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Christel Kesler, Mirna Safi. Immigrant/Native Labor Market Inequalities: A Portrait of Patterns and Trends in France and the United Kingdom, 1990-2007. 2011. hal-00972748

HAL Id: hal-00972748

<https://sciencespo.hal.science/hal-00972748>

Preprint submitted on 3 Apr 2014

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Immigrant/Native Labor Market Inequalities: A Portrait of Patterns and Trends in France and the United Kingdom, 1990-2007

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Sciences Po

Notes & Documents

n° 2011-01 Septembre 2011

Résumé :

Bien que La France et le Royaume-Uni soient parmi les exemples les plus mobilisés dans les typologies comparatives de l'intégration des immigrés, les études empiriques portant conjointement sur ces deux pays sont rares. C'est l'objet de cet article qui se concentre sur la comparaison de l'incorporation des immigrés sur les marchés du travail français et britannique. Les analyses présentées utilisent les données des enquêtes Emploi nationales (harmonisées par les auteures) sur une période couvrant une quinzaine d'années à partir du début des années 1990. L'approche est centrée sur l'analyse comparée des inégalités salariales et dans l'accès à l'emploi entre les immigrés et les natifs mais aussi au sein de la population immigrée. Les résultats suggèrent que les inégalités entre natifs et immigrés sont plus intenses au Royaume-Uni, notamment en ce qui concerne les salaires. Les groupes les plus défavorisés sur le marché du travail le sont en effet bien plus au Royaume-Uni (Pakistanaï et Bangladaï) qu'en France (Turcs et Africains). La diversité des situations sur le marché du travail semble néanmoins bien plus marquée au Royaume-Uni. Cela se traduit notamment par le fait que certains groupes immigrés y connaissent un certain avantage comparativement aux Britanniques, ce qui n'est quasiment jamais le cas en France. Les inégalités entre hommes et femmes sont en revanche bien plus fortes sur le marché du travail français et semblent se combiner avec les inégalités ethniques pénalisant fortement les femmes immigrées.

Pour citer ce document :

Christel Kesler, Mirna Safi (2012). « Immigrant/Native Labor Market Inequalities : A Portrait of Patterns and Trends in France and the United Kingdom, 1990-2007 », Notes & Documents, 2012-01, Paris, OSC, Sciences Po/CNRS.

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Abstract:

This article gives insights into immigrants' incorporation into the French and British labor markets in the 1990s and the 2000s, using British and French Labor Force Surveys harmonized by the authors. It compares inequalities in earnings and employment between natives and immigrants in the two countries, but also among immigrant groups. These two countries are among the most commonly included in comparative studies of immigration, but we still have surprisingly little comparative evidence on immigrants' socioeconomic disadvantage. The results suggest that labor market inequality is sharper in the UK, especially with respect to earnings. More precisely, the most underprivileged immigrant groups in the UK (Pakistanis, Bangladeshis) are disadvantaged to a greater extent than their counterparts in France (Turkish and African immigrants). At the same time, diversity within the immigrant population is much more marked in the UK; some groups have very little labor market disadvantage or even do better than natives, which is almost never the case in France. The French labor market is characterized by a significantly higher level of gender inequality, particularly in earnings, and this compounds the labor market disadvantage of immigrant women.

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1. Introduction

As the two largest post-colonial powers in Europe, France and the United Kingdom share many aspects of their histories of migration in the second half of the twentieth century. In this period, both countries conceded control over empires that stretched from Asia to Africa to the Caribbean. One unintended consequence of decolonization was mass migration from former colonies, often in anticipation of future revocation of the right of free entry. In the context of this experience of primarily non-white, postcolonial migration, both countries were pressed to politically respond to public opinion that, on the whole, was opposed to such migration, and to develop what Favell (1998) has termed “philosophies of integration.” Both countries continue to struggle with issues of social inequalities in the labor market and other institutions, and with issues of social cohesion that are closely intertwined with such inequalities.

And yet, the two countries also stand as very different models of immigrant incorporation: France generally embracing politics and policies in line with its unique republican model and the United Kingdom politics and policies of multiculturalism. The French model rejects ethnicity, culture, and religion as a basis for political organization, claims-making, and even historically as the basis of categories for official statistics. According to the French republican ideal of immigrant integration, there is no ethnic or racial differentiation in French society. This ideological position explains the scarcity of data that would better facilitate research on ethnic or racial inequalities in France. The British multiculturalist model encourages such categories as the basis of political organization and claims-making, on the assertion that only through specific recognition of minorities can equality between majority and minority groups be achieved. Freeman (1979:36; Freeman 1995; Freeman & Birrell 2001) notes that differences in the treatment of immigrants in the post-war period stem from very different colonial regimes. France’s centralized state directly ruled its colonies with “indivisible sovereignty” and with no distinctions of citizenship. The UK relied more heavily on indirect rule, and created a highly decentralized Commonwealth, with numerous distinctions of citizenship.

But these two countries are different not only in their specific treatment of immigrants. For those interested in socioeconomic inequalities, differences in labor market and welfare state institutions are also critical. The UK, particularly in the post-Thatcher era, is a liberal, market-oriented regime, which has followed a post-industrial trajectory of increasing earnings inequality, with a relatively large number of both high- and low-wage service jobs, the latter disproportionately filled by immigrants (Esping-Andersen 1999). France has maintained lower levels of inequality, albeit with generally higher rates of unemployment, the brunt of which immigrants and their descendants bear. The high inequality/insider-outsider trade-off is captured well by the role of labor unions in the two countries. The UK has fewer workers (around 30%) covered by union contracts than any other country in Europe. Union *membership* is even lower in France (10%), but as in a number of other European countries, collective agreements in France cover many non-members, such that more than 90% of French workers are covered. This is actually similar to coverage levels in highly corporatist countries such as Austria or Sweden (OECD 2004). Based on levels of centralization of both labor and capital, Soskice (1999) has distinguished “uncoordinated” market regimes such as the UK from more “coordinated” ones such as France.

Because of their important similarities and differences, France and the UK have often been included as cases in major comparative studies of immigration (Freeman 1979; Hammar 1985; Soysal 1994; Favell 1998, 2001). But surprisingly, in terms of actual immigrant incorporation and especially socioeconomic inequalities, we still know very little about how the two countries compare¹. In other words, how do differences in the orientation and policies of receiving societies toward immigrants, outlined in various typologies, correspond to immigrants' actual experiences of incorporation and inequality in these societies?

