European Foundation for the Improvement of Living and Working Conditions

Occupational mobility in Europe

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Country codes and groupings

EU15 (former 15 'old' Member States pre-enlargement 2004)

AT	Austria
BE	Belgium
DK	Denmark
FI	Finland
FR	France
DE	Germany
EL	Greece
IE	Ireland
IT	Italy
LU	Luxembourg
NL	Netherlands
PT	Portugal
ES	Spain
SE	Sweden
UK	United Kingdom

NMS (10 new Member States that joined the EU in May 2004)

CZ	Czech Republic
CY	Cyprus
EE	Estonia
HU	Hungary
LV	Latvia
LT	Lithuania
MT	Malta
PL	Poland
SK	Slovakia
SI	Slovenia

For the analysis of this report, all EU25 countries were grouped in country clusters based on the prevailing employment regime in each country (covering all EU25 Member States).

Employment regime categories

Liberal	Ireland and United Kingdom
Social-democratic	Denmark, Finland and Sweden
Conservative	Austria, Belgium, France, Germany, Luxembourg and the Netherlands
Mediterranean fourth world regime	Cyprus, Italy, Greece, Malta, Portugal and Spain
Post-socialist conservative	Czech Republic, Hungary, Poland, Slovenia, Slovakia
Post-socialist liberal	Estonia, Latvia and Lithuania

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Research project: Analysis of Eurobarometer data on mobility

Introduction

With the accession of 10 new Member States to the European Union in May 2004, the issue of geographical and labour market mobility within Europe has risen to the top of the EU policy agenda. The European Commission designated the year 2006 as 'European Year of Workers' Mobility'. The initiative aimed to inform EU citizens about the following issues: the benefits and the costs of both geographical mobility and job or labour market mobility; the realities of working in another country or changing job or career; and the rights and entitlements of migrant workers. The initiative also aimed to promote the exchange of good practice between public authorities and institutions, the social partners and the private sector, and to promote further examination of the scale and nature of geographical and job mobility within the Union.

In order to get a better view on the complex phenomenon of mobility in Europe, the European Commission carried out a Eurobarometer survey on geographical and labour market mobility in September 2005 (EB 64.1). The European Foundation for the Improvement of Living and Working Conditions analysed the findings of the survey and published different aspects in a series of six publications. The first is an overview report by Vandenbrande et al (2006), which presents a descriptive analysis of the data collected and examines four key areas of research: EU policy, geographical mobility, job mobility and restricted mobility. Five in-depth reports deal with a specific aspect of mobility. The present report focuses on occupational mobility and social category. Other reports deal with the economic benefits of mobility, international and regional migration intentions, the effects of mobility on job satisfaction, and voluntary and forced job mobility. All reports are available on the Foundation website at **http://www.eurofound.europa.eu/areas/populationandsociety/migration.htm**

It can be argued that globalisation has caused a rise in employment flexibility in all Organisation for Economic Co-operation and Development (OECD) countries over the past few decades (Castells, 2000). Company and organisational restructuring, which are stimulated by the globalisation process, and the associated shift in bargaining power between capital and labour, are at the core of the macro changes in the labour market. These transformations have paved the way for employment flexibility. This is evident when one considers the weakening of dismissal protection, the diffusion of fixed-term employment contracts, part-time work, and semi-independent forms of employment. Some theorists claim that the rapid change in the world economy has led to new forms of social mobility, destroying long-term employment relationships. However – as Auer (2006) emphasises – there is empirical evidence which flies in the face of the assumption that growing employment flexibility leads to the disappearance of all traditional long-term employment relationships. Employment stability in the OECD countries, measured by average tenure, has hardly changed since the 1990s. Nonetheless, Auer also stresses that while the average tenure remains unchanged, its different components have been subject to change. In many countries, even though a substantial increase in temporary or fixed-term jobs can be observed, these increases are often matched by an increase in longer tenure jobs. This points to a continuing and possibly an increasing segmentation between young and mid-career employees in particular.

One of the central issues in this study focuses on the question of whether increasing employment flexibility trajectories result in individualised inequalities or – on the contrary – lead to the strengthening of prevailing inequality structures. Who are the winners and the losers of these transformations? Could it be the case, as proposed by Beck (1992; 2000), that there will be increased inequality and instability for all individuals independently of their resources? Or, as claimed by authors such as Goldthorpe (2002) and Breen (1997), should it be expected that traditional inequality patterns based on occupational category will persist? In other words, does occupational category shelter certain people more against the risk of downward mobility? More generally, does it become an 'empty' concept that no longer serves as an important predictor of life chances in modern Europe, or is it the case that certain institutional filters channel uncertainty and inequality into specific groups more than into others?

Another question relates to how increasing employment flexibility and changing labour market structures impact on the occupational careers of people across various employment regimes. More specifically, this research looks at how the domestic institutions across the different countries filter the transformations brought into play by employment flexibility.

Countries differ significantly with respect to the strength of their labour market regulations, the nature of their policies sustaining employment and the characteristics of their educational system. How do these differences affect an individual's occupational category category trajectory? Does the trend towards more flexible labour markets cause professional careers in various societies to become more alike? Is there a convergence in career patterns, or are these changes strongly path-dependent and divergent?

In particular, the study investigates whether there has been a convergence in occupational category distribution in European countries, due to factors such as large labour market changes, rapid technological development and an overall increase in the educational level.occupational category Are the rising numbers of the well-educated managerial and professional classes, and the declining number of (unskilled) industrial and agricultural worker classes, the prevailing phenomena in all European Union countries? Due to the rapidly growing services sector, is it possible that a new service working class has been evolving in the European labour market, which inhibits any chance of career advancement? Perhaps these routine service positions have a transitory character, and therefore serve as a 'bridge' to more rewarding jobs depending on institutional settings. More generally, the research investigates whether rising job mobility rates result in an increasing occupational category category mobility in the European labour market, or whether initial occupational category category position becomes a 'lifetime experience', because career mobility chances across occupational segments have actually been decreasing. In comparison to the job mobility approach, this research considers social chances and life prospects in the EU25 nations, raising the issue of 'trap versus bridge' in the stratification system.

The Eurobarometer survey allows for a good opportunity to reply to these questions, and to investigate the issues raised in a more thorough manner. In spite of its cross-section character, the data set include a lot of information on the features of employment positions at crucial points of individuals' working lives. The real uniqueness of this research is that it covers all European Union countries, providing an excellent opportunity to compare employment mobility patterns in both 'old' and 'new' Member States.

For a better overview, the EU25 countries are grouped into six clusters. These clusters are based essentially on Esping-Andersen's welfare regime typology, with the addition of the new EU Member States (NMS) to the classification. The class structure of the EU25 societies is investigated, and comparisons are drawn through an examination of the following: economic development; the level of post-industrialisation; the degree of turning into a service society; historical factors; institutional settings; and characteristics of the educational system in relation to the labour market. On the whole, growing similarities within the EU25 countries can be observed, but regime-specific differences remain.

In a more analytical manner, this report examines the path leading from labour market entry to a current class position, the so-called worklife class mobility. In addition, it explores occupational mobility at different stages of an individual's career, by comparing the prior and the most recent occupations held by individuals. Descriptive results reveal that only about a fifth of the EU25 labour force has changed its class position by changing occupation. For both the descriptive and the analytical approaches to class changes, regression analysis is applied in order to explore the determinants of class mobility, and estimates are presented on the odds of upward and downward class mobility. From these analyses, human capital investments turn out to be a major predictor of class mobility, success or failure. The level at which an individual enters the labour market is very significant. Privileged service class entry saves an individual from career failure. In terms of success versus failure, routine service class is more likely to be a 'bridge', while unskilled labour class is more a 'trap'. Differences in relation to the various employment regimes are markedly present across the 25 European countries. Within the EU25, the clusters of countries with a high level of class mobility can clearly be separated from the clusters of countries where class mobility is relatively low.

Theoretical framework 1

Individualisation of inequalities or enforcing occupational category cleavages

This analysis mainly focuses on the question of which groups of individuals are particularly affected by growing employment flexibility in respect of their occupational career. Two opposing views exist on the implications of labour market restructuring on social inequalities: the 'individualisation thesis' and the 'persisting (increasing) inequalities' approach.

The first perspective is traced back to Beck's risk society thesis (1992, 2000), and is also mirrored in Giddens' (1994) work. According to Beck, a new form of risk shakes up the logic of class structure. The idea of class structure is tied to the nation state but, today, an analysis of inequalities must be linked to processes operating within the world economy. Globalisation serves to loosen the link between economic and social inequalities, and also the class position of individuals. For Beck, therefore, social inequalities become, by their very nature, increasingly 'classless'. Modern world capitalism is 'capitalism without work'. For Giddens (1994), 'class is no longer experienced as class' but rather as a variety of constraints and opportunities, in the formation of which employment flexibility plays a crucial role.

The opposite perspective can be found in the large body of research on social stratification and mobility. Numerous studies, carried out in the last decades, have pointed to the persistence of social class structuring the opportunities and constraints of the different aspects of the life course. (With regard to the transmission of educational inequalities, see Blossfeld and Shavit (1993); concerning the intergenerational occupational mobility chances, see Erikson and Goldthorpe (1992) and Breen (2004).) In brief, this perspective focuses on the major changes in the labour markets of modern societies that have occurred due to organisational restructuring, pursued by managements, to cope with increasing volatility in a globalising world (Breen, 1997; Goldthorpe, 2002).

According to a crucial argument of 'individualisation' theory, the continuity of class membership – both between and within generations – has been disappearing. Now fewer people tend to follow in their parents' career footsteps. This leads to a significantly higher level of mobility between the different segments of jobs than was ever the case before. Beck (1992 and 1988) claims 'that what were formerly "class biographies" and "somewhat ascribed" are now being transformed into "reflexive biographies" that "depend on the decisions of the actor".' However, the research on intergenerational class mobility has amply demonstrated that the net association between class origin and destination appears to be characterised by a high degree of temporal stability that only weakens slowly over time in the majority of industrialised countries (Breen and Luijkx, 2004). Furthermore, the individualisation thesis claims that class is not a 'lifetime experience' anymore, because job mobility over the course of a person's working life has been on the increase, which tends to 'eliminate' the boundaries of occupational classes. However, Goldthorpe (2002) emphasises that there is empirical evidence, according to which the professional and managerial class in modern societies can be characterised by a particularly high level of retention. In other words, modern societies' professionals and managers show a low level of career occupational mobility. This pattern seems to be unaffected by the rapid growth of this occupational class. Moreover, class mobility over the life course appears to be also decreasing in the manual occupational class, at least partly as a result of changes in the recruitment process for professional, administrative and managerial positions. Recruitment of people to these positions is now more often made by seeking highly educated graduates, rather than through promotions (upward worklife mobility) (Gershuny, 1993). Thus, while job mobility is undoubtedly higher now than it was before, the worklife mobility across occupational classes might be decreasing. In other words, 'class is, if anything, becoming more of a "lifetime experience"' (Goldthorpe, 2002, p. 14). This means that for understanding the 'new inequalities' generated by a growing level of employment flexibility, the 'old' concept of occupational class, which is based on the differentiation of employment relations, still seems to be of particular importance.

This study applies the widely used and accepted 'Goldthorpe scheme' which distinguishes three basic employment positions: employers, self-employed and employees (Erikson and Goldthorpe, 1992; Goldthorpe, 2000). Employees are

further divided into a number of sub-groups according to the type of employment contract they have and the way their work is regulated by employers. For this purpose, the scheme distinguishes two basic contract types: the labour contract and the service relationship. These different forms of employment relationships are conceived as a response to the degree of monitoring at work, and qualification-asset specificity problems in different work situations. The labour contract may be used in work situations with low monitoring problems and low asset specificity. In this case, a certain amount of labour is purchased on a piece or time-rate basis, with unskilled work being the most typical example. In contrast, the service relationship is a more adequate response for work situations with high monitoring problems and high asset specificity. It constitutes a relatively long-term contractual exchange, in which compensation for service to the employing organisation comprises a salary, important prospective elements such as salary increments and expectations of continuity of employment, and promotion as well as career opportunities. A so-called 'mixed relationship' is a modified version of these basic forms of the labour contract and the service relationship; such mixed relationships are likely to occur with supervisory, lower-level technicians, and clerical workers (routine non-manual), on the one hand, and lower-level professionals, managers, and higher-level technicians, on the other.

In terms of the 'Goldthorpe scheme', it is likely that industrial unskilled workers and routine service workers will end up being most exposed to employment flexibility while managers and professionals appear to be least exposed to the rise in employment flexibility. Clerical workers and supervisors, as well as skilled manual workers, might be placed in an intermediate position. Moreover, flexible labour market positions have very different implications at different levels of employment relations. For instance, upper and lower professionals in temporary jobs might be in a more advantageous situation than unskilled workers or service workers and salespersons in these contracts. For the former, non-standard work may serve as a 'bridge' into a permanent, standard, 'career-oriented' position, but for the latter group of workers, a temporary job might become a 'trap'.

Effect of increasing qualification levels

The last decade witnessed a growing demand for highly educated personnel, at the expense of displacing poorly qualified workers. Generally, this is referred to as the process of skill-biased technical change, the idea that technology is biased in favour of skilled labour and against unskilled workers (Katz and Autor, 1999). According to this approach, the unskilled are the losers, and the skilled are the winners in the growing labour market flexibility (e.g., DiPrete and McManus, 1996). It is also well-documented in the literature that there is a trend towards increasing qualification levels in all – even in the worst – jobs (e.g., Goos and Manning, 2004). Two possible interpretations of this are mentioned here. First, there has been skilled-biased technological change within all jobs; second, as the educational attainment of all population groups has risen, some well-educated employees are forced into the low-skill jobs at the bottom end of the occupational distribution. The latter view gives an explanation for the tendency towards a simultaneous rise in a return to education (since the demand for educated workers has risen as the number of good jobs has increased), and in the increasing level of over-education. Moreover, the educational expansion has reduced the share of poorly-educated individuals at a faster rate than the decline of jobs with low education requirements. In addition, the less educated depend more on the general demand for labour than those more highly qualified. When the general demand for jobs declines (and employers are reluctant to create new positions), it is particularly difficult for persons with low education to find employment, due to the fact that well-educated people will increase the competition even for 'low quality' jobs (Aberg, 2003). The result might be that, on the one hand, the less educated are crowded out of the labour market, and on the other, the risk of being employed in a disadvantageous occupational position is increasing even for the relatively higher educated. The question is whether these 'bad' positions have a 'transitory character' to a better labour market status, or is it the case that they mean 'entrapment.'

‘Trap’ versus ‘bridge’

As was mentioned in the introduction, one of the central questions of this study is whether a non-optimal occupational standing – represented by industrial and routine service unskilled class positions here, following the ‘Goldthorpe scheme’ – has a long-lasting detrimental effect on the subsequent employment trajectories (e.g. the lack of chances of any upward mobility), or perhaps it has a transitory character, leading to a career stabilisation (in other words, to a ‘career-type’ labour market position). There are two major lines of theoretical approaches concerning this: the stepping-stone and the entrapment hypothesis. The former emphasises the temporal character of occupation, and assumes upward mobility, especially during the first phase of the career. On the contrary, the latter stresses that a ‘bad entry’ has salient negative consequences for further upward mobility chances.

