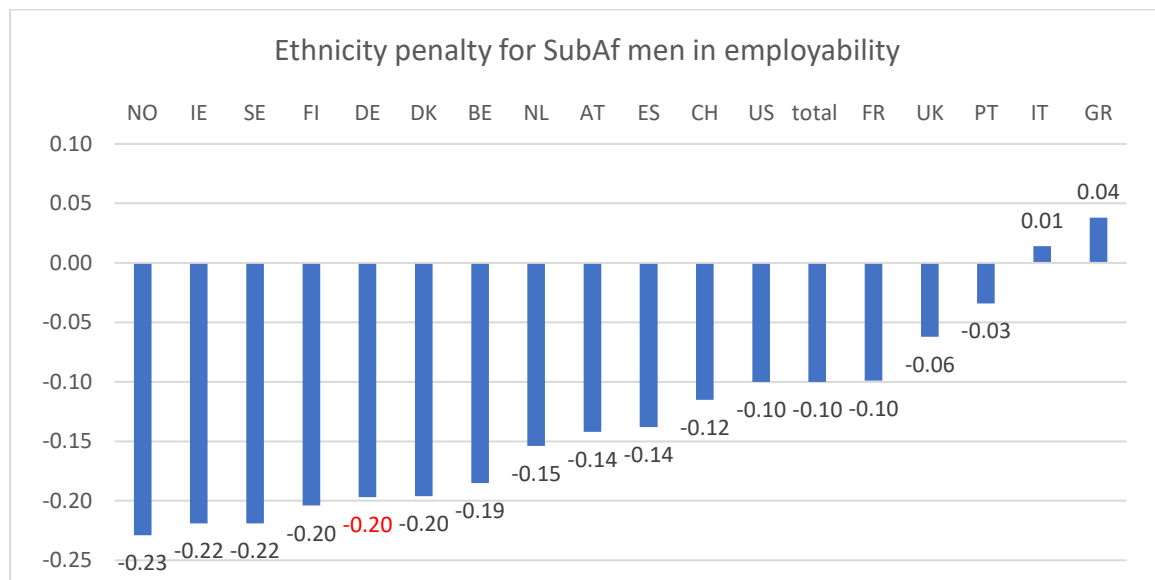
Sub-Saharan African’s ethnicity penalty is separately conducted along with MENA since its geographical distance is much farther from the European continent, as well as because there are clear religious or cultural differences between them. Around more than 60% of the population in Sub-Saharan Africa has a Christian background, for instance, unlike in MENA where Islam is the most prevalent religion throughout the region.

Furthermore, as can be seen in the descriptive analysis the sample size for Sub-Saharan Africans (162,949) is much smaller than for MENA (290,987), and even that for Asians (180,444). In this regard, Germany, where the sample for SubAf is comprised of only 9 subjects, resulted in an absence of statistical significance in both measures irrespective of gender. Statistical significance in job quality also could not be found in Portugal for both genders.

Predicated upon this fact, SubAf migrant men seem to be more positively selected compared to EE and MENA counterparts since the penalty is lesser than it is for these others in both measures. Specifically, 6pp and 14pp lower penalties in employability and job quality are found when comparing to MENA and EE migrant men, respectively by standing at -23pp in employability and -24pp in job quality with respect to natives (see Figure 4.28 and Figure 4.29).

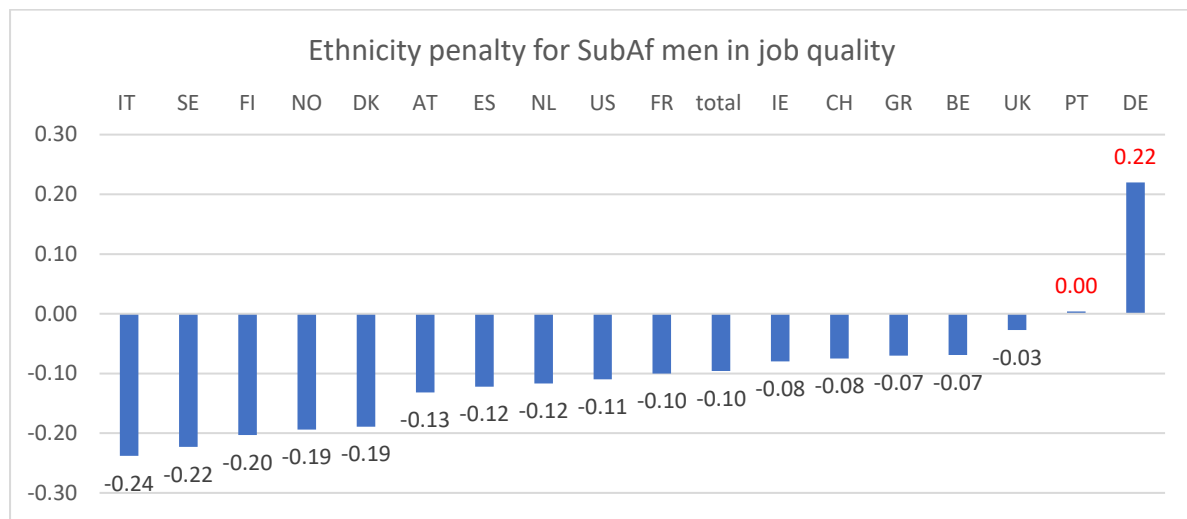
Moreover, the distribution of the quadrant matrix which explains the relation between job quality and employability shows a positive relation. Although the relation is to a low degree as the coefficient stands at .07, this fact explains that once SubAf migrant men are employed they could have high job quality which reflects the possibility of positive selection for them in the labour market (see Figure 4.30 and Table 4.16).

[Figure 4.28] Sub-Saharan African men’s ethnicity penalty in employability



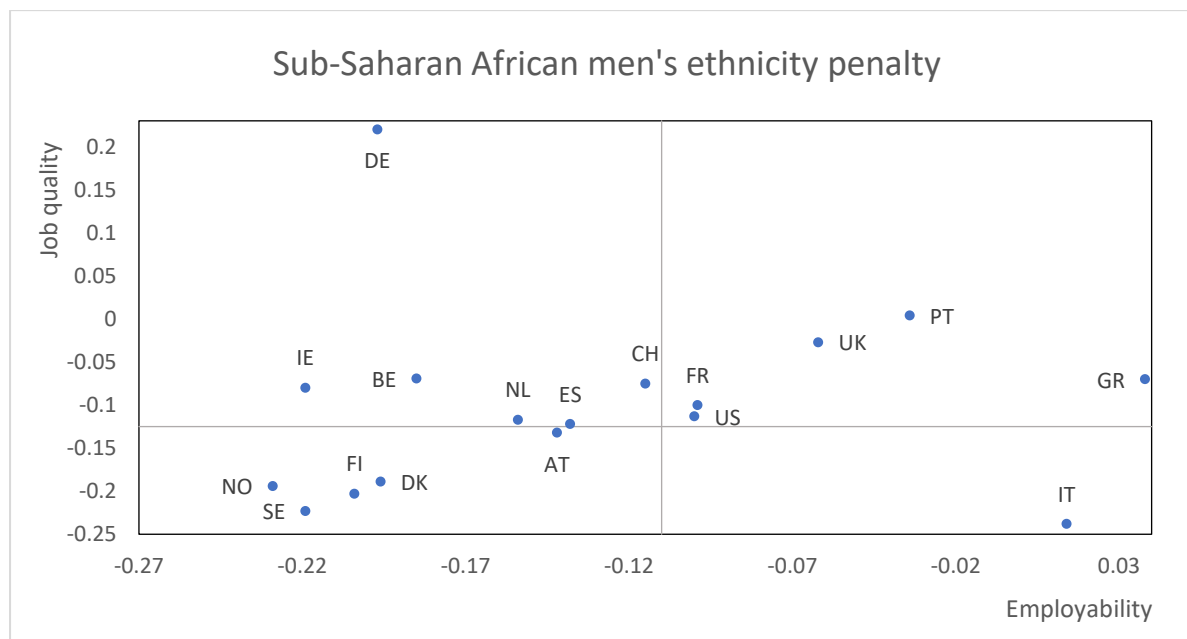
Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.29] Sub-Saharan African men’s ethnicity penalty in job quality



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.30] Sub-Saharan African men’s ethnicity penalty quadrant matrix

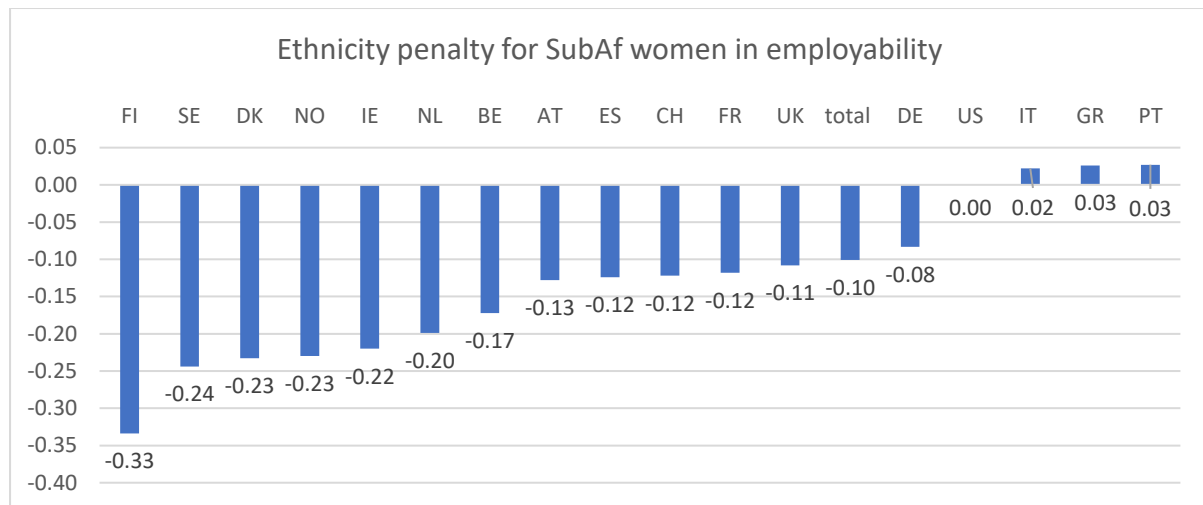


[Table 4.16] Correlation between employability and job quality for SubAf men

Men	Employability	Job quality
Employability	1.00	
Job quality	.07	1.00

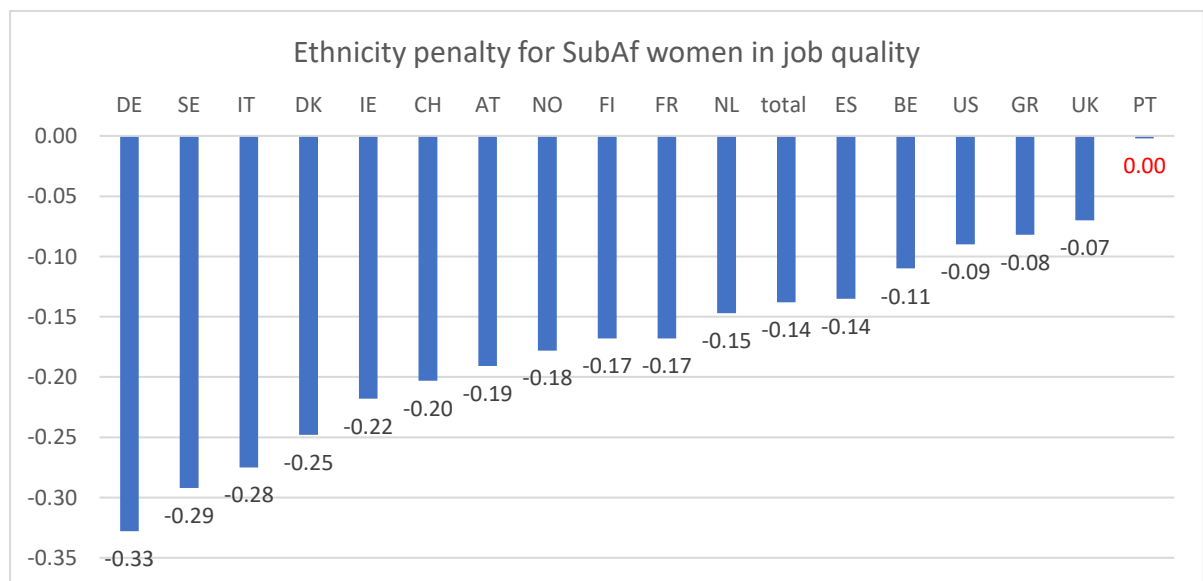
Interestingly, Portugal shows a 3pp better employability for SubAf migrant women compared to natives, and an equal probability of being in a skilled job position which stood at a 0pp migrant penalty; although this job quality figure is not statistically significant. Likewise, Greece also shows better employability and only a -8pp penalty in job quality compared to natives (see Figures 4.31 and 4.32).

[Figure 4.31] Sub-Saharan African women’s ethnicity penalty in employability



Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

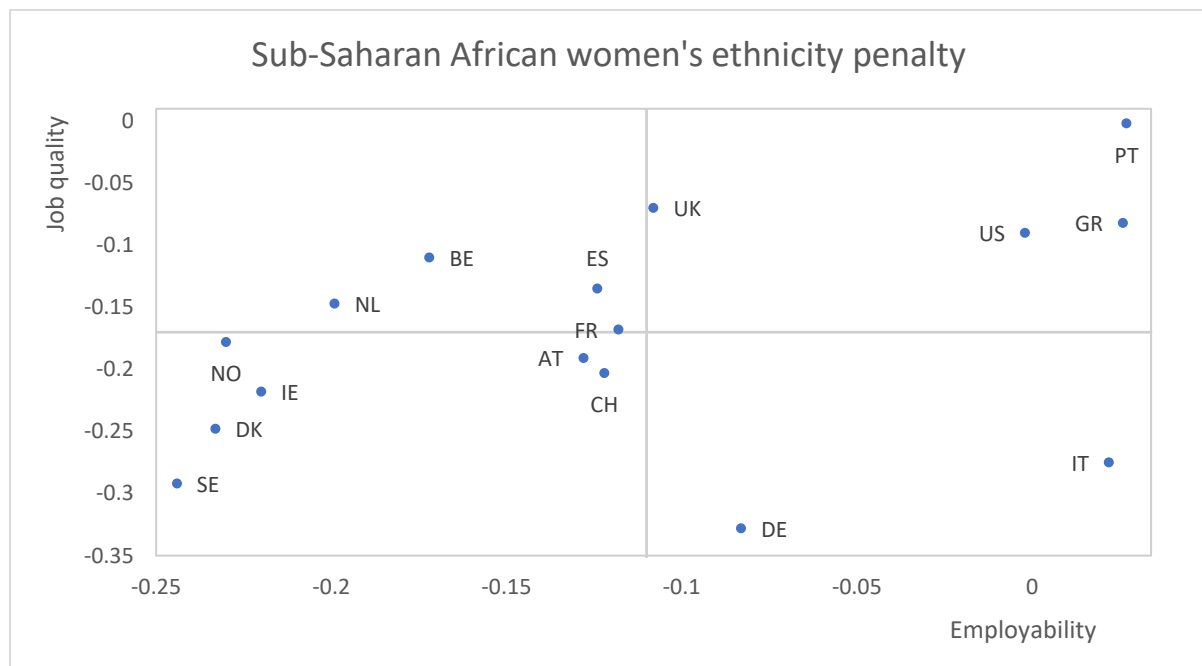
[Figure 4.32] Sub-Saharan African women’s ethnic penalty in job quality



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

This is a somewhat different pattern to Italy, revealing a trade-off regarding high employability (2pp) yet low job quality (-28pp). This pattern can similarly be found in Germany as it is indicated as the most penalised country (-33pp) regarding job quality despite better performance in employability (-8pp). On the other hand, there is quite a strong employability penalty in Scandinavian countries and a double penalty can even be seen in Sweden and Denmark (see Figures 4.31 and 4.32).

[Figure 4.33] Sub-Saharan African women’s ethnicity penalty quadrant matrix



[Table 4.17] Correlation between employability and job quality for SubAf women

Women	Employability	Job quality
Employability	1.00	
Job quality	.35	1.00

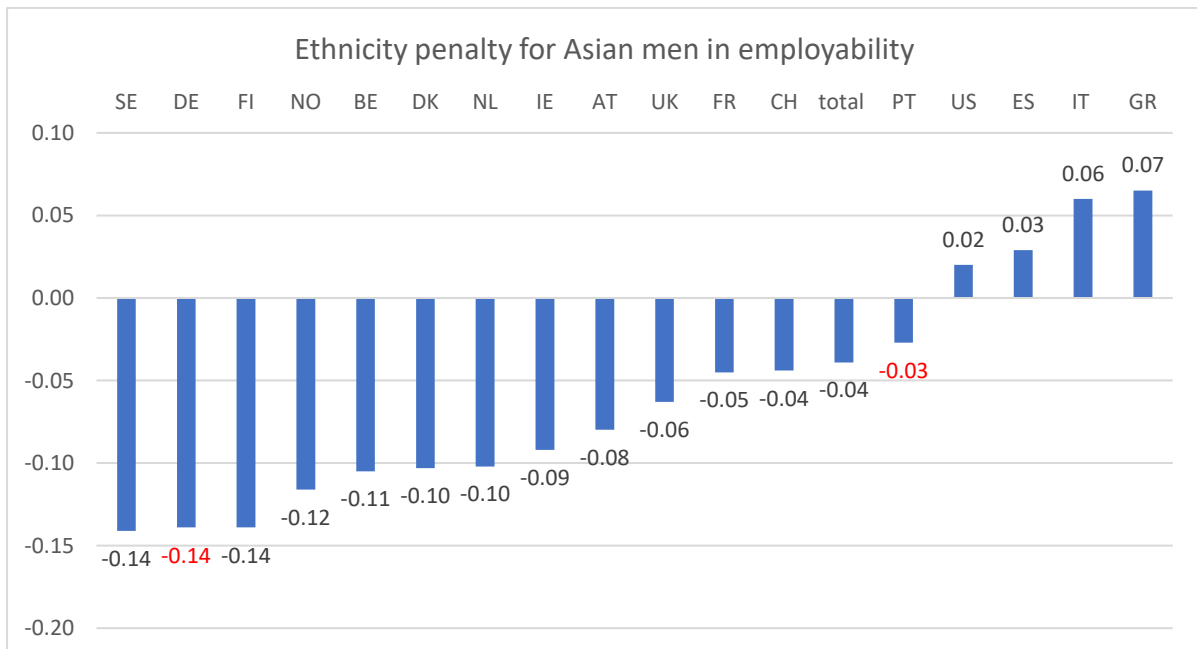
When it comes to the pattern of ethnic penalty for women at the European level, it shows a positive trend which can be seen in the quadrant matrix. Moreover, the correlation coefficient is higher than that for migrant men by standing at .35 (see Figure 4.33 and Table 4.17). This means there is a moderately positive relation between employability and job quality. Therefore, it can be interpreted that, if SubAf migrant women are more employed in a European country,

there is a higher chance for them to be less penalised in taking high-skilled positions with respect to natives. This trend could be found more notably among woman cases compared to migrant men.

#### 4) Ethnicity penalty of Asians

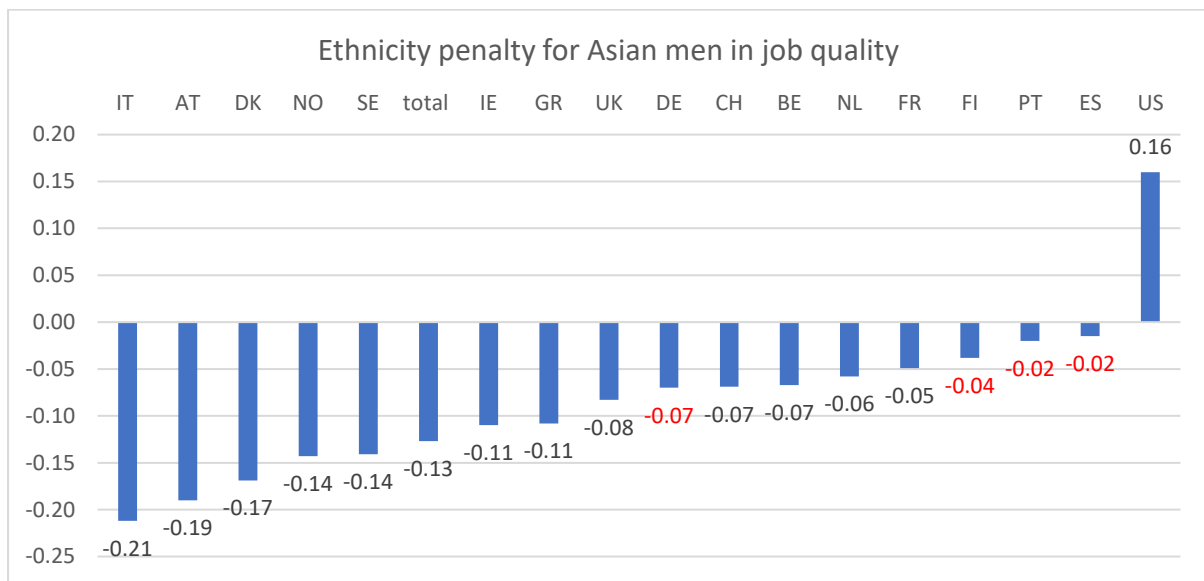
The man migrant penalty for Asians is relatively less than that of EE, MENA and SubAf in both measures, as can clearly be seen in the relevant bar graphs. That said, the results from Portugal in employability, as well as for Germany, Finland, Portugal and Spain in job quality, are not statistically significant ( $p > .05$ , CI overlapping with 0). Asian migrants in Spain, Italy and Greece showed higher performance in employability, while the US revealed better outcomes in both measures with respect to natives, and especially for the job quality of migrants. Here, they have a 16pp higher probability to be posited in skilled jobs (see Figures 4.34 and 4.35).

[Figure 4.34] Asian men’s ethnicity penalty in employability



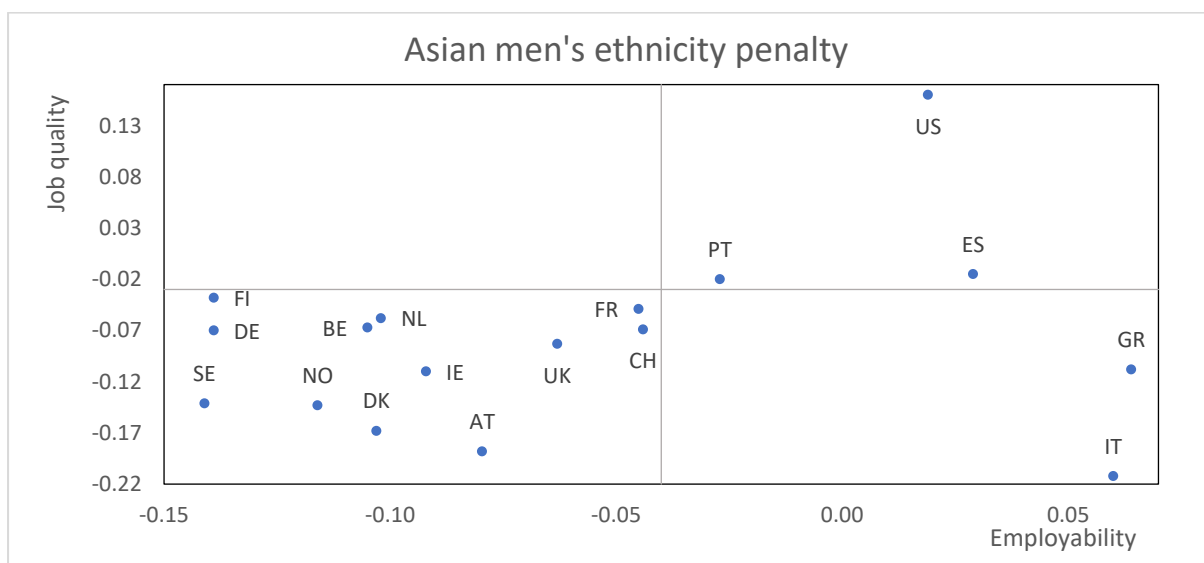
Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.35] Asian men’s ethnicity penalty in job quality



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.36] Asian men’s ethnicity penalty quadrant matrix



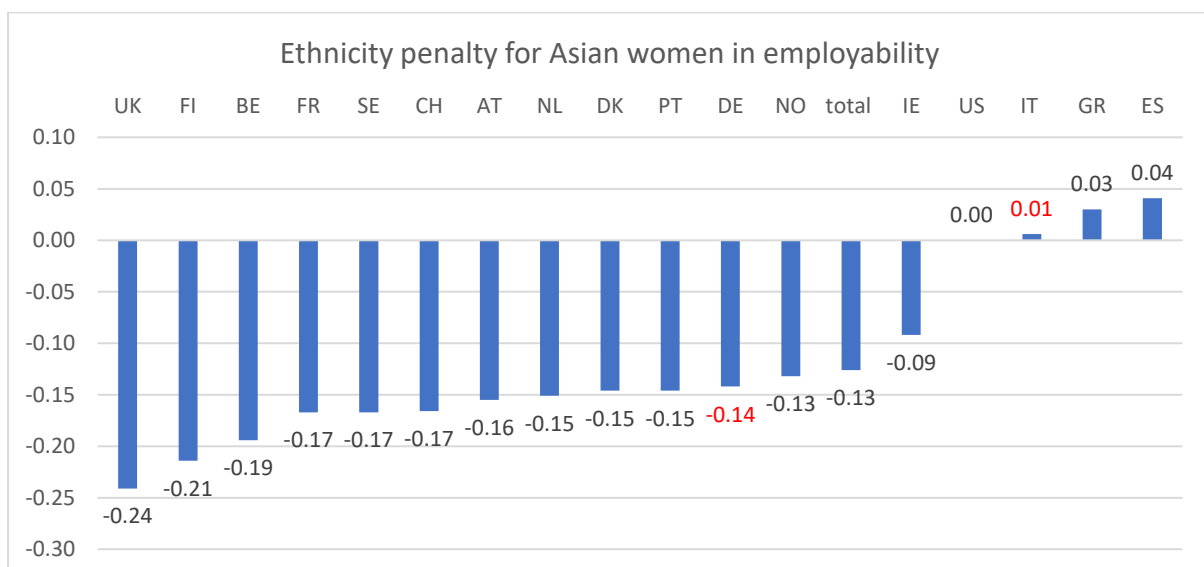
[Table 4.18] Correlation between employability and job quality for Asian men

Men	Employability	Job quality
Employability	1.00	
Job quality	.19	1.00

Based on the correlation analysis, migrant men from Asia also have a positive relation between job quality and employability (.19) which is slightly higher than their SubAf counterparts. However, unlike SubAf, the level of employability is less penalised so that the population in general are preferred by employers, especially for skilled job positions (see Figure 4.36 and Table 4.18). Therefore, the economic development of Asia which seems mutually associated with traditional preferences for human capital investment could positively affect Asians' better performance in both employability and job quality when compared to the other ethnicities; as expected in the first hypothesis.

On the other hand, Asian migrant women are more penalised by around a 10pp difference across countries when compared to migrant men in both measures. They are similarly penalised when compared to SubAf migrant women in job quality, ranging between a -33pp to 0pp penalty, apart from in the US where Asian women show a 6pp higher job quality than White women. Another interesting point is that, in the US, Italy, Greece and Spain there is higher employability with respect to natives for Asian migrant women, matching the result for migrant men, although statistical significance cannot be found in the case of Italy ( $p > .05$ , CI overlapping 0) (see Figures 4.37 and 4.38).

[Figure 4.37] Asian women's ethnicity penalty in employability

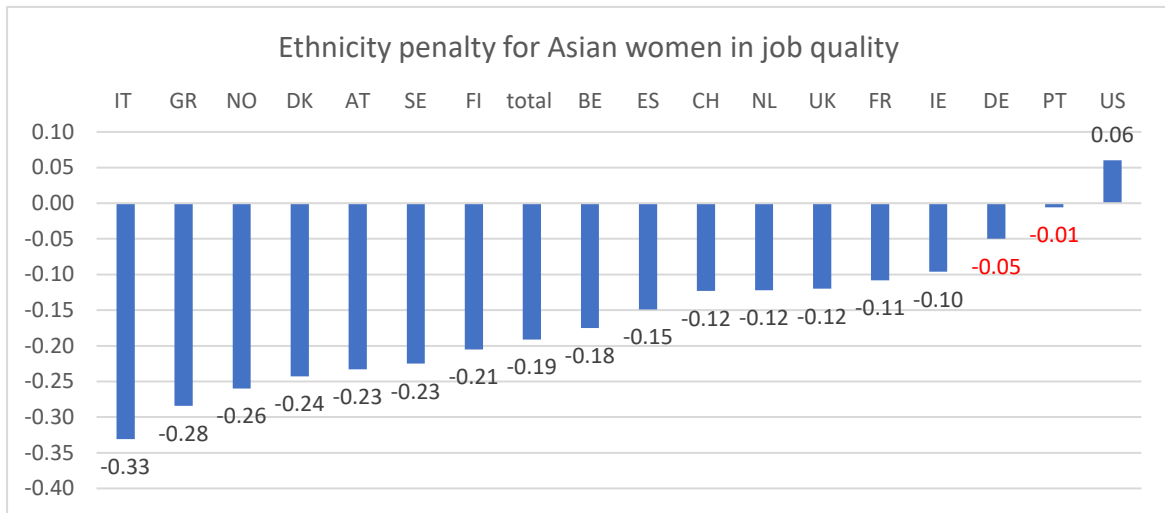


Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)



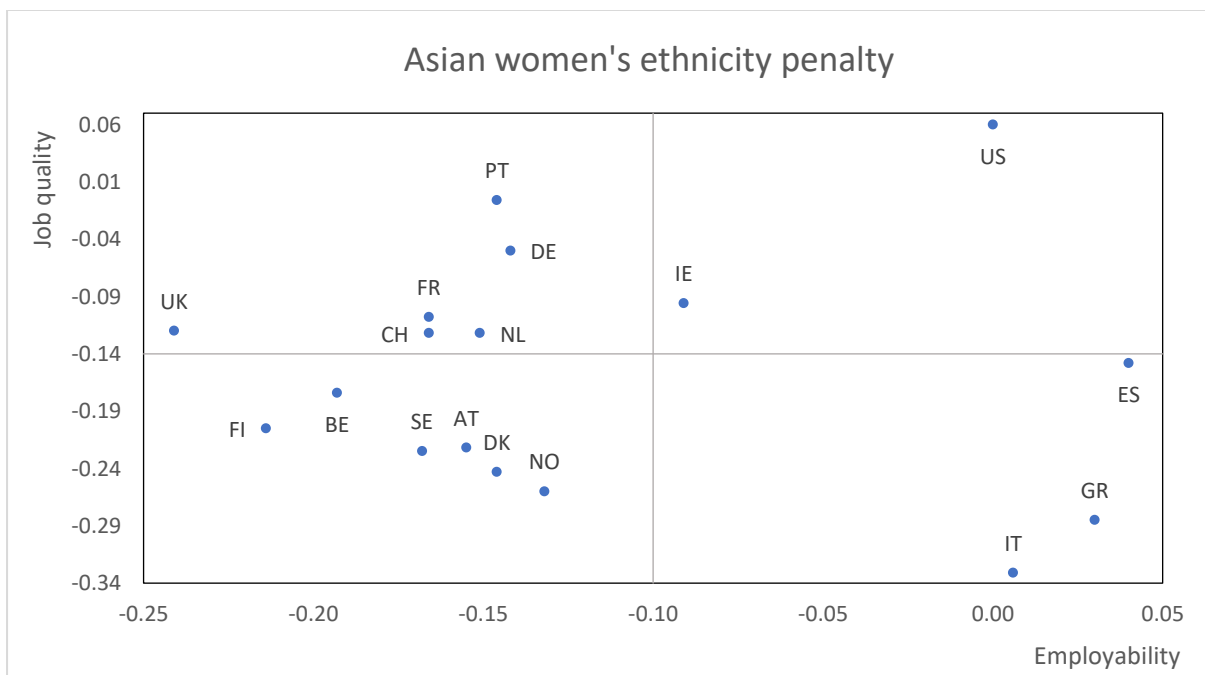
In terms of job quality, there are strong trade-off patterns regarding low job quality and high employability which occurred in Italy and Greece, whereas Spain showed the opposite trade-off pattern and the US even revealed a migrant advantage like Asian migrant men; here indicating a 0pp and 6pp positive difference in employability and job quality, respectively.