This paper takes a comparative approach to basic aspects of immigrants' contemporary labor market experiences in France and the UK. Its scope is fundamentally empirical. This article is indeed one of the very rare studies that describes and systematically compares patterns and trends of labor market inequalities between immigrants and natives in France and in the UK and confronts these findings with the mostly theoretical work that has focused on the political and economic differences between these countries and their supposed effect on immigrant integration. Moreover, given that a primary difference between the two countries' labor markets is the level of earnings inequality, this article includes an analysis of earnings, which is absent in almost all of the very few comparative works on immigrant incorporation in these countries.

We consider the evolution of inequalities between immigrants and natives in labor force attachment (labor force participation and unemployment) and earnings over the 1990s and 2000s. For France, this period has been one of stability in migration inflows, with an official policy of halting immigration, and the size of the foreign-born population has remained relatively unchanged. In the UK, on the other hand, immigration has increased substantially, due in large part to EU expansion and a policy of immediate opening of the British labor market to workers from new accession states in Eastern Europe. Despite these new flows, especially to the UK, the largest groups of immigrants in the two countries remain those from former colonies. Economically, the period was one of secularly decreasing unemployment in the UK, whereas France saw increasing unemployment in the 1990s and a decline again in the 2000s.

2. Data sources

Our data come from British and French Labor Force Surveys. These are both nationally representative datasets that contain key information on demographic characteristics of respondents and the socioeconomic outcomes of interest (labor force participation, unemployment, and earnings). The surveys are not perfectly comparable, but have become more so over time. For example, for part of the period on which we focus, France conducted only an annual survey, but beginning in 2003 it switched to a quarterly format, which the UK has for the entire period. For our purposes, it is particularly important that both countries collect information about the country in which a respondent was born, allowing us to identify

¹ Some recent comparative information can be found in Heath and Cheung's (2007) landmark edited volume which includes both countries and focuses on labor market inequalities. However, France and the UK are presented in separate chapters making it difficult to observe the contours of cross-national differences.

immigrants rather than just foreign nationals. However, only the UK collects information on self-reported ethnicity. This information permits researchers to identify native-born ethnic minorities (e.g., second and subsequent generations of immigrants' descendants – this is not the focus of this paper) and to assess the inequalities they face, but also to distinguish return colonial migrants from “true” immigrants. It is also important that sample sizes are large enough to identify many groups of immigrants by their detailed country or region of origin, which is not possible with many other available datasets.

For the tables and figures we present below, we limit the sample to those who are aged 22 to 55 and who are not still in school. In this paper, we focus on labor market inequalities (between immigrants and natives and among immigrants) measured in cross-sectional perspective. Thus, for each individual, we only include one observation, namely the first time he or she is interviewed.² Our ongoing work will incorporate the panel structure of the data to more specifically analyze transitions between employment and unemployment for both immigrants and natives.

For both descriptive and multivariate results below, our focus is inequalities by nativity and gender. In some instances, we compare all immigrants to natives, and in other instances, we distinguish specific groups of immigrants by detailed country or region of origin. For the UK, these groups include six sending countries with prior colonial ties (India, Pakistan, Bangladesh, Hong Kong, the Republic of Ireland, and South Africa) as well as two more recent sending countries (Poland and Turkey). Additionally, we distinguish several broader sending regions for the UK (the Caribbean, Latin America, East Asia, the Middle East, North Africa, Sub-Saharan Africa, Eastern Europe, Southern Europe, Western Europe, North America, and the Antipodes). We can distinguish for the UK a final category of return migrants. These are individuals born in majority-non-white countries (primarily former colonies) in Africa, Asia, and the Caribbean who ethnically identify in the Labor Force Survey as white. Though we cannot identify the equivalent group in France, we think it worthwhile to determine how this group's experiences in the UK labor market compare to those of other immigrants and of native-born workers.³

For France, we distinguish three sending countries with former colonial ties (Algeria, Morocco, and Tunisia), as well as Italy, Portugal, Spain, and Turkey. Additional sending regions include North America, Latin America, Southeast Asia, Eastern Europe, and Western Europe. One group unique to France consists of individuals born in one of the four overseas departments (Martinique, Guadeloupe, Réunion, and French Guiana). Such individuals are French citizens and not considered immigrants, but may face disadvantage compared to those born in metropolitan France because of, among other things, the color of their skin. Table 2 below includes sample sizes for all immigrant groups. See the paper's appendix for a table that lists country and region abbreviations.

² Both datasets contain short panels of individuals because of the rotation structure (i.e., individuals stay in the sample for 3 years in the earlier period in France, for 6 quarters in the later period in France, and for 5 quarters for the entire period in the UK.

³ Immigrants from South Africa to the UK are primarily white (nearly 90% in our sample), despite South Africa being a majority-black country. We do not re-categorize white South African immigrants with the return migrant group, since they constitute such a large majority of South African immigrants.

In multivariate models below, we control for year of survey (with a dummy variable for each year), age and aged squared, family status, and education.⁴ Family status is a 6-category variable that indicates marital status (never married, currently married, or divorced/separated/widowed) and whether one has dependent children in the household. To measure education, we used information on age at which the highest level of education was completed. This is far less ideal than using an education variable that indicates the level of qualification, but in the case of immigrants, the age variable is preferable, as a high proportion of immigrants are categorized as having “other” credentials, which could be at any level of qualification. Therefore, we rely on information about highest level of education and distinguish 8 education categories: no education; and aged 1-14, 15, 16, 17-18, 19-20, 21-25, and 26+ when highest education was completed. Table 1 shows distributions of this education variable by country, gender, and nativity.

Labor force participation and unemployment are measured in both countries using the International Labour Organization (ILO) definitions. The unemployed are those who are not currently working, but are both available to work and actively seeking work. This means that the inactive population includes persons who may be “unemployed” under a looser definition, but are discouraged and have ceased actively looking for work. Unemployment rates are based only on the population that is economically active, while inactivity rates are relative to everyone of working age. Our earnings analysis focuses, by necessity, on net earnings, as gross earnings information is not available in the French data.⁵ The UK earnings variable is weekly, whereas for France it is monthly. It is not necessary to adjust for this weekly/monthly difference or for the currency difference, because our analysis uses either logged earnings or earnings quintiles.

⁴ We would like to be able to fully control for the length of stay in the host country, and although this information is available in the British data, it is not consistently available in the French data. For a small subset of the French data, we have conducted sensitivity analyses using a rough categorical variable indicating length of stay, and our comparative findings are not substantially altered. These findings are available upon request.

⁵ The gross earnings variable for the UK yields broadly similar results.