Theoretically, the stepping-stone hypothesis is derived from the economic theory of career mobility (Sicherman, 1991). According to this approach, an inadequate status at the early career phase plays a significant role in the chance of moving to a higher-ranked position later on. The theory predicts that relatively highly-educated employees may be temporarily observed in jobs for which they seem to be overqualified (such as in routine service or unskilled occupations), but which may provide them with skills to be used later in a higher level status. In other words, these workers might acquire useful experience, helping them to move upward during their career (chiefly in the first phase). Hence, being employed in an ‘under-qualified’ position might be a rational choice for both sides, employees and employers, and it is regarded as a short-term mismatch occurring mainly at the beginning of an employment career. Sicherman’s (1991) own empirical tests for US data confirmed these expectations: well-educated persons in unskilled job positions (e.g. those who are over-educated) had better upward career mobility prospects than adequately educated workers in the same jobs. In the UK, the effect of over-education in the first job also proved to be positive on the chance of status gain later, implying that the relatively highly educated, and over-qualified employees, can manage to move out of low-level jobs (Scherer, 2005). However, replicating Sicherman’s multivariate model with the German data, a slightly different pattern of results was obtained. This saw that those working in jobs for which they are over-qualified are significantly less likely to move upwards (Büchel and Mertens, 2004).

In its general form, the entrapment hypothesis can be derived from the segmentation theory (Doeringer and Piore, 1971). The standpoint is that globalisation generates uncertainty for organisations, which requires them to react rapidly and flexibly based on restricted amounts of information. This makes firms less able to predict the future, forcing them to employ more and more workers in flexible forms. But organisations increasingly face ambivalent goals, since they also need to invest in the maintenance and trust of their workforce. This may lead to a segmentation of the labour market, distinguishing its ‘core’ and ‘periphery’ parts (Capelli and Neumark, 2004). The ‘core’ one offers long-term, stable employment with structured and predictable career opportunities. On the other hand, jobs in the ‘periphery’ segment are attached to lower skill requirements, lower wages, fewer career prospects, and unstable employment trajectories. In this segment, the primary goal of employers is to hire and fire workers without expensive dismissal costs (in order to regulate short-term fluctuations in demand). This means that non-optimal positions are found in the ‘periphery’ segment of the labour market to a greater extent than they are found in the ‘core’ segment. Moreover, the mobility flows between the two parts of the labour market might be limited, resulting in a possible entrapment in the ‘periphery’ for employees in ‘bad’ (entry) jobs.

In addition, ‘bad’ employment positions, for instance unskilled, routine jobs, can also be considered by potential employers as a ‘signal’ of the lack of the applicant’s skills, abilities, and qualifications. This is because these jobs are not accompanied by the same opportunities for further (general and specific) training as are ‘normal’, ‘career-oriented’ positions (Goudswaard and Andries, 2002). Overall, it can result in a lower accumulation of human capital among employees in these jobs, leading to fewer chances for further career advancements. In other words, also in the framework of human capital theory, non-optimal labour market positions might have a detrimental effect on subsequent occupational mobility chances.

All in all, the abovementioned literature does not provide consistent empirical evidence on the role of non-optimal occupational positions for the chances and the risks of subsequent employment careers in different countries. Some results support the arguments of the stepping-stone approach, but others work in favour of the entrapment hypothesis. It can be predicted that findings depend to a large extent on the institutional framework of the given country, comprising the vocational system, labour market regulations and policies sustaining employment. For instance, in regimes with closed employment relationships, working in an 'under-qualified' position (e.g. with post-secondary qualification in a routine service job), might have a particularly detrimental effect on subsequent career chances, because in the case of a 'bad' (first) job, it is difficult to get back on track. While in countries with open employment systems, a non-optimal job might serve as a stepping-stone to a better, secured labour market position.

Role of institutional settings and types of employment regime

Institutional structures act as intervening factors between global macro-forces and responses of individual actors on the micro-level. Accordingly, an appropriate approach to reveal cross-national differences in labour market trajectories has to rely on a systematic consideration of the national institutional settings (the system of welfare state, the employment regulation, as well as the training institutions) and the interplay of them (DiPrete, 2002).

Undoubtedly, in modern societies there is a common trend towards deregulation of the labour market (Esping-Andersen and Regini, 2000). One of the most apparent indicators of the extent of this 'deregulation' is the strictness of employment protection legislation (EPL) in a given country. EPL is an important element of labour market policies, with a general purpose to stabilise existing employment relationships. To fulfil this outcome, EPL comprises a set of rules governing the hiring and firing process, and can be provided through labour legislation and collective bargaining agreements. It refers to the protection of regular employment, and the regulation of temporary work. The overall measure of EPL-strictness suggested and used by OECD (2004), relies on three main components: protection of regular workers against (individual) dismissal, specific requirements for collective dismissals, and finally, regulation of temporary forms of employment.

The strength of EPL does influence the individual's work history: the stricter EPL is reflected in fewer employment changes, namely less job mobility. In these circumstances employers find it more difficult to terminate jobs, and therefore employees tend to experience higher levels of job security. In addition, as Gangl (2003) stresses, EPL might have an impact on status or occupational mobility: the strict legislation, by stabilising the existing job-person matches, may reduce the risk of downward mobility associated with involuntary job changes. However, as it is also emphasised by Gangl, if strict EPL tends to stabilise existing job-person matches, this implies a relatively low vacancy levels in external labour markets, generally reducing employees' upward occupational mobility chances. Analysing the early career patterns in numerous European countries, Gangl reports findings which work in favour with these hypotheses: the overall amount of occupational status mobility, and especially upward shifts, proved to be negatively related to the strictness of EPL for young labour market entrants.

Apart from EPL, labour market risks and insecurities are channelled and influenced by policies sustaining employment. As Gangl (2004) pointed out, in countries with strong transfer-oriented or passive labour market measures, such as high unemployment benefits and assistance, income support provides financial resources for unemployed workers to eliminate some of the immediate material strains of being without an employment income. This means that workers can afford to search more selectively for adequate employment in terms of an education-occupation match, or indeed of income, rather than being forced to accept the immediately available, but less rewarding job offers. In other words, due to these financial support measures, an individual's costs to search for the right opportunity remain low; thus, these measures promote selective job seeking for unemployed persons which, in turn, leads to a relatively low rate of job and occupational mobility. However, in nations with moderate or lacking income transfers for the unemployed, workers are

forced to take the less attractive jobs, resulting in increasing level of mismatching between qualification and occupation, as well as reinforcing both downward and upward occupational mobility. It also has to be stressed that in countries where a large emphasis is put on developing and using policy measures to actively sustain employment, such as retraining and mobility grants, the rate of job and occupational mobility might be relatively high.

Based on the strictness of EPL that means the extent of labour market flexibility provided for and the properties of policies sustaining employment, combined with the well-known Esping-Andersen categorisation, the countries of the EU25 were organised into six categories. In the case of four of the Esping-Andersen categories, the exact terms are applied literally in this analysis (1990, 1999). The liberal welfare regime denotes mainly the British Isles (Ireland and the UK); the social-democratic welfare regime is virtually identical with the Nordic countries (Denmark, Finland and Sweden); the conservative welfare regime refers mainly to the continental European countries (Austria, Belgium, France, Germany, Luxembourg and the Netherlands); and the Mediterranean 'fourth world regime' means southern European countries (Cyprus, Italy, Greece, Malta, Portugal and Spain). The formally socialist NMS were missing from the original employment regime schema. It is believed that these countries have moved away from the social-democratic regime, a regime that they might have been the closest to under the socialist era. While some of these countries are quite close to the liberal regime, others are quite close to the conservative welfare regime (Figure 1).

On the top left of the diagram, there are the social-democratic countries with a relatively high degree of labour market deregulation and pronounced active labour market policies. The best example here is the so-called 'flexicurity system' which exists in Denmark (Auer and Cases, 2000). It is a hybrid employment system that combines a high level of flexibility (weak employment protection legislation), with high security, in the form of generous social welfare and unemployment benefits, In addition, active labour market programmes to address long-term unemployment have been introduced. Countries providing few policy measures to actively and/or passively sustain employment, but displaying high flexibility are on the bottom left of the graph; these countries are labelled – as mentioned above – as the liberal welfare regime. The next group of countries with relatively strict EPL aimed at protecting and promoting the established insider worker, coupled with mainly passive labour market policies, belong to the conservative welfare regime.[1] Following Ferrara's (1996) suggestion, the southern European welfare states have a distinct regime type with familial characteristics, immature and selective labour market policies, and social security systems with poor benefits and lacking a guaranteed minimum assistance. These countries are under the heading of the 'Mediterranean fourth world regime', in short 'Mediterranean'.

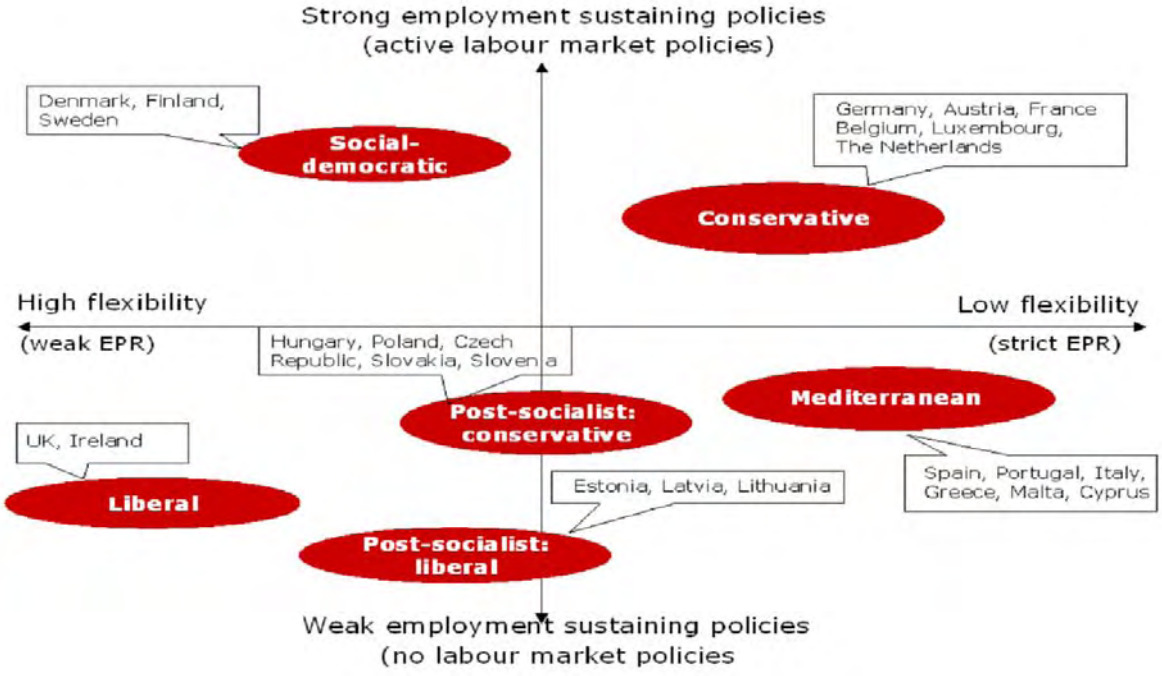
After the collapse of communism, countries belonging to the former Soviet bloc have developed their labour market institutions and welfare policies quite differently, but, some commonalties are also observable. One of the most important characteristics of the transformation economies, relevant for employment mobility, is the increased flexibility of the labour markets. The average index of employment flexibility in post-socialist countries is quite similar to the EU15 average with most transition countries settling in the middle of the scale (Cazes and Nesporova, 2003). This means that the labour markets of these countries are less flexible than that of the UK for example, but certainly not as rigid as labour markets in southern Europe. Nevertheless, there is a remarkable variation in this respect. EPL shows the lowest values for Hungary and Poland (in other words, these labour markets are the most flexible), and the highest value for Slovenia; the Baltic countries, Estonia, Latvia and Lithuania, are somewhere in between. In reality, however, the Baltic countries are much more flexible, due to the fact that employers, especially in the private sector, are unwilling to follow

[1] The Netherlands is included in this cluster; however, it should be noted that labour market policies in this country have evolved towards active employment sustaining policies in the 1990s. This is similar in most respects to the policy approach in social-democratic countries (Muffels and Luijkx, 2006).

the legal regulation of the labour market (Saar, 2005). With regard to policies sustaining employment, compared to the rest of the EU, post-socialist countries spend significantly less on these measures (Riboud et al, 2002). In this respect, substantial cross-national variation can be detected again. For example, Slovenia spends almost 10 times more of its GDP on employment policies than Estonia does (OECD, 2003). In addition, over the past decade, unemployment insurance systems have increasingly become less generous in almost all transitional countries. This tendency can be demonstrated by the reduction of the level of benefit payments in real terms and in their duration, as well as the tightening of eligibility conditions (Cazes and Nesporova, 2003).

All in all, according to Cedefop (2001), the majority of post-socialist countries, but especially the Baltic nations, have been gradually moving away from the model of regulated inclusion – being typical to occupational labour markets (such as Germany) – to the model of competitive regulation, which is a more typical to flexible labour markets of countries in liberal regime. In a competitive regulation setting, employers look for short-term profitability as employment protection and union power are very weak. Taking these characteristics of post-socialist systems into account, two groups have been identified: the liberal group comprises the Baltic countries, with a more flexible labour market and lacking policies sustaining employment; the conservative one consists of the central European countries, with mostly transfer-oriented labour market measures, and moderate extent of employment protection legislation.

Figure 1: *Employment regimes*



In addition to the different facets of labour market institutions and policies, the chances and risks of employment mobility are strongly dependent on the type of the educational system of a country. The organisation of the schooling and vocational system has far-reaching implications for the speed of employment entry, the matching quality between qualification and jobs, and the mobility processes in the course of employment career (Shavit and Müller, 1998).

Allmendinger (1989) has introduced a widely-used typology for the classification of educational systems, which takes two dimensions into account: the extent of standardisation and social stratification. Standardisation denotes 'the degree to which the quality of education meets the same standards nationwide' (Allmendinger, 1989, p. 46). Stratification refers to the numbers and types of transitions available to the next schooling level. In standardised systems, certificates generally provide employers with reliable information about the suitability of employees. This results in smooth transitions between the educational and the occupational systems. Stratified systems provide companies with pre-selections of individuals based on their performance evaluated by schools. Thus, the extent of standardisation and stratification affects the matching processes between Eurobarometer data, own calculations and work, especially at labour market entry. This crucially determines upward and downward mobility over the working lives.

Besides the general structure of an educational system, another attribute is of particular relevance, which is the extent of vocational specificity. In training systems where the degree of this specificity is high, certificates set a strong informal signal for employers, and the recruitment to positions takes place directly. Under these conditions, the selection process for a job is not necessarily extended to include a trial period during which the employer can assess an employee's performance. Job assignments can be done rapidly and might be stable, because employers are less likely to change their minds later on. In the case of a high degree of vocational specificity, the match between the qualification and the labour market entry occupation is rather strong, decreasing the chance and the risk of subsequent occupational mobility during the life course. The adequate matching of jobs and workers is more difficult if the vocational specificity is low, resulting in a longer searching time for the first job and, probably, higher occupational mobility rates. According to these lines, experts tend to distinguish qualification and organisation mobility space, where Germany and France are examples of the first and second systems (Maurice and Sellier, 1979).

