Marriage migrants from Turkey and Pakistan on the Danish labour market
-The influence of family characteristics and the area the immigrants live

by

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Abstract:
Some immigrants soon find employment after immigration, while others stay outside the labour market for years. One explanation is that some immigrants have networks that teach them how to apply for jobs or make connections with employers. Evidence suggests that this explanation could improve our understanding of the labour market assimilation process. The purpose of this paper is to analyse to what extent characteristics of the family in Denmark (the family of the spouse) and the area the immigrant live in influence the employment probability of newly arrived immigrants, and how this influence differs for men and women. This is analysed using a data set describing Turkish and Pakistan immigrants who arrived to Denmark in the period 1994-1997, and who immigrated to Denmark due to family reunion with a spouse living in Denmark.

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1. Introduction

Some immigrants find jobs soon after they arrive while others with apparently the same qualifications stay in the host country for years without making contact with the labour market. For instance, Turkish and Pakistani immigrants on average find employment soon after arriving to Denmark compared to immigrants from Iraq, Bosnia-Herzegovina and Somalia, even though the educational qualifications of especially the Turkish immigrants are among the poorest for immigrants (see Bjørn et al. 2003 and Schmidt and Jakobsen 2004). One explanation for these differences may be the difference in social networks. Turkish and Pakistani immigration has a relatively long history in Denmark compared to immigration from other Non-Western countries, which may imply that the Turkish and Pakistani immigrants on average have more knowledge about and contacts with the Danish labour market. A newly arrived immigrant will often not be able to understand, speak, read, or write the national language and may know little about finding a job – factors that work as barriers to finding a job in a Danish company. Family and friends in Denmark who knows how to apply for work or who has connections to companies may be a great advantage to the immigrant.

Furthermore, nearly all immigrants from Turkey and Pakistan, who came to Denmark in this period, are immigrated because of family reunion, and have a network in Denmark from the first day of immigration (at least they have one family member who are born in Denmark or have been resident in Denmark for some time). Family reunion is only one of the explanations for immigration from other non-western countries.

Gender differences in the labour market assimilation of immigrants are apparent. On average, male immigrants find employment in the Danish labour market sooner after arrival than female immigrants. The employment gap between immigrant women and immigrant men decreases with years since migration, but continues to be large compared to the gender gap for native Danes (see Schmidt and Jakobsen 2004 and Bjørn et al. 2003). One possible explanation of these gender differences in labour market assimilation is, that social networks work primarily to help male immigrants get jobs, because (according to the social norms) the husband has the main responsibility for supporting the family, while the wife is main responsible for the care of the children and the elderly (see Schmidt and Jakobsen 2004 and Dahl and Jakobsen 2005).

This paper analyse the labour market assimilation of immigrants from Turkey and Pakistan, who immigrate to Denmark because of marriage with a person resident in Denmark. The analyses focus on marriage migrants from the two countries, who came to Denmark in the period 1994-1997 and who were 18-45 years old the year of immigration.
The purpose is to analyse to what extent characteristics of the family in Denmark (the family of the spouse) and the area the immigrant live in influence the employment probability of newly arrived immigrants from Turkey and Pakistan, and how this influence differs for men and women.

Section 2 discusses the theoretical framework of the paper, briefly surveys previous research in the field and presents the hypotheses of the paper. Section 3 describes the data used in the paper and includes some descriptive statistics. The empirical model is described in section 4 and the estimation results in section 5. Finally, section 6 presents the conclusions of the paper and policy recommendations.

2. Theory, previous research and hypotheses

2.1 Theory and empirical evidence
International studies, as well as Danish studies, show that the probability of being employed, the occupational status and the wage rates increase with the years following migration (Ekberg 1994, Chiswick et al. 1997 and Husted et al. 2001). The weak attachment to the labour market in the period just after arrival may, from a human capital perspective, result from lack of country-specific human capital (e.g. language proficiency and common knowledge of the labour market in the host country) among the newly arrived immigrants. After some time in the host country, immigrants acquire human capital that is specific to the host country and improve their labour market situation (Chiswick 1978). How fast the immigrants pick up country-specific human capital and country-specific knowledge may be influenced by his or her social network – both the tight network (for instance the family) and a the broader network.