Table 1. Age at which education completed, by country, gender, and nativity

| | Men | | | Women | | |
|-----------------------|-------------|-------------|---------------|-------------|-------------|---------------|
| | Unemployed | Inactive | N | Unemployed | Inactive | N |
| FRANCE | % | % | | % | % | |
| TR | 21.6 | 7.5 | 1,322 | 39.6 | 68.2 | 1,171 |
| SAF | 19.9 | 8.5 | 3,262 | 25.4 | 31.6 | 3,45 |
| MA | 19.8 | 8.2 | 4,342 | 28.1 | 46.0 | 4,59 |
| LAM | 18.2 | 11.4 | 411 | 21.8 | 33.0 | 672 |
| DZ | 18.1 | 8.8 | 6,216 | 21.7 | 38.9 | 6,479 |
| TN | 17.1 | 8.3 | 1,962 | 22.4 | 41.0 | 1,709 |
| EEU | 16.4 | 9.1 | 1,144 | 24.2 | 32.6 | 1,547 |
| OTH | 14.5 | 10.8 | 1,702 | 19.9 | 43.3 | 1,817 |
| SEA | 12.7 | 5.5 | 1,11 | 23.0 | 27.7 | 1,143 |
| FOD | 11.0 | 4.7 | 1,897 | 13.3 | 19.0 | 1,996 |
| NAM | 10.3 | 4.4 | 225 | 13.0 | 27.8 | 288 |
| IT | 10.2 | 7.4 | 1,224 | 14.9 | 32.0 | 1,114 |
| ES | 9.0 | 6.5 | 1,236 | 11.2 | 29.4 | 1,4 |
| WEU | 7.7 | 7.0 | 2,181 | 11.0 | 29.2 | 2,883 |
| Native born | 7.6 | 5.0 | 32,499 | 11.0 | 20.0 | 33,749 |
| PT | 6.5 | 4.7 | 3,911 | 9.4 | 22.4 | 3,908 |
| Total | 11.2 | 6.3 | 64,644 | 14.8 | 27.6 | 67,916 |
| UNITED KINGDOM | | | | | | |
| TR | 19.8 | 23.5 | 533 | 11.4 | 69.3 | 459 |
| BD | 17.1 | 16.4 | 1,479 | 21.9 | 83.1 | 1,672 |
| PK | 14.8 | 16.9 | 2,822 | 18.0 | 80.7 | 3,067 |
| CAR | 14.1 | 13.4 | 1,331 | 9.6 | 25.3 | 2,123 |
| MEA | 13.7 | 21.3 | 1,331 | 14.0 | 49.9 | 981 |
| NAF | 13.4 | 16.8 | 680 | 12.4 | 51.7 | 435 |
| EEU | 12.2 | 23.5 | 928 | 11.4 | 36.6 | 1,337 |
| SAF | 11.2 | 12.6 | 4,681 | 11.4 | 34.3 | 5,42 |
| IE | 11.1 | 13.5 | 2,942 | 5.0 | 27.4 | 3,788 |
| EAS | 8.7 | 14.9 | 2,223 | 7.1 | 39.3 | 3,261 |
| IN | 7.6 | 10.2 | 3,545 | 8.4 | 39.5 | 4,151 |
| OTH | 6.5 | 10.2 | 226 | 6.2 | 25.5 | 259 |
| Native born | 6.4 | 8.4 | 34,953 | 4.5 | 24.2 | 37,524 |
| SEU | 6.4 | 9.5 | 2,571 | 7.8 | 30.6 | 2,707 |
| LAM | 6.3 | 16.3 | 436 | 8.4 | 38.0 | 706 |
| WEU | 5.6 | 7.1 | 2,92 | 5.3 | 24.6 | 4,244 |
| RET | 5.5 | 6.2 | 1,956 | 4.8 | 21.1 | 2,204 |
| HK | 5.5 | 8.7 | 518 | 7.1 | 36.2 | 575 |
| PL | 4.9 | 7.9 | 594 | 6.5 | 29.8 | 658 |
| ZA | 4.3 | 4.8 | 961 | 5.6 | 19.7 | 1,12 |
| NAM | 4.2 | 6.7 | 1,484 | 4.9 | 28.6 | 1,845 |
| ANT | 4.1 | 4.4 | 1,216 | 4.4 | 15.8 | 1,406 |
| Total | 7.8 | 10.3 | 70,33 | 6.1 | 31.1 | 79,942 |

3. Evolution of inequalities over time

Figure 1 displays unemployment and inactivity in the two countries over time, by gender and nativity. We use here the simple distinction of immigrant/native, but look at heterogeneity within the category of “immigrant” below.

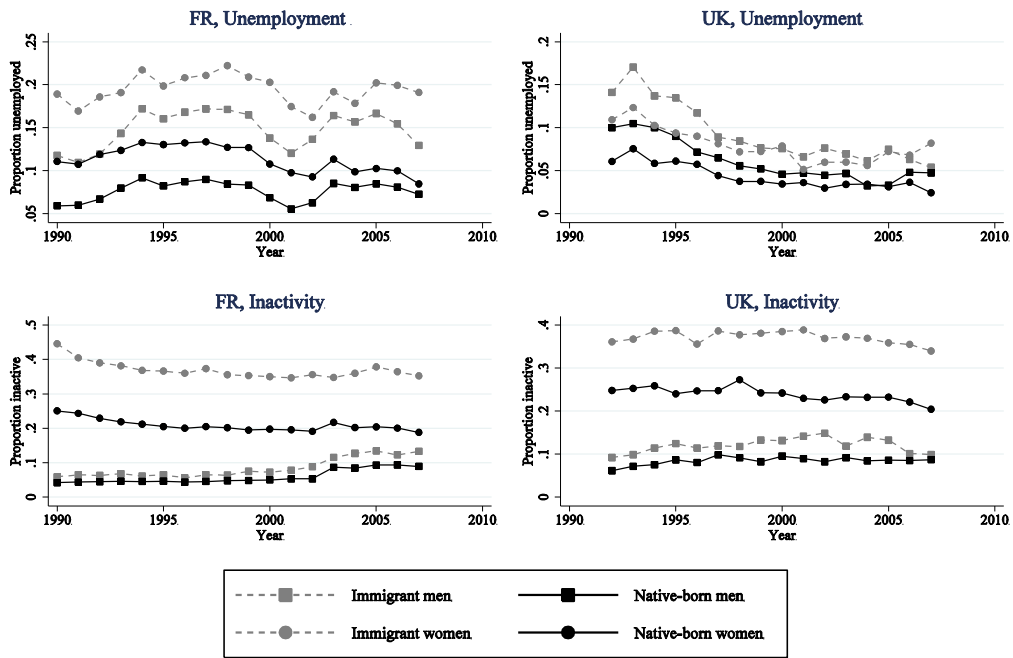
The first thing to note is that the timing of the business cycle is different in the two countries, with unemployment rising in France throughout most of the 1990s, then dipping slightly, with a return to the previous high by the end of the period. In this fluctuation, immigrants appear to be more sensitive than natives. In the UK, there is clear downward trend in unemployment, and like in France, the improvement affects immigrants more than natives. Perhaps in part due to the better overall economic situation, inequalities between immigrants and natives are smaller in the UK. Though immigrants of both genders have higher unemployment rates than natives of the same gender in both countries, gender inequalities look quite different in the two countries. In France, women have considerably higher unemployment than men, and this is true of both immigrants and natives. In the UK, on the other hand, the opposite is true: in general, men have higher unemployment than women.