Table 1 shows the degree of vocational specificity of the training systems in the EU25 (as it is proxied by the proportion of students in vocational programmes at upper secondary educational level) according to the different employment regimes. Schooling systems in countries in the conservative and the conservative-type post-socialist clusters can be characterised by a high, or at least medium, level of vocational specificity. As a result of the large proportion of persons in the general secondary educational track, liberal-type post-socialist and Mediterranean regimes are similar to one another. Academic-type secondary education with a low level of vocational specificity is also the predominant form in liberal countries, especially in Ireland. The training institutions in the social-democratic countries can be described as a system with medium level of vocational specificity.

Of course, the vocational specificity of the educational training system and EPL do not work independently of one another, rather they interplay (Breen, 2005; Scherer, 2005). In case of high vocational specificity, the importance of employment relations might be less. In these circumstances, the qualification–occupation match is high, and employers tend to make their hiring decisions without waiting to assess the employees' performance on the job. However, when the education–occupation mismatch is high, due to the lack of qualification signals provided by the training system, the rate and the speed of finding a new position substantially depend on the strictness of EPL. When existing employment relationships are strongly protected, employers are reluctant to create new job offers or to fill existing vacancies. This might result in a relatively long period for school leavers to find employment, in addition to a relatively low rate of occupational mobility during the working lives.

Table 1: *Degree of vocational specificity of training systems, by employment regime, EU25*

	High	Medium	Low
Social-democratic	-	Denmark, Finland, Sweden	-
Liberal	-	UK	Ireland
Conservative	Austria, Belgium, Germany, Luxembourg,	France, Netherlands	-
Mediterranean	-	-	Cyprus, Greece, Italy, Malta, Portugal, Spain
Post-socialist liberal	-	-	Estonia, Latvia, Lithuania
Post-socialist conservative	Czech Republic, Slovakia, Slovenia	Hungary, Poland	-

Source: *Compiled on the basis of data available in Eurostat, 2005*

Labour market structure in Europe: convergence or divergence? 2

Following the description of the 'Goldthorpe scheme'[2] and its concept of different types of employment relationships, this chapter sketches the occupational category structure of European societies. It also explores the major characteristics of changes in class distribution, focusing on the direction or trends of these changes over time.

Table 2 outlines the class structure across the EU25. Class distribution of employed people is presented by current occupational class. The data are arranged in such a way as to present an overview of all individual countries separately, as well as of the country clusters that were introduced, explained and conceptualised in the previous chapter. This picture of class distribution allows for an illustration, within the scope of employment regimes, of the differences among the country clusters as well as between the individual Member States.

Salariat class (chiefly comprising managers and professionals) accounts for almost one third (30%) of workers in the EU25, with 10% of workers in the upper segment and 20% in the lower category. It is obvious, when compared to other countries, that both social-democratic and liberal countries can be characterised by having a larger upper salariat class. The share of this class is particularly high for Sweden and the UK. In both cases, it accounts for about 44% of the employed population. Substantial variation exits among the former socialist countries. The proportion of upper salariat (senior manager) jobs is more than twice as high in the liberal Baltic countries as it is in most of the more conservative post-socialist countries. This general pattern holds even if there are doubts about the extreme value for Lithuania or about some significant within-regime differences in the conservative post-socialist cluster. On the other hand, the conservative employment regime countries are characterised by a lower number of such jobs, especially in the upper segment. However, striking within-regime differences emerge again. In line with results of Breen and Luijkx (2004), the incidence of the lower salariat class (professionals) is extremely high in the Netherlands while being rather low in Germany. Important country variations can be observed for the family-oriented Mediterranean regime as well, where upper salariat jobs have a smaller share on the average. However, it should be noted that data for Malta or Cyprus are simply not reliable.

Nearly every fourth person in the European labour market occupies a job in the routine non-manual class, which means that 23% of employed people occupy a clerical position. Generally, this type of position is more common in the countries belonging to the conservative regime, and more especially to the Mediterranean regime. The social-democratic regime, and especially the liberal regime, can be characterised by the presence of a lower number of workers of this class, and probably also to some extent by less bureaucracy. This occupational category is not highly represented in the former socialist countries either; the lowest proportion of workers in this class can be observed in the conservative post-socialism nations.

[2] For the Eurobarometer survey, the occupational position is coded in line with the International Standard Classification of Occupations (ISCO) at the two-digit level, which represents one of the main weaknesses of the survey The 'Goldthorpe scheme' was derived from these codes applying a generally used and well documented recode programme (Ganzeboom and Treiman, 1996); the reader should therefore note that the measure developed in this way can be somewhat imperfect in comparison with those based on four-digit ISCO codes.

Across the EU25, the occupational segment comprising routine service employees, such as service workers and salespersons, is smaller (15%) than the mean share of the routine non-manual class. There is only a moderate regime variation in this respect. This type of job is more common in the social-democratic countries (with an extreme value for Finland) while, interestingly, the liberal countries have much fewer jobs of this kind. The reason behind the emergence of this latter pattern might be the fact that the analysis focuses on the current labour market class distribution and not the labour market entry class distribution. It can be assumed that in liberal countries a relatively high number of individuals start their career in routine service jobs, but these positions have a transitory character. This means that their outflow mobility is probably high, leading to a relatively low number of these jobs being represented as current positions (see Scherer, 2005). With regard to which regimes are of note in this regard, the conservative regime, Austria and Germany, and the Mediterranean one, namely Spain and Portugal, can be mentioned as extremes.

Overall the proportion of self-employed workers is quite low at European level, accounting for just 7% of workers. The share of the self-employed farming class is even lower, standing at 2%. In accordance with previous results in the field (e.g. Breen and Luijkx, 2004), an over-representation of self-employment in the family-oriented Mediterranean regime is observed, with Greece being in the extreme. The proportion of artisans and shopkeepers is especially low in the social-democratic countries, as well as in the liberal post-socialist countries. The conservative regime shows relatively high variations with regard to self-employment, with an upper extreme for Austria and a lower extreme for the Netherlands. Concerning the farming class, only two countries of the EU25 show a substantially higher proportion of this class than the EU average: Poland and Greece. This finding is in line with results of other studies (e.g. Mach (2004) in case of Poland).

Table 2: *Distribution of employed persons, by current occupational class, EU25 (%)*

	Upper salariat (Senior managers)	Lower salariat (Professionals)	Routine non-manual (clerical workers)	Routine service (service workers and salespersons	Self-employed	Farmer	Skilled worker	Unskilled worker	Agricultural worker	Total	N
DK	16.4	17.2	21.9	14.8	3.9	0.0	11.7	13.3	.8	100.0	431
FI	14.3	13.5	13.5	26.2	7.9	0.8	9.5	13.5	0.8	100.0	379
SE	29.3	14.9	18.0	15.8	5.0	0.9	6.8	9.0	0.5	100.0	475
Social-democratic	21.9	15.4	17.9	18.5	5.5	0.6	8.6	11.2	0.4	100.0	1285
IE	17.9	19.6	16.1	19.6	5.4	3.6	7.1	8.9	1.8	100.0	248
UK	21.3	22.5	16.0	11.1	6.3	1.3	9.5	11.3	0.7	100.0	330
Liberal	21.2	22.4	16.0	11.6	6.3	1.3	9.4	11.2	0.6	100.0	578
AT	7.6	13.4	23.6	21.0	9.6	0.6	19.7	4.5	..	100.0	363
BE	8.6	21.9	31.8	13.7	5.5	0.4	12.0	5.6	0.4	100.0	426
DE	4.1	13.3	27.3	18.4	7.1	0.3	21.9	6.5	1.2	100.0	557
FR	92	27.9	22.6	15.2	5.7	0.4	5.4	10.2	3.4	100.0	424
LU	10.0	20.0	30.0	20.0	10.0	..	10.0	..	..	100.0	190
NL	6.6	49.3	21.1	13.6	2.9	0.2	2.9	2.7	0.7	100.0	477
Conservative	6.6	23.0	25.1	16.5	6.2	0.4	13.2	7.2	1.8	100.0	2437
CY	18.2	9.1	27.3	9.1	..	..	18.2	18.2	..	100.0	144
EL	11.6	7.3	14.6	13.3	22.7	9.0	8.6	12.9	..	100.0	366
ES	5.5	18.9	23.8	22.3	9.6	1.4	5.3	11.9	1.2	100.0	230
IT	10.0	18.7	36.9	7.7	9.8	1.9	11.0	2.9	1.2	100.0	291
MT	16.7	16.7	16.7	16.7	16.7	..	16.7	..	..	100.0	111
PT	5.1	12.2	21.4	18.4	8.2	1.0	14.3	17.3	2.0	100.0	131
Mediterranean	8.4	16.9	28.5	14.3	11.2	2.5	8.9	8.2	1.0	100.0	1273
EE	13.3	23.3	16.7	13.3	6.7	..	13.3	10.0	3.3	100.0	421
LT	30.2	11.3	9.4	15.1	5.7	..	5.7	20.8	1.9	100.0	238
LV	10.3	24.1	6.9	17.2	6.9	..	13.8	17.2	3.4	100.0	305
Post-socialist liberal	21.4	17.9	9.8	15.2	5.4	0.9	9.8	17.9	1.8	100.0	964
CZ	8.4	14.5	17.2	13.2	11.5	1.3	17.6	14.5	1.8	100.0	393
HU	6.5	12.6	18.1	25.1	8.0	1.5	15.1	11.6	1.5	100.0	297
PL	9.0	20.3	15.6	11.0	4.5	13.5	12.5	13.4	0.3	100.0	276
SI	16.7	25.0	13.9	11.1	2.8	2.8	13.9	13.9	..	100.0	314
SK	14.3	12.9	20.0	14.3	7.1	..	12.9	15.7	2.9	100.0	242
Post-socialist Conservative	9.0	17.6	16.5	13.9	6.5	8.1	13.9	13.5	0.9	100.0	1522
EU25	10.1	20.3	22.9	15.2	7.3	2.1	11.6	9.2	1.3	100.0	8059

Source: *Eurobarometer data, own calculations*

Altogether about every fifth person in the EU25 labour force holds a job in the 'worker class'. Generally, the percentage of skilled workers, representing 11% of the EU25 labour force, is slightly higher than that of unskilled workers, at 9%. Exceptions are seen in the social-democratic and liberal countries where the size of the unskilled worker class is somewhat larger. The incidence of unskilled industrial jobs is highest in post-socialist societies, particularly in the Baltic countries. Undoubtedly, the explanation for it is to be found in the communist ideology, which put a large emphasis on the glorification of manual labour. As Szelényi (1998) pointed out with regard to Hungary, a hybrid occupational structure had developed under communism, with an increased managerial and professional class on the one hand, and an expanding skilled and unskilled industrial labour class, on the other. All of these facts indicate that post-socialist countries may need some more time to overcome the 40 years of socialist planned economy, which was highly focused on industrialisation. Not surprisingly, the skilled worker class is also quite important in some of the conservative regime countries, for example in Germany and Austria, where the educational system is strongly vocational training oriented.

In line with the economic restructuring in all EU25 countries, the agricultural worker class is hardly detectable in the European labour market, standing at just over 1%.

The class structure outlined above is obviously an outcome of temporal changes. It is now necessary to explore the most important characteristics of these alterations, by looking at the distribution of people in their first occupational category according to the year of labour market entry. Figure 2 illustrates the results of this analysis, focusing on the six country clusters only. In the figures, the vertical axes show the percentages while the horizontal axes indicate the time horizon captured by labour market entry cohorts; the lines display the changes in the occupational category structure over time for the different clusters.

Before looking at the results, it is worth referring to a recent analysis by Breen and Luijkx (2004). They investigated temporal changes in class distribution in 11 European societies, based on data from repeated surveys from the 1970s, 1980s, and 1990s. The authors compare the changes in occupational category structure over these three decades by presenting dissimilarity indices, which measure the distribution of the occupational groups across different geographical areas. The results of their analysis clearly show a general pattern of convergence in occupational category structure of the countries covered. The most important elements of the temporal changes behind this convergence pattern were as follows: a general increase in the share of the salariat class, a slight decrease in the size of the unskilled worker class, a more substantial decrease in the proportion of the agricultural worker and farming class, and the constancy in the size of the clerical and skilled worker classes.

The strategy of this analysis differs from that applied by Breen and Luijkx to some extent for the following two reasons. First, the Eurobarometer survey represents a one-time cross-sectional data set and thus a cohort approach was employed in order to investigate changes over time; and secondly, research was carried out using the occupational category at labour market entry[3] instead of the current class distribution. This is due to the fact that Eurobarometer data on present occupation is available only for those who were employed at the time of interview.

According to the survey findings, the size of the salariat class increased in all country clusters, except in the conservative post-socialist societies. The rate of increase appears to be higher for the latest labour market entry cohort; this is particularly the case of the social-democratic and the Mediterranean regimes. For the 1991–2005 employment cohort, on average, about 25%–30% of the respondents entered the labour market at managerial or professional job level; this

[3] Since information on the self-employment status was available only for the current employment in the survey, self-employed persons are designated as employees. Undoubtedly, this is another major shortcoming of the Eurobarometer research.

proportion, however, was considerably lower, only 20% of the respondents, in the central and eastern European (CEE) countries.

The share of the routine non-manual class as an entry position varies substantially between the different employment regimes for all labour market cohorts. The most striking rise over time appears for the family-oriented, Mediterranean employment regime, by about 12 percentage points since 1956; this results in a pattern where about every third respondent, belonging to the most recent labour market entry cohort, started to work in this class in Cyprus, Greece, Italy, Malta, Portugal an Spain. For the former socialist countries, the increase is more modest, and any substantial change can be observed only for the period after the collapse of the communist system. In fact, the routine non-manual class as the first labour market position is the least frequent for the liberal post-socialist countries. For the other employment regimes, no substantial changes emerged in this respect, the share of this class as an entry position varies between 20% and 25%.

A relatively large proportion, between 20% and 27%, of the most recent labour market entry cohort started to work in a job belonging to the routine service class. With the exceptions of the Mediterranean and the social-democratic regimes, the share of this class for European labour market entrants increased substantially over time, but most notably in the last 15 years. The rate of increase was the most pronounced for the liberal and for the two post-socialist employment regimes. However, it should be noted that in these cases entering the labour market as a routine service worker was quite rare for the oldest cohort, which might partly explain the steep rise in the proportion later on. In the case of the social-democratic cluster, the proportion of these jobs was very high even for the oldest labour market entry cohort, which is the main reason for the relative consistency over time.

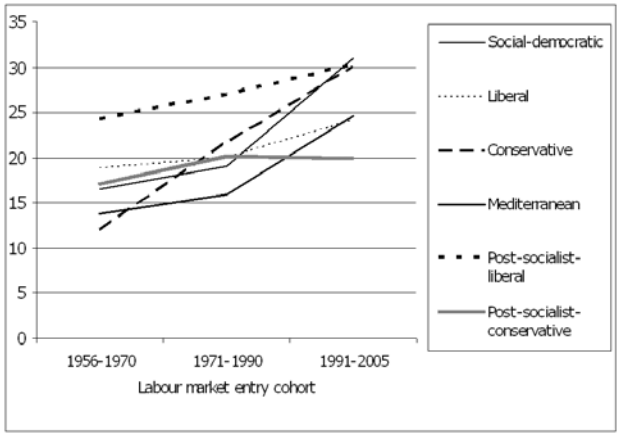
According to the survey data, labour market entry of skilled workers has been decreasing over the past years, with a marked difference in the decline across the country clusters. The most important drop of skilled workers entering the labour market appears in countries based on a conservative labour market regime, from 31% to 14%. The rate at which this decrease takes place proved to be modest for post-socialist countries with a conservative-type labour market regime; in these countries 13% of even the youngest labour market entrants are high-skilled workers.