Social networks are a link to information
Social networks affect the behaviour of the individuals in the labour market. One effect is through information, for instance information about effective job search methods, welfare eligibility, and job openings. The number of connections an individual has in the network, the employment status of those connections, and the position of the individual in the network influence his or her employment status (see Calvo-Armengo and Jackson, 2004).

Employment status among the other members of the network is important, because the employed - more than the unemployed - will know about job vacancies. Furthermore, when having this information, the employed are more likely to pass the information to relatives, friends, or
acquaintances, whereas an unemployed person might be tempted to keep the information to himself or herself in order to get the job.

Although the probability of obtaining information about jobs increases with the number of connections, the connections an individual has in the network may be direct or indirect. An indirect connection is, for instance a friend of a friend. On the basis of a theoretical model, Calvo-Armengko and Jackson show that in the long run, indirect connections also have a positive effect on the individual’s employment status, even though a friend of a friend could be a competitor for the information in the short run. None the less, the effect of an indirect connection is smaller than the effect of a direct connection, other things being equal (see Calvo-Armengko and Jackson, 2004).

The terms ”quantity” and ”quality” of the network can describe the importance of the number and status of connections (see Bertrand et al., 2000). Quantity describes the number of persons in the network and quality describes to what extent the members of the network increase the person’s probability of obtaining – in this case - employment (see also Damm, 2004). In relation to integration in the labour market, a high quality could be a network that includes persons who are employed.

Social networks may contain bridging or bonding social capital

Besides employment status, an important factor for immigrants may be whether their networks connect to the majority population or to ethnic minorities. We differentiate between ‘bridging’ and ‘bonding’ social capital (see Putnam, 2000). Bridging social capital consists of networks that link a particular ethnic group with the wider majority community. Bonding social capital consists of networks that link a particular ethnic group with one another. The effectiveness of bonding capital may be smaller than the effectiveness of bridging capital, for instance because the effect on proficiency in the language of the host country is smaller for bonding than for bridging capital, or because the employment rates are lower in the ethnic minority group than among the majority. A community of immigrants socially isolated (with less bridging social capital) may develop a higher level of bonding capital and provide employment through a high incidence of entrepreneurship within the group, thereby compensating for the lack of bridging capital (see Battu et al., 2003). These ethnic labour markets may include jobs that do not require host country-specific human capital as proficiency in the language of the host country. The drawback is that the immigrant does not improve language skills or knowledge of the wider labour market, where conditions probably differ from the ethnic labour market. One consequence is that the immigrant becomes further dependent on the ethnic labour market and ethnic networks.
An immigrant who has been in the host country for many years will (other things being equal) have more connections in the host country and more knowledge of the labour market than a more recent immigrant. Therefore, the effectiveness of bonding capital may depend on the average years since migration among the members of the ethnic network.

The information side of the social networks offers some opportunities. The immigrant has to decide whether to take advantage of these opportunities. The decisions depend on the norms for labour market participation.

**The norms of the social networks may influence the integration**

Social networks may affect individual behaviour in the labour market through social norms. While the information channel emphasises how a person’s knowledge depends on the behaviour of others (e.g. the employment situation), the norm channel emphasises how a person’s preferences depend on the behaviour of others, either directly (e.g. through attitudes towards employment or care of children) or indirectly (e.g. through attitudes towards family formation and parental roles) (see Bertrand et al., 2000). Akerlof defines a social custom as an act whose utility to the individual depends on the beliefs or actions of other members of the community. Following a social custom or norm may have pecuniary costs. However, Akerlof shows in a theoretical analysis that a person will follow a custom provided that disobedience of the custom results in sufficient loss of reputation and provided that the cost of disobedience is sufficiently high, (Akerlof 1994).