Of course, the distinction between unemployment and inactivity is perhaps a particularly fuzzy one for women, because inactivity may be a more socially acceptable alternative to unemployment than is the case for men. But if we look at the bottom half of Figure 1, we do not see that women’s lower unemployment rates in the UK are offset by notably higher levels of inactivity. In fact, inactivity rates for all four groups appear to be quite similar in the two countries. Immigrant women do have the highest rates of inactivity, between 30 and 40% for most of the period. Native-born women are far less inactive than immigrant women, but considerably more inactive than either group of men. Their inactivity rates vary between 20 and 30%. Immigrant men’s inactivity varies between 5 and 15%, and native-born men’s between 5 and 10%. All in all, these inactivity rates are quite stable over time, which is not surprising, since they are more likely than unemployment rates to express people’s preferences for work rather than the overall economic climate.

Figure 2 gives a first glimpse at earnings inequalities in the two countries. Again, this figure uses the simple distinction between immigrants and natives. The quintiles in this figure are calculated for the whole working population in each country and for each year separately, so there is no need to adjust for inflation. On the whole, there is little change over time in these inequalities, so our discussion here concentrates on the stable patterns of inequality by gender and nativity.

Unlike in the figures for labor force attachment, gender here is clearly a far more important cleavage than nativity, and that is true in both countries. Women, regardless of nativity, are underrepresented in the fifth quintile and overrepresented in the first, and for men, the opposite is true. Among men at the bottom of the earnings distribution, immigrants experience a stable disadvantage over time, and this is true in both countries. Among women, however, the situation is quite different in the two countries.

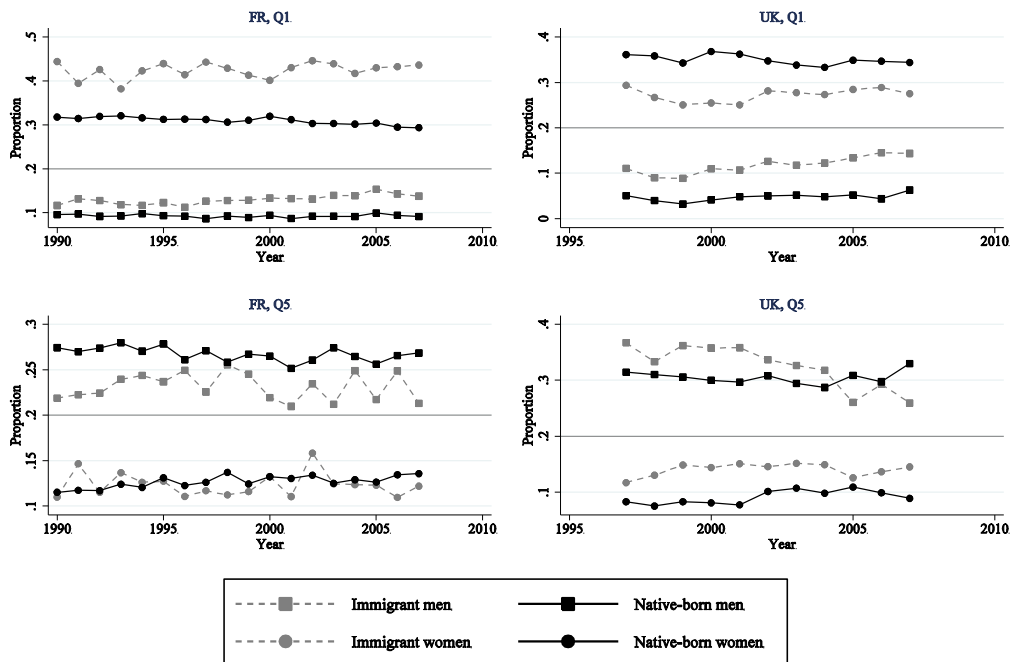
Employment outcomes by gender and nativity (1990-2007)



Sources: INSEE, French Labour Force Survey 1990-2007; ONS, British Labour Force Survey 1992-2007.

Figure 1

Representation in the first and the fifth earning quintiles by gender and nativity (1990-2007)



Sources: INSEE, French Labour Force Survey 1990-2007; ONS, British Labour Force Survey 1997-2007.

Figure 2

In France, immigrant women are the most overrepresented in this low earnings bracket, whereas in the UK, it is actually native-born women who are the most overrepresented here. When we look at the top of the earnings distribution, we see stable disadvantage for immigrant men in France, but in every other instance, there is no immigrant disadvantage, and in the UK, immigrant men and women are actually better represented than native-born men and women.

From this portrait of labor market inequalities over time in the two countries, we might conclude that inequalities between immigrants and natives are generally smaller (or even non-existent or reversed) in the UK. This is particularly true in the case of earnings, but is also observable in the case of unemployment. However, there are at least two ways in which this conclusion could prove tenuous. First, aggregating all immigrants into a single group is likely to conceal considerable variation across immigrants with different origins. Second, different patterns of educational inequalities between immigrants and natives in the two countries are likely to at least partially explain some of the labor market inequalities we observed. It is to these two issues that we turn in the remainder of the paper.

4. Diversity among immigrant groups

4.1. Inequalities in employment

Table 2 disaggregates figures for unemployment and inactivity by detailed country or region of origin. We do indeed see a wide variety of outcomes for different immigrant groups. In both countries, it is Turkish men who have the highest unemployment rates compared to other men: around 20% in both countries, compounded in the UK by very high inactivity. Among women in France, Turkish women also post the highest unemployment, though in the UK, other groups (Bangladeshi, Pakistani, and other Middle Eastern women) have higher unemployment. Note also the extremely high inactivity rates among Pakistani and Bangladeshi women in the UK, which are unparalleled by any group in France.