Moreover, data shows a uniform decline in the proportion of unskilled and agricultural workers across the 25 countries surveyed; however, substantial differences appear across the countries. A relatively strong drop of 11–16 percentage points can be observed for the Mediterranean regime and for the former socialist countries, while the rate only decreased by 5–6 percentage points for the social-democratic, the liberal and the conservative country clusters. Despite a larger decline in the proportion of unskilled and agricultural workers in the former socialist societies, every fifth new labour market entrant finds a job in the unskilled worker's class.

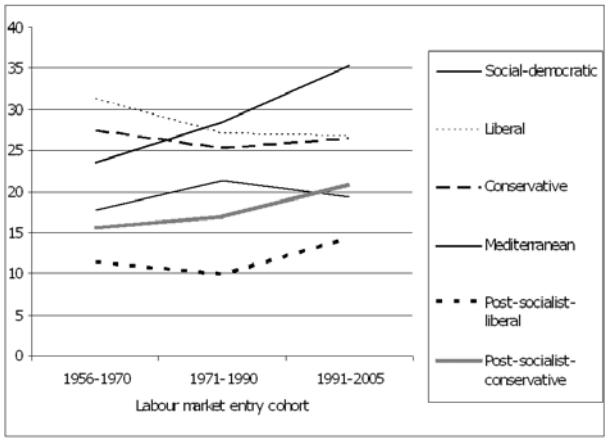
All in all, these findings provide evidence that the occupational structure in the EU Member States is converging, while also revealing obvious class differences in the EU. The convergence is more or less apparent for the routine service, the skilled worker and the unskilled worker class, but practically no changes in this respect show up for the managerial and professional or the routine non-manual class. Undoubtedly, Breen and Luijkx (2004) found stronger empirical evidence in favour of convergence; this, however, might have been a consequence of the different nature of the data and measures they used, and also of the fact that this analysis is based on a more recent survey covering all EU countries, including the NMS.

Figure 2: *Distribution of persons by first occupational category and year of labour market entry, by employment regime (%)*

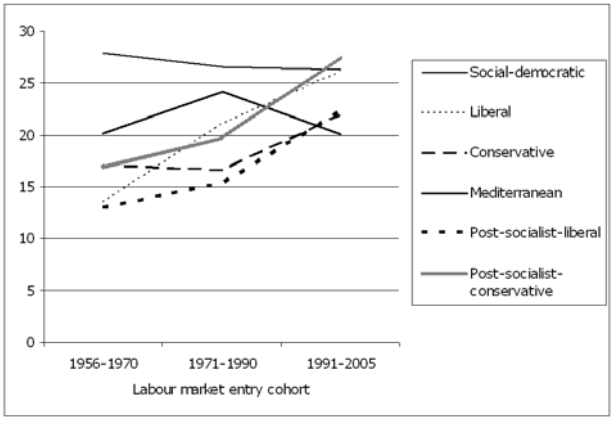
Salariat class (managers, professionals)



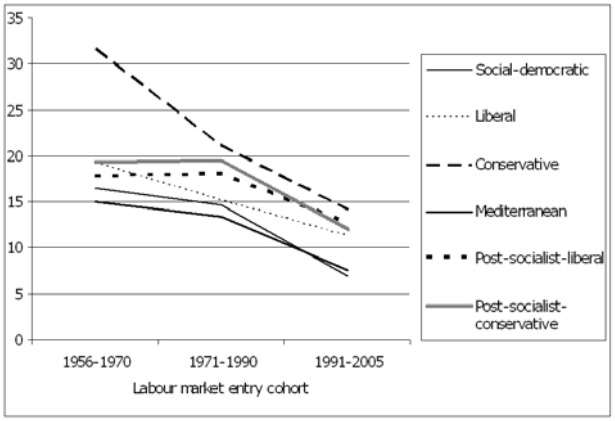
Routine non-manual class (clerical workers)



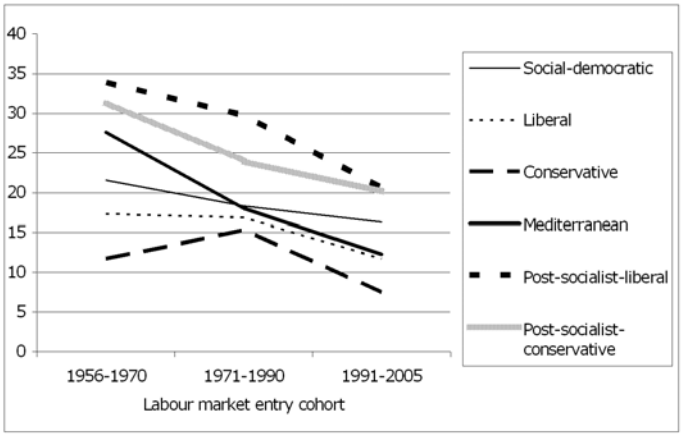
Routine service class



Skilled worker class



Unskilled worker class



Source: *Eurobarometer data, own calculations*

Stability and mobility in the European labour market

3

Measures and methods

In order to investigate occupational category career mobility, two measures were developed, based on the Goldthorpe scheme. This involves distinguishing the different occupational classes: upper salariat, lower salariat, routine non-manual, routine service, skilled worker, unskilled worker and agricultural worker class. The first measure – worklife mobility – compares the labour market entry and the current occupational category position for those who were employed at the time of interview in 2005. The second measure – mid- and late career mobility – departs from the prior position in an occupational category and considers the move into another position at the time of interview. In this case, the sample was restricted to those who 1) had gainful employment at the time of interview in 2005; and 2) had held a minimum of three jobs during their career. The latter restriction is based on the intention of focusing on only the class shifts that occurred in later phases of the career, disregarding the first – labour market entry – class position.[4] For both indicators, upward and downward mobility was defined. Since the occupational scale applied here is non-hierarchical – following the procedure suggested by Breen and Luijkx (2004) –the original class classification was developed into a scheme with contained three broad categories: salariat class (upper and lower); intermediate positions (routine non-manual, routine service and skilled workers); unskilled workers (unskilled industrial and agricultural workers). Every move into a higher category on this three-level occupational category classification is considered to be an upward move and every move into a lower occupational category is considered a downward move.

Besides descriptive statistics, and also in order to get a more in-depth insight into the determinants of occupational career mobility, a multivariate framework is applied. More precisely, multinomial logit regression models for the two kinds of mobility measures were estimated. Three models were developed: 1) for all individuals under the study; 2) only for those who entered the labour market after 1995, or left their previous employer after 1995 (within the past 10 years); 3) only for those who got their first job after 2000, or quit their prior employer after the Millennium (within the past 5 years).

As for the explanatory factors concerned, five groups were differentiated. The first one captures the demographic attributes, including variables on gender and age (birth cohort). The human capital is examined by incorporating work experience, experience squared, educational level, two dummies on study (training) and employment experience in other EU countries. Since information on the educational level can only be captured by an age variable when a person has left full-time schooling, a basic measure is applied which distinguishes three broad categories: low or no education, an average level of education and a high level of education (see Vandenbrande et al for more details). Information on overall employment experience in the Eurobarometer is also inadequate. A variable was therefore included, which is represented by the number of years which elapsed between initial labour market entry and the time of entering the current job. It reflects the duration workers have stayed in the labour market since their first job. The impact of career instability on occupational category mobility is investigated by three indicators. The first indicator is the number of job changes since initial labour market entry. The second one is designed to capture the effect of career discontinuity by the overall number of employment interruptions during working life. The third indicates whether or not prior job change was voluntary.

[4] In fact, another measure was also developed to explore the occupational category mobility pattern in the later stages of working lives, by employing an age-restriction and considering only workers aged 35 years or older at the time of interview as being in their mid and late career stage. But since this line of operationalisation has not led to significantly different findings compared with the results derived from the procedure outlined above, this analysis only includes the statistical evidence of the class shifts that occurred in later phases of the career.

Initial job characteristics are represented by the first or the prior occupational category (depending on the dependent variable of the analysis), distinguishing the following categories: upper salariat, lower salariat, routine non-manual, routine service, skilled worker and unskilled worker class. Information on sector is derived from five dummies for agriculture, industry, public services, other services (trade, communication, business, personal, etc.) and other industries. Since in this analysis one of the major interests is the effect of employment regime, six dummies, distinguishing social-democratic, liberal, conservative, Mediterranean, post-socialist conservative and post-socialist liberal regimes, are included in the statistical models.

Worklife occupational category mobility

Growing employment flexibility, as previously mentioned, is likely to lead to a higher degree of job mobility, but not necessarily to a higher degree of occupational category mobility. Figures 3 and 4 show the distribution of individuals according to their labour market mobility experiences, comparing the first and current occupational positions for each EU country, and for the six employment regimes separately. Generally speaking, it should be emphasised that – in line with the analysis of this hypothesis –occupational category the European labour market shows more stability than change in occupational category positions. Taking the EU average, some 28% of individuals have not changed job at all, while a further 50% have experienced horizontal mobility on the same occupational level, and only 21% have moved upward or downward on the occupational category ladder with respect to their position at labour market entry and their current position.[5]

However, a distinctive picture across employment regimes has been detected. Upward occupational category mobility appears to be greatest for the social-democratic regime. For instance, in Sweden, 27% of people experienced status gain when comparing labour market entry with their current position. This result is in line with the findings of Allmendinger and Hinz (1998), who pointed out that the relatively weak EPL in addition to the generous active measures to sustain employment result in a high rate of (upward) class mobility in these countries. The liberal and the liberal-type post-socialist regimes also exhibit a high upward mobility rate. For example, in the UK, the incidence of upward mobility stands at 21%, and in Estonia, it accounts for 24%. In these employment regimes, the weak EPL and the almost non-existent active labour market policy, combined with the low occupational specificity of the educational system, lead to a relatively rapid labour market entry but at the same time, to a relatively unstable early career (for the UK, see Scherer, 2005; for Estonia, see Kogan and Unt, 2005). The quality of occupational match is therefore low, and positions at the beginning of a work career are transitory in their character, resulting in a rather high occupational mobility in the subsequent phases of employment trajectories.

In line with the findings of Muffels and Luijkx (2006), upward mobility is among the lowest for the conservative employment regime. However, this does not necessarily mean that job-to-job mobility is rare in these countries. For example, in Germany, the incidence of upward mobility lies at 7% only, while 57% of individuals have experienced job mobility at the same hierarchical level. In other words, workers in Germany – and workers of the other countries belonging to this employment regime – tend to change jobs without changing occupational category during their life course. Undoubtedly, this is related to the rather strong EPL, the transfer-oriented labour market policies and the high degree of occupational specificity of the schooling system in these countries, which impede occupational category

[5] It should be noted that the overall rate of vertical class mobility might be underestimated, because possible occupational category shifts within the employment career cannot be considered due to the cross-sectional nature of the Eurbarometer survey data.

moves. Looking at the Mediterranean regime, the upward mobility rate appears to be somewhat higher than in the conservative countries, this is coupled with strong job stability. For instance in Italy – where the relatively strict EPL and the lack of occupational specificity of the educational system result in delayed labour market entry, and where subsequent occupational corrections are difficult (see Scherer, 2005; Bernardi, 2006) – 42% of individuals have not changed job during their work career. In other words, the first positions in the labour market seem to be very stable in these countries, but, if the job is changed at all, the extent of the upward move tends to be substantial.[6]

Upward occupational category mobility is lowest in the conservative-type post-socialist regime. For example, only 8% of currently employed Czech people have experienced status gain during their career. But as with the conservative regime, job changes without any vertical occupational moves are rather frequent in these countries, especially in the Czech Republic and Hungary. Overall – in line with findings on the conservative and Mediterranean regimes – first job stability is quite strong in these countries and, if the job is changed, the occupational category shift at the same hierarchical level is the most prevailing phenomenon. Apparently, this pattern of employment mobility is rooted in the characteristics of the educational system and the labour market policies of these countries. The occupational specificity of the schooling system in this regime is rather high, and it was even higher during the communist period, resulting in a strong link between educational and occupational level, which might impede further occupational category mobility. In addition, the lack of active measures sustaining employment also leads to a lower tendency for occupational category changes.

Finally, it should be stressed that the incidence of downward class mobility during worklife is highest in the two post-socialist regimes while being particularly high in Poland, Latvia and Lithuania. Probably, this is due to the important labour market turbulence in these countries, which was caused by the transition to a free market economy in the early 1990s. During the first phase of transformation, a large proportion of workers were forced to experience downward occupational mobility and, for a substantial part of these workers, this meant being 'trapped' in these disadvantageous positions without any chance of further career development (see Bukodi and Róbert, 2006; Saar and Helemae, 2006).

[6] However, some differences in the extent of job stability exist between the countries with a family-oriented, insider-protected employment regime. In Spain, for instance, the number of persons who experienced job and occupational category mobility is higher than in Italy or Portugal. This might be due to the fact that Spain is the European country with the highest incidence of flexible jobs (Simó et al, 2005); for many young workers, temporary jobs might be either a 'stepping stone' to a better work position or a 'trap' state to an even worse occupational standing at an early stage of their working careers – depending mainly on their human capital resources.