[Figure 4.38] Asian women’s ethnicity penalty in job quality



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.39] Asian women’s ethnicity penalty quadrant matrix



[Table 4.19] Correlation between employability and job quality for Asian women

Women	Employability	Job quality
Employability	1.00	
Job quality	-.09	1.00

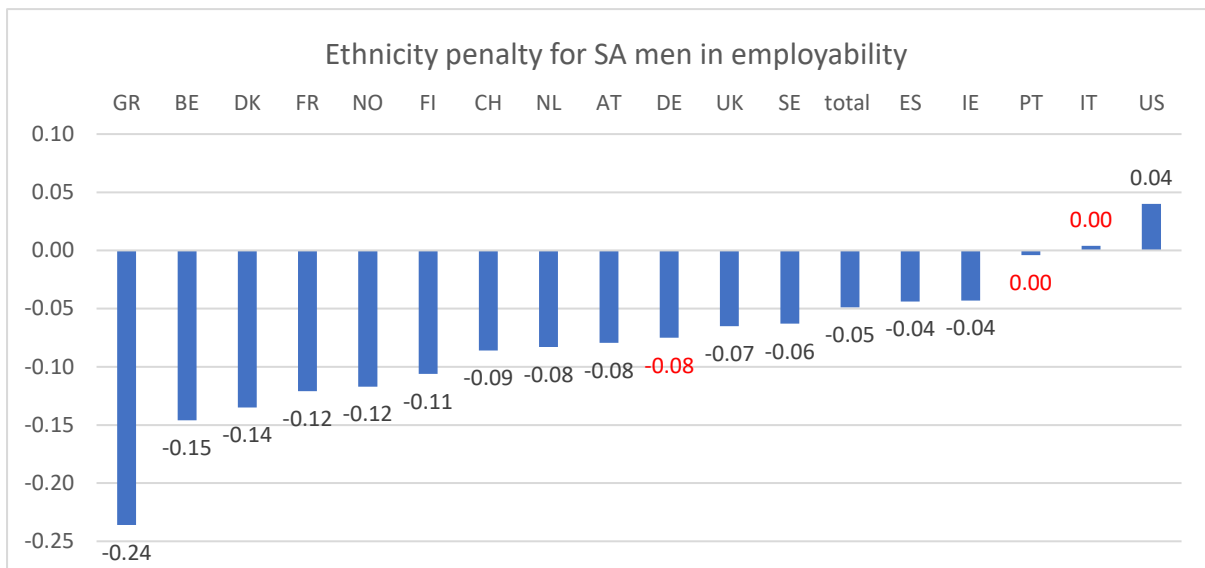
However, the correlation between employability and job quality showed a negative relationship which is represented by a -.09 coefficient. As a result, a low degree of trade-off tendency in either direction could be found generally throughout the 17 countries, unlike with migrant men (see Figure 4.39 and Table 4.19).

#### 5) Ethnicity penalty of South Americans

Last but not least, the ethnicity penalty for South American men was analysed across the 17 countries, and the results are analogous with Asian migrant men. They are relatively less penalised, with a penalty from -15pp to 4pp, with a higher performance level in the US with respect to natives in terms of employability. Apart from Italy, Portugal and Germany in employability, alongside Denmark, Switzerland and Germany in job quality, every figure is statistically significant in both measures ( $p < .05$ , CI not overlapping with 0).

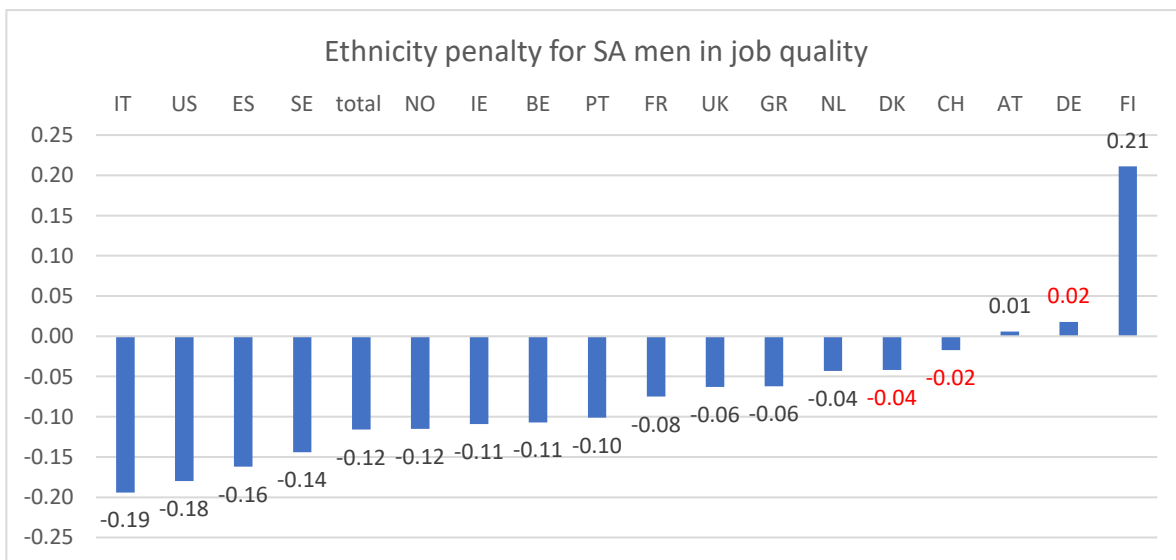
Interesting cases here are the US and Finland since, as hypothesised about locational inequality, South Americans in the US showed better employability than natives while job quality is the second highest penalised (-18pp) after Italy (-19pp). This reflects how low-skilled migrants from South America could commonly migrate to the US due to the adjacent geographical positioning. Finland, meanwhile, clearly showed a trade-off pattern regarding high job quality and low employability since a strong native penalty or migrant advantage can be found in job quality. This was indicated by a 21pp higher probability for migrants to be employed in a skilled position (see Figures 4.40 and 4.41).

[Figure 4.40] South American men’s ethnicity penalty in employability



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.41] South American men’s ethnicity penalty in job quality

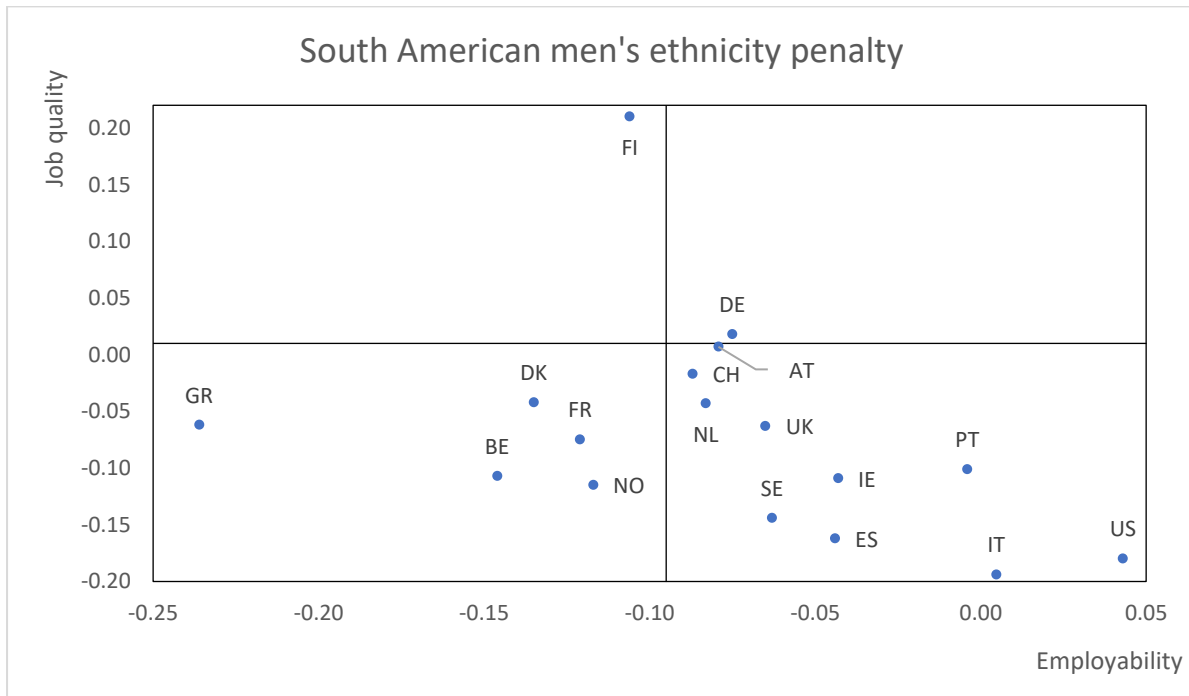


Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

Nevertheless, in general SA migrant men have the opposite trade-off pattern unlike in Finland. This can be seen in the quadrant matrix since most countries were allocated into the fourth matrix square. Therefore, according to the correlation analysis which revealed a  $-0.39$  coefficient and the above results, the SA ethnicity penalty has a moderately negative relationship between

employability and job quality and it could be found mostly in high employability and low job quality situations across the 17 subject countries (see Figure 4.42 and Table 4.20).

[Figure 4.39] South American men’s ethnicity penalty quadrant matrix



[Table 4.20] Correlation between employability and job quality for SA men

Men	Employability	Job quality
Employability	1.00	
Job quality	-.39	1.00

The SA women’s ethnicity penalty is somewhat similar in employability compared to migrant men, while job quality is much more penalised; especially in Italy and Ireland for which the figures stood respectively at -33pp and -31pp. The German case in both measures needs to be explained since the figure for job quality was reported to be ‘empty’ during the analysis. This is related to their employability standing at a -71pp difference with respect to natives.

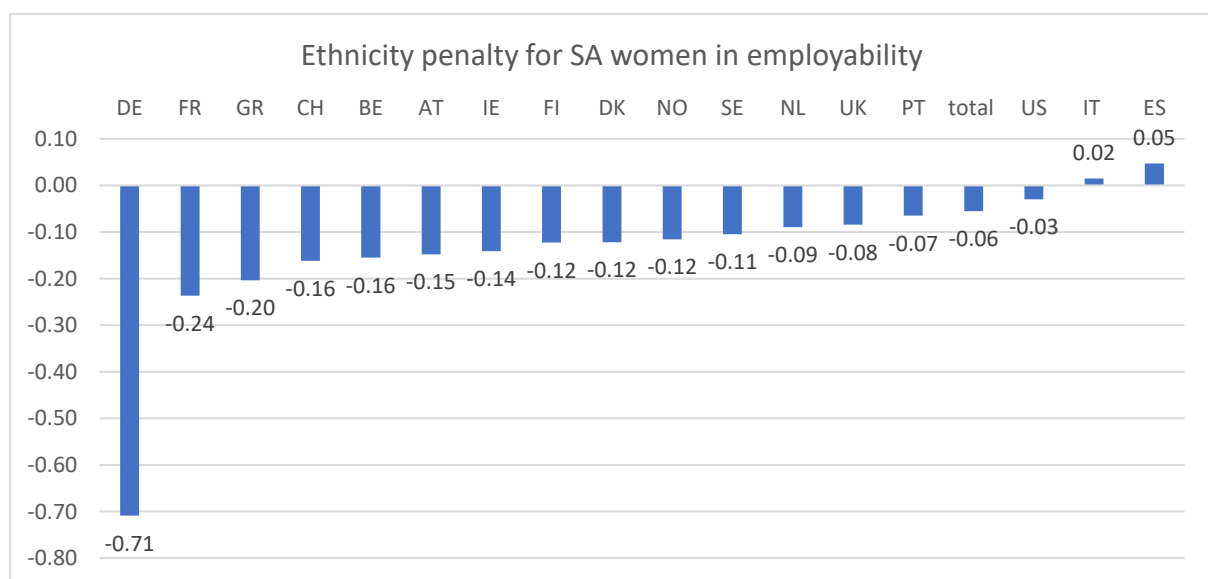
In this regard, there is a high chance that South American migrant women are hardly employed within the population, or that there exists no SA woman workforce in Germany, so that there is no reported data for job quality and around a -70pp difference between migrants and natives

in employability. As a result of this, Germany is removed from among the figures for job quality. In this case, the latter explanation is more convincing since in Germany there was only a sample size of 8 for SA, regardless of gender, and so statistical significance was not found.

Nevertheless, migrant women from SA are less penalised or even advantaged in terms of employability in the US, Italy and Spain. The better employability than natives in Italy and Spain could be elaborated upon more specifically, along with the low job quality in the countries. The native woman workforce in these countries is well known for very low labour participation as they have a familialism welfare regime and less developed public care services. This means that atypical contracts could be fulfilled by SA migrant women who have the same or similar language skills to any of the other ethnicities.

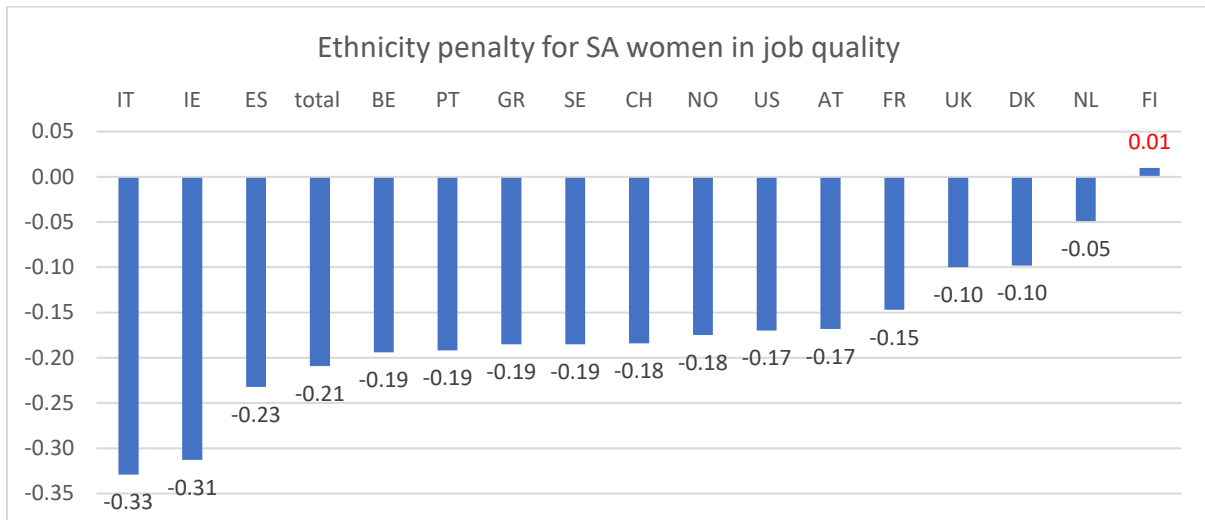
Finland is also an interesting case for SA migrants regardless of gender, although migrant women are not as highly advantaged as migrant men in job quality; it turned out to be 1pp higher than natives despite no statistical significance being present ( $p > .05$ , CI overlapping with 0). Meanwhile, according to correlation analysis, the dispersion of the country plots (with Germany removed due to aforementioned reasons) is uncovered as reflecting a meek negative relationship between employability and job quality, presenting a  $-.07$  coefficient (see Figures 4.43, 4.44, 4.45, and Table 4.21).

[Figure 4.43] South American women’s ethnicity penalty in employability



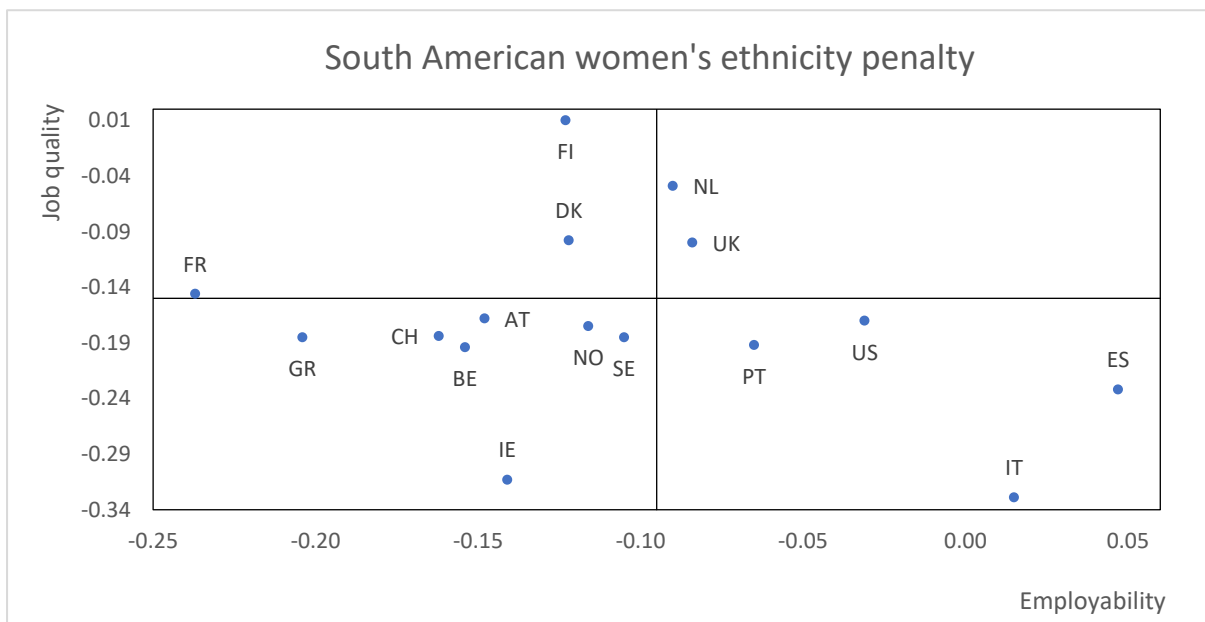
Note: Every coefficient is statistically significant ( $p < .05$ , CI not overlapping 0)

[Figure 4.44] South American women’s ethnicity penalty in job quality



Note: The red colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0)

[Figure 4.45] South American women’s ethnicity penalty quadrant matrix



[Table 4.21] Correlation between employability and job quality for SA women

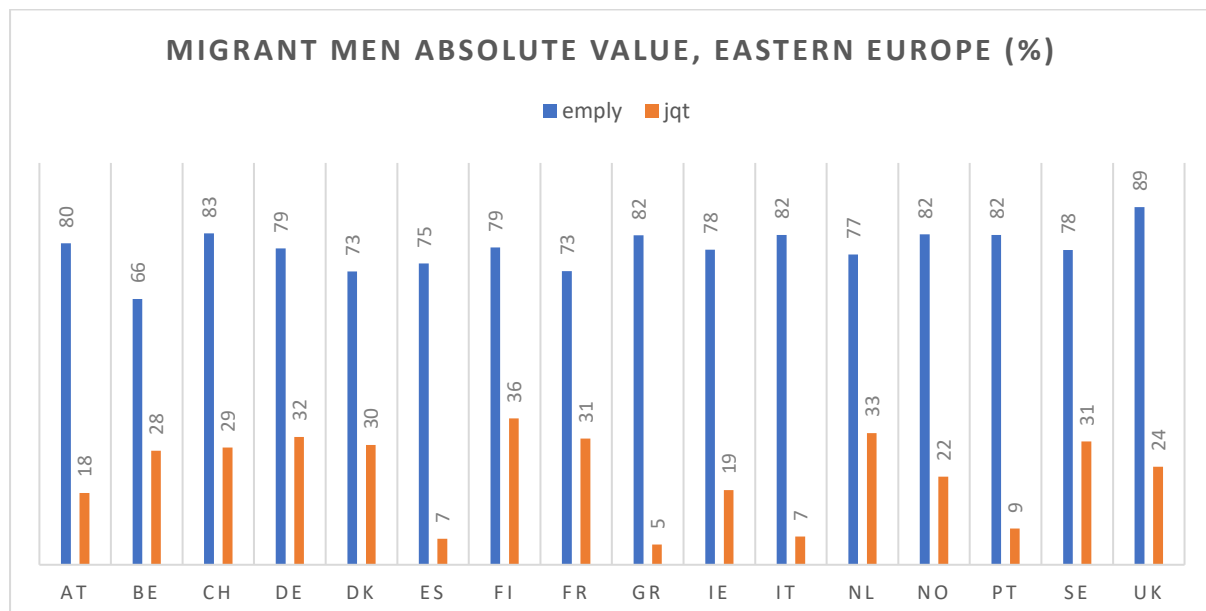
Women	Employability	Job quality
Employability	1.00	
Job quality	-.07	1.00

## 6) Absolute value of employability and job quality by ethnicity

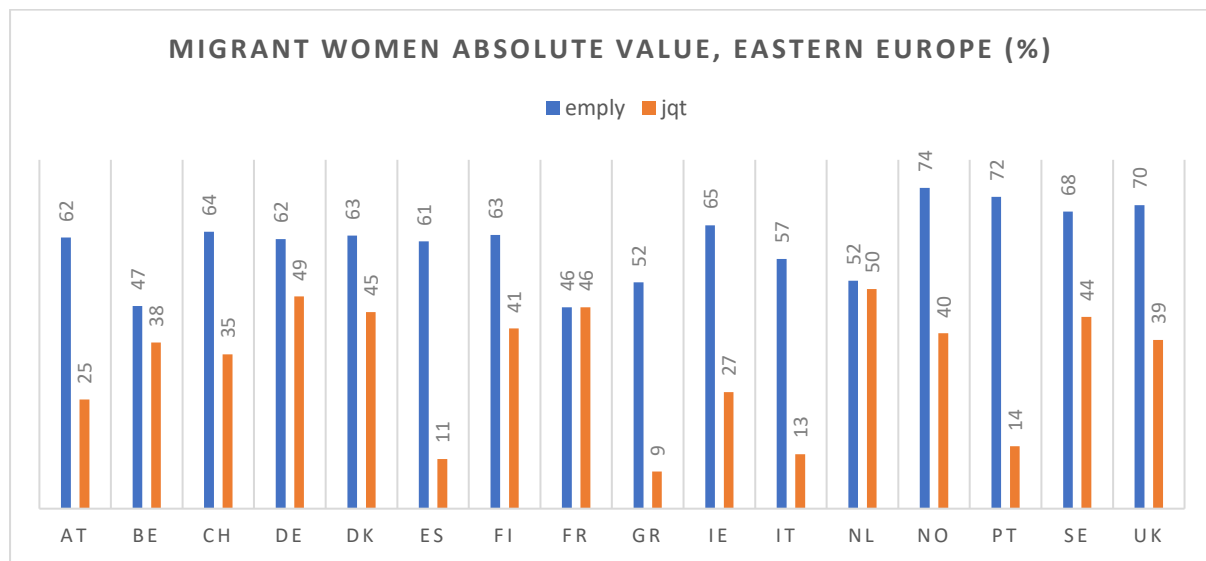
Following the same idea as for migrant penalty, the absolute values of employability and job quality are analysed with the five ethnicities. Accordingly, the result does not indicate the difference with respect to natives but reveals the rates by which migrants employed (employability) or posited in a skilled position (job quality) within each particular ethnicity. The absolute value is investigated through proportion analysis with the same sample as that for migrant penalty. It therefore explains how many migrants from a particular ethnicity possibly perform in relation to their labour market outcomes within the population. Both outcomes (employability and job quality) are presented simultaneously in each figure by gender and according to ethnicity.

In terms of migrant men from Eastern Europe, and apart from Belgium, every country shows an employability of at least 73% so that 66% (Belgium) to 89% (the UK) of Eastern Europeans are employed in Western Europe. However, only 18% to 30% of them are employed in skilled positions. This portion is particularly smaller in Mediterranean countries such as Spain, Italy (7%), Greece (5%) and Portugal (9%) (see Figure 4.46).

[Figure 4.46] Absolute rates for migrant men from Eastern Europe



[Figure 4.47] Absolute rates for migrant women from Eastern Europe

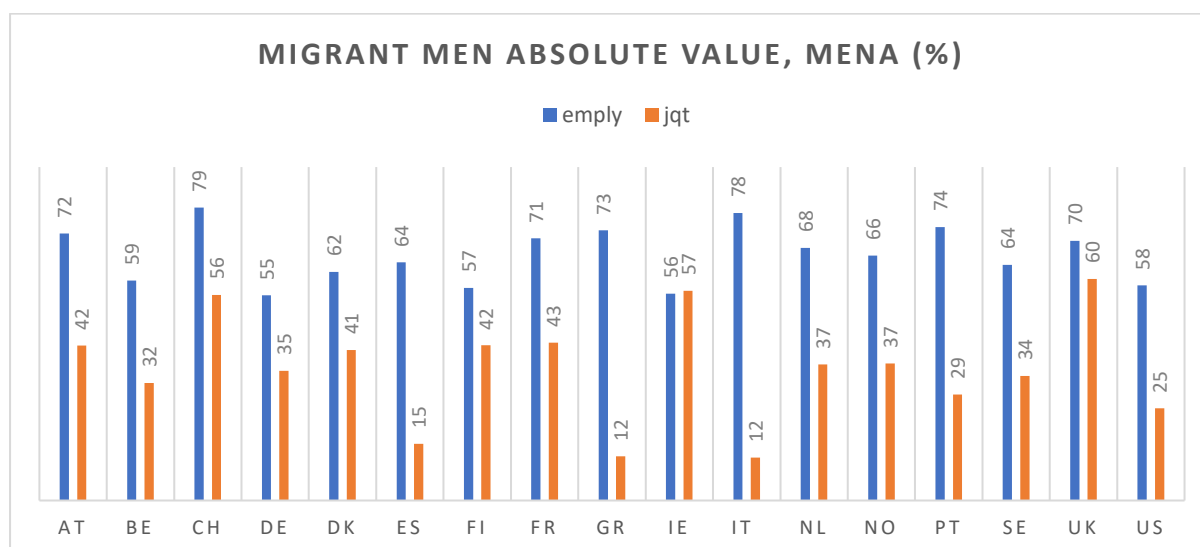


According to Figure 4.47, migrant women from Eastern Europe are employed in the range between 46% and 74% across the 16 European countries. It is at least a more or less 10% smaller employment rate than that of migrant men. However, an opposite trend between gender can be found when looking into job quality within every country. Specifically, migrant women are hired more for skilled positions than migrant men. This could be explained such that, while there could be a greater inactivity status among EE migrant women than men, as a woman workforce that is willingly active in the labour market they could have proportionally higher human capital regardless of marriage status. Consequently, in this sense, migrant women who try to find better employment opportunities could be employed more within the skilled sector (33% on average across the 16 countries) compared to migrant men (23%) despite an overall low employment rate (61% on average for women, 79% for men).

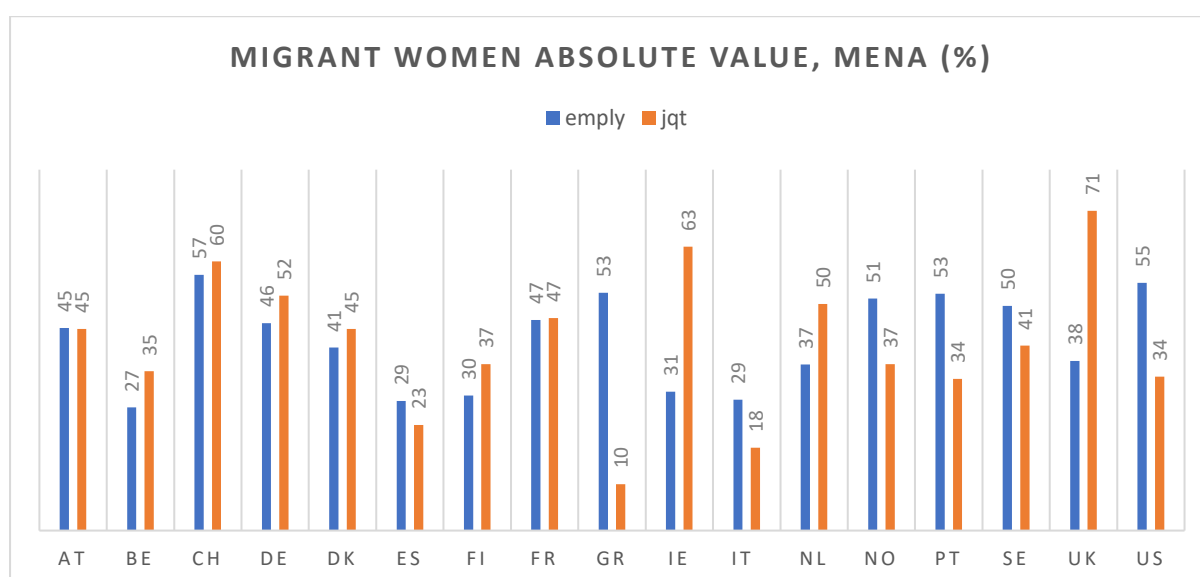
Meanwhile, migrant men from MENA are employed from around 55% (Germany) to 79% (Switzerland) among the 17 study countries inclusive of the US. They are hired in skilled positions at a rate of 12% (Italy, Greece) to 60% (the UK). Proportionally, they are less preferred in the labour market than EE men when judging the employability measures in both their absolute and relative values. The less preferred employability rate stands at only 66% on average, which is 13% lesser than EE men and could not help but lead them to be employed only in cases where they have better skills. Subsequently, the job quality rate is much higher for MENA migrant men (36% on average) compared to EE counterparts (23%); which is also exactly 13% higher than EE.



[Figure 4.48] Absolute rates for migrant men from the Middle East and North Africa



[Figure 4.49] Absolute rates for migrant women from the Middle East and North Africa

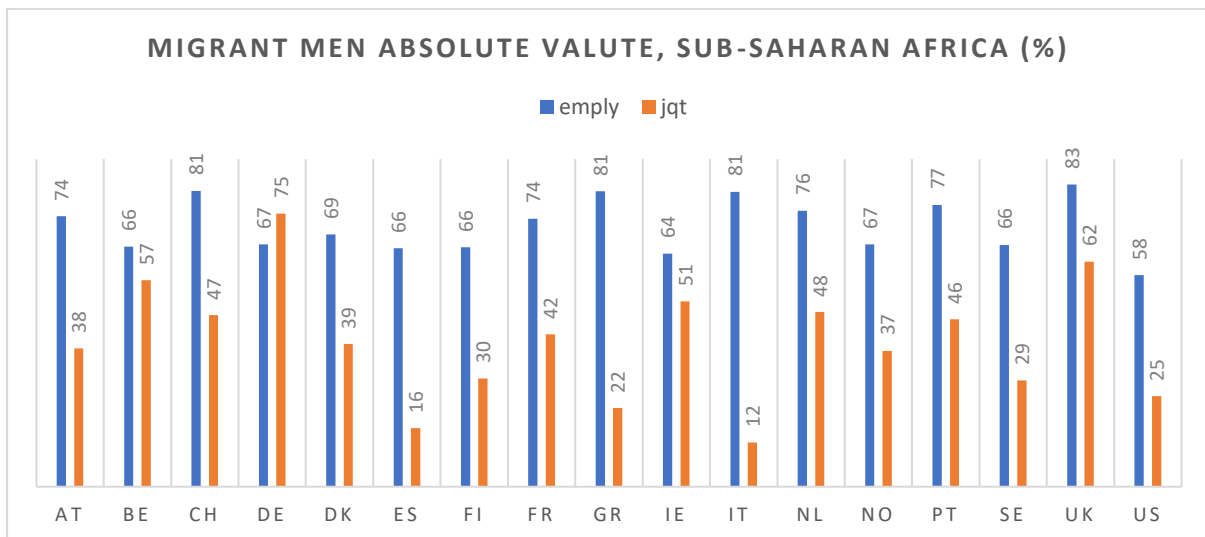


The tendency regarding absolute values and the comparison between the two ethnicities regarding men is similarly applied insofar as the migrant women from MENA are concerned as well (see Figure 4.49). Every country shows analogous rates in terms of low employability and higher rates in job quality. This trend is much stronger than with migrant men which means there is a very strong positive selection for migrant women from MENA. This is especially the case in Ireland and the UK as, even though there are only employment rates of 31% and 38%

for MENA women, respectively, they are hired in high-skilled positions to a rate of around 63% and 71%, also respectively. Thus, these results clearly support the hypothesis regarding migrant women from MENA that were based on religious-cultural backgrounds which may deter employability substantially so that highly educated women could act selectively in the labour market in cases of MENA women’s employment.

Due to limitations of data availability, the US figures for MENA and SubAf are the same as Black individuals (see Figure 4.50). Based on this fact, the 17 countries’ average proportion of employability for SubAf men (72%) is similar to the trend for EE migrant men (79%), but higher than MENA (66%). Job quality for SubAf shows the highest rates among the three by standing at 40%, and this is followed by MENA (36%) and then EE (23%). Within this, strong positive selection can be found in the UK, Ireland, Belgium and Germany by showing that more than half of those employed are situated in skilled jobs. Indeed, 75% of employed SubAf migrant men are hired in high-skilled positions in Germany and the other nations are listed following the order of the UK (62%), Belgium (57%) and, then, Ireland (51%).