The norms of the network may act either as moral barriers or as incentives for finding employment. Attitudes towards employment and family formation (e.g. women’s participation in the labour market), may differ within ethnic groups but also between ethnic groups. In an ethnic group where a traditional view of gender roles is widespread, a high level of bonding capital may have a negative effect on female participation on the labour market.

**2.2 Previous research on immigrants, social networks and employment**

As mentioned in the previous sections, differences between immigrant groups with respect to social networks may be one explanation for the differences in the labour market assimilation process. Some studies show the importance of social networks in job search in the Danish labour market (see Csonka 1995, Bach 1997). However, empirical research on the influence of social networks on immigrant attachment labour market is sparse.

The influence of contact with natives is confirmed in a study based on U.S. data that analyse the effect of household members on the employment of recent immigrants. This study shows that recent immigrants who live with natives have better odds of employment than those who co-reside with
long-term immigrants. The study shows that the effect of employed networks is lower for women than for men, see Enchautegui (2002).

In a different analytical setting, research has shown that immigrants who meet and frequently talk to Danes have a higher employment probability (see Schultz-Nielsen, 2000). However, this study does not make clear whether the contact with ethnic Danes improves the prospect of employment, or whether employment improves the contact to Danes.

A study based on qualitative interviews with Somali immigrants in Denmark analyses the relationship between job searches and social networks (see Jagd, 2004). Jagd shows that social interaction with resourceful persons in their network is important for the immigrant's job-searching strategy. Besides providing knowledge about the informal rules that applicants need to be familiar with when to applying for a job in Denmark, social networking with resourceful persons has a positive effect on the self-confidence and personal convictions about succeeding on the job market. A resourceful person can help to build up the immigrant's self-confidence. Convictions about success increase active job searching, while expectations of discrimination have a negative effect on the job search (see Jagd, 2004). Having personal relations with ethnic Danes or having Somali friends or relatives who are in employment seems to be an important factor leading to an active job seeking strategy, see Jagd (2004).

Networks including employers may give the best connections to the labour market. Employers use networks, advertisements, recruitment services including the public employment service and family to recruit employees to their companies. However, some evidence shows that ethnic employers primarily use networks and personal applications in the recruitment process and have a strong preference for family members, friends of the same origin, or persons with a similar cultural point of departure (Rezaie 2003). This makes the ethnic employers especially interesting for immigrants as the demand for Danish language skills is less from ethnic employers than from Danish employers. The Danish employers use networks especially for hiring unskilled and skilled labour, while they use advertisements, internet announcements, and private employment agencies for recruiting white-collar workers (Bach 1997, Csonka 1995).

[more references]

2.3 The hypotheses of the paper

As mentioned in section 1, the purpose of this paper is to analyse to what extent characteristics of the family in Denmark and the area the immigrant live in influence the employment probability, and how this influence differs for men and women. The family is a part of the tight network of the
immigrant and the characteristics of the area the immigrants live are expected to capture some of the characteristic of the broader network.

On the basis of the research mentioned in section 2.1 and 2.2, I have the following initial hypotheses:

- The employment status of grown up members of the immigrant’s household (including the spouse) influence the employment possibilities of the newly arrived immigrants. Employed household members have a positive influence, especially if they are self-employed.
- It has a positive influence on the employment possibilities of the immigrant if the household members are native Danes, second-generation immigrants or has stayed in Denmark for many years.
- The proportion of inhabitants with immigrant background in the area the newly arrived immigrants live may affect the employment probability of the newly arrived immigrant. The effect may be negative or positive.
- A high proportion of employed, especially a high proportion of self-employed, among the immigrants in the area have a positive influence on the employment probabilities of the newly arrived immigrants.
- The above mentioned factors have a different influence on the employment probabilities of men and women.

