INEQUALITIES IN THE MEXICAN LABOR MARKET, FAMILY DETERMINANTS AND THE ROLE OF EDUCATION

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INTRODUCTION

Given the economic transformations and the changes in educational attainment, fertility and cultural patterns in Mexico, it is interesting to know how the various generations have been inserted in the work dynamic and the extent to which these generations have preserved their parents' occupational condition or whether, on the contrary, education has enabled them to achieve upward social mobility.

A study of three generations (1930s, 1950s and 1960s) found that regardless of the birth cohort, family origin was the most important variable for explaining the likelihood that Mexican men would be engaged in manual occupations, whereas education was the factor that provided the greatest explanation for non-manual occupations (Pacheco 2005).

The aim of this paper is to examine what has happened in the cohorts born in the 1980s and 1990s -years marked by severe economic crises and the extremely limited recovery of the Mexican economy.

BACKGROUND:

The subject of education as a factor of people's social mobility has been examined from various angles. In general terms, it is possible to identify four approaches to individuals' mobility and occupational status. Both the theory of the acquisition of status and the theory of human capital give priority to personal characteristics in explaining patterns of mobility. The education acquired, work experience and participation in the labor force are crucial variables in these models oriented towards the labor supply (Allmendinger, 1989).

The theory of status acquisition (Blau and Duncan, 1967) emphasizes the importance of the variables of family origin and education in understanding occupational positions. Changes over time are therefore explained by the long-term effects of these two sets of variables.

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However, this approach does not explain how the process of change occurs (Allmendinger, 1989).

For their part, from the theory of human capital (Becker, 1975; Mincer, 1974), differences in the occupational structure can be explained by the fact that the market values the educational characteristics of the economically active population through the differential payment of individuals with different levels of educational attainment and work experience (Gallart, 1992).

However, Blossfeld (1992) points out that the theory of competition (Sorensen, 1977) has the advantage of considering the job structure in the analysis of local mobility. Structural changes in labor influence the possibilities of moving up the occupational ladder. Promotion to a better job may occur without an increase in individual resources while an increase in resources may not lead to a better job when there are no vacancies (Allmendinger, 1989).

On the subject of structural change, Blossfeld (1992) says that the concept is not new in research on social mobility. Research that compared the occupational position or social class of fathers and their children were efforts to isolate the effects of mobility characteristic of a change in social structure (Rogoff, 1953; Glass, 1954; Haeser, 1977 and Erikson and GoldThorpe, 1985). In general, however, these studies failed to take into account the fact that fathers were older and at different stages in the cycle of their professional lives, which is why the marginal distribution of positions of origin did not necessarily reflect the social structures of a moment. At the same time, Blossfeld (1992) argues that a dynamic approach to the study of occupational mobility should necessarily consider the conditions of entry into the labor market and intra-generational mobility.

In a more recent study, Solis and Billari (2002) note that the parallel development of research on the life course and the analysis of the history of events has produced a change of emphasis in the study of long-term mobility, with research focusing on the analysis of individual events with occupational trajectories.

In the particular case of Mexico, Parrado and Zenteno (2005) studied the determining factors of the transition between the educational trajectory and the start of the work trajectory of the three cohorts. Thus, they indicate that lack of instruction reduces the “probability” of incorporation into the first job and that an additional year of education increases the likelihood of securing one’s first job. Moreover, the authors point out that the restrictions imposed by marital

status are reduced by high levels of educational attainment. Lastly, although there is an increase in the proportion of women in professional occupations in the first job and domestic work is reduced between the oldest cohort born in the 1930s and the youngest cohort born in the 1960s, when social status and the conditions of the period are controlled for, the effect is different, meaning that the intermediate cohort is less likely to be inserted in professional or office occupations than the mature cohort.

Recently, Solis (2002) specifically studied the intergenerational mobility of a group of men living in the third largest city in Mexico (Monterrey). The author holds that despite advances in education levels and a rising occupational movement between generations, the social origin of the men studied is still an important determinant in occupational status, either as a direct effect or as an indirect effect through education.

The discussion will now focus on the link between sons' and parents' occupations measured by the role played by education.

THE ROLE OF FATHERS' OCCUPATIONAL STATUS AND EDUCATION IN THE OCCUPATIONAL STATUS OF THEIR OFFSPRING: 1930s, 1950s and 1960s GENERATIONS

The study carried out for the 1930s, 1950s and 1960s cohorts found that in urban contexts, the first cohort displayed a significant rise in occupation in comparison with their fathers whereas in rural settings, the possibilities of inter-generational upward mobility were more clearly reflected in the second cohort, in other words, these movements occurred before the 1980s.

In general terms, on the basis of multinomial regression, it is striking that the type of factor that could explain the likelihood of engaging in either occupation depends on the type of occupation involved. Thus, in non-manual occupations, an individual factor predominates (education) whereas in manual occupations, the family factor is important (in other words, the father's occupation). Lastly, in agricultural occupations, the individual factor (education) is also important, while the family factor is significant (Table).