[Figure 4.50] Absolute rates for migrant men from Sub-Saharan Africa

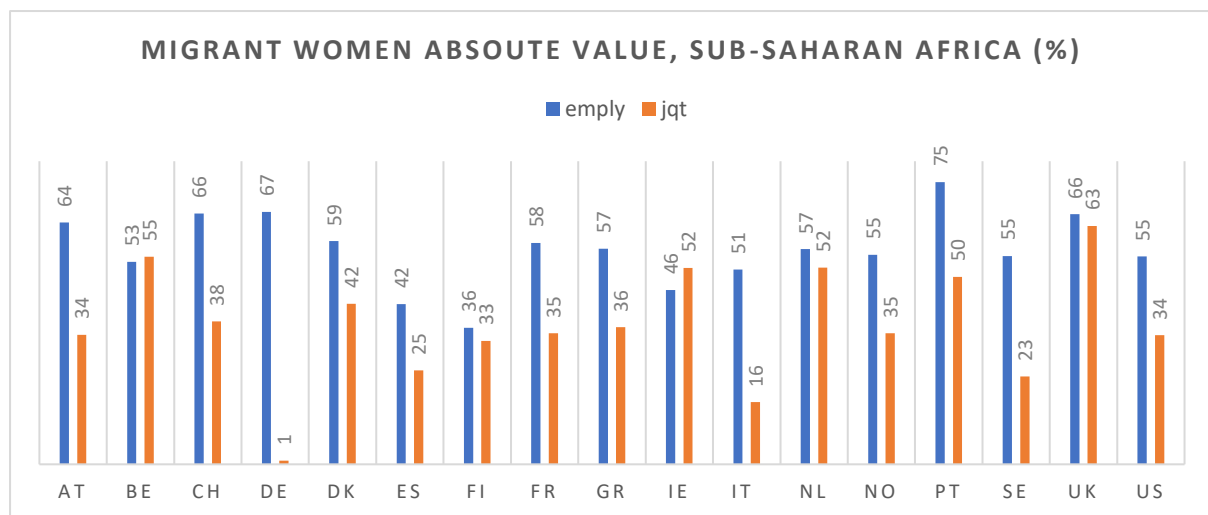


Migrant women from Sub-Saharan Africa can also be similarly compared with their counterparts from the other ethnicities since their average employment rate (57%) is slightly lower than EE (61%) but 15% higher than MENA (42%). The average for high-skill job attainment is a bit different since MENA showed the highest rate (41%), and this is followed

by SubAf (37%) and then EE (33%). Overall, migrant women among the three ethnicities revealed higher job quality rates than migrant men, and this could be related to the nexus of inactivity status for migrant women and positive selection centred on woman workforces, as mentioned before (see Figures 4.47, 4.49, and 4.51).

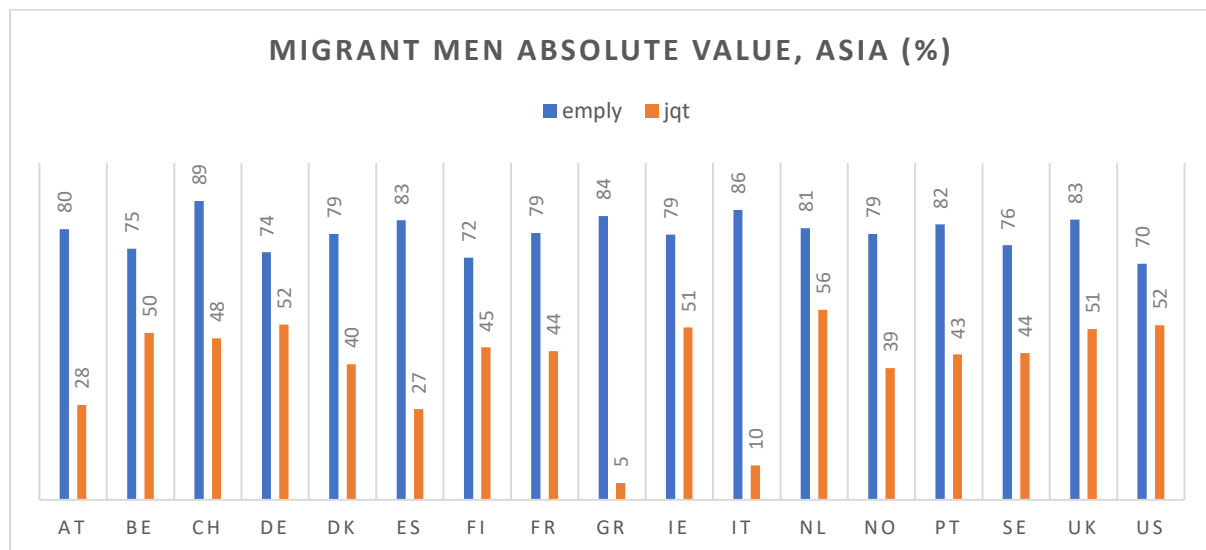
This tendency is much more strongly found regarding MENA migrant women and their SubAf counterparts as well, albeit to a lesser degree. Nevertheless, migrant women in Portugal are not only employed to the same extent as migrant men (75% to 77%, respectively), but 50% also occupy skilled positions. This could be regarded as the only case which breaks the nexus of low employability and high job quality since the employability between the genders is differentiated by at least 10% to 20% throughout the other 15 European subject countries.

[Figure 4.51] Absolute rates for migrant women from Sub-Saharan Africa

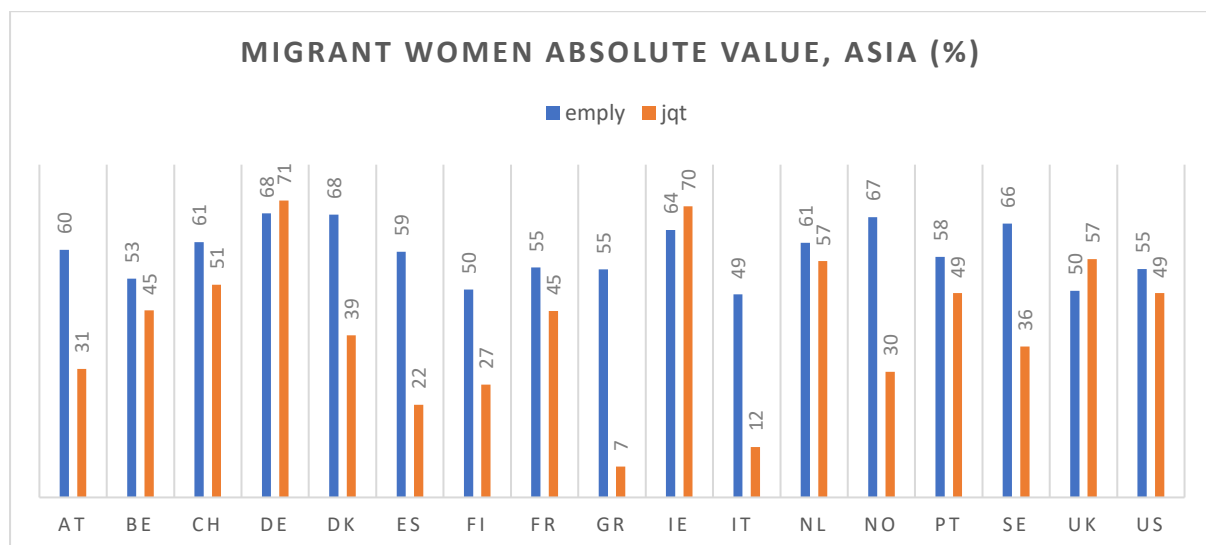


As can be seen through the ethnicity penalty with respect to natives, Asians are the least penalised ethnicity based on the absolute value among the five ethnicities. 79% of Asian migrants are employed on average in the 17 countries and, although this is the same figure as for EE migrants, in terms of job quality Asians show a 17% higher job quality than EE counterparts, standing at 40% compared to 23%. This trend can also be shown with Asian migrant women which have a 17% higher employability than MENA despite the same high job quality rate which stands at 41% on average (see Figures 4.52 and 4.53).

[Figure 4.52] Absolute rates for migrant men from Asia



[Figure 4.53] Absolute rates for migrant women from Asia

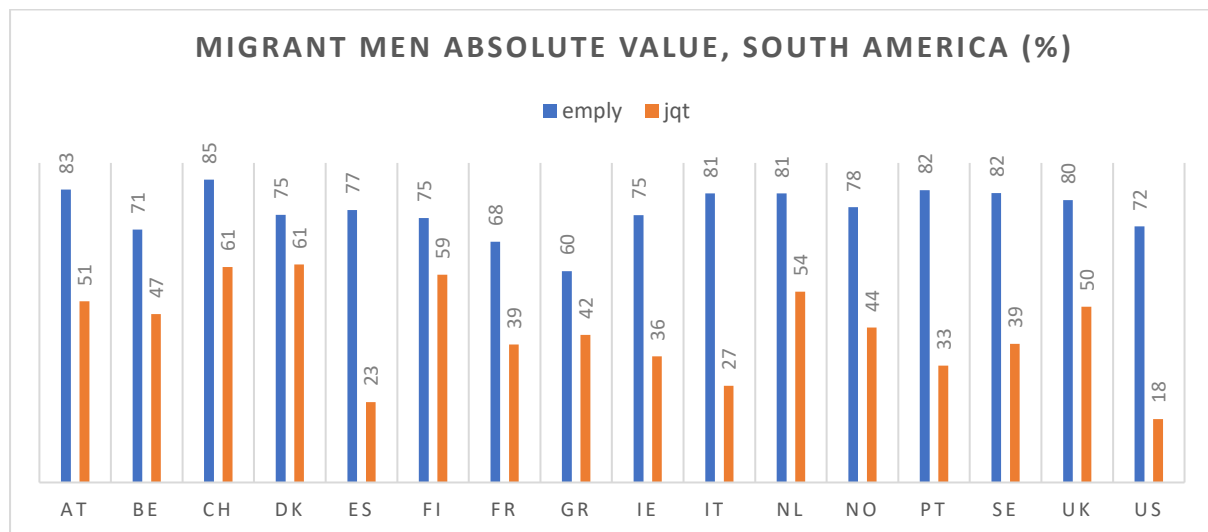


To be specific, apart from Greece and Italy in which a trade-off pattern is strongly revealed regarding high employability and low job quality, at least one-third to up to around half of employed Asian migrant men secured high-skilled positions (see Figure 4.52). Accordingly, and except Italy and Greece, most countries showed that Asian migrant women are employed in high-skilled jobs from 25% up to even 71% (see Figure 4.53). This result proved to be the best performance among the five ethnicities and can be found in migrants from Asia regardless of destination countries and gender in both measures. Moreover, in the US they are more

advantaged than White individuals in labour market outcomes for both genders (see Figure 4.34, 4.35, 4.37 and 4.38).

South American men show the second-best results after Asians and Eastern Europeans (both at 79%) in terms of average employment rates, standing here at 76% among the 16 countries (excluding Germany which was removed due to no statistical significance based on the small sample size, as previously discussed). However, their job quality rate is the highest (43%) among the five ethnicities even though there remains only a small difference of 3% from Asians and SubAf (both on 40%). They are even less penalised in Italy and Greece where most Asians are situated in unskilled jobs, but more than one-third of them are employed in high-skilled positions. They are, however, the most penalised ethnicity in the US, especially regarding job quality, occupying an opposite trend compared to Asians who are the least penalised in the US (see Figure 4.54 and 4.52).

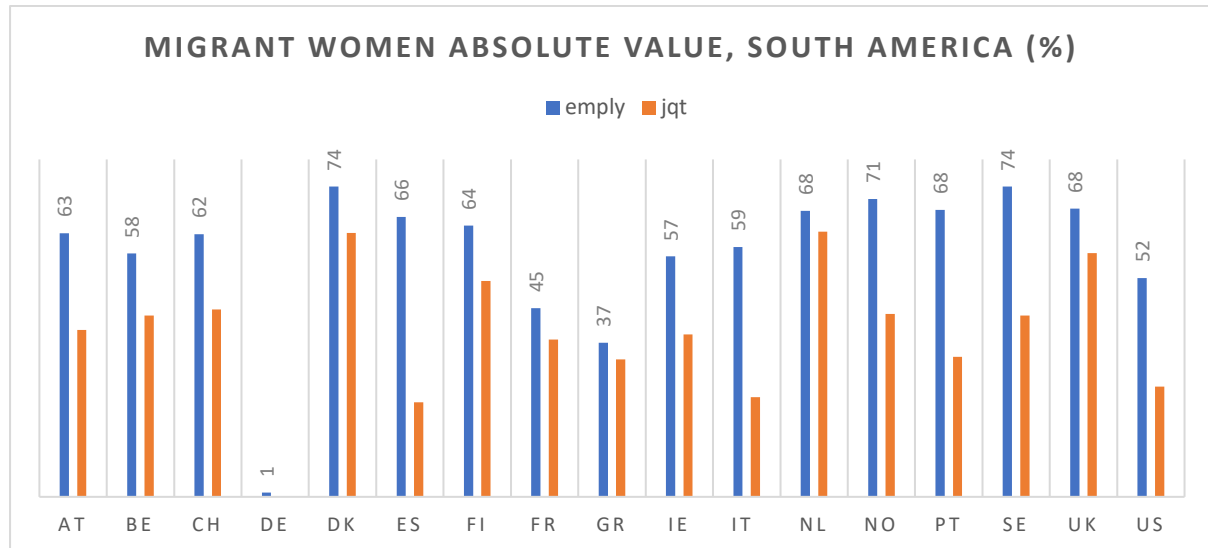
[Figure 4.54] Absolute rates for migrant men from South America



On the other hand, in terms of SA women, when the German case is removed the average employment rate extended beyond that of EE (61%) and Asians (59%) by standing at 62%. Job quality is also revealed to follow the same figures with MENA and Asians, indicating a result of 41%. Therefore, although there exists a very parsimonious difference regarding the average results between Asian and South American migrants, South Americans could consequently be

regarded as the least penalised ethnicity among migrant women along with Asian men on average (see Figure 4.55).

[Figure 4.55] Absolute rates for migrant women from South America



[Table 4.22] Absolute average values regarding employability and job quality by gender

%	EE		MENA		SubAf		Asians		SA	
	M	W	M	W	M	W	M	W	M	W
Employability	79	61	66	42	72	57	79	59	76	62
Job quality	23	33	36	41	40	37	40	41	43	41

### 7) Comparison between the five ethnicities

For a specific comparison between the five different ethnicities, the merged graphs regarding employability and job quality penalties are used below. This is since the ethnicity penalties presented above focused more on only one ethnicity at a time, rather than involving a simultaneous comparison between them across countries. Accordingly, the bar graphs are re-organised according to an ascending order of migrant penalty which includes the five ethnicities, and it follows the order of EE, MENA, SubAf, Asians and SA.

In terms of the specific ethnicity penalty in men's employability (see Figure 4.56), MENA migrants experienced the highest discrimination among the five ethnicity categories without exceptional cases, whereas the other four ethnicities showed different figures depending on country. Sub-Saharan African is the second highest penalised ethnicity, except for in a few countries including France and the Netherlands where EE is 1pp more penalised than SubAf. In addition, Greece and Italy showed no penalty for SubAf migrants with natives comparatively less employed (with 4pp and 1pp higher employability for SubAf migrant men).

On the other hand, South American turned out to be the most penalised ethnicity in Greece while remaining the least penalised, albeit with no statistical significance, in Italy and Portugal. Nevertheless, in the US they are better employed along with Asian individuals, showing 4pp and 2pp higher figures than White individuals, respectively. When it comes to Asian, this is indicated to be the least discriminated against category of migrants and it has less variation compared to the other ethnicities, alongside statistical significance in every country apart from Portugal and Germany. Moreover, Asians show higher employability than natives and this can be found not only in the US, but also within some European countries like Spain, Greece and Italy.

When it comes to the ethnicity penalty for men regarding job quality (see Figure 4.57), Eastern European is notably the most penalised among the five ethnicities and in most European countries, unlike with employability for which MENA is revealed as the most penalised ethnicity category. However, in some countries MENA is equally (the Netherlands standing at 19%) or more penalised (Sweden, Greece) than EE; the latter being the next most penalised ethnicity. Meanwhile, as can be seen in the total figure which shows the European level of job quality penalty, SubAf is surprisingly the least penalised by standing at a 10pp difference with respect to natives, and it is followed by SA (12pp) and Asian (13pp).

Asian migrants mostly show a mid-range or lower penalty when compared to the other ethnicities, or an even higher performance than natives; the latter especially in the US. In addition to this, South Americans are positively selected in some European countries such as Austria and Finland, showing a higher probability of being in skilled jobs than natives. This could be supported by the other countries including Greece, Denmark and Germany, even though the figures turned out not to be statistically significant in these latter cases. In contrast to this European level, in the US South American turned out to be the most penalised ethnicity and this is the opposite result compared to employability which stands at a figure even higher

than that for White individuals. Therefore, the selection issue based on the demographic composition of migrants, which is discussed by Alba and Foner (2015), could be proven again by these figures. This is since the results are opposite to the US where a higher Hispanic migrant population resides and, in turn, a low job quality is expected in association with locational inequality (Milanovic 2016).

Therefore, overall, it can be found within these results how MENA is the most penalised ethnicity in employability and job quality, while the trade-off pattern regarding high employability and low job quality is clearly found in the results for EE. In terms of SubAf, despite being the second most penalised ethnicity in employability after MENA, they are the least penalised in job quality so that their labour market outcomes reflected a trade-off regarding low employability and high job quality. Although the least penalty in both measures can be found for both Asian and SA ethnicities, when considering statistical power and the US case, migrant men from Asia could properly be regarded as the least penalised ethnicity across the 17 subject countries.

According to Figure 4.58, most countries revealed that migrant women from MENA experienced the most penalty with respect to natives regarding employability among the five ethnicities, except for in France and Greece where EE and SA are most penalised, respectively. However, as expected and found in job quality's absolute values, MENA is the least penalised across countries with respect to natives and the other ethnicities, especially in the UK, France and Switzerland (see Figure 4.59).

Meanwhile, it is noticeable that in Mediterranean countries some ethnicities hold a higher employability than native women. To be specific, SubAf and Asian in Italy, SubAf and SA in Portugal, Asian and SA in Spain, and Asian in Greece are employed more than native women while securing statistical significance. Here, the interesting fact is that when checking the absolute values for employability, Asians, SA and SubAf are actually less employed in Southern European countries (except Portugal) compared to in the other countries. The rates are even lower than in France and Austria which show higher migrant and ethnicity penalties compared to these Mediterranean countries (see Figure 4.51, 4.53 and 4.55).

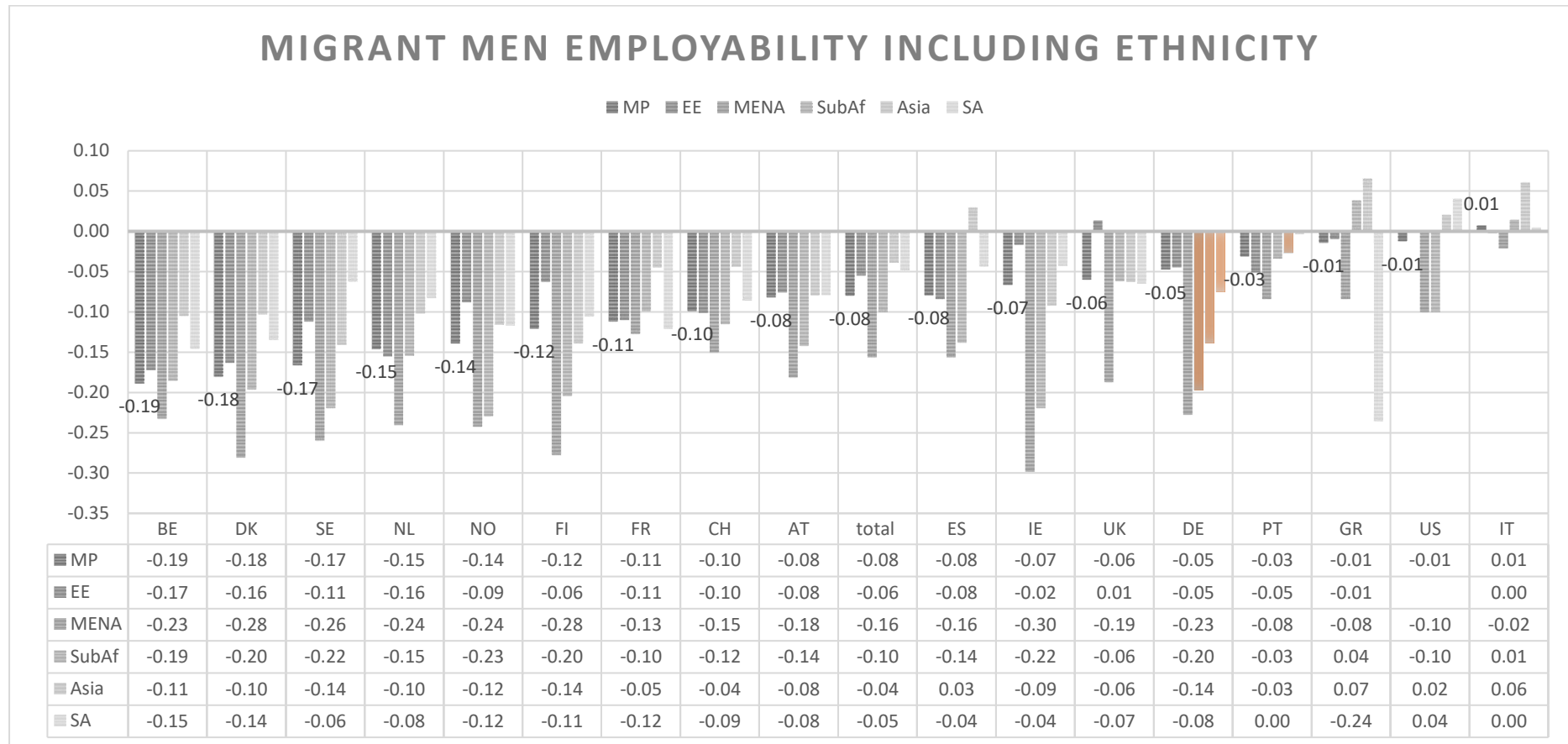
This means the familiarism of these Mediterranean countries could be much stronger to induce native women to remain in an inactivity status than within the other conservative welfare states. In this sense, there is less migrant penalty or, even, a found advantage for migrants to be employed more than natives. That said, even the advantaged migrants from SA, Asia and



SubAf are also less employed compared to the other countries' counterparts in the labour market.

Therefore, although there is a clear migrant penalty trade-off pattern regarding high employability and low job quality in Mediterranean countries, regardless of ethnicity (low job quality is supported with absolute values as well which indicates a skilled job rate of mostly no more than 20%), when considering the absolute value of migrant women's employability in these countries it can be regarded as much closer to a double penalty (low employability and low job quality) rather than as a trade-off.

[Figure 4.56] Migrant and ethnicity penalties for men in employability



Note: MP is the figure of all ethnicities excluding the EU-15, EFTA, and Northern America, Oceania. EE is Eastern Europe, MENA is Middle East and North Africa, SubAf is Sub-Saharan Africa, Asia is combining South and East Asia, SA is South America including the Caribbean area. The orange colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0) which includes DE (SubAf, Asia, SA), PT (Asia, SA) and IT (EE, SA).

[Figure 4.57] Migrant and ethnicity penalties for men in job quality



Note: MP is the figure of all ethnicities excluding the EU-15, EFTA, and Northern America, Oceania. EE is Eastern Europe, MENA is Middle East and North Africa, SubAf is Sub-Saharan Africa, Asia is combining South and East Asia, SA is South America including the Caribbean area. The orange colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0) which includes DE (MENA, SubAf, Asia, SA), DK (SA), FI (MENA, Asia), PT (SubAf, Asia) and IT (EE, SA).

[Figure 4.58] Migrant and ethnicity penalties for women in employability



Note: MP is the figure of all ethnicities excluding the EU-15, EFTA, and Northern America, Oceania. EE is Eastern Europe, MENA is Middle East and North Africa, SubAf is Sub-Saharan Africa, Asia is combining South and East Asia, SA is South America including the Caribbean area. The orange colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0) which includes DE (SubAf, Asia), GR (MP, EE, SubAf) and IT (EE, SA).

[Figure 4.59] Migrant and ethnicity penalties for women in job quality



Note: MP is the figure of all ethnicities excluding the EU-15, EFTA, and Northern America, Oceania. EE is Eastern Europe, MENA is Middle East and North Africa, SubAf is Sub-Saharan Africa, Asia is combining South and East Asia, SA is South America including the Caribbean area. The orange colour indicates the absence of statistical significance ( $p > .05$ , CI overlapping 0) which includes DE (MENA, Asia), PT (SubAf, Asia) and FI (MENA, SA).

The quadrant matrixes in Figures 4.60 and 4.61 present the patterns of ethnicity penalty by gender, and the result from these are summarised in Tables 4.23 and 4.24 according to the four penalty patterns based on ethnicities and countries. This merged visualisation through a quadrant matrix is necessary to discern and compare the pattern of ethnicity penalty in the same unit or measured range, from the lowest to highest, pertaining to the five ethnicities. This is because the quadrant matrixes for each ethnicity presented above show relative ethnicity patterns within one ethnicity across countries. As such, even if there are the same results for different ethnicities, it could be analysed as demonstrating dissimilar patterns according to each ethnicity.

Based on this idea, the trade-off pattern regarding higher employability but low job quality clearly relates to migrants from Eastern Europe rather than any other ethnicities (see Figure 4.60 and Table 4.23 regarding men's results). It represents 9 of the 21 plots in the bottom-right quadrant which belong to countries including all Mediterranean nations (Italy, Portugal, Spain and Greece), Ireland, the UK, Norway, Switzerland and Austria. South American occupies 4 spots (SE, ES, IT, US) and it is followed by Asian (AT, IT, DK), Middle Eastern and North African (PT, GR, IT) and, lastly, Sub-Saharan African (IT). In terms of the opposite trade-off pattern regarding low employability and high job quality, although there are minor differences between MENA (6 spots) and SubAf and SA (5), since MENA shows a clearer pattern given its positioning towards the edge of the matrix, it can be confirmed that MENA is the representative ethnicity in this pattern.

Interestingly, there is no EE in this distribution which highlights it as being representative of the opposite trade-off pattern. Likewise, MENA is the most prominent ethnicity within the double penalty pattern as well, since they occupied 7 spots at the edge of the matrix and is followed by SubAf (5), EE (3) and Asian (2). On the other hand, Asians are prominent in the least penalised pattern by comprising 50% (9 out of 19) of the plotted points. This can be found much more in the figures from the US, where employability and job quality for Asian individuals are higher than that of White individuals. There is no EE spot at all in this pattern as well, while SA and SubAf account for 5 spots each.

In line with the four patterns, there are important points to be emphasised. Firstly, Italy shows the inclusion of five ethnicities in the same trade-off pattern regarding high employability and low job quality, which is positioned nearest to the outer edge in the first graph. In addition to this, Spain (EE, SA), Greece (EE, MENA) and Portugal (EE, MENA) also add two ethnicities which

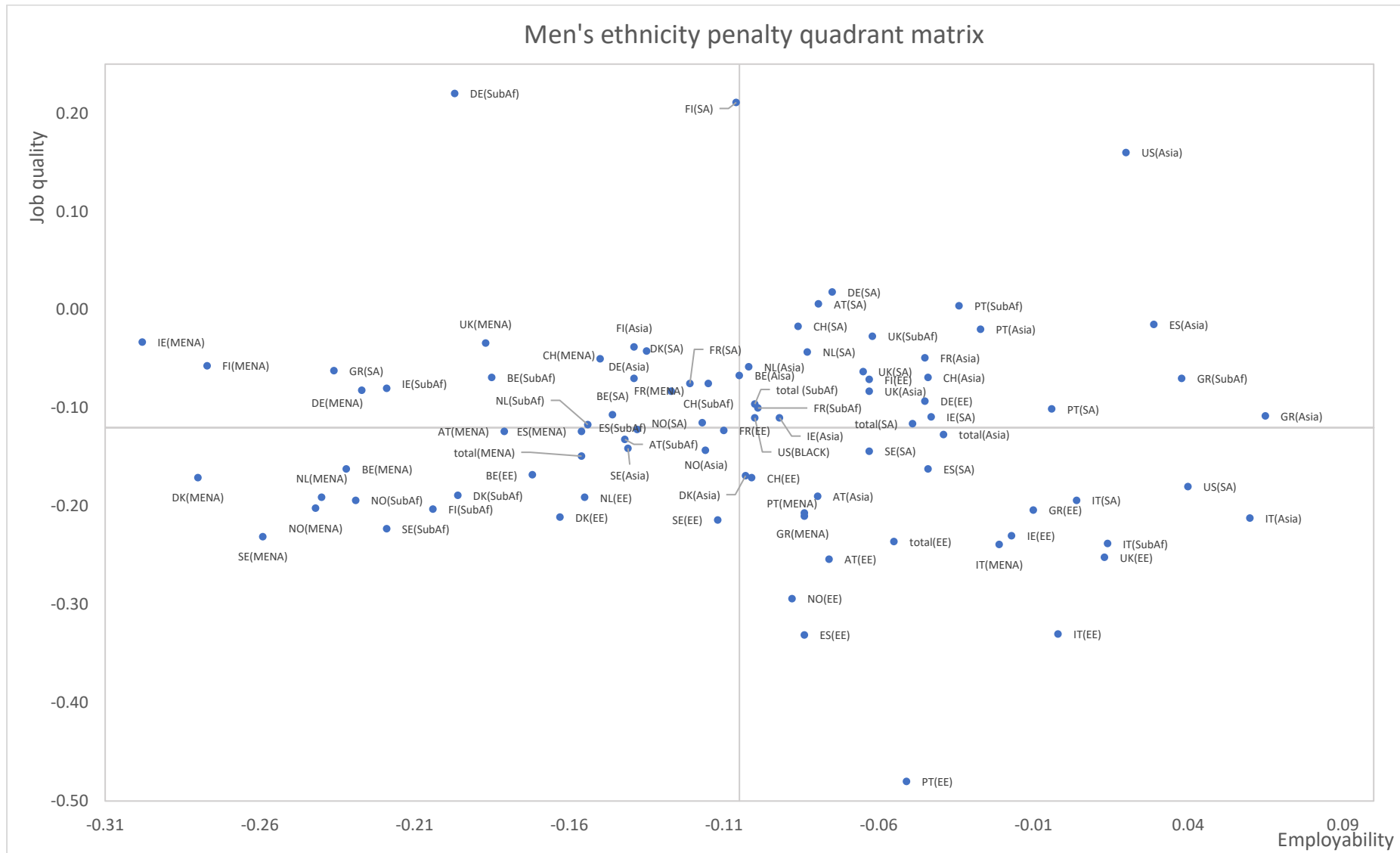
reflect this trade-off pattern so that it can be confirmed that migrant men who are in Mediterranean countries, and especially those from EE, mostly experience a trade-off pattern regarding high employability but low job quality.

Secondly, Alba and Foner's (2015) argument regarding the most penalised ethnicity in the US and Europe, which have been Hispanic and MENA migrants respectively, is supported through the findings as well. In this regard, although the US is classified as among the less penalised countries when it comes to ethnic penalty, South American is included in the penalty pattern which regards high employability and low job quality. Likewise, MENA also represents the two penalty patterns reflecting the double penalty alongside the trade-off regarding low employability and high job quality in Europe. Therefore, these two ethnicities give a clearer explanation as to how they are penalised in the different continents' labour markets. To be specific, South Americans in the US are highly employed but posited in lower quality jobs, but MENA (thus largely Muslims) are less preferred by employers in Europe so that, by extension, they could not help but become doubly penalised (DK, NL, NO, SE, BE, AT), or experience a trade-off between high job quality and low employability (IE, UK, FI, DE, FR, CH) in which those who have high skills can be selectively employed.

In the same context as the above, a third point is that the findings also support the idea of White migrant preference based on homogeneity and locational inequality hypotheses in Western Europe. This is since unskilled positions require the preference of employers towards particular candidates which could be grounded on appearance or race rather than on objective skills. Thus, statistical discrimination could happen more in the unskilled positions and, in turn, the results of this analysis evidently prove that Eastern Europeans are much more preferred by employers, especially when considering the prevalent opposite trend of trade-off between EE (represented in high employability and low job quality) and MENA (double penalty and low employability and high job quality).

This can be highlighted more in line with the locational inequality assumption because both ethnicities (EE and MENA) are locationally adjacent to Western Europe so that there is a higher chance of negative selection for both ethnicities, such as in the case of SA in the US. However, the same low job quality and high employability pattern is seen with EE rather than MENA in the statistics and, in turn, the lowest employability could not help but be found for MENA migrants.

