Center for Sociology and the Study of the Life Course
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### Scientific Staff (2001–2002)


**Postdoctoral Research Fellows**
Pascal Dorenlot (as of 2001: INSERM), Frances McGinnity, Juan Rafael Morillas Martínéz

**Predoctoral Research Fellows**
Anke Höhne, Marita Jacob, Matthias Pollmann-Schult, Maike Reimer, Alessandra Rusconi, Holger Seibert
Research Program and Research Projects

Sociological Research at the Max Planck Institute for Human Development

Sociology as a scientific discipline is interested in the formation of institutions and in the social behavior and actions of individuals embedded in institutions. Within the specific context of an interdisciplinary institute for human development, sociology can make two kinds of contributions. First, it examines the roles that the family, the educational and training system, the occupational structure, and the welfare state play in the development and life courses of individuals. Second, it examines the way in which specific life-course patterns express and affect the distribution of life chances.

We share substantive topics, theoretical perspectives, and methodological approaches with other centers of the Institute, for example, the interest in the conditions of attainment in education and training with the Center for Educational Research. We are also interested in both the individual and social consequences of differential educational attainment. The longitudinal surveys of the two centers overlap in the life phase which occurs at the completion of schooling and commencement of early labor market experience. We are currently cooperating with the Center for Educational Research with the new version of the German Education Report. Together with the Center for Lifespan Psychology we share an interest in the full life course from birth to death, particularly the interplay between social environments and individual development. These common interests resulted in the joint Berlin Aging Study and joint research on psychological covariates of employment trajectories in East Germany during the unification process. Also, with the Center for Adaptive Behavior and Cognition we share an interest in assumptions about rational behavior. Although our primary goal is to find and use appropriate individual-level assumptions in models of institutions, we also maintain an interest in the ways social structures shape and bound rationality.

Goals of the Research Program

The research program is oriented toward answering three sets of questions:

1. The first set of questions focuses on the relationships between the macrolevel structure of societies and patterns of the life course. In what manner and with which outcomes do institutions shape the patterns and distributions of individual life courses? We look at life courses generated by social norms, by institutional configurations, and by opportunity structures, all of which vary across social groups as well as specific national and historical contexts. Life courses are a summary concept for the intertwined processes of residential migration, family history, education and training trajectories, employment, and occupational careers, as well as the temporal patterns of relationships to the social insurance systems. Therefore, with respect to institutions, we are

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primarily interested in schools and training institutions, the occupational structure and labor market, the family, and the welfare state. The relevant time dimension, here, is the historical time of socioeconomic change.

(2) The second set of questions focuses on the levels of individual and group action. How do individuals and families actively construct their lives? How do they experience their individual and collective life histories under the given conditions of their own prior biography, their immediate family and work environments, and the generational contexts of their peer birth cohorts? Here, we are primarily interested in the proximate influences of the meso level of informal groups, formal organizations, and local opportunity structures, as well as micro level endogenous processes of the individual life course. The relevant time dimensions, here, are chronological age and the individual aging process, the duration of membership in families, households, and firms, as well as the time dimension of cohort and generational succession.

(3) The third set of questions focuses on feedback processes from the micro level of individual action to the macro level of structural and institutional constraints. How do changes in life-course patterns shape distributional and aggregative features of social structure and institutional arrangements? What are the implications of such processes for social policies? Irrespective of how they arise, life-course patterns are powerful contexts for individual and group action. Life courses form the qualitative and quantitative basis for macrosocial change and for collective political decision-making. Accordingly, the empirical and descriptive social accounting of life-course patterns is an important research task.

We use four perspectives in investigating life courses.

First, we see individual life courses as a part and a product of social and historical processes operating on different levels. Individual life courses are linked to the life courses of other persons (parents, partners, children, colleagues, friends) and are embedded in the dynamics of small groups, especially the family. But, life courses are also subject to the influences of social organization and the macro institutions of society, including their development over time.

Second, the life course is a multidimensional process. On the one hand, it unfolds in the different, but mutually related life domains (e.g., family cycle and working life), on the other hand, it is dependent on intraindividual processes of organic and psychological development.

Third, the life course is a self-referential process. The individual behaves and acts self-reflectively on the basis of past experiences and resources, making the life course, to some extent, an endogenous causal process. This is also partially true for the collective life history of birth cohorts. The past and initial conditions and characteristics of a cohort impact both on their later collective life history (e.g., in the relationship between working lives and life in old age) and on the adjacent cohorts. The different age groups live together in the same
time period, but they bring to the present their distinctive past histories. Fourth, through the manner in which persons shape their own life courses, they reproduce and transform the social structure. This can happen via "simple" processes of aggregation or in the form of institutional feedback.

Research Areas
The Center’s research program is currently organized into the following areas:

*Education, Training, and Employment*

The transition between education, training, and employment is a major topic of investigation in the Center for Sociology and the Study of the Life Course. This life phase is crucial for both intergenerational status allocation and the later life history. In reconstructing the collective transition experiences of successive cohorts, we gain empirical insights in the changing institutional linkages between the school and training systems, on the one hand, and between the labor market and the occupational structure, on the other. Moreover, we can examine controversial hypotheses about the lengthening and fragmentation of this transition period, and about the increasing polarization of the opportunities for skill acquisition and early occupational careers. Other topics of research interest include the following: What are the consequences of educational expansion for working lives? Is there a crisis in the dual system of vocational training and how can this be accounted for? How widespread and serious are the problems of mismatch between acquired and required skills in the labor market? Our guiding hypothesis in this research area is that despite massive distributional shifts and intense pressure for labor market flexibilization, the close linkage between education, training, and occupation persists.

**Key References**


Research Area 2

Life Courses in the Transformation of Former Socialist Societies

The fall of the Berlin Wall and the unification of Germany not only provided a major challenge for the social sciences to understand and guide this transition, it also provided unique opportunities for theory-guided research. On the one hand, the transformation allowed the functioning and nonviability of the former socialist society to be examined. On the other hand, it provided ample opportunities for the investigation of life courses under the impact of such a sudden dramatic institutional change. We have collected selected cohort and life-course data on both the German Democratic Republic and the transformation process. In addition, we have intensified research cooperation with Polish social scientists for the purposes of comparative study. Our current investigations concentrate on the micromechanisms of individual adjustment, adaptation in the domains of family and work, the life-course consequences of institutional transfer from West to East Germany, and individual-level processes in the transformation of the system of social stratification and class. Our studies have revealed some rather surprising findings: Despite a rapid increase in labor market mobility and considerable breaks in individual careers, the pattern of social stratification has remained very stable.

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Welfare State, Life Courses, and Social Inequalities

In this research area we focus on conceptual and empirical studies on the impact of various national institutional configurations on life-course outcomes. The macroinstitutions of the modern welfare state and the specific provisions and rules of the social insurance systems are among the major determining factors in the life course and in the distribution of life opportunities. The role of the welfare state may prove to be especially important in current societal adaptations to global competition and decreasing public finances. Microanalytic and cross-national studies are required to unravel the mechanisms and consequences of different welfare state regimes and policies. Our guiding hypothesis for Germany holds that life courses are still relatively protected from pressures of flexibility, and that stability and continuity prevail.


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Life-Course Research and Analysis: Theory, Methods, and Synthesis
This research area focuses on overarching topics and tasks: the provision of the empirical database for our studies, methodological problems of measurement, analysis, modeling, issues of general theory and empirical work on the full set of cohort studies.