3. Data and descriptive statistics of immigrants

3.1 Data description
The empirical analysis is based on event history data set from administrative registers in Statistics Denmark covering 1994-2002. The data set includes individual-level information on the entire population of first- and second-generation immigrants, as well as information on their spouses, parents, children and other household members. The sample used in this study contains information about immigrants from Turkey and Pakistan who immigrated to Denmark in the period 1994-1997, and was married the year after immigration. 96 per cent of the persons aged 18-45 years, who immigrated to Denmark from Turkey or Pakistan in the period were married the year after immigration. The remaining 4 percent is excluded from the analyses. They are not marriage migrants and probably migrated to Denmark to participate in education or because of employment, and they may have quite different assimilation profiles than the marriage migrants.¹

¹ We do not have detailed Danish Statistics of residence permits before 1999. However, figures for 1999 show that nearly all immigrants from Turkey and Pakistan has obtained their residence permit because of family reunion.
The sample used for the analysis includes 3,046 immigrants from the two countries: 2326 immigrants from Turkey and 720 immigrants from Pakistan. The data includes information on gender, country of origin and date of immigration, and information about education, employment, area of residence, income and characteristics of the person’s workplaces.

3.2 Descriptive statistics
Age and family conditions
More than 75 percent of the immigrants in the sample are between 18 and 30 years old, the age of family formation (see Table 1). The female immigrants are on average younger that the male immigrants, probably because marriage age for women is lower than for men (see Schmidt and Jakobsen 2000 and 2004).

Table 1. Age the year of immigration. Immigrants from Pakistan and Turkey, who immigrated to Denmark in 1994-1997.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Turkey Men</th>
<th>Turkey Women</th>
<th>Pakistan Men</th>
<th>Pakistan Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24 years old</td>
<td>64.2</td>
<td>73.3</td>
<td>34.6</td>
<td>66.6</td>
</tr>
<tr>
<td>25-30 years old</td>
<td>24.0</td>
<td>11.7</td>
<td>40.3</td>
<td>17.0</td>
</tr>
<tr>
<td>30-39 years old</td>
<td>10.0</td>
<td>11.7</td>
<td>23.4</td>
<td>.7</td>
</tr>
<tr>
<td>40-45 years old</td>
<td>1.8</td>
<td>3.3</td>
<td>1.6</td>
<td>3.7</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N</td>
<td>1,133</td>
<td>1,193</td>
<td>367</td>
<td>353</td>
</tr>
</tbody>
</table>

Table 2. Immigrants status of the spouse the year after migration. Immigrants from Pakistan and Turkey who immigrated to Denmark in 1994-1997.

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Turkey Men</th>
<th>Turkey Women</th>
<th>Pakistan Men</th>
<th>Pakistan Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic Dane</td>
<td>26.4</td>
<td>1.4</td>
<td>12.8</td>
<td>1.7</td>
</tr>
<tr>
<td>First generation immigrant</td>
<td>57.4</td>
<td>89.3</td>
<td>52.8</td>
<td>81.7</td>
</tr>
<tr>
<td>Second generation immigrant</td>
<td>16.2</td>
<td>9.3</td>
<td>34.5</td>
<td>16.5</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N</td>
<td>1,125</td>
<td>1,181</td>
<td>345</td>
<td>345</td>
</tr>
</tbody>
</table>

Most of the immigrants in the sample have a spouse who is also an immigrant (see Table 2). Some men from Turkey or Pakistan have married an ethnic Dane, but only few female immigrant have
done the same. Also interesting is that a large share of the immigrants from Pakistan marry a second-generation immigrant.

More than half of the spouses who are first-generation immigrants have been in Denmark for more than 10 years (see Table 3). This figure implies that many of the newly arrived immigrants have a spouse who has some knowledge about Danish society (including the Danish labour market) and who had time to develop networks in Denmark.