[Figure 4.60] Men's ethnicity penalty including all five ethnicities quadrant matrix





[Table 4.23] Summary of men's ethnic penalty pattern by ethnicity and country

Penalty pattern	Ethnicity (number of countries)	Country
Trade-off penalty 1 (low employability and high job quality)	Eastern European (0)	
	Middle Eastern North African (6)	IE, FI, DE, FR, UK, CH
	Sub-Saharan African (5)	IE, NL, BE, CH, DE
	Asian (2)	DE, FI
	South American (4)	DK, FR, NO, BE
Trade-off penalty 2 (high employability and low job quality)	Eastern European (9)	CH, GR, IE, IT, PT, ES, NO, AT, UK
	Middle Eastern North African (3)	PT, GR, IT
	Sub-Saharan African (1)	IT
	Asian (3)	AT, IT, DK
	South American (4)	SE, ES, IT, US
Double penalty (low employability and low job quality)	Eastern European (3)	FR, BE, SE
	Middle Eastern North African (7)	DK, NL, NO, SE, BE, AT, ES
	Sub-Saharan African (5)	NO, SE, FI, ES, AT
	Asian (2)	NO, SE
	South American (3)	FR, BE, SE
Less penalty (high employability and high job quality)	Eastern European (0)	
	Middle Eastern North African (0)	
	Sub-Saharan African (5)	FR, US, UK, PT, GR
	Asian (9)	US, ES, GR, PT, CH, FR, NL, BE, IE
	South American (5)	DE, AT, PT, IE, CH

The pattern of women's ethnicity penalty provides a more detailed explanation (see Figure 4.61 and Table 4.24). Although there was no double penalty pattern for women pertaining to the total ethnicities (Figure 4.6), 9 cases inclusive of 6 countries (DK, SE, IT, IE, BE, AT) can be found in a double penalty pattern within the ethnicity penalty quadrant matrix. Most cases are MENA (4; including AT, SE, PT, IT) and this is followed by SubAf (3; IE, DK, SE) and EE (2; DK, BE). This phenomenon is similar to that of the MENA penalisation for men since they are mostly included in the trade-off pattern characterised by low employability and high job quality, as well as the double penalty.

In line with this, among the 20 data points which are included in this trade-off section, more than half of them (11 cases) are MENA with the countries including UK, IE, FI, DK, NO, NL, BE, FR, CH, ES and DE. This means that 59% of MENA (17 out of 29 cases) are included in the double penalty section and in the trade-off with low employability and high job quality, so that this can be interpreted in the same way as with the migrant men. SubAf migrant women

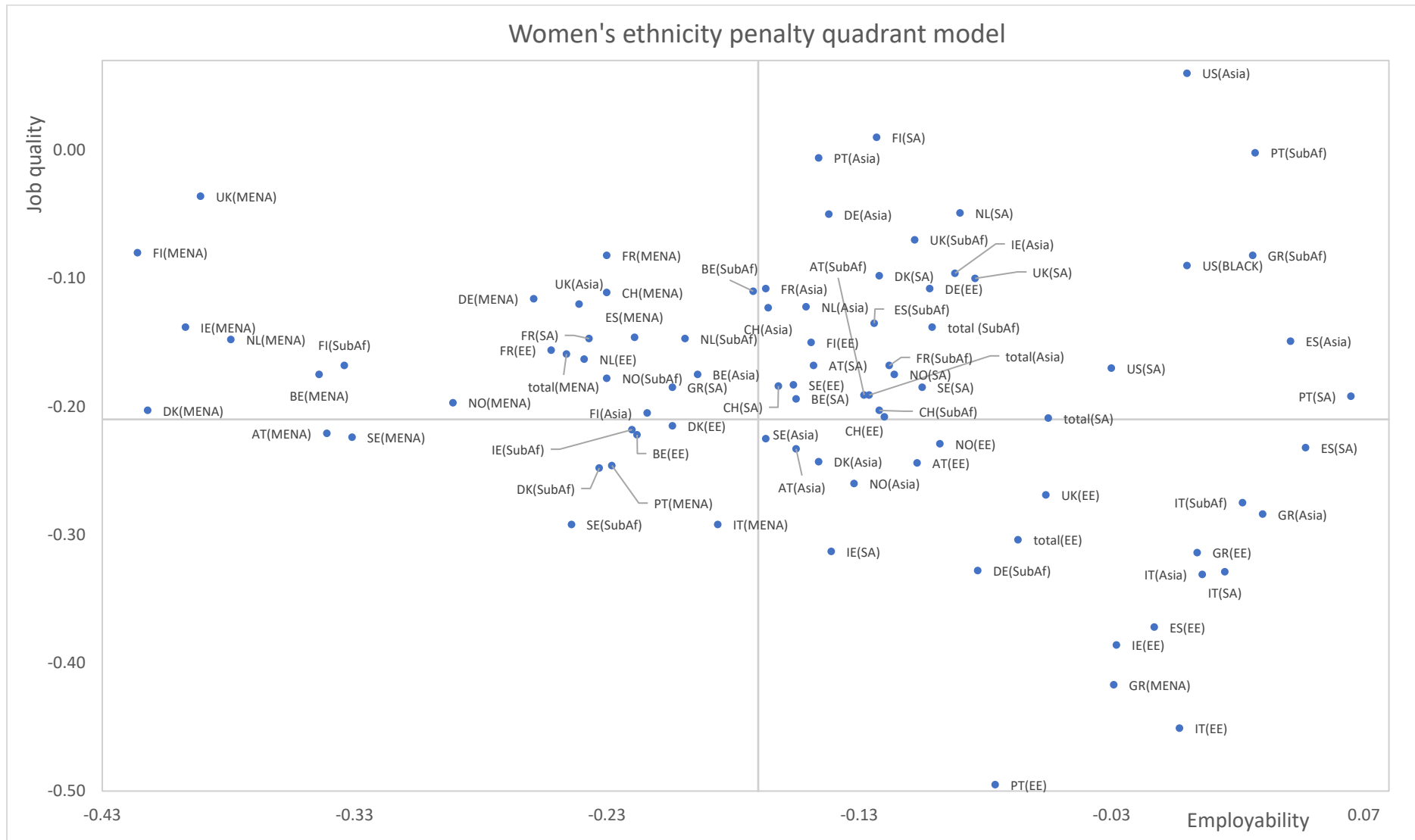
are also the second highest in these patterns, but the proportion is much lower than with MENA by standing at 24% (7 out of 29 cases).

In accordance with this, when compared to MENA men, MENA women can be regarded as not only less preferred in unskilled positions but also culturally penalised more as a woman belonging to MENA. In this regard, absolute values provide clearer explanations regarding the difference between men and women in MENA based on their religious norms. While the other ethnicities' difference in employability between the genders is more or less 10%, MENA shows a 24% difference with women standing at 42% and men at 66%. This result evidently demonstrates the influence of cultural background which could be applied much more disadvantageously in the case of MENA women and, in turn, notably affects their employability rates.

Consequently, their prominent presence in the trade-off pattern of low employability but high job quality highlights the strongest positive selection of MENA migrant women among woman ethnicities in the labour market. This can be supported based on the evidence provided by the statistics in which they are more prominent than the men's cases within this low employability and high job quality pattern. Here, there are 11 spots for women and 6 spots for men. Moreover, the highest absolute average value of being in a skilled job is found with MENA women, standing at 41% among all ethnicities regardless of gender.

In terms of the trade-off pattern regarding high employability and low job quality, it is much clearer in the women's cases. As can be seen in the edge of the bottom-right square which reflects the higher level of this pattern, the figures for Mediterranean countries are closer to the edge than with the men's cases, and Italy especially includes every ethnicity except for MENA. In addition to this, EE is still prominent in this pattern by indicating 8 countries (PT, IT, GR, IE, AT, NO, UK, CH). Asians, meanwhile, are also captured through 6 countries (SE, AT, GR, IT, DK, NO) and they are followed by SA (IE, ES, IT), SubAf (DE, IT) and, lastly, MENA (GR).

[Figure 4.61] Women's ethnicity penalty including all five ethnicities quadrant matrix



As Italy is prominently uncovered within a particular trade-off pattern by including every ethnicity, the US could be representative of the least penalised pattern for both measures since Asian and Black women (including both MENA and SubAf in the US case) and, unlike in the men’s case, even SA are also included in this section. Although Asian women are revealed as holding more advantage than White women in the US like Asian men, the representative ethnicity of the less penalty pattern across the 17 countries was revealed to be SA; captured here by 10 countries (PT, SE, BE, CH, AT, UK, DK, FI, NL, US). This is followed by both Asian (PT, US, ES, NL, DE, IE, CH, FR) and SubAf (PT, GR, CH, FR, ES, AT, UK, US) ethnicities with 8 countries each. Interestingly, there are only 3 plots for EE, including from SE, FI and DE, and no MENA case (since Black individuals in the US would be closer to SubAf rather than MENA, its results are counted to be more relatable to SubAf).

[Table 4.24] Summary of women’s ethnic penalty pattern by ethnicity and country

Penalty pattern	Ethnicity (number of countries)	Country
Trade-off penalty 1 (low employability and high job quality)	Eastern European (0)	
	Middle Eastern North African (6)	IE, FI, DE, FR, UK, CH
	Sub-Saharan African (5)	IE, NL, BE, CH, DE
	Asian (2)	DE, FI
	South American (4)	DK, FR, NO, BE
Trade-off penalty 2 (high employability and low job quality)	Eastern European (8)	CH, NO, PT, IT, GR, IE, UK, AT
	Middle Eastern North African (1)	GR
	Sub-Saharan African (2)	DE, IT
	Asian (6)	SE, AT, GR, IT, DK, NO
	South American (3)	IE, ES, IT
Double penalty (low employability and low job quality)	Eastern European (2)	DK, BE
	Middle Eastern North African (4)	AT, SE, PT, IT
	Sub-Saharan African (3)	IE, DK, SE
	Asian (0)	
	South American (0)	
Less penalty (high employability and high job quality)	Eastern European (3)	SE, FI, DE
	Middle Eastern North African (0)	
	Sub-Saharan African (8)	PT, GR, CH, FR, ES, AT, UK, US
	Asian (8)	PT, US, ES, NL, DE, IE, CH, FR
	South American (10)	PT, SE, BE, CH, AT, UK, DK, FI, NL, US

## 8) Conclusion regarding ethnicity penalty

When synthesising these results, although Eastern Europeans are the most prominent ethnicity regarding employability in Western European countries, they are mostly posited in unskilled jobs. Therefore, the hypothesis regarding a homogeneity in Europe (Alba and Foner 2015) which is centred on a White migrant preference for employees' ethnicity can be supported in this regard since, regardless of gender, EE revealed the highest employability. On the other hand, migrants from the Middle East and North Africa are shown to be subject to a double penalty, or trade-off penalty regarding low employability and high job quality. This tendency is much clearer within the woman figures so that the mixed embeddedness (Kloosterman et al. 1999) hypothesis can be supported as well. This is because MENA women, who potentially have more obligations to follow the culture linked to their ethnicity (Gracia et al. 2016), could be more difficult to integrate; especially in terms of official labour market employment unless they are highly skilled.

Meanwhile, unlike the results concerning the positive selection of SA in Western European countries, they are clearly negatively selected in the US since employability is higher than with any other ethnicity, including White individuals, but job quality remains the lowest among them. Therefore, the locational inequality (Alba and Foner 2015; Milanovic 2015, 2016) hypothesis in which low-skilled migrants could move to the nearest country for their livelihood (so that the highest penalty is assumed by MENA in Europe and SA in the US) was supported. This is since SA is the most penalised ethnicity in term of job quality despite high employability and, among the migrant penalty patterns, SA is the only ethnicity which is classified in this trade-off pattern while the others are included in the less penalty pattern for the US. Likewise, MENA also turned out to be the most penalised ethnicity by being representative of both the double penalty pattern as well as the trade-off regarding low employability and high job quality within Europe.

Moreover, the locational inequality assumption regarding the lowest penalty for Asian migrants thanks to the economic development of origin countries (Milanovic 2015, 2016) is half supported. This is since, in the women's case, it was SA that showed the least penalty with respect to natives and the second least penalised ethnicity is revealed to be not only Asians, but SubAf as well. The SubAf ethnicity was additionally found to hold an in-between position regarding the level of ethnicity penalty regardless of gender across the subject countries. This is because it did not show a clear pattern unlike the other ethnicities such as MENA, EE and

Asian which represented acute penalties. Specifically, these were a double penalty and trade-off regarding low employability and high job quality (MENA), alongside the trade-off penalty regarding low job quality and high employability (EE) and, lastly, that of less penalty (Asian).

## **Chapter 5. Institutions and the occupational integration of migrants:**

### **A multilevel analysis**

#### **1. Introduction**

The mapping of migrant and ethnicity penalties across 17 countries was investigated in the descriptive analysis (Chapter 4) based on the framework of dominant regimes as well as socio-economic and cultural backgrounds, respectively. The result of the descriptive analysis certainly provides great evidence revealing how migrant penalty is clearly associated with welfare and production regimes based on the characteristics of the typologies. Therefore, the second analysis investigates further the association between the policy arenas, including welfare, production and migration regimes, by drawing upon actual institutional data and labour market outcomes according to migration status. The hypotheses are tested alongside the model including the three regimes simultaneously since it is important to investigate the effect of each single regime when the other regimes are controlled in the labour market.

With the model including three regimes and an interaction term, the institutional effect concerning how far the labour market outcomes between migrants and natives could be differently moderated by the dominant regimes will be displayed by referring to the tables and figures from 5.1 to 5.4. As the analysis was conducted with the standardised scale across three regimes, the interpretation between the regimes is identical in terms of measurement. Overall, the results show between-country effects (BE) alongside interaction terms are statistically significant while within-country effects (WE) could not secure statistical significance. This is since there are more variances of policies at BE rather than WE as institutions hardly change within countries other than between countries which have their own socio-economic systems so that more distinctive levels can be observed. Nevertheless, this study also interprets the results of WE in cases where the coefficients were statistically significant, such as with the migration regime alongside the negative association with employability.

## 2. Migrant men

### 1) The association between regimes and employability

Table 5.1 shows the results from the multilevel cross-classified model for employability on the men's sample. Migrant penalty with respect to natives turned out to be  $-.079^{***}$ , which means the probability for migrant men to be employed is lower than native men by around -8pp. Alongside the overall migrant penalty in employability across 16 European countries, how far the three regimes can moderate employability according to migration status was revealed through the result of a cross-level multilevel analysis. As can be seen, within-country effects (WE) did not secure statistical significance since the institutions seldom vary within countries, unlike between countries, indicating the country differences based on regimes. Thus, other than drastic reform within each country, the meaningful institutional variation can be expected under between-country effects (BE). Moreover, as this study intended to conduct a comparative analysis between countries according to different institutional systems as well as migration status, the result of interaction term between regimes and migration status should be focused upon under BE.

[Table 5.1] Association between institutions and employability, men

Employability /model for men	Migrant penalty	Welfare regime	Production regime	Migration regime
<b>Migrant (ref: natives)</b>	$-.079^{***}$			
<b>Between-country effects</b>		-.001	.009	-.010
<b>Regimes*migration status (between-country effects)</b>		Natives .018 <sup>***</sup>	Natives -.017 <sup>***</sup>	Natives .011 <sup>***</sup>
		Migrants -.039 <sup>***</sup>	Migrants -.004	Migrants -.006*
<b>Within-country effect</b>		-.011	-.047	-.049*
<b>Regimes*migration status (within-country effects)</b>		Natives -.001	Natives .051	Natives .014
		Migrants -.004	Migrants .025	Migrants -.032

Note: Full table with regression results can be found in Appendix table 6 at the last model, 7b. \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .



In terms of the welfare regime, the employability of natives and migrants was differently moderated by welfare regime in a way that results in opposite directions. Thus, natives' employability is positively affected by welfare generosity (.018\*\*\*), while there is a negative association between welfare generosity and migrant employability (-.039\*\*\*), for which the coefficient is two times higher than with natives. On the other hand, the production regime's effect on natives' employability turned out to be opposite direction but similar strength standing at -.017\*\*\* compared to that of welfare regime. No statistical significance was identified for migrants' employability moderated by production regime.

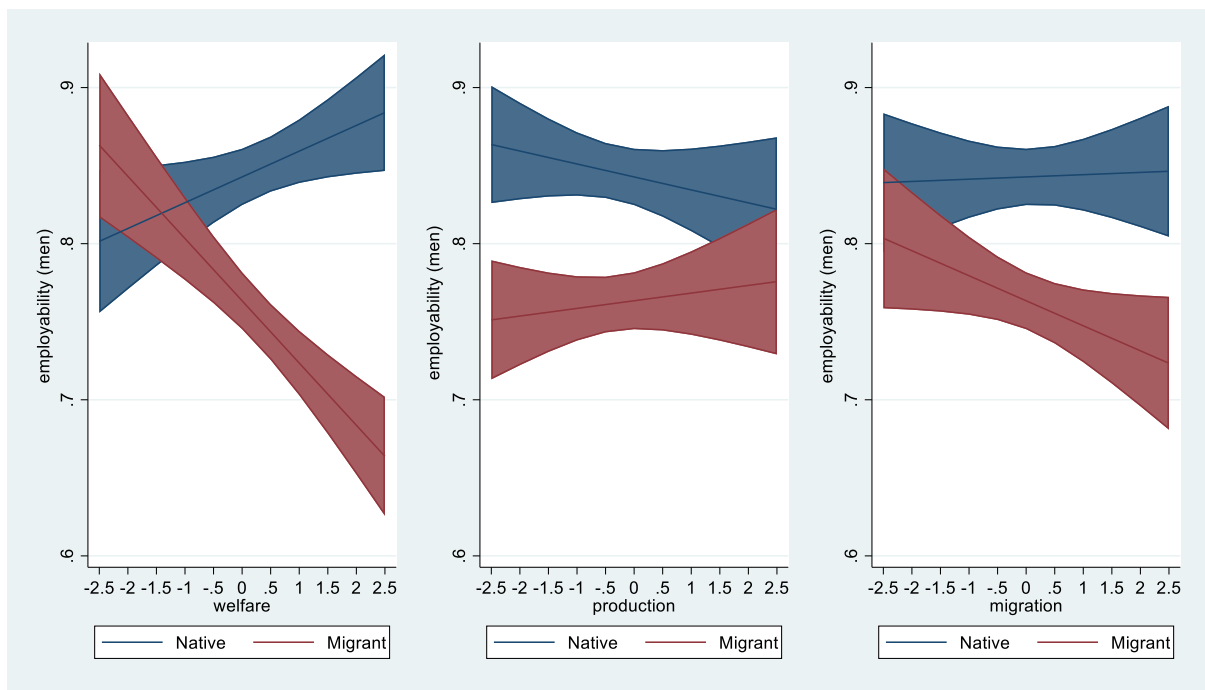
The direction of the association between the migration regime and employability is positive for natives (.011\*\*\*) and negative for migrants (-.006\*\*\*). This result, in terms of direction for the two groups, is similar to the one for the welfare regime while the strength is smaller than those of welfare regime, particularly for migrants. Interestingly, among the WE, results for the three regimes on employability, only the migration regime showed a negative and significant association with employability (-.049\*). This means that there is negative association between migration policy openness and the employability of male workforces regardless of demographic heterogeneity or migration status within countries.

Alongside the results found in Table 5.1, Figure 5.1 shows the association between institutions and employability according to migration status under between-country effects. The red and blue slopes indicate migrants and natives respectively. The x-axis shows each regimes' scale, the y-axis reports changes in standard deviation in the probability of employability. As welfare generosity showed the strongest effect on employability, the slope drastically stretched out in a opposite direction between natives and migrants. Therefore, as the standardised scale for the welfare regime increases up to 2.5, the gap in employability between natives and migrants enlarged substantially. In terms of the migration regime, although no statistical significance was uncovered regarding the effect on migrants' employability, there is a trend in how migrants' employability decreased as the scale increases like with the welfare regime, despite being to a lower degree.

When it comes to the production regime, the scales can be regarded to start from extreme LMEs and finish at the extreme CMEs. Thus, as the scale increases in the x-axis, it indicates that higher market rigidity exists in the labour market. In this sense, a clear tendency regarding natives' employability can be found to decrease as the market rigidity increases, while migrants showed an opposite direction indicating increased employability in the red line. However, it

would be difficult to discern whether the migrant penalty or gap in employability attributed to the production regime is reduced since the association between the production regime and the employability of migrants was not statistically significant (-.004). Moreover, not only statistical significance but also the confidence interval overlapped between migrants and natives at the end of the scale, that is for high degrees of CMEs. Therefore, when the scale increases towards CMEs, the positive tendency of increased probability of migrant employability could not be supported with the statistical significance.

[Figure 5.1] Predicted probabilities for the association between institutions and employability by migration status, men



Notes: estimated from between-country effects of the multilevel model in Table 5.1. X-axis: standardised values, changes in standard deviation displayed.

2) The association between regimes and job quality

In terms of job quality, migrant penalty turned out to be -18pp with respect to natives across 16 European countries. In light of this result reported in Table 2, between-country effects alongside the interaction term between regimes and migration status showed statistical significance apart from with the migration regime (see Table 5.2 below). Firstly, welfare generosity is positively associated with migrant men's job quality (.039\*\*\*) whereas that of native men (-.001) revealed a low association with the welfare regime as well as no statistical significance. There are also positive associations between the production regime and employability for both natives and migrants which stand at .010\*\*\* and .015\*\*\*, respectively. These results show the opposite impacts of the welfare regime according to the different labour market outcomes of migrants, revealing positive and negative associations with job quality and employability, respectively. Thus, larger welfare generosity helps increase migrants' job quality although it could moderate migrants' employability so that it decreases. This means that generous welfare states could induce migrants to be less employed based on the benefits while, thanks to the benefits, there is a possibility for migrants to acquire skills used in destination countries.

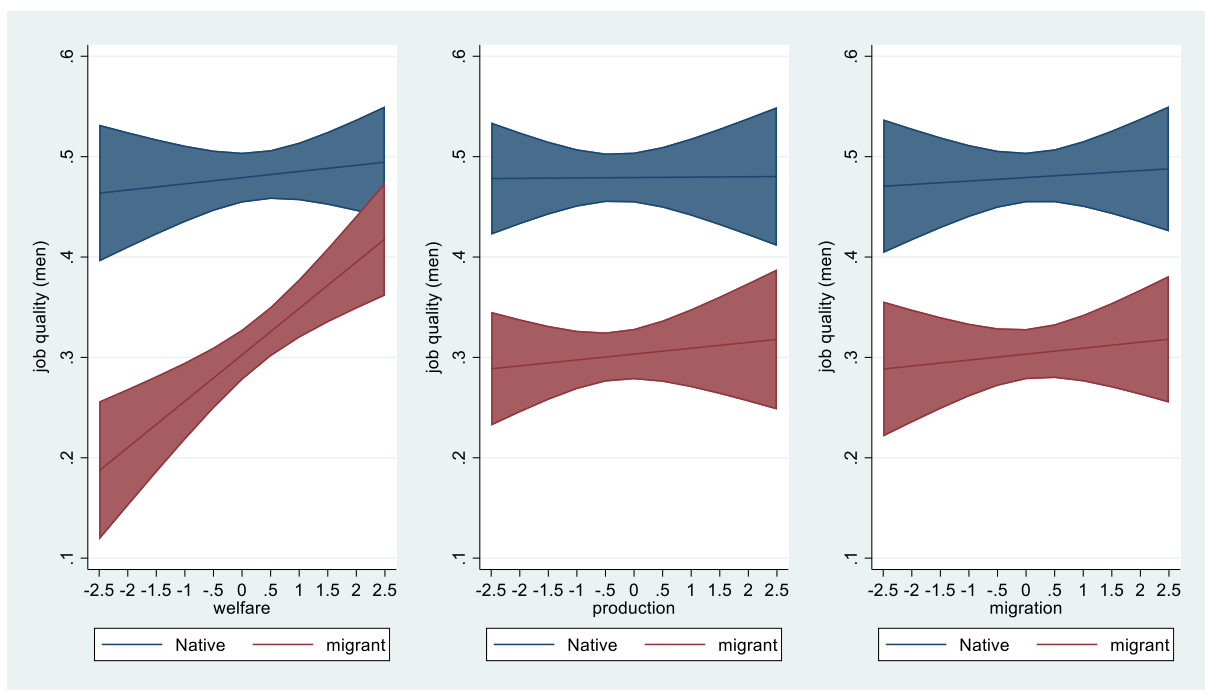
[Table 5.2] Association between institutions and job quality, men

<b>Job quality /model for men</b>	<b>Migrant penalty</b>	<b>Welfare regime</b>	<b>Production regime</b>	<b>Migration regime</b>
<b>Migrant (ref: natives)</b>	-.176***			
<b>Between-country effects</b>		.007	-.009	.004
<b>Regimes*migration status (between-country effects)</b>		Natives -.001	Natives .010***	Natives -.001
		Migrants .039***	Migrants .015***	Migrants .002
<b>Within-country effect</b>		.003	.168	-.015
<b>Regimes*migration status (within-country effects)</b>		Natives -.011	Natives -.194	Natives -.010
		Migrants -.017	Migrants -.176	Migrants .047

Note: Full table with regression results can be found in Appendix table 7 at the last model, 7b. \* p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001.

On the other hand, in terms of the production regime, there is a clear trade off pattern, particularly for natives rather than migrants alongside statistical significance of the effects in both measures. Thus, in terms of native men, as the production regime increases, less probability to be employed but high probability to have skilled jobs can be expected. Although the effect of the production regime is not clear for migrant men in employability, a positive association between the production regime and job quality can be found for both natives and migrants. Accordingly, the accumulated skills and higher social protection could bring market rigidity while skilled positions or higher job quality can be tenable more in this institutional background regardless of migration status. The moderation effect of the production regime is a bit higher for migrants, standing at  $.015^{***}$ , than for natives, at  $.010^{***}$ . However, regarding the migration regime, there is no statistical significance for both subjects even though the direction of the migration regime effect is still the same with that of the welfare regime.

[Figure 5.2] Predicted probabilities for the association between institutions and job quality by migration status, men



Notes: predicted probabilities estimated from between-country effects of the multilevel model in Table 5.2. X-axis: standardised values, changes in standard deviation displayed.

According to the result of BE based on the moderation effects of the regimes, Figure 5.2 describes the association between institutions and job quality with the distinction between natives and migrants. The graph regarding the welfare regime clearly shows how, as welfare generosity increases, the gap in the predicted probability to be posited in a skilled position between natives and migrants decreases so that, at the end of the scale, migrants' job quality is closer to that of natives. Meanwhile, as the effect of the production regime turned out to be slightly higher for migrants than natives, the angle of slope for migrants is more elevated than with natives. However, as the difference between natives (.010\*\*\*) and migrants (.015\*\*\*) is not as large as the welfare regime's moderation effect for migrants, and since the strength for natives is also similar with that of migrants, the gap between natives and migrants in the production regime was not reduced drastically like in the case of the welfare regime.

### **3. Migrant women**

#### **1) The association between regimes and employability**

Migrant women are penalised around -11pp more in terms of employability with respect to natives, as can be seen in Table 5.3. Similarly, between-country effects specialised with an interaction term revealed statistical significance reflecting the institutions' moderation effects on labour market outcomes according to migration status. Accordingly, the nexus between employability and institutions can be analysed further under the result of between-country effects in the multilevel model. In line with this, the moderation effect of the welfare regime showed the opposite direction between natives and migrants and a much stronger negative association can be found in migrant women's employability (-.048\*\*\*) compared to native women (-.008\*\*). Thus, there is a strong negative association between migrant women's employability and welfare generosity, which is the same pattern as in the men's case.

In contrast, the production regime's negative association can be found in both subjects so that, as the unit of the production regime increases towards CMEs, employability can decrease -.018\*\*\* for natives and -.005\* for migrants. Unlike migrant men, there is statistical significance for the moderation effect of the production regime on migrant women despite the meek effect. With regard to the migration regime, there is a negative association with migrants' employability standing at -.010\*\* so that, as migration policy openness increases,

employability can be reduced for migrants. However, under within-country effects the migration regime again turned out to be statistically significant regarding employability like the men's case without interaction terms. As can be seen in the table, the negative association between employability and the migration regime can be found in the figure of  $-.051^*$ . This means that, regardless of demographic heterogeneity such as gender and ethnic or race status, the level of migration policy openness could be associated with the negative employability of workforces within the country.

[Table 5.3] Association between institutions and employability, women

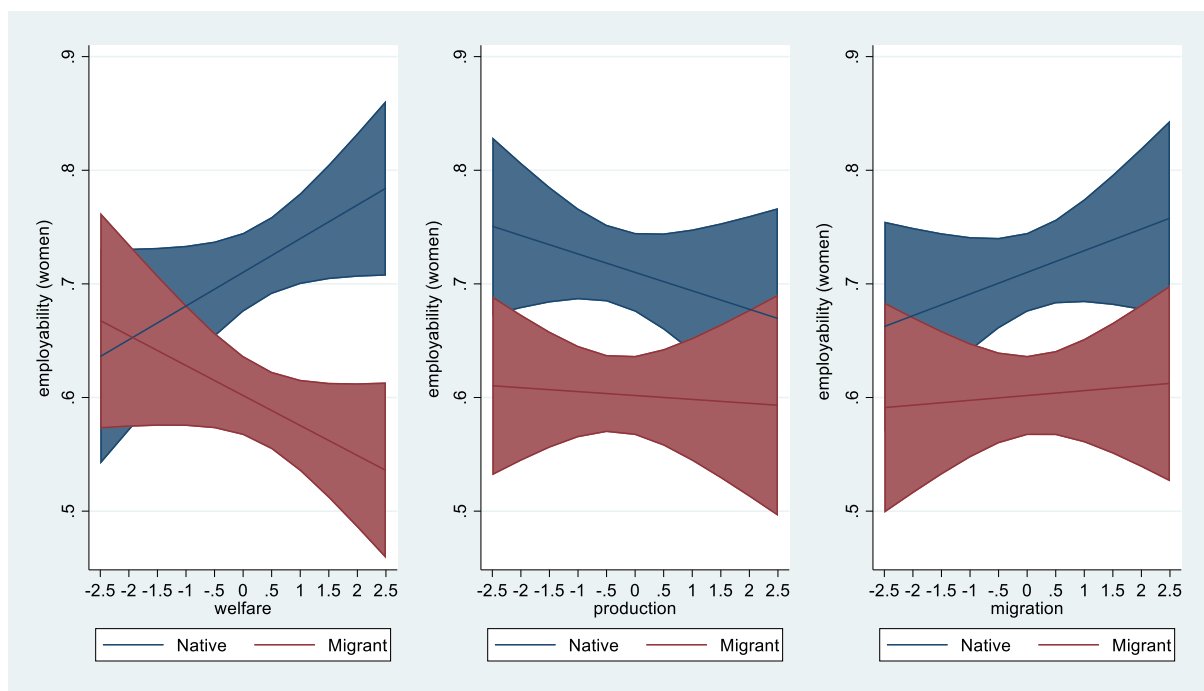
<b>Employability /model for women</b>	<b>Migrant penalty</b>	<b>Welfare regime</b>	<b>Production regime</b>	<b>Migration regime</b>
<b>Migrant (ref: natives)</b>	$-.108^{***}$			
<b>Between-country effects</b>		.022	.002	.014
<b>Regimes*migration status (between-country effects)</b>		Natives .008**	Natives $-.018^{***}$	Natives .004
		Migrants $-.048^{***}$	Migrants $-.005^*$	Migrants $-.010^{**}$
<b>Within-country effect</b>		$-.004$	$-.087$	$-.051^*$
<b>Regimes*migration status (within-country effects)</b>		Natives .000	Natives .087	Natives .022
		Migrants .017	Migrants .047	Migrants .002

Note: Full table with regression results can be found in Appendix table 8 at the last model, 7b. \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .

On the other hand, Figure 5.3 presents the between-country effects regarding the nexus between regimes and labour market outcomes by natives and migrants. As found in the table, the gap in employability between natives and migrants substantially increased as the welfare generosity increases toward the end of the scale. However, even though there is a negative association between migrants' employability and the production regime, since the level of the production regime's negative impact on natives is much larger than with migrants, the employability gap between them is reduced as the scale increases to CMEs from LMEs. In terms of the migration regime, due to the negative association with migrants' employability, no statistical significance of the moderation effect for natives was uncovered whereas the gap in employability between

natives and migrants was revealed to be larger as the migration regime increases under between-country effects. Accordingly, the graphs present similar trends regarding the migrant penalty between the welfare and migration regimes whereas the opposite trend can be seen with the production regime, thus indicating reduced migrant penalty compared to the other regimes' trends.

[Figure 5.3] Predicted probabilities for the association between institutions and employability by migration status, women



Notes: predicted probabilities estimated from between-country effects of the multilevel model in Table 5.3 X-axis: standardised values, changes in standard deviation displayed.