The Center's research program is empirically based on a series of six retrospective surveys. These surveys rely on population probability samples and were conducted from the early 1980s up to the present day. They now comprise quantified of the life histories of 5,591 West German women and men (the cohorts born 1919–21, 1929–31, 1939–41, 1949–51, 1954–56, and 1959–61) and 2,923 East German women and men (the cohorts born 1929–31, 1939–41, 1951–53, 1959–61, and in 1971). Moreover, fieldwork has been concluded and data editing is in progress for an additional 2,911 women and men born in West Germany in 1964 and 1971. Detailed life histories were also obtained for the 516 participants of the Berlin Aging Study, who were born between 1887 and 1922. These surveys are retrospective studies. We also carried out a panel study in 1996/97, reinterviewing our East German respondents from 1991/92. Data editing, the development and maintenance of the database, and data documentation form an important part of our ongoing research work. In the coming years our efforts will concentrate on establishing a more user-friendly database containing these cohort studies and putting the data documentation into an electronic format. The Research Center's own data-sets are complemented with other German and non-German longitudinal studies, including the German Socio-Economic Panel (GSOEP), the Micro-census, the 1% sample of the Employment Register, the BIBB/IAB (Federal Institute for Vocational Training and the Institute for Labor Market and Employment Research) Employment Survey, and the British Household Panel Study (BHPS). Our major methodological tools consist of dynamic models of discrete change in continuous time. Ongoing tasks include maintaining expertise and updating statistical software in this area, as well as improving practices of exploratory data analysis and representation.

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Center for Sociology and the Study of the Life Course
We have made several analyses using preliminary versions of the data set, but over the last three years, this data has also gone through a process of careful checking and editing (Hillmert, 2002b). Where necessary, respondents were even reinterviewed (approximately 35%). In the meantime, we have also been involved with supplementary work: This has included, in particular, a closer look at the historical context of the life courses we are observing, and the determinants of the collective opportunities of training and employment of whole cohorts. Obviously, the size of the birth cohort can be regarded as one crucial determinant. Therefore, it is interesting to compare the experiences of the 1964 birth cohort (the largest birth cohort in the history of the Federal Republic of Germany) with the much smaller 1971 birth cohort (Hillmert, 2001c).

At first glance, it might be surprising that analyses with secondary data show that the relatively large 1964 birth cohort was not disadvantaged in quantitative terms with regard to access to firm-based training. The situation when having completed vocational training, however, was different. The 1964 birth cohort experienced a significantly more problematic entry into the labor market after completing vocational training: Those who left training, from this birth cohort, were unemployed almost twice as often as those of the 1971 birth cohort. When we take labor demand considerations into...
account this picture can be better understood: The labor market entry of the 1964 birth cohort was negatively affected in three respects: by a relatively large cohort size, by relatively bad conditions in the labor market at this point of time, but probably also by relatively good conditions when beginning vocational training. Contrasting the two birth cohorts, one can see that all three factors have arisen concurrently, but in opposite configurations: The 1964 birth cohort was a large cohort, but as unemployment rates were low when people left school a large proportion of the birth cohort could enter training. When they completed their training, however, the general labor market situation had worsened considerably. Therefore, all three factors led to major problems of the vocational trainees when entering employment. The 1971 birth cohort was a small cohort, but as unemployment was high when they left school a rather smaller proportion of the birth cohort entered training. When these people completed their training, labor market conditions were relatively good. Therefore, in this case, all three factors led to minor problems for those completing vocational training successfully.

Future analyses with the new life-course data will investigate how different pathways into the labor market have performed and how persistent advantages or disadvantages for these birth cohorts have occurred. They will look at the long-term consequences of these different experiences, that is, longer sequences in individual life courses. Another related topic for our future research will be the question of whether the links between institutions and individual life courses had become weaker during the 1980s and 1990s. This so-called "de-standardization," although sometimes taken for granted in public debates, has barely been empirically evaluated.

The Early Decisions: Vocational Training or University Degree?
This and the following sections will show the variety of life-course stages that can be analyzed with our data. Starting with the beginning of a career, a major issue is to investigate, theoretically and empirically, the educational decisions at various ages.

Hillmert and Jacob (2002, in press) theoretically model the decision of school-leavers to enrol in university in different educational systems. In particular, the impact of an institutional alternative of vocational training (as in Germany) and the possibility to combine vocational and academic training have been examined. The comparative approach shows how different educational systems may increase social class differences with the participation in higher education.

We use a model of utility maximization, where the decision to enrol in one of the several offered educational tracks is determined by the expected returns of different enrolment alternatives. In a first step, we model the investment in higher education in an educational system that offers only the choice between academic training and employment. Then, we extend the model for a more differentiated educational sys-

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tem that ceteris paribus offers an alternative to the academic track in the form of (shorter) vocational training. In the model, crucial parameters are the time-horizon of expected returns to education and the expected probability of successfully passing vocational training, thereby, attaining an academic degree. The major empirical information that is entered into the simulation is about wage differences between different qualification groups. We further assume that successful completion of vocational training also increases the expectation of academic success.

For any of the two systems, which educational track a person will choose, can be calculated depending on their subjective time-horizon and subjective academic success if they act rationally: no training at all, vocational training, academic training, or a combination of vocational and academic training. Therefore, in graphical representations (not shown here) for any educational track, areas indicate what kind of school-leaver, characterized by all possible combinations of the parameters, will opt for this particular alternative. Finally, these two “decision maps” of a system with and a system without a vocational track can be compared. This indicates who (again, characterized by time-horizon and expectation of success) may decide to study in one system, but not in the other (see Fig. 1).

By introducing social differences as parameter differences, we question why the youth of lower social class origin might opt for vocational training instead of entering university after leaving school and why some of these apprentices may enter university at a later date. In this respect, the model offers an explanation why school-leavers of different social origin(s) have incentives to choose different educational paths.
even if they have the same level of school qualification. There is also evidence that the populations in the different tracks may be different with respect to average achievement. Such insights are also important for public policy, for example, for targeted financial support to increase enrolment rates of students with lower social class background. Theoretical considerations, such as these, will help us to focus our empirical research on specific analytical problems.

The Influence of Training on Labor Mobility

The mobility of labor plays a major role both for individual work careers and for the functioning of labor markets (Mertens, 1998; Mertens, 2002). From the individual point of view, mobility may be an important means for the workers to improve their own economic position. This has frequently been proven especially in the U.S., where job-changing decisions account for at least one-third of the early career wage growth. Moreover, mobility is also a prerequisite for a functioning economy under structural change. On the other hand, excessive mobility is often said to be undesirable for the economy as a whole and the individual in particular during the early stages of their career. We know that too many job switches and interrupting unemployment periods may lead to losses in human capital, decreasing earning potentials and limited capability to obtain employment due to disadvantage signals. Furthermore, economy wide, long-term labor relationships might be one prerequisite for a highly educated workforce, which is, to a great extent, responsible for the economic success of a country.

In a recent project we combined our data with Swedish data to question which vocational training systems are best to facilitate the mobility of workers. Does it matter how vocational training is acquired? In particular, should vocational training also be offered within the general educational system or just within the (still) standard apprenticeship system? To answer this question, we looked whether the mobility of those with firm-based vocational training differed from those who received their vocational training in school. This would appear to be an important prerequisite for educational reform that attempts to facilitate structural change.

One of the arguments in favor of an apprenticeship system is that this facilitates labor market entry. Due to the higher proportion of firm and occupational specific training, it is believed that apprenticeship systems reduce job shopping at the beginning of the working life. However, while it is usually assumed that a greater proportion of school-based training is transferable between different jobs, firms, and employers, recent research on mobility among apprenticeship-trained workers in Germany suggests that the links between vocational training and mobility are more complicated. After completion of an apprenticeship, mobility is relatively high, both between firms and occupations. Hence, it has been suggested that a nonnegligible percentage of the training is general. If this is the case, it becomes more uncertain

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that the mobility outcomes of an apprenticeship system differ from those of a system in which vocational training is provided in schools, rather than in firms.