Table 3. The number of years that the spouse of the immigrants has lived in Denmark the year of immigration. Immigrants from Pakistan and Turkey who immigrated to Denmark in 1994-1997.

<table>
<thead>
<tr>
<th></th>
<th>Turkey</th>
<th></th>
<th>Pakistan</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>-4 years</td>
<td>4.2</td>
<td>3.4</td>
<td>19.2</td>
<td>13.5</td>
</tr>
<tr>
<td>5-9 years</td>
<td>43.3</td>
<td>45.3</td>
<td>26.7</td>
<td>27.0</td>
</tr>
<tr>
<td>10-14 years</td>
<td>15.8</td>
<td>15.9</td>
<td>12.8</td>
<td>18.6</td>
</tr>
<tr>
<td>15-19 years</td>
<td>30.5</td>
<td>29.2</td>
<td>18.0</td>
<td>18.6</td>
</tr>
<tr>
<td>20- years</td>
<td>6.2</td>
<td>6.2</td>
<td>23.3</td>
<td>22.4</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>N</td>
<td>614</td>
<td>965</td>
<td>172</td>
<td>237</td>
</tr>
</tbody>
</table>

[figures with number of grown up household members and the household members immigrant status/ethnicity ]

Young children may affect the male and female immigrants’ labour market attachment. Many of the immigrants from Turkey and Pakistan have children in the age group 0-6 years in the first years after immigration to Denmark: 40 percent of the male immigrants and 55-60 percent of the female immigrants. After five years in Denmark, about 60 percent of the male immigrants and 80-85 percent of the female immigrants have at least one child in the age group 06 years (see Figure 1).
Figure 1. Proportion, who have children in the age group 0-6 years\(^1\). The year of immigration (year=0) and the following five years (year=1-5). Immigrants from Pakistan and Turkey, who immigrated to Denmark in 1994-1997.

1) Includes the immigrant’s own children as well as the spouses children, if the children has the same address as the immigrant and the spouse.

**Labour market**

There are large gender differences in the employments patterns of newly arrived immigrants from Turkey and Pakistan. Figures 2 and 3 show the development in the participation rate and the employment rate for the female and male immigrants from Pakistan and Turkey the first five years after immigration to Denmark. Between 55 and 70 per cent of the male immigrants are employed in the first five years in Denmark period. Surprisingly, the male immigrants have the highest employment rate the first year after immigration. The employment rate declines during the first three years in Denmark, and increases during the following two years. The employment rates are very similar for the male immigrants from Turkey and Pakistan during the first five years after immigration.
Figure 2. Participation rate during the first five years after migration (year=1-5). ¹¹ Immigrants from Pakistan and Turkey who immigrated to Denmark in 1994-1997.

1) Status in the end of November in the year of consideration

Figure 3. Employment rate during the first five years after migration (year=1-5).¹¹ Immigrants from Pakistan and Turkey who immigrated to Denmark in 1994-1997.

1) The Employment status in the end of November in the year of consideration
The female immigrants have a much lower employment rate than male immigrants. The first year after immigration is 22 per cent of the female immigrants for Turkey and 15 per cent of the female immigrants from Pakistan employed. The employment rate increase weakly over the first five years. The increase in employment rate is larger for the women from Turkey than the women from Pakistan. Five years after immigration is 34 per cent of the female immigrants for Turkey and 19 per cent of the female immigrants from Pakistan employed. The low employment rate among Pakistani women is in agreement with a Norwegian study, which shows that the Pakistani immigrant group is more traditional with respect to women's participation in the labour market, than the other large immigrants groups in Norway (see Drøpping and Kavli, 2002).²

Figure 4. Danish labour market experience five year after immigration. Immigrants from Pakistan and Turkey, who immigrated to Denmark in 1994-1997

Note: Labour market experience is calculated as number of years as wage earner in Denmark sin and the number of years as self-employed.