## 2) The association between regimes and job quality

The migrant penalty for migrant women was uncovered at -24pp across countries and the level of penalty is the highest level compared to male counterparts (-18pp). It can thereby be regarded that migrant women are bound to be employed in low-skilled jobs more than not only native women, but also migrant men. Therefore, an interesting result has here been found since within-

country effect has not presented any meaningful results so far alongside interaction terms. However, when it comes to migrant women, under WE with the moderation effect, strong negative and positive associations were found for migrant women’s job quality in the production and migration regime, respectively. This will be discussed further after the interpretation with between-country effects as this result relates to the descriptive analyses in terms of comparative migrant penalty by country (Chapter 4), as well as the dis-corresponding or dis-compatible institutional levels between welfare and production regimes within countries.

Under the between-country effects alongside the interaction term, the substantial positive association between the welfare regime and job quality of migrant women was found, standing at .085\*\*\*. The positive effect of the welfare regime turned out to be .020\*\*\* for native women’s job quality as well despite a more than 4 times smaller effect than with migrants. However, when compared with native men (-.001), native women are certainly positively affected by the welfare regime in a way that improves their skills according to the fact that work-family reconciliation policy inclusive of care services is more developed in the generous welfare states. Therefore, a women workforce can be supported to participate in vocational training or the labour market with their skills by the benefits received, without breaking the careers attributed to the pressure of care-giving.

[Table 5.4] Association between institutions and job quality, women

<b>Job quality /model for women</b>	<b>Migrant penalty</b>	<b>welfare</b>	<b>production</b>	<b>migration</b>
<b>Migrant (ref: natives)</b>	-.241***			
<b>Between-country effects</b>		-.021	-.012	.005
<b>Regimes*migration status (between-country effects)</b>		Natives .020***	Natives -.001	Natives -.018***
		Migrants .085***	Migrants .008*	Migrants .000
<b>Within-country effect</b>		-.016	.223	.010
<b>Regimes*migration status (within-country effects)</b>		Natives .012	Natives -.231	Natives -.010
		Migrants .015	Migrants -.442**	Migrants .062*

Note: Full table with regression results can be found in Appendix table 9 at the last model, 7b. \* p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001.



On the other hand, the moderation effect of the production regime only showed statistical significance with migrants' job quality alongside a weak impact but positive association standing at .008\*. As skill sharing can be an important condition to acquire new skills for migrants, if migrant women can be supported through welfare benefits to participate in those vocational training programmes, a certain level of production regime which has the system to share those skills would be beneficial for migrant women's job quality. Therefore, a country that provides vocational training alongside developed ALMP but a less rigid labour market can be helpful for migrants to access skills and relevant positions. In this sense, a middle-range production regime could be the appropriate condition for migrant women to maximise the opportunity for skill improvement. The countries allocated within this range were more or less Northern and Continental European countries where welfare generosity outperforms. Subsequently, the association between migrants' job quality and the production regime still showed a positive but much lower impact than the welfare regime since the highest level of production regime is bound to be exclusive in the sharing of skills, as well as related to relatively less generous welfare benefits.

In terms of the migration regime, there is no effect on migrant women (.000) while it also shows a negative association with native women's job quality, indicating -.018\*\*\*. However, it needs to be highlighted here that, regarding within-country effects with the interaction terms, the migration and production regimes' effects turned out to be statistically significant only for migrant women's job quality. This study focuses on the association between different levels of institutions and on migrant penalty under the comparative country perspective due to less variance of institutions within countries. Nevertheless, thanks to the data structure, the cross-classified multilevel model presents not only between-country effects but also within-country effects as well. Therefore, the result of the production and migration regimes' negative and positive associations with migrant women uncovers that migrant women's job quality can be sensitive to the effect of the two regimes under within-country effects. To be specific, although changes in the countries' market rigidity and migration policy openness within country could be less substantial compared to that of between countries, longitudinal change of the institutions within country could particularly affect migrant women regarding their job quality much more meaningfully compared to any other subjects.

Then why did the direction of the production regime's effect on migrant women's job quality turn out to be opposite between BE and WE? This can be explained with the results of the descriptive analysis and the production regime's characteristics compared to the welfare regime.

In Chapter 4, migrant penalty in job quality was substantially high in Mediterranean countries where the market rigidity is severe. Therefore, as Soskice (2005) revealed, higher market rigidity could particularly induce native women to be inactive in the labour market so that low-skilled positions can be occupied by migrants; these two results from BE and WE for migrant women reflect the reality of the society. This is since BE revealed the different level of production regime between countries which highlights the arrangement of the production regime between LMEs and CMEs, while WE showed how increased market rigidity within one country could affect migrant's job quality in that country's labour market.

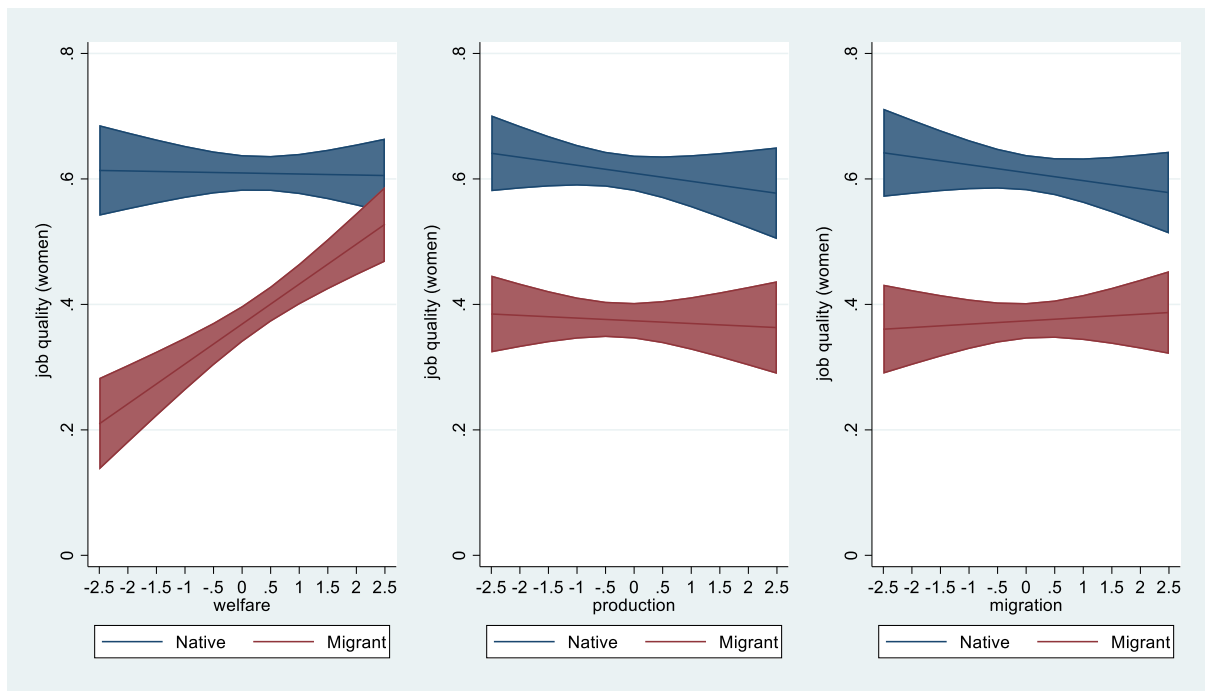
Therefore, when combining these results, a middle-range production regime could be a beneficial environment for migrants to acquire skills and the countries which are arranged in this level correspond to generous welfare states such as Northern European countries. Subsequently, positive low and high impacts of the production and welfare regimes, respectively, were uncovered for migrants in job quality under BE. Meanwhile, the strong negative impact of the production regime on migrant women (-.442\*\*\*) in WE can be explained such that the rigidity in the labour market affects native women, who are likely to be better educated, to restrain themselves to be employed or inactive in case of no greater opportunity to be posited in skilled jobs.

Consequently, third country migrant women could become actively involved in low-skilled or atypical positions, particularly in countries where the production regime is higher so that market rigidity is severe, and women friendly benefits are less developed such as familialism welfare states like Mediterranean and some Continental European countries. Accordingly, when considering the country specific cases in the descriptive analysis, particularly for the trade-off result of Mediterranean countries, the lowest job quality and high employability were necessarily found in line with the result of WE in the multilevel model pertaining to the strong negative impact of the production regime only for migrant women's job quality.

Based on the result of BE, the moderation effect of the three regimes on migrant women's job quality are presented in Figure 5.4. According to the graph of the welfare regime, the significantly elevated slope can be found at the end of the scale so that there could be higher chance for migrants to reduce the job quality gap with respect to natives if the generosity of welfare regimes increases. Although there was a positive effect for migrants' job quality with statistical significance from the production regime, the slopes from both subjects showed

parallel trends between them. As explained, this is because the strongest production regime levels towards CMEs could rather lead to a negative impact on job quality for migrants.

[Figure 5.4] Predicted probabilities for the association between institutions and job quality by migration status, women



Notes: predicted probabilities estimated from between-country effects of the multilevel model in Table 5.4. X-axis: standardised values, changes in standard deviation displayed.

A negative association between the migration regime and natives' job quality was found alongside no impact on migrants' job quality from the regime. Therefore, although the graph shows a reduced gap between natives and migrants based on the fact of a relative advantage since natives' job quality reduced as the regime's scale increases, but it does not reflect how migrant's job quality is positively linked with the migration policy openness across countries. However, when seeing the migration regime's WE moderation effect (.062\*), there is a positive association with migrants' job quality so that there is a chance within the country that if the level of migration policy increases, migrants could be supported to have better skills or jobs; although it is not as strong as the production regime's WE effect (-.442\*\*\*).

In this sense, when controlling the other regimes under BE, the negative association between migration openness and native women or migrant women's relative advantage in job quality can be explained such that the positive selection of migrant women could be facilitated further in countries where migrant policy openness increased. This is since favourable migration policy reform in some countries towards skilled or highly educated migrants has been witnessed in some European countries such as France and Germany (Murphy 2006; OECD 2013). Moreover, migrant women in these countries turned out to be less penalised in job quality compared to other countries' migrant women, as found in the descriptive analysis (see Figure 4.4 in Chapter 4). Nevertheless, the gap between natives and migrants under the migration regime was still not reduced as substantially as that of the welfare regime since the slope for migrants at the end of the migration regime scale could not meet the slope of natives like with the trend of the welfare regime.

#### **4. Gender difference in the association between regimes and migration status**

After controlling individual characteristics, the average women's migrant penalty with respect to natives was -11pp in employability and -24pp in job quality. This migrant penalty for women in both measures is much more severe, particularly in job quality, than that of migrant men which revealed -8pp and -18pp in employability and job quality, respectively. Nevertheless, these high penalty levels for migrant women were analysed to be possibly moderated more by institutional effects than those of migrant men.

To elaborate, the effect of the welfare regime on migrant women's labour market outcomes is much more significant than that seen with men counterparts despite the trend of each regime being the same as the men's case. Thus, there are negative and positive associations between welfare generosity and migrant women's employability (-.048\*\*\*) and job quality (.085\*\*\*), respectively (see table 5.3 and 5.4). In particular, the welfare regime's effect on migrant women's job quality is more than double compared to the men's case (.039\*\*\*), whereas a slightly lower negative impact on migrant men's employability (-.039\*\*\*) can be found (see table 5.1 and 5.2). This means that welfare generosity can affect migrant women's employability more negatively and job quality much more positively than that of migrant men.

On the other hand, as the production regime's scale increases towards CMEs, a negative impact on both measures can be found for native women. This represents a different pattern unlike that seen with native men since they showed negative and positive effects on employability and job quality, respectively. Native men have the positive association with the production regime in job quality, while native women do not take any benefits from the market rigidity or higher production regime in both labour market outcomes. Besides, the positive association between the production regime and job quality can only be found with the migrant women (.008\*) despite the meek impact (see table 5.4). Accordingly, although welfare generosity is helpful to increase the employability of native women, the strength (.008\*\*\*\*) was uncovered to be half of that for native men (.018\*\*\*\*) (see table 5.1 and table 3). Consequently, strong market rigidity characterised by higher production regime scores towards the CMEs, corresponding to conservative or familiarism welfare states, could not help but show lower employability for native women as the literature specified (Esping-Andersen 2002; Kang 2020; Soskice 2005) and, in turn, gives an opportunity for migrants to be employed particularly in the secondary market under the system.

In this sense, when looking at job quality for migrant women, the welfare regime's moderation effect outweighs that of native women since the coefficient (.085\*\*\*\*) is four times higher than with native women (.020\*\*\*\*) (see table 5.4). Therefore, although native women's job quality is positively associated with welfare generosity unlike native men (-.001) (see table 5.2), the stronger positive association between welfare and job quality was revealed with migrant women. Subsequently, the general average migrant penalty in job quality is much higher for migrant women than with migrant men, but the probability to improve job quality is much more powerful for migrant women if migrant women reside in more generous welfare states.

On the other hand, the migration regime still showed a very weak impact on migrants' employability but with an opposite direction for women (-.010\*\*) and men (.011\*\*\*\*) according to gender (see table 5.1 and table 5.3). However, in terms of job quality, both genders showed no significant moderation impact standing at .002 for men and .000 for women. Accordingly, as migration policy openness increases across countries, migrant women in generous welfare states could be much less employed rather than migrant men according to the negative association between both welfare and migration regimes and migrant women's employability.

## 5. The comprehensive interpretation alongside the descriptive analysis results

### 1) Migrant penalty for men

The multilevel analysis results regarding the association between institutions and migration status could be applied to the first descriptive analysis results of this project which revealed the migrant penalty levels across 16 countries. As Figures 4.1 and 4.2 (Chapter 4) showed the migrant penalty for men with respect to natives in each country when controlling individual characteristics, the multilevel model result of between-country effect pertaining to the welfare, production and migration regimes' moderation effect can be reflected with the migrant penalty levels across 16 European countries.

When it comes to employability, as the moderation effect of the welfare regime is negative for migrants, the higher-level welfare regime countries such as BE, NO (the first and second highest scores according to Table 3.2 in Chapter 3), DK, NL and similar showed the high migrant penalty in employability found in Figure 4.1. The statistical significance of the production regime's moderation effect for migrants could not be identified in the model (see Table 5.1) so that, although there is a certain positive trend in employability in relation to the production regime (as seen in Figure 5.1 regarding the production regime), it would not secure generalisations encompassing the total population across countries. Nonetheless, Southern European countries could show a positive trend since they have high production regime scores of around .30 (Portugal is the highest at 1.98) and revealed the least employability gap between natives and migrants (Figure 4.1). However, countries like FR and NO where the score is higher than those of Southern European countries showed a higher employability gap (migrant penalty). In accordance with these first analysis results, the findings of the multilevel analysis regarding how the welfare regime is the strongest determinant among the three regimes to affect migrant men's employability can be reaffirmed.

In terms of job quality, the welfare and production regimes revealed the same direction of moderation effect on migrants in the model for men. The effect is .039\*\*\* and .015\*\* in the welfare and production regimes respectively, and both secured statistical significance. Accordingly, the higher the welfare and production regimes, the better the job quality or lower migrant job quality penalty expected. However, as can be seen in the job quality graph from the production regime in Figure 5.2, the confidence interval range is reduced from -.8 to .8, and expands drastically again after that. Therefore, some Northern European countries as well as

DE and NL which belong to this level, showed higher improvement in job quality and, ultimately, employability. This can be found in Figure 4.8 which revealed the effects of long-term residence on migrants' labour market outcomes by indicating the difference between long- (more than 10 years) and short-term (less than 10 year's residence) migrants' employability and job quality in destination countries.

Consequently, although Northern Europe has the highest scores for the welfare regime, their reduced EPL and complementarily well-developed ALMP were summarised as falling within the middle score range in the production regime. Therefore, although there is positive association between migrants' job quality and the production regime, as the strength of the effect is weaker than that of welfare regime, the improved long-term residence effect on labour market outcomes was able to be found more in some of the countries in Northern and Continental Europe placed in the middle and high range of the production and welfare regimes, respectively (see Figure 4.8).

## 2) Migrant penalty for women

Based on the result of the multilevel model which included welfare, production and migration regimes' moderation effect (see Table 5.3 and 5.4), the results from the descriptive analysis showing women's migrant penalty with respect to natives in each country according to employability and job quality were interpreted below (see Figures 4.3 and 4.4 in Chapter 4). As can be seen in Figure 4.4, the trend of migrant penalty in employability in the 16 countries is similar like with men counterparts so that the negative moderation effects of the welfare regime for migrants found in Table 5.3 is compatible with the first analysis results. Accordingly, higher-level welfare regime countries such as BE, SE, FR, DK and NL showed the larger migrant penalty in employability.

Women's employability under the production regime is uncovered with a strong negative trend for natives (-.018\*\*\*) and a very meek negative effect (-.005\*) for migrants as the level of the production regime increased (Table 5.3). Therefore, as assumed in the descriptive analysis in Chapter 4, higher production regime levels mean having higher market rigidity (such as in Continental and Southern European countries). Subsequently, native women could be less employed and, in turn, migrants could possibly occupy unfilled job positions in the secondary service markets so that the employability gap between natives and migrants reduced at the end

of the production regime scale (see Figure 5.3). These can be seen with the Mediterranean countries in Figure 4.3.

Accordingly, migrant penalty in job quality needs to be referred to in these regards. The welfare and production regimes revealed the same direction for the moderation effects on migrants. Here, the effect on migrants is  $.085^{***}$  and  $.008^*$  in the welfare and production regimes respectively, and both secure statistical significance despite the small effect of the production regime under the between-country effects. Since the welfare regime's moderation effect is much larger for migrants than natives in job quality, the higher the levels of the welfare and production regimes, the better the job quality or lower migrant penalty expected under between-country effects.

However, as specified earlier, not only between but also within-country effects need to be highlighted in the migrant women's case regarding job quality. This is since the negative impact of the production regime on migrant women's job quality in WE is substantial and statistically significant unlike that of men counterparts and native women. This result reflects how migrant women can be severely affected by market rigidity in the country's labour market. Thus, although there is a relatively better chance for migrant women to improve skills when they are in countries with higher levels of welfare and production regimes, if market rigidity increases within the country they are likely to be in low-skilled jobs.

In the same way, the women's case also showed a similarly narrow CI range for the production regime of around  $-.8$  to  $.8$  (Figure 5.4), like with the men's case under BE. Therefore, the improvement in longer residence migrants' labour market outcomes can particularly be secured in those countries which are placed in the middle range of the production regime; many of them being Continental and Northern European countries (see the longer-term resident effect on migrant penalty for women in Figure 4.11). Consequently, the severe trade-off trends regarding low job quality and high employability particularly for migrant women can be found in Mediterranean countries (see Figure 4.3 and 4.4). To be specific, the gender gap in job quality between migrant women and men is more than 10pp in these countries. The largest migrant penalty difference between genders is found in Italy for migrant men, standing at  $-27$ pp, and for migrant women, revealing  $-40$ pp in job quality, respectively. These countries revealed in-between positions of welfare generosity and high market rigidity alongside a prevalent secondary market compared to liberal welfare states as well as Northern and Continental European countries (see Table 3.3).



Conclusively, this result particularly supports the hypothesis regarding how work-family reconciliation policies' association with higher welfare generosity can facilitate or encourage migrant women to pursue skill acquisition and, in turn, participate in the labour market. Hence, in order to improve third country migrant women's labour market outcomes in both measures, welfare generosity including work-family reconciliation is critical to help them reduce the job quality penalty with respect to natives, as well as gender difference, by taking part in vocational training for upskilling. Even if it takes a longer time, ultimately increased employability alongside better job quality could be found, as uncovered in the corresponding results of this study which reflects the long-term residence effect in Chapter 4, as well as the highest welfare regime effect for migrant women regarding job quality in the multilevel analysis. Concluding remarks shall now be drawn.

## Chapter 6. Conclusion

These concluding remarks are organised according to the first and second analyses that were conducted through LPM and multilevel models, respectively. The pattern of migrant penalty and the ethnicity penalties of five different ethnicities were investigated in the first analysis in association with the three dominant regimes as well as the socio-economic backgrounds of the ethnicities. Moreover, in terms of migrant penalty, the gender difference within migrant penalty was analysed as well based on work-reconciliation policy. The four patterns of migrant penalty were assumed according to different typologies of the three regimes and the hypotheses were supported alongside the county cases which were allocated under the patterns followed by their different institutional systems (see the quadrant matrix for both genders in Table 4.5 and 4.6).

To be specific, the research question regarding migrant penalty was “*how the pattern of migrant penalty in the labour market could be associated with dominant regimes and their typologies including welfare, production, and migration and which extent of gender difference of migrant penalty can be expected according to the different work family reconciliation policies based on welfare regime?*” There were four patterns expected including trade-off pattern 1 (high job quality and low employability), trade-off pattern 2 (high employability and low job quality), less penalty (high employability and high job quality) and double penalty (low employability and low job quality) in association with the three regimes’ typologies (Esping Andersen 1990; Hall and Soskice 2001; Sainsbury 2006). As hypothesised, most Continental European countries were classified in trade-off pattern 1 by showing that migrants were employed less but took skilled positions more since there is a high demand for innovative and firm-specific skills which are supported by the contribution or occupational-based welfare benefits system alongside migration policy which prefers skilled migrants.

With regards to trade-off pattern 2 reflecting high employability and low job quality, Mediterranean countries were allocated here because of their lower demand for innovative skills compared to Continental European countries, as well as how their high EPL (employment protection legislation) could deter migrant to be employed in skilled positions along with consolidated contribution-based welfare systems. Nevertheless, there is a more prevalent secondary or black market compared to in the other European states (Ballarino and Panichella 2013; 2017) so that third country migrants who were able to be employed more in this regard showed an almost similar probability to be employed compared to natives, particularly in Italy.

The LMEs/liberal welfare states were expected to show less migrant penalty since there is high demand for both high- and low-skilled service industries and less public benefit coverage centred within a private welfare system that would not bring higher barriers when employing migrants. Accordingly, the UK and the US showed less penalty in both measures. However, surprisingly, Germany and Portugal were also allocated under this pattern.

Last but not least, Northern European countries were uncovered within the double penalty pattern. This is because the well-developed universal welfare system which covers demographic heterogeneity or diverse social status could give room for migrants to be unemployed without commodifying themselves due to livelihood crisis (Kogan 2007). Plus, the industrial-specific skills take a longer time for migrants to acquire as they are new skills which are used in the destination countries alongside less prevalent secondary service markets which could lead migrants to be less employed and unskilled.

However, there are two points to be highlighted regarding Northern Europe and double penalty. First, as seen with the short- and long-term migrant penalty, long-term migrants in Northern European countries saw reduced migrant penalty also in both outcomes, apart from in Denmark for migrant men's employability (see Table 4.9). This discussion is in line with sustainable employability which pertains to acquiring better skills and this is attributed to generous welfare systems which not only have a high level of decommodification, but also better accessibility to vocational training. Second, in terms of migrant women, there was no double penalty pattern unlike with men counterparts. Thus, migrant women in Northern Europe were also classified in the trade-off pattern regarding less employability and high job quality alongside those in Continental European countries.

Then, how the gender difference of migrant penalty between migrant men and women uncovered in the association with work-reconciliation policy in light of welfare regime? (see Table 4.15). The first hypothesis expected that liberal welfare states have less developed care services in which third country migrants can be restricted to be employed due to less social capital as well as no greater purchasing power to use private care services other than high skilled migrants. As hypothesised, the higher employability penalty compared to that of migrant men turned out to be the most substantive in the UK (-10% difference) but not in Ireland and the US.

The least gender difference was assumed in the social democratic welfare states based on the highly developed public care service for which there are no limitation to access for migrants as

well (Sainsbury 2006). Lastly, the employability penalty between migrant men and women turned out to be less significant under the familialism welfare states, such as Continental European and Mediterranean countries. This is since native women are bound to be inactive in this welfare system so that migrant women showed a similar penalty level in employability when comparing to migrant men. However, as expected, the difference in the job quality penalty between genders was much lower in Continental Europe than in Mediterranean countries thanks to the high-skill-favouring migration policy, as well as more demand for innovative skills in the workforce.

In terms of ethnicity penalties, the research question regarding “*how far the different ethnicities among the migrants could vary occupational integration in the relation to their socio-economic backgrounds?*” was investigated alongside five different ethnicities including EE (Eastern Europeans), MENA (Middle Eastern and Northern Africans), SubAf (Sub-Saharan Africans), Asian and SA (South Americans). Three hypotheses were assumed based on locational inequality, demographic homogeneity in Europe and mixed embeddedness, respectively.

Based on locational inequality regarding global inequality in relation to location and economic development (Milanovic 2016), MENA and SA turned out to be the most penalised ethnicities in European states and the US as hypothesised. This is since low-skilled migrants who have less possession to migrate further could necessarily cross the borders nearby to their origin countries. Therefore, MENA followed by SubAf showed higher penalty compared to other ethnicities in Europe, while SA uncovered the least penalty in Europe alongside Asian but the highest penalty in the US. Specifically, MENA revealed double penalty not only job quality but also employability in the 16 European countries whereas SA showed a trade-off pattern regarding low job quality and high employability in the US (see Figures 4.56 and 4.57 for migrant men and Figures 4.58 and 4.59 for migrant women).

As secondly hypothesised, EE turned out to be the least penalised ethnicity in terms of employability. This is since the racial homogeneity in European nations as traditionally emigration countries (Alba and Foner 2015; Milanovic 2016) could lead to a higher preference towards White migrants compared to the other ethnicities regardless of gender. Nevertheless, in line with the locational inequality argument, as EE migrated from the adjacent countries, the highest population were found amongst the five ethnicities in the 16 destination countries. Accordingly, their job quality turned out to be notably penalised compared to the other ethnicities based on negative selection. Lastly, according to the concept of mixed

embeddedness (Kloosterman et al. 1999), migrant women from MENA were predicted to be the most penalised since there could be certain norms to follow for migrant women due to religious or social pressures from their origin countries. As expected, the result was that MENA women showed the lowest employability alongside the highest gender difference in employability, but low penalty in job quality which was unexpected. This means that low-skilled women from MENA could face much more restrictions regarding labour market participation, other than for those who are highly educated.

By this far, the overall result of the first analysis was presented and, from now on, the second multilevel analysis results are summarised below. The main questions and the following hypotheses of the second analysis were answered according to the results of cross-classified multilevel model. The research questions, to recall, asked: *how far are the labour market outcomes between natives and migrants differently affected by institutional regimes regulating welfare, production and migration? Are there gender differences?*

These questions were explored through the cross-classified multilevel analysis, and particularly under the interaction terms investigating the moderation effects between each regime and labour market outcomes according to migration status. The interaction which was conveyed via between-country effects was able to provide information regarding how specifically each regime effects labour market outcomes between natives and migrants. This is since there are notably distinct and different levels of institutions across the 16 European case countries according to their socio-economic systems. Therefore, the heterogeneity of demographic characteristics distinguished with third country migrants and natives could be expected to vary labour market outcomes under association with the different institutional arrangements based on the three regimes. Accordingly, the three hypotheses of the multilevel analysis were examined in the order of welfare, production and then migration regimes. The hypothesis table in Chapter 3 is represented here again in order to better elaborate the results of the 9 sub-hypotheses.

As can be seen in Table 6.1, the hypotheses assume how migrant labour market outcomes are associated with the different institutions by gender. Therefore, the sub-hypotheses derived from each regime and based on the literature examined the general impact of the regimes on migrants regardless of gender, as well as the different impact upon migrant men and women, respectively. Taking this into account, the results of the multilevel analysis are concluded according to each hypothesis below.

[Table 6.1] The hypotheses regarding the association between institutions and migrant labour market outcomes according to gender

Institutions	Outcomes	General	Migrant men	Migrant women
Welfare	Employability	H1a		H1b
	Job quality	H1c		H1d
Production	Employability		H2a	H2b
	Job quality	H2c		
Migration	Employability	H3a		
	Job quality	H3b		

The first welfare regime hypothesis regards the opposite association of welfare generosity in employability and job quality for migrants, which found support in the analysis. This is since the nexus between the traits of the welfare regime and migrants could induce them to be less employed, but support them to acquire certain skills relevant to the destination countries. In this regard, there are four sub-hypotheses to be presented here alongside the analysis results. To be specific, H1a and H1c examined the general association between the welfare regime and migrants' employability and job quality regardless of gender, while H1b and H1d revealed the gender difference particularly focused on migrant women within this association.

The first sub-hypothesis (H1a) was about the negative association between migrant employability and welfare generosity. This hypothesis is supported because negative coefficients in employability were found for migrant men and women, standing at  $-.039^{***}$  and  $-.048^{***}$ , respectively. This indicates that less employability can be found alongside better decommodification in those welfare generous countries which can embrace migrants, also under the universal welfare system (Esping-Andersen 1990; Kogan 2007). Therefore, as welfare generosity decreases, the employability gap between migrants and natives is reduced since migrants need to commodify themselves in the labour market to support their livelihood.

Additionally, the second sub-hypothesis (H1b) regarding gender difference in employability is also supported given the larger coefficient for migrant women. This hypothesis assumes that higher welfare generosity encompassing well-developed family benefits, including higher family allowance, would create a more negative association with migrant women's employability than with migrant men. This is since family allowance, unlike care services, induce less activity from woman workforces (Esping-Andersen 2002; Kang 2020) as well as

migrant women who are likely to be tied movers under the family strategy (Ballarino and Panichella 2017) and so could be affected more by welfare generosity and thus be less employed. The result showed a more negative coefficient for migrant women than migrant men, as stated above. Thus, the hypothesis regarding a higher negative association between welfare regime generosity and employability for migrant women compared to migrant men is supported as well.

The third (H1c) and fourth (H1d) hypotheses concerned migrant job quality and its gender difference, respectively. Hence, the third hypothesis assumed that welfare generosity would positively affect migrant job quality since, according to trade-off arguments, migrants are more selected in the labour market within generous welfare states (Ballarino and Panichella 2013, 2017; Kogan 2007). They would also be supported by better access to skills, such as through state-funded vocational training which is provided under generous welfare states (Esping-Andersen 1990; Hall and Soskice 2001). As expected in the third hypothesis, migrant job quality is much more positively affected by welfare generosity than that of natives for both genders. This is since the moderation effect of the welfare regime for migrant men and women turned out to be .039\*\*\* and .085\*\*\* respectively, while native men and women were much less affected by the welfare regime in job quality; revealing -.001 (without statistical significance) for men and .020\*\*\* for women.

The fourth sub-hypothesis (H1d) expected a higher positive association between migrant women and welfare generosity than the case for migrant men. As can be seen in Table 5.2, the result showed a more than two times higher effect for migrant women compared to migrant men. Thus, beyond migrant women's positive selection in generous welfare labour markets, the institutional effect which conveys higher levels of welfare benefits including care services could moderate the job quality of migrant women so that it increases more than for either migrant men or native women. This result clearly showed how third country migrant women's occupational status could vary substantially according to the level of generosity of the welfare system present in destination countries. This is since welfare services could lead to the best return for the most penalised population, such as migrant women who could be likely to perform care duties.

This result is consistent with the first descriptive analysis results regarding long-term residence effects on job quality (see Figures 4.8 and 4.11) since it showed that those countries which have generous welfare schemes particularly reduced long-term resident migrant penalty

regarding job quality compared to short-term resident migrants, regardless of gender. Therefore, through this multilevel analysis which included macro institutional data, the result of the descriptive analysis is supported much more articulately. This is since this multilevel model revealed not only the positive association between the welfare regime and migrant's job quality, but also the strength of the institutional impact which is particularly beneficial for migrant women; showing around a two- and four-times higher moderation impact from the welfare regime compared to migrant men and native women, respectively.

On the other hand, the second hypothesis treats the institutional effect of the production regime and its association with migration status. In this regard, there are three sub-hypotheses which specify the production regime's different association between migrant men (H2a) and women (H2b), and the general effect on migrants' job quality (H2c). The first sub-hypothesis (H2a) assumed that the lower employability of migrant men with respect to natives in the higher CMEs related to labour market rigidity which consolidates insiders (natives) under a dualized labour market (Ballarino and Panichella 2013; Rueda 2007; Vlandas 2013, 2020). This hypothesis could be regarded to be supported by the results which showed a negative association with the production regime regardless of migration status. However, the negative effect upon migrants does not secure its statistical significance (-.004) unlike with the employability of natives standing at -.017\*\*\*. Therefore, this hypothesis cannot be supported.

When it comes to migrant women's employability, the second sub-hypothesis (H2b) assumed that it could be positively affected by the production regime as its level becomes closer to the extreme CMEs and away from the LMEs. This is since there could be more unfilled positions in the secondary service market which are not taken by native women, in turn allowing third country migrant women to be employed more (Esping-Andersen 2002; Soskice 2005). Besides this, those in LMEs would be similarly better employed since the well-developed service market in both high- and low-end industries could give greater opportunities for migrant women who do not have the firm- or industry-specific skills of the destination countries (Hall and Soskice 2001).