In Korpi and Mertens (in press), we therefore, examine the link between the different types of human capital and labor market mobility. Specifically, we focus on whether the impact of apprenticeship training on firm, occupation, and industry mobility differs from that of vocational training in schools. We compare mobility patterns of apprenticeship-trained workers in Germany with that of vocationally trained workers in Sweden, who received their training in full-time schools. Since the apprenticeship system in Germany and the system of school-based vocational training in Sweden are the standard routes to vocational qualifications in the two countries, the two groups could be expected to be relatively similar.

These comparisons show first of all that overall mobility rates, not attributable to any measurable covariate, are higher in Sweden than in Germany. Looking deeper into the mobility patterns, we find that no stable differences in inter-firm mobility can be discerned with regard to the type of vocational training.

Figure 2 shows that the German survivor function for a typical vocationally trained worker lies slightly above the Swedish curve, however, the difference is not significant. This suggests that the proportion of truly firm-specific skills acquired during a German apprenticeship is rather low in relation to the transferable skills obtained. It also implies that there is little evidence for one of the purported advantages of an apprenticeship system in relation to a system with school-based vocational training: It does not eliminate unnecessary and detrimental job shopping during the early stages of the career.

Figure 2. Employer changes: Baseline survivor functions for representative individuals.
and does not simplify labor market entrance. On the other hand, the results on inter-occupational mobility suggest that the German labor market, indeed, is more structured around training occupations than in Sweden where vocational training is school-based. Former apprentices have lower inter-occupational mobility indicating that the skills obtained are less general than those gained through vocational schools (see Fig. 3). This would seem to contradict claims that the completion of an apprenticeship is a signaling device of worker quality rather than of occupational skill acquisition. It is undoubtedly disadvantageous if individual careers require occupational mobility. Negative side effects can also be expected if occupational flexibility is a necessary component for structural change. However, both educational systems seem equally conducive to industrial relocation, as no country differences in inter-industrial mobility are found (Korpi & Mertens, 2002). We therefore conclude that although apprenticeship training would appear to reduce occupational flexibility over the work career, with regard to economic adjustment, the choice between vocational training systems would seem rather inconsequential. In future work by Mayer and Mertens, the relationship between training type and labor mobility will be looked at in more detail using six West German birth cohorts from 1940 to 1971. Bergemann and Mertens (2002) have already shown that there seems to be a tendency for a decline in job stability during the 1980s and 1990s. Our new project will enable us to observe whether this is indeed a long-term trend. We will ask whether it has really become more difficult to find a lifelong job since the late 1950s and, moreover, whether any differences between distinct educational groups can be found.

Figure 3. Occupational changes: Baseline survivor functions for representative individuals.
Fixed-Term Contracts, Wages, and Transitions Between Different Labor Market States

Another research area is also related to the question of how to facilitate economic adjustment and mobility. In McGinnity and Mertens (2002), we investigate whether the use of fixed-term contracts, intended to facilitate mobility, has significant (negative) effects on individual career paths. These contracts are often also called temporary contracts, although temporary work can additionally include agency or casual and seasonal work. This research, however, focuses on those contracts that are, by definition, not open-ended, but fixed to a maximum duration from the start.

Labor market theories differ in their perspectives on temporary employment. For some approaches, temporary employment is perceived to be disadvantageous for the labor market situation, resulting in low wages, bad employment conditions, and poor future prospects, in other words, a “trap.” In favor of this hypothesis is evidence from a number of European countries showing that workers on a fixed-term contract tend to earn less than comparable coworkers. For others, temporary employment is seen as a stepping-stone to permanent employment, often facilitating the transition into working life from outside the labor market, in other words, a “bridge.” In our work, we give some intriguing new insights into wage differentials and wage dynamics, and the transition behavior of fixed-term contract workers using the German Socio-Economic Panel (GSOEP) for East and West Germans. Later studies will use the new life-course data to supplement these results. Overall, we find that temporary employment in Germany is not as disadvantageous as many people believe, but that temporary employees are a heterogeneous group. In fact, it seems to make sense to speak of a “two-tier” market for temporary employment. Building on previous research on the wages of temporary employees that had found negative wage differentials for employees on fixed-term contracts compared to permanent employees (Germany, Spain, France, UK), we show that ignoring unobserved differences between individuals somewhat overestimated the wage differentials between permanent and temporary workers. However, the wages of temporary workers are still lower on average, which seems to indicate some discrimination or segmentation of the labor market. Controlling for endogeneity of the contract type variable, on the other hand, makes the wage differential become insignificant. This indicates that workers on fixed-term contracts tend to be those who earn lower wages. Looking at wage growth for two-year, five-year and ten-year intervals, we further show that, on average, West German male workers with fixed-term contracts in the base year have higher wage growth. West German women experience higher wage growth at least in the short-run and East German men in the long-run. However, splitting up the sample by quintiles we found that fixed-term contract workers are only overrepresented in the top quintile and higher wage growth is not at all an overall phenomenon of fixed-term con-
tracts. This indicates that the screening hypothesis may only be relevant for some (better educated) temporary workers. Results for East and West Germany are rather similar, though if anything overall differences between temporary workers and permanent workers are not as marked in East Germany, at least in terms of wages.

The screening hypothesis is further supported by the transitions analysis: We find that approximately 40% of all temporary workers are in a permanent job in the following year. Most of these permanent jobs are with the same employer. However, since 12% to 18% of the temporary employees are unemployed the following year, temporary employment could also be seen as a risky labor market situation. Multivariate modeling reveals to whom these rather different scenarios apply: At least in the medium term, workers with more education tend to find permanent employment.

These findings indicate considerable heterogeneity of outcomes for temporary employees, which supports the idea of a two-tier market for temporary employment in Germany. For highly skilled jobs temporary employment functions more as a screening contract, a probation period, after which the employee is offered a permanent job and experiences rapid wage growth. For other jobs, that is, low-skilled jobs with low qualification requirements, employers use temporary workers to regulate fluctuations in demand. For the individual employee in this kind of temporary job, a permanent job is not guaranteed afterwards and, therefore, temporary employment is an insecure labor market position. Workers falling into what is arguably the “middle-tier” in Germany—those with apprenticeship training—are less likely to obtain a fixed-term contract. We argue that the period of apprenticeship training already allows employers to screen workers, reducing the requirement for fixed-term contracts. Indeed, in further research it would be interesting to investigate, in more depth, how the consequences of fixed-term employment are influenced by the existence of a widespread and highly developed system of apprenticeship training, such as the system existing in Germany.