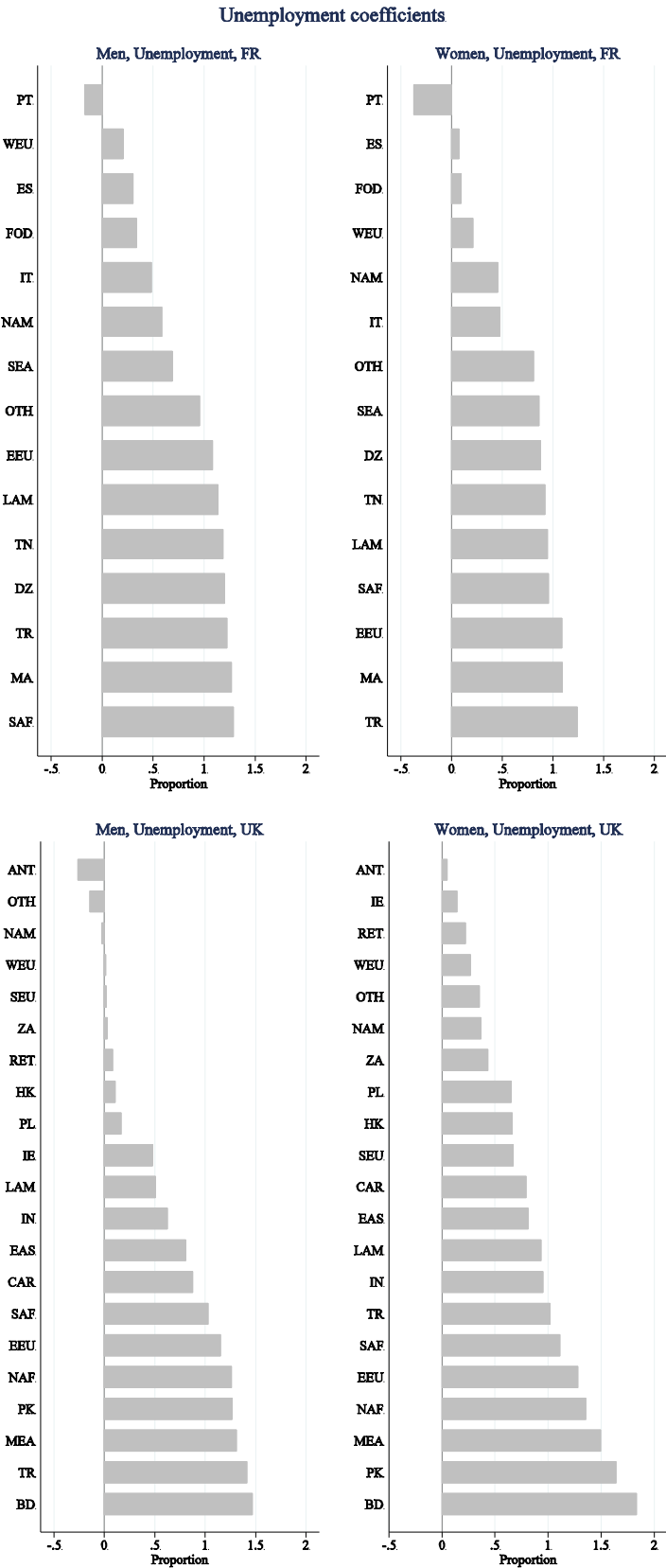
We see that the smaller differences between immigrants and natives in the UK stem not from all immigrants doing better in the UK, but from the widely divergent outcomes of immigrant groups. Among men, for example, 9 of the 21 immigrant groups actually have lower unemployment rates than natives. By contrast, in France, native-born men are the most privileged group with respect to unemployment, with the single exception of Portuguese immigrants. Among women, the situation is somewhat more similar in the two countries, with native-born women having comparatively low unemployment rates in both countries, and the vast majority of immigrant groups facing greater disadvantage.

These differences in unemployment and inactivity rates are presented in Figures 3 and 4 after controlling for some basic sociodemographic variables (age, age squared, education, marital status and number of children, country of origin, and year of survey). First, it is striking that, compared to natives, immigrant disadvantage in the labor market seems greater in the United Kingdom than in France, other characteristics of workers being equal. This stands in contrast to findings based on the descriptive statistics. Immigrants from Bangladesh, Pakistan, Turkey and the Middle East are the most disadvantaged in terms of unemployment, with the most extreme coefficients being for Bangladeshi women compared to native

women (nearly 2.0). In France, the most extreme coefficients are around 1.2, for Turkish women and Sub-Saharan African men. These results suggest that the apparent finding that immigrant workers are more disadvantaged in France is not true when we control for demographic and human capital characteristics. The most disadvantaged groups in the UK are more disadvantaged than their counterparts in France. However, diversity in the labor market achievement of immigrant groups is still greater in the UK than in France, after controlling for the individual variables. Indeed, as far as unemployment is concerned, almost all immigrant groups are penalized in France compared to natives. (Portuguese immigrants are the only exception with a negative but insignificant coefficient, while Western Europeans, Spanish, Italians and natives born in the French Overseas Departments have still positive but insignificant coefficients.) The situation in the UK seems different: there are indeed more immigrant groups that, compared to natives, do not experience significant disadvantage in terms of unemployment, especially for men. These groups are generally Europeans or North Americans, but it is surprising to notice that immigrants from Poland and Hong Kong also do not have significant disadvantage compared to native men. Inactivity regressions show very similar patterns of inequalities. In Figure 4, the coefficients are higher in the UK than in France and this is true both for men and women.