However, this general overview changes when one analyzes the importance of each of the factors within each type of occupation. In non-manual occupations, the likelihood that a person who has completed high school does not engage in manual tasks is fairly high (77.1%) but if he has only completed junior high school or the equivalent, the probability is much lower (28.9%).

In other words, at least 12 years of study are required to have a high likelihood of entering the labor force with a more skilled job. A second explanatory factor is the father's occupation. If the father engaged in non-manual occupations, the likelihood of engaging in non-manual occupations in very close to 40% which brings us to the issue of generational resistance, meaning that a person remains in this activity rather than shifting to one with a lower job status (Table).

For manual occupations -whether semi-skilled or skilled- the main factor is the father's occupation, which we could interpret as the generational reproduction of occupation (if the father was engaged in a semi-skilled or skilled manual occupation, male offspring would have a 60% likelihood of remaining in the same occupational status at 30). If the father engaged in an unskilled manual occupation, the likelihood that male offspring would engage in semi-skilled or skilled manual occupations is 52.4%, in other words, there would be a degree of upward mobility (Table) The likelihood of being engaged in semi-skilled or skilled manual occupations is explained by having a certain type of education. Having completed junior high school or the equivalent rather than elementary school or the equivalent reduces the possibility of engaging in this type of occupation by 10 percentage points. However, there is a 44.4% probability of engaging in this occupation if the child has merely completed junior high school or the equivalent (Table).

For unskilled manual occupations, the main factor is the father's occupation, which once again speaks of the generational reproduction of occupation. In this case, however, the effect is less intense than in the case of semi-skilled or skilled manual occupations (if the father had engaged in an unskilled manual occupation, male offspring would have a 23.6% likelihood of remaining in the same occupational status at the age of 30). At the same time, compared with the result that points to upward mobility in semi-skilled and skilled manual occupations, this occupation does not display a clear process of mobility (Table).

Lastly, determinant factors in agricultural occupations include an individual element (not having gone to school determines 30% of the likelihood of engaging in this occupation) and a family one (there is a 25% probability that sons will be agricultural workers when the fathers were). At the same time, if the son entered the labor market before the age of 18, he is twice as likely to remain in this occupation than if he had entered it after the age of 18.

THE ROLE OF FATHERS' OCCUPATIONAL STATUS AND EDUCATION IN THE OCCUPATIONAL STATUS OF THEIR OFFSPRING: 1980s and 1990s GENERATIONS

This exercise, carried out using the 2010 National Employment Survey, uses information on male offspring. The first explorations have already been carried out and some preliminary results obtained.

Given that the link between sons' and fathers' occupations is mediated by various factors, a relational model was used (loglinear). Thus, by attempting to explore the possible links established between the fathers' and sons' occupational structures, and controlling for different life experiences (approximated by different cohorts and spheres of residence), it was found that the link between the sons' and fathers' occupations was mediated by the type of geographical locality or the birth cohort. In other words, we can explain the link through the various geographical spheres or else through the different life experiences undergone by the various cohorts.

As for the factors that determine the likelihood that sons would have engaged in different types of occupation from their fathers', an initial exploration found that in a comparison of the two generations -1980s and 1990s, in the 1980s generation, the education variable is more important in explaining the likelihood of engaging in non-manual occupations ─which are regarded as more highly skilled─ whereas in the case of manual occupations, the father's occupation continues to be the most explanatory factor. Given this first result, the final model will attempt to control for the different economic moments at the time of birth.

Table Multinominal regression of occupational status of *ego* at the age of 30					
	Likelihood of having occupational status of>				
	Skilled non-manual agricultural worker	**Unskilled non-manual non-agricultural worker**	**Semi-skilled or skilled manual worker**	**Non-manual**	**Number of cases**
Educational attainment					
High school and more	2.8	5.0	14.4	77.7	251
Junior high school or equivalent	14.2	12.1	44.4	29.2	141
Elementary school or equivalent	17.5	18.9	53.1	10.5	475
Did not go to school	27.8	16.9	44.6	10.7	116
Father's occupation					
Non-manual	6.3	14.5	42.1	37.1	147
Manual	4.5	15.7	57.6	22.2	248
Unskilled non-agricultural manual worker	6.6	23.6	52.4	17.3	23
Skilled non-manual worker	26.6	14.0	37.2	22.2	565
Cohort					
1936-1938	16.3	15.5	37.9	30.2	329
1951-1953	13.9	12.2	44.4	29.5	335
1966-1968	11.5	19.1	52.5	16.9	319
Locality at age 30					
Urban	6.5	20.7	42.4	30.4	466
Rural	25.7	11.0	43.7	19.5	517
Age at first job					
Under 18	17.7	15.2	42.2	24.9	680
Over 18	8.0	16.0	50.8	25.2	303
N	304	106	310	263	

Source: Encuesta Nacional Demográfica Retrospectiva (EDER), own calculations

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