Variations in Labour Force Behavior, Life Satisfaction, and Perceptions of Hardship among Immigrant and German Mothers

Eileen Trzcinski, Wayne State University and Elke Holst, German Institute for Economic Research

Labour Force Participation

Figure 1 shows the percentage of West German, East German, Turkish and other immigrant women who were full-time homemakers or on leave in each of the 12 months prior to and after the first birth. At 12 months before first birth, less than 5% of East and West German women were full-time homemakers compared with 41.3% of Turkish women and 19.8% of non-Turkish immigrants.

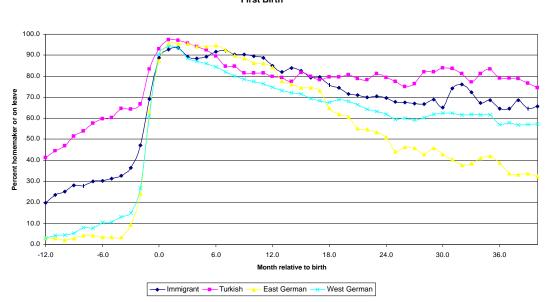


Figure 1. Percent of Women Who are Homemakers or on Leave First Birth



months following the first birth, these percentages had increased to 57.3% for West German, 32.6% for East German, 74.4% for Turkish, and 65.6% for non-Turkish immigrants.

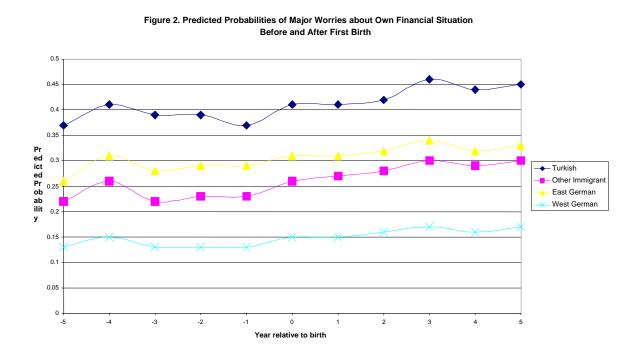
At 12 months before the first birth, 80% of West German women were employed full-time compared with 52.7% of non-Turkish immigrants, and 42.9% of Turkish women. Approximately 59% of East German women were employed full-time; the lower percentage for East versus West German women is primarily attributable to differences in unemployment rates. Prior to first birth, less than 10% of all women were engaged in part time work: 6.8% of West German, 5.2% of East German, 6.3% of Turkish, and 5.5% of other immigrant women. Following the first birth, however, Turkish women are more likely to exit to full-time employment than are West German and non-Turkish immigrant women: 18.6% of Turkish women in the sample; 11.5% of West German women, 3.3% of other immigrant women, and 27.9% of East German were engaged in full-time employment by the 40th month following the first birth. In the sample, 21.3 of non-Turkish immigrants, 26.3 % of West German women, 19.8% of East German women, but only 4.7% of Turkish women were engaged in part-time work.

For second to fourth births, West German and non-Turkish women exhibited very similar patterns of full-time homemaking in the period before and after birth: 59.1% compared with 57.6%. Turkish women in the sample were both more likely to be full-time homemakers before and after the birth than other women, whereas East German women were least likely to be occupied as full-time homemakers in the months before the birth. Following the birth, major differences between East German and other women are first observed after the birth at approximately 30 months. Patterns of full-time work and part-time

work also varied across the four groups. West German women were the most likely to engage in part-time work prior to the birth of the second to fourth child. For full-time work, the largest difference is observed between East German women and other women, with East German women more likely to be engaged in full-time employment. At 12 months prior to the birth, 27.4% of West German, 20.9% of non-Turkish immigrant, 15.6% of East German, and 7.9% of Turkish women were engaged in part-time work. By the 40th month following the birth, the percentages were 36.0% for West German, 19.4% for non-Turkish immigrant, 15.7% for East German, but only 5.0% for Turkish women