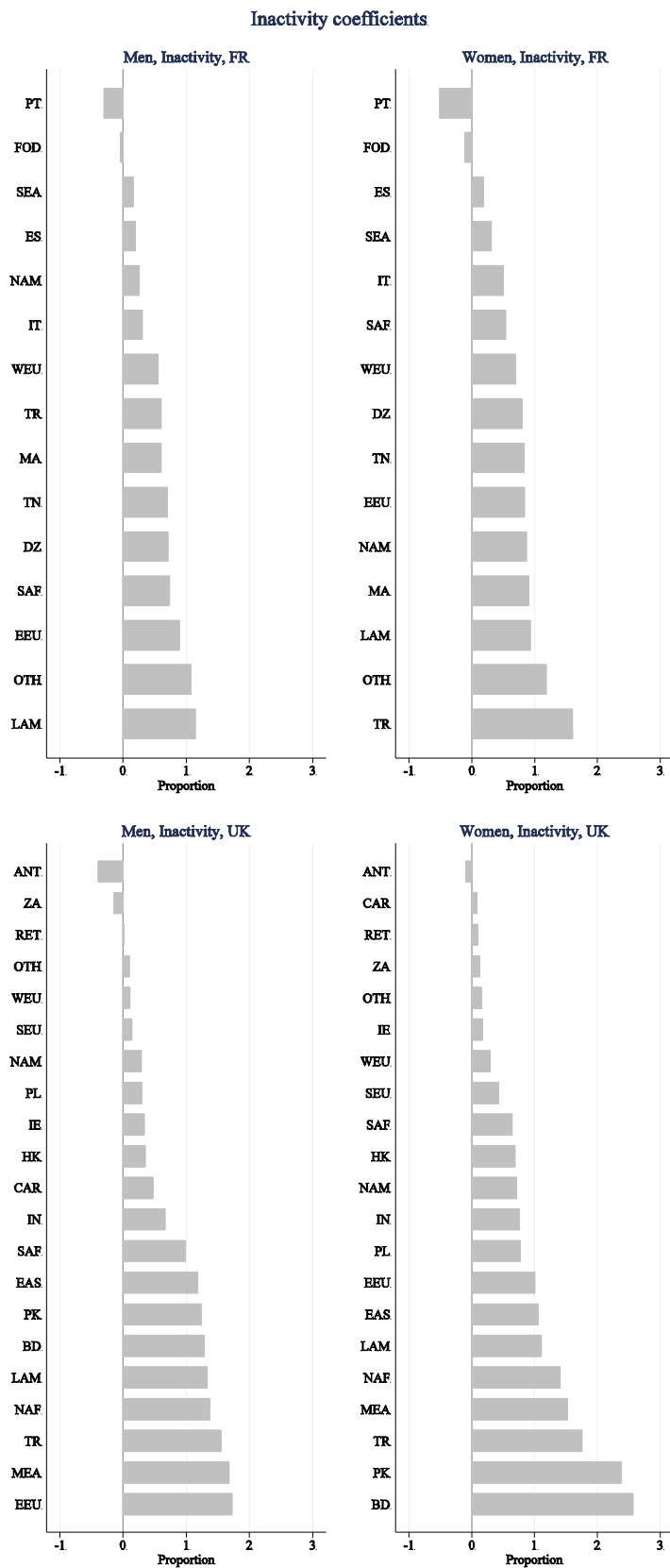
Table 2. Unemployment and inactivity by gender, country, and immigrant origin

| | Men | | | Women | | |
|-----------------------|-------------|-------------|---------------|-------------|-------------|---------------|
| | Unemployed | Inactive | N | Unemployed | Inactive | N |
| FRANCE | % | % | N | % | % | N |
| TR | 21.6 | 7.5 | 1,322 | 39.6 | 68.2 | 1,171 |
| SAF | 19.9 | 8.5 | 3,262 | 25.4 | 31.6 | 3,45 |
| MA | 19.8 | 8.2 | 4,342 | 28.1 | 46.0 | 4,59 |
| LAM | 18.2 | 11.4 | 411 | 21.8 | 33.0 | 672 |
| DZ | 18.1 | 8.8 | 6,216 | 21.7 | 38.9 | 6,479 |
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| EEU | 16.4 | 9.1 | 1,144 | 24.2 | 32.6 | 1,547 |
| OTH | 14.5 | 10.8 | 1,702 | 19.9 | 43.3 | 1,817 |
| SEA | 12.7 | 5.5 | 1,11 | 23.0 | 27.7 | 1,143 |
| FOD | 11.0 | 4.7 | 1,897 | 13.3 | 19.0 | 1,996 |
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| NAF | 13.4 | 16.8 | 680 | 12.4 | 51.7 | 435 |
| EEU | 12.2 | 23.5 | 928 | 11.4 | 36.6 | 1,337 |
| SAF | 11.2 | 12.6 | 4,681 | 11.4 | 34.3 | 5,42 |
| IE | 11.1 | 13.5 | 2,942 | 5.0 | 27.4 | 3,788 |
| EAS | 8.7 | 14.9 | 2,223 | 7.1 | 39.3 | 3,261 |
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| OTH | 6.5 | 10.2 | 226 | 6.2 | 25.5 | 259 |
| Native born | 6.4 | 8.4 | 34,953 | 4.5 | 24.2 | 37,524 |
| SEU | 6.4 | 9.5 | 2,571 | 7.8 | 30.6 | 2,707 |
| LAM | 6.3 | 16.3 | 436 | 8.4 | 38.0 | 706 |
| WEU | 5.6 | 7.1 | 2,92 | 5.3 | 24.6 | 4,244 |
| RET | 5.5 | 6.2 | 1,956 | 4.8 | 21.1 | 2,204 |
| HK | 5.5 | 8.7 | 518 | 7.1 | 36.2 | 575 |
| PL | 4.9 | 7.9 | 594 | 6.5 | 29.8 | 658 |
| ZA | 4.3 | 4.8 | 961 | 5.6 | 19.7 | 1,12 |
| NAM | 4.2 | 6.7 | 1,484 | 4.9 | 28.6 | 1,845 |
| ANT | 4.1 | 4.4 | 1,216 | 4.4 | 15.8 | 1,406 |
| Total | 7.8 | 10.3 | 70,33 | 6.1 | 31.1 | 79,942 |



Sources: INSEE, French Labour Force Survey 1990-2007;ONS, British Labour Force Survey 1992-2007 .

Figure 3. Effect of country of origin on log odds of unemployment (reference= native-born)



Sources: INSEE, French Labour Force Survey 1990-2007;ONS, British Labour Force Survey 1992-2007 .

