



International Workshop

**Globalization, Increasing Uncertainty
and its Consequences for Early and Mid-Career Life Courses**

Bamberg, January 29, 2009

Globalization, Transnationalization and Europeanization have become reference points for media, politicians, academics, and policy-makers to explain social change and understand social inequality in the modern societies of Europe. These phenomena can be characterized by four interrelated transnational shifts that have intensified in the last two decades:

- First, transnationalization refers to the *globalization and Europeanization of markets and domestic structures* and subsequent *decline in the meaning and efficacy at national borders*.
- Second, transnational shifts relate to the *intensification of competition*, i.e., the notion that capital and labor are increasingly mobile. It therefore forces not only firms but also national economies and welfare regimes to continuously adjust and become internationally competitive, often entailing a turn towards more deregulation, liberalization and privatization.
- A third feature is the *spread of transnational networks of people and firms* linked by Information and Communication Technologies (ICTs) such as microcomputers and the Internet. These ICTs, together with modern mass media, allow faster diffusion of information and knowledge over long distances and increasingly allow people to share information.
- Fourth, transnationalization is inherently related to the *rise in the importance of markets and their dependence on random shocks*. Actors are increasingly in the hands of anonymous global markets, yet changes are more dynamic and less predictable.

As a consequence of transnationalization, *structural uncertainty* about economic and social developments has risen significantly in European nations, triggering employers to move towards more flexible and less binding employment strategies such as the creation of temporary jobs, part-time work or outsourcing. At the level of the individual, this development has led to a rise of various types of insecurity, be it in the form of *economic insecurity* (e.g., economic precariousness of labor market positions), *temporal insecurity* (no permanent contracts) or *employment relation insecurity* (e.g., public vs. private sector, dependent workers vs. self-employment). Especially for younger people, this rising insecurity has led to a deterioration of their labor market chances and the continuity of their employment careers. These developments in employment lives can be expected to have a “spillover effect” with regards to individual decisions in private life, implying a postponement or even a forgoing of family planning and family formation.

Against this background, the aim of the planned workshop will be to bring together young researchers at Ph.D. or Post-Doc level from different European countries who are working in this thematic field to share their present research results and discuss current issues and questions in their work together with experienced researchers. The workshop features contributions from various countries that thematically deal with the development of early and mid-career employment in modern European societies throughout the last decades characterized by increasing globalization.

Conference Venue: Bamberg University, Room of the University Senate,

Timetable

8.15 Opening of Workshop, Welcome of Participants

Conceptual perspectives

8.30 Dirk Hofäcker (Bamberg)
Globalization, Increasing Insecurity and the Individual Life Course – An Introduction

9.30 Mieke Jansen (Brussels)
Structural uncertainty, employment insecurity and family formation: a conceptual framework

International Comparison

10.30 Marii Paškov (Groningen/Tallinn)
Inequality of Uncertainty and Life Planning in Europe

11.30 Ellen Ebralidze (Bamberg)
*Labor market regulation and perceived job insecurities in the early career
Do Danish employees worry less?*

12.30 Lunch at Italian Restaurant “Orlando”

Selected country studies

13.30 Simone Zdrojewski (Bamberg)
Labor market flexibilization and its impact on early career processes in France

14.30 Sandra Popp and Brigitte Schels (Nuremberg)
Do you feel excluded? The subjective experience of young state benefit recipients in Germany

15.30 Coffee Break

16.00 Sonia Bertolini (Turin)
The heterogeneity of the impact of labour market flexibilization on the transition to the adult life in Italy

Mediating globalization and reducing inequalities - political perspectives

17.00 Valentina Goglio (Turin)
Could regional universities promote early entrance into the labour market and fight uncertainty?

