

Intergenerational Socioeconomic Mobility across Three Generations

Aslan Zorlu, UvA
Wouter van Gent, UvA
Gelske van Daalen, CBS

Abstract

This paper examines socioeconomic mobility over three generations of ‘migrants’ and seeks to distinguish the effects of parental wealth and ethnicity. Using rich register data, the study aims to provide empirical evidence on socioeconomic assimilation outcomes of descendants of immigrants who pre-dominantly arrived in the Netherlands in the post- WW II period. We study socioeconomic mobility across migrant generations for migrant groups that have potentially experienced various profiles of assimilation due to their initial sociocultural distance from the Dutch society, such as, German, Indonesian, Surinam, Turkish and Moroccan. We investigate differentials in education and labour market outcomes of second and third generations, with an emphasis on intergenerational transmission of wealth and spatial distance between parents and children, acknowledging the geographical concentration of immigrants.

Extended Abstract

This paper examines socioeconomic mobility over three generations of ‘migrants’ and seeks to distinguish the effects of parental wealth and ethnicity. Using rich register data, the study aims to provide empirical evidence on socioeconomic assimilation outcomes of descendants of immigrants who pre-dominantly arrived in the Netherlands in the post- WW II period. Classical assimilation theory, which has been developed for European migrants to the US, predicts a disappearance of native-immigrant differences in socioeconomic outcomes after three generations as immigrants adopt host country specific capital (Alba and Nee 1997). Such an ‘obvious’ linear assimilation outcome has been disputed by a strand of the immigration literature that points to a downward mobility as a potential route for some migrant groups (Portes and Zhou 1993; Portes and Rumbaut 2001). Overall, little is known about *longue durée* effects of migration in the context of Western Europe. The existing literature on assimilation is mainly limited to the second generation, and often fails to include the effect of intergenerational transfers.

The immigration literature shows that most immigrants from developing countries possess a low socioeconomic status in the Netherlands (Zorlu and Hartog 2012, 2018). Initial lack of productive skills and a slow accumulation of country specific capital have led to a persistent ethnic gap for immigrants. This backlog has been carried by the second generation who have improved their position but were unable to catch up with their native counterparts. We study socioeconomic mobility across migrant generations for migrant groups that have potentially experienced various profiles of assimilation due to their initial sociocultural distance from the Dutch society, such as, German, Indonesian, Surinam, Turkish and Moroccan. We investigate differentials in education and labour market outcomes of second and third generations, with an emphasis on intergenerational transmission of wealth and spatial distance between parents and children, acknowledging the geographical concentration of immigrants (Chetty et al. 2014).

After WW II, a significant number of immigrants from the former Dutch colonies in Indonesia and Suriname arrived in the Netherlands. In the 1960s, 'guest workers' from Turkey and Morocco were attracted by emerging many low-skilled jobs. In addition, a significant number of immigrants from neighboring Germany could cross the border much easier considering a narrow cultural and linguistic distance between two countries. Most immigrants from Turkey and Morocco possess a poor socioeconomic position and their children have booked some gains, although the second generation still appear to carry a substantial part of parental disadvantages (Van Ours and Veenman 2003). Children of immigrants from former colonies (Indonesia and Suriname) could substantially improve their socioeconomic position. The position of immigrants from EU is not less favorable than the of native Dutch. The question is how far are descendants of the second generation (third generation) in their socio economic integration.

References

Alba, R. and Nee, V. (1997). Rethinking Assimilation Theory for a New Era of Immigration. *International Migration Review* 31 (4): 826–874. doi:10.2307/2547416.

Chetty, Raj, Nathaniel Hendren, Patrick Kline, and Emmanuel Saez. 2014. Where is the land of opportunity? The geography of intergenerational mobility in the United States. NBER Working Paper 19843, Cambridge, MA.

Portes, Alejandro, and M. Zhou. 1993. "The New Second Generation: Segmented Assimilation and Its Variants." *Annals of the American Academy of Political and Social Sciences* 530: 74–96. doi:10.1177/0002716293530001006.

Van Ours, J. & Veenman, J. J. (2003). The educational attainment of second-generation immigrants in The Netherland. *Journal of Population Economics* 16, 4, 739–753. doi.org/10.1007/s00148-003-0147-0

Zorlu, A. and Hartog, J. (2018). The Impact of Language on Socioeconomic Integration of Immigrants A Discussion Paper No. 11485

Zorlu, A. and Hartog, J. (2012). Employment assimilation of immigrants in the Netherlands: dip and catchup by source country. *International Journal of Population Research*, 2012,