In this regard, migrant women are negatively affected (-.005\*) by the production regime in the same direction as migrant men concerning only the production regime's coefficient for migrant women. Nevertheless, the strength of negative effect for natives is more than that of migrant women so that the difference between natives and migrants can be larger as market rigidity increases; uncovering the association between the production regime and migration status to



be at  $-.017^{***}$  for natives and  $-.005^*$  for migrants. Therefore, although the association of the production regime with migrant women turned out to be negative in the labour market, natives' much higher negative employability moderated by the production regime can make migrant women catch-up with natives' employability. This was suggested by Figure 5.3 that reflected the reduced employability gap between them at the end of the scales for the production regime.

In addition to this, in terms of LMEs, the graph showed better levels of migrant employability but the level of native women's employability increased much more substantially than that of migrants as it was getting closer to the LMEs' level (Figure 5.3). Therefore, unlike previous research which expects a lower migrant employability penalty in LMEs because of market flexibility (Ballarino and Panichella 2013), this empirical result showed an opposite phenomenon in the case of migrant women. This means third country migrants can be employed more in LMEs compared to migrants in higher CMEs, but the migrant penalty with respect to natives indicating employability gap between natives and migrants can be expected to be higher in the LMEs rather than CMEs. This is since native women in LMEs can hold an advantage or be employed more than native women in CMEs so that migrants in extreme LMEs can be penalised more with respect to natives compared to migrants in CMEs. This result, by extension, can be relevant and supported with the descriptive analysis result regarding the gender difference of migrant penalty which uncovered a large difference between migrant women and men's employability penalties in the UK (LMEs) compared to CME countries (see Figure 4.15).

To be elaborate, migrant women in the UK showed a higher migrant penalty in employability with respect to natives among the 16 European subject countries and, in turn, it revealed the largest gender difference (-10pp) which was hypothesised as there is less care service support in liberal welfare states. Therefore, unless they are skilled migrant women, there is more probability to be penalised in employability unlike migrant men who hardly take responsibility for care duties. Therefore, this second sub-hypothesis is also half confirmed since the employability of migrant women with respect to natives gradually increased with the relative advantage of employment opportunities in the secondary market due to the decreased employability of natives as the scale reaches towards the end of CMEs. However, the lowest production regime level closer to LMEs showed a higher level of migrant penalty with respect to natives unlike that of migrant men (in the case of the UK).

The last sub-hypothesis (H2c) regarding the production regime is that the positive effect of this regime on job quality would be less than with welfare generosity since extreme levels akin to CMEs accompany stronger insider protection which could restrict access to skill acquisition in the labour market (Hall and Soskice 2001; Rueda 2007; Vlandas 2013, 2020). This hypothesis highlights how the production regime's extreme level towards CMEs could influence migrants to refrain from increasing job quality due to the largest market rigidity which actually makes the labour market more beneficial for insiders.

Thus, even though there is migrant selection in the CME labour market, it could not help but reduce its positive effect unlike the welfare regime which revealed that the more generous it is, the more accessible skill acquisition is for migrants with well-developed ALMP (Hall and Soskice 2001; Hemerijck et al. 2016; Knuth 2014; Martins and Pessoa e Costa 2014; Ronvy 2014). In this regard and as expected, although there is a positive association between the production regime and job quality which stands at .015\*\*\* for migrant men and .008\*\* for migrant women, the effect turned out to be smaller than the welfare regime's effect on job quality; this being revealed at .039\*\*\* and .085\*\*\*, respectively. Therefore, the third hypothesis was supported to be right according to the results, regardless of gender.

Furthermore, another interesting point is the gender difference between the two regimes regarding job quality. This is since the welfare regime's moderation effect on job quality is much stronger for migrant women but that of the production regime is the other way around. Therefore, these results also reaffirmed that the accumulated skills under higher market rigidity could be beneficial for male workforces rather than for women. In addition, the generous welfare benefits encompassing work-family reconciliation policies are a crucial factor to support women's sustainable employability based on skill improvement.

When it comes to the migration regime, it is expected to have the least meaningful effects upon the labour market outcomes compared to the welfare and production regimes as previous studies have found that it is supplementary to the welfare regime in terms of migrant integration (Czaika and Haas 2013; Sainsbury 2006). Accordingly, the sub-hypotheses referred to the migration regime's general effects irrespective of the distinction between employability and job quality, unlike those for the welfare and production regimes, since the migration regime's hypotheses examine the direction and strength of its effects compared to the other regimes. Thus, to elaborate, the direction of the migration regime's effect was assumed to be the same as the welfare regime's in the first sub-hypothesis (H3a). In addition to this, the second sub-

hypothesis (H3b) expected that the degree of the effect from the migration regime on labour market outcomes would be lower than those of the welfare and production regimes since the resources needed for migrants to be settled are much more related to the regimes in line with decommodification and skill acquisitions (Ballarino and Panichella 2013; Kogan 2007; Paul 2013; Sainsbury 2006).

According to H3a, the result was revealed as hypothesised by showing the same direction with the welfare regime so that a negative and positive associations with migrants' employability and job quality were respectively found under the between-country effects despite no statistical significance in job quality for both genders. On the other hand, sub-hypothesis H3b is partially supported since, in terms of job quality, the welfare and production regime outweighed the migration regime effect for migrants while, regarding employability, the migration regime showed a higher effect than that of the production regime. This result is somehow understandable because the production regime is closely related to job quality and particularly to the main industries of capitalist countries, as well as the relevant skill acquisition (Hall and Soskice 2001). Meanwhile, migrants' employability could be more affected by migration policy such as through border controls as well as work permit requirements (Ellermann 2020; Milanovic 2016; Paul 2013).

Additionally, this study found interesting dynamics regarding within-country effects, particularly with regards to migration regime and gender difference. In terms of employability, there is a negative association with the migration regime regardless of gender by standing at  $-.049^*$  for men and  $-.051^*$  for women. This means that there is a possible association decreasing employability alongside an expansion of migration policy openness irrespective of migration status. Accordingly, across the 16 countries the level of migration policy openness is much less effective compared to the welfare regime in association with employability while, within a country, the variation of migration policy openness could be more significantly and negatively related with the employability of the country's general workforce unrelated to demographic heterogeneity.

Similarly, the within-country effect alongside the moderation effect on migration status needs to be highlighted with migrant women's job quality since there is no significant effect revealed in the men's case, as well as with the employability of native and migrant women. What was revealed in the results is that the moderation effect of production and migration regimes under within-country effects turned out to be negative and positive in association with migrant

women's job quality (see Table 5.4). This also demonstrates how migrant women's job quality could be more sensitive to policy variation within a county as the effect showed  $-.442^{**}$  in the production regime and  $.062^*$  in the migration regime, respectively. As explained in Chapter 5 and the literature review, this shows how CMEs' secondary market could be closely associated with migrant women's job quality and, by extension, with their employability more so than with migrant men.

This is because migrant women are especially demanded more under post-industrialism in order to fulfil the increased number of available positions in the service industry alongside private care services or domestic work. Therefore, a country where market rigidity and a secondary service market are prevalent could induce migrant women to be placed in low-skilled jobs rather than native women who are likely to be inactive in that institutional system. Furthermore, although there is no statistically significant moderation effect from the migration regime under between-country effect, under the within-country effects, the effect of the migration regime showed  $.062^*$  in job quality for migrant women. This result uncovers that welfare and production regimes' strong effect regarding migrants' occupational integration in both measures is significant across countries, while the migration regime could mainly contribute to an improvement of migrant women's job quality within the country. This is since migration policy could target specific concerns under each country context, as well as how MIPEX is regarded as reflecting more the policies towards non-Western migrants (Kanas and Steinmetz 2021) that turn out to be more relevant to migrant women's job quality in this multilevel analysis.

Overall, the welfare regime's effects in both measures for migrants turned out to be the most substantial compared to the other regimes in the multilevel analysis. This is because it is directly related to decommodification which influences the status of employment and the possibility of participation in vocational training (Esping-Andersen 1990; Kogan 2007; Sainsbury 2006). Therefore, in conclusion, when it comes to the three regimes' effects on migration status, the welfare and migration regimes notably effect migrants' employability in a negative association, while the welfare and production regimes positively affect migrants' job quality across the 16 European countries. Accordingly, sustainable employability through possessing greater job quality could be better realised through welfare generosity under the long-term perspective, even though it could be expected to bring lower employment for migrants (temporarily). This was witnessed in Chapter 4 and indicated an increased occupational integration of migrants in those generous welfare states.

The three hypotheses regarding the welfare, production and migration regimes were examined through the multilevel analysis as well as the descriptive analysis; the results of which supporting the interpretations of the multilevel analysis. Accordingly, these two main analyses finally elaborated upon the nexus between the three dominant regimes and migrant occupational integration in the labour market. The descriptive analysis specifically presented the 17 countries' migrant and ethnicity penalties in employability and job quality in relation to the three regimes and socio-economic backgrounds, respectively. Meanwhile, the multilevel analysis investigated the association regarding how the regimes effect labour market outcomes according to migration status by uncovering the sophisticated impacts of each regime across 16 European countries.

These results provide detailed information in order to improve the integration of migrants in the labour market according to their institutional arrangement. The positive implication of this study is therefore that the conventional ideas through which migration issues are treated in politics as well as in migration policy are shown to be in need of reconsideration in light of the results of this project. Moreover, migration integration governance should expand its coverage to broader areas including the welfare and production regimes although these have been regarded to mainly affect natives. As this study proved, both regimes greatly moderated migrants' labour market outcomes.

Accordingly, this project certainly overcomes the limitations of previous studies by employing the three regimes simultaneously, including welfare, production and migration. It does so while using actual institutional data in order to reveal the specific association and measure the effects of institutions, rather than only following the conventional typologies from the dominant regimes. Furthermore, beyond migrant penalty, ethnicity penalty was also revealed by demonstrating how the occupational integration of migrants varied according to five specific ethnicities. The results shed light upon the complexity of the migrant penalty which is interlinked not only with institutional arrangements, but also racialisation in the destination country's labour market as well.

Nevertheless, this study also acknowledges its limitations and related suggestions for future research. Although actual institutional datasets are employed since this project aimed to reveal macro regime effects on migrant occupational integration, specific policy impacts could not be investigated. Each regime is a great background to analyse the labour market environment which could affect migrants' occupational integration so that the total or summarised score of

specific policies was necessarily employed. However, regime effects could also be abstract compared to specific institutions' impact on migrant labour market outcomes. Therefore, it would be beneficial to investigate the impact of individual policies which belong to each regime in association with migrant labour market outcomes in order to provide more detailed policy suggestions.

In addition to this, this study could not incorporate a time series analysis which may capture changes to institutional arrangements following welfare or labour market reform, as well as the impacts of economic crises or similar. This could be important and relevant to the exceptional cases which were found in the descriptive analysis to fall beyond the dominant regimes' typologies, with this including countries such as Portugal, Germany, Ireland and Finland. Predicated upon their institutional scores presented in Chapter 3, the mean values of these nations revealed somewhat different scales compared to the peer countries which belong to the same typologies under the welfare and production regimes (i.e. the lower production regime score that was found in Germany, possibly reflecting the Hartz reform, alongside the much higher welfare and production regime scores in Ireland and Portugal, respectively). The clues discovered in this study can thus be investigated further alongside non-static welfare states and the association between changing institutions and labour market outcomes. Accordingly, this project leaves these suggestions for future studies to pursue.

## Appendix

[Table 1] Demographics: men including natives, third country migrants and Western migrants in the multilevel analysis

Country	Native	Migrant	Wmigrant	Total
AT	42,283	5,832	1,662	49,777
BE	23,104	2,935	1,854	27,893
CH	10,082	2,956	4,950	17,988
DE	53,046	442	359	53,847
DK	20,846	1,122	630	22,598
ES	37,522	2,522	658	40,702
FI	13,131	324	216	13,671
FR	90,673	9,799	3,173	103,645
GR	63,243	5,823	458	69,524
IE	43,760	4,550	4,005	52,315
IT	143,310	12,455	2,753	158,518
NL	32,231	2,533	725	35,489
NO	8,161	580	356	9,097
PT	37,421	2,385	716	40,522
SE	67,237	8,098	2,966	78,301
UK	21,119	2,727	747	24,593
<b>Total</b>	<b>707,169</b>	<b>65,083</b>	<b>26,228</b>	<b>798,480</b>

Note: Migrants indicates third country migrants including five ethnicities (Eastern European, Middle Eastern and North African, Sub-Saharan African, Asian and South American). Wmigrant is Western migrants including EU-15, EFTA, North America and Oceania.

[Table 2] Demographics: women including natives, third country migrants and Western migrants in the multilevel analysis

Country	Native	Migrant	Wmigrant	Total
AT	43,066	6,856	1,947	51,869
BE	23,634	3,374	2,007	29,015
CH	11,632	3,724	4,756	20,112
DE	53,137	350	276	53,763
DK	23,500	1,395	680	25,575
ES	39,220	2,939	717	42,876
FI	13,189	466	188	13,843
FR	96,613	11,963	3,544	112,120
GR	65,289	5,887	779	71,955
IE	46,643	4,456	4,564	55,663
IT	148,936	15,504	3,761	168,201
NL	33,274	3,031	876	37,181
NO	8,111	664	311	9,086
PT	40,482	2,876	785	44,143
SE	67,108	9,462	3,237	79,807
UK	23,549	3,194	948	27,691
<b>Total</b>	<b>737,383</b>	<b>76,141</b>	<b>29,376</b>	<b>842,900</b>

Note: Migrants indicates third country migrants including five ethnicities (Eastern European, Middle Eastern and North African, Sub-Saharan African, Asian and South American). Wmigrant is Western migrants including EU-15, EFTA, North America and Oceania.

[Table 3] Stepwise model specifications of the cross-classified multilevel analysis

Models	12 stepwise multilevel models' specifications
Model 1	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 2	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 EDU_{ijkl} + \beta_3 MRRG_{ijkl} + \beta_4 AGE_{ijkl} + \beta_5 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 3a	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_{jkl} + \beta_4 EDU_{ijkl} + \beta_5 MRRG_{ijkl} + \beta_6 AGE_{ijkl} + \beta_7 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 3b	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_l \# MN_{ijkl} + \beta_4 W_{jkl} + \beta_5 W_{jkl} \# MN_{ijkl} + \beta_6 EDU_{ijkl} + \beta_7 MRRG_{ijkl} + \beta_8 AGE_{ijkl} + \beta_9 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 4a	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 P_l + \beta_3 P_{jkl} + \beta_4 EDU_{ijkl} + \beta_5 MRRG_{ijkl} + \beta_6 AGE_{ijkl} + \beta_7 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 4b	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 P_l + \beta_3 P_l \# MN_{ijkl} + \beta_4 P_{jkl} + \beta_5 P_{jkl} \# MN_{ijkl} + \beta_6 EDU_{ijkl} + \beta_7 MRRG_{ijkl} + \beta_8 AGE_{ijkl} + \beta_9 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 5a	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 M_l + \beta_3 M_{jkl} + \beta_4 EDU_{ijkl} + \beta_5 MRRG_{ijkl} + \beta_6 AGE_{ijkl} + \beta_7 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 5b	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 M_l + \beta_3 M_l \# MN_{ijkl} + \beta_4 M_{jkl} + \beta_5 M_{jkl} \# MN_{ijkl} + \beta_6 EDU_{ijkl} + \beta_7 MRRG_{ijkl} + \beta_8 AGE_{ijkl} + \beta_9 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 6a	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_{jkl} + \beta_4 P_l + \beta_5 P_{jkl} + \beta_6 EDU_{ijkl} + \beta_7 MRRG_{ijkl} + \beta_8 AGE_{ijkl} + \beta_9 SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 6b	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_l \# MN_{ijkl} + \beta_4 W_{jkl} + \beta_5 W_{jkl} \# MN_{ijkl} + \beta_6 P_l + \beta_7 P_l \# MN_{ijkl} + \beta_8 P_{jkl} + \beta_9 P_{jkl} \# MN_{ijkl}$ $+ \beta_{10} EDU_{ijkl} + \beta_{11} MRRG_{ijkl} + \beta_{12} AGE_{ijkl} + \beta_{13} SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 7a	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_{jkl} + \beta_4 P_l + \beta_5 P_{jkl} + \beta_6 M_l + \beta_7 M_{jkl} + \beta_8 EDU_{ijkl} + \beta_9 MRRG_{ijkl} + \beta_{10} AGE_{ijkl} + \beta_{11} SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$
Model 7b	$y_{ijkl} = \beta_0 + \beta_1 MN_{ijk} + \beta_2 W_l + \beta_3 W_l \# MN_{ijkl} + \beta_4 W_{jkl} + \beta_5 W_{jkl} \# MN_{ijkl} + \beta_6 P_l + \beta_7 P_l \# MN_{ijkl} + \beta_8 P_{jkl} + \beta_9 P_{jkl} \# MN_{ijkl} + \beta_{10} M_l + \beta_{11} M_l \# MN_{ijkl} + \beta_{12} M_{jkl}$ $+ \beta_{13} M_{jkl} \# MN_{ijkl} + \beta_{14} EDU_{ijkl} + \beta_{15} MRRG_{ijkl} + \beta_{16} AGE_{ijkl} + \beta_{17} SMWP_{jkl} + u_{jkl} + u_l + u_k + e_{ijkl}$



[Table 4] Migrant penalty in employability and job quality in multilevel model, men

<b>EMPLOYABILITY / Model for men</b>	<b>Migrant penalty</b>	<b>Regime effect on employability Based on WE and BE</b>	<b>Regime*migration status Based on WE and BE</b>	<b>AIC</b>	<b>BIC</b>
M1 (empty model)	-.073***	n/a	n/a	664562.2	664643.4
M2 (individual controls)	-.083***	n/a	n/a	622210.6	622361.3
M3a (welfare regime)	-.083***	BE: .009 WE: -.016	n/a	622211.8	622385.7
M3b interaction (welfare regime)	-.078***	BE: -.005	Native: .020*** Migrants: -.040***	620482.8	620703
		WE: -.013	Native: -.000 Migrant: .000		
M4a (production regime)	-.083***	BE: -.003 WE: .002	n/a	622214.4	622388.2
M4b interaction (production regime)	-.083***	BE: .009	Native: -.014*** Migrant: -.011***	622170.2	622390.4
		WE: -.043	Native: .049 Migrant: .006		
M5a (migration regime)	-.083***	BE: .002 WE: -.039***	n/a	622202.6	622376.4
M5b interaction (migration regime)	-.083***	BE: -.006	Native: .011*** Migrant: -.021***	621639.6	621859.8
		WE: -.050*	Native: .015 Migrant: -.038*		
M6a (welfare, production)	-.083***	BE: .011(W), -.007(P) WE: -.016(W), .002(P)	n/a	622155.1	6226412.1
M6b interaction (welfare and production)	-.078***	BE: -.003(W), .006(P)	Native: .020*** (W), -.015***(P) Migrant: -.042***(W), -.003(P)	620371.3	620661
		WE: -.016 (W), -.043 (P)	Native: .002(W), .048 (P) Migrant: -.000(W), .017(P)		
M7a (full model WPM)	-.083***	BE: -.010(W), -.006(P), .000(M) WE: -.013(W), .002(P), -.039**(M)	n/a	622207.4	622427.7
M7b interaction	-.079***	BE: -.001(W), .009(P), -.010 (M)	Native: .018 (W)***, -.017***(P), .011***(M)	620194.8	620554.1

(full model WPM)			Migrant: -.039(W)***, -.004(P), -.006*(M)		
		WE: -.011(W), -.047(P), -.049*(M)	Native: -.001(W), .052(P), .013(M) Migrant: -.004 (W), .025(P), -.032(M)		
<b>JOB QUALITY / Model for men</b>	<b>Migrant penalty</b>	<b>Regime effect on employability Based on WE and BE</b>	<b>Regime*migration status Based on WE and BE</b>	<b>AIC</b>	<b>BIC</b>
M1 (empty model)	-.225***	n/a	n/a	922675.9	922755.6
M2 (individual controls)	-.176***	n/a	n/a	733442.7	733590.8
M3a (welfare regime)	-.176***	BE: .011 WE: -.008	n/a	733445.1	733615.9
M3b interaction (welfare regime)	-.177***	BE: .009	Native: -.002 Migrants: .040***	732999.4	733215.8
		WE: .001	Native: -.010 Migrant: -.012		
M4a (production regime)	-.176***	BE: .004 WE: -.021	n/a	733444.9	733615.8
M4b interaction (production regime)	-.175***	BE: -.005	Native: -.008** Migrant: .020***	733399.2	733615.6
		WE: .170	Native: -.197 Migrant: -.177		
M5a (migration regime)	-.176***	BE: .006 WE: -.021*	n/a	733441.2	733612
M5b interaction (migration regime)	-.175***	BE: .004	Native: .001 Migrant: .016***	733360.8	733577,2
		WE: -.015	Native: -.011 Migrant: .057*		
M6a (welfare, production)	-.083***	BE: .011(W), .001(P) WE: -.008(W) -.021(P)	n/a	733447.4	733641.1
M6b interaction (welfare and production)	-.177***	BE: .008(W), -.009(P)	Native: -.001 (W), .010*** (P) Migrant: .040*** (W), .015*** (P)	732980.4	733265.2
		WE: .002 (W), .168 (P)	Native: -.012 (W), -.194 (P) Migrant: -.013 (W),-.179 (P)		
M7a (full model WPM)	-.176***	BE: .010(W), .000(P) .003(M) WE: -.007(W) -.021(P) -.020*(M)	n/a	733446.3	733662.8

M7b interaction (full model WPM)	-.176***	BE: .007(W), -.009(P), .004 (M)	Native: -.001 (W), .010*** (P), -.001 (M) Migrant: .039***(W), .015*** (P), .002 (M)	732963.2	733316.3
		WE: .003(W), .168(P) -.015(M)	Native: -.011 (W), -.194 (P), -.010 (M) Migrant: -.017 (W), -.176 (P), .047 (M)		

Note: results from multilevel cross-classified models, full tables with regression results can be found in Appendix tables 6 and 7. BE and WE mean that between-country effects and within-country effects, respectively. \* p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001.

[Table 5] Migrant penalty in employability and job quality in multilevel model, women

<b>EMPLOYABILITY / Model for women</b>	<b>Migrant penalty</b>	<b>Regime effect on employability Based on WE and BE</b>	<b>Regime*migration status Based on WE and BE</b>	<b>AIC</b>	<b>BIC</b>
M1 (empty model)	-.141***	n/a	n/a	1047751	1047832
M2 (individual controls)	-.112***	n/a	n/a	986719.8	986871.2
M3a (welfare regime)	-.112***	BE: .024 WE: -.005	n/a	986721.1	986895.8
M3b interaction (welfare regime)	-.107***	BE: .022	Native: .009** Migrants: -.049***	985466.1	985687.4
		WE: -.006	Native: .001 Migrant: .023		
M4a (production regime)	-.112***	BE: -.001 WE: -.003	n/a	986723.8	986898.4
M4b interaction (production regime)	-.112***	BE: .013	Native: -.016*** Migrant: -.014***	986679.2	986900.4
		WE: -.086	Native: .086 Migrant: .039		
M5a (migration regime)	-.112***	BE: .021 WE: -.032***	n/a	986705	986879.7
M5b interaction (migration regime)	-.113***	BE: .021	Native: .003 Migrant: -.026***	986380	986601.2
		WE: -.051*	Native: .021 Migrant: -.005		
M6a (welfare, production)	-.112***	BE: .027(W), -.009(P)	n/a	986724.8	986922.7

		WE: -.005(W) -.003(P)			
M6b interaction (welfare and production)	-.108***	BE: .025(W), .006(P)	Native: .009** (W), -.018*** (P) Migrant: -.051*** (W), -.006* (P)	985373.9	985665
		WE: -.008 (W), -.085 (P)	Native: .003 (W), .085 (P) Migrant: .022 (W), .043 (P)		
M7a (full model WPM)	-.112***	BE: .023(W), -.014(P) .018(M) WE: -.003(W) -.003(P) -.032*** (M)	n/a	986710.5	986931.8
M7b interaction (full model WPM)	-.108***	BE: .022(W), .002(P), .015 (M)	Native: .008** (W), -.018*** (P), .004 (M) Migrant: -.048*** (W), -.005* (P), -.010** (M)	985284.4	985645.3
		WE: -.004(W), -.087(P) -.051*(M)	Native: .000 (W), .087 (P), .021 (M) Migrant: .017 (W), .046 (P), .002 (M)		
<b>JOB QUALITY / Model for women</b>	<b>Migrant penalty</b>	<b>Regime effect on employability Based on WE and BE</b>	<b>Regime*migration status Based on WE and BE</b>	<b>AIC</b>	<b>BIC</b>
M1 (empty model)	-.293***	n/a	n/a	778198.2	778277
M2 (individual controls)	-.236***	n/a	n/a	604548.2	604694.6
M3a (welfare regime)	-.236***	BE: -.004 WE: -.001	n/a	604552.1	604720.9
M3b interaction (welfare regime)	-.242***	BE: -.025*	Native: .016*** Migrants: .088***	603333.6	603547.5
		WE: -.008	Native: .004 Migrant: .013		
M4a (production regime)	-.236***	BE: -.014 WE: -.011	n/a	604550.5	604719.3
M4b interaction (production regime)	-.235***	BE: -.010	Native: -.006* Migrant: .015***	604441.3	604655.1
		WE: .219	Native: -.227 Migrant: -.408*		
M5a (migration regime)	-.236***	BE: -.014 WE: .006	n/a	604550.5	604719.3
M5b interaction (migration regime)	-.236***	BE: -.000	Native: -.017*** Migrant: .018***	604169.2	604383
		WE: .009	Native: -.009 Migrant: .080**		

M6a (welfare, production)	-236***	BE: -.000(W), -.014(P) WE: -.002(W) -.011(P)	n/a	604554.5	604745.8
M6b interaction (welfare and production)	-242***	BE: -.021(W), -.011(P)	Native: .016*** (W), -.004 (P) Migrant: .087*** (W), .006* (P)	603307.3	603588.7
		WE: -.008 (W), .218 (P)	Native: .005 (W), -.225 (P) Migrant: .011 (W), -.429** (P)		
M7a (full model WPM)	-236***	BE: .002(W), -.012(P) -.011(M) WE: -.002(W) -.011(P) .006(M)	n/a	604557.2	604771.1
M7b interaction (full model WPM)	-241***	BE: -.021(W), -.012(P), .005 (M)	Native: .020*** (W), -.001 (P), -.018*** (M) Migrant: .085***(W), .008* (P), .000 (M)	603176.8	603525.7
		WE: -.016(W), .224(P), .010(M)	Native: .012 (W), -.231 (P), -.010 (M) Migrant: .015 (W), -.443** (P), .063* (M)		

Note: results from multilevel cross-classified models, full tables with regression results can be found in Appendix tables 8 and 9. BE and WE mean that between-country effects and within-country effects, respectively. \* p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001.

[Table 6] Cross-classified multilevel model full result for employability, men

Employability	(1) M1	(2) M2	(3) M3a	(4) M3b	(5) M4a	(6) M4b	(7) M5a	(8) M5b	(9) M6a	(10) M6b	(11) M7a	(12) M7b
1.Migrant men	-0.0733*** (0.000)	-0.0827*** (0.000)	-0.0827*** (0.000)	-0.0785*** (0.000)	-0.0827*** (0.000)	-0.0830*** (0.000)	-0.0827*** (0.000)	-0.0836*** (0.000)	-0.0827*** (0.000)	-0.0784*** (0.000)	-0.0827*** (0.000)	-0.0793*** (0.000)
smwp	0.000116 (0.930)	0.0000201 (0.987)	-0.000292 (0.806)	-0.000124 (0.918)	-0.0000828 (0.946)	-0.0000210 (0.986)	0.00000588 (0.996)	0.00000211 (0.999)	-0.000534 (0.658)	-0.000254 (0.835)	-0.000546 (0.649)	-0.000312 (0.795)
1.edu (lower secondary)		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.edu (upper secondary)		0.103*** (0.000)	0.103*** (0.000)	0.102*** (0.000)	0.103*** (0.000)	0.103*** (0.000)	0.103*** (0.000)	0.103*** (0.000)	0.103*** (0.000)	0.102*** (0.000)	0.103*** (0.000)	0.102*** (0.000)
3.edu (tertiary)		0.148*** (0.000)	0.148*** (0.000)	0.148*** (0.000)	0.148*** (0.000)	0.148*** (0.000)	0.148*** (0.000)	0.149*** (0.000)	0.148*** (0.000)	0.148*** (0.000)	0.148*** (0.000)	0.148*** (0.000)
1.ageS (25-34)		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.ageS		0.0305***	0.0306***	0.0309***	0.0305***	0.0305***	0.0305***	0.0306***	0.0305***	0.0307***	0.0305***	0.0307***

(35-44)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
3.ageS (45-65)	-0.0491*** (0.000)	-0.0491*** (0.000)	-0.0480*** (0.000)	-0.0491*** (0.000)	-0.0491*** (0.000)	-0.0491*** (0.000)	-0.0488*** (0.000)	-0.0491*** (0.000)	-0.0483*** (0.000)	-0.0491*** (0.000)	-0.0483*** (0.000)
1.divorced	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.single	-0.0285*** (0.000)	-0.0285*** (0.000)	-0.0281*** (0.000)	-0.0285*** (0.000)	-0.0285*** (0.000)	-0.0285*** (0.000)	-0.0291*** (0.000)	-0.0285*** (0.000)	-0.0283*** (0.000)	-0.0285*** (0.000)	-0.0286*** (0.000)
3.married	0.0944*** (0.000)	0.0944*** (0.000)	0.0949*** (0.000)	0.0944*** (0.000)	0.0944*** (0.000)	0.0944*** (0.000)	0.0938*** (0.000)	0.0944*** (0.000)	0.0949*** (0.000)	0.0944*** (0.000)	0.0945*** (0.000)
BE welfare		0.00886 (0.225)	-0.00516 (0.501)					0.0108 (0.150)	-0.00271 (0.734)	0.0105 (0.170)	-0.00117 (0.884)
WE welfare		-0.0156 (0.229)	-0.0134 (0.469)					-0.0156 (0.227)	-0.0159 (0.387)	-0.0134 (0.281)	-0.0109 (0.549)
0.Native#BEwelfare			0.0201*** (0.000)						0.0201*** (0.000)		0.0177*** (0.000)
1.Mmigrant#BEwelfare			-0.0395*** (0.000)						-0.0415*** (0.000)		-0.0387*** (0.000)
0.Native#WEwelfare			-0.000222 (0.987)						0.00227 (0.867)		-0.000837 (0.951)
1.Mmigrant#WEwelfare			0.000237 (0.988)						0.000148 (0.993)		-0.00387 (0.809)
BE production				-0.00334 (0.661)	0.00916 (0.246)			-0.00663 (0.385)	0.00623 (0.435)	-0.00628 (0.414)	0.00872 (0.274)
WE production				0.00211 (0.869)	-0.0435 (0.642)			0.00213 (0.867)	-0.0434 (0.643)	0.00213 (0.867)	-0.0472 (0.614)
0.Native#BEproduction					-0.0135*** (0.000)				-0.0151*** (0.000)		-0.0170*** (0.000)
1.Migrant#BEproduction					-0.0110*** (0.000)				-0.00299 (0.189)		-0.00382 (0.104)
0.Native#WEproduction					0.0486 (0.607)				0.0479 (0.612)		0.0519 (0.583)
1.Migrant#WEproduction					0.00646 (0.953)				0.0173 (0.875)		0.0252 (0.819)
BE migration						0.00182 (0.813)	-0.00622 (0.426)			0.000232 (0.977)	-0.00978 (0.239)
WE migration						-0.0392*** (0.000)	-0.0499* (0.014)			-0.0386*** (0.001)	-0.0487* (0.016)