18.00 Closing discussion

19.30 Short City Walk, Meeting at Hotel Graupner Lobby (Lange Straße)

20.00 Dinner at Restaurant “Tapas/Domterassen”

Abstracts

Globalization, Increasing Insecurity and the Individual Life Course: An Introduction

Dirk Hofäcker, State Institute for Family Research (ifb), Bamberg University, Germany

In the last two decades, globalization and transnationalization have substantially affected national labour market in virtually all modern societies. The move towards a highly and rapidly changing competitive global market thereby was accompanied by companies' attempts to increasingly implement more flexible, atypical and insecure work forms such as fixed-term or part-time employment, that allow employers a maximum of staff flexibility in order to accommodate to rapidly changing market demands. Comparative evidence, however, shows that the effects of these labor market transformations on individual employment security are not unique. First, there is a significant variation in employment flexibility between countries, reflecting cross-nationally different institutional arrangements in terms of labor market regulation and welfare state design. Second, there appear to be significant difference in employment flexibility with youth and labour market entrants being most seriously affected by a deterioration in employment security. Third, even within countries and generations, there are significant differences between educational groups and economic sectors with regards to the spread of flexible employment forms.

Against this background, the contribution first develops a rational-choice based theoretical framework in order to link recent transformations at the societal macro-level (globalization) with their cross-nationally different repercussions at the micro-level of individual work lives. In a second step, the presentation provides empirical evidence for the above scheme, using selected labor force data from cross-national data sources (such as Eurostat, the OECD or the ILO). It thereby not only points to developments in employment security but also highlights their consequences for individual life planning.

Structural uncertainty, employment insecurity and family formation:

A conceptual framework

Mieke Jansen, Interface Demography, Free University of Brussels, Belgium

In the workshop I will present the first stage of my PhD research which sketches a conceptual framework relating insecurity in general and job insecurity in particular to decisions concerning leaving the parental home, cohabitation and marriage and childbearing. Several dimensions of insecurity are highlighted: uncertainty, perceived insecurity and feelings of insecurity and several forms of employment insecurity at the individual level are distinguished: financial and income insecurity, job insecurity and labour insecurity. Three main pathways are identified linking job insecurity to family formation. The 'affordability argument' relates job insecurity to family formation through the existence of norm stating that one should have access to sufficient financial resources in order to marry and start childbearing. The rational choice framework maintains that taking decisions under conditions of uncertainty (such as job uncertainty) gives rise to so called 'open-future-strategies', leading to postponement of family formation. Within the rational choice tradition, others the other hand have argued for a so called 'uncertainty reduction hypothesis', which predicts a higher rate of marriage and childbearing in order to reduce uncertainty derived from the labour market. Lastly, job insecurity has been shown to give rise to stress and increase marital instability. This could indirectly affect the timing of family formation.