A large proportion of the female immigrants have never been employed in the five-year period after immigration (see Figure 4). This is the case for 64 per cent of the female Pakistani immigrants and 42 per cent of the female Turkish immigrants. Nearly all male immigrants have been employed a part of the five-year period, but fewer than 20 per cent have been employed during the entire period. Thus, it seems that the male immigrants to a high extent have unstable employment.

² Very few of the immigrants are enrolled at an education (less than 2 percent). Thus, participation in education does not explain why some of the immigrants are outside the labour force.
Table 4. Employment status1) of the immigrants spouse the year of migration. Immigrants from Pakistan and Turkey who immigrated to Denmark in 1994-1997

<table>
<thead>
<tr>
<th></th>
<th>Turkey</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>The spouse:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment rate</td>
<td>68.1</td>
<td>69.6</td>
</tr>
<tr>
<td>Participation rate</td>
<td>84.1</td>
<td>90.6</td>
</tr>
<tr>
<td>N</td>
<td>1.114</td>
<td>1.181</td>
</tr>
</tbody>
</table>

1) The Employment the status in the end of November in the year of consideration

Characteristics of the household members and the area where the immigrant live is supposed to influence the employment pattern of the immigrant. Table 4 shows that a relatively high proportion of the immigrants (60-70 per cent) has an employed spouse the year of immigration. The small gender difference in the spouse’s employment rates is in contrast to the large gender difference in the recent immigrants’ employment rates during the five-year period after immigration (see figure 3)

4. Empirical model

To estimate the effects of characteristics of the family and the area the immigrant live in on the employment probability, we will use a probit specification, where the dependent variable is the immigrants employment status five years after immigration to Denmark (1 if employed, else 0). Most of the explanatory variables describe the characteristics of the immigrants and their network the year after immigration, because we want to analyse the effects of the network at the time of immigration. We do not use the year of immigration, because some of the immigrants have missing information on central variables in the year of immigration. We estimate the empirical model separate for men and women.

As described in section 3.2 are the employment patterns of the male immigrants puzzling with a high employment rate the first year after immigration and apparently a high level of unstable employment. Therefore, we will as an alternative to the probit estimations estimate, a linear regression model with a dependent variable describing labour market experience in Denmark five years after immigration.
Besides the variables describing the characteristics of the family and the area the immigrant live, we control for other factors that we expect to influence the employment chances of the recent immigrants: qualifications of the immigrant and the unemployment rate in the municipality at the time of immigration. To describe the qualifications of the immigrants in a standard human capital way we use variables that measure age and education. One of the important questions that we are not able to measure is labour market experience from the home country. Instead we use age as an indicator of potential labour market experience.

The results of the estimations can be biased by selectivity. The immigrants may choose their spouses (or may be chosen) according to unmeasured factors that also may affect their employment prospects in Denmark, for instance qualifications relevant for the labour market and norms concerning labour supply, gender roles and family formation. Most studies have found positive assortative mating on education (see Celikaksoy et al. 2003). However, Lievens suggest that a high human capital of an immigrant living in Western Europe could be exchanged for unspoiled norms on the side of the marriage migrant (see Lievens 1999). A Danish study focusing on immigrants from Pakistan and Turkey finds evidence supportive of positive assortative mating for female immigrants, but no robust results for the male immigrants. For the male immigrants they find some indications on the exchange hypothesis (see Celikaksoy et al. 2003). In this analysis, we are only able to reduce the influence of the potential selectivity problem, as we control for registered education. Education acquired in the home country may not have the same value in Denmark, but education is an indicator of qualifications.

5. Empirical results

Yet to come

6. Conclusions

The analyses show that the majority of the male immigrants from Turkey and Pakistan enter the labour market soon after they arrive to the country, while the female immigrants gradually enter the labour market and at a much lower speed than the male immigrants.

The empirical estimations show ……………..
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