The question of what proportion of temporary employees falls into each of the categories is more difficult to quantify. The wage growth estimates indicate rapid growth for a smaller group of temporary employees. However, the transition analysis suggests that, at least in terms of the move to permanent employment, a significant proportion of temporary employees achieve permanence, even in the very short term (if we exclude ABM contracts, i.e., East German workers in employment programs). On balance, we conclude that the findings lend more credence to the probation perspective, with temporary employment providing a "bridge" for many into permanent employment. Certainly, outcomes for temporary employees seem much more favorable in Germany than in Spain, where conclusions on temporary employment are much more pessimistic.
East and West German Life Courses in the 1990s

Since the beginning of the political, economic, and social changes that took place in the former German Democratic Republic (GDR) after 1989, we have developed a unique database that includes quantitative life-course studies on five East German birth cohorts as well as qualitative accounts of institution (re)building and individual biographies. These data allow us to study the societal transformation in East Germany in a dynamic, longitudinal, and cross-national perspective. During the last decade, our research concentrated on a reconstruction of the GDR-society as well as on the consequences of the societal changes after 1989 for the occupational careers and family histories of East German women and men. The last two years were characterized by an increasing attention on the labor market entry of young persons. We studied, from an East German as well as from a comparative East-West German perspective, both how young women and men who received their schooling and, in most cases, an occupational training in the GDR managed the first steps into their occupational careers in unified Germany. Their life histories are obviously marked by occupational reorientation and a considerable postponement of childbirth. While many features of the early employment histories in East and West Germany are shaped by common traditions of education and occupational training, for example, the strong emphasis on "dual" firm- and school-based forms of training, the different economic circumstances of labor market entry and diverging employment traditions are responsible for a number of continuing differences.

Our main data come from two surveys carried out in 1991/92 and 1996/97 that collected life history information for the birth cohorts 1929–31, 1939–41, 1951–53, and 1959–62. While the first interviews captured the lives of these women and men in the GDR and the immediate unification period, the second survey allowed following the same people through the time of societal transformation. Approximately 60% of the more than 2,300 women and men, who participated in 1991/92, could be reinterviewed in 1996/97. A fifth cohort, with more than 700 persons born in 1971, was added in the second survey. The design of the questionnaire allows comparisons of this cohort with (a) the older East German cohorts, (b) the West German 1971 birth cohort, and (c) a Polish 1971 birth cohort which was surveyed by Bogdan Mach from the Polish Academy of Sciences in Warsaw. Our data are complemented by a cross-sectional postal questionnaire from 1993 which provides information on social networks, control beliefs, and self-effectiveness estimates, thus, allowing us to study these issues over time, and by a nonresponse survey carried out in 1996/97 with persons who were in the original sample, but did not participate in 1991/92.

Consequences of the East German Transformation on Labor Market Entry

During the system transformation in East Germany, the close linkages between the educational and the employment system were weakened. Regulated labor market entry, continuous employment, predictable occupational career, and family formation were superseded by uncertain educational and occupational options. What consequences did the transfer of the educational and training system from West to East Germany, the loss of guaranteed
future employment in the training firm, the huge economic restructuring, extensive occupational change, and the rising mass unemployment have for the labor market entry? Research on changing labor market entry during East German transformation documented a continuous structural deficiency of the system of transition from school to employment (Konietzka, 2001). But, even up to now, it is unclear what mechanisms determined labor market entry during transformation.

The investigation of labor market entry during East German transformation is confronted with a particular theoretical challenge. The transition from school to work and the changing linkage between the educational and employment system need to be conceptualized as interdependent processes. An analysis of present approaches shows that conventional methods and instruments obviously cannot manage this problem. In her doctoral thesis, Matthes (2002) argued that the adequate investigation of labor market entrance procedure during processes of institutional change might be safeguarded by a combination of different analytical perspectives. On the one hand, if we find labor market entry to be highly standardized and unchanged, we will only look at the investigation of the average labor market entrance patterns. On the other hand, if a large or increasing number of destandardized labor market entrance patterns exists, this procedure tends to result in misleading interpretations. Therefore, it is necessary to take the tendencies of destandardization into account: What conditions accomplish a definitive (labor market entrance) event earlier, later, or not at all?

In Matthes (2002) we look at these questions based on our retrospective longitudinal data collected in the project “East German life courses after the Unification.” Starting from the analysis of the institutional linkage between the educational and employment system before and after transformation, the transition from school to employment of people born in 1971 in East Germany is compared with those of the 1959–61 cohort. It is apparent that the time of labor market entry of young people starting vocational training or extended secondary schooling before 1989 was delayed compared to the time of labor market entry in the GDR. The completion of the first vocational training was already delayed as a result of the increase in numbers of young people who had to leave vocational training without certificate (due to closures of establishments, terminations of branches of study, and closures of educational institutes). Further, it was delayed by the clearly extended duration of gaining a university degree. Moreover, many labor market entrants who were unable to find a job after their apprenticeship moved on to a second vocational training. However, the difficulties of the transition from vocational training into the first employment, during East German transformation, were less dramatic than expected. Apparently, these were prevented during the early 1990s because apprentices were still employed by their apprenticeship firms and due to generous retraining measures.
Connectivity of Occupational Certificates
The training occupation certainly is a major determinant for an uninterrupted and unproblematic labor market entry. For those who started vocational training before 1989, many certificates proved to be appropriate for the rapidly changing labor market and there were strong links between vocational training, the first job taken, and the early occupational career even during East German transformation. In the 1971 cohort, a large percentage of the occupational certificates have, however, been devaluated during the East German transformation as can be seen from Figure 4.
Young people trained in occupations that proved to be nonappropriate to the changing labor market were faced with the question of whether they should attend another vocational training. In general, vocational retraining may be interpreted as an arrangement to readjust the employee's qualifications to the requirements of the labor market. But, in the case of the East German transformation, vocational retraining—due to the substantial uncertainty about the further economic structure—provided a possibility to avoid unemployment temporarily. However, this additionally did not necessarily have the expected effects on later employment careers.

Gender Differences
In comparison to young men, women's labor market entry lengthened to a greater extent. Conversely, if they were able to find employment after finishing vocational training, women and men were equally likely to find a job matching their vocational training (see Fig. 5).

Particularly women, who attended a vocational training in social services or education, were employed more frequently and also remained longer in the occupation and position for which they were trained. The gender-specific segregation of the apprenticeships in the GDR simultaneously aggravated and weakened the inequality between women and men. Obviously, during East German transformation, employment possibilities were more strongly differentiated between women with different educational levels and occupational certificates than between...
Additionally, the incorporated West German institutions of family policy differentiated stronger between women in different family positions than in the GDR. Childbirth and child-care in the GDR did not prevent women from being employed. During East German transformation, young mothers were almost completely excluded from the labor market. Cohabitation—an almost irrelevant criteria in the GDR—became more important for the labor market entry. A young cohabiting person was employed more often in the same occupation continuously, but experienced discontinuity more in their further educational and employment career.

Figure 5. Distribution of education and employment by historical time.

UPS = Unitary Politechnical School (POS); ESS = Extended Secondary School; VT = Vocational Training; VS = Vocational Stream of extended secondary school; US = University Study; EFO = Employment in First Occupation; ESO = Employment in Second Occupation; EMO = Employment in third and further Occupation; UE = Unemployed; RT = Retraining; ML = Maternity Leave; MCS = Military or Civilian Service; O = Others.
Occupational Sex Segregation
The division of labor markets into jobs for women and jobs for men is analyzed in another project. This is especially interesting because two highly sex-segregated, but distinct employment systems have begun to merge since unification in 1990. An extraordinary opportunity is provided, therefore, to study how sudden changes in institutions and economic conditions in a society shape mechanisms of gender inequality. In a series of papers, Trappe and Goedicke analyze whether East and West Germany showed convergence or continuing differences of female and male work domains in the course of the 1990s. Levels, patterns, and trends of occupational segregation by sex at the macro-level of society have been studied (Goedicke & Trappe, in press) as well as the consequences of gender-typed occupations for individual employment opportunities (Trappe & Goedicke, in press). The analyses combine two types of data: Longitudinal data from the German Life History Study for the East and West German 1971 birth cohort informs about individual employment careers. Microcensus data from a 1% household population survey provide information about the distribution of women and men across 249 occupational categories and have been available for East and West Germany since 1991.