Inequality of Uncertainty and Life Planning in Europe

Marii Paškov, University of Groningen, The Netherlands

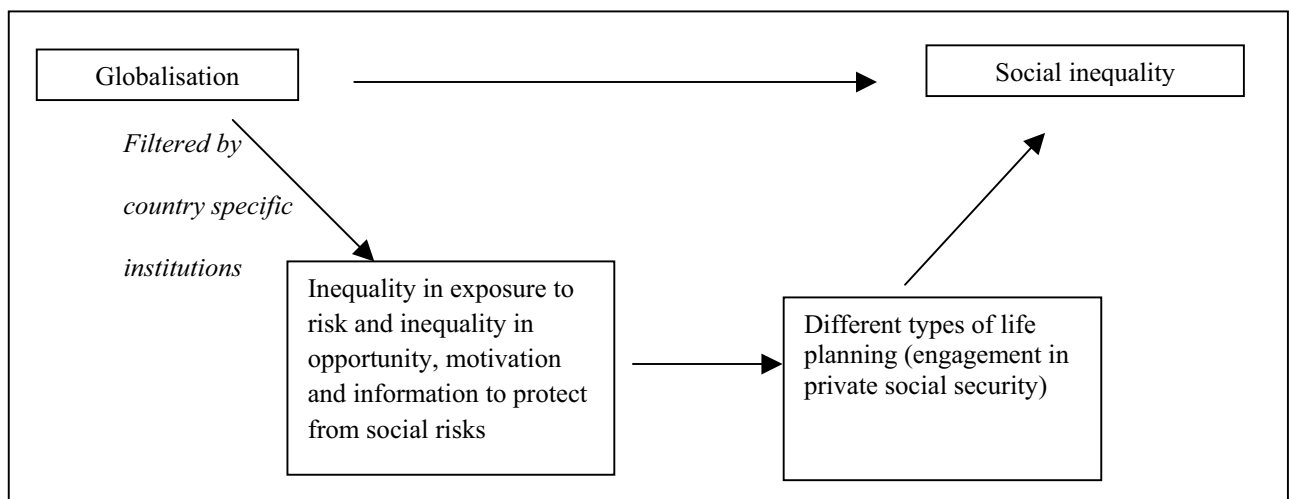
Research objective

The central objective of the research is to study the mechanisms of the emergence and persistence of social inequality. Inequality can be approached from different perspectives. In this paper social inequality will be looked at from the perspective of labor-market uncertainty and the opportunity to engage in effective life-planning in terms of private social security. It will be argued that two central macro level factors, flexibilization and recommodification, are increasing social inequality by making certain social groups more vulnerable to social risks and restricting their opportunity for effective life planning and social protection. In order to account for the filtering effect of country-specific institutions different welfare regimes will be compared. The first step of the research will be find out how is uncertainty distributed within different welfare regimes across Europe and the second aim is to find out how the welfare regimes filter the impact of uncertainty on life planning. Data for the research is attained from the third wave (2006) of European Social Survey (ESS).

Theoretical model

The underlying assumption of this research is that globalisation, in the form of flexibilization and recommodification, increases social inequality. It is assumed that emerging social risks are unequally distributed and people do not have equal opportunity, motivation and knowledge to protect themselves from social risks. Therefore, peoples' rational decision making is constrained by the social structure and consequently people engage in different types of life planning. Uncertainty, however, has the strongest effect on people who do not insure themselves against social risks that they may face during their life-course. The combination of uncertainty with a lack of life planning means that these people are most vulnerable. The latter, however, creates a vicious circle of social exclusion and social inequality for these specific uncertain and uninsured social groups. Therefore, it is assumed that ineffective life planning, under the conditions of flexibilization and recommodification, accelerates overall social inequality. The conceptual model is illustrated in Figure 1.

Figure 1: Theoretical model in the form of a Coleman boat



Measurement

The following measures are used to answer the two central research questions.

First research question: Which social groups are most exposed to uncertainty in different welfare regimes?

Dependent variables	Independent variables	
Objective uncertainty: <ul style="list-style-type: none"> - limited or unlimited working contract - unemployment experience Subjective uncertainty: <ul style="list-style-type: none"> - fear of becoming unemployed - fear of not having enough money in old age 	<i>Micro level:</i> Gender Education Occupational class Age Ethnicity (native vs. immigrant) Family status	<i>Macro level:</i> Welfare regime <i>Maybe also:</i> Unemployment rate GDP Poverty rate Income inequality (Gini coefficient) GlobalIndex

Second research question: How do the welfare regimes filter the impact of uncertainty on life planning?

Dependent variables	Independent variables	
Life planning: <ul style="list-style-type: none"> - saving for old age 	<i>Micro level:</i> Objective uncertainty Subjective uncertainty Gender Education Occupational class Age Ethnicity (native vs. immigrant) Family status	<i>Macro level:</i> Welfare regime <i>Maybe also:</i> Unemployment rate GDP Poverty rate Income inequality (Gini coefficient) GlobalIndex

Labor market regulation and perceived job insecurities in the early career. Do Danish employees worry less?

Ellen Ebralidze, University of Bamberg, Germany

Flexible forms of employment and employment instability have gained importance in modern societies. These trends are more pronounced at labor market entry, leading to job insecurity and economic uncertainty especially among early career employees. However, flexibility strategies across countries with different institutional settings vary, and so do young people's fears. The paper compares early career employees' worries related to the probability and consequences of possible job loss to see whether Denmark has a distinctive pattern from other OECD countries. Following Anderson and Pontusson (2007), the extent to which a person worries about losing their job ('job loss worry') is a function of the individual's estimate of the probability that he or she will lose her job ('job insecurity') and the individual's perception of the consequences of losing their job: the prospects of finding another (more or less equivalent) job ('re-employment insecurity') as well as worries of income loss during an extended unemployment spell ('income insecurity'). Taking this into account, early career employees in Denmark have only little to worry. The Danish model of 'flexicurity' is well-known for its successful combination of labor market flexibility and individual security. It replaced the concept of job security by (re-)employment security and at the same time provides high levels of income security. Low dismissal protection is combined with generous unemployment benefits and—since the labor market reforms of the mid-1990s—extensive active labor market