Figure 3: *Distribution of employed persons by worklife occupational category mobility experiences, EU25 (%)*

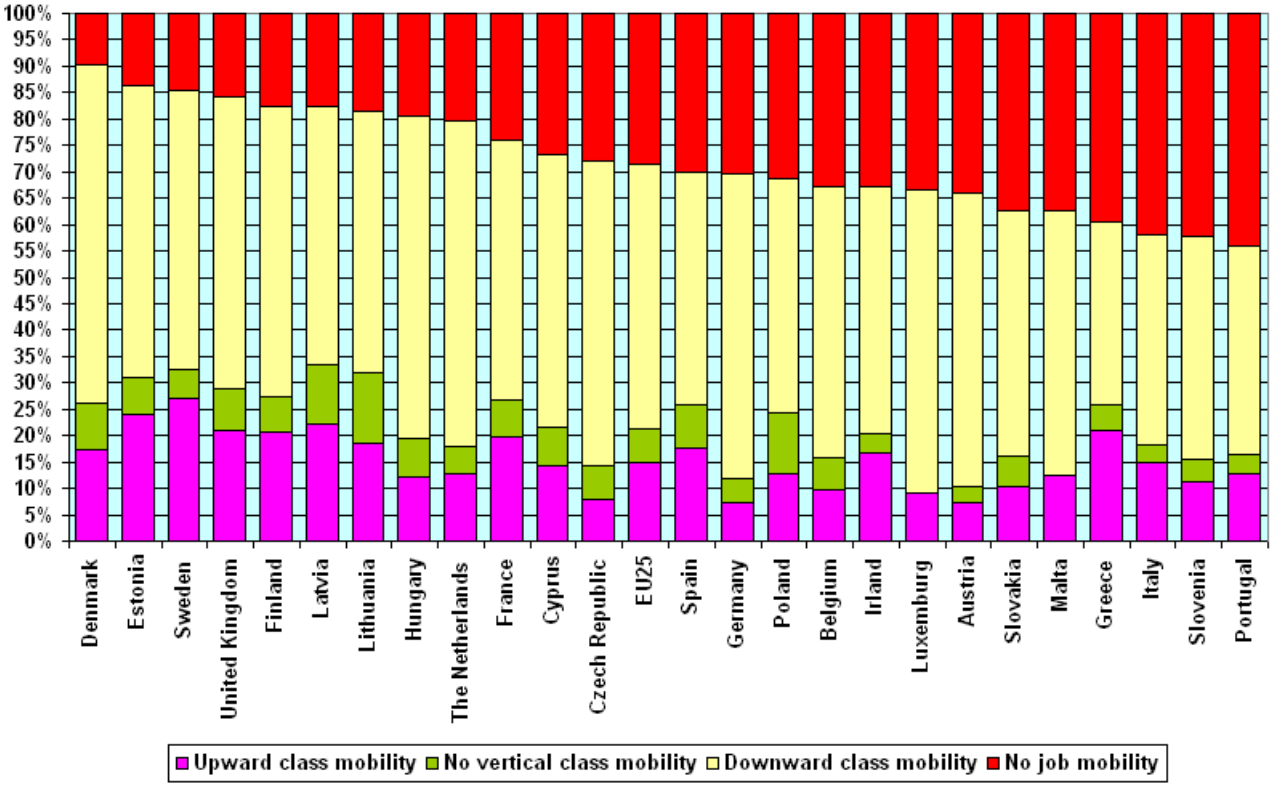
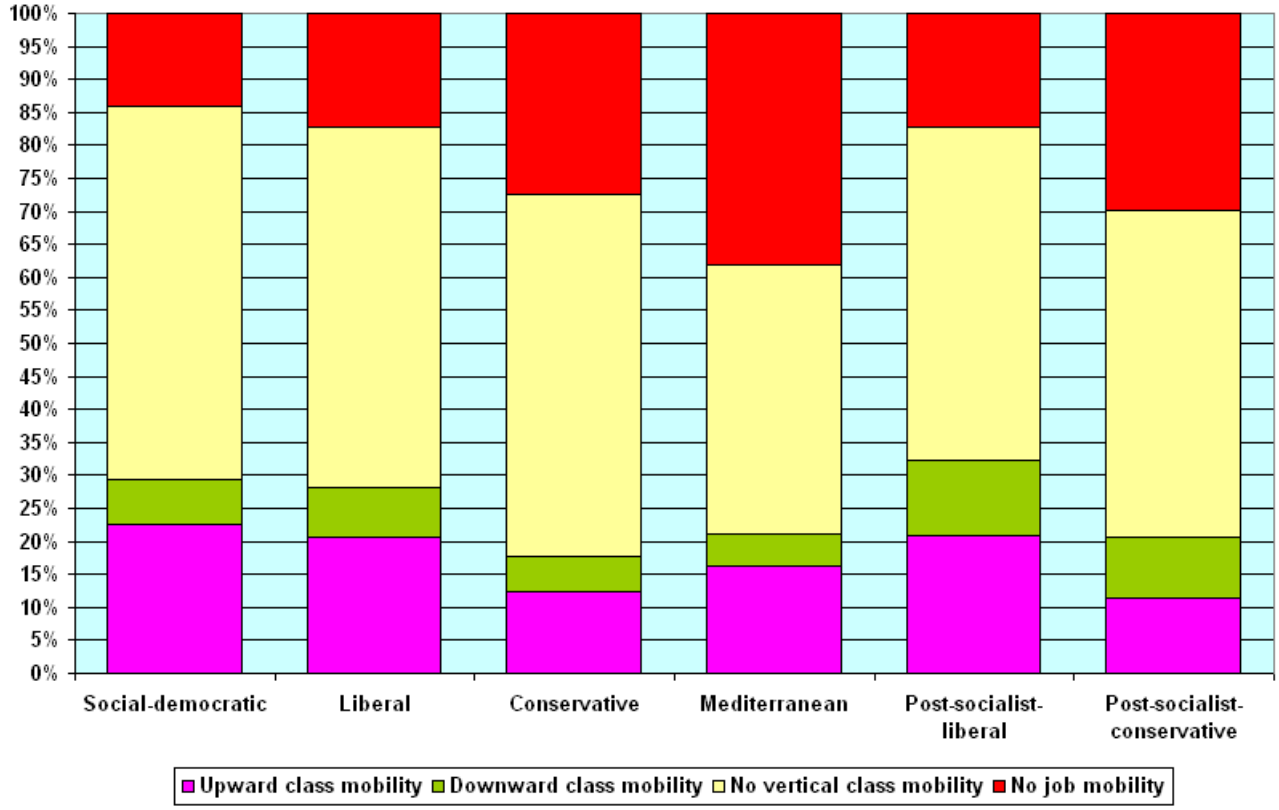


Figure 4: *Distribution of employed persons by worklife occupational category mobility experiences, by employment regime (%)*



Source: *Eurobarometer data, own calculations*

Table 3 outlines the results from a multinomial regression analysis, in which the two occupational mobility categories – horizontal and vertical – form the dependent variable, with those not experiencing any vertical occupational move during their career as reference category. First, it should be emphasised that men are more likely to experience vertical occupational category mobility than are women. With regard to the age effect, in the case of upward mobility, the significant coefficient for the dummy of 15–24 years old indicates that the chance of substantial status gain is less likely at a very young age than at older ages. However, this does not mean that the overall job mobility rate is lower for young people than for more experienced workers. On the contrary, an analysis, which is not shown here, has proved that the odds of job shifts at the same hierarchical level are highest for employees aged 15–24 years, and that this kind of mobility slows down as age increases. According to the results of this analysis, which takes the effects of other explanatory factors into account, the risk of downward class mobility does not depend on the worker's age.

As far as the impact of employment experience is concerned, it partly captures the effect of age, which explains why an inverted U-shaped pattern is found for both mobility types. As employment experience increases, the likelihood of a move in relation to the occupational category rises; however, the negative coefficient for the squared term indicates that beyond some experience threshold, both upward and downward shifts decrease. For upward mobility, the pattern of these effects reflects the increasing human capital value of cumulative work experience, but for downward mobility the positive linear term might be a signal of an age effect.

The variable on education exerts a significant impact on the probability of occupational category mobility. Compared with those who are more highly educated, workers with a low to medium educational level have a decreased chance for further career development, and an increased risk of status loss. For workers who entered the labour market after the mid -1990s, the corresponding coefficients are only slightly significant, due to – at least partly – the small sample size. These results are consistent with the human capital predictions, according to which, the more human capital endowments workers possess – either obtained through formal education or through on-the-job-training – the better the opportunities are to move to a more rewarding job position. The effects of the remaining two indicators in relation to human capital investments – a dummy on study experiences and a variable on prior work experiences in an EU country that is different from the home one – also strengthen the validity of the human capital approach. Namely, formal schooling or other types of training in an EU country increase the probability of upward occupational move and decrease the risk of a downward shift for cohorts who recently entered the labour market. Considering the whole sample of individuals, workers who accumulated employment experience outside of the home country are more likely to move upwards on the occupational ladder than employees without such experience.

The findings for career (in)stability are also striking. Apparently, the more job changes one has, the higher the odds of vertical occupational category mobility. The positive and significant coefficients for the employment interruptions indicate that individuals who exit the labour market a couple of times, such as for family reasons or due to unemployment, are more likely to exhibit downward class mobility than their counterparts without these experiences. This result, again, can be interpreted in light of the human capital approach: career interruptions have a detrimental impact on the overall amount of human capital endowments, which leads to a greater risk of status loss.

As for the class effects, taking the skilled worker category as reference, the chance of moving to a more rewarding occupational position is highest for unskilled industrial and agricultural workers, irrespective of the time of labour market entry. To some extent, this is 'logical' since they are at the bottom end of the occupational hierarchy and are thus exposed to upward mobility with the greatest probability. What is particularly interesting here is the impact of the routine service category on the odds of career improvement. The overall effect is positive and slightly significant, implying that the chance for an upward move from routine sales and service jobs is higher than it is for that from industrial skilled occupations. Moreover, the magnitude of the corresponding coefficients are larger for recent labour market entry cohorts; this indicates that for these individuals – at least for the relatively well-educated among them – routine sales and service

positions have a transitory character and form a 'stepping-stone' to better occupations during the first phase of their employment career.

With regard to the risk of downward shifts, these have proved to be highest for individuals in the lower services and sales class and lowest for those in routine non-manual jobs, at least when considering the overall effects. In addition, it should be emphasised that the so-called retention function (i.e. low level of career occupational mobility) of the upper salariat class is striking, which is in line with Goldthorpe's (2002) prediction referred to in the theoretical section. This means that individuals who entered the labour market in an upper salariat class position are much less likely to experience a downward occupational move during their working lives than those who entered the labour market as skilled workers. Moreover, the magnitude of the coefficient is greater for recent entry cohorts, indicating that the 'retention effect' of the high-ranked managerial, professional and administrative positions has been strengthening.

As for the effect of economic activity, very few coefficients are significant, but the dummies for public services imply that jobs in this sector are rather stable: they exhibit less upward, but simultaneously, less downward mobility, than other sectors.

When looking at the effect of the employment regime, while also taking into account the effects of demographic and human capital factors, as well as the characteristics of the initial occupation, the liberal and liberal-type, post-socialist countries exhibit significantly more upward and downward mobility than other regimes. Nonetheless, it should be noted that upward occupational moves also occur more frequently in the social-democratic regime – being nearly as frequent as they are in the liberal country clusters. In line with the descriptive results, the risk of downward occupational category mobility is highest for the two post-socialist employment regimes, irrespective of the time of labour market entry. As was expected, the odds of any kind of vertical occupational move are lowest in the conservative country groupings.

One of the major interests in this study is to examine the effect of the initial occupational category on the chances of upward mobility and the risk of downward shifts during worklife. Figures 5 and 6 show coefficients from multinomial logistic regression analyses for the effects of the labour market entry class on the probability of upward and downward career mobility, respectively. This is done for each employment regime (with all other variables found in Table 3 controlled for). The most obvious way to interpret the graphs is as follows. If initial class position has no impact on mobility experiences, then all the points for different occupational classes are concentrated around zero, together with that for the reference class of 'skilled workers'. Correspondingly, the more these points are strung out to the right (positive effects), the more difference the initial occupational position makes with regard to the odds of upward or downward mobility. Similarly, the more these points are strung out to the left (negative effects – only in Figure 6), the more the initial occupational position saves individuals from downward mobility.

As can be seen, remarkable regime variations exist in the effect of labour market entry class on the probability of career mobility. For countries with liberal and liberal-type post-socialist employment regimes, the first occupational position does not make much difference – the points are dispersed around zero. Therefore, the chance of status gain and the risk of status loss in these countries are less dependent on the initial occupational class, than they are in countries with other employment regimes. It should be noted, however, that in liberal countries – in contrast to other societies – the probability of moving to a more rewarding occupational category (actually to a salariat class position) appears to be rather high for those who entered the labour market as routine non-manual or routine services workers. It implies that for these workers – or at least for a substantial number of them – these 'middle-ranked' positions serve as a 'bridge' to better jobs. For the rest of the countries, and especially for the conservative-type post-socialist societies, the chance of upward mobility is far greatest for workers in unskilled industrial and agricultural positions. For the majority of these, occupational category mobility represents a 'short-distance' shift, which means that relatively well-educated individuals (for instance with vocational training), who entered the labour market in an unskilled position, have a good chance to

take a 'one-step' upward move. On the other hand, they practically do not have a chance to make a 'long-distance' move, a bigger jump into the managerial and professional class.

With regard to the risk of downward mobility, the 'protective-function' of the routine non-manual class is very strong in all regimes, except the liberal and liberal-type post-socialist countries. In these countries, no class differences exist in the odds of status loss. Moreover, it should be stressed that in the conservative and Mediterranean regimes the lower salariat class positions appear to be quite unstable in the sense that they show a rather high rate of downward mobility.

All in all, the most striking result derived from Figure 5 is that in liberal-type countries the chances and the risks of occupational category moves practically do not depend on initial resources. However, in the insider-protection-type societies resources do indeed make a good deal of difference in subsequent career developments.

Table 3: *Determinants of labour market mobility between first and current job (reference category: no mobility)*

	All employed				**Labour market entry after 1995**				**Labour market entry after 2000**			
	Upward class mobility		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**	
Demographic attributes												
Gender (male=1 female=0)	0.253	*	0.485	**	0.957	**	0.799	**	1.246	+	1.281	+
Age groups												
15–24 years	-0.514	*	0.294		-		-		-		-	
25–39 years	-0.368		-0.104		-		-		-		-	
40–49 years (reference category)	0		0		-		-		-		-	
50–64 years	0.283		0.196		-		-		-		-	
Human capital investments												
Employment experiences	0.120	**	0.125	**	-		-		-		-	
Square of employment experiences	-0.003	**	-0.003	**	-		-		-		-	
Education												
low level	-1.038	**	1.248	**	-0.622		0.963	*	-0.463		..	
average level	-0.899	**	0.877	**	-0.767	**	0.412	+	-0.592		1.192	
high level (reference category)	0		0		0		0		0		0	
Studying in another EU country	.087		-.032		.252		-1.106	*	1.46	*	-2.224	+
Work experience in another EU country	0.673	*	-0.166		0.331		-0.786		0.347		-1.081	

Table 3: *Determinants of labour market mobility between first and current job (reference category: no mobility)(cont'd)*