Levels and Major Differences in Patterns of Occupational Sex Segregation
At the beginning of the 1990s, both the East and West German labor markets were characterized by a high degree of occupational segregation. For the year 1991, the Duncan Index of dissimilarity shows that more than 61% of all employed women (or men) in the East and almost 57% in the West would have to change their occupations to reach an even distribution. However, the patterns of occupational segregation behind these relatively similar levels of segregation were rather different. In both parts of Germany, male occupations (with more than 70% men) outnumbered female occupations (at least 70% women). Conversely 23% of all occupations in East Germany, compared to only 14% in West Germany, were female.

An examination of the distribution of the workforce across gender-typed occupational fields corroborates that the East German employment system was “more female” than the West German system in the beginning of the 1990s. This difference between the distributions was mainly produced by women in East Germany, who concentrated much more in gender-typed jobs than in West Germany. While two-thirds of all East German women worked in female occupations, nearly half of all West German women were occupied in a mixed occupational field with 30% to 70% men. Some occupations differed in their gender type between the two regions, for example, a clerk was a mixed occupation in the West, but a predominately female occupation in the East. These patterns were caused by the different employment traditions of women in East and West Germany and result from dissimilarities in the industrial structure in the form of
job queues, gender ideology, labor requirements, and family policies between the GDR and the FRG before unification. Throughout the 1990s, female labor force participation in the East remained more than 10 percentage points higher than in the West, despite the fact that it declined rapidly during the first years after unification. East German women, even with small children, regard their employment as a matter of course and economic necessity, because the men's jobs are often insecure and wages remain lower than in the Western part of the country.

Diverging Trends in Occupational Sex Segregation

During the 1990s, there was basically no decline in the extent of separation of women and men at work in West Germany. In East Germany, occupational segregation even increased slightly due to the changing occupational structure as well as due to changes in the sex composition within occupations (Rosenfeld & Trappe, 2002).

A closer look at the percentage of women and men in certain occupations (see Fig. 6) reveals that East Germany was in an exceptional situation in the 1990s. While women made inroads into formerly male work domains throughout the Western world since the 1970s, in East Germany relatively more occupations had a tendency toward "masculinization," compared to "feminization." In West Germany the picture was rather balanced. The work domains, with increasing percentages of men in the East, include occupations from the full range of skill hierarchy, from university professors to warehouse laborers. They contain many qualified white-collar jobs (e.g., bank employee, social worker, tax consultant, librarian) that had been woman-dominated at unification. Resegregation takes place especially within the industrial sector and in agriculture with occupations that were mixed or male becoming more male. This increasing closure of male-dominated occupations toward women is largely responsible for the persisting high

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Figure 6. Changes in the gender composition of occupations between 1991 and 1997 (at least 5 percentage point difference).
level of segregation in East Germany while the intrusion of men into qualified jobs, once dominated by women, increases competition among women and men within those occupations that might have been previously less competitive. In the West, occupations gaining a relatively higher percentage of men are mainly middle-level blue-collar jobs in crafts and industries that had been previously mixed or male-dominated. Many of the service economy jobs, in which West German women increased their representation, are located at the middle or upper part of the qualification spectrum (e.g., judge, physician, financial official, legal representative).

To investigate the relationship between macro-level patterns of segregation and individual employment prospects we will look now at some correlates and outcomes of occupational sex segregation in East and West Germany. By using life-history data, we explore how occupational segregation occurs and is maintained.

High Levels of Gender-Typed Occupational Training and Early Careers

For young women and men who were born in 1971 in East and West Germany, occupational training and labor force entry took place in highly gender-segregated work domains. With one exception, women and men were crowded within occupations that were dominated by their own gender. Due to their high share among office clerks, West German women were more likely to be trained and employed in a gender-integrated occupation than East German women. This was true for every second West German, but only every fourth East German woman. In contrast, two out of three young women in East Germany were trained and employed in a female-typed occupation (e.g., secretary, nurse, preschool teacher). While it is well known that women are confined to a limited range of occupations, generally not much attention is paid to the fact that men are even more likely to work in occupations dominated by their own gender. More than two out of three West German and even four out of five East German men of that birth cohort received their training in a male-typed occupation (e.g., electrician, mechanic). Due to the tight linkage between the training and the occupational system, gender segregation in the former was largely transmitted to the latter. We find high levels of occupational segregation across the early work life, as well as evidence of the "holding-power" of occupations with a concentration of incumbents of the worker's gender. Mobility between occupations of different gender types is a rare phenomenon and the power of occupational certificates to shape young persons' employment trajectories persists over the early career.

Different Consequences of Gender-Typed Training for Women's Labor Market Entry in East and West Germany

Investigating consequences of gender-typed occupational training on women's and men's employment, we concentrate on two important dimensions: status-adequate and con-
tent-adequate employment. Following their occupational training, at least 87% of young women and men in both parts of Germany obtained their first job in accordance with the level of their training and at least 79% worked in an occupation for which they were trained. However, remarkable differences exist according to the gender type of training received, especially for women. Obviously, women’s employment opportunities are more affected by a gender-typed occupational preparation than men’s. East German women with female-typed training had higher chances to enter the labor market in a status-adequate occupational position as well as in the occupation for which they received training than women who completed their training in an integrated or male-typed occupation. These effects were largely due to the lower unemployment risks and more favorable employment prospects in occupational fields dominated by women in East Germany or, more generally, to the relative growth of the service sector. In contrast, West German women, who were trained for female-typed occupations, subsequently carried higher risks of working below their acquired qualifications than women who received other types of training. These different results for women in both parts of Germany indicate that consequences of gender-typed training are modified by economic development and occupational change that varied considerably in East and West Germany in the 1990s.

Persisting Inequalities of Opportunities for Adequate Occupational Placement Over the Early Employment History

Further empirical analyses show that the consequences of gender-typed occupational training are not limited to labor force entry, but persist over the early employment history. As Figure 7 illustrates, the initial contrast between young women in East and West Germany was still evident later. While East German women, who received their first vocational training or higher education for a female-typed occupation, spent

Figure 7. Time spent between age 18 and interview according to gender type of first occupational training (1971 birth cohort).
relatively more time working at the level for which they were trained and less time working below their qualification than women who received different training or education, the opposite was true for West German women. Here women with gender-typed training were relatively more affected by overqualification than women who received training for occupations with a higher share of men. This difference points to risks that are often associated with female-typed occupations, for example, fewer opportunities for upward mobility and further education. At the same time, the East-West difference that is prevalent for women only, makes clear that the relationship between occupational sex segregation and employment rewards depends on the larger economic development. At the macro-level, our findings refuse ideas about fast convergence of employment divisions between women and men in East and West Germany. At the level of individual employment histories, we have shown that consequences of occupational segregation vary between the gender groups as well as between different characteristics of careers.

The Center for Sociology and the Study of the Life Course 2002

Left to right: (front row) Frances McGinnity, Maike Reimer, Marita Jacob, Matthias Pollmann-Schult; (middle row) Erika M. Hoerning, Holger Seibert, Karl Ulrich Mayer, Anke Höhne, Juan Rafael Morillas Martinéz; (back row) Anne Goedicke, Felix Büchel, Antje Mertens, Heike Trappe, Britta Matthes, Steffen Hillmert; not pictured: Helga Zeiher, Alessandra Rusconi, Gero Lenhardt.
Political Economy and the Life Course in Advanced Societies (POLIS)

In various studies, we put the empirical results about education and training in Germany into an international context. Especially Britain with its very different system of education and training and its deregulated labor market, has been a particular point of reference for the analyses of educational and employment careers.