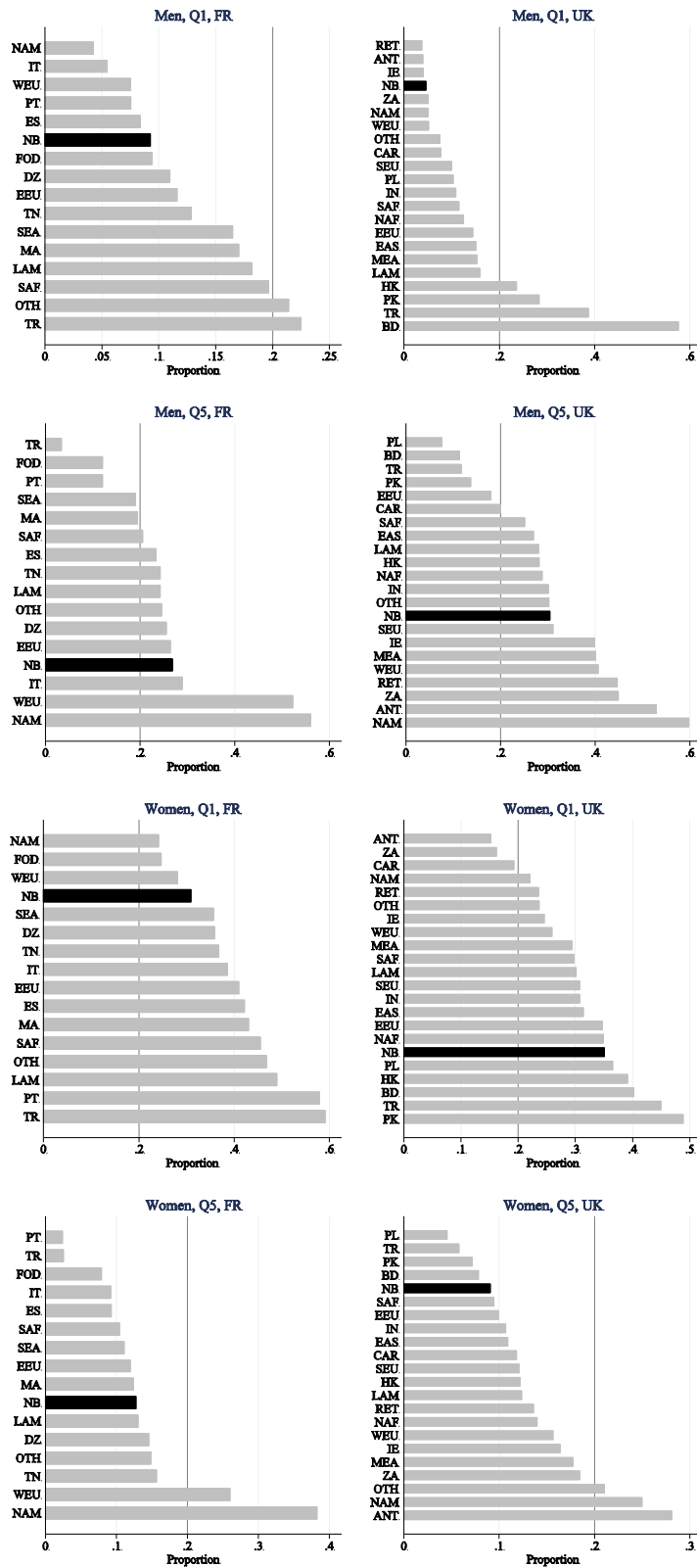
Figure 4. Effect of country of origin on log odds of inactivity (reference= native-born)

4.2. Inequalities in earnings

In order to compare earnings inequalities between immigrants and natives in the UK and France, we look first at the representation in the first and fifth earnings quintiles by specific country or region of origin (Figure 5). The picture that emerges is one of greater diversity of outcomes in the UK, at least among men. The most disadvantaged male groups in the UK (Bangladeshi men for example, of whom almost 60% are in the first quintile) are much more severely disadvantaged than the most disadvantaged groups of immigrant men in France (Turkish men for example, of whom almost 23% are in the first quintile). In part, this is due to the greater advantage that all men have in France relative to women. Indeed, among women in France, the most disadvantaged group is again Turkish immigrants (60% in the first quintile) while fewer than 50% of Pakistani women (the most disadvantaged group) are in the first quintile in the UK. Generally speaking, very few groups of men are overrepresented in the first quintile in France, while in the UK, Pakistani, Turkish, and Bangladeshi men are especially overrepresented here. Native-born men have a similar position in the two countries: they are underrepresented in the first quintile and overrepresented in the fifth. Patterns of inequalities are nevertheless very different for women. In France, native-born women outperform most groups of immigrant women, but this is not true in the UK, where only a few immigrant groups do worse than native-born women. These results suggest that in France, ethnic inequalities in the labor market add further to an already large gender gap in earnings. When the earnings quintiles are calculated for the whole population, the first quintile is a dominantly female one, contrary to the fifth one where men are largely overrepresented. On the contrary, in the UK, earnings inequality between immigrant and native men seems to be more salient than inequality between men and women in the whole population.

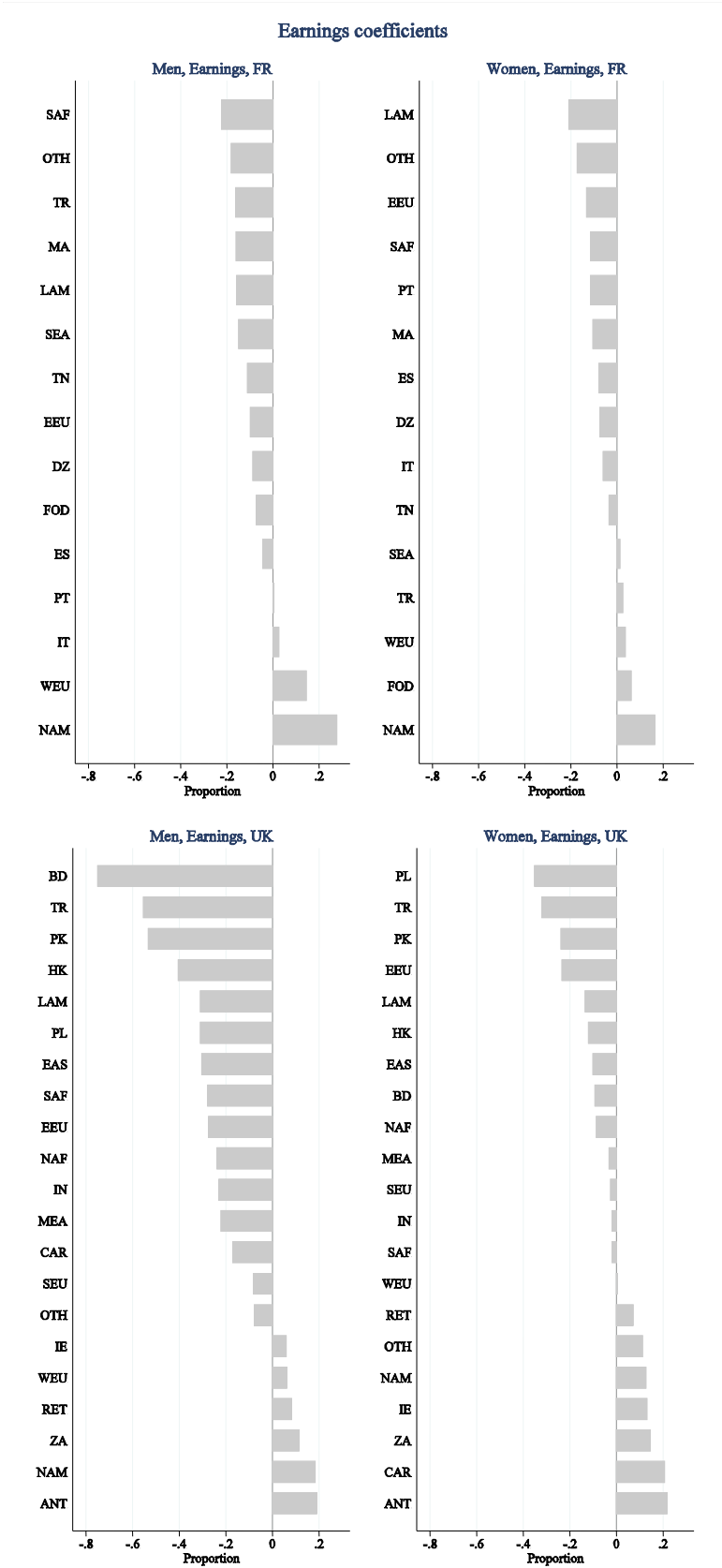
Figure 6 summarizes the effects of the country (or region) of origin in linear regression models of logged earnings estimated separately for men and women. Most of the comments on the descriptive statistics remain true after we control for demographic and human capital characteristics. Earnings inequalities are much more sizeable in the UK than in France, especially for immigrant men. These sharper inequalities go hand in hand with more diversity in immigrant labor market achievement in the UK, since some immigrant groups do better on average than natives (and this to a larger extent than what we observe in France). A different pattern emerges for inequality among women workers in the UK; while the descriptive statistics showed that native women were disadvantaged compared to numerous immigrant groups, especially for the high earnings categories, Figure 6 shows that when we control for some basic individual variables, and when we take into account the whole distribution of earnings, most immigrant women have lower earnings than native women. This result suggests that female immigrants in the UK are rather well educated, which allows them to earn high wages compared on average to native women, but when we control for their individual characteristics, especially education, they still suffer from a clear ethnic penalty in the labor market.