0.Native#BEmigration												0.0114*** (0.000)	0.0112*** (0.000)
1.Migrant#BEmigration												-0.0212*** (0.000)	-0.00624* (0.019)
0.Native#WEmigration												0.0148 (0.394)	0.0139 (0.424)
1.Migrant#WEmigration												-0.0382* (0.046)	-0.0321 (0.094)
_cons	0.851*** (0.000)	0.732*** (0.000)	0.733*** (0.000)	0.731*** (0.000)	0.732*** (0.000)	0.732*** (0.000)	0.732*** (0.000)	0.731*** (0.000)	0.733*** (0.000)	0.731*** (0.000)	0.733*** (0.000)	0.731*** (0.000)	0.731*** (0.000)
lns1_1_1 _cons	-4.207*** (0.000)	-4.265*** (0.000)	-4.322*** (0.000)	-4.306*** (0.000)	-4.274*** (0.000)	-4.266*** (0.000)	-4.240*** (0.000)	-4.246*** (0.000)	-4.346*** (0.000)	-4.317*** (0.000)	-4.314*** (0.000)	-4.291*** (0.000)	-4.291*** (0.000)
lns2_1_1 _cons	-3.185*** (0.000)	-3.476*** (0.000)	-3.511*** (0.000)	-3.505*** (0.000)	-3.480*** (0.000)	-3.469*** (0.000)	-3.496*** (0.000)	-3.518*** (0.000)	-3.530*** (0.000)	-3.508*** (0.000)	-3.544*** (0.000)	-3.536*** (0.000)	-3.536*** (0.000)
lns3_1_1 _cons	-3.550*** (0.000)	-3.530*** (0.000)	-3.532*** (0.000)	-3.528*** (0.000)	-3.529*** (0.000)	-3.530*** (0.000)	-3.571*** (0.000)	-3.570*** (0.000)	-3.532*** (0.000)	-3.529*** (0.000)	-3.573*** (0.000)	-3.571*** (0.000)	-3.571*** (0.000)
lnsig_e _cons	-1.003*** (0.000)	-1.030*** (0.000)	-1.030*** (0.000)	-1.031*** (0.000)	-1.030*** (0.000)	-1.030*** (0.000)	-1.030*** (0.000)	-1.030*** (0.000)	-1.030*** (0.000)	-1.031*** (0.000)	-1.030*** (0.000)	-1.031*** (0.000)	-1.031*** (0.000)
N	798480	798480	798480	798480	798480	798480	798480	798480	798480	798480	798480	798480	798480
R-sq													
adj. R-sq													

p-values in parentheses: \* p<0.05, \*\* p<0.01, \*\*\* p<0.001; smwp: share of migrant working population

[Table 7] Cross-classified multilevel model full result for job quality, men

Job quality	(1) M1	(2) M2	(3) M3a	(4) M3b	(5) M4a	(6) M4b	(7) M5a	(8) M5b	(9) M6a	(10) M6b	(11) M7a	(12) M7b
1.Mmigration	-0.225*** (0.000)	-0.176*** (0.000)	-0.176*** (0.000)	-0.177*** (0.000)	-0.176*** (0.000)	-0.175*** (0.000)	-0.176*** (0.000)	-0.175*** (0.000)	-0.176*** (0.000)	-0.177*** (0.000)	-0.176*** (0.000)	-0.176*** (0.000)
smwp	0.00320*** (0.000)	-0.00255* (0.011)	-0.00276** (0.005)	-0.00287** (0.003)	-0.00248* (0.014)	-0.00243* (0.016)	-0.00243* (0.016)	-0.00242* (0.017)	-0.00275** (0.006)	-0.00285** (0.004)	-0.00265** (0.008)	-0.00272** (0.006)
1.edu		0	0	0	0	0	0	0	0	0	0	0

(lower secondary)	(.)	(.)	(.)	(.)	(.)	(.)	(.)	(.)	(.)	(.)	(.)
2.edu (upper secondary)	0.245*** (0.000)	0.245*** (0.000)	0.245*** (0.000)	0.245*** (0.000)	0.245*** (0.000)	0.245*** (0.000)	0.244*** (0.000)	0.245*** (0.000)	0.245*** (0.000)	0.245*** (0.000)	0.245*** (0.000)
3.edu (tertiary)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)	0.681*** (0.000)
1.age (25-34)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.age (35-44)	0.0364*** (0.000)	0.0364*** (0.000)	0.0361*** (0.000)	0.0364*** (0.000)	0.0362*** (0.000)	0.0364*** (0.000)	0.0364*** (0.000)	0.0364*** (0.000)	0.0360*** (0.000)	0.0365*** (0.000)	0.0360*** (0.000)
3.age (45-65)	0.0641*** (0.000)	0.0641*** (0.000)	0.0634*** (0.000)	0.0641*** (0.000)	0.0638*** (0.000)	0.0641*** (0.000)	0.0640*** (0.000)	0.0641*** (0.000)	0.0633*** (0.000)	0.0641*** (0.000)	0.0633*** (0.000)
1.divorced	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.single	-0.0128*** (0.000)	-0.0128*** (0.000)	-0.0131*** (0.000)	-0.0128*** (0.000)	-0.0129*** (0.000)	-0.0128*** (0.000)	-0.0126*** (0.000)	-0.0128*** (0.000)	-0.0131*** (0.000)	-0.0128*** (0.000)	-0.0131*** (0.000)
3.married	0.0157*** (0.000)	0.0157*** (0.000)	0.0153*** (0.000)	0.0157*** (0.000)	0.0158*** (0.000)	0.0157*** (0.000)	0.0159*** (0.000)	0.0157*** (0.000)	0.0154*** (0.000)	0.0157*** (0.000)	0.0154*** (0.000)
BE welfare		0.0109 (0.322)	0.00935 (0.412)					0.0106 (0.352)	0.00843 (0.476)	0.00971 (0.403)	0.00731 (0.543)
WE welfare		-0.00818 (0.412)	0.00131 (0.947)					-0.00813 (0.414)	0.00226 (0.908)	-0.00671 (0.493)	0.00303 (0.877)
0.Native#BEwelfare			-0.00188 (0.532)						-0.00130 (0.666)		-0.00114 (0.709)
1.Migrant#BEwelfare			0.0399*** (0.000)						0.0397*** (0.000)		0.0389*** (0.000)
0.Native#WEwelfare			-0.0109 (0.533)						-0.0118 (0.500)		-0.0108 (0.538)
1.Migrant#WEwelfare			-0.0115 (0.582)						-0.0134 (0.522)		-0.0166 (0.432)
BE production				0.00396 (0.725)	-0.00491 (0.669)			0.000818 (0.943)	-0.00885 (0.454)	0.000347 (0.976)	-0.00948 (0.432)
WE production				-0.0215 (0.199)	0.170 (0.146)			-0.0215 (0.199)	0.168 (0.151)	-0.0215 (0.199)	0.168 (0.151)
0.Native#BEproduction					0.00846*** (0.001)				0.00984*** (0.000)		0.00989*** (0.000)
1.Migrant#BEproduction					0.0199*** (0.000)				0.0155*** (0.000)		0.0153*** (0.000)



0.Native#WEproduction										-0.194 (0.100)	-0.194 (0.100)		
1.Migrnat#WEproduction										-0.179 (0.194)	-0.176 (0.202)		
BE migration									0.00639 (0.575)	0.00410 (0.726)		0.00317 (0.794)	0.00397 (0.751)
WB migration									-0.0206* (0.021)	-0.0152 (0.522)		-0.0202* (0.024)	-0.0148 (0.535)
0.Native#BEmigration										0.00129 (0.652)			-0.000508 (0.866)
1.Migrant#BEmigration										0.0158*** (0.000)			0.00196 (0.575)
0.Native#WEmigration										-0.0106 (0.639)			-0.0103 (0.650)
1.Migrant#WEmigration										0.0573* (0.022)			0.0472 (0.060)
_cons	0.479*** (0.000)	0.167*** (0.000)	0.166*** (0.000)	0.168*** (0.000)	0.167*** (0.000)	0.166*** (0.000)	0.164*** (0.000)	0.164*** (0.000)	0.166*** (0.000)	0.168*** (0.000)	0.164*** (0.000)	0.166*** (0.000)	
lns1_1_1 _cons	-14.31* (0.021)	-5.222*** (0.000)	-5.325*** (0.000)	-5.351*** (0.000)	-5.202*** (0.000)	-5.196*** (0.000)	-5.115*** (0.000)	-5.132*** (0.000)	-5.320*** (0.000)	-5.350*** (0.000)	-5.199*** (0.000)	-5.250*** (0.000)	
lns2_1_1 _cons	-2.544*** (0.000)	-3.042*** (0.000)	-3.066*** (0.000)	-3.060*** (0.000)	-3.047*** (0.000)	-3.048*** (0.000)	-3.063*** (0.000)	-3.064*** (0.000)	-3.066*** (0.000)	-3.061*** (0.000)	-3.079*** (0.000)	-3.075*** (0.000)	
lns3_1_1 _cons	-3.881*** (0.000)	-3.832*** (0.000)	-3.831*** (0.000)	-3.837*** (0.000)	-3.832*** (0.000)	-3.834*** (0.000)	-3.854*** (0.000)	-3.852*** (0.000)	-3.831*** (0.000)	-3.837*** (0.000)	-3.853*** (0.000)	-3.855*** (0.000)	
lnsig_e _cons	-0.713*** (0.000)	-0.858*** (0.000)	-0.858*** (0.000)	-0.859*** (0.000)	-0.858*** (0.000)	-0.858*** (0.000)	-0.858*** (0.000)	-0.858*** (0.000)	-0.858*** (0.000)	-0.859*** (0.000)	-0.858*** (0.000)	-0.859*** (0.000)	
N	653610	653610	653610	653610	653610	653610	653610	653610	653610	653610	653610	653610	
R-sq													
adj. R-sq													

p-values in parentheses: \* p<0.05, \*\* p<0.01, \*\*\* p<0.001; smwp: share of migrant working population

[Table 8] Cross-classified multilevel model full result for employability, women

Employability	(1) M1	(2) M2	(3) M3a	(4) M3b	(5) M4a	(6) M4b	(7) M5a	(8) M5b	(9) M6a	(10) M6b	(11) M7a	(12) M7b
1.migrant women	-0.141*** (0.000)	-0.112*** (0.000)	-0.112*** (0.000)	-0.108*** (0.000)	-0.112*** (0.000)	-0.113*** (0.000)	-0.112*** (0.000)	-0.113*** (0.000)	-0.112*** (0.000)	-0.108*** (0.000)	-0.112*** (0.000)	-0.108*** (0.000)
smwp	0.000118 (0.907)	-0.000872 (0.382)	-0.000993 (0.320)	-0.000913 (0.363)	-0.000878 (0.381)	-0.000872 (0.384)	-0.000991 (0.303)	-0.000944 (0.327)	-0.00104 (0.299)	-0.000907 (0.366)	-0.00115 (0.235)	-0.00100 (0.301)
1.edu (lower secondary)		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.edu (upper secondary)		0.198*** (0.000)	0.198*** (0.000)	0.196*** (0.000)	0.198*** (0.000)	0.198*** (0.000)	0.198*** (0.000)	0.198*** (0.000)	0.198*** (0.000)	0.196*** (0.000)	0.198*** (0.000)	0.196*** (0.000)
3.edu (tertiary)		0.306*** (0.000)	0.306*** (0.000)	0.305*** (0.000)	0.306*** (0.000)	0.306*** (0.000)	0.306*** (0.000)	0.307*** (0.000)	0.306*** (0.000)	0.305*** (0.000)	0.306*** (0.000)	0.305*** (0.000)
1.age (25-34)		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.age (35-44)		0.0625*** (0.000)	0.0625*** (0.000)	0.0627*** (0.000)	0.0625*** (0.000)	0.0625*** (0.000)	0.0625*** (0.000)	0.0627*** (0.000)	0.0625*** (0.000)	0.0626*** (0.000)	0.0625*** (0.000)	0.0626*** (0.000)
3.age (45-65)		0.0191*** (0.000)	0.0191*** (0.000)	0.0196*** (0.000)	0.0191*** (0.000)	0.0191*** (0.000)	0.0191*** (0.000)	0.0193*** (0.000)	0.0191*** (0.000)	0.0193*** (0.000)	0.0191*** (0.000)	0.0193*** (0.000)
1.divorced		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.single		-0.000866 (0.629)	-0.000869 (0.628)	-0.000466 (0.795)	-0.000866 (0.629)	-0.000874 (0.626)	-0.000884 (0.622)	-0.00133 (0.458)	-0.000868 (0.628)	-0.000544 (0.761)	-0.000885 (0.621)	-0.000826 (0.645)
3.married		-0.0380*** (0.000)	-0.0380*** (0.000)	-0.0371*** (0.000)	-0.0380*** (0.000)	-0.0380*** (0.000)	-0.0380*** (0.000)	-0.0384*** (0.000)	-0.0380*** (0.000)	-0.0370*** (0.000)	-0.0380*** (0.000)	-0.0373*** (0.000)
BE welfare			0.0250 (0.114)	0.0220 (0.169)					0.0275 (0.092)	0.0251 (0.129)	0.0235 (0.145)	0.0218 (0.182)
WE welfare			-0.00535 (0.542)	-0.00643 (0.710)					-0.00536 (0.541)	-0.00845 (0.625)	-0.00333 (0.687)	-0.00408 (0.811)
0.Native#BEwelfare				0.00901*** (0.001)						0.00906*** (0.001)		0.00783** (0.003)
1.Migrant#BEwelfare				-0.0492*** (0.000)						-0.0511*** (0.000)		-0.0482*** (0.000)
0.Native#WEwelfare				0.00106 (0.945)						0.00303 (0.844)		0.000482 (0.975)
1.Migrant#WEwelfare				0.0230 (0.203)						0.0220 (0.224)		0.0173 (0.340)

BE production					-0.00146 (0.933)	0.0135 (0.442)			-0.00932 (0.575)	0.00595 (0.723)	-0.0139 (0.402)	0.00205 (0.902)
WE production					-0.00304 (0.837)	-0.0863 (0.499)			-0.00302 (0.838)	-0.0855 (0.503)	-0.00309 (0.834)	-0.0866 (0.498)
0.Native#BEproduction						-0.0160*** (0.000)				-0.0179*** (0.000)		-0.0183*** (0.000)
1.Migrant#BEproduction						-0.0145*** (0.000)				-0.00622* (0.019)		-0.00548* (0.044)
0.Native#WEproduction						0.0870 (0.499)				0.0856 (0.506)		0.0866 (0.501)
1.Migrant#WEproduction						0.0389 (0.785)				0.0426 (0.765)		0.0466 (0.744)
WE migration							0.0209 (0.208)	0.0207 (0.214)			0.0182 (0.278)	0.0146 (0.389)
BE migration							-0.0321*** (0.000)	-0.0511* (0.010)			-0.0320*** (0.000)	-0.0514** (0.010)
0.Native#BEmigration								0.00315 (0.220)				0.00445 (0.099)
1.Migrnat#BEmigration								-0.0257*** (0.000)				-0.0104*** (0.001)
0.Native#WEmigration								0.0214 (0.258)				0.0218 (0.249)
1.Migrant#WEmigration								-0.00531 (0.801)				0.00197 (0.925)
_cons	0.735*** (0.000)	0.558*** (0.000)	0.552*** (0.000)	0.552*** (0.000)	0.558*** (0.000)	0.558*** (0.000)	0.557*** (0.000)	0.556*** (0.000)	0.550*** (0.000)	0.549*** (0.000)	0.549*** (0.000)	0.548*** (0.000)
-----												
lns1_1_1 _cons	-4.444*** (0.000)	-4.889*** (0.000)	-4.893*** (0.000)	-4.897*** (0.000)	-4.889*** (0.000)	-4.887*** (0.000)	-4.831*** (0.000)	-4.831*** (0.000)	-4.891*** (0.000)	-4.895*** (0.000)	-4.830*** (0.000)	-4.833*** (0.000)
-----												
lns2_1_1 _cons	-2.369*** (0.000)	-2.619*** (0.000)	-2.691*** (0.000)	-2.692*** (0.000)	-2.619*** (0.000)	-2.617*** (0.000)	-2.671*** (0.000)	-2.676*** (0.000)	-2.701*** (0.000)	-2.700*** (0.000)	-2.741*** (0.000)	-2.739*** (0.000)
-----												
lns3_1_1 _cons	-4.074*** (0.000)	-3.967*** (0.000)	-3.968*** (0.000)	-3.959*** (0.000)	-3.967*** (0.000)	-3.968*** (0.000)	-4.040*** (0.000)	-4.040*** (0.000)	-3.968*** (0.000)	-3.962*** (0.000)	-4.041*** (0.000)	-4.034*** (0.000)
-----												
lnsig_e _cons	-0.798*** (0.000)	-0.834*** (0.000)	-0.834*** (0.000)	-0.835*** (0.000)	-0.834*** (0.000)	-0.834*** (0.000)	-0.834*** (0.000)	-0.834*** (0.000)	-0.834*** (0.000)	-0.835*** (0.000)	-0.834*** (0.000)	-0.835*** (0.000)
-----												

N 842900 842900 842900 842900 842900 842900 842900 842900 842900 842900 842900 842900  
R-sq  
adj. R-sq

p-values in parentheses: \* p<0.05, \*\* p<0.01, \*\*\* p<0.001; smwp: share of migrant working population

[Table 9] Cross-classified multilevel model full result for job quality, women

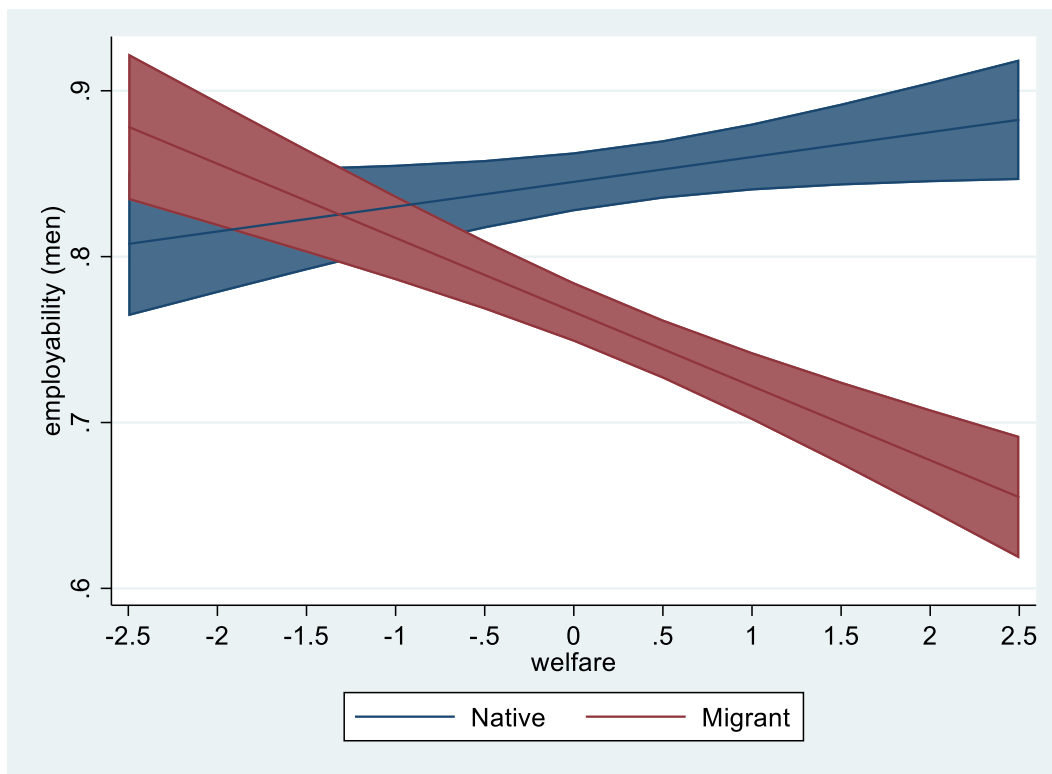
Job quality	(1) M1	(2) M2	(3) M3a	(4) M3b	(5) M4a	(6) M4b	(7) M5a	(8) M5b	(9) M6a	(10) M6b	(11) M7a	(12) M7b
1.migrant women	-0.293*** (0.000)	-0.236*** (0.000)	-0.236*** (0.000)	-0.242*** (0.000)	-0.236*** (0.000)	-0.235*** (0.000)	-0.236*** (0.000)	-0.236*** (0.000)	-0.236*** (0.000)	-0.242*** (0.000)	-0.236*** (0.000)	-0.241*** (0.000)
smwp	0.00151 (0.109)	0.000217 (0.849)	0.000219 (0.849)	0.000176 (0.876)	0.0000827 (0.942)	0.000192 (0.866)	0.000125 (0.913)	0.000153 (0.892)	0.0000559 (0.961)	0.0000734 (0.948)	-0.0000186 (0.987)	0.0000282 (0.980)
1.edu (lower secondary)		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.edu (upper secondary)		0.332*** (0.000)	0.332*** (0.000)	0.333*** (0.000)	0.332*** (0.000)	0.332*** (0.000)	0.332*** (0.000)	0.332*** (0.000)	0.332*** (0.000)	0.333*** (0.000)	0.332*** (0.000)	0.332*** (0.000)
3.edu (tertiary)		0.689*** (0.000)	0.689*** (0.000)	0.689*** (0.000)	0.689*** (0.000)	0.689*** (0.000)	0.689*** (0.000)	0.688*** (0.000)	0.689*** (0.000)	0.689*** (0.000)	0.689*** (0.000)	0.688*** (0.000)
1.age (25-34)		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.age (35-44)		0.0342*** (0.000)	0.0342*** (0.000)	0.0342*** (0.000)	0.0342*** (0.000)	0.0338*** (0.000)	0.0342*** (0.000)	0.0340*** (0.000)	0.0342*** (0.000)	0.0340*** (0.000)	0.0342*** (0.000)	0.0339*** (0.000)
3.age (45-65)		0.0541*** (0.000)	0.0541*** (0.000)	0.0541*** (0.000)	0.0541*** (0.000)	0.0535*** (0.000)	0.0541*** (0.000)	0.0539*** (0.000)	0.0541*** (0.000)	0.0537*** (0.000)	0.0541*** (0.000)	0.0537*** (0.000)
1.divorced		0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)	0 (.)
2.sigle		0.0161*** (0.000)	0.0161*** (0.000)	0.0156*** (0.000)	0.0161*** (0.000)	0.0160*** (0.000)	0.0161*** (0.000)	0.0164*** (0.000)	0.0161*** (0.000)	0.0156*** (0.000)	0.0161*** (0.000)	0.0158*** (0.000)
3.married		0.0162*** (0.000)	0.0162*** (0.000)	0.0148*** (0.000)	0.0162*** (0.000)	0.0164*** (0.000)	0.0162*** (0.000)	0.0165*** (0.000)	0.0162*** (0.000)	0.0150*** (0.000)	0.0162*** (0.000)	0.0152*** (0.000)
BB welfare			-0.00409 (0.732)	-0.0249* (0.043)					-0.000130 (0.991)	-0.0211 (0.088)	0.00229 (0.850)	-0.0213 (0.087)
WE welfare			-0.00148 (0.873)	-0.00780 (0.676)					-0.00159 (0.864)	-0.00847 (0.649)	-0.00204 (0.826)	-0.0156 (0.404)

0.Native#BEwelfare	0.0160*** (0.000)								0.0163*** (0.000)			0.0197*** (0.000)
1.Migrant#BEwelfare	0.0882*** (0.000)								0.0868*** (0.000)			0.0850*** (0.000)
0.Native#WEwelfare	0.00422 (0.803)								0.00477 (0.777)			0.0119 (0.482)
1.Migrant#WEwelfare	0.0134 (0.510)								0.0109 (0.591)			0.0151 (0.460)
BE production				-0.0142 (0.226)		-0.00989 (0.411)			-0.0142 (0.246)	-0.0110 (0.378)	-0.0116 (0.349)	-0.0121 (0.341)
WE production				-0.0108 (0.555)		0.219 (0.108)			-0.0108 (0.556)	0.218 (0.109)	-0.0108 (0.556)	0.224 (0.100)
0.Native#BEproduction						-0.00634* (0.011)				-0.00424 (0.091)		-0.000675 (0.794)
1.Migrant#BEproduction						0.0145*** (0.000)				0.00646* (0.036)		0.00776* (0.014)
0.Native#WEproduction						-0.227 (0.099)				-0.225 (0.100)		-0.231 (0.091)
1.Migrant#WEproduction						-0.408* (0.013)				-0.429** (0.009)		-0.443** (0.007)
BE migration								-0.0136 (0.254)	-0.000370 (0.976)		-0.0106 (0.397)	0.00521 (0.686)
WE migration								0.00602 (0.472)	0.00934 (0.678)		0.00611 (0.466)	0.0104 (0.642)
0.Native#BEmigration										-0.0166*** (0.000)		-0.0179*** (0.000)
1.Migrant#BEmigration										0.0178*** (0.000)		0.0000942 (0.978)
0.Native#WEmigration										-0.00942 (0.661)		-0.0101 (0.638)
1.Migrant#WEmigration										0.0795** (0.001)		0.0629* (0.011)
_cons	0.615*** (0.000)	0.177*** (0.000)	0.178*** (0.000)	0.180*** (0.000)	0.175*** (0.000)	0.175*** (0.000)	0.180*** (0.000)	0.180*** (0.000)	0.176*** (0.000)	0.177*** (0.000)	0.177*** (0.000)	0.179*** (0.000)
-----												
lns1_1_1												
_cons	-5.541*** (0.000)	-3.821*** (0.000)	-3.822*** (0.000)	-3.824*** (0.000)	-3.830*** (0.000)	-3.826*** (0.000)	-3.828*** (0.000)	-3.827*** (0.000)	-3.833*** (0.000)	-3.832*** (0.000)	-3.839*** (0.000)	-3.839*** (0.000)
-----												

lns2_1_1												
_cons	-2.620***	-2.973***	-2.977***	-2.978***	-3.017***	-3.013***	-3.010***	-3.008***	-3.017***	-3.014***	-3.037***	-3.033***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
-----												
lns3_1_1												
_cons	-3.945***	-3.926***	-3.926***	-3.954***	-3.925***	-3.932***	-3.929***	-3.935***	-3.925***	-3.956***	-3.928***	-3.957***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
-----												
lnsig_e												
_cons	-0.738***	-0.890***	-0.890***	-0.891***	-0.890***	-0.890***	-0.890***	-0.891***	-0.890***	-0.891***	-0.890***	-0.891***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
-----												
N	571299	571299	571299	571299	571299	571299	571299	571299	571299	571299	571299	571299
R-sq												
adj. R-sq												

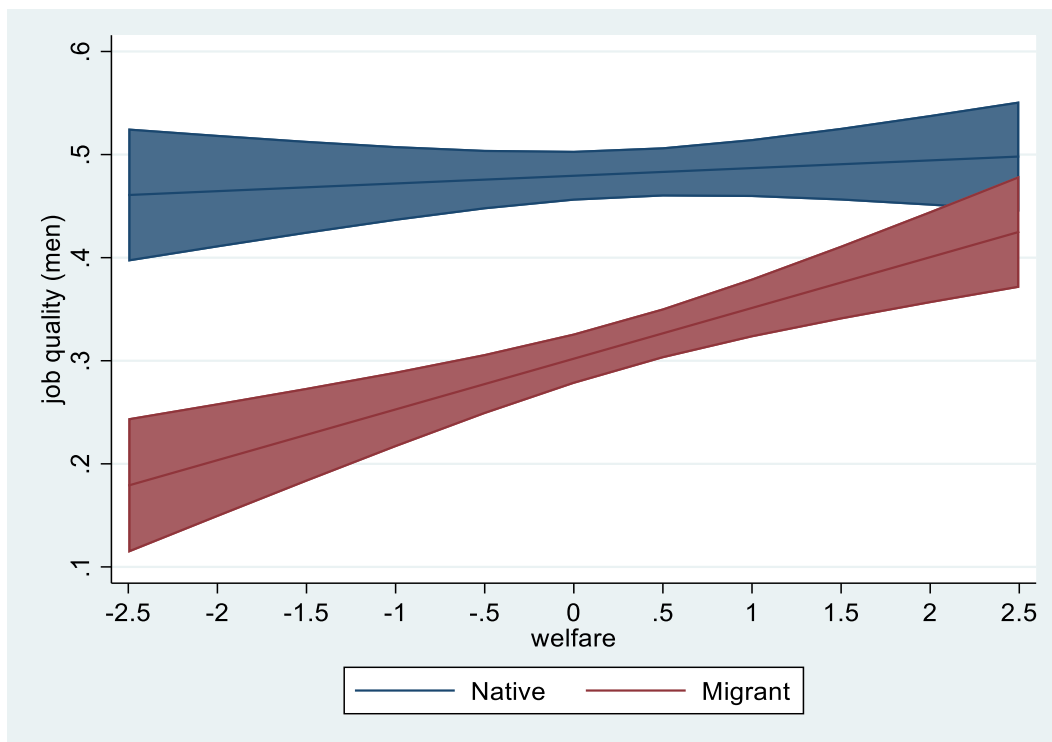
p-values in parentheses: \* p<0.05, \*\* p<0.01, \*\*\* p<0.001; smwp: share of migrant working population

[Figure 1] Predicted probabilities for employability as a function of the welfare regime by migration status, men



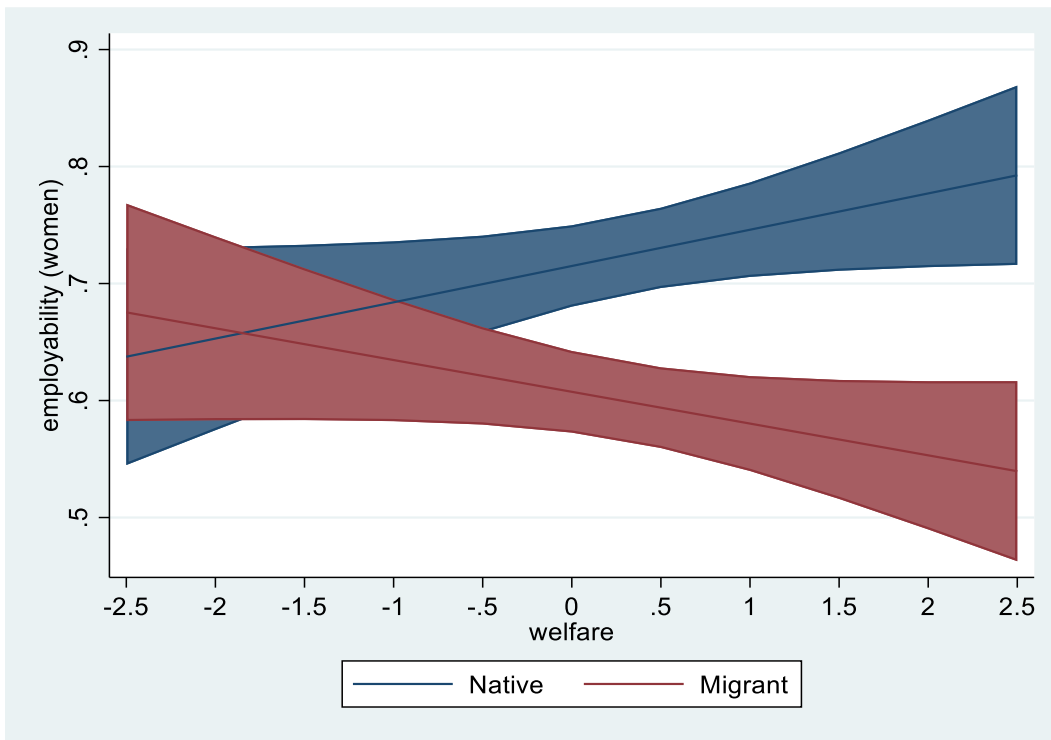
Notes: predicted probabilities estimated from Model 3b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 2] Predicted probabilities for job quality as a function of the welfare regime by migration status, men



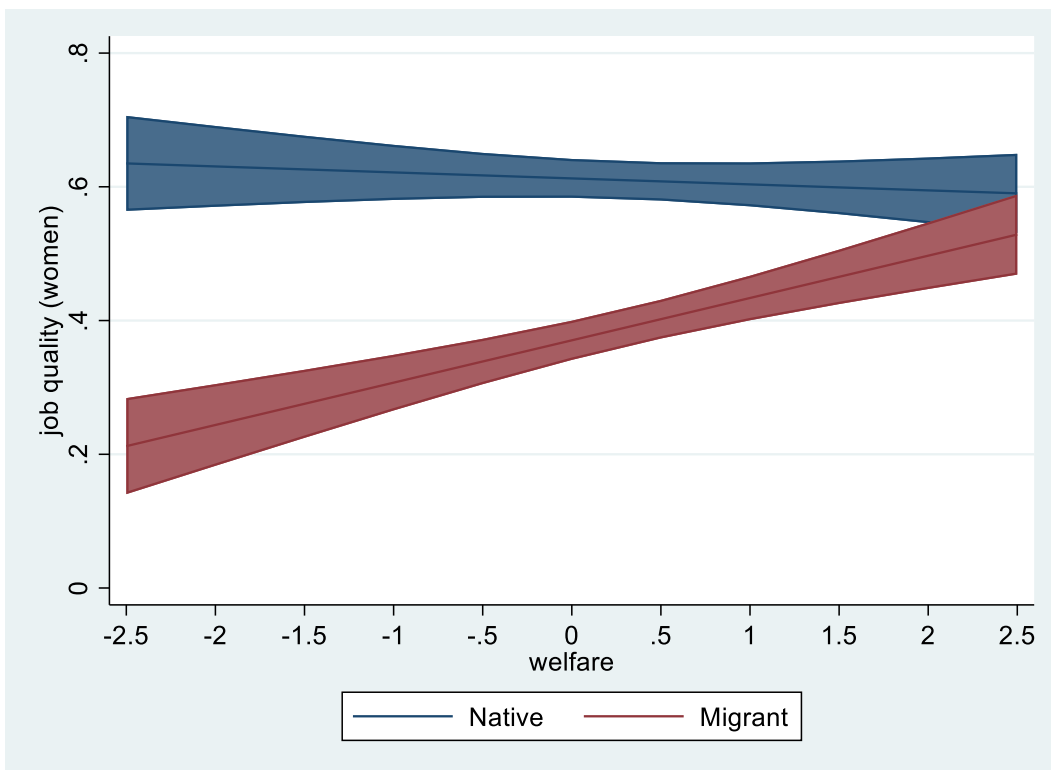
Notes: predicted probabilities estimated from Model 3b (job quality) with between effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 3] Predicted probabilities for employability as a function of the welfare regime by migration status, women