Different Welfare State Regimes and First Labor Market Experiences

Hillmert (2001a, 2002d) compares processes of labor market entry and early career stages in Britain and West Germany, starting from the characteristics of the respective institutional structures in which human capital is formed and allocated. The two national systems of formal institutions can be regarded as generating particular modes of coordination between education and the labor market, that is, that the labor market integration of young people follows different rules in the two countries. A general model that distinguishes between a horizontal, a vertical, and a temporal dimension of the process of integration into the labor market provided a frame of reference. These dimensions are also pursued in empirical terms: Effects of formal qualifications on the quality of the first employment are assessed and the multidimensional stability of entry positions in early careers is analyzed. In Britain coordination is, to a larger extent, achieved by the criteria of timing, in addition to the hierarchical grading of qualifications; in Germany the latter, as well as substantive occupational skills, play a major role. There have also been important historical changes in these dimensions, especially in Britain.

Welfare State Regimes and Unemployment

Comparing Britain and Germany in the 1990s, McGinnity (in press) looks at how welfare policies affect outcomes for individual unemployed persons. In Germany, unemployment is seen to be more of a risk which individuals insure themselves against, the insurance being administered by the state. In Britain, compensation for the unemployed is primarily through means-tested benefits, paid from tax revenue only to those in need. McGinnity studies the implications of these major differences in welfare provision for the lives of the unemployed people. She addresses these issues by combining an in-depth analysis of unemployment policies with a detailed statistical analysis of individual outcomes using large similar nationally representative data sources (BHPS and GSOEP). The principal outcomes considered are (a) income poverty rates and income change, (b) durations of unemployment, and (c) the effects of unemployment on the labor market transitions of partners. In general, relative income poverty rates and income falls are greater for the unemployed in Britain than in Germany, but differences between

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types of benefit are greater in Germany. The unemployed receiving Social Assistance (Sozialhilfe) in Germany are a marginalized group, and face a very high risk of poverty as well as unemployed single mothers in Germany. Indeed, household situation is very important for understanding the risk of income poverty among the unemployed—a cushioning effect of second earners is found in both countries.

McGinnity (in press) then compares durations of unemployment in Britain and Germany among stronger and weaker labor market groups—the weaker groups being women, youth, and low skilled. Unlike in other highly regulated labor markets, only women are significantly disadvantaged in Germany, relative to Britain. Comparing the effect of unemployment benefit on exit from unemployment, it is crucial to consider the effect of benefits not in isolation, but in conjunction with the education systems, labor market regulations, and family structures. In addition, one needs to consider the effect of those who leave the labor market for unemployment durations.

In a closely related paper, McGinnity (2002) compares the effect of unemployment and welfare benefits on the labor market behavior of other family members—in this case the wives of unemployed men. When one partner in a couple becomes unemployed, one might suppose that the other partner will find a job to supplement the household income. While some evidence of the predicted added worker effect is found in Germany, results indicate a disincentive effect of means-tested benefit on partners’ employment in Britain. These findings suggest that the effects of the benefit system on a partner’s employment should be considered in both the debates on comparative welfare regimes and the policy discussion of “workless” households.

Some of the policy implications of this research are that while an unemployment insurance system, such as in Germany, may be costly, it has the advantage of lower rates of income poverty among the unemployed and fewer disincentives for partners of the unemployed to work. A means-tested benefit system with low rates of benefit, like the current British system, does not guarantee quicker reemployment and may discourage partners of the unemployed to look for work.

Social Class and Unemployment

McGinnity and Hillmert (2002) have investigated the salience of class structures in a comparative perspective. How is the risk of unemployment distributed among social classes, and how has there been a trend in recent decades? Some commentators argue that societies are becoming increasingly individualized, with unemployment affecting a large proportion of the population, while social stratification researchers claim that significant class inequality in life prospects persists. Are such processes similar in all countries? Differences in education systems, welfare, and labor market institutions probably have implications for class-related risks. There is a significant difference between the British and German institutions. Therefore, the key research questions have
been: How does the risk of unemployment vary by social class in different cohorts and across the two countries? Using life-course data spanning nearly 30 years, McGinnity and Hillmer found (see Fig. 8) that in both countries class has been a good predictor of unemployment risks, although for most cohorts there has been less difference in class-related risks in Germany. There is no evidence of an equalization of unemployment risks across cohorts. Rather, the story is mainly one of rising inequality in Britain and persisting inequality in Germany.

![Figure 8. Class-specific risk of unemployment, by birth cohort, age 25.](image)

Note. Class-specific risk measured at age 23 for the birth cohorts 1971, due to limited observation periods. Social class was coded according to the Erikson-Goldthorpe-Portocarero (EGP) schema (Erikson & Goldthorpe, 1993). The class position of unemployed people is defined by the social class of the last job. To focus on a more specific part of the employment system, we do not consider self-employed and agricultural workers. For reasons of sample size, we aggregate the other classes into four groups, which are theoretically relevant for our investigation, namely (1) Upper service class, EGP I and II, (2) Routine service class and supervisors, EGP IIIa and V, (3) Skilled manual workers, EGP VI, and (4) Unskilled manual and non-manual workers, EGP VIIa and IIIb.
German research focusing explicitly on overeducation is still rare, but rapidly developing. In terms of publication activities, this project is, by far, the most productive in Germany. After the Max Planck Institute for Human Development (MPIB) Mismatch Project was initiated in 1998, it released more than 20 publications. These include an edited volume that gathers selected papers from our November 2002 conference—the first conference that explicitly focused on overeducation, jointly organized by the Research Centre for Education and the Labor Market (ROA) at Maastricht University and the Mismatch Project. The program reflected the state of the art in ongoing overeducational research.

**Education and Mismatch in the Labor Market**

**Productivity Losses Caused by Overeducation and Suboptimal Female Labor Supply**

It is well recognized that unemployment causes great welfare losses and social problems in all industrialized societies. However, it is less obvious which losses are generated by the fact that even employees might have unused and, therefore, unproductive skills when working in jobs for which they are overqualified. Skills are also unused when people's labor supply, here especially the mothers', is restricted by family constraints. One of the main aims of this project is to draw attention to these facts and to show that the actual loss produced by mismatch in employment considerably exceeds the loss indicated by unemployment statistics, even if analyses of hidden labor reserves are taken into account. An important question within this project is how these hidden labor reserves can be reactivated.

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Labor Market Entrants and Overeducation

An important part of the project in past years focused on the labor market entrants in Germany by using data from our Life History Studies. Although the German school system is characterized by a strong and persistent trend toward higher education, most German school-leavers still enter into vocational training in the form of an apprenticeship. We tested whether the vocational training system is capable of adapting to the changed circumstances, that is, to continue to offer young people a form of training that will protect them from later unemployment or overeducation (Büchel 2002c). In this paper, the quality of labor market entry achieved by newly qualified apprentices in West Germany is analyzed from 1948 to 1992. A bivariate probit model, using data from the BIBB/IAB Employment Survey, is applied to simultaneously estimate the quality of the school-to-apprenticeship transition and that of the later apprenticeship-to-work transition. This shows that school-leavers with lower levels of general education have been selected into apprenticeships with less favorable employment prospects in all analyzed time periods. However, when controlling for this selection effect, it is only in the most recent period that people with lower academic achievement are further penalized for the shortcomings in their general education in the apprenticeship-to-work transition. Furthermore, the crowding-out of trainees with lower levels of general education could have been observed in both the less demanding and the more challenging occupational fields.