Representation in the first and the fifth earning quintiles by gender and origin (1990-2007)



Sources: INSEE, French Labour Force Survey 1990-2007; ONS, British Labour Force Survey 1997-2007.

Figure 5



Sources: INSEE, French Labour Force Survey 1990-2007; ONS, British Labour Force Survey 1992-2007

Figure 6. Effect of country of origin on logged net earnings (reference=native-born)

5. Conclusion

This article gives insights into immigrants' incorporation into the French and British labor markets in the 1990s and the early 2000s. It provides comparisons of inequalities in labor market achievements (earnings and employment) between natives and immigrants in both countries but also among immigrant groups in each country. The results suggest that labor market inequality is sharper in the UK, especially as far as earnings are concerned. More precisely, immigrant groups that are the most underprivileged in the UK (Pakistanis, Bangladeshis) are disadvantaged to a greater extent than their counterparts in France (Turkish and African immigrants). At the same time, diversity within the immigrant population seems much more marked in the UK; some groups have very little labor market disadvantage or even do better than natives, which is almost never the case in France.

This result seems in accordance with the expectations macrosociologists may have about the level of inequality in these two countries. The lower level of labor market regulation in the UK and the lower level of income redistribution compared to France lie behind the differences observed in the magnitude of labor market inequalities. However, these findings should be put into perspective. First, the UK appears more inegalitarian only in the regression analyses. Despite the importance of this result, it should not obscure the gross figures that indicate that the level of unemployment among immigrants is much higher in the French case. It also should not conceal the difference in the evolution of inequalities: in France the bad economic cycle that characterized most of the period studied in this article has more sizeable negative effects on immigrants than on natives. The greater sensitivity of immigrants' labor market achievement to the overall economic situation does not seem to occur in the UK. Thirdly, the higher net inequality in the UK should not mask the fact that in the French case, it is *gender* that more markedly shapes the structure of labor market inequalities. Inequalities between immigrants and natives are found in a labor market which is very segmented with regard to gender. This is the reason why immigrant women do so much more poorly in the French labor market than in the British labor market. Some immigrant women in the UK have better labor market outcomes than their native counterparts (when we look, for example, at their representation in the 5th quintile). These findings highlight the fact that inequality with regard to immigration should be analyzed in conjunction with the global system of inequality that prevails in the host country.

Finally, do these comparative results on immigrant disadvantage mean that "ethnic penalties" are sharper in the UK than in France? Some precautions should indeed be taken before extrapolating our findings to the overall measure of ethnic inequality. This article provides a picture of cross-national differences in the socioeconomic experiences of the foreign born population. It does not directly measure ethnic inequality, especially that inequality that the second generation (born in the host country but ethnically or/and racially different) faces. Detecting this second-generation population (for whom the analysis of ethnic inequality is more relevant) is very difficult to do with available data. Though the British data include information on self-reported ethnicity, the French data do not. The French Labor Force Surveys do include information about parents' country of origin since 2003, which could be used as a rough proxy for ethnicity, but we would need additional waves of data in order to construct a sizeable sample allowing us to analyze this population. While the British Labor Force Surveys include information about ethnicity over the entire period covered in this article, ethnic minorities may include not only the second generation

population, but also third and subsequent generations. It is thus impossible to isolate the second generations in these data, and therefore a direct comparison with the French data on the second generation by parental country of birth is not possible. Other datasets may be used in future studies to compare the labor market achievements of these populations.

On the other hand, a more complete portrait of labor market inequality could be achieved by using not only the cross-sectional information about labor market status but also the longitudinal information on transitions from unemployment to employment (and *vice versa*) which is available in these Labor Force Surveys. This would allow us to measure the degree to which re-entry into the labor market is more or less difficult for immigrants compared to natives, which is especially relevant in a context where unemployment is high. This comparison of the dynamics of immigrant paths in the labor market is facilitated by the greater comparability of Labor Force Survey data since 2003, the French Labor Force Survey being collected quarterly since this date. Such a study of the dynamics of immigrant/native-born inequality in the two countries will be the main concern of future work.

APPENDIX TABLE

| Abbreviations used in tables and figures | |
|---|-----------------------------|
| Countries | |
| BD | Bangladesh |
| DZ | Algeria |
| ES | Spain |
| HK | Hong Kong |
| IE | Ireland |
| IN | India |
| IT | Italy |
| MA | Morocco |
| PK | Pakistan |
| PL | Poland |
| PT | Portugal |
| TN | Tunisia |
| TR | Turkey |
| ZA | South Africa |
| Regions | |
| ANT | Antipodes |
| CAR | Caribbean |
| EAS | East Asia |
| EEU | Eastern Europe |
| FOD | French Overseas Departments |
| LAM | Latin America |
| MEA | Middle East |
| NAF | North Africa |
| NAM | North America |
| OTH | Other |
| RET | UK Return Migrant |
| SAF | Sub-Saharan Africa |
| SEA | Southeast Asia |
| SEU | Southern Europe |
| WEU | Western Europe |

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