Notes: predicted probabilities estimated from Model 3b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

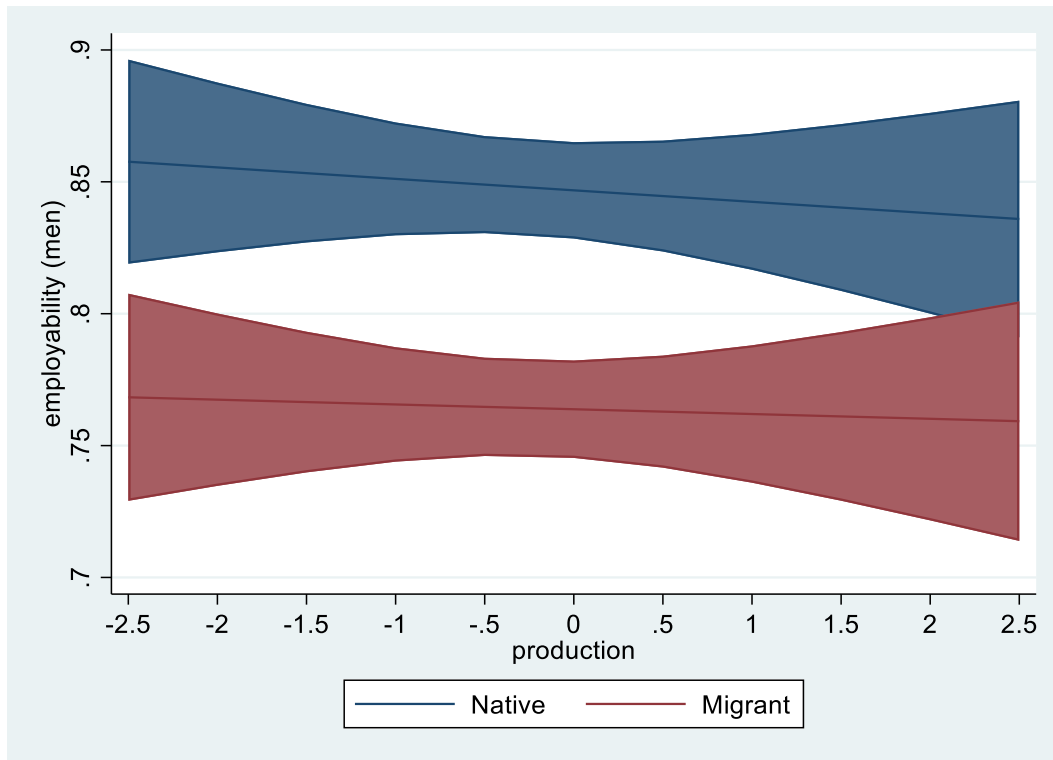
[Figure 4] Predicted probabilities for job quality as a function of the welfare regime by migration status, women



Notes: predicted probabilities estimated from Model 3b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

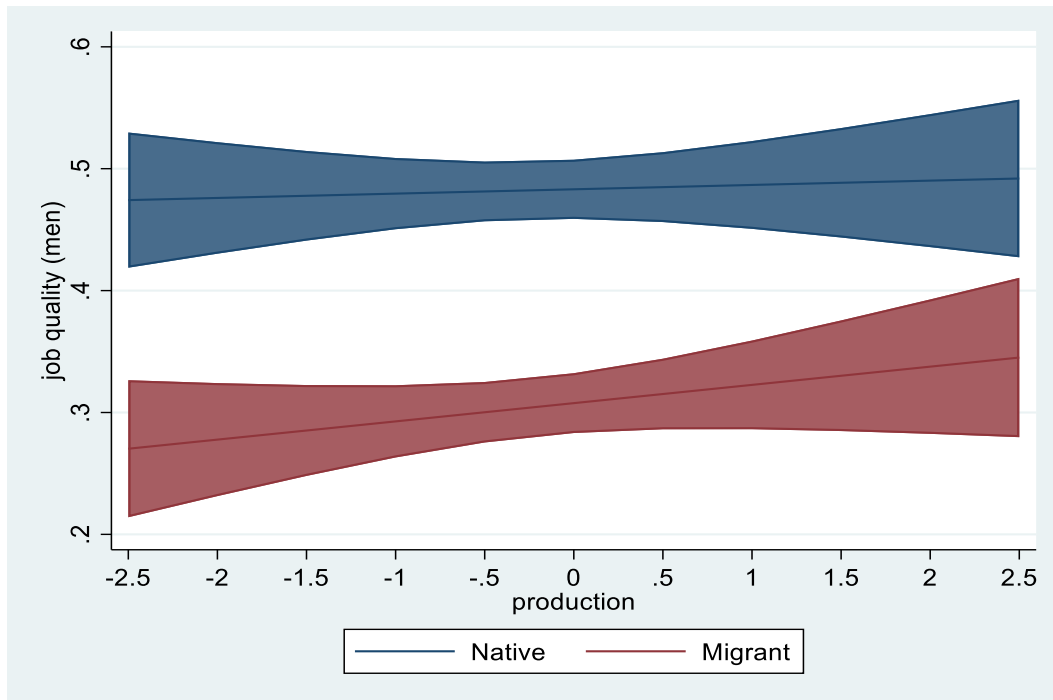


[Figure 5] Predicted probabilities for employability as a function of the production regime by migration status, men



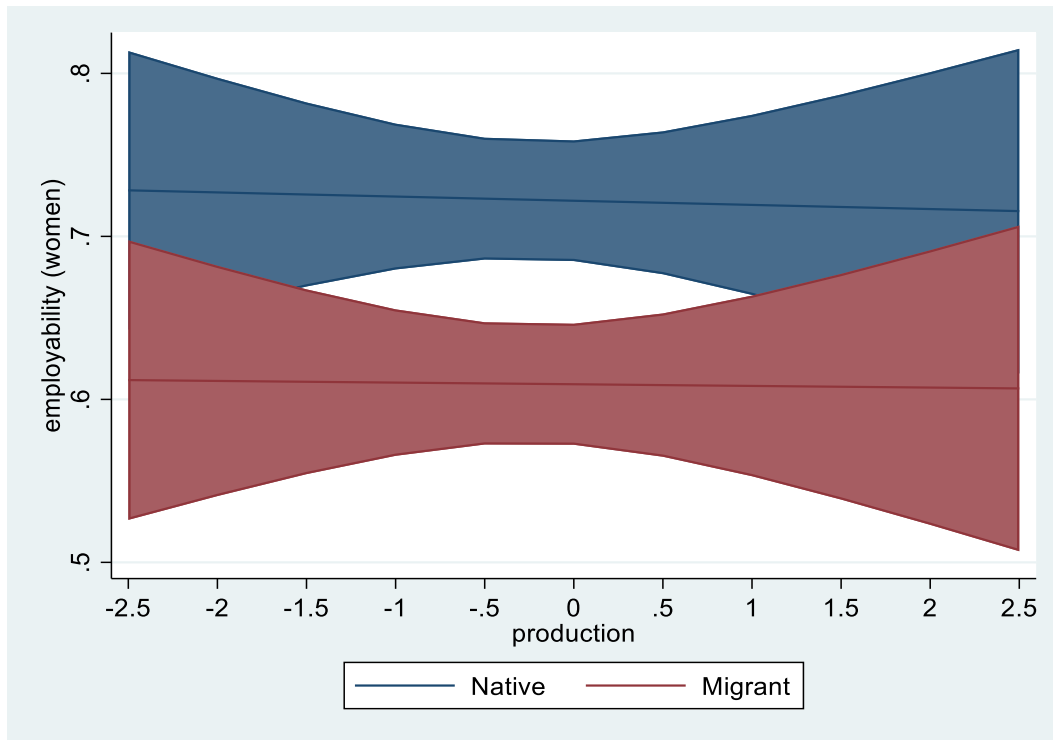
Notes: predicted probabilities estimated from Model 4b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed

[Figure 6] Predicted probabilities for job quality as a function of the production regime by migration status, men



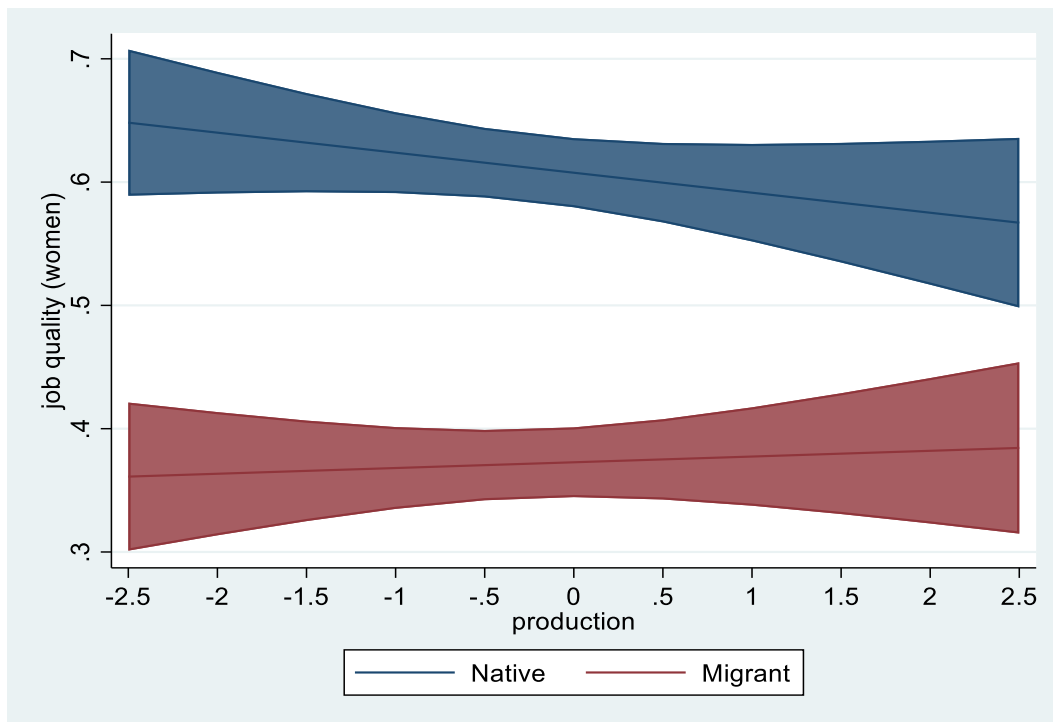
Notes: predicted probabilities estimated from Model 4b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 7] Predicted probabilities for employability as a function of the production regime by migration status, women



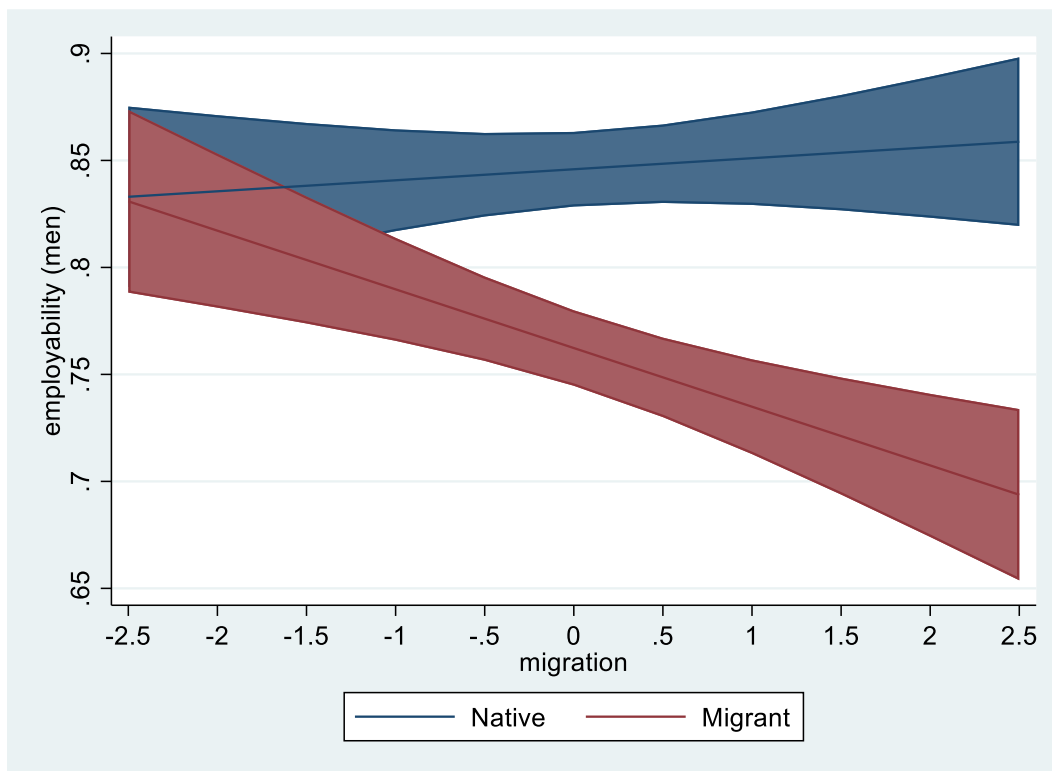
Notes: predicted probabilities estimated from Model 4b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 8] Predicted probabilities for job quality as a function of the production regime by migration status, women



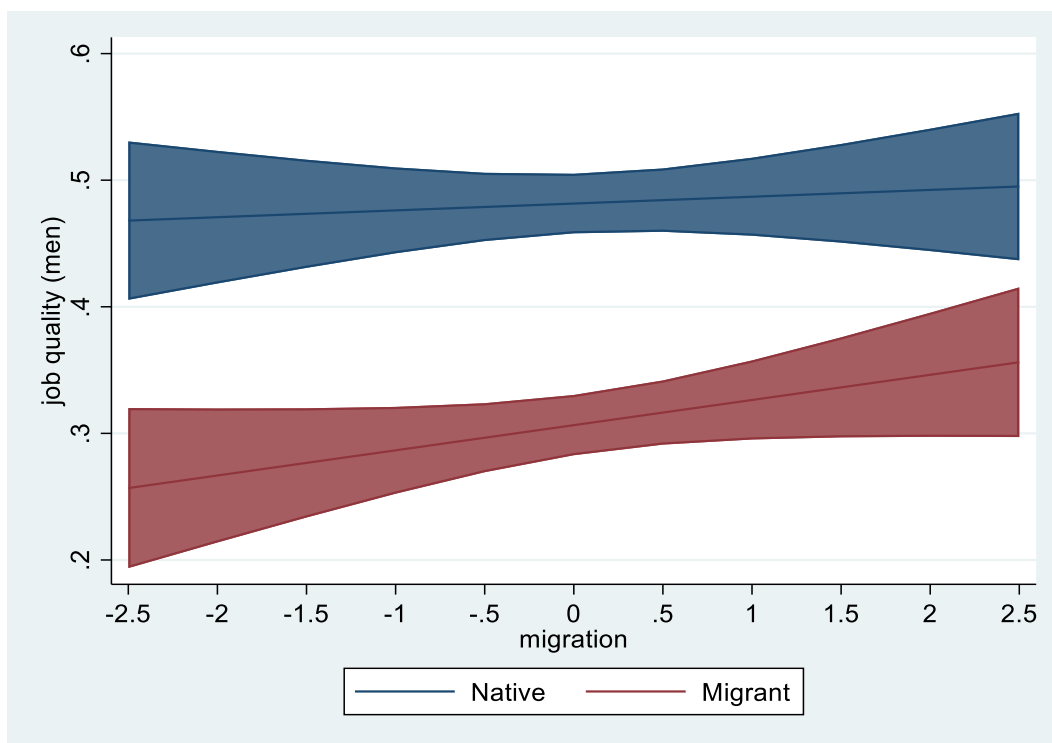
Notes: predicted probabilities estimated from Model 4b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 9] Predicted probabilities for employability as a function of the migration regime by migration status, men



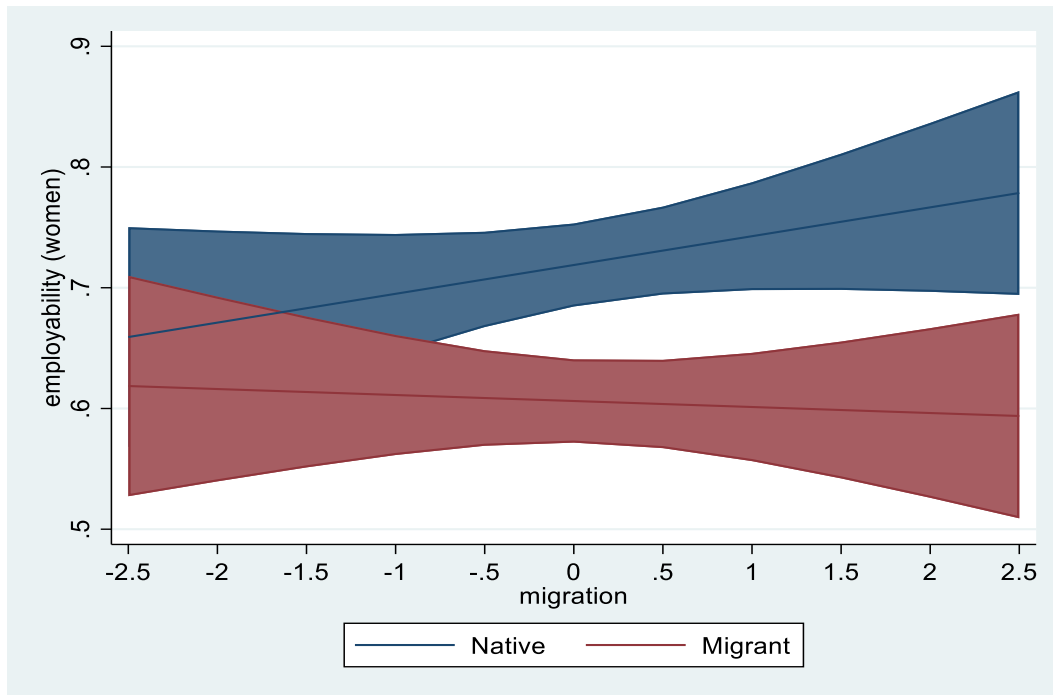
Notes: predicted probabilities estimated from Model 5b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure10] Predicted probabilities for job quality as a function of the migration regime by migration status, men



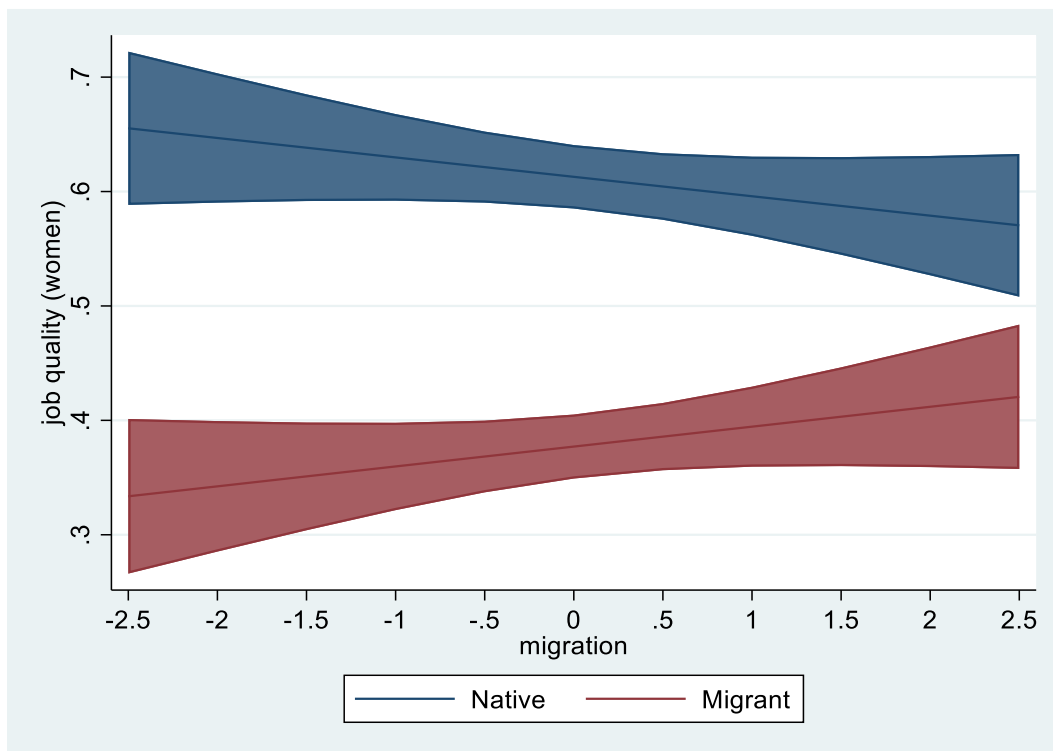
Notes: predicted probabilities estimated from Model 5b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed

[Figure 11] Predicted probabilities for employability as a function of the migration regime by migration status, women



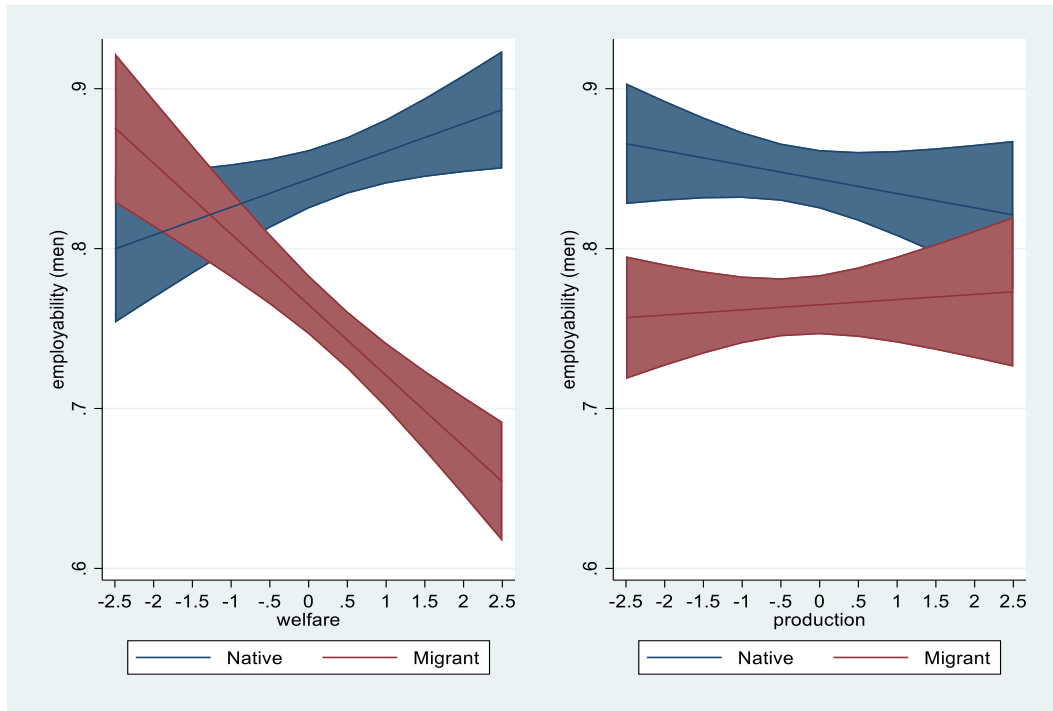
Notes: predicted probabilities estimated from Model 5b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 12] Predicted probabilities for job quality as a function of the migration regime by migration status, women



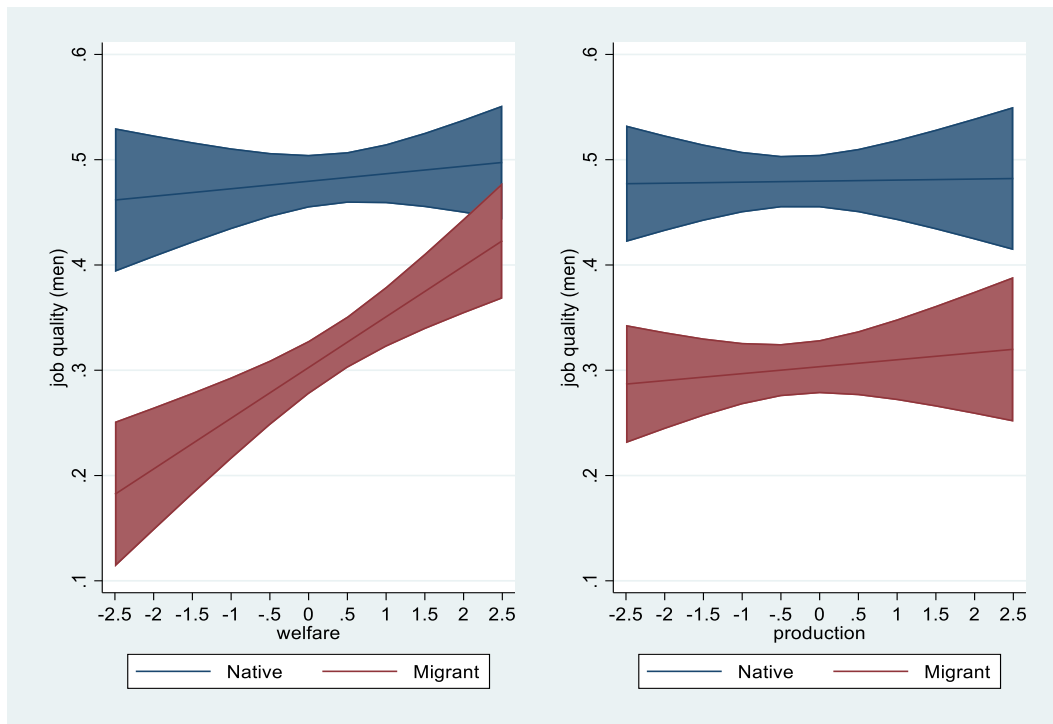
Notes: predicted probabilities estimated from Model 5b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 13] Predicted probabilities for employability as a function of the welfare and production regimes by migration status, men



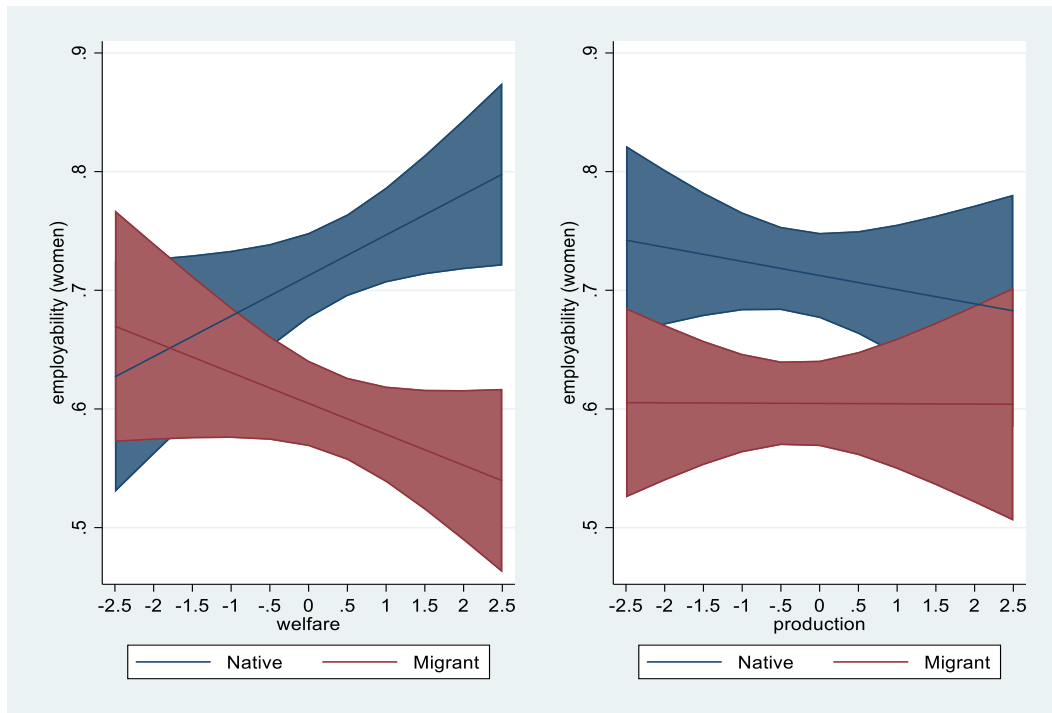
Notes: predicted probabilities estimated from Model 6b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 14] Predicted probabilities for job quality as a function of the welfare and production regimes by migration status, men



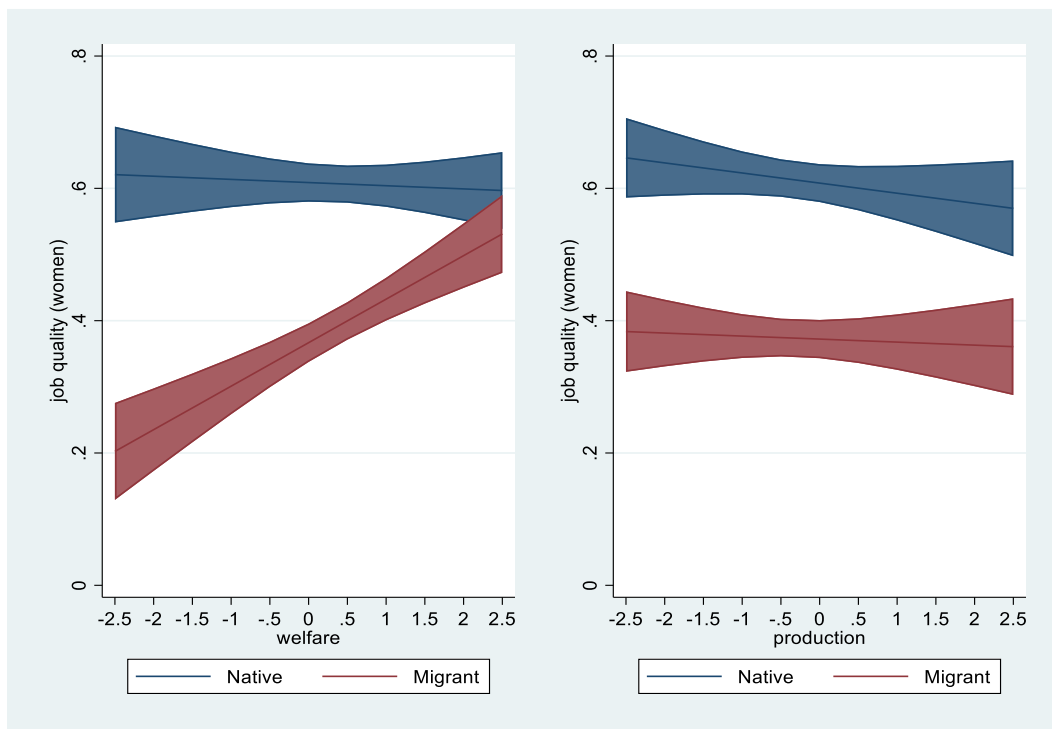
Notes: predicted probabilities estimated from Model 6b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 15] Predicted probabilities for employability as a function of the welfare and production regimes by migration status, women



Notes: predicted probabilities estimated from Model 6b (employability) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

[Figure 16] Predicted probabilities for job quality as a function of the welfare and production regimes by migration status, women



Notes: predicted probabilities estimated from Model 6b (job quality) with between-country effects. X-axis: standardised values, changes in standard deviation displayed.

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### **Adopted Databases**

- EU-LFS  
: EUROPEAN COMMISSION (reference number: RPP 373/2020-LFS).
- US-LFS  
: U.S. BUREAU OF LABOR STATISTICS YEARLY REPORTS (2007-2019)
- CWED (Comparative Welfare Entitlement Data v2)  
: Scruggs, L., Jahn, D. and Kuitto, K. 2017. *Comparative Welfare Entitlements Dataset 2. Version 2017-09*. University of Connecticut and University of Greifswald.
- OECD (OECD labour data base)  
: Available from: [https://stats.oecd.org/Index.aspx?DataSetCode=SOCX\\_AGG](https://stats.oecd.org/Index.aspx?DataSetCode=SOCX_AGG) (accessed 5<sup>th</sup> February 2021).
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