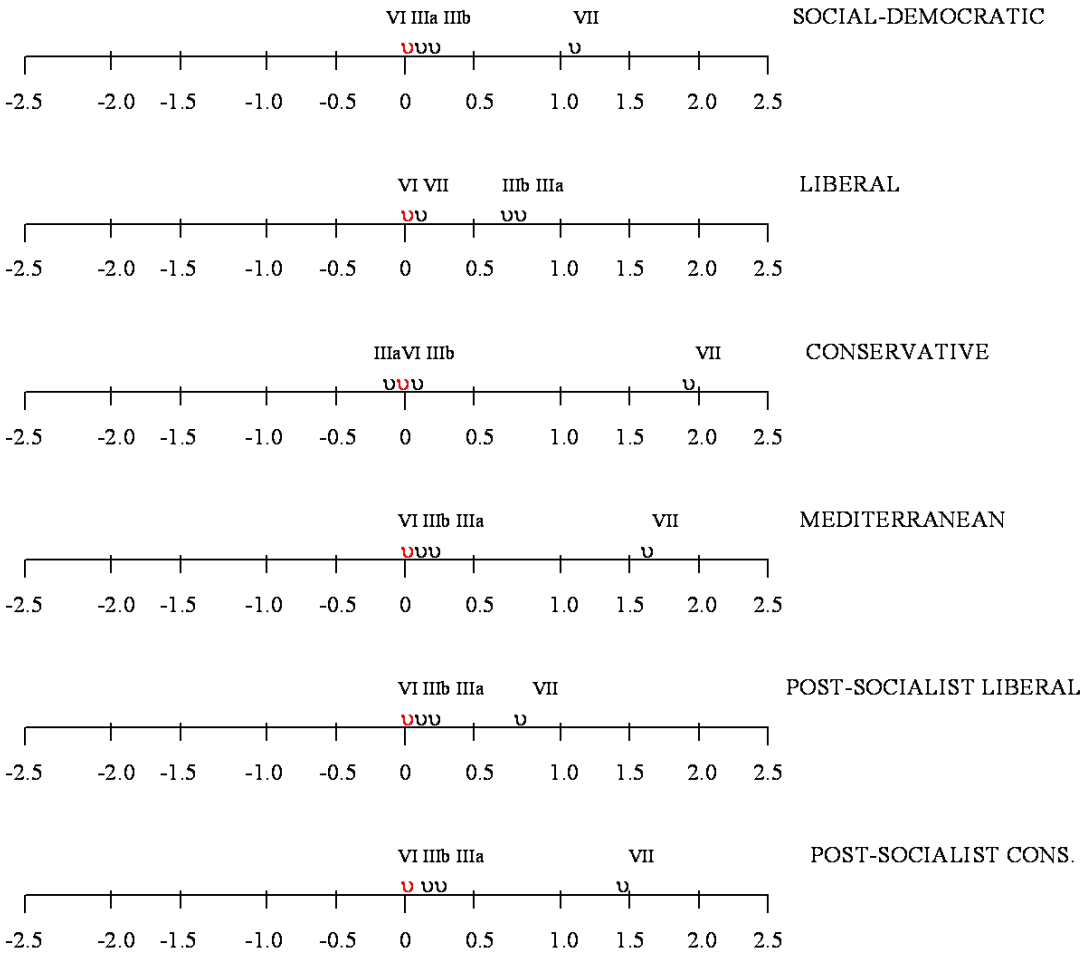
	All employed				Labour market entry after 1995				Labour market entry after 2000			
	Upward class mobility		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**	
Career instability												
Number of labour market interruptions	-0.051		0.141	**	-0.088		0.287	**	0.012		0.436	
Number of job changes	0.115	**	0.079	**	0.202	**	0.234	**	0.398	**	0.340	*
First job characteristics												
Occupational class												
upper salariat	-		-0.172		-		-2.005	*	-		-.770	+
lower salariat	-		0.948	**	-		0.996	*	-		2.399	*
routine non-manual	0.493	*	-1.393	**	0.352		-0.982	*	1.005		1.082	
routine service	0.394	+	-0.126		0.805	*	0.409		2.312	*	1.612	
skilled workers (reference category)	0		0		0		0		0		0	
unskilled workers	1.738	**	-		1.691	**	-		2.621	**	-	
Sector												
agriculture	-0.453		0.469		0.017		1.544		..		..	
industries (reference category)	0		0		0		0		0		0	
public services	-0.295	+	-0.047	+	-0.936	**	0.123		-0.262		0.240	
other services	-0.030		-0.121		-0.321		-0.151		-0.718		0.576	
other	-0.070		-0.016		-0.544		1.067		-0.196		0.042	
Country groupings by employment regime												
Social-democratic	0.717	*	0.386	*	0.473	+	1.171	*	0.475		0.013	
Liberal	0.808	**	0.546	*	0.503	+	1.178		0.581		0.272	
Conservative (reference category)	0		0		0		0		0		0	
Mediterranean	0.360	*	0.018		0.652	+	0.292		0.698		0.401	
Post-socialist liberal	0.803	**	0.822	**	0.467	+	1.175	*	0.010		1.122	+
Post-socialist conservative	-0.011		0.688	**	0.175		10.211	*	0.205		0.485	
Constant	**-2.386**	**	**-4.348**	**	**-3.192**	**	**-4.684**	**	**-4.756**	**	**-6.223**	**
Pseudo-R2	0.22				0.24				0.35			
N	8059				1838				662			

Note: Table shows coefficients of multinomial logistic regression analyses, with

+: **p < 0.10**; *: **p < 0.05**; **: **p< 0.01**.

Source: *Eurobarometer data, own calculations*

Figure 5: *Effects of labour market entry class position on the chance of upward occupational category mobility, by employment regimes relative to belonging to skilled worker class (coefficients)*



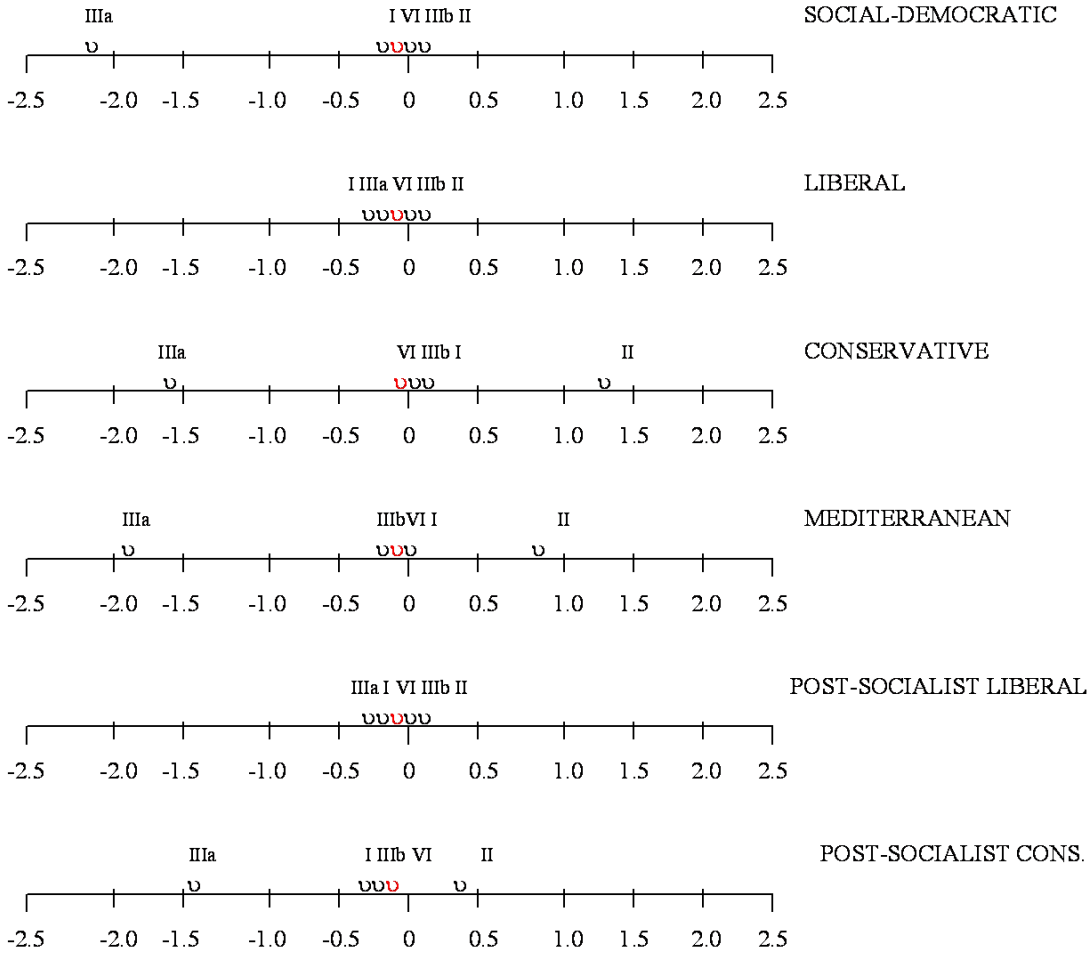
Legend:

I: Upper salariat class	IIIb: Routine services workers
II: Lower salariat class	VI: Skilled workers (reference category)
IIIa: Routine non-manual class	VII: Unskilled industrial and agricultural workers

Note: *Other explanatory variables in the model: see Table 3. Based on the model for all respondents.*

Source: *Eurobarometer data, own calculations*

Figure 6: *Effects of labour market entry class position on the chance of downward occupational category mobility, by employment regimes relative to belonging to skilled worker class (coefficients)*



Legend:

I: Upper salariat class	IIIb: Routine services workers
II: Lower salariat class	VI: Skilled workers (reference category)
IIIa: Routine non-manual class	VII: Unskilled industrial and agricultural workers

Note: *Other explanatory variables in the model: see Table 2. Based on the model for all respondents.*
Source: *Eurobarometer data, own calculations*

Mid and late career occupational category mobility

The previous section focused on worklife occupational mobility, comparing the labour market entry and the current occupational category position for the employed population. This section will investigate the career pattern of more experienced workers, so occupational mobility is examined only for those who have had at least three jobs during their career. The interest of the subsequent analysis is of how the class shifts pan out between the prior and the current employment positions. Figures 7 and 8 show the distribution of employees according to their experiences of occupational category mobility at the mid or late career stage in the different countries and in the different country clusters by employment regime.

First, it should be emphasised that – similarly to worklife mobility – the European labour market exhibits more stability than mobility with respect to occupational category movements of experienced workers. Overall, when prior and current occupational positions were compared, only 23% of employed persons moved vertically. Although, the employment regime variation seems to be less striking than in the case of class mobility over the entire worklife, some important differences have emerged.

The number of established workers who experienced occupational shifts is highest in the two post-socialist regimes and lowest in the conservative countries. For instance, in Poland 31% of employees moved vertically on the occupational hierarchy, while in Germany only 11% of employees did so. However, substantial within-regime differences emerge in the incidence of occupational category mobility. For example, in France 31% of employees experienced vertical occupational moves, which is much higher than the average number of workers of the conservative insider-protection regimes; or in Hungary the proportion of employees having moved vertically on the occupational hierarchy stands at only 20%, which is significantly lower than the average of the conservative-type post-socialist country cluster.

Another remarkable feature of the class career mobility pattern of post-socialist countries is the relatively high downward mobility rate. Undoubtedly, it is the effect of political and economic transformations as mentioned in the previous section. As Bukodi and Róbert (2006), and Saar and Helemae (2006) showed, even the older labour market entry cohorts faced a rather high risk of downward mobility in the early years of the 1990s, and their prospects had not improved substantially by the end of the decade.

Furthermore, it should be stressed that the proportion of individuals with upward mobility experiences is highest in the Mediterranean family-oriented employment regime. This figure is particularly high in Greece (almost 30%) and Portugal (21%). The explanation behind this pattern might be the fact that, although job stability is quite strong in these countries, if the employees change their job, the probability of upward mobility is rather high.

To get deeper insights into the underlying mechanisms of class career mobility of experienced workers in the European labour market, a multivariate statistical framework is employed. Table 4 shows the results from multinomial regression analyses, where the two mobility categories constitute the dependent variable, with those without vertical occupational category mobility experiences as reference category.

Considering the whole sample of employees who had at least three jobs, the odds of upward class mobility are lowest for the youngest workers aged between 15–24 years, and appears to be highest for oldest workers aged between 50–64 years just before retirement age. In the latter case, trying to move upwards on the career ladder might be a strategy to obtain a sufficient level of pension later on. Educational attainment affects significantly the probability of class mobility, irrespective of the number of job changes. The higher the educational level, the greater the chance to experience status gain over the worklife; correspondingly, the lower the level of education, the greater the risk to move downward on the occupational category hierarchy.

Figure 7: *Distribution of employed persons by mid and late career occupational category mobility experiences, EU25 (%)*

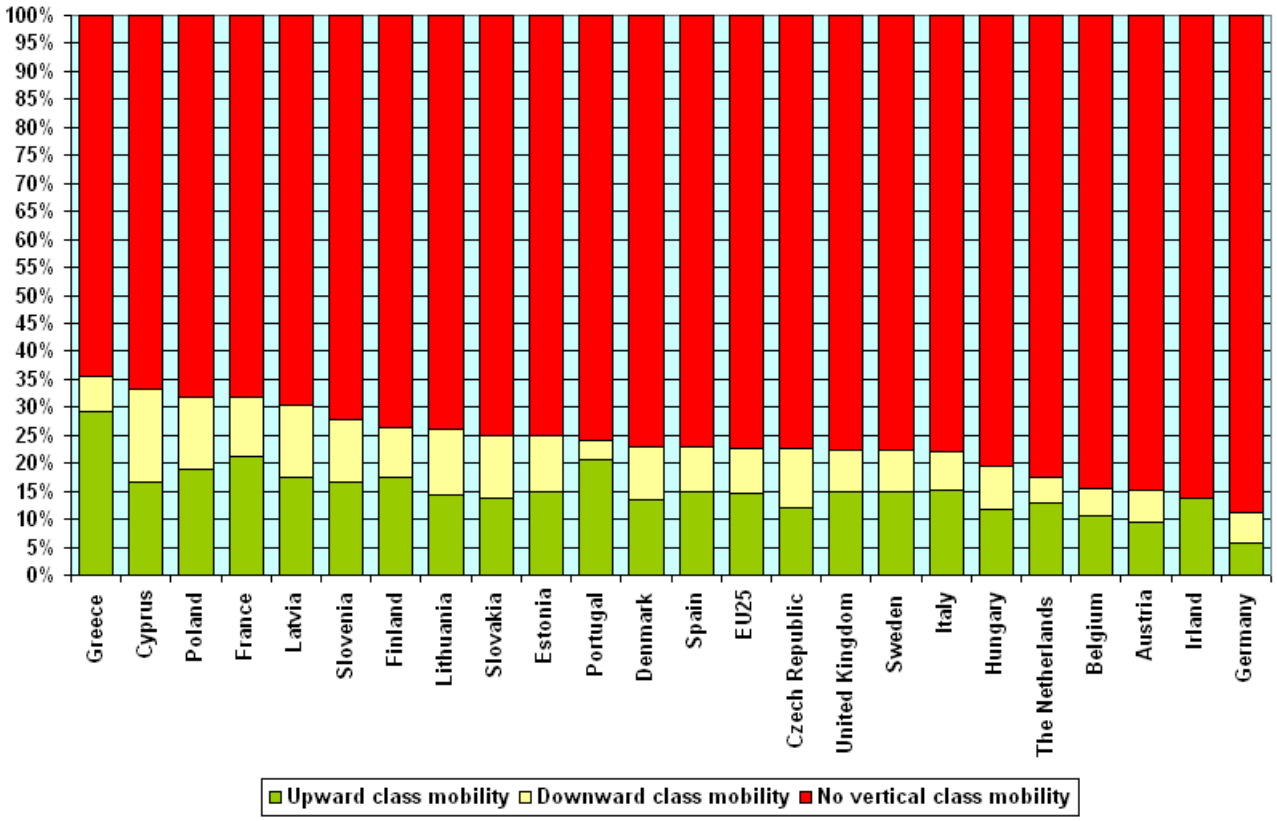
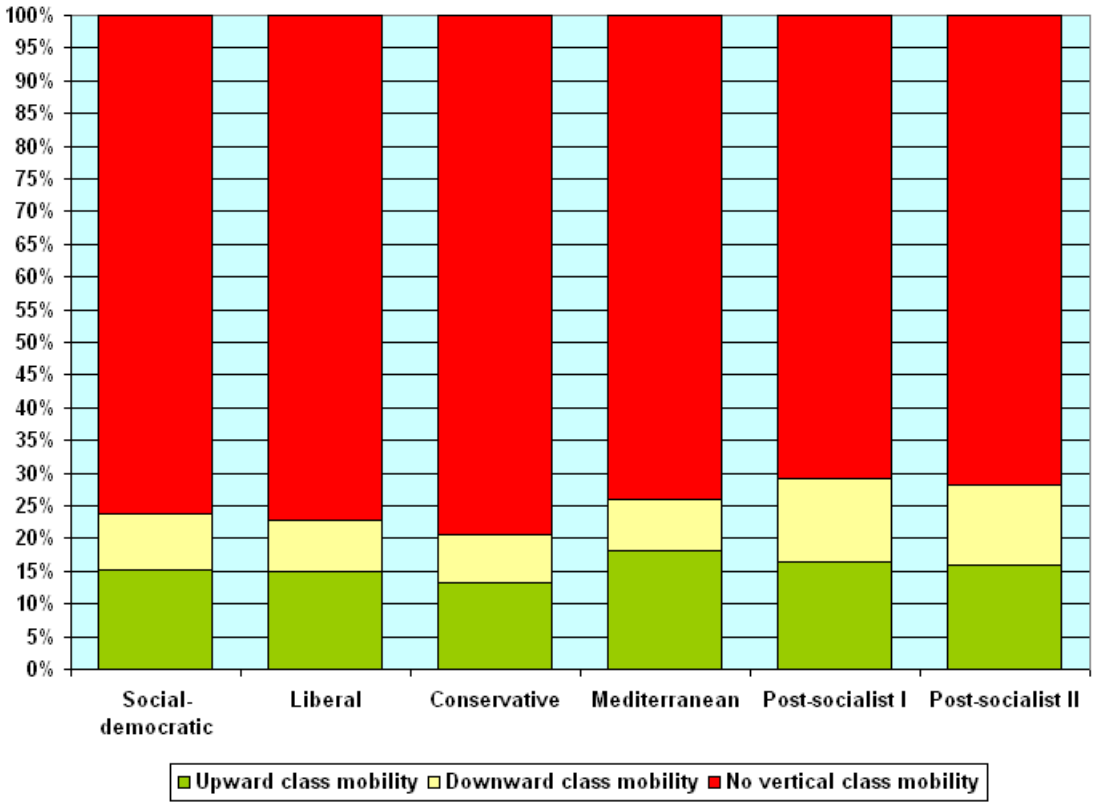