programs helping the unemployed to find their way back into paid work. Furthermore, due to the low protection for permanent work, employment chances are less closely related to labor force experience, tenure, and seniority than in coordinated market economies with 'closed' employment relations, which protect the labor-market insiders. Does this specific institutional combination result in high job insecurity, low re-employment insecurity and overall low job loss worry when comparing early career employees in Denmark to their counterparts in other OECD countries? To explore these questions, I use pooled survey data for Denmark, Germany, France, Italy, the Netherlands, Spain, Sweden, Great Britain, and the US conducted in 1997 and 2005 as part of the 'Work Orientations' studies by the International Social Survey Program (ISSP). The results suggest that, given the country's low protection for permanent jobs, young workers in Denmark perceive surprisingly low levels of job insecurity and, as expected, low re-employment insecurity, if we compare them to early career employees in the other countries. Overall they do indeed worry relatively little about possible job loss.

Labor market flexibilization and its impact on early career processes in France

Simone Zdrojewski, Bamberg University

The study focuses on shifts on the labor market since the early 1990s when unemployment increased and flexibilization measures were implemented to a larger extent within national labor markets across Europe. The question is how young people in France deal with these rising difficulties and insecurities during the early phase of their labor market career and how they manage to become established after a certain while. How are employment opportunities determined and framed by the local environment? Is regional mobility an appropriate strategy to ease and smoothen the establishment process? Thus, how flexible do young people have to be? Are there differences observable that are related to gender, migrational background, educational qualification, region of residence or other characteristics? Thus, are certain groups struck by labor market flexibilization to a larger extent than others? If so, who are the winners and losers among young people of these major transformations? What patterns are typical for French youth and what kind of strategies do they choose to tackle their situation? Labor market entry and early careers will be analyzed using longitudinal data and mainly by applying methods of event history analysis. The analyses cover different labor market entry cohorts and will thus enable to understand the shifts that are occurring in different temporal and spatial contexts.

Do you feel excluded? The subjective experience of young state benefit recipients in Germany

Sandra Popp and Brigitte Schels, Institute for Employment Research (IAB) of the German Federal Employment Agency

This article examines the connection between multiple deprivations and the subjective experience of social exclusion among young German state benefit recipients in 2005. Most studies equate deprivation with social exclusion. But current German concepts refer to an experienced constraint of inclusion and participation as well: multiply-deprived individuals are not excluded as long as they still feel as though they belong to society. The subjective experience of social exclusion is the response to a coping process that is mediated by family integration and social support. This article is based on the survey 'Life Circumstances and Social Security 2005' by the German Institute for Employment Research (IAB). A total of 1783 interviews with 18-24 year olds were conducted. Overall, a high proportion of the young state benefit recipients experience deprivation in several aspects of their living conditions but just a few of them feel socially excluded as well. The analyses show that the subjective experience of social exclusion increases when individuals experience multiple deprivations. But integration into family buffers the negative consequences. This study shows that the experience of integration does not solely depend on financial resources and employment but also on social contexts.

The heterogeneity of the impact of labour market flexibilization on the transition to the adult life in Italy

Sonia Bertolini, University of Turin, Italy

The paper examines the heterogeneity of the impact of labour market flexibilization on the transition to adult life, in particular on the first transition leaving home, in Italy.

Several authors have emphasised the central role that work plays in structuring life course (Mayer, 1997, Blossfeld et al, 2005, Heinz, 2001, Galland, 2001, Schizzerotto, 2002): one consequence for young adults of remaining in temporary jobs is the postponement of important decisions in their private lives; whereas the length of postponement depends on institutional context.

Less attention has been paid to analysis of the effects of employment precariousness on family formation according to social class and level of education.

The planned project aims to analyse whether and how the type of contract influences the first transition, and how this varies according to level of education, that in Italy it is an indirect indicator of social class, and gender. The hypothesis is that in Italy, where the welfare state it is not universalistic, the type of contract influences the decision to leave home, all other factors being equal.

The answers to these questions may be useful for creating an adequate system of labour policy and for instituting social protection policy reform in Italy.

The hypothesis is supported by a quantitative analysis, based on Italian Labour market Forces, and by two qualitative studies, based on interviews and focus groups with people aged 20-45. The qualitative studies show the mechanism at the base of people decisions.