Concerning the type of education, we also dealt with the question why overeducation in Germany is much more widespread among nongraduates with vocational qualifications than among graduates (for a thematically broad mismatch analysis for the latter group cf., Büchel et al., 2002). Based on the theoretical considerations of branch-specific training and hiring strategies that are related to net costs of training, Neubäumer develops a plausible theoretical framework to explain this type of mismatch (Neubäumer, 1999). Branches that offer employment with poor working conditions are expected to train more apprentices than required later as skilled workers. This strategy compensates for the above-average rates of anticipated dropout, resulting in a systematic overproduction of skills in specific occupations (ironically, mainly in those occupations with a low market applicability, such as hairdressing). Hence, those trained in these branches tend to have above-average rates of overeducation (and unemployment). Analyzing data from the BIBB/IAB Employment Survey, we can empirically support Neubäumer’s theoretical model (Büchel & Neubäumer, 2001, 2002).

A related research interest motivated the article by Büchel and Pollmann-Schult (2002), who focus on apprenticeship-trained people employed in low-skilled jobs. The question was whether these overeducated workers can achieve an “occupational comeback”: Can they return to a qualified job that offers a better use of their acquired skills?
The earlier detected typological similarity between unemployment and overeducation (Büchel, 2001b) helped us to adopt standard techniques from unemployment research in longitudinal analyses in the context of overeducation. For that purpose, we used data collected by the German Life History Study (GLHS) and employed parametric hazard rate models. Since in this data information about the job demand level is not available, we first had to develop a tool to generate a proxy variable for the job requirement level from information on the occupation and occupational position (Pollmann-Schult & Büchel, 2002b). The phase of work in a low-skilled job often proves to be only temporary for overeducated workers who have successfully completed an apprenticeship of intermediate or high quality. In contrast, it often means long-term professional downgrading for overeducated workers with only a low-quality apprenticeship degree (Pollmann-Schult & Büchel, 2002a). In that case, future career prospects are not significantly better than those of their colleagues without any formal vocational training (see Fig. 9).

Furthermore, we find that the quality of the school-leaving certificate does have a highly significant influence on the upward mobility from a low-skilled to a qualified job. The transition rate for qualified workers with a lower school certificate and school-dropouts without any school certificate is significantly lower than for workers with a higher intermediate school-leaving certificate (see Fig. 10).

Further, we analyze transitions from unemployment to overeducated and correctly allocated work. We can confirm that accepting an overeducated position after a relatively short time is a valuable second best strategy for many unemployed, especially for those who are not eligible for unemployment benefits (Pollmann-Schult & Büchel, in press).

Using Büchel (2001c, 2002a) as a starting point, we wanted to further investigate the question of how overeducated workers differ in personal characteristics from their correctly allocated peers. For that purpose we made use of the fact
that the latest data collection of the German Life History Study (GLHS) contained information on school grades, which most German labor market data do not provide. Applying a trivariate probit model, we could confirm that both the type and grade of school-leaving certificate has a strong effect on the overeducation risk later. The quality of the vocational training chosen, only impacts on that risk when the strong selectivity effects in certain types of schools and vocational training remain unconsidered. Consistent with existing literature, they find that the risk of overeducation decreases with increasing traditional skill measures, such as experience, tenure, on-the-job training, and further education. Finally, we replicated Sicherman (1991), who tested the effectiveness of the career mobility theory by Sicherman and Galor (1990), in the context of overeducation. Büchel and Mertens (in press) estimate random effects models to analyze relative wage growth using data from the German Socio-Economic Panel (GSOEP). We find that overeducated workers in Germany have markedly lower relative wage growth rates than adequately educated workers. These results cast serious doubt on whether the career mobility model is capable of explaining overeducation in Germany. The finding supports the plausibility of the results that overeducated workers have less access to formal and informal on-the-job training, which is usually found to be positively correlated with wage growth even when controlling for selectivity effects.

Figure 10. Survivor functions of an upward move from a low-skilled job to a qualified job (by school-leaving certificate).

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Female Labor Supply
A growing proportion of the Mismatch Project is devoted to analyzing female labor supply. According to the theory of differential overqualification developed by Frank (1978), married women living in rural areas run a higher risk of being employed in jobs for which they are overqualified. This is due to the problem of a dual job search being much more difficult to optimize than a single job search. In such a situation, husbands tend to follow a "Male Chauvinist Family Location Decision Rule" and optimize their personal job search—possibly by interregional migration. Wives are "tied movers" or "tied stayers" (Mincer, 1978) and look for employment only under the condition that their husbands already have found their optimal job—which determines their specific labor market. Particularly in rural areas with small local labor markets, this leads to a higher risk of mismatch between formal qualifications and job requirements. Only McGoldrick and Robst (1996) and Battu, Seaman, and Sloane (2000) have previously empirically tested this theory, and their results lead them to reject it. In contrast, our own findings are consistent with Frank's theory (Büchel, 2000). Instead of speculating about the factors that produce this unsatisfactory discrepancy in result patterns, we look for cooperation between the Battu et al. group and ours. In this fruitful cooperation we (Büchel & Battu, 2003) use data from the German Socio-Economic Panel (GSOEP). Unlike previous studies, these data control for commuting distances. The results provide some mixed support for the differential overqualification hypothesis. An extended approach was chosen by Büchel and van Ham (Büchel & van Ham, in press). They argue that the analysis of differential overqualification in a spatial context should not only focus on married women in small labor markets, but also on other risk groups: For most workers, access to suitable employment is severely restricted by the fact that they look for jobs in the regional labor market rather than in the global one. In their paper, Büchel and van Ham analyzed how macro-level opportunities (regional market characteristics) and micro-level restrictions (the extent to which job seekers are restricted to the regional market) can help to explain the phenomenon of overeducation. A variant of the Heckman two-step procedure is applied to control for selective access to employment. The results show that the size of the labor market is an important factor in avoiding overeducation. Related to this line of research is the question of whether day-care provision influences female labor supply decisions. In a report on behalf of the Federal Ministry for Family Affairs, Senior Citizens, and Women and Youth, we analyze the relationship between the day-care situation of children and labor market activities of their mothers. Based on the German Socio-Economic Panel (GSOEP) data from the year 2000, we find that especially for West Germany and for children aged three to six a more intense care (e.g., full-time instead of part-time care) is strongly correlated with a better labor supply of mothers and
better jobs (Büchel & Spieß, 2002a; Spieß, Büchel, & Frick, 2002). Based on the GSOEP data on the provision of day-care vacancies on the district level, we also estimate multinomial logit models to analyze the probability of working part-time or full-time, respectively. Our results show that a better provision with day-care slots for preschool children of three years and older increases the probability of working part-time, while the provision of day-care vacancies for younger children up to two-years-old does not show any significant effect. A higher proportion of full-time day-care among all day-care vacancies increases the probability of part-time employment as well as the one of full-time employment. From a policy perspective, our results are important since there is hardly any German micro-econometric study that shows a significant relationship between the provision of day-care and the mothers' employment decision. If the political goal is to increase the possibilities to combine work and family life, our results indicate that an extension of the provision of full-time day-care is needed (Büchel & Spieß, 2002b; Spieß & Büchel, 2003).

The positive effects of day-care provision have also been proved in another context than in that of female labor support. The study by Spieß, Büchel and Wagner (in press) examines the relationship between Kindergarten attendance and the 7th-grade school placement of children in West Germany, differentiating associations for the children of German citizens as compared to those of immigrants. Using information from a representative population sample, the GSOEP, different models were estimated. The results indicate that there is no significant correlation between Kindergarten attendance of children of German citizens and children’s later school placement. However, for children in immigrant households the reserve is true: Later school placement is significantly associated with Kindergarten attendance prior to school enrollment. This shows the importance of offering sufficient day-care facilities especially for working mothers with an immigration background.