Figure 8: *Distribution of employed persons by mid and late career occupational category mobility experiences, by employment regime (%)*



Source: *Eurobarometer data, own calculations*

Considering the effect of work experience in an EU country other than the home country, the coefficient is slightly significant for those who left their prior employer in the last few years when the employment movements across countries intensified. For these workers, the odds of upward mobility are higher than for workers without such an experience, indicating that it is worth undertaking an employment in a country within the EU, even for relatively experienced employees.

Apparently, the more labour market interruptions there are – as an indicator of career instability, as well as the lack of human capital accumulation – the higher the risk of downward class shift. According to the results, the chance of an upward move is closely linked to voluntary job changes. In other words, if workers are forced to leave their employer involuntary, it has a detrimental effect on the further career development.

With the effect of prior occupational class, the odds of upward shifts are highest for unskilled workers, as was also revealed in the case of worklife mobility. The risk of moving downward on the occupational ladder is greatest for workers of the lower salariat class, independently of when the job change takes place during the worklife. This is also in line with findings on worklife class mobility.

Of particular interest here is the coefficient for individuals of the upper managerial and professional class. The overall effect on downward mobility is non-significant. In other words, for the whole sample of established workers, no difference appears between skilled workers and high-ranked professionals and managers in relation to the probability of status loss. However, for those workers who left their prior employer quite recently – within the last 10 and particularly within the last five years – the corresponding coefficients proved to be strongly significant, indicating that the odds of a downward move from upper salariat positions are rather high for these workers. According to an analysis not highlighted here, this is the prevailing pattern in all employment regimes, except the social-democratic one; the magnitude of the coefficient is largest in the conservative-type post-socialist country cluster. These results seem to contradict the finding of the previous section on the strong 'retention-function' of high-ranked managerial, professional and administrative class positions. A possible explanation for this contradiction might be increasing employment flexibility and therefore greater volatility of the labour market. So even the experienced workers of the upper salariat class, despite occupying in general rather stable jobs, may be forced to change employer and the probability of finding a new job at the same level is rather low. The changing recruitment process to higher professional, administrative and managerial positions can also strengthen this trend. Today, these positions are more often filled by highly-educated school-leavers, who might be more creative, more appropriately skilled for the challenges of new technologies and new management techniques, and who, in this way, 'push-out' their more experienced counterparts from these positions.

As for the effect of economic activity, only dummies for other services covering sales, business and personal services are significant in statistical terms, implying that these branches tend to 'protect' their workers from the risk of status loss.

Turning to the impact of employment regimes, and taking the different attributes of the workers into account as well, the probability of occupational category mobility for the relatively experienced employees appears to be highest in the liberal-type post-socialist country cluster. However, it is interesting that the risk of downward shifts is especially pronounced here, as it is in the other conservative-type post-socialist employment regime. Two additional results are worth emphasising: first, when compared to the conservative and the social-democratic countries, the chance of upward moves proved to be relatively high in the liberal regime. Secondly, in the Mediterranean country cluster, the odds of downward class mobility are rather high for workers who left their previous employer in the last five years. This result is in line with the findings of Simó et al (2006), who – focusing on occupational mobility of men in Spain – identified two groups of experienced workers in this country. The first one consisted of insider mid-career employees, who were highly educated and who also stood relatively good chances of career advancement. The second one consisted of outsiders, who were generally poorly-educated younger mid-career men with a high risk of further occupational status

loss. It can be assumed that this growing 'insider-outsider' cleavage for the relatively experienced workers might be captured in other countries belonging to the Mediterranean employment regime, too.

Following the same analytical strategy as for worklife mobility, Figures 9 and 10 display the coefficients from a set of multinomial regressions for the effect of prior occupational category on the probability of upward and downward mobility, respectively. This is done for each employment regime, and the reading of these figures is the same as described earlier.

With regard to upward mobility, the initial class position matters the least in liberal countries, and matters the most in countries with the conservative-type post-socialist employment regime. In the former case, no significant differences emerge between occupational category categories, while in the latter case, the chance of an upward move is highest for individuals of the unskilled worker class and is also relatively high for employees in the routine non-manual class. Similarly to the findings on worklife mobility, in the conservative and the Mediterranean regimes, the probability of moving upward on the occupational hierarchy is far greatest for individuals of the unskilled worker class.

For downward mobility, the odds of experiencing status loss are generally greatest for mid-career employees in the lower salariat class, except in the liberal and social-democratic countries. The risks of downward shifts are least affected by prior class standing in the liberal regime and are most influenced by it in the conservative and the Mediterranean regimes. In these regimes, the probability of moving downward on class hierarchy is very low for workers of the routine non-manual class.

Table 4: *Determinants of labour market mobility between prior and current job, only for employees who had at least three jobs (reference category: no vertical occupational mobility)*

	All employed				Labour market entry after 1995				Left previous job after 2000			
	Upward class mobility		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**	
Demographic attributes												
Gender (male=1 female=0)	0.0144		0.332		0.026		0.182		-0.050		0.337	
Age groups												
15–24 years	-0.772	*	-0.599		-0.009		0.155		0.0275		0.598	
25–39 years	-0.599		-0.288		0.046		0.207		0.086		0.593	
40–49 years (reference category)	0		0		0		0		0		0	
50–64 years	0.533	+	-0.106		-0.403		-0.104		-1.039		0.212	
Human capital investments												
Employment experiences	-0.038		0.004		-0.049		0.036		-0.024		0.0382	
Square of employment experiences	-0.000		-0.000		0.001		-0.001		-0.024		-0.001	
Education												
low level	-0.873	**	0.796	*	-1.089	**	1.079	*	-0.920	*	1.955	**
average level	-0.718	**	1.044	**	-0.822	**	0.945	**	-0.864	**	1.360	**
high level (reference category)	0		0		0		0		0		0	
Studying in another EU country	0.289		-0.169		0.059		-0.442		0.244		-0.487	

Table 4: *Determinants of labour market mobility between prior and current job, only for employees who had at least three jobs (reference category: no vertical occupational mobility) (cont'd)*

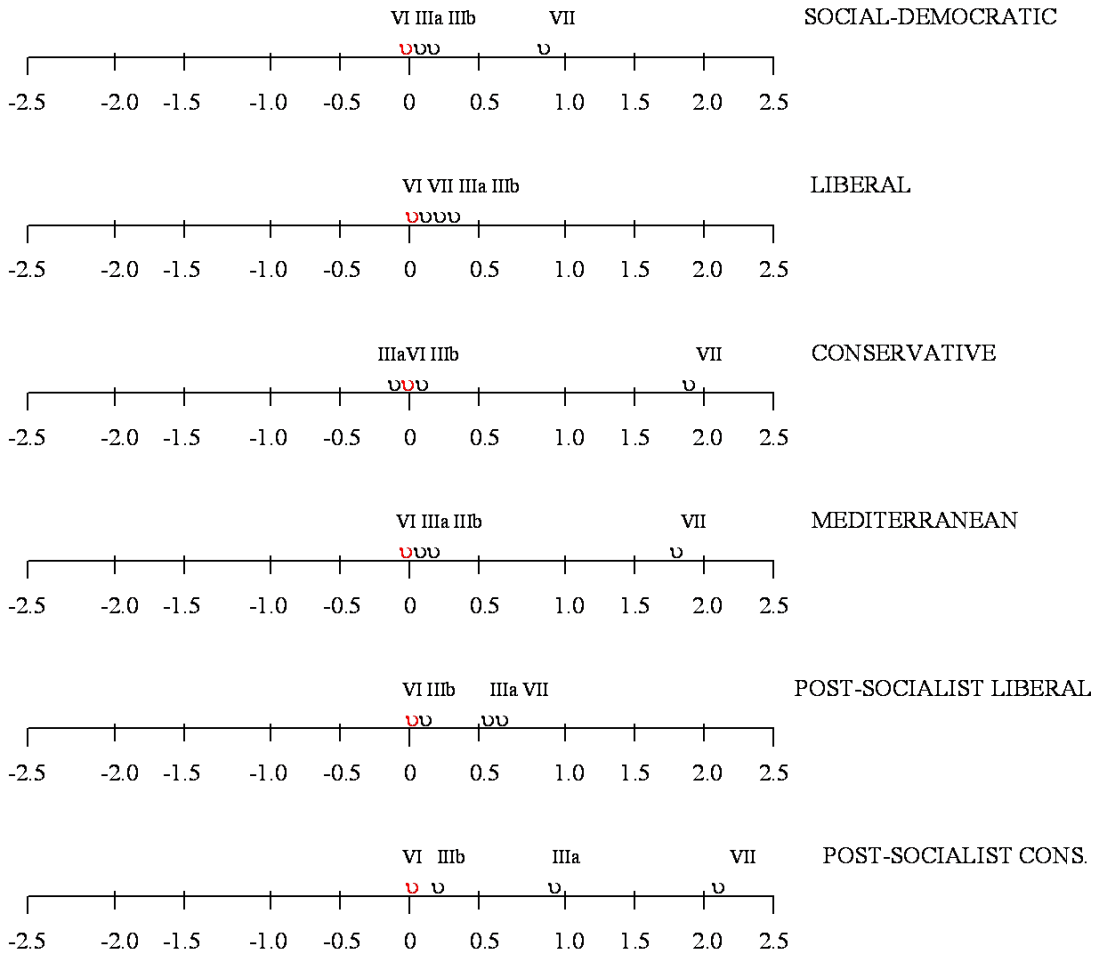
	All employed				Labour market entry after 1995				Left previous job after 2000			
	Upward class mobility		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**		**Upward class mobility**		**Downward class mobility**	
Education (cont'd)												
Work experience in another EU country	0.371		-0.035		0.474		-0.342		0.874	+	0.241	
Career instability												
Number of labour market interruptions	0.055		0.109	*	0.031		0.113	+	0.096		0.026	
Number of job changes	0.032		0.036		0.024		0.027		-0.019		0.013	
Previous job change: voluntary	0.515	**	-0.090		0.645	**	-0.006		0.594	**	0.131	
Prior job characteristics												
Occupational class												
upper salariat	-		0.472		-		1.223	*	-		2.594	**
lower salariat	-		1.154	**	-		1.782	**	-		2.712	**
routine non-manual	0.295		-1.702	**	-0.026		-0.895		0.363		-0.451	
routine service	0.216		-0.204		-0.156		0.268		0.565		0.280	
skilled workers (reference)	0		0		0		0		0		0	
unskilled workers	1.692	**	-		10.380	**	-		10.729	**	-	
Sector												
agriculture	0.351		-0.768		0.568		-1.727		0.371		-1.222	
industries (reference category)	0		0		0		0		0		0	
public services	-0.101		-0.285		-0.062		-0.588		-0.061		-0.225	
other services	-0.013		-0.461	+	-0.094		-0.724	*	-0.409		-0.572	+
other	0.089		-0.576		0.304		-0.539		0.678		-0.359	
Country groupings by employment regime												
Social-democratic	0.085		0.521		0.068		0.287		0.176		0.418	
Liberal	0.536	+	0.171		0.192		0.239		0.284		0.211	
Conservative (reference category)	0		0		0		0		0		0	
Mediterranean	0.181		0.129	*	0.038		0.416		0.099		0.641	+
Post-socialist liberal	0.327	+	0.528	*	0.333	+	0.552	*	0.331		0.722	+
Post-socialist conservative	0.237		0.531		0.221		0.449	+	0.083		0.625	+
Constant	**-1.359**	**	**-2.876**	**	**-1.726**	**	**-3.825**	**	**-2.195**	**	**-4.408**	**
Pseudo-R2	0.20				0.19				0.21			
N	4988				3111				2250			

Note: Table shows coefficients of multinomial logistic regression analyses, with

+: **p < 0.10**, *: **p < 0.05**, **: **p< 0.01**

Source: *Eurobarometer data, own calculations*

Figure 9: *Effects of prior class position on the chance of upward occupational category mobility, by employment regimes relative to belonging to skilled worker class (coefficients)*