Could regional universities promote early entrance into the labour market and fight uncertainty?

Valentina Goglio, University of Turin, Italy

Several studies demonstrated that in last decades many changes occurred in the global economical system, leading to crucial shifts in labor market organization, rising employment flexibility and social inequalities in labor market entry and early careers (Castells 2000; Mill and Blossfeld 2005). The key word for these deep transformations is globalization that, as highlighted by Mill and Blossfeld, revealed its huge potential by structural shifts in the economic system, connecting at a global level markets, competition among firms, and knowledge.

The quick rise of knowledge as a key element for global competition forced governments and institutions to focus the attention on educational systems. Since competition in the era of globalisation is mainly based upon innovation and knowledge embedded, the educational level of its workforce is crucial for the competitiveness of single countries.

At the same time, there is also competition at labor market entry: the higher the level of education that one employee achieved, the higher will be the probability to avoid precariousness in employment. In contrast, lack of human capital increases the risk to enter in a more precarious situation (Blossfeld, Klijzing, Mills, Kurz, 2005). Thus investing in education and human capital is one of the strategies that workers can put in practice to avoid the trap of precarious jobs and uncertainty on labor market.

In the last decades many changes occurred in the Italian higher education system. Most recently, by means of new laws¹, government encouraged autonomy of Universities and forced the biggest ones (>40.000 students) to open new smaller sites in neighbouring cities (Cecchi, 2008). This was the birth of “decentralized university” or “local sites”. Running some descriptive analyses about the role of these regional universities, we noticed that these play a specific role for labor market entry. It seems that decentralized university’s sites enable access to higher education also for “less favourite” people.

¹ Law n° 537 of 24/12/1993; Law n° 662 of 23/12/1996; DPR n° 25 of 27/1/1998

Moreover, observing data about entrance and early career in local labor market we could argue that “the degree works”. We observed that an high rate of bachelor graduates coming from local sites reached (within one year) a good job in terms of income and relevance to studies.

Workshop Participants (in alphabetical order)

Bertolini, Sonia, University of Turin, Department of Social Sciences, via Sant'Ottavio 50, 10124 Torino, Italy, E-Mail: sonia.bertolini@unito.it

Ebraldze, Ellen, University of Bamberg, National Educational Panel Study, Luitpoldstraße 5, 96047 Bamberg, Germany, E-Mail: ellen.ebraldze@uni-bamberg.de

Goglio, Valentina, Department of Economics "S. Cogneetti del Martiis", via Po 53, 10124 Torino, Italy, E-Mail: valentina.goglio@unito.it

Hofäcker, Dirk, University of Bamberg, State Institute for Family Research (ifb), Heinrichsdamm 4, 96047 Bamberg, E-Mail: dirk.hofaecker@uni-bamberg.de

Jansen, Mieke, Interface Demography, Free University of Brussels, Belgium, E-Mail: mieke.jansen@vub.ac.be

Paškov, Marii, University of Groningen, Research assistant, University of Groningen, Faculty of Sociology, E-Mail: mariipaskov@hotmail.com

Schels, Brigitte, Institute for Employment Research (IAB) of the German Federal Employment Agency (BA), Regensburger Strasse 104, D-90478 Nuremberg, Brigitte.Schels@iab.de

Zdrojewski, Simone, University of Bamberg, National Educational Panel Study, Luitpoldstraße 5, 96047 Bamberg, Germany, E-Mail: simone.zdrojewski@uni-bamberg.de

Important Places, Names and Addresses

Workshop Venue: University of Bamberg
Alter Senatssaal (Room of the University Senate)
Kapuzinerstraße 22 / Raum 208

Workshop Organisers

Ellen Ebralidze	+49-(0)951- 863 34 19
	+49 (0)162 -806 85 71 (mobile)
Simone Zdrojewski	+49-(0)951- 863 34 43
Dirk Hofäcker	+49-(0)951- 965 25 17
	+49 (0)160- 439 66 74 (mobile)

Lunch Place (12.30) **Ristorante Orlando**
Austraße 33
96047 Bamberg

Dinner Place (20.00) **Tapas**
Unterer Kaulberg 36
96049 Bamberg