Family Type and Poverty
Those people living in “atypical” familial constellations, such as large families or single mothers, face a higher income risk than others. The main reason for this is the restricted access of mothers to the labor market caused by the higher requirement of mothers taking child-care responsibilities. In a first study, we analyze trends in the relative income position of large families consisting of two parents and three or more children in Germany using the GSOEP data on equivalent household incomes (Büchel & Trappe, 2001). As expected, our results confirm that the income situation of large families is relatively poor compared to that of other household types. However, a slight improvement over time can be observed for German families in West Germany. For large immigrant families in West Germany, at least no deterioration in relative income position was observed. In contrast, the relative income position of large East German families worsened markedly over the years.

Key References
following unification. The results of error component models controlling for the age, education, and employment status of both parents show that in both West and East German households, the mother's employment status has a particularly strong impact on the household income position. In a second study within the research field of atypical household structures, we focus on the income situation and labor market participation of single mothers (Büchel & Engelhardt, in press). In this study, we try to isolate the income effect caused by the nonexistence of a partner in a single parent household, combined with the number of children of each household type. Within this approach, we take into account the different labor market participation behavior of mothers in different living arrangements. Furthermore, we compare the effects of the determinants of the relative net equivalent household income position in East and West Germany as well as their development in the 1990s due to the exceedingly dynamic labor market. The results from the models indicate that a missing male breadwinner causes severe reductions in the family's relative income position in both East and West Germany, even when controlling for the mothers' social status and earnings. The results remain surprisingly stable between West and East Germany and over time. Furthermore, the family status of single mothers, together with transfer payments, determines the relative income position. Among single mothers, those that never married are substantially worse off than those who are living separated or divorced. To take account of the very different labor supply behavior of single and married mothers, we reestimated the multivariate model under consideration of this selectivity using the Heckman approach. Not controlling for this selectivity problem mainly causes an overestimation of the mothers' earnings effect and an underestimation of the mothers' educational background on their relative household income position. Consequently, misinterpreting the real dimension of the effects of these crucial socioeconomic status measures could negatively affect the effectiveness of social, labor market, and educational policies to secure the economic well-being of families with dependent children. The fight against family poverty is a central issue for policy makers in all industrialized countries. Apart from easing the problem by targeted public transfers to families, another strategy is to support mothers' employment. In this respect, policy strategies differ substantially across countries. In cooperation with Kristian Orsini from Département d'Economie Appliquée de l'Université Libre de Bruxelles (DULBEA) at the University of Brussels, we started to analyze the impact of the type of welfare state on the effectiveness of mothers' employment as a family poverty protection strategy. Inspired by Solera (2001) and based on preliminary work by Orsini (2001) we will analyze income and employment structures focusing on families with dependent children in an international comparison. We use data from the Luxembourg Income Study (LIS) for the United Kingdom, France,
Germany, Italy, the Netherlands, Belgium, Finland, and Sweden. First results showed that in all countries the mothers’ labor supply plays a crucial role in poverty reduction strategies.

For the future, we plan to look in more detail at the female labor supply decisions and, therefore, extend the Mismatch Project to other types of mismatch apart from overeducation. A mismatch situation can be stated in all situations where people are hindered to make full use of their acquired skills in the labor market. We will, here, focus on analyzing labor supply constraints caused by specific family circumstances, mainly by living together with children in a suboptimal, institutional, economical, and social environment.

Given the dramatic changes in family structure and female labor force participation, children’s nonmaternal day-care has moved to the forefront of German politics, as in several other industrialized countries. Although there is substantial, mostly in the U.S., research on the correlation between the mothers’ employment decision and day-care use, there are only a few studies that focus on the effects of day-care availability on the mothers’ employment decision or for day-care use. The question of availability is of special interest if day-care vacancies are restricted. From a social inequality and stratification point of view, it is of specific relevance whether the employment decision of socioeconomically disadvantaged mothers is affected by the restricted availability of day-care vacancies to a higher degree than the decision of the socioeconomically better situated mothers.
Further Projects

Gero Lenhardt

A Comparative Study of Higher Education in Germany and the United States

Higher education finds increasing public attention, with reform proposals often alluding to the USA. This is the background of a comparative study, which focuses on higher education in Germany and the USA. The secular process of the universalization of higher learning is the yardstick for this comparison. Universalization is manifest in the expansion of enrolments and in the transformation of academic freedom from a particularistic feudal privilege into a universal human right. The idea of universalization stands at the center of Humboldt’s concept of a free university for a democratic society. It is presented in the introduction together with contemporary European concepts of higher education (Bologna Process), German and American perspectives of higher education. The first half of the book, which is concluded. It reconstructs the development of German higher education as a conflict ridden unity of feudal, absolutist, and democratic value orientations, in which democratic norms finally prevail. Democratic culture allowed for the expansion of higher education as well as for the transformation of academic freedom into a universal human right, which finds institutional expression in the organizational transformation of the Chair, the integration of the university and the polytechnic, and in the state’s withdrawal from the management of the university.

The chapters on American higher education exist in a raw form. The American university, it is shown, developed in close contact with the civil society, in contrast to its German counterpart, which formed a symbiosis with the feudal absolutist state and the “Obrigkeitsstaat.” The different origins gave rise to institutional differences: The expansion of enrolments is unanimously supported in the USA, but a matter of serious political conflict in Germany and hence has less proceeded. The American graduates found employment in the private sector of the economy, their German comrades in the public sector. Academic freedom in Germany was based on the Chair, which equipped its incumbent with considerable power and prestige. In the USA, freedom of thought was part of democracy and, hence, subject to public control. In consequence, the social status of the professoriate was quite low. It was enhanced dramatically only during the Cold War. University management, to point at a last distinction, was oriented to the expectations of the civil society in the USA. In Germany, by contrast, this was state oriented and state run. This difference seems to be withering away since the end of World War II. A final chapter deals with higher education and the technocratic culture of the expert in Germany (Max Weber) and American professionalism (Parsons).
The socialist intelligentsia, or the educated class, appeared with the foundation of the GDR in 1949 and was dissolved together with the state in 1990. The original intention was for the ranks of the intelligentsia to be open to social groups hitherto unconcerned with education (workers and peasantry). But since the children of the first generation of graduates demanded the same level of education as their parents, the GDR society shifted increasingly toward stratum-specific differentiation and a reproduction of societal structures. Hoerning looks at case studies of the "socialist intelligentsia" that examined the role of the profession in biographical (re)orientation. The professional and life histories (narratives) of 31 women and men born between 1929 and 1938 (the generation that rebuilt Germany after the Second World War) and between 1950 and 1960 (the children of the "heroes") were recorded on repeated occasions, allowing the description of the social character of the educated class (the new socialist intelligentsia) and the professional cultures of the former GDR, as well as the life courses of both bourgeois and non-bourgeois members of the intelligentsia. It was then possible to observe the reorientation process, retrospectively, by examining the transition to "new" social, cultural, and political structures, and obtain information about how retrospective assessments change over the course of time and life. Hoerning's study shows that success (or failure) in coping with the transformation process is not only a function of the individual biographical capital, but is also highly dependent on the historical development of the institutions (professions) to which the individuals belong. The institutional and biographical integration into the "new" Federal Republic is being explored in case studies on a number of professional groups: medical, law, media and science professionals, university professors, managers in industry and science, and the clergy. A special chapter will be devoted to the professional careers of women in the nomenklatura-cadre/administrative class. These case studies will be discussed within the framework of current theoretical debates on professions in a publication in progress: "Intelligenz, Experten, Professionen."


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