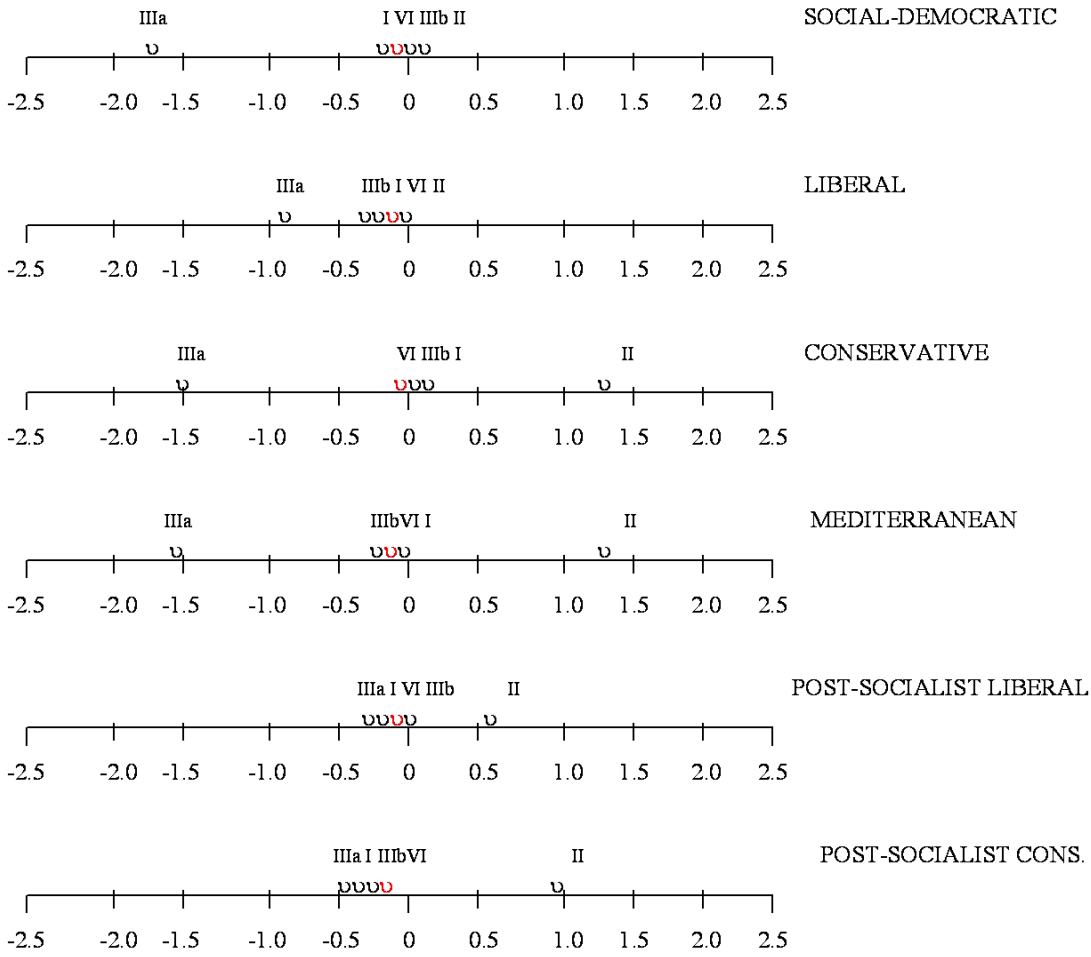


Legend:

I: Upper salariat class	IIIb: Routine services workers
II: Lower salariat class	VI: Skilled workers (reference category)
IIIa: Routine non-manual class	VII: Unskilled industrial and agricultural workers

Note: *Other explanatory variables in the model: see Table 4. Based on the model for all respondents.*
Source: *Eurobarometer data, own calculations*

Figure 10: *Effects of prior class position on the chance of downward occupational category mobility, by employment regimes relative to belonging to skilled worker class (coefficients)*



Legend:

I: Upper salariat class	IIIb: Routine services workers
II: Lower salariat class	VI: Skilled workers (reference category)
IIIa: Routine non-manual class	VII: Unskilled industrial and agricultural workers

Note: *Other explanatory variables in the model: see Table 4. Based on the model for all respondents.*

Source: *Eurobarometer data, own calculations*

Conclusions

Increasing job mobility, as a consequence of globalisation and employment flexibility, is an everyday occurrence of labour forces in the modern societies of the OECD countries. Based on this empirical fact, some theorists propose the so-called individualisation theory. This theory claims that people face similar global risks, influencing their opportunities in life as well as their daily living conditions, regardless of which social class they were born into or belong to. Other theorists, by contrast, argue that social class persists and that class membership has a strong impact on labour market prospects and social circumstances. The descriptive analysis of the Eurobarometer data (Vandenbrande et al, 2006) showed a large degree of job mobility throughout Europe. 'A job for life' – even if it still exists – characterises only a minority of workers in the EU25. Moreover, the majority of the respondents also agreed that the incidence of workers staying in the same job for most of their working life is gradually disappearing. Job mobility and being mobile in the labour market is a typical feature of current times.

This research aimed at investigating how this high level of observed job mobility relates to social stratification and social class. An obvious assumption would be that intensifying employment mobility has weakened social inequalities across a wide range of life prospects, and social class has become increasingly less meaningful for people in their daily lives. It was with this in mind that the main research question was developed, thus asking whether the increase of job mobility has led to a growing class mobility as well. Or perhaps class remains, despite the gradual disappearance of the 'job for life' phenomenon. To quote Goldthorpe, perhaps class is a 'lifetime experience' for people in the EU25. Apparently, this latter approach investigates social stratification with 'classical' devices, namely, it regards occupation and employment relationship as the major indicators for social standing and class position.

Following this 'traditional' line of research, the question of how a worker's first job and occupational class determines future career opportunities was considered. A large body of previous research on the labour market entry process proved, on the one hand, that educational investments strongly influence the chances of finding a good job. However, on the other hand, it is evident from these prior studies that the match between education and job varies to a great extent for individuals living in different countries. This has to do with a number of factors, but most especially it is due to institutional differences in the school system and labour market policies. As a result, many individuals start their working careers in non-optimal jobs, which do not accurately reflect their educational level, and/or which have unfavourable attributes such as bad working conditions, temporary employment contracts, a low level of work autonomy and low remuneration. The major question, which young people have to face in modern societies, is whether these types of jobs remain a 'trap' or become a 'bridge', i.e. a stepping-stone leading to better jobs in the future. The 'trap versus bridge' problem is not only restricted to job stability or job mobility, but also to the odds of changing occupational category position. Therefore, the research interest focuses on the factors influencing possible changes of occupational category position, keeping the 'trap versus bridge' problem in mind.

The policy relevance of this research issue is apparent. The Lisbon agenda of the European Union gives high priority to decreasing the inequalities in social chances and life prospects. One element of this social problem is whether or not people are able to move from their disadvantageous class position to a more rewarding one; in other words, whether or not people can climb up the social ladder during their work career.

This analysis first provides a descriptive overview of the EU25 from a class perspective, combined with a look at the changes in class distribution. The research questions were subsequently addressed. First, investigating worklife mobility, and comparing class position between labour market entry and current job were looked at. Secondly, exploring mid and late career mobility patterns, while comparing the prior and the recent occupational category held by individuals, were discussed. The statistical analyses focused on the odds of upward and downward mobility in these respects.

Since it can be concluded that – in addition to personal characteristics, such as gender, age and human capital investments – institutional settings play a significant role in shaping occupational category career mobility chances and

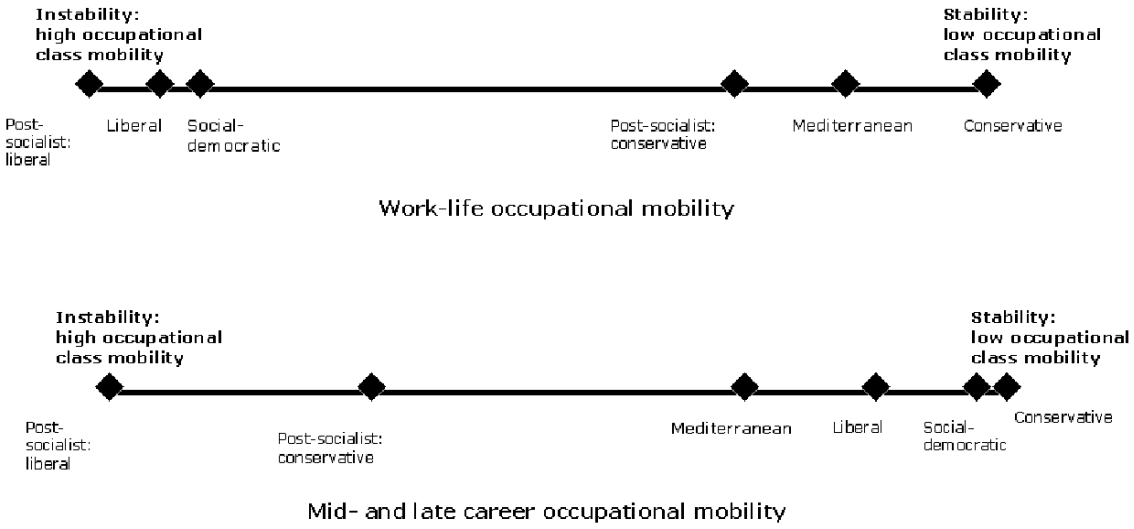
risks, a country typology was developed based on suggestions by Esping-Andersen. The extent of labour market flexibility (the strictness of EPL), the attributes of policies sustaining employment, as well as the relationship between the educational system and the labour market institutions, all provided an appropriate theoretical framework for developing the original typology further, adding two new categories for the post-socialist countries to the scheme. In this way, it was possible to distinguish six employment regimes: social-democratic, liberal, conservative, Mediterranean, post-socialist liberal and post-socialist conservative. The main findings of the analysis can be summarised as follows.

In the class structure of the EU25 societies, indeed, some similarities exist, but there are also certain tendencies towards convergence: agricultural and to some extent unskilled labour have declined, while different types (upper, lower or routine) of salariat and service class have been expanding in all countries. Nevertheless, meaningful regime differences occur as well. The service society and service employment relationship (as defined by Goldthorpe) are more developed in the social-democratic regime, but less pronounced in the post-socialist countries, especially in the conservative-type, post-socialist countries, where industrial classes and labour contracts (also proposed by Goldthorpe) persist to a higher degree even 15 years after the collapse of communism.

Descriptive results clearly show that – despite the large degree of job mobility – class relations still remain rigid in the European labour market. From a worklife mobility perspective, only 21% of workers in the EU25 have changed their class position since entering the labour market. The majority of job changes took place within the same social class, and probably did not reflect any upward or downward move for the individuals in a broader social context. The same holds true for mid- and late career mobility. In this case, the data show that 23% of the more experienced employees moved upwards or downwards in terms of class position, when their prior and current class positions were compared. Consequently, it can be concluded that class remains a ‘lifetime experience’ for the majority of EU citizens. Increasing job mobility reflects the changes in globalising labour markets much more than it acts as a channel for equalising social chances and risks at class levels.

This research underlines, that in spite of the relatively strong class persistence during the working life, occupational mobility patterns appear to be widely different across countries and across employment regimes (Figure 11). In terms of moving up or down the social ladder, from a life course perspective, the liberal-type post-socialist, the liberal and the social-democratic employment regimes show the largest volatility. It should also be highlighted that occupational mobility is dominated mostly by upward class shifts, suggesting that these regimes perform quite well with respect to ensuring career advancement for their citizens, a ‘stepping-stone’ to more rewarding social positions, especially in the first phase of the employment career. Ooccupational category stability is extremely important in the conservative regime, indicating that for insiders, who have already achieved an established position in the labour market, job security is particularly high, but for outsiders (for instance for school leavers with a moderate amount of human capital) to achieve a ‘normal’, ‘career-type’ class position might be increasingly difficult and, probably, takes an increasing amount of time. Apparently, nations in the conservative regime perform quite well regarding an efficient matching of school-leavers to labour market entry jobs. This is undoubtedly due to the high vocational specificity of their educational training systems. At the same time, the relatively strong employment protection regulation in these countries (depicting a low level of flexibility in the labour market), as well as their generous policy measures to sustain employment, hinder further class mobility; these measures can be beneficial for insiders, but allow outsiders fewer possibilities regarding social chances and life prospects in the broader sense.

Figure 11: *Continuum of occupational category mobility, by employment regimes*



With regard to the Mediterranean regime countries, the most important characteristic to be emphasised is the very high level of job stability. But if a job shift occurs, in most cases it is attached to upward moves in the class hierarchy. In other words, in the conservative-type employment regime, class stability is the prevailing phenomenon, while in the family-oriented Mediterranean regime, job stability is more prominent. Concerning the conservative-type, post-socialist system (which is more or less true for those former socialist countries currently applying more liberal economic policies), the extent of worklife downward mobility appeared to be somewhat higher than in western societies. The explanation for this pattern is straightforward: during the first phase of economic transformation, a large proportion of workers were forced to experience downward occupational mobility, and for a substantial part of them this meant a 'trap', leaving them stuck in these positions with limited chances for career advancement. Moreover, any policy measures to sustain employment do nothing to counteract this 'entrapment'.

For mid- and late career mobility, the impact of the political and economic transformation in the former socialist countries is markedly pronounced. The survey data reveal more class mobility, especially with regard to downward moves, in these societies. However, the high volatility is also due to upward moves, which can partly be explained by the fact that these NMS experienced a stronger transformation into a post-industrial economic structure – since their economy is still over-industrialised – leading for example to an increase of lower salariat or routine service class employment.

Similarly to worklife mobility, individuals in the conservative regime seem to be the least occupationally mobile. For the Mediterranean countries, an ever-growing insider–outsider division can be predicted, even for relatively experienced workers, where well-educated insiders have relatively good chances to move up the career ladder. But for poorly-educated individuals in temporary employment, or in other types of occasional jobs, the chances of upward occupational mobility are limited. Moreover, the risk of a further loss of career status is relatively high for these workers. Social-democratic and liberal countries form special clusters because worklife class mobility is high, but mid- and late career mobility is low, indicating that the majority of class shifts occur during the first phase of the career. In this case, when workers achieve an established employment position, it becomes 'a lifetime experience' for these people.

The statistical analysis of this survey proved that some explanatory factors clearly define the chances and the risks of class mobility. In this regard, one of the most important factors is the initial (first) class position. Again, in line with Goldthorpe's arguments, upper salariat class (high-ranked managerial and professional positions) has a strong and

strengthening 'retention function' in the European labour market, referring to the fact that the risk of downward mobility from this position is rather low. At least in part, this is a consequence of the changing recruitment policies applied by employers, who try to fill the high professional, administrative and managerial vacancies more often directly with highly-qualified school leavers, who are very familiar with the new technologies and new managerial techniques. It is also important to emphasise that for younger workers, routine service jobs serve as a 'stepping-stone' to a higher occupational status to an ever-increasing extent. Of course, the chance of upward mobility from these positions largely depends on the individual's human capital: the more skills and experience a worker possesses in terms of formal education and different forms of employment experiences, including especially those in another EU country, the higher the probability of an upward shift in job status.

According to the researchers, some policy lessons can be drawn from the report's analysis. Based on the survey results, it is apparent that the early career mobility pattern plays a crucial role in shaping subsequent employment chances, since a substantial part of the occupational shifts occurs among workers at a relatively young age. Obviously, strong(er) EPL, less employment flexibility and the transfer-oriented labour market policies in the countries of the conservative regime, decrease the incidence of occupational category career mobility. The high degree of vocational specificity of the schooling system leading to a better match of young school leavers to labour market entry jobs contributes to this outcome. At the same time, unfavourable labour market entry, or the mismatch between the qualifications of young workers and the initial employment status might lead to a persistent 'trap' in disadvantageous positions in the other types of insider–outsider regimes. This is more often the case in the Mediterranean or the post-socialist conservative regimes than it is in the liberal and post-socialist liberal countries with a more flexible labour market and weaker EPL. More generous active employment policies, like those in the social-democratic regime, or the educational system with a lower degree of vocational specificity, contribute to a higher rate of class career mobility, which often serves as a 'bridge' to some of the more privileged classes. This highlights the special importance of the labour market entry process and its impact on workers' chances of moving on from 'trap' positions, and generally on pursuing further career developments.

Overall, the main lesson that can be drawn from this analysis both for policymakers and for scholars in the field is the relevance of the social class approach in exploring the association between labour market mobility and social stratification. It is apparent from the research that economic and social consequences of intensifying labour market flexibility and increasing labour market volatility can be most adequately explained and interpreted in terms of occupational class, as it is conceived here.

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