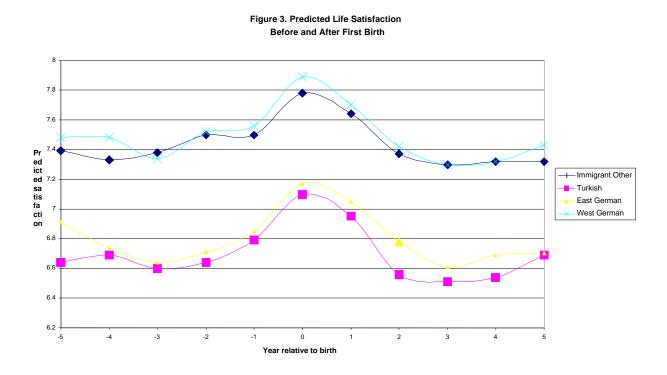
Worries about Own Financial Situation

Figure 2 shows the percentages of West German, East German, Turkish, and non-Turkish immigrant women who reported major worries about their own financial situation in the five years before and after birth. These percents are based on the predicted probability for each woman. For both first and higher order births, East German, Turkish, and non-Turkish immigrant women were more likely to report that they had serious worries about their financial situation than were West German women. In all cases, Turkish women were the most likely to report serious financial worries. The higher percentage of Turkish women reporting major worries stems in part from lower levels of human capital accumulation. The multinomial logit results indicated that each year of additional education was associated with a 20 percentage decrease in the odds of major worries versus no worries; each year of full-time employment prior to birth was associated with a 10 percentage point decrease in the odds of major versus no worries. When controls for number of children, marital status, education and labor market experience, and year relative to the year of birth were included in the multinomial estimates of the three categories of financial worries, East German women were 5 time more likely, Turkish women 3.6 more likely, and non-Turkish immigrant women 1.7 times more likely to report major worries instead of no worries compared with West German women. For second to fourth births, East German women were 5.7 times more likely, Turkish women 2.6 time more likely, and non-Turkish immigrant women 1.9 time more likely than West German women to report major worries rather than no worries. In all cases, these differences were statistically significant at the 001 level.



Life Satisfaction

Figure 3 shows the differences in predicted life satisfaction by first and higher order births during the 5 years before and following the birth of a child. These values are based on fixed effects maximum likelihood estimates of life satisfaction presented in Model 2 in Tables 2 and 3. In Model 1, which does not include household income and level of worries about financial situation, the results indicated that Turkish women reported on average a level of life satisfaction in the years bore and following first birth that was .62 of a point lower than West German women. East German women reported a level of life satisfaction that was almost identical to Turkish women and was .59 of a point lower than the level reported by West German women. No differences were observed between West German women and non-Turkish immigrant women.



Controls for income and level of worries about financial situation (Model 2) decreased, but did not eliminate differentials among the four groups. Household income and level of worries about own financial situation decreased the differential between West German and Turkish women by 16/62 percent (from. -62 to -.46) and for East German women by .26/59 (from -.59 to -.33).

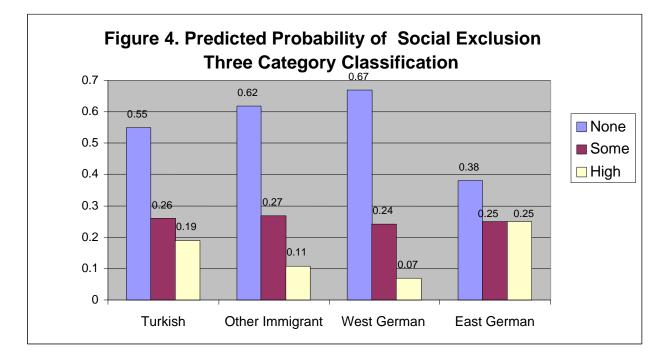
When life satisfaction surrounding higher order births was examined, East German and Turkish women continued to report lower levels of life satisfaction compared with West German women. But for higher order births, East German women reported the lowest level of life satisfaction among the four groups. Controls for household income and level of financial worries were also associated with a lower percentage decrease in the differential between East German and West German women—a .33/.80 percent decrease (from -.80 to -.47) compared with a .23/44 percent decrease in the differential for Turkish women (from -.44 to -.21). These models also included controls for year relative to year of birth, number of children, marital status, and each woman's level of human capital accumulation at the point of birth as measured by education and number of years of full-time and part-time employment accumulated prior to the birth.

While levels of life satisfaction were strongly associated with household income and levels of financial worries, the results indicated that these variables account for less than 50 percent of the

differences in life satisfaction reported by East German and Turkish women compared with West German women.

Social Exclusion

Questions on social exclusion were first included in the SOEP in 2001. These variables measure the degree of social exclusion in the household as reported by the designated head of household. Chart 1 shows the predicted probability of social exclusion for financial reasons reported by each household head. "None" indicates that the head reported no social exclusion for financial reasons on any of the seven social exclusion indicators; some, one to two categories of social exclusion for financial reasons. More than 10 years following unification, East German households with children born in the years 1992 to 1998 were more likely to report high levels of social exclusion, 25% than West German households (7%). The corresponding percents for Turkish and other immigrant households with children born during the same period were 19% and 11%. Differences between East German, Turkish, and West German women are statistically significant at the .01 level.



The results presented here indicate that immigrant women differ substantially in their labor market behavior compared with women who are both German citizens and who were born in Germany. When compared with patterns of labor force participation surrounding childbirth that typify other countries, striking similarities between German women and immigrant women in Germany do exist. Both German women and immigrant women experience increases in life satisfaction immediately prior to childbirth; both groups experience declines afterwards. In addition, relatively greater levels of serious financial concerns accompany declines in life satisfaction for new mothers with immigrant status. They also report more frequently that they live in situations marked by risks of social exclusion. Given how essential the periods of infancy and early childhood are for successful child development, these discrepancies in psychological as well as in economic outcomes observed between German and immigrant women could constitute risks factors for immigrant families. Such risks, if not addressed in policy, could threaten to undermine the integration not only of the current generation of immigrants, but